

SPRINGBOARD
for the arts

WORK OF ART

BUSINESS SKILLS FOR ARTISTS



Springboard for the Arts is an economic and community development organization for artists and by artists. From our offices in Fergus Falls and Saint Paul, MN, Springboard provides programs that help artists make a living and a life, and programs that help communities connect to the creative power of artists. Our work is about creating communities and artists that have a reciprocal relationship, where artists are key contributors to community issues and are visible and valued for the impact they create. We do this work by creating simple, practical solutions and systems to support artists. We share this work nationally via our Creative Exchange platform (www.springboardexchange.org) and by freely sharing our work and creating connections among artists and communities, we work to make substantial, system-wide change. Learn more about our work at: www.springboardforthearts.org.

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WELCOME! This workbook is for you: the artist, the educator, the student, the professional, the community. You're invited to learn and teach from it in any way that fits your needs and goals. You might use this workbook to structure an artistic business that's currently a dream. You might use it to restructure an existing business or figure out how to reach new customers. You might use it to design and tailor a specialized curriculum for the artists in your community. Through this workbook we're sharing our knowledge with you so that you can create your own wisdom for yourself and others. Together, let's help artists make a living and a life.

Helping artists achieve the goals they set for themselves has been at the heart of our work at Springboard for the Arts since 1991. We work with artists of all disciplines and at all stages of art practice and career.

This is what we've learned in the process. Not all of it may work for you at all times, but we hope you'll find some help and advice along the way.

Throughout the units, you'll see "Exercises" and "Homework Assignments." The exercises are intended to be done as you're working through the workbook, and are a quick way to write down ideas and goals. The homework assignments may be longer-term projects that will take more time, require research, or need a buddy to complete, so feel free to come back to them and work at your own pace.

When we first published the Work of Art Toolkit in 2016, our hope was that artists, partners, and communities would take this information and use it in the ways that made the most sense for their artistic practice and community. That hope is still at the heart of the current version of this workbook. We've taken what we've learned from facilitating our own Work of Art workshops using this curriculum and combined it with the feedback we've received from artists and community partners who've used the Toolkit in their own ways. The core information is still the same, and we hope that what we've added and changed amplifies and clarifies that core knowledge.

We're happy to be able to support artists' ability to make a living and a life in this way, and we wish you success as you create new opportunities to support your creative community.

Good luck! - ***Staff of Springboard for the Arts***

For more stories of artists and their impact in communities and additional toolkits and resources, check out: Creative Exchange: www.springboardexchange.org

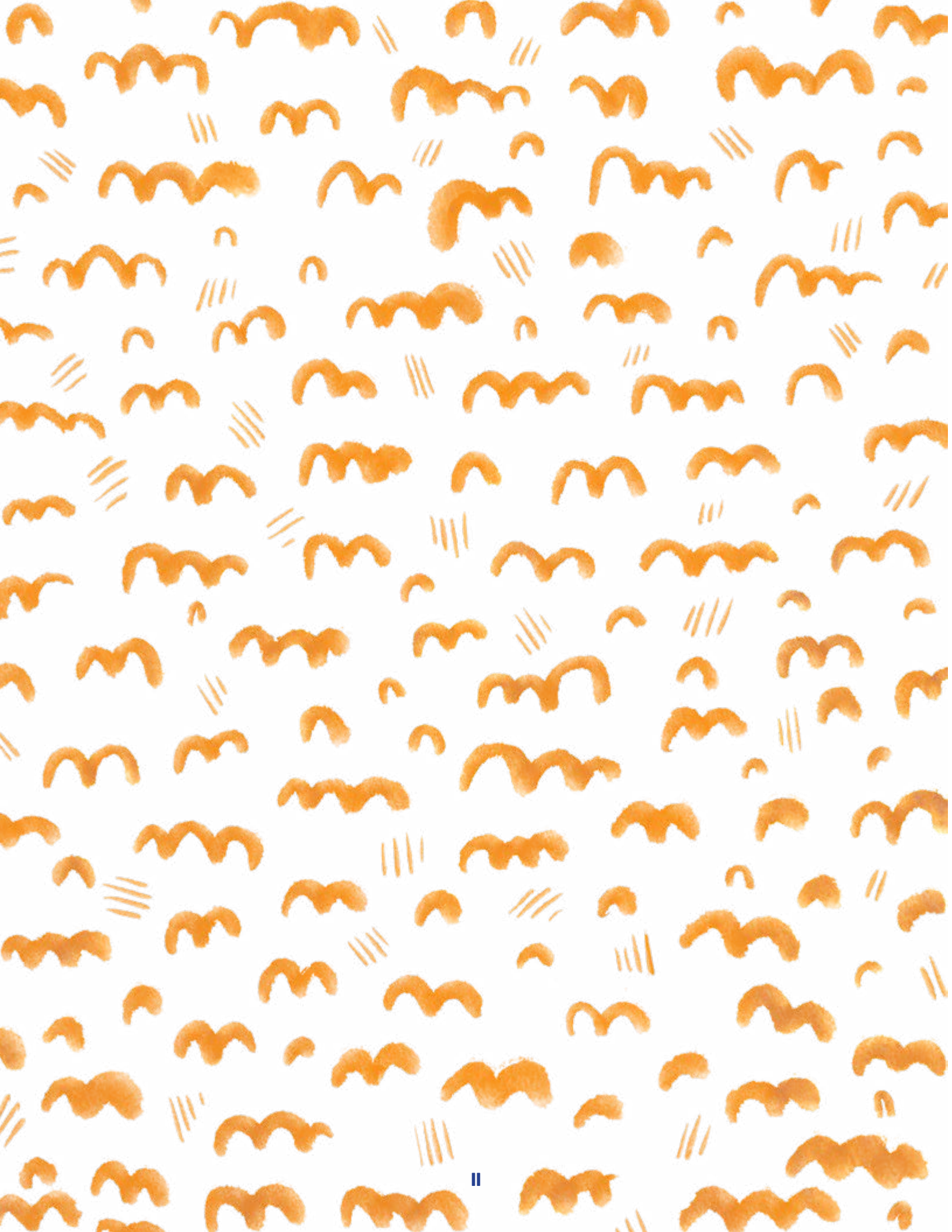
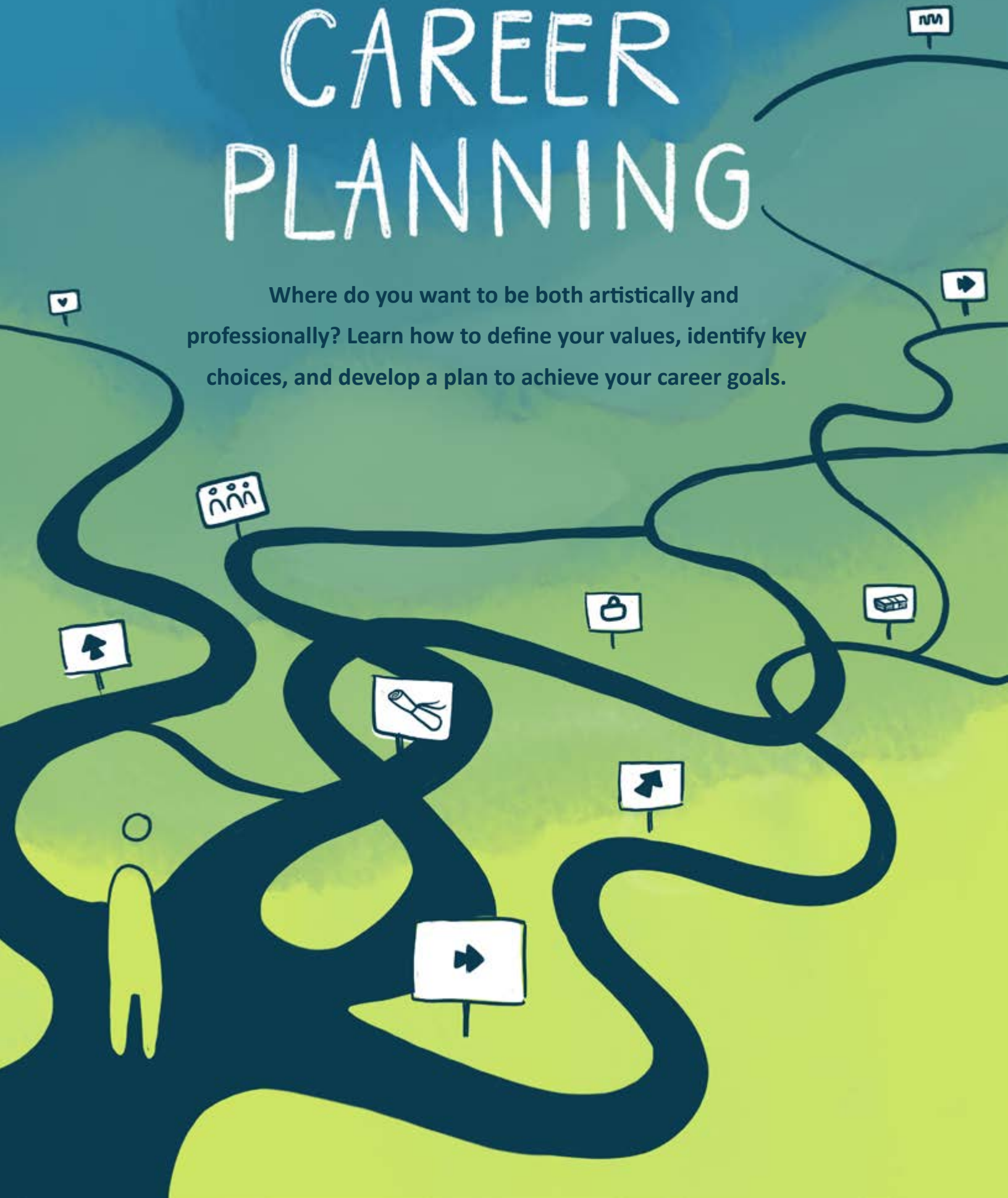


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CAREER PLANNING

Where do you want to be both artistically and professionally? Learn how to define your values, identify key choices, and develop a plan to achieve your career goals.



"I want to share how effective getting organized and career planning is.

August 14th, I set the following goals. I just did my six month check-in and each of these has been achieved. I have delegated a pile of software, web, and social media related tasks to others. This has been huge for my productivity and focus. Since November I have taken one entire day off (meaning no scheduled work related commitments) each week. I set monthly income goals and have hit them the last three months.

And finally, I applied for and was awarded an Artist Career Development grant from the Central MN Arts Board, which supported me in being able to hire some of the above mentioned folks (so I am not doing the work of six people anymore).

Setting goals, breaking them into action steps, WRITING IT DOWN, putting it on your to-do list and holding yourself accountable works. It's hard work, you'll hit roadblocks, but stay focused, remind yourself you're a total bad-ass boss, and it WILL pay off."

– SCARLETTE REVOLVER



DREAMING

EXERCISE 1: YOUR GOLDEN TICKET A.K.A. DEFINING SUCCESS

A: Imagine a perfect day.

B: What is a successful day now?

C: Fill in the goals needed to get from B to D.

D: What is a successful day in the future? Pick a timeline (e.g. 5,10,15 years):

PLANNING

EXERCISE 2: MAJOR GOAL CATEGORIES

Transfer your goals from Row C on page 4 to these categories.

ARTISTIC (e.g. develop new skills, techniques, get into shows, touring)

PROFESSIONAL (e.g. better recordkeeping, networking, branding)

PERSONAL (e.g. studio location, more time with family, get more sleep)



EXERCISE 3: PERSONAL ASSESSMENT

Look at your Artistic, Professional, and Personal goals and map your Assets and Wants in these categories. Mark which of the categories you love (👍) and which you don't (👎). *You don't have to use every box.*

CATEGORIES	ASSETS	WANTS	👍	👎
Artistic Development				
Work Space/Materials/ Equipment				
Market Information/ Recognition				
Promotional Materials/ Portfolio				
Working Capital/ Financial Management				
Legal Information				
Recordkeeping Systems				
Professional Network				
Personal Life (social, emotional, spiritual, family, etc)				
Health Issues (including health hazards)				

EXERCISE 4: GOALS TIMELINE

1. Choose three to five categories from Exercise 3 and list them in the first column.
2. List one to three goals from each category that you want to accomplish.
3. Set a time frame for those goals.

<i>Categories</i>	<i>Within <u>1</u> Months</i>	<i>Within <u>3</u> Months</i>	<i>Within <u>6</u> Months</i>	<i>Within <u>9</u> Months</i>
Marketing/ Information Recognition	Assemble media list	Send out press release	Have coffee with local arts reporter	Pitch guest blog for local publication

TAKING ACTION

ACTION STEP GRID

1. Choose one of the goals you identified in Exercise 4 and write it at the top.
2. Write out the action steps necessary to complete that goal. (These should be S.M.A.R.T. goals. See Unit 2: Time Management for more info.)
3. Choose a time period for each of these goals and action steps.

Within 2 Weeks

GOAL: Assemble media list

ACTIONS:

Gather past press mentions

Buy Excel/Mailchimp, etc

Watch Lynda.com Excel training

Enter list of local reporters

Look at articles about peer artists in national press

Add reporters to media list

Within 4 Weeks

GOAL: Press Release

ACTIONS:

Write press release

Get quote from curator/producer/agent/gallerist

Select photo

Send press release

Within 5 Weeks

GOAL: Have Coffee

ACTIONS:

Email local media director Johanna

Ask for informational coffee meeting

Make list of questions

Have meeting

Write thank you note

EXERCISE 5: ACTION STEP GRID

Within ____ Weeks

GOAL:

ACTIONS:

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Within ____ Weeks

GOAL:

ACTIONS:

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Within ____ Weeks

GOAL:

ACTIONS:

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EXERCISE 6: THE TOMORROW LIST

The best way to gain momentum is to start moving. Now. Use this space to write down even the tiniest step toward your bigger goals. The only stipulation is that it must be something you will accomplish tomorrow. No excuses. Every great journey begins with a trip to the bathroom, right?

EXAMPLES:

Set up Google Alert for my name

Email Johanna about coffee

Take a 10-minute walk

Hang a curtain to separate work space

Open savings account



ACCOUNTABILITY MAILER

Keep this copy

FIVE GOALS I WILL ACCOMPLISH IN SIX MONTHS:

1:

2:

3:

4:

5:

.....
Signature

.....
Today's date

Give this half to someone who will mail or give it to you six months from now.

Or figure out another way to make yourself accountable.

FIVE GOALS I WILL ACCOMPLISH IN SIX MONTHS:

1:

2:

3:

4:

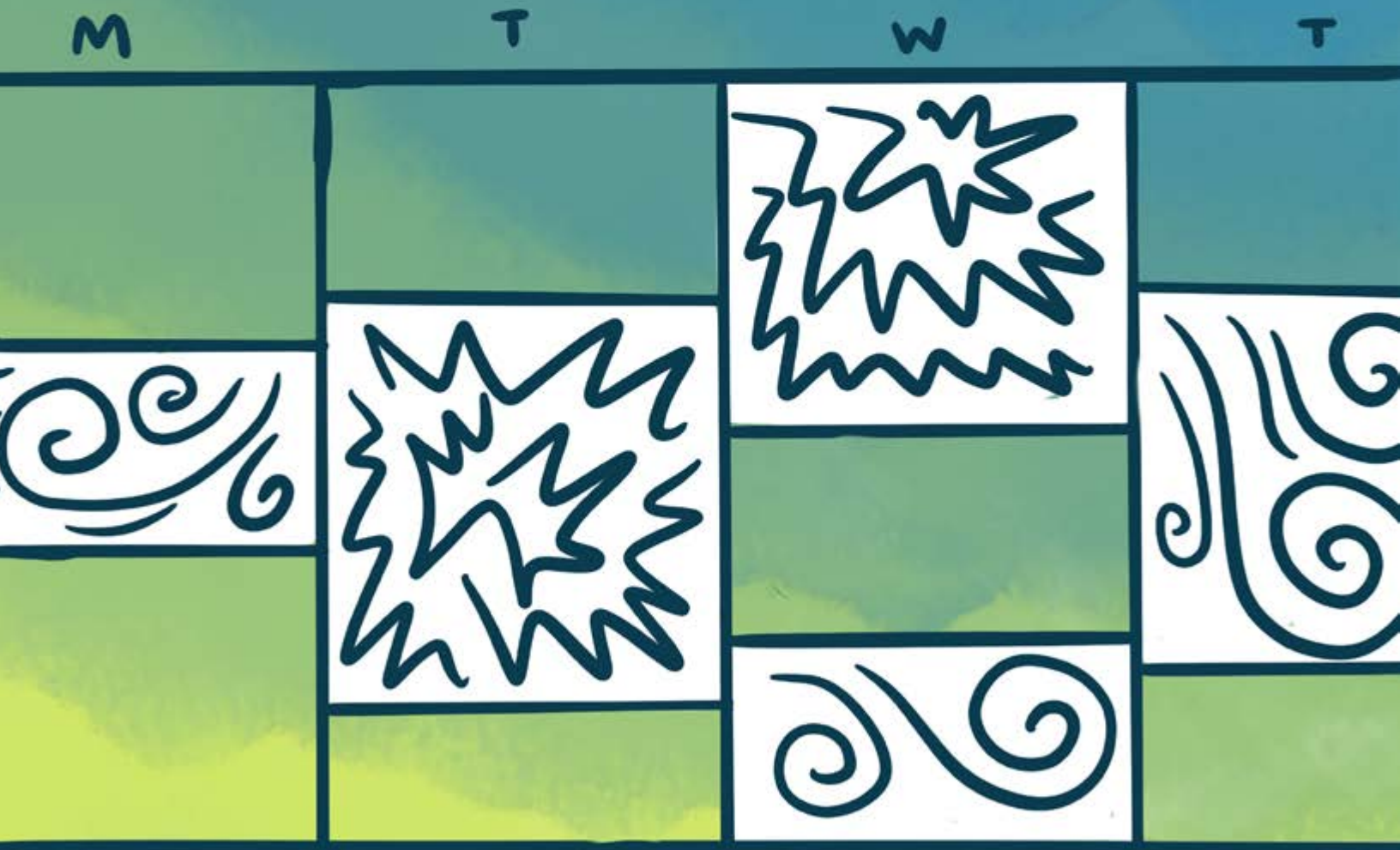
5:

.....
Signature

.....
Today's date

TIME MANAGEMENT

Discover analytical and tool-based approaches to manage your time.
These tools will help you tackle hurdles related to efficiency, flexibility, and
structure to help you reach your artistic goals.





“It [doing the time audit] helped me to get more focused, because I realized I had a lot of time that was spent unproductively.”

– SUSAN SMITH–GRIER

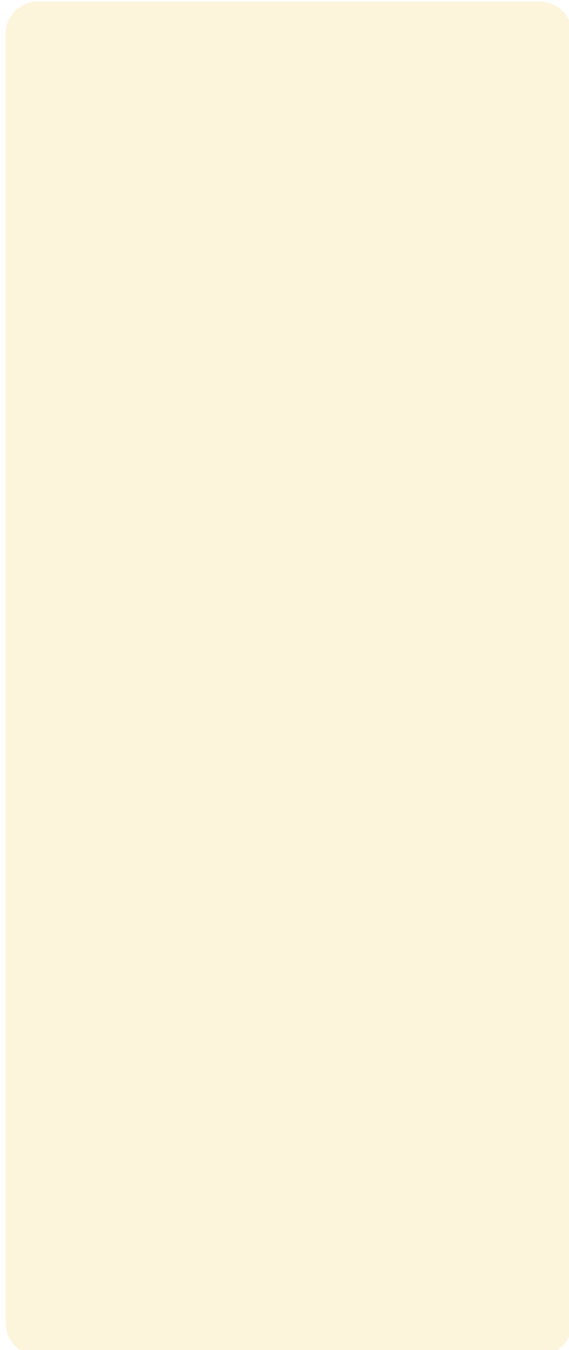


GOAL-SETTING

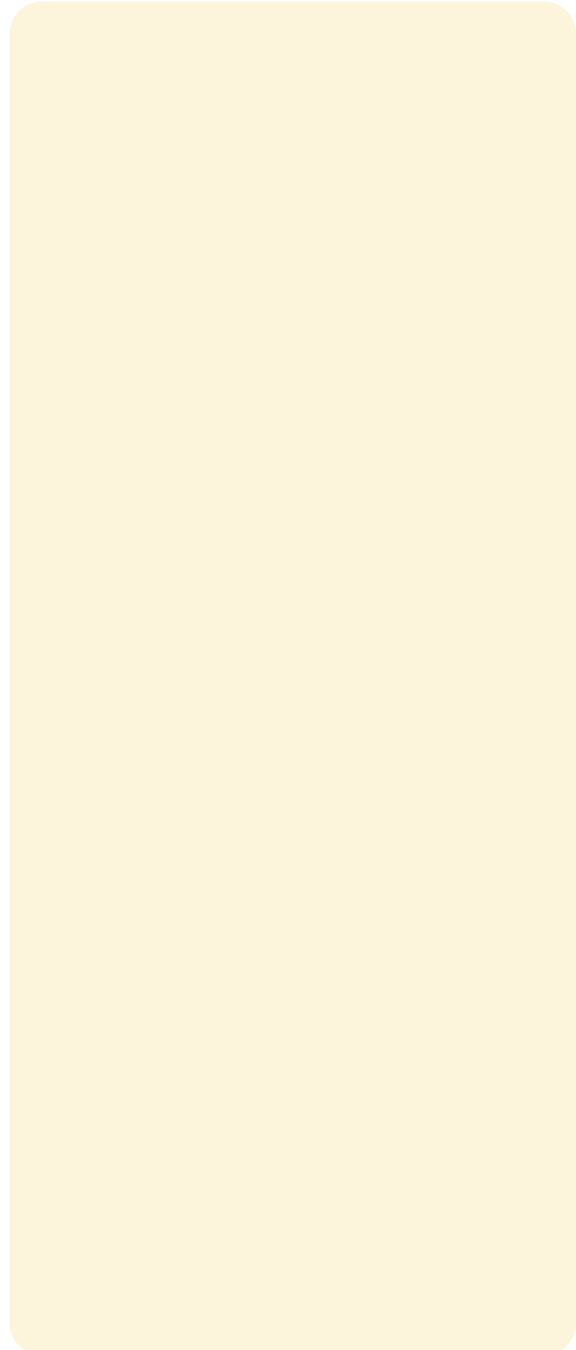
EXERCISE 1: SETTING GOALS AND IDENTIFYING HURDLES

What are some of your time management goals? What is preventing you from making changes around these goals?

GOALS



HURDLES



TIME TOOLS

S.M.A.R.T. GOALS

Setting S.M.A.R.T. goals is a way to set tasks, activities, and goals that can be articulated clearly and enable you to act.

S

SIMPLE: Can the goal be broken down into smaller and smaller parts? If “yes,” the goal might not be simple enough. Consider separate goal planning. If “no,” continue.

EXAMPLE: Create a rough sketch of a new project plan.

M

MEASURABLE: Assign a quantitative measure to the goal. Can I apply a number to this goal or to aspects of this goal? Which parts?

EXAMPLE: Five pages of a new script; four new paintings; three minutes of choreographed phrases.

A

ACTION: Define the action(s) you will take to complete the goal. **Tip:** Pretend you need to tell someone else to complete the goal. How would you describe the actions to take?

EXAMPLE: Explain who, what, when, where, and why for each project in one sentence each.

R

RELEVANT: Determine if the goal is important. Who cares? Who is being served by the outcome of the goal? Why now? Why does this goal have to be a priority right now (or later)?

EXAMPLE: There is a deadline for community arts project proposals coming up in two months. The application allows the submission of up to three ideas and it’s happening in my neighborhood.

T

TIME-BOUND: Assign a start and stop time to a goal and/or task. This is also known as “Time Boxing.” The Pomodoro method is one way.

EXAMPLE: About 30 minutes per writing assignment and work for no more than one hour per session. (You’ll have to schedule three work sessions, and that’s OK.)



HOMework ASSIGNMENT 1: SETTING S.M.A.R.T. GOALS

Run one of your time management goals through the S.M.A.R.T. system. Is it simple? Measurable? Actionable? Relevant? Time-bound?

S

M

A

R

T

THE POMODORO METHOD: The Pomodoro Technique is a time management tool created by Francisco Cirillo in the late 1980s. A *pomodoro* is the Italian word for tomato, named after a tomato-shaped kitchen timer that Cirillo once used. Here's a simple version:

- ✗ Set a timer for 20 to 25 minutes.
- ✗ Give yourself permission to focus only on the task while the timer is running. If you're writing, don't edit.
- ✗ When the timer goes off, set a timer for five to ten minutes and walk away. Give yourself permission to think about anything other than the task.
- ✗ When the break timer ends, go back to the task. Set the timer for another 20 to 25 minutes.
- ✗ Repeat three times, then take a longer break.

**For the official version, search "Pomodoro technique" on the internet.*

THE PARETO PRINCIPLE: THE VITAL FEW AND THE TRIVIAL MANY

Also known as the 80/20 Rule or the “Vital Few and the Trivial Many,” this principle states that 80 percent of an outcome is generated by 20 percent of the effort. Said another way, there is a vital 20 percent of your efforts that yields most of the impact-- about 80 percent. The other 80 percent are trivial activities that only yield 20 percent of the impact.

80/20 Examples from Other Sectors

- ✖ 80% of sales are generated from 20% of products
- ✖ 80% of revenue is from 20% of customers
- ✖ 80% of healthcare costs are generated by 20% of people

Note: The 80/20 rule isn't a mathematical truth, nor does it mean that the 80% is never important. Think of it as a method of prioritizing the actions that will lead to the most benefit -- that is, focusing on the 20% of the plants in the garden that will yield the juiciest tomatoes.

EXERCISE 2: WHAT ARE YOUR VITAL AND TRIVIAL ACTIVITIES?

Once you know your vital 20%, you'll be able to focus more of your time resources on those activities.

VITAL 20%

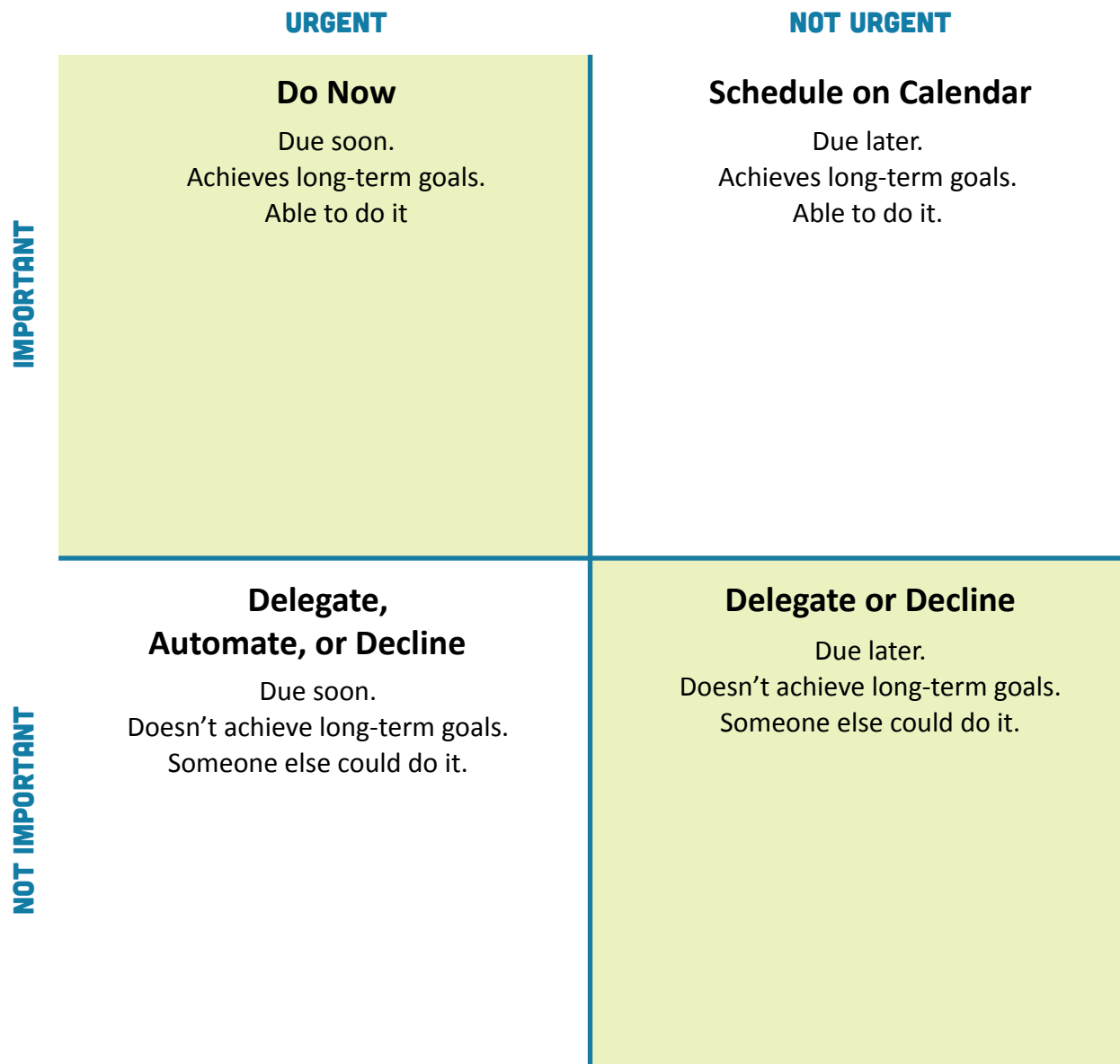
[illegible]

TRIVIAL 80%

[illegible]

EISENHOWER PRIORITY MATRIX

With only so much time in the day, prioritizing is vital. The Eisenhower Priority Matrix is a tool that can help you decide which tasks need to be done and in what order, if at all.



HOMWORK ASSIGNMENT 2: PRACTICE USING THE PRIORITY MATRIX

As new tasks come your way, practice using the Eisenhower Priority Matrix. If you find that the task is not important to you and your artistic business goals and is also not particularly urgent, practice saying “no” and letting it go.

SELF-EVALUATION

ALPHA-BETA TIME: FINDING YOUR FOCUS

Everyone has periods of higher and lower concentration, efficiency and productivity. There are two main aspects of finding your focus: Alpha time and Beta time.

EXERCISE 3: IDENTIFYING YOUR ALPHA AND BETA TIME

ALPHA TIME

Characteristics: Focused, efficient, alert, energetic, creative

Evaluation:

- ✘ Are you a morning person or a night person?
- ✘ How long do you prefer to focus on one task?
- ✘ Is there a location or space that works well for Alpha time?

BETA TIME

Characteristics: Mechanical, busy-work, less creative, errands, maintenance, cleaning, etc

Evaluation:

- ✘ When do you find yourself slipping into busy work (e.g. cleaning your workspace, organizing receipts, deleting old files on your computer)?
- ✘ When do you struggle to generate new ideas or continue developing ideas?
- ✘ Around what time of day do you feel like taking a nap?

BARRIERS AND DISTRACTIONS

List barriers and distractions that take over Alpha time. List items that typically interfere with your beta-task accomplishments.

TIME AUDIT EXAMPLE

		ALPHA	BETA	ART
1:00am	Sleeping	X		
2:00am	Sleeping		X	
3:00am	Sleeping		X	
4:00am	Sleeping		X	
5:00am	Sleeping		X	
6:00am	Sleeping		X	
7:00am	Sleeping		X	
8:00am	Sleeping		X	
9:00am	Coffee, read paper	X		
10:00am	Answer email	X		X
11:00am	Answer email	X		
12:00pm	Morning routine		X	
1:00pm	Errands		X	
2:00pm	Coffee with contact/friend - Play tennis		X	
3:00pm	Meet with collaborator		X	
4:00pm	Meet with collaborator		X	
5:00pm	Pick up kids		X	
6:00pm	Dinner		X	
7:00pm	Dinner		X	
8:00pm	Kids in bed		X	
9:00pm	Art Studio		X	X
10:00pm	Art Studio	X		X
11:00pm	Art Studio	X		X
12:00am	Art Studio	X		X



HOMEWORK ASSIGNMENT 3:

AUDIT YOUR TIME

Your turn. Track how you spend your time for a day, or a week if your schedule varies from day to day.

ALPHA **ART**
BETA

1:00am				
2:00am				
3:00am				
4:00am				
5:00am				
6:00am				
7:00am				
8:00am				
9:00am				
10:00am				
11:00am				
12:00pm				
1:00pm				
2:00pm				
3:00pm				
4:00pm				
5:00pm				
6:00pm				
7:00pm				
8:00pm				
9:00pm				
10:00pm				
11:00m				
3:00am				

Once you have a log of your time, fill in the blocks in the “Current” row, with your Alpha time on the top row, and Beta time on the bottom row. If you aren’t happy with your current “Alpha-Beta” time usage, shade in blocks in the “Goals” rows to motivate change.

1 hour **CURRENT ALPHA** *24 hours*

CURRENT BETA

1 hour **GOAL ALPHA** *24 hours*

GOAL BETA

Alpha + Beta should equal 100% (24 hours)

1 hour **CURRENT ART** *24 hours*

CURRENT SLEEP/WORK/LEISURE

1 hour **GOAL ART** *24 hours*

GOAL SLEEP/WORK/LEISURE

Art + Sleep/Work/Leisure should equal 100% (24 hours)

TAKING ACTION

YOUR 24-HOUR BUDGET

$$\begin{aligned} &168 \text{ hours in a week} \\ &- 40 \text{ hours for work} \\ &- 56 \text{ hours for sleep (8 hours per night)} \\ &= 72 \text{ hours left for everything else} \end{aligned}$$

Apply the Pareto Principle to find the “Vital Few” hours that generate the greatest yield.

20% of 72 hours = 14.4 hours per week, or approximately two hours per day (daily amount varies depending on work schedule).

EXERCISE 4: CALCULATE YOUR 24-HOUR BUDGET

Take the formula above and apply it to your unique situation; maybe you sleep less, maybe you have more work hours. Plug in your own numbers and apply the Pareto Principle to see how much time you could have for “Vital Art Time”.

168 hours in a week

- _____ *hours for work*

- _____ *hours for sleep*

= _____ *hours left for everything else*

20% x _____ hours left for everything else = _____ hours of “Vital Art Time”

Once you’ve completed the time audit, look at the tallies and see how much time you actually spent on “Vital Art Time”. Did you spend more or less than the 20%? How much of your “Vital Art Time” happened during Alpha time versus Beta time?

TIPS AND PITS

Below are examples of common tips and pitfalls (“pits”). What are common tips you can share, or pitfalls you want to avoid? Add yours!

TIPS:

- ✖ Allow for transition time between tasks and count it as Beta time.
- ✖ Use external memory: tools, tricks, and hacks that allow you to focus on the task at hand and not be distracted by things that aren’t in the moment, e.g. reminder apps for your mobile device, sticky notes, a calendar, etc).
- ✖ Combine or group Beta tasks for efficiency.
- ✖ Make lists.
- ✖ Find a friend to share accountability.
- ✖ “Once begun is half done.” Just start!
- ✖ Daily habits can build structure, stability, and balance into your day.
- ✖
- ✖
- ✖
- ✖

PITS:

- ✖ List accretion: when unfinished items from your to do list get tacked onto your new to do list. Over time, your list may get clogged and look daunting because the residue of past lists needs to be cleaned out.
- ✖ Digital distractions. (It’s OK, you can turn it off. The internet will still be there when you get back.)
- ✖ “Emergencies” that aren’t really emergencies, like taking a call during your dedicated art business time from someone who will most definitely ask you to do their urgent task.
- ✖ Slipping from Alpha time into Beta time by getting caught up in “busy work”, e.g. using your Alpha time to organize your space (Beta time task) before you can start working on your art.
- ✖
- ✖
- ✖

PORTFOLLO KIT

Your portfolio is the core of your promotional material and professional calling card. Focus on the essential elements: sharpening your artist statement, tailoring your artistic resume, and curating and formatting your work samples.



“When I got that AHA moment of ‘my purpose and talent is to amplify Southeast Asian refugee stories,’ it allowed me to focus on creative projects, relationships, and ideas that benefitted that community.”

– SAYMOUKDA DUANGPHOUXAY VONGSAY



ARTIST STATEMENT & BIO

Your artist statement should describe your work in a way that can't be easily applied to anyone else. It should also be written in plain language, so if someone doesn't have prior experience with your art and medium, they can still understand what you mean. Your artist statement should draw the reader in and invite them to learn more. Use the exercises below to hone in on your unique artist statement.

EXERCISE 1: THREE-SENTENCE ARTIST STATEMENT

Take a moment to reflect on your artistic practice. How do you self-identify as an artist? What do you create? What makes you interested in what you do?

Who you are:

What you do:

Why you do it:

EXERCISE 2: INVERTED THREE-SENTENCE ARTIST STATEMENT

(Why) Because I believe...

.....

(What) I make...

.....

(Who) I am...

.....

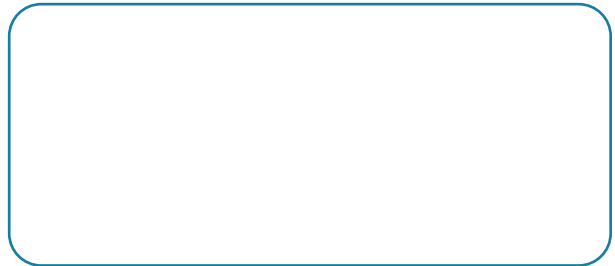
EXERCISE 3: GENERATING DESCRIPTIVE WORDS

Describe your work using these five areas:

The Facts About Your Work: (the basics, i.e. materials and process; use objective, not subjective language)



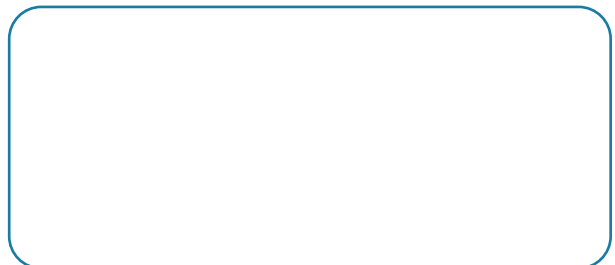
Influences/Inspirations (where do you get your ideas?)



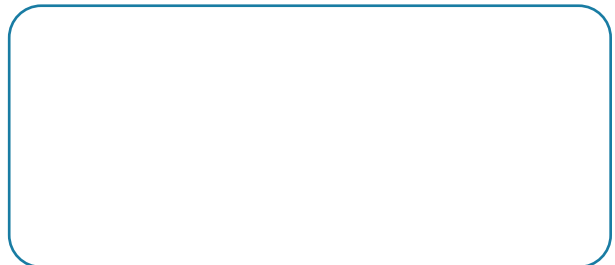
Using All Five Senses (sight, hearing, touch, taste, smell)



Place/Space (i.e. urban vs. rural; where can people find your work?)



Your Beliefs (what are the driving forces behind what you believe?)



EXERCISE 4: EXPANDING YOUR STATEMENT

Move the most compelling descriptors from the previous page into these categories and write them out in one to three sentences per category.

FACTS:

INFLUENCES:

SENSES:

BELIEFS:



HOMEWORK ASSIGNMENT 1: GETTING FEEDBACK

Choose a few versions of your three-sentence artist statement and your favorite descriptive sentences that you generated in Exercise 4. Find a few people to give you feedback on what you've created so far. Ask them what words they remember well; what words were "sticky". Take note of what resonates with them and what they remember. The words that stick with listeners and readers will help lead you to your unique artist statement.

EXERCISE 5: DRAFTING YOUR ARTIST STATEMENT

Take the strongest statements from the previous page and begin to look for threads and themes that you can weave together. Which sentences are your favorite? Which sentences feel accurate and personal to your work? When you asked for feedback, what phrases did your listeners say were “sticky” or memorable? This is where you get to play around, edit, experiment, and write.

Keep in mind that you will create several versions of your artist statement for different audiences and uses. You may need a short, crystallized version for a press release, or an expanded version for your website. Get to the core of who you are as an artist, and you'll be able to mold your statement to any scenario.

ARTIST STATEMENT VS. BIO

You may need to create a bio for yourself at some point. What makes a bio different than an artist statement?

- ✕ An **artist statement** is focused on your work. A **bio** is focused on the basic facts about you and your work. It might include things like where you grew up, what your early inspirations were, and where you're living and working now.
- ✕ **Artist statements** are usually written in the first person. A **bio** is written in the third person.
- ✕ An **artist statement** may change depending on how and where it will be used. The basic facts of a **bio** stay the same no matter where it's used.
- ✕ An **artist statement** is focused on the present and the work you're doing right now. A **bio** is focused on your past and what brought you to this point.

If you need inspiration, find a few biographies of artists you know and admire. Does the bio give you a good sense of who the artist is and where they're coming from? If it doesn't, see if you can identify what's missing, and make sure to include it in your bio.

Here's an example bio to get you started creating your own:

Carla Artemis has over 20 years of experience in the arts and has been awarded fellowships and awards in every discipline she works in, including music, dance, visual art, and cooking. Ms. Artemis calls Saint Paul, MN home and splits her time between her multidisciplinary works and writing. You can visit her online at carla-artemis.com and on Instagram and Twitter at @CarlaArtemis.

ARTIST RESUMES

A resume is meant to tell the story of your accomplishments that best suits the circumstances. You may need a different version of your resume each time you submit a grant application, talk to a new collaborator, or write or edit your business plan.

As you tailor your resume for each situation, ask yourself: What are the top five things I want the reader to know about my professional accomplishments?

TIPS:

- ✗ Organize your resume so that the most important categories (for this submission) are at the top.
- ✗ Save each resume you submit in a folder and use titles that indicate what it was used for (i.e. "Resume - Fellowship Grant Application").
- ✗ Always include contact information.
- ✗ It's better to have fewer credits, exhibitions or publications that tell the story of who you are and where you **want** to go than to cram every single instance of your work appearing in public onto your resume.
- ✗ It's OK to be a beginner. No one expects you to have a massive resume of impressive accomplishments when you're just starting out.



HOMEWORK ASSIGNMENT 2: CREATE A CV

If you don't already have a curriculum vitae (CV), it's time to create one. A CV should list every professional accomplishment from the start of your artistic career. This is the document that can include that coffee shop show or self-published zine that you did while you were starting out. You might not use it on a resume once you've added more impressive credits, but as you progress in your career, it's empowering to have a record of where you've been and what you've done.

Carla A. Visual

Visual Artist - Painter, Kinetic Sculpture
651-292-4381 | carla@carlaavvisual.com | www.carlavvisual.com

SELECTED SOLO EXHIBITIONS

- 2020 *New Work on Paper*, Dirt Floor Contemporary, Minneapolis, MN
2018 *Hot Soda*, Parking Garage Projects, Kansas City, MO

SELECTED GROUP EXHIBITIONS

- 2020 *Here Come the Warm Jets*, The Gravel Pit, Winnipeg, MB
2017 *Running, Jumping & Standing Still*, Minneapolis Center for Contemporary Art, Minneapolis, MN
(curated by Edgar Loman)
2014 *Lower Midwest Biennial*, Monument Circle Arts Center, Indianapolis, IN
2013 *Home Fries*, Apartment 2B Projects, Minneapolis, MN

GRANTS AND FELLOWSHIPS

- 2019 Minnesota State Arts Council Fellowship, Minneapolis, MN
2017 Midwest Fine Arts Association Emerging Artist Award, Chicago, IL
2017 Artist in Residence, Minnesota Center for Visual Art, Saint Paul, MN

COMMISSIONS

- 2016 "Swan Song," Mobile installation in lobby, First Bank of Edina, Edina, MN

SELECTED PRESS

- Helen Yang, *Painting Now*, (Madison, WI; Parallelogram Press, 2020), pg. 102
"Best of the Twin Cities," *City Weekly*, April 14, 2017
Chuck Rogers, "REVIEW: Lower Midwest Biennial," *artfeatures.com*, January 28, 2014

PUBLICATIONS

- "Six galleries to see in Minneapolis-Saint Paul," *Lake Superior Arts & Culture*, November 2017

COLLECTIONS

- Deutsche Bank, New York, NY
Minnesota Institute of Fine Arts, Minneapolis, MN

LECTURES AND PRESENTATIONS

- 2020 Artist Talk, Art Institute of Illinois, Chicago, IL, March 3
2017 Visiting Artist, Duluth College of Art, Duluth, MN September 4-7

RELATED EXPERIENCE

- 2020 Committee Chair, Southside Artists Exhibition Cooperative, Minneapolis, MN
2017-2018 Adjunct Professor, Saint Paul College of Art, Saint Paul, MN

EDUCATION

- 2019 MFA in Painting, Saint Paul College of Art, Saint Paul, MN
2013 Certificate in Design, Lake Nokomis Artists Workshop, Minneapolis, MN
2012 BFA in Studio Art, Blodgett College, Watertown, MN

Ricardo Y. Musician

Musician - Multi-instrumentalist
651-292-4381 | ricardoymusic.com

PRINCIPAL TEACHERS

Accordion	Max Wilhelm, Sharon Reed, Jan Reardon, Antonio Chiave
Piano	Penelope Suslova, Andrew Michaels, Victor Gliere
Ukulele	Larry Coin, Toni Jones Miller
Voice	Rosemary Villafranca, Barbara Lutsen

GRANTS AND FELLOWSHIPS

2020	Frontier Community Grant, Neighbor Link Association, Detroit, MI
2019	Allied Artists Fellowship for Diversity, Treegrain Foundation, Providence, RI
2015	Newer Than New Music Project Grant, Community Room Fund, Detroit, MI
2013	Emerging Voices Award, The Whoa Foundation, New York, NY

PREMIERS

2019	"Shake, Rattle, and Tremolo" by Jan Calhoun Soloist with Ormandyville Symphony and Green Group Percussion Ensemble
2018	"Can You Reed?" for Accordion and Piano by Rochelle Micas, Detroit Chamber Series
2018	"Radical Movements" for Solo Accordion by Johanna Klein, Berlinerpalooza, DE
2017	"Concertonalities" for Accordion and String Orchestra by Rochelle Micas

TEACHING

2015-16	Graduate Teaching Assistant, Cultural Anthropology of Funk, Gordy Institute of Music, MI
2007-08	Music Theory (Summers), Bluelochen Fine Arts, Academy, Ormandyville, MI
2008 - Present	Private Instructor, Accordion, Piano, Ukulele, Voice

PRESENTATIONS AND PUBLICATIONS

2019	"10 Digital Harmoniums Reviewed," <i>Digiboards Magazine</i> . July 2012. Print
2017	Paper Presentation "Neo-Reimannian Button Distribution; A Practical Approach" Society for Aerophone Research Conference, Bern, CH, February 17-21
2010	"Breath Control for Bellow Control," <i>Accordion Times</i> . Vol 17. Online

RELATED EXPERIENCE

2013-15	Board Member, National Composers Consortium, Saint Paul, MN
2010-12	Assistant Artistic Director, Berlinerpalooza, Berlin, DE
2006-07	Co-Founder, <i>Hot Pots Cool Keys</i> salon series, Stillwater, MN

EDUCATION

2017	Doctorate of Musical Arts, The Gordy Institute of Music, Detroit, MI
2010	Master of Accordion, Musikakademie der Steinmark, Steinmark, DE
2007	Bachelor of Music, Accordion, St. Croix Conservatory, Stillwater, MN

Megan T. Writer

Storyteller and Writer - Poetry, Essay

651-292-4381 | megan@megantwriter.com | megantwriter.com

Publications / Books and Chapbooks

- 2020 *Lingua Franca*, Parallelogram Press, Madison, WI [poems and essays]
2018 *Oh, Right, I Forgot: Poems*, East Lake Press, Minneapolis, MN

Publications / Poems

- 2020 "Liam Neeson," *Lake Superior Review*. Vol. 2. Online
2020 "White Castle Drive-Thru," *Wyndham Review*. Spring. Print
2019 "1972," *Hot and Cold #8*. Summer 2019. Print
2019 "Troubleshooting," *Idaho Review*. Winter 2019. Print
2019 "VHS vs. Beta," *Iron Range Illustrated*. January 2019. Print
2018 "Dance This Mess Around," *Long Now Journal #2*, Fall-Winter 2018. Online

Publications / Essays

- 2018 "Billings Via I-94," *Fun and Games*. Vol 32. Online
2017 "Dad's Not Home Yet," *North Coast Review*. Winter 2017. Print
2017 "Merry Go Round" [Prize for Essays award recipient], *Knickerbocker Review*, August 2017

Grants and Fellowships

- 2019 Minnesota State Arts Council Fellowship, Minneapolis MN
2018 *Knickerbocker Review* Prize for Essays, selected by Zubaida Hossein
2017 Midwest Poetry Association Emergent Voices Award, Chicago, IL
2017 Writer in Residence, Cathedral Hill Public Library, Saint Paul, MN

Selected Press and Reviews

- Candy DeWitt, "The neon visions of Megan T. Writer," *Minneapolis Enquirer*, December 5, 2018
"From the heartland," poetess.org, July 19, 2017. Online

Readings, Lectures, and Presentations

- 2020 Presentation: "Publishing Now," Illinois Academy of Poetry, Chicago, IL, May 3
2020 Panel: "Verse in the Era of Information Overload," Association of Professional Poets Conference, Seattle, WA, October 15-17
2019 Visiting Writer, University of Duluth, Duluth, MN, September 4-7
2018 City of Lakes Reading Series, St. James Catholic Church, Minneapolis, MN, February 17

Related Experience

- 2019 Committee Chair, Southside Poets Cooperative, Minneapolis, MN
2018-19 Adjunct Faculty, St. Croix College, Saint Paul, MN

Education

- 2015 Certificate in Bookmaking, Lake Nokomis Book Arts Workshop, Minneapolis, MN
2014 BA in English, Blodgett College, Watertown, MN

Charlie M. Actor

Actor - Film/Television, Theatre, Commercial

651-292-4381

hi@charliemactor.com

charliemactor.com

Film

Starry Night	Kjell van Gogh	Casiopea Pictures/Dir. Kip Cole
No Exit	Ines Serrano	Midway Films/Dir. Jonna Serls
Holmes	Hudson	17th Century Fox/Dir. Aimee Sheldon

Television

Cosmology	Dr. J (Guest Star)	Nitrogen/Dir. Claes Goldenburg
Couch Sitters	Featured	PBC/Dir. Elizabeth Truong
Likers	Optimistic Skater #1	TNC/Dir. Carrie Brownstone

Web Series

House of Cannards	Florence (Lead)	Flixter/Dir. Irene Kirk
Lowertown	Alex (Recurring Role)	Prince Pics/Dir. Andy Patrick

Theatre

Alice In Wonderland	March Hare	The Globe/Dir. Guillaume Speare
Chunnel	Taxi Driver	Theater Port/Dir. Barry Davis
Not I	Mouth	Repertory Theater/Dir. Sam Beck

Education & Training

New York University	BFA, Acting, cum laude
Royal Academy of Theatrics	Shakespeare Intensive/Longform Improv
Phyllis Faulk Acting Studio	Two-Year Acting Program, Faulk Technique
Academy of Pantomime	Certificate Program

Skills

French (fluent); Accents/Dialects; Dance (Ballet, Jazz, Modern, Hip-Hop); Stage Combat (Intermediate); Unicycling; Yoga; Horseback Riding; Juggling (Fire, Knives, Small Animals); Accordion (Advanced)

WORK SAMPLES

You'll need work samples for your website, for grant submissions, for marketing and press materials, and more. Making a regular practice of documenting and storing your work is an essential part of your artistic business.

DOCUMENTATION

What kind of work do you make? Does it require photographs, video, audio recording, print, or in-depth descriptions? Your goal in documentation should be the most thorough, accurate, and literal record of the existence of your artwork. That documentation should also be of the highest professional quality.

ORGANIZATION

If you don't already have a documentation practice, start now. Make documentation one of the action steps as you plan your work.

Get creative in finding documentation resources. If you're not a photographer/videographer/audio engineer yourself, or don't have the equipment, try bartering with local artists that can document your work at a professional level.

Decide on a storage system. External hard drive? Cloud storage? Hard copies? Even if you prefer physical storage methods, make sure to have digital backups. So much connection happens online that it's wise to have digital work samples ready to go, should you need them. Don't forget to make and download PDFs of websites or online publications where you or your work is mentioned. The internet may seem permanent, but websites disappear or are reorganized all the time, and once individual pages are gone they're difficult to recover.

Digital file naming conventions: if you're storing documentation in a digital format, make sure the name is descriptive of the content and includes your name or the name of your artistic business, in the event that you need to share the file.

Examples:

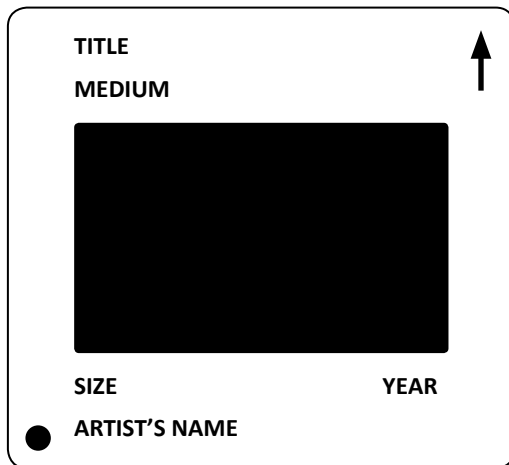
VIDEO: "KenyaJFilmmaker-WaterDance-3mins-McBright-June2020.mp4" or
"KenyaJFilmmaker-WaterDance-3mins-McBright-June2020.wmv"

AUDIO: "RicardoYMusician-Soundscape-10mins-Jeremy-May2019.mp3" or
"RicardoYMusician-Soundscape-10mins-Jeremy-May2019.wav"

VISUAL: “CarlaAVisual-HotSoda-36x48-MSAC-Oct2018.pdf” or “CarlaAVisual-HotSoda-36x48-MSAC-Oct2018.jpg”

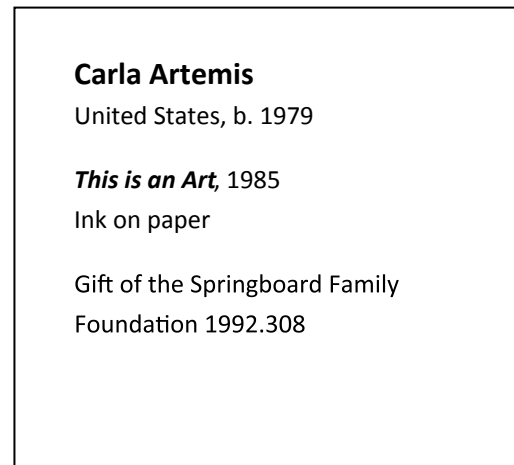
LABELING EXAMPLES

Film Slide



A diagram of a film slide label layout. It features a central black rectangle representing the slide image. Above the rectangle, the words "TITLE" and "MEDIUM" are stacked. Below the rectangle, the words "SIZE" and "YEAR" are stacked. At the bottom left, there is a small black circle followed by the text "ARTIST'S NAME". An upward-pointing arrow is located at the top right corner of the label area.

Museum Plate Card



A diagram of a museum plate card label layout. It is a rectangular box containing text. At the top, the name "Carla Artemis" is followed by "United States, b. 1979". Below this, the title "*This is an Art*, 1985" is followed by "Ink on paper". At the bottom, it says "Gift of the Springboard Family Foundation 1992.308".

SELF-CURATION IN THREE STEPS

How do you know which documentation to use for work samples? Work samples should be all of the following: your best work, the highest quality documentation, and work that best represents you now and historically.

How do you decide?

1) FOLDER CATEGORIES

Create folders that represent groupings or bodies of work.

Example: Time periods, materials, place, residency, subject matter, etc.

2) RANKING SYSTEM

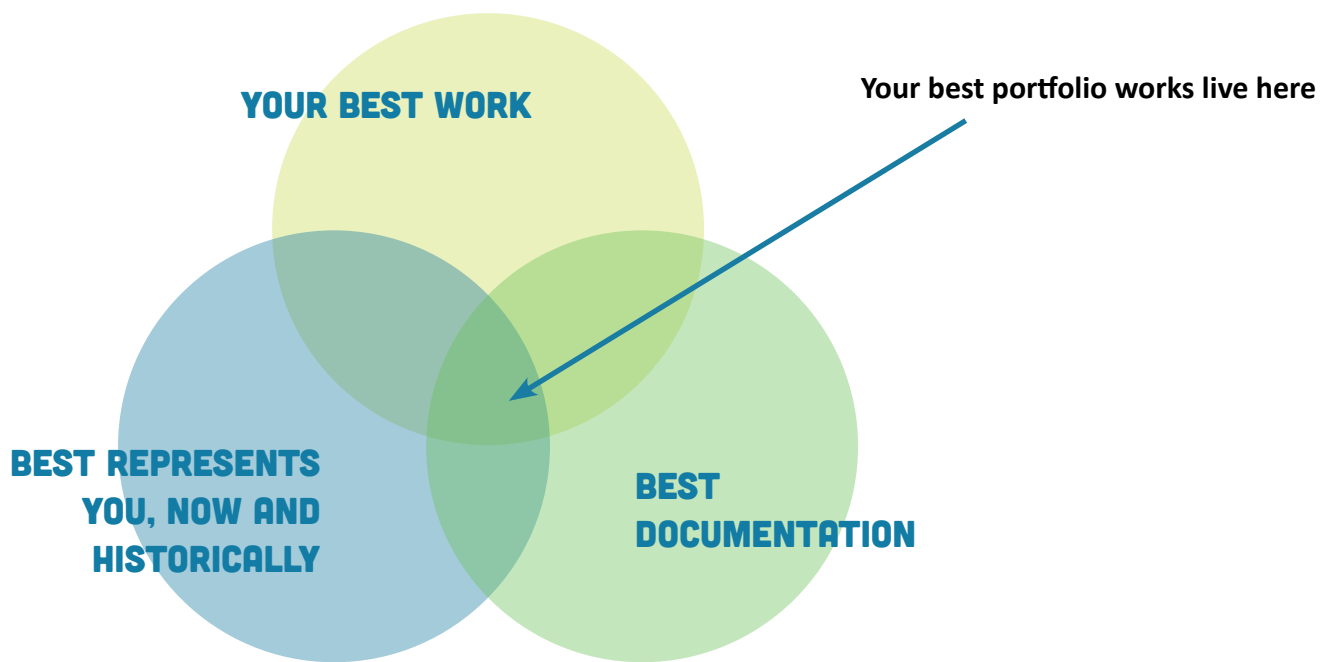
Create a simple ranking system to grade your own work according to criteria.

Assign a score to each work.

- Quality of work
- Quality of documentation
- Quality of how well it represents you now vs. historically

3) FILTER

Re-group the works with the highest scores into a new folder labeled “Work Samples”.



SECONDARY ITEMS: THINGS TO KEEP AND TRACK

Additional types of supporting materials that may go into your portfolio:

Press: Articles written about you or your work where you are featured or mentioned

Reviews: Critical reviews of you or your work

Audience Reactions: Social media posts about your work, in person feedback, emails, letters

Quotes, Testimonials, Feedback: Similar to audience reactions but these are requested from individuals and participants

Process Photos and Videos: Any documentation of the art works before and after to show the context of the work. This may include context photos taken during an exhibit, performance, or activity.

What are some other types of documentation you might want to keep track of as you build your portfolio and career? List them here:



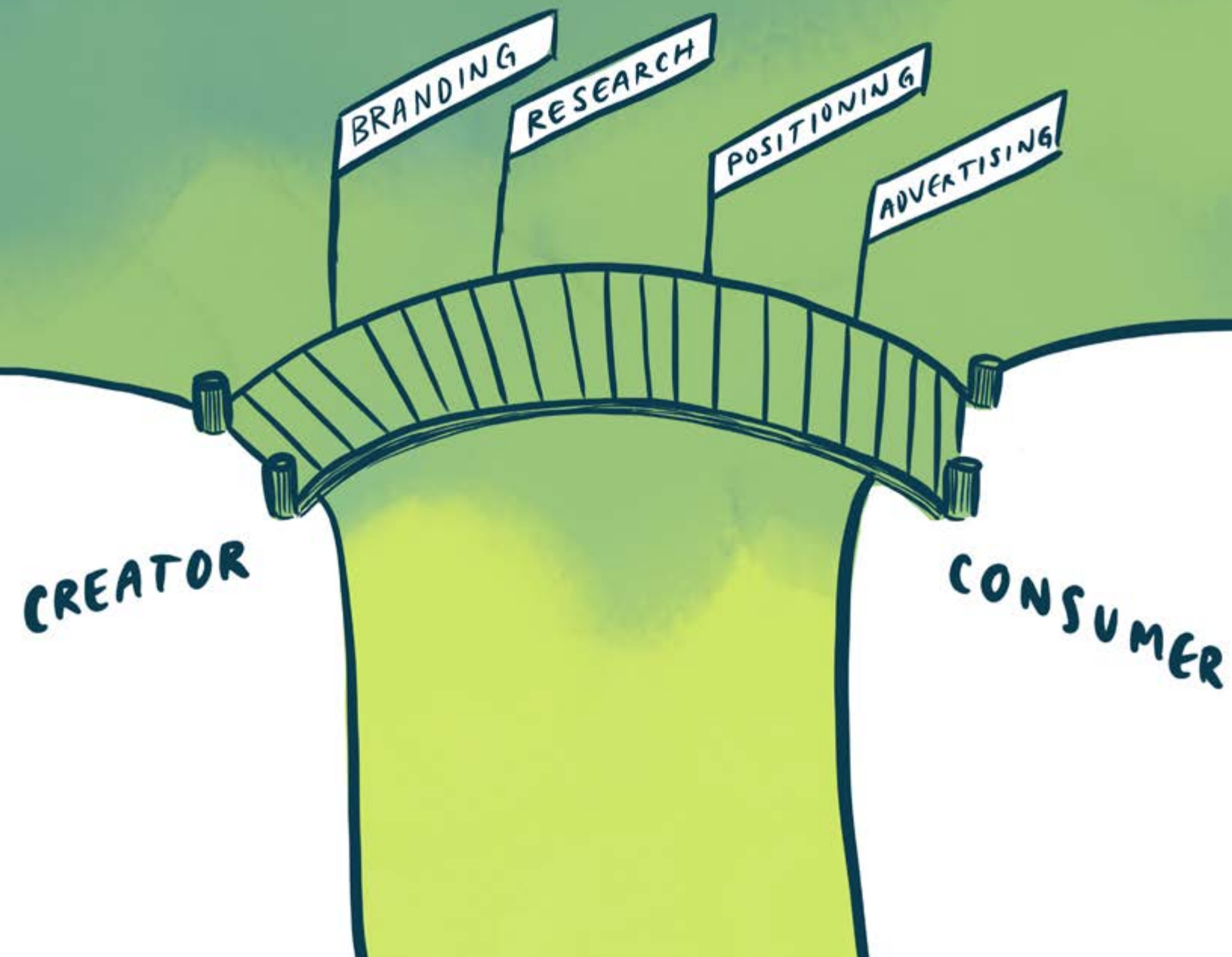
HOMEWORK ASSIGNMENT 3: YOUR PORTFOLIO CHECKLIST

Choose one of the items on the list below to tackle first. Once you've completed it, check it off and choose another piece to work on. How do you eat an elephant? One bite at a time.

- ☐ **1. ARTIST STATEMENT**
- ☐ **2. BIO**
- ☐ **3. ARTIST RESUME**
- ☐ **4. WORK SAMPLES**
- ☐ **5. SELF-CURATION SYSTEM**
- ☐ **6. SECONDARY ITEMS**

MARKETING~

Define your product, discover your target audience, make decisions about how you sell your work, and identify a budget and strategy for your artistic business.



"I was primarily a filmmaker, and I was moving into starting to sell and promote my paintings. I'd always been a painter, but it was...an add-on to my filmmaking process. It had been encouraged of me, by friends and other colleagues, to start to share and show my paintings. I think that was the daunting part, in the beginning...deciding between mediums. I used the workbook to market two different types of art forms, which was helpful."

– JES REYES



CHASM OF COMMUNICATION

Between you and your potential customers, there's a gap. Bridging the gap is the only way to let those potential customers know about what you have to offer.

EXERCISE 1: BRIDGING THE CHASM OF COMMUNICATION

1. Write down what you make or do; your products.
2. Write down your target audience. If you don't yet know who these people are, ask yourself what you might need to do to find out. ("Everyone" won't work here. As wonderful as it would be to have every human in the entire world as your customer, trying to market to everyone will spread your message too thin.)
3. Write down all the available communication channels you might use to reach your potential customers.

Some communication channels will work better for certain markets. If you learn that your target audience mainly uses the local newspaper to learn of community happenings and you'll be attending a craft fair in the area, using social media marketing might not be the best use of your time. Use the tools that make sense for your target audience.

SOCIAL MEDIA: WHAT'S IT ALL ABOUT?

Social media is here to stay. The platforms may change, but interacting and marketing online most likely isn't going anywhere. Social media can be a powerful communication tool if you take advantage of its strengths, like business pages, analytical tools, and advertising.

When interacting online, remember that it's not that different from interacting in person. It's about:

1. **FINDING YOUR COMMUNITY AND MARKET.** It's easier than ever to find a community of people who are interested in the same things you are.
2. **COMMUNICATING WITH YOUR PEOPLE AND SECTOR.** Once you've found your community, join the conversations they're having and learn what your people care about.

3. BUILDING SOCIAL CAPITAL. Maintaining a presence on social media, becoming a reliable community member online, and contributing to discussions can lead to a higher sense of trust from customers and your community; i.e. if there's a lot of content generated by you on social media, and you and your business become a known quantity, then you have more connections to people others may know, and you can raise your social capital.

If you're just beginning to use social media, or if you're just beginning to use it for your business, remember these simple best practices:

LISTEN → **CONTRIBUTE** → **CREATE**

LISTEN to conversations that are already happening in communities online.

CONTRIBUTE your knowledge to conversations that are already happening.

CREATE new content and start new conversations.



HOMEWORK ASSIGNMENT 1:

SOCIAL MEDIA PLATFORMS AND SUPPORT TOOLS

Go online and do some sleuthing. Make a list of social media platforms and support tools (such as apps that help you use social media efficiently) in the space provided here. Put a star next to the platforms your audience uses (if any). Put an "x" next to the platforms they use less.

SOCIAL MEDIA FUNCTIONALITY

All social media platforms share a common set of functions and characteristics. If you understand these basic functions, you can more easily adapt to new tools and platforms as they appear.

USERNAME: the name you use online to sign into your account or identify yourself

FOLLOW: a button to click to make sure you see another user's content

TAG: can be used as a way to ensure your content is seen by users following that hashtag, like a keyword search, or to add additional commentary onto your post (#thenewparentetical)

DIALOGUE FORMAT: how people communicate with each other; comments under a post with replies; direct messages

LISTS: allow users to group other users by type of content or business sector and contain the flood of information (at least a little bit)

DEFINING YOUR PRODUCT

What are you selling, a solution or an experience? There are two basic types of things you can sell: GOODS or SERVICES. In both cases, the thing you sell can either be a SOLUTION to a problem or it can be an EXPERIENCE. As artists, we're primarily in the business of selling EXPERIENCES.

EXERCISE 2: GOODS OR SERVICES

In the columns below, list the products and/or services you are selling.

Examples of Goods:

- ✕ Paintings
- ✕ Sculptures
- ✕ Clothing
- ✕ Tickets to a performance
- ✕ Commissions

Examples of Services:

- ✕ Workshops
- ✕ Art classes
- ✕ Music lessons
- ✕ Fabrication
- ✕ Commissions

GOODS

SERVICES

NOTE: A commission can be a good or a service because it has aspects of both. The customer ends up with a physical painting, but there are many service aspects involved before that point (talking through ideas with the customer, delivering the final piece and setting it up, etc.).

EXERCISE 3: PRODUCT DESCRIPTIONS

PART 1: Describe what you're selling now. For now, stick to the facts: dimensions, color, duration, material, topic, etc.

PART 2: What kinds of products would you like to sell in the future? Describe those products.

EXERCISE 4: DIFFERENTIATION

It's important to remember that the majority of sustenance, profit, and success is the result of minute and discrete differentiation. Which is to say you don't have to reinvent the wheel to succeed, you just have to make the wheel a teeny, tiny, little bit better.

List ten ways your product or service is different than others similar to it in the marketplace.

- 1 _____
- 2 _____
- 3 _____
- 4 _____
- 5 _____
- 6 _____
- 7 _____
- 8 _____
- 9 _____
- 10 _____

NOTE: Any one of these items might not seem so special, but when you put them all together, that's when your business starts to take on a look and feel of its own.

MARKETING MODELS

There are three types of models we can consider when constructing our marketing mix. The components of our mix are often referred to as the “Four Ps.”

FOUR Ps

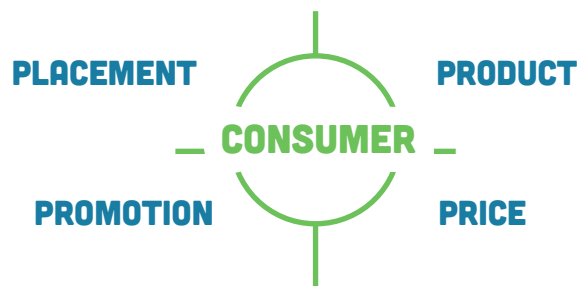
PRODUCT What you are selling

PROMOTION How you communicate about the product

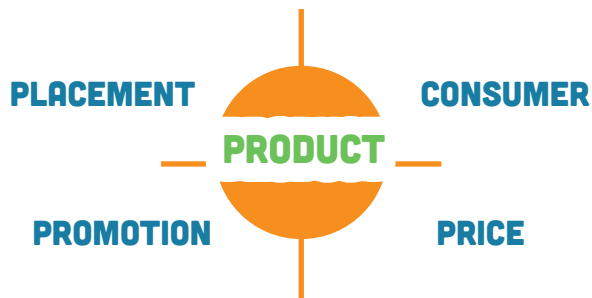
PRICE How much it costs

PLACEMENT Where it’s sold

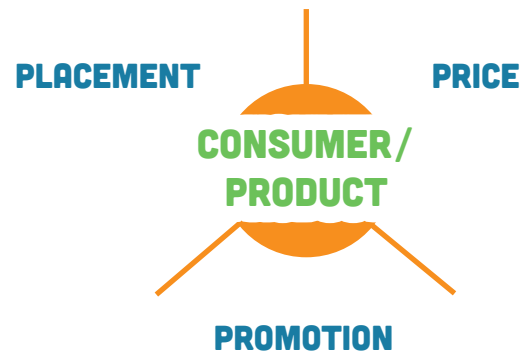
Traditional Business



Artist Model #1



Artist Model #2



SIVA: ANOTHER WAY TO THINK ABOUT IT

SIVA is a model that focuses more on the consumer experience. Use this model in conjunction with the Four Ps.

PRODUCT = SOLUTION to consumer's problem

PROMOTION = INFORMATION they need to understand

PRICE = VALUE of the product to the costumer

PLACEMENT = ACCESS to the product

IDENTIFYING YOUR TARGET AUDIENCE

There are two parts to identifying your audience: **Consumer Profile** and **Target Market**. A Consumer Profile is a general description of the characteristics of the type of people you believe are already interested in your work. Target Market is a description of the type of people you **want** to be interested in your work.

We construct these two characters through Demographic and Psychographic information.

Demographics are the *quantifiable* characteristics of a given population. Factors such as age, gender, sex, ethnicity, race, mobility, location, employment, home ownership, income level (think of the U.S. Census data).

Psychographics are the *qualitative* characteristics of a given population. Factors such as people's behaviors, opinions, value systems, activities, and habits. (This is commonly referred to as A.O.I. or Activities, Opinions, and Interests.)

EXERCISE 5: CONSTRUCTING YOUR CONSUMER PROFILE

List the characteristics of your audience below and then sketch out a drawing of who your consumer is and give them a name. (This is a common practice in business marketing. Companies want to humanize their consumer so that marketers will think deliberately about what "Josiah" or "Jalissa" wants in their product.) If you don't yet know your audience's characteristics, write down questions you can use to make observations the next time you have a chance.

DEMOGRAPHICS

PSYCHOGRAPHICS

Draw your consumer here



HOMEWORK ASSIGNMENT 2: IDENTIFYING AND ENGAGING YOUR TARGET MARKET

PART 1: Questions About Your Target Market

What are some trends within your target market? What do you notice artists selling more of?

Who are some of your competitors in your target market?

What online communities does your target market participate in?

What are some new or closely related target markets you might reach out to? (e.g. people who love pets instead of just people who love dogs)

PART 2: Developing a Content Calendar. Once you've identified your target market, you can use the content calendar below to organize how you reach out to that target market.

DATE	MESSAGE	TOOL	COST Earned Paid Owned	GOAL Broaden Deepen Diversify	IMPACT Benefits
10/25/20	Buy tickets by Friday and save 20%	Facebook Sponsored Post	Earned Paid \$20 Owned	Broaden Deepen Diversify	Earn buy-in from core audience
			Earned Paid Owned	Broaden Deepen Diversify	
			Earned Paid Owned	Broaden Deepen Diversify	
			Earned Paid Owned	Broaden Deepen Diversify	
			Earned Paid Owned	Broaden Deepen Diversify	
			Earned Paid Owned	Broaden Deepen Diversify	
			Earned Paid Owned	Broaden Deepen Diversify	
			Earned Paid Owned	Broaden Deepen Diversify	
			Earned Paid Owned	Broaden Deepen Diversify	

Broaden - reaching more potential customers; **Deepen** - deepen relationship with current customers; **Diversify** - reach different types of audiences OR using new types of content; **Earned** - content created by someone else about you for free; **Paid** - content you paid to promote or create; **Owned** - content you created

BRANDING

Simply put, branding is an agreement between the values you ascribe to your product or business and the values that your audience identifies, experiences, and accepts. We all know a “strong” brand when we see it; we generally have a firm sense of what we can expect when interacting with that artist or company. We think of Banksy as “rogue” or “anti-establishment” or “mysterious” or “satirical” and know that Banksy would probably never do a meet-and-greet with small children (or anyone, for that matter).

EXERCISE 6: FINDING YOUR BRAND

PART 1: In the space below, list words that describe:

EXTERNAL EXPERIENCE

*This is the emotional
experience people have
with your product*

BASIC FACTS

*Characteristics of your
sector of the arts industry*

INTERNAL PROCESS

*Specifically what you do
and the actions you take*

Based on these descriptions, what are things you **want** people to believe about your work and business?

MARKETING BUDGETS

No marketing plan is complete without a budget. How do you know how much to spend? In time or in money?

Find your budget as a percentage of gross sales (or projected gross sales).

Industry Averages

- ✖ 5-7% for established businesses
- ✖ 20-30% for start-ups

Return On Investment (ROI) is a percentage that tells you how efficient your marketing is financially.

$$\text{ROI} = \frac{\text{TOTAL REVENUE} - \text{TOTAL COST}}{\text{TOTAL COST}} \times 100$$

Example: Carlos spends \$150 on a print ad in his local art crawl catalog. As a result, he sells two small pieces totalling \$250. So Carlos's ROI for that print ad is \$250 minus \$150, divided by \$150 equals 0.66. 0.66 times 100 equals 66%

$$\text{ROI} = \frac{\$250 - \$150}{\$150} \times 100$$

That means that for every \$1 Carlos spent on advertising he grossed \$1.66 and netted 66 cents. Pretty good, Carlos!

CURRENT CLIENTS VS. NEW CLIENTS

On average, for every \$1 you spend to reach a current customer it takes \$6 to reach a new customer. That makes the ROI for current customers much better. Even though you might want to focus on your current customers, it's important to reach new audiences and **convert** them into current customers.



SO ABOUT THIS BUDGET...

The most important thing is to set a discrete amount of money and/or time over a specific period so you can measure what works. We call this a “campaign.” When the campaign ends, measure the ROI, make adjustments, and start another campaign. Over time you’ll learn to tailor your budget, tools, and timing to work best for your business.

HOW TO DO RESEARCH

The real heavy lifting comes when it's time to dig for information about your target market. The question is HOW. There are two types of sources: primary and secondary.

PRIMARY SOURCES are collected by you (or your employees) through direct and personal interactions. These interactions are valuable for collecting both demographic and psychographic data, but mostly for psychographic data. These can be sources like interviews, surveys, comments in person or on your social media pages, reviews, or focus groups.

SECONDARY SOURCES are collected by others, add a layer of analysis or interpretation, and often deal with demographic data rather than psychographic. You can find secondary sources in places like government department websites, business departments at libraries, nonprofit arts organization research studies, or educational institutional research. Here are a few suggestions for secondary source research:

GOVERNMENT DEPARTMENTS

- ✕ United States Bureau of Labor Statistics
- ✕ Census
- ✕ Regional Council Websites
- ✕ City Council Websites

BUSINESS DEPARTMENTS AT LIBRARIES

- ✕ Encyclopedia of Associations
- ✕ Business Information Sources

NONPROFIT ARTS ORGANIZATION RESEARCH STUDIES

- ✕ Americans for the Arts
- ✕ Pew Foundation

EDUCATIONAL INSTITUTIONAL RESEARCH

- ✕ Thesis
- ✕ Peer Reviewed Research Studies



YOUR SIX SENTENCE MARKETING PLAN

Do all the exercises and your homework assignments and then answer these questions. This is your Six Sentence Marketing Plan.

1. What is the outcome you want? (butt in seats, media coverage, number of sales, new leads, etc.)

2. What are you selling?

3. Who is your customer?

4. What is your brand?

5. What tools will you use to connect your product to your consumer?

6. What is your marketing budget and timeframe? How will you measure the impact of your campaigns?

NEXT STEPS



HOMEWORK ASSIGNMENT 3: THE MAGAZINE MODEL

Generating content can be challenging. It's good to be consistent, but people like variety. Take a glance through your favorite magazine or online publication. What types of content do they generate? Short form? Long form? Photo spreads? Industry jargon?

You might see the following types of content:

- | | |
|--------------------------|--|
| ✗ Contributors | ✗ Non-Fiction |
| ✗ Letter from the Editor | ✗ Comics |
| ✗ Photos | ✗ Critique |
| ✗ Fiction | ✗ Profiles |
| ✗ Vocab/Lingo | ✗ Advertisements/Embedded product endorsements |
| ✗ Opinion | |

Now imagine that you're starting your own magazine. What categories or departments will you have? What types of content do you enjoy most? What does your business and art practice do that will be covered in your magazine? That's your content!

Create your table of contents below, then start generating content using those starting points.



HOMEWORK ASSIGNMENT 4: THE BUDDY SYSTEM

Starting out on a new way of working can be daunting. Try the buddy system as a way to get comfortable with developing a marketing plan and using social media tools. Pick a friend (or two, or three) and make an agreement to share your marketing plan strategies and to only communicate with that friend when using a specific social media tool. Nobody ever learned to swim in a library. Dive in!

- 1.** Find a friend (or two, or three).
- 2.** Stay accountable to them for developing your marketing plan.
Talk to them using the social media tools of your choice.
- 3.** Expand communication to less personal channels once you're comfortable.

PROMOTIONS



Craft persuasive messaging and create a strategy
for how you will get the word out about your
work, events, and news.





“The workbook is special because it is not precious. You can write in it, dog-ear its pages, go wild with your highlighter, and refer to it over and over again”

– SAYMOUKDA DUANGPHOUXAY VONGSAY



PREPARING FOR PROMOTION

If Marketing is the overall plan for interacting with potential customers and telling the story of your business, then Promotions is the exact message or messages that you use to tell that story.

Let's review some of the aspects of marketing you learned in the Marketing unit. (If you haven't had a chance to work through the Marketing unit, consider doing so to get a more holistic picture of your interactions with potential customers.)



MARKETING IN A NUTSHELL

PRODUCT: What kind of product/activity are you offering? Describe it in “consumer language” and by benefits.

PLACE: Is the location where the public can find your product(s) comfortable and attractive for them?

PRICE: How much does it cost (money and time)?

PEOPLE: Who is your customer? Insiders or outsiders?

POSITION / BRANDING: How have you defined yourself to the customers? Core customers vs. new customers.

PROMOTION: What are you saying about yourself? The message? What communication tactics are you using?

EXERCISE 1: YOUR SIX SENTENCE MARKETING PLAN

If you created a six sentence marketing plan in the Marketing unit, write that here. If you haven't yet done that exercise, answer the questions below to develop your six sentence marketing plan.

1. What is the outcome you want? (but in seats, media coverage, number of sales, new leads, etc.)

2. What are you selling?

3. Who is your customer?

4. What is your brand?

5. What tools will you use to connect your product to your consumer?

6. What is your marketing budget and timeframe? How will you measure the impact of your campaigns?

IMPACT STRATEGIES

Behind every great promotion is a greater goal. Let's start by identifying what you want the impact of your messaging to be. Are you creating goals and strategies about places, people, or both? Feel free to write down your own examples next to the following strategies.

Understanding Place Strategies

Place strategies are focused on where customers encounter your art or the physical interactions they'll have when they encounter your work.

Good place strategies will...



Enhance the experience

- ✕ Bundling (dinner, discussions, discounts)
- ✕ Advance Bonus (early adopters, pre-screening)
- ✕ Advance Info (directions, parking, restaurants)

Improve communication

- ✕ Clear, easy to navigate website
- ✕ Alternative media (industry publications, social media, podcasts, neighborhood newsletters)
- ✕ Diversify media outlets
- ✕ Centralize the commitment (have a consistent call-to-action, e.g. "Sign up now" or "Buy tickets today!")
- ✕ Depth of information (consider how much detail you need to provide)

Simplify transactions

- ✕ Distribution system (PayPal, Eventbrite, Square, box office)
- ✕ Reservation/exchange/return policy
- ✕ Pricing structure
- ✕ Advance purchases

Understanding People Strategies

Good customer service will...

Create stronger relationships/allegiances

- ✗ Membership
- ✗ Stickers, t-shirts
- ✗ Punch cards for loyalty rewards

Instill a sense of community (belonging)

- ✗ Receptions
- ✗ Meet the artist

Create a sense of respect for the customer

- ✗ Prompt responses
- ✗ Hospitality
- ✗ Ask for their opinion and input

Enable the customer to get excited about the artist

- ✗ Shareable social media posts
- ✗ Background and process information

CRAFTING PERSUASIVE MESSAGING

Marketing vs. Messaging

MARKETING: What should I do to reach my objective? You answer this question with the Four Ps (Product, Place, Price, Promotion, etc.)

MESSAGING (COMMUNICATIONS): WHAT will you say? To WHOM will you say it? HOW will you say it to maximize results?

EXERCISE 2: WHAT, WHOM, AND HOW

Answer the questions below from the point of view of the customer - the “they” in each question - in an ideal scenario, i.e. everything goes as planned.

WHAT

What do they want from the activities?

What kind of experience will they have?

How does your product compare to other options?

Where can they find the product or information?

Are there added value features? Incentives?

WHO

What is your consumer profile?

What are their demographics?

What are their psychographics?

HOW

What communication tools will you be using?

What will the tone be?

EXERCISE 3: FINDING YOUR VOICE AND TONE

Just as we can have a particular tone when speaking that tells the listener how we feel at a given moment, the tone of your writing also conveys information about you and your artistic business. Your “voice” as a writer conveys fundamental information about who you are.

If you’re not sure what your writing tone and voice should be, answer the questions below to help you get started.

1: WHO ARE YOU? (Voice)

2: WHAT IS YOUR BRAND? (Voice)

**3: WHAT ARE THE CHARACTERISTICS
OF YOUR ARTISTIC STYLE?
(Voice)**

**4: HOW DO YOU FEEL ABOUT
WHAT YOU’RE COMMUNICATING?
Excited? Positive? Hopeful?
Intrigued? A sense of urgency? (Tone)**

COMMUNICATIONS STRATEGY

BUILDING BLOCKS

Got a show coming up? Maybe a new exhibit? Or perhaps you're getting ready to launch a product. You'll want a strategy for how to communicate this info.

Here are the essential building blocks of your strategy.

1) OBJECTIVE

Are you hoping to build awareness? Invoke a certain attitude? Broaden, deepen, or diversify your audience?

2) TARGET

Who are you trying to reach? Audiences holding certain attitudes, demographics, psychographics, or enriching characteristics?

3) MESSAGE

Message is "the promise" or "the point." It says why you're different or better. The message will likely not appear verbatim in your communications, but it is, hopefully, the motivating benefit for your audience.

4) SUPPORT

These are the facts, features, and any support you'll offer. Your supporting elements also give your audience the "why" of your message and gives them permission to believe they need that "why."

5) TONE AND VOICE

Communicate how you feel about your message, using your authentic voice.



HOMWORK ASSIGNMENT 1: STRATEGY WORKSHEET

Staying organized will help you know whether your messaging is successful or not. Use the worksheet below to track your promotions.

MESSAGE What are you saying?	TOOLS	TIME-FRAME	COST Money Time	GOAL Broaden Deepen Diversify	IMPACT Benefits
Opening day tickets: best seats, best price.	Incentivize urgency and early sign-up with discount.	Run online ad two weeks following press release	\$50 Online ad buy	<u>Broaden</u> Deepen Diversify	Getting early commitments to show. Follow up with Deepen-Owned appeal two weeks after.
				Broaden Deepen Diversify	
				Broaden Deepen Diversify	
				Broaden Deepen Diversify	

MEDIA

You've done the hard work of creating something and you're leveraging your own communications channels. Amplify your communications reach by engaging the media.

SEVEN STEPS TO SUCCESSFUL PUBLICITY (AND GREAT SOCIAL MEDIA AND COMMUNICATIONS)

1 **Smart Media Strategy**

Right information, right media, right time.

2 **Creative New Angles**

Practice writing copy from multiple perspectives (young and hip, "Hi Mom," comforting, aggressive, etc.).

3 **Well-Written Presentation**

Be clear, concise, grammatically correct (obviously). Use Associated Press style, and the inverted pyramid (Google it!).

4 **Compelling Visuals**

Use high-quality, professional images (print needs high resolution images). Include cut lines, a brief description, the event, and any key people involved. Pictures of people, especially faces, are compelling, rather than objects or places.

5 **Researched, Flexible Target List**

Always address your materials to a specific person, when possible. Be aware that media personnel are constantly shifting. Be flexible to new angles.

6 **Fearless, Persistent Pitching**

Believe that your work is valuable enough to tell others about it.

7 **Service-Oriented**

The media is your customer. Shape your message to meet their needs. Provide them with the best service possible (fast, punctual, formatted correctly).

EXERCISE 4: ASSEMBLING YOUR MEDIA LIST

Create a list of the media outlets in your community, e.g. newspapers, magazines, radio, newsletters, email lists, etc. Make sure to include local, neighborhood media: both from your hometown and where you currently live (if they're different). Smaller news markets are always looking for news!



HOMework ASSIGNMENT 2: ADDING MEDIA CONTACTS

Take your list of media outlets and research who does their arts reporting. See if there are email addresses you can use to send press releases; if so, jot those down here. There may not be direct email addresses for staff members, but an address to send news tips. Write those down, too.

WRITING PRESS RELEASES

A press release is a great tool for engaging the media. It gives the media a quick synopsis of what you're promoting, making it more likely to be picked up if there's space for it in their news cycle.

Press releases should take the following structure:

- ✗ Headline
- ✗ Lead/Intro
- ✗ Body
- ✗ Conclusion
- ✗ Artist Bio/Boilerplate ("boilerplate" is text that gives a brief synopsis of your artistic business)

Press releases should...

- ✗ Give a succinct who, what, when, where, why, and how
- ✗ Get to the point...quickly
- ✗ Use the active tense
- ✗ Be grammatically correct
- ✗ Write for what the media needs, not your ego
- ✗ Include a contact email and phone number

If you submit a press release, stay near the phone. You don't want to miss a call from the media, as you may miss your chance if you do.

You can find a press release template and a sample press release at the end of this unit.

PITCHING TO THE MEDIA

If you're doing something artistically that you'd like others to know about, it's possible to pitch or propose a story to the media. You never know when a media outlet is looking for news. You'll have the most success if you have an established relationship with your media contact (just as with any other endeavor).

Keep the following points in mind:

- ✖ What's the story in 20 seconds? (i.e. pick an angle for the story and have a backup angle, though your contact may have their own spin or angle on the story)
- ✖ What's in it for the publication/promoter? Why do they need this?
- ✖ If they aren't interested, who might be? (i.e. it's totally fine to move to the next media contact)

EXERCISE 5: PRACTICE PITCH

Write a practice pitch for an upcoming event (real or fictional). What's the story? What's the angle? New development? Human interest? Hyperlocal? Timing and proximity?

Condense those points into a 20-second pitch and write it here.



EXERCISE 6: YOUR MEDIA MIX – NOW AND IN THE FUTURE

Use the space below each category to write down the mix of media you currently have, then set a goal for how you'd like to improve your mix.

MEDIA MIX

A media mix is a combination of Owned, Paid, and Earned media.

OWNED

Content that you've created or that you control for your artistic business, e.g. website, your social media pages

PAID

Content that you paid to promote, e.g. print ads, sponsorships, expos, etc.

EARNED

Content created about you and your artistic business that you neither had to create or pay to promote, e.g. retweets, story features, interview, etc.

Think Big! What would be your ideal coverage in these areas in the future?

OWNED

e.g. have your own column or radio show

PAID

e.g. ad for your Zombie play in an episode of "Walking Dead"

EARNED

e.g. cover story on "American Craft" magazine, retweeted by Duane "The Rock" Johnson

NEXT STEPS



HOMEWORK ASSIGNMENT 3: THE “SO WHAT” TEST

1. Pair up with a partner
2. Set a timer for five minutes
3. Describe your promotion and message to your partner in a few sentences

Your partner can only answer **“So what?”** or **“And?”**

Keep answering their questions for as long as you can, or until the timer runs out. Now switch and give your partner the opportunity to describe their promotion. Remember: your only response is **“So what?”** or **“And?”**

This exercise will help you dig beyond the explanation of what you want to communicate to why you want to do it, who will benefit, and the impact the promotion will have.



HOMEWORK ASSIGNMENT 4: THE BUDDY SYSTEM

Try the buddy system as a way to get comfortable with developing a communications strategy and using social media tools. Pick a friend (or two, or three) and make an agreement to share your promotional messages, press releases, and media pitches.

1. Find a friend (or two, or three).
2. Stay accountable to them for developing your promotions strategies.
3. Send your promotional messages and media materials out into the world when you’re ready.

SAMPLE PRESS RELEASE

Release December 12, 2020

Carla Artemis

Springboard Press

651-292-4381

carla@carla-artemis.com

SPRINGBOARD PRESS ANNOUNCES A NEW BOOK BY CARLA ARTEMIS SHARING HER TRIALS, TIPS, AND TRUE STORIES OF MAKING A LIFE IN THE ARTS.

Carla Artemis writes about the path from dreamer to do-er. After many successful cross-disciplinary startups in dance, visual art, theatre, music, and cooking, Carla tells how her creativity, insatiable curiosity, and an enterprising spirit empowered her to turn the artistic life she dreamed of into the life she lives.

Told through short essays, personal stories, conversations with collaborators, and irreverent illustrations, Carla dives headlong into issues of creativity, equity, community engagement, disappointment, heartbreak, and triumph, while weaving it all together with her indomitable spirit and sharp humor.

Meet Carla at her book launch and signing on January 17th at the Second Story Literary Center at 1011 South Madison Avenue, Minneapolis, MN 55411

About Carla Artemis

Carla Artemis has over 20 years of experience in the arts and has been awarded fellowships and awards in every discipline she works in, including music, dance, visual art, and cooking. Ms. Artemis calls Saint Paul, MN home and splits her time between her multidisciplinary works and writing. You can visit her online at carla-artemis.com and on Instagram and Twitter @CarlaArtemis

About Springboard Press

Springboard Press publishes the toolkits and stories of Springboard for the Arts, an economic and community development organization for artists. Their mission is to cultivate vibrant communities by connecting artists with the resources they need to make a living and a life.

PRESS RELEASE TEMPLATE

Release [DATE SENT]

[CONTACT]

[ORGANIZATION]

[PHONE]

[EMAIL]

[YOUR GROUP][GREAT HEADLINE]

[INTRODUCTION, one paragraph, concise and catchy]

[LEAD PARAGRAPH, brief summary of the project]

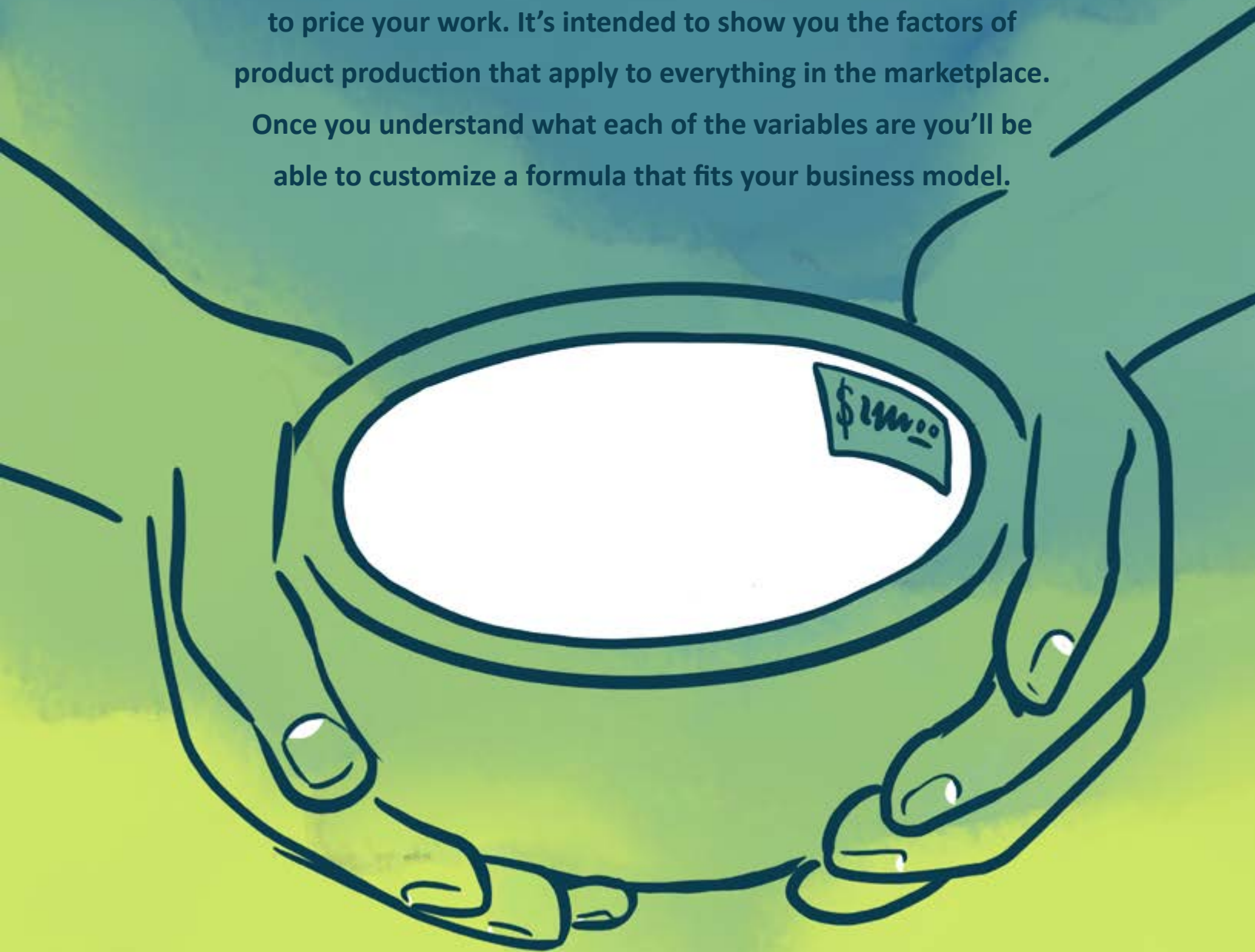
[QUOTE, EXAMPLE, or BACKGROUND DETAILS, who, what, when, where, why]

[ABOUT YOU]

[ABOUT YOUR ORGANIZATION]

PRICING

This analytical approach isn't intended to be the only way to price your work. It's intended to show you the factors of product production that apply to everything in the marketplace. Once you understand what each of the variables are you'll be able to customize a formula that fits your business model.



“The first time I ever taught Pricing, it was like, ‘I lived! I survived!’ It taught me a lesson that...the pricing topic isn’t as difficult as we make it out. You know, it doesn’t always have to be a math equation. It can be a conversation.”

– JES REYES



BEFORE YOU BEGIN

Figuring out your pricing can be overwhelming and emotionally charged. You may encounter some beliefs about the value of your work that need to be addressed as you work through the exercises and homework assignments. This work takes time, so you may need to complete the assignments over longer periods and input information as you gather it. Give yourself space to work, and remember this process isn’t meant to lock you into a system you’re stuck with forever. Ultimately the goal is to honestly and clearly assess the variables at work in pricing your artwork.

You may find some terms you don’t yet know in this unit. If you come across a word you don’t yet know, use the glossary at the end of the unit to find the definitions. Some of the terms are marked with an asterisk () to let you know there’s a definition in the glossary.*

INCOME GOALS

Before you set prices on your products, ask yourself what you want to earn from your artistic business. Take into consideration your living expenses, business expenses, and build in some **margin*** for rest and rejuvenation (it's nice to be able to take a vacation).

It's OK to aim for an income target that just pays for supplies for your artistic practice. Not wanting to make your artistic practice your main source of income is totally valid. Just make sure you're setting income goals that allow you to break even.



BASICS OF BREAK-EVEN POINTS

Break-Even Point: The volume of sales at which your net sales exactly equal your costs.

Profits = Revenues - Costs

Or

Profits = (Number of units sold * price) - Costs

How much do you need to sell in order to cover all of your costs (expenses): **fixed***, **variable*** and **discretionary***, **direct*** and **indirect***? For artists, the trick is often in figuring out what constitutes a "unit". Is it a painting? A poem or a short story? A piece of music? An item of jewelry or pottery? Or is it an hour of time?

EXERCISE 1: CALCULATE YEARLY, MONTHLY, WEEKLY, AND DAILY INCOME DESIRES

If you have a rough idea of your personal living expenses and your business expenses, decide on a yearly income amount that covers those expenses and gives you room to breathe, financially. (If you don't know your living and business expenses, see Homework Assignment 1.)

Multiply your total yearly income (otherwise known as the “**gross**”*) by 35%, at least, to account for taxes. The result is the amount of approximate tax you might pay. Subtract the result from the total yearly income. This is your desired **net*** yearly income.

1. Divide your net yearly income by 12 to calculate your monthly income.
2. Divide your monthly income by 4 to calculate your weekly income.
3. Divide your weekly income by 5 (unless you want to work 7 days a week) to calculate your day rate.

OR

4. Divide your weekly income by the number of hours you want to spend working each week (i.e. 30 or 40, or less).

$$\text{GYI} - (\text{GYI} * \text{TAX}\%) = \text{NYI}$$

$$\text{NYI} / 12 = \text{NMI}$$

$$\text{NMI} / 4 = \text{NWI}$$

$$\text{NWI} / 30 = \text{NHI}$$

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HOMEWORK ASSIGNMENT 1:

TRACK BUSINESS AND PERSONAL EXPENSES

Regardless of your income target, it's important to your business planning to know how much you're spending. If one week is typical of your business spending, track your expenses for one week. If spending fluctuates over the course of a month or several months, track your spending for that time period. Use whatever method makes sense for you that you'll be able to read later: moleskine notebook, Google sheets, giant ledger; user's choice.

Once you have some data on your expenses, go back and check those numbers against your income target calculations. Subtract your actual expenses from your desired net income. If you end up with a negative number, you may need to adjust your target income.

CALCULATING BUSINESS COSTS

CALCULATING COST OF PRODUCTION

Knowing what it costs to produce your work can give you a foundation for setting prices. The “LMOP” formula can be used to calculate wholesale price. Wholesale price is the cost to produce your work plus profit margin.

L

LABOR is calculated as a dollar amount per hour of work. This might be your time or an employee’s.

\$ / HR

M

MATERIAL is calculated as a dollar amount. It represents the direct cost of materials that end up in the finished product.

\$

O

OVERHEAD is calculated as a percentage of your Labor + Materials. These are costs that do not physically end up in the finished product but are necessary in the process of producing the finished product.

%

P

PROFIT is calculated as a percentage of your Labor + Materials + Overhead. This ensures your business can grow over time.

%

Profits may be used for:

- ✖ Competitive pricing
- ✖ Savings and bonuses
- ✖ Reinvesting in your business

► Examples

Labor: Hire an assistant

Materials: Buy in bulk or when pricing is best

Overhead: More efficient equipment

CALCULATING COST OF PRODUCTION

Overhead is a term for expenses that keep your business running but don't end up in the final product. When calculating wholesale cost, overhead is expressed as a percentage of the cost of production during a specified timeframe. One method of accounting for overhead in production costs is by dividing indirect costs by direct costs.

INDIRECT COST is anything that doesn't end up in the final product but is necessary for its production. Examples: studio rent, utilities, paint, child care

DIRECT COST is anything that does end up in the final product and is necessary to production. Examples: labor (yours or employees), materials

$$\text{INDIRECT \$} / \text{DIRECT \$} * 100 = \text{OVERHEAD\%}$$



HOMEWORK ASSIGNMENT 2: CALCULATE YOUR OVERHEAD PERCENTAGE.

PART 1: Calculate your overhead for the following timeframes.

1 MONTH

%

3 MONTH

%

6 MONTH

%

1 YEAR

%

**Make sure the time period for your Direct and Indirect costs is the same, otherwise your overhead will not be accurate.*

PART 2: Pick two of your products and calculate the overhead for each. Different products may have different overhead costs. You may find a product is expensive to produce, which forces you to raise prices to a level that doesn't fit your target market. Regularly evaluating overhead costs can help you streamline your product offerings and pricing.

<p>PRODUCT 1: _____</p> <div style="text-align: center;"> $\frac{\text{Indirect \\$:}}{\text{Direct \\$:}} \times 100 =$ </div> <div style="border: 1px solid #0070c0; border-radius: 15px; width: fit-content; margin: 0 auto; padding: 5px 20px; color: #0070c0;"> % Overhead </div>	<p>PRODUCT 2: _____</p> <div style="text-align: center;"> $\frac{\text{Indirect \\$:}}{\text{Direct \\$:}} \times 100 =$ </div> <div style="border: 1px solid #0070c0; border-radius: 15px; width: fit-content; margin: 0 auto; padding: 5px 20px; color: #0070c0;"> % Overhead </div>
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TRYING OUT THE FORMULAS

Let's say you're a choreographer working on a new piece. (For the sake of simplicity, let's say there won't be a full performance.) You'll need to add up your Labor (or what you're paying yourself hourly), your Materials (in this case, rehearsal space for this piece, any music you might need to purchase), and Overhead costs (childcare while you rehearse). You want to be able to grow your choreography business in the future, so you'll want to build in some Profit Margin; let's start with an assumed 15% and adjust as needed.

**Remember PEMDAS for order of operations: parentheses, exponents, multiplication, division, addition, subtraction.*

First, we'll need to find the Overhead percentage. Start by adding your Labor and Material costs together.

L + M

L\$320 + M\$80 = \$400

Divide your Indirect costs by your Direct costs.

Indirect Cost: \$135 (9 hours of childcare at \$15/hour)	= .3375
Direct Cost: \$400 (Labor + Materials)	

Multiply the decimal by 100 to get the percentage.

$$.3375 * 100 = 33.75\%$$

Overhead percentage may change depending on what time period you chose to track (busy periods vs. less busy), what product you're creating and how much materials cost, or utility costs that fluctuate.

Here's where we stand so far:

L \$320 (8 hours of work at \$40/hour)

M \$80 (8 hours of rehearsal space at \$10/hour)

O 33.75%

P 15%

You've already found the sum of your **Labor** and **Materials**.

L + M

$$L\$320 + M\$80 = \$400$$

Next, find a dollar amount for your **Overhead** percentage.

(L + M) * O

$$400 * .3375 = O \$135$$

Add the **Overhead** dollar amount to the sum of your **Labor** and **Materials**.

(L + M) + O

$$\$400 + \$135 = \$535$$

Find a dollar amount for **Profit Margin**.

[(L+M) + O] * P

$$\$535 * .15 = \$80.25$$

Add the **Profit Margin** dollar amount to your **Labor**, **Materials**, and **Overhead** dollar amounts.

$$\$535 + 80.25 = \$615.26$$

Congratulations! You've arrived at the **Wholesale Price**. But wait! There are more costs associated with selling a good or service. When you're at the store, the price tag on the shelf is not how much it costs to produce that item. That's the Wholesale Price plus the Retail "LMOP".



RETAIL

If Someone Else Is Selling For You...

A retail outlet is its own business and has its own costs. Consider that a store selling your products for you has its own mix of LMOP.

LABOR: Employees

MATERIAL: Buying wholesale products.

OVERHEAD: Business lease, utilities, eCommerce, shipping, marketing

PROFIT: Growing their business

YOUR LMOP (WHOLESALE) + THEIR LMOP (RETAILER) = RETAIL PRICE

Retailers often simplify the process by using a **Retail Markup** or **Keystoning**.

RETAIL MARKUP is expressed as a percentage multiplier of the wholesale cost. Retail Markup allows a business to price products more competitively and chart product profitability.

KEYSTONING is the practice of increasing the price of the product by a factor of two (or more) in order to cover costs and make profit.

\$150	WHOLESALE
\$300	RETAIL

If You're Selling It Yourself...

If you sell your own work, you incur these costs of doing business.



HOMework ASSIGNMENT 3: WHAT'S IN YOUR RETAIL LMOP?

Think through all the different scenarios that lead to marketing and selling your work: online sales, in-person events, fairs, meetings, workshops, etc. Choose one to start, and estimate the costs associated with that scenario. Use the same formulas you used in the Wholesale Price and Overhead sections to find your Retail LMOP.

- L** \$_____ Your time: at the booth selling, filling orders, marketing
- M** \$_____ Office supplies, signage, packaging, displays
- O** \$_____ Retail space, lease, marketing, travel
- P** \$_____ Reinvestment in marketing, employees, website, work samples

ADAPTING THE FORMULAS TO REAL-WORLD SITUATIONS

Now that you're aware of the variables, it's your job to tweak your own equation to best meet your business goals. This might include maintaining consistent pricing, competitive pricing, or increasing profitability.

Scenario 1: Consistency

A jewelry artist knows that, in the winter, heating bills for her studio will increase the overhead for her jewelry business, but she doesn't want to have to raise prices during the holiday gift season. She tracks the price of silver closely so she can buy at cheaper rates, allowing her to compensate for fluctuating expenses.

Scenario 2: Competitive

A theatre artist has been struggling to sell his three-act play because the cost of production is out of the budget range of smaller theaters in his area. He creates three short plays out of the larger play and creates a payment plan schedule to meet the price point of the type of theaters he's looking for.

Scenario 3: Profitability

A ceramic artist's new line of ceramic drafting pencils is taking off and in high demand. In order to increase their profitability, they raise the retail price in accordance with the perceived value but keep the original price in place for bulk orders.

EXERCISE 2: BRAINSTORMING

What are some other situations you might encounter or adjustments you might need to make to your pricing in your specific discipline or business?

PSYCHOLOGICAL ASPECTS OF PRICING

PRICE POINT is the amount of money a customer is willing to pay within a certain range. It's influenced by demand, competition, and perceived value. One psychological tactic of pricing uses Weber's law: "a just-noticeable change in a given stimulus appears as a constant ratio of the original stimulus." In pricing, it's the amount one can change prices before the customer notices, either positively or negatively. The higher the initial price point, the easier it is to increase the price by small increments.

For example, an artist produces a one-inch button with one of their designs and sets the price at \$1.00. A customer loves them and buys three. That customer comes back the next week to buy more, and, because they're popular, the artist has raised the price to \$2.00. The customer thinks that's too much of an increase and doesn't buy the button. However, if a customer purchases a vase for \$1,000 and the artist offers to create a custom stand for the vase for an additional \$250, that's psychologically easier for the customer to justify than the \$1.00 price increase on buttons.

PERCEIVED VALUE is a person or group of people's opinion of what they think a product's value is. You can raise or lower the price of your products, but that may not change the value of the product according to your potential customers.

Examples of Factors That May Impact Perceived Value

TRENDINESS: Products that are connected to popular trends and group behavior can be perceived as more valuable.

SCARCITY: Limited edition, scarce, and exclusive items can have added value even if the scarcity is fabricated or not real.

NOSTALGIA/SYMBOLISM: Items that appeal to the consumer's emotional attachments to meaningful moments (history, place, people, etc.) have higher value.

NECESSARY ADD-ONS: Products that complement and enhance an existing product may be priced at a premium, e.g. framing services, offering appropriate hanging fixtures.

EXERCISE 3: PERCEIVED VALUE EXAMPLES

What are some examples of perceived value inside and outside of the arts market?

If perceived value is the opinion of the consumer, then **ADDED VALUE** is the mechanism by which you create the perception of higher value. **ADDED VALUE** is any addition to a product or service that has a high perceived value-to-cost ratio. Some examples of added value are packaging, companion pieces, backstories, future discounts, loyalty points, membership, or personalization.



HOMEWORK ASSIGNMENT 4:

COMPARING PRICE IN THE MARKETPLACE

Do some field research online or in person.

PART 1: Make a list of products in the market that are...

- ✖ Similar to yours but different in price. Why are the prices different? Cost of production? Materials? Quality?
- ✖ Different than yours but similar in price. What is the budget and lifestyle of someone that buys items at certain price points? How do you fit in?
- ✖ Similar to yours and similar in price. What are the factors that differentiate your product from others that are similar in appearance and price?

PART 2: Take note of any customer perceptions that might affect value, as well as any added value that the artist is advertising.

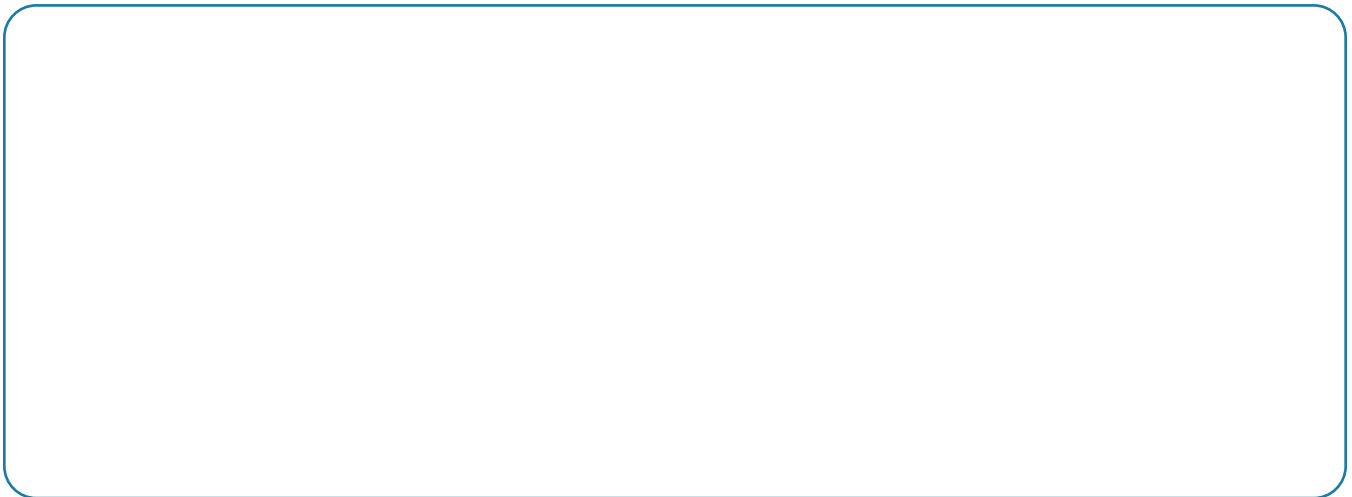
CONTROLLING THE DEAL

Now that you have a system for creating sound prices, you can begin to create incentive programs for customers. There are many ways to create deals for your customers that instill confidence in their purchase that don't undermine your profits. Always keep your LMOP in mind. Here are a few:

- ✖ Seasonal discounts
- ✖ Coupons
- ✖ Loyalty points systems
- ✖ Discounts on volume purchases
- ✖ Referral programs

EXERCISE 4: BRAINSTORMING INCENTIVE PROGRAMS

What are some incentives you use or see in the arts sector or other sectors? Are there incentive programs that you use and like or that you don't use for some reason?



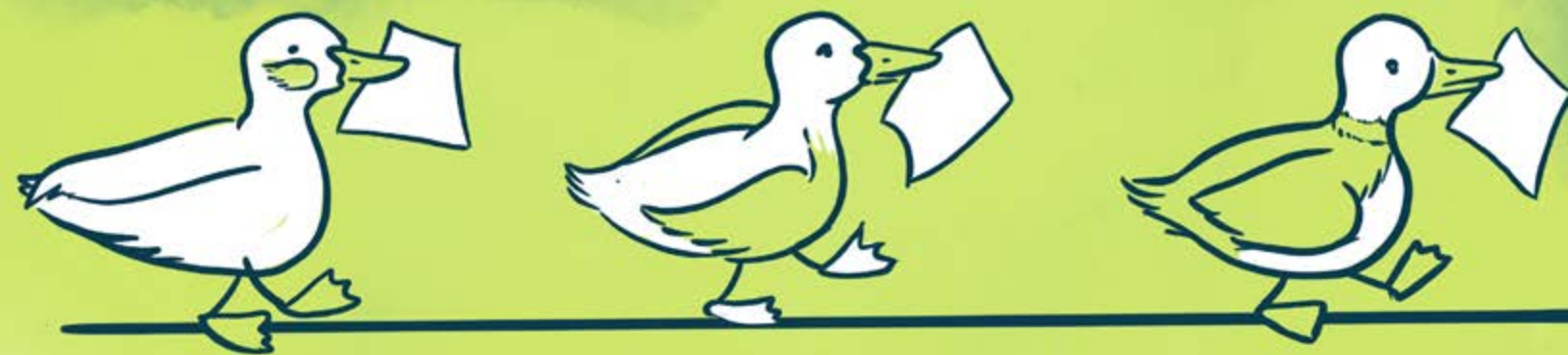
NEXT STEPS

This is a lot of information to take in all at once. Choose one homework assignment from the unit to tackle first. Write that below, along with a due date. Action steps + accountability = results!

MY NEXT STEP:

RECORD KEEPING

Learn how to track revenues and expenses, make informed projections, and gain a clearer understanding of your artistic business finances.



“There’s so many things in here! The...Artwork Registry Page...the Recordkeeping is probably one of my favorites... Just the idea of organizing yourself; because there are so many things you have to manage and navigate, and you’re the one doing it. No one else is doing it. So you have to develop systems to help you do that, and so I feel like having that [the Recordkeeping unit] was really helpful.”

– JES REYES



ORGANIZE YOURSELF!

CHOOSE A SYSTEM

The first step to recordkeeping is choosing a system that works for you. Some people prefer to use physical records like filing cabinets and folders, while others choose digital solutions like bookkeeping software and mobile apps. Your system doesn't have to be complex, but it should be organized to fit your business needs. Some basic tools for organization that you might use:

- ✕ A file folder system
- ✕ Bookkeeping software
- ✕ Spreadsheet software
- ✕ Online banking
- ✕ Checkbook
- ✕ Calendar
- ✕ Ledger
- ✕ Registry

EXERCISE 1: WHAT HELPS YOU STAY ORGANIZED?

Take some time to think through the times when you've been able to get and stay organized. What helps you feel calm and energized around organization? A system that's fun? Rewarding yourself after you do the less-fun parts? Working in small increments or doing it all at once? Jot down a few ideas that come to mind.

WHAT ARE YOU ORGANIZING?

For any business, you'll need to track a few essential record categories.

- ✕ Tax forms
- ✕ Banking
- ✕ Receipts
- ✕ Bills/Expenses
- ✕ Charitable contributions
- ✕ Legal documents

You can find more detail about these categories at the end of the unit.

As a self-employed artist, you may need to track several different kinds of business records regarding **income** and **expenses**.

Record income from...

- ✕ Sale of artwork
- ✕ Commissioned work
- ✕ Performance fees
- ✕ Independent teaching
- ✕ Residencies
- ✕ Seminars & workshops
- ✕ Lectures
- ✕ Fellowships & grants
- ✕ Awards & prizes
- ✕ Royalties
- ✕ Sale of major business assets
- ✕ Other

Record expenses from...

- ✕ Professional memberships
- ✕ Educational expenses
- ✕ Health insurance
- ✕ Business-related travel
- ✕ Periodical subscriptions
- ✕ Film tickets, recorded music
- ✕ Books related to work
- ✕ Freight & postage
- ✕ Advertising & promotion
- ✕ Materials & supplies
- ✕ Professional services: legal fees, accounting fees, tax preparation
- ✕ Tools
- ✕ Equipment
- ✕ Agent's commissions
- ✕ Documentation expenses
- ✕ Insurance of artwork
- ✕ Subcontractor's fees
- ✕ Duplication fees
- ✕ Openings & previews
- ✕ Telephone
- ✕ Framing
- ✕ Employee-related business expenses
- ✕ Space: rent, utilities, repairs, insurance, real estate taxes, decorating, furnishing, mortgage interest

ARTWORK REGISTRY

As a business owner **and** an artist, it's important to keep a record of the work you create from an archival standpoint. When was it created? Where is it now? What materials or collaborators were involved? What is the copyright registration number?

An Art Registry is a tool to track your body of work. It's also useful for keeping other aspects of your business in order, such as resumes, contracts, associated contacts, documentation, and production materials.

You can use the template in this unit to create your own art registry, or, if you like spreadsheets, you can keep track of the same categories there. There are also online tools and software that allow you to keep a detailed inventory of your artwork. If you do use one of these, be absolutely certain you can easily export your information into a wide range of formats should you need to: a spreadsheet backed up on your hard drive should still be accessible in thirty years, whereas a proprietary online database may not.

Beyond your own artwork, you may also wish to begin an inventory of all the artwork you have sold, exchanged or given away, as well as all original works in your collection made by other artists. These will be helpful for you as your career progresses (for example, if you're offered a retrospective in twenty years and they need your early works you gave away), and for your heirs or executors someday (to distinguish between work by you and a peer who might have worked in a similar vein). For visual artists, be sure you include clearly labeled photographs of each artwork.



ARTWORK REGISTRY TEMPLATE

Title:

Date Executed:

Media:

File#:

Dimensions:

Labor/Time:

[thumbnail image]

Copyright Registered?: No Yes

Date:

Documentation:

Value:

Insurance:

Disposition/Storage:

Publication or Exhibition Information:

MATERIALS

COST

.....
.....
.....
.....
.....
.....
.....
Total:

SALE INFORMATION

Date of Sale:

Sale Price:

Buyer:

Sale Agreement? No Yes

Commission Paid:

To:

Other Information:



HOMEWORK ASSIGNMENT 1: YOUR ARTWORK REGISTRY

PART 1: Decide on a system for your artwork registry. Will you use a paper template like this one? A spreadsheet? A filing cabinet? Choose one.

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PART 2: Start tracking your artwork. It's your choice where you begin. You might choose to start cataloging new pieces first, and go back to older pieces when you have time. You might decide to go back and catalog every work that you've done and can remember before you start with new things. Whichever method you choose, be intentional about making cataloging your work part of your artistic business practice.

ESTATE PLANNING

As you create a living record of your body of work, this is a good time to consider what will happen to all of it in the future. Will it be donated to a local museum? Will it be sold or auctioned off or given away to relatives? Who will retain the copyrights? Will your heirs be able to contact dealers or collectors? Who will make these decisions? A full course on estate planning is unfortunately beyond the scope of this workshop, but consider talking to an artist-friendly estate planning professional about wills and trusts now. You can find such an attorney through your local Volunteer Lawyers for the Arts program. Having a robust, accurate artwork registry and inventory is an excellent start to this important (and often overlooked) process. For more on estate planning for artists, please see the *Creating a Living Legacy (CALL)* workbooks by the Joan Mitchell Foundation.

RECORD RETENTION

WHAT TO KEEP AND WHY

Beyond the minimum requirements, it's good to have an idea of why we keep these records. Here are some of the uses that you might have for retention of your business documents over time.

CATEGORY	WHY?
Income: Check stubs, paid invoices, bills of sale (physical and digital), photo copies of checks received, W-2 and 1099 forms	Tax purposes, budgeting, business planning
Expenses: Sales receipts (physical and digital), bills, credit card statements, checking statements	Tax purposes, budgeting, business planning
Supplies & Inventory: Sales receipts, credit card statements, checking statements and registers	Tax purposes, budgeting, business planning, insurance
Calendars: Past & present gigs, clients, or events	Marketing, mailing lists, verifying mileage claims
Opportunities: Exhibition, performance, publishing	Marketing, mailing lists, career and business planning, networking
Funding/Grants: Application calendars, links, application materials	Career planning, tracking deadlines, networking
Artwork: What you've sold and inventory	Tax purposes, insurance, sales records, documentation of your artistic journey
Agreements: Contracts, commissions, confidentiality agreements, etc.	Business planning, proof of obligations, good general organization
Applications: Copyright, grants and fellowships	Proof of copyright registration, good general organization
Physical Assets: Capital purchases, equipment	Warranties, depreciation schedules

**You should never store customer credit card information in an insecure way (e.g. written down on a piece of paper). E-commerce software can be helpful in shielding customer credit card information.*

HOW LONG DO I KEEP RECORDS?

What you keep and how long is governed by the Sarbanes-Oxley Act. It ensures intentional document destruction is a carefully monitored process. You'll find a table in the back of this unit that shows which documents to keep and for how long. Your business may not have all of the documents listed and that's OK.



HOMEWORK ASSIGNMENT 2: BUILD A RECORD RETENTION STRATEGY.

- 1. Where will you store physical and digital documents? Will you digitize everything?
- 2. How will you track which documents are ready to discard/destroy and which you need to keep, and for how long? A filing system? Notes on your computer?
- 3. How will physical documents be securely destroyed? How will digital documents be securely erased?

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BUDGETING AND FORECASTING

A budget is no more than a plan for how to spend money over a specific period of time. It enables you to determine where and how you spend money, get more out of the money you have, and makes it easier to achieve your goals. A budget takes your financial information and puts it into a step-by-step process.

SEVEN STEPS

There are seven reasonably simple steps involved in putting together a budget:

1. Choose a system.
2. Calculate your income.
3. Calculate your expenses.
4. Compare income and expenses.
5. Identify your goals.
6. Improve your situation.
7. Monitor your progress.

Let's look at each of the steps in turn.

- 1 Choose a system.** Determine how you'll track the budgetary information. If paper and pencil works for you--great. You may use a simple spreadsheet or finance software like Quickbooks, Freshbooks, or You Need A Budget (these apps usually have some costs attached). These tools guide you through the process and will crunch the numbers for you.
- 2 Calculate your income.** Calculate and record the income you receive from all sources. Include gross salaries and wages, payments for freelance work, teaching, grants, fellowships, sales, royalties, consulting, etc. It's generally wise to be conservative with the calculations. Don't include income you aren't fairly certain you'll be receiving. Monitoring your income over a longer period (for example, six months rather than one) will flatten out any jumps or dips that happen within a month, resulting in a more accurate estimate.

3 Calculate your expenses. This step may be more time consuming than the previous one, but it's also more important, because it's the side of the equation that you probably have more control over. Expenses can be grouped into three basic categories:

- A.** Fixed expenses: necessary expenses that have the same (fixed) monthly payments, whether you're busy or not, i.e. studio rent.
- B.** Variable expenses: Necessary expenses with payments that vary from one month to the next. These may be tied to how busy you are, i.e. electricity bills for running a kiln.
- C.** Discretionary expenses: Expenses that aren't necessities.

Begin by estimating how much you spend monthly on each type of expense. Here are some common types of expenses, but feel free to modify this list to suit your specific circumstances.

- | | |
|------------------|--|
| ✕ Utilities | ✕ Memberships |
| ✕ Tools | ✕ Office supplies |
| ✕ Rent | ✕ Shipping |
| ✕ Loans | ✕ Credit card debt |
| ✕ Insurance | ✕ Repairs and maintenance |
| ✕ Payroll | ✕ Pocket money or owner's draw |
| ✕ Internet | ✕ Professional services (accountant, attorney, etc.) |
| ✕ Subscriptions | ✕ IRA or retirement contributions |
| ✕ Raw materials | ✕ Travel and transportation |
| ✕ Marketing | |
| ✕ Entertainment | |
| ✕ Dining out | |
| ✕ Contract labor | |

Track your spending for a month or two. Try not to change your spending practices during this time. Track all expenses, no matter how small. To save time, you might want to use your monthly checking and cash or credit card statements. Be sure to itemize your cash purchases, rather than just listing "ATM Withdrawal." This is especially important if cash purchases comprise more than 5% of your customary expenses.

4 Compare income and expenses. Having completed the previous steps, you should now be able to answer these questions:

- ✗ How much money is coming in?
- ✗ How much money is going out?
- ✗ Where is it going?
- ✗ Where am I spending too much money?

5 Identify your goals. Now that you have a clear snapshot of your finances, establish a budget and work towards meeting it. Attach realistic numbers to budget line items. Make sure that when you subtract your expenses from your income, you get a positive number that can be reinvested into your business. Identify the big-ticket investments or expenses that you will need to save for and start saving for them. (Don't neglect to fund your retirement!)

6 Improve your situation. The whole purpose of detailing your budget is to find ways to improve your bottom line. Even if you accurately predicted where your money is going, you should still ask yourself whether those expenditures are worthwhile.

7 Monitor your progress. Make an appointment with yourself to evaluate your progress and modify your budget as needed.

FINANCIAL REPORTS

From a financial standpoint, your small business has two primary objectives: **profitability** and **solvency**. Two basic financial reports are used to measure your ability to do both and predict your ability to do both going forward.

Profitability means the ability to generate income that exceeds expenses over time. Profitability is reflected on an **INCOME STATEMENT**. **Solvency** means the ability to pay debts as they come due, on a long term and short term basis. Solvency is reflected on a **BALANCE SHEET**.

Together, these two financial reports show a business's Revenue, Expenses, Assets, and Liabilities. As this information is gathered, it can be used to make more informed projections (educated guesses about a business's future income and expenses) and assumptions.

Financial reports can be run at any time and for any time period (e.g. monthly, quarterly, annually, etc.). It's best to track your finances on a monthly basis using a **MONTHLY CASH FLOW STATEMENT**. The Cash Flow Statement shows the movement of cash into and out of a business or project over a period of time. It's considered good if you have more money at the end of the period and bad if the balance of available cash decreases.



INCOME STATEMENT

The Income Statement (also called a Profit & Loss Statement) reflects how your business has performed over a specific period of time in terms of how much you've earned and how much you've spent.

The top half lists all revenue coming into the business and a subtotal of Gross Revenue or Gross Income. The bottom half of the report lists the line items that are liabilities or expenses of the business. After the expenses have been subtracted from the gross income, you have a number called Net Revenue or Net Income. You want this number to be a positive number.

Revenue:	
Gross Sales	
Less: Sales Returns and Allowances	
Net Sales	\$
Cost of Goods Sold:	
Beginning Inventory	
Add: Purchases	
Direct Labor	
Indirect Expenses	
Less: Ending Inventory	
Cost of Goods Sold	\$
Gross Profit (Loss)	\$
Expenses:	
Advertising	
Bad Debts	
Bank Charges	
Charitable Contributions	
Contract Labor	
Credit Card Fees	
Delivery Expenses	
Depreciation	
Dues and Subscriptions	
Insurance	
Miscellaneous	
Office Expenses	
Payroll Taxes	
Permits and Licenses	
Postage	
Professional Development	
Professional Fees	
Rent	
Repairs & Maintenance	
Telephone	
Travel	
Utilities	
Vehicle Expenses	
Wages	
Total Expenses	\$
Net Operating Income	\$
Other Income:	
Gain (Loss) on Sale of Assets	
Interest Income	
Total Other Income	\$
Net Income (Loss)	\$



BALANCE SHEET

The balance sheet reflects the total value or worth of the business. It captures financial data for a single point in time and is often described as a “financial snapshot” of your business. It gives a picture of what the business owns, which includes **assets*** plus any **equity***. Companies often divide assets into current assets (usually cash) and fixed assets (things the business owns that could be sold for cash). Likewise, liabilities are divided into current liabilities (stuff that must be paid within one year) and long-term debt.

The basic equation is

$$\begin{aligned}
 &\text{ASSETS} = \\
 &\text{LIABILITIES} + \text{EQUITY} \\
 &\text{OR} \\
 &\text{ASSETS} - \text{LIABILITIES} \\
 &= \text{EQUITY}
 \end{aligned}$$

Assets	Debit	Credit
Current Assets:		
Cash		\$
Accounts Receivable	\$	
Less: Reserve for Bad Debts	\$	\$
Merchandise Inventory		\$
Notes Receivable		\$
Total Current Assets		
Fixed Assets:		
Vehicles	\$	
Less: Accumulated Depreciation	\$	\$
Furniture and Fixtures	\$	
Less: Accumulated Depreciation	\$	\$
Equipment	\$	
Less: Accumulated Depreciation	\$	\$
Buildings	\$	
Less: Accumulated Depreciation	\$	\$
Land		\$
Total Fixed Assets		
Other Assets:		
Total Other Assets		
Total Assets		

Liabilities and Capital	Debit	Credit
Current Liabilities:		
Accounts Payable		\$
Sales Taxes Payable		\$
Payroll Taxes Payable	\$	
Unearned Revenues		\$
Short-Term Notes Payable		\$
Short-Term Bank Loan Payable	\$	
Total Current Liabilities		
Long-Term Liabilities:		
Long-Term Notes Payable		\$
Mortgage Payable		\$
Total Long-Term Liabilities		
Total Liabilities		
Capital:		
Owner's Equity		\$
Net Profit		\$
Total Capital		
Total Liabilities and Capital		



CASH FLOW STATEMENTS

Below is a blank sample cash flow statement. This statement measures cash flow over a 12-month period. The starting and ending dates ("Period From/To") depend on when you begin tracking.

While the "Income" and "Expense" categories should be on all cash flow statements, the subcategories of income and expenses will change depending on your business's income sources and types of expenses.

Ultimately, the simplest way to think about a cash flow statement is "cash in minus cash out," and the remaining balance, if any, rolls to the next month.

Business Name:	MONTH				
Period from: to:	1	2	3	4	5
Beginning Cash Balance					
INCOME					
Sales					
Gifts					
Other					
Other					
<Less the Cost of Goods>*					
GROSS INCOME or REVENUE:					
OPERATING EXPENSES					
Salary/Wages					
Payroll Taxes					
Employee Benefits					
Rent or Mortgage payment (or % of)					
Utilities					
Telephone					
Internet					
Office Supplies					
Marketing					
Legal and Accounting Services					
Insurance					
Car / Delivery (44.5/mi.)					
Property Tax					
Interest					
Other					
Depreciation**					
GROSS OPERATING EXPENSES:					
NET PROFIT (before Income Tax):					
Less Soc. Sec. & Income Taxes					
Less Principal on Loans					
Less Owner's Draw					
Plus Depreciation					
TOTAL CHANGES TO CASH					

CASHFLOW STATEMENT EXAMPLE

Business Name:	12 MONTH BUSINESS CASH FLOW STATEMENT													
Period from:	to:	1	2	3	4	5	6	7	8	9	10	11	12	Year End Totals
Beginning Cash Balance														
INCOME														
Sales														
Gifts														
Other														
Other														
<Less the Cost of Goods>*														
GROSS INCOME or REVENUE:														
OPERATING EXPENSES														
Salary/Wages														
Payroll Taxes														
Employee Benefits														
Rent or Mortgage payment (or % of)														
Utilities														
Telephone														
Internet														
Office Supplies														
Marketing														
Legal and Accounting Services														
Insurance														
Car / Delivery (44.5/mi.)														
Property Tax														
Interest														
Other														
Depreciation**														
GROSS OPERATING EXPENSES:														
NET PROFIT (before Income Tax):														
Less Soc. Sec. & Income Taxes														
Less Principal on Loans														
Less Owner's Draw														
Plus Depreciation														
TOTAL CHANGES TO CASH														

*Cost of Goods are the costs resulting from the production of your product, e.g., materials, storage, packaging, production related labor (but not your own labor).
**For tax purposes, depreciation is the allowable deduction for the loss of an asset's value due to age, wear, etc.

EXERCISE 2:

HOW TO USE THE CASH FLOW STATEMENT

1. Enter your business's beginning cash balance to start. This is money that your business actually has in the bank and doesn't include income you'll receive in the future.
2. Enter your business's known income sources, the amounts, and when that income will be received, i.e. \$3000 in January. (Take a guess or make up some numbers for the purposes of this exercise. You can enter accurate numbers later.) Income sources might be sales of your work, workshops you teach, or regular payments for rehearsing and performing a show.
3. Total the gross revenue at the bottom of the income section.
4. Enter your business's operating expenses and the amounts in each month. (If you're not sure what those numbers are, estimate them for this exercise, then go back and fill in the accurate numbers later.) Operating expenses might be things like purchasing materials, rent on rehearsal space, or utilities.
5. Total the gross operating expenses.
6. Subtract the total operating expenses from total revenue. Enter this amount on the "Net Profit" line.
7. Subtract the amount of the owner's draw (the amount the business owner takes from profits for personal expenses), and you've arrived at a basic cash flow balance. Write this amount as the "Beginning Cash Balance" for Month 2.

Sidenote: *If your business is paying social security and income taxes, making loan payments, or has any large assets that need to be depreciated, you'll need to factor these amounts into your calculations. Best practice is to consult an accountant regarding calculating depreciation and how to work with it on financial reports. Short answer: it's kind of complicated.*

Repeat to project your cash flow balance for the next 11 months.



HOMEWORK ASSIGNMENT 3: TRACK YOUR EXPENSES AND MAKE ASSUMPTIONS

PART 1: Track your business expenses for a year and record them in the Operating Expenses chart in the Supplemental Materials section or use one of your own creation. Look for patterns, consistency, variations, outliers, and rising costs.

PART 2: Use the Assumptions chart to draw some conclusions based on your data that will help improve your operating expenses. Questions to ask yourself:

- ✖ Are there expenses that absolutely cannot be reduced?
- ✖ What kind of expenses could you increase that might have a long term benefit?
- ✖ What are your largest operating expenses and are they justified?
- ✖ Are there expenses that are non-essential that you can reduce easily?



HOMEWORK ASSIGNMENT 4: ANALYZING SALES PROJECTIONS AND MAKING ASSUMPTIONS

The sales projections chart can be used to make projections about which products - goods and services - will sell better at different points during the year.

PART 1: Go back through your sales history and look for periods of higher demand for certain products. Enter your estimated sales into the Sales Projections chart (in the Supplemental Materials section) based on your historical sales data. If you don't have any data yet, jump to Part 2.

PART 2: Use the assumptions chart to jot down your assumptions about sales. Think through what you sell or you're planning to sell, the characteristics of those products, and when they might be in higher demand, or whether demand will be consistent throughout the year. Ask yourself:

- ✖ What products are most popular?
- ✖ Which items have the best profit margins?
- ✖ Are there any patterns or apparent correlations that emerge?



Whew! Recordkeeping can feel overwhelming. If you want more in-depth accounting information, check out the Accounting and Bookkeeping tutorials on Lynda.com or Investopedia.com.

SUPPLEMENTAL MATERIALS

EXAMPLES OF ESSENTIAL RECORDS

- ✕ Federal and state income tax returns, including all schedules that attach to them and the worksheets used to figure them.
- ✕ W-2 forms, 1099 forms
- ✕ Canceled checks and/or bank statements and check registers
- ✕ Credit card statements
- ✕ Receipts for equipment purchases, home office expenses and materials purchases
- ✕ Paid bills, with date paid and check number recorded
- ✕ Records of charitable contributions
- ✕ Records of medical expenses
- ✕ Appointment calendar
- ✕ Other records of investments, stock purchases, records of interest paid on investments, and sales or transfers

TRACKING OPERATING EXPENSES

This chart can be used to track your actual operating expenses.

OPERATING EXPENSES - YEAR 1													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Advertising													
Bank Charges													
Dues & Subscriptions													
Insurance													
Licenses & Fees													
Marketing & Promotion													
Meals & Entertainment													
Miscellaneous													
Office Expense (postage)													
Office Supplies													
Outside Services													
Payroll Expenses:													
Salaries & Wages													
Payroll Taxes													
Benefits													
Professional Fees													
Property Taxes													
Rent													
Repairs & Maintenance													
Shipping & Delivery													
Telephone													
Training & Development													
Travel													
Utilities													
Vehicle													
Other													
Other													
Other													
TOTAL OPERATING EXPENSES:													

ASSUMPTIONS CHART

ASSUMPTIONS - YEAR 1	
Advertising	
Bank Charges	
Dues & Subscriptions	
Insurance	
Licenses & Fees	
Marketing & Promotion	
Meals & Entertainment	
Miscellaneous	
Office Expense (postage)	
Office Supplies	
Outside Services	
Payroll Expenses:	
Salaries & Wages	
Payroll Taxes	
Benefits	
Professional Fees	
Property Taxes	
Rent	
Repairs & Maintenance	
Shipping & Delivery	
Telephone	
Training & Development	
Travel	
Utilities	
Vehicle	
Other	
Other	
Other	

SALES PROJECTIONS CHART

SALES PROJECTIONS - YEAR 1													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Product/Service Category A													
Product/Service Category B													
Product/Service Category C													
Product/Service Category D													
Product/Service Category E													
Product/Service Category F													
Product/Service Category G													
GROSS SALES:													
Less: Returns & Allowances													
NET SALES:													
Other Income													
TOTAL INCOME:													
Credit Management													
Sales (cash)													
Sales (credit)													
Received on Account													
Bad Debt Expense													

ASSUMPTIONS - YEAR 1												
Product/Service Category A												
Product/Service Category B												
Product/Service Category C												
Product/Service Category D												
Product/Service Category E												
Product/Service Category F												
Product/Service Category G												
Less: Returns & Allowances												
Other Income												
Sales (cash)												
Sales (credit)												
Received on Account												
Bad Debt Expense												

RECORD RETENTION

These tables are a general guide to developing a record retention policy to fit your business.

PERMANENTLY

- ✕ Audit reports
- ✕ Capital stock & bond records
- ✕ Cash books
- ✕ Charts of accounts
- ✕ Checks (canceled for important payments, e.g. taxes, purchases of property)
- ✕ Contracts, mortgages, notes, & leases (still in effect)
- ✕ Correspondence (legal & important matters only)
- ✕ Deeds and bills of sale
- ✕ Depreciation schedules
- ✕ Financial statements (year-end, other optional)
- ✕ General/private ledgers, year-end trial balance
- ✕ Insurance records, current accident reports, claims, policies, etc.
- ✕ Journals
- ✕ Minute books of directors, stockholders, bylaws, and charter
- ✕ Property appraisals by outside appraisers
- ✕ Property records
- ✕ Patents & related papers
- ✕ Retirement & pension records
- ✕ Tax returns, worksheets, & schedules
- ✕ Trademark & copyright registrations
- ✕ Training manuals
- ✕ Union agreements

SEVEN YEARS

- ✕ Accident reports/claims (settled cases)
- ✕ Accounts payable ledgers & schedules
- ✕ Accounts receivable ledgers & schedules
- ✕ Checks (canceled)
- ✕ Contracts, mortgages, notes & leases (expired)
- ✕ Expense analyses/expense distribution schedules
- ✕ Garnishments
- ✕ Inventories of products, materials, and supplies
- ✕ Invoices (to customers, from vendors)
- ✕ Notes receivable ledgers & schedules
- ✕ Option records (expired)
- ✕ Payroll records & summaries
- ✕ Personnel files (terminated)
- ✕ Plant cost ledgers
- ✕ Purchase orders (purchasing department copy)
- ✕ Scrap & salvage records (inventories, sales, etc.)
- ✕ Sales records
- ✕ Stocks & bonds certificates (canceled)
- ✕ Subsidiary ledgers
- ✕ Time books/cards
- ✕ Voucher register & schedules
- ✕ Vouchers for payments to vendors, employees, etc.
- ✕ Withholding tax statements

THREE YEARS

- ✕ Bank statements
- ✕ Employment applications
- ✕ Insurance policies (expired)
- ✕ Internal audit reports (longer retention periods may be desirable)
- ✕ Internal reports (miscellaneous)
- ✕ Petty cash vouchers
- ✕ Physical inventory tags
- ✕ Sales commission reports

TWO YEARS

- ✕ Bank reconciliations
- ✕ Correspondence (general)
- ✕ Correspondence (routine) with customers and/or vendors
- ✕ Duplicate deposit slips

ONE YEAR

- ✕ Purchase orders
- ✕ Receiving sheets
- ✕ Requisitions
- ✕ Stenographer's notebooks
- ✕ Stockroom withdrawal forms

LEGAL CONSIDERATIONS

Obtain general information about your intellectual property, contract basics,
and structuring your artistic business.



“Before I took the series, I was kind of like, ‘I really want to do this, but how do I get started?’ It seemed possible, but with a lot of fog around it and really big holes that you might fall into. What the series did for me is it dispelled the fog and filled in the holes and made me feel that, ‘Yeah, I can do this. It’ll take some work, but I can do it.’”

– SUSAN SMITH–GRIER



PROTECTING YOUR INTELLECTUAL PROPERTY



COPYRIGHTS

What is a copyright? Copyrights are the rights you enjoy as the author of original material. Copyright law was originally intended to support creativity in the arts and sciences and to make sure creators were able to benefit from their work.

To be copyrightable, a work must contain some minimum amount of original authorship. Copyrights attach to a creation as soon as you have fixed it in tangible form, e.g. a painting, a musical score, choreographic notation, a sound recording, etc. Ideas, processes, and concepts cannot be copyrighted, nor can names, titles, or other short phrases.

The copyright ensures that only the owner of the copyright may copy, print, or distribute the work, publicly perform the work, or create derivative works.

How to Register A Copyright

Forms and instructions may be downloaded from the United States Copyright Office's website www.copyright.gov. The site is user-friendly and informative. Here are some copyright categories:

- ✖ Pictorial or graphic works (Form VA)
- ✖ Sculptural works (Form VA)
- ✖ Architectural works (Form VA)
- ✖ Musical compositions and accompanying words (Form PA)
- ✖ Sound recordings (Form SR)
- ✖ Dramatic works - including accompanying music (Form PA)
- ✖ Choreographic works (Form PA)
- ✖ Film and other audiovisual works (Form PA)
- ✖ Literary works (Form TX)

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Divisibility of Copyrights

Copyrights are unique in that they are divisible-- copyright owners may grant others the use of their work for some purpose distinct from other purposes, and charge a fee for the use (called "licensing"). Copyright holders can grant exclusive rights to any number of recipients, such as:

- ✗ Reproduction
- ✗ **Derivative works***
- ✗ Public performance
- ✗ Public display
- ✗ Digital performance in sound recordings

Copyright holders can put restrictions on how, when, and where the licensee can exercise those exclusive rights, such as only allowing a novel to be published in Ghana, or limiting a run of painting prints to 100 total. If you're planning to license work, make sure the contract is clear on how, when, and where your copyrighted works can be used by the licensee.

Copyright Q&A

Q: *Do I need to place the "c-in-a-circle" symbol, the date, and my name on the work to ensure that it is copyrighted?*

(Example: © 2007 Jane Doe)

A: No, but it's OK if you want to and doesn't hurt.

Q: *Must I register my copyright?*

A: No, but it's a good idea.

Q: *Does it cost anything?*

A: Yes. You can find current fees on the copyright.gov website, but generally \$45 online for a single filing with one author for one work, \$65 online for other works; and \$125 to register using a paper form.

Q: *What if I choose not to register my copyright?*

A: It might make it harder and more expensive to protect your intellectual property. If you don't register your copyright, you may not be able file a lawsuit to enforce or protect your copyright. You're also not eligible for damages if your copyright isn't registered. (Remember to print the forms double sided if you're going to send in physical copies.)

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HOMWORK ASSIGNMENT 1: COPYRIGHT INVENTORY

Go through your work and make a list of what works don't have a registered copyright. (It might be all of them.) The United States Copyright Office allows creators to group works together by some organized theme: color, time period, subject matter, etc. See if you can group works together and register the copyright as a group to save time and money.



What is a patent?

Patents protect ideas, such as new designs, tools, machines or production processes. There are three types, only two of which concern us: plant (which is just what it sounds like, a patent for new types of plants), utility and design. Generally, a “utility patent” protects the way an article is used and how it works, and a “design patent” protects the way an article looks. You can have both a design and utility patents for a single work if the original nature of the invention is both in how it works and it looks.

Patents are expensive and must meet strict scrutiny in regard to eligible subject matter, utility, novelty, and non-obviousness, among other things. Patents exclude others from using your invention for 20 years, though they may be sold or licensed to others for use.

As far as where they may be useful to artists and creatives, we can look at an example of both a utility and design patent owned by artists.

In 1991, the estate of Andy Warhol filed a patent for “an ornamental design on a watch,” based on an idea Warhol had. It was a five-sided watch that wraps around one's wrist, with a watch face on each of the five sides. This is an example of a design patent. Warhol's patent didn't protect the underlying technology. There is nothing novel about the mechanisms of each individual watch — they're just standard battery-operated watches. The novelty is solely in the design.¹

1 <https://patentimages.storage.googleapis.com/21/93/c5/d9040db78410e0/USD322227.pdf>

Since the 1970s, an Arkansas artist named Gordon E. Brandt has made a living designing kinetic sculptures as consumer goods, fine art pieces and public art projects. These sculptures are both abstract and figurative, and powered by electric clock motors to move elements of the sculpture in random motions. The more than one dozen patents that Brandt holds are utility patents, since each one breaks down how exactly the kinetic sculptures are built, powered and operated in a series of diagrams. The patent protects not simply how the sculptures look, but the specific mechanical and electrical systems that make them work.^{2,3}



What is a trademark or service mark?

The primary purpose of a trademark or service mark is to protect consumers from confusion. A mark allows customers to connect a product with a source (either commercial or artistic) and lends assurance as to a certain quality. In the commercial world, for example, you know you're getting a Coca-Cola when you see a bottle on the shelf and recognize the actual shape of the bottle and the white-on-red logo, and you know it will taste like any Coca-Cola you could buy anywhere. For artists, examples might include signatures on paintings, chops on pottery or sculpture, or distinctive packaging.

One use for trademarks for creatives and artists is identifying a good or service that you plan to sell. Goods in this case could be t-shirts, paintings or records, and the service could be performing live. Depending on the good or service, it might fit into a few categories. One example is the sound of Darth Vader breathing through the character's respirator: Lucasfilm Entertainment registered the trademark with costume masks and action figures in mind. Another would be registering a name. Jay-Z, Beyoncé, and their children all have trademarked names.

The marks must be used repeatedly and consistently— use it or lose it.

2 <https://patentimages.storage.googleapis.com/62/03/45/8980e312e727ea/US4009534.pdf>

3 <http://www.gordonbradt.com>

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What is a trade secret?

Trade secret law may provide protection for significant information that doesn't qualify for copyright or patent protection. Trade secrets may be kept indefinitely. Examples include techniques such as new methods of printing, etching, or glazing. (The method cannot be easily discoverable.) Trade secret law may also protect customer lists and other confidential business materials. You don't file for a trade secret -- you simply don't make the information public.



What are moral rights?

The Visual Rights Act (VARA) is an amendment to the Copyright Act; it established moral rights for artists. Copyrights are considered property rights. Moral rights are described as "rights of personality." Its limitation is the narrowness with which it describes "art" as limited to the traditional "fine arts." VARA gives the artist the right to claim authorship of their work even if they have sold it and the copyrights to the work. It prevents others from attaching the artist's name to other work, and prevents the use of his or her name on mutilated, distorted, or modified versions of their own work. In addition, the artist can prevent the mutilation, distortion, or modification of their work (although the artist will bear a burden of proof that the work is "of recognized stature"). An example here would be if the owner of a mall put a Santa Claus hat on a sculpture during the holiday season, as happened in Canada in 1979. The artist, a respected sculptor, wasn't happy about this intervention, and brought a lawsuit against the mall. The mall owner's intervention "prejudice[d]...the honor or reputation" of the artist, and the mall was forced to remove the hats.

Moral rights cannot be transferred--when the artist dies, the rights go away. They can, however, be waived in writing. There are specific provisions for art included in building structures: artists or building owners should register the work with the Visual Arts Registry, Library of Congress (there is no specific form for this) citing the name and address of the artist and describing the work, including photographs documenting the work. This is to help building owners locate and notify artists.

OTHER PROTECTIONS FOR ARTISTS

UNFAIR COMPETITION:

A typical unfair competition claim is against someone whose work bears such a striking resemblance to the plaintiff's work that the public cannot discern the difference.

DEFAMATION:

An attack on the reputation of another person. It includes both libel and slander. (Of course, the alleged defamatory material must be false.)

RIGHT TO PRIVACY:

The right to be free of unwanted or unnecessary publicity, especially if it presents the artist in a bad light to the public. It is a personal right and cannot be transferred to heirs. This is also the section of law that prohibits use for "advertising purposes, or for the purposes of trade, the name, portrait or picture of any living person without first having obtained the written consent of such person." (Get signed model releases!) It does not apply to public figures.

RIGHT TO PUBLICITY (A.K.A. PERSONALITY RIGHTS):

This right states that if you are a public figure, you have the right to financial benefit from your fame and stature. (Not too useful if you aren't famous--yet.)

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What is Fair Use?

The Fair Use doctrine says that you or I may use another person's copyrighted work as an example or illustration in political or educational discussions.

You may have heard someone say, "Well, if you just change 20%, then you're OK," or some variable percentage. Not true! While not quantified in the law, factors that influence decisions stem from the kind of work under consideration. What is its purpose? How substantial are any changes? What is the effect on marketability?

Judgments are made on the basis of several continuums:



For example, people run into questions when using quotations: is it plagiarism or copyright infringement? You remedy plagiarism claims by giving credit; you remedy copyright infringement claims by getting permission.

Basically, it comes down to this: if you did not create the work, you do not own it, so you should find out who does and get their permission.

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What is public domain?

Public domain refers to creative works that are not covered by copyright, trademark, patent, or other intellectual property laws. The work is available for the public to use without getting permission, and no one can ever own it.



HOMEWORK ASSIGNMENT 2: DO SOME RIGHTS RESEARCH

Do some digging to find what the following terms mean and jot down your results:

First Rights

One-Time Rights

Reprint Rights

Creative Commons

Rights in Common

Mechanical Rights

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THE ELEMENTS & IMPORTANCE OF CONTRACTS

ELEMENTS OF A CONTRACT

Three elements are needed for an enforceable contract:

- ✕ An offer
- ✕ Acceptance of the offer
- ✕ The exchange of something of value--consideration

Remember the adage: a verbal contract isn't worth the paper it's written on. Put your agreements in writing, bearing in mind the following:

- ✕ A contract is between two or more competent people
- ✕ A contract represents a meeting of the minds--everyone should agree on the terms and particulars
- ✕ There must be obligation on both sides--what is each party responsible for?
- ✕ An offer must include what the consideration will be

CONTRACT REQUIRED!

While we recommend that all of your agreements be in writing, there are several agreements that **must** be in writing:

- ✕ If the agreement spans more than a calendar year
- ✕ For sales of goods over \$500 (goods include things that you are in business to sell, i.e. art, if you're an artist)
- ✕ Sales of personal property over \$5,000

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There are standard provisions and additional elements (or clauses) that help define the agreement between the parties. Frequently standardized language appears at the end of contracts and is referred to as “boilerplate language.” Read it. It may include things that are not in your best interest.

ELEMENTS TO CONSIDER IN YOUR CONTRACTS

SCOPE OF THE WORK	Complete description of the work to be done.
TIME	Complete description of when the work will be done, including a schedule if it is to be done in stages. “Time is of the essence” means that the work must be completed in the time the contract signers agreed to or it could cause material harm* to one or both.
PAYMENT	How and when will you be paid? May include deposits, progress payments or kill fees (what, if anything, will be paid out if the contract is canceled?).
OWNERSHIP	Who owns the work? How will you receive credit?
PERFORMANCE CLAUSES	What if one party or the other doesn’t do what it said it would do?
ARTISTIC DECISIONS	Who will have control over artistic decisions?
CANCELLATION	How can this agreement be terminated or canceled?
CHANGES	How can this agreement be changed?
AMENDMENTS	How will changes be negotiated?
EXPENSES	Will expenses be covered? Which ones and by whom?

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INSURANCE & DELIVERY

Who covers insurance and/or delivery costs?

RELEASES & INDEMNIFICATIONS

What does the “hold harmless” clause say? Is there one?

ARBITRATION

How will disputes be handled and in which jurisdiction?



Why insist on a written contract?

Remember that it is always good to plan the divorce while you’re still in love (it’s usually more equitable) and hope you never have to implement those plans.

WHAT CONTRACTS GOVERN

Contracts and letters of agreement govern--or should govern--certain of our artistic endeavors such as, but not limited to, the following:

- ✕ Leasing studio or performance space (Lease)
- ✕ Sale of artwork (Bill of Sale)
- ✕ Commissioning of an artwork, composition, or performance (Commission Agreement)
- ✕ Collaboration with others (Collaboration Agreement)
- ✕ Author-Agent relationships (Author-Agent Agreement)
- ✕ Gallery representation (Artist-Gallery Agreement)
- ✕ Placing work for sale in a gallery (Consignment Agreement)
- ✕ Licensing artwork (Licensing Agreement)
- ✕ Royalty rights
- ✕ Exhibition loan
- ✕ Teaching or lecturing (Contract)
- ✕ Working for--or hiring--others (Independent Contractor Agreement)

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A WORK-FOR-HIRE IS CREATED IN ONE OF TWO WAYS:

1

Work created by an employee within the scope of their employment (e.g. graphic designer, cartographer, or newspaper reporter).

2

Work created by special order or commission in which the parties expressly agree in advance, and in a signed, written document that the works are made for hire. Generally, these are made as part of a collective work (a motion picture, compilation, instructional text, atlas, etc). This transfers all rights to the work to the hiring party, who now own the rights as if they were the “author” and can copy, distribute, modify, or even resell the work. Your agreement must include the words “work made for hire.”



Check for this phrase in any contract you’re offered, and only sign if you agree.



WHAT CONTRACTS SHOULD INCLUDE

Commissioned work agreements should...

- ✗ Provide for a balancing of interests between artistic freedom and buyer satisfaction
- ✗ Provide for frequent opportunities for consultation between the artist and purchaser
- ✗ Provide for interim payments to the artist
- ✗ Include a completion and delivery date
- ✗ Address ownership of intellectual property rights (i.e. reproduction of the work) and the purchaser’s obligations regarding maintaining the work

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Art rental agreements should...

- ✗ Delineate between straight rental versus rent-to-own
- ✗ Address cost of shipping and insurance of work
- ✗ Place appropriate limitations on the renter's use and location of the work
- ✗ Address the artist's right of access to the work
- ✗ Create a security interest in the work
- ✗ Include a provision for payment of the artist's attorney fees in case of breach

Consignment agreements should include...

- ✗ A statement as to whether the agreement is for a limited agency (right to sell the particular work) or an exclusive agency (right to represent all of the artist's work)
- ✗ Creation of a trust account for the money from the sale of the artist's work(s)
- ✗ Time period within which money from sales must be remitted to the artist
- ✗ A clear statement that the arrangement is a consignment, so that creditors of the agent or gallery cannot make claims against the artist's work(s) or the funds held in trust for the artist
- ✗ A prohibition against assignment of the agreement by the gallery or agent
- ✗ A list of any exempted works or sales (if an exclusive agency is created)
- ✗ Description of the gallery's or agent's obligations relating to the sale of the work
- ✗ Guaranteed exhibition dates and distribution of related fees
- ✗ Artistic control of exhibits, publicity, advertising, etc
- ✗ Time period and conditions within which the work(s) must be returned to the artist
- ✗ Insurance, rental rates, reproduction restrictions, lecture fees, etc.
- ✗ Gallery's or agent's commission, e.g. straight percentage, sliding scale, sale price less materials commission rate against rental income (and whether the artist may specify a sale price in advance)

Many states have passed laws providing that any fine art left with a gallery or art dealer is held on consignment in trust for the artist.

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BUSINESS STRUCTURE

As you develop your artistic business, you may want to consider a different business structure. Different business structures confer different liabilities, tax responsibilities, levels of control, and legal protections. Check out the following structures to see which one might be right for you.

SOLE PROPRIETORSHIP

This is the default business structure. If you start making and selling your work, you've started a business. This is how many artists operate, knowingly or unknowingly. You may continue to use this structure, though if you are using a name other than your own, you'll need to file a document called a "Declaration of Assumed Name" or "Doing Business As" (DBA), depending on the state.

OWNERSHIP STRUCTURE: One individual

GOVERNING POWERS AND VOTING RIGHTS: One decision maker = the sole proprietor

TAX MATTERS: Business activity is taxed as part of the sole proprietor's individual tax, and at the individual's tax rates

OWNER'S PERSONAL LIABILITY FOR ORGANIZATIONAL OBLIGATIONS: 100%

GENERAL PARTNERSHIP

This is the **de facto*** structure if two or more individuals go into business together, but haven't formed a corporation, limited partnership, or limited liability company.

OWNERSHIP STRUCTURE: Two or more general partners = partnership

GOVERNING POWERS AND VOTING RIGHTS: Each partner has voting authority based on their/its overall percentage of ownership

TAX MATTERS: Income (or losses) flow to each partner in proportion to each partner's percent of ownership interest in the partnership, then taxed at each partner's own tax rates

OWNER'S PERSONAL LIABILITY: Generally 100% for each partner (you're on the hook for 100% of every stupid thing you might do, intentionally or unintentionally, **and** 100% of every stupid thing your partner might do, intentionally or unintentionally)

LIMITED PARTNERSHIP

In this structure, one partner is the general partner, and all others are limited partners, meaning limited voting rights and control of day-to-day operations. A limited partnership must be formed by the agency designated by your state.*

OWNERSHIP STRUCTURE: Two or more partners = limited partnership

GOVERNING POWERS AND VOTING RIGHTS: The general partner must have control over the management and operations of the limited partnership. The limited partner(s) have no right to participate or vote on the management and operations of the limited partnership

TAX MATTERS: Income (or losses) flow to each partner in proportion to each partner's percent of ownership interest in the partnership, then taxed at each partner's own tax rates

OWNER'S PERSONAL LIABILITY: 100% for the general partner; generally 0% for the limited partner(s) as long as the limiteds act as limited partners (i.e. do not have any right to control or participate in the management or operations of the limited partnership)

LIMITED LIABILITY COMPANY (LLC)

This structure has the benefit of removing personal liability for the business owner(s), meaning that if something happens that requires the business to pay **restitution***, the business owner's personal assets can't be seized to pay that restitution. A limited partnership must be formed by the agency designated by your state.†

OWNERSHIP STRUCTURE: One or more members = limited liability company

GOVERNING POWERS AND VOTING RIGHTS: May be governed by either a Board of Directors (elected by the members) or member controlled (voting power is based on each member's overall percentage of ownership)

TAX MATTERS: Income (or losses) generally flow to each member in proportion to their percentage of ownership interest or investment level, if not otherwise provided for in the Operating Agreement of the LLC, then taxed at each member's own tax rates

OWNER'S PERSONAL LIABILITY: Generally none

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“C” CORPORATION

A “C” corporation must be formed by the agency designated by your state. †

OWNERSHIP STRUCTURE: One or more shareholders = a corporation

GOVERNING POWERS AND VOTING RIGHTS: A Board of Directors is elected by the Shareholders to make decisions regarding the management and operations of the organization

TAX MATTERS: Income (or losses) taxed at corporate tax rates. Sometimes you hear “double taxation” as a drawback of incorporation; this means that you’re taxed on the paycheck you receive from the company and the company pays income taxes as well

OWNER’S PERSONAL LIABILITY: Generally none

“S” CORPORATION

An “S” corporation allows all shareholders to have identical economic rights, though shareholders may have voting and non-voting rights. This structure must be formed by the agency designated by your state. †

OWNERSHIP STRUCTURE: One or more shareholders = a corporation

GOVERNING POWERS AND VOTING RIGHTS: A Board of Directors is elected by the shareholders to make decisions regarding the management and operations of the organization.

TAX MATTERS: Income (or losses) flow to each shareholder in proportion to the shareholder’s ownership of the corporation, then taxed at the shareholder’s individual tax rate

OWNER’S PERSONAL LIABILITY: Generally none

† <https://www.sba.gov/business-guide/launch-your-business/register-your-business>

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NON-PROFIT 501(C)(3)

A non-profit or not-for-profit organization can be formed by one individual or a group, and cannot be owned by anyone. Incorporating as a not-for-profit does not automatically confer tax exempt status. This structure must be formed by the agency designated by your state and tax exemption filed with the Internal Revenue Service (IRS).

OWNERSHIP STRUCTURE: Ownership is prohibited and a governing board is required

GOVERNING POWERS AND VOTING RIGHTS: A Board of Directors is elected or appointed according to the bylaws to make decisions regarding the management and operations of the organization

TAX MATTERS: A 501(c)(3) organization is tax exempt from most taxes, but may be liable for sales taxes or unrelated business income tax (UBIT).

OWNER'S PERSONAL LIABILITY: N/A



HOW DO I FIND AN ATTORNEY AND LEGAL RESOURCES IN MY STATE?

- ✕ Contact your state's Volunteer Lawyers for the Arts chapter
- ✕ Find out what legal resources your local Small Business Administration offers
- ✕ Investigate what small business centers and resources are available through your local library
- ✕ Ask your artist friends where they have found legal resources and connections

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TEMPLATES

MODEL RELEASE TEMPLATE

I (We), _____, being of legal age, hereby consent and authorize _____, their successors, legal representatives, and assigns to use and reproduce images, still or moving, taken by _____ on _____ and to reproduce my name (or any fictional name) in all forms and media, for any and all purposes including publication and advertising of every description. I will make no claim of any kind. No representations have been made to me.

I hereby warrant that I am of legal age and have every right to contract in my own name; that I have read the above authorization and release prior to its execution, and that I am fully familiar with its contents.

Signature: _____

Name: _____ Date: _____

Address: _____

Witness: _____

Address: _____

If the individual named above is under 18: I, _____, am the parent/ legal guardian of the individual named above. I have read this release and approve of the terms.

Signature: _____

Name: _____ Date: _____

Address: _____

CONFIDENTIALITY AGREEMENT TEMPLATE

I, _____, acknowledge that the information provided

by _____, included in the following document(s):

.....
.....
.....

is confidential in nature. The reader agrees not to share or disclose this information with
the express written permission of: _____.

Upon request, this document will be returned immediately to: _____.

Signature:

.....

Name:

Date:

.....

CEASE AND DESIST LETTER TEMPLATE

Dear {name},

I have recently been made aware that you {have used/are using} my copyrighted work entitled {name of work} without my permission. I first created {name of work} in {year of publication} and I have reserved all rights in it.

Your work entitled {name of infringing work} {is essentially identical to/incorporates without my permission} my my copyrighted work; neither have I granted you permission to use, photocopy, electronically copy, or otherwise distribute my work. You have willfully infringed on my rights under 17 U.S.C. Section 101 et. seq. and could be liable for actual or statutory damages up to \$150,000.

Please immediately cease and desist from using, copying, electronically copying, performing, displaying, or otherwise distributing {name of work} and any and all works derived from {name of work}. Immediately return to me or destroy all copies in your possession of {name of work} and any and all works derived from it. Finally, desist from this or any other infringement of my rights in the future.

If I have not received written confirmation from you by {insert a date that is 10-14 days into the future here}, indicating that you have complied with these requirements, I will take further action against you.

Sincerely,

{your name}

FUNDING

Learn how to think creatively about diversifying your funding streams by exploring different models for generating value, resources, and revenue.



"It felt really easy to use. There wasn't a lot of jargon. It was more, like, just practical information. And then when I was able to attend a workshop, having already used the workbook, but not in a group setting, I really saw the different ways it's used and the...instrumental way the toolkit was used to create conversations with artists."

– JES REYES



A BRIEF HISTORY OF MONEY

In the beginning there were gifts. **Gift Economies** in small, close-knit communities were based on sharing and an abundance of resources. If you had more than you needed, you gave it to your family, friends, and neighbors.

As populations grew and travel became more common, two communities or cultures would come together to trade one good for another based on surplus and need. This was a **Barter Economy**, one where Chandra could trade two bags of her extra homemade wool for Dee's extra garden produce and everyone would go home happy. These types of items are forms of **Commodity Money**, and it worked great until two weeks later when Chandra realized her bag of tomatoes had rotted. She started to feel like she got the short end of the stick by accepting something that wouldn't last more than a week (canning had not yet been invented).

So next time Chandra bumped into Dee and was offered more vegetables, Chandra asked Dee what other items they had for trade. Dee said they had a nice chunk of copper they found in a field, a couple ceramic bowls, and some dried fruit candy they had made. Chandra could see that this was the way to go, so she took the copper and the dried fruit candy. As she was walking home, she began to map out in her mind all the things she had that represented something valuable but were also usable; she came up with this list which she separated into things that last a long time and things that don't.

DURABLE

SILVER
COPPER
WOOL
BEADS
SEASHELLS
ROCKS
CHUNKS of
SMOOTH GLASS
HARD TOOLS
FIREWOOD

NOT SO DURABLE

GARDEN
VEGETABLES
GRAINS
CANDY
WINE

After a while, Chandra began to notice that sometimes Dee didn't have anything she needed and Dee also didn't have anything that would last very long. So Chandra came up with an idea to make it a little easier to store value and have something she could trade for just about anything. She went to her local leaders and suggested they use something valuable, like her stockpile of papyrus, to make little token certificates out of it that people could trade for things they needed when they needed them. The leaders liked this idea of **Representative Money** and went ahead with the idea. (Chandra was happy to have all her extra papyrus turned into this new currency that she could use to buy anything she wanted!)

Chandra now had a pretty sizable pile of this money and at the same time was happy to have completed her first community project. When the leaders asked if they could put her image on the money, she thanked them but felt that the money wasn't about her; it was about helping her community thrive. So, instead, she asked if they would put her favorite animal on the money in her place: the seahorse.

The End

EXERCISE 1:

WHAT'S THIS (KIND OF FICTIONAL) STORY ALL ABOUT?

What did you learn that you didn't know before?

What kinds of resources did the characters in the story share?

Do any of these economies show up in our lives today? If yes, which ones?

What do you take away from this story?

EXERCISE 2: COUNT YOUR CAPITAL!

On the most basic level, capital can be anything that has value and helps in the production of other goods. Below are some categories of capital. For each one write down examples that you have or are abundant in your community. (Don't be too bashful about what you have. Even the tiniest connection or resource is still a connection or resource.)

WORKING

Money for funding operations

What cash resources do you have or are connected to?

HUMAN

People with skills and labor

Who do you know who has valuable skills,
or the ability to do some kind of labor?

SOCIAL

Networks of people

What communities are you a part of?

NATURAL

Natural resources in an ecosystem

What natural resources are in your city/state/region?

POLITICAL

Positive influence in governing and political systems

What connections to community decision makers do you have?

INFRASTRUCTURAL

Physical objects and facilities

What access do you have to equipment, space, tools, etc.? What infrastructural capital do you know about but haven't tapped yet?

INTELLECTUAL

Knowledge of information and resources

What do you know?

EXISTING FUNDING MODELS

TRADITIONAL FUNDING MODELS

PROFITS FROM SALES

Saving a percentage of profits from the sales of goods or services to fund the next project or stage of the business.

PROS

- ✗ Self-sufficient
- ✗ Reinvesting in business assets
- ✗ Tax benefits

CONS

- ✗ Fluctuates depending on sales and market
- ✗ Accumulative: grows by gradual increases
- ✗ Reduces net profits

GRANTS

Philanthropic funding aimed at providing financial resources in exchange for the improvement of social good.

PROS

- ✗ No repayment/interest
- ✗ Increases social capital
- ✗ Sudden financial boost

CONS

- ✗ Time investment to research and apply
- ✗ Lengthy funding cycles
- ✗ Highly competitive, unpredictable

DONATIONS

Philanthropic funding made by individuals to support projects, causes, and people. May or may not be tax deductible.

PROS

- ✗ No repayment
- ✗ Strengthens audience engagement
- ✗ Active and continuous visibility

CONS

- ✗ Time and capacity
- ✗ Requires transactional infrastructure (method of taking donations)
- ✗ Donor fatigue

LOANS

Money provided by a financial institution with the expectation of full repayment plus interest over a specified period of time.

PROS

- ✗ More widely available
- ✗ Build credit
- ✗ Variety of lending options

CONS

- ✗ Interest rates
- ✗ Financial risk of backing with collateral*
- ✗ Application process can be long and tedious

INVESTING

Profits made within a market exchange through the buying and selling of securities, commodities, and currency.

PROS

- ✗ Higher returns
- ✗ Abundant choices and customization
- ✗ High liquidity

CONS

- ✗ Volatile and unpredictable
- ✗ Time-consuming
- ✗ Lower-risk requires a long term investment

SPONSORSHIP/ ADVERTISING

Granting audience exposure and visibility to a third-party business in exchange for money or resources.

PROS

- ✗ Audience development
- ✗ Strengthens partnerships
- ✗ Flexible and transaction-based

CONS

- ✗ Time-consuming
- ✗ Distracting
- ✗ Requires negotiation

NEW AND OLD–NEW OPTIONS

COMMUNITY CURRENCY

Localized currency notes that are not **legal tender*** but have a trade value determined by the community that creates it.

EXAMPLES

- ✗ Ithaca Hours
- ✗ Tempo Time Credits
- ✗ BerkShares
- ✗ Cincinnati Time Store

GIFT ECONOMIES

Giving away goods or valuables with no explicit demand for future gain.

EXAMPLES

- ✗ Open Source software
- ✗ Creative Commons licensing
- ✗ Information sharing

CROWDFUNDING

Financial support for a project that is raised through small donations from a large number of people. Giving is often based on incentives.

EXAMPLES

- ✗ Kickstarter
- ✗ IndieGoGo
- ✗ Hatchfund
- ✗ GoFundMe

COMMUNITY PROJECTS

Localized projects that are mutually beneficial to the creators and funders.

EXAMPLES

- ✗ Community Supported Art (CSA)
- ✗ FEAST
- ✗ Wants for Sale/Needs for Sale
- ✗ Slow Money

FISCAL SPONSORSHIP

An organization with 501(c)(3) tax exempt status agrees to accept, and be responsible for, tax-deductible contributions and charitable gifts on behalf of an organization that doesn't have its own tax exempt status.

EXAMPLES

- ✗ Springboard for the Arts Incubator Fiscal Sponsorship program

HYBRID FUNDING MODELS

Hybrid funding models use technology to mix elements from traditional funding with newer models to produce options like offering microlending, micro-donations, and subscription based crowdfunding.

EXAMPLES:

MICROLENDING: Microlending is a means of funding a loan through many small lenders. Kiva offers loans funded by microlending (in Kiva's case, \$25 to start) from individuals all over the world.

MICRO-DONATIONS: Many platforms exist for gathering donations of less than \$200, which make up a larger and larger share of charitable donations in the United States each year.

SUBSCRIPTION CROWDFUNDING: Allows a creator a consistent stream of financial support from a group of loyal supporters. Supporters often have access to exclusive content. Patreon is one example.

COLLECTIVE PHILANTHROPY/GIVING CIRCLES: In this model, individuals pool their resources to support community projects they believe in. These may be formal organizations like the Awesome Foundation, or informal community giving circles.



HOMEWORK ASSIGNMENT 1: BRAINSTORMING

Think through different combinations of funding models and make a list of those combinations. What kinds of projects could you do with those funding combinations? i.e. Starting a loan program that uses community currency.

SEAHORSE BUCKS FOR INSTACONOMY



This note good for:

This note good for:

This note good for:

EXERCISE 3: INSTACONOMY

If you're not currently working through this unit with a group, you can find one later and get them to play the game with you.

How to play...

1. Cut out the three Seahorse Bucks from this unit. (Or copy the page and then cut them out. Or just play with slips of paper; whatever you have on hand.)
2. On each one, fill in your personal information: name and contact info you feel comfortable sharing.
3. Add any good or service, experience, idea, capital, etc. that you own.
4. There will be a short trading period (10-15 minutes) where you can talk to others, describe what you have to offer, and trade your Seahorse Bucks for Seahorse Bucks from others. Feel free to trade as many times as you want until you're happy with what you have or the trading period ends.
5. Ready, go!

Results & Discussion

1. Write on each Seahorse Buck you traded for what the value is to you.
2. What did it cost you to get this amount of value?
3. What else did you gain from Instaconomy? (Contacts? Information? Good feelings? A new BFF?)

NEXT STEPS

- ✕ Keep dreaming about how to get the work done without depending on money alone.
- ✕ Develop lists of funding sources in your community and region that you'd like to explore.
- ✕ Cash in your Seahorse Bucks!

GRANT WRITING

Learn the essentials of
grant writing along with resources for
searching and structuring your grants.



“By putting my 5-year plan on paper, I had a visual map that connected my goals to the people, resources, and tools AND the appropriate concrete action steps I could take to achieve my goals. Putting it down on paper makes it more real.”

– SAYMOUKDA DUANGPHOUXAY VONGSAY



SETTING GOALS

EXERCISE 1: WHY ARE YOU LOOKING FOR GRANTS?

Something, some inkling in the back of your mind, or a blaring siren, saying, “You need to learn about grant writing!” brought you here, so jot down a few thoughts about what you’re hoping to learn. Then, jot down some goals for your grant writing journey. What do you hope to do with what you learn?

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BASICS:

WHAT'S A GRANT?

A grant is a sum of money that an organization or government entity gives to an individual or an organization. Grants don't have to be repaid, unlike loans or investment capital.

There are many different types of funding sources under the umbrella term of "grant."

TYPES OF GRANTS

Below are nine types of funding opportunities that may be available to you.

- 1 FELLOWSHIPS:** Funding for exploration and building of your artistic practice or to have a more self-guided development period. Primarily merit-based funding.
- 2 PROJECT ASSISTANCE GRANTS:** Grants that have clearly defined parameters for supporting a specific project. Typically, they have fixed timelines, budgets, and include some aspect of working in partnership.
- 3 PROFESSIONAL DEVELOPMENT GRANTS:** Financial assistance to learn new skills related to aspects of your artistic practice. This could include business workshops, conferences, mentorship programs, and more.
- 4 COMMUNITY ARTS GRANTS:** Building projects with community partners such as arts education, arts access, public art, or neighborhood improvement plans.
- 5 "SUDDEN OPPORTUNITY" GRANTS:** Grants that have a quicker turnaround time. The amounts tend to be smaller and dedicated to specific emergencies or small community projects.
- 6 TRAVEL GRANTS:** Funding to pay for travel related to research, professional development, and residencies.
- 7 PRIZES FROM COMPETITIONS:** Awards given by an organization or individual through a competitive review process. These awards can include money, featured articles, opportunity to exhibit, or connections to influencers in your field.



RESIDENCIES: Support to focus on making work outside of your normal routine. Residencies may include a living stipend, project support, or space only (living or working). The Alliance of Artist Communities is one place to find residency opportunities.



CHALLENGES AND CONTESTS: Many cities and foundations have idea contests, usually focused on new ways of addressing community challenges. Even though they may not be specifically looking for artists, creative thinking can often stand out in this format, e.g. linking water quality issues with ceramics, or neuroscience and dance.

When searching for grant opportunities in your area, think about opportunities that are local, regional, and national; general and discipline-specific; and arts and non-arts focused. Often your state or local arts agency and community foundations are a good place to start.

FINDING GRANTS

PREPARING AND GETTING ORGANIZED

- ✕ Write down your artistic goals and objectives for the coming year.
- ✕ Self-curate your work into different groupings that show different strengths and career objectives. Review the work sample tips in the Portfolio Kit unit.
- ✕ Always plan to document your work in the highest quality manner you can afford. It may be required of your final grant report, but even if it's not, you'll want the documentation for your portfolio and the next grant. Make a list of some professionals you could hire or barter with for documentation.
- ✕ Prepare an up-to-date, professional-looking resume. Again, see Portfolio Kit for examples.
- ✕ Keep a grants calendar with deadlines and pre-deadlines.



HOMEWORK ASSIGNMENT 1: FINDING OPPORTUNITIES

Research, identify, and apply for opportunities as part of your ongoing routine. Set a schedule and set aside a small portion of time to look for opportunities.

As you look...

- ✖ Pay particular attention to the review criteria of the specific grant you're applying for and always keep the mission and principles of the funder in mind.
- ✖ If a funder offers a workshop, webinar, or other information about their grant, make sure to attend. These sessions can be very useful.

FELLOWSHIPS:	PROJECT ASSISTANCE GRANTS:	PROFESSIONAL DEVELOPMENT GRANTS:
COMMUNITY ARTS:	GRANTS:	"SUDDEN OPPORTUNITY" GRANTS:
TRAVEL GRANTS:	PRIZES FROM COMPETITIONS:	RESIDENCIES:
CHALLENGES & CONTESTS:	COMBINATIONS?	

GRANT SEARCH RESOURCES

The sites below can help with your search. Often, Google is a good way to start. Try some simple searches like “artist fellowship, {your state}” or “grants for artists, Midwest.”

FOR INDIVIDUALS

Foundation Grants to Individuals Online

A service of the Foundation Center that offers information on funders that provide scholarships, fellowships, grants, and a wide range of financial support for individuals. This resource has free access at many locations across the country, i.e. the local library.

New York Foundation for the Arts/NYFA Source

NYFA Source is a free searchable database for individual artist funding nationwide.

FOR ORGANIZATIONS:

Foundation Directory Online by Candid

A subscription-based resource with information about philanthropic opportunities worldwide. This resource has free access at many libraries. *The Foundation Center and Guidestar merged to form Candid.*

A simple way to think about the “why” of grant application elements is:

RESUME

**ARTIST
STATEMENT**

WORK SAMPLE

PAST



PASSION



PROOF

ELEMENTS OF A GRANT APPLICATION

There are a few basic elements that are in many grant applications. Take a look at the table below to better understand why they ask for what they ask for.

<i>What Funders Want to Know About...</i>	<i>What Funders Ask For...</i>
<i>You</i>	ARTIST RESUME: Your resume is a record of what you've done, where you've been, and who you've worked with. Consider it the data document of your personal artistic history.
<i>Your Work</i>	ARTIST STATEMENT: This is a statement of your influences, motivations, and vision. It is how you make yourself stand out as a person on paper. Grant applications may ask for two paragraphs or two pages. It's best to be prepared for all of them. So write your artist statement in a variety of lengths (See Portfolio Kit)
<i>Your Project</i>	GRANT PROPOSAL OR FELLOWSHIP PLAN: The description of your goal or project makes up the bulk of most grants. This section may include subsections that ask you to lay out your plans for equity, marketing, impact, and evaluation.
<i>How Your Project Will Work</i>	BUDGET: The grant budget gives a clear and specific projection of your revenues and expenses related to the grant proposal or fellowship plan. It will include the grant you're applying for but have not yet received (fingers crossed!) as well as funding from other sources for the project and future earned revenue.
<i>Your Experience</i>	WORK SAMPLES: Documentation of your work that shows high quality representations of what you do or make, selected based on relevancy to the grant you're applying for.

GRANT WRITING TIPS

WRITING THE NARRATIVE

- ✗ Answer the questions as literally as possible.
- ✗ Understand who will read your application: will it be a panel of peers or a program officer?
- ✗ Make sure you've talked to and set clear expectations with any partners you may list in your application.
- ✗ Write the application assuming that the reader doesn't know your work. Provide enough information so that the panelists can evaluate your application side by side with the review criteria of the particular grant program.
- ✗ Put yourself in the panelists' position. Don't overload your application with unnecessary information or verbose language. Often there are a lot of applications to consider and straightforward, everyday language will communicate your ideas best.
- ✗ Always strive to write as cleanly and clearly as possible, using specific descriptions and concrete examples. There will always be plenty of room to add flair and style, but you need a solid, clear base on which to build.
- ✗ Use an active voice: it's not "if...then..." it's "with...will..."
- ✗ Have a friend or colleague review your application before you do the final draft.

ONLINE APPLICATIONS

- ✗ Particularly if you're collaborating with others, you may want to draft your answers in separate documents that you can save. Transfer (copy and paste) your responses into the online application when your draft is complete, keeping in mind character and word limits.
- ✗ Transfer your answers and submit your application early. You may run into character space limitations, attachment requirements, or technical issues outside your control, and you'll want time to deal with them.

PREPARING YOUR ATTACHMENTS

- ✕ All text-based documents (artist statements, resumes, bios, etc.) should be converted to PDF format.
- ✕ The attachments are as important as the grant narrative. Review the attachment requirements carefully at the start of your application to avoid surprises later.
- ✕ Make sure your budget and your narrative match. If you've outlined an area of your project in the narrative, and that area isn't reflected in your project expenses, that missing info may raise doubts about your application.
- ✕ If you have any questions about the application, contact the program officer of the grant. Program officers can answer questions about the application process and give insight into what the funder is looking for. Also, it's their job, and most are happy to help.
- ✕ Meet the deadline. There are no extensions for application deadlines.

AFTER YOU'VE SUBMITTED YOUR GRANT

- ✕ Keep a copy of the completed applications and all attachments for your own files.
- ✕ If there is a public, open panel process, go listen to the deliberations. It will give you insight into how well people understood your proposal.
- ✕ If you receive the grant, be sure to send thank yous and updates. Funders love "success stories," so keep them informed about what you're doing.
- ✕ If you don't get the grant, solicit feedback (if the funder is open to giving it) but don't take it personally. Your work is still good work; it just wasn't the right work for this opportunity at this time.

GRANT OUTLINES

Not all grants require the same elements. Here are two examples of grant types that have differing requirements.

FELLOWSHIP GRANTS: Fellowships are often merit based so they tend to focus on the artwork itself as proof that you deserve funding. Consider how the parts of the grant fit together to paint a complete picture and instill a sense of potential. Fellowship grant applications will often ask for:

- ✕ Resume
- ✕ Artist statement or fellowship plan
- ✕ Work sample

PROJECT ASSISTANCE GRANTS: Project grants are a more restricted funding source. This means greater detail is needed to ensure that you are meeting the funding requirements. The primary difference for project grants are subsections that ask you to detail specifics of how you are going to make the project happen, who else is involved, and what are your goals and tools. Project Assistance grant applications often ask for:

- ✕ Project summary
- ✕ Timeline
- ✕ Subsections: history of participants and individual resumes, evaluation techniques, marketing approach, equity, etc.
- ✕ Budget



HOMework ASSIGNMENT 2: OUTLINES

PART 1: Fellowship Grant Outline. Use the space provided to start building a fellowship grant application outline.

Artist Statement

Write down a brief artist statement or insert the statement you wrote in Portfolio Kit.

Artist's History

Have you been at this a while? Are you a new or emerging artist? What has been your path to get where you are now?

About the New Work

Write a few sentences about the new work you are planning to create.

Career Plan for the Next Year

Include one or two goals or opportunities that will arise from this grant and how you will tackle them.

How Will a Grant Impact the New Work and Your Career Plan for the Upcoming Year?

What will be the impact of this fellowship on your career, short and long term?

Attachments

To complete your fellowship plan, the funder will likely require:

- ✕ Budget
- ✕ Work Samples
- ✕ Individual Resumes
- ✕ Brief bios and resumes of key players and partners in your project.
Choose the appropriate resume depending on the responsibilities of the individuals and the requirement of the funder.

PART 2: Project Assistance Proposal Outline. Use the space provided to start building a Project Assistance application outline.

Project Summary

Write a three-sentence description of your project, the timeline and the audience served. It's best to write this last after you've worked out the details and can synthesize the project in a simple and concise statement.

History of Program and Participants

Is this a new program or ongoing? Does it have roots in other activities that will show momentum or relevancy?

Timeline

Start with a general timeline that includes planning, building, launch, completion, and evaluation.

Marketing Plan

What are the networks, tools, and messages that you will use to promote this project? How will you ensure that the communities for whom you are making this project and others will know that it's happening?

Project Evaluation

How will you measure the success of your project? Will you use quantitative information, qualitative information, or both? What tools will you have in place to capture this information at various stages of the project?

Attachments

To complete your project assistance proposal plan, the funder will likely require:

- ✕ Budget
- ✕ Work Samples
- ✕ Individual Resumes: Brief bios and resumes of key players and partners in your project. Choose the appropriate resume depending on the responsibilities of the individuals and the requirement of the funder.

EXERCISE 2: THE “SO WHAT” TEST

1. Pair up with a partner
2. Set a timer for five minutes
3. Describe your project to your partner in a few sentences

Your partner can only answer **“So what?”** or **“And?”**

Keep answering their questions for as long as you can, or until the timer runs out. Now switch and give your partner the opportunity to describe their project. Remember, your only response is **“So what?”** or **“And?”**

This exercise will help you dig beyond the explanation of what you want to do to why you want to do it, who will benefit, and the impact the project will have.

FISCAL SPONSORSHIP AND GRANTS

Many funders require 501(c)(3) federal tax exempt status for grant eligibility. In some cases, those funders are willing to accept applications from projects that are fiscally sponsored by another 501(c)(3) organization.



What is a fiscal sponsor?

A fiscal sponsor is an organization that agrees to accept, and be responsible for, tax-deductible contributions and charitable gifts on behalf of a project that does not have its own tax exemption. Using a fiscal sponsor, a non-exempt individual, project, event, or organization can take advantage of a lot of the benefits of a tax-exempt, non-profit organization.



Is a fiscal sponsor the same thing as a fiscal agent?

Basically, yes. Fiscal sponsor is the most accurate and preferred term.



Who are fiscal sponsorships for?

Fiscal sponsorship is a good solution for organizations (or certain individual projects or events) that only want to do a few small projects over a specified period of time, those who don't have the time or staff for a lot of organizational administration, or those who need to be able to receive tax-deductible donations while they wait for 501(c)(3) non-profit status approval from the IRS.



What does a fiscal sponsor do? Why are they valuable?

A fiscal sponsor:

- ✖ Accepts and safeguards charitable donations on behalf of a project
- ✖ Takes on legal liability for those funds
- ✖ Creates and maintains some accounting records for the project
- ✖ Qualifies the project for some grants and funding that would otherwise be inaccessible
- ✖ Brings experience to the project and may provide additional aids such as administrative services and/or strategic planning assistance



What does it cost?

Sponsoring organizations nearly always charge fees to cover administration costs. Often there is an annual or membership fee in the range of \$100-200/year, plus a percentage (5-15%) of any income your fiscal sponsor manages.



Who can be a fiscal sponsor?

Legally, any existing tax-exempt non-profit organization can act as a fiscal sponsor (including a church or library) but, because of the legal complexity and administration required, not all nonprofits will do so. If you're looking for a fiscal sponsor, it's best to partner with an organization with which you have a good relationship, and/or one that has an existing fiscal sponsorship program.



What are precautions I should take?

Not every funder accepts applications from fiscally sponsored projects, so check with potential funders before you apply. Make sure your fiscal sponsor holds your funds separate from their own operating funds, and maintains reliable recordkeeping. Determine in advance how you will request funds and how soon you will receive them. Secure a written agreement with your fiscal sponsor that clarifies who owns your intellectual property, and clearly outlines in what circumstances the relationship will end.

NEXT STEPS

- ✕ Figure out why you're looking for grant funding (beyond needing income).
- ✕ Get your materials together (artist statement, bio, resume, work samples).
- ✕ Find some opportunities you're interested in and make a grants calendar with important dates and deadlines.
- ✕ Apply for grants!

BUSINESS PLAN ESSENTIALS

Learn how to prepare a simple business plan, in arts-friendly language, to help you organize all the various aspects of your artistic practice and make informed business decisions.



“The artist workbook that I received from Noah at my first Work of Art weekend-long intensive served me for over seven years! Activities and questions within the workbook helped me to think deeply about my purpose as a poet, playwright, and cultural producer.”

– SAYMOUKDA DUANGPHOUXAY VONGSAY



WHAT A BUSINESS PLAN CAN DO

A plan is written down; otherwise it's a dream.

Your art, your music, your band, your writing, or whatever you do, is your artistic business; all the organization, promotion, and marketing that you do for yourself will help you succeed.

You and your art are distinct; your business plan should reflect your persona as an artist without distracting from the information you are presenting. While business plans are often used to obtain financing (from banks, investors, venture capitalists, and the like), they can also be used to attract key players. Key players might include prospective partners, collaborators, or employees, galleries, managers, agents, publishers, record labels, etc. It explains to your stakeholders (your spouse, children, parents, friends, etc.) what you want to achieve so that they can help you succeed.

A business plan:

- ✕ Outlines your professional goals.
- ✕ It explains how you will achieve those goals.
- ✕ It helps you focus your thinking, set realistic goals, and outline a plan for moving forward.

Simply put, your business plan takes you from idea to action.

There are many models for business plans; a little research online will inform your decisions about what to include in yours. A business plan shows that you have thought about your career, that you have a plan for achieving your goals, and that you treat your career seriously. A business plan is your best defense against stupid, uninformed, or hasty decisions--and it's a handy supporting document to take along to an IRS audit, should you ever need it.

EXERCISE 1: PREPARATION FOR WRITING

1) Why are **you** writing a business plan? What are your goals for writing one? Are you formulating a work plan, seeking funding, approaching collaborators, looking for sales outlets, etc.?

2) Who is the audience for this business plan?

3) How might the audience change the way you write your business plan?

WELL-PREPARED BUSINESS PLANS

A well-prepared business plan does several critical things for you:

- ✖ It helps determine the feasibility of your business idea
- ✖ It identifies many key decisions you will have to make
- ✖ It helps you identify, connect, and organize critical information
- ✖ It helps you make informed decisions

Speaking of making informed decisions...

FOUR WAYS TO CRASH YOUR SMALL BUSINESS

1

Using your heart, not your head.

Your business is not a charity. (If you feel strongly about certain audiences being able to access your work, investigate your pricing and product offerings to find ways to engage with those folks where you can.)

2

Underestimating cash needs.

Running out of money is never good.

3

Skippping the market research.

There's a wealth of information out there. Go get it!

4

Limiting your understanding of your business and where it's going.

Take charge of the rudder instead of letting your boat drift.

EXERCISE 2: THE PRODUCT/SERVICE TREE

Use this tool for creating the universe of ideas around your creative output. Using the main area of interest as the “trunk,” add “branches” designating ideas where your main interest could be used in a business or as a source of income generation. You may go on to add “leaves” of specific clients, projects, or contacts you want to make.

The idea is to come up with as many potential ideas as possible aka don’t self edit. You can go back later and prune off branches that don’t interest you enough to pursue or aren’t practical for one reason or another. Put another way, the idea is to get as many fish in the net as possible, then you can sort through them, keeping the ones you like and throwing back the ones you don’t.

If you compose electronic music, for example, your trunk would say “electronic music.” Your branches may be things like “music for dance performance,” “music for commercials,” “customized ambient music for retail spaces,” “recording my own CD,” “specializing in public art installations,” etc. The leaves you might add to those branches include potential clients, people who should hear your stuff because they may be in a position to hire or refer you to someone else, specific compositions for your CD, and any small piece of information you want to keep track of.



ESSENTIAL ELEMENTS OF A BUSINESS PLAN

A “proto-business plan” contains a few essential elements: business objective, timeline, budget, marketing plan, and resumes and history. Beginning with these bones will give you a foundation for your business plan.



HOMEWORK ASSIGNMENT 1: BUILD THE BONES

Use the space provided to answer the questions in each section. If you don't know the answer yet, instead ask yourself a few questions to help you find the answer.

Business Objectives

What is this business all about? Write a description of the goods or services (or both) you are going to provide and who your intended audience or other users are. You ought to be able to clearly explain, in a couple of sentences, what you are doing. If you can't, maybe it's because you're doing too many things, and you lack focus for some reason.

Timeline

What is going to happen, and in what order? Do you have a break-even point and when do you expect to reach it?

BASICS OF BREAK-EVEN POINTS

Break-Even Point: The volume of sales at which your net sales exactly equal your costs.

Profits = Revenues - Costs

Or

Profits = (Number of units sold * price) - Costs

How much do you need to sell in order to cover all of your costs (expenses): **fixed***, **variable*** and **discretionary***, **direct*** and **indirect***? For artists, the trick is often in figuring out what constitutes a “unit.” Is it a painting? A poem or a short story? A piece of music? An item of jewelry or pottery? Or is it an hour of time?

Budget

How much will this cost? Get down the specifics about which outlays (an amount of money spent on something) are for what. *(Need help with this section? Work through the Budget section in the Recordkeeping unit.)*

Marketing Plan

Who is the audience for what you do/make? How will these goods/services reach that audience? How will potential users find you? *(Need help with this section? Work through the section on Audience in the Marketing unit.)*

Resumes and History

How much will this cost? Get down the specifics about which outlays (an amount of money spent on something) are for what. *(Need help with this section? Work through the Resume section in the Portfolio Kit unit.)*



BUSINESS PLAN CHECKLIST

Every business plan is unique. Don't struggle to make your plan fit into a generic mold. Customize your plan to your specific business objectives. Be clear, concise, and detailed. Focus on the quality of the content, rather than the quantity of pages. A checklist for writing your business plan:

- ☐ Research all elements of your business plan; gather information
- ☐ Develop an outline of your key sections
- ☐ Use realistic financial projections
- ☐ Be honest and show how you arrived at your conclusions
- ☐ Write the plan down
- ☐ Make sure the tone is professional
- ☐ Use the third person (he/she/they), never the first person (I/we)
- ☐ Use an upbeat and positive tone
- ☐ Check spelling and grammar; have someone else also check spelling and grammar
- ☐ Get someone else to read over it and provide feedback:
 - someone who knows you well
 - someone who knows your business well
 - someone who knows art well

Remember that this is your business, not someone else's, and neither is it a charity. Once the plan is finished, you can cut and paste marketing plans for various key audiences and investors. And remember that you don't need to include every section ever outlined in any business plan; your business plan should suit your needs.

TRADITIONAL BUSINESS PLAN OUTLINE

This business plan outline serves as a guide to formatting a traditional business plan. Each section contains questions intended to focus your attention on an important aspect of the plan. Do not simply answer the questions; provide detailed information on each issue in narrative form. Finally, this outline can be altered to fit your preferences: sections may be rearranged, or even taken out, to fit your needs. **Use this traditional outline as a suggestion, not a blueprint.**

I. Cover Page

Provide your company name, address, and contact information along with owner name(s) and contact information for primary contact.

II. Table of Contents

Include a table of contents as quick reference to topics addressed in your plan, such as:

- A. Cover Page
- B. Table of Contents
- C. Executive Summary
- D. Company Description
- E. Industry Analysis
- F. Products & Services
- G. Market Analysis
- H. Management & Organization
- I. Operational Plan
- J. Financial Plan & Projections
- K. Financing Proposal
- L. Supporting Documents

III. Executive Summary

Write this last! Summarize your business plan in two pages or less. Be enthusiastic and concise. Include business goals, objectives, and monetary amount desired if applying for a loan.

IV. Company Description

What does your company do? Give a brief company history. Include a description of your products and services. Who are your customers? Describe your business location and facilities. What are your key strengths? List the owners and the legal structure. Why did you choose this type of structure? What, if any, are the planned changes for the company? Describe the goals and objectives of the company.

V. Industry Analysis

What are the characteristics of your industry? State whether it is growing/declining/ changing. What is the size of your market? Research your share of the market. Is it growing? Are more firms entering the industry and becoming increasingly competitive? List any current barriers to entry (e.g. licensing, permits). List strengths, weaknesses, opportunities, and threats for your industry or business.

VI. Products & Services

List and describe your products (or services). What are your distribution channels? Include details concerning your competitive advantage. Provide the pricing structure for your products/services.

VII. Market Analysis

Use statistics, demographic research, and industry information where appropriate. Be as specific as possible. Remember to cite your sources.

PRODUCT Describe the product or service from your customer's point of view. What do customers like and dislike about your products/services? What services are offered as part of the product (delivery, service, warranty, support, and/or refund offers)?

CUSTOMERS Describe your customers, their characteristics, and location. Why do they trade with you? What do they like about your company?

COMPETITION List major competitors. Describe their size, location, and reputation. Compare your goods and services with theirs. What are their major advantages? What are yours? What value do you bring to customers that competitors do not?

LOCATION Include your location needs. What kind of space do you require? Is it leased or owned? Why is the area desirable? Why is the building desirable? Is it easily accessible? Is the street lighting adequate? Is there an option for curbside pickup / drop-off? Research market shifts or demographic shifts when choosing your location.

MARKETING STRATEGY Explain your pricing policy. How do you promote, advertise, and sell? How do you distribute or deliver your products/services? What customer services will you offer?

CUSTOMER DEMAND Using the information obtained in the previous sections of the marketing plan, calculate a forecast for demand for your product/service. How many customers do you plan to have in one year? Five years?

VIII. Management & Organization

Who has management responsibilities? Include the resumes of key managers as supporting documents. Include position descriptions for all key employees. List important advisors, such as attorneys, accountants, bankers, your insurance agent, and advisory board members or board of directors. Include estimated financial costs or fees and the services expected.

IX. Operational Plan

PRODUCTION/SERVICE Discuss methods of production or service delivery, product or service development, quality control, inventory control.

CREDIT POLICIES What is your credit policy? Do/will you sell on credit? What are the terms? Explain how you perform your credit check. What are your collection policies?

PERSONNEL How many employees are required? What skills are necessary? Define the pay and personnel policies. Are there any position descriptions and/or training programs?

EQUIPMENT, TECHNOLOGY, & INVENTORY How much inventory is needed? What is its value? Why is that amount of inventory appropriate for your business and location? List your major suppliers and discuss any terms they extend to your business. What equipment and technology is necessary to operate the business?

LEGAL Research and understand all legal issues. (Licensing, bonding, permits, insurance, zoning, government regulations, patents, trademarks, copyrights, etc.)

EXIT STRATEGY Describe exit strategies should the firm perform lower than expectations (personal or business). Will inventory be liquidated? Will you close the business or sell?

X. Financial Plan & Projections

The financial plan provides the numbers that correspond to your written plan. Historical and/or projected figures should be included. In addition, you should always include a narrative explaining the assumptions you used to arrive at the dollar value of sales, expenses, etc. You must demonstrate that your numbers are reasonable. Detailed financial information is critical to the business planning process.

START-UP EXPENSES AND CAPITAL Carefully calculate and categorize all start-up expenses including inventory, rent, etc. For example, what amounts will be needed for renovations and equipment? Remember to include any cash you may need to operate and pay bills until the business begins generating cash. Provide a detailed list of equipment, furniture, and/or fixtures to be purchased. Include actual price quotes for larger items.

FINANCIAL HISTORY If yours is an existing firm, include the income statements, balance sheets and/or tax returns for the past three years.

PROFIT AND LOSS PROJECTION (INCOME STATEMENT) Include a monthly profit and loss projection covering at least 12 months of business operation. Be sure to provide a written explanation of the assumptions used to develop your projections.

PROJECTED BALANCE SHEET Your plan should include a projected balance sheet showing assets (things owned), liabilities (debts), and owner's equity. If yours is a start-up business, the balance sheet should show your financial position on opening day.

XI. Financing Proposal

Explain how you intend to obtain capital and the amount required. What are your desired terms? How do you plan to utilize the funds? Include any collateral you have available. What is the owner's equity/cash contribution?

XII. Supporting Documents

Any documents referred to within the plan but not included in the body, such as:

- ✗ Personal resumes for owners and management
- ✗ Letters of reference
- ✗ Personal financial statements from all principals
- ✗ Contracts and/or letters of intent from suppliers and customers
- ✗ Copies of leases, licenses, permits, or any other legal documents

IN CONCLUSION

Once complete, the business plan should clearly identify the expectations you have for your business. Your plan should serve as a stand-alone document in which all aspects of your business are addressed. If you plan to present this plan to obtain financing, the completed plan needs to “tell the story” of your business plan to a potential lender without additional verbal explanation.

Lastly, review your plan regularly so you can make appropriate changes as plans and strategies change.

ENGAGING CUSTOMERS & SELLING YOUR WORK

Learn tools and techniques to communicate the value
of your work to potential customers.



TALKING ABOUT WHAT YOU DO

EXERCISE 1: YOUR ELEVATOR SPEECH

If you created a three-sentence artist statement in Portfolio Kit, enter that here. Otherwise, answer the three questions:

Who you are:

What you do:

Why you do it:

Another way to answer these questions is:

(Why) Because I believe...

.....

(What) I make...

.....

(Who) I am...

.....

An elevator speech is a short, compelling 30-second speech that communicates the core idea of your business and invites the listener to learn more. Take some time to write down the facts about your artistic business that might be valuable to a potential customer. (If you did the exercise in Marketing on what differentiates your products from others in the marketplace, you might pull some of those facts in here.)

Write a draft of your elevator speech here, using the most memorable phrases from your artist statement and the facts about your work. Keep in mind the facts that differentiate your products and services and the reasons why you do what you do. Use “sense” words to hook the listener and draw them in. “Leave them wanting more,” so to speak.



HOMEWORK ASSIGNMENT 1: PRACTICE YOUR ELEVATOR SPEECH

Find at least five people and practice using your elevator speech. These can be people you know well or people you just met. You can be transparent about the fact that this is something you’re workshopping, or just try it out to see how the listener reacts. Turn yourself into a field researcher for your own artistic business, and take notes!

- ✕ Pay attention to how the listener reacts and their body language. Do they turn toward you, wanting to know more? Do they look confused? Do they ask more questions?
- ✕ Ask them what stands out. Ask them what words or phrases they remember from what you just said.

After you’ve done your initial research, revise your elevator speech as needed and try it out on five more people. Continue taking notes and researching.

Once you have a concise, compelling elevator speech, you’re prepared to answer the question “What do you do?” You can also use that speech as the basis for other promotional materials: in person, online, or in print.

FINDING THE VALUE OF YOUR WORK

PRICE

Calculating Wholesale Cost

Knowing how much it costs to produce your work gives you a baseline for setting prices and understanding the value of your products and services.

Remember: **Labor + Materials + Overhead + Profit**

Margin = Wholesale Price

Remember to include the retail LMOP for marketing and selling when calculating the cost of producing your work. You'll need to account for the cost of marketing, packaging and shipping, and any labor costs from staffing, for example. *Check the Pricing unit for more detail on the wholesale price calculation.*

Income Goals

Whether your goal is to make your artistic business your primary source of income or to make enough money to pay for supplies and break even, you'll need to factor in your income goals when setting prices.

How much do you need to make in a year? Calculate your yearly, monthly, and weekly income baselines to have a solid understanding of your income needs.

PRICE VS. VALUE

PRICE: what it costs to produce, market, and sell goods or services

VALUE: the buyer's opinion of what they get in exchange for what they paid



HOMework ASSIGNMENT 2:

WHAT DOES IT COST TO MAKE YOUR WORK?

If you don't already know, take some time to work through the wholesale price formula in the Pricing workshop and calculate your income target. You may need to go back through your records or do a self-audit to gather the numbers on things like overhead, materials, and labor costs.

VALUE

Customers think of value in terms of what they get in exchange for what they paid. Your customer has their own idea of the value of your goods or services. Customers for arts businesses are generally looking at the total value of a good or service, which includes their experience of the product and their experience with the creator, rather than just the price, or fundamental value.

You, as the business owner, have the ability to influence your potential customer's perception of the value of your products.

Perceived Value

Factors that may influence a customer's perception of value:

- ✕ **Trendiness:** Products that are connected to popular trends and group behavior can be perceived as more valuable.
- ✕ **Scarcity:** Limited edition, scarce, and exclusive items can have added value even if the scarcity is fabricated or not real.
- ✕ **Nostalgia/Symbolism:** Items that appeal to the consumer's emotional attachments to meaningful moments (history, place, people, etc.) have higher value.
- ✕ **Necessary Add-ons:** Products that complement and enhance an existing product may be priced at a premium.

Add-ons are the easiest way to add value to your products. If you're selling a ceramic sculpture at an art fair, for example, you can offer to pack and ship rather than the customer taking the risk of damaging the sculpture on the way home. If you're talking to a theatre about presenting a piece you've created, you can offer to leverage your networks to support their marketing efforts. If you're selling digital prints, you can offer the add-on of printing and framing the work.

EXERCISE 2: WHAT ARE YOUR ADD-ONS?

Think through your work and the products you offer. Imagine what you might offer in addition to the core components of the product and jot it down here.

.....	<div style="border: 2px solid orange; border-radius: 15px; padding: 10px; text-align: center;">CORE PRODUCT:</div>
.....	
.....	

Understanding the factors that influence a potential customer's perception of your goods and services will help you understand how to engage with that customer and support the value that you've assigned to your work.



HOMEWORK ASSIGNMENT 3: FIELD RESEARCH

Search through online stores, artist educator rosters, craft fairs, Instagram hashtags, and other places where artists are selling their work for products that are similar to your work.

PART 1: Take note of how creators and customers talk about the products and/or services, how customers react to those products and services and see if you can figure out what they value about the work.

PART 2: Take note of how the information is organized, how easy or difficult it is to navigate the space, and what elements of the shop - virtual or physical - appeal to you. You can use what you really like in your own shop.

ENGAGING CUSTOMERS

PRE-ENGAGEMENT STRATEGIES

Before you even engage, you'll want to make sure your space, the platform from which you're selling, virtual or physical, is set up for success.

Virtual Spaces

- ✖ Make sure the “storefront” setup is uncluttered and always directs the customer to whatever it is you want them to do. (We'll talk about this concept, the call-to-action, in a moment.)
- ✖ Choose an eCommerce system that is simple for customers to use and for you to administer.
- ✖ Make your policies clear. In general, keep the most relevant information only one or two clicks away, if possible. It's no fun trying to hunt for vital information on a website when you just want to buy the thing you like. Vital information might be return policy, price, dimensions, sizes, shipping information, or contact information if the customer runs into a question your website can't answer.

Physical Spaces

- ✖ Just like virtual spaces, make sure your physical setup is uncluttered and that customers can easily navigate the space to find what they need (including where they check out).
- ✖ Keep merchandise looking attractive: fold garments, keep items neatly stacked, restock often if the display is running low, etc. In retail, one constant task is “fronting and facing”: the goal is to keep the merchandise label facing the customer, and to pull merchandise forward to the edge of the shelf.

THE CALL TO ACTION

A “call to action” is any type of message or prompt that encourages your audience or customer to do something. In any communication with your potential customers, there should be a clear call to action. Should the customer visit your online store? Purchase an item? Buy tickets? Register for a class? Sign up for your mailing list? Be clear in your messaging what you want the customer to do.

EXERCISE 3: WHAT IS YOUR CALL TO ACTION?

Take some time to think about your current promotional push. If someone is visiting your website or business page on social media, or you're talking to them in person, what do you want them to do before they go?

1. Write down your call to action.

2. Make a list of each place to add messaging about your call to action. Examples: each page of your website, your social media business page, at the bottom of every email newsletter, a hanging sign in your brick and mortar shop.

3. What will you say to communicate the call to action? Simple directions work best.

Getting to the Call to Action

COMMUNICATION STRATEGIES. As the business owner, you'll be communicating with many different types of people in a variety of scenarios. The strategies for effective communication are the same no matter who you're talking to, whether you're communicating online or in person:

- ✕ Listen well.
- ✕ Repeat key information to make sure you've understood correctly.
- ✕ Ask open-ended questions – who, what, when, where, why – instead of questions that will lead to a “yes” or “no” answer.
- ✕ Accept compliments and follow up with more information and/or open-ended questions to continue the conversation.
- ✕ Stay positive about your work and business as you talk about it.

In person:

- ✖ Maintain open body language: “relaxed and ready” is one strategy. Arms at your sides, good posture, alert to your surroundings.
- ✖ Stay focused on the conversation. (Keep your smartphone somewhere else, if it helps.)

Online:

- ✖ Respond promptly or be clear about the times when you’re available to respond.
- ✖ Show interest in the customer and in others in your sector of business, rather than only talking about your work.
- ✖ Be professional, and use your own human voice and writing style.

Ways to Engage

So how do we engage customers? The goal of any customer interaction is to develop and deepen the customer/artist relationship. Whether customers are in front of you or you’re interacting online, approach your potential “super fans” with openness and curiosity.

IN PERSON

If you’re hoping to start a conversation with someone in person, you can begin the conversation with a few different strategies:

- ✖ Questions: “What brought you in today?” “Do you purchase art often?”
- ✖ Compliment: “Where did you find that bag? It’s great!”
- ✖ Gratitude plus Question: “Thanks for coming in/ stopping by. How are you enjoying the Fair?”

Read the customer’s body language and responses. They may be content to window shop at the moment, or they may be happy to engage in conversation. If they give you a short answer in return, or keep moving away, let them know that you’re available if they have any questions. If they happily engage in a conversation, keep asking *who what when where why* questions to hear what interests that particular customer. Once you learn what they’re looking for, you can recommend pieces that might interest them.

ONLINE

Customers that find you online are going to have a slightly different experience because they won't be interacting with you in the same physical space. You may not be able to ask questions in real time to learn about your customer, but you can use the analytics built into your eCommerce store or social media to learn more about where they spend time, and gather information about their shopping experience using post-purchase surveys. Once you have some information about what pages your customers visit, what items they put in their shopping cart but don't purchase, or what products are most popular, you can tailor your store's design to support your call to action.

You can also work on developing relationships with online customers by:

- ✖ Inviting them to join your mailing list for a discount
- ✖ Keeping your store design friendly and inviting
- ✖ Offering products at multiple price points

Remember, good customer service will...

- ✖ Create stronger relationships/allegiances
- ✖ Instill a sense of community (belonging)
- ✖ Create a sense of respect for the customer
- ✖ Enable the customer to get excited about the artist

Creating Opportunities for Customer Engagement

One reality to acknowledge is that customers will be coming to your "store" with different price ceilings in mind. Creating opportunities to meet the customer where they are is an important aspect of good customer service. Some customers may not be able to purchase your product right now, but you never know when their circumstances may change. If you've created a positive relationship with that potential customer, they'll remember the experience in the future.

Elements of the Sale

Payment processing. Choose a payment processing system ahead of time. Depending on your location, be prepared to take several different forms of payment. Do some research ahead of time to match your customer's expectations. You might be in an area where customers are more accustomed to paying cash, or in an area where cash is rare and credit and debit transactions are the norm.

Receipts and Bills of Sale. Be prepared to issue receipts. Receipts can be handwritten, printed on a regular printer, printed on a receipt machine, or emailed to the customer. If you're using a payment processing app like Square or Stripe, emailed receipts are built into the functionality of the platform. If you're creating a Bill of Sale for a piece of work, be sure to include your information, the customer's information, information about the work (the title, dimensions, year, etc.), and the sale price plus any sales tax or shipping charges. Google can give you some templates if you're stuck. ***If you're selling a piece for over \$500, you must include a Bill of Sale.***

BATNA

If your customer isn't interested in purchasing one of your products right now, there are alternatives to purchasing that still allow room for developing a relationship.

BATNA refers to “**B**est **A**lternative **T**o **A** **N**egotiated **A**greement”. “BATNA” means the next best thing to a sale. BATNA also gives you the opportunity to know the lowest amount you're willing to accept for your work.

If a customer isn't going to purchase, you can invite them to follow you on social media, sign up for your mailing list, take a business card, etc.



HOMEWORK ASSIGNMENT 4: PRACTICE!

Find someone to practice with you, and take turns being the customer and the seller. Pretend to be in a selling environment like a craft fair or tabling event.

SELLER: Ask questions to engage the customer, beginning with some kind of opening

CUSTOMER: Pretend to be different kinds of customers; interested, indifferent, intent on making a purchase

POST-ENGAGEMENT STRATEGIES

Following up with your customer is another step in developing the customer/artist relationship. Below are some strategies for follow up that add value for your customer:

- ✖ Offer to hold the item if a customer has purchased a piece from you
- ✖ Write handwritten notes to go with purchases
- ✖ Hold low-cost giveaways: find products that you make that cost little to produce and give them to potential customers
- ✖ Update previous customers on new products and create customer-only content
- ✖ Offer insider deals for customers who are more engaged

TIPS AND PITS

DO...

- ...use your head, not your heart.
- ...have your top five pieces ready to move (i.e. ready to be sold).
- ...have a range of prices.
- ...make recommendations and match customers to products.
- ...create Point of Purchase cues: let customers know where they can buy and direct them there.
- ...be ready to take transactions.
- ...if you're at a live event, do process demonstrations.
- ...if you're selling online, post process photos and videos.
- ...use social media to your advantage: be a real person online and don't be afraid to talk about what you do.
- ...if you're at a live event, take breaks and rest in a different location than your space.
- ...stay energized and upbeat.
- ...show gratitude when possible.
- ...promote your live and online events.

DON'T

- ...close down compliments with just a "thank you." Ask followup questions.
- ...overcrowd your space.
- ...look bored and tired (even if you are).

NEXT STEPS

Make a list of things you can do tomorrow that will help you prepare to sell your products.



CONGRATULATIONS!



GLOSSARY OF TERMS

ACCOUNTS PAYABLE: Includes all short-term obligations owed by your business to creditors, suppliers, and other vendors. Accounts payable can also include supplies and materials acquired on credit.

ACCOUNTS RECEIVABLE: Accounts receivable are considered assets. They are money owed to the business for purchases made by customers, suppliers, and other vendors.

ACTION STEP: An action taken to reach an objective.

ANALYTICAL: Breaking up a problem into small, manageable pieces to find solutions.

ARBITRATION: A way to resolve disputes outside the courts.

ASSETS: Anything that can be owned or controlled by a company to produce positive economic value, e.g. money, equipment, vehicles, land, etc.

AUDIT: An independent financial examination of a company or organization.

BYLAWS: A rule made by a company or society to guide and control the actions of its members.

CAPITAL: A term for financial assets.

COLLATERAL: An asset that a lender may accept as security for a loan, e.g. a vehicle, a building, etc.

COMMODITY: Materials that can be bought and sold that are interchangeable with other goods of the same type.

CONSUMER: Someone who purchases goods and services for personal use.

CUSTOMER: A person or organization that buys goods and services from a store or business.

DE FACTO: Something that exists in reality, even if not recognized in any official capacity; something that happens in practice, rather than according to law.

DERIVATIVE WORKS: A creative work that includes major elements of another copyrighted work; the new work becomes distinct and independent from the original.

DOCUMENTATION: Documentation describes, explains, shows, or illustrates the facts of your artwork, e.g. photos, written text, audio recordings, video.

EQUITY: The amount of money that would be returned to the owner or shareholders if all assets were sold (liquidated) and debts paid off.

EXPENSE: Money flowing out of a business. Fixed expenses are expenses that don't fluctuate with changes in production or sales. Variable expenses do change in response to production, sales, or other factors.

FIXED ASSET: Fixed assets include land, buildings, machinery, and vehicles that are used in connection with your business. Land is considered a fixed asset but, unlike other fixed assets, is not depreciated because land is considered an asset that never wears out. Buildings are categorized as fixed assets and are depreciated over time. Office equipment includes equipment such as copiers, fax machines, printers, and computers used in your business. Machinery represents machines and equipment used in your studio to produce your product. Examples of machinery might include lathes, conveyor belts, or a printing press. Vehicles include any vehicles used in your business.

GOAL: An ambitious but attainable, big-picture aspiration.

GOOD: A tangible thing that is not money or real estate.

GROSS SALES: The total of all sales within a time period without any deductions.

INCENTIVE: Something that motivates or encourages someone to do something.


INDEMNIFICATION: Contractual obligation to compensate for harm or loss.

INDEPENDENT CONTRACTOR: A person or business that provides goods or services under a written contract. Independent contractors are not considered employees and generally don't receive benefits or have a regular schedule set by the hiring organization. Independent contractors agree to deliver the work as agreed by both parties; how, when, and where they do the work is up to them.

INTELLECTUAL PROPERTY: Intangible creations of the human mind.

INTEREST: A fee charged for borrowing money, usually expressed as a percentage.





INVENTORY: A complete list of property, goods in stock, or the contents of a building.

LEGAL TENDER: Coins or banknotes that must be accepted if offered in payment of a debt.

LIABILITIES: Includes all debts and obligations owed by the business to outside creditors, vendors, or banks that are payable within one year, plus the owner's equity.

LIQUIDITY: How easily an asset can be converted to cash when needed. "High liquidity" means cash on hand and easily sold equipment, inventory, etc. An example of "low liquidity" would be all of an organization's assets being in real estate.

MARGIN: A spare amount or measure to give yourself room in special situations.

MATERIAL HARM: Harm or damage to a company's business.

MORTGAGE NOTES PAYABLE: The balance of a mortgage that extends out beyond the current year. For example, if you have paid off three years of a 15-year mortgage, the remaining eleven years, not counting the current year, are considered long-term debt.

NET: The remaining balance after deducting any outflows or expenses.

NETWORKING: Exchanging information and ideas with people who share a common interest.

NOTES PAYABLE: Money owed on a short-term collection cycle of one year or less, e.g. bank notes, mortgage obligations, or vehicle payments.

NOTES RECEIVABLE: Notes receivable are current assets if they are due within one year. Notes that cannot be collected within one year are considered long-term assets.

OBJECTIVE: A concrete, measurable milestone on the path to a goal.

OWNER'S EQUITY: Sometimes referred to as stockholders' equity, owner's equity is made up of the initial investment in the business as well as any retained earnings that are reinvested in the business.

PLAINTIFF: a person who brings a case against another person in a court of law.

POSITIONING: Establishing the image or identity of your brand; the ability to affect customer perception.

PROFIT: Any financial gain after deducting business expenses.

PROJECTIONS (REVENUE, SALES, EXPENSES, ETC): Estimating the future financial performance of a business; also known as a “financial forecast.”

QUALITATIVE: Measuring something by it’s qualities rather than by numerical data.

QUANTITATIVE: Measuring something by numerical data, or something that can be counted.

RESTITUTION: Giving up any gains (i.e. income) when faced with a legal claim by someone else.

RETAINED EARNINGS: Earnings reinvested in the business.

RETURNS (AS IN INVESTMENT): Profit from an investment.

REVENUE: Income from normal business operations; i.e. sales.

SECTOR (OF INDUSTRY): A large group of businesses that share the same area of the economy or business type; e.g. visual artists, performing artists.

TOTAL ASSETS: The total dollar value of both the short-term and long-term assets of your business.

SERVICE: Work performed by a professional that provides an intangible product.

TOTAL FIXED ASSETS: Total fixed assets is the total dollar value of all fixed assets in your business, less any accumulated depreciation.

TOTAL LIABILITIES: Comprises all debts and monies that are owed to outside creditors, vendors, or banks, and the remaining monies owed to shareholders (including retained earnings reinvested into the business).

WORKING CAPITAL: A company’s assets that are available for daily use.

WORK SAMPLE: An example of work that can be produced by the artist or creator; in the arts, this can be photos, videos, audio recordings, etc.

CONTRIBUTOR BIOS

JES REYES



Jes is an artist, arts administrator, community organizer, and social service provider. Her photography and films have shown with Feminist Video Quarterly, Made Here, FilmNorth, and the Walker Art Center. Her mixed media art has exhibited across the Twin Cities, including with the University of Minnesota, The Show Gallery, and the Minneapolis Convention Center. Jes has a Bachelor of Arts in Women's Studies and Film and Electronic Arts from California State University, Long Beach, and a Master of Liberal Studies from the University of Minnesota, with a minor in Museum Studies.

Jes is currently the Program Supervisor at Avivo ArtWorks, a multifaceted art program supporting artists living with mental illness. She oversees the program's art shows, markets, activities, and career support services. Her programming accomplishments include participatory art projects, public art initiatives, and extensive exhibition partnerships with the Hennepin County Library, University of Minnesota, Minneapolis Institute of Art, and COMPAS.

Jes is also the founder of the Altered Esthetics Film Festival and recently started Moonplay Cinema, a screening program supporting women and non-binary filmmakers. As a consultant at Springboard for the Arts, she provides one-on-one support to artists and teaches the Work of Art. www.jesreyes.com

SUSAN SMITH-GRIER



Susan is a writer, copywriter, and award-winning poet. She has contributed to several magazines and websites over the years including three regional magazines, Lake Country Journal, Her Voice, and Lakes Area Living. Her work also appears in Blues Vision, an anthology of African American Minnesotan writers of note, and Photowrite 2018, a compilation of photographs, poetry, and prose by Brainerd Lakes Area photographers, poets and writers. She is also a contributor to the soon-to-be released children's story anthology, Story to Story, published by Strive Publishing. Susan is a recipient of a Five Wings Arts Council Grant, funded by the McKnight Foundation and

was awarded a Hinge Arts Residency through Springboard for the Arts. In addition to her writing skills, she is also known for her work as a storyteller and songwriter. She believes in the power of words and their ability to restore peace if we listen to each other's stories. Susan has two adult children and a grandson all of whom she is immensely proud.

SAYMOUKDA DUANGPHOUXAY VONGSAY



Saymoukda is a Lao American writer. Her work focuses on creating tools and spaces for the amplification of refugee voices through poetry, theater, and experimental cultural production. Her plays have been presented by the Smithsonian Asian Pacific American Center, Theater Mu, and Theater Unbound. She's a Playwrights' Center and Theater Mu fellow in playwriting, a Loft Literary Center fellow in poetry (2018) and children's literature (2019), a Twin Cities Media Alliance fellow in public art, and an Aspen Ideas Bush Foundation fellow. She's received grants from the Jerome Foundation, Bush Foundation, John S. and James L. Knight Foundation, Forecast Public

Art, Metropolitan Regional Arts Council, MN State Arts Board, and elsewhere. Her work has been mentioned by the NY Times, Mpls/St. Paul Magazine, Mn Original, Minnesota Public Radio and more. She holds a Master in Liberal Studies degree and co-hosted a podcast on Minnesota Public Radio.

SCARLETTE REVOLVER



Scarlette is a queer, feminist artist & entrepreneur who is dedicated to spreading the message of radical self-love through their multifaceted work. They've been a professional choreographer, actor, dancer, and producer for the past twelve years. Scarlette owns and operates Lucent Movement Arts (formerly known as Revolver Studios) in St. Cloud, MN; a body-positive dance, aerial, yoga and mindfulness studio. Their mission is to create an environment where ALL bodies feel welcome to express themselves, and have access to the healing, empowerment, and joy of movement arts. Scarlette also cares deeply about supporting artists in developing

their careers, and regularly offers Work Of Art workshops in the central Minnesota region.

THANKS

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