

Ars Electronica Linz GmbH:

# Healthy Bottom Line in 2013; Adjustments in 2014-15

Museum and Festival achieve attendance growth; Prix entries set a new record; for-profit divisions yield €850,000; the final renovation loan payment will leave Ars Electronica debt-free; 2014-15 agenda: adjustments and simultaneous strengthening of core competencies

(Linz, October 24, 2013) "Our 2013 results are looking very good indeed," Gerfried Stocker and Diethard Schwarzmair, Ars Electronica Linz GmbH's executive officers, announced today. They cited a long list of activities in Austria and abroad, outstanding reception of them by the public, high-profile media coverage worldwide and full order books in the projects & commissions divisions. Ars Electronica Linz GmbH thus continues on the successful course it set during Linz's stint as European Capital of Culture in 2009. Remittance of the final installment on the loan used to finance the Center's expansion for that momentous year will round out a successful 2013 with Ars Electronica debt-free.

### Ars Electronica Center #1 in Upper Austria by a Wide Margin

Since Ars Electronica was founded 34 years ago, the City of Linz has been the site of an ongoing encounter with digital culture—creative trailblazing that is truly unique worldwide. The crowning achievement of this success was undoubtedly the debut of the expanded Ars Electronica Center on January 1, 2009. And by 2010—thus only one year after Linz served as European Capital of Culture—the brand-new Museum of the Future had already established itself as attendance leader among Upper Austrian museums. The facility has had 126,301 visitors as of October 20, 2013, which represents a 1.7% increase over the corresponding period in the prior year. Factoring in the 22,555 guests catered to by the AEC's in-house event service yields an impressive 5.7% increase. Playing a major role in these outstanding attendance figures is the extensive educational program designed for school-age youngsters; 2,695 groups (about 35,000 pupils) took advantage of these offerings during the 2012-13 school year, a 6.1% increase. The museum does a great overall job mediating guests' encounters with content and optimizing their experience—both guided tour groups as well as individual visitors.

#### Worldwide Attention Focused on the Festival and Prix

Ars Electronica's two other public service divisions, the Festival and the Prix, were likewise much in demand. The 2013 Festival—themed as "TOTAL RECALL – The Evolution of Memory"—achieved a first: a pre-conclave recommendation in the New York Times' Science section. High praise indeed, but also strong testimony to the esteem accorded worldwide to the AEC's prototypical dovetailing of art and science. Same goes for the Prix Ars Electronica: the 4,071 entries submitted for prize consideration in 2012-13 set a new record.



#### For-Profit Divisions

It's been a very successful year in Ars Electronica's for-profit divisions as well: EXPORT, Ars Electronica Center's event service, Futurelab and AE Solutions, the startup that's already making outstanding things happen in only its second year of existence: about €2.5 million in revenues and a profit of €300,000. This division's management aims to double that profit by 2016.

### Financing Commitment and Solidly Based Planning for 2014 and 2015

Ars Electronica is a wholly owned subsidiary of the City of Linz. The outcome of the latest budget negotiations is an annual subsidy of  $\le$ 4.72 million for both 2014 and 2015. Of this sum, basis financing amounts to  $\le$ 4.06 million, a slight increase over the past two years (2011:  $\le$ 3.87 million; 2012:  $\le$ 3.91 million) and a sharp drop compared to  $\le$ 4.8 million/year in 2009-11.

In addition to this basis financing, the agreement calls for an investment grant of €250,000 and a rent allowance of €414,800. The Province of Upper Austria provides an additional €1.1 million each year. In stark contrast to other Austrian museums, Ars Electronica receives no federal co-financing of its everyday operations and investments—the sole exception is a grant for the Festival. The City of Linz's financial commitment enables Ars Electronica to do solid intermediate-term planning to carry out necessary structural and operational adjustments and to assure the facility's future stability.

## Adjustments without Cutting Quality

To take economic framework conditions into account and to assure the continued success of Ars Electronica's mission, management is implementing internal adjustment processes designed to optimize the range of services provided while simultaneously maintaining and enhancing core competencies and—put in retailing parlance—Ars Electronica's unique selling propositions.

Accordingly, the process of mediating visitors' encounters with exhibition content will be more selective and sharply focused in the future. In concrete terms, this means programs and exhibitions clustered in individually themed packages, coordinated with respect to timing, and oriented on specific target groups. "Considering the fact that visitors now need approximately six hours to see everything on display in the Ars Electronica Center, we've decided to bundle our offerings more effectively and not constantly exhibit all we have," stated Artistic Director Gerfried Stocker. "This enables us to deploy our resources more efficiently and, at the same time, to deliver the experience our visitors have come for and the same high quality that's come to be associated with Ars Electronica." Thus, themed packages will be designed to get across the essence of the AEC's extensive exhibition offerings. The museum's opening hours remain unchanged (52 hours/week). Human resource measures are



also going into effect, with a more rigorous analysis of needs preceding the filling of future vacancies. Marketing and advertizing outlays are to be reduced slightly.

The Festival and Prix are acknowledged to be the crucial elements of Ars Electronica's global reach and international prestige. In these areas, a sharpening of the program's focus is planned, including compressing the Festival's run from five days to four and strengthening its orientation as a platform for partners in art and culture, science and the private sector. The CREATE YOUR WORLD festival for young people launched three years ago has been a successful endeavor that deserves to be carried on.

Ars Electronica Center: <a href="http://www.aec.at/news/en/">http://www.aec.at/news/en/</a>