



Association of Art Museum Directors

41 E. 65th Street
New York, NY 10021
Tel: 212.249.4423
Fax: 212.535.5039

Exhibition Collaborations between American Art Museums and For-Profit Enterprises

March, 2006

Art museums have a unique responsibility to serve and educate the public through direct, personal encounters with works of art. They have long engaged with many types of for-profit companies to accomplish their missions, and done so largely without controversy. Museums have found that working with specialized, for-profit companies, from service-oriented cafe operations to catalog publishing arrangements, can be mutually beneficial to the museum, the company, and audiences. Lately, however, several joint exhibition ventures with for-profit companies have received an increasing level of attention. These newly-emerging collaborations with for-profit partners to organize, travel, and promote museum exhibitions are high-profile exceptions to traditional museum approaches of organizing and funding exhibitions. While few in number, these collaborations have raised certain questions – both within the field and by non-museum professionals.

Proponents of exhibition collaboration with for-profit enterprises often make their case by citing changes in our global culture. Their argument is that “education” and “entertainment,” as well as “art” and “experience,” are becoming more and more fused. Moreover, the growing sense of cooperation between for-profit and

not-for-profit ventures in many other aspects of daily life has further broken down traditional barriers between these kinds of organizations.

Partnerships can benefit institutions large and small. For smaller institutions with modest resources, population bases and curatorial staffs, such collaborations may enable participation in major ventures that would otherwise have been out of reach. Larger museums can also benefit, focusing their resources on core areas of expertise, while allowing for-profit partners to complement their skills, and thereby generate exhibitions capable of serving ever-wider audiences.

Through these collaborations art museums can continue to be the center of public appreciation of cultural or aesthetic objects of significance – rather than local convention centers. It is in this context that some art professionals may feel comfortable discussing potential relationships with for-profit entities, carefully evaluating the criteria used to enter these partnerships, and explaining the decisions made by their institutions.

While philanthropy is still *the* single most important means of support for art museums, earned income is becoming a larger part of the financial structure of all non-profit enterprises. Although the legitimacy of these revenue-generating practices is less challenged publicly, a range of questions still exists. Both supporters and critics express concern that for-profit collaborations could undermine the real and perceived need for philanthropy upon which museums rely. Some believe that by increasing their revenue-generating programs, museums may call into question the tax-exempt status that underpins (and inherently supports) non-profits. Most importantly, there are many in the museum profession who argue that the general public holds its tax-supported art museums to a standard that requires that fulfillment of mission will take precedence over short-term revenue generation.

Museums operate with a system of checks and balances by which museum directors, trustees, and staffs evaluate and decide upon the appropriate course of action to fulfill their mission. The members of the Association of Art Museum Directors (AAMD) are further aided by the recommendations in its *Professional Practices in Art Museums* (2001) publication, which has served as the standard reference for the field since it was first published in 1971. By striving for the kind of transparency and openness that can ensure the continued trust and goodwill of a museum's many constituencies – donors, government agencies, and most of all, the public – museums can ensure that those they serve do not feel deceived. In the case of non-profit/for-profit collaborations, perhaps the best way to address these concerns is to seek to balance the benefits and risks of these activities on a case-by-case basis. Among the questions museum directors must review – in consultation with trustees and staff – are the following:

MISSION

Does this collaboration further or detract from the museum's mission? First and foremost, museums must weigh their exhibitions and other projects in the context of their mission and goals. Deciding to pursue a venture with a for-profit partner must be approached in the same fashion, with an understanding of the core values and professional practices to which the members of AAMD subscribe, and which guide all aspects of their work as museum professionals.

Will the collaboration enhance public access to important works of art? Great works of art or great objects from ancient cultures should be available to as wide an audience as possible. Directors must evaluate whether the wonder, historical and cultural significance and visual delight of such works will enhance public appreciation of art and art museums.

Do the motives of the for-profit affect the non-profit institution's critical judgment? The art museum's mission is focused on a greater understanding and

appreciation of great works of art – in contrast to for-profit corporations, which focus on earned income. Therefore, museums must ensure that the revenue derived from admission fees does not come at the expense of the museum’s authority or artistic judgment.

FINANCIAL

Will this partnership change philanthropic support for the museum? As noted above, some people express concern that if institutions regularly engage in earned income collaborations with for-profit partners, donors would decrease their level of giving, believing that institutions can operate in ways that do not require their support. Therefore museum directors and trustees must explore the benefits of for-profit partnership in relation to the perception among donors and the public of the institution’s short- and long-term needs.

Will the collaboration mitigate institutional risks? Because many museum projects are expensive, and because the finances of most non-profit entities are fragile, joining with a for-profit company may represent an opportunity for the risk involved in a new exhibition or program to be borne by others, while the revenues of any success are shared. In the past, even “blockbuster” initiatives had loan fees that were lower – and therefore any risk was more easily assumed by a host art museum. Any decision about the museum’s risks must be measured against the critical judgment and public access that underpin the institution’s programs.

Does this partnership address the museum’s costs? The costs of organizing and traveling exhibitions are considerable, as both U.S. and foreign institutions and governments charge ever larger amounts for loans, and as external economic forces increase costs for everything from shipping to insurance. Rising costs are heightened by the fact that some foreign governments, which often supported the operations of their museums generously in the past, are now limiting such support. Given these factors, museum directors must review whether a for-profit collaboration will enable the institution to meet these increasing costs.

TRUST

Could the collaboration affect the good name or reputation of the museum? The trust which the public places in museums may be endangered when an institution does not engage in exhibition practices that have a clear historical or critical purpose. This trust can be threatened when the principal purpose of an exhibition – especially one of rare or fragile objects – appears to be financial. For museums, an evaluation of their for-profit partner's financial gain versus the institution's benefits in public accessibility and education can help to safeguard the institution's public trust.

Is the lending of the works of art appropriate – and will the works be well protected? The monetary incentives of exhibitions with strong financial backing could result in museums choosing to loan works only to those initiatives that generate the highest financial return, or agreeing to loans even when objects requested are fragile. Institutions must review which loans serve the strongest art historical purpose, and keep the best interests of works of art in mind when such partnerships are proposed.

Core Values

Ultimately, art museum directors must ensure that in adhering to mission, they are also respectful of the core values to which the members of AAMD subscribe and which guide all aspects of their work as museum professionals. These core values are:

Mission: The mission of all art museums is to serve the public through art and education. Fulfillment of this mission is the primary goal of every AAMD member and the touchstone by which all decisions are made concerning museum programs and operations;

Individuality: Each museum has a unique identity, and its collections and programs serve the distinctive interests of its community. Museum directors have

the responsibility and the freedom to exercise sound professional judgment in ensuring that their museums are responsive to local interests while adhering to the national standards of quality for which AAMD's members are recognized.

Accountability: Museum directors are responsible to their trustees, staff, donors and community for ensuring that museums fulfill their public service mission and reinforce the leadership position of museums as cultural and educational resources.

Integrity: Museum directors are responsible to their trustees, staff, donors and community for ensuring that museums meet the highest standards of curatorial, professional and ethical integrity.

Transparency: Museum directors manage their institutions – and, to the extent possible, the involvement in their museums by outside individuals and organizations – to promote clarity of purpose in action and openness in internal and external communications.

The AAMD promulgates fundamental standards by which art museums should be governed and managed. These principles are found in the publication, *Professional Practices in Art Museums*, which has been revised at ten-year intervals since 1971. The AAMD's commitment to these core values and the success of its members in managing their institutions' relationships with corporations and for-profit business entities have ensured that America's art museums are among the most trusted and respected public institutions in the world – resources for education and enjoyment that provide lasting benefits to the people of the world

The Association of Art Museum Directors (AAMD) is a membership organization which represents 175 directors of the major art museums in the United States, Canada and Mexico. The President for 2005-2006 is Mary Sue Sweeney Price, Director of the Newark Museum. AAMD's Executive Director is Millicent Hall Gaudieri.