

Ars Electronica Linz GmbH

2013 Financial Recap: The order books are full; international networking is going strong

Ars Electronica Linz GmbH has reported excellent results for 2013, with total revenues of €12.9 million and a self-financing quotient of 60%. Key profit centers are the Futurelab's flourishing project business, marketing by the Solutions division, and Ars Electronica's international exhibitions. The Center, Festival and Prix also made significant contributions to the strong bottom line.

(Linz, February 4, 2014) "We have achieved very good results in our public-service divisions as well as with our for-profit activities," was the upbeat 2013 summary delivered today by Ars Electronica Linz executives Diethard Schwarzmaier and Gerfried Stocker. "Our total receipts came in at €12.9 million and thus €555,000 above projections. Only €5.2 million (40%) was attributable to public-sector subsidies, which means that Ars Electronica's self-financing quotient has risen to 60%. Thus, Ars Electronica Linz GmbH concluded 2013 with a very positive financial outlook, and also with a clean balance sheet—all bank loans taken out in connection with the Museum of the Future's 2008 expansion have been paid off.

Thriving project business

Most noteworthy in 2013 were the successful operations of Ars Electronica's for-profit enterprises: the Futurelab, Solutions and the business of providing exhibitions running at venues worldwide. An especially strong performance was turned in by Solutions. Established in 2012, Ars Electronica's youngest division develops and markets customized solutions for interactive products and services in the areas of shop experience, event & show design, and brandlands & exhibitions. In only its second year of operations, total revenues are already up to €2.8 million. "In the public's perception of Ars Electronica, the Museum and the Festival are generally the dominant elements. Nevertheless, the emergence of AE Solutions—with a staff of approximately 30, the Tabakfabrik's second largest tenant—makes it clear that the spectrum of products and services this wholly-owned city enterprise provides is considerably more comprehensive," noted Linz Mayor Klaus Luger. "And now, we are so pleased that Ars Electronica's for-profit divisions are not only getting by without municipal funding but are even yielding a larger surplus every year and thus taking some of the pressure off the public sector."

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Strong revenues from the public-service divisions as well

The public-service divisions, the Museum, Festival and Prix, can also look back on a big year. “In these areas, Ars Electronica provides public benefits and lives up to its educational mandate, and these are things the public sector is prepared to subsidize,” stated Deputy Mayor Bernhard Baier, Linz’s commissioner of cultural affairs. “Naturally, we strive to generate revenues here too in order to keep public funding to a minimum. This is underscored by the fact that literally every visit to the Ars Electronica Center is paid for by the particular visitor—though, of course, admission prices are staggered in a socially responsible way.”

International appearances

The spectrum of services Ars Electronica provides includes many international activities. Organizing and producing them are the responsibilities of the EXPORT division. “Of course we’re proud of the extensive network Ars Electronica has built up over the years,” said Gerfried Stocker and Diethard Schwarzmaier. “And our worldwide appearances are by no means a one-way street. They’ve helped Linz make a name for itself among people who are interested in culture and like to travel. Plus, it’s a nice dividend that these activities all yield net revenues that contribute to covering the costs of the entire operation.”

In 2014, the focus is on project business and international partnerships

This year, Ars Electronica is making a major push to increase project revenues and international joint ventures. The Futurelab, Solutions and EXPORT will continue to bring excellent products to market, and the Festival will serve as a prestigious showcase for top-name universities, R&D facilities, artistic & cultural institutions and corporate associates from throughout the world. “New participation commitments coming in from Chile, Korea, Japan and Taiwan accentuate the fact that our Festival is a platform that’s very much in demand worldwide. And CERN will be taking part once again too,” said an enthusiastic Gerfried Stocker. “Last year, we managed to supplement our €1.1 million festival budget in the form of merchandise sponsoring and cooperative ventures with a fair market value of almost €1 million. This is additional convincing testimony to the attractiveness of the Ars Electronica brand.” A major contributor to this institution’s international renown is the Prix Ars Electronica, which is getting a bit of a makeover this year—four categories will henceforth be staged on a biennial basis, and a new Golden Nica honoring Visionary Pioneers of Media Art will make its debut in 2014. The Ars Electronica Center’s management is currently working on innovative new ways to present content and mediate the public’s encounter with it, the aim of which is to reduce the need for Infotainers posted on-site in the exhibits while continuing to deliver the high-quality visitor experience people have come to expect at the AEC.

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STATEMENTS

Mayor Klaus Luger

“Ars Electronica has occupied the absolute pinnacle of the media art world for over 30 years now. And this is definitely not a position that can be attained by means of some one-shot deal. You have to earn this through diligent exertion year after year. In addition to a creative and highly devoted staff, this has always called for a strong commitment by the City of Linz to providing long-term support for these endeavors. An analysis of the 2013 results makes it clear that this long-term commitment has paid off. Ars Electronica is an internationally recognized brand and thus a goodwill ambassador of the City of Linz. At the same time, its local roots are deep and it’s a key driving force behind innovation here. This becomes most readily apparent in conjunction with the annual Festival that is truly an impressive joint effort on the part of all of our city’s artistic and cultural institutions.”

Deputy Mayor Bernhard Baier, Commissioner of Cultural Affairs

“Ars Electronica is the most international of Upper Austria’s artistic and cultural facilities, but it’s also solidly established in the region. Last year, the Ars Electronica Center welcomed a total of 175,261 visitors from literally every community in Upper Austria. This again makes it #1 in attendance among all local museums, and underscores the attractiveness of both the exhibitions and the educational offerings. Speaking of which—the Museum of the Future’s many didactic formats custom-tailored to the needs of specific target groups are what enable it to fulfill its educational mission in absolutely exemplary fashion, and supporting these efforts with public funding is certainly money well spent. Indeed, it was imperative to reduce such subsidies in previous years, but this is as far as the cost-cutting can go if we wish to maintain the high-quality visitor experience now provided at the Ars Electronica Center.”

Ars Electronica Center: <http://www.aec.at/news/en/>

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