



**YOUR ART...**  
**YOUR BUSINESS.™**  
STRATEGIC PLANNING FOR DEVELOPING ART CAREERS

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## Planning for Success in 2007

Burr its cold today here in Northwest Indiana.....and the weather is making me think about the holidays which always lead me to next year. It is important to plan for success in the New Year.

Now is the time to think about your business goals for your art business for 2007. What are you going to do next year, produce a fabulous new series, sell \$100,000 worth of product, and or be represented by three new galleries? Each artist has to decide on these goals for themselves and budget their resources appropriately. These resources include their time, their energy level, and of course their financial restrictions.

All of these resources also affect the subject that I want to discuss in this newsletter...donations.

On a continual basis you are asked to donate to one charity after another. Until one stops and thinks about what this is costing it does not seem to be any big deal. And stopping to think about what donating does cost is exactly what I want you to think about.

If we start by determining the amount of product that you can reasonably produce in 2007, we can start to get an idea how donating your artwork to charities impacts your bottom line.

Let's look at two artists, artist A, and artist B. Artist A's product is large 4ft x8ft drawings that sell for \$8,000. Realistically artist A does 6 pieces a year. Artist B creates pieces that are 16" x 20" on average that sell for \$500-\$1000 a pieces. Artist B does 65 -100 pieces each year. Each of these artist's are however asked to donate to charities equally often.

Artist A creates enough art to generate \$48,000 gross a year. Artist B creates enough art to generate an average of \$48,000 gross a year also however it takes him many more pieces in order to reach that goal.

When I budget for donations I like to use 10%. This is the number that most religious organizations strive for, the question for the artist using this number is 10% of what? Pieces of art produced or gross amount of sales? In the case of Artist A 10% of sales would be ½ a piece of work, not very practical, since the charity can not really do anything with a ½ finished piece of art. For Artist B it is something between 4-9 pieces. In either case the important issue is for the artist to plan for the donations so that when the charity calls they are prepared.

By knowing how many pieces your 10% donation for the year will allow you to donate you are able to plan ahead and choose which causes you are going to donate to in 2007. Let's say you will give three pieces in the coming year to charities. If you know that your church does an auction every year and it is important to you to donate to it then you should plan for that, okay you have two pieces left...maybe the guild you belong to has a silent auction and you like to support the American Heart Association. That is your three pieces and you have planned for this. Now the tough part comes...when your neighbor is having a benefit for the Hurricane victims of Hawaii again a not-for profit organization. What do you do?

Having a statement prepared helps with the uncomfortable feeling that this no doubt brings about. A version of this statement can be used...

"Kathy, I am honored that you have thought of me and my art for this cause. Unfortunately, I have already donated my allotment of art work for 2007. I do have another solution that you can consider and that is that you personally buy the piece that you would like to see donated and donate it to the Hurricane victims of Hawaii. Kathy, I don't know if you are aware that as an artist the only deduction I can take for donations is the cost of the actual materials to create my art. I can not take the value of the piece, however if you buy the piece and donate it you are able to get the entire value of the piece as a donation."

In having this discussion with Kathy, you are both being honest and also educating the public regarding this very important issue. It is sometimes easier for a "Kathy" to understand what the donation means in their own language. Perhaps "Kathy" is a lawyer, if she donates her service to the cause and she bills out at \$200.00 an hour and she is asked to donate 10 hours of her time she will certainly think again as should you the artist. Art is your business and you must always think in those terms!

So what do you do when a cause comes along that is important to you and you are beyond your limit. If convincing the asker to buy the piece doesn't work, buy yourself some time by asking for the caller to call back in two weeks. Tell them right up front that you don't know if you will be able to donate, however you will give it some true consideration. This will buy you some time to decide the true importance of this organization to you. It will give you time to think of all of the pros and cons.

And what are some of the pros to donating your art to a cause...some of the obvious include getting your work out to the public, your art being seen by a different audience and the opportunity to network with a larger audience. Certainly whenever you can get your work in front of a different audience you have the opportunity for a new sales market.

So yes there are very good reasons to donate your art pieces if there are planning and for thought into how, why and when you do it.

Happy donation planning, Susan.

