

New Media Arts | New Funding Models

report prepared for

**Creativity & Culture
The Rockefeller Foundation**

December 2000

by

Pamela Jennings

This report is available on-line at: <http://digital-Bauhaus.com>

ABSTRACT

New Media Art/ New Funding Models report investigates the current state of funding for new media artists. The emphasis is on the support structures for innovative creative work that utilizes advances technologies as the main vehicle for artistic practice.

Twenty-two individual artists/innovators, organizers, directors, and foundation program officers involved in the international new media arts community were interviewed. Participants were asked a number of questions regarding how they frame new media art, concerns from the field, funding histories, and concepts for funding models. Several participants are involved in new initiatives that bridge the for-profit and non-profit funding sectors including artists' research centers, innovative business models, new approaches for traditional funding sources, incubators, venture funding, and leveraging community.

Pamela Jennings' new media arts projects include the CD ROMs "Solitaire: dream journal" and "Narrative Structures for New Media," and the ArTronic™ sculpture "the book of ruins and desire." She has written for *Felix: a Journal of Media Arts and Communication*, *Leonardo: Journal of the International Society for the Arts, Sciences and Technology*, and in the recently published *Struggles for Representation: African American Film/Video/New Media Makers*.

Jennings holds a Master of Fine Arts in Computer Arts from the School of Visual Arts in New York City, a Master of Arts in Studio Art from the New York University/International Center of Photography program, and a Bachelor of Arts in Psychology from Oberlin College. She is currently a research fellow at the Center for Advanced Inquiry in the Interactive Arts (CAiiA) at the University of Wales, United Kingdom.

Acknowledgements

I would like to thank Joan Shigekawa, Associate Director for Creativity & Culture at the Rockefeller Foundation and Tania Blanich, National Video Resources, for their help with this report. And most of all, I would like to thank the survey participants for their generosity in sharing their concerns, processes, successes and ideas.

TABLE OF CONTENTS

INTRODUCTION	1
Defining New Media Art (Or “I Know When I See It”)	1
Summary of Research	3
OVERVIEW OF THE FIELD	4
Creating Community	4
Self-Sufficiency for New Media Artists	4
Seeking Funding	5
Providing Funding	6
Infrastructure	7
INITIATIVES AND APPROACHES	8
Traditional Funding for New Media	8
Grants: The Old Paradigm	8
Grants: The New Paradigm	10
Commissions	10
Co-Productions	11
Venture Capital/Program-Related Investments	11
Innovative Business Models	12
Incubators	13
Research Centers/Think Tanks	14
Exhibition, Distribution and Promotion	15
Building Capacity and Community	16
CONCLUSION	18
APPENDIX A: Survey Participants	
APPENDIX B: Profiles of Organizations and Artists	
APPENDIX C: Recommendations for Action	
APPENDIX D: Questionnaire	

Art is the road building habit. It is that part of human behavior that goes to the end of the road and builds some more road. And that's true of people of whatever the leading edge they are on, whether they are scientists or poets. They all endeavor to reach that goal. You [the artist] have to find what is at the edge of the road. And that's why it matters to work with new media and interactive art, science and technology — because they are on the edge.
— Marcos Novak, i.e. 4D, CAiiA-STAR

INTRODUCTION

During the early part of the 20th century, three technological revolutions — the invention of the telephone, the expanded use of electricity and the cross-continental railroad system — converged to form an explosion of creativity and invention. We are now experiencing a similar phenomenon as communications, technology and distribution innovations merge together and usher forth global communication networks and tools, including the Internet and other emerging technologies.

Creative people use these new technological tools to both transcend and connect communities, disciplines, worlds and experiences. By using advanced technologies as the main tool for artistic practice, these “new media” artists appropriate and subvert the very economic structures of large corporate powers and introduce a new aesthetic — and often social consciousness — into the communications revolution.

Defining New Media Art (Or “I Know When I See It”)

In the 1960s and 1970s, video began to influence theorists and artists to incorporate new media forms into their practices. However, increasingly the use of new technologies in various arts disciplines — including the visual and performance arts — tied the definition of new media more firmly to new and/or digital technologies. Further, new media art has become more inclusive of science-based practice in general and in its relationship to art and culture.

The term *new media art* provides no single definition. One person’s new media art is another person’s social intervention and a third person’s scientific research. The following responses to the question “How do you define new media art?” reflect a sampling of the diversity, complexity and richness of new media arts practice.

I would argue that new media is a continuation of things that were discussed and created around video art and experimental cinema and kinetic sculpture. I don't know why it's called new media. Computer-integrated media is a great term used by the Arts Council of Canada. — Jean Gagnon, Daniel Langlois Foundation

To define new media art would be to put it in a box. It seems like the sweet spot in the new media art world is digital work that is also about its digital-ness. It is about the very technologies that give it rise. — Carl Goodman, American Museum of the Moving Image

I use the Duchampian model of determining if an interactive work is art. If the artist says it's art, then it's art. — Steve Dietz, the Walker Arts Center

Digital technology is good as an extending prosthetic to use your mind. Most of the artists I know that are working in this area have the same aesthetic impulses and motivations as people who do not work with technology. It's just a different set of tools. — Kevin Cunningham, 3-Legged Dog Media and Theater Group

Increasingly I find that I work more within a definition of media communication and not so much interactive arts. Communication projects are probably more an accurate way of describing what I do. I like to think of interactivity as something that happens on many levels. It's not just a technological enabler but when it works well, it becomes a whole interactive social process. — Lisa Haskel, Media Arts Projects, Tech_nicks

I would define it through its engagement with certain technologies that haven't existed before and in terms of how one approaches these technologies. What characterizes it is that instead of making the thing, the way a potter makes a pot by direct interaction with the material, there is a degree of indirection. Instead of making the thing you set the motion into process and the process makes the thing. And you become a meta-artists in a certain sense. The issue of interactivity is a bit like the case of John Cage. There's a degree of agile engagement of a deterministic component, where you're letting the machine do something. There's an intervention of chance or the openness of the world. And then again something deterministic, and then another openness. This is what characterizes interactive art. — Marcos Novak, i.e.4D, CiiA-STAR

Despite the variety of definitions, there are theoretical commonalities used by artists and supporters of new media art to describe the work that often bridges the gaps among artistic, scientific and sociological disciplines whose traditional discourses rarely intersect. Generally *new media art* is considered as art that not only incorporates computers and other emerging digital technologies into the work, but molds and subverts the computational powers of the computer and technology to create new signs, meanings, communications and forms.

Based on the survey participants' responses, the overarching concepts that apply to new media art are connectivity, collaboration, interaction, open-work, networks, computability, social process and chance. They agreed that this broad category does not include digital video art but *does* include web art, robotics, virtual reality, biotechnology and genetics. The definition(s) will change and evolve with each emerging technology. It is fair to say that new media art is often defined through its engagement with certain technologies that haven't existed before and in terms of how the artist or viewer approaches those technologies.

Summary of Research

The Rockefeller Foundation commissioned this snapshot of the new media arts field to investigate the concerns and needs of artists with the understanding that the field and opportunities for artists are evolving at an extraordinary pace — today’s “new” model for support is yesterday’s out-moded idea. The primary goal of the report is to provide the Foundation with an overview about the current state of these artists’ support structures — financial, technical and physical.

The 22 participants in the survey represent a broad spectrum of players in the international new media arts community: individual artists, new media theorists, organization directors (both for- and non-profit) and foundation program officers. Each was asked to talk about the needs and concerns of the field, as well as to describe current and ideal funding models. Names and organizational affiliations of the survey participants are listed in Appendix A. More detailed profiles of the organizations or artists mentioned in the report are included in Appendix C.

The bulk of this report is drawn from the participants’ observations, thoughts and experiences to provide an overview of the new media arts field. They provided key examples of existing support structures or funding models for new media art, generously sharing lessons they have learned along the way. Many felt that by forging new creative paths, the work of the new media artist is also forcing the creation of new funding innovations. Funding an emerging and evolving art form requires creativity, vision and many types of resources, from monetary support for the artist during the creative process to infrastructure (computers and other equipment, software and technological expertise). It also requires courage — a willingness to jump into the unknown and to welcome the unintended results that may occur.

The breadth of needs and concerns articulated by the participants was wide-ranging. Most agreed that support for the individual artist or project was all-important. However, they disagreed not only as to amounts (recommending everything from \$3,000 in seed money to \$500,000 production grants) but also as to whether the support should be for emerging artists or more mature artists. Many participants were quick to point out that while funding the artistic process is vital, it’s not enough. The new media arts field also needs support for infrastructure of all types, including access to equipment and resources and also distribution and exhibition opportunities for completed work. Specific observations about opportunities to support new media art and artists may be found in Appendix C.

Whatever the amount and type of support, the participants were unified in their belief that support for new media arts is urgently needed to ensure that the .orgs and the .edus of the world survive and flourish in their efforts to provide alternative (if sometimes virtual) spaces for the public at the same time that commercial entities co-opt new technologies and new spaces on the Internet.

OVERVIEW OF THE FIELD

In seeking a snapshot of the specific opportunities, practices and needs of the new media arts field, several recurring themes were voiced by the survey participants: the potential of the new technologies to reach and help create communities; the near-impossibility of supporting oneself with one's art; the difficulties of seeking and providing funding for artistic pursuits; and the need to build and strengthen the infrastructure for those artists working with the new technologies.

Creating Community

The participants, no matter what their involvement in the field, share a sense of excitement about the opportunities and options presented by these new technologies, not only for the artistic community but for community in the broadest sense. At the same time, the participants also acknowledge that the potential of new media is still greater than its actuality, despite the rapid-fire development of new technologies and applications.

The Internet offers a unique opportunity to reach more people with one's message, and to do so more effectively and cost-efficiently than in other ways. For this reason, many believe that the Internet is a prime delivery medium that can — and will — support a more open society and free speech. This belief was the driving force behind the Soros Foundation's Internet program, which supports capacity for building communications networks. Too, the Annenberg Center's incubator program for new media businesses hopes to contribute to the exploration of social responsibility and emerging public policy by understanding the links between cultures, people and modes of communication. However, cultural theorist Geert Lovink cautions that it's naïve to think that technology can speed the growth of cultural networks: "The Internet can indeed be used to mobilize people and to spread the message. But it cannot really speed up the formation of networks between people or collaboration between different countries and cultures. That's all going at human speed."

Self-Sufficiency for New Media Artists

For years, I've made my living, supported my art habit by being a production designer, or technical director, or director of other people's giant multimedia nightmares....

— Kevin Cunningham, 3-Legged Dog Media and Theater group, Shape of Time

Few artists are able to make their living directly through the production (and sale) of their art and the residual products that come from the research, such as lectures, publications and commissions. Certainly this option is reserved for a very small minority of the international new media arts community and is more common outside of the United States. (New media artists Christa Sommerer and Laurent Mignonneau note that they have never generated money from US exhibitions but have from those in Europe and Japan).

To support their creative work, many artists seek day jobs in a field that parallels their artistic pursuits. Metropolitan areas like New York City or Los Angeles have long provided

independent film- and videomakers — and now new media artists — with the opportunity to work in the commercial sector. In exchange for their work, artists have access to state-of-the-art equipment, ideas and resources in industries that parallel their creative pursuits.

Academia also has been a refuge for artists in large part because it provides access to equipment and a certain amount of free time. Unfortunately, many academic institutions discourage the kind of cross-disciplinary work created by the new media artists who seek out the connections and synergies across disciplines and the administrative demands of academia often severely limit the artists' creative time.

The participation of new media artists in industry and academic jobs was both supported and critiqued by survey participants. On one hand, as artists, arts technicians and designers increasingly worked for industry to make their livings, they have begun to positively influence the industry, encouraging the incorporation of alternative products and applications. On the other hand, integrating the creative artistic mind into the environment, processes and bureaucracies of industry and academia can be difficult for both parties and worse, concerns for the bottom-line can subvert the artistic process.

Since neither of these models is perfect (when do these artists sleep if they work a 40- to 80-hour week and try to create their art on the side), what's an artist to do? Those who want to spend 100 percent of their time creating art must look elsewhere for support, which generally means seeking out foundation or government grants.

Seeking Funding

In this time of reduced arts funding from the more traditional funding sources (government agencies and private foundations), new media artists may find an inhospitable environment, in part because funders find it difficult to choose a funding path for new media arts when that path keeps diverging and evolving.

Some of the artists and arts organizations interviewed expressed frustration at the difficulty of successfully seeking funding, feeling that a lot of effort goes into asking for something from people who don't quite understand what the artist or organization is trying to do. Too, funders often require artists and arts organizations to justify their work in a way that they would never require of a research scientist, for example. Kevin Cunningham of Three-Legged Dog noted that artists "aren't accepted as viable working professionals with ideas that are worthwhile in the adult world."

Open-ended scientific inquiry-based research is valued on a scale different from that of research by artists — the scientific scale assumes that there will be some benefit regardless of how remote the chances of this are. Artist Christa Sommerer feels that artists should be accorded a level playing field with scientists: "Even if a mission to Mars fails, all the funding isn't cut, it's just restructured. It should be the same in the arts. Because eventually some of the ideas can be translated into some useful products, or an enhancement to culture."

Providing Funding

I think that separating new media funding from traditional funding is critical. Because even if you wind up with some of the same people on the panel, trying to compare a social interest documentary to a game... hello!!!
— Elizabeth Daley, EC² Annenberg Center for Communication, USC

Artists may express frustration at the funding world, but foundations and government arts agencies are also trying to find their way through this brave new world. The biggest challenge, for most funding agencies, is learning how to integrate this hybrid work, in content and context, into their current roster of programs. A second challenge is negotiating the internal resources (monetary and otherwise) needed for maintaining funding to the more traditional arts while opening the door to new creative practices. Until such time as they can adequately meet both challenges, many foundation program officers prefer not to take on new media arts funding at this time.

Marcos Novak of i.e.4D highlighted a third difficulty for foundations looking to fund new media arts: “Most of the [traditional arts] funding mechanisms have to do with stable forms of expression like film and video. But interactive media is about unstable forms. It's about constantly creating a new kind of expression.” Many participants echoed Novak's feeling that because new media projects are generally experimental in nature, funding sources may be unwilling or unable to acknowledge that these artistic experiments may lead to the discovery of completely new and sometimes unintended results. For example, Andrea DiCastro, Director of the Centro de Multimedia in Mexico City, recounted how technology developed for a live dance performance (the movements of the dancer triggered different musical tones) was appropriated by doctors to use in the rehabilitation of stroke patients.

The final challenge for funders interested in braving this new world is finding the courage to understand (and explain to their boards of directors) that many of these projects may fail. New media arts funders need to study the venture capitalist model of funding risk: venture capitalists set up their funds so that they are only counting on one winner out of ten, expecting that despite the fact that nine of their projects will fail, they'll still make money. While most foundations don't seek to recoup their investments, it behooves them to understand that by funding new media arts projects, they are funding a process of discovery.

Even those foundations who have made the commitment to fund new media art admit that introducing new media art into their funding spectrum has not always been easy. First and foremost may be the question of how much money to provide to the artist. Many survey participants noted that when the National Endowment for the Arts and the National Endowment for the Humanities stopped making grants directly to artists, a tremendous void was left. Emerging artists no longer had the means to advance their projects far enough to go to the “big” media funders like Ford or Rockefeller. Yet the need for more seed funding initiatives does not negate the need to provide more mature artists with grants as well — and not just smaller grants for research and development, but larger grants for production.

Funding new media art can also often challenge long-established procedures for assessing potential grantees. Finding knowledgeable staff or panelists to evaluate proposals in a

necessarily cross-disciplinary field is difficult at best. Even viewing the sample work can present logistical nightmares, which get in the way of discussing the artistic merits of the work.

Infrastructure

Participants lamented the lack of infrastructure for new media artists, from physical spaces where artists can create to exhibition spaces to public education about the importance of maintaining an alternative discourse in an increasingly homogenous — and commercially-driven — global community.

There are few spaces or research centers that can provide artists with a combination of the necessary state-of-the-art equipment, technology and technical support and expertise needed for a serious media arts practice. Many colleges and universities with art programs now offer classes for the new media artist but often only as part of the broader arts spectrum, not as a full focus of study, and these resources are available only to matriculated students.

For those not in an academic or research setting, getting access to the newest technologies required for the creation of new media art is not only difficult but expensive. Some artists and arts organizations must survive by bartering, borrowing and begging. For example, 3-Legged Dog Media and Theater Group bartered with a commercial video production company for access to a \$50,000 digital video system.

Several survey participants pointed out that the infrastructure needs for the new media arts field were not just physical. Many interviewees feel that the general public needs to be educated about why new media art is important and exciting, believing that people will be hungry for new media art once they are exposed to it. That means both physical exhibition spaces and possibly more importantly, promotion and education opportunities. Unfortunately, there are few institutions or spaces that exhibit new media art. Therefore, participants felt that one can not divorce funding for projects from funding for promotion and exhibition — in order to get people interested in funding and experiencing new media art, they have to experience it.

INITIATIVES AND APPROACHES

Despite the difficulties of securing various forms of support, new media artists do find the means to create and exhibit their work. Organizations, institutions and individuals interested in supporting new media art have created novel ways to do so. The survey participants generously provided examples of a wide range of existing support mechanisms in the field, from funding for the creation of new media art to support for exhibition of the work to opportunities for on-going professional development of the field.

The first part of this section of the report focuses on a number of approaches for **funding** for artists for the creation of new media: Traditional Funding (Grants, Commissions and Co-Productions); Venture Capital/Program Related Investments; Incubators; and Innovative Business Models. The second part of this section focuses on the **infrastructure** support systems for this work: Research Centers/Think Tanks; Exhibition, Distribution and Promotion; and Building Community.

Traditional Funding (Grants, Commissions and Co-Productions)

Despite the challenging odds of successfully receiving funding from a traditional arts funding source — be it foundation or government grants — the system has provided significant support for the individual artist as well as for the arts organizations. Although the majority of traditional sources of artist funding (foundations and government arts agencies) have shown reticence in funding new media artists, several have made the decision to do so. In addition to grants, new media artists, like their visual arts colleagues, are receiving commissions from arts institutions and some have benefited from the kind of co-production opportunities enjoyed by their film and video counterparts.

Grants: The Old Paradigm

Individual artists have long-relied on grants from foundations and government arts agencies to support their work — and new media artists are no different. Unfortunately, the decrease in funding to the National Endowments for the Arts and the Humanities in the United States, as well as cuts in government arts budgets world-wide have made the process of seeking government grants extremely competitive and private foundations have been unable to take up the slack. Nevertheless, several long-time funders of media (film and video) artists and media arts organizations have also supported new media artists for a number of years. Additionally, some foundations fund new media art and artists as part of their educational or social-issue missions. As the examples below show, those funders have learned that funding new media required more than just convincing their boards that it was worthwhile. It also required them to rethink their evaluation procedures and protocols and even their criteria for funding art.

The Jerome Foundation, the New York Foundation for the Arts and the Rockefeller Foundation are just three examples of foundations that have long supported individual media artists in their overall arts funding practice, first those working in film and video, and now new media artists. Each of these foundations follows time-honored methods of selecting the grantees, usually using

peer review panels to assess and evaluate the proposals and sample work. The amount of the grants given by the three represent a good range of funding for individual artists — from \$3,000 seed grants for emerging artists (given by Jerome) to the \$35,000 fellowships (given by Rockefeller as part of the Film/Video/Multimedia Fellowships program).

Generally, these funders treat the new media arts as a separate but equal category: the grant amounts and the selection process for new media artists are the same as those given to “old” media artists working in film and video. Leaving aside the question of grant amounts, all of the funders indicated that funding new media arts has required them to reassess their decision-making processes. The traditional method of panel/peer review arts funding runs into difficulties in this multi-genre, multi-disciplinary and cross-disciplinary world. Finding staff and panelists who can speak both “art” and “technology” is difficult. Finding staff and panelists who can also compare the merits of an interactive documentary to a work of kiosk art to a multimedia live theatre performance is even more difficult. A technologically savvy panel that is not well-versed, for example, in the history of theater may be hard-pressed to understand how the integration of web-cast performances with a live performance would expand theatrical as well as new media boundaries.

Panelists must be able to speak about both the artistic and the technological vision of the artist, as well as her capabilities. But the panel review process is further complicated when the new media artist may not understand the best way to present the work. Often funders do not even have the appropriate facilities to screen the work. Some foundations have made the decision to invest in their own high-end computer equipment for panels, but with so many possible platforms and configurations of submitted work, and technological advances rendering hardware obsolete within months, purchasing equipment can turn out to be just as frustrating.

Some foundations, such as the Markle Foundation and the Soros Foundation, are less concerned with the new media artist *per se*; instead, they are interested in supporting the educational and communication aspects afforded by the new technologies. For the past several years, the Markle Foundation, long-interested in mass communications, has invested in companies that develop interactive learning tools, such as the computer simulation SimHealth. The Soros Foundation supports capacity for building communication systems in and among communities, funding connectivity from the server up, not the underlying network infrastructure. The Internet Program supports a broad range of organizations internationally, primarily those with a strong social advocacy mission, with grants between \$50,000 and \$100,000.

However imperfect the funding mechanisms for artists, artists applaud efforts to incorporate the new media artist into the arts or educational funding spectrum. Although all the survey participants had an opinion about the ideal amount for grants (ranging from \$3,000 to \$150,000 and up to \$500,000 for production of large-scale projects), artists talked about the importance of receiving a grant, no matter what size. Christa Sommerer described the Austrian government’s approach of offering small grants to as many emerging artists as possible in the hopes that one or two of them will continue to grow and develop their art practice. Sommerer remarked, “It’s not very much money, but you say to yourself ‘Oh, I’m an artist and there is somebody who cares about me.’ Receiving a few thousand dollars a year elevates the emerging artist’s self-esteem about themselves and the value of their work to society.” Kevin Cunningham of 3-Legged Dog

noted that the cachet of receiving a grant from one foundation can help convince other foundations to award grants; he felt that the \$20,000 MAP grant (the Multi-Arts Production fund at the Rockefeller Foundation) gave the company credibility with other foundations.

Grants: The New Paradigms

There are some new twists to the more traditional funding outlets for new media artists. One new funder on the new media arts scene is the Daniel Langlois Foundation, which was founded in 1999 to support contemporary artistic practices that use digital technologies to express aesthetic and critical forms of discourse. It is one of the few — possibly only — foundations in the world to focus solely on new media projects. By encouraging interdisciplinary research and collaborations of artists, scientists, technologists and engineers, the foundation is a leader in recognizing and understanding the multi-faceted nature of such work. Both individual artists and organizations are eligible to apply for grants which range from \$10,000 to \$100,000 or more and are applicable for residencies, commissions, research grants, conservation of media works, exhibition and distribution.

Creative Capital, another newly created foundation, funds the emerging arts along with the media, performing and visual arts. The foundation provides grants of between \$3,200 and \$20,000 in support of innovative approaches to form and content in the arts. However, Creative Capital goes a step further than just writing a check: it works with artists in long-term partnerships, providing advisory services and professional development assistance in addition to the individual grant support. In return for the foundation's financial and management support, artists are required to share a small portion of any proceeds generated by the funded project. Participants applauded this value-added funding model and felt that the consulting and professional development services offered place this foundation in a class of its own. (More on venture capital and program-related investments below.)

Commissions

Another traditional way for artists to fund the creation of new work has been through commissions from large art institutes, generally museums. New media artists Christa Sommerer and Laurent Mignonneau reported that they have received commissions and grants ranging from \$30,000 to \$100,000 for specific projects, primarily from European and Japanese museums and institutions. Opportunities for such commissions are more limited in the United States and Canada, although such major museums as the Walker Arts Center in Minneapolis and the Guggenheim Museum and Museum of Modern Art in New York have all commissioned new media works.

The Brooklyn Academy of Music (BAM), which presents both traditional and avant-garde performing arts, has partnered with Lucent Technologies on a New Media Projects Initiative that pairs artists and Bell Labs scientists in a virtual studio to create projects that use new media. In addition, the program supports production of a series of web documentaries that feature artists on BAM's web site.

Some foundations, frustrated that the knowledge/experiential base of the panelist pool isn't changing fast enough, have turned to organizations that specialize in the promotion of new media art to re-grant to artists. These re-grants often take the form of commissions, such as the program that the Jerome Foundation has instituted with the Walker Art Center's New Media Division. The Daniel Langlois Foundation also commissions work.

Co-Productions

Film and videomakers have long benefited from co-production agreements, and new media makers are finding some opportunities for this as well. Most notable are the production agreements offered by the Banff Centre for the Arts, which co-produces television, video, interactive media and web site projects. Banff collaborates with independent producers, other non-profit organizations and commercial companies. Project budgets range from around \$30,000 (Canadian) to closer to a quarter million dollars (funded through a combination of Canadian, French or British funds). The program also funds Canadian Cultural Innovation Initiatives — large-scale projects that have a web component — in collaboration with the Canadian Telco Consortium and the Canada Council at approximately \$150,000 per project for three artists.

Venture Capital/Program Related Investments

In an effort to become more self-reliant, many artists are turning to business models that enable them to sell the innovative software applications they are developing. Traditionally, start-up businesses have relied on venture capitalists; unfortunately, many start-up companies with a new media arts focus have found it difficult to attract such funders. As the consultant Jeannine Parker notes, the venture capital model may not work in the arts community, primarily because it takes too long for the art to generate a financial return. She commented that, "You're much better off creating a widget and selling it for venture capital funding."

Although the recent surge in the dot com/e-commerce frenzy has generated a "me, too" impulse in the non-profit sector, there are few efforts at transforming the traditional venture capital model into one that can accommodate the unique needs of artists and non-profit organizations. Despite the fact that many major foundations have program related investment (PRI) programs, very few have applied these low-interest loans to grantees moving into areas that would generate revenues. Many foundations do not offer PRIs in part because they lack the expertise and human resources to evaluate whether or not the proposal offers a sound business plan.

Creative Capital is one of the few foundations that has borrowed from the venture capital model to support artists. As noted above, the foundation requires artists to return a small percentage of any profits made with a funded project. Although this non-profit venture capital model was cited by several survey participants as an ideal model for the future of new media art funding, many recognized that the application of venture capital to arts and non-profit organizations is as full of contradictions as possibilities. One of those concerns is that foundations might make commercial viability a selection criterion.

Survey participants spoke of the growing need for partnerships among non-profit organizations, foundations, and the for-profit and venture capital sector of business. New media initiatives that are neither non-profit nor fully commercial confuse both foundations and private investors and consequently float in a twilight zone of under-funding and underdevelopment. But Jonathan Peizer at the Soros Foundation believes that there are ways to bridge those gaps. He has coined a term — *the .corg* — for a new Internet entity that is neither a totally business-oriented .com nor a non-profit .org. Rather, the .corg bridges the gap between the two domains: it is a socially responsible .com that partners with non-government organizations to accomplish its mission or an organization that uses entrepreneurial methods to attain self-sustainability.

Peizer noted that the idea would require a progressive foundation and an incubator that can identify .corg project opportunities, understand their potential and create two separate funding models that attract each of the above sectors. The challenge is how to divvy up the socially responsible and for-profit components, and then “sell” them to the appropriate constituencies, whether foundations or venture capitalists, for funding. Peizer points to the examples of National Geographic, Sesame Street’s Children’s Television Workshop and MacNeil-Lehrer Productions as successful public-private partnerships in which the organization’s mission maintains its integrity with a robust, revenue-making component.

As more and more new media artists and organizations submit grant proposals with a for-profit component in them, foundations and government arts agencies will have to navigate and bridge the gaps between non-profit and for-profit that are presented by the new media arts world. However, for the moment, the opportunity to create and nurture credible, highly regarded public sector new technology initiatives that are also sustainable and profitable is still uncharted territory.

Innovative Business Models

My experience of working with artists groups is that they're working on some really innovative software applications. If they were doing it commercially, it would be hundreds of thousands of pounds, but they're not. They're doing it for love, not money, with just enough money for a sort of subsistence. The usual way the artists work, just enough money to keep the rent paid. They'll work and work at something, but if they were doing it commercially it would cost 100,000 pounds.

— Lisa Haskel, *Media Arts Projects, Tech_nicks*

Driven by the motivation to become self-reliant, several of the artists and arts organizations interviewed for this report have successfully negotiated the way between — and among — the non-profit and for-profit worlds. Some individuals have found work as artists in profit-driven new media companies. For example, Christa Sommerer and Laurent Mignonneau do research for the ATR Media Integration and Communications Research Laboratories in Kyoto, Japan and will receive a percentage of any successful patents that they file. However, other artists are busy creating their own new media arts world, one situated somewhere between the non-profit arts world and the high-profit new media arts world. But if the new media artist’s learning curve

involves defying the boundaries of technology and integrating his/her aesthetics, philosophies, and visions, the artist-entrepreneur's learning curves involves acquiring the knowledge of an MBA and negotiating with investors, venture capitalists and corporations without losing his/her artistic integrity.

Marcos Novak has founded a company called i.e.4D that is being positioned to be a player in the major entertainment industry. He has created an unusual structure for the company in order to protect and retain the intellectual property rights to his work. The company consists of three separate companies including a for-profit company; a non-profit artists' research organization; and a "middle-man" company that represents and licenses his work to the for-profit branch. By licensing his artistic work, Novak will always own his work and vision even in the event that the management and focus of the for-profit company diversifies.

Shape of Time is a for-profit corporation created and wholly owned by the non-profit 3-Legged Dog Media and Theater Group. The concept behind Shape of Time was to identify and develop intellectual property and tools for 3-Legged Dog's artistic practice. Much of the work revolves around developing software to find more direct and less labor-intensive ways to control complex cues necessary in a live multimedia performance.

Kevin Cunningham's experience with the Shape of Time prompted him to offer some advice to arts organizations attempting to support their non-profit missions with a revenue-generating component. First, engage experienced patent lawyers and corporate contract lawyers when entering into collaborations with for-profit or even academic institutions. Second, implement policies to ensure that the artists involved retain intellectual property rights to their inventions. And third, be wary of "succeeding to death." Cunningham provided as a cautionary tale the account of a San Francisco web company, founded by an avant-garde theater group to support its activities, that has proven so successful — generating \$10 million in profits the first year — that the group never made another theater work again.

Incubators

Although some artists or arts organizations have managed to find their way to near-self-sufficiency, most are unable to incorporate for-profit or business models without help. An incubator can help start-up companies figure out how to position themselves in the marketplace and become self-sustainable. Jeanine Parker, a consultant to such start-up companies, notes, "You attract money to the degree that you are competent and you have a clarity of vision."

The Annenberg Center for Communication's EC² Incubator Project at the University of Southern California is uniquely positioned to facilitate collaborative, interdisciplinary projects, leveraging its relationships with media companies; technology producers; policy experts; academics; and USC, one of the nation's leading research universities. It is both a resource center and a focal point for technology transfer — a virtual and physical meeting ground that encourages communication and exchange among its participants. The center's goal is to help companies learn how to manage and survive in the business world. EC² Service Providers offer incubator companies discounted products and services in critical business areas.

Research Centers/Think Tanks

Several of the artists surveyed noted that early in their careers they were presented with the crucial opportunity to spend a prolonged time as an artist-researcher in residency programs. Generally, these programs provide the means for artists to spend a sustained time period creating new work. In addition to the invaluable creative time, the new media arts residencies provide the artists with access to state-of-the-art technology, well-appointed facilities and highly skilled technical staff. Equally important to many survey participants was the possibility of bringing artists and other professionals — including scientists, technologists and business people — together for more limited time periods in workshops or think tank seminars. As the examples below indicate, research centers and think tanks go hand-in-hand.

Opportunities for new media artist residencies outside of the university environment remain few and far between, with the Banff Centre for the Arts in Canada and the Centro Multimedia in Mexico City among the few. Even university-based residencies are rare, with an exception being CAiiA- STAR (Center for Advanced Inquiry in Interactive Arts – Science Technology and Arts Research) in Great Britain. Artists are quick to point out the importance of such residencies in their development as artists — the interaction with other artists and the access to creative and technical consultants is immeasurable. Marcos Novak felt his experience of participating in a virtual reality research project at Banff *was* quantifiable, estimating that he received hundreds of thousands of dollars' worth of human and technical resources, and access to sophisticated technologies not generally available to the public.

The Media and Visual Arts program at the Banff Centre for the Arts offers residencies and work-study opportunities to both emerging and mature artists. Banff makes a point of bridging the gap between the arts and technology sectors, and the public and the private by also sponsoring workshops and strategic think-tank forums through its New Media Institute. The Institute offers artists, scientists, independent producers and industry representatives opportunities to brainstorm and share ideas in thematic and theoretical concerns, including emotional computing, immersive environments, bio-technology, and living architectures.

The Centro Multimedia in Mexico City was created in 1995 to support the investigation, experimentation and application of new technologies towards creative expression and art. Successful applicants to the Centro's open-call grant for artistic research with new technologies receive access to and time with machines to produce individual collective artwork in audio, the internet, digital graphics, virtual reality, robotics, moving images and interactive systems. Additionally, the Centro offers college-level curriculum classes as well as seminars and classes for the non-college student. Although primarily for Mexican artists, the Centro has hosted artists from other countries as well.

CAiiA- STAR, an international art and technology research center located at the University of Wales and University of Plymouth in the United Kingdom, promotes research leading to higher degrees for students. Its mission is to develop theoretical discourse about the integration of science, technology and art, and to extend public awareness of these new developments and their relevance to education, culture, and industry and entertainment.

Two new initiatives are trying to bring the artist-in-residence program to the people. British arts curator Lisa Haskell recently established Tech_nicks in response to the realization that although people are quite 'skilled up,' the younger generation has had limited exposure to people who work with technology in a non-commercial way. Tech_nicks is a touring workshop or traveling media lab that turns local galleries and access spaces into working spaces for three or four days. The program seeks to expand the network of people involved in the new media arts practice while offering alternative ways of thinking about the integration of technology into art and society. An example project was the 72-hour temporary radio station event in Stockton, England, a medium sized industrial town in the north east. The regional arts board and a group of local writers and broadcasters initiated the event. It included artists' projects, performances and work made by the local community.

Believing that traditional conferences and workshops are an obsolete model, cultural theorist and critic Geert Lovink has organized temporary media labs to allow people to collaborate — in real time, in both real and virtual space — and to create cultural product. He believes that the results gleaned from putting 20 to 30 people together in a room and letting them work for a week are tremendous. The Temporary Media Lab projects tend to mix technologically based concerns and social or cultural topics such as racism, migration and border zones. The labs stress the importance of cultural and artistic awareness in the creation of software interfaces and network architecture.

Exhibition, Distribution and Promotion

Participants stressed the need for funding for exhibition and distribution of completed work, noting that it should go hand-in-hand with funding for the creation of the work. Promotion of the work and the exhibitions is key, as well — unfortunately, if you build it, they don't always come. The integration of new media art into the programs of funding agencies as well as the experience of the general public is dependent upon adequate public exposure. Several survey participants articulated the need for proactive activities that reach beyond a small international community of new media artists. This is a particular necessity in the United States where very few large-scale venues for new media artists exist outside of industry-driven events. Consultant Jeannine Parker feels that promotion for such exhibitions will need to borrow from the example of how large museums promote exhibitions, noting "When a Calder exhibit comes to the San Francisco Museum of Modern Art you can't get away from it. Everywhere you look is promotion."

Many of the support structures already discussed in this report have included an exhibition component in their overall support for new media art. For example, Banff and the Centro Multimedia both have gallery and exhibition spaces, and Tech_nicks turns local art galleries into temporary exhibition spaces for new media art from the area. The Markle Foundation added some extra value to their grant-making by engaging Carl Goodman from the Museum of the Moving Image as their curator of new media art. Not only did Goodman introduce the Foundation to interesting artists and projects to fund, but he also curated an exhibition of digital work in the Foundation's new office space, thus putting the art where potential new audiences and supporters would encounter it.

Building Capacity and Community

Survey participants noted that the new media arts field needs opportunities to build its capacities. Odd as it may seem in a field built in part on communications technologies, many new media artists and organizations lack good, old-fashioned networking capabilities. Related to the idea of building capacity, is the need to reinforce the new media field's identity as an arts community. As Jonathan Peizer of the Soros Foundation believes that "You have to get people to understand that you have to create community on the Internet — or perish." Leveraging community is not as much a funding model as a means to make cohesive sectors within the new media arts community.

One concept of creating community in the media arts field is the Network Creative Community. The idea is to join together individuals, organizations and corporations to allow them to benefit from each other's strengths and successes, as well as weaknesses and failures. A key goal of a self-sustaining Network Creative Community is to increase inter-organizational communication and collaboration about existing efforts. In the corporate arena, working with one's direct competition to either gain knowledge or technology, and/or to diminish competition is referred to as *coopetition*.

The coopetition model works well for a corporate constituency because each player has a clear agenda and knows something about their respective strengths and weaknesses. Unfortunately, new media organizations may have difficulty adopting this model in part because individual missions are often too general and overlap with other organizations. To be successful, a non-profit coopetition model must accept that pluralism, flexibility and overlapping missions can be explored and exploited for the greater benefits of the constituency. This inter-relatedness can even be a key strength when the overlaps are clearly articulated. The challenge in creating a successful non-profit Network Creative Community is that the organizations that have the heart and the will to do these things are almost always the ones that have neither the money nor the resources to do them well. And unfortunately, the companies that have the ability to execute these type of solutions do not view the arts and culture as their market.

Two U.S.-based organizations are providing opportunities to network. Creative Disturbance provides an international, on-line network to directly connect artists and scientists doing pioneering new technology work with investors, patrons, angel investors, philanthropists, foundations, corporations, grant makers and cultural institutions, and also with experts across a wide range of fields who wish to collaborate on member projects. Membership in the Creative Disturbance community is free, but Creative Disturbance earns a 10 percent commission as an agent and catalyst for successful transactions (with a minimum of \$1,000 and a maximum of \$50,000), and collects licensing fees.

Rhizome.org is a nonprofit organization that presents new media art to the public, fosters communication and critical dialogue about new media art, and preserves new media art for the future. It uses the Web, e-mail lists and program events to create community and dialogue among its global constituency. The Rhizome community of approximately 4,000 email subscribers includes artists, curators, writers, designers, programmers, students, educators and new media professionals from around the world, although 30 percent of the participants are from

the United States. The email list subscribers generate all of the content — people talk to each other through the lists and post questions, announcements, articles, and reviews. Rhizome’s site currently holds 1,500 articles indexed by author, location, date and key words to allow users to do full searches. Mark Tribe, Founder and Executive Director of Rhizome.org, believes that Rhizome.org is the only large-scale, concerted effort to archive Internet art and critiques.

Funders and institutions have recognized the need for collaboration and many believe it’s a necessity, given the new information economy and the way things work in a collaborative world. The notion of networking across organizations is not a new concept for the traditional independent media community. National, regional and local media organizations like the Association of Independent Video and Filmmakers, the New York Media Alliance and the National Alliance for Media Arts & Culture, have long provided such benefits for independent film, video and radio producers. The MacArthur Foundation continues to support such organizations and institutions because they “feed the field.” Banff actively seeks to create international networks of similar arts centers and is part of a network of research universities in Canada. The Banff program has created a formal relationship with the University of California and works with the University of Surrey and several other research universities in the United Kingdom and Europe.

However, developing collaborations or networks is not necessarily easily done, and often is based on personal relationships in addition to shared needs and visions. Jonathan Peizer of the Soros Foundation spoke for many when he said, “Frankly, I’ve been acting like a single, human collaboration engine. I’ve been doing outreach with foundations, telling people about what others are doing.” Funders can certainly help create environments where these synergies can develop, such as workshops or conferences, like those at Banff.

But funders not only need to create opportunities for their grantees to meet, they need to also learn how to collaborate with other funders. Historically foundations have looked at other foundations’ projects for similarities and differences with their own work, often developing different programs if there were any crossovers or similarities. But this method of operation does not fully exploit the type of new collaborative and commerce models discussed elsewhere in the report.

The question that still remains is how to encourage a more open exchange across a broad constituency that shares part of the collective lineage of the traditional film and video community as well as part of the individualistic lineage of the fine arts traditions.

CONCLUSION

“Do the arts simply react to changes that they take as being inevitable in the world around them, or do artists and the arts get out there and lead?” Dr. David Throsby, Professor of Economics at MacQuarie University in Sydney, asked this rhetorical question, during a 1999 residency at the Rockefeller Foundation’s Bellagio Center where he was studying the economics of creativity and examining the role of economic and cultural value in creative work.

Historically, artists have been at the vanguard of social criticism and acted as catalysts for social change. However, in a rapidly developing, knowledge-based global economy, the question of what role the arts (and artists) play in this evolution is critical. Throsby's study calls for a re-examination of the economic value — tangible and intangible — of the arts. He supports a shift away from the notion that everything can (or should) be reduced to an economic value, arguing that both the tangible *and* intangible attributes of arts and culture must be counted into the global economic culture to serve the needs of society.

All of the survey participants would agree that it is important to integrate the value(s) of the arts into the global economy, although they have different ideas of how best to do so. Should artists be supported through grants and commissions because much of their societal and economic “value” is intangible? Should they work within industry or create their own businesses in order to bring alternative ideas to the mainstream? The varied examples of how new media artists continue to create work provided by the report show that there is no one answer, and certainly no single, *correct* answer. There are numerous paths to be taken — and new paths being carved out every day. New media artists are creating novel and synergistic ways of thinking and working across disciplines collaboratively making contributions in industry as well as the arts.

Governments, corporations, educators and funders are all trying to level the playing field of the global information economy but for divergent reasons. Some have a genuine desire to empower individuals with the technological tools of knowledge acquisition, while others want to create a computer literate workforce so they can improve their bottom line. Whatever the motivation, new media artists can and do take advantage of the opportunities and play an important role in ensuring that alternative voices and ideas are available to the general public. By the end of 2000, the number of web pages will be two billion and by the end of 2002, nearly 8 billion. Millions of people around the world go online every month. And yet 55 percent of the top level web domains are .com(s), while .edu(s) represent not quite 7 percent and .org(s) slightly more than 4 percent.

Many survey participants expressed the importance of leveling the playing field between artists and those researchers working in other academic or technical fields. Geert Lovink believes that “We should demand that the best artists in the world work in big industry as artists and cultural workers to bring imagination, new ideas and new agendas into the production of the very technologies that subsume society.” Delivering equivalent respect and privilege to arts research would empower the artist, enlarging the vision of a booming technically driven society and economy.

Throughout this report, alternative production and funding models have been explored, many of which occupy a new space between non-profit and for-profit. In this new melded world is there still a role for private foundations and governments to play in funding the new media arts which, more than any other arts discipline, has opportunities for self-sufficiency? According to the survey participants, absolutely. As Kevin Cunningham explained, “Things that are financially sound and make good business sense should be able to find money in the open market. Things that fall outside of that need foundation help. The arts are an obvious example.”

Despite the new economic opportunities and models available to artists, in general the support and production of new media art still rely heavily upon funding from private foundations or governments to provide access, equipment, technical assistance and time. However, increasingly the new media arts constituency is actively appropriating aspects of the economic sector that have previously been unavailable to them or that they may have shunned because of a perceived or real difference in value systems. Now, new media artists are embracing commerce and sound business practice to become self-sufficient, and looking to science and technology to help them express their creative vision.

The individuals who participated in this survey were optimistic and excited about the opportunities created by new media arts practices. There are concerns of barriers to access to the new technologies. There are also concerns that commercial interests dominate the new technologies. Participants were also inspired by the sheer creativity and perseverance of the many artists and arts organizations who have fought to create a niche in this commerce dominated landscape — and who have succeeded.

APPENDIX A: SURVEY PARTICIPANTS

Peter Anders

Michigan, USA

- Architect and Author, *Envisioning Cyberspace: Designing 3D Electronic Spaces*
- Center for Advanced Study into Spatial Information Systems
Saginaw Valley State University, Michigan
- Center for Advanced Inquiry in Interactive Arts - Science Technology Arts Research (CAiiA - STAR), U.K.

Roy Ascott

Bristol, England

- Director, Center for Advanced Inquiry in Interactive Arts (CAiiA)
University of Wales College Newport, Wales
- Director, Science Technology Arts Research (STAR)
University of Plymouth, England

Marc Beam

San Francisco, CA

- Founder and President, Creative Disturbance, Inc.
- Founder, Beaming, Inc,

Kevin Cunningham

New York, NY

- Executive Artistic Director, 3-Legged Dog Media and Theater Group
- Founder and Director, Shape of Time, Inc.

Elizabeth M. Daley

Los Angeles, CA

- Dean of the School of Cinema-Television, University of Southern California
- Executive Director of the Annenberg Center for Communication

Sara Diamond

Banff, Canada

- Artistic Director, Media and Visual Arts Program, Banff Centre for the Arts

Andrea DiCastro

Mexico City, Mexico

- Director, Centro Multimedia, Centro Nacional de las Artes

Steve Dietz

Minneapolis, MN

- Director, New Media Initiatives, Walker Art Center

Kevin Duggan

New York, NY

- Arts Consultant
- Former Senior Program Officer for Technology, New York Foundation for the Arts
- Shape of Time, Inc.

Jean Gagnon

Montreal, Canada

- Director of Programs, Daniel Langlois Foundation for Art, Science and Technology

Cynthia Gehrig

Minneapolis, MN

- President, Jerome Foundation

Carl Goodman

Queens, NY

- Curator of Digital Media, American Museum of the Moving Image
- Other affiliations: Markle Foundation, Creative Time, WNET, Harvestworks

Lisa Haskel

London, England

- Director, Media Arts Projects, Tech_nicks

Ruby Lerner

New York, NY

- Executive Director, Creative Capital

Geert Lovink

Australia

- Media Interventionist
- Temporary Media Lab

Alyce Myatt

Chicago, IL

- Program Officer for Media, John D. and Catherine T. MacArthur Foundation

Marcos Novak

Los Angeles, CA

- Trans-architect
- Founder, i.e.4D, Los Angeles, CA
- Center for Advanced Inquiry in Interactive Arts - Science Technology Arts Research (CAiiA - STAR), U.K.

Jeannine Parker

Los Angeles, CA

- CEO, Jeannine Parker Company

Jonathan Peizer

New York, NY

- Chief Information Officer and Internet Program Director
Soros Foundation Open Society Institute

Debby Silverfine

New York, NY

- Deputy Director, New York State Council on the Arts

Christa Sommerer and Laurent Mignonneau

- Artists
- ATR Media Integration and Communications Research Laboratories, Kyoto, Japan
- Center for Advanced Inquiry in Interactive Arts - Science Technology Arts Research (CAiiA - STAR), U.K.

Mark Tribe

New York, NY

- Executive Director, Rhizome.org
- Chairman, Stockobjects.com

APPENDIX B: PROFILES OF ORGANIZATIONS AND ARTISTS

This appendix provides brief profiles of the participants mentioned in the report.

TABLE OF CONTENTS

Annenberg Center For Communication/ EC ² Annenberg Incubator Project	1
Architect and Educator: Peter Anders	2
Artists: Christa Sommerer and Laurent Mignonneau	2
ATR Media Integration and Communications Research Laboratories	3
Arts Alliance Laboratory	3
Banff Centre For The Arts	4
Brooklyn Academy Of Music (BAM)	5
Center for Advanced Inquiry in the Interactive Arts - Science Technology and Arts Research (CAiiA-STAR)	5
Centro Multimedia	6
Creative Capital Foundation	7
Creative Disturbance, Inc.	7
The Jerome Foundation	8
The Daniel Langlois Foundation	9
The John D. and Catherine T. MacArthur Foundation	9
The Markle Foundation	10
New York Foundation For The Arts	11
New York State Council On The Arts	12
Rhizome.org	12
The Rockefeller Foundation	13
The Soros Foundation	13
Tech_nicks	14
Temporary Media Labs	14
3-Legged Dog Media And Theater Group/Shape Of Time	15
Trans-Architect: Marcos Novak, i.e. 4D	16
Walker Arts Center New Media Initiatives	17
Additional Web References	19
Index of Organizations (Organized by Activity)	20

APPENDIX B: PROFILES OF ORGANIZATIONS AND ARTISTS

ANNENBERG CENTER FOR COMMUNICATION: EC² Annenberg Incubator Project

<http://www.ec2.edu>

The EC² Incubator Project is a non-profit multimedia business incubator and research facility at the Annenberg Center for Communication, University of Southern California. EC² supports new companies and sponsors research in communications, media, and digital technologies. The Executive Director of EC² is Dr. Jon Goodman.

Opened in the Fall of 1995, EC² is funded by the Walter H. Annenberg Foundation as part of the Annenberg Center for Communication. The Annenberg Center was created in 1993 through a \$120 million grant from the Annenberg Foundation, and is affiliated with the University of Southern California's Schools of Communications, Engineering, and Cinema-Television. The Executive Director of the Annenberg Center is Elizabeth Monk Daley, who is also Dean of the USC School of Cinema-Television.

EC² is uniquely positioned to facilitate collaborative, interdisciplinary projects, leveraging its relationships with media companies; technology producers; policy experts; academics; and USC, one of the nation's leading research universities. It is both a resource center and a focal point for technology transfer — a virtual and physical meeting ground that encourages communication and exchange among its participants. The center's goal is to help companies learn how to manage and survive in the business world. EC² Service Providers offer incubator companies discounted products and services in critical business areas, and currently include: Price Waterhouse Coopers, O'Melveny & Myers, Media Technology Ventures, Aon Corporation, E-Commerce Exchange, Exodus Communications, Go2Net Network, Iarta, and SourceFile.

The EC² business incubator currently houses eight Occupant companies working in a variety of media and technologies. The incubator provides Occupant companies with office space, furniture, telephones, Ethernet connections, multimedia production facilities, marketing services, web site hosting and other Internet services, professional support services, information services, 10bps connectivity, and server storage on Unix, Mac and Windows systems. Since its inception in 1995, EC² has successfully graduated four companies. One has completed its initial public offering, a publicly traded company acquired one, one is privately funded and one is a recent graduate marching toward an IPO and has completed several rounds of funding. EC² receives a relatively low return, around 5%, and expects to see substantial revenues from their graduates in the coming years.

EC² and the Annenberg Center for Communication support numerous forums and research endeavors, including: monthly Roundtables; the annual Southern California Technology Venture Forum; the 1998 Internet Summit; the 1997, 1999, and 2000 Digital Asset Management Conferences; informational web sites; and the work of visiting researchers. EC² is affiliated with the Association For Interactive Media, the Digital Coast Roundtable, the Information Sciences Institute, the Los Angeles Regional Technology Alliance, and the National Business Incubation Association.

ARCHITECT AND EDUCATOR: PETER ANDERS

<http://Mindspace.net>

Peter Anders is an architect, educator, and information design theorist. He has published widely on the architecture of cyberspace and is the author of "Envisioning Cyberspace" which presents design principles for on-line spatial environments. McGraw Hill published the book in 1998.

Anders received his degrees from the University of Michigan (B.S.1976) and Columbia University (M.A.1982). He is currently a fellow of the University of Plymouth CAiiA-STAR Ph.D. program. He was a principle in an architectural firm in New York City until 1994 when he formed MindSpace.net, an architectural practice specializing in media/information environments. He is also the director of CASSIS, the Center for Advanced Study into Spatial Information Systems at Saginaw Valley State University. He has received numerous design awards for his work and has taught graduate level design studios and computer-aided design at universities including the New Jersey Institute of Technology, University of Detroit-Mercy, and the University of Michigan.

His work has been featured in professional journals and he has presented his research on the architecture of cyberspace in several international venues including The New York Architectural League, Xerox PARC, ISEA, CAiiA, Cyberconf, ACADIA, AEC, ACM-Multimedia, InterSymp and the World Future Society.

ARTISTS: CHRISTA SOMMERER AND LAURENT MIGNONNEAU

<http://www.mic.atr.co.jp/~christa/>

<http://www.mic.atr.co.jp/~Laurent/>

Christa Sommerer and Laurent Mignonneau are among the few artists in the world who are able to dedicate 100 percent of their time to art and their research in creating innovative artificial life systems and interfaces. Further, they have successfully integrated their work into the folds of corporate research and cultural and academic institutions.

Early in their careers both received funding from European government initiatives, allowing for post-graduate study at the Stuedelschule Institut for New Media, Frankfurt, Germany. Sommerer then received funding from the Austrian government for an artist-in-residence program at the National Center for Supercomputing Application (NCSA), Beckman Institute, Urbana, Illinois, where she and Mignonneau did research for a year.

Following their work at NCSA, they received a three-month artist-in-residency from the InterCommunication Center (ICC-NTT) in Tokyo, Japan, which was followed by a commission from the Tokyo Metropolitan Museum and appointments as co-artistic directors and researchers at the ATR Media Integration and Communications Research Laboratories in Kyoto, Japan. In their five years at ATR, they have filed two patents for which they will receive a percentage of the proceeds if the patent is successful. (*See below for more information on ATR.*)

In addition to research at ATR, Sommerer and Mignonneau participate in other artists-in-residence and research initiatives, including teaching/lecturing at the International Academy of Media Arts and Sciences (IAMAS) in Gifu, Japan. Both are pursuing Ph.D.s through the CAiiA-

STAR (The Center for Advanced Inquiry in Interactive Art - Science Technology and Art Research) at the University of Wales, U.K. (*See below for more information on CAiiA-STAR.*)

All along, Sommerer and Mignonneau have received commissions and grants ranging from \$30,000 to \$100,000 for specific projects, primarily from European and Japanese museums and institutions. They have had few opportunities to create or show work in the United States with the exception of the ACM SIGGRAPH conferences.

ATR MEDIA INTEGRATION and COMMUNICATIONS RESEARCH LABORATORIES

<http://www.mic.atr.co.jp>

Located in Kyoto, Japan, ATR Media Integration and Communications Research Laboratories support research on new telecommunication technologies that could lead to new types of telecommunication systems. The ATR lab, partly funded by the Japanese Government, NTT and other corporations such as Sony, Sharp, Panasonic and others, supports a group of 6 artists who work as and collaborate with scientists and engineers. Their work includes the publication of papers, research on systems and interactive interfaces, exhibitions and applications for patents for which the inventors receive a percentage of the proceeds. One of ATR's goals is to share the patented technologies with other companies affiliated with the center.

ARTS ALLIANCE LABORATORY

<http://www.aalab.net>

Arts Alliance Laboratory, San Francisco, directed by Jason Lewis -- a practicing artist, designer and technology developer, serves as an incubator and think tank for the e-commerce venture capital organization Arts Alliance -- a European based parent company that funds start-up web companies. The Laboratory was designed to conduct experiments in digital media, keep abreast of new technologies and innovations in academic, industry, and design/art studios. The goal is to help the parent company understand the various directions that the on-line experience may take as we move into a widely networked world. They also help Arts Alliance's portfolio of companies develop their products to take advantage of both expressive and technological advances in digital media.

The philosophy of the Arts Alliance Laboratory follows that as the technology continues to advance the key factor in creating successful products will be the nature of the user's experience of that product. By focusing their work at the intersection of art and technology, they hope to create both unexpectedly compelling and unexpectedly useful pieces that help illuminate the future of user experience.

BANFF CENTRE FOR THE ARTS

<http://www.nmr.banffcentre.ab.ca/mva/>

The Banff Centre for the Arts hosts a cross-cultural mix of innovative thinkers and makers that range from emerging artists to more mature artists, cultural industries, scientists and software/hardware developers. The Media and Visual Arts program, funded primarily by the Canadian government, the Alberta government, corporations and foreign resources, offers artist residences, co-productions, an exhibition gallery, creative publishing ventures, and work-study opportunities in television, video, computer applications and software design, curatorial practice, arts administration and visual arts.

The creative artist residencies allow artists uninterrupted time to create while also providing technical and artistic support. Thematic residencies provide a percentage of scholarship. Some international opportunities are usually co-funded by the governments of France, Mexico, the UK, or foundations such as Antorchas, from Argentina. Banff provides program management and support staff (including technical staff), and some scholarships for room and board and other resources. The key to the residencies is that these are research opportunities, as well as production and that there is intensive dialogue, critique and exploration of ideas. Residencies have artists from as many as sixteen different countries in attendance.

The Centre co-produces television, video, interactive media, web site projects, and research projects, collaborating with other organizations as well as commercial companies and independent producers from initial brainstorming sessions with potential partners and programmers to building design documents and prototypes to (and through) production. Smaller projects at the Media Visual Arts program are generally budgeted around \$30,000 (Canadian). Canadian Cultural Innovation Initiatives — large-scale projects that have a web component — are funded by the Stentor (ISP), Banff and the Canada Council at approximately \$150,000 per project for three artists. The largest projects are funded through a combination of Canadian, French or British money with budgets closer to a quarter million dollars. Research projects have even larger budgets and combine public and private funding. Banff works in the area of interactive television as well. Partners include Global, bbc.online, Bravo. Banff also partners and commissions with galleries in the USA and other countries, as well as Canada.

The Banff New Media Institute sponsors workshops and strategic think-tank forums that offer artists, scientists, independent producers and industry representatives the opportunity to brainstorm and share opportunities in thematic and theoretical concerns, including emotional computing, immersive environments, bio-technology, and living architectures. The Institute's workshops were originally developed to unite filmmakers and producers with new media artists. The first event, *Summer Summit at the Summit* — produced in partnership with Peter Gabriel's company Real World in 1997 — brought together people from the games industry, interactive design and the new technologies to look at the future of new media and the relationship between tools and content, development of new markets and the role of the artist within that framework. The BNMI has grown since then, exploring topics such as Growing Things (bio and nano tech), The Banff Super Conductor (network design), Living Architectures (immersion and interaction in situ and the net), and Navigating Intelligence (data base aesthetics, architectures). Banff also holds financing and prototyping workshops (Money and Law and Interactive Screen).

The Media Visual Arts program actively seeks to create international networks of similar centers and is part of a network of research universities in Canada. The program has created a formal relationship with the University of California and works with the University of Surrey and several other research universities in the United Kingdom and Europe. Research initiatives at Banff explore cross-disciplinary methods, out of the box computing, artists' created tools, data base aesthetics and education.

In addition, the program has worked with Telefilm Canada to set up a fund called the high-risk multimedia fund. The program provides both seed money and loans that support new technology-based companies or those art-based projects with a technology component that doesn't have an easy market. Artists produce with support from Creative Capital and Langlois.

BROOKLYN ACADEMY OF MUSIC (BAM)

<http://www.BAM.org>

The Brooklyn Academy of Music (BAM), which presents both traditional and avant-garde performing arts, has developed a New Media Projects Initiative that includes three primary components:

- The Arts in Multimedia, which pairs artists and Bell Labs scientists in a virtual studio to create projects that use new media.
- An in-house digital media lab housed in BAM's main building.
- A series of web documentaries that feature artists on BAM's web site.

The Arts in Multimedia program, done in partnership with Lucent Technology, exemplifies the movement toward bridging the gap between the public and private, arts and technology sectors. The projects it supports demonstrate the possible synergies between art and science. In the first year, the three artist/researcher pairings included an audio artist (Ben Rubin) with a researcher from the Statistics and Data Mining Department; digital artist Paul Kaiser with a multimedia communications researcher and an audio scientist; and theater director John Jesurun with two researchers in robotics and smart cameras.

CENTER FOR ADVANCED INQUIRY IN THE INTERACTIVE ARTS SCIENCE TECHNOLOGY AND ARTS RESEARCH (CAiiA – STAR)

<http://CAiiA-STAR.net>

CAiiA-STAR is a research platform that integrates two centers of doctoral research: the Centre for Advanced Inquiry in the Interactive Arts (CAiiA), at the University of Wales College, Newport (UWCN), and the Centre for Science, Technology and Art Research (STAR), in the School of Computing, University of Plymouth.

CAiiA-STAR provides a powerful base for research in the new fields of practice, theory and application, which are emerging from the creative convergence of art, science, technology and consciousness research. Roy Ascott established CAiiA in May 1994, and STAR in September 1997. He holds professional posts in both universities. CAiiA, extends the ethos of interactive arts developed at UWCN since the late 1980s, and has strong links with the University's

Mechatronics Research Centre. STAR builds upon the School of Computing's achievements in the domain of Interactive Media, and its research programs in Artificial Life, Robotics and Cognitive Science.

The CAiiA-STAR programme enables research supervision, co-ordination and collaboration to be conducted both online and onsite. Researchers registered at one of the two university centers, with the enrolling institution examining and awarding the doctorate, but with the resources of both centres available to all members of the CAiiA-STAR group. Ph.D. submissions may combine practice and theory, the precise formulation being the product of negotiation between the candidate, supervisors and research board.

Ph.D. candidates are selected from an international community of artists who currently represent the United States, Canada, United Kingdom, France, Italy, Malaysia, Brazil, Japan, Austria, Spain and Australia. They are required to have adequate technological resources at their home base, committing an average of 30 hours per week there to research. Additionally, they are required to spend a minimum of thirty days per annum "in residence." This means that the CAiiA-STAR group as a whole meets for three ten-day Composite Sessions each year, involving individual supervision, seminars and critical debates. Composite Sessions take place either in the UK or by invitation, at universities or media centers abroad e.g. Dublin, Valencia, Marseilles, Rio de Janeiro, Tucson, and forthcoming in Paris, Rome, and Seoul. Composite Sessions always include a public presentation and interaction with the host community.

CENTRO MULTIMEDIA

<http://www.cnca.gob.mx/cnca/buena/cna/multimedia.html>

The Centro Multimedia is part of the Consejo Nacional para la Cultura y las Artes (CNA), a campus in Mexico City that also houses schools of visual arts, dance, architecture, cinema, literature, music and opera, and theater. Created in 1995, the Centro is dedicated to the investigation, experimentation and application of new technologies towards creative expression and art. In providing access to equipment, classes and exhibition space, the Centro hopes to:

- Encourage the use of new technologies in creative and educational ways.
- Evolve investigations on the use of electronic media.
- Provide artists, students, professors and researchers with the opportunity to explore the new technologies in the arts.

The Centro covers all aspects of electronic art and its applications, including audio, video, digital graphics, interactive work, virtual reality and robotics. In addition to offering curriculum classes for students enrolled at the CNA, the Centro offers extension courses as well as special workshops and seminars, often by teleconference.

With the idea of stimulating the link between art and multimedia technology in Mexico, the Centro offers an open-call grant for research, capacity-building, and access to and time with machines to produce individual or collective artwork with new technologies in audio, the internet, digital graphics, virtual reality, moving images and interactive systems.

The CNA covers administrative costs for the Centro, including equipment and consultants, although Founding Director Andrea DiCastro believes that the Centro will need to supplement this income.

CREATIVE CAPITAL FOUNDATION

<http://www.creative-capital.org>

Creative Capital, a national foundation founded in 1999, supports artists pursuing innovative approaches to form and content in the media, performing and visual arts, and the emerging arts fields. Creative Capital works with the artists in long-term partnerships to provide professional development assistance and management support in addition to financial support (generally an initial grant for the project, plus the possibility of smaller, supplemental grants that will support the project's success, such as hiring publicists or grant writers). In return, artists are required to share a small portion of any proceeds generated by the funded project.

In its first year of funding (1999), the foundation supported 75 artists in four categories (media, performing arts, visual arts and emerging arts) with grants of between \$3,200 and \$20,000, for a total of \$563,700. An additional \$330,000 has been set aside for renewal funding for these artists, for a total first-year commitment of more than \$900,000. In subsequent years the foundation will alternate support for two of the four categories and plans to fund approximately 30 projects for a total of \$400,000 each year. The Foundation is considering offering small grants for travel (for example, to residencies or festivals) or loan funds.

CREATIVE DISTURBANCE, INC.

<http://www.creativedisturbance.com>

Creative Disturbance is an international network for matching pioneering artists and innovators in human-computer interface and interaction (HCI) with collaborators, funding, tools and resources. Co-founders Mark Beam (a former investment banker and trader) and Roger F. Malina (chairman of the Board of Leonardo and an astronomer who currently heads an astronomy lab in Marseille, France) wanted to dramatically improve the artist and innovator's ability to execute a visionary project.

The Company has developed an on-line exchange called the 'Codex™ for building, funding and distributing products, prototypes, research and projects in development. Members of the network may also connect with experts across a wide range of fields who wish to collaborate on member projects. A parallel platform for collaborative software design will allow the Company and its members to engage open-source programmers to create peer-reviewed code to specification.

The Codex offers a vehicle for gaining the attention and resources of a decentralized community of supporters, including investors, patrons, angels, philanthropists, foundations, corporations, grant makers and cultural institutions. While focusing on HCI, Creative Disturbance Projects are wide-ranging, including books, software, CDs, DVDs, video, film, artwork, events, prizes & awards, games, research, inventions and new start-up businesses.

The Company's founding network partner, Leonardo and the International Society of Art, Science & Technology (ISAST), provides members with a unique connection to the MIT Press publications and to a highly respected community of artists and innovators in 44 countries.

Membership in the Creative Disturbance community is currently free, but Creative Disturbance earns a 10 percent commission as an agent and catalyst for successful transactions (with a minimum of \$1,000 and a maximum of \$50,000) and collects licensing fees. The company plans to develop investment pools targeted at specific domains of research and development.

THE JEROME FOUNDATION

<http://www.jeromefdn.org/>

The Jerome Foundation, founded in 1964 by filmmaker Jerome Hill, funds both individual artists (primarily emerging artists) and non-profit arts organizations that support individual artists (such as Harvestworks and the Midwest Media Center) in either Minnesota or New York City. The foundation is actively funding new media arts in addition to film and video. Although they have primarily received Internet-based project applications, they want to be open to audio and sound work in new media, and interactive installations in environments where participant movement triggers responses.

Given the foundation's focus on emerging artists, the individual artists grants and commissions range from \$5,000 to \$15,000 and are for short-term projects. The foundation may increase this range to \$10,000 to \$30,000 in the future. The grant-making budget is \$4.5 million annually, with 60 percent for Minnesota artists and programs and 40 percent directed for New York City.

The foundation partners with the Dayton-Hudson Foundation and General Mills in a jointly funded Travel Study grant program for Minnesotan artists and administrators. Recipients receive \$5,000 to travel and study, formally or informally, anywhere in the world. The program started 12 years ago at a time when many Minnesota artists were "not getting out into the world." Cynthia Gehrig, Executive Director of the Jerome Foundation, notes that the program requires little maintenance to operate and enriches the entire artistic community.

The Jerome Foundation's interest in young professional artists is first and foremost a focus on grant making. Including young professional artists to review committees is also well on its way.

THE DANIEL LANGLOIS FOUNDATION

<http://www.fondation-langlois.org/>

The Daniel Langlois Foundation promotes contemporary artistic practices that use digital technologies to express aesthetic and critical forms of discourse. The foundation seeks to encourage interdisciplinary research and to sustain the development of projects calling for co-operation between people from a variety of fields including artists, scientists, technologists and engineers. Although flexible in what they can and will fund in terms of its integration of technology, most of their funding goes towards mature new media artists. Projects presented by scientific researchers, computer scientists or engineers must involve a partnership with an artist and must help the artist carry out a project or must demonstrate a potential for application in

contemporary artistic practices. The Daniel Langlois Foundation is also involved in documenting the history and contemporary practices in electronic and digital media arts through its *Research and Documentation Center in Montreal*. The aim of the center is to preserve documentation of all sorts and material supports and to make it accessible to the public through Web publication projects and on site research in archival material. The Foundation acquires documentary collections and archives that document the history of, and the current practices in, electronic and digital media.

Langlois funds both organizations and individuals within five programs:

- Residencies and Commissioning of Works of Art. Projects that enable artists or scientists with residencies or the commissioning of works of art by major institutions.
- Exhibition, Distribution and Performance. Projects designed to exhibit, distribute or perform technological works using art galleries, museums, theaters and other public spaces, or digital telecommunications systems.
- Program for Organizations from Emerging Countries. Projects that provide access for non-European or non-North American artists or scholars to technological contexts that are non-existent or difficult to access in their own countries.
- Conservation and Preservation of Media Works. Support for scholars or institutions to carry out research on conservation, preservation and restoration of media works.
- Research Grant Program for Individual Artists or Scientists. Grants for individuals who are advancing knowledge at the crossroads of art, science and technology, or to individuals whose project is highly original and/or innovative.

Since its creation in 1997, the foundation has awarded 70 grants totaling \$4 millions (Canadian). In the first grant-making round (1998), they gave 13 grants ranging from \$10,000 to \$300,000. In 2000, they made 37 grants ranging from \$10,000 to \$100,000. The Foundation awards between \$1.5 to \$2 M (Canadian) each year.

THE JOHN D. AND CATHERINE T. MacARTHUR FOUNDATION MEDIA PROGRAM <http://www.macfdn.org>

The John D. And Catherine T. MacArthur Foundation's Media Program supports selected documentary series and independent films intended for national or international broadcast; community outreach related to media; community-based media centers; and public radio. The social-interest themes of the work supported by MacArthur include community development, youth issues, justice, human development, race, human rights, social issue biodiversity, arms proliferation, women's reproductive health, foreign policy, prevention of civil and international conflict, and strengthening civil society. The media center projects supported by MacArthur are designed to have a social impact and fall into one of three targeted areas: working with and training youth to use media; community capacity including work with community-based organizations and media; and welfare-to-work transitions or workforce development using media

in that arena. One of the Foundation's primary concerns in funding media production is that the work reaches a large and diverse audience.

To date, MacArthur has not specifically funded any new media productions, preferring to continue support for documentary filmmakers making independently produced, social-interest documentaries, specifically for broadcast, traditionally on public television. Although the Internet is more than just a delivery system, currently the 200 million television sets in the world represent the largest potential distribution method in the world, which is important for foundation-funded projects. Unfortunately, broadband and streaming media is still only available to a very small portion of society. But as those capabilities expand to additional sections of the population, MacArthur will consider funding new media productions. However, Alyce Myatt, the Media Program Officer, notes that it would be preferable to increase the foundation's total pool of media allocations so that supporting new media projects wouldn't compete with funds allocated to more traditional, social-issue documentary filmmaking.

The MacArthur Foundation's media program does support a variety of media centers that incorporate services for new media art production, generally from an artistic context. Myatt noted that such support is not given to information technology (IT) centers that train people in using web technology, but usually not from an art framework. Myatt gave as an example the Bay Area Video Coalition (BAVC) in San Francisco, which has successfully re-invented itself from a media arts center into a hybrid media and IT center that integrates web-based and other new technology art into their programs.

THE MARKLE FOUNDATION

<http://www.markle.org>

The Markle Foundation has long been interested in mass communications media. In recent years, they took the unique approach of investing in companies that were developing interactive learning tools, such as the computer simulation SimHealth. Their current focus is on the following:

- **Public Engagement through Interactive Technologies.** To encourage the use of communications technologies to help people actively pursue knowledge and participate in democratic society.
- **Policy for a Networked Society.** To ensure the inclusion of the public voice in policy-making discussions.
- **Interactive Media for Children.** To create children's products and services and to help parents make informed, responsible choices.
- **Information Technologies for Better Health.** To enhance the ability of individuals to relate their own circumstances to media knowledge.

In addition to funding organizations involved in the development of new technologies for learning, the foundation has engaged Carl Goodman from the Museum of the Moving Image as their curator of new media art. Goodman's role in part was to educate the foundation about

interesting artists and projects to fund. He also curated an exhibition of digital work in the foundation's new office space, thus putting the art where potential new audiences and supporters would encounter it. The foundation views this type of exhibition as a way to publicized the fact that the work is important to see. Although a somewhat private show, it did expose some high-level technology industry people and other foundations to the creativity work of the field.

NEW YORK FOUNDATION FOR THE ARTS

<http://www.nyfa.org/>

The New York Foundation for the Arts (NYFA) enables contemporary artists to create and share their works and provides the broader public with opportunities to experience and understand the arts. The foundation provides leadership and advocacy, offering financial and informational support and building collaborative relationships with others who are committed to the arts in New York State and throughout the United States.

The New York State Council on the Arts (NYSCA, *see below for more information*) allocates \$1 million to a re-granting fellowship program for contemporary artists residing in New York State. The program provides a \$7,000 cash award to 8 of 16 disciplines on an alternate year funding cycle. Over the past 15 years the program has awarded more than \$15,000,000 to more than 2,100 artists in a variety of disciplines.

NYFA included new media art as a funding category in 1998 upon the advice of their artists advisory committee when it became evident that integrating the increasingly popular computer-based art into other traditional categories was unsuccessful. The computer arts category has cycled twice through the funding system and NYFA has awarded 26 computer arts fellowships, 12 in the first year and 14 in the second.

NEW YORK STATE COUNCIL ON THE ARTS

<http://www.nysca.org>

The New York State Council on the Arts (NYSCA) is the largest and one of the oldest state funding agencies that supports nonprofit arts and cultural organizations (approximately 1,300 such organizations). NYSCA does not fund artists directly, although it does fund re-granting programs like the NYFA artist fellowships (see above) and it allows individuals to apply through an umbrella non-profit 501(c)3 organization.

In the area of technology, NYSCA recognized the importance of assessing the needs of the field, which range widely, from computer acquisition to galvanizing the marketing and community-based aspects of the Internet and new media support for artists. In 1998 NYSCA organized the Circuits Governor's Conference on Art and Technology to explore the mechanisms needed by non-profit arts organizations to advance their work. The agency funds technology integration, technology-based projects and new media projects through several of its established programs, including the Electronic Media and Film Program, the Individual Artists Program, and within the performing arts programs. NYSCA designated additional funds towards a two-year Technology Initiative, covering FY00 and FY01. This past year \$350,000 was earmarked for residencies,

commissions and exhibitions of art in which computer technology was integral in the creation and presentation of the work (awards in the \$7-25,000 range). In the current year, \$550,000 is being directed to projects using technology to enhance access to the arts.

NYSCA's Electronic Media and Film Program (EMF) has long supported artists' use of emerging technologies. The EMF Program is dedicated to furthering the artistic, conceptual and administrative growth of the fields of audio, film, radio, television, video and multimedia moving image art. EMF has several priorities, including: compensation and recognition of the creative work of artists and arts professionals; support of artists' efforts that expand the artistic forms; and efforts that deepen appreciation of audio, film, video and computer-based work.

Production grants for new media, through the Individual Artists Program, range from \$8,000 to \$25,000. Funding for workshops and online forums and exhibitions are between \$3,000 and \$15,000. New and first-time grantees may receive as little as \$2,500 and rarely more than \$10,000.

RHIZOME.ORG

<http://www.rhizome.org>

Rhizome.org is a nonprofit organization that presents new media art to the public, fosters communication and critical dialogue about new media art, and preserves new media art for the future.

It uses the Web, email lists and program events to create community and dialogue among its global constituency. The Rhizome community of approximately 4,000 email subscribers includes artists, curators, writers, designers, programmers, students, educators and new media professionals from 75 countries and 5 continents who share an interest in the intersection of contemporary art and emerging technologies. Although 30 percent of the participants are from the United States, subscribers represent both developed and developing countries, from France to Tanzania, Ecuador and Bolivia.

The email list subscribers generate all of the content — people talk to each other through the lists and post questions, announcements, articles, and reviews. Rhizome's site currently holds 1,500 articles indexed by author, location, date and key words to allow users to do full searches. Founder and Executive Director Mark Tribe believes that Rhizome.org is the only large-scale, concerted effort to archive Internet art and critiques.

Funding for Rhizome.org comes largely from individuals, corporations (from structured programs and sponsorship) and foundations (including grants from the National Endowment for the Arts and the Rockefeller Foundation). Rhizome recently initiated a community fundraising campaign similar to National Public Radio appeals with the goal of getting tax-deductible contributions from 10 percent of the 14,000 users of both the email list and web site. (The subscriber list is growing at a rate of 75 percent per year.)

With the increased revenue streams, Rhizome has increased its budget (by 700 percent over the last year) and hired a professional development officer. Tribe also attributes their grant-seeking

success to the fact that more foundations are gaining a better understanding of the relevance and importance of Rhizome's services to the community of new media artists.

THE ROCKEFELLER FOUNDATION

<http://www.rockfound.org/>

The Rockefeller Foundation is a knowledge-based, global foundation with a commitment to enrich and sustain the lives and livelihoods of the poor and excluded throughout the world. The Foundation is a proactive grantmaker – that is, the officers and staff seek out opportunities that will advance the Foundation's long-term goals, rather than reacting to unsolicited proposals. Foundation officers receive more than 12,000 proposals each year, 75 percent of which cannot be considered because their purposes fall outside the Foundation program guidelines.

Grantmaking supports the creation of new work in the performing arts (dance, music, and theater) through application to the Multi-Arts Production (MAP) fund. Support for independent media artists in the United States and Mexico working in documentary, video, dramatic narrative film and experimental digital design is provided through Film/ Video/ Multimedia fellowships awarded by nomination – not by direct application - and administered by National Video Resources.

Explorations are currently under way at the Rockefeller Foundation to create environments that encourage new media collaborations between the artistic and technological communities, and to engage humanists and social scientists to probe the meaning of the cultural expression and new forms of social organization enabled by the Internet. These explorations are not open to direct application.

THE SOROS FOUNDATION: OPEN SOCIETY INSTITUTE INTERNET PROGRAM

<http://www.soros.org/internet/>

The OSI Internet Program (OSI-IP) began in earnest in 1994. The premise of the initiative is simple: if one is going to support an open society and free speech, the Internet is a prime delivery medium. Prior to that grants related to e-mail connectivity were provided on an ad hoc basis by the local foundations. The first year of the OSI program was primarily spent funding local initiatives, developing strategy and making contacts with funders and networking specialists throughout the world with special emphasis on Central Europe. In 1995, the program extended its geographic reach to the non-Slavic republics of the former Soviet Union focusing on infrastructure and connectivity which were badly needed in the region. In 1996, it encompassed all the former republics and absorbed the larger scale infrastructure projects that had been managed by the International Science Foundation. From 1997 to 1999 with a well developed strategy and an abundance of contacts in place, the program had a diverse array of funding and program partnerships with third party institutions. It began operating in earnest outside the primary geography of Central and Eastern Europe and focused upon content development and training over infrastructural development and connectivity. The exception continues to be the Caucasus and Central Asia where Internet began later and infrastructural assistance is still required. The program also began focusing on Internet policy work in 1997.

In 2000 the program was completely overhauled to reflect the evolution of the Internet and changes on the ground. The program now concentrates on organizational capacity building and Internet policy work and has a primary focus in the areas of independent media, human rights and Internet policy. It focuses on organizations that have a voice offline but need to have a better voice online particularly in the area of Independent media and human rights. The Internet program works closely with the Media Development Loan Fund's Center for Advanced Media in Prague, which develops training and technology tools to eliminate information poverty.

OSI is interested in funding connectivity from the server up rather than the underlying network infrastructure or local area networks -- that which is visible on the web. The Internet Program funds a broad range of organizations. The program budget has fluctuated from a low of \$675,000 in 1994 to a high of \$8.7 million in 1997. Currently the program budget is \$2 million. Grants are generally between \$50,000 and \$100,000, although organizations can receive a maximum amount of approximately \$200,000.

TECH_NICKS

http://www.noaltgirls.org/tech_nicks/

British arts curator Lisa Haskel recently formed a small new media arts events company, the Media Arts Projects, to promote the public distribution of new media work within a theoretical framework. Haskel had noted that although people are quite 'skilled up,' the younger generation has had limited exposure to people who work with technology in a non-commercial way, which lead to the creation of the Tech_nicks program.

Tech_nicks is a touring workshop or traveling media lab that turns local galleries and access spaces into working spaces for three or four days. The program invites local artists not only to exhibit their work but also to share knowledge and resources within the local community. Tech_nicks borrows from the Hybrid Workspace model (*see Temporary Media Labs below*) employed in Finland but makes the interaction with the general public more explicit. The program seeks to expand the network of people involved in the new media arts practice while offering alternative ways of thinking about the integration of technology into art and society.

During the summer of 2000, Tech_nicks will travel to London, Sheffield Hall and Dorset. The workshop titles include events such as *Everything for Nothing!: Rebuilding and Re-purposing Thrown-out Computers for Artistic, Social and Strategic Purposes*.

Tech_nicks received a grant for 30,000 pounds (approximately \$45,000 U.S.) from a fund whose program is targeted toward touring exhibitions. Haskel made the argument that while Tech_nicks is not touring picture frames, they *are* touring the methodology and approach. This explanation, along with the informal education aspect of the program, lead to a successful grant application.

TEMPORARY MEDIA LABS

Traditional conferences and workshops are an obsolete model according to cultural theorist and critic Geert Lovink. He believes that the results gleaned from putting 20 to 30 people together in a room and letting them work for a week are tremendous. Therefore, he has organized temporary

media labs to allow people to promote collaboration — in real time, in both real and virtual space — and the creation of cultural product. The labs facilitate networking opportunities and allow for and work on specific topics, the production of software or interfaces, or planning — something that tends to be slow-going if done by e-mail. The temporary media labs have been held at the Documenta in Kassel in 1997, at ISEA in Manchester, England in 1998 and at the new contemporary arts museum in Finland in 1999.

The Temporary Media Lab projects tend to mix technologically based concerns and social or cultural topics such as racism, migration and border zones. The technology-based projects are focused on developing standards and architectures for streaming media and open source software development protocols. However, the labs stress the importance of cultural and artistic awareness in the creation of software interfaces and network architecture. The idea is to take away technology from the geeks, hackers and engineers and from the big companies.

3-LEGGED DOG MEDIA AND THEATER GROUP

<http://www.3leggeddog.org/logo.html>

3-Legged Dog Media and Theater Group is known for its large-scale, digital-based, multimedia performances and installation work. Venues for their productions have included PS 122, La Mama, the Kitchen, the Ontological Theatre and the Signature Theater in New York City. Begun in 1994 on a shoestring budget of \$500, Artistic Director Kevin Cunningham leveraged his strong connections and his reputation as a technician in the downtown performance art scene to attain labor and equipment assistance. Cunningham initially raised money for the group through small private donations but subsequently received funding from foundations such as the Jerome Foundation and Rockefeller (with a \$20,000 Map Grant).

Shape of Time, founded as a corporation in January 1999 and wholly owned by 3-Legged Dog, was an idea that came out of artistic need. 3-Legged Dog wanted to find more direct and less labor-intensive ways to design technically complex projects, allowing more time to focus on the art. 3-Legged Dog also realized that operating support for small to mid-sized organizations would probably never come and was looking for an earned income stream for operations and projects. It created Shape of Time to identify and develop intellectual property and tools for their artistic practice. Most of the work to date has revolved around developing software that will allow one analog tool to talk to another in a particular digital protocol, and those two things to talk to a third in order to hit the complex cues necessary in a live multimedia performance. Shape of Time has spun off a third company Production Designer, LLC to create a new affordable cross-protocol software based solution that will allow them to reduce their dependence on multiple devices.

Shape of Time has initiated partnerships with the City University of New York's Graduate Computer Science Department, New York University's Center for Advanced Technology and Yale University's Digital Media Center for the Arts to develop a software system that allows new ways to control a multimedia stage. Part of the partnership agreement may include the development of a multimedia curriculum that will be jointly patented by Shape of Time and one of the three universities. Shape of Time has put into place policies to ensure that the artists and technicians involved retain intellectual property rights to their inventions. Artists sign a work-for-hire agreement that includes stock options and royalties. Artists are included as inventors on

patent applications where appropriate. And they have engaged with well-known patent lawyers and corporate contract lawyers to ensure compliance.

Initial assistance for developing the business plan came from \$230,000 in foundation-based angel funding from the Joyce Mertz-Gilmore Foundation, Robert Sterling Clark Foundation and the Rockefeller Foundation. The funds allowed Shape of Time to develop a serious business plan (which can command the attention of large corporate financiers such as J.P. Morgan), conduct research, create proof of concept demos, and create pitch presentations. Shape of time is careful not to adjust their proposal in order to meet a potential funder's requirements, instead allowing the work that needs to be done to drive the proposal. This principle has been key in moving forward with the venture and to avoid “mission drift.”

Since the formation of Production Designer, LLC the initiative has attracted \$550,000 in venture capital from The New York City Investment Fund, Grey Seal Capital, LLC and the Robert Sterling Clark Investment Fund. The NYCIF has committed another \$500,000.00 and negotiations with several other foundation-based investment funds and friendly venture capital groups should result in the company achieving its first year goal of \$3.85 million in investments. The company's value has increased over the last three months from \$1.85 million pre-money value to it's current valuation of \$10 million. On September 1, 2000 Production Designer, LLC will be moving into a new 1800 square foot office at the Tele Media Accelerator, a joint venture incubator of NYCIF, CUNY, Borough of Manhattan Community College and two Venture Capital Groups.

Part of the company's success also derives from a strong — and diverse — board of directors and advisors that includes the CIO of Deutsche Bank, software developers, the dean of CUNY's Department of Computer Science, and individuals from the arts and funding communities.

3-Legged Dog has doubled their annual budget (currently around \$480,000) every year over the last six, mostly through contributed income for projects. With the success of their spin-off, it looks likely that 3-Legged Dog will soon have an earned income stream that will allow the non-profit to put in place and implement a realistic operating budget and work with an appropriate process and schedule for their complex large-scale art works. The Shape of Time's business plan for Production Designer shows a 385 percent rate of return in three years and 789 percent in five years. The Shape of Time/3-Legged Dog staff fluctuates from 4 to 6 people. However, large productions have summoned a crew of up to 125 different contractors over the development process.

TRANS-ARCHITECT: MARCOS NOVAK, i.e. 4D

<http://www.centrifuge.org/marcos/>

Marcos Novak's work on liquid architecture has been influential to architectural theory worldwide. His work has been exhibited and written about internationally and was recently chosen to represent Greece for architecture at the 2000 Venice Biennially. He is a researcher with the CAiiA- STAR program. Driven by a desire for self-determination and motivated by the belief that some aspects of an artist's work should be accessible and compelling enough for the public to pay, he has founded a company that is being positioned to be a player in a major

entertainment industry. Novak compares the venture to that of Walt Disney who not only produced his own work, but was canny enough to put a whole studio and industry into place.

Although detailed information about the company is proprietary, the unique development strategy for the company may provide an interesting model for other artists seeking to create art in a more commercial space. In part to protect Novak's intellectual property, the company is divided into three parts that will share resources and revenue:

- a for-profit company that transforms his artistic work and vision into a marketable product
- a non-profit artist research organization in which artists and students can create educational or experimental work
- a “middle-man” company that will represent Novak's artistic vision and license it to the for-profit company.

To build a financially successful business at a big business level requires selling pieces of it to investors, which could translate into losing management — and subsequently artistic — control. However, the three-part set-up means that if the for-profit company sways from Novak's desired trajectory or he loses major control over the management of the company, he will continue to own in full his work and vision, and will have the ability to pull the license from the for-profit company.

Initial funding for this venture came from angel funding — people who knew Novak and were willing to provide the resources to plan the venture. Originally, he thought he would have to make a rather expensive prototype of his concepts. But an assembled group of investors from the video, music, film and television industries were so enthusiastic about the business plan that they recommended Novak to bypass the prototype and scale up the proposal details for the next stage of business development.

WALKER ARTS CENTER: NEW MEDIA INITIATIVES

<http://www.walkerart.org/salons/shockoftheview>

Formally established in 1927, the Walker Art Center began as the first public art gallery in the Upper Midwest. It originated as the personal art collection of lumber magnate Thomas Barlow Walker, which featured 19th-century American and European paintings, Asian ceramics, and jade. The museum's focus on modern art began in the 1940s, when a gift from Mrs. Gilbert Walker made possible the acquisition of works by important artists of the day, including sculptures by Pablo Picasso, Henry Moore, Alberto Giacometti, and others. Today the Walker is a unique multidisciplinary arts organization with an international reputation. Programs in the visual, performing, and media arts support and present some of the most influential artists and ideas of our time, efforts that have earned the institution wide acclaim and scholarly respect.

The Walker's Film/Video Department presents classic films, retrospectives, and new works by both established and emerging film and videomakers from around the world. The Walker's Education and Community Programs Department has received national recognition for its innovation and effectiveness in reaching traditionally underserved audiences, including teens, low-income families, and communities of color. In 1996, the Walker expanded its multidisciplinary capability even further by forming the New Media Initiatives Department to

advance the museum's mission through the use of innovative forms of digital media, particularly the Internet, and to develop new educational and artistic projects. In 1998, The New York Times called this department, "a broad and visionary program that establishes the museum as the leader in high-tech cultural initiatives." The Walker Art Center is one of the ten most visited museums in the country.

The New Media Initiatives department is responsible for network-based integrated information systems such as the innovative educational site ArtsConnectEd (<http://www.artsconnected.org>) and original programming through its online-only Gallery 9 (<http://www.walkerart.org/gallery9>). Through Gallery 9, the Walker commissions web-based works, presents online exhibitions such as Art Entertainment Network (<http://aen.walkerart.org>), discussion forums such as Shock of the View (<http://www.walkerart.org/salons/shockoftheview>), and an online collection of important digital art, such as the pioneering website ada'web (<http://www.walkerart.org/gallery9/dasc/adaweb/>).

ADDITIONAL WEB REFERENCES

American Museum of the Moving Image
<http://www.ammi.org>

Bay Area Video Coalition
<http://www.BAVC.org>

Creative Time
<http://www.creativetime.org>

Digital Arts Development Agency (DA2)
<http://www.da2.org.uk/>

Douglas Englebart, Bootstrap Institute
<http://www.bootstrap.org/augment-132803.htm>

Harvestworks
<http://www.harvestworks.org>

Pamela Jennings
<http://digital-Bauhaus.com>

Santa Fe Institute Art and Science Laboratory
<http://www.artscilab.org/main.html>

The Society for Old and New Media
<http://www.waag.org>

David Throsby
<http://www.culture.com.au/nava/thros.html>

INDEX

This index is organized by general activity in which the noted organization or artist is engaged or supports. The page number refers to the beginning of the profile of that organization or artist.

ARTISTS

- Peter Anders — p. 2
- Kevin Cunningham — p. 15
- Marcos Novak — p. 16
- Christa Sommerer and Laurent Mignonneau — p. 2

ARTISTS' RESEARCH CENTERS AND THINK TANKS

- Christa Sommerer and Laurent Mignonneau — p. 2
- ATR Laboratories — p. 3
- Arts Alliance Laboratory — p. 3
- Banff Centre for the Arts: Media and Visual Arts Program — p. 4
- Center for Advanced Inquiry in the Interactive Arts - Science Technology and Arts Research (CAiiA-STAR) — p. 5
- Centro de Multimedia — p. 6
- The Daniel Langlois Foundation — p. 9
- Rhizome.org — p. 12
- Tech_nicks — p. 14
- Temporary Media Labs — p. 14

BUSINESSES (INNOVATIVE MODELS)

- Annenberg Center: EC² Incubator Project — p. 1
- Arts Alliance Laboratory — p. 3
- Creative Disturbance — p. 7
- i.e. 4D — p. 16
- 3-Legged Dog Media and Theater Group/Shape of Time — p. 15
- The Soros Foundation: Open Society Institute Internet Program — p. 13

COMMISSIONS

- Banff Centre for the Arts: Media and Visual Arts Program — p. 4
- Christa Sommerer and Laurent Mignonneau — p. 2
- The Jerome Foundation — p. 8
- The Daniel Langlois Foundation — p. 9
- Walker Arts Center: New Media Arts Initiative — p. 17

CO-PRODUCTIONS

- Banff Centre for the Arts — p. 4
- Walker Arts Center: New Media Arts Initiative — p.17

CAPACITY BUILDING

- Annenberg Center: EC² Incubator Project — p. 1
- Creative Disturbance — p. 7
- The John D. and Catherine T. MacArthur Foundation — p. 9
- New York State Council on the Arts — p. 12
- Rhizome.org — p. 12
- The Soros Foundation — p. 13

EXHIBITION, DISTRIBUTION AND PROMOTION

- Banff Centre for the Arts — p. 4
- BAM/Lucent — p.5
- Centro de Multimedia — p. 6
- Creative Disturbance — p. 7
- The Daniel Langlois Foundation — p. 9
- The Markle Foundation — p. 10
- New York State Council on the Arts — p. 12
- Rhizome.org — p. 12
- Tech_nicks — p. 14
- Walker Arts Center: New Media Arts Initiative — p. 17

GRANT-MAKING

Seed Grants/Emerging Artists

- Creative Capital Foundation — p. 7
- The Jerome Foundation — p. 8
- New York Foundation for the Arts — p. 11

Mid-Size to Large Grants and Fellowships

- Creative Capital Foundation — p. 7
- The Daniel Langlois Foundation — p. 9
- The John D. and Catherine T. MacArthur Foundation — p. 9
- The Markle Foundation — p. 10
- The Rockefeller Foundation — p. 13
- New York State Council on the Arts — p. 12

- The Soros Foundation — p. 13

INCUBATORS

- Annenberg Center For Communication/ EC² Annenberg Incubator Project — p. 1
- Arts Alliance — p. 3

NETWORKING OPPORTUNITIES

- Banff Centre for the Arts — p. 4
- Creative Disturbance — p. 7
- New York State Council on the Arts — p. 12
- Rhizome.org — p. 12
- The Soros Foundation — p. 13
- Tech_nicks — p. 14
- Temporary Media Labs — p. 14
- Walker Arts Center: New Media Arts Initiative — p. 17

PUBLIC/PRIVATE PARTNERSHIPS

- Annenberg Center: EC² Incubator Project — p. 1
- BAM/Lucent — p.5
- Creative Disturbance — p. 7
- i.e. 4D — p. 16
- 3-Legged Dog Media and Theater Group/Shape of Time — p. 15
- The Soros Foundation: Open Society Institute Internet Program — p. 13
- Tech_nicks — p. 14

APPENDIX C: RECOMMENDATIONS FOR ACTION

TABLE OF CONTENTS

Introduction	1
Grant-Making Approaches	1
Venture Capital/Program Related Investments	4
Innovative Business Models	4
Incubators/ Start-Ups	6
Research Centers/ Think Tanks	7
Exhibition, Distribution and Promotion	8
Building Capacity and Community	8

INTRODUCTION

The main body of this report on New Media Arts/New Funding Models describes the state of the new media arts field and offers examples of existing initiatives and approaches that support the creation and dissemination of new media art. This appendix summarizes recommendations for initiatives to support new media art and artists offered by the artists, scholars, curators, scientists and funders who participated in the survey.

The participants overwhelmingly indicated that foundations and other funders currently have a golden opportunity to help this new and burgeoning field develop artistically and professionally. Some survey participants believe that most funders don't fully comprehend the importance — and urgency — of supporting new media art, noting that .coms represent 55 percent of the top level web domains while .edu and .orgs *together* represent only 11 percent.

Funders who want to support this actively evolving field would need to consider new methods and possibly even philosophies of funding, including program related investments and funding models that combine non-profit and for-profit aspects. Although the American business community retooled itself to become more competitive in the late 1980s and early 1990s, foundations haven't shown a similar understanding that they may need to change their methods and approaches. It was suggested that the new media arts community and funders should come up with a five-year plan to increase financial support and strengthen the infrastructure required for continued growth of the field.

Each of the main categories of recommendation includes an overview that provides general information about the current state of that category. Following the bulleted recommendations is a section entitled *Considerations*, which offers lessons learned and advice about implementation of the initiatives.

GRANT-MAKING APPROACHES

The survey participants had a variety of ideas for grant-making approaches for new media arts. When asked to recommend ideal funding amounts, the participants advocated for a wide range of grant amounts to support artists, often noting that there is a need for *all* sizes and categories of grants. The amount varied depending on how the respondent framed the profile of the new media artist and the stage in her career, and included seed money, grants for emerging artists, fellowships and project grants. In North America and Western Europe, artists generally need support for production, technical expertise and unencumbered creative time more than access to equipment. In other parts of the world, access to state-of-the-art equipment is also needed.

Recommendations

Grant Amounts

- Grants for Emerging Artists and Seed Grants. Recommended grant amounts for emerging artists ranged from \$3,000 to \$10,000. Amounts for seed grants, considered by most to be research and development grants for more established artists to develop larger projects, ranged up to \$30,000.
- Fellowships and Project Grants. The minimum amount for fellowships (generally made to individual artists with few or no restrictions) and project grants ranged from \$25,000 to a maximum of \$75,000. Some respondents felt that a minimum amount of \$25,000 was appropriate, others a minimum of \$35,000. The respondent who felt that \$75,000 was an ideal amount felt that the grant should include money set aside for the distribution or dissemination of the project.
- Large Project Grants. Survey participants who advocated larger, project grants generally felt that \$150,000 was an appropriate amount (including artists' salaries in addition to production funds). One participant advocated grants of up to \$500,000.

Funding Models

- Noting the difficulty of finding seed money to develop project concepts, do research and write applications, and given the length of time larger projects may require for completion, a recommendation was made for funders to create a risk fund with a fast turn-around time. This would alleviate the typical long-term wait for a project start-up grant. As Debby Silverfine noted, many proposed new media projects are quite large in scope with the artists projecting a completed work far into the future. It was believed that fast turn around seed grants would encourage artist to start with smaller initiatives. Continual support through a granular stair-stepping model could then enable the artists to develop the support material needed to propose larger budget initiatives that could range between \$100,000 to \$500,000. Alyce Myatt noted that "projects need this kind of support to get off the ground. For them to eventually come to us [MacArthur Foundation], or Ford, or Rockefeller."
- Several participants suggested funding study grants that provide the living expenses for artists to visit designated institutions for a year or longer to do research and project development. In exchange, the artists could be responsible for producing a set number of projects, publications or other types of professional activities. However, the ideal situation would rely upon the self-motivation of the artists, not on the external pressure of funder-driven requirements or deadlines.
- Architect, Peter Anders, suggested the business consultant model. The consultant is hired on the basis of a need or a service they can provide. The artist provides a service for a set period of time, or for a particular project for a guaranteed amount of money. The artist would be responsible for spending the funding, as they need to pursue and complete the project.

However, since it is treated as a contract they are guaranteed to have an agreed upon pay off at the end in terms of a project or product.

Considerations

- Foundations must consider whether or not new media art is integrated with or separated from traditional art categories. Some feel that separating new media funding from traditional funding is critical, because the panelists need to have some new media arts experience to bring to the table. Others caution that grouping together new media proposals rather than reviewing them in their separate disciplines may mean that good proposals suffer because they receive less attention than in a discipline-based grouping.
- To integrate new media art projects into their funding spectrum, foundations may need to modify their current review and evaluation procedures and criteria, establish different protocols for reviewing computer-based work, and strike a balance on review panels between experts in the traditional and new media arts.
- Finding panelists who understand the history and the future trajectory of the new media arts, as well as their relation to other arts disciplines, is a major challenge for funding agencies. Panels weighted toward new media experts rather than a mix of traditional and new media can lead to discussion that focuses on the technology rather than the creative intention of the artist. While panelists should have at least one foot in a new media discipline (such as interactive installations or website narratives), they also must have a big-picture view in this multi- and cross-disciplinary universe.
- Foundations need to integrate young people into selection panels and other administrative aspects of the foundation. Cynthia Gehrig of the Jerome Foundation didn't want to generalize, but feels that "Age and new media might be more tied together than we think. While anyone can practice new media, it does seem to be particularly embraced by younger people."
- Given that the new media genres don't yet have the same sort of critical mass as other arts practices, foundation program officers must constantly re-assess what is needed to evaluate grant applications and to run the selection process. Further, they should reassess the critical points of discussion (and sometimes even determine what critical vocabulary is needed to engage in that discussion).
- Foundations should consider putting into place a responsive, appropriately scaled funding scenario so that the scale for software development, for example, is comparable to the scale for production.

VENTURE CAPITAL/PROGRAM RELATED INVESTMENTS

Several participants cited the non-profit venture capital model used by Creative Capital (which requires artists to return a small percentage of any profits resulting from a funded project) as an ideal model for the future of new media art funding.

Recommendations

Funding Models

- Both Creative Capital and Creative Disturbance, Inc. incorporate venture capital models into their funding process. One aspect in which they differ is the method by which artists are selected for funding. Creative Capital works through a traditional grants panel review process. Creative Disturbance, Inc. is based on a model of entrepreneurship. The artist/innovator posts a description of her project to an Internet based database that is accessible to potential private and public funders. Creative Disturbance then serves as a broker between parties that want to enter into an artist/ funder relationship.

Considerations

- Foundations looking to program related investment or venture-capital models to fund new media arts initiatives need to ensure that the grant applications are sound on a business level, as well as their artistic or social level.
- The lure of applying venture capitalism and entrepreneurship to grant-making should not detract foundations from funding those organizations they would normally support, whether or not they will make back their investment.
- Foundations making program-related investments must guard against making commercial viability a selection criterion.

INNOVATIVE BUSINESS MODELS

New media art not only stands at the intersection of art, science and technology, but also at the intersection of the traditionally non-profit arts world and high-level commerce. In large numbers, new media artists and arts organizations are exploring or supporting the incorporation of business ethics and protocols into their daily arts practice to secure self-sustainability through revenue-making ventures. Marcos Novak feels that “the ideal [funding model] is to find ways to make artists self-reliant. That’s where the business thing comes in as a positive challenge, because it promises to give a degree of self-reliance, but it also asks that the artist articulate the relevance of what they’re doing in terms that other people can understand.”

Recommendations

New Business Models

- the *.corg*

As many new media initiatives dance willfully between the non-profit and for-profit sectors they are requiring new funding support structures. Jonathan Peizer of the Soros Foundation has coined the term — the *.corg* — for a new Internet entity that is neither a totally business-oriented *.com* nor a non-profit *.org*. Rather, the *.corg* bridges the gap between the two domains: it is a socially responsible *.com* that partners with non-government organizations to accomplish its mission or an organization that uses entrepreneurial methods to attain self-sustainability.

- *Non-profit Needs Fueling For-Profit Initiatives*

Shape of Time, founded as a corporation in January 1999 and wholly owned by 3-Legged Dog, was an idea that came out of artistic need. 3-Legged Dog wanted to find more direct and less labor-intensive ways to design technically complex projects, allowing more time to focus on the art. 3-Legged Dog also realized that operating support for small to mid-sized organizations would probably never come and was looking for an earned income stream for operations and projects. It created Shape of Time to identify and develop intellectual property and tools for their artistic practice. Shape of Time has spun off a third company Production Designer, LLC to create a new affordable cross-protocol software based solution that will allow them to reduce their dependence on multiple devices.

- *For - Profit / Non-Profit Triangle Model*

Marcos Novak has created a unique development model for his start-up company, i.e.4D, that sets the stage for landing a large-scale business with big corporate partners that simultaneously protects his intellectual property and creative vision. The company is divided into three parts that will share resources and revenue:

- a for-profit company that transforms his artistic work and vision into a marketable product
- a non-profit artist research organization in which artists and students can create educational or experimental work
- a “middle-man” company that will represent Novak’s artistic vision and license it to the for-profit company.

Considerations

- Peizer noted that the *.corg* idea would require a progressive foundation and an incubator that can identify *.corg* project opportunities, understand their potential and create two separate funding models that attract each of the above sectors. The challenge is how to divvy up the socially responsible and for-profit components, and then “sell” them to the appropriate constituencies, whether foundations or venture capitalists, for funding. Peizer points to the examples of National Geographic, Sesame Street Workshop and McNeill-Lehrer Productions as successful public-private partnerships in which the organization’s mission maintains its integrity with a robust, revenue-making component.

- In this fast paced world of e-commerce, venture capital, and ideation being more valuable than gold it is important for artists to be wary of "succeeding to death." That is, losing sight of their mission, intentions, and aesthetic goals when the money starts flowing. Cunningham remarked that one technique that they use to warrant against mission drift is to refuse to alter their business plan based upon a potential funder's personal interest. Although this stance may seem bold to some, it is a tactic that has helped them stay on the non-profit / for-profit path of self-sustainability that they have forged themselves.
- Adequate seed funding is required for an individual artist or group to fully initiate a viable business plan and model that will catch the attention of potential large sum backers. 3-Legged Dog Theater and Production Company received initial funding to the amount of \$230,000 to prepare their business plan for Shape of Time. Marcos Novak also received a substantial amount of angel funding to initiate i.e. 4D.
- To build a financially successful business at a large level requires selling pieces of it to investors, which could translate into losing management — and subsequently artistic — control. However, Novak's three-tiered model means that if the for-profit company sways from Novak's desired trajectory or he loses major control over the management of the company, he will continue to own in full his work and vision, and will have the ability to pull the license from the for-profit company. Kevin Cunningham also remarked that they have hired the best patent lawyers in New York City to represent their interests, and this has paid off, particularly in negotiation with other University based partners.

INCUBATORS/ START-UPS

Many artists or arts organizations are unable to incorporate for-profit or business models without help. An incubator can perform a vital role in helping start-up companies figure out how to position themselves in the marketplace and become self-sustainable.

New Partnership Models

- *Business – University Partnership*

EC² is uniquely positioned to facilitate collaborative, interdisciplinary projects, leveraging its relationships with media companies; technology producers; policy experts; academics; and USC. It is both a resource center and a focal point for technology transfer – a virtual and physical meeting ground that encourages communication and exchange among its participants. The center's goal is to help companies learn how to manage and survive in the business world. EC² Service Providers offer incubator companies discounted products and services in critical business areas, including accounting, financing, and network infrastructure.

- *Artists – Business Partnership*

Arts Alliance Laboratory, San Francisco, directed by Jason Lewis, serves as an incubator and think tank for the e-commerce venture capital organization Arts Alliance – a European based parent company that funds start-up web companies. The Laboratory was designed to conduct

experiments in digital media, keep abreast of new technologies and innovations in academic, industry, and other research arenas. The goal is to help the parent company understand the various directions that the on-line experience may take as we move into a widely networked world.

RESEARCH CENTERS/THINK TANKS

Research centers and think tanks are crucial elements in the on-going development of artistic practice, particularly in the rapidly evolving field of new media arts. Generally, residencies in artistic research centers provide artists with unencumbered time to create new work and access to state-of-the-art technology and highly skilled technical staff. Equally important to on-going professional growth is the possibility to spend time with other artists and professionals — including scientists, technologists and business people — in workshops or think tank seminars.

Recommendations

- Many participants urged funders to support for more artist-in-residence programs located either in technology centers, universities or artist centers. It was suggested that longer-term residences (one to two years) could help level the playing field between artists and scientific researchers by providing artists with adequate resources to pursue the same quality and vigor in artistically based research.
- Multiple-exposure residencies were recommended as a variation on support for residency opportunities. It was felt that the opportunity for artists to foster an on-going or even repeat relationship with a research center or university would go further in enabling the continued development of work using advanced technologies.
- Establishing a network of international research centers was recommended by several participants as an excellent way to advance the synergies of creative thinking, technology, and the sciences. The centers could partner with established research institutions for science and technology bringing together a combination of many of the more enlightened thinkers and makers of the 21st century. A substantial international body of work could evolve and impact developments in the art, science and technology communities. This work could also profoundly impact the technology research and product development of host institutions by introducing aesthetically and socially novel innovative applications.
- Funding to offer incentives to keep good cross-disciplinary teams, perhaps modeled after corporate incentive plans, is urgently needed. It could help ensure that technology or artist centers, including those located in universities, can retain the best technical staff, who often use the centers as a training base for better — and more lucrative — jobs in the private sector.

EXHIBITION, DISTRIBUTION AND PROMOTION

Participants stressed the need for funding for exhibition and distribution of completed work, noting that it should go hand-in-hand with funding for the creation of the work. Promotion of the work and the exhibitions is key — unfortunately, if you build it, they don't always come.

Recommendations

- Support for a traveling exhibition that has a lot of excitement around it — a digital media circus. The tent comes to town, people come to get entertained (and educated at the same time). Then the tent folds and goes to the next place. A creative way to do this would be to attach it to a touring music festival, where there will be a lot of receptive people and none of the sometimes off-putting aspects of a museum.

Considerations

Without proper funding for promotion, most exhibition or distribution initiatives for new media arts will fail. With promotion, one can start building appreciation and understanding for new media art.

BUILDING CAPACITY AND COMMUNITY

Leveraging community is not as much a funding model as a means to make cohesive sectors of the new media arts community. Participants spoke of the importance of bringing various constituents together to jump-start collaborations and partnerships in new media design and technology development, and to expose local communities to alternative methods of creatively using technology.

Recommendations

The *Network Creative Community* (NCC) is a forum designed to join together individuals, organizations, funding agencies, corporations and other constituents to enable them to benefit from each other's strengths and successes, as well as weaknesses and failures. A key attribute of a self-sustaining *Network Creative Community* is to increase inter-organizational communication and collaboration about existing efforts. The NCC can simultaneously be a physical organization and a virtual space that serves as a repository of information, contacts and tools for encouraging partnerships between constituents. Of the participants in this survey, Rhizome.org most closely models a *Network Creative Community*. There are substantial models of NCC like organizations from the traditional independent film and video communities such as NAMAC, AIVF and Media Alliance.

APPENDIX D: QUESTIONNAIRE

The following is the questionnaire used to guide conversations with survey participants during in-person and telephone interviews.

Section 1: General Questions for all Interviewees

1a. Who are you?

Name

Affiliation

Location

What is your profession in relationship to New Media art?

Artist / Designer, Curator, Organization Director, Foundation, Cultural Theorist,
Entrepreneur, Technician / Engineer, Educator, Other

Are you financially supported by your involvement in New Media art?

Full time

Part time

No

If the answer is part time or no, what other types of work do you do?

Is the other work you do related to new media art or technology?

Do you collaborate? With whom (occupation type)?

If yes, how often do you collaborate on your projects?

1b. What is New Media or Interactive Art?

How do you define New Media Art?

Is there a specific term or groups of terms you use to label this art?

Do you think there is a reason/ need to categorize New Media Art according to criteria such as technique, style, methodology, theoretical explorations, etc....

If yes, How would you categorize different types of New Media art?

Section 2: Funding History by Interview Categories

2a. Individuals Artists

Have you ever received funding for any art form?

Donor Organization

Amount

For what type of project? Fellowship? Residency?

Have you ever received funding specifically for new media art?

Donor Organization

Amount

For what type of project? Fellowship? Residency?

How has the funding level assisted or altered the scope of the project?

Have you ever received full funding (from one or several organizations) for an art project? Were there any restrictions on the grant?

What alternative funding or support models for new media art development do you know about?

Have you participated in any alternative funding or support model to support a new media project? In what capacity? Advisor? Panelist?

2b. Organizations

Do you receive funding for the support of your organization?

If yes, is the source from government, foundation, or corporate programs?

What percentage of your funding comes from these separate resource categories?

What kind of support is it? (General operating, re-granting, or project-specific?)

Do you have staff members specifically dedicated to financial development?

If yes, are they involved in other aspects of your organization?

Do you provide assistance to new media artists?

If yes, what kind:

Funding

Name of program

Amount given per year

Type of funding (grants/fellowships/residencies/other)

Selection criteria/process

Number of recipients per year

Access

What type of access: computers, film/video, Internet access

Is it free or subsidized?

Who gets access?

How are they selected? First come, first serve? Competitive process?

Education

Types of classes or workshops

Is it free or subsidized?

Who gets access?
How are they selected? First come, first serve? Competitive process?
Fiscal Sponsorship
Partnerships/ Collaborations (let the organization define this in terms to assisting artists)

2c. Foundations and Government Agencies

Do you fund traditional and/or “new” media projects?

What is the name of your grants giving program(s)?

When did it/they start?

Do you give grants, fellowships, both, or other types of funding models?

Can you describe your funding model?

Have you thought about alternative models?

Do you have an application process? Is it open or restricted (e.g. only for established artists or only for graduate students)?

What does the application entail? (i.e. proposal plus sample work, etc.)

Does your foundation fund individuals, organizations, both?

What is your the range of funding to:

Individuals

Organizations

How much money in total do you grant per fiscal year? How much do you grant to new media?

Does the amount for new media fluctuate from year to year?

If yes, has it increased or decreased?

Are there any restrictions to your funding programs?

If yes,

What are the restrictions for individuals?

What are the restrictions for organizations?

If your organization doesn't fund individuals directly, what methods have you observed independent new media artists use in order to legitimize their application to your guidelines?

2d. Corporations

Do you have a grant-giving program in the arts?

- New media art?
- Entrepreneurial initiatives
- Charities
- Arts Organizations

If so, what is the general amount you give per fiscal year in each area?

How many new media artists are funded per year?

What is the general range of funding an individual artists or group has received?

Do you have an application process?

- If so, what is it?
- And how was the final funding decisions made?

If not, how were the artists or groups selected for funding?

Does your company have an interest in exchanges between the arts, technology and science?

Has your company explored partnerships between new media artists and resources from your company?

If yes, what was the basic structure of the partnership?

- Internships
- Working collaboration
- Access to technology
- Access to technology experts

How many new media artists or groups has your company supported?

2e. Entrepreneurs

Are you an investor or investee?

If you are an **investor**,

How do you support promising new media artists?

- Financially
- Business Plans
- Incubator
- Time, space, money, equipment

What is the range of financial support you give to investees?

Are there any stipulations on that support?
What percentage of the investment do you expect in return?

If you are an **investee**,

Do you have access to venture capital investors?

If yes, how have you initiated your relationship with them?

What are the methods you are using for supporting your ideas?

Fundraising

Foundations, Corporations, Organizations, Government

Venture Capital

New media related

Corporate investment

Private investors

Do you have a business plan?

Do you have a staff?

Do you have facilities?

What amount of funding do you currently have for your venture?

What amount of funding would you need to initiate your venture?

2f. Cultural Theorist and Misc. New Media Arts Supporters

How do you define new media art and it's relationships to other media related arts (e.g. film, video, print, photography, holography, etc....)

How do you support new media artists?

Theory

Critique

Reviews

What types of resources do you think that new media artists need?

Access (to equipment, ideas, people, and places)

Financial (project-specific? Research?)

Partnerships

Recognition

Do you think there are different categories of new media art? If yes, can you explain?

Do you know new media artists who have received financial assistance for their work?

Was the funding level and type adequate to support the work?

How has the funding level or type of support altered the scope of their projects?

2g. University Supported Programs

Does your institution have programs to support professional new media artists?

If yes, what is the name of the program.

Is this program designed for individuals, groups, both?

How many participants do you support per year?

What is the form of support offered through this program?

- Funding
- Equipment access
- Partnerships
- Incubator
- Teaching Exchange

What is the yearly cost of the program?

How much in funding resources is spent per participant?

How are participants selected?

In what ways does the institution benefit from this program?

Section 3: Ideal Funding Models for all interview categories

Considering your experience with new media either as a maker or supporter, how would you design the ideal funding program or opportunity for new media artists?

Prompts for answer:

- What would be the ideal funding model?
 - Fellowship
 - Grant
 - Prestige award
 - Venture capital/ incubator
 - Network creative community
 - Another model
- What would be the funding amount?
- How would the recipients be selected?
- Would there be any restrictions defining eligibility?
- What types of supporting materials would you submit, or want submitted?
- How would those materials be presented?
- Would this be a onetime grant or fellowship, multi-year funding, venture capital.