

Alaska Railroad Annual Art Program

Summary of Costs

Compiled for Rep. Wes Keller's Office
By ARRC Corporate Communications Officer Stephenie Wheeler
who administers this program for railroad

Program Timeline

Call For ArtistsNovember
Artist Submission deadlineMid-February
Artwork Selection / Artist NotificationEnd of March
Contract with Artist.....mid-April
Deadline for Artist to Complete Artwork.....end of August
Art Print / Poster / Pin production.....Sept – Nov
Sign and Sale Events.....mid-Nov – mid December

Production Costs

3,000 16-by-20-inch (standard size) posters	\$2,300
800 23-by-28-inch prints	\$2,600
2,000 lapel pins	<u>\$2,250</u>
Total Production Costs	<u>\$7,150</u>

Advertising / PR Agency time

Art Scan	\$500
Poster / Print layout and liaison with printer	\$2,000
Advertising layout and media insertion order	<u>\$1,500</u>
Total Advertising / PR Agency Time	<u>\$4,000</u>

Artist payment

Initial payment (when contract is signed)	\$1,000
Subsequent payment (when artwork delivered)	<u>\$2,000</u>
Total Artist payment	<u>\$3,000</u>

Cost for Sign-and-Sale events

When the print/poster are delivered in time for the holidays, we hold sign-and-sale events in Anchorage and Fairbanks at our respective depots, and typically in a public location in the small community featured in the artwork.

- Facility Rentals – Typically the railroad does not have much of an expense here, as we use our depots and/or community spaces that have low to no rental fee.
- Air Fare Anchorage-Fairbanks for Artist and Staff member \$800
- Food for staff manning the event and for the artist \$100
- **Total Sign-and-Sale Costs** **\$900**

Publicity Costs

Advertisements in Anchorage, Fairbanks and small community newspaper

Alaska Dispatch – 2 ads \$2,000

Fairbanks Daily News Miner – 2 ads \$800

Frontiersman – 2 ads \$900

Total Advertising \$3,700

PR Agency Time to Promote on Social Media \$1,000

Total Publicity Costs **\$4,700**

Hard costs total about \$20,000 annually

Alaska Railroad Staff Time

ARRC Corporate Affairs Staff Time

- Call for Artists – post on several dozen art and community calendar and notify past artists via email. Most of this is “free” but requires staff time 24 hours
- Receive, store and organize 12-30 art entries 6 hours
- Coordinate selection by committee 6 hours
- Notify artists or decision (letter / email), return artwork 12 hours
- Coordinate with Artist (meet, update contract, facilitate photography) 20 hours
- Set up sign-and-sale events (usually at least 3 events) 8 hours
- Call to reserve print numbers, track print numbers, communicate with about 100 folks who previously reserved prints (email/phone) 24 hours
- Coordinate with agency to design poster/pin/print layout and proofs 3 hours
- Coordinate with agency to update advertisements and reserve newspaper space; also post events to about 24 media and community calendars 12 hours
- Coordinate with artist to sign and number 750 prints, separating reserved numbers to ensure these folks can get their prints at window 8 hours
- Coordinate artist travel to sign-and-sale events and attend events 30 hours

Legal Department Staff Time

- Coordinate with Legal to draw up contract 4 hours

Depot Staff

- Prep depots for Sign-and-Sale Events - 2 people 8 hours
- Man Ticket Window / Gift Shop for events; setup/take-down – 2 ppl 20 hours

Total Alaska Railroad Staff Time **185 hours**

Revenue Generation

ARRC Ticket window and Gift Shops in Fairbanks and Anchorage sell the print, poster and pin year-round with the big push during the holidays and summer during daily passenger season. Depending on the artwork, some years sell better than others.

- Prints sell for \$55 each
- Posters sell for \$30 each
- Pins sell for \$5 each

Note: the Gift Shop also order other merchandise featuring the artwork (ornaments, coasters, mugs, T-shirts, etc.) that sell pretty well during the holidays and summer season.

Revenues in 2015:

Amounts below include sales of prints/posters from previous years.

- Gift Shop gross sales for prints / posters was about \$21,000
- Ticket Window poster/print sales was about \$2,000

Bottom line: Annual revenues of \$20,000 - \$23,000 generally cover the hard costs of our Annual Art Print/Poster program in addition to some of the staff time.

Questions? Clarification?

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