2013

Fashionable Sponsorship: Fashion Corporations and Cultural Institutions

Allyson Saca
Seton Hall University

Follow this and additional works at: http://scholarship.shu.edu/dissertations

Part of the Fashion Business Commons

Recommended Citation
http://scholarship.shu.edu/dissertations/1894
FASHIONABLE SPONSORSHIP:
FASHION CORPORATIONS AND CULTURAL INSTITUTIONS

Allyson Saca

A thesis submitted in partial fulfillment of the requirements for the degree of
Masters of Arts in Museum Professions

Seton Hall University

December 2012

Advisor: Charlotte Nichols, Ph.D.
Abstract

Cultural institutions throughout the world have been faced with financial difficulties that have increased at a rapid rate since the early 2000s. There are limited solutions to this problem, but one that has emerged is the funding from fashion corporations. Several fashion corporations have taken these opportunities to simultaneously fund cultural institutions and promote their corporations. These partnerships are widely beneficial for the funding fashion corporations as the connections made with cultural institutions carry a sense of status validation for design fashion itself. This study focuses on three main topics that occur in a wide range of the funding cases: ethics and social responsibility, the role of the government, and commercialism. These topics are discussed within the framework of specific case studies involving: the Tod’s Corporation funding the restoration of the Colosseum in Rome, the Ferragamo Corporation’s donation to the restoration of the Leonardo da Vinci’s *Saint Anne*, and the Ralph Lauren Corporation funding the restoration of the Star-Spangled Banner in the National Museum of American History. Analysis of these donations suggests that funding from fashion corporations has been and will continue to be a huge ally to the continued success of cultural institutions. The thesis demonstrates that funding for cultural institutions is a multi-faceted entity that can be utilized to benefit many beyond the institution: the funding fashion corporation, the visitor, and cultural community.
Table of Contents

Chapter 1: Introduction ............................................................................. 1-4

Chapter 2: Fashion and Cultural Institutions: The Important Partnership .......... 5-25

Chapter 3: Ethics, Social Responsibility, and Motivations ............................. 26-30

Chapter 4: The Role of the Government: Support for Cultural Institutions ......... 31-39

Chapter 5: Commercialism is Key: Financing and Funding .......................... 40-46

Chapter 6: Tod’s and the Colosseum ...................................................... 47-52

Chapter 7: Ferragamo and the Louvre Museum ......................................... 53-57

Chapter 8: Ralph Lauren and the funding of the Star-Spangled Banner .......... 58-61

Chapter 9: The Future of Funding for Cultural Institutions ......................... 62-71

Chapter 10: Conclusion ........................................................................... 72-73

Appendices ............................................................................................. 74-81
   Appendix A: Information regarding restorers of cultural institutions
   Appendix B: Information regarding the bidding process
   Appendix C: Case information: The Bulgari Corporation
   Appendix D: Information regarding government funding in the United Kingdom
   Appendix E: Case information: The Prada Corporation
   Appendix F: Case information: The Gucci Corporation
Chapter 1: Introduction

The future of funding for cultural institutions is experiencing a paradigm shift in the 21st century. With the new millennium, noticeably less funding for cultural institutions has come from the sources that were once considered primary: the government and grants from organizations. At the same time, operating expenses of American and European cultural institutions have continued to increase. Large corporations, specifically fashion corporations, have become involved by providing funding with increasing frequency when funding deficits have occurred in both the United States and Europe.

Fashion corporations have taken the opportunity to sponsor specific cultural exhibitions and restorations. These sponsorships have allowed the corporations to simultaneously support the arts, establish a connection with the cultural world around them, and advertise their corporation. Such associations with cultural institutions (especially museums) have served as a type of status validation for the fashion corporations. Financial support from fashion corporations falls under one of two different types of funding: fashion corporations funding exhibitions (for example, the Chanel Corporation’s funding of an exhibition on Chanel fashion at the Metropolitan Museum of Art) and fashion corporations funding cultural restorations (for example, the Tod’s Corporation’s funding of the restoration of the Roman Colosseum in Italy). Moreover, because of the parallel trend of exhibiting fashion in museums, some fashion corporations have recognized the public’s growing interest in fashion as an art to be exhibited and

1 'Corporation' will be used throughout this paper when identifying the corporations and companies that have made financial contributions to cultural institutions. Specifically speaking, Tod’s and Ferragamo identify themselves as companies on their websites, and Ralph Lauren a corporation. The word 'corporation' will be used uniformly in regards to all three.
preserved for future generations; thus making these fashion and cultural institution partnerships twice as prevalent in the museum world of today.

This thesis addresses the ways in which fashion corporations see partnerships with cultural institutions as a type of status validation. An examination of the cases of the Tod's Corporation and the Roman Colosseum, the Ferragamo Corporation and the Louvre Museum, and the Ralph Lauren Corporation and the Smithsonian's National Museum of American History, demonstrates that there is an increasing acceptance of fashion as art by museums and cultural institutions. Factors to be examined include the cultural institutions in need of funding, the corresponding governments that have reduced funds available to the arts, the potential financial gain for all parties involved, and the future of funding for cultural institutions. The paradigm shift experienced following approximately 2000 is not one of chance but a result of the combination of the factors listed above.

Cultural institutions are in need of funding or they will not survive. The American Alliance of Museums Code of Ethics and the International Council of Museums Codes of Ethics provide the guidelines and recommendations for how funding for museums should be handled and executed. The American Alliance of Museums (AAM) Code of Ethics details that: “Although diverse in their missions, they [museums] have in common their nonprofit form of organization and a commitment of service to the public... Where conflicts of interest arise—actual, potential or perceived—the duty of loyalty must never be compromised.” The International Council of Museums (ICOM) Code of Ethics states that:

"Governing bodies and those concerned with the strategic direction and oversight of museums have a primary responsibility to protect and promote this heritage as well as the human, physical and financial resources made available for that purpose...Museums hold resources that provide opportunities for other public services and benefits; Museums work in close collaboration with the communities from which their collections originate as well as those they serve; Museums operate in a legal manner." 3

It is important to review these codes before reading this paper with the objective to better understand the positions that governing museum organizations take on funding. This understanding will facilitate a better assessment and review of the cases studied in this paper.

The state of research on the topic of fashion corporations funding cultural institutions received scholarly attention beginning in the later part of the 20th century. The increased interest in the topic can be traced to issues concerning cases of funding for cultural institutions have developed only within the last four decades. I have drawn from the works of scholars such as Valerie Steele and Alexandra Palmer, who are two of the leading researchers on the topic of fashion and museum display. Even though both of these scholars (along with others referred to throughout the paper) have greatly added to the study of museums, fashion, and display, there has been no formal assessment of the study of fashion, funding, and museums to date. This essay is the first to give an overview of the relationship between funding, cultural institutions, and fashion. Through the use of blogs, an interview with Carl Hamm, articles in news and media, scholarly essays, and other sources, the analysis of this emerging museum subject sheds light on why this topic should be more openly discussed. The sensitivity of this topic affected

requests for meetings; discussing where cultural institutions receive funding, especially from fashion corporations, is not widely talked about.

This paper is primarily focused on issues as they developed in the mid-to-late 20th century and through the present month (December 2012). Other cases and background information, such as the history of fashion exhibitions, date to the early 1970s and earlier. Since there are many different time periods being referenced in this paper, most of the amounts of money being discussed are converted into American dollars as of November 2012, which are presented in parentheses unless otherwise noted.

Throughout the paper, the term 'cultural institution' will be used in the place of many phrases that apply. Unless specifically noted, this phrase applies to museums, places of cultural heritage, churches, galleries, and historical preservation sites.

4 All of the monetary conversions were obtained from the website: http://www.xe.com/ucc/.
Chapter 2: Fashion and Cultural Institutions: An important partnership

The different ways of presenting fashion to the public through museum exhibitions and cultural institutions has changed considerably since the 1970s. In keeping with the belief that museums can be places for fashion to be exhibited as art, presented as intellectually accessible to the public, and used as a tool to inspire future generations of designers and consumers alike, exhibitions devoted to fashion have gradually become omnipresent.

The role of the sponsor in these cases has led cultural institutions to evaluate the tension between exhibiting fashion as art and using the museum as a sponsorship-marketing tool. A review of the history of the relationship between fashion and cultural institutions is necessary to understand the current issue. This chapter will examine the background of fashion exhibitions in the 20th century, the idea of fashion as art, the connection between fashion and museums as a status validation for the fashion corporation, the rise of the blockbuster exhibition, the funding from fashion corporations, and the rise of the museum dedicated to a specific fashion house.

Fashion in Museums

The origins of exhibiting fashion in American and European museums can be linked to textile displays in the second half of the 19th century. For example, the Victoria and Albert Museum in London collected and displayed utilitarian clothing soon after its founding in 1852, and the Museum of Fine Arts in Boston received as a gift its first example of historic fashion dress in 1877. While today exhibiting historic dress and
fashion is common at the Victoria and Albert Museum because of their strong decorative arts collection, fashion in the 19th century initially seemed "unworthy" of being in a traditional fine arts museum. Fashion (as well as costume dress) was considered a craft, not an art and was displayed as such. The utilitarian function of clothing distinguishes clothing from the fine arts.

Throughout the early 20th century fashion-focused exhibitions began to gain popularity throughout Europe and America. In 1900 fashion was exhibited at the International Exhibition in Paris at the Palais du Costume, and in 1913 the Victoria and Albert Museum mounted an exhibition on 18th century dress. Shortly thereafter, in 1915, the "Design Laboratory" was founded at the Brooklyn Museum as a teaching collection and a source of inspiration for American designers.5 By about the middle of the 20th century fashion in museums played a different and more powerful role.

The history of the Costume Institute at the Metropolitan Museum of Art (hereafter MMA) is useful to review with regard to the evolution of the fashion exhibition in the museum. Officially established as a department at the MMA in 1959, the Costume Institute is located at the ground level of the museum with 5,000 square feet of exhibition galleries currently being renovated.6 Before the tenure of Diana Vreeland as the director of the Costume Institute at the MMA in the 1970s, most fashion exhibitions focused on a specific theme, time period, or historical figure. For example, in 1940 the MMA curated the show "Retrospective Exhibition of the Paris Openings: 1932-1940".7

Marrying design, drama, fashion, and theatre, Diana Vreeland’s exhibitions were intended to be controversial and thought-provoking. Lighting, smells, and sounds were all used to heighten the experience the visitor had when visiting a Vreeland show. For example, the exhibition “The Manchu Dragon: Costumes of the Chi’ing Dynasty” (1980) was criticized for being theatrical for having exhibition space scented with the Yves Saint Laurent perfume “Opium”. No longer necessarily designed in a specific chronological order, Vreeland had been criticized as having ignored historical facts for the sake of the fashion. She was once quoted as having said, “The public isn’t interested in accuracy— they want spectacle,” and “I don’t want to be educated, I want to be drowned in beauty!” This is the era that ignited the questioning of motivations behind those involved with the fashion exhibitions, financially and curatorially. 8 The phenomenon of fashion exhibitions in art museums became controversial under the direction of Diana Vreeland; the explosion of exhibiting fashion as a fundraising method can be easily attributed to the exhibitions she designed. A curator at the Costume Institute and a former editor of Vogue, Vreeland worked under Thomas Hoving, the director of the MMA from 1967 to 1977. During this era blockbuster exhibitions accompanied the expansion of the press attention on museum (and specifically fashion) exhibitions. 9

Examples abound of the many ways in which Vreeland revolutionized the fashion exhibition, and some include the controversies revolving around sponsorship. The most prominent of these surrounds the 1983 exhibition of Yves Saint Laurent, the first major museum exhibition focused on a living designer. The close ties that the exhibition had

with the designer inflamed critics, many of whom questioned the financial motivations behind exhibiting a designer who could potentially benefit financially from the exhibition. Not everyone agreed; one of the more positive opinions of the exhibition was held by Suzy Menkes, who in 1997 stated, “By giving Saint Laurent the first museum show of a living designer, [Vreeland] raised the aspirations of fellow couturiers, who now often stage self-curated (and self-vaunting) shows.”

The hypothetical potential for designers to one day have their work exhibited in a museum gave rise to the notion that the museum quality exhibition was (and is) of the highest caliber, and must be obtained as a status validation in the design profession.

Achieving recognition by a museum may be an aspiration for some designers, but it is the curators behind the fashion exhibitions that solidify that achievement of recognition. With many curators focused on exhibiting fashion, over the years a few have emerged as key players. Andrew Bolton, Germano Celant, Harold Koda, Richard Martin and Claire Wilcox have all held major roles in the development of the fashion exhibition in museums. Andrew Bolton stated once that, “Our exhibition strategy is very specific, present costume as living art.” Richard Martin, active Costume Institute curator from 1993 until his death in 1999, has been recognized for playing a significant part in getting people to take fashion as an art form seriously. Considered a mentor by many fashion curators, Martin worked closely with Dianna Vreeland. When asked about the future of fashion in the museum, Harlod Koda, of MMA, commented, “Clearly the

---

critical as well as popular success of the [Alexander] McQueen show suggests that fashion design has a more secure place in the precincts of an art museum. What is endlessly fascinating about fashion is that it can be approached and interpreted from so many different angles." 14 The ever-present theme of fashion as art among these curators, when united with museum quality standards of exhibitions and curatorial integrity, creates a dynamic and intellectually responsible exhibition.

The rise of fashion exhibitions coupled with fashion corporations establishing themselves as financial sponsors of cultural institutions has paralleled the rise of the question: “Is fashion museum-quality art?” Suzy Menkes wrote in 2012: “The long debate about whether fashion is art is being turned on its carefully coiffed head...Is art now more fashionable than fashion?”15 Fashion and art are so intertwined that it can be hard to tell them apart: art and fashion collaborations seem to know no borders. When fashion is exhibited with art, in a museum for example, the fashion is elevated to another level, and those who participate in exhibiting fashion as art are making a statement. It could now be considered “Wearers are now walking canvases, clothes are now statements.”16

Beyond marketing and advertising, there are curatorial conflicts that arise with fashion exhibitions. Museums have to manage the expectancy that they will offer exhibitions with educational and intellectual content. However, as seen in the cases studied below, costume and fashion exhibitions do not always succeed in producing such content. The exhibitions can, and have been, well-received by the public, but often as

only pure visual experiences and not educational ones. For example, the summer 2011 exhibition “Savage Beauty”, which highlighted the fashion creations of Alexander McQueen, drew 661,509 visitors to the MMA. This attendance number is impressive in comparison to June 2010 (non-fashion) exhibition “The Art of the Illumination.” This exhibition was on view for relatively the same length of time as the McQueen exhibition but showcased medieval manuscripts and was viewed by 120,500 visitors. How can museums avoid these potential attendance differential calamities? Is there more to teach the visitors of these exhibitions beyond what the retrospective of the designer is teaching? In what ways can they educate the public with these shows? One might consider that fashion designers might have found the McQueen exhibition educational for them, but historians of dress might not have considered the exhibition educational because of the lack of a scholarly publication to accompany the show. These are the difficult issues that each museum needs to evaluate before developing fashion exhibitions, especially those with corresponding corporate fashion sponsors.

John E. Buchanan Jr. (d.2011), director of the Fine Art Museums of San Francisco, firmly believed fashion designers are artists. He stated in 2011, “In considering a monographic exhibition, we look for ‘the genius factor.’ We want the designer who is seminal- who has created a singular vision, silhouette, technique or style unlike that which came before and who has a broad-reaching oeuvre that inspires and

influences successive generations of designers.” Buchanan’s point of view shows that fashion as an art to be exhibited is not specific to one city or type of museum, but can be presented at a wide range of cultural institutions with the right designer and inspirational objective.

Museum curators have the challenge of deciding to what extent a living designer should be included in the development of an exhibition. A controversial topic in its own right, it seems as though the opinions on this specific issue vary. Thus, when dealing with individual designer exhibitions, the curators are faced with the challenges of integrity. The curatorial agenda may clash with the notion that fashion is fashionable; a clear crowd pleaser creates blockbuster exhibitions; and museums right now are fashionable for fashion. Valerie Steele concludes that “Designer exhibitions can obviously be self-serving, but it should also be emphasized that these exhibitions can play an important role in assessing the contributions of particular individuals.” The positive of presenting fashion exhibitions, she argues, is the larger role the museum can play in the acknowledgment of a particular designer or fashion house. Fashion in museums has a long history, and with viewpoints like the one Steele presents, fashion exhibitions will continue to flourish.

Fashion as Art in the 21st century

The connection between art and fashion extends to the fashion designers. They are now considered artists in their own right, as noted above, and exhibitions in museums

22 Ibid., 20.
highlighting certain fashion designers may make a strong connection with art.

The exhibition “Versace at the V & A” at the Victoria and Albert Museum (London) in 2002, was accompanied by a publication titled *The Art and Craft of Gianni Versace*. The “Art” section, for example, demonstrated Versace’s reference to artists such as Andy Warhol and Roy Lichtenstein in his designs for clothes. While art and fashion have been intertwined since the Middle Ages when the concept of fashion first emerged, this more recent overlap of fashion designers and modern artists is another example of ways in which the two are forever intertwined.

Integrating fashion and art allows for both mediums the opportunity to boost the notoriety of the other. For example, Ingrid Loschek explores the different ways fashion can be viewed and makes note that sometimes, whether art or fashion “The art is in the viewer”; she recognizes that the definition of art has changed over the course of history and continues to change now. Another factor Loschek writes about is the context in which the observer is viewing fashion. Within a cultural institution, fashion will look more like art than if it were displayed elsewhere, such as in a department store. “One shared aspect of art and fashion is that both create an artificial image of the human being…” Art lifts fashion to a different and higher level of a visual language.

Fashion acquired further associations with art in September 2010 when the Mercedes-Benz Fashion Week was moved from Bryant Park behind the New York Public Library to Lincoln Center of the Performing Arts in New York City. This move solidified to some that fashion is an art that benefits from being presented in the same space where

---

25 Ibid.
some of the most important performing arts are displayed. This “significant cultural moment” is recognized because “incorporating fashion into Lincoln Center not only recognizes the cultural significance of this visual medium. It reframes fashion as a performing art…”  

Many fashion corporations have begun to self-curate by hiring archivists to organize and catalogue their collection, many times with the intention that eventually someone will want to exhibit these pieces of wearable art. For example, the Chloe Corporation recently hired an archivist with the intention to “reconnect the brand with its heritage and confirm its place in Parisian fashion history as an innovator in creating luxury ready-to-wear.” Archiving solidifies the connection with museum quality standards in the sense of creating scholarly record typically undertaken for conventional forms of art. Similarly, steps are taken to track and record art (whether painting, sculpture, or photographs), leading us to recognize the ways fashion is not far from art in terms of being compared to collecting and preservation techniques.

The 2011 Jean Paul Gaultier show, “From the Catwalk to the Sidewalk,” involved many of the themes discussed heretofore. The director of the Montreal Museum of Fine Arts, Nathalie Bondil, ensured there was a clear connection made between couture fashion, art, and the museum’s mission when choosing to host the exhibition. “We try to promote social, humanist values in the programming far beyond art. When art supports a more engaged message it reaches all kinds of people, not only the amateurs and specialists: the museum then talks a universal language.” For Ms. Bondil, fashion from

Jean Paul Gaultier (in the form of a blockbuster exhibition) is a language that can connect the public the museum serves. This author can personally attest to the attractiveness of the show to the larger community as an exhibition about fashion as an art. At the DeYoung Museum in San Francisco the commercialism of the exhibition included, for the visitor, the conclusion of the exhibition winding through a store that was selling Gaultier clothing.

**Fashion and Museum Funding**

Conflicts surrounding the role of the sponsor, specifically in museum exhibitions, have become increasingly pronounced. Cases that include questionable sponsor actions coincide with some of the more impressive exhibitions and restorations. Problems arise when the sponsor interferes with the exhibition development and curatorial process. For example, the controversy that surrounds the $15 million donation to the Guggenheim Museum made by the Armani Corporation 2001 is considered an example for museums of 'what not to do' in terms of including the fashion designer being highlighted to influence the curatorial development of the exhibition.

The Guggenheim's exhibition on Giorgio Armani was criticized with regard both to his status as an active designer and his donation to the museum. The ethical controversies that arose from this show included Armani's involvement in the curating to some extent; the claim that the money donated to the museum was the reason for the show in the first place; and the commercial motivations behind the donation and exhibition. A critical response to the exhibition by Robert Muschamp included that he

---

“respected fashion, respected ‘Armani’s artistry.’” He wrote, “it was ‘grand to display fashion in an art museum. But showing fashion in a museum is one thing. Importing fashion-world values into a museum’s decision-making process is another.” 29 Other responses generally addressed both the idea of fashion display in the Guggenheim and the financial involvement of the Armani Corporation: was the Guggenheim the place to be exhibiting fashion or should the Armani Corporation never have been involved in the financial aspects of the exhibition? Alexandra Palmer quoted a review of the exhibition that noted, “the stunning eveningwear and women’s sportswear that dress the museum’s cylindrical hallways will likely prove an irresistible enticement to buy, buy, buy.” 30

The Chanel exhibition at the Metropolitan Museum of Art in 2005 also could not evade controversy. The show was initially scheduled for 1999, but the apparent curatorial conflicts with the head of design for Chanel, Karl Lagerfield, forced the museum to cancel. Along with the cancellation of the exhibition came the retraction of the $1.5 million the Chanel Corporation had planned on donating to the Costume Institute. Six years later the show was renegotiated and had a large turnout. A total of 463,600 visitors attended the show 31, over twice as many that attended that same year for the exhibition “The Art of Medicine in Ancient Egypt, which had an attendance of 222,465. 32 This time the exhibition was funded by the Chanel Inc; it juxtaposed garments by Gabrielle “Coco” Chanel with those of a similar type of design by Karl Lagerfield. The display format thus

---

facilitated as a dress-by-dress close comparison of the work by the two designers. The funding controversy and the display format were both negatively received by the public as well as the press, historians, and museum professionals across the country. The results were harsh criticism of the museum being a gigantic advertisement for Chanel.  

For historians, the lack of a scholarly catalogue to accompany the exhibition at the MMA seemed to confirm the exhibition as having a more aesthetic objective than an educational one. For example, the accompanying publication included images of the garments in the exhibition and was limited to a text by Karl Lagerfeld.

At 661,509 visitors, the 2011 Alexander McQueen exhibition at the MMA was the eighth most attended show the museum has held to date. The MMA’s approach to this exhibition seemed thematic and interpretational: putting fashion in a context. Andrew Bolton, a curator at the MMA’s Costume Institute, stated that the museum’s criterion for a monographic show is whether the designer “changed the course of fashion history.” It was presented that clearly McQueen’s designs have done so, and the MMA capitalized on this through the exhibition. Herein lies the question: will the MMA continue to present exhibitions on such a large scale for the blockbuster attendance numbers, or the criterion of fashion-altering designers? Both the Chanel and McQueen exhibition lacked the scholarly catalogues that typically accompany exhibitions produced by the other departments at the MMA or earlier Costume Institute exhibitions at the MMA. This lack of information has seemed to go unnoticed or ignored by museum professionals and the

public because there has been very little backlash from the format of these catalogues and the success of the exhibitions.

Blogger Lee Rosenbaum (author of the blog CultureGrrl) wrote about the idea of a “sponsor as muse” in connection with the Metropolitan Museum of Art’s 2009 show “The Model as Muse,” featuring sponsors: designer Marc Jacobs, Conde Nast Publications, and the editor of Vogue Anna Wintour. After reviewing the exhibition, Rosenbaum suggested a new type of model for future MMA Costume Institute exhibitions. She proposed, “No major sponsorship should be solicited or accepted from a business or individual having substantial professional and financial interest in the specific contents of the show.” These conflicts, she goes on to suggest, whether they are real or perceived by the public, undermine the true intention of the exhibition.

Despite lingering questions of appropriateness, museums realize that fashion exhibitions increase museum revenue. Fashion draws visitors to the museum and allows them to connect with it. Personal style can be reflective and self-defining; museum exhibitions can play on the personal connection the visitors will have with the objects on display and the clothing in their closets. Like art, looking at fashion in the context of an exhibition may have a different meaning to each visitor. Interpretations can and will be different depending on the visitor’s personal relationship with fashion and clothing, and museums can use these connections to draw in visitors.


Fashion and Commercialism: funding through commercialism

The commercialism associated with museum fashion exhibitions can be in the form of blockbuster shows, museum shops, and the corresponding corporate sponsorships. In the early 20th century, department stores in major metropolitan cities in Europe and the United States began for the first time to stage fashion shows of couturiers. “Motivated by profit, store managers exploited novel advertising and retail strategies, including seductive shop window displays, to seize the public’s imagination and rival the museum as a source of visual delight and instruction.”38 By 1910 the department store Wanamaker’s was showing couture gowns from Paris in fashion shows in their New York City and Philadelphia stores; these stores would then copy the fashions to sell to the shoppers. By the 1920s, other retailers across the United States were holding fashion shows, attracting thousands of customers. 39

Even John Cotton Dana, director of the Newark Museum between 1909 and 1929, agreed that, through the rise of commercialism and effective window displays, department stores held a strong influence over their customers. He stated, “A great city department store of the first class is perhaps more like a good museum of art than are any of the museums we have yet established.”40 The displays of the earlier part of the century gave way to the blockbuster exhibitions of the 1960s and beyond. “In 1963, as a Cold War demonstration of cooperation between ‘free world’ allies, the Louvre sent Leonardo’s Mona Lisa to the National Gallery in Washington, an event that drew some

40 Andrew McClellan, The Art Museum from Boullee to Bilbao (University of California Press, Berkeley, 2008), 204, 211.
two million people... The modern 'blockbuster' era had begun" as a major source of revenue for the museum. 41

The commercialism associated with these blockbuster exhibitions was demonstrated when visitors took the opportunity to buy the accompanying items such as posters, t-shirts, and mugs. An increase in museum shop sales, along with overall attendance, was an easy indicator that the blockbuster shows were moneymaking ventures that the museums would soon need to embrace to stay afloat. In the late 1990s and early 2000s, the Museum of Fine Arts in Boston created specific departments such as marketing, development, and visitor services. The creation of these departments sparked an increase in commercialism opportunities, such as: "singles evenings," dog shows, and business receptions. 42

The potential for both commercialism and elevated cultural status became attractive to fashion corporation sponsors in the early 2000s. The increase in the importance of commercialism led to museums branding themselves; sponsors wanted to be attached to a well-known museum. As Alexandra Palmer wrote, "Today the boundaries between academic curated exhibitions and exhibitions that are really marketing are often blurred." 43 As Denver Art Museum’s Christoph Heinrich insisted: "The moment where we would become an instrument in a marketing campaign, we would lose our not-for-profit credibility." 44 Heinrich revealed that the Yves Saint Laurent exhibition was supported with loans from the Fondation Pierre Bergé-Yves Saint Laurent, which is described as an organization independent of the fashion house. Whether or not

41 Andrew McClellan, The Art Museum from Boullee to Bilbao (University of California Press, Berkeley, 2008), 204, 211.
42 Ibid., 214-6.

19
the 2012 exhibition “Yves Saint Laurent: The Retrospective” was seen as a marketing tool for the Yves Saint Laurent Corporation, the overlap between the fashion corporation and the funding organization is not just the interest in Yves Saint Laurent fashion; Pierre Bergé was Yves Saint Laurent’s business partner.

As mentioned, the fashion exhibitions can be considered the height of fashion for both the museum and fashion designer. What is it that has led to such an increase in interest in these shows? More people (museum visitors) can afford fashion, via mass marketing, of the names of designers that they see in the museums. For example, the Alexander McQueen fashion corporation also designs a line, “McQ”, which sells dresses and other such items around $300, making them more affordable to a larger number of customers versus the average $3,000 dresses the fashion corporation sells. Through Bloomingdales and other such retailers, these affordable clothes allow the visitors to make a deeper connection with the museum exhibition.

The increased emphases placed on the Metropolitan Museum of Art’s Costume Institute annual fundraising gala, “Met Gala,” together with the ubiquitous conflict of these exhibitions being large marketing tools, helps us confirm that indeed, fashion is fashionable. Reasons behind this conclusion that fashion is fashionable include the gala is sponsored by a fashion magazine, the gala presents fashion as art, and the attendees make personal connections with fashion. The gala is the one night that fashion is linked to a specific exhibition. Highlighted as “wearable art,” the attendees of the gala interact with the event through what they choose to wear that evening. The fashion worn by the guests, as well as the fashion displayed in the exhibition, in conjunction with the prestigious

MMA, elevates the status of the clothing included in the gala beyond clothing, but wearable art.

The Fashion Corporation as Museum

The rise of fashion in museums has led the way for the development of fashion corporation museums. The Ferragamo, Balenciaga, and Gucci corporations have all established museums with the intention of presenting and preserving both the artifacts and the business history of their specific corporations. The Gucci and Ferragamo museums can be found in Florence near the Via Tornabuoni (comparable to New York City's Fifth Avenue and famous for its high-priced designer shopping) in medieval buildings, surrounded by the city's cultural legacy that fostered the design aspirations of Florentine natives Guccio Gucci and Salvatore Ferragamo. Balenciaga's museum can be found in the designer's native town of Getaria, Spain (which, unlike Florence, is not a big shopping destination). The opening of these museums has drawn mixed reviews, but the main objectives seem to be boosting the companies' image in an increasingly competitive industry and connecting fashion with art. 46

Opened in May of 1995, the Ferragamo museum pioneered the practice of "packaging" the corporation's history and "museumizing" the products as objects to be observed by the public. The museum's mission reads in part, "to design, organize and promote exhibitions, seminars and other events focusing on contemporary fashion culture in the widest sense. This reflects the sensibility of a major enterprise like Salvatore Ferragamo regarding nascent phenomena in art, design, entertainment, advertising and

information that influence the substance and style of people's clothes and lives." Even though the museum focuses heavily on the life and work of Salvatore Ferragamo, who died in 1960, the museum presents designs up to the present day, and holds a competition for young footwear designers each year.47

Opened just months before the Gucci museum (June 2011), the Balenciaga museum in Getaria, Spain, was designed with many objectives. The first was to "develop an ambitious programme of exhibits and events aimed at raising the profile of Cristóbal Balenciaga, highlighting his important role in the history of fashion and design, and his legacy on today's world of fashion." 48 The second objective was to "do a Bilbao"49 and encourage tourism in Getaria (which is located towards the very Northern coastal part of Spain near the border of France). With the opening attended by the Queen of Spain, the Balenciaga museum is dedicated to temporary exhibitions focused on Balenciaga's legacy through his influence on other designers.50

The Gucci Museum, the most recent of these three museums to open (September 2011), presents itself as a "facing off past with present" by presenting to the public the history of the famous Florentine fashion house. As the current designer for the fashion label, Frida Giannini, says the museum will be able to "mix fashion with art."51 Thus, the museum was built to ensure that all those who want to learn about Gucci have the opportunity to do so within the museum. Not without controversy, the museum

47 Ferragamo Museum website: http://www.museoferragamo.it/en/
conveniently sells Gucci products, as well as takes reservations for the café on the ground floor, which looks out onto the famous Piazza della Signoria. 52

Whether considered a trend or a shift in the role fashion corporations will play with museums in the future, these museums devoted to one designer take cues from museums in regards to display, creating and fulfilling a mission, educating, and serving the larger community. A different form of social responsibility but nonetheless beneficial, the Gucci Museum donates fifty percent of the six euro entrance fee to help the City of Florence preserve and restore the city's signature art treasures. 53 The Ferragamo museum describes itself as a "corporate" museum, but it highlights the works of upcoming shoe designers through its annual competition. The museum website states that "The proceeds from ticket sales are used to finance scholarship for young footwear designers..." The Ferragamo museum is extremely transparent about where the proceeds from ticket sales go- right back in to the museum- which provides support for graduate student research and loans.54

Conclusion

Valerie Steele, in 2008, argues, "There is no reason why exhibitions cannot be both beautiful and intelligent, entertaining and educational."55 Museums may grapple with the idea of fashion as art, as well as the role they need to play in maintaining their missions of educating the visitors and keeping curatorial integrity, but the surge of fashion exhibitions highlights the wide acceptance of fashion as a source of revenue

linked with commercialism. With this increase have come repeated questions regarding
the future of fashion in museums. Primarily, are there explicit museum quality standards
by which the fashion exhibitions should be held, such as display and related educational
programs? Are there specific points of interest that would give these shows more of the
"museum quality" experience?

It should be considered that with the use of technology, such as email, mass
advertising, websites, and blogs, there is a global participation in the fashion world. This
larger audience not only attracts money to the fashion designers and marketing to their
brands, but an interest in all things with regards to fashion, including exhibiting
collections. 56 As Pamela Goblin identified, "There's a loyal following- besides the fact
that fashion is fashionable, there is something very intimate about clothes." 57 How will
this sentiment influence the future of fashion exhibitions?

The content of fashion exhibitions will continue to evolve from a focus on
specific designers to a more thematic approach; this parallels trends in other disciplines,
for example the development of the 'new art history' or the evaluation of objects in terms
of their larger social and cultural context. "The new art history, in turn, helped give birth
to what might be called the 'new' fashion history, which also places greater emphasis on
analyzing the meanings of cultural objects and practices."58 While we may not be able to
predict what will be the exhibition trend of the next decade, Alexandra Palmer, when
quoting a text panel from the Cooper-Hewitt Museum exhibition "Colors in Fashion" in
2005 by Akiko Fukai, wrote, " 'This is not your usual museum fashion exhibition.' To

56 "Gone Global: Fashion as Art?" last date modified July 4, 2011. http://www.nytimes.com/2011/07/05/fashion/is-
exhibitions-thrive-at-museums-5388845?full=true.
which I would counter—equally aggressively—‘But what is the ‘usual’ fashion
exhibition?’”59 The popularity of fashion exhibitions (as seen in the increase of
attendance at the MMA during the Alexander McQueen exhibition) will continue to link
the world of museums and cultural institutions with the world of fashion. The extent of
these links will only be decided by those who fund and curate the shows.

The following chapters highlight the ways that the history of fashion, fashion
corporations, and museums detailed here influenced the development of fashion
corporation sponsorships. Many factors play parts in successful fashion and cultural
institution funding partnerships. Understanding the ways in which museums in the past
have been commercialized, advertised, and accepted by the public may lead to better
understanding of the importance of fashion corporations funding cultural institutions. As
previously noted, the phrase ‘cultural institution’ will be used throughout this paper, and
applies to a multitude of institutions. Museums, historical landmarks, places of cultural
heritage, and other such institutions constitute ‘cultural institutions’ in this paper unless
noted otherwise.

Chapter 3: Ethics, Social Responsibility, and Motivations: Fashion and the Cultural Institution

The majority of cultural institutions operate with the sole purpose of serving the public. Corporate donors have been motivated to donate with the ethical and social responsibility to keep cultural institutions operating. Each corporation sees their participation as a “civic duty” and “responsibility”. The funding corporations’ objectives have resulted in a paradigm shift of funding for cultural institutions, including museums, places of cultural heritage, churches, galleries, and historical preservation sites.

This chapter highlights some of the ethical reasons why fashion corporations fund cultural institutions. In contrast, independent groups that have formed over the years with the sole purpose of protecting many of these institutions are presented. These groups, affectionately referred to as the “watch dogs”, are explained in the last part of this chapter. While the “watch dogs” and fashion corporations have similar objectives, the ethical reasons behind each group’s actions are contrasted and explained below.

Ethical and Social Responsibility

One of the major reasons corporations donate to cultural institutions can be found within their own cultural heritage. The connections between the funding corporation and cultural institution in need of financial help have resulted in many corporations taking the opportunity to help preserve what they consider their own national history. Within each case studied the corporation has a strong cultural link to the institution they have decided to fund. A deep cultural connection becomes apparent when the donor encourages other corporations to get involved, ignores the potential gains from the donation partnership,
and puts aside the best intentions of the corporation for the betterment of the cultural institution.

Maintaining integrity (particularly transparency) to the public of the city the cultural institution receiving funding is key to maintaining harmony. Conflicts arise when this integrity is compromised. Some of these conflicts are results of issues concerning: advertising placement during the restoration process, the people chosen to conduct the restoration, and the bidding process to chose the corporation to fund the project. (More information on the restoration and bidding topics can be found in Appendix A and Appendix B, respectively.)

These funding projects are multi-faceted tools benefitting many throughout the process. Along with a social promise to the people who visit these cultural institutions, the donating fashion corporations have many different motivations behind their donation.

Motivations

An inherent motivation is to advance the brand of the corporation funding a restoration or exhibition despite the ethical suggestions to ignore and avoid potential gains for the corporation. If it were not, many of these millionaire fashion corporation owners would donate anonymously or not get involved at all. The practice of cause-related marketing can be directly linked to both the ethical and financial motivations.

"Many goals and benefits of cause-related marketing for the profit-based organization, not surprisingly, are similar to those for corporate social responsibility in general, including increased sales; enhanced corporate prestige and credibility; marketing entry; appeals to new investors; a competitive advantage; attracting, motivating, and retaining
committed employees; customer retention; achieving marketing differentiation; and reduced customer sensitivity to price and product attribute differences.  

Beyond advancing the brand through donations, fashion corporations stand to benefit from the consumers they will potentially reach and the long-term financial gain that can be expected. In terms of general publicity, these fashion corporations are gaining a whole new set of consumers that are exposed to the brand through these donations. Some include fashion consumers that will recognize the brand from the advertisements and billboards, tourists, locals, and others who will visit these cultural institutions will be exposed to the advertising of the donating corporation.

Connections made with cultural institutions can be seen as a status validation for the corporation. Cultural institutions are held to a high caliber of education and knowledge, and fashion corporations want to be associated with the artistic status of these institutions. The changing impression that associations with museums are trendy in the early 21st century is a further motivation for fashion corporations to get involved. Fashion corporations are always trying to keep up with their competition, and recognizing the ways some fashion corporations are advertising their brand through the cultural donations has led other corporations to donate as well.

The "Watch Dogs" of the Cultural Institutions

The general agenda of the "watch dog" groups is to preserve the integrity of the cultural institutions receiving funding from fashion corporations. These groups monitor that the objectives of the funding fashion corporations are in line with the integrity and

---

missions of the cultural institutions receiving funding. There are many different organizations that have made it their mission to support cultural institutions all over the world. Two are highlighted in this chapter: Europe Nostra and Italia Nostra.

Europa Nostra

Europa Nostra is an European organization based in the Netherlands dedicated to protecting cultural heritage in Europe. Primarily focused on lobbying and campaigning for heritage sites in danger, the organization is in favor of private corporations funding cultural institution restorations. Sneska Quaedvlieg-Mihailovic is the Secretary General of Europa Nostra and she spoke out about the case of the Tod’s Corporation funding the Colosseum restoration (case study 1). She said, “We at Europa Nostra and anyone dealing with heritage would say that it’s wonderful to have private companies and individuals wanting to support heritage at a time when public budgets are being cut.” 61

She worries, though, that governments across Europe will begin to loosen restrictions on funding to make it easier for corporations to step in and financially support restorations. Without restoration and funding guidelines in place, Quaedvlieg-Mihailovic worries the places of cultural heritage will be taken advantage of and will become gigantic billboards. 62

Italia Nostra

Italia Nostra (meaning ‘Our Italy’) is an Italian group based in Italy dedicated to preserving and protecting the cultural heritage throughout Italy. As described on the

62 Ibid.
website, Italia Nostra “contributes to the country a ‘culture of conservation’ of urban and rural landscape, the monuments, the environmental cities.” The mission of the group is organized into three main components: protecting, campaigns, and pursuing new ways to save the monuments that add to the value of Italian life.

The president of Italia Nostra believes there is an ethical line that cannot be crossed. Alessandra Mottola Molfino specified that, “We can increase efficiency and improve results but we can’t commercialize everything. The lesson that goes out is that there is a price for everything.” This is important to keep in mind because even though there might be large sums of money donated for restorations, there is a limit of what can be yielded from the donations for the corporation involved.

Conclusion

The ethical and social responsibility of the funding project is part of the allure that get fashion corporations involved. The financial gain, in the form of brand advancement, can be seen as a benefit to the corporation. While the funding fashion corporation may draw more attention to the cultural institution, the city where the corresponding institution is located will benefit from the increased tourism, press attention and, most importantly, from the funding the city did not have to spend on the restoration because it was supplied by the fashion corporation. The “watch dog” organizations in these cities play large roles in making sure the integrity of the cultural institutions receiving funding is upheld. Other positives of these donations will be discussed in greater detail in the chapter “The Future of Funding for Cultural Institutions”.

63 Italia Nostra Website: http://www.italianostra.org. (as translated by Google translator)
64 “Walls of Ads Test Venice’s Patience,” last date modified September 13, 2010.
Chapter 4: The Role of Government: Support for Cultural Institutions

Since approximately 2000, cultural institutions across Europe and the United States have seen drastic cuts to their budgets. Large operating budgets many cultural institutions once knew are gone. Without the money to fund the cultural institutions of their countries, national governments have had to accept or actively solicit corporate donations. Many fashion corporations have made themselves available to replenish some of the lost funding. Specifically in Italy, France, and the United States there is a massive surge of fashion corporations supporting the arts. To better understand how and why these fashion corporations have stepped in along with the resulting paradigm shift, one must look at the history and reasons behind the lack of funding from these governments. (For information on the funding for cultural institutions in the United Kingdom see Appendix C).

Italy

Italy is home to 44 UNESCO World Heritage Sites as well as approximately 5,000 museums and 60,000 archeological sites. Currently roughly 1.4 billion euros, or less than 0.2 percent of the Italian budget, is allocated to culture. In recent years, specifically under the former Prime Minister Silvio Berlusconi, the Italian government shrank the budget by a third within three years. In 2001, the cultural ministry received 2.2
billion euros. The current issues that surround the lack of funding for cultural institutions in Italy have roots in the Berlusconi administration.

The office of the Italian Minister of Cultural Heritage and Activities primarily focuses on the culture, tourism, and protection and preservation of historical sites throughout Italy. In May of 2011, the Minister of Culture Giancarlo Galan told newspapers that the advertisements (in regards to the advertisements of the Bulgari Corporation) around Venice needed to go: “Tourists should not be faced with such a horrible sight, and the advertisers themselves must be finding that they are bad publicity.”

(For more information on the Bulgari advertising conflict see Appendix D.)

A year earlier Venice mayor Giorgio Orsoni, a supporter of the practice of selling advertising space for cultural funding, received harsh criticism. Commenting on this new found funding avenue, Orsoni stated: “Why not this avenue? What do we gain by leaving the scaffolding blank?” Government officials believe that without the ads, the city could not be able to keep up with the maintenance of historical landmarks. According to Orsoni “The city coffers were empty so we have to find sponsors...City Hall is not an ad agency, it’s not our business. It’s clear that we try to exploit these occasions to the best of our ability, making sure that business does not prevail over culture.” To look at the advertising in a positive way, Orsoni made the point, “It’s good for the companies’ images but it’s also a civic commitment by people with wealth. Needless to say, this sort

---

69 Ibid.
of patronage benefits Venice, especially when the Special Law no longer help us much."

Florence has seen its fair share of issues concerning funding, the government, and potential sponsorship. In 2004, then Cultural Minister Giuliano Urbani threatened to quit if the proposed budget cuts were not revoked. At the time, Italy needed to combine spending cuts and an increase in revenue to amount to approximately 24 billion euros over the course of three years. To make this possible, Urbani was told that his ministry needed to take on a 25% budget cut which included museums, galleries, and archaeological sites. Besides the obvious issues of reducing a budget by 25%, Urbani was worried the cuts would force him to cut the care and cleaning of the museums and galleries, which would have resulted in a scale back of opening times to the public, specifically of Florence’s Uffizi gallery. Urbani was quoted as saying, “All this would have a direct effect on the buildings’ open hours, which in the past three years we have succeeded in extending.”

The ‘Special Law’ mentioned above refers to Special Law of 1984 that provided extra funds Venice would receive from Rome for cultural institutions, which in recent years has significantly slowed. A new ‘Special Law’, drafted in 2010 by Minister of Public Administration Renato Brunetta, pushed for a tax on the approximately 17.5 million tourists that visit Venice each year. Proposed at slightly over one euro a person, the tax would focus on the flights in to Marco Polo Tessera airport, long distance trains in

---

to Venice, and cruise ships. Brunetta hopes this increase would bring in an extra 25 million euros a year. 72

Another law, the ‘2004 Law’, allows private sponsorship of restorations more flexibility in terms of the involvement the companies could have in the decision making process. Before the change sponsors could only contribute to renovation projects. The change in the law was considered in line with ministry policy and has not had a noticeable effect on the restoration of cultural landmarks in Venice. One can wonder if the level of the corporations’ involvement plays a role in the decision they make to fund a restoration. 73

Little information is found on the available tax benefits these funding fashion corporations stand to receive. From the American School in Milan it was published:

“According to Italian tax law (cfr. TUIR, art. 100 c. 2 lett. A), companies can deduct total donations made to an organization, which exclusively pursue educational aims (as well as health, social and religious causes) for a maximum of 2% of their taxable income. This rule is applicable to Italian companies or to foreign companies permanently established in Italy.” 74 This information is important to keep in mind as we review the funding cases specific to Italy and a potential benefit the corporation stands to gain.

France

One percent of the national budget is spent each year on culture, putting France’s museums in better funding positions than many others in Europe. (As of 2005 the budget

---

was around 2.79 billion euros). Over the past few years, French museum executives have tried to move towards a system where they operate as corporate executives would. A hybrid of government and corporate funding is the realistic future for the French. 75

In 2009 the French government, under President Nicolas Sarkozy, boosted the national heritage budget by 100 million euros, as well as ensured that all French youths under 25 would have free entrance to public cultural institutions. Culture Minister Frederic Mitterrand said of the increase, “Though most of the countries of Europe have chosen to trim, often substantially, their culture budgets, France has made a different choice. The cultural offering is a determining element in our attractiveness as a country and its economic development.”76

The pride of the cultural heritage in France extends to those who make donations, as well. Having existed since 1987, the law on the ‘development of corporate sponsorship’ set the main legal and fiscal framework for sponsorship in France. Another law, established in 1991, covers the establishment of corporate foundations. The law describes corporate giving as “support that is given to an organization or a person carrying out activities of general interest and is provided without any direct counterparts or consideration given in return by the beneficiary. The phrase ‘without any direct counterparts’ means that no commercial profit can be made as a result of providing the support through…advertising on a commercial product or service.” Companies are given the opportunity to take 60% of the donation from their corporate tax. 77

United States

The United States has a rich history of supporting pieces of culture that contribute to the welfare of the country. The Historic Sites Act of 1935 declares that it is a "national policy to preserve for public use historic sites, buildings, and objects of national significance for the inspiration and benefit of the people of the United States". \(^7\) The document goes on to state the responsibility of developing educational programs and services available for the public, restoring, reconstructing, and preserving historical artifacts, and establishing and maintaining museums in connection to these objects when appropriate. \(^7\) Developed as a part of President Roosevelt's "New Deal", the Historic Sites Act of 1935 simultaneously put Americans to work and protected their history.

In 1998 then First Lady Hillary Clinton, along with her husband President Bill Clinton, established the "Save America's Treasures" initiative. Designed to raise awareness of the dire situations many national landmarks were facing, "Save America's Treasures" was presented to Congress with the budget request of $50 million. Congress appropriated $30 million to the program. \(^8\) The efforts to preserve America's treasures brought together the National Park Service, the President's Committee on the Arts and Humanities, and the National Trust for Historic Preservation. \(^8\)

The development of Preserve America, a program designed in 2008 by then President Bush in conjunction with Save America's Treasures, was presented as a

---

\(^8\) Ibid.
singular act to Congress in March of that year to authorize grants to invest in America’s historic resources. The bill:

...authorizes spending for the Save America’s Treasures program, and in doing so provides matching funds to revitalize America’s most significant landmarks...The Save America’s Treasures grant program leverages millions of additional dollars from foundations, corporations, and individuals, and has literally made the difference in saving hundreds of nationally significant historic sites around the country. 82

As of December of 2008, the program had “designated more than 1,600 official projects in every American state and territory, and awarded $289 million in federal matching grants, and more than $56 million in private support through the National Trust.” 83

But the large strides of progress that were made were halted in 2010 as President Obama’s Administration cut the entire program to reduce spending that added to the national deficit. In a press release from the National Trust for Historic Preservation, it was stated that, “The U.S. Congress did not renew funding for the federal Save America’s Treasures program for the fiscal years 2011 and 2012, and does not plan to re-establish funding.” 84 The loss of the program not only means the loss of financial support to so many historic sites, museums, and restoration projects, but also the loss of the estimated 16,000 jobs the program created. 85

This graph displays the funding distributed by the United States Government to museums over a twelve-year period. The distribution of funds (all in US dollars) parallel the economic recession that affected many cultural institutions worldwide:

---

Distribution of funds by the United States government to museums from 2001 - 2012

Focusing on the future of donations from corporations to American cultural institutions, it is worthwhile to look at the tax deductions and potential incentives from the United States government. Two tax credits seem to apply to donations or spending specifically for preservation. The Tax Reform Act of 1976 “provides tax incentives to encourage the preservation of commercial historic structures...The current law provides a 20 percent federal income tax on monies used in the rehabilitation of commercial, agricultural, industrial, or rental buildings that are certified as historic properties.” \(^87\) And secondly, the Corporate Income Tax is a credit for “Qualified Rehabilitated Buildings Investment allows a taxpayer to claim a credit equal to 10 percent of money spent on qualified rehabilitations to income producing historic buildings.” \(^88\) According to the Better Business Bureau, corporations may deduct all contributions to 501(c)(3)

---

\(^86\) USA Spending website: http://www.usaspending.gov/search?form_fields=%7B%22search_term%22%3A%22museums%22%2C%22naics_code%22%3A%2253120%22%2C%22sort_by%22%3A%22dollars%22%2C%22per_page%22%3A25.


\(^88\) Ibid.
organizations up to an amount normally equal to ten percent of their taxable income. \(^{89}\)

While both of these government tax reliefs seem like incentives to corporations to make donations to preserve cultural heritage, it is impossible to know if these are motivations at all.

**Conclusion**

The governments of Italy, France, and the United States can only financially help the cultural institutions so much. Funding therefore needs to come from elsewhere. Corporations, private donations, or renting the cultural institutions are all funding possibilities. Now that it is understood why so many cultural institutions are in such dire financial situations there can be a better grasp on the importance of the funding by fashion corporations.

---

Chapter 5: Commercialism is Key: Financing and Funding

Corporate donations have made possible many museum exhibitions and cultural institution restorations. Whether a one-time gift or long-term funding promises, each corporation has made a financial investment in the institution of their choice. Mark Rectanus describes the different types of corporate involvement: corporate sponsorship of cultural programs, social sponsorships, and corporate philanthropy and globalization of corporate cultural politics. The idea of globalization and the changing times prompts Rectanus to believe that some corporations see sponsorships as ways to deflect attention away from the corporation's own function. However, he recognizes the idea of “doing good” can be found in the evolution of corporate involvement in cultural programs in the United States (as in line with the ethical reasons in the chapter “Ethics, Social Responsibility, and Motivations: Fashion and the Cultural Institution”). This evolution reveals gradual expansion of corporate interest in public cultural politics and the institution of sponsorship.90 These points are important to keep in mind as we review the financial involvement of the funding corporations.

Along with these donations are issues such as the advertising, branding, logo placement, the bidding process, financial investment, and the future of funding. These issues will be explored in depth with the goal of understanding the direction that funding for cultural institutions is taking.

---

90 Mark W. Rectanus, Culture Incorporate: Museums, Artists, and Corporate Sponsors (University of Minnesota Press, 2002), 25.
Financing and Funding

To better understand the cases studied, differences between funding for museums and giving to museums must be discussed. The former chair of the American Alliance of Museums Development and Membership Committee, Carl Hamm, suggests that the differences lie in the long-term commitment of the donor. A one-time donation, sometimes called major-gift philanthropy, is normally considered a gift to the museum, generally noted by the tax deduction the donor takes. But, in relation to the cases studied, the corporate donations to cultural institutions—whether for exhibitions or restorations—can be considered funding. This means that without that specific donation, the certain restoration or exhibition in question would not have taken place.

The idea of mixed funding (a combination of the two mentioned above and other sources) along with the decrease of government funding available has pushed cultural institutions to look elsewhere for funding. An established, well-understood acceptance of mixed funding is on the horizon for museums, and as Hamm proposes, “the revenue mix supporting museums will evolve with societal patterns over the years to come.” The changes that will inevitably occur with these funding shifts will require cultural institutions to change the way their missions are delivered to engage audiences.

Cause-Related Marketing

Cause-related marketing is a specific marketing strategy corporations use to better their public image. While branding, logo placement, and different types of advertising play huge roles in the message consumers receive about a specific

corporation, cause-related marketing allows for corporations to reach a large group of potential consumers they would not otherwise.

This type of marketing as a motivation can be beneficial for the corporation, the institution receiving funds, and the consumer. As explained in the report "To Do Well by Doing Good: Improving Corporate Image Through Cause-Related Marketing," when consumers self-identify with a specific cause, the corresponding funding corporation can see an increase in the sales of their product.

Many consumption actions, such as buying products associated with a cause-related marketing campaign, serve goals that support self-identification processes... consumer identification with a nonprofit organization facilitates positive consumer evaluations of its corporate sponsors, which eventually increase their purchase intentions toward those sponsors. 92

Before embarking on a large-scale cause-related marketing partnership, James Greenfield suggests, “Any corporation seeking a cause-related marketing strategy will look for a match that fits their goals and objectives... followed by their evaluation of whether the reputation of the nonprofit organization is sound and is a logical fit...”93 While these suggestions can be sound advice for the corporation, as recommend in the chapter “The Future of Funding for Cultural Institutions”, it is important for cultural institutions to make sure the goals and objectives of the corporation they are looking to partner with matches the goals and objectives of their institution.

A connection can be found between the marketing and the advertising that the sponsoring fashion corporation contributes while funding the cultural institution. With the hopes that the consumers (visitors to the cultural institutions) make a self-identifying

connection with that institution and then see the funding from the corporation as a positive deed, the chances of that consumer purchasing an item from that specific fashion corporation increases.

Commercialism and Advertising

The actual act of advertising specific logos and branding buildings with banners of the donating fashion corporation has caused some heated debate. Questions have arisen about the ownership of the logo, logo placement, who says when the advertisements are too big, and what should be done when these advertisements become a safety hazard to the public (In most cases the government officials have the authority to put restoration projects on hold, but doing so would result in a limitation of income to that city with the restoration project.)

Mark Sinclair, in his article titled “Can You Make Our Logo a Little Bigger”, makes the point that some logo placement and advertising when a corporation provides funding is expected. But, as he suggests, the corporation should not “over do it” and take advantage of the opportunity. It has been found that consumers not only notice a company logo on a banner or exhibition entrance, but also appreciate the company and what they have done for the receiving institution when the logo does not dominate the visual field. These actions seem to carry farther with the consumer than a larger and overbearing advertising would (for example, the large Ralph Lauren polo insignia on the United States Olympic clothes at the London 2012 Olympics, caused more backlash than
praise). Sinclair states that, "What people prefer, surely, is some sense of authenticity or a level of honest in any brand’s association with a particular part of the cultural world."\textsuperscript{94}

While the idea of advertising the funding corporation has been a point of contention for some time, it is worthwhile to discuss the branding and advertising of the museums these corporations are supporting. Museums, in large part, have already branded themselves, and have done so for a very long time. One might wonder why the museums are not reaching out more to corporations with similar interests of their own to collaborate in terms of advertising and financing. Corporations want to be associated with the museums, and museums need the funding. To be able to co-brand an exhibition or restoration project could mean that all entities involved would win.

For example, Carl Hamm suggests museums might market and brand a pre-school level education class, and collaborate with a media services corporation that can distribute the videos at a low cost to the museum. The museum would be able to reach large audiences (presumably part of their mission), the media services corporation would be associated with the museum (as having donated services), and the public would be able to have access to the educational programs.\textsuperscript{95}

Cultural institutions also have the chance, through these corporate relationships, to turn a profit while maintaining their non-profit status. Beyond the ability to restore a specific object or develop an exhibition, museums have the opportunity to market themselves. For example, the Metropolitan Museum of Art financially benefited beyond ticket sales during the Alexander McQueen exhibition. According to the New York Times, "More than 23,000 people purchased memberships...and 17,000 people bought

\textsuperscript{94} "Can You Make Our Logo Bigger?" by Mark Sinclair
The museum took in $850,000 from the 17,000 people who bought the $50 tickets alone, as well as approximately $5 million from the 100,000 copies of the book sold (at $50 a piece without tax, not including the cost to print the book). Without knowing how many of the approximately 660,000 visitors paid admission, and which level of memberships of the 23,000 were purchased, it appears that the business of fashion contributed largely to the financial success of the exhibition for the MMA.

The overarching problem is this: without being able to truly track the direct advertising-to-purchased-product financial gain for the corporation, it is hard to assume that the hypothetical financial gain is a solid motivation, but it should not be discarded. The press, advertising, and controversy that surround these donations by fashion corporations can be considered added benefits to the overall gain for these corporations.

Conclusion

From cause-related marketing to commercialism, the money to be made from partnerships between fashion corporations and cultural institutions abounds. These partnerships produce twice the amount of marketing, increase the consumer base, and include twice the amount of people reaching for the same objective. Some questions for the future of corporate funding: what happens after the donation has been received? Does the corporation have an obligation to the receiving institution to see the job through? What if the money donated ends up not being enough; does the corporation need to feel obligated to give more? What if the corporation wants to stay attached to the donation

---

long after the restoration or exhibition is completed? Who says how these guidelines are established? Is it for the future museum professionals to decide, or the corporations, as they are the ones making the restorations and exhibitions possible? The ways in which the partnerships between fashion corporations and cultural institutions are financially beneficial to all involved support just some of the answers posed above. The author will propose solutions to these issues in the following chapters.
Chapter 6: Case Study Number One: 
The Tod’s Corporation funding the restoration of the Colosseum

The Tod’s Corporation has committed 25 million euros (approximately $32 million) to the restoration of the Colosseum in Rome, Italy. Information surrounding the donation is discussed in this chapter, such as the financial details of the donation, the conflicts that have arisen in regards to the sponsorship, the involvement of the Italian government, and motivations behind the funding partnership. The Tod’s Corporation believes it is their duty as one of the premier Italian fashion corporations to step up and fund this restoration. It should be noted that prior history of this type of specific sponsorship has not been studied, but the information provided in this chapter will emulate the topics discussed in the prior chapters: the role of ethics, lack of government funding, and potential commercial gains.

Overview and Background Information

Italian luxury leather and shoe company Tod’s Corporation owner Diego della Valle has donated 25 million euros to restore Rome’s Colosseum. Nearly 2,000 years old, the Flavian amphitheater attracts approximately five million visitors each year. Projected to begin in December 2012, the eight-stage restoration over 2.5 years will include cleaning of the exterior, expanding and moving the visitor center outside the Colosseum, and increasing video surveillance. 97

Financially, the Tod's Corporation is strong, growing, and stable. For example, in the first nine months of 2011, the Tod's Corporation gross operating profit rose to 194 million euros (a 22% increase from the same nine months a year before). In regards to the 25 million euros committed to the restoration of the Colosseum, the amount equals to a little over 12% of the company earnings of the first nine months of 2011. With more information, such as taxes, salaries, operating costs, and other such expenses, this 12% would change. It can be estimated that the amount donated to the Colosseum might amount to one quarter of income for the Tod's Corporation of one year.

Government involvement and support of the restoration is strong in Rome. The current Minister of Culture Lorenzo Ornaghi has stood behind the 25 million euro donation from the Tod's Corporation to the Colosseum and believes the initiative could become a model for other corporations. He stated, "This is not only in the interests of Rome and Italy, but this is a symbol of how Rome presents itself to the world." Rome's mayor, Gianni Alemanno, agrees with Ornaghi that without the money Rome would be unable to restore the Colosseum. "If, with 25 million euros of private cash available, we don't get work under way now, we cannot then complain if parts of the Colosseum collapse." The restoration will be the first in 73 years, and Alemanno believes it "...is the end of a nightmare."

Motivations

Diego della Valle has made the direct cultural connection between the Tod’s Corporation and the Colosseum clear. He stated “A monument that represents Italy in the world must be restored, and a company that represents Made in Italy stepped forward to say, ‘If you need us, we are here.’” Della Valle understands that the donation to fund the restoration of the Colosseum could have a larger impact on the fashion world. “Companies have a social responsibility that should be supported and carried out. It is also a signal for investors that it is right to invest in this country.”

Regarding why his company is best suited to fund the restoration, della Valle said “We are the best Italian product, and we are trying to explain this around the world, especially in new markets, and show why we are different.” Whether or not the donation has to do with a potential financial gain is yet to be seen. But, regardless, the Colosseum will be repaired and able to be enjoyed by many more generations.

Results

Originally assumed by the greater Roman public to be a gigantic marketing tool, della Valle has assured the public that the intention behind the donation is purely cultural and not financial. A Tod’s representative made a statement that insisted the motivation is, “to restore to Colosseum for patronage only, without any commercial purpose.” It has been reported that no advertising will be visible on the monument. The Tod’s

105 Ibid.
Corporation was given the opportunity to stamp their logo on each entry ticket to the Colosseum for the next 15 years, as agreed to during the negotiations. The potential financial gain that could result from the nearly 75 million people (15 years at 5 million visitors a year) that would have a Tod's stamped ticket in their hand can be considered a motivation.  

Those who have taken a closer look at the ethical actions behind the Tod’s donation believe the 15-year deal with the Colosseum could be worth around 200 million euros for the Tod’s Corporation; this would completely cover the cost of the 25 million euro donation. Whether or not this is true, there will be no way to know how much the corporation could make without witnessing the advertising steps Tod’s actually take once the restoration begins.

The way in which Tod’s came to be the sole donor to restore the Colosseum caused some controversy in Rome. Both Italy’s consumer protection organization (Codacons) and the national antitrust authority were against the swift decision by the government authority to allow Tod’s the opportunity to fund the restoration. As it has been reported, there was an international call for donors of the project. Companies were invited and encouraged to pool their recourses and submit their sponsorship for approval. It was acknowledged that in return for the donation, the chosen company (or companies) would have exclusive rights to the Colosseum logo and the use of the actual monument for corporate events.

---

A complaint by Codacons and the national antitrust authority that eventually involved the State Prosecutor’s Office in Rome and the State Audit Court led to a review of the process in which the Tod’s Corporation came to be the chosen donor. It was suggested that Tod’s should have been required to organize as well as fund the project. The complaint also stated that rival bidders were not given enough time and that the Tod’s Corporation was only participating with the project for the publicity that would accompany it. 109

In response to these claims Tod’s stated they would not be seeking any financial or advertising gain from the project. The claim moved from a complaint into a potential legal matter when the antitrust authority suggested that the sponsorship might be tantamount to a commercial investment as hypothesized, and thereby unlawful. After about a month of the accusations and an investigation, of the legal matters, all factors were found to be in good standing and the restoration with the Tod’s Corporation donation was given approval. 110

Conclusion

The sponsorship from the Tod’s Corporation for the restoration of the Colosseum has played an important role for subsequent funding cases. As demonstrated, the influential role della Valle hopes to play is of one who inspires sponsorship elsewhere. In regards to the financial status of the corporation, fashion corporations like Tod’s are financially capable of taking on funding projects like the Colosseum. As discussed in the


previous chapters and highlighted in this one, factors such as ethical motivation, the
government involvement in the decisions to allow the funding, and commercial visibility
all play a part in successful funding ventures.

While the advertising can be displayed more visibly on a well known public
monument than in the context of a corporate sponsored museum exhibition, the
involvement of the sponsoring corporation and the cultural institution is important to
keep in mind when comparing the donation from the Tod's Corporation with such
donations as Ferragamo and Ralph Lauren. The differences of the funding situations are
tantamount, but the similarities concerning ethics, the involvement of the local and
national government, and commercialism are all influential factors.
Chapter 7: Case Study Number Two: The Ferragamo Corporation and the Louvre Museum

In 2012, the Ferragamo Corporation funded the restoration of Leonardo da Vinci’s altarpiece *La Sainte Anne*, at the Louvre in Paris. There are many fashion houses that have become synonymous with a specific city, and the Ferragamo Corporation has eternally linked themselves to the city of Florence. As discussed in this chapter, the links between the Ferragamo Corporation, the city of Florence, and the Louvre Museum are promoted in the funding that resulted from the partnership between the Louvre and the Ferragamo Corporation. Contributing factors of this funding partnership discussed in this chapter include: the lack of disclosure of financial details of the donation, the controversy that has resulted in regards to the sponsorship, and the motivations behind the funding partnership. The information provided in this chapter concerning this specific funding partnership illuminates the topics discussed in the prior chapters: the role of ethics, lack of government funding, and potential commercial gains.

Overview and Background Information

In June 2012, the funding of the Leonardo da Vinci exhibition at the Louvre significantly blurred the lines between fashion, art, and museums. The Italian fashion corporation of Salvatore Ferragamo exclusively funded at an undisclosed amount the exhibition of da Vinci’s recently restored *La Sainte Anne*, which was still incomplete in 1519 when the artist died in France. In return for the funding, Ferragamo was granted permission to host its 2013 runway show in the Louvre. A first for any fashion label. The information provided in this chapter concerning this specific funding partnership illuminates the topics discussed in the prior chapters: the role of ethics, lack of government funding, and potential commercial gains.

the sponsorship of an exhibition seemed to be beneficial for all those involved. The
Ferragamo Corporation benefitted from the partnership: the Louvre runway and the
association with Leonardo da Vinci automatically elevated the “status” of the designs.
The Louvre benefitted because the sponsorship covered the cost of the restoration as well
as brought more attention to the exhibition.\textsuperscript{112} Sponsorships such as this one are crucial
for many French museums. As previously discussed in the chapter “The Role of
Government: Support for Cultural Institutions,” the French government is unable to fully
fund every cultural institution, exhibition, and restoration institutions plan on
undertaking.

Even at an undisclosed amount, it can be assumed that the Ferragamo Corporation
had the financial means to fund many restorations. As of end of the August 2012, the
Ferragamo Corporation confirmed that the company “saw significant growth” in the first
months of 2012. With net profits up 22.5% and pre-tax profit at around 88.3 million euros
(almost $114 million), the Ferragamo Corporation believes that these numbers reflect the
strength of luxury products during economy turmoil, which allowed the corporation to
fund the restoration.\textsuperscript{113}

Motivation

The Ferragamo Corporation was seen as an appropriate sponsor based on the
common link that the corporation and the artist share with the city of Florence. Florence

\textsuperscript{112} “Salvatore Ferragamo Louvre Show Pushes Case for Fashion as High Art,” last date modified June 13, 2012.
http://www.guardian.co.uk/fashion/2012/jun/13/salvatore-ferragamo-louvre-exhibition-leonardo; “Salvatore Ferragamo
\textsuperscript{113} “Ferragamo sees significant growth in 2012,” last date modified August 29, 2012.
is the location of the Ferragamo Corporation and was the residence of Leonardo da Vinci for many years. Chairman of Ferragamo, Ferruccio Ferragamo, commented on these commonalities: “Endless creativity, an innovative aesthetic, artisanal roots, and groundbreaking research have always characterized the Italian genius, as embodied by Leonardo da Vinci, that we have always appreciated.”

The fashion show sparked some insight into the collaboration between museums and fashion to produce concurrently impressive fashion shows and museum exhibitions. Seen as a sort of ‘olive branch’ extended from the French museum to the Italian fashion house, the Ferragamo Corporation CEO Michele Norsa made sure the brand had “come to Paris in a spirit of respect.” Making the connections between Leonardo da Vinci, Ferragamo, and the Louvre resulted in the social and ethical motivation behind the collaboration.

The Ferragamo Corporation was motivated to achieve a certain “exceptional status validation” associated with showcasing the clothing and designs in one of the world’s more prestigious museums: the Louvre. Such rewards can be seen as potential motivations for other sponsors in the future. It is unclear if other fashion corporations were given the opportunity to fund the exhibition, or if the opportunity was given directly to the Ferragamo Corporation.

---

Results

Conflicts have recently arisen around the lack of information and transparency concerning amounts donated for certain exhibitions or restorations. The undisclosed amounts donated for the following sponsorship cases have raised many concerns: the rent the Prada Corporation pays to use the Ca'Corner palazzo in Venice (Appendix E), the amount the Ferragamo Corporation paid to the Louvre for the restoration of Da Vinci's *La Sainte Anne*, and the amount the Gucci Corporation donated to restore the façade of the San Francesco di Paola church in Milan (Appendix F). It is unclear why these amounts have not been released to the public, and why the corporations do not want the public to know.

Much of the controversy that results from corporations keeping amounts donated or used undisclosed revolves around a lack of transparency. Transparency is key to keeping museums and cultural institutions accountable to their visitors. While it could be argued that not all types of cultural institutions need to be accountable and transparent to their visitors (but only those with public or taxpayer funding) this is not the point of the argument. Cultural institutions are representative of their city, state, and country. Without transparency, cultural institutions seem secretive and therefore lose their credibility as places for the public, and the lack of information concerning funding for the cases mentioned above evoked some of these concerns.

Conclusion

The case of the Ferragamo Corporation funding a restoration that allowed the opportunity to showcase fashion in a museum where the restored painting itself resides
creates many questions. Specifically, are runway shows in museums the future of fashion? If so, fashion and art will be so closely intertwined it will be difficult for anyone to argue that one should not support the other.

This specific case does raise other difficult questions: did the Ferragamo Corporation blatantly pay for the opportunity to be associated with the Louvre? Without full financial support of the restoration would the fashion corporation have been allowed to hold the fashion show in the Louvre? Many exhibitions that highlight a fashion designer do so on merit and career longevity and cultural influence, none of which were deciding factors that led to the Ferragamo Corporation using the Louvre as their private runway.
Chapter 8: Case Study Number Three: The Ralph Lauren Corporation funding the restoration of the Star-Spangled Banner

The Ralph Lauren Corporation donated $13 million in 1998 towards the restoration of the Star-Spangled Banner at the Smithsonian National Museum of American History in Washington D.C. The details of the donation are discussed in this chapter, including the motivation behind the Ralph Lauren Corporation’s donation as well as the cultural connections between the fashion corporation and the American treasure. The information provided focuses on the connections made with the topics discussed in prior chapters: civic responsibility, the role of the government, and commercial gain.

Overview and Background Information

In 1998, then President Clinton reached out to all Americans to help fund necessary restorations and historic preservation of American treasures. The flag was greatly falling apart, the Smithsonian knew that it needed to be restored or it would be lost forever. The flag was made by Mary Pikersgill, her daughter, two nieces, and an indentured servant in the summer of 1813.116 Fashion designer Ralph Lauren stepped forward to help finance the restoration of the Star-Spangled Banner. In a proposed $18 million project (1998 money), the Polo Ralph Lauren Corporation pledged $13 million.

Of the $13 million donated by the Ralph Lauren Corporation, $10 million was allocated to the restoration and $3 million towards educational and outreach programs at the Smithsonian associated with the history and importance of the flag. The Smithsonian

116 Smithsonian Institution Website: http://amhistory.si.edu/starspangledbanner/making-the-flag.aspx.
is a part of the United States government and thus the operating expenses are provided by
the government. The gift was intended to be distributed over the course of five years to
the Smithsonian, and was the largest corporate donation the Smithsonian had ever
received in its 150-year history. 117

At the time of the donation, the Ralph Lauren Corporation was financially stable.
"Net revenues for the first nine months of fiscal 1999 were $1.3 billion, compared to $1.1
billion in the first nine months of fiscal year 1998."118 The corporation reported increases
in sales, which, like the Tod's and Ferragamo Corporations, made Ralph Lauren a viable
candidate to make the large donation to the Smithsonian.

Motivation

Ralph Lauren saw the donation to restore the Star-Spangled Banner at the
Smithsonian as a direct connection between the brand's designs and the true meaning of
the flag. An article written at the time of the donation read, "It's almost too perfect a
symbol: one American institution stepping in to help the fate of another..." Brent Glass,
then the director of the National Museum of American History museum stated, "He
[Ralph Lauren] really represents this whole idea of America as a place of opportunity that
rewards hard work and the investment of intelligence." 119

The heritage that surrounds Ralph Lauren's designs made the corporation the
ultimate fashion corporation to restore the Star-Spangled Banner. When asked why he

117 "Saving the Nation's Flag," last date modified October 1998. http://www.smithsonianmag.com/history-
archaeology/mall_oct98.html; "Polo Ralph Lauren to Preserve the Star Spangled Banner,"
118 Ralph Lauren Corporation Archived Press Release: http://phx.corporate-ir.net/phoenix.zhtml?c=65933&p=irol-
newsArticle&ID=83723&highlight=.
119 "Lauren's interest in stars of all stripes keeps brand strong," last date modified November 19, 2008.
stepped in to help fund the restoration, Ralph Lauren responded, “The Star Spangled Banner was an inspiration to Francis Scott Key, it’s been an inspiration for me, and I want it to be an inspiration for future generations.” With the donation from the Ralph Lauren Corporation the flag was restored and back on display after an almost ten year-long project.  

Results

The gift from a fashion corporation for a cultural institution was not as common during the time when the Star-Spangled Banner need to be repaired as it is today. Some of the questions arising today surrounding large corporate gifts were raised in the late 20th century as well. In 1998 Michael Heyman, then the secretary of the Smithsonian Institution, stated, “We’ve been assured that this is a philanthropic gift and not a marketing gift.”

The flag now rests in the exhibition space designed and built specifically for the long-term viewing by the public. Entitled “The Star-Spangled Banner: The Flag that Inspired the National Anthem,” the exhibition is considered the Smithsonian’s biggest effort to preserve American history and present the importance of this history to the public. The current placement of the Ralph Lauren Corporation logo at the entrance of the permanent two-story exhibition at the National Museum of American History is most likely the result of the large donation the corporation made for the flag’s restoration. The

---

122 Smithsonian Institution website: http://amhistory.si.edu/starspangledbanner/visit.aspx.
Smithsonian also recognized the donation made by the Ralph Lauren Corporation with a dedication ceremony in Washington D.C. on November 19\textsuperscript{th}, 2008.\textsuperscript{123}

**Conclusion**

Displaying the Ralph Lauren logo as a result of the funding partnership between the corporation and the Smithsonian was very much in the favor of the Ralph Lauren Corporation. At the time when the country needed the financial support and the Ralph Lauren Corporation was there to provide it, the example was made at what a successful fashion corporation was capable of. In some of the positive articles written about the donation, financial support from the fashion corporation was described as, “...with the Star-Spangled Banner’s restoration, Lauren is helping strip off the gloss and return Old Glory to its- and his- spirited, rugged roots.”\textsuperscript{124} Unable to find any negative responses to the placement of the Ralph Lauren logo at the entrance of the exhibition, the placement can be linked to the appreciation the Smithsonian Institution feels towards the generous donation from the Ralph Lauren Corporation.


Chapter 9: The Future of Funding for Cultural Institutions in the United States and Europe

The future of funding for cultural institutions is unpredictable, but if recent trends and shifts are any indication of what may lie ahead, we will be able to envision what the future of funding for cultural institutions might look like. In this chapter the future of funding is discussed in terms of funding for cultural institutions, the shift of the role the fashion corporation could play in funding, and the future of partnerships and advertising. We will also take a close look at possible solutions to the problems that caused the need for funding in the first place.

Cultural institutions in the past two decades have experienced a paradigm shift. While corporate sponsorship seems to be a more widely accepted funding avenue, controversy still surrounds the “unknown” of the fashion corporation as sponsor. As mentioned, Carl Hamm suggests a new mix of revenue for supporting museums. With the support of multiple corporations Hamm writes, “…there could be boundless opportunities for museums to package and repackage existing content which can be licensed and sold to generate earned revenue—yet fulfilling mission-related objectives at the same time.”

Hamm writes about the opportunities museums have through different marketing strategies to create revenue while still educating their visitors. His arguments support that if museums stay true to their mission, corporate partnerships that develop will strengthen the museum as a whole.

If corporate partnerships continue to play a large role in the financial support of cultural institutions, it is important to ask if these institutions have the “upper hand” in

the partnerships. As noted previously when detailing the conversation with Carl Hamm, problems arise when museums do not stand by the contract in agreement or do not develop one in the first place—museums will begin to lose the control of the partnership and transparency. Any level of corporate partnership needs to understand a basic rule: the sponsor must not get involved with the curatorial content of an exhibition or restoration. Transparency and curatorial integrity will both need to be upheld for corporate funding partnerships to succeed.

Ethics

While many funding changes are happening in well-known institutions around the world, the future of smaller institutions must also be considered. If the future of funding for institutions lies largely with corporate sponsorship, what are the options for the smaller institutions that do not have the manpower or resources to create visibility with a corporate sponsor? Without a large visitation group or notable board members, how are museum professionals to expect this future of funding to work for all institutions? 126 While some of the advertising and marketing strategies explained below could be applicable to smaller institutions, not all will be possible.

The future of partnerships and the accompanying advertising will be dependent on the set of criteria that is implemented. Advertising that is compatible with the environment and between the fashion corporation and partnering institution are just two issues that, with a set of guidelines, would produce less conflicts and promote more funding. The Fondo Ambiente Italiano (F.A.I.) is a heritage protection association. Maria

Camilla Bianchini d’Albergio, from F.A.I, suggests, “What’s missing is a set of criteria that makes the advertising compatible with the environment so that the buildings are not offended, and so that they are still visible.” According to Sam Chase, a member of the protest group Art Not Oil, states “Something fundamentally important is lost when you put a corporate logo on a piece of art.” With the aforementioned hypothetical guidelines, comments like these would not occur when discussing a corporate donation, but more positive outlooks on the partnership as a whole would occur.

On September 16th, 2012, Venice Public Works Assessor Alessandro Maggioni announced that there would be a competition to find a corporate sponsor willing to pay to restore the Rialto Bridge in Venice. In exchange for the approximately five to seven million euros needed for the restoration, the sponsor would be allowed to advertise on the bridge, as well as possibly organize events in St. Mark’s Square. While no decision has been made, the interest from clothing manufacturer Renzo Rosso, owner of the clothing brand Diesel, has shown the most interest in the sponsorship. The transparency with regard to the entire funding process that has taken place for this specific project seems appropriate and necessary.

The connection between the partnering corporation and the cultural institution is important for a successful venture. For example, some have questioned why the fashion corporation Diesel would be an appropriate sponsor for the restoration of the Rialto Bridge. Diesel is described as “the very same brand whose ‘Be Stupid’ ads were banned

---


64
in several counties for portraying ‘indecent exposure’…”130 And as Mark Sinclair suggests, “What people prefer, surely, is some sense of authenticity or a level of honesty in any brand’s association with a particular part of the cultural world.131 Is there the same level of cultural connection between the Diesel Corporation and the Rialto Bridge as there is between the Tod’s Corporation and the Colosseum? And who is to decide the level of compatibility between the two entities?

From September 2011, a conversation titled “Another European fashion design house provides financial support for a major restoration project” was posted on the Conservators Converse website. Prompted by the statement from fashion house designer and owner Brunello Cucinelli that he was planning to donate 1 million euros ($1,278,410) to the restoration of the Etruscan Arch in Perugia, Italy, the writer posed this question: “Besides Ralph Lauren which donated $10 million toward the conservation of the Star Spangled Banner and $3 for ‘Save America’s Treasures,” have any American design houses seen the value of supporting cultural heritage preservation?”132 Considering the future of funding for cultural institutions, this question will be asked more frequently as fashion exhibitions become even more popular.

An alignment between a fashion corporation and a similarly interest-minded institution would make for a successful partnership. But, as the author above asks, have any American fashion corporations seen the benefits of uniting and partnering with cultural institutions as many of the Italian fashion corporations have already done? While many of the foreign corporations benefit from having stores in America, the money being

---

131 “Can You Make Our Logo Bigger?” by Mark Sinclair
made is not being turned around and donated to American institutions. As already presented, an increase in fashion corporation funding for cultural institutions would be mutually beneficial for the corporation and the institution.

As one Huffington Post columnist put it, “How do we create visibility without bastardizing our art?” The author appears to suggest that recently cultural institutions have had to sell themselves to corporations to receive funding. If an institution succeeds at demonstrating that they would be a good partner to the corporation, institutions must continue to fight for the funding while making the partnership mutually beneficial. 133

The ethical lines that each cultural institution will not cross in terms of advertising should be established and agreed upon before any restoration or exhibition project begins. While some cultural institutions might be in tight financial positions, these should not dictate the amount or size of advertising the funding corporation receives. And even though a museum-wide (or cultural institution-wide) set of criteria is not possible, a suggested set of rules from American Alliance of Museums or International Council of Museums could help put in to motion the development of these criteria in many cultural institutions across the world.

Some of these changes concerning funding for cultural institutions can be (potentially) avoided altogether. For example, the need for funding came to be alleviated by addressing environmental issues such as the Colosseum in Rome. “The Colosseum has been blackened by vehicular pollution and rocked by vibrations from a nearby metro.” 134

In an attempt to hopefully decrease the effects these have had on the Colosseum “Rome

mayor Gianni Alemanno said that traffic around the Colosseum will be re-routed by the end of the restoration to decrease damage from vibration. Such small step towards helping avoid causing damage to the Colosseum is just one example of how to fix the problem in the first place. The solutions and resolutions to the problems cannot be dealt with without first acknowledging the problems. Once these problems are identified, then appropriate partnerships could be formed and damage alleviated.

The role of the government with the future of funding

For each cultural institution that is in need of funding, a lack of increased allotment to the arts from that institution’s specific government will require corporate funding to become a primary resource of income. Venice city councilwoman Camilla Seibezzi believes that corporate funding will play a large role in the future of restorations and, if funding comes from corporations, there would be less emphasis on tourism as a source of revenue. An increase in corporate funding for cultural institutions would be a benefit to the city of Venice, as tourism as an income avenue would be less stressed.

While Seibezzi is in favor of fashion corporation sponsorship, she is working to make sure that the corporations “respect the historic integrity of the buildings” by making sure the corporations are not damaging the buildings with the large advertisements.

A recommended small change that could promote an increase in corporate donations is the way in which the government “thanks” corporations who support cultural institutions. Boris Johnson, the Mayor of London, said, “The most important thing is the

tax incentives need to be clearer. We need to be incentivized to give- so you can deduct charitable giving from your tax.” As Stephen Deuchar, former Tate Britain director, recounted, “I have just been talking to a collector who transferred a number of works of art to a US museum, and who was saying how easy it was. That donation could have gone to a UK museum.” Even though some of the controversies surrounding advertising and other aspects of a donation do occur in the United States, the British see the ways the donors are acknowledged as something to emulate with their own potential donors.

Continuation of Commercialism

Cultural institutions may be able to generate revenue of their own by renting out spaces. Within reason, as Peggy Wireman suggests in *Partnerships for Prosperity: Museums and Economic Development* writes, “Most museums embody elements of elegance and prestige...Museums and historic homes have provided locations for symphony and chamber music concerts, regional art shows...You can avoid several problems by developing a written rental policy.” Wireman goes on to outline key points to include when developing and implementing your policy. “Compatibility with museum mission and image” is one key factor that should be applicable to all cultural institution and corporate partnerships, whether renting or accepting donations.

One suggestion, as it might be applicable to most institutions no matter their size, is renting space to generate revenue. For example, in July of 2007, Rome played host to a

---

three-day celebration of fashion designer Valentino. The celebration included an exhibition at the Ara Pacis Museum of Valentino’s famous red dresses, as well as a dinner at the Temple of Venus and Rome in the Roman Forum. The cost of the entire event, which included a private tour of the Vatican and chauffeured cars for all 1,000 guests, is estimated to have been around $10 million. In return for the use of some of Rome’s most prized historical possessions, Valentino donated approximately $270,000 toward the restoration of the monument Temple of Venus and Rome. While this amount might seem nonetheless generous, in comparison to the 2006 revenue report that the Valentino Corporation made approximately $360 million, $270,000 seems slightly conservative. Nonetheless, once again a fashion corporation aligned themselves with a cultural institution to elevate the status of the event and fashion.

The future of the involvement of fashion corporations with cultural institutions is also changing in two specific ways. Some of the changes that have emerged include the development of non-profit departments within the corporations. Fashion corporations, while still maintaining their primary goals of fashion design and revenue, have created their own museums and cultural centers. Fashion corporations have seen the value in associating with cultural institutions, and they are trying to capitalize on these relationships by creating their own spaces and initiatives that resemble the work cultural institutions do (such as the previously mentioned fashion corporation museum).

Tod’s owner Diego della Valle has created “Project Italia,” which is an initiative to inspire other Italian companies to help preserve Italy’s cultural institutions. In an interview with the magazine Women’s Wear Daily, della Valle commented, “Wouldn’t it
be better to see a group of Neapolitans take action before American or Japanese
investors? I believe in this and will spend time on it.\textsuperscript{140} While della Valle’s point is
valid, the information that should be taken from the expansion of this project is that
fashion corporations are not slowing down in regards to funding exhibitions and
restorations. Even though it has not yet been discussed, the jobs that the restoration of the
Colosseum will create will boost Rome’s economy. The proposed new visitor center will
not only create jobs throughout the building process, but also afterwards when people
will be hired to keep the café, gift shop, bookstore, and ticket services staffed. All of
these potential positive changes for the Colosseum can be used as a guide for future
fashion corporation donations and funding projects.

The creation of these cultural centers and institutions will continue to merge
fashion corporations and museums, and it is worth mentioning that the ways fashion and
museums have already combined will probably not change. It is most likely that the
Metropolitan Museum of Art’s Costume Institute will continue to hold their annual gala.
Alexandra Palmer writes, “...the Costume Institute relies for its funding, not on the
operating budget of the MMA, but on the proceeds from the annual party. The financial
situation makes it imperative that it attracts the attention and funds of the fashion
industry.”\textsuperscript{141} It is important to reflect on the ways that the partnerships between cultural
institutions and fashion corporations have changed and shifted throughout the past few
decades, and view to the future with a positive outlook.

\textsuperscript{140} “Tod’s Chairman Launches ‘Project Italia’ to Save Italian Ruins,” last date modified June 24\textsuperscript{th}, 2011.
http://www.styleite.com/media/tods-colosseum-restoration/.
\textsuperscript{141} Alexandra Palmer, “Untouchable: Creating Desire and Knowledge in Museum Costume and Textile Exhibitions,”
Conclusion

The points made in this chapter are suggestions, founded in evidence presented by scholars and professionals alike, that would create an atmosphere that would easily accept sponsorship for the betterment of cultural institutions worldwide. To summarize:

- Partnerships between many institutions and corporations would create endless marketing and programming opportunities for all parties involved while still promoting the mission of the cultural institution.
- Cultural institutions could continue to create opportunities to control the curatorial process while receiving outside funding. Without some of this funding, cultural institutions would be unable to produce programming and develop restoration projects.
- Advertising that accompanies a funding project that is safe for the environment would promote respect for the cultural institution being restored.
- Transparent calls for sponsorship would allow all corporations the opportunity to fund a cultural institution. A more transparent sponsorship process would promote a greater ethical alignment between the similar minded institutions and corporations.
- An evaluation of the causes of problems would promote a better understanding of how these problems can be prevented in the future.
- An increase in funding from a corporation would allow for these cities to put less pressure on the revenue needed to be made from tourism, which has in the past caused more harm than good to many cultural institutions.
- Increased tax incentives, similar to an increase in advertising incentives, could promote more corporate involvement.
- The opportunity for corporations to rent the cultural institutions in need of funding could become a fundraising option.
- The creation of initiatives by the fashion corporations could increase attention to the less famous cultural institutions.
Chapter 10: Conclusion

This paper assesses the different factors that contribute to successful partnerships in which fashion corporations provide funds for cultural institutions. The ethical and social responsibility to which corporations adhere, the national governments that contribute to the need for funding, and the commercialism and financing are considered in relation to the cases studied - Tod’s, Ferragamo, and Ralph Lauren. The involvement of fashion corporations in these cases is unique and cannot be applied to all corporate funding projects. The alignments between the specific fashion corporations and cultural institutions are based on a mutual interest in fashion and art. As demonstrated, the involvement of fashion corporations means increasing exposure with regard to the recognition they receive from the public, the museum world, and the fashion world.

As demonstrated in the chapter "Fashion and Cultural Institutions", the rate at which fashion exhibitions are presented by museums does not seem to be slowing down. The importance of curatorial integrity will still play a dominating role, but as Alexandra Palmer states, the involvement of fashion corporations should play a stronger role as well: "Exhibitions should strive to broaden our cultural and intellectual understanding of fashion and textiles in order to make the objects and the experience 'more vivid, more memorable, more lasting..."142 With the assumption that the perennial appeal of clothes will continue to inspire, educate, and help visitors relate to the pieces in front of them, fashion as an art will continue to be exhibited.

The continuation of fashion in cultural institutions as a mainstream exhibition focus will potentially lead to greater acceptance of fashion as an art form in its own right.

Such exhibitions will encourage an increasing number of fashion corporations to donate, fund, and become involved with cultural institutions. Some of the issues and conflicts highlighted throughout this paper might in turn slowly become overshadowed by the generosity of the corporations.

The governments of Italy, France, and the United States were highlighted in this paper only as they related to the specific cases studied. The conclusions reached as a result of studying these specific governments include: governments no longer play a large role in the financial situations of cultural institutions and the way in which museums accept and implement private or corporate donations.

It is the opinion of the author that this still-controversial topic of the relationship between fashion and cultural institutions should not be reserved for only private conversations but open to public discussion. Such review would work to the advantage of museums with regard to their funding. A change like this one, as well as those proposed in the chapter "The Future of Funding for Cultural Institutions", can only add to the continued success of cultural institutions throughout the world. The status validation that cultural institutions provide for fashion corporation donors will continue to be the backdrop to the restoration and exhibition projects that result from the partnerships between the cultural institution and the fashion corporation.
Appendix A: Information regarding restorers of Cultural Institutions

The companies chosen to do the restoration work have caused some controversy. The conflict of using professional conservators trained specifically in stone restoration (in the case of Tod’s and the Colosseum) is an example of ways cultural heritage groups are unhappy with the restorations. Rossella Rea is the director of the Colosseum, and ensured that the people chosen to restore the Colosseum are “specialized in architectural restoration, they’re not just ordinary workmen.” Originally accused of employing “mere masons”, Diego della Valle assured the public that the work would be done by stone restoration specialists. 143

The ethical responsibility the fashion corporation donors have during the restoration process is important. Alexandra Palmer writes, “Museums...are supposed to adhere to international codes of ethics and conservation, and therefore cannot manipulate objects in the same way.”144 The ethical and social responsibility to hire the correct restorers has been a focus in many of the cases studied. The Institute of Conservation, a non-profit group dedicated to promoting the preservation of cultural heritage based in London, has developed professional guidelines concerning conservation and restoration. The guidelines state,

“The objects, buildings and environments to which society attributes particular aesthetic, artistic, documentary environmental, historic, scientific, social, or spiritual values are commonly designated Cultural Heritage and constitute a material and cultural patrimony to be passed on to coming generations... The Conservator-Restorer is a professional who has the training, knowledge, skills, experience and understanding to act with the aim of preserving cultural heritage for the future...”

---

The document goes on to outline the different types of conservation-restoration: diagnostic examination, preventative conservation, conservation, restoration, and documentation.\footnote{"Institute of Conservation Professional Guidelines," http://www.icon.org.uk/index.php?option=com_content&task=view&id=121.} The corporations that fund these restorations have the responsibility to choose educated and qualified restorers, but it should also be noted that there is a cultural responsibility to the people of the city in which the monument is being restored.
Appendix B: Information regarding the bidding process

The conflicts that have arisen from the process for the bidding rights to fund a restoration or exhibition at a cultural institution revolve primarily around the cases that did not demonstrate transparency. The process should be considered when looking at the financial motivations of these donations. Some of the protection agencies (particularly in Italy) are claiming that the process to choose a donor do not follow specific bidding standards to obtain the advertising rights. Herein lies the question: if people within fashion corporations believe they are making donations with the understanding that there might not be a financial gain, then why not have an open discussion about bidding for the rights? The financial incentive alone warrants an open discussion with the people of the cities and countries (such as Rome and Venice in Italy) about which corporation is fit to finance the restorations and exhibitions.

Because the financial incentive can be considered a goal, fashion corporations are becoming more involved. Without a confirmation that many thousands of people will visit these cultural locations and be exposed to the logo or advertising of the fashion corporation, corporations would not consider the financial investment. The bidding process would be quite different if the corporations did not believe their company would benefit from the financial pairing with the cultural institution; established guidelines would help aid this entire bidding process.
Appendix C: Case information: The Bulgari Corporation

The Bulgari advertisement on the Bridge of Sighs in Venice, Italy was described as, “...the image of the sky and lighting could be carried through the space, the wording ‘Bulgari’ could be evident, and only on the Grand Canal Bridge might there be an image of the models and product.”¹⁴⁶ This specific case caused a considerable amount of controversy due to the comments made by Venetian government officials in support of the advertisement. Bulgari donated an unknown amount of money to the Venetian government to aide restorations, and in return a large Bulgari advertisement was hung on the side of a building and bridge. The quote above is just one suggestion of the different ways the Bulgari Corporation could have displayed their advertising during a restoration period without plastering the walls with images of women and large jewelry.

Appendix D: Information regarding government funding in the United Kingdom

Cultural institutions in the United Kingdom have been affected by massive budget cuts by the government, as in Italy, France, and the United States. Between 1996 and 1998, government spending on museums and galleries in the U.K. reached a low point at 224 million pounds a year, but in 2000 the British Museum received 100 million pounds of government funding for a renovation. However, just two years later, the budget was cut by about 6.5 million pounds. Rooms in the newly renovated museum were closed, staff went on strike, and a proposed study center was cancelled. 147 As recently as 2010 museums in the U.K. have taken significant decreases in government funding, and the situation has become even worse.

In 2010 the Minister of Culture, Minister Jeremy Hunt, decided to reduce the money appropriated to The Department of Culture, Media, and Sport (which controls the funding to all museums in the United Kingdom) by three percent, or 88 million pounds. This reduction affected museums by three percent, which meant that the Tate Modern gallery lost approximately 2.1 million pounds, the British Museum lost approximately 1.8 million pounds, and English Heritage lost approximately 4.8 million pounds. Hunt commented on the reductions by stating, “I have been clear that all parts of the DCMS’s areas would need to play their part in meeting the challenge of reducing the deficit.” 148

The loss of three percent of museum budgets was not the worst. As of July 2012, half of the museums in the U.K. had had their budgets cut within the year. A total of 31%

---

of museums had their budgets cut two years in a row. This reduction led to an approximate 22% of museums reduction in public access by closing whole or parts of the museums. Looking towards the future, of the museums polled concerning budget cuts, 69% reported they will concentrate more on generating income any way possible, and 62% said they will focus specifically on fundraising. 149

Corporate sponsorship in the U.K. has come under fire in recent years, based mostly on the conflicts surrounding funding from Beyond Petroleum (BP). To learn more about corporate sponsorship in the U.K., one can look at the corporate tax relief offered from the U.K. government. Donations that qualify for tax relief include donations to cultural institutions. Interestingly, donations that do not qualify for tax relief include donations that come with a condition of repayment, where the company or person connected to the company received a benefit or donations that come with a condition or arrangement for that purchase. 150 Perhaps what are missing in this last list are donations that include large advertisements for the corporation, which could lead to a profit for the corporation.

In the United Kingdom the percentage of tax relief is dependent on the amount donated, but any amount above 10,000 pounds has a benefit value limit of 500 pounds. While this does not seem like a large amount, corporations may take the opportunity to simultaneously take a tax relief while advertising their corporate donation within museums throughout the United Kingdom. 151

151 Ibid.
Appendix E: Case Information: The Prada Corporation

The Prada Corporation is renting the Ca'Corner della Regina, an 18th-century palazzo in Venice to exhibit the personal collection of Miuccia Prada and the collection of the Prada Foundation. In lieu of a donation, the Prada Corporation (valued at $9.5 billion) is paying an undisclosed amount of rent for the space. The rent, which allows the foundation to occupy the palazzo for the next six to twelve years, is allocated to restore the historic palazzo. While the space is still under the guardianship of the Italian cultural ministry, the Prada Corporation has the opportunity to use the space to design exhibitions and shows of their choosing. 152

The Prada Corporation has also developed its own foundation- Fondazione Prada. The Foundation commissions about two artists each year to do a large-scale art work, and once the space is completed sometime in the near future (possibly 2013), the foundation will have a somewhat permanent home to exhibition the commissioned work as well as the art in the collection (dependant on the Prada Corporation renewing the rent). Once complete, the site is described to “transform the Prada Foundation [Fondazione Prada] into a full-fledged museum and cultural center.” 153

Appendix F: Case Information: The Gucci Corporation

In 2001, the fashion house Gucci funded the restoration of the Santa Spirito church in Florence. Because of the corporation’s Florentine roots, this sponsorship came as no surprise to anyone involved. Estimated to have cost "almost a half billion Italian Lire," the restoration of the church included restoration of interior paintings that had been covered by plaster and reinforcement of the structure of the church. The advertising that accompanied the donation was described as "the scaffolding reproduced the building’s distinctive shape and simply said, ‘Gucci,’ rather than being plastered with a photo of a purse." 154 The cultural motivation of the donation is clear: The Gucci Corporation is a Florentine establishment that stepped in to fund the restoration of another Florentine establishment- the Santo Spirito church. Whether or not there was a financial motivation is unclear. However, the mayor at the time, Leonardo Domenici, made it certain that based on the simple advertisements accompanying the restoration Gucci would get its fair share of publicity. 155

Works Cited

Books


Journal Articles


Sinclair, Mark. “Can You Make Our Logo Bigger?”


Newspaper Articles


**Websites**


“International Council of Museums Code of Ethics,”


Metropolitan Museum of Art website:


“Polo Ralph Lauren to Preserve the Star Spangled Banner,”


“Preserve America/Save America’s Treasures Act (S.2262/H.R.3981),”


Smithsonian Institution website: http://amhistory.si.edu/starspangledbanner/visit.aspx.


“UK budget cuts take toll on important institutions like Tate and British Museum,” http://www.flashartonline.com/interno.php?pagina=news_det&id=807&det=ok&title=UK-budget-cuts-take-toll-on-important-institutions-like-Tate-and-British-Museum-.

USA Spending website: http://www.usaspending.gov/search?form_fields=%7B%22search_term%22%3A%22%3A%22%22search_term%22%2C%7B%22naics_code%22%3A%22%5B%22%5D%7D&sort_by=dollars&per_page=25.


