



**Written Testimony in Support of FY2011 Appropriations for
The National Endowment for the Arts**
Submitted by Charles Segars, CEO, Ovation
House Appropriations Subcommittee on Interior, Environment & Related Agencies
“Arts Serving Communities”
April 13, 2010

Chairman Moran and Members of the Subcommittee, thank you for the opportunity to speak to you today. I’m honored. My name is Charles Segars and I am CEO of Ovation, the only cable television network devoted to the arts and contemporary culture, and I am here to voice my support for the measure to appropriate \$180 million for the National Endowment for the Arts for Fiscal Year 2011.

From a Business Leader

There are several reasons for me to be here before you today:

First, I believe that a commitment to the arts is the greatest measure of a democracy. And, the size of that commitment reflects the strength of the Union. Our arts are in danger, yet they still are our best way to tell the story of who we are as Americans.

Second, there are over 40 years of research that says the arts and arts education make for a better individual and society as a whole.

Third, I’m here as a representative of the private sector, someone who has made a conscious decision to invest in the arts and knows the investment is a sound one, and I would urge you to do the same.

As the CEO of the nation’s only television network devoted to the arts, I firmly believe that an understanding and appreciation of the arts, and well-developed creative skills are central to the future of America’s workforce development. There is no question that our rapidly evolving global economy demands a dynamic and creative workforce. If we want America to stay competitive, we must invest in the arts to a greater degree.

And as a business leader based in Los Angeles, I am very familiar with the fact that Los Angeles is widely recognized as the driving force behind America’s \$300 billion in cultural exports. This is a city where one in six jobs are directly related to the creative economy....and where creativity is a prized asset and skill set that companies actively seek in their workforce.

The impact of the Creative Economy can be seen in all 50 states and the District of Columbia. From data provided by Dun and Bradstreet we know that nationally there are 668,267 businesses in the U.S. involved in the creation or distribution of the arts, employing 2.9 million people.

- There are arts-related businesses from regions as diverse as Congressman Calvert's, my neighbor back in California, District 44, where there are 1441 arts-related businesses employing 5178 people,
- to Congressman Mollohan's, in West Virginia, where there are 628 arts-related businesses that employ 4113 people,
- to Congressman Price's, in North Carolina, which has 1950 arts related businesses employing 7477 people.

We also know from the 2007 Arts and Economic Prosperity study conducted by Americans for the Arts that, nationally, the nonprofit arts and culture industry generates \$166.2 billion in economic activity every year—\$63.1 billion in spending by organizations and an additional \$103.1 billion in event-related spending by their audiences.

Beyond the Numbers - Arts Ed – Youth at Risk

The numbers speak for themselves to tell the story of why support of the arts is important for business. But I have another compelling reason to be here today – I'm here as someone who believes in the power of the arts to transform the lives of children, especially Youth at Risk.

Over and above being a businessman, I'm a ten-year Los Angeles Reserve Deputy Sheriff, and I'm assigned to some of our most challenged communities in Los Angeles. So I have seen, firsthand, the results of a generation of kids without the arts. And what I can tell you, with complete certainty, is that I have never arrested a kid leaving music class.

- Students who have the arts as part of their curriculum greatly increase their aptitude in literacy, science and math.
- They are far more likely to graduate high school, go to college and secure full-time employment. In the formative years, arts education and related programs reduce absenteeism and dropout rates.
- It greatly enhances complex problem solving, team dynamics and better communication skills.

Arts education is not just about creating the next Jackson Pollack or Tennessee Williams. It is about creating the next generation of doctors and lawyers, contractors and architects, pilots and engineers and countless other professionals. The bottom line is that arts education improves the academic skills essential for language development and accelerates students' motivation to learn.

All of this is magnified in at-risk youth, where the arts greatly help these kids acquire the various competencies necessary to become economically self-sufficient over the long term, rather than becoming a financial strain on their states and communities. Arts-based education has been proven to lower the incidence of crime among general and at-risk populations.

In Los Angeles, where I live, I've signed on to chair a campaign to save arts education in the public schools. The LAUSD, the second largest school district in the country, is under budget

siege and is proposing to eliminate all of the visual and performing arts teachers in their elementary school district, despite having been great supporters of the arts for the last ten years. That will save the school district 3% of their budget. But that 3% savings exacts a terrible price on the other side. The State of California now spends \$200,000 a year for every child that is incarcerated in the California Youth Authority....so \$2 per child for mandatory arts programs in our schools doesn't seem so bad after all, does it?

The arts are positive dollars, and cost effective, as an economic generator, as a critical part of a child's education and ultimately, in building a better society.

So I ask you for your leadership in sustaining arts funding for our federal cultural agencies through these difficult economic times, because what you do here sets the stage for decisions that are made about the arts at the local level. And without adequate funding for the arts, we will be in even bigger trouble than we already are, both socially and economically.

About Ovation

I so passionately believe in the power of the arts and the need for access to the arts for every American that my partners and I invested in the development of Ovation.

Television is, arguably, the most accessible of media, and there was not one television network in this country, with meaningful distribution, devoted to art in all its forms.

When we acquired the network in 2006 it had very limited distribution - 5 million households. With an investment of \$50 million, it has been two and a half years since our launch and Ovation is now in 40 million homes, in every major market, and growing every day.

And in every market that we have distribution, we support local arts education and cultural institutions, providing them with direct support for their programs and free PSA's which air on Ovation.

We have given out over \$5 million in sponsorship grants and in-kind media to date, and we've done it because these institutions are worthy of our investment, and as we all know, the arts are seriously undercapitalized in this country. Without the investment from everyone here, private and public sector included, they would not be able to "serve our communities," help us revitalize our economy or provide us with the transformative experiences that sustain us, make our lives richer, and draw us closer together.

I'm happy to answer any questions you might have.