

For Immediate Release

Contact: Julie McGarvie
651-288-6784
julie.mcgarvie@penumbratheatre.org

Penumbra Theatre Company Announces Fiscal Response to the Recession

February 12, 2009 – Saint Paul, MN – Penumbra Theatre Company, the largest professional African American theater in the country, unveiled prudent fiscal measures in response to the nation's economic recession.

“Over the last five years, Penumbra's board and staff established a strong infrastructure and are committed to remaining fiscally responsible, especially in light of the successful \$3 million campaign in 2008,” said Phyllis Goff, Chair of the Penumbra Board of Directors. “The depth and breadth of the current economic crisis has forced Penumbra to adjust its fiscal expectations for the remainder of the current year ending June 30, 2009 as well as for 2010. These adjustments will have significant impact on the timetable to complete our transition from a debt-elimination model to a sustainable one. However, we remain committed to this goal even though it will take longer.”

In addition to building capacity, Penumbra has expanded its education programs and reinstated the new play development program. Combined with the main stage presentations, these three programs create a tightly woven continuum to ensure that the authentic and unrestrained voice of black playwrights and artists will remain vibrant on the American theatrical landscape. The challenge administratively is to ensure the high quality of the art while ending every year in the black with sufficient cash reserves.

“Nationally, mid-sized theaters, like Penumbra, struggle to realize fiscal stability, and because of their unique challenges, find it hard to move beyond the short term survival mode,” said Teresa Eyring, Executive Director, Theatre Communications Group. “These harsh economic times make it even harder to achieve sustainability, which is why I commend Penumbra's board and staff for being smart about their transition plan and the greater decisions they must make in order to ensure the organization is viable for many years to come.”

Penumbra has implemented the following:

- ***Business Plan Refinements:*** Based on the changing economic conditions, the board and staff are working to adjust the business plan, key indicators and benchmarks. The board is also creating appropriate tools to transition from a managing to a governing board. This process should be complete by June 30, 2009.
- ***FY09 Budget Cuts:*** In anticipation of the potential loss or deferment of income this fiscal year, Penumbra will cut its current 2009 budget of \$3.8 million by 24% or \$912,000. The theater has already cut over \$320,000 in expenses and is continuing efforts to identify the balance without any staff cuts. About \$520,000 of capital expenditures for

renovations of additional office space, which will begin this spring, will remain in the 2009 budget.

- *FY10 Budget Cuts*: The 2010 budget is currently estimated to be approximately \$2.5 million based on the assumption of limited funding and will reflect reductions in all areas of the organization.
- *Main Stage Adjustments*: Penumbra remains committed to produce the entire *20th Century Cycle* by August Wilson. However, these productions require a greater investment to ensure an artistically excellent interpretation. Therefore, Penumbra will only produce one show per season instead of two from the *20th Century Cycle* for the next few seasons. The series began with the 2007-2008 season presentation of *The Piano Lesson* and *Gem of the Ocean*. The 2008-2009 season opened with *Fences* and was originally scheduled to end with *Radio Golf* in May. *Radio Golf* will now be moved to kick off the 2009-2010 season.
 - *Radio Golf* will now run October 1 – October 25, 2009. All patrons have the option to move their tickets to the new corresponding dates; donate the cost of their tickets; or receive a full refund. All patrons who currently have purchased tickets will receive information with more details before the end of February.

“Moving or cancelling a show is always a difficult decision, but I hope that our patrons will support our efforts to build for the future,” stated Lou Bellamy, Penumbra founder and artistic director. “I couldn’t ask for a better team to surround the art. It’s an exciting time for Penumbra - the mission has taken on new life and energy and is even more important today.”

###

PENUMBRA THEATRE was founded in 1976 by Lou Bellamy to make socially responsible art – art that demanded a response, art with intent, art that could create change. At a time when roles for black artists were limited to stereotypes and comical representations, Penumbra produced theater that roared with authenticity through the unrestrained and rich voice of black artists and playwrights. This respect for cultural authenticity became Penumbra’s signature style – and demand for it has reached new heights from theatres around the country fostering collaborations, new productions, tours and awards. Penumbra has achieved a national presence with presentations at Trinity Repertory Theatre in Providence, Rhode Island, Roundhouse Theatre in Bethesda, Maryland, Signature Theatre in New York City, the Kennedy Center in Washington, D.C. and the Guthrie Theater in Minneapolis, Minnesota. This season, Penumbra is proud to co-produce Lorraine Hansberry’s *A Raisin in the Sun* with Cleveland Playhouse and Arizona Theatre Company. For the latest news and updates, visit www.penumbratheatre.org.