



IMG Artists

MIFA / Victory Theatre
Holyoke, MA
December 2013



MIFA / Victory Theatre

COMPETITIVE ANALYSIS & STRATEGIC BUSINESS PLAN

Presenting a sustainable strategy for MIFA / Victory Theatre in Holyoke, MA.

UPDATED NOVEMBER 2018

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EXECUTIVE SUMMARY

DECEMBER 2013

IMG Artists was asked by Massachusetts International Festival of the Arts' (MIFA) to analyze the population composition of Holyoke and the surrounding market to assess the potential for it to sustainably support MIFA's operation of a restored Victory Theatre. IMG Artists was also asked to prepare a strategic business plan, including a five year pro forma income statement, depicting a path to this defined outcome in the event the market was deemed sufficient. It was requested that IMG Artists craft the business plan within the context of fulfilling the organization's nonprofit mission: *MIFA's mission is to present the finest examples of contemporary practice in the performing, visual and literary arts for the purposes of educating, entertaining and enriching lives. MIFA serves the economic revitalization of Holyoke through the preservation and reopening of the historical landmark Victory Theatre.*

In IMG Artists' opinion there is a market surrounding Victory Theatre that possesses a high capacity to support the type of programming prescribed within this plan, which resulted from IMG Artists work pursuant to MIFA's request outlined above. Based on key market variables examined within the context of what are presumed to represent reasonable assumptions, this document presents positive proof of the market's capacity to sustainably support an operational Victory Theatre.

The accompanying business plan illustrates a path by which MIFA may accomplish this result operating within the context of MIFA's mission. This plan uniquely addresses overwhelming challenges that prevail at nonprofit arts institutions throughout the country—especially during challenging economic times. Although the plan leverages several nonprofit best practices for which proof of concept is well established, it does so in a unique model that can shift the nation's paradigm of how nonprofit arts institutions establish and maintain sustainability in the most difficult of environments. This would position MIFA / Victory Theatre as an industry vanguard worthy of national recognition.

For MIFA / Victory Theatre, success depends upon the imagination of its programming. MIFA and the power of its inclusive discerning programming point of view brand the Victory Theatre as a place irresistibly Holyoke and Worldwide.

UPDATE: NOVEMBER 2018

MIFA has established and is operating two key programs as outlined in the IMG Artists Strategic Business Plan, the Affiliates Program and the International Arts Academy:

Affiliates Program, September 2017

MIFA inaugurated its Affiliates Program in its 2017-2018 season with mentorship of the Holyoke-based Palante Theater Company, which highlights and celebrates Puerto Rican/Latinx identity. A key feature of MIFA's business plan, the Affiliates Program sponsors culturally based initiatives that complement MIFA's national and international programming and strengthen the mission of other regional not-for-profit organizations.

International Arts Academy, June 2018

The Victory Players, the inaugural program of the Arts Academy, gave their first performance and workshops in June 2018. Part of the Victory's education outreach program, the Arts Academy's Victory Players program brings musicians from around the world for a residency mentored by international artists and overseen by a locally based artist of outstanding merit.

Note on IMG Artists:

IMG Artists was retained by MIFA as consultants on the Victory Theatre Project for market research and development of a strategic business plan. IMG Artists is not involved in the management or operations of the Victory Theatre. Broadway producer Timothy Laczynski, who oversaw the production of the plan for IMG Artists, is Victory Theatre Project Manager.

OVERVIEW

COMPANY / PROJECT

HISTORY:

Since 1993, Massachusetts International Festival of the Arts (MIFA) has grown from a grassroots arts organization into a major cultural presence in the Pioneer Valley. MIFA programming has presented 162 events with 1,313 artists from 47 international and national companies including 28 company debuts in America and 12 world premieres. As MIFA celebrates its 20th year, it has embarked on a \$28M project to enhance the community's experience of artistic innovation through theatre and live performance, expand its identity as a partner in educational programs, vocational training and cross-cultural programming, and deepen the strength of the creative economy in Holyoke as a source of economic development for the region as a whole.

OBJECTIVE:

Economic & Community Development through Historic Preservation, Arts & Education

Historic Preservation: MIFA's goal is to return the iconic Victory Theatre, a 1,600-seat theatre built in 1919 and in need of complete renovation, to its original and intended purpose as the major live theatre house for the City of Holyoke and its surrounding communities. The restored theatre will serve as anchor to an eventual Holyoke Arts and Theatre District, which will include the use of two additional existing spaces that can accommodate performing arts along with the redeveloped historic Holyoke House contiguous to Victory Theatre.

According to a report by the National Governors Association (NGA) entitled *New Engines of Growth: Five Roles for Arts, Culture and Design*, "Efforts to encourage arts and design districts and historic preservation have proved effective catalysts in turning around distressed neighborhoods. Artists often are pioneers who lay the groundwork for the next stage of revitalization for distressed neighborhoods." ¹ The report also states that historic preservation provides urban neighborhoods with clear economic benefits measured in property values and tourism dollars, citing a 2007 study by Michael L. Lahr and David Listokin of Rutgers, which documented the economic impact of historic preservation in the state of Nebraska between 2001 and 2005. The study concluded that for the average \$46 million spent per on statewide historic rehabilitation, benefits to the state included 746 jobs, \$23 million in income, and \$30 million in gross state product.

According to a separate NGA report entitled *Arts & the Economy*, "In addition to supporting cultural production, arts spaces such as studios, galleries, and theaters help stir economic activity by attracting visitors from both inside and outside the community. Often, cultural spaces become hubs for other kinds of activity, acting as magnets for citizen gatherings and civic events. In this way, cultural facilities can be a powerful community revitalization asset, even in economically distressed communities." ²

MIFA's restoration of Victory Theatre is anticipated to leverage the arts as a force for economic development in Holyoke. In addition to creating and increasing commerce and tourism in the Greater Holyoke area MIFA will provide crucial access to arts education for the community and enrich the lives of Pioneer Valley residents and visitors.

The Arts & Creative Placemaking: The National Endowment for the Arts describes creative placemaking as "...a strategy for public and private partners to work together to shape the physical and social character of a neighborhood, town, city, or region through arts and cultural activities. Creative placemaking (or the creative economy) animates public and private spaces, rejuvenates structures and streetscapes, improves local business viability and public safety, and brings diverse people together to celebrate, inspire, and be inspired." ³

Victory Theatre is the last remaining Broadway style house between Boston and Albany and south to the Shubert Theatre in New Haven, CT. The theatre's programming would fill a void in the performing, visual and literary arts available in the Pioneer Valley, providing a complement to the area's existing academic, nonprofit and commercial arts scene and reflecting the unique multicultural audience of the Holyoke community. With a restored Victory Theatre, MIFA will eventually present a schedule of over 125 events in the region each year including nationally and internationally acclaimed artists and acts, Broadway-style shows, pop concerts, comedians, educational concerts, workshops and classes, off-site regional presentations and festivals. The eventual establishment of an arts district will also create a home and showplace for local talent, documentary and foreign films, programs for young audiences, professional talent, and literary and visual arts programs.

MIFA's prior experience, expertise and established position in the performing arts will enable it to draw prestigious theatre companies to Victory Theatre as the catalyst to developing an arts identity for the City of Holyoke. Over time, the restored Victory Theatre and its programming will make Holyoke the focal point for the arts in the Pioneer Valley. MIFA envisions the transformation of Victory Theatre into a great cultural institution in the Northeast on a par with Tanglewood, Brooklyn Academy of Music (BAM) and the Lincoln Center International Festival of the Arts.

Arts & Education: Arts learning experiences play a vital role in developing students' capacities for critical thinking, creativity, imagination, and innovation. These capacities are increasingly recognized as core skills and competencies all students need as part of a high-quality and complete 21st-century education. ⁴

MIFA's founding vision was to be a showcase for worldwide innovative and directional arts. In addition to presenting an annual festival of the performing, visual and literary arts, a key feature of MIFA is its education program that introduces elementary, secondary and higher education students to the arts. With the restoration of Victory Theatre, MIFA will expand its arts education program, continue its arts enrichment workshops for community elementary and

secondary level children and develop hands-on training and internship opportunities. Victory Theatre's education program will provide educational opportunities covering a variety of arts disciplines, and it will also include technical and administrative vocational training initiatives. MIFA will strive to fill gaps in arts curricula through collaborations with local educational institutions such as Holyoke High School, Holyoke Dean Technical High School and Holyoke Community College.

In 2011, the *Pathways to Prosperity Project* by the Harvard Graduate School of Education noted that "the most intensive forms of workplace learning—apprenticeship and sustained internships—are especially effective in meeting the developmental needs of young people."⁵ MIFA educational programs will extend beyond simple exposure to the arts by offering residencies, internships, apprenticeships, workshops and classes across multiple disciplines. The Victory Theatre education program will provide hands on training in all aspects of Theatre operations. MIFA will leverage the arts and arts education to enrich lives throughout the community and the region.

MISSION STATEMENT:

MIFA's mission is to present the finest examples of contemporary practice in the performing, visual and literary arts for the purposes of educating, entertaining and enriching lives. MIFA serves the economic revitalization of Holyoke through the preservation and reopening of the historical landmark Victory Theatre.

SUMMARY:

MIFA's vision to transform Victory Theatre, expand its identity as an educational partner and deepen the strength of the creative economy in Holyoke will increase commerce, tourism and access to the arts across the Pioneer Valley. Creative and educational programming and outreach initiatives will fully engage the community with Victory Theatre to aid in the development of new audiences and generate sufficient sources of contributed income and establish long-term sustainability. Affiliations with other local organizations will enable MIFA to leverage its resources along with those of affiliate partners to maximize mission-fulfilling impact as well as financial results (please refer to the "Affiliate Program" section on Page 33 for details).

*** * * COMPETITIVE ANALYSIS * * ***

LOCAL PERFORMING ARTS ENTITIES & VENUES

The following charts depict summarized information relating to performing arts entities and venues within a 30 mile radius of Victory Theatre.

Entities & Venues by Size and Organization Type:

Venue Size	# of Venues	Organization Type	# of Entities	# of Venues
<= 100	5	Non-Profit	1	3
101 - 300	6	School / University	5	15
301 - 500	3	Municipal	1	1
501 = 1000	5	Commercial	3	6
1,001 - 2,000	2			
2,001 +	4			
TOTAL:	25	TOTAL:	10	25

All Entities & Venues by Distance from Victory Theatre w/Capacity & Entity Activity Summary:

VENUE	Miles	Cap	PROGRAMMING ACTIVITY												
			Musical Theatre	Drama	Dance / Ballet	Pop / Concerts	Opera / Choral	Orch / Classical	Comedy	Lecture	Film	Visual Arts	Literary Arts	Edu-cation	Rental
CityStage & Symphony Hall	-	-	X	X		X	X	X	X	X				X	X
Symphony Hall	8.6	2,611													
S. Prestley Blake Theatre	8.6	479													
Winifred Arms Studio	8.6	83													
Community Music School of Springfield	8.7	180			X		X	X						X	X
MassMutual Center	8.8	8,000				X									X
Majestic Theatre	8.9	167	X	X					X					X	
The Elevens Nightclub	9.7	200				X			X	X					
Iron Horse Entertainment Group	-	-				X			X	X					
Calvin Theater and PAC	9.9	1,400													
Pearl Street Nightclub	9.8	700													
Iron Horse Music Hall	9.9	300													
The Basement Nightclub	10.0	50													
Academy of Music	10.1	800	X	X	X	X	X	X		X	X	X	X	X	X
Smith College	-	-	X	X	X	X	X	X				X		X	
John M. Greene Hall	11.0	2,246													
Sweeney Concert Hall	11.0	630													
Earle Recital Hall	11.0	100													
Theatre 14	11.0	460													
Hallie Flanagan Black Box	11.0	99													
Amherst College	-	-		X	X		X	X						X	
Kirby Memorial Theater	14.3	384													
Holden Experimental Theater	14.3	160													
Fine Arts Center @ UMASS-Amherst	-	-	X	X	X	X	X	X	X	X		X		X	X
Mullins Center	18.1	10,500													
Concert Hall	18.0	2,000													
Bezanson Recital hall	18.0	200													
Bowker Auditorium	18.0	700													
Rand Theatre	15.3	575													
Curtain Theatre	15.3	100													

ALTERNATIVE VENUES & PROGRAMMING ANALYSIS

Entities with Comparable Scale & Scope of Activity: Three of the existing, local, multi-disciplinary arts entities offer a scale and scope of activity that is comparable to what MIFA will offer at Victory Theatre: (1) CityStage & Symphony Hall (2) Fine Arts Center at UMASS—Amherst and (3) the facilities at Smith College.

CityStage & Symphony Hall: multiple venues; Springfield, MA – 8.6 miles from Victory Theatre; **Symphony Hall:** 2,611 seats; no fly or wing space or front of house lighting; **S. Prestley Blake Theatre:** 479 seats; modern thrust stage theatre used for jobbed-in, small-scale shows; **Winifred Arms Studio Theatre:** 83 seats; black box theatre.⁶

Mission Statement: *To consistently deliver high quality professional entertainment for all the citizens of Western Massachusetts thereby enhancing the quality of each life, increasing awareness and patronage of the performing arts, and actively contributing to the long-term economic growth and prosperity of our community.*

Programming: Symphony Hall is home to limited scale Broadway-style shows, classical music, children's programming, an educational series, speakers and numerous other concerts and performances; Blake theatre presents off-Broadway comedies, dramas and small musicals October through April; Winifred Arms Theatre is host to numerous community events, performances and meetings; the venues host an average of 250 events from September through June; home to the Springfield Symphony Orchestra, The Springfield Public Forum, and public and private graduation ceremonies for the Springfield public schools and surrounding communities.

Fine Arts Center at UMASS—Amherst: multiple venues; 18 miles from Victory Theatre Performing and visual arts educational program and events offering at the following venues: **Mullins Center** (10,500 seat sports arena w/4,000 seat entertainment event configuration), **Concert Hall** (2,500 seats), **Bezanson Recital Hall** (200 seats), **Bowker Auditorium** (700 seats), **Rand Theatre** (575 seats), **Curtain Theatre** (100 seats).⁷

Mission Statement: *The Fine Arts Center seeks to engage and inspire the campus and regional communities in the arts through a broad array of exemplary performances, exhibitions, and educational programs.*

Programming: Delivering a combination of educational, visual, and performing arts programs across all disciplines; presents 90 annual performances and 31 exhibitions, 81 education activities & 145 student service jobs and internships

Smith College: multiple venues; Northampton, MA (Smith College) – 11 miles from Victory Theatre **Mendenhall Center for the Performing Arts:** Theatre 14; 460 seat proscenium theatre with extensive fly and wing spaces; the center also contains professional scenic and costume shops; lighting, sound & set design labs, TV studio, classrooms, dressing rooms, lounges, rehearsal spaces and a 99 seat black box theatre (**Sage Hall**); **John M. Greene Hall:** 2,246 seats; **Sweeney Concert Hall:** 630 seats; **Earle Recital Hall:** 100 seats; all spaces specialize in non-amplified music.

Mission Statement: *(1) To educate critical/creative thinkers by offering them the special skills and wisdom of the theatre, (2) To provide students access to the breadth and depth of theatrical forms, (3) To free students from the constraints to their individual social, cultural, historical frames by offering theatrical portals to other times, other places, other worlds, (4) To provide experiences for students in the art of creative collaboration, (5) To work with students on experiential learning and embodied knowledge, (6) To encourage students to use their entire physical, sensory, intellectual repertoire to explore ideas, raise questions, convey messages, posit conclusions, and solve problems. Through theatre we gain experiential access to our histories, our current controversies, and our imaginative flights of fancy, (7) To develop in our students verbal and nonverbal methods of expression that involve the use and manipulation of visual imagery, aural awareness, intuitive knowledge, and affective experience, (8) To provide women with opportunities to explore fields that men have traditionally dominated such as directing, playwriting, design, and technical theatre. Also to focus on performance opportunities for women, (9) To foster an advocacy of the arts and to participate in the cultural life of the college and greater Northampton through theatrical presentations and the community investigation/expression of ideas, feelings, and values and (10) To provide faculty and staff opportunity for artistic expression and professional growth and thus enable them to serve as effective models and mentors for students.*

Programming: Delivering a comprehensive education in the performing arts across all disciplines

Entities with Comparable Scope of Activity: The Academy of Music in Northampton has a comparable scope of activity relative to Victory Theatre, but on a much smaller scale.

Academy of Music: 800 seats; Northampton, MA – 10.1 miles from Victory Theatre ⁸

Mission Statement: *To enrich greater Northampton's quality of life by offering first class performing arts and film presentations in an historic theatre of national significance, and encouraging the use of the venue for social, educational and professional events; the Academy of Music seeks a broad and diverse audience through its programming and outreach efforts.*

Programming: Live theatre, dance, film, music and arts education; home to resident companies: the Pioneer Valley Ballet, Old Deerfield Productions, Greene Room Productions, and the Pioneer Valley Symphony; presents major national and international performance groups

Future MGM Casino Venue: Capacity TBA; Springfield, MA – 10 miles from Victory Theatre
The future MGM Casino entertainment venue is one of two known future local venues of material interest for the sake of this analysis.

The casino development is slated to consist of: 250 room four star hotel tower; 7,000 sq. ft. spa; rooftop outdoor swimming pool; and an 8,000 square foot rooftop garden overlooking a public outdoor plaza that will host seasonally changing events and featuring an ice skating rink, large dynamic video displays, and areas for events and concerts, exhibitions, art shows and similar functions. ⁹

In addition to the facilities owned by the casino, the development contract with the City of Springfield requires MGM to underwrite, co-promote, book and schedule events over the five years following the opening of the casino as specified below:

MassMutual Center: MGM will underwrite, co-promote, book and schedule at least 4 events per calendar year for at least eight years post-opening. MGM will also sponsor Springfield's Armor and Falcons teams for at least 3 years post-opening.

Symphony Hall: MGM will underwrite, co-promote, book and schedule at least 3 events per calendar year for at least five years post-opening.

City Stage: MGM will underwrite, co-promote, book and schedule at least 3 events per calendar year for at least five years post-opening.

Additional Entertainment: MGM will underwrite, co-promote, book and schedule 2 additional events per year at MassMutual Center, Symphony Hall or City Stage for five years post-opening.

Future Theatre Venue: 2,300 seats; Springfield, MA – 10 miles from Victory Theatre. The Paramount Theatre is the other potential future venue.

The Paramount Theatre was purchased in 2011 by the New England Farm Worker's Council. According to media reports the venue is slated to undergo a \$36 million restoration.¹⁰ The timeline or likelihood of completion is unknown.

Other Venues & Companies: Please refer to “**Appendix I – Other Performing Arts Venues**” for an examination of other venues and “**Appendix II – Other Performing Arts Companies & Schools**” for other performing arts related companies and schools in the region.

S.W.O.T. ANALYSIS

MIFA OBJECTIVES

1. To return iconic Victory Theatre to its original and intended purpose as the major live theatre house for the City of Holyoke and its surrounding communities;
2. To be an engine for the economic revitalization of Holyoke through preservation and use of the historical landmark Victory Theatre;
3. To make Holyoke the regional focal point for presentation of the finest examples of contemporary practice in the performing, visual and literary arts;
4. To leverage the arts as a means to educate, entertain and enrich lives.

STRENGTHS

Production Infrastructure & Versatility

Victory Theatre is the largest theatre in the region with the production infrastructure and versatility to accommodate programming across all performing arts disciplines. Symphony Hall, the Concert Hall at UMASS-Amherst and the John M. Greene Hall at Smith College all specialize in unamplified music, and are not designed to fulfill the multi-faceted production requirements inherent in many types of programming activity for which Victory Theatre is equipped.

Large-Scale Broadway Shows: Victory Theatre is the largest regional venue with sufficient infrastructure to mount large-scale, popular Broadway shows. Symphony Hall lacks the infrastructure to do so due to a lack of wing space and other technical limitations and so its “Broadway series” is limited to smaller shows with limited sized casts and limited set/lighting needs. Although the Academy of Music has comparable production capabilities to Victory Theatre the venue has half the seating capacity of Victory Theatre.

Production Versatility: With MIFA relationships in place to facilitate multiple performance space options in addition to the use of Victory Theatre, MIFA is able to accommodate any type/size of event. Performance space alternatives to Victory Theatre range from an anticipated cabaret-style lounge at the Holyoke House to the flexible seating of Winter Palace / Tree Studio and the War Memorial Auditorium.

Nonprofit Status & Multiple Fundraising Catalysts

In order to fulfill the mission MIFA will develop programming to incite charitable contributions across multiple giving catalysts. MIFA’S MISSION: *To present the region’s finest examples of contemporary practice in the performing, visual and literary arts for the purposes of educating, entertaining and enriching lives. MIFA serves the economic revitalization of Holyoke through the preservation and reopening of the historical landmark Victory Theatre.*

Leveraging Multiple Giving Catalysts: MIFA will create a variety of internships, workshops and classes to provide much-needed vocational education opportunities for area students. To

enrich lives, MIFA will develop programs that improve quality of life for those in retirement communities, individuals in rehab or hospice care and a variety of other human-service initiatives. Of course, MIFA's restoration of historic landmark Victory Theatre will facilitate the delivery the finest examples of contemporary practice across multiple disciplines. To summarize MIFA will have a tangible, beneficial impact across a broad base of charitable giving catalysts. Rather than solicit contributions solely for artistic initiatives, MIFA's will solicit donations from contributors based on work done in the areas of education, human services, artistic and cultural development.

Nonprofit Status – Competitive Advantage: MIFA's nonprofit status represents a competitive edge relative to commercial venues in the area. MIFA's 20-year existence conveys a sense of stability to potential donors and patrons. This is especially important when soliciting the support of governmental, foundation, and other sources of funds that are sophisticated in their giving approach.

Momentum from Successful Bridge Project Initiatives

20 years of programming success has earned MIFA a positive reputation as well as thousands of valuable relationships with patrons, donors and affiliate organizations. The resulting positive momentum of these "bridge initiatives" will help propel the organization toward fulfillment of this plan's objectives. Existing relationships represent the seeds for a successful affiliate program. An affiliate is an organization that derives a benefit from Victory Theatre and plays a principal role in its success. The Affiliate Alliance is a network of these key players, which is crucial for the success of the overall plan. The affiliate program will become an effective network for communicating with the community and reaching potential audiences. Once operational, Victory Theatre will benefit as the "newcomer" performing arts venue in the region. Positive press and publicity and other circumstances surrounding the grand reopening and the inaugural season will give MIFA a marketing/messaging advantage during the first year of operations. This advantage represents a key strength that MIFA must leverage (1) to create a positive first impression of the organization, (2) to effectively communicate the manner in which the community will benefit from the presence of the venue and (3) to firmly establish Victory Theatre's place amongst the performing arts venues of the Pioneer Valley.

WEAKNESSES

Victory Theatre Location

Within the Pioneer Valley, Holyoke is amongst the lowest-ranking cities in terms of median household income and has the highest percentage of residents below the poverty level. It is located outside the confines of densely-populated Springfield. It is on the opposite side of Springfield in contrast to four of the most affluent Springfield suburbs (Wilbraham, Hampden, East Longmeadow, Longmeadow), all four of which rank within the top 15 cities in the Pioneer Valley based on median household income. Within the Pioneer Valley, MIFA's location is a

weakness with respect to direct exposure to (1) the most dense concentration of potential patrons and (2) the most affluent of potential patrons. As a result it will take a greater expenditure of resources to establish a sustainable patron and donor base for the venue.

Fixed Overhead

Many of the expenses associated with venue ownership accrue to MIFA regardless of the volume of revenue generating activity or venue use by the nonprofit. The amount of this fixed overhead increases substantially once the venue is operational. To sustain this financial burden MIFA must plan beyond the cost of the venue's restoration and launch, and also sufficiently capitalize any operating deficits that are anticipated to accrue between the reopening of the venue and the point at which the operation can sustain itself from operating results. This means that MIFA's plan must deliver sufficient programming to compel a combination of ticket purchases and charitable contributions to sustain the organization in the long-run.

Victory Theatre Infrastructure

Victory Theatre's infrastructure is lacking in a few key areas that cannot be expanded upon or improved during the restoration process. This will force MIFA to seek alternative solutions.

Auditorium Capacity: While Victory Theatre is better suited than other venues in the region for certain types of programming, Victory Theatre's seating capacity is not ideal for all shows. Certain concert events will be cost prohibitive because the direct expenses will exceed potential revenue from ticket sales. Also some large Broadway-style touring shows may seek larger auditoriums with greater revenue potential.

Concession Infrastructure: Victory Theatre's concession infrastructure is limited. The theatre was built at a time when ancillary income from food, beverage and other concession sales was not a material source of operating income and this is no longer the case. The lack of facilities for accommodating ancillary income from concessions is a weakness from a revenue-generating perspective as well as a customer service perspective as patrons have come to expect easy access to certain amenities and services during their theatre-going experiences.

Rehearsal & Studio Space: In order to pursue the anticipated level of educational and artistic activity to fulfill MIFA's vision, MIFA will need to barter or contract for use of additional space as needed to accommodate certain rehearsals, classes, visual arts installations, etc.

Administrative Office Facilities: Victory Theatre lacks sufficient office space to house MIFA's administrative operations. MIFA will need to barter or contract for use of additional space to fulfill operating needs as well as overcome any challenges associated with running an administrative operation that is separate from the theatre space.

OPPORTUNITIES

The Arts & Downtown Development

There have been myriad instances of arts facilitates and creative initiatives that were pivotal in urban development, growth and revitalization of cities throughout the nation. These instances are well documented in countless studies, including the following examples:

In *Arts & the Economy: Using Arts & Culture to Stimulate State Economic Development*, a report by the NGA Center for Best Practices, it states that “Recognizing and strengthening existing assets are vital parts of community development and can contribute to economic development.” The report cites several case studies that illuminate the economic impact of arts activities. *Building Vibrancy: Creative Placemaking Strategies for Gateway City Growth and Renewal*, a report compiled by MassINC in conjunction with ArtPlace, cites examples of creative placemaking success in several small to mid-size cities, including highlighting the project to restore the historic Hanover Theatre in the gateway city of Worcester, MA—a project credited for major economic growth. Hanover Theatre is estimated to generate \$40 million annually in direct and indirect spending, jobs, property values and taxes. The report emphasizes that, “Creative placemaking is a geographically targeted urban revitalization strategy, but it also supports the state’s broader economic development goal of increasing innovation and entrepreneurship throughout the Commonwealth.”¹¹

A report entitled *Leveraging cultural Assets for Economic Development* prepared by the Cape Cod Commission echoed a common thread found amongst studies that pinpoints why arts and culture are a critical component of thriving economies today, stating “This is due to a shift in the global industry base. Technological innovation fuels the global economy the way manufacturing once did. The paradigm of private business development has shifted as a result. Entrepreneurs are seeking to invest in communities that offer a strong quality of life with an abundance of skilled workers, cultural activities, and environmental assets for outdoor recreation.”¹²

In the survey brief entitled *Creative Places: Public Perceptions of Arts, Culture, and Economic Development in Gateway Cities*, MassINC surveyed 600 registered voters in 11 Massachusetts gateway cities. The findings, summarized here, are relevant to MIFA’s plan since Holyoke is a gateway city, as is Springfield:¹³

1. Participation in the arts is widespread among gateway city residents;
2. Gateway city residents who take part in local cultural activities build stronger bonds to the community;
3. Creative placemaking can improve quality of life and boost city image;
4. Gateway city residents associate creative placemaking with education and economic development benefits
5. Support for public efforts to advance creative placemaking is strong gateway cities

Cases of success in leveraging the arts for the purpose of economic development are plentiful, including specific examples in Massachusetts and in connection with gateway cities like Holyoke. The economic shift from manufacturing to technological innovation, as cited in the study by the Cape Cod Commission, accurately describes the scenario in Holyoke. The death of manufacturing has resulted in Holyoke needing a paradigm shift that brings the city into alignment with the new economy. The essential ingredients needed in order for this to take place are present in Holyoke—existing infrastructure in the form of Victory Theatre, MIFA's existing leadership and a material amount of funding allocated by the state of Massachusetts.

Proof of concept for the use of arts and culture as catalysts for economic development is well-established. The widespread embrace of this concept is evident throughout the nation. With proof of concept already established, the depth and breadth of current investment in Holyoke's urban renewal cannot be looked upon as an experiment—nor can MIFA's efforts to restore Victory Theatre. MIFA's restoration of Victory Theatre is a critical, missing piece of the much larger Holyoke economic development puzzle. Examining MIFA's initiatives within the context of this larger movement for urban renewal illustrates why the Victory Theatre restoration should be considered the cornerstone of Holyoke's revitalization strategy.

Key Holyoke Development Initiatives

There are several key local and regional development initiatives underway, the progress and fulfillment of which will create a synergistic effect for the mutual benefit of MIFA and the proponents of the key Holyoke development initiatives. Some of these initiatives include funding mechanisms of which MIFA is a prospective beneficiary, and all serve as evidence of the building of momentum toward a revitalized Holyoke and a harbinger of the success of MIFA and its anticipated use of a restored Victory Theatre.

Massachusetts & Gateway City Development: According to independent think tank MassINC, Massachusetts gateway cities are defined as "...midsize urban centers that anchor regional economies around the state," facing "stubborn social and economic challenges" while retaining "many assets with unrealized potential." The state of Massachusetts is vested in leveraging the latent infrastructure and other resources within these gateway cities to advance the overall economic vitality of the Commonwealth of Massachusetts. This initiative is spelled out in *The Gateway Cities Compact for Community and Economic Development*, and signed by the mayors of the gateway cities.¹⁴

Included amongst Massachusetts' gateway city development initiatives is an education agenda, which states: "Closing achievement and attainment gaps is the top education priority of the Patrick-Murray Administration. The primary purpose of the Gateway Cities Education Agenda is to close these gaps that disproportionately affect students living in poverty, students of color, students with disabilities, and students who are English language learners in our Gateway Cities."¹⁵

Holyoke has been identified as one of Massachusetts gateway cities. This places valuable state resources in alignment with objectives that mirror those of MIFA. The state budget includes funding to support the implementation of the gateway cities agenda and MIFA is positioned as a potential recipient of a portion of this funding.

Holyoke & Developing the Creative Economy: In November 2012, Holyoke's mayor created the new position of "Creative Economy Coordinator" to tie together and highlight various artistic and cultural activities happening in Holyoke, to forge links with businesses and to boost economic development. The objectives of MIFA and the Creative Economy Coordinator are closely aligned and the presence of this position gives MIFA a reliable advocate in local government who can help MIFA bridge communication and explore synergies with local government, local business and local artistic and cultural groups. MIFA's success translates to the success of the Creative Economy Coordinator and vice versa.

Holyoke House Hotel: The historic hotel has a new owner that is committed to renovating the space so it can once again be put to productive use. This is timely because it represents a momentum builder that represents economic activity and the possibility that new infrastructure will be in place ahead of the Victory Theatre reopening. The owner of the project is collaborative in working with MIFA to explore uses that are beneficial to MIFA and the operation of Victory Theatre. The renovated space represents a potential asset for housing performers and students and providing space that is lacking within the existing Victory Theatre infrastructure, including potential use for catering and concessions, a cabaret performance space and other facilities.

Transportation: Amtrak's Holyoke Mass Transit Station will connect Holyoke to the nearby Cities of Greenfield, Northampton, Springfield, Hartford and beyond. Amtrak's Passenger service is scheduled to begin serving this corridor during the Spring of 2014. This service will provide an easy and economically efficient means of transportation for potential patrons of MIFA events at Victory Theatre as well as participants in MIFA's education programs. The use of this new transit resource will create heavier pedestrian traffic in the downtown Holyoke area, providing a compelling reason for the city to deploy additional resources to police the area, which could help reduce crime and improve pedestrian safety near the Victory Theatre.

Future Holyoke Arts and Theatre District: The long-term vision for a Holyoke Arts and Theatre District is an opportunity that can be leveraged as the evolution of downtown Holyoke gains traction. The use of multiple venues of varying sizes and flexible seating arrangements will help maintain the artistic integrity of certain types of creative programming and also support the financial viability of certain events that do not require the use of a 1,600 seat theatre. The presence of the arts district will promote a broader awareness of creative endeavors under a conveniently packaged umbrella initiative that will fuel the effectiveness of MIFA's institutional marketing campaign. The official creation of an

arts district carries the potential to add an element of additional financial subsidy to MIFA's endeavors and serve as a catalyst to the growth of creative infrastructure in the area.

THREATS

MIFA / Victory Theatre Competition

Performing Arts Competition: Although it is MIFA's intent to explore opportunities to collaborate with other local performing arts entities in ways that are mutually beneficial, the presence of other performance venues does represent a competitive threat. MIFA will have to be diligent in the manner in which it manages competition in the areas of event scheduling, programmatic content, and the establishment of affiliate, patron and donor relationships. The following is an overview of the most direct competitive threats posed by alternative entities and venues within a thirty mile radius of Victory Theatre:

Theatre Capacity: Three other area theatres have seating capacities that exceed Victory Theatre's 1,600 seats (UMASS-Amherst's Concert Hall at the Fine Arts Center, Capacity: 2,000; John M. Greene Hall at Smith College, Capacity: 2,246; Springfield's Symphony Hall, Capacity 2,611). There is also an arena at the UMASS-Amherst campus (the Mullins Center), which has a capacity of 10,500 seats. The presence of higher-capacity venues represents a competitive threat in any case where demand is sufficient to fill the additional capacity. The higher revenue potential of the larger venues represents a compelling reason for creative content producers to pursue those venues. The more costly events tend to have a higher public profile or level of commercial appeal. The hosting of these "blockbuster" type events can help a venue build rapport within a region, thereby representing another potential competitive edge. There are several venues that have a substantially smaller capacity than Victory Theatre. This represents a competitive threat when demand for a particular event only necessitates the use of a limited number of seats, and when a smaller venue is capable of producing or presenting the event for lower direct costs or with lower associated overhead relative to Victory Theatre. Smaller venues also have a competitive advantage when an intimate audience environment is preferred for the sake of the artistic delivery.

Seating Versatility: Several performing arts entities in the area have control over multiple performance spaces, including the use of spaces with flexible seating where seating layouts can be reconfigured or the number of seats can be reduced or increased within a certain range. This can create a competitive advantage in terms of an entity's ability to (1) present events in the most cost efficient manner and (2) place events in the performance space most conducive to effective audience delivery.

Size & Tenure: Existing entities that have full operating teams and are well-established in the market have a temporary first-movers advantage over MIFA / Victory Theatre, which has a small team supporting current activity, which does not include the running of a theatre venue. Entities with larger budgets will benefit from their larger staffs and additional financial

resources to fulfill their missions and deploy their strategies. Venues run by large educational entities also have the benefit of a parent institution that can provide financial subsidies and other support resources without the burden of maintaining solvency within the arts program.

MGM Casino Support: MassMutual Center, CityStage and Symphony Hall are positioned to receive support from the new MGM casino for the 5 years where they are required to underwrite, co-promote, book and schedule a certain number of events per year for up to eight years following the opening of the casino. Victory Theatre is not slated to be amongst the recipients of this support.

Other Nonprofits: In addition to the presence of direct, arts-related competition MIFA also exists within a crowded nonprofit space where multiple organizations are competing for the time, attention and financial support from the same local or regional pool of potential constituents. MIFA's intent is to leverage opportunities to collaborate with these institutions; however, MIFA faces the threat of donor fatigue and potential donor apathy toward MIFA's mission relative to those of other nonprofits (primarily in the health and human services space). MIFA may also be confronted with territorialism amongst competing nonprofits and their respective administrators as well as amongst commercial competitors in the performing arts space. These elements all represent potential threats to MIFA's strategy to reap the benefits of strong community affiliation.

Victory Theatre "Wildcards"

Certain prevailing conditions within the immediate vicinity of the Victory Theatre, if improved, would make for a more hospitable environment for potential patrons and donors. MIFA does not have complete control over some of these "wildcard" conditions and the overall results require a collaboration of multiple entities. The primary "wildcard" factors are the disposition of the Holyoke House Hotel, including the renovation timeline and whether the ultimate use of the space will accommodate certain MIFA needs, Holyoke's high crime rate, and the unknown effect the potential future venues (the new MGM Casino and the restored Paramount Theatre) will have on the local entertainment market and entertainment spending.

Holyoke House Hotel – Project Timeline and Determination of Future Use

Although work is underway to renovate the Holyoke House Hotel property that sits adjacent to Victory Theatre, the project is a privately owned, privately funded initiative. As such, the timeline for redevelopment and the final intended use for property aren't completely predictable and the outcome currently falls outside the control of MIFA. It is preferable that this property be put back to use before Victory Theatre reopens. MIFA is somewhat dependent upon this project to produce a more hospitable environment within the immediate vicinity of Victory Theatre. This would include the potential provision of ancillary patron services (concessions and/or pre-or post-show entertainment) for which MIFA will need to seek alternatives should the project falter. This also includes conversion of the aesthetically displeasing shuttered building into an active space with more curb appeal.

High Crime Rate in Holyoke, MA ¹⁶

Crime rates in Holyoke by Year													
Type	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Murders	8	4	5	3	4	3	3	2	2	2	3	4	4
(per 100,000)	(19.4)	(9.6)	(12.5)	(7.4)	(10.0)	(7.5)	(7.5)	(5.0)	(5.0)	(5.0)	(7.4)	(10.0)	(10.0)
Rapes	29	23	38	35	44	54	30	38	45	44	38	38	34
(per 100,000)	(70.5)	(55.0)	(94.9)	(86.8)	(110.3)	(135.3)	(75.1)	(94.5)	(113.2)	(110.8)	(94.2)	(94.9)	(84.7)
Robberies	102	95	125	92	92	77	92	81	54	65	68	97	75
(per 100,000)	(247.9)	(227.1)	(312.3)	(228.1)	(230.6)	(192.9)	(230.3)	(201.5)	(135.8)	(163.6)	(168.6)	(242.3)	(186.9)
Assaults	268	338	424	332	341	373	N/A	N/A	396	340	288	338	291
(per 100,000)	(651.3)	(808.2)	(1,059.3)	(823.2)	(854.6)	(934.6)			(995.8)	(855.9)	(714.3)	(844.5)	(725.3)
Burglaries	418	486	608	433	537	492	356	374	421	461	514	535	420
(per 100,000)	(1,015.8)	(1,162.0)	(1,518.9)	(1,073.6)	(1,345.7)	(1,232.8)	(891.2)	(930.4)	(1,058.6)	(1,160.6)	(1,274.7)	(1,336.6)	(1,046.8)
Thefts	1,743	1,622	2,065	2,049	1,985	1,804	1,560	1,472	1,569	1,650	1,897	1,951	1,829
(per 100,000)	(4,235.6)	(3,878.2)	(5,158.9)	(5,080.3)	(4,974.4)	(4,520.2)	(3,905.2)	(3,661.9)	(3,945.3)	(4,153.9)	(4,704.6)	(4,874.3)	(4,558.5)
Auto thefts	242	204	244	402	300	262	297	308	213	236	232	211	172
(per 100,000)	(588.1)	(487.8)	(609.6)	(996.7)	(751.8)	(656.5)	(743.5)	(766.2)	(535.6)	(594.1)	(575.4)	(527.2)	(428.7)
Arson	N/A	N/A	19	24	16	15	16	12	15	20	12	17	15
(per 100,000)			(47.5)	(59.5)	(40.1)	(37.6)	(40.1)	(29.9)	(37.7)	(50.3)	(29.8)	(42.5)	(37.4)
Crime Rate	593.3	574	775.5	682.2	708.6	694.5	N/A	N/A	621.3	620	613.2	674.9	584.5

City-data.com crime rate (higher means more crime, U.S. average = 307.5); City-data.com crime rate counts serious crimes and violent crime more heavily. It adjusts for the number of visitors and daily workers commuting into cities.

In *Attitudes Toward “Creating Holyoke”* – a report prepared by Market Street Research, Inc. for the Wistariahurst Museum, regional residents (including Amherst, Easthampton, Hadley, Northampton, Southampton, South Hadley, Agawam, Chicopee, East Longmeadow, Longmeadow, Ludlow, Springfield and West Springfield) were surveyed about their propensity to attend events or exhibits in Holyoke. The data indicate that 17.9% of the population was not likely to attend exhibits or events in Holyoke. 25.6% of those not likely to attend exhibits or events in Holyoke expressed concern about Holyoke’s high crime rate as a primary reason for their unlikeliness to attend.

Although this survey highlights the issue of crime and its relative importance to those unlikely to attend exhibits or events, it is noteworthy to point out that those reporting crime as a concern represent only 4.6% of the overall population within the survey region. That said, this report suggests that an improvement in crime rates would help improve attendance at future MIFA / Victory Theatre events. Please note, the survey cited was completed in 2007, and the Holyoke crime rate has decreased marginally (by approximately 6%) from 2007 to 2011 according to City-Data.com’s proprietary system of measurement.

ANALYSIS of STRENGTHS, WEAKNESSES, OPPORTUNITIES & THREATS:

Capitalizing on Strengths and Opportunities:

Overall Timeliness: MIFA’s compelling charitable giving catalysts pair synergistically with existing Holyoke creative economy and gateway city funding initiatives. This underscores the timeliness and importance of restoring Victory Theatre within the context of current municipal development projects in Holyoke, MA. The concurrent campaigns to restore the theatre and revitalize the city will create positive momentum that contributes to the overall success of all initiatives. The fact that Holyoke has created government-sponsored infrastructure in the form

of a Creative Economy Director to leverage the arts and the creative economy as a catalyst for economic development positions MIFA's project to receive full community support. This also creates an opportunity to build strong relationships and affiliations within the context of the larger goal of the economic revitalization of Holyoke. Another timely element is the recent purchase of the Holyoke House Hotel. With renovations underway, it is a favorable time to show progress toward fulfillment of MIFA objectives. This progress lends MIFA stronger standing to influence the owner's strategy for the renovation and the intended final use of the building. Because it is early on in the process of developing Holyoke's creative economy, an operational Victory Theatre will also be able to take full advantage of helping shape a future Holyoke Arts & Theatre District and serve as an engine to propel the Holyoke revitalization process.

Developing Audiences & Donors: Through prior programming, MIFA has developed a list of approximate 4,500 patrons and donors that help support MIFA initiatives. There are several ways that current opportunities pair well with MIFA's strengths to help identify new patrons and donors, and to increase the number of MIFA supporters. This list will have great value for MIFA once the venue is operational.

Transit Station: MIFA's successful development of a regional audience through past, current and ongoing bridge initiatives enables the theatre to capitalize on Amtrak's new Holyoke Mass Transit Station. MIFA will promote use of the mass transit station as a means for regional patrons to attend events at the restored Victory Theatre. The mass-transportation of individuals through Holyoke also presents opportunities to advertise MIFA to a regional market in an economically efficient manner. MIFA will seek ways to advertise to this captive audience of mass-transit users to develop new patrons and donors.

Leveraging Nonprofit Status: MIFA will leverage its nonprofit status to affiliate with commercial entities such as Iron Horse Entertainment Group (IHEG) or other for-profit theatre companies. Because MIFA is able to solicit tax-deductible financial donations and in-kind contributions, MIFA can pair with a company like IHEG to co-produce or co-promote events that have an inherent MIFA / Victory Theatre mission-fulfilling element. This is done by leveraging dedicated financial contributions or in-kind donations to reduce the cost of producing and promoting the co-produced or co-promoted creative content. Because IHEG is not a nonprofit, MIFA's nonprofit status represents a compelling reason to affiliate.

Another example of the application of this principle would be for a commercial (for-profit) dance company to leverage MIFA's nonprofit status to solicit earmarked donations to cover the cost of orchestral backing for one of their events by having the donations made to MIFA, and earmarked for this purpose. There are a variety of ways this principle can be applied to compel organizations to formally affiliate with MIFA, and to ensure the success of the affiliate program. Affiliation with groups like IHEG can help position MIFA to gain exposure within geographic areas that have higher population densities and are more affluent. This can help

increase ticket sales to other MIFA events, and also create opportunities to develop relationships with new potential donors.

Soliciting Educational Funding: In addition to creating eligibility for a multitude of national grants for fulfillment of arts education and general education initiatives, MIFA's strong education and community-oriented affiliation strategy will make MIFA eligible to take advantage of gateway city funding opportunities. The vocational skills developed through the administrative, technical and creative educational programs provide a clear path toward increasing career readiness for high school students, which is a focus of the Gateway funding.

Filling the Area's Broadway-Style Content Gap: The capacity of Victory Theatre's auditorium is prohibitively small to attract some large-scale professional touring productions of popular Broadway shows. That said, Victory Theatre is by far the largest venue in the area that can accommodate large Broadway-style productions and it is a viable tour stop for certain shows. Three of the 2,000+ capacity venues (Symphony Hall, John M. Greene Hall and Concert Hall at UMASS's Fine Arts Center) were all built to specialize in non-amplified music, and do not have the technical infrastructure or wing and fly space to accommodate most large touring productions. The 10,000+ seat Mullins Center at UMASS is an arena that does not get used for Broadway productions. To fill this gap, Victory Theatre will become known regionally as the best venue for Broadway-style content. MIFA will present or produce Broadway-style content through a variety of mechanisms:

Non-Union Touring Shows: Victory Theatre is an attractive stop for some non-union touring productions and shows with smaller casts and lower overheads. This includes shows that are currently booked at Symphony Hall. Symphony Hall typically stages only two or three performances of these shows. Although the auditorium size at Victory Theatre is smaller, MIFA can make up for the capacity differential by adding performances (a Fri – Sun period can comfortably accommodate five performances). MIFA will also attract other titles touring through the area that have multi-unit sets that cannot be accommodated by Symphony Hall's limited technical and stage infrastructure. Victory Theatre will also be attractive for "routed bookings," which happen when a show tours through a prime venue (typically larger than Victory Theater, and in a more well-developed market) and then seeks a nearby venue to accommodate a "pick-up" week, or in some cases a split week before moving to another prime venue. Producers will be willing to book a smaller auditorium like Victory Theatre as a routing convenience to help make the tours dates and logistics work more efficiently to maximize the tours financial results.

Regional Co-Productions: MIFA will work with other venues outside of a 60 mile radius to co-produce shows. In this manner, MIFA will help defray production costs for the other venue in exchange for the ability to move the show to Victory Theatre at the end of its run at the initial venue. This is an attractive proposition that would enable MIFA to stage Broadway-style content that would otherwise be cost prohibitive.

Concert Versions of Broadway Musicals: MIFA will also employ the common practice of staging “concert versions” of popular Broadway musicals. In concert versions production costs can be contained by eliminating or paring back certain expensive production elements. Actors are staged with appropriate dramatic lighting in simple costumes and a set that is used for the duration of the presentation. The actors are often staged front of an on-stage orchestra, and they deliver commercially well-known content. Concert versions often make up for missing artistic elements by emphasizing the quality of the music, with larger orchestras and the casting of top-level vocal talent.

MIFA-Produced Musicals: MIFA’s affiliate program will represent a pool of affiliates within which all necessary elements are present for MIFA to self-produce Broadway-style musicals. Eventually MIFA will leverage these resources to produce new content with the goal of incubating a title on its pre-Broadway path. These scenarios often incorporate underwriting from commercial producers. This enables them to put a show in front of a live audience, which then helps the authors and producers improve the content, and enables them to take away certain production elements like costumes, sets and props, which can then be used for the Broadway iteration of the production. This “out-of-town tryout” is typical of the developmental path for Broadway shows, and the regional theatres that house developmental productions often accrue benefits such as royalties and Broadway credits and/or billing, which can bring additional attention and prestige to a theatre like Victory Theatre.

Converting Weaknesses into Strengths:

Location: Because Victory Theatre is located in an economically depressed city, programming must draw patrons from outside of Holyoke. The new mass transit station in Holyoke will help overcome this hurdle. MIFA’s series of successful bridge initiatives have developed and continue to develop a constituent/patron base that pulls from outside of Holyoke and this will also help overcome this hurdle.

Patron & Donor Awareness: In addition to the opportunity to leverage the new mass transit station to promote awareness of MIFA / Victory Theatre programming to a critical mass of potential patrons, MIFA’s affiliate program and other in-house content initiatives will help overcome this weakness. Through the affiliate program, MIFA will build a communication network with other nonprofit and commercial affiliates that will provide a certain degree of access to those affiliates’ constituents. Those constituents are volunteers, donors, ticket buyers, customers, or other stakeholders of MIFA’s affiliates, and through that access, MIFA will gain exposure to a critical mass of potential ticket buyers and supporters. MIFA’s *Victory on the Road* initiatives will enable MIFA to deploy ambassadors throughout the region. These ambassadors will promote awareness of MIFA and the work being done and this will help build support for MIFA in the form of additional ticket buyers, program participants and financial contributors.

Development Strategy: MIFA's development strategy will help overcome Victory Theatre's location. It only takes a small number of people with the capacity to make large donations in order to meet the development projections. Although the overall development strategy is accommodative toward building broad base of individual supporters, there are opportunities to develop relationships with large donors even within the confines of Holyoke as outlined in the Development Plan.

Local Patronage for Events: MIFA will solicit grants, sponsorships, barter, and other forms of underwriting, funding or cost reductions to manage the potential need to use pricing subsidies for programming aimed at the local, economically depressed market. These events will also be geared toward cultural relevance respective to the local Holyoke demographic, which is 48% Hispanic or Latino (92% of which is Puerto Rican).

Fixed Overhead: The fixed overhead of the restored theatre will be made manageable through proper financial planning. The appropriate amount of pre-opening capital will be raised during the capital campaign to allow MIFA to fund early deficits and provide a contingency operating reserve. This will give MIFA sufficient time to ramp-up to the level of programming and the base of patrons and donors needed to make the operation self-sustaining.

Infrastructure: MIFA will make efforts to procure alternative resources to overcome infrastructure limitations. Event underwriting and sponsorships will help MIFA deliver programming that would be otherwise cost prohibitive due to the limited seating capacity and limited potential revenue. MIFA will work with the owner of the Holyoke House Hotel to plan for additional space to fulfill catering as well as pre and post-show activities. MIFA will barter or contract for the use of alternative rehearsal, studio, and administrative office space as needed—leveraging the resources from the Affiliate Program described in this plan.

Managing Threats:

Performing Arts Competition: MIFA will embrace the presence of other nonprofit, commercial and school/university-affiliated performance venues and performing arts companies. The purpose of the MIFA's Affiliate Program is to leverage MIFA's key differentiators to engage these companies in meaningful ways for the benefit of the community. MIFA's plan for building the affiliate program is focused on establishing key high-value differentiators first (professional residents, *Victory on the Road* initiatives, and MIFA's relationship with the professional entertainment and performing arts industry.) These flagship programs represent content unique to MIFA's that will convey value and prestige which will position those organizations that would otherwise be considered competitors within reach as potential MIFA affiliates. In the process of building affiliations in the performing arts space, MIFA must minimize or mitigate potential competitive conflicts through (1) careful planning and event scheduling, (2) through distinct product differentiation strategies and (3) through execution of deliberate strategies and tactics for building community, patron and donor connections that do not compromise important affiliate relationships.

Other Nonprofits: MIFA / Victory Theatre will be very proactive in reviewing ways in which it can support the activities of other nonprofits in the area. Victory Theatre will be used for fundraisers for other nonprofit entities, and to help other nonprofits reach out to their respective constituencies. This will foster an environment of affiliation and partnering rather than competition amongst the nonprofits that compete within the same donor base for contributions toward their respective campaigns and missions. MIFA will leverage all assets and MIFA / Victory Theatre’s differentiating market positioning, which focuses on outreach and community affiliation, to embrace other nonprofits and their missions. This will help MIFA discover venue utilization opportunities. Establishing an early identity as the community’s venue and as a strong supporter of other nonprofit missions is an important alleviator of potential territorialism in the local nonprofit space. The sooner other community nonprofits and their constituents begin to benefit from MIFA’s work, the faster MIFA will be able to build strength in the community affiliate program to maximize MIFA’s mission-fulfilling productivity.

Managing Other Threats and Risks:

Holyoke House Hotel: In response to the development of the Holyoke House MIFA will take a proactive role, actively soliciting the entities for commitments to partner in ways that are synergistic and generate positive press.

Poverty & Crime: The renovation of the Holyoke House Hotel, the addition of Amtrak’s Holyoke Mass Transit Station and the general thrust of the projects outlined above for improving economic conditions in Holyoke should all contribute to improvements in Victory Theatre’s “curb appeal” and the general experience and impression made on potential patrons and donors. MIFA will maintain a close relationship with other stakeholders, including the Holyoke House Hotel, to maintain ongoing dialogue about crime mitigation in the area to generate ideas that can be brought to the city. MIFA will consider additional security on event nights to deter crime and instill a sense of safety amongst patrons. MIFA’s PR efforts will reduce the impression that the area near the theatre is unsafe—these efforts will begin well before the theatre reopens.

MGM Casino & Paramount Theatre: In response to the development of the new MGM Casino and Paramount Theatre in Springfield, MIFA will take a proactive role, actively soliciting commitments to partner in ways that are synergistic and generate positive press. With respect to the potential competitors’ entertainment propositions, MIFA will focus on what makes Victory Theatre unique in order to differentiate from the competing offerings.

*** * * STRATEGIC BUSINESS PLAN * * ***

PROGRAMMING & ACTIVITY PLAN

DIFFERENTIATING MIFA / VICTORY THEATRE

MIFA / Victory Theatre will capitalize on four key organizational characteristics to deliver first-class programming while maximizing impact on the community and output of mission-fulfilling productivity: (1) the presence of internationally-renown professional resident companies and world-class talent (2) a wide array of professional and community programming (3) the use of top talent as a regional differentiator to a first-class, hands-on education program, (4) an emphasis on community affiliation and outreach to maximize MIFA's impact at Victory Theatre, in the community and throughout the region.

1. Delivering Professional Resident Companies & World Class Talent: Since 1994 MIFA has built a reputation for high quality regional, national and international programming. Events ranged from the kick-off of Mikhail Baryshnikov's World Tour to appearances by Vanessa Redgrave, the National Ballet of Cuba, France's Comedie Francaise, the distinguished English theatre companies, Out of joint, Complicite and Shakespeare's Globe as well as Hal Holbrook in "Mark Twain Tonight", and musicians Tito Puente, Hilton Ruiz and Eddie Palmeri to name a few. MIFA will leverage this reputation for the benefit of Victory Theatre by becoming the home for several unquestionably prestigious quality arts companies in the performing, visual and literary arts. These will include Irish, French, Polish, and Puerto Rican cultural organizations representing the predominant areas of origin of residents in the theatre's region. Engagements with these companies will plant the seeds for establishing Holyoke as a regional destination for quality artistic and cultural events. Please reference **"Appendix III – Professional Resident Company Targets"** for a list of current prospects for this program.

2. Offering a Wide Array of Professional & Community Programming: MIFA / Victory Theatre's production versatility enables it to present or produce small to large-scale events across all performing arts disciplines. MIFA will leverage its relationship with IMGa to supplement these resident companies with other top-quality professional talent. A menu of additional programmatic offerings that also includes commercial or popular events (i.e. Broadway-style shows, tribute and celebrity concerts and appearances) will complement professional activity and community affiliate activity to round out the offering for a wide range of programming, both professional as well as community oriented, and encompassing the commercial arts as well as the fine arts. There will be something for everyone at Victory Theatre.

3. Building a First-Class Education Program: Distinguished resident anchor companies and professional guest artists will participate extensively in education and community outreach programs that introduce students to and train them in all aspects of the arts and entertainment industry. In this manner MIFA will provide the community with seamless delivery of first-class education by leveraging the presence of artists who are at Victory

Theatre to provide first-class entertainment. MIFA's *Victory on the Road* initiative will enable the educational offering to be impactful at Victory Theatre as well as throughout the community and the broader region.

4. Emphasizing Community Affiliation & Outreach: MIFA / Victory Theatre will develop meaningful relationships with community nonprofit and commercial organizations. These relationships will enable the institution to leverage resources and infrastructure to maximize community impact and engagement, and optimize the delivery of mission-fulfilling work across a wider range of initiatives. Maintaining a large base of organizations with which MIFA regularly and meaningfully interacts will also materially improve MIFA / Victory Theatre's ability to promote awareness of its presence throughout the community and the region.

MIFA / Victory Theatre's well-rounded education, entertainment and community affiliation and outreach offering will enhance MIFA / Victory Theatre's appeal and visibility to both the community in which it resides as well as the region at large. World-class programming will put Holyoke on the map as a significant cultural destination that is relevant to the community and the region from both an entertainment as well as educational perspective.

PROGRAMMING FOR SUSTAINABILITY

No Guaranteed Success: Unfortunately there is no "magic formula" for determining which programming content will be successful and this is why initial programming efforts will embrace a risk-averse approach to developing and delivering programmatic content for Victory Theatre. Success is not just a function of what's put on stage, but also how effectively that content is marketed. World-class artists can play to an empty house or a packed one just the same and still be considered world-class. Effective programming requires more than a simple knowledge of the types of events the potential audience wishes to see, but also requires delivering content at a price point that is palatable to the market in a manner that generates sufficient income to cover the cost of delivering the content.

Audience Exploration & Audience Evolution: Programming for sustainability involves a general process of audience exploration. Determining what works best is the "art of business" in the performing arts industry. In this realm MIFA will leverage 20 years of experience as well as the experience of IMG Artists and the experience of other affiliates to optimize each year's calendar of programmatic content. MIFA / Victory Theatre's audience will evolve over time as Holyoke becomes revitalized, as successful marketing introduces new programming to the area, as broader audiences become aware of MIFA's offerings and as demand for venue use expands.

Managing Financial Risk: In order to sustainably offer the level of programming outlined in this plan, MIFA / Victory Theatre will focus on methods to mitigate financial risk for the institution and maximize unearned income to optimize financial results. Programmatic planning will take into account how each program or event will connect with its designated target market and a plan will be developed for each program or event to effectively communicate it to the market.

The development and evolution of the programming portfolio for each year will be defined by a deliberate process of audience and market exploration within a defined set of risk parameters. MIFA will also solicit underwriting and/or promoting or co-presenting partners to help mitigate the financial risk of certain programming. MIFA's systematic approach will provide reasonable assurance that ticket sales and event underwriting will cover the direct costs of each program or event—not based on gross revenue potential, but based on a realistic occupancy projection. This disciplined approach will help MIFA identify Victory Theatre's loyal patron and donor base while the organization delivers value to community and the regional stakeholders through mission-fulfilling activity.

Generating Sustainability: The programming plan will establish MIFA / Victory Theatre's mainstream, mass-market relevance while minimizing financial risk sufficiently to give MIFA time to cultivate community-based, mission-fulfilling activity that maximizes unearned income opportunities. This plan will nurture the development of MIFA's patron and donor base by introducing first-class artistic content gradually as the market proves its ability to support it through underwriting, ticket sales and event attendance. MIFA will evolve along with the audience, building the programming calendar to maximize community connection and impact in order to fulfill the mission, but also to connect with the wider, more affluent regional patron-base. This process of audience exploration is the industry standard for developing the calendar of content at any arts institution and it will allow MIFA / Victory Theatre to generate sustainability.

Summary: The MIFA Victory programming model is a comprehensive plan that brings the most exciting work from the world outside, produces the most stimulating original work from the world inside, strengthens Holyoke and regional arts organizations and through education and outreach adds what isn't in the region to what already is. This approach takes advantage of Don Sanders' (MIFA Executive Artistic Director) career as a professional stage director and creator of original theater and music theater events and his knowledge of the international cultural scene and ability to shepherd original product to fulfillment.

EVENT PROGRAMMING LAUNCH

Please refer to “**Appendix IV - Venue Utilization Types**” for an overview of the different producing and presenting scenarios for MIFA / Victory Theatre. Please refer to “**Appendix V - Year 1 – Programming Overview**” for specific examples of the type of content or companies representative of Victory Theatre's first-year slate of programming.

MIFA / Victory Theatre Programming Portfolio – Year 1

In the first year the bulk of the venue's utilization will come in the form of educational activity, professional resident affiliate events, community affiliate events, co-presented events, promoter events and venue rentals. A limited number of “profile engagements” and produced events represent the primary exceptions to this rule.

“Profile engagements” are critical for establishing and maintaining mass-market relevance within the community and the region—especially in the early years. These engagements will incorporate high-caliber talent and peripheral development-oriented activities (auctions, raffles, etc.) that maximize institutional exposure within the region. Aside from the first-year “profile engagements,” additional first-class, higher ticket price events will be incorporated into the programming portfolio if deals are in place for third parties to mitigate financial risk, such as when advance underwriting is in place or in the case of a favorably structured promoter deal.

Produced Events are creative endeavors undertaken and assembled from scratch utilizing the financial resources, human resources and physical assets of MIFA / Victory Theatre and its affiliates under the ultimate creative direction of MIFA / Victory Theatre. These events are presented to the public as in-house MIFA / Victory Theatre productions. Although they are a relatively larger financial risk, these events maximize the potential for MIFA / Victory Theatre to meet key mission-fulfilling objectives such as the creation of internships, collaboration with other local nonprofits and promotion of the theatre’s creative relevance in the region. Produced events are important to establishing regional relevance as an artistic institution.

MIFA’s existing regional patron base will contribute to the success of programming in the first year; every effort will be made to build upon the existing database of patrons and those interested in attending events and supporting the theatre through contributions. Growing MIFA’s database of potential patrons and donors will be a primary focus in the first years of operation. Efforts to accomplish this include collection of data at the ticket point of purchase, leveraging the use of social networking platforms and adding new community affiliates who already have a widespread base of constituents.

MIFA / Victory Theatre Programming Portfolio – Year 2 and Beyond

As the market proves its ability to support MIFA / Victory Theatre programming, additional programming volume will be added and premium events will also be introduced into the programming portfolio. MIFA will continue to seek underwriting and take other risk-mitigating measures, such as the use of door deals and promoters, to maintain financial stability during the march toward long-term sustainability.

EDUCATIONAL PROGRAMS

More than four walls and a stage, Victory Theatre will be a venue where education and community are as important as entertainment. Education is one of the most “fundable” elements of any nonprofit theatre. By placing an emphasis on education, in addition to doing great work, Victory Theatre will become eligible for a wide variety of funding opportunities. Establishing and continually growing a first-class education program will solidify the connection between Victory Theatre and the community. While the long-term goal is for MIFA to host a comprehensive educational offering in as many areas as possible, the educational programming

will initially concentrate on content for which seed funding is received or earmarked. This will ensure that the program is sufficiently funded for success.

MIFA education programs will serve to nurture new artists and new audiences throughout the Pioneer Valley. Programs will create opportunities for local youth to participate—both in front of and behind the curtain. Education programs will improve ties to community, increase awareness of the theatre and its activities and increase venue utilization. Educational programs are monetized through a variety of means depending on the circumstances, but monetization methods include program-specific fundraising strategies, tuitions, application fees and ticket sales to educational performances and concerts and concession sales during those events. Each MIFA / Victory Theatre event, regardless of its type, will be treated as a promotional attraction for an established audience and a teaching tool to develop a new one.

MIFA / VICTORY THEATRE EDUCATION PROGRAM COMPONENTS:

The MIFA / Victory Theatre Education Program will leverage the presence of professional talent as well as a complement of anchor educational companies as its foundation. Victory Theatre will play host to certain programs, and other programs will take place “off-campus” as part of MIFA’s *Victory on the Road* initiative.

MIFA’s *Victory on the Road* Initiative:

The components of the MIFA / Victory Theatre Education Program which take place “off-campus” will be packaged and branded as MIFA’s *Victory on the Road* initiative which deploys content throughout the community as well as throughout the region. This may come in the form of a professional artist from Victory Theatre holding a master class for students at a local school, or the deployment of one of MIFA’s anchor educational companies to a school in Franklin County. *Victory on the Road* will help promote awareness of Victory Theatre throughout the community and throughout the region as professionals artists, professional creative personnel, professional technicians and members of the anchor educational companies will serve as ambassadors of MIFA outside the four walls of Victory Theatre.

Fellowship Program: MIFA’s most in-depth form of educational engagement will be the year-round fellowship programs. In this scenario fellows will engage full-time in various mission-fulfilling initiatives. Each initiative will either (a) provide education or career-building experience for the fellows or (b) require the fellows to fulfill the role of educator for the benefit of the community. Fellows will serve as ambassadors to the theatre and the fellows will be a resource for helping produce ancillary income to help fund mission fulfilling activity.

MIFA / Victory Theatre Chamber Orchestra Fellowship Program: MIFA’s initial residency program will consist of a chamber orchestra comprised of approximately eight post-graduate, pre-professional, classically trained musicians (Fellows). The Fellows represent the base complement of musicians for the *MIFA / Victory Theatre Chamber Orchestra*. Fellows will gain experience by performing with professional musicians in a classical concert series, and through deployment throughout the region as part of MIFA’s *Victory on the*

Road initiative where they will perform at a variety of events—private and public. Fellowship program events will be oriented to educate, entertain and enrich lives in fulfillment of MIFA / Victory Theatre’s mission.

MIFA’s Traveling Musical Theatre Troupe: Victory Theatre will produce an educational theatre troupe to perform at Victory Theatre as well as throughout the region as a means to familiarize children with the performing arts and to deliver content that meets core curriculum requirements. Short musical presentations that include basic set, prop, costume and sound elements with 4-6 actors will cover topics such as bullying and environmental friendliness. These topics are “fundable” and relevant, and the touring troupe will serve to expand awareness of MIFA / Victory Theatre’s programming throughout the region as part of MIFA’s *Victory on the Road* initiative.

MIFA / Victory Theatre A Cappella Group: MIFA will sponsor and host a small, local “a cappella” group as a component to the residency program. These vocalists will also serve as ambassadors for MIFA / Victory Theatre as they are deployed locally and throughout the region to promote awareness of MIFA / Victory Theatre’s programming. As with the orchestra Fellows and the traveling musical theatre troupe, the a cappella group will also be deployed for mission-fulfilling purposes as part of MIFA’s *Victory on the Road* initiative.

Intern & Apprentice Program: A scalable intern and apprentice program will enable local youth to gain valuable experience and knowledge through direct relationships with professionals while executing initiatives on behalf of the theatre. The scalability of the program will help facilitate seasonal variations in programming volume and availability of youth to participate in the programs. Engagement with interns and apprentices expands MIFA’s potential audience base because participants are local so family and friends of program participants will observe first-hand the positive impact of MIFA’s educational programming.

MIFA / Victory Theatre Vocational Education Program: An exciting dimension of MIFA’s education program is the MIFA / Victory Theatre Vocational Education Program. The program will be a new curricular offering at Dean Technical High School, and developed in conjunction with the Dean Tech Futures Advisory Committee on which Don Sanders, MIFA’s Executive Artistic Director, sits. The integration of classroom instruction with hands-on paid vocational apprenticeships will create a seamless integration of program events with education activity. Technical Theatre students will complete the program with the ability to creatively process and solve challenges related to the demands of Theatre, film, television and special media production. As part of this program, MIFA will offer skill certifications and also work with schools to facilitate awarding school credits to participants who meet certain requirements. Please refer to “**Appendix VI – MIFA / Victory Theatre Vocational Education Program**” for a more details on this program.

Creative & Artistic Intern & Apprentice Opportunities: MIFA will develop additional intern and apprentice programs as funding and programmatic opportunities arise. Intern and apprentice opportunities may eventually exist in any of the following creative and artistic disciplines: creative performing arts (performance direction, choreography and music direction), creative technical arts (design for sound, lights, sets, props, costume, make-up and hair), creative literary arts (writing for stage and screen as well as lyric and musical composition, musical arrangements, poetry and prose), visual arts (two-dimensional art, three-dimensional art, multimedia art, video and film), and artistic performance (dance, vocal, dramatic, and instrumental).

Seasonal Workshops: Victory Theatre will provide seasonal workshops to create additional educational opportunities for area youth during key periods such as summers and holidays. Structured as short as one day or as long as multiple weeks, these programs inspire parents, children and community members to engage meaningfully with Victory Theatre and encourage first-time and continued participation and exposure across multiple artistic or vocational disciplines. MIFA will plan first-class public programming to coincide with workshops so that world-class artists who are contracted by Victory Theatre for the purpose of delivering paid public performances can also participate in workshops and engage directly with students from the community. In this manner, MIFA will deliver workshops of the highest caliber, often leveraging resources that would otherwise be unattainable for smaller performing arts companies or venues. All workshops will be produced in conjunction with local arts entities to encourage participation. Workshops will end with a “culmination event” – a public performance or concert at Victory Theatre. The following workshops are anticipated for the first year of operation, and MIFA will add offerings as awareness and demand to participate expands. Workshops will stimulate the formation of local high-level companies and projects.

MIFA / Victory Theatre Dance Workshop: Students in this program will work with professional teaching staff and they will gain direct exposure to current world-class dance artists. This workshop will be produced in collaboration with area dance studios and schools.

MIFA / Victory Theatre Youth Orchestral Workshop: This workshop will bring the region’s young musicians together to work with world-renown musicians and conductors. It will be produced in collaboration with the Springfield Symphony Orchestra or some other orchestral affiliate.

MIFA / Victory Theatre Musical Theatre Workshop: Students will be introduced to musical Theatre, dance, acting and improvisation. This workshop will be produced in collaboration with the Academy of Music or some other musical theatre affiliate.

Classes (Group, Individual & Master): MIFA will connect teachers with students across creative disciplines to facilitate individual and group learning. Year-round classes will be

offered for multiple artistic disciplines and for children as well as adults. Master classes will be offered based on programming at Victory Theatre and the associated presence of professional creative, artistic and/or technical talent.

MIFA / Victory Theatre Vocal, Acting, Dance & Piano Classes: Initially MIFA will offer individual classes by subcontracting teachers to provide basic instruction in the aforementioned areas, and group classes will be offered during the summer. Class offerings will expand as demand increases.

Collaborations: Collaborative engagements with educational organizations and other affiliates will accelerate the growth of MIFA educational programs and expand their reach. These collaborations will spawn educational content that enables nonprofit, commercial and educational institutions to (1) share/leverage the best resources available, (2) expand the reach of established, successful programs and (3) to spawn new programs that help educate and garner exposure for the mutual benefit of the collaborators and their constituents.

Example Collaboration & Target Collaborators: The Academy of Music will collaborate with MIFA to deploy one of their proven, successful creative or educational events or programs by utilizing Victory Theatre's auditorium (twice the size of the auditorium at the Academy of Music) to deliver content to a larger, more culturally or geographically diverse audience or participant base. Target collaboration partners will include the theatre community at the Five Colleges Incorporated consortium, the Cooperating Colleges of Greater Springfield and other local and regional commercial or nonprofit performing arts companies. Please refer to the affiliate section for a more in-depth examination of the manner in which collaborations will be structured.

Outreach Programs: These programs will be oriented toward introducing new audiences to the theatre and its endeavors and to provide continuous development of MIFA's patron base and other engagement for the benefit of the community. Outreach will come in the form of "on-campus" activities (which take place at a MIFA facility) and "off-campus" activities (which take place at a non-MIFA facility).

Example "On-Campus" Activity: A classical music concert at Victory Theatre performed for the benefit of elementary school children and their parents. School performances and special ticket opportunities will be extended at various times to all students, from elementary to university.

Example "Off-Campus" Activity: An orchestral quartet or improvisational acting troupe deployed to a senior care, hospice or juvenile detention facility. MIFA will seek unconventional means to engage the community with mission-fulfilling activity through its *Victory on the Road* initiatives.

Other Educational Projects/Initiatives: Through specially solicited funding and/or creative collaboration with affiliates, MIFA will execute myriad project-based educational initiatives to

maximize community impact. Certain projects will be facilitated by funding earmarked for a program intended for a specific participant or audience demographic (e.g. minorities, senior citizens, underserved/underprivileged, etc.). Initiatives will take the form of one-time projects, annual initiatives and/or ongoing, open-ended initiatives.

MIFA / VICTORY THEATRE AFFILIATE PROGRAM OVERVIEW

Affiliates are organizations that formally engage with MIFA / Victory theatre in one of several ways. They are categorized in the manner outlined in this section. Affiliate organizations may be commercial or nonprofit, and it is not necessary to be an arts-related organization to be an affiliate. The **Affiliate Network** is the group of organizations that are formally identified as MIFA / Victory Theatre affiliates, or belonging to the affiliate program at any given time. Each affiliate in the affiliate network falls into one of several **tiers**. Tiers are defined by the value of the relationship to MIFA / Victory Theatre as well as the length and nature of the affiliate's commitment to collaborate within the MIFA / Victory Theatre affiliate network.

The top tier of affiliates is **Founding Affiliates**. By the time the theatre reopens, this tier of affiliates will have played an important role in the successful capital campaign to complete the Victory Theatre restoration. Founding Affiliates will also be responsible for fulfilling their ongoing annual contractual commitment to support Victory Theatre through delivery of pre-negotiated levels of cash or in-kind contributions to MIFA / Victory Theatre. In consideration for this, Founding Affiliates will receive benefits as outlined in affiliate agreements unique to each Founding Affiliate.

Founding Affiliates represent one of multiple tiers that will be referred to as **Anchor Affiliates**. Anchor Affiliates maintain an open engagement within an established framework for providing various types of support to MIFA over a multi-year period. MIFA will actively manage this program, making deliberate efforts to optimize affiliate relationships by leveraging the unique attributes and excess capacity of the anchor affiliates for the benefit of MIFA / Victory Theatre. Anchor affiliates will benefit according to their respective affiliate agreements. A general overview of the exchange of value that will occur between MIFA / Victory Theatre and participants in the affiliate program will be provided later in this section. The key to leveraging relationships with Anchor Affiliates is a constant value assessment across the entire breadth of MIFA's as well as affiliates' operations to troll for potential beneficial exchange. Relationships with Anchor Affiliates are defined by a "how can we help them?" culture cultivated amongst the personnel on both sides—MIFA's as well as the affiliates'. This creates more opportunities to engage meaningfully as opposed to looking at each affiliate transaction in the context of just one MIFA / Victory Theatre event.

All arts-related affiliates will become de facto members of the **Victory Theatre Arts Alliance** for the purpose of participation in alliance meetings, and they may choose to opt into other alliance benefits based on their level of affiliate participation. Alliance meetings represent a

mechanism for MIFA to meet with members and for members to dedicate time to devise new ways to collaborate. Leveraging the resources of MIFA / Victory Theatre and other arts-related anchor affiliates will maximize venue utilization and the overall output of mission-fulfilling activity. Regular meetings of the Arts Alliance will ensure that this objective remains at the forefront for all Victory Theatre Arts Alliance members.

The only affiliate tier that does not fall within the group considered Anchor Affiliates is the **Contract Affiliate** tier, which represents any affiliate that makes a commitment for one year or less, in which case there is no formal commitment to participate in the same open, ongoing manner as anchor affiliates. In the case of contract affiliates, the exchange of supporting goods or services that occurs in conjunction with the affiliate relationship is finite in nature and clearly defined as prescribed in an affiliate contract. In many cases, Contract Affiliates will convert to Anchor Affiliate status based on the inherent value of the program.

In addition to being assigned an affiliate tier as indicated above, each affiliate will fall into one of several categories or **Affiliate Types**. The various affiliate types should not be looked upon as a hierarchy; rather, they should be considered “buckets” that help group like affiliates according to similarities in the manner in which they interact with MIFA / Victory Theatre, or the purpose for their involvement with MIFA / Victory Theatre activities. The individual affiliate types are as follows: Principal Affiliate, Producing Affiliate, Promoting Affiliate, Co-Presenting Affiliate, Sponsoring Affiliate, Rental Affiliate, Collaborating Affiliate and Sponsored Affiliate.

Generally speaking, MIFA’s value proposition for affiliates stems from the organization’s control over specific assets and resources. These assets or resources represent a menu of potential **Affiliate Benefits** that MIFA can designate to the various affiliates based on their respective tiers and types. The following is an abbreviated outline of these affiliate benefits:

- **MIFA / Victory Theatre Event & Program Participation** – Affiliates may be eligible to receive tickets to MIFA events. Commercial organizations can give these away as customer perks and nonprofit organizations can use them for silent auctions or raffles. MIFA’s ability to contribute tickets or to allow free participation in programs such as workshops or classes represents an effective way to leverage excess ticket capacity.
- **Visibility to Victory Theatre Constituents & Public Recognition** – In addition to leveraging a variety of public recognition benefits such as event billing and curtain speech recognition, MIFA can include Sponsoring Affiliates in eBlasts or in print advertising.
- **Anchor Program Artistic Services** – MIFA can leverage the services of the MIFA / Victory Theatre Orchestra Fellows, the traveling musical theatre troupe and the a cappella group to deploy as a benefit for certain affiliates
- **Venue Use & Venue Use Priority** – MIFA will leverage venue use and award venue priority to affiliates as a benefit to certain members.

- **Victory Theatre Arts Alliance Membership** – In addition to potential benefits that members will derive from participation in membership meetings, Arts Alliance members may participate in other Arts Alliance initiatives such as the co-op advertising program
- **Development & Fundraising Support for Nonprofits** – MIFA will be positioned to leverage its development resources to seek underwriting or sponsorship of affiliate activities. This support would come in the form of grants or designated gifts that would facilitate the payment of rental fees to MIFA for use of the venue or fees to underwrite the deployment of *Victory on the Road* resources at affiliate events or functions.
- **Tax Deductibility for Commercial Affiliates** – In the case of commercial affiliates, MIFA's 501(c)(3) charity status facilitates tax deductions within the parameters set by the IRS
- **Charitable Fulfillment** (intangible) – see examples below

AFFILIATE VALUE EXCHANGE

Tangible Value vs. Intangible Value: The specific exchange of value between MIFA and any given affiliate varies depending on the unique characteristics of each affiliate organization. Because of MIFA's nonprofit status, the affiliate relationship does not always result in an exchange of tangible elements that are of equal value. The following examples illustrate that the affiliate alliance represents a mechanism for optimizing value exchange amongst members based on each affiliate's unique attributes and resources, regardless of profit motive or level of equality in the exchange of tangible benefits.

Example A: A corporate entity that becomes a Sponsoring Affiliate may contribute cash to MIFA in exchange for an advertisement for the corporation in an event program for the sponsored event, plus the opportunity to take a tax-deduction. Both of these benefits possess tangible value that can be measured in dollars. In the case of a commercial Sponsoring Affiliate, the sum of the tangible value of these two benefits is less than the amount of the cash contribution made to sponsor the event. It is the charitable fulfillment representing intangible value (a value that cannot be measured in dollars) that makes the exchange worthwhile for the affiliate. This exchange results in a net tangible benefit to MIFA.

Example B: A Sponsored Affiliate may be the beneficiary of event tickets or artistic services from MIFA. Sponsored Affiliates, by definition, cannot afford to pay for these tickets or services. In return, MIFA will only receive intangible benefit from the exchange. This intangible benefit would come in the form of opportunities for positive publicity, to cultivate valuable relationships with those associated with the sponsored affiliate or simply to conduct mission-fulfilling work.

BENEFITS TO MIFA / VICTORY THEATRE

SUCCESS THOROUGH AFFILIATION: The purpose of the affiliate program is to maximize the benefit derived from the presence and use of the theatre for MIFA, the affiliate partners and for the community. The affiliate program is a key component of achieving sustainability for MIFA's operation of Victory Theatre. Through the program MIFA / Victory Theatre will benefit from a formal network of "affiliates," or organizations that agree to abide by specific terms of agreements that define the nature of their interaction with MIFA / Victory Theatre. In return, affiliates benefit from the presence of Victory Theatre and from the participation in the affiliate network in a variety of ways. Through the affiliate program Victory Theatre can be leveraged as a community asset for years to come. The following examples highlight key benefits of the affiliation program for Victory Theatre:

Nurture New Audiences & Improve Ticket Sales: Strong, clearly defined affiliations with local nonprofits, performing arts organizations, commercial businesses and other community organizational constituents will improve MIFA's ability to promote awareness of MIFA / Victory Theatre initiatives. The stakeholders and volunteers of MIFA / Victory Theatre and its affiliates represent an army of ambassadors within a critical radius of Victory Theatre who will all play a role in building awareness of the venue's programming and mission-fulfilling work to help build new audiences and long-term sustainability. This will also help improve ticket sales for Victory Theatre events. There will also be mechanisms in place for affiliates to benefit from reciprocal promotion of their activities and initiatives by MIFA / Victory Theatre.

Increase Venue Utilization: Often, smaller community nonprofits do not have the budget, human resources, or level of sophistication in their development strategies to raise the funds needed to pay venue rental fees for a venue like Victory Theatre. MIFA will leverage its development infrastructure to apply sophisticated development strategies on behalf of local nonprofit affiliates. In this manner, MIFA will facilitate incremental Victory Theatre capacity utilization by enabling nonprofits that could not otherwise raise the funds required to pay the venue rental rate to use the venue and pay the associated rental fees.

Leverage Excess Capacity to Reduce Expense: The network of affiliates will enable a brokering of "perishable" resources or excess capacity between MIFA / Victory Theatre and the network of affiliates. For example, the value of MIFA / Victory Theatre tickets that go unsold drops to zero once the event takes place; MIFA collects no rent for a day where the venue goes unutilized once the day has passed. These are examples of potential MIFA excess capacity. MIFA will meet with affiliate partners to explore for potential excess capacity across the network of affiliates, and then organize a system for capturing the value of this excess capacity for the benefit of the partners. Examples of excess capacity that may be available through potential affiliates: studio or rehearsal space, office space, residential accommodations, transportation, meals, e-blast distribution, favorable rates on printing or

other goods and services. Through the affiliate program, MIFA / Victory Theatre will maximize the number of organizations and initiatives it can favorably impact, and minimize costs in running the operation.

Broaden the MIFA Network to Optimize Impact and Improve “Fundability”: MIFA / Victory Theatre will align with nonprofit affiliates to facilitate innovative outreach programs that extend beyond arts and arts education to help support the causes of other organizations that enhance the standard of living in Holyoke and surrounding communities. Not only will these efforts optimize the mission-fulfilling impact of MIFA / Victory Theatre, but funding solicitations made possible by this effort will help improve MIFA’s financial performance.

Support provided by MIFA / Victory Theatre affiliate program participants will come in the form of (1) direct and indirect financial contributions and (2) in-kind contributions. Each organization’s individual contributions to MIFA / Victory Theatre will be unique. Contributions will be based on the affiliates leveraging their resources and excess capacity to provide or raise funds or in-kind donations for MIFA or otherwise help generate earned income for MIFA / Victory Theatre events through promotional efforts that translate to ticket sales. A few examples of the types of support affiliates might provide:

1. Direct Financial Support: (a) *Sponsoring Affiliate* - a commercial corporation pays to sponsor a performance at Victory Theatre; (b) *Rental Affiliate* – a nonprofit organization pays MIFA a flat dollar amount to rent Victory Theatre for a free performance put on for students’ family members; (c) *Commercial Promoting Affiliate* – Iron Horse Entertainment Group donates a flat fee to MIFA to cover the cost of talent fees for an event to which they also provide in-kind support in the form of an e-blast to their concert-going customers.

2. Indirect Financial Support: (a) *Co-Presenting Affiliate* – a commercial ballet company solicits a 3rd party donor to give MIFA a flat fee in the form of a restricted gift to cover the cost of the MIFA / Victory Theatre Chamber Orchestra to play as backing to their annual presentation of *The Nutcracker* at Victory Theatre; (b) *Sponsored Affiliate* – MIFA solicits funds from a granting foundation in order to underwrite deployment of a quartet of from MIFA’s pool of orchestral Fellows to travel to a nearby underserved elementary school (the sponsored affiliate) to play music and teach about classical music.

3. Direct In-Kind Support: (a) *Producing Affiliate* – the Smith College Theatre Department loans lighting instruments to MIFA in order for MIFA to avoid lighting package rental fees for a commercial concert performance at Victory Theatre; (b) *Collaborating Affiliate* – a religious nonprofit promotes select MIFA / Victory Theatre programming to its congregation and also allows MIFA to use their meeting rooms for MIFA activity (c) *Sponsoring Affiliate* – a local car dealership provides MIFA with the use of a van for the MIFA / Victory Theatre traveling musical theatre troupe (d) *Principal Affiliate* – a prestigious professional, international performing arts company donates a performance to MIFA and MIFA invites all elementary and secondary school children in Holyoke to a free performance.

TARGET AFFILIATES

ORGANIZATIONAL CHARACTERISTICS: The possession of any or all of several key characteristics makes organizations desirable targets for participation in MIFA / Victory Theatre's affiliate program:

1. **# of Customers or Constituents:** Organizations that have a high number of customers or constituents to whom MIFA / Victory Theatre's programs and events can be effectively promoted at low cost;
2. **Value of Resources:** Organizations that have resources and/or excess capacity that might help reduce MIFA's operating expenses, or wealth that might enable them to make financial contributions as event co-presenters or sponsors;
3. **Nonprofit Mission Diversity:** Nonprofit organizations with missions that MIFA can help fulfill using resources that fall within MIFA's core competency, and the fulfillment of which creates eligibility for MIFA to receive contributions across multiple giving catalysts;
4. **Venue Use Potential:** Organizations that might use Victory Theatre because (a) they also operate in the performing arts space and need use of the stage and technical infrastructure, (b) because they have enough local employees to be a potential venue renter for a conference or event or (c) they are a nonprofit that is large enough to use the venue for a fundraiser;
5. **Programming Value:** Organizations that can add to MIFA's programming value in the context of an exchange of resources or to help improve program quality or the overall output of mission-fulfilling activity

ORGANIZATION TYPES: The following chart depicts the general types of organizations that possess one or more of the above organizational characteristics. Initial efforts to build the program will focus on these organization types.

ORGANIZATION TYPE	POTENTIAL CHARACTERISTIC FULFILLMENT					COMMENTS
	# OF 'CUSTOMERS'	VALUE OF RESOURCES	NONPROFIT MISISON	VENUE UTILIZATION	PROG. VALUE	
Arts Organizations	X	X		X	X	Prestigious professional international companies will help differentiate MIFA and attract other target affiliates
Educational Institutions	X		X		X	Local institutions where arts funding has been cut, and large institutions where arts programming will benefit from exposure to world-class talent
Non-Arts Nonprofits	X		X		X	Large nonprofits in the religion, health & human services sectors
Large Corporations	X	X		X		Corporations with enough local employees or a product that would mean they also represent a potential venue renter

AFFILIATE PROGRAM DEVELOPMENT

The development of the affiliate program's foundation will occur well in advance of the completed restoration project. MIFA / Victory Theatre will begin building the program by identifying and capturing high-value affiliates first. High value affiliations are defined by their ability to entice the participation of other key affiliates. For example, identifying and

establishing certain prestigious professional international companies in the performing, visual and literary arts as affiliates will help entice certain educational institutions to become affiliates because they will want access to these professionals for participation in their existing programs. The acquisition of certain educational institutions as affiliates will cause other educational institutions to follow suit. Through this method, the affiliate program will have gained critical mass in the form of pledged participation prior to the renovation being complete. MIFA will leverage bridge initiatives prior to the reopening of Victory Theatre to achieve this critical mass. The success of the affiliate program will depend on a disciplined, methodical approach to building the program prior to the reopening of Victory Theatre.

MIFA will also develop programming that is specifically meant to attract targeted affiliate partners (Co-Presenting Affiliates) to generate event success. By scheduling an artist that is popular amongst the customer or constituent base of a particular commercial or nonprofit organization, MIFA will increase the odds of a high level of ticket sales and occupancy for that artist's scheduled event. For example, MIFA / Victory Theatre will approach local Christian religious organizations to gain their commitment to promote awareness of an upcoming Christian rock band to their respective congregations. In exchange, MIFA will commit to giving these organizations a certain number of Victory Theatre event tickets, which they can use to auction off at a future church fundraiser or as bingo prizes. Gaining this commitment from these Co-Presenting Affiliates prior to contracting the popular Christian rock band will increase the odds of success for the event.

MIFA will strive to fold as many affiliates into the program as possible as a means to build a robust network of constituents. MIFA will create well-defined parameters for how to use the affiliate program to create value for MIFA as well as the program affiliates. Development of a robust affiliate network prior to the grand opening is prerequisite for the successful execution of the business plan.

VENUE RENTALS

When not in use for programming, Victory Theatre will be made available for use by flat-rate venue renters. Flat-rate venue rentals represent an income stream on the low-end of the risk spectrum relative to other programming. Developing a strong base of flat-rate rental clients will be a major focus during the first years of venue operation. Flat-rate use of the venue by affiliates will be given priority over non-affiliate requests to rent the venue.

Non-Affiliate Flat-Rate Renters: Non-affiliate flat-rate renters will use the venue for a variety of purposes. These include corporate conventions, corporate parties and other corporate special events, non-affiliate community performances or fundraisers, non-affiliate school events, religious events or ceremonies, private weddings and other private events.

OTHER POTENTIAL INCOME SOURCES

Revenue from other sources is anticipated to represent a portion of MIFA / Victory Theatre's operating income.

Victory Theatre Lobby & Holyoke House Concession: Victory Theatre is positioned to sell alcoholic and nonalcoholic beverages before shows and during intermission. In addition to this, facilities at the adjacent Holyoke House will also be leveraged for use as theatre concessions.

Lobby Use Innovation: The space available in the theatre's lobby creates potential for other income generating activities to occur. Possibilities include gallery space for art that can be auctioned or sold, retail kiosks selling MIFA / Victory Theatre merchandise when the box office is open, and use of the space periodically as an intimate environment for themed live music and beverage sales.

SALES, MARKETING & PR PLAN

TARGET GEOGRAPHIC MARKET SEGMENTS

Key to developing effective strategies to market Victory Theatre is knowledge of the theatre's unique location and the demographics of potential patrons and donors. These target markets are best described as three concentric geographic areas: (1) the City of Holyoke, (2) Greater Holyoke and (3) Pioneer Valley. The following table presents an annotated demographic summary for the three target geographic markets:

Population / Demographic Information	Holyoke	Greater ¹ Holyoke	Pioneer Valley
Total Population	39,880	570,494	692,942
5 - 19 Years (~ School Age)	8,609	120,670	142,470
55 Years & Over (Senior Citizens)	9,917	148,553 ²	186,286
20 - 24 Years (~ College Age - Undergraduate)	2,892	52,547	59,349
Hispanic or Latino	19,313	103,050	106,481
Hispanic or Latino - %	48.4% ³	18.1%	15.4%
As a % Hispanic or Latino in Pioneer Valley	18.1%	96.8% ⁴	100.0%
Puerto Rican	17,825	85,790	87,798
Puerto Rican as a % of Hispanic or Latino	92.3%	83.3%	82.5% ⁵
Total Households	15,361	217,674	269,091
Median Household Income	33,915	52,522	51,830
Persons Below Poverty Level	12,482 ⁶	93,696	104,086
% Below Poverty Level	31.3%	16.4%	15.0%
Household Income \$100k to \$199k	1,757	43,824	54,469
Households Income \$200k+	263	6,870	8,055
% of Households w/Income \$100k+	13.2%	23.3% ⁷	23.2%
Population 25 Years and Over	25,898	363,224	451,336
% w/Associates Degree or Higher	28.3% ⁸	38.4%	38.4%
TOTAL Employer Establishments	854	8,790	12,050
Commercial	762	8,045	11,064
Nonprofit	92	745	986

PLEASE NOTE: All statistical data in this section is based on the most recent Census Data (2010 for population statistics; and 2007 for employer statistics) ¹⁷

ANNOTATIONS - QUALIFYING POTENTIAL FOR ARTS PARTICIPATION & SUPPORT

¹ **The "Greater Holyoke" Area:** "Greater Holyoke" consists of the following areas: Agawam, Amherst, Belchertown, Chicopee, East Longmeadow, Easthampton, Granby, Hadley, Hampden,

Hatfield, Holyoke, Huntington, Longmeadow, Ludlow, Montgomery, Northampton, Pelham, Russell, South Hadley, Southampton, Southwick, Springfield, West Springfield, Westfield, Westhampton and Wilbraham.

¹ **Gateway Cities:** As mentioned in the SWOT analysis of this strategic business plan, the findings of a MassINC's survey indicated that participation in the arts is widespread among gateway city residents. The same report said that 47% of Gateway City residents attended a concert in the past 12 months, and 39% attended a live theatre or dance performance. 70% of respondents indicated that having quality arts and cultural events in the community is extremely or very important. Both Holyoke and Springfield are Gateway Cities, and they make up 33.8% of the population of Greater Holyoke.

² **Pioneer Valley Colleges & Universities:** The majority of the college undergraduate population resides in or near the town of Amherst. University of Massachusetts—Amherst is the largest university in the Pioneer Valley, with approximately 22k undergraduate students. Holyoke Community College (~ 12k students) and Springfield Technical Community College (~ 9k students) are also institutions of higher education within the region noteworthy for their size.

³ **Holyoke Hispanic or Latino Population:** Holyoke is nearly half-Hispanic or Latino. Of those who identify themselves as Hispanic or Latino, the majority are of Puerto Rican descent (over 92%).

⁴ **Pioneer Valley Hispanic or Latino Population:** The cities of Holyoke, Springfield and Chicopee contain the vast majority of the Hispanic or Latino population residing within the Pioneer Valley (~ 87k or 82%). Outside of these three cities, the percentage of those who identify themselves as Hispanic or Latino is 5%. This is well below the national average of 16.3%.

⁵ **Puerto Rican Population – Greater Holyoke:** As is the case with Holyoke, the vast majority of all Latino or Hispanic residents in Greater Holyoke (and the Pioneer Valley) are of Puerto Rican descent (82.5%).

⁶ **Poverty in Greater Holyoke:** The income of a disproportionately large percentage of Holyoke residents is below the poverty level (31.3%). Springfield (Pioneer Valley's largest city; 153k residents) is also economically distraught with 27% of residents below the poverty level. Aside from Holyoke and Springfield, the percent of Greater Holyoke residents below the poverty level is 10.6%—this is aligned with the national average of 10.5%

^{3 & 6} **Poor, Hispanic Population & Arts Attendance:** Although Holyoke residents are predominately defined as Puerto Rican and/or poor, according to the NEA, audiences for live Latin, Spanish or salsa music performance were younger and less affluent than audiences for other art forms.¹⁸

⁷ **Disposable Income in “Greater Holyoke”:** In spite of the disproportionate level of poverty in Holyoke and Springfield, there is sufficient affluence throughout the remainder of Greater Holyoke to bring the total percent of residents below the poverty level to 10.6%—this is aligned

with the national average of 10.5%. There are pockets of wealth throughout the Greater Holyoke area, with nearly 6,870 households earning more than \$200k annually. Income data does not suggest that the Greater Holyoke area would be deficient in its capacity to support an arts institution through charitable donations.

⁸ **Education & Arts Attendance:** The percentage of the Holyoke population (25 and over) with at least an associate's degree is 28.3%. This severely lags behind the national average of 35.8%. Springfield joins Holyoke in depressing this statistic with the population percentage (25 and over) with at least an associate's degree of 24.3%. The remainder of Greater Holyoke compensates for the difference and then some. In fact, the percentage of Greater Holyoke residents with an Associate's degree or higher (excluding Holyoke and Springfield) is 43.4%—more than 21% higher than the national average (35.8%). According to the National Endowment for the Arts (NEA) report entitled *Age and Arts Participation: A Case Against Demographic Destiny*, "...virtually all research on arts participation has demonstrated, educational attainment is the strongest predictor of cultural engagement."¹⁹ Another NEA report entitled *Arts Participation 2008*, said that education is a key predictor of arts attendance, with attendance increasing with education level.²⁰

MARKET PROFILE & MEETING MARKET DEMAND

To sustainably fulfill the theatre's mission MIFA must tailor its offerings to meet the programming demands of the target market segments. To be effective MIFA must fully understand what makes the market segments unique within the context of each segment's capacity to monetarily support MIFA / Victory Theatre. Support comes in two primary forms: (a) earned income, consisting of ticket sales, concession sales and venue rentals and (b) unearned income from development and fundraising activity. Each individual broad-stroke "product development" (programming) differentiation strategy must be accompanied by an income-garnering (promotional) strategy that matches the financial wherewithal of the target market to support the programming in order to produce an overall financially sustainable result.

Victory Theatre is located in the heart of the Pioneer Valley—Hampden County's city of Holyoke, MA. To the north of Hampden County is Hampshire County, and then Franklin County. These three counties (Hampden, Hampshire and Franklin) make up the Pioneer Valley, which has ~ 693k residents. Holyoke is nestled between two municipal neighbors, Northampton to the north and Springfield to the south. Northampton is a semi-urban gentrified county seat and Springfield is the third largest city in Massachusetts. Within an approximate 30 mile radius of Victory Theatre there are 26 municipalities with a combined population of ~570k residents, representing 82% of the population of Pioneer Valley. For the sake of this plan, this area is referred to as "Greater Holyoke."

The core programming strategy is to present powerful world class acts that bring major attention to the Victory and to produce original product that amplifies the personality and

distinction of the theatre. The core strategy also incorporates local and regional artists and organizations and regional themes into presented and produced events encouraging community jobs and building ownership in the theatre by the city and the region. The strategy also incorporates the creation of the *IMG Arts Academy at Victory Theatre* and puts an emphasis on works that reflect the city's Irish, Canadian, Polish and Puerto Rican heritage.

HOLYOKE, MA

Includes: City of Holyoke

Overview: Holyoke is a severely economically depressed market. Socioeconomic conditions related to the high level of poverty make Holyoke ripe with opportunities for MIFA to materially impact the city in a positive fashion. This will occur through interaction and affiliation with other area nonprofits and through MIFA's deliver of mission-fulfilling programming. Holyoke possesses a critical mass of residents identifiable by their Puerto Rican descent, which creates additional opportunities for MIFA to connect with the community through delivery of a culturally diverse program offering.

Programming: The data suggests that programming targeted at this geographic region should have a community and/or Puerto Rican emphasis and also be priced at the lower end of the pricing tier. Events or festivals should be planned around holiday or cultural-themes to encourage the participation of families and/or neighbors together in groups. Although MIFA will advertise all Victory Theatre events to Holyoke residents, this plan recognizes a lower capacity for ticket purchases relative to the incremental populous of Greater Holyoke and does not heavily depend on Holyoke for a high volume of direct ticket sales. Success in selling a limited number of events to relatively impoverished populations is attainable given the right set of circumstances. Identifying a Co-Presenting Affiliate that has credibility with and reach into the low-income Puerto Rican population of Holyoke will help facilitate incremental ticket sales.

Development: The Holyoke community will be MIFA's core target for year-round educational programming, especially MIFA's vocational education program. Due to Holyoke's high poverty level, community affiliation and outreach initiatives in Holyoke will be a focus for MIFA to have a positive impact. For example, MIFA will solicit funds or underwriting to facilitate distribution of tickets to underserved or impoverished constituents in Holyoke as well as for educational purposes—to expose youth to the arts. By collaborating with other nonprofits in the area through the Affiliate Program, MIFA will have the greatest impact on Holyoke residents. The work done to serve Holyoke helps build a compelling case for soliciting funds from grantors as well as those in more affluent, nearby communities in the Greater Holyoke area. Holyoke is the community where MIFA will direct the greatest resources in support of the mission's promise to revitalize the community. Although the business plan is not reliant on Holyoke for a material portion of MIFA's contributed income, there are sufficient households with annual income above \$100k (2,020) to make a compelling case for MIFA to identify these residents and include

them in the strategy to solicit major gifts. Of the constituents from all possible market segments, Holyoke residents are generally the most likely to identify with MIFA's mission and be poised to potentially support the organization financially.

GREATER HOLYOKE

Includes: Agawam, Amherst, Belchertown, Chicopee, East Longmeadow, Easthampton, Granby, Hadley, Hampden, Hatfield, Holyoke, Huntington, Longmeadow, Ludlow, Montgomery, Northampton, Pelham, Russell, South Hadley, Southampton, Southwick, Springfield, West Springfield, Westfield, Westhampton and Wilbraham.

Overview: The 570k residents of Greater Holyoke represent ~ 82% of the population of the Pioneer Valley. This population lives within an approximate 30 mile radius of Victory Theatre, and the distance to Victory Theatre falls within residents' mean travel time to work. It is this pool of potential patrons and donors that MIFA expects to comprise the vast majority of ticket buyers and contributors for community-oriented programs and events as well as professional events and programs that are appropriate for a mass-market audience.

Excluding Holyoke & Springfield: To better understand the potential for ticket sales and donations from Greater Holyoke, it is helpful to examine key statistics for the area excluding the depressive impact of Holyoke and Springfield. On this adjusted basis "Greater Holyoke" has: (1) a population of 378k, which is more than double the size of Massachusetts' second-largest city (Worcester) and nearly two and a half times the size of Massachusetts' third largest city (Springfield) and (2) a median household income of ~\$61,346, which is 74% higher than the ~\$35,254 median income of Holyoke and Springfield combined and 16.3% higher than the national average.

Programming: Parts of Holyoke and surrounding communities have the clear economic capacity, if motivated, to support major cultural programming. This capability interwoven into the general public through active education and outreach can insure inclusion on every economic level and offers a vital opportunity for MIFA to provide programming not currently available in the region, particularly programming that establishes a memorable identity for the theatre, the Holyoke downtown and the Northeast. Evidence of MIFA / Victory Theatre's ability to draw the interest of Greater Holyoke residents to the city of Holyoke itself can be found in an example from 2004 when 2,200 patrons attended two performances by Mikhail Baryshnikov at the War Memorial with tickets priced at \$100, \$75 & \$50. Fully two-thirds of the patrons came from the Greater Holyoke area. This success provides proof of concept for (a) Greater Holyoke's participation in MIFA's top-tier programming, (b) their willingness to travel to Holyoke to attend events and (c) it reinforces the idea that Greater Holyoke residents possess a desire to support the activity of the theatre. This is also evidence of the Greater Holyoke's capacity to support programming at price points at the higher end of the pricing spectrum. Income is also a strong predictor for arts participation.²¹

Although residents of Agawam, Longmeadow, East Longmeadow, Hampden, Wilbraham and Ludlow are geographically closer to Symphony Hall, and within a reasonable distance from Hartford, CT, MIFA will reach them through the same newspaper/media campaign deployed for the rest of Greater Holyoke (*The Republican* being the main newspaper out of Springfield). Residents of these municipalities will become aware of Victory Theatre programming and MIFA's differentiation strategies are expected to draw patrons from this area, which is within a 20-25 minute drive from Victory Theatre. Although the plan does identify residents of these areas as potential ticket buyers and donors, the success of the plan does not solely depend on deep participation from this handful of Greater Holyoke cities.

Residents of Greater Holyoke will add critical mass to the participation in education programs, especially seasonal initiatives such as summer workshops. Springfield Symphony Orchestra's 16,000 young participants in its Youth Orchestras, Educational Concerts and Musical Petting Zoo provide evidence that education programs will draw widespread participation.²² MIFA / Victory Theatre performing arts affiliates will also draw program participants into Holyoke as they conduct events at Victory Theatre. This will supplement MIFA's commercial advertising to help promote widespread awareness of Victory Theatre programming (events as well as education) throughout Greater Holyoke.

Development: Greater Holyoke residents represent a population base with sufficient affluence to provide the needed "critical mass" for supporting MIFA / Victory Theatre from a contributed income perspective.

SPRINGFIELD MSA	INCOME LEVEL (Based on 2008 Tax Return) ¹					
Giving Statistic	50,000 to 99,999	100,000 to 199,999	\$200,000 & Above	All Income Levels	MA	USA
Percent of Income Given	3.4%	2.6%	2.9%	2.8%	2.8%	4.7%
Average Contribution	\$85	\$2,047	\$7,594	\$1,389	\$1,652	\$2,564
Average Discretionary Income	\$2,461	\$78,213	\$262,215	\$50,181	\$58,099	\$54,783
Total # of Tax Returns	49,698	27,123	5,824	82,645	1,018,931	35,293,924

Victory Theatre Contributed Income

Estimate of Individual Contributions Based on Federal Tax Data²

Greater Holyoke	50,000 to 99,999	100,000 to 199,999	\$200,000 & Above	All Income Levels
Est. # of Tax Returns ³	40,752	22,241	4,776	67,769

Individual Donations (Pro Forma)⁴

Year 1	6,105	80,233	63,913	150,250
Year 5	6,897	90,649	72,211	169,757

of "Tax Filers" Needed⁵

Year 1	72	39	8	119
Year 5	81	44	10	135

% of Market Participation Required (% of Tax-Return Filers by Income Level)

Year 1	0.2%	0.2%	0.2%	0.2%
Year 5	0.2%	0.2%	0.2%	0.2%

of Households⁶

Year 1	231	126	27	384
Year 5	261	142	31	433

Annotations

¹ **How America Gives:** This study by The Chronicle of Philanthropy examined philanthropic giving based on income levels and charitable contributions reported to the IRS in the United States in 2008. Not all taxpayers itemize their charitable contributions so the study represents \$135 billion of the \$214 billion that “Giving USA” estimates individuals contributed in 2008.²³

² **Individual Donations:** For the sake of this analysis, the “individual donations” amount excludes those contributions that are budgeted to be made by MIFA Board Members and it also excludes the Education Program founder's pledge, which is expected to occur during the capital campaign prior to the restoration.

³ **Number of Tax Returns:** Greater Holyoke residents make up 82% of the Population of the Springfield Metropolitan Statistical Area (MSA). This percentage was used to reduce the total tax returns to the estimated number of tax returns in each income category for Greater Holyoke. It assumes the distribution of income segments in Greater Holyoke is proportionate to that of the entire Springfield MSA.

⁴ **Donations to Meet Pro Forma:** This is the estimated donation amount from each income category that would need to occur to meet the pro forma financial projections for years 1 and 5 of the business plan (assuming contributions are received in proportion to the number of tax returns in any given income segment).

⁵ **Participation Estimates:** This is the estimated percentage of tax filers that would need to donate the equivalent of the average contribution for each income segment in order to meet the pro-forma financial projections for years 1 and 5 of the business plan. This assumes contributions are received in proportion to the number of tax returns in any given income segment. This extrapolation assumes zero population growth.

⁶ **Number of Households:** This statistic extends the proportionate percentage of tax filers by income category to the total number of households in Greater Holyoke to estimate the number of households that would need to make contributions to MIFA / Victory Theatre to achieve the projections.

MIFA's development strategy will target Greater Holyoke to support the mission-fulfilling work being done by MIFA. Work done with nonprofit affiliates throughout the Greater Holyoke area will be supplemented by *Victory on the Road* initiatives to complement mission-fulfilling activities in Holyoke itself. In this manner the institution will meaningfully connect with the entire Greater Holyoke area through work that elicits funding across a wide variety of charitable giving catalysts.

PIONEER VALLEY

Includes: All of Hampshire, Hampden and Franklin counties

Overview: Although a critical mass of potential patrons and donors resides within the Greater Holyoke geographic area, the remaining population of the Pioneer Valley provides MIFA /

Victory Theatre with an additional potential constituent base from which it can pull patrons and donors. This is because the less-densely populated areas of the Pioneer Valley do not necessarily have performing arts infrastructure that can accommodate the type of programming that MIFA will deliver under this plan.

Programming: Although the commute to Victory Theatre for the remaining population of the Pioneer Valley is longer, these residents will choose to participate in MIFA programming or attend MIFA events based on event and program appeal. This is especially true for seasonal educational programs backed by the presence of professional talent and popular, high-profile event programming that enables MIFA to leverage its presence to a more regional audience base. MIFA's anticipated affiliation with UMASS-Amherst and other educational institutions throughout the Pioneer Valley will help create a presence amongst these institutions' populations that will help promote awareness of Victory Theatre programming, as will the deployment of *Victory on the Road* initiatives into Pioneer Valley as well as regional schools and residences.

Development: The incremental population complement residing within the Pioneer Valley but outside of Greater Holyoke presents MIFA with additional opportunity to connect with potential donors. This is especially true when MIFA's *Victory on the Road* initiatives and seasonal, first-class educational programs at Victory Theatre begin to take root and help MIFA connect with potential donors amongst the more affluent residents throughout the Pioneer Valley.

OTHER KEY MARKET SEGMENTS

OTHER MARKET SEGMENTATION / TARGET MARKETS: MIFA will also benefit from using other means of market segmentation to determine the most effective programming for Victory Theatre. For example, the planning of certain programming will be based on seasonality (holidays or summer breaks) and in other cases development-driven programming will be based on the availability or procurement of funding for market segments with certain attributes, such as cultural attributes, underserved/underprivileged populations, or to deliver programming that fulfills other government, corporate or private foundation initiatives.

Regional: Key, high-profile events will also draw patrons from the Boston / Worcester, Hartford, Berkshire / Albany, Southern Vermont, and New York / Westchester regions. MIFA will leverage PR opportunities from major "blockbuster" events (profile engagements) to generate regional artistic and cultural relevance for the institution. Regional relevance will also be taken into account with respect to board composition. MIFA will establish a marketing committee with an ambassador or ambassadors from key marketing regions outside the Pioneer Valley. These will be people who have the ability to spread the word about MIFA programming. The business plan does not count on ticket sales or donations from this effort to represent a material portion of ticket sales or development income, but this is part of the long-term plan to develop regional relevance and long-term sustainability. Springfield's

Symphony Hall has provided proof of concept for regional arts participation, stating that people from over 178 cities and towns in 14 different states went to Symphony Hall in 2012.

²⁴ With the caliber of programming MIFA will book at Victory Theatre, regional arts attendance will help put MIFA / Victory Theatre on the map as the Pioneer Valley's most relevant arts institution.

Affiliate Constituents: Given the market's adequate number of potential supporters for MIFA / Victory Theatre initiatives, filling seats becomes a function of effectively communicating MIFA's initiatives to potential patrons and donors. In that regard, each member of the Affiliate Program will have unique attributes within their respective constituencies that will make them potential market sub-segments for targeted programming. In addition, performing arts affiliates from the Greater Holyoke area will come to MIFA / Victory Theatre with their built-in audiences. Because community-oriented events lack professional talent they typically do not require high occupancies in order to facilitate recoupment of direct production costs.

Senior Citizens: Senior citizens represent a desirable target population for MIFA / Victory Theatre programming. Not only do they have a high propensity to attend arts activities, but they also typically represent the core volunteers at arts institutions. Connecting with the senior citizen population will help Victory Theatre increase participation in volunteer initiatives as well as sell tickets to events. Because many senior citizens live in communities such as senior homes or assisted living communities designed to accommodate their unique needs, this is a market sub-segment with which it is relatively easy to communicate. Given the propensity for the senior segment of the population to be price-sensitive due to fixed incomes a group sales program will be developed to target senior citizens.

Corporations: Group sales will also help MIFA service corporations that will be willing to offer corporate discounts in the form of extending MIFA's group sales program to their employees. Larger corporations also represent targets for commercial theatre rentals as well as affiliate program participants. Corporations are also a prime target from which to solicit in-kind contributions.

College Students: MIFA will make great efforts to establish Affiliates within the network of institutions of higher education. Not only will this provide synergies with respect to resources and the impact of educational programs, but this network also represents an efficient communication conduit for promoting awareness of all MIFA / Victory Theatre programming.

MULTI-FACETED MARKETING TACTICS

MIFA / Victory Theatre represents a "cause" as well as a business, and effective marketing strategies will have the advantage of employing the means and the methods of both. Capturing Pioneer Valley and broader-region patrons and donors along with the attention of the local community requires exacting strategies, directly targeted at each unique population sub-

segment. Comprehensive multi-faceted marketing, PR and brand strategy plans will be deployed with the basic objectives being (1) to raise awareness, (2) garner all manner of support, (3) fulfill the mission and (4) become a successful business. Each event or revenue-driving activity must be assessed for level of appeal relative to the potential audience. Marketing success relies on effective deployment of strategies in the areas of institutional marketing as well as programmatic marketing:

Because of Holyoke's reality MIFA needs to forge a unique identity for Victory Theatre, an identity whose programming can draw attendance from throughout Greater Holyoke and the region at large. Programming is at the heart of MIFA's mission and its ability to attract audiences to downtown Holyoke and anchor its education and outreach program. It is important that sales, marketing and PR strategies to address the means for garnering income proportionate to each income source. This means that promoting awareness of MIFA's mission-fulfilling activity is as important as promoting awareness of MIFA's programming geared toward a more commercial market.

INSTITUTIONAL MARKETING

In marketing a new arts organization, it is necessary to position the facility in the marketplace to generate a unique identity that makes the community aware of the organization and its mission, and gives them a reason to care and be excited about its presence in the community and the benefit to the community of the mission-fulfilling work done by the organization. Institutional marketing (vs. programmatic marketing) is what defines the organization to the public and it is of paramount importance to a successful development strategy. In open-ended responses about what most affected fundraising results in a 2010 survey by the Nonprofit Research Collaborative, survey participants noted the importance of effective communications.

Michael Kaiser, President of the John F. Kennedy Center for the Performing Arts in Washington, D.C., is world-renowned for his expertise in arts management. According to Kaiser, his successful launch of an institutional marketing campaign for Alvin Ailey enabled them to double their fundraising from one year to the next. Institutional marketing campaigns also pay dividends in the form of increased ticket sales from enhanced awareness of the institution and its programming.

Victory Theatre will be the product of a fundraising campaign that deploys a strong enough institutional marketing strategy to raise the funds needed to complete the restoration of the historic landmark facility. It is incumbent upon the organization to carry this momentum forward once operational. MIFA will execute key initiatives which will serve to (1) maintain the image of the institution and the venue, (2) highlight the good work delivered to the community as well as the good work to come and (3) promote awareness of the institution and its unique identity as defined by the mission. The final form in which these institutional marketing initiatives become manifest will be largely dictated by the resources of the institution and the opportunities that present themselves within the region. They may be large publicity events,

high-profile public performances, or any number of other initiatives made possible by leveraging key relationships with board members or other community constituents.

In order to carve out a unique niche for MIFA / Victory Theatre in the marketplace, the institution must be identifiable with Holyoke by its strong connection to the community in addition to its relevance as a creator of world-class educational and creative content. More than just four walls and a stage—Victory Theatre will serve the community and stand as a symbol of economic, educational, cultural and creative progress.

The following outlines the three steps toward establishing institutional relevance

1. Brand (Institutional Marketing) Strategy: Initially the brand strategy will be aimed at publicly establishing MIFA / Victory Theatre's differentiating elements to build an image of the institution's identity and build awareness of how the venue serves the community in which it resides. MIFA / Victory Theatre's core messaging will focus on fulfilling the mission and to the specifics of the transformation into a true performing arts district where education and community are as important as entertainment. Messaging will focus on the work done by MIFA prior to the restoration, and leveraging the brand equity established by the bridge initiatives to give the theatre a strong base from which to start an institutional marketing campaign once the theatre is operational.

2. Start-Up (Beta) Phase Strategy: The newsworthiness of Victory Theatre's restoration will be utilized to create positive word of mouth about the fact the Victory Theatre is BACK, and that the venue delivers more than just entertainment, but represents a true pillar of the community. Key to the beta phase is a choreographed momentum-building campaign for potential patrons and donors geared toward capturing names, addresses and e-mails.

Angles will include: the opening of the restored theatre, the vision for the theatre as the cornerstone of the Holyoke Arts District, the unique Affiliate Alliance Program (and the signing of each new "Affiliate"), the "Phoenix Fund," the membership drive as well as promotion and publicity of any and all programming at the theatre.

3. Launch Strategy: The keystone of the launch strategy is a Gala, but the Gala itself is only the MacGuffin. Think opening night on Broadway meets the introduction of the Apple Computer. It is much more than an event or a concert or the opening of a new business. It is the measure by which all that MIFA / Victory Theatre will do will be judged. Expectations must be carefully and strategically elevated so as not to disappoint and participation and attendance must be regional rather than local.

PROGRAMMATIC MARKETING

Successful marketing to generate ticket sales or otherwise promote paid participation in institutional programming for the purpose of optimizing earned income is also of extreme importance. Programmatic marketing is specific to the type of project or event. Because each project or event is unique, MIFA will customize the strategy to address the elements that make

them so, and to match programming with potential patrons via event-specific strategies rather than a “cookie-cutter” deployment of marketing tactics. For example, promoting a highly commercial or well-known creative work will emphasize efficiency in exposing the title of the event and the way a patron may purchase a ticket to the greatest number of potential patrons. Promotional tactics for a lesser known work will emphasize targeted marketing and the use of additional kinds of media to explain the event more thoroughly.

The following section is a very general overview of the basic Marketing/PR and Development tactics, tools & touch-points. Strategies using these tools, tactics and touch-points will be employed on an event, project or program-specific basis. The specific strategy for each event will largely be a function of what makes it unique, as well as MIFA’s knowledge of what will be most effective to attract patrons and donors, both locally as well as regionally.

Basic Earned Media Generators: Press releases, interviews, press conferences, media alerts, photo opportunities, op eds, letters to the editor, viral marketing, email blasts, broadcast faxes, text messages, telephone calls, blogging, guest blogging, social media (especially Facebook & Twitter), editorial board meetings.

General Visibility Builders: Fundraising drives, hosting events, contests, guest speaking, creating awards, getting awards, community event participation, value-added promotions, promotional tie-ins (that incentivize donors and ticket buyers), giveaways, celebrity spokesperson.

PSAs: Produced for the Internet, radio and/or television.

Affinity & Community: Everything from specialty press outlets, groups and businesses that have a kinship to a particular performer or event to community outreach opportunities (senior citizen groups, service organizations, chambers of commerce, park & recreation, places of worship)

Advertising: Paid in all appropriate touch-points, e.g. newspapers, radio, Internet, visitor guides, entertainment magazines, billboards and TV.

In-kind/barter advertising, e.g., *Google Grants AdWords*, blog directories, *Zvents*, event calendars & listings, Playbill, MIFA / Victory Theatre website, reciprocal banner ads with Affiliates, lobby signage, radio contests, chamber of commerce, hospitality location incentive programs, standees and brochures local businesses.

Promotion: For ticket sales and memberships, in addition to advertising and publicity, incentives that drive sales and loyalty include “BOGOs,” tax deductions, discounts, contests, flex passes, sponsor packages, perks, coupons, group programs, subscriptions, etc.

Appeals specifically for all manner of support (Development):

Direct Appeal: Snail mail, email blasts, broadcast faxes, texts, community meetings, telephone calls, blogging, guest blogging, viral marketing, social media (e.g., *Facebook*, *Twitter*, *LinkedIn*, *YouTube*, *AOLImpact*, *eBayGivingWorks*).

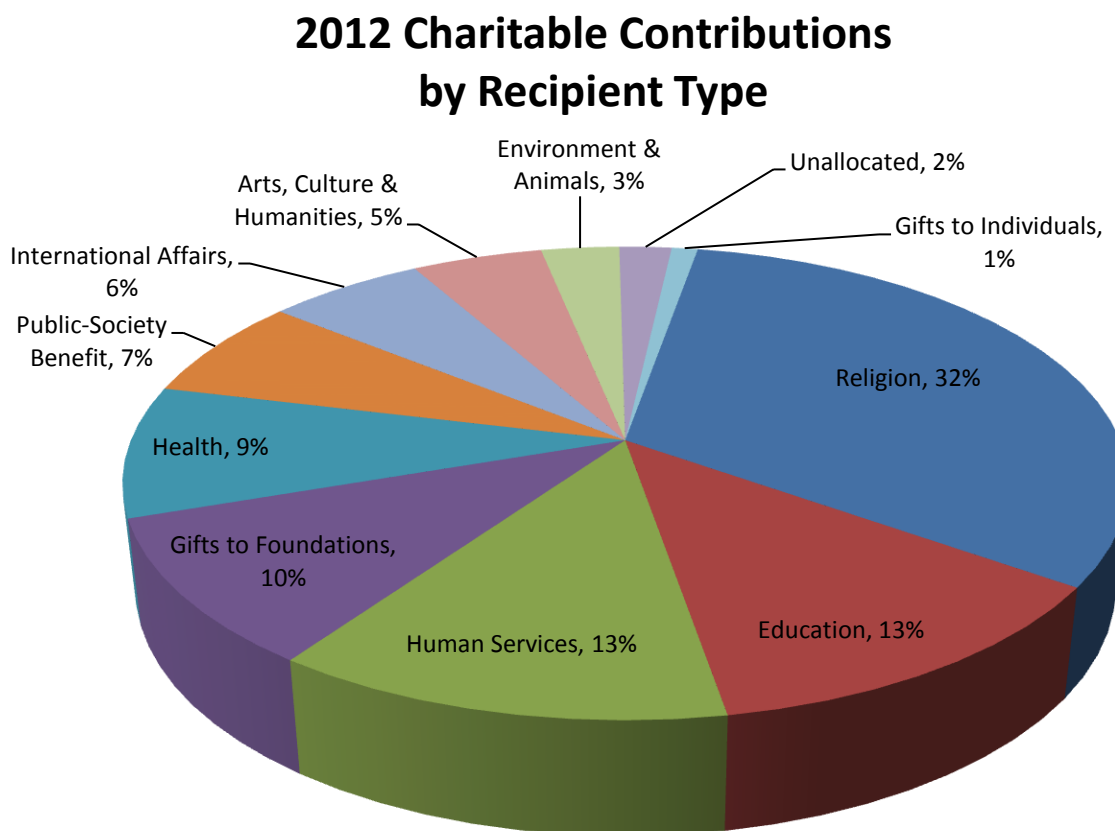
Indirect Appeal: An appeal on MIFA / Victory Theatre's behalf by a third party (e.g., affinity groups, influencers, friends) to their constituencies/members via mail, email, websites, contests, tweets, phone calls, etc. A presence, listing or mention on respected nonprofit reference guides and directories (e.g., *Charity Navigator*, *Guidestar*, *NetworkForGood*).

DEVELOPMENT PLAN

FUNDING MODEL FOR NONPROFIT THEATRE

UNEARNED INCOME: A 1997 U.S. Census Bureau survey reported that, on average, “unearned” or contributed income (the terms unearned and contributed are used interchangeably here) made up 41% of revenue for nonprofit performing arts institutions. *Theatre Facts 2012*, an annual report on the fiscal state of professional nonprofit American theatre commissioned by Theatre Communications Group (TCG), stated that contributed income made up approximately 48% of total income for all nonprofit theatres in 2012 (with unrestricted net assets increasing a mere 2%). These statistics highlight the importance of contributed income for nonprofit theatre viability and MIFA’s Victory Theatre is no different.

U.S. CHARITABLE CONTRIBUTIONS: According to *The Annual Report on Philanthropy for the Year 2012* from Giving USA, the \$316.23 billion in total charitable contributions in 2012 were broken down by recipient type as follows:



CHARITABLE POSITIONING

From the chart above, one can conclude that the work of performing arts organizations is perceived by philanthropists to be “less essential” relative to religious institutions or nonprofits that fulfill other basic societal needs. In order to maximize “fundability” a nonprofit performing arts institution may opt to fulfill more than just an artistic or cultural mission in order to pique the interests of the philanthropists who primarily fund other categories.

Given the propensity for a relatively large percentage of philanthropic dollars to flow toward education, it is common for performing arts nonprofits to place education at the core of their mission. This helps increase their ability to garner contributed income. Successful examples of this best practice include The Juilliard School, The School of American Ballet and New World Symphony—all of which produce world-class creative content or talent through education in the performing arts.

MIFA is positioned to adhere to this best practice, but also expand upon it as a means to optimize contributed income results. Its location in an economically depressed community on the verge of a turnaround enables MIFA to have a tangible impact across multiple categories of charitable giving catalysts. In addition to seeking funding as a relevant arts institution, MIFA will seek funding on the basis of mission-fulfilling work in the areas of education (vocational, artistic and creative), public and societal benefit (community improvement – Gateway City & Holyoke Creative Economy) and human services (employment, youth development).

DELIVERING & COMMUNICATING VALUE

Contributed income is the key to financial sustainability at MIFA / Victory Theatre. Generating contributed income is directly linked to the theatres ability to deliver (1) value to the community, (2) relevant programming to the region; and (3) targeted messaging that promotes widespread awareness of both. MIFA will leverage its internal resources as well as its network of organizational affiliations (see “Affiliate Program” section) to maximize the output of educational content delivery and general community outreach activity. Affiliate relationships will enable MIFA / Victory Theatre to establish a ubiquitous market presence and forge a genuine connection with constituents to inspire ongoing patronage and financial support. A strong institutional marketing strategy (reference “Institutional Marketing” in the Sales & Marketing Plan of this document) is important for the successful execution of the development plan. This includes delivery of appropriate messaging about the mission fulfilling work being done by the theatre to funding constituents. The following categories of funding constituents (and some related examples) will be solicited for contributions to support MIFA / Victory Theatre:

Individuals: Event patrons, participants in educational programming, board members, members of the community at large.

Grant-Making Organizations:

- ***Governmental Entities:***
 - City – Holyoke Cultural Council & Holyoke Office for Community Development
 - State – Massachusetts Department of Housing and Community Development, Massachusetts Cultural Council, Massachusetts Historical Commission Executive Office of Housing and Economic Development & MassDevelopment
 - Federal – National Endowment for the Arts
- ***Public Foundations***
 - Community Foundation of Western Massachusetts
- ***Private Foundations***
 - Independent or Family Foundations – endowed by individuals or families
- ***Corporate Foundations***
 - Woronoco Savings Charitable Foundation, New Alliance Foundation, Berkshire Bank Foundation

Corporations: Goss and McLain Insurance, Dowd Insurance, Clayton Insurance, Ross Insurance, Teddy Bear Pools & Spas are amongst a multitude of corporate contributors that have already awarded grants to MIFA.

FACILITATING CONTRIBUTIONS

MIFA will engage in a multitude of nonprofit best practices to create opportunities for constituents to contribute. Relationships with grant making organizations will be built over time and contributions will be solicited through formal grant proposals and processes. Corporations and individuals, however, require a much more diverse set of contribution catalysts. These include fundraising events, donor perks programs and general solicitations, but they all start with an institutional culture of investing the time and energy to build relationships between the organization and its constituents. The following is an overview of giving opportunities: Major Events (Annual Gala & Annual Donor Appreciation Event), Annual Programming Fund, Advertising & Sponsorships (Event-Based & Project-Based), Naming Rights, Endowment Planning, Pledges / Planned Giving, Other Fundraising Events & Activities (raffles, auctions, dinners, etc.), Board & Committee Membership/Participation, In-Kind Opportunities, Barter Opportunities.

LEVERAGING LOCAL CAPACITY TO GIVE

Contributed income is a critical part of nonprofit theatre sustainability throughout the nation and MIFA / Victory Theatre's strategy for developing sustainability is no different. As awareness of MIFA's programming within the region becomes more widespread MIFA's support base will expand. The overall development strategy is designed to build a broad base of individual supporters as a core support channel that is supplemented by grants, corporate support and in-kind contributions. In addition to building a broad base of individual financial contributors, the

development plan is designed to facilitate MIFA's execution of a deliberate strategy to build relationships with major donors.

Relationships that produce significant donations are built by connecting with individuals who have the financial wherewithal to make large financial contributions and identifying the catalysts to their philanthropic giving. An organization must then explore ways to generate activity that creates appropriate giving catalysts and build relationships and rapport with potential contributors. Potential contributors who respect and identify with a charitable organization's activities and its mission, and with those who represent it, will be poised to support the organization financially.

MIFA is positioned to build programming and activity around a wide variety of typical charitable giving catalysts—not just the arts. In the performing arts arena, MIFA's relationship with the professional entertainment and performing arts industry enables it to acquire some of the world's top artistic talent. MIFA will be the producer and host of several programs that facilitate delivery of world-class educational programs and a meaningful connection to the community at large—not just within the confines of Victory Theatre. MIFA / Victory Theatre's professional resident companies will make the Pioneer Valley a home to world class art and artists. In this manner, MIFA's plan is oriented toward maximizing mission-fulfilling output so that the organization will become the recipient of significant individual financial contributions.

The capacity to make large donations exists within a certain number of Holyoke residents in spite of the high level of poverty in the city. The last census counted 263 Holyoke households with an annual adjusted gross household income above \$200k. As a point of comparison, East Longmeadow reported only 350 households in this category. Within a 30-mile radius of Victory Theatre, there are 6,870 households that fall into the \$200k+ annual adjusted gross income category. Deep-pocketed donors are abundant in the region. Money to support MIFA's initiatives exists as long as MIFA identifies the high-net-worth and high-income constituents, builds relationships with them, and creates the catalysts that trigger these individuals to provide major financial support. Although the financial projections were not built with a dependency on MIFA generating this type of support once operational, success in this area has the potential to secure the financial future of Victory Theatre for generations to come.

OPERATIONS OVERVIEW

MANAGEMENT OF VICTORY THEATRE: KEY COMPONENTS

There are two key facets to the oversight of Victory Theatre’s operation. The first is creative leadership—this refers to oversight of how the operation generates income through public messaging, relationship building and connecting meaningfully with the community. This income is then expended toward future mission-fulfilling activity. The mission is the primary focus of creative leadership initiatives. The second is facilities management—here the main focus is the efficiency and cost-effectiveness of the operation. Effective facilities management ensures that every dollar possible is allocated toward mission-fulfillment rather than for administrative overhead. These two “buckets” of activity require a very different approach for achieving success, and decisions made with regard to facilities management should always be considered within the context of how it will further productivity on the creative leadership side of the operation. Although the operation itself will not in fact have a tangible divide between these two areas, MIFA leadership will maintain reference to this theoretical divide to ensure that the objective of mission fulfillment is always placed at the forefront for decision-making and policy-setting.

CREATIVE LEADERSHIP

EDUCATION, COMMUNITY AFFILIATION AND DEVELOPMENT: The key to the success of a performing arts venue lies in its relevance and connection to the community in which it resides; therefore, strong fundamentals absolutely require the emphasis on education and community. Efforts to develop professional programming across all genres of the performing arts will focus on world-class entertainment in addition to community enrichment and performing arts education-based partnerships.

Creative leadership efforts nurture new artists and audiences, build membership and ticket sales and ultimately cultivate underutilized and new sources of contributed income to optimize financial results. A robust programming and community affiliation initiative, spearheaded by the assimilation of world-class educational content into the venue’s programming, will engage new audiences and help identify potential new sources of unearned income. Creative leadership initiatives will increase venue utilization by nonprofits and other performing arts organizations that surround the venue. The following is an examination of the key areas of creative leadership:

Education Programs: Education plays a crucial role in the success of nonprofit venues. Education is one of the most “fundable” elements of any theatre because there are strong, well-developed sources of governmental, corporate, foundation, and individual donor support for these programs. A focus on education also enables venues to illustrate a tangible positive impact on the lives of community members. To establish and grow education programs

solidifies the connection between the venue and the community. MIFA / Victory Theatre will package and brand an entirely new educational program that appeals to a founding donor within the community.

Educational Anchor Initiatives: MIFA / Victory Theatre will establish appropriate educational “anchor initiatives” to serve as the foundation for the educational programming at the theatre. These initiatives will be determined in the pre-development stage, and based on the desires of the founding donor. The anchor initiative will generate positive media buzz that will be of specific interest to the community. This will come in a number of different forms:

1. **Existing Companies:** MIFA / Victory Theatre will formally engage with existing performing arts companies that are already deeply entrenched within the community in order to publicize that the facility will serve as the residence or official home of the established company. An example of this would be for the venue to “adopt” a chorale group or dance company that has a following within the community, but does not possess or inhabit a permanent performance space.
2. **Organically Grown Anchor Companies:** A new resident musician fellowship program, and a cappella group and a traveling musical theatre troupe represent three anchor, MIFA-produced companies that will be created based on advance funding commitments from the capital campaign. Plans for additional educational initiatives will be deployed as additional advance funding is secured.

Community Building through Relationship Development: Victory Theatre will be managed as a true pillar of the Holyoke community, innovatively facilitating affordable methods for other local nonprofits to improve their viability through use of the venue. This use of a venue to strengthen ties with other community non-profits promotes awareness of the venues core offerings amongst potential new patrons. The educational programs also contribute significantly to the community building element of the Creative Leadership initiatives. Through these strong ties to other community organizations, MIFA will continue to generate relationships with new community constituents and through these relationships MIFA will seek philanthropic support to maintain sustainability.

Creative Programming: Ticket revenue and presenter fees are an important source of income for any performing arts venue. A keen focus on developing creative programming that engages the appropriate demographic that comprises the patron and donor-base, and building subscriptions and group sales helps to maximize this revenue stream. MIFA / Victory Theatre will reach out to the professional talent programmed at Victory Theatre and affiliate venues to solicit world-class resources to supplement educational initiatives. The presence of performing arts professionals engaged with the venue across all functional areas of operations will enable MIFA to extend educational programs beyond the performing artists that appears onstage, and into the areas of technical design and execution, arts management, production and arts promotion.

FACILITIES MANAGEMENT

EXCELLENCE IN SERVICE AND OPERATIONAL EXECUTION: The foundation-strengthening impact of proper facility oversight, efficient operational execution and improved internal controls will help contain costs. Cost containment from good facility management practices allow more time for creative leadership initiatives to mature and generate sustainable results.

The presence of a strong operating team capable of meeting the unique set of challenges presented by a live performance venue is important. Facilities management focuses on administrative operational oversight that will enable Victory Theatre to serve its patrons and optimize earned income while containing operating expenses. Facility management efforts are geared toward operating in the most effective and efficient manner possible, and include the application of industry best practices and operational controls in the following key areas of focus:

Standard operating procedures, revenue management, revenue collection, manage petty cash & change funds, bookkeeping & controls, accounting policies & procedures, federal & state tax form preparation, audit facilitation, internal financial controls, accounting systems, monthly and annual financial reporting, records retention, contract management, facility events schedule, event coordination, production / technical services, human resources, budgeting & spending, expense payment, tax reconciliation & payment, purchasing, inventory, risk management, facility upkeep, license/permit procurement, marketing & PR, ad sales & sponsorships, maintenance & repair, security, custodial, catering, pest control and snow/trash removal, box office operations, commercial venue rental, F&B / concession operations.

MANAGEMENT OVERVIEW

GOVERNANCE & KEY LEADERSHIP PERSONNEL

Board of Directors: The Board of Directors will be comprised of volunteers with the experience, expertise, commitment and resources to provide leadership and support toward fulfilling MIFA / Victory Theatre's mission. The Board will develop and institute bylaws, maintain the mission and cultivate an Advisory Board—all oriented toward developing long-term sustainability for MIFA / Victory Theatre. The Board collaborates with their appointed Executive Artistic Director to set strategy, adopt/approve policy and to approve the annual budget. The board is responsible for appointment and oversight of the organization's Executive Artistic Director, to whom the board discharges direct responsibility for executing approved strategy, implementing approved policy and adherence to approved budgets. The board will also provide sound governance of the institution and oversight of their appointed Executive Artistic Director and guide the overall direction of the organization. Board members are responsible for playing a material role in actively and directly supporting the Executive Artistic Director's fulfillment of organizational fundraising goals. Individual members will support through direct giving, relationship building, participating in operational fundraising initiatives, raising funds directly, board recruitment, board development and generally by serving as ambassadors on behalf of the institution to promote awareness of MIFA's mission along with past successes and current initiatives to the region's pool of potential patrons and donors.

The Mission: MIFA's mission is to present the region's finest examples of contemporary practice in the performing, visual and literary arts for the purposes of educating, entertaining, enriching lives. MIFA serves the economic revitalization of Holyoke through the preservation and reopening of the historical landmark Victory Theatre.

Establishment of Advisory Board: An Advisory Board will be created after the initial start-up of Victory Theatre operations. It will be comprised of community leaders, philanthropists, and prominent citizens. These individuals' presence on the Advisory Board will represent a powerful endorsement of the mission of MIFA / Victory Theatre, a catalyst for fundraising and an important source of knowledge capital. The Advisory Board shall have no formal vote or powers to govern MIFA / Victory Theatre. The purpose of the Advisory Board is to garner support for the theatre within the community. They may act on the Board's behalf for specific purposes such as fundraising, public relations, marketing, community relations, planning, research and recruiting Directors.

KEY PERSONNEL:

Several key board members and administrative personnel are already in place at MIFA. These personnel will serve as the foundation for a growing pool of people that will fulfill the roles of governing MIFA as well as operating Victory Theatre:

Donald T. Sanders (Executive Artistic Director): Mr. Sanders is a founder of the Massachusetts International Festival of the Arts (MIFA) and has been its Executive Artistic Director since 1993. As Executive Artistic Director Mr. Sanders has brought distinguished artists and companies to Massachusetts including Mikhail Baryshnikov, Vanessa and Corin Redgrave, Prunella Scales, Tito Puente, Hilton Ruiz, Eddie Palmieri, Dublin's Gate Theatre, England's Out of Joint, Complicite and Shakespeare's Globe companies, the Netherlands' OT Rotterdam and National Reisopera, Cuba's Ballet National de Cuba and France's Olivier Py, Joel Pommerat and the Comedie Francaise. In 2002 Mr. Sanders was made a Chevalier dans L'Ordre des Arts et des Lettres of the Republic of France. Under his leadership MIFA is spearheading the restoration and reopening of the historic Victory Theatre in downtown Holyoke, Massachusetts.

Mr. Sanders graduated from the University of Pennsylvania with a B.A. and was awarded a Thouron Fellowship. He received a Certificate in Drama (C.I.D.) from the University of Bristol, England, and an M.F.A. in Directing from the Yale School of Drama where he was assistant to Nikos Psacharopoulos and drama master of Stiles College. As a director Mr. Sanders is known for his stage adaptations from novels, direction of new plays and classics. His professional career began at Joseph Papp's New York Shakespeare Festival/Public Theatre, which presented his *Naked Lunch* by William S. Burroughs and *Old New York* by Edith Wharton. New Jazz at the Public presented his *33 Scenes on the Possibility of Human Happiness* and Thomas Cole, *A Waking Dream*, two music Theatre works both with scores by Henry Threadgill and Dubrovsky the opera by William Russo with a libretto by Sanders. Other New York Shakespeare Festival/Joseph Papp Public Theatre credits include *The America Pig*, an Anti-Imperialist Vaudeville and *The Owl's Story* by Ted Hughes. Off-Broadway directing and producing credits include *Aesop's Fables*, a rock opera by William Russo, book by Jon Swan, and *The Seven Deadly Sins* by Kurt Weill, libretto by Berthold Brecht and new plays *From the Memoirs of Pontius Pilate* by Eric Bentley, *The Party* by Arnold Weinstein and *The Red Robins* by Kenneth Koch with sets by Roy Lichtenstein, *Red Grooms* and Alex Katz. In 2009 Mr. Sanders directed *Stella* in the Bois De Boulogne by Tara Prem and Jane Wood with Paul Sorvino and Mira Sorvino.

In New York City Mr. Sanders is director of theatrical productions for Ensemble for the Romantic Century (ERC). For ERC he directed *Seduction, Smoke and Music* by James Mello, starring Jeremy Irons and Sinead Cusack at the Tuscan Sun Festival, Cortona Italy. Mr. Sanders has received awards from the NEA, New York State Council of the Arts, the New York City Department of Cultural Affairs and the Massachusetts Cultural Council.

Kathy McKean (Managing Director): Ms. McKean has been the Managing Director of MIFA Victory Theatre since 2009. She has over thirty years of administrative experience in not for profits throughout the Commonwealth and New Hampshire. Ms. McKean has a B.A. in Sociology and Education from Hampshire College and an MEd in Human Service Administration from Antioch University. A resident of Holyoke, her involvement with

community development began in the 1970's as Founding President of Girls Inc. of Holyoke overseeing the redevelopment of the former Tommy Taxi horse barn into a new home for the organization. Subsequently, Ms. McKean was the director of Human Services and Community Participation Coordinator for the City of Holyoke Office for Community Development. She was the Vice President of Agency Relations for the United Way of the Pioneer Valley and Executive Director of the United Way of Franklin County. Ms. McKean served as interim Director of the Girls Inc. of Marlborough, MA and Nashua, NH. She was also an educator in the Holyoke and Chicopee Public School Systems. Before becoming MIFA managing Director Ms. McKean was the Executive Director of the Holyoke Creative Arts Center.

VENUE PERSONNEL

***** Please Also Reference Appendix VII – MIFA / Victory Theatre Organizational Chart *****

CREATIVE LEADERSHIP PERSONNEL: The senior leader at MIFA / Victory Theatre spearheads all Creative Leadership initiatives and manages the theatre's staff. Below is an outline of key leadership personnel who execute Creative Leadership initiatives:

Executive Artistic Director: This position is the senior on-site leadership employee at MIFA / Victory Theatre. The Executive Artistic Director serves as the public persona of the nonprofit and directly manages high-value development opportunities. Further, this position will work closely with all other Creative Leadership personnel as well the Board of Directors in the areas of strategic planning, goal setting, programming, education, community affiliation and development. They will also work closely with the Education Director to ensure all artistic initiatives are tightly woven with the venues education initiatives to deliver the best possible results. This position is ultimately responsible for all employees at the venue, whether by direct or indirect report.

Foundation Director: The Foundation Director manages community affiliate relationships, scanning the horizon for new opportunities to engage the local arts organizations and other nonprofits to create new collaborations between the venue and affiliates and increase venue utilization. This position manages all marketing and development initiatives and feeds high-value development opportunities to the Executive Artistic Director. They are responsible for building marketing and fundraising initiatives on the shoulders of all MIFA / Victory Theatre programming in addition to being responsible for stand-alone fundraising events. They also lead the execution of the annual appeal for individual contributions, organize the annual gala, solicit contributions and are responsible for requesting statistical data and developing narrative content for grant solicitations to feed to the grant writer. The Foundation Director reports directly to the Executive Artistic Director.

Foundation Assistant: The Foundation Assistant provides general administrative support for the Foundation Director. This position is responsible for donation acknowledgements, data

entry, report reproduction, filing, phone call routing, meeting minutes, various department projects as assigned, etc. The Foundation Assistant reports to the Foundation Director

Grant Writer: The Grant Writer manages the grant solicitation process. This includes gathering key organizational information to completing applications, completing application blanks, writing grant narratives, documenting the status of applications pending, identifying additional grant funding opportunities, managing fulfillment of grant deadlines and oversight of reporting to granting organizations in compliance with their reporting requirements. The Grant Writer reports to the Foundation Director

Sales & Marketing Manager: The Sales & Marketing Manager is responsible for the execution of all sales, marketing and PR activity as directed by the Creative Leadership Team. The Sales & Marketing Manager reports directly to the Foundation Director.

Sales & Marketing Coordinator: The Sales & Marketing Coordinator is responsible for general support for all sales, marketing and PR initiatives as directed by the Sales & Marketing Manager. This position is directly responsible for administering the group sales program. The Sales & Marketing Coordinator reports to the Sales & Marketing Manager.

Education Director: The Education Director spearheads the execution of all education initiatives. The Executive Artistic Director and Development Director will aid this position in laying out a launch strategy for education programs and collaborate to set ongoing goals for the growth of educational programming and ensure the initiatives are fully funded. The Education Director reports directly to the Executive Artistic Director.

FACILITIES MANAGEMENT PERSONNEL: The senior facilities management employee reports directly to the Executive Artistic Director. The position oversees all of the operating employees who fulfill the execution of initiatives as determined and directed by the Executive Artistic Director. Below is an outline of key personnel responsible for Facilities Management:

Managing Director: The Managing Director is the senior facilities management employee. Key responsibilities include responsibility for efficient execution of all operational initiatives outlined in the Facilities Management section of this document resulting in superior customer satisfaction for the venue's patrons, donors, affiliates and community constituents. The Managing Director reports directly to the Executive Artistic Director.

Technical Director: The Technical Director is responsible for all technical and production elements for activities and events. They work closely with the Education Director to execute educational strategies that involve internships or apprenticeships in the technical area of the business. This position is also directly responsible for technical and production-related event staff. The Technical Director reports directly to the Managing Director and is supported by various event-specific contract personnel, interns and maintenance/custodial support.

Business Manager: The Business Manager oversees all financial matters under the direction of the Managing Director. This includes bookkeeping, box office reconciliation, adherence to

financial controls, financial reporting, budget monitoring, petty cash management, inventory management and all other financial and control related responsibilities outlined in the Facilities Management section of this document. The Business Manager reports directly to the Managing Director and is supported by a bookkeeping resource.

Operations & Event Coordinator: The Operations & Event Coordinator is responsible for advancement of Victory Theatre events. This position works closely with clients who utilize the theatre to coordinate fulfillment of all needs with respect to events, and serve as the liaison between theatre renters or affiliates and MIFA / Victory Theatre staff. This position supervises part-time or contracted event staff and also serves as House Manager for MIFA / Victory Theatre events amongst other responsibilities. The Event Coordinator reports to the Technical Director.

Box Office Manager: The Box Office Manager is responsible for all aspects of the box office and ticketing operation for MIFA / Victory Theatre. This includes set-up of events in the ticketing system, selling tickets to events, oversight of box office staff and standard operating procedures for box office operations, customer service, sales reporting, and oversight of all financial-related box office procedures including reconciliations, deposits and management of cash floats. The Box Office Manager reports to the Sales & Marketing Director with respect to sales, promotions and patron services, and to the Business Manager with respect to all financial matters, including cash handling and revenue reconciliation.

Administrative Assistant / Bookkeeper: The Administrative Assistant / Bookkeeper provides general administrative support. This position is responsible for report reproduction, filing, phone call routing, various department projects as assigned, meeting minutes, etc. The Administrative Assistant reports to the Managing Director.

MIFA VOLUNTEERS: As is common in nonprofit theatre operations, volunteers play a crucial role in the organization's success. Board Members are volunteers who serve MIFA / Victory Theatre with a commitment to provide sound governance, strategy and leadership for the organization. They also serve as community ambassadors to promote awareness of the institution and the mission-fulfilling work being done. MIFA will also utilize a team of dedicated volunteers to perform services such as ushering, concession operations, distribution of promotional materials, event planning, fundraising, special projects and many other responsibilities that are critical for MIFA / Victory Theatre's success.

The role of volunteers cannot be overemphasized—the market-rate cost of their productive efforts would represent a crippling financial burden to the nonprofit if it weren't for volunteerism. MIFA maintain a focus on volunteer recruitment to help with a variety of initiatives to help contain operating costs wherever and whenever possible. MIFA will also devise an appropriate system of acknowledgement to recognize the efforts of these individuals, and to maintain high morale amongst this critical volunteer corps.

FINANCIAL PLAN:

UPDATED ON 5/9/17

VICTORY THEATRE 5-YEAR PRO FORMA P&L

INCOME SUMMARY	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
PROGRAMMING	1,078,700	1,272,975	1,604,220	1,791,220	2,067,650
<i>Mass-Market</i>	898,000	1,050,200	1,325,920	1,463,520	1,683,200
<i>Community Oriented</i>	156,000	189,600	222,400	256,000	292,800
<i>Victory on the Road & Other Educational</i>	24,700	33,175	55,900	71,700	91,650
DEVELOPMENT	1,055,000	1,104,300	1,155,984	1,210,210	1,267,146
<i>Pledges: Pre-Contracted Giving</i>	540,000	560,000	580,450	601,364	622,754
<i>Donations: Individual & Fundraising</i>	200,000	210,000	220,500	231,525	243,101
<i>Affiliate Contributions</i>	180,000	189,750	200,063	210,973	222,520
<i>Grants: Gov't & Foundation</i>	135,000	144,550	154,972	166,348	178,771
OTHER	311,711	309,920	388,928	442,008	510,760
<i>Concession</i>	101,700	123,120	153,848	174,728	201,960
<i>Ticketing Fees</i>	136,400	165,200	208,680	236,080	272,800
<i>Rental</i>	18,000	21,600	26,400	31,200	36,000
<i>Capital Campaign Contribution to Deficit</i>	55,611	-	-	-	-
TOTAL INCOME	2,445,411	2,687,195	3,149,132	3,443,438	3,845,556
EXPENSE SUMMARY	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
DIRECT COSTS	1,317,308	1,517,830	1,800,573	1,988,303	2,241,239
<i>PROGRAMMING</i>	1,056,158	1,229,758	1,477,009	1,637,077	1,856,243
<i>DEVELOPMENT</i>	173,000	181,473	190,424	199,886	209,896
<i>OTHER</i>	88,150	106,600	133,140	151,340	175,100
GENERAL & ADMINISTRATIVE	1,128,104	1,160,328	1,195,813	1,229,384	1,265,447
PAYROLL & RELATED	717,609	735,549	753,938	772,786	792,106
PROFESSIONAL FEES	57,500	58,938	60,411	61,921	63,469
<i>Grant Writer</i>	35,000	35,875	36,772	37,691	38,633
<i>Annual Audit & Compliance Reporting</i>	15,000	15,375	15,759	16,153	16,557
<i>Legal Consultation</i>	6,000	6,150	6,304	6,461	6,623
<i>Tax Preparation</i>	1,500	1,538	1,576	1,615	1,656
MARKETING	140,000	143,125	146,703	150,371	154,130
UTILITIES	84,000	86,100	88,253	90,459	92,720
INSURANCE	46,500	47,663	48,854	50,075	51,327
OFFICE	28,250	28,938	29,642	30,364	31,105
<i>Copier Usage & Service</i>	8,000	8,200	8,405	8,615	8,831
<i>Telephone & Internet Service</i>	7,000	7,175	7,354	7,538	7,727
<i>Dues / Professional Associations</i>	5,000	5,125	5,253	5,384	5,519
<i>Office Supplies</i>	3,600	3,690	3,782	3,877	3,974
<i>Ticket Stock (Box Office)</i>	1,500	1,538	1,576	1,615	1,656
<i>FedEx / Shipping</i>	1,200	1,230	1,261	1,292	1,325
<i>Other Misc. Expense</i>	1,200	1,230	1,261	1,292	1,325
<i>Misc. Bank Fees</i>	750	750	750	750	750
OTHER OPERATING	37,685	43,043	50,614	55,574	62,310
<i>Credit Card Fees</i>	31,685	36,893	44,310	49,112	55,687
<i>Travel & Entertainment</i>	6,000	6,150	6,304	6,461	6,623
OTHER FACILITIES	16,560	16,974	17,398	17,833	18,279
TOTAL EXPENSE:	2,445,411	2,678,158	2,996,386	3,217,687	3,506,686
NET OPERATING INCOME:	-	9,037	152,746	225,750	338,871

FINANCIAL ANALYSIS

PROGRAMMING INCOME: projections are based on the following assumptions:

Performances @ Victory Theatre: Volume & Type

NUMBER OF EVENTS	Year 1	Year 2	Year 3	Year 4	Year 5
Total Annual Events:	37	43	53	59	70
Mass-Market Events	23	27	34	38	45
Residents - Professional Companies	4	5	6	7	8
Presented / Co-Presented Events	4	5	6	7	8
Promoter Events	4	6	8	10	12
Produced / Co-Produced Events	9	9	12	12	15
"Profile" Engagements	2	2	2	2	2
Community-Oriented Events	14	16	19	21	25
Education (Wrkshp Culmination Events)	3	3	4	4	6
Residents - Anchor Initiative	3	3	3	3	3
Residents - Community Affiliates	8	10	12	14	16

Performances @ Victory Theatre: Patron & Pricing Information

AVERAGE PAID ATTENDEES PER EVENT	Year 1	Year 2	Year 3	Year 4	Year 5
Overall Average Paid Attendees:	1,005	1,055	1,068	1,093	1,063
Mass-Market Events: \$34 Avg Tkt	1,202	1,254	1,264	1,286	1,249
Residents - Professional Companies @ \$25 / tkt	1,040	1,080	1,120	1,120	1,120
Presented / Co-Presented Events @ \$30 / tkt	960	960	1,040	1,040	1,040
Promoter Events @ \$30 / tkt	1,071	1,112	1,154	1,154	1,154
Produced / Co-Produced Events @ \$45 / tkt	906	906	873	873	824
"Profile" Engagements @ \$65 / tkt	1,200	1,280	1,360	1,360	1,360
Community-Oriented Events: \$15 Avg Tkt	737	780	779	808	787
Education (Wrkshp Culmination Events) @ \$10 / tkt	400	400	400	400	400
Residents - Anchor Initiative @ \$20 / tkt	480	560	560	640	640
Residents - Community Affiliates @ \$15 / tkt	960	960	960	960	960

- In comparison, Symphony Hall reports approximately 1,000 attendees per event.

Victory on the Road & Other Educational Events

Event Type	Year 1	Year 2	Year 3	Year 4	Year 5
Summer Workshops	3	3	4	4	6
Classes (Individual & Group)	8	12	16	24	30
Artist in Residence Events	4	8	12	20	30
Touring Musical Theatre Troupe	24	32	60	80	96

Summer Workshops: Assumes three summer workshops (orchestral, dance & musical theatre); workshops are one week in duration; 20 paid participants per workshop @ \$125 per participant.

Classes: Individual or group instruction across multiple arts disciplines (instrumental, vocal dramatic, visual & literary) @ an average of \$50 per class for the classes indicated above.

Artist in Residence Events: Assumes orchestral fellows or the a cappella group are sent off-campus for the number of events designated above at an average of \$300 per deployment.

Touring Musical Theatre Troupe: Assumes the troupe is sent off-campus (to elementary schools, community recreation centers, etc.) for the number of performances designated above at an average of \$650 per deployment.

DEVELOPMENT INCOME

Pledges: Pre-Contracted Giving

Pledges are a contractual obligation to make a future financial contribution to MIFA / Victory Theatre. There are a few different types of pledges that MIFA anticipates will be in place prior to the grand opening:

Pledges: Pre-Contracted Giving	Year 1	Year 2	Year 3	Year 4	Year 5
Education Program Founder	500,000	515,000	530,450	546,364	562,754
Board Members - Pledged Giving	25,000	30,000	35,000	40,000	45,000
Naming Rights Pledges	15,000	15,000	15,000	15,000	15,000

Donations: Individual & Fundraising

MIFA's annual solicitation is expected to yield the majority of the projected development income individual donors. Fundraising events are also expected to yield a material amount of contributions from individuals:

Donations: Individual & Fundraising	Year 1	Year 2	Year 3	Year 4	Year 5
Annual Fund / Programming Fund	150,000	157,500	165,375	173,644	182,326
Fundraising Events	50,000	52,500	55,125	57,881	60,775

Affiliate Contributions

Contributions from corporate and nonprofit affiliates are expected to come in the form of paid sponsorships and advertising as well as in-kind contributions (please reference the Affiliate Program section of this document – specifically the section about leveraging excess capacity to reduce expenses).

Grants: Government & Foundation

As outlined in the "Charitable Positioning" section of the Development Plan contained within this document, MIFA / Victory Theatre will solicit grants from governmental and foundation sources based on a variety of charitable giving catalysts:

Grants: Government & Foundation	Year 1	Year 2	Year 3	Year 4	Year 5
Educational Initiatives	50,000	55,000	60,500	66,550	73,205
Underserved / Underprivileged	30,000	33,000	36,300	39,930	43,923
Performing Arts / Creative	25,000	26,250	27,563	28,941	30,388
Gateway City Initiatives	20,000	20,000	20,000	20,000	20,000
Historical Preservation	10,000	10,300	10,609	10,927	11,255

OTHER INCOME

Concession: Per-ticket: Based on \$3 per patron (average).

Ticketing Fees: Per-ticket fees will vary for each event, but the projections are based on an overall average fee of \$2.50 per ticket sold.

Commercial Venue Rentals: Assumes a daily rental fee of \$2,000 per commercial rental (weddings, conferences, corporate rentals, and other special events). The following rental volume is projected for the first five years: YR1: 6; YR2: 9; YR3: 14; YR4: 20; YR5: 24. Please note the following competitive commercial rental fees for a sampling of area venues:

Venue Rental Rate Comparison	Capacity	Daily Rate
<i>Victory Theatre *</i>	<i>1,600</i>	<i>\$1,200</i>
Symphony Hall	2,611	\$6,750
CityStage (S. Prestley Blake Theatre)	479	\$1,750
Winifred Arms Studio	83	\$400
Academy of Music	800	\$1,250

* The daily rate for Victory Theatre represents the average for full-venue rentals as well as lobby use rentals.

DIRECT COSTS

Programming – Direct Costs:

DIRECT PRODUCTION COSTS	Year 1	Year 2	Year 3	Year 4	Year 5
As a Percentage of Programming Income	97.9%	96.6%	92.1%	91.4%	89.8%

Direct production costs include talent fees, travel, hospitality, physical production expense, contractor pay for additional production and creative personnel and all other direct costs to produce programming that are not contained within the “General & Administrative” section of the P&L. The absolute dollar cost of programming is projected to increase due to increased event/programming volume over the five year period.

The decline in direct costs as a percentage of programming income is primarily a function of efficiencies gained in the “Produced / Co-Produced” category of programming. Direct production costs for the expected three shows per year in this category will be amortized over an increasing number of performances as the theatre gains traction in building patronage. For the three MIFA produced or co-produced shows there will be three performances per show in years 1 & 2, four performances per show in years 3 & 4 and five performances per show in year 5.

Development – Direct Costs:

Direct development costs were calculated using assumed acquisition costs projected as a percentage of income for each category of development income:

ACQUISITION COST: Development Income	%
As a % of Total Development Income	14.4%
<i>Fundraising Income</i>	<i>50.0%</i>
<i>Annual Fund Income</i>	<i>25.0%</i>
<i>Sponsorship Income</i>	<i>25.0%</i>
<i>Grant Income</i>	<i>20.0%</i>
<i>Naming Rights Income</i>	<i>15.0%</i>
<i>In-Kind Contributions</i>	<i>15.0%</i>
<i>Major Gifts (Educational Grant)</i>	<i>10.0%</i>
<i>Board Giving</i>	<i>5.0%</i>

Other – Direct Costs:

Concession: Assumes 50% cost of goods sold.

Box Office / Ticketing Fees: Assumes an average of \$1.00 per ticket (of the average \$2.50 per ticket in fees) is paid to the software provider for the ticketing system.

Rental: Assumes a cost factor of 25% of gross rental income for additional support in the areas of technical, custodial and administrative.

GENERAL & ADMINISTRATIVE EXPENSE

Projections assume a 2.5% annual increase for each line-item over the five year period.

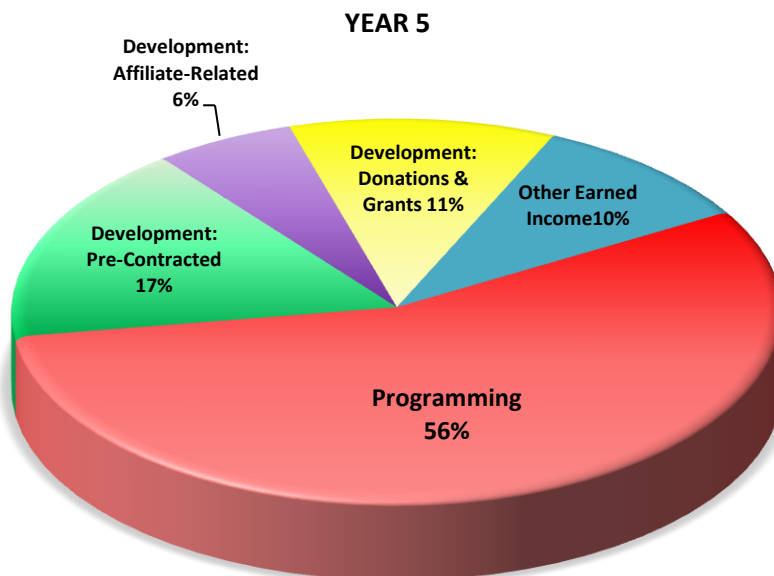
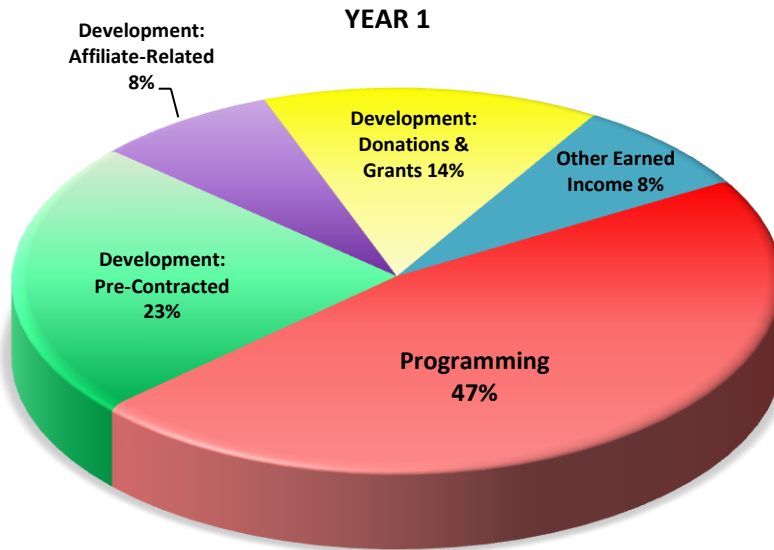
Payroll & Related: Assumes the following Year 1 compensation levels, plus employer payroll taxes calculated at 11% of gross compensation and benefits at 15% of gross compensation:

<i>Executive Artistic Director</i>	<i>90,000</i>
<i>Managing Director</i>	<i>70,000</i>
<i>Technical Director</i>	<i>40,000</i>
<i>Business Manger</i>	<i>43,000</i>
<i>Operations & Event Coordinator</i>	<i>35,000</i>
<i>Box Office Manager</i>	<i>35,000</i>
<i>Box Office Staffing</i>	<i>25,000</i>
<i>Administrative Asst / Bookkeeper</i>	<i>35,000</i>
<i>Foundation Director</i>	<i>65,000</i>
<i>Foundation Assistant</i>	<i>28,000</i>
<i>Sales & Marketing Manager</i>	<i>43,000</i>
<i>Sales & Marketing Coordinator</i>	<i>32,000</i>
<i>Education Director</i>	<i>50,000</i>
<i>Janatorial (P/T)</i>	<i>15,000</i>

Tax Credit Fees & Compliance: Represents annual fees to the Community Development Entities. This is a cost associated with using tax credit financing and is only an expense for the first five years of operation and then drops to zero in Year 6.

Net Operating Income: Initial year deficits will be pre-funded during the capital campaign prior to the theatre opening.

REVENUE MIX: MIFA / Victory Theatre will endeavor to maximize revenues from all sources and also explore ways to create new revenue streams. The following charts illustrate the anticipated evolution of the revenue mix from Year 1 to Year 5



*** * * APPENDICES * * ***

I. OTHER PERFORMANCE VENUES IN THE REGION

LESS THAN 30 MILES FROM VICTORY THEATRE...

Robyn Newhouse Hall: 180 seats; Springfield – 8.7 miles from Victory Theatre

Recently renovated performance venue of the Community Music School of Springfield; performance and rehearsal space for CMSS students and faculty; also regularly hosts professional performances in the fields of classical, jazz, gospel, blues, world music and opera - as well as ballet and Theatre performances; also a rental venue.

MassMutual Center: 8,000 seats; Springfield – 8.8 miles from Victory Theatre

The MassMutual Center has 100,000 square feet of flexible space including a ballroom, five fully-functional meeting rooms, a 40,000 sf. exhibit space, plus an 8,000-seat arena. The arena is primarily used for hockey and basketball, but it is also used as a concert venue for live popular performances.

Majestic Theatre: 167 seats; in West Springfield – 8.9 miles from Victory Theatre

Semi-professional (some union contracts), community-based theatre; mix of popular classics and original cabaret musicals; approx. 5 annual productions (at least one musical); \$25 - \$30 tickets; season runs mid-Sept through May.

Calvin Theatre: 900-1,200 seats; in Northampton - 9.9 miles from Victory Theatre

Commercially owned (Iron Horse Entertainment) former movie theatre converted to concert/performance venue; rental and produced series of extensive rock, pop, rhythm & blues, comedy and some dance events; no fly/wing space

Amherst College: Multiple Venues; 14.3 miles from Victory Theatre

Kirby Memorial Theatre: 384 seats; a modified proscenium house, with computerized lighting and sound equipment, a stretch-wire lighting grid, and a refurbished fly system; **Holden Experimental**

Theatre: 160 seats; 6,000 square-foot, flexible Theatre; lobby, moveable seating, computer-controlled lighting and sound systems, catwalks, lighting grid, and dressing rooms.

30 - 60 MILES FROM VICTORY THEATRE

Shea Theatre: 341 seats; presenting performances February through December; works with regional artists and professional touring companies who offer a variety of programs in music, Theatre, movement, and dance; 100% volunteer-run organization

Hartford Stage: 489 seats; one of the leading resident theatres in the United States; wide range of the best of world drama, from classics to provocative new plays and musicals and neglected works from the past

Chester Theatre Company: 134 seats; presents professional plays including world and American premieres

Shakespeare & Company: multiple venues up to 400 seats; performs Shakespeare, provides classical training and performance methods and develops and produces new plays

II. OTHER PERFORMING ARTS RELATED CONSORTIA, COMPANIES & SCHOOLS

Five Colleges, Inc.: A consortium of five campuses, 2,200 faculty members and 30,000 students in western Massachusetts, including Amherst College, Hampshire College, Mount Holyoke College, Smith College and UMass-Amherst. Within the Five College Theatre community, several groups meet regularly to organize consortia projects. The Theatre department chairs, the costumers and technical directors, and the lighting designers and directors work together to host artists in residence, share resources and collaborate on joint projects. The Five College Multicultural Theatre Committee, supported by the Five College Theatre chairs and Five Colleges, Inc., is charged with furthering multicultural perspectives in Theatre in our community.

Cooperating Colleges of Greater Springfield: The Cooperating Colleges of Greater Springfield is an educational consortium composed of the eight public and private colleges in the Greater Springfield area: American International College, Bay Path College, Elms College, Holyoke Community College, Springfield College, Springfield Technical Community College, Western New England University, and Westfield State University. Founded in 1971, the organization fosters the sharing of programs, talents, and facilities, to bring to this area the educational resources of a university while retaining the initiative and vitality of independent institutions. Through cooperative planning at the presidential level and the functioning of committees from different administrative levels, CCGS aims: (1) To enrich the educational offerings, cultural events, and social activities of the colleges, (2) to offer a wide variety of programs and fields of study to students at each institution, (3) to effect fiscal economies and to eliminate unnecessary duplication through joint planning and (4) to develop into an economic and educational resource to the Greater Springfield community.

New Century Theatre: Professional Equity company; produces new works, area premieres and classic dramas and comedies at Smith College; primarily a summer theatre company; one annual production at Northampton High School with an all-student cast; also produces theatre for young audiences branded as *Paintbox Theatre* at Smith College

Pioneer Valley Performing Arts Charter Public School: A regional public charter school (400 students grades 7-12, from over 60 towns throughout Western MA); performs at Academy of Music and throughout the Pioneer Valley; programs in dance, music, theatre, visual arts and technical theatre

Community Music School of Springfield, Inc.: Arts education institution offering instruction in classical, jazz, Latin, gospel and other popular music styles; 65 faculty members; 1,400 students; students from more than 30 area communities; home to the Prelude Preschool of the Arts – MA's only full day preschool devoted to arts-based education for children aged 3-5 years; performs at Robyn Newhouse Hall

Drama Studio, Inc.: After-school drama (acting) conservatory for young actors (up to 18 years); 27 different courses through the 24-week conservatory program from September to May, and five vacation intensives during April and summer school vacations

The Country Players: Produces community Theatre; focus on drama, art and dance, as well as in the technical, business and management aspects involved in presenting theatrical productions

Arena Civic Theatre: Community theatre group based in Greenfield, Massachusetts; performs up to three productions a year at Shea Theatre

New Renaissance Players: Serves as fundraising arm and produces shows for Shea Theatre

Pioneer Valley Ballet: Gives young dancers the opportunity to perform at a pre-professional level; performs a seasonal Nutcracker at the Academy of Music; also offers summer program

Old Deerfield Productions: Specializes in producing new work, especially women's work; has presented five world premieres in six years, has had work produced in the US, Canada and Europe and is engaged in teaching the creation and presentation of theatre craft to all ages; performs at the Academy of Music

Greene Room Productions: Educational community theatre group that performs at the Academy of Music

Pioneer Valley Symphony: Semi-professional orchestra; performs year-round series at Greenfield High School and the Academy of Music

Holyoke Civic Symphony: Semi-professional orchestra; performs year-round series at Holyoke Community College and War Memorial; has been presented by MIFA

Massachusetts Academy of Ballet: Training school for students interested in pursuing a career in classical ballet

KO Festival of Performance: Produces nontraditional original works at Amherst College

Enchanted Circle Theatre: Holyoke based learning through performing arts; performs in schools and museums; has been presented by MIFA

Wire Monkey Dance: Holyoke based contemporary dance company performing on scaffolding usually in Tree Studio / Winter Palace (Holyoke); has been presented by MIFA.

Hampshire Shakespeare Company: Summer Shakespeare company performs outdoors at Waldorf School in Hadley

The Performance Project: Theatre company which supports men and women in jail and those released from jail; performs in various venues; has been presented by MIFA

Double Edge Theatre: Theatre collective based on a farm in Ashfield devising collectively arrived at performance works

1794 Meeting House Series: Eclectic summer series of music, spoken word and special events in an antique church in New Salem, MA

Mohawk trails Concerts: Summer chamber music series performed in a former church in Charlemont

Music in Deerfield: Orchestral chamber music series (6 concerts October through March) produced in affiliation with Smith College; in its 35th season

Arcadia Players: Classical music series; performs at various venues in the Pioneer Valley; recently moved offices from Northampton to Holyoke.

Dance Studios & Instruction; Vocal Instruction; Instrumental Instruction: 100+ within 30 miles of Holyoke, MA

III. POTENTIAL RESIDENT COMPANY TARGETS

Opera

- OT- Rotterdam Opera
- Aix En Provence Festival (Opera/Ballet)
- Canadian Nat'l Opera
- Wexford Festival Opera, BAM

Theatre

- BAM – Next Wave Festival
- Out of Joint - British theatre
- Globe Theatre
- British Arts Council Theatre
- Siamsa Tire
- Gate Theatre Dublin
- Abbey Theatre Dublin
- Irish Cultural Center

Dance

- Les Grand Ballet Canadiens de Montreal
- Ballet Preljocaj
- Bolshoi Ballet
- Maryinsky Ballet

Special/Other

- Cultural Services of France
- Cultural Services of Ireland
- Cultural Services of Poland
- Cultural Services of UK
- Cultural Services of Russia, etc...

IV. Venue Utilization Types

Education & Outreach Events

- **Workshop Culmination Events:** Includes one concert or “culmination event” associated with each summer performing arts workshop
- **Workshops:** Seasonal workshops, approximately 2 days to 2 weeks in duration, each focusing on one performing, visual or literary arts discipline
- **Classes:** Individual and group classes across all arts and technical disciplines, including master classes given by professionals engaged by the theatre for mainstage events
- **MIFA / Victory Theatre Artist in Residence Events:** Local & regional deployment of resident artists for private and public events, and for outreach purposes (example: resident musicians engaging as a quartet or chamber orchestra for a private off-site event)

Resident Companies

- **Anchor Company Events:** MIFA / Victory Theatre will assemble a fellowship program comprised of orchestral musicians (“fellows”), an a cappella group and a touring musical theatre troupe. The Fellows will be joined by a compliment of experienced local musicians to form the *MIFA / Victory Theatre Chamber Orchestra*. This orchestra will perform a three-show subscription series at Victory Theatre, which will be produced in conjunction with affiliate partners. The Fellows, the a cappella group, and the musical theatre troupe will also participate as needed in other events at Victory Theatre, such as backing a vocal or instrumental soloist.
- **Community Affiliate Events:** Victory Theatre will contract with community arts organizations for multi-year engagements where Victory Theatre provides use of the venue and other benefits in exchange for reciprocal support through contractual commitments designed for the mutual benefit of MIFA as well as the affiliate organizations.
- **Professional Resident Company Events:** MIFA will identify professional, first-class performing arts companies, primarily sourced internationally, that are looking to expand their reach into the United States and seeking a resident venue for a multi-year engagement. These resident companies will primarily be funded through sponsorship and support from governmental agencies in the home countries of the professional resident affiliates. Please refer to “**Appendix III – Professional Resident Company Targets**” for a list of prospective residents for this program.

Produced Events: Creative endeavors undertaken and assembled from scratch utilizing the financial, human and physical assets of MIFA / Victory Theatre and its affiliates under the ultimate direction of MIFA / Victory Theatre, and presented to the public as produced by the theatre. These events maximize the potential for MIFA / Victory Theatre to fulfill key mission-fulfilling initiatives such as the creation of internships, collaboration with other local nonprofits and promotion of the theatre’s creative relevance in the region. Initially, events will be MIFA productions of titles that have achieved mass-market commercial success and artistic relevance. Over time, MIFA will strive to select developmental titles destined for a larger stage, such as a pre-Broadway tryout of an original musical theatre piece.

“Profile engagements”: Performances geared toward maintaining mass-market relevance within the community and the region. These engagements will incorporate high-caliber talent and peripheral events that maximize institutional exposure within the region. The concept for the two core annual “profile engagements” are:

Parody Event: Each spring MIFA / Victory Theatre will create and mount an original musical production containing custom lyrics set to popular melodies as a means to parody relevant contemporary political and social issues that have generated regional media buzz in the preceding year. MIFA will solicit regional print, radio and television personalities as well as community leaders for participation in the production. This self-deprecating production will be popular for its localized content as well as the “celebrity” appeal of its participants.

Annual Gala: Each September will feature a blockbuster performance that will serve as a major fundraising opportunity, an annual marketing and PR tool for the year, a launch point for announcing the upcoming slate of shows and a kick-off the annual donation solicitation.

According to the Blackbaud Idea Lab’s 2012 Charitable Giving Report, the last 3 months of the year account for 34% of the year’s overall giving.

Presented / Co-Presented Events: Conventional arrangements to present works produced by third-parties who are compensated for allowing their work to be presented at Victory Theatre. At times these presented events will be undertaken with a co-presenter to help sell tickets, gain exposure, fulfill barter agreements or mitigate financial risk associated with presenting an event.

Promoter Events: Commercial concerts, comedy and special events contracted through a third-party promoter who shoulders all or a portion of the financial risk associated with the event along with the primary responsibility for selling tickets. Local venue operator Iron Horse Entertainment Group (IHEG) represents a potential commercial promoter that may partner with MIFA / Victory Theatre as a promoter for concert events. Although IHEG controls several venues, Victory Theatre is larger than the venues they control, which presents an opportunity to book commercial talent that would otherwise be cost-prohibitive to book into their largest venue.

Commercial Venue Rentals: Although not directly geared toward mission fulfillment, commercial rentals represent a means to help finance the mission-fulfilling activities of the nonprofit. The fully restored Victory Theatre will attract users for corporate parties, weddings and myriad other events, and even more-so once the Holyoke House is restored to commercial use.

Festival Programming: MIFA will work to establish framework for developing, producing and marketing festivals in and around the facility. In its first year of operations, MIFA will build festival-type programming around an existing cultural even, such as St. Patrick’s Day or a Latino community event. This will help expand upon current events and tie together multiple activities with appropriate cultural and artistic tie-ins. In future years the festival offerings will grow.

V. YEAR 1 – PROGRAMMING OVERVIEW

SUMMARY: This appendix highlights a sampling of potential content or companies in the Year 1 slate of programming based on the number of performances for each type of programming per the assumptions in the financial pro forma.

PROFILE EVENTS (2 Performances)

Bolshoi: An annual performance residency including classes and workshops with one of the world's greatest cultural institutions establishing an immediate Victory credential capable of attracting audiences from the entire Northeast

Holyoke Show: An annual event on a Holyoke themed subject, either parody or original play, revue or musical etc. utilizing writing and performing etc. talent. For example a theater piece adapted from "Family Business" the book by Mitchell Epstein

PRODUCED / CO-PRODUCED EVENTS (3 Performances)

Bitter Sweet / Dubrovsky – Original Music Theatre: Opera by jazz composer William Russo, libretto adapted from a Pushkin story by Don Sanders. Commissioned by Joseph Papp, New York Shakespeare Festival/Public Theater. Also under consideration; "Bitter Sweet" by Noel Coward, romantic operetta, revival, longest running show to play simultaneously on B'way and London's West End, 1929-39 and "Talking to the Sun" music by William Russo, book by Kate Farrell from book of the same title published by the Metropolitan Museum of Art

Brooklyn Academy of Music (BAM): Opera, Theatre and Dance: A selection from New York's cutting edge annual international series.

Stella in the Bois de Boulogne (Original Play): by Jane Wood and Tara Prem about the meeting between American actress Stella Adler and legendary Russian theater figure, Constantine Stanislavsky starring Paul Sorvino

New Victory Theater: New York City's premier theater for youth performance events from around the world

PROMOTER EVENTS (4 Performances)

Iron Horse Entertainment Group: Holyoke-based commercial promoter Eric Suher's broad reaching range of music, comedy, and celebrity engagements

HuKeLau: Chicopee based popular lunch and night club presenting variety acts such as hypnotists, comedians, Hawaiian Nights, bands, magicians and holiday specials

MGM Casino: Operator of future Springfield casino

Potential Content:

Hispanic Superstars: Marc Anthony, Reuben Blades, Jennifer Lopez, Ricky Martin, etc.

Pregones Theater / Puerto Rican Touring Company: Two of New York City's well known Puerto Rican performance groups

NYC Summer Stage: Partnership with pop music series from New York's Central Park

PRESENTED / CO-PRESENTED EVENTS (4 Performances)

Encore Broadway Series: New York City's preeminent series featuring concert versions of great American Musicals

Glimmerglass Broadway: Ground breaking, acoustic and unamplified Broadway musicals, sung and played as originally performed

Hanover Theater Worcester Broadway: A compatibly sized touring production shared with a neighboring regional theater

Touring Broadway Musicals: Available touring companies of successful Broadway musicals (route permitting)

Other Venue Considerations:

Westport Playhouse / Paper Mill Playhouse / Goodspeed Opera / A.R.T. / Hartford Stage / Berkshire Theaters

RESIDENT – PROFESSIONAL COMPANY EVENTS (4 Performances)

Irish Repertory Theater: New York City based theater dedicated to works from the contemporary and classical Irish repertoire

Canadian Event: Major engagement of Canada's Opera and Montreal Ballet Companies as well as other offerings of music and theater from Quebec and other regions of Canada

Polish Folk Theatre: Music and dance spectacle showcasing the various regions of Poland

Other Considerations:

OT Rotterdam Opera and Theater: Return to MIFA appearance by distinguished Dutch production company voted best in Europe. Various works in repertoire including "The Death of Klinghoffer" by John Adams

Wexford Festival Opera/Druid, Abbey, Gate Theatres/ Siamsa Tire, National Folk Theatre of Ireland

Boston Early Music: Biannual, fully-staged early music opera (EVERY OTHER YEAR)

Out of Joint – British Contemporary New Plays: Return of the company that brought Caryl Churchill's "Blue Heart", Mark Ravenhill's "Some Explicit Polaroids" and Shakespeare's "Macbeth" to MIFA

RESIDENT – COMMUNITY AFFILIATE EVENTS (8 Performances)

HHS Musical: Holyoke High School's blockbuster annual musical comedy directed by Mark Todd

Enchanted Circle Theatre: Holyoke based exceptional performing arts education company

La Familia Hispana: Holyoke based Hispanic community organization fostering Hispanic culture and civic knowledge

Holyoke Civic Symphony: Holyoke based professional and semi-professional orchestra

Friends of the Holyoke Public Schools Summer String Program: Summer training program that also makes field trips to important musical institutions

5 College Opera, Dance, Music, Theatre, Film: Consortium of cooperating training and performance programs from Amherst, Hampshire, Mount Holyoke, Smith Colleges and the University of Massachusetts at Amherst

Dan Kane Singers: Locally based group of over 145 members aged 6 to 80 from all walks of life which presents year round events for organizations, hospitals, charities and civic and social causes

Irish Cultural Center: Institute at the Elms College, Chicopee, MA dedicated to Irish culture

RESIDENT – ANCHOR INITIATIVE (3 Performances)

MIFA / Victory Theatre Chamber Orchestra: This orchestra will be comprised of the orchestral Fellows and other local musicians for a classical chamber orchestra series. Examples from a sister-program run by IMG Artists: ²⁵

Pops Concert – *Let's go to the Movies!*

Join us for some of the greatest movie music heard on the silver screen! The evening includes music from your favorite movies including: Harry Potter, Fantasia, Star Wars, Chicago, Pirates of the Caribbean and many more. This is a “must see” concert for film buffs and music nuts!

Education Concert - *Who Messed Up My Orchestra?*

A hilarious exploration of the orchestra families with guest star “Rusty van Beethoven,” descendant of Ludwig van Beethoven. Fun for families and children of all ages with Soprano Carrie Hennessey.

Classics Concert – *Sultry Tango*

Superstar violinist Lara St. John performs the timeless Four Seasons by Vivaldi, and the tango inspired Four Seasons by Argentinean composer Ástor Piazzolla. Hear an impressive array of sounds as the strings explore a full range of colors in this exciting concert.

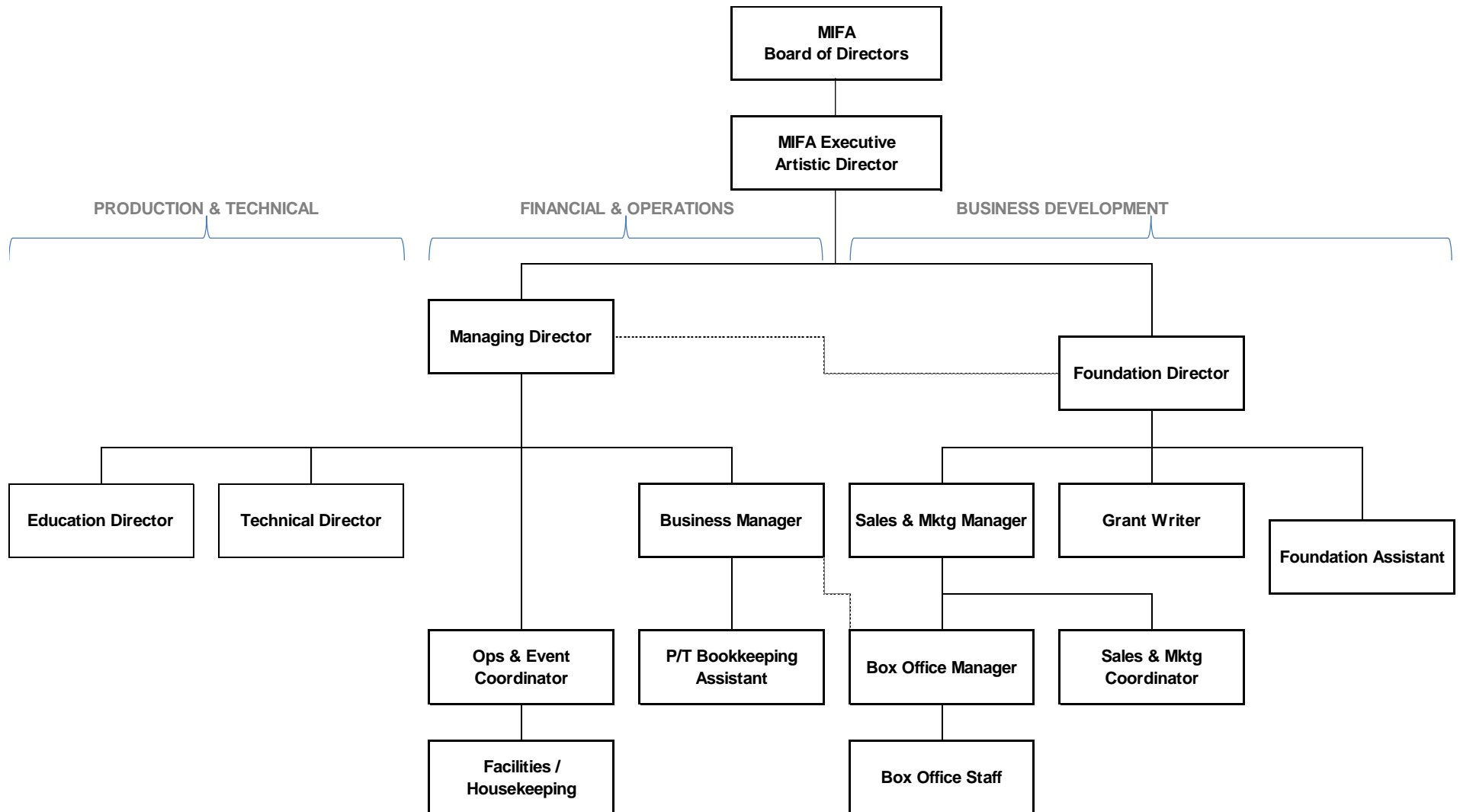
VI. MIFA / VICTORY THEATRE VOCATIONAL EDUCATION PROGRAM

The vocational program trains secondary school age students for highly skilled jobs in the Entertainment and Media industries. The program is dedicated to fostering the arts by educating young people through a practical, hands-on syllabus in all aspects of administration, technical production management and media creation such as producing and general management, box office and front of house management, technical direction and stage management, lighting, sound and camera operation and wardrobe and cosmetology skills. Each student will be expected to exhibit the highest standards of artistry, professionalism and scholarship. Additionally, the program will encourage students to be confident and competent, able to think critically and creatively and to become leaders in their profession. Professional teaching staff and experienced practitioners from the industry will provide guidance, encouragement and support to the students' academic, artistic and practical achievements. In the Harvard University study Pathways to Prosperity: Meeting the Challenge of Preparing Young Americans for the 21st Century, it was noted that "work-linked learning can be extraordinarily powerful in engaging students who are bored or turned off by conventional classroom instruction."

Initially, training in stage, film and convention lighting, sound, make-up, etc. will augment the shops at Dean Vocational High School. Invited entertainment industry professionals and experienced practitioners will provide entertainment specific instruction. MIFA / Victory Theatre staff and invited guests will continue to work with Holyoke High School students in an afterschool club on production skills and theatre management. Their skills and training will be utilized on the many presentations at Holyoke High School as apprentices and they too will be eligible for the co-op work through the union. The following are areas that will be included in this program:

- **ADMINISTRATIVE: Producing and General Management:** Identification of product, sources of financing, contract development and oversight of successful project completion and facilities operation; **Sales, Marketing & Box Office:** Marketing and selling of tickets, record keeping and reporting, customer service; **Front of House:** Management of public access and customer service.
- **TECHNICAL / STAGE: Technical Direction:** Organization of practical production support; **Stage Manager:** Organization of rehearsal and production schedules, liaison with performance companies; **Technical Assistants:** Support for all aspects of above; **Stage/Run Crew:** Responsible for realization of technical support and operation of equipment; **Props Master:** Responsible for making, obtaining and maintaining all hand and mechanical props; **Props Assistants:** Support above; **Sound Technician:** Responsible for devising sound; **Sound Assistants:** Support above; **Wardrobe:** Supervision and maintenance of costumes; **Costume Assistants:** Building costumes, making alterations or repairs, cleaning and maintenance, serve as behind the scene assistants or dressers; **Make-up Head:** Responsible for makeup, replacement of supplies; **Make-up Crew:** Support above; **Lighting Crew:** Assists with the hang and focus and running of lights; **Camera Operator:** Filming and video.

VII. MIFA / VICTORY THEATRE ORGANIZATIONAL CHART ⁽¹⁾



(1) This chart outlines the organizational structure for administrative resources, and it excludes non-resident technical or production resources and other production or program-specific contractors.

VIII. MIFA / VICTORY THEATRE UPDATE

Since the commissioning of the Business Plan IMG Artist underwent an internal restructuring and is not a participant in the programs above. Timothy Laczynski the consultant assigned by IMG Artists to produce the MIFA Victory Theatre Competitive Analysis & Strategic Business Plan continues in his role as MIFA Victory Theatre Project Manager.

ENDNOTES:

- 1 <http://www.nga.org/files/live/sites/NGA/files/pdf/1204NEWENGINESOFGROWTH.PDF>
- 2 <http://www.nga.org/files/live/sites/NGA/files/pdf/0901ARTSANDECONOMY.PDF>
- 3 <http://kresge.org/sites/default/files/NEA-Creative-placemaking.pdf>
- 4 <http://www.aep-arts.org/wp-content/uploads/2011/12/EdWeekCommentary-ArtsEducationEffect.pdf>
- 5 http://www.gse.harvard.edu/news_events/features/2011/Pathways_to_Prosperty_Feb2011.pdf
- 6 <http://www.symphonymhall.com/>
- 7 <https://fac.umass.edu/Online/>
- 8 <http://www.academyofmusictheatre.com/>
- 9 <http://www.scribd.com/doc/139123551/MGM-Springfield-Host-Community-Agreement-Execution-Copy>
- 10 http://www.masslive.com/news/index.ssf/2013/01 'newly_submitted_springfield_casino_plans_mgm_penn_national_reveal_details.html
- 11 <http://www.ahanewbedford.org/creativeplacemaking.pdf>
- 12 <http://www.capecodcommission.org/resources/economicdevelopment/ArtsGuide122309.pdf>
- 13 <http://www.massinc.org/~media/Files/Mass%20Inc/Research/Full%20Report%20PDF%20files/Artplace%20Final.ashx>
- 14 <http://www.umassd.edu/media/umassdartmouth/seppce/centerforpolicyanalysis/urbaninitiative/gatewaycities/signedcompact.pdf>
- 15 <http://www.mass.gov/edu/docs/gateway-cities/20120904-gateway-cities-fact-sheet.pdf>
- 16 <http://www.city-data.com/crime/crime-Holyoke-Massachusetts.html>
- 17 <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>
- 18 http://www.aep-arts.org/wp-content/uploads/2012/03/NEA_Public_Participation_Report.pdf
- 19 <http://arts.gov/sites/default/files/2008-SPPA-Age.pdf>
- 20 <https://archive.org/stream/artsparticipatio00nati#page/n0/mode/2up>
- 21 <http://webhost.bridgew.edu/adirks/ald/papers/artspart.htm>
- 22 <http://www.springfieldsymphony.org/support/endowment.shtml>
- 23 <http://philanthropy.com/article/How-The-Chronicle-Compiled-Its/133667/>
- 24 <http://www.springfieldsymphony.org/support/endowment.shtml>
- 25 <http://lincolntheater.com/concerts/>