

# The New Wave of Nonprofit Arts Organizations—The Possibilities for Nonprofit Service Organizations

by Mitsuhiro Yoshimoto  
Social Development Research Group  
mitch@nli-research.co.jp

Four years have passed since the Law to Promote Specified Non-Profit Activities (NPO Law) was implemented in December 1998. Although arts groups and cultural institutions initially showed little interest in NPOs, the situation appears to be changing. According to official statistics, the total number of NPOs steadily grew, reaching 9,836 applications and 8,679 registered NPOs by October 2002. Of this, NPOs that cite the “promotion of culture, the arts, or sports” in their articles of incorporation comprise approximately 30% of the total.<sup>1</sup>

In a separate count, according to the Japan NPO Center’s database of 7,360 NPOs,<sup>2</sup> a search for NPOs who cite the promotion of culture, the arts, or sports as their primary mission turned up a list of 378 NPOs. Judging from the registered names on the list, approximately one-fourth to one-third of these appear to operate in the area of culture and the arts.

Thus by either count, NPOs in culture and the arts are growing steadily alongside other NPOs. This paper examines selected nonprofit arts organizations, and from the perspective of promoting culture and the arts in the future, analyzes their characteristics and trends, and discusses the possibilities for nonprofit arts organizations in the future.

## 1. Nonprofit Arts Organizations— Trends and Domains of Activity

When discussing nonprofit arts organizations, what usually comes to mind are those formed by performing arts groups in theater or music. Indeed, our database search found many NPOs whose primary purpose is to conduct their own theatrical or musical performances.

However, since our aim is to study the future direction and development of NPOs, we will focus on two types of nonprofit arts organizations: those that operate municipal cultural facilities, and those that provide services to the arts community and local resident community.

To analyze trends and characteristics, we identified five domains of activity for NPOs engaged in culture and the arts. Prominent nonprofit arts organizations are categorized and described

---

<sup>1</sup> Derived from data on articles of incorporation for 8,315 registered NPOs at the end of the month.

in the table below.

1. Construction & equipment installation of cultural facilities
2. Management, maintenance & leasing of cultural facilities
3. Program operation (performances and exhibitions) in cultural facilities
4. Information and support services for the arts community
5. Outreach/education activities for the local resident community <sup>3</sup>

## **2. NPOs and Operation & Management of Municipal Cultural Facilities**

Celebrated as Japan's first registered NPO in February 1999, the Furano Engeki Kobo traces its origin to a local volunteer group pursuing community development through theatrical activities, in association with the Furano Juku, a drama group organized by So Kuramoto, one of Japan's leading playwrights. The NPO was later commissioned by the city government to manage the Furano Engeki Kojo, a municipal theater then in the planning stage. The theater, opened in October 2000, engages in a wide range of activities centered around drama.

Since municipal theaters and concert halls are usually managed by municipal foundations, this case attracted attention as a new form of collaboration in municipal cultural facilities—municipal ownership and private management and operation. A similar type of collaboration exists between an NPO called the Fukui Arts and Culture Forum, and the Fukui City Cultural Center.

An important difference, however, is that the Fukui Arts and Culture Forum specializes only in program operation. By comparison, the Furano Theater Factory not only hosts cultural programs such as theatrical productions, but also manages and maintains the facility including leasing operations. This functional integration reveals an important trend that will be discussed further below.

## **3. NPOs and Use of Idled Facilities**

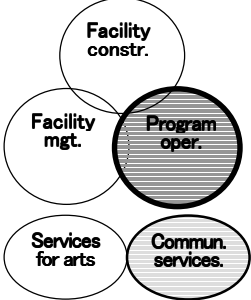
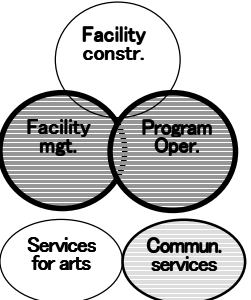
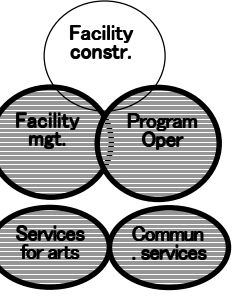
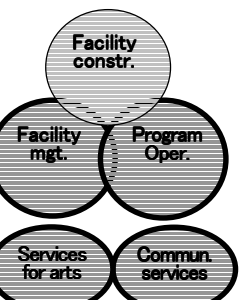
Whereas the two NPOs above operate city-owned facilities built specifically for cultural use, other NPOs conduct a wide range of projects and services using facilities that have been vacated.

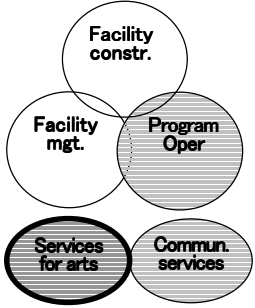
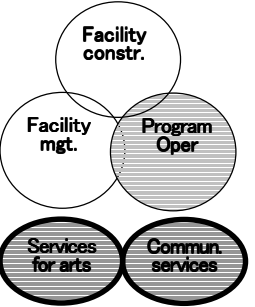
---

<sup>2</sup> See the web site of *NPO no hiroba* (<http://www.npo-hiroba.or.jp>).

<sup>3</sup> See M. Yoshimoto, "Outreach Programs Bring the Arts to Children and Local Residents—The Possibility for Social Service Through the Arts," *NLI Research*, October 2001. (<http://www-nli-research.co.jp/eng/resea/life/li0110a.pdf>)

## Classification of Nonprofit Arts Organizations, and Selected Examples

NPO type, and domains of activity	NPO name, registration date	History, characteristics, etc.
<p>Program operation</p> 	<p>Fukui Arts and Culture Forum</p> <p>September 2001</p>	<ul style="list-style-type: none"> <li>• Commissioned by city to operate city's culture center. Facility mgt. &amp; leasing performed by municipal foundation.</li> <li>• Previous municipal assoc. operator was dissolved. NPO was created as new civic org. to operate cultural programs.</li> <li>• Besides inviting cultural performances, runs community development program with resident participation and workshops, collaborative program to support residents' projects, and art appreciation classes in schools.</li> <li>• Annual budget (FY2001) was ¥34 million. Revenue consists of city subsidy (40%), commissioned projects (20%), operating revenue (35%), membership dues (5%).</li> </ul>
<p>Facility management &amp; program operation</p> 	<p>Furano Engeki Kobo</p> <p>February 1999</p>	<ul style="list-style-type: none"> <li>• Nation's first registered NPO (Feb. 1999). Commissioned under city ordinance to manage &amp; operate city's Furano Engeki Kojo theater, which opened in October 1999.</li> <li>• Originated as local volunteer group associated with So Kuramoto's Furano Juku drama group, with goal of developing community through theater. Present operation was the product of lengthy meetings of city and residents.</li> <li>• In addition to wide range of theater programs centered around Furano Juku performances, also engages in facility management and leasing.</li> <li>• Despite small subsidy and fee income from city, maintains profitable operation with 2 paid staff members and 200 volunteers.</li> </ul>
<p>Facility mgt., program oper., and services</p> 	<p>C.A.P. (The Conference on Art and Arts Projects)</p> <p>April 2002</p>	<ul style="list-style-type: none"> <li>• Started in Dec. 1994 as voluntary group of 12 artists. After Kobe quake in 1995, announced Museum Proposal for Kobe's Former Foreign Settlement District.</li> <li>• Subsequently developed CAPARTY program series to create communication sites centered around art.</li> <li>• In Nov. 1999, conducted "CAPHOUSE--A 190-day Artistic Experiment" at Former Kobe Emigration Center.</li> <li>• Registered as NPO in April 2002. Commissioned by Kobe City to manage Former Kobe Emigration Center facility; exhibits materials of emigrants, plans and conducts CAPHOUSE projects such as open studio for artists, various seminars, exhibits and movie screenings.</li> </ul>
<p>Facility construct. &amp; mgt., program oper., and services</p> 	<p>DANCE BOX</p> <p>August 2002</p>	<ul style="list-style-type: none"> <li>• Begun in 1996 in Torii Hall in Sennichimae, Osaka. Actively conducts dance performance workshops. Recognized as hub of dance in Kansai region.</li> <li>• When Torii Hall dance program ended, joined Osaka City's "Shinsekai Arts Park" program, and opened Art Theater dB on vacant tenant space at Festivalgate in October.</li> <li>• Besides dance performance, also nurtures young dancers, operates café containing dance library, publishes dB report to enhance dance criticism criteria, and operates service programs to build a creative environment for dance.</li> <li>• Conducts wide range of service programs for local residents: workshops for women, parents &amp; children, and elderly persons, free workshops for local children, and free invitational/participatory events.</li> </ul>

NPO type and domain of activity	NPO name, registration date	History, characteristics, etc.
Arts community services 	Japan Contemporary Dance Network (JCDN)  June 2001	<ul style="list-style-type: none"> <li>• With aim to promote contemporary dance in Japan, set up office in Kyoto in spring 1998 to lay groundwork for JCDN.</li> <li>• After networking dancers, choreographers, dance groups and other participants, and conducting various preparatory events, JCDN was officially started in Spring 2001.</li> <li>• Established a system for nationwide dance tours (<i>Odorini ikuze!</i>) through tieups with local theaters, so that promising new dance groups and dancers can perform nationwide.</li> <li>• Emphasizes building infrastructure to promote contemporary dance, such as directory of dancers and groups (Dance File), nation's first dance-only online reservation system (JCDN Dance Reserve), and dance outreach programs.</li> </ul>
Local community services 	MEATS  March 2000  Citizen's League for the Arts (CLA)  April 2000  Artists and Children  September 2001  Arts Initiative Tokyo (AIT)  May 2002  Art Resources Development Association (ARAD)  April 2002	<ul style="list-style-type: none"> <li>• Begun in 1996 from program (Artwork Mino) organized by a local contemporary visual artist commemorating 100th anniversary of Mino Elementary School in Okayama City.</li> <li>• Centered in Okayama City, conducts innovative projects such as cafés and workshops to make the arts more accessible to residents.</li> <li>• Since early 1990, individuals interested in promoting the arts had been meeting with experts. NPO is based on the idea that not just government and private business, but citizens can participate in promoting the arts.</li> <li>• Guided by members' ideas and voluntary involvement, engages in support for orchestra, art center planning, salon concert activity, etc.</li> <li>• Begun in 1999 as Artist's Studio in a School (ASIAS) by the Arts Promotion Assoc. (APA). Converted into NPO when new comprehensive curriculum was introduced in schools.</li> <li>• Workshop program sends leading contemporary artists in dance, fine arts, music, etc. to schools.</li> <li>• Aims to create new ways to access contemporary visual arts.</li> <li>• Activities include educational program in contemporary arts (4 courses including curation and audience development), residency program in Tokyo for domestic and foreign artists and curators, newsletter for members, volunteer staffing for exhibits and art events, and planning of exhibits.</li> <li>• Aims to develop arts as a resource for society, so that people living in contemporary society can confront issues from new directions through artistic activities.</li> <li>• Plans, operates and supports arts projects such as art outreach programs, exhibits, and seminars, and engages in research and policy recommendations.</li> </ul>

The Conference on Art and Arts Projects (C.A.P.), which was commissioned by Kobe City to manage the Former Kobe Emigration Center facility and maintain its historical exhibits, also conducts its own program called CAP House. C.A.P. began as a volunteer group of 12 artists,

who responded to the city's proposal for small art museums in 1994 with their own proposal for an museum from the perspective of artists. After the Hanshin-Kobe Earthquake, C.A.P. proposed a community development plan to convert all of Kobe's Former Foreign Settlement District into an art museum.

Later, it conducted a series of art seminars and workshops under the name CAPARTY (C.A.P. Art Party). In November 1999, the group was allowed by the city to lease the Foreign Settlement District, where it conducted "CAP House—A 190-Day Artistic Experiment." On November 3, it began the "100-Person Big Cleanup Event" (where participants paid ¥1,500 to be equipped with cleaning goods and uniforms for the opportunity to thoroughly clean the building). This was followed by building renovations to create ateliers for local artists and the CAP Gallery, movie screenings, mini-concerts and workshops. The facility was closed on May 10, 2000.

After CAPARTY, and the reopening and closing of CAP House, the group became a registered NPO in April 2002. It was then commissioned by Kobe City to operate the Former Kobe Emigration Center, which the NPO continues to do to this day. The process by which a group of artists, initially opposed the city's art museum plan, were later able to move into the idled building, and ultimately commissioned by the city to operate the site, resembles that of the artist initiative NPOs in the U.S.

Moreover, C.A.P.'s activities extend beyond venues for the final consumption of art such as theaters and museums. Based on its concept of "exploration and diffusion of art in society," C.A.P. cites four objective: "study of art as it exists in contemporary society"; "creation of new methods to encourage the permeation of art in society"; "promotion of social education through art"; and "cultivation of international exchange based on the medium of art." It applies a unique approach to a wide range of activities—research groups, exhibits, symposiums, lectures, workshops, and information exchange. What C.A.P. does is made possible precisely because of its status as an NPO, and unseen previously in government-affiliated or private cultural facilities and arts institutions.

Dance Box, another NPO that originated from idled facilities, is part of Osaka City's Shinsekai Arts Park project. It took advantage of vacant tenant space in an urban amusement park called Festivalgate, which opened in 1997 and was an urban redevelopment project of a former city railyard in the Shinsekai district. The city pays the rent for the NPO so that it can operate on the site, which is the same pattern of government-private collaboration seen in the Furano and Fukui cases. Besides Dance Box, two other NPOs also operate new art spaces.<sup>4</sup>

---

<sup>4</sup> Two NPOs—Beyond Innocence, and Organization for Memory and Expression and Media—have developed art spaces called Bridge and remo respectively, and are engaged in experimental music and visual arts

Dance Box originated in 1996 as a nonprofit unincorporated entity conducting dance programs based in Torii Hall in Sennichimae, a district in downtown Osaka. As an NPO, it has three notable characteristics. First, while the building is a public facility constructed by the city, Dance Box financed the reform costing tens of millions of yen to convert the vacant tenant space into a dance space equipped with a 124-seat (150-seat maximum) theater and café. Second, the emphasis of operation is not on dance performances so much as serving the dance community by nurturing and discovering young dancers, and building a creative environment.<sup>5</sup> Third, it actively engages in outreach programs to serve the local community through the art of dance.

The Dance Box prospectus begins with the bold statement, “Contemporary society is faced with a wide range of problems including sensory deprivation, inadequate communication, withdrawal and stalking, and self-centered and senseless crimes. Even as information technology becomes globalized, our bodies are being confined inside a closed world.” Clearly, this NPO is not interested simply in promoting the arts, but is committed to addressing today’s social problems through the medium of dance—something that only an NPO can do.

Moreover, it is the nation’s first nonprofit arts organization to engage in all five domains of activity—facility construction, facility management, program operation, services for the arts community, and services for the local community. While enjoying free rent, it does not rely on subsidies or fee income from the city, and assumes full management responsibility as an independent NPO. As an embodiment of the possibility for nonprofit arts organizations in Japan, its progress will be followed with great interest.

#### **4. Nonprofit Service Organizations Take Root**

In discussing nonprofit arts organizations, another recent trend that merits attention is the growth of nonprofit service organizations. Instead of being connected to a particular cultural facility, or engaged in artistic activities as an arts group, nonprofit service organizations promoting the arts and building infrastructure, or providing services through the medium of the arts.

The first such NPO formed with this intent was probably MEATS, based in Okayama City. Other NPOs in this category include: Citizen’s League for the Arts (CLA), which espouses the

---

projects.

<sup>5</sup> Dance Box continually recruits dancers for its dance programs, which have a tiered structure designed to nurture and develop dancers. Dance Circus, a two-day event held four times a year, allows five groups to each perform 12 minutes. The next level up is Dance Box Selection, a two-day event held twice a year, in which each of three dance groups has the opportunity to perform 20 minutes. Dance Independent, held 12 times a year, offers the most accomplished artists the opportunity to perform solo.

concept of arts promotion as being the responsibility of independent citizens; Artists and Children, an NPO formed in response to the new comprehensive school curriculum, and which sends leading contemporary artists to conduct workshops;<sup>3</sup> Art Initiative Tokyo (AIT), which seeks to develop new ways to access the visual arts, and fine arts in particular by conducting educational and residency programs; and Art Resources Development Association (ARDA), which strives to develop the arts as a resource for addressing contemporary social problems, and engages in outreach and human resource development programs.

Another prominent nonprofit service organization is the Japan Contemporary Dance Network (JCDN), a network-based NPO that seeks to promote contemporary dance in society.

JCDN maintains a network of contemporary dancers, choreographers, dance companies, producers, critics and other participants in the dance community, and through its membership-driven organization, is able to promote information exchange and operate a system for conducting nationwide dance tours. While also engaged in outreach and other services for the local community, its main focus is to build the infrastructure for a creative environment to support the development of the dance community.

In the U.S., NPOs that bring together diverse activities in the same field and seek to promote overall progress are called umbrella organizations. While Japan has charitable corporations (*shadan hojin*) that maintain a membership roster of performance groups, artists and performers, few organizations have a clarity of vision and strategic execution at the level of JCDN. JCDN is a noteworthy NPO for its contribution to building the infrastructure of the dance community.

In this paper, we have discussed ten nonprofit arts organizations, and analyzed their characteristics and trends based on their development and operations. From the perspective of NPO management, many issues remain weak financial condition and operational issues.<sup>6</sup>

However, undaunted by such odds, NPOs are marching ahead supported by a strong sense of mission to promote the arts. NPOs are increasingly undertaking objectives that cannot be accomplished by the national government, local government, private companies, or foundations. As such, we expect nonprofit arts organizations to grow and play an increasingly important role in promoting culture and the arts in Japan.

---

<sup>6</sup> At present, only nine NPOs have been approved in Japan for preferential tax treatment regarding contributions. For more details on tax issues, see "Survey of NPO Corporations Regarding Tax Reforms to Support NPOs," (in Japanese), NPO C's.