



SHUTTERED VENUE OPERATORS CALL ON SMALL BUSINESS ADMINISTRATION TO IMMEDIATELY RELEASE SHUTTERED VENUE OPERATORS GRANT FUNDS

Delays and errors put companies at risk of permanent closure

(Washington, D.C. - 10 June 2021) Association of Performing Arts Professionals (APAP), the League of Historic American Theatres, the National Association of Theatre Owners (NATO), National Independent Venue Association (NIVA), National Independent Talent Organization (NITO), Performing Arts Managers and Agents Coalition (PAMAC), and the Performing Arts Alliance called on the Small Business Administration (SBA) and SBA Administrator Isabel Guzman **to immediately fully fund all Shuttered Venue Operators Grant (SVOG) eligible entities and to immediately resolve interagency issues that have proven a barrier to funding for SVOG applicants**, which are suffering deeply.

The \$16.1 billion SVOG program, signed into law in December 2020, provides eligible movie theaters, live venue operators and promoters, talent representatives, and performing arts organizations with grants equal to 45% of their 2019 gross earned revenue, up to a maximum of \$10 million.

Nearly six months later, the SBA's repeated errors and delays have endangered the very businesses and organizations the program was designed to help. The SBA has now missed its June 9 deadline to grant funds to those businesses suffering 90% or more losses and to begin making grants to the second tier of businesses suffering 70% or more losses.

More than 4,910 small business owners in the first priority period, those with the greatest need, and an additional 10,000 independent businesses that fall into the second and third priority periods, are still waiting for emergency relief funding. If every one of the 500 reviewers assigned to the program reviewed just one application per day since the application portal opened, approximately 14,000 applications submitted could have been fully processed by now. Yet as of June 9, the SBA reported it had awarded a total of 90 grants.

SVOG stakeholders are experiencing a talent drain, cannot reopen, and are hanging on by a thread because this funding is not arriving quickly enough. If SBA doesn't urgently issue funding while addressing interagency challenges, small businesses that have done everything they could to scrape by and hold on will close due to no fault of their own.

The detailed and stringent application process and required audit procedures built into the SVOG program ensure that funding will go only to eligible entities, as Congress intended and as confirmed by the SBA's SVOG team to stakeholders on June 9.

SVOG stakeholders are heartened that our Congressional champions have continued to fight for proper and swift execution of the program, and that the White House is increasing its oversight and working to address interagency issues to get SVOG fully implemented.

In order to prevent further damage to these businesses and to the economy, SVOG stakeholders call on the SBA to act now.

“The nationwide recovery of the live arts and entertainment ecosystem depends on the successful delivery of this vital federal relief. As the performing arts venues and organizations that are the fabric of communities across America, we are proud of collective efforts to fight for our survival, and we are rallying to cross the finish line,” said Lisa Richards Toney, President and CEO, Association of Performing Arts Professionals (APAP).

“We remain dismayed that the life raft given to our industry by Congress back in December has yet to be implemented, “ said Ken Stein, President and CEO for the League of Historic American Theatres. “Just today we heard from a member theatre in North Carolina that funds won't reach them in time to cover the costs of hiring back additional staff as they had planned. That one theatre means both jobs lost and, about \$15 million in patron spending in a community that won't be coming to local businesses who are hurting as well. This scenario is happening across the nation, and it did not need to be this way. The funds are there. They have been there for six months. They need to be disbursed.”

“The pandemic is easing, capacity restrictions on movie theaters are being lifted, major movies are being widely released, but hundreds of movie theater companies cannot open until they have rehired their employees, paid their vendors and their rent,” said NATO President and CEO John Fithian. “The SBA is actively damaging the companies they were supposed to help. That must end now.”

“We couldn't be more grateful that Congress saw fit to provide \$16 billion to Save Our Stages, but this untenable wait for the emergency relief has been torturous and damaging to our industry, our employees, and our communities,” said NIVA Executive Director Rev. Moose. “With the changes made by the White House and our Congressional Champions, we are hopeful that the SBA will award the grant funds without any further delay.”

“The inability of the SBA to release legislated funds designated for those eligible for the Shuttered Venues Operator Grants, has jeopardized the careers and livelihoods of thousands of workers: musicians, their reps, promoters, stagehands, venue staff, ad infinitum, and jeopardized the very fabric of culture that is the basis of good community living. We are only asking for the opportunity to resume our viable and vital businesses and restaff our offices to begin competing with the multinationals who have seemingly unlimited funds and power,” said NITO president, Frank Riley.

“COVID forced the arts world to be the first to close and the last to reopen. Over 95% of the revenue of artists, gig workers and talent agencies have been annihilated for 15 months and this is unsustainable,” said Charlotte Lee, Founder of Performing Arts Managers and Agents Coalition (PAMAC). “Despite this, our creative work to restore the moral and emotional health of a society in crisis has continued through the pandemic with no pay. Over 1 million jobs in the arts have been lost, countless businesses have shut down, and we are on the verge of more devastating losses. We can go no longer as we have exhausted the funds from our savings, PPP Loans, EIDL loans and whatever assistance we have. We need money now.”

“Performing arts organizations throughout the U.S. have been counting on the promise of Shuttered Venue resources to fuel rehiring and reopening plans that simply can't wait,” said Michelle Ramos, board chair of the Performing Arts Alliance.

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About APAP, the Association of Performing Arts Professionals

APAP, the Association of Performing Arts Professionals, based in Washington, D.C., is the national service, advocacy and membership organization dedicated to developing and supporting a robust, performing arts presenting field and the professionals who work within it. Our 1,700 national and

international members represent leading performing arts centers, municipal and university performance facilities, nonprofit performing arts centers, culturally specific organizations, foreign governments, as well as artist agencies, managers, touring companies, and national consulting practices that serve the field, and a growing roster of self-presenting artists. APAP works to effect change through advocacy, professional development, resource sharing and civic engagement. APAP is a nonprofit 501(c)3 organization governed by a volunteer board of directors and led by President and CEO Lisa Richards Toney (<https://www.apap365.org/About/Who-We-Are/Staff/Lisa-Richards-Toney>). In addition to presenting the annual APAP|NYC conference—the world's leading gathering and marketplace for the performing arts—APAP continues to be the industry's leading resource, knowledge and networking destination for the advancement of performing arts presenting, booking and touring. For more information, visit <https://www.apap365.org>.

About League of Historic American Theatres

For 45 years, the League has been a passionate national association representing the interests of hundreds of historic theatres in North America with a mission to champion the preservation, restoration and ongoing operation of any theatre 50 years or older. We consider these spaces to be cultural assets that serve as economic generators and arts conduits within their communities. The League provides research, professional development, and ongoing networking opportunities for historic theatre operators in all 50 states and Canada. Our annual conference is the largest gathering of historic theatre professionals annually in the United States.

About National Association of Theatre Owners (NATO)

The National Association of Theatre Owners is the largest exhibition trade organization in the world, representing more than 35,000 movie screens in all 50 states, and more than 32,000 additional screens in 101 countries worldwide. Headquartered in Washington, D.C., with a second office in Los Angeles, California, NATO represents its members in the heart of the nation's capital as well as the center of the entertainment industry. From these vantage points, NATO helps exhibition influence federal policy-making and work with movie distributors on all areas of mutual concern, from new technologies to legislation, marketing, and First Amendment issues. www.natoonline.org

About National Independent Venue Association (NIVA)

Formed at the onset of the COVID-19 shutdown, the National Independent Venue Association (NIVA), now represents more than 3,000 venues, promoters, and festivals in all 50 states and Washington, D.C. NIVA, a 501(c)6, created and led the #SaveOurStages campaign, resulting in landmark legislation establishing the "Shuttered Venue Operators" Grant program to be administered by the Small Business Administration. NIVA's mission is to preserve and nurture the ecosystem of independent live venues, promoters and festivals throughout the United States. The National Independent Venue Foundation (NIVF) was founded as a 501(c)3 to further this mission by also seeking to support a transparent, competitive marketplace serving a diverse and inclusive community of artists, fans, and industry workers. The NIVA Emergency Relief Fund directly supports the preservation of the independent live entertainment ecosystem that presents music, comedy, and the performing arts, helping these critical spaces survive through the Coronavirus pandemic. Individuals, foundations, businesses, and organizations that are interested in financially supporting NIVA, NIVF, or the NIVA Emergency Relief Fund should visit nivassoc.org/donate.—NIVA is committed to equity in its support and advocacy for independent venues, and seeks to create and encourage opportunities for venues, promoters, and festivals owned, operated, and staffed by people of color, women, non-binary, LGBTQ+, veterans, and people with disabilities.

About National Independent Talent Organization (NITO)

NITO was formed in March 2020 as an effort to bring the independent music community together, in response to the gathering pandemic storm. We represent a coalition of independent talent agencies,

independent management companies, and a multitude of associates from the live music world. We work in close cooperation with our sister organization, NIVA.

www.NITolive.org

About Performing Arts Managers and Agents Coalition (PAMAC)

Performing Arts Managers and Agents Coalition is a collective of over 250+ artist managers, booking agents and independent producers in the U.S. performing arts industry that united together for the first time with a common mission to advocate for federal relief for all segments of the arts sector in the wake of the COVID-19 pandemic.

With the support from 29 industry organizations, PAMAC took its message to the world in June 2020 with its www.change.org/artsrelief petition, which secured 17,500+ signatures, and the coalition wrote thousands of letters to urge Congressional leaders to legislate for emergency funding for the entire arts sector. PAMAC's work reached federal public officials and representatives, most notably in a pivotal August 2020 conference call with Senator Mitch McConnell's Senior Staff, highlighting the need to address the plight of the arts sector with the "Save Our Stages" Bill. As 2020 drew to a close, PAMAC and the industry celebrated the passage of the \$15 Billion "Save Our Stages" Act, now known as the "Shuttered Venues Operators" Grant, in the second federal COVID-19 relief package, as well as the additional \$1.25 Billion in federal funding allocated in the 2021 American Rescue Plan Act.

www.artsrelief.org

About The Performing Arts Alliance

The Performing Arts Alliance is the national policy advocate, leadership forum, and learning network for America's nonprofit performing arts organizations, artists, and allies.

www.theperformingartsalliance.org

CONTACTS

Jenny Thomas

APAP, the Association of Performing Arts Professionals

Director, Marketing and Communications

Jthomas@APAP365.ORG

202-207-3857

Ken Stein

League of Historic American Theatres

President & CEO

kstein@lhat.org

512-789-2087

Patrick Corcoran

National Association of Theatre Owners (NATO)

Vice President & Chief Communications Officer

pfc@natoca.com

818-849-0675

Esther Baruh

National Association of Theatre Owners (NATO)

Director of Government Relations

erb@natodc.com

202-962-0973

Jackie Brenneman
National Association of Theatre Owners (NATO)
Counsel and Director of Industry Relations
jeb@natoca.com

Audrey Fix Schaefer
National Independent Venue Association (NIVA)
Board Member and Communications Director
audrey@930.com
240-876-1588

Nadia Prescher
National Independent Talent Organization (NITO)
Vice President and Press Relations
nadia@madison-house.com
303-544-9900

Charlotte Lee
Performing Arts Managers and Agents Coalition (PAMAC)
Founder
charlotte@primoartists.com
212-804-8301

Joe Rossi
Performing Arts Alliance
jrossi@thepaalliance.org