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MICHIGAN THEATER: STRATEGIC PLAN 2016-2020

MISSION

Mission of the Michigan Theater Foundation:

With joy, we bring diverse people together to:

- Enhance understanding and build community
- Advance cinema and performing arts vitality
- Protect our historic buildings.

We Are:

- Stewards of historic cinema architecture and donor contributions
- Programmers and managers who connect artists and/or their work with audiences and organizations
- A creative and business nexus to enhance the vitality of our communities and our region
- An institution serving three key communities:
 - The Ann Arbor Area: As developer of quality venues for innovative cinema and performing arts programming
 - The Detroit Region: As a regional leader in building audiences for cinema arts
 - Art House Cinemas in North America: As the catalysts for the advancement of the national specialty cinema community – the venues, the industry, and the audiences

Core Values:

- Venerating the arts
- Community impact and inclusion
- Integrity and excellence
- Creativity
- Historic preservation

Why We Were Founded: For the benefit of the community and the arts the Michigan Theater Foundation was formed to preserve, restore and operate historic, purpose built cinema architecture in Ann Arbor, Michigan.

VISION for 2020

Vision Preamble

Our mission and general vision are informed by the architecture we preserve and bring to life daily. We are dedicated to the transformational power and intrinsic artistic merit of: (1) this historic downtown architecture, (2) cinema as art, (3) more generally the performing arts.

Great cinema beautifully presented in a public context serves a primal need for stories experienced in community - stories that share, teach and contextualize the human experience. Media-based storytelling, of which movies are the fountainhead, is pervasive, but underappreciated as fine art. Our community-based, mission-driven non-profit family of creative businesses work to champion the art, craft, history and vital role of cinema and more generally the performing arts presented in grand architecture as key cultural components of modern society.

Vision for the Year 2020: INVEST, GROW, BE DIVERSE, LEAD

Our specific vision for 2020 is the maturing of our established potential:

- Major capital improvements at the State and Michigan theaters will expand our capacity and reaffirm our commitment to sustain the effectiveness and glow of our venues.
- Mature management systems and an organizational culture designed to sustain the institution over generations of change and growth will be celebrated as highly effective and vibrant.
- Cinetopia and the Art House Convergence will be established and successful:
 - Cinetopia will "break through," and be recognized as a junior sibling to the Detroit Jazz Festival, with the potential, in future years, to match the Jazz Festival in terms of community impact in Detroit.
 - Art House Convergence will be established as highly sustainable and be considered a thought leader in North American film exhibition and a vital resource for Independent cinema exhibitors, distributors and filmmakers.
- We will address diversity and inclusion in our organization by aligning business objectives with our diversity efforts. By 2020, our board and staff will reflect the diversity of the communities we serve and we will be effective at telling our stories to diverse audiences.
- Talented marketing staff and new marketing tools, plus a general organizational focus on increasing broad attendance metrics, will see attendance and participation in our family of businesses increase by over 35% (to gross attendance of 400,000), necessitating a similar growth in contributed revenue.
- Be an even better leader in the national independent cinemas and historic theaters sectors and regionally as a cinema culture institution.

In 2020 the Michigan Theater family of businesses will be:

- A community, regional and sector leader in the arts, particularly cinema arts.
- Much more mature, in terms of organizational processes.
- Substantially larger, in terms of budget and regional impact.
- Better able to manage the multiple demands of being an institution with local, regional and national responsibilities.

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- Able to attract and retain diverse Board member, employees, volunteers and donors who represent the multifaceted diversity of the communities we serve.
- More dedicated and effective with our cinema centric mission.
- Better able to see how succession to new generations will be accomplished and successful – which will be especially important as:
 - The Michigan Theater's centennial (2028) begins to appear on our institutional horizon;
 - The current Baby-Boomer leadership advances toward retirement.

FINANCIAL GOALS

Overall Financial Goal: Continue to maintain the financial integrity of the Michigan Theater organization as exemplary for all Art House and historic theaters. By 2020, manage each business unit so that every unit returns net revenue (e.g. to pay all costs of operations including overhead costs). Between FY 2016 and FY 2019, the State and Michigan Capital Campaign will disrupt (in many positive and some negative ways) the financial “norms” of yearly operations and budgeting. By FY 2020, more normal operating revenue goals will be reachable. Goals such as: 1) Generating a small (2-5%) annual net revenue to sustain organizational growth and capital maintenance of venues; 2) Growing the building and operating reserve funds so that the “glow” of the facilities and the health of daily operations may be maintained and so that the capital replacement plans for all facilities and equipment can be executed. For the most part we need to defer these “normal” goals, because of operating support funds being deferred to the Capital Campaign, until the FY 2021-FY 2025 planning window.

FY 2016 (October 1, 2015-September 30, 2016)

- There were financial management challenges in FY 2015 as we implemented the Agile ticket/concession and membership/donor sales system. FY 2016 requires that the Agile sales system become “normalized” and that we begin a process of enhancing our financial management “tool set” to better serve our overall growth as an organization. Additionally, the financial management system must support future organizational system/process changes to ensure financial information is effective and timely.
- Financially, these years will look to an outsider as robust, because of all the Capital Funding being raised, however, in terms of operational revenue, we will struggle in FY 2016, FY 2017 and FY 2018 because of the Capital Campaign. Our balance sheet will look great as millions of dollars are donated and spent for Capital improvements. However, operational income will suffer as key staff focus on the Capital Campaign and donors deflect their operational giving (e.g. Towsley Society, Gold Card membership, etc.) from operations to Capital donations.
- Regardless we must keep in mind our four key revenue vectors:
 - Live show (primarily rental and ancillary concession revenue) revenue;
 - Film admission revenue (including concession sales during film exhibition);
 - Market based contributed revenue – membership/small gift/sponsorship revenue;
 - Philanthropic contributed revenue – intermediate/major/grant revenue.

We keep these vectors in mind so that we may eventually emerge from the happy dislocation of the Capital Campaign with an even stronger ability to operate the Michigan Theater Family of Non-Profit Businesses effectively.

- Typically, the ongoing financial goal is to have a total of all operational “earned” and “contributed” revenue (not including funds raised for special capital purposes) fully cover the annual operating and depreciation costs. **However, during the Capital Campaign (FY2015-FY2018) and throughout most of this planning timeframe depreciation costs will NOT be paid by operating revenue. This means operations will LOSE up to \$500,000 annually (because annual depreciation is not being paid by operations). However, because the Capital Campaign will infuse a total of about \$8.5 million of capital improvements over FY 2016, FY 2017 and FY 2018, we will, on a practical basis be paying forward depreciation costs. It is likely that depreciation costs will**

also not be paid in FY 2019 and FY 2020, because fundraising that would normally be paid to the Towsley Society or other funds which support operations will be paid by donors on their Capital Campaign pledges. Capital Campaign pledge payments will negatively affect operational fundraising through FY 2023.

- **Because operational fundraising will not support annual operations to the level in had grown to before the Capital Campaign, two key changes to our operating dynamics must be considered:**
 1. **We should expect zero operational contribution to depreciation in FY 2016, FY 2017 and FY 2018, and only a modest contribution to depreciation in FY 2019 and FY 2020**
 2. **We must enhance operational “profitability” (so called “earned” income) after the opening of the State Theatre. We will use our new facilities to generate increased operational net revenues – from film sales, concession sales, live show rentals, cinema facility rentals, possibly live show promotion and other creative “earned” revenue sales and opportunities.**
- **Via Major Gifts have at least \$6 million raised for the Capital Campaign.**
 1. **\$6 million in gifts as part of the “quiet” campaign**
 2. **The Capital Campaign will make this year appear to be very profitable**

FY 2017 (October 1, 2016-September 30, 2017)

- **In FY2017, we will continue to develop new financial management tools that will integrate effectively with the Agile ticket/concession and membership/donor sales system, acknowledge financial management pressures caused by our organizational growth and ensure that the financial management system supports future organizational system/process changes so that financial information is effective and timely.**
- **In conjunction with the above process, more sophisticated accounting and payroll software will be required. In FY17, new financial software will be acquired and implemented, with the goal of full functionality by the beginning of FY18.**
- **New personnel management tools will be implemented to fairly manage salaried staff that will qualify for overtime based on new Department of Labor rules.**
- **Via Major and Public Campaign Gifts have at least and addition \$2 million (total \$8 million) raised for the Capital Campaign. The Capital Campaign will make this year appear to be profitable**
- **Financially, this will be the second year that in terms of the balance sheet will look robust, because of all the Capital Campaign funds being raised, however, in terms of operational revenue, we will struggle in in FY 2017. Operational income will suffer because the State Theatre will be closed (which means we will have one less screen to program), key staff focus are focused on the Capital Campaign and donors deflect their operational giving away (e.g. Towsley Society, Gold Card membership, etc.) from operations to Capital donations.**
- **Regardless we must keep in mind our four key revenue vectors:**
 - **Live show (primarily rental and ancillary concession revenue) revenue;**
 - **Film admission revenue (including concession sales during film exhibition);**
 - **Market based contributed revenue – membership/small gift/sponsorship revenue;**
 - **Philanthropic contributed revenue – intermediate/major/grant revenue.**

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We keep these vectors in mind so that we may eventually emerge from the happy dislocation of the Capital Campaign with an even stronger ability to operate the Michigan Theater Family of Non-Profit Businesses effectively.

- To prepare for the State Theatre's reopening and the NEW Michigan Theater Family of Businesses, we will assess the net revenue flow from:
 1. Michigan Theater film screenings
 2. Michigan Theater live show programs
 3. State Theater operations
 4. NJFK programs (including films)
 5. Cinetopia Film Festival
 6. Art House Convergence
 7. Revenue split suggestions:
 - Membership revenue will be allocated to Michigan and State film screening
 - Sponsorship will be allocated by what is being sponsored
 - Grants will be allocated based on the nature of the grant funds
 - General gifts, Towsley society gifts, non-specific grants will be allocated based on the "earned" revenue ratios for the key revenue flows
 8. More generally, we will divide the Michigan Theater Family of Businesses into "Earning Centers" with net revenue earning expectations.
- To help with implementing the "Earning Center" model, we will look to the Zingerman's financial management model that pushes incremental aspects of the business towards the frontline staff, with clear goals and organizational wide training about the total financial management of the entire organization.
- A "payback" plan for the Institutional Capitalization funds used to purchase the State Theater will be decided by the Board.

FY 2018 (October 1, 2017-September 30, 2018)

- The new financial management tools identified and new financial software acquired during FY17 will be fully implemented in FY 2018. The accounting system (Quickbook Enterprise) will be accessible by each Department Manager (and others as necessary) and will have customized reporting for them based on their performance metrics and KPIs. We will ensure that the financial management system supports future organizational system/process changes so that financial information is effective and timely.
- New time management tools will be implemented to assist the organization in understanding how our staff time is used.
- Via Public Campaign gifts raise at least an additional \$500,000 for a total \$8.5 million for the Capital Campaign. The Capital Campaign will, de facto fund depreciation costs, through 2020. Financially, this year the balance sheet will not look as robust as the previous two years, because the Capital Campaign fundraising is winding down to zero. The struggle for operational funds will be easy to see in the FY 2018 financial reports. Although film revenue will increase significantly because the NEW State Theater will be operating, operational contributed revenue will suffer because many donors' gifts will still be directed to paying down Capital contribution pledges.
- The 4 key revenue performance indicators (KPIs) for the organization are traditionally :
 - Live show revenue (primarily rental proceeds and ancillary concession sales);

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- Film admission revenue (including concession sales during film exhibition);
- Market based contributed revenue – membership/small gift/sponsorship revenue;
- Philanthropic contributed revenue – intermediate/major/grant revenue.

These KPIs may be modified and additional KPIs identified as we emerge from the Capital Campaign to develop an even stronger ability of operate the Michigan Theater Family of Non-Profit Businesses effectively.

- Implement a financial management system based on Zingerman’s financial management model that pushes incremental aspects of the business towards the departmental staff, with clear goals and organizational wide training about the total financial management of the entire organization. We will work with the Quickbooks Enterprise system to get more financial visibility into budget line items and KPIs. The structure will be developed as we examine the data and what is important to each area and the entire organization to be successful. Senior staff will develop additional detailed Financial goals to match the capabilities of our new financial system.
- A “payback” plan for the Institutional Capitalization funds required for the State and Michigan Theater project will be considered by the Board.
- Evaluate whether to maintain the financing used to acquire the Cadillac Building. To save interest costs, consider paying off the land contract for the Cadillac Building from organizational funds. Further evaluate other finance and building strategies associated with the Cadillac Building.

Performance metrics: Organizational KPIs (live revenue, film revenue, market based contributed revenue, philanthropic revenue), Net Revenue

FY 2019 (October 1, 2018-September 30, 2019)

- The new financial management tools implemented in FY 2018 will be “normalized” in 2019 and will be assessed and improved as appropriate.
- The Capital Campaign will be completed, with only a trickle of late gifts coming in, which will result in a problematic finance outcome because donor’s gifts will still be focused on paying their Capital contributions.
- The focus on “earned” income from film revenue, concession and rental sales will, hopes are, pay dividends this year and bolster the anticipated problematic outcome projected for this year
- Regardless we must keep in mind our four key revenue vectors:
 - Live show (primarily rental and ancillary concession revenue) revenue;
 - Film admission revenue (including concession sales during film exhibition);
 - Market based contributed revenue – membership/small gift/sponsorship revenue;
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- The implementation of the financial management system based on Zingerman’s financial management model that pushes incremental aspects of the business towards the frontline staff, with clear goals and organizational wide training about the total financial management of the entire organization, should start to show clear benefit this year.

FY 2020 (October 1, 2019-September 30, 2020)

- The implementation of the improved financial management system will be normalized and show clear benefit to the organization.
- The Capital Campaign will be completed, but donor’s gifts will still be focused on paying their Capital contributions and will be “missing” from operational support.
- The focus on “earned” income from film revenue, concession and rental sales will bolster revenue this year.
- Regardless we must keep in mind our four key revenue vectors:
 - Live show (primarily rental and ancillary concession revenue) revenue;
 - Film admission revenue (including concession sales during film exhibition);
 - Market based contributed revenue – membership/small gift/sponsorship revenue;
 - Philanthropic contributed revenue – intermediate/major/grant revenue.

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FACILITY GOALS

Overall Facility Goal: Renovating to create the NEW State and Michigan Theaters. The State Theater will be operating at a new level with gross revenue increasing substantially (25% or more) after it is reopened. The State will celebrate its 75th anniversary in 2017 and the improved Michigan Theater will celebrate its 90th anniversary on January 5, 2018. Implement cost effective management of all facilities and attempt to be “green” where financially appropriate. We will also be prepared (in terms of background analysis and assessment) to respond to opportunities to acquire and improve buildings such as Michigan Theater Office Building and Washington Street properties. We should also have some preparation done for understanding under what conditions would we manage a Detroit historic theater that requests our help.

FY 2016 (October 1, 2015-September 30, 2016)

- Hire State Theater General Contractor (October 2015).
- Execute design of State Theater improvements (w/design/build an ongoing process).
- Manage the renovation and staffing during the renovation. Identify management responsibilities for State and Michigan Renovation (Steve). This includes timeline for key renovation milestones and full plan. Modify Facility/Operations/etc. staff roles and responsibilities as appropriate to fit with Renovation needs.
- Design “pop-up” (now called Annex) cinema in Michigan Theater office space to house theaters during State Theater renovations and/or find other reliable alternative cinema exhibition spaces.
- Start the renovation of the State Theater (by Sept 2016).
- Complete the construction of the “pop-up” (Annex) cinema by Sept. 2016.
- Prepare for the capital work that will take place at the Michigan Theater in FY 2017/18.
- Perform improvements to the stage lighting and auditorium architectural lighting in August 2016.
- Review staffing needs for Facilities/Maintenance and determine best course of action for Michigan/State/Cadillac buildings.
- Rent inexpensive office space in Detroit (Pony Ride shared office space) to support Cinetopia and employees who live in Detroit.
- Begin thinking about what the impact of the State Theater will be as we maintain/enhance “glow” of our facilities by aggressively performing annual maintenance work.
- Perform facility work as specified in the Capital Replacement plan. Completed in 2016: skinny alley drains and concrete, basement storm and sewer pit repair and pump replacement, stage and architectural lighting (from original 1928 work), rebuilt the ticket booth.
- Continue to integrate daily facility cleaning and inspection procedures into daily operations.
- Continue aggressive inspection program by facility and senior management and create written reports that are shared with the Trustees at every Board meeting.
- Pay special attention to “green” improvements and the Barton Organ.

FY 2017 (October 1, 2016-September 30, 2017)

- Manage staffing and responsibilities during the renovation. Identify management responsibilities for State and Michigan Renovation. This includes timeline for key

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renovation milestones and full plan. Hire construction/maintenance staff that can perform select and appropriate renovation work (“Annex” Theater, State Concession stand, etc.).

- Execute overall design of State Theater improvements (w/design/build an ongoing process until December 2016).
- Execute interior decoration aspect State Theater improvements (w/design/build an ongoing process until June 2017).
- Within budget constraints complete State Theater renovations by October 2017.
- After completion of the Annex cinema, make improvements to office space because of additional space connected to the Annex cinema and additional space given back to us by the Tadoo Parlor tenant in the Cadillac Building.
- Final selection of the new/historically appropriate Michigan Theater seats must be accomplished by June 1, 2017 (installed by Dec 31 2017, phase I; complete summer 2018, phase II).
- By April 2017, create a detailed plan and budget for work to be performed at the Michigan Theater using promises made to donors (seats) and Capital Replacement plan as guides. This will include replacement of all seats and carpeting as appropriate, significant improvements to our projection capability and booths, ceiling plaster repair, and other capital maintenance work that can be afforded.
- Assess how renting an inexpensive office space in Detroit (Pony Ride shared office space) is providing support for Cinetopia and employees who live in Detroit.
- Explore in detail how a new building on the site of the Cadillac Building could impact theater operations and how the Michigan Theater Office Building or other office or educational space might serve our organization.
- Make concrete plans about how work at the State Theatre, in addition to the Michigan Theater, will maintain/enhance the “glow” of our facilities by aggressively performing annual maintenance work.
- Continue to integrate daily facility cleaning and inspection procedures into daily operations.
- Continue aggressive inspection program by facility and senior management and create written reports that are shared with the Trustees at every Board meeting.
- Pay special attention to “green” improvements and the Barton Organ.

FY 2018 (October 1, 2017-September 30, 2018)

- Within budget constraints complete State Theater renovations by December 2017
- Final selection of seats for Michigan Theater by Dec 31 2017; installation of Main Floor replacement seats and current balcony seats “tuned up” by Aug 31 2018.
- Complete the Barton organ restoration work by August 31 2018 if MCACA grant funds are received.
- Significant improvements to our projection capability and booths, ceiling plaster repair, and select other capital maintenance work that can be afforded by Aug 31 2018. This work will close out the capital improvement work funded by the Capital Campaign.
- Make concrete plans about how work at the State Theatre, in addition to the Michigan Theater, will maintain/enhance the “glow” of our facilities by aggressively performing annual maintenance work.

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- With the State Theatre opening, make sure that “punch list” work is done and needed tweaks to designs and decorations are done as a result of the opening of the State Theatre.
- Respond to developments regarding the potential sale of the Cadillac Building as needed and appropriate.
- Since exiting Pony Ride, consider the value of renting an inexpensive office space in Detroit.
- Continue to integrate daily facility cleaning and inspection procedures into daily operations.
- Continue aggressive inspection program by facility and senior management and create written reports that are shared with the Trustees at every Board meeting.
- Continue to consider concretely how we proceed to incorporate all or part of the Michigan Theater Office Building or other facilities into our organization for administrative and/or educational needs.
- Create a written report reflecting on the Capital Maintenance work (as a result of the Capital Campaign) as a general assessment of the work that needs to be done and projecting forward to the Centennial Capital Campaign.

Performance Metrics: Capital Maintenance Assessment by outside person to be used as an index of progress or critical needs; Completion of janitorial checklist to required standards; Brian send out daily 2 sentence report to Russ and Steve; Maintain a log of capital maintenance projects accomplished (Dan Stewart’s work)

FY 2019 (October 1, 2018-September 30, 2019)

- Carefully consider all of our film screening and performing arts facilities – Screening Room, Annex Cinema (“pop-up”), four new screens at the State Theatre and the historic Michigan Theater, in terms of the technology they employ and their practical use by our programs and by the community. Consider small (short-term) and large (long-term) improvements that need to be made, especially for the Michigan Theater, as a future Capital Campaign will be planned (2025-2028) for the theater’s centennial.
- Assess HVAC needs (will be 20 years old).
- Assess the cost and effectiveness of the facility staffing.
- Are we involved with facilities in Detroit? If so, what is the facility impact?
- Maintain/enhance the Michigan Theater and State Theatre’s “glow” by aggressively performing annual maintenance work.
- Continue to integrate daily facility cleaning and inspection procedures into daily operations.
- Continue aggressive inspection program by facility and senior management and create written reports that are shared with the Trustees at every Board meeting.
- Respond, as appropriate to opportunity and needs connected to the Michigan Theater Office Building or other facilities determined beneficial to support theater initiatives.

FY 2020 (October 1, 2019-September 30, 2020)

- Assess the amount of administrative and technical support space that would be needed to provide extensive audio/visual learning (a la Jacob Burns Center) for primary, secondary, and adult students.

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- Continue to consider small (short-term) and large (long-term) improvements that need be made, especially for the Michigan Theater, but also our film exhibition facilities as a future Capital Campaign is being contemplated for 2025-2028, in anticipation of the Michigan Theater's centennial year in 2028.
- Are we involved with facilities in Detroit? If so, what is the facility impact? Will an involvement in Detroit enhance or limit our ability to provide extensive audio/visual leaning programs in Ann Arbor?
- Maintain/enhance the Michigan Theater and State Theatre's "glow" by aggressively performing annual maintenance work.
- Continue to integrate daily facility cleaning and inspection procedures into daily operations.
- Continue aggressive inspection program by facility and senior management and create written reports that are shared with the Trustees at every Board meeting.
- Respond, as appropriate to opportunity and needs connected to the Michigan Theater Office Building or other facilities determined beneficial to support theater initiatives.

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FUNDRAISING GOALS

Overall Fundraising Goal: Complete the Capital Campaign and have established a Planned Giving program with focus on an Endowment Campaign to start up in 2020. Sponsorship by 2020 will be a mature program with 3 to 5 year-round major global sponsors and Cinetopia sponsors will maintain growth parallel with the growth of the festival. The Towsley program will reinstate monthly POE events throughout the year and Membership will better reflect the ethnic makeup of the community. Annual gifts, which took a hit due to the Capital Campaign, will be growing out of that by 2020 and we will expand our grant seeking efforts with additional resources.

FY 2016 Fundraising Goals:

Towsley Society (\$75K)

- Hold six POE events (every other month). Some may be tours, happy hour events, etc. (4)
- Involve Development Assistant Susan Aldworth early on in tracking all relationships in Donor Perfect, helping to grow total attendance in 2016. EVENT RECONFIGURED
- Streamline advance renewals (without attendance). STRONG SUCCESS
- Explore perpetual pledges. ONGOING

Major and Intermediate Gifts (\$300K)

Major Gifts - State & Michigan Campaign (\$3M)

- Focus on aggressive schedule of cultivation meetings, asks and thank yous. SUCCESS
- Continue Board campaign, Backstage Club campaigns and other mini-campaigns. SUCCESS
- Involve Susan Aldworth in creating donor profiles and adding new data to Donor Perfect. NEEDS ATTENTION
- Producer's Circle dinner or event. LAUNCH EVENT
- Introduce monthly newsletter to Boards and major donors. QUARTERLY

Membership (\$560K)

- Solidify skills and operations around the new Agile-Donor Perfect interface. ONGOING
- Evaluate phone-a-thon and if necessary, consider professional assistance. MOVING FORWARD
- Consider Planned Giving Luncheon as a member activity. PLANNED FOR NOV. 15

Annual Giving (\$80K)

- Explore better design of solicitation materials. ONGOING
- Explore "base of the pyramid" giving via social media. Not only to generates new revenue but generates new relationships that can be cultivated into basic membership and then move up the ladder. TABLED

Regular Sponsorship (\$220K)

- Further develop materials, expand current brochure to a folder with photo testimonials.
- Establish annual calendar of activities (mailings, visits, follow up).

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- Define time frames for distinct acquisition and renewal campaigns.
- Expand regular sponsorship revenue by modest price increases. COMBO DEALS

Cinetopia Sponsorship (\$280K)

- With the help of the Fulkerson Group and current partners (Opportunity Detroit, MGM Grand), take Cinetopia Sponsorship to new level. ENDED FULKERSON DEAL

Infrastructure:

- Focus significant time of CDO and CEO on Major Gift work and effectively work with Development Assistant (Susan Aldworth). SUCCESS
- Train all key development staff on donor database and make its use a daily part of life.
- Include all planning info on Big Board: highly detailed plans and milestones for next six months. Quarterly plans and milestones for next two years. SMALL BOARD

FY 2017 Fundraising Goals:

Towsley Society (\$150K)

- Consider whether to resume two-event structure or consolidate into one larger event.
- Hold six POE events (every other month). Some may be tours, happy hour events, etc.
- Continue tracking all relationships in DP to drive table host recruitment and attendance
- Streamline advance renewals (without attendance).
- Explore perpetual pledge option.

Major and Intermediate Gifts (\$150K)

State & Michigan Campaign (\$1.5M)

- Continue major gift asks (\$10K-\$100K) for State & Michigan Project.
- Roll out Public Campaign via onsite, online, direct mail and media activities.
- Solicit \$500,000 challenge gift(s) to be matched by community at large.
- Explore additional challenge gift program in conjunction with the Jewish community.
- Social media campaign to engage and involve younger donors.
- Create campaign book for use in high-end asks and as donor gift.
- Work with donors to determine their recognition elements.
- State Theatre Grand Re-Opening Event - September 2017. Complimentary for donors. Fundraising opportunity for others.

Regular Sponsorship (\$250K)

- Enact modest price increases to series title sponsorships and certain other programs.
- Develop corporate partner program based on employee benefits over marketing benefits.
- Further develop materials, expand current brochure to a folder with photo testimonials.
- Establish annual timeline (mailings, visits, distinct acquisition and renewal campaigns).

Cinetopia Sponsorship (\$300K)

- Identify, cultivate and close two new major sponsors to replace AT&T and Masco.
- Continue to develop “experiential” sponsorship program.

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- Begin planning for support position.

Membership (\$575K)

- Begin to assess data from Agile to hone and improve membership offerings.
- Present Legacy Lunch in November as new annual event.
- Create new membership materials showcasing Annex Cinema.

Annual Giving (\$90K)

- Further develop May and November “Days of Giving” to augment traditional appeals.

Brand Identity:

- Continue to generate additional capital campaign materials that celebrate the institution and its accomplishments.
- Develop simple yet elegant pieces to build each case, including 1) justification of critical nature, 2) budget and 3) timeline for each.
- Continue to create new video for website, social media and other uses.
- Discuss interface between Marketing/Sponsorship/Membership and Program. Possibly allocate specific budget to Development for its own marketing.

2018 Fundraising Goals:

Towsley Society (\$200K)

- Continue POE events.
- Assess results of first post-campaign event, amend accordingly and begin to rebuild numbers.
- Consider new and exciting Insiders Series events.
- Continue tracking all relationships in DP to drive table host recruitment and attendance.

Major Gifts – Capital Campaign (\$500K-\$700K)

- Complete campaign with focus on Michigan Theater Seat Sales and Barton organ restoration.
- Michigan Theater Anniversary Event – January 2018. Fund-raising opportunity for others, including Sponsors.

Major and Intermediate Gifts (\$150K)

- Explore expanding grant writing with new hire.
- Explore extended pledge option.

Regular Sponsorship (\$250K)

- Add second major annual sponsor.
- Michigan Theater Anniversary Event – January 2018. Fund-raising opportunity for Sponsors.
- Train and integrate new sponsorship staff

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Cinetopia Sponsorship (\$350K)

- Bring on contracted service to do sponsorship sales for Cinetopia along with other Detroit area interface
- As a result of bringing on contracted service, increase significantly the amount of sponsorship funds generated for Cinetopia.

Membership (\$625K)

- Revise the Membership program with opening and inclusion of the State Theater. This includes both membership product and marketing/communication.
- Work with Marketing to improve capability and functioning of website in terms of Membership
- Membership work more closely with:
 - Programming to know what's coming to communicate to members
 - Operations FOH to get scanning of membership cards and explaining to them why data is needed and get them to help and hearing their Membership issues and daily marketing of membership
 - Marketing for updating web and other marketing membership issues- flyers, signs and tasks that need to happen.
- Continue to improve membership program to react to new Agile data, get Agile and DonorPerfect working together and aligned with respect to Membership. Operations has to be part of this to get data needed.

Annual/ Planned Giving (\$100K)

- Continued growth through Days of Giving.
- Purchase and install Crescendo Planned Giving software.
- Look into monthly "sustainer" giving
- Social media campaign to engage and involve younger donors.

Marketing Budget for Fundraising/Development and working with Marketing to improve/fix website as required

Performance Metrics: \$ goals; Membership Retention goals; Growth in total number of members; Number of new members; Sponsorship renewal/retention goals; Personal contact goals for Towsley and Capital Campaign donors; Insider news and opportunities for \$5K and above.

FY 2019 Fundraising Goals:

Major and Intermediate Gifts (\$150K)

- MOVE TO 2019: Consider creating new giving society around Diamond Angel level (currently \$75K+) with enhanced, well-defined concierge service.
- Transition campaign Leadership Committee into new body to help us assess over-arching interests of major donors – their priorities. "What else can we do to make this a better community?" Do their priorities match ours? Do they mesh? How can we enhance donors' lives through our programs?

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- Initiate new giving society around Diamond Angel level (currently \$75K+) with enhanced, well-defined concierge service.
- Initiate “Planning Study” for Endowment Campaign to begin in 2020.

Towsley Society (\$225K)

- Continue to rebound from Capital Campaign

Regular Sponsorship (\$280K)

Cinetopia Sponsorship (\$340K)

- Continues to grow at 10:1 ratio to attendance.

Membership (\$625K)

- Increase membership fees selectively (not across the board %).
- Continue to improve membership program to react to new Agile data.

Annual Giving (\$125K)

- Add aggressive seat sales program for both theaters.

FY 2020 Fundraising Goals:

Towsley Society (\$225K)

- Stabilize new post Capital Campaign level.

Major and Intermediate Gifts (\$250K)

- Reengage donors who have finished campaign pledges.

Regular Sponsorship (\$300K)

Cinetopia Sponsorship (\$350K)

- Continues to grow at 10:1 ratio to attendance.

Membership (\$640K)

- Continue to improve membership program to react to new Agile data.

Annual Giving (\$140K)

PROGRAMMING GOALS

Overall Programming Goal:

The historic auditorium of the Michigan Theater is beautiful and functions admirably as a performing arts center. It is used actively by a variety of professional concert promoters, local community and university organizations, as well as for our own self-limited performing arts presentations (children's shows and other occasional live-on-stage events). For now, and the foreseeable future, we will continue to work with these outside organizations to provide the community and region a wide-range of professional and community performing arts shows. However, our core program activity is presenting culturally significant cinema for the Ann Arbor region and, via the Cinetopia Festival, the wider Detroit-Ann Arbor metro area. By 2020, we will have refined the quality of our cinema presentation and be well-established as a nationally recognized cinema arts presenter and curator that will serve as a model to others.

We will enhance the quality of cinema presentation by applying additional capital and management resources:

1. Capital improvements that will result in:
 - a. Renovation of the State Theatre to include four state-of-the-art theaters
 - b. Improvement to film and digital projection systems at the Michigan Theater
2. Refocusing management attention from capital fundraising and construction to achieving film programming excellence and hiring staff to accomplish this key objective

Near the beginning of FY2018, the renovation of the State Theatre will provide two key programming benefits:

1. More screens for the presentation of cinema programs
2. Decreased usage of the historic auditorium of the Michigan Theater as a cinema exhibition space (opening up greater opportunities for performing arts events).

By 2020, annual attendance at State and Michigan programs will reach 400,000.

FY 2016 (October 1, 2015-September 30, 2016)

- Assess effectiveness of program organizational staff- Senior Director of Marketing and Programming (charged with overseeing program scheduling, contracting and instituting educational programming).
- Assess need for full-time Film Curator role, rationalize all roles/responsibilities in the Marketing and Programming Dept.
- Continue to develop cohesive Marketing & Programming Team to be sure that events/screenings/series are planned with audience and outreach as part of the plan. Use CRM data to help determine demands for program genres.
- Execute daily film and live show programs:
 - Execute film programs with minimal errors
 - Enhance film exhibition capabilities to more effectively transition between elements of film program (organ overture, sponsor recognition, live announcements, paid advertisements and preview trailers, feature films, etc.)

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- Make every film screening a “show”
- Continue to engage in a staff process, similar to the process used to improve fund raising performance, to build effective communications between Programming, Operations, Marketing and Technical execution staff. This will minimize errors, enhance marketing impact and improve our ability to make every film screening a “show”
- Thoughtful cinema programming:
 - Summer Classics – revamp how this series is curated
 - Holiday classics
 - Sundance special screening
 - Silent film series
 - Staff selected programs
 - Determine how many new, interesting and/or unique film series can be effectively marketed to audiences – More or less than 4?
 - Develop staff feedback mechanism so programming staff can get input prior to setting programs and engage other staff expertise and opinions.
 - Develop robust process to identify and engage talented individuals within U of M and the community in order to diversify audiences reached by the film program – consider part-time dedicated staff member for this.
- Continue to provide accommodations – technical and financial – to our special tenants: Ann Arbor Symphony Orchestra and the Ann Arbor Film Festival.
- Thoughtful and targeted community and mission based live-on-stage programming:
 - Create programs/screenings/offers to tap into and grow the UM and other student audiences nearby – especially for the State Theatre and its already significant presence on campus
 - Present, co-present or inspire programs like Not Just For Kids, Legends of Rock & Roll, and interactive programs (e.g. Alamo Drafthouse) as appropriate to diversify both audiences and contributed revenue sources
 - Work with Live Nation, The Ark, Innovation Arts and others to diversify the types of acts booked at the Michigan Theater to reach a wider range of audiences and age groups.
- Present educational opportunities for community to learn more about film and cinema history
 - Revamp Summer Film Camp with educational curriculum provided by Pat Jenkins
 - Revisit the previous Adult Film classes to assess value and staff’s ability to effectively market
- Cinetopia – create programming structure to properly track films to include in festival. Create clear system for approval of films, including opportunity for Co-Artistic Directors to weigh in on selections in a timely manner.
- Create forms for programming team to fill out following screening and follow up with one-on-one meetings to review film selections to create streamlined system for selecting films.
- Create clear timelines for programming process to allow Marketing team a better opportunity to match films with community partners.
- State Theatre – create clear plan for programming during loss of State Theatre screens and widely communicate this within the organization to avoid any conflicts with use of Michigan Theater space.

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- Create plan for programming when State Theatre closes for renovation in 2016 – talking points for staff, public and plan for where films will be screened.

FY 2017 (October 1, 2016-September 30, 2017)

- With the opening of the Annex Cinema (seating capacity 69) near the beginning of the Fiscal Year, we have the opportunity to learn to program smaller capacity theaters – which will be the modus operandi of the cinema screens at the new State Theater (seating capacities (125, 100, 75, 50). This will require changes in film programming, marketing, daily operations and membership/donor relations. Essentially we are going from an organization that had auditoria with “unlimited” seating capacity to “right sized” auditoria with more limited seating capacities. This will require many unexpected changes to our traditional ways of operating.
- Because of the departure of the Senior Director of Marketing and Programs (Ruth Lednicer) and a programming lull (because of the closing of the State Theatre for renovation) we will examine the management structures of the State & Michigan with an eye on how to best grow and manage the programs and improve marketing at the NEW State & Michigan for the period after the State Theatre reopens. New management staff and new programming and marketing positions will be in place by spring 2017. This will include assessing the need of a full-time Film Programmer/Curator and rationalizing all roles/responsibilities in the Marketing and Programming Department.
- During this time of transition in programming, marketing and management, an interim director of marketing and the marketing team will be supervised by the Executive Director with assistance, as needed, from a contracted employee with extensive senior institutional management experience and skills (Roger Fraser). The new Marketing & Programming Director and additional marketing staff, will be hired in the Spring or early Summer in anticipation of the opening of the State Theatre. The Interim Marketing Director will continue to build a cohesive Marketing & Program Team to be sure events/screenings/series are planned with audience and outreach as part of the plan.
- Execute daily film and live show programs as detailed in the 2016 plan.
- Thoughtful cinema programming as indicated in the 2016 plan.
- Overall attendance will hold steady at between 225,000 to 275,000.
- Re-evaluate the accommodations – technical and financial – given to our special tenants: Ann Arbor Symphony Orchestra and the Ann Arbor Film Festival. It may be time to phase those out and look to new or, maybe, additional “special” rental tenants.
- Thoughtful and targeted community and mission based live-on-stage programming as indicated in the 2016 plan.
- Present educational opportunities for community to learn more about film and cinema history by continuing improvements to our Summer Film Camp and continue to assess the value and staff’s ability to effectively market Adult Film Classes
- Cinetopia will be placed under the management of Caitlin Drzewiecki. Sultan Sharrief will be hired to develop community relations in Detroit and key suburbs. Sultan will also be a key programmer and assist Caitlin with the management of Cinetopia. Brian Hunter will serve as head programmer and Drew Waller will be responsible for sponsorship and also play a key role in programming and festival activities. Caitlin will establish budgets and goals, in consultation with the Executive Director and the Cinetopia team (the people mentioned above plus the Marketing Department). Generally, resources and outcomes are expected to increase slightly, but remain similar in scope to 2016.

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- Create a streamlined system for selecting films, utilizing film evaluation forms for programming team to fill out following screenings and follow up with one-on-one meetings to review film selections.
- Implement clear timelines for programming process to allow Marketing team a better opportunity to match films with community partners.
- State Theatre – In cooperation with the Executive Director (because of his close working relationship with the design and construction of the New State Theatre) , and the Operations Team, the new Program and Marketing team, will construct a plan for the opening and daily operation and the new programming challenges and opportunities of the new State Theatre. This preparatory work will start in the late winter of 2017 and grow as we are able to clearly predict the opening date of the New State Theatre. Specific plans for the programming of the theater (as well as marketing and operating the theater) will be created and shared with staff, board and, as appropriate, donors and the public.

FY 2018 (October 1, 2017-September 30, 2018)

Reopening of State Theater

- Executive Director (because of his close working relationship with the design and construction of the New State Theatre), Operations Team, Program and Marketing team, will construct a plan for the opening and daily operation and the new programming challenges and opportunities of the new State Theatre. This preparatory work will start in the late winter of 2017 and grow as we are able to clearly predict the opening date of the New State Theatre. Specific plans for the programming of the theater (as well as marketing and operating the theater) will be created and shared with staff, board and, as appropriate, donors and the public.

NEW Michigan/State Theaters

- Review previous year programs' success and failure (attendance, acclaim, sponsorship, etc.) and use both real data and anecdotal conclusions to help guide 2018 programs. Review lessons learned from Annex Theater- e.g. open State Theater with reserved seating.
- Overall attendance increases to 340,000.
- Set attendance and revenue goals for live events, rental events and film series and work with staff to include these considerations in all planning steps.
- Currently ED is Acting Director of Prog/Mkt, need to hold Prog/Mkt Leadership meeting as a priority, will be a KPI.
- New Marketing/Programming direction: Examine the programming/marketing management structures of the State & Michigan with an eye on how to best grow and manage the programs and improve marketing at the NEW State & Michigan for the period after the State Theatre reopens. Assess additional funding needs and sources to fund Programming and Marketing staff improvements. New management staff and new programming and marketing positions will be in place by spring 2017. This will include assessing the need of a full-time Film Programmer/Curator and rationalizing all roles/responsibilities in the Marketing and Programming Department. Consider program staffing enhancements to be able to thoughtfully program six screens and a performing arts center once the State Theatre reopens
- Implement the clear plan created for the new operation and programming of the State and Michigan Theaters. Clearly communicate this plan to staff. Plan and execute special programs to celebrate reopening of the renovated State Theatre. Be sure to record "lessons learned" during the first months and throughout the first year of New State Theatre

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operations, so that they lessons may be used as correctives during this and the following years.

- Create and formalize rental policies and paradigms for the State Theater.
- Organize systems and work patterns inside and outside Union to make effective use of digital presentation tactics. E.g. pre-show slides replaced by better media, pre-show announcements, scheduling, sponsorships, work flows, on-screen ad content, etc. Work to make the processes give the results you want- get everyone involved together and develop better work processes.
- Create specific programs to reach new audiences, including ethnic audiences and campus-based audiences (a la Alamo Drafthouse) at the State Theatre.
- Present educational opportunities for community to learn more about film and cinema history by continuing improvements to our Summer Film Camp and continue to assess the value and staff's ability to effectively market Adult Film Classes

Cinetopia

- Cinetopia – review 2017 results to inform programming decisions for 2018. Have final report (financial, attendance, feedback) by start of FY 2018. Reassess the management of the Cinetopia. Try to diversify programming team. In light of static attendance (11K) and withdrawn sponsorship, core qualities and goals of Cinetopia need to be reviewed in terms of its role, viability. Attendance is critical in viability and sponsorship.
- Cinetopia and beyond: Implement clear timelines for programming process to allow Marketing team a better opportunity to match films with community partners. Development needs to be involved so that they can use the information effectively.
- Start Cinetopia promotion in December. Have Cinetopia passes on sale starting in February.

Other

- Continue to share talking points and plan for where films will be screened with staff, public.
- Incorporate Agile training into programming team planning so all aspects of customer interface and box office needs are considered as events are planned and built on system.
- Refine system for requests for programming to lessen confusion, organize workflow
 - Create focused film programming to targeted audiences, create film series for 3 specific audiences for use within the next two years, as well as a fully thought out Summer Classics series for 2018, with audience and revenue goals.
 - Expand family friendly offerings to include wider variety of experiences for families. Create 2017-2018 attendance and revenue goals for programs and evaluate after each show.

Performance Metrics: Gross \$20K per week from film shows; Compare National Gross to our Gross weekly (want to hit 150-200% of national average); Quarterly Film Revenue; Quarterly Facility Fee total compared to year ago. KPI's include: Did Prog/Mkt Leadership meeting take place and existence of report/notes from the meeting (dated list).

FY 2019 (October 1, 2018-September 30, 2019)

- Consider committing resources more aggressively in presenting (promoting or producing) live-on-stage concerts and shows to enhance gross and net revenues and “fill” programming voids we see in our market.

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- Review the success and failure (attendance, acclaim, sponsorship, etc.) of the prior year's programs and use both real data and anecdotal conclusions to help guide 2019 programs.
- Set attendance and revenue goals for live events, rental events and film series and work with staff to include these considerations in all planning steps.
- State Theatre – adjust programming from lessons learned during the first full year of operation in 2018.
- Review 2018 results and continue to introduce specific programs to reach new audiences, including ethnic audiences and campus-based audiences at the State Theatre.
- Cinetopia Festival – review 2018 results to inform programming decisions for 2019. Have final report (financial, attendance, feedback) by start of FY 2019. This will need to be a year of aggressive growth for Cinetopia Festival.
- Continue to implement the other goals indicated above in FY 2018.
- Overall attendance will reach 370,000.

FY 2020 (October 1, 2019-September 30, 2020)

By 2020 program elements at the Michigan Theater will look and function as follows:

- **FILM PROGRAMS** will play in the Michigan Theater's Screening Room and Annex Cinema and on four screens at the State Theatre. They will be contemporary (first-run) "award worthy" independent American, foreign and documentary films that will appeal to the traditional Art House audience, plus a minority of our contemporary films (more mainstream in nature) will be directed specifically to engage and attract the college student market. We will also program curated "repertory" screenings on an ongoing basis. "Repertory" screenings will include classic films and theme-based, genre, nationality, cinema artist series and other similar programs. Our cinema screenings will be innovative in their presentation and marketing in our new, wonderful cinema presentation spaces. The historic Michigan Theater auditorium will also be used for screening films, but we will target its use for film screenings to programs we believe will attract at least 400 people per screening. We will be able to show most digital cinema formats in all theaters and the Screening Room and the Historic Auditorium will have an exceptionally wide capability of showing movies printed on film stocks of various gages and technical projection need (e.g. silent films to wide-screen, multi-audio track 70mm formats). Film attendance will reach 225,000.
- **CINETOPIA FESTIVAL** will reach initial maturity and be a free-standing festival with committed staff and will break through to become a significant Detroit-area event. Cinetopia will become a lightning-rod for the Detroit- Ann Arbor film community, encouraging dialogue and possibly promoting the establishment of an Austin Film Society-like organization. By 2020 Cinetopia will attract 50,000 attendees, and have 3 or more dedicated FTE committed to year-round planning and promotion.
- **LIVE-ON-STAGE PROGRAMS** will provide diversified audience touch-points, however those programs will be provided by rental clients and partners like The Ark, Live Nation, AASO, UMS and other community and UM concert promoters. We encourage live-on-stage shows through partnership with local and regional performing arts presenters and, from time-to-time, we will present or produce shows ourselves to assure program diversity and/or pursue business or cultural programs we believe to be important to the community. Live show attendance at the Michigan Theater will be 120,000 annually.
- **EDUCATIONAL PROGRAMS** will include the NJFK series, Film Camp, occasional classroom style film classes and education programs connected to Cinetopia. This limited

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extent of education and outreach programs will be maintained throughout this planning period. Further growth in this important area will be deferred to 2020-2025.

- **ART HOUSE CONVERGENCE** will provide an industry/media “gravitational” equilibrium to the highly commercial National Association of Theater Owners (NATO) as a “good cop” to the aggressively commercial NATO approach to business. By 2020, AHC will have 3 FTE staff, nearly 1,000 attendees and nearly \$1M in annual revenue. Convergence will collect data about Art House operations and demographics and share it with the field and the media. We will aspire to be a strong advocate for developing audio/visual literacy programs in Public Schools. The role of the Provisional Board will be well established with a clear idea of whether AHC will go independent in the 2020-2025 timeframe.
- **ADDITIONAL LIVE-ON-STAGE PROGRAMMING** One to two years after the conclusion of the State & Michigan Capital Campaign (in FY 2019 or 2020), we will explore the merits of engaging in more aggressively presenting (promoting or producing) live-on-stage concerts and shows to enhance gross and net revenues and “fill” programming voids we see in our market.
- **ANNUAL ATTENDANCE** at State and Michigan programs will reach 400,000 by FY 2020.

MARKETING GOALS

Overall Marketing Goal:

Our overall marketing objectives by 2020 will be:

1. To develop materials with new “look and feel” to reflect the NEW State and Michigan – “new” as a result of \$8.5 million of capital improvements.
2. To effectively use new marketing tools – including Agile’s CRM capability and benefiting from the growing effectiveness of Social Media for promotion.
3. To promote capital improvements with new marketing tools, allowing us to increase attendance at State & Michigan programs from the current level of slightly under 300,000 admissions per year to over 400,000 admissions per year, an increase of 35%, by 2020.
4. As a cinema-centric organization, to become comfortable and effective using film to promote and inform about our programs.

The Michigan Theater Foundation organization will be rebranded with both the Michigan and State theaters being embraced and used by all segments of the Ann Arbor community. The Marketing and Programming will be integrated into a tight team to improve their operations and effectiveness and we will significantly improve the effectiveness of our marketing (and its coordination with programming) by instituting an annual program calendar which will be employed by the whole organization to facilitate marketing, sponsorship, and community partnerships. This will be used to understand our local, regional and national presence and to celebrate with different communities and partners. We will also increase staffing, including interns, as beneficial to better handle the expanded organizational needs for a broad range of marketing activities.

Because development and fund raising marketing are so very important to our financial health it is essential that appropriate marketing messages and recognition of sponsors, members and donors be integrated into program marketing. However, certain specific marketing work for development and fund raising programs, projects and priorities will be created by outside contractors hired by the Development Team staff (not done by or contracted for by the Marketing Department).

The Agile ticketing system will be completely integrated with our business systems and a dedicated member of the staff will be responsible for managing it and providing training such that others are proficient with this system. Analytics will allow us to review the effectiveness of our marketing outreach and help us to adjust our methods. There will be a prominent, defined and ongoing focus on continuous expansion of our core audience through outreach to local and regional communities and facilitating access to tickets and shows.

FY 2016 (October 1, 2015-September 30, 2016):

- Assess need for additional part-time graphic and video designer to accommodate the increasing number of work requests.
- Create plan to announce and celebrate opening of Annex Cinema at Michigan Theater.

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- Use CRM data to effectively target audiences for outreach for specific programs and films, understanding what channels to use to reach various audiences.
- Create streamlined system for Marketing & Graphics requests to lessen confusion and cut down on mistakes in materials. Establish routine among “owners” of each request to sign off on final proof prior to printing. Lessen the assumption that everything can be done immediately and ask staff to plan ahead with work requests (to avoid mistakes and duplications).
- Work with Membership staff to consistently engage members with special offers and benefits as part of the overall marketing and less as a separate outlet.
- As a film culture entity, we need to be comfortable and able to speak in that medium when talking about our programs. Consequently, we will create 3-4 original videos for use in social media, in theater or in outreach. Content to be agreed upon by leadership in absence of dedicated Director.
- Marketing will continue to deliver consistent and relevant communication to all audiences interacting with the Michigan Theater in an engaging and welcoming voice.
 - Digital Media staff will use proven techniques for engaging and growing the audiences for all outlets (Michigan Theater, State Theatre, Cinetopia, AHC), while remaining true to the “voice” of each entity
 - The Michigan and State Theater website will be revamped to more effectively integrate the Agile online ticketing calendar
 - Support for sponsor deliverables will continue to be executed effectively to provide each sponsor an outstanding Michigan Theater experience
 - The street team strategy will be revisited and revamped – hiring a new team, creating targeted areas with a clear understanding of the audiences to be reached in each
 - Enlist “ambassadors” to publicize programs through their own circles and social media - create ambassador teams for specific audiences (students, topics, etc.)
Create Detroit influencers team to do the same for Cinetopia
- Ensure that Marketing team has access to continued education in the latest marketing trends and techniques to ensure MTF’s marketing is keeping pace with the ever-changing landscape of how to best reach consumers.
- Create communication plans for the closure of the State Theatre for (1) internal staff and (2) for film going public.

FY 2017 (October 1, 2016-September 30, 2017):

- Hire seasoned professional at Director level to lead Marketing team and collaborate with other directors to thoughtfully plan and execute the opening of the New State Theatre in late summer 2017.
- The Michigan Theater website will be managed by a dedicated staff member, who will revamp the website to be responsive on all mobile platforms and encourage more ticket sales through mobile devices.
- Revisit the overall attendance Goal for 2020: Michigan + State + Cinetopia (which drives Earned Revenue elements). Anticipate the opening of the New State Theatre (for FY 2018) and with new marketing staff and new digital marketing resources, map out how each element of our program and marketing will contribute to making the ultimate goal and set interim goals.

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- Engage multi-faceted advertising and PR agency to assess Cinetopia marketing plan and thoughtfully identify missing elements and work with marketing team to add those elements, and to assist with State Theatre opening and possible Cadillac Building news. Elements include:
 - Digital media
 - Print
 - Street marketing
 - Radio & TV
 - Outdoor
 - Public relations
- Coordinate with the daily operating staff so that we may, through Agile, collect meaningful CRM data, so that we may effectively target audiences for outreach for specific programs and films, understanding what channels to use and when to use them to reach various audiences.
- Continue to refine system for Marketing & Graphics requests to lessen confusion and cut down on mistakes in materials.
- Because of the changes brought on by the New State Theatre, work with Membership to modify member benefits so that they are efficiently coordinated with the capabilities of our Agile ticketing and CRM system. This may demand we make some significant changes to the Membership program (especially Premium members). However, the goal is to enhance member benefits and better engage members with special offers and benefits as part of the overall marketing.
- Create 3-4 original videos for use in social media, in theater or in outreach – as a film entity, we need to be comfortable and able to speak in that medium when talking about our programs. Many of these films should be about the New State Theatre and its progress and qualities after it reopens.
- Marketing will continue to deliver consistent and relevant communication to all audiences interacting with the Michigan Theater in an engaging and welcoming voice.
 - Digital Media staff will examine techniques for engaging and growing the audiences for all outlets (Michigan Theater, State Theatre, Cinetopia, AHC), and examine what is the proper “voice” of each entity
 - The Michigan and State Theater website will be revamped to more effectively integrate the Agile online ticketing calendar
 - Support for sponsor deliverables will continue to be a welcome portion of the Michigan Theater experience
 - The street team strategy will be revisited and revamped – hiring a new team, with a dedicated coordinator who understands the fundamentals involved and who will enthusiastically define plans, targeted areas and audiences
 - Enlist “ambassadors” to publicize programs through their own circles and social media - create ambassador teams for specific audiences (students, topics, etc.)
Create Detroit influencers team to do the same for Cinetopia
- Ensure that Marketing team has access to continued education in the latest marketing trends and techniques.
- Create communication plans for the reopening of the State Theatre for (1) internal staff and (2) for film going public (including short films, as indicated above).

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FY 2018 (October 1, 2017-September 30, 2018):

- Evaluate existing marketing techniques, including newsletter, street team, social media, display advertising, flyers, other print collateral, news media, website, emails, etc. Decide on new marketing tools and resource allocation and update to be more effective and cost/resource efficient. Possibly use outside consulting to help assess marketing priorities and resource allocations.
 - Revisit advertising deals and marketing plans to ensure we are current with consumer trends. Conduct 2-3 patron surveys, both online and in person; conduct 1-2 focus groups to get information about media habits and entertainment interests. Involve staff in this process.
- All Agile questions come to Sarah- Development, Membership, Sponsorship, Programming, Operations, Finance- too much to manage and manage Marketing. Create Agile Implementation Task Force that includes all of those functions + Agile person. Figure out how to work through these issues so that not all fall to Sarah. Also may need to restructure to put State + Mich under one umbrella.
- Refine system for requests for promotion graphics and other marketing support to lessen confusion, organize workflow. Need to do initial evaluation of what is needed and subsequently suggest request techniques.
- Hire seasoned professional at Director level to lead Marketing team and collaborate with other directors. Do this after the opening of the State Theater
- Marketing Cinetopia: Assess the value of Allied Media's work in promoting Cinetopia. Rehire/modify/come up with alternatives as appropriate using our own assessment and advice from an outside agency, if thought beneficial.
- Want to collect data using Agile, need to train FOH and make sure this is being done in all areas we want. Work with FOH: make sure they understand why we're doing this, work with them on best way to implement and make sure the data is collected. Then use the data to evolve email marketing, better targeted marketing, etc.
- Assess the implications of the new Membership structure- may need to adjust Premium member price, assess whether losing Gold Card memberships, etc.
- Create 3-5 original videos for use in social media, in theater or in outreach – as a film entity, we need to be comfortable and able to speak in that medium when talking about our programs. Many of these films should be about the New State Theatre and its progress and qualities after it reopens.
- Improve Website management: updated more frequently, insuring info is accurate, correct, timely. Coordinates with Programming and Agile- must make sure this gets appropriate level of attention.
- Create communication plans for the reopening of the State Theatre with the help of outside marketing firm.

Key Performance Metrics: Compare each film revenue to national average; Goal to gross \$20K film revenue per week- track weekly film revenue against this goal; need to track marketing statistics e.g. number of emails or FB...

FY 2019 (October 1, 2018-September 30, 2019):

- Assess need for additional staffing to program and promote the additional screens/event created by the reopening of the State Theatre.

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- Review successes and failures of 2018 to assess best practices – use both real data and anecdotal conclusion. Involve staff in this process.
- Continue to target new audiences to outreach goals – ideally choose 1-2 each year and create targeted campaigns for each.
- Build upon 2018 goals.
- Revisit the overall attendance Goal for 2020: Michigan + State + Cinetopia (which drives Earned Revenue elements). Anticipate the opening of the New State Theatre (for FY 2018) and with new marketing staff and new digital marketing resources, map out how each element of our program and marketing will contribute to making the ultimate goal and set interim goals. **NOT DONE, NEW 2020 PLAN WILL BE DONE AFTER STATE OPENING IN 2018 MOVE TO 2019**
- Enlist “ambassadors” to publicize programs through their own circles and social media - create ambassador teams for specific audiences (students, topics, etc.) Create Detroit influencers team to do the same for Cinetopia **MOVE TO 2019**
- Ensure that Marketing team has access to continued education in the latest marketing trends and techniques - **MOVE TO 2019**

FY 2020 (October 1, 2019-September 30, 2020):

By 2020 marketing at the Michigan Theater will look and function as follows:

- **DEVELOPMENT AND FUND RAISING:** Clear communications between the Development Team and the Marketing Department, will place fund raising messages (most created by outside contractors) into daily marketing messages as appropriate. A network of contracted marketing resources will provide the “muscle” needed to have our fund raising message clearly understood and supported by our sponsorship, grant and community supporters.
- **FILM PROGRAMS** of contemporary (first-run), “award-worthy” independent American, foreign and documentary films that will be marketed to the traditional Art House audience, plus a minority of our contemporary (more main stream in nature) films will be marketing specifically to engage and attract the college student market. Additionally, “repertory” screenings of classic films and theme-based, genre, nationality, cinema artist-based and other similar programs will be marketed to targeted audiences. Film marketing will performed passionately and energetically, embracing new CRM and social media marketing tools, as well as those traditional methods of promotion and marketing that remain cost-effective. With great programming and effective marketing film attendance will exceed 225,000 annually.
- **CINETOPIA FESTIVAL** By 2020 Cinetopia, through expansive and effective marketing, will attract 50,000 attendees and \$250,000 of ticket sales revenue and be well-established as a festival and destination event for the region. Strategically it will also serve to expand the geographic range of our daily film marketing through the capture of e-mail and snail mail addresses and social media followers for our film programs throughout the year, broadening our membership base and generally helping us to “up our game” as the Detroit area’s most respected Art House and cultural film programmers, not only during the festival, but 365-days a year.
- **LIVE-ON-STAGE PROGRAMS** will be supported by marketing so that our customer-base is provided diversified programming touch-points, however those programs will be provided by rental clients and partners like The Ark, LiveNation, AASO, UMS and other community

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and UM concert promoters. We will promote our Live-on-Stage shows with the same energy and passion as our films using new CRM and social media marketing tools, as well as those traditional methods of promotion and marketing that remain cost effective. Live show attendance at the Michigan Theater will be 125,000 annually.

- **EDUCATIONAL PROGRAMS** and their promotion will be stabilized so that Adult Film Appreciation courses become a regularly occurring program each fall and winter. Further growth in this important area will be deferred to 2020-2025.
- **ART HOUSE CONVERGENCE** marketing, like development and fund raising marketing, will be handled by outside contractors with minimal involvement from the Marketing Department. However, the Art House Convergence is an important part of our national brand and can be incorporated, as appropriate, into our institutional marketing.
- **ADDITIONAL LIVE-ON-STAGE PROGRAMMING** One to two years after the conclusion of the State & Michigan Capital Campaign (in FY 2019 or 2020), we will explore the merits of engaging in more aggressively presenting (promoting or producing) live-on-stage concerts and shows to enhance gross and net revenues and “fill” programming voids we see in our market. This would certainly require additional marketing resources.
- **ANNUAL ATTENDANCE** at State and Michigan programs will reach 400,000 by FY 2020.

OPERATIONS GOALS

Overall Operations and Customer Service Goal: Maintain the significant improvement to the daily delivery of good customer service throughout the disruptive renovation process of both Michigan and State theaters, continue to develop an organized work environment with clear roles and the needed flexibility within FOH operations. Assist with full implementation and smooth operation of the Agile ticketing system and possibly expand the use of Cinetopia Volunteer software for year-round use at the Michigan and State theaters. Manage the excellence and consistency of customer service across all of our facilities and programs (including Cinetopia).

A significant shift in operating procedures will be moving from the customer and operational notion of "abundantly available seating" (pre-State Theatre closing) to the (NEW State and Michigan) notion that "seating availability is limited". This is because, before closing, the State Theatre had auditoria with about 300 seats each, so the State very rarely "sold out." Similarly, for movie screenings at the Michigan Theater, movie screenings never sell out at the historic auditorium and only occasionally would screenings sell out in the Screening Room (which seats 200). With the recently added Annex Cinema at 69 seats, and the New State Theatre having auditoria of approximately 50, 75, 100, 125 seats, "sold out" shows on weekends for newly opened movies is expected to be a regular occurrence. It will mean implementing different complementary ticketing policies, different deployment of member benefits (especially for Premium members), implementing reserved seating for movie screenings at the State and Michigan and generally different types of audience expectations for coming to the movies at the State and Michigan Theaters. And the expectations need to be more positive than negative.

FY 2016 (October 1, 2015-September 30, 2016)

- Agile: training managers and staff for all transactions, including State Theater. Continue to surface issues with the system and resolve problems. Coordinate with website data if there are corrections needed.
- Work with AAFF to coordinate on operations issues. Manage Art Fair concessions and coordination of outside patio activity.
- Cinetopia: work through staffing/resource management requirements leading up to and during Cinetopia- including Brian, Patty, Tech staff, etc.
- Union management: document personnel performance for all tech staff. Work on hiring and performance of operations and technical staff. Improved and increased accountability with the IATSE staff.
- Document system for ensuring smooth pre-show announcement, content, transition.
- Improve management of janitorial staff to meet Facility maintenance and cleanliness requirements, including checklist that will be reviewed weekly. Implement daily oversight of janitorial performance.
- Use Agile data to improve concessions ordering and management with sales and cost analysis. Make improvements so that our concession operation is clearly on its way to being a market leader in terms of net revenue (Belcourt theater), balance this with membership benefits (and membership level costs).
- Operations Staffing: Assess needs and resources needed during Renovation of State/Michigan and modify roles/responsibilities of Operations and Facility staff in coordination with Marketing.

FY 2017 (October 1, 2016-September 30, 2017)

- Agile: train managers and staff for all transactions. Continue to surface issues with the system and resolve problems. Need to identify key front of house personnel to manage and train staff on Agile system.
- Need to implement use of Agile to sell memberships at Guest Services in coordination with the Membership Manager.
- AAFP: work to coordinate operations, tech issues, hospitality, scheduling of movie times.
- Cinetopia: work through staffing/resource management requirements leading up to and during Cinetopia- including tech staff, facility needs and scheduling needs.
- Union management: continue to document personnel performance for all tech staff. Continue to insure accountability.
- Enter negotiations on IATSE contract, possibly extending the contract until after the State Theater re-opens.
- Operations Staffing: Assess resources needed during Renovation of State/Michigan and modify roles/responsibilities of Operations and Facility staff, especially coordination with Programming for staff shared by departments. Lay out organizational chart for Operations and Facility as we proceed through this transition
- Hire and train staff for the new State Theater. Pay particular attention to managing to limited seating capacity and greater program options. Include issues with Gold members, comp passes, Premium members. Systems and techniques are taught and implemented to sell every seat and a show is only genuinely considered "sold out" by the staff when literally no seats are available for sale. Auditoriums can be re-assigned quickly to maximize sales for the most popular films. Other systems and techniques are established as needed to keep audiences excited by the vitality of the business and well-served in the new limited seating, because of many more screens and program offerings
- Consider having each show introduced by a staff member.
- Work with Membership and Development to increase membership enrollment and engagement as a result of the new State Theater.
- Operations will work with the Development Department to assure the Agile systems serves members and donors effectively in terms of delivering member and donor entitlements and perks (e.g. Agile helps Operating staff with selling and promoting concession sales, membership sales, donor loyalty and gift acquisition)
- Renovations Management- continue to manage and supervise Operations during State and Michigan Theater renovation. Continue to be responsible for communicating to rest of staff all renovation issues, moves, inconveniences.
- Document system for ensuring smooth pre-show announcement, content, transition.
- Volunteer Coordinator staff person with clearly defined role and responsibilities to manage volunteer staff and provide adequate and appropriate volunteer staffing on a daily basis.
- Provide Volunteer Coordinator with software scheduling and other tools needed to effectively schedule and communicate with volunteers.
- A full-time and talented facility repair staff person keeps the Michigan and the State in tip-top condition. Janitors are effectively managed and deliver consistently a spotless and

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pleasant smelling facilities. The exterior alleys are well lit, rigorously policed and maintained so they feel safe and clean to our customers. Outside contractors are hired as needed to perform large scale or specialized maintenance work (HVAC, etc.)

- We will also be prepared (in terms of background analysis and assessment) to respond to opportunities to acquire and improve buildings such as Michigan Theater Office Building and, if the Cadillac Building is sold, acquire the space needed to relocate the desired functional space, offices and storage.
- Daily operations are always appropriately staffed with nice, well-trained and well-groomed staff. Daily operations staff benefits from new HR leadership and better employee orientation and work procedure documentation
- Daily operating staff is well trained to effectively sell alcoholic beverages (as well as popcorn, soda pop and candy), and the new enhance food stuffs and premium concession items at the State
- We will constantly evaluate the food service (concession, beverage and catering traffic and operations) looking for ways to maximize revenue from what we believe might develop into an enhanced revenue stream
- Live shows at the Michigan are well coordinated with the Programming (primarily the venue leasing staff) and appropriately staffed - according to the diverse types of shows and variety audiences attending any particular show

FY 2018 (October 1, 2017-September 30, 2018)

DAILY PROGRAM OPERATIONS

- Continually to improve Customer Experience for both Michigan and State Theaters. Hire and train staff for the new State Theater. Pay particular attention to managing to limited seating capacity and greater program options. Systems and techniques are taught and implemented to sell every seat and a show is only genuinely considered "sold out" by the staff when literally no seats are available for sale. Auditoriums can be re-assigned quickly to maximize sales for the most popular films. Other systems and techniques are established as needed to keep audiences excited by the vitality of the business and well-served in the new limited seating, because of many more screens and program offerings
- Improve and document system for ensuring smooth pre-show announcement by staff along with attention to the content and transition. Consider having each show introduced by a staff member or volunteer.
- Want to be able to sell Memberships when people walk in to the Theater- Operations needs to be a part of the solution. Membership + Financial + Operations + Marketing need to work together on a solution to this.
- Work with Membership and Development to increase membership enrollment and engagement as a result of the new State Theater.
- Coordinate Membership and Operation issues for greatest benefit- e.g. scanning all cards
- Live shows at the Michigan are well coordinated with the Programming (primarily the venue leasing staff) and appropriately staffed - according to the diverse types of shows and variety audiences attending any particular show
- Daily operations are always appropriately staffed with nice, well-trained and well-groomed staff

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- Daily operations staff benefits from new HR leadership and better employee orientation and work procedure documentation
- Daily operating staff is well trained to effectively sell alcoholic beverages (as well as popcorn, soda pop and candy)- TAM (Techniques in Alcohol Management), and the new enhance food stuffs and premium concession items at the State
- We will constantly evaluate the food service (concession, beverage and catering traffic and operations) looking for ways to maximize revenue from what we believe might develop into and enhanced revenue stream

VOLUNTER MANAGEMENT AND OPERATIONS

- Expand volunteer engagement so that additional daily functions are covered by volunteers (e.g. greeters, announcements). Provide Volunteer Coordinator with software scheduling and other tools needed to effectively schedule and communicate with volunteers.

IATSE UNION MANAGEMENT

- Union management: continue to document personnel performance for all tech staff. Continue to insure accountability. Negotiate a new contract.

AGILE OPERATIONS

- Agile and Development software: train managers and staff for all transactions. Continue to surface issues with the system and resolve problems. Need to identify point person for FOH.

FACILITY AND JANITORAL OPERATIONS

- A full-time and talent facility repair staff person keeps the Michigan and the State in tip-top condition
Janitors are effectively managed and deliver consistently a spotless and pleasant smelling facilities
The exterior alleys are well lit, rigorously policed and maintained so they feel safe and clean to our customers
Outside contractors are hired as needed to perform large scale or specialized maintenance work (HVAC, etc.)

CAPITAL CONSTRUCTION MANAGEMENT

- Renovations Management- continue to manage and supervise Operations during State and Michigan Theater renovation. Continue to be responsible for communicating to rest of staff all renovation issues, moves, inconveniences. Work with O'Neal Construction to execute punch list and solve other facility problems as we become aware of them.
- We will also be prepared (in terms of background analysis and assessment) to respond to opportunities to acquire and improve buildings such as Michigan Theater Office Building and, if the Cadillac Building is sold, acquire the space needed to relocate the desired functional space, offices and storage.

FILM FESTIVAL AND OTHER SPECIAL OPERATIONS (AAFF & CINETOPIA)

- Cinetopia: work through staffing/resource management requirements leading up to and during Cinetopia- including tech staff, facility needs and scheduling needs. Need to be part of planning earlier- need to have Operations person connected to FOH Operations and Hospitality involved in planning meetings from the beginning.

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Performance Metrics: Concession revenue, Alcohol revenue, Customer Experience metrics- (behavior and interaction of staff with customers, etc.), Employee training on Customer Interaction, Branding face presented to public

FY 2019 (October 1, 2018-September 30, 2019)

DAILY PROGRAM OPERATIONS

- Continue to improve Customer Service for both Michigan and State Theaters
- Continue to improve Customer Service for both Michigan and State Theaters
- Hire and train staff for the new State Theater. Pay particular attention to managing to limited seating capacity and greater program options. Include issues with Gold members, comp passes, Premium members. Systems and techniques are taught and implemented to sell every seat and a show is only genuinely considered "sold out" by the staff when literally no seats are available for sale. Auditoriums can be re-assigned quickly to maximize sales for the most popular films. Other systems and techniques are established as needed to keep audiences excited by the vitality of the business and well-served in the new limited seating, because of many more screens and program offerings
- Continue to improve system for ensuring smooth pre-show announcement by staff along with attention to the content and transition.
- Daily operations are always appropriately staffed with nice, well-trained and well-groomed staff

Daily operations staff benefits from new HR leadership and better employee orientation and work procedure documentation

- Daily operating staff is well trained to effectively sell alcoholic beverages (as well as popcorn, soda pop and candy), and the new enhance food stuffs and premium concession items at the State
- We will constantly evaluate the food service (concession, beverage and catering traffic and operations) looking for ways to maximize revenue from what we believe might develop into an enhanced revenue stream
- Live shows at the Michigan are well coordinated with the Programming (primarily the venue leasing staff) and appropriately staffed - according to the diverse types of shows and variety audiences attending any particular show

VOLUNTEER MANAGEMENT AND OPERATIONS

- Volunteer Coordinator staff person with clearly defined role and responsibilities to manage volunteer staff and provide adequate and appropriate volunteer staffing on a daily basis.
- Provide Vol Coordinator with software scheduling and other tools needed to effectively schedule and communicate with volunteers.

IATSE UNION MANAGEMENT

- Union management: continue to document personnel performance for all tech staff. Continue to insure accountability.

AGILE OPERATIONS

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- Agile: train managers and staff for all transactions. Continue to surface issues with the system and resolve problems. Need to identify point person for FOH (to replace Patty).

FACILITY AND JANITORIAL OPERATIONS

- A full-time and talent facility repair staff person keeps the Michigan and the State in tip-top condition. Janitors are effectively managed and deliver consistently a spotless and pleasant smelling facilities. The exterior alleys are well lit, rigorously policed and maintained so they feel safe and clean to our customers. Outside contractors are hired as needed to perform large scale or specialized maintenance work (HVAC, etc.)

CAPITAL CONSTRUCTION MANAGEMENT

- We will also be prepared (in terms of background analysis and assessment) to respond to opportunities to acquire and improve buildings such as Michigan Theater Office Building and, if the Cadillac Building is sold, acquire the space needed to relocate the desired functional space, offices and storage.

FILM FESTIVAL AND OTHER SPECIAL OPERATIONS (AAFF & CINETOPIA)

- AAFF: work to coordinate operations, tech issues, hospitality, scheduling of movie times.
- Cinetopia: work through staffing/resource management requirements leading up to and during Cinetopia- including tech staff, facility needs and scheduling needs.

FY 2020 (October 1, 2019-September 30, 2020)

Continue to improve Customer Service for both Michigan and State Theaters so that by 2020 operations are efficient and smooth and an excellent customer experience is paramount to operations management.

DAILY PROGRAM OPERATIONS

- Daily operations are always appropriately staffed with nice, well-trained and well-groomed staff
- Daily operations staff benefits from new HR leadership and better employee orientation and work procedure documentation
- The operations staff is highly effective at managing the new "limited seating" paradigm (as opposed to the "unlimited seating" paradigm prior to the State Theatre renovation), particularly on weekends and/or for especially popular movies - this means:
The new reserved seating for the movie program aspect of operations is generally accepted and, for our best, more regular customers, it has become preferred
- Systems and techniques are taught and implemented to sell every seat and a show is only genuinely considered "sold out" by the staff when literally no seats are available for sale
- Auditoriums can be re-assigned quickly to maximize sales for the most popular films
- Other systems and techniques are established as needed to keep audiences excited by the vitality of the business and well-served in the new limited seating, because of many more screens and program offerings
- Daily operating staff is well trained to effectively sell alcoholic beverages (as well as popcorn, soda pop and candy), and the new enhance food stuffs and premium concession items at the State
- We will constantly evaluate the food service (concession, beverage and catering traffic and operations) looking for ways to maximize revenue from what we believe might develop into an enhanced revenue stream

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- Daily operating staff provides brief welcomes and introductions for each film screening
- Live shows at the Michigan are well coordinated with the Programming (primarily the venue leasing staff) and appropriately staffed - according to the diverse types of shows and variety audiences attending any particular show

VOLUNTER MANAGEMENT AND OPERATIONS

- Volunteer Coordinator staff person with clearly defined role and responsibilities to manage volunteer staff and provide adequate and appropriate volunteer staffing on a daily basis.
- Provide Volunteer Coordinator with software scheduling and other tools needed to effectively schedule and communicate with volunteers.
- Continue to grow the Volunteer program through outreach in the community: from 150 to about 250.

IATSE UNION MANAGEMENT

- A new IATSE contract is in place that appropriately reflects the nature of the operations at the Michigan and the State
- Union staff are effectively managed in accordance with the contract, are deployed cost efficiently and perform as the professional craftspeople they are trained and represented to be

AGILE OPERATIONS - Operation staff is will train extensively on the Agile sales systems

- Daily movie ticket selling is flawless and well-coordinated with Marketing and Program staff functions
- Daily operating staff is empowered to change screening venues, fix any incorrect ticketing issues and make other needed last minute selling decisions as appropriate
- Concession selling is aided by effective use of the Agile systems in regards to efficiency selling to customers, inventory control and spotting concessions sales trends and benefiting from other useful sales data
- Operations will have worked out all issues with the Development Department to assure the Agile systems serves members and donors effectively in terms of delivering member and donor entitlements and perks (e.g. Agile helps Operating staff with selling and promoting concession sales, membership sales, donor loyalty and gift acquisition)

FACILITY AND JANITORAL OPERATIONS

- A full-time and talent facility repair staff person keeps the Michigan and the State in tip-top condition. Janitors are effectively managed and deliver consistently a spotless and pleasant smelling facilities. The exterior alleys are well lit, rigorously policed and maintained so they feel safe and clean to our customers. Outside contractors are hired as needed to perform large scale or specialized maintenance work (HVAC, etc.)

CAPITAL CONSTRUCTION MANAGEMENT

- Renovating to create the NEW State and Michigan Theaters will be completed on time and within approved budgets by the end of FY 2018 (State Theatre by the end of 2017)
- The State Theater will be operating at a new level with construction completed sometime in 2017 so that we may celebrate its 75th anniversary

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- The improved Michigan Theater will celebrate its 90th anniversary on January 5, 2018 and all construction will be completed by FY 2018 year's end.
- We will also be prepared (in terms of background analysis and assessment) to respond to opportunities to acquire and improve buildings such as Michigan Theater Office Building and, if the Cadillac Building is sold, acquire the space needed to relocate the desired functional space, offices and storage.

FILM FESTIVAL AND OTHER SPECIAL OPERATIONS (AAFF & CINETOPIA)

- Staffing and work systems are careful thought through and will be implemented to minimize the stress of special film festival events, especially the Ann Arbor Film Festival and the Cinetopia Festival, as well as Art Fair, Holiday store, etc.
- Volunteer management will be key to "smoothing out" and destressing these special events

ORGANIZATION AND BOARD GOALS

Overall Organizational Goal: In keeping with our management focus of best practices over the last ten years, we will continue to work to accomplish financial management, Board functions, facility, personnel and operational management best practices. Using the new senior management team, as well as outside consultant help, we will re-examine our established organizational staffing and management methods to align our methods and personnel with the “NEW” Michigan Theater (+ Cinetopia, State, Art House Convergence, Cadillac Building) organizational needs and goals. In particular, beyond artistic excellence, we will work to achieve: 1) Clear and concise organizational communications; 2) Workload management; 3) Clear lines of responsibility and accountability; 4) Improved human resource management; and 5) Sustainable financial outcomes. The overall goal for these improvements is to bring the organization to a higher level of organizational function and excellent professional management, for overall effectiveness and artistic excellence. A key aspect of revising our business model and improving our management systems and practices is clearly understanding how expenses in our various areas of business impact overall revenue and how to manage those areas of business effectively for financial viability. In addition to improving our management systems and practices, assuring efficient personnel costs, and increasing community engagement, we will evaluate having a more expansive volunteer work support structure to support daily operations (The Ark and the State Theatre in Traverse City may provide insight into this matter). We should also continue to focus on engaging community, regional and national leaders to participate in Board of Trustee level work so that we may be assured of future outstanding Board leadership.

FY 2016 (October 1, 2015-September 30, 2016)

- Fully integrate Agile Ticketing system into the operations and management of the theaters, including making best use of reports and data available on the Agile system. As needed, develop processes and methods (“patches” for the inadequacy of the Agile system) that will provide the necessary reports and data formats for accounting, management and marketing reports out of the Agile system.
- Begin developing an appropriate Business Model for the MTF: determine a process of allocating revenue and expenses across the organization’s key revenue streams: the Michigan Theater, the State Theatre, the Art House Convergence and the Cinetopia Film Festival. Need to develop understanding of how different expenses impact short term and long term revenue, how to evaluate performance of different resource investments, and how to use financial information to inform organizational strategic decisions.
- Update the MTF Mission to include expansion to State and Cinetopia. Use information gleaned from Board, Staff and Stakeholder interviews on Mission. (This may go into 2017).
- Finalize 2020 Vision with Board.
- Clearly specify budget constraints for capital projects; facility management must track expenses to the budget and report on progress as appropriate.

FY 2017 (October 1, 2016-September 30, 2017)

MISSION/VISION

- Include the new MTF Mission (and Vision where appropriate) in all communications and marketing material.
- Encourage staff and Board to memorize the new mission and understand its meaning.

CONSTRUCTION MANAGEMENT

- Management of the renovation of the State and Michigan Theater buildings, including:
 - Supervision of construction work and budget in tandem with O’Neal Construction
 - Communication of construction progress to staff, Board, donors and community as appropriate
 - Management of role/responsibility changes – work with each relevant staff member
 - Communication of relevant facility and operational changes (Russ, Steve, Tim, Brian, Amanda). Produce weekly email communication on this (Brian and Amanda responsible for putting together)
- Construction at the State Theatre should be finished by August/September 2017
 - Will need to celebrate the opening of the State Theatre for the benefit of the community, donors and the new potential of the State Theatre’s four screens
 - Will need to anticipate the strain and financial impact of this new operation on management and staff after opening
- Construction focus will shift to the Michigan Theater, which will be much less intense, after the State Theatre is re-opened.

CAPITAL CAMPAIGN MANAGEMENT

- Must raise just over \$1.5 million this FY (for a total of \$8 million of our \$8.5 million goal):
 - This places a heavy burden on the Development Director and Executive Director
 - Entire organization is effected by this dislocating, but highly necessary and rewarding, organizational objective
- Communications and care for all donors is especially urgent during this time period.

TRANSITION TO NEW MTF CULTURE

- Document new culture goals: moving from Persistence + Enthusiasm environment (work as much as needed and don’t worry about burn out) to a different culture with a strong/supportive work environment, clear expectations and goals, strong communication and integration to achieve the very challenging goals we set for ourselves in a sustainable manner. Identify enhancements/new systems, establish “workstyle” expectations of ALL staff, in an effort to retain quality staff, avoid “burn out”, and attract new employees.
- For better visibility of revenues/expenses/resource allocation to fuel better decision making and understanding of our financial dynamics, continue to develop new Business Model for the MTF: allocating revenue and expenses across the organization’s key revenue streams (Michigan Theater, State Theatre, AHC, Cinetopia, etc.). This includes allocating staff time and overhead to these categories. Use this to develop a data based understanding of how different expenses impact short term and long term revenue, how to evaluate performance of different resource investments, and how to use financial information to inform organizational strategic decisions.
- Improve staff resource decisions: clearly tie staff resources to goals and priorities, involve relevant management in decision making process and communicate roles and responsibilities.

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- Integrate sales, accounting and fundraising systems to share information effectively to achieve management goals.
- Look into organizational certification programs: Charity Navigator, Guidestar, Giving Wise Alliance and other similar organizations as appropriate.

HR PRACTICES AND POLICIES

- Update HR policies and practices either internally or through the use of external contractors/vendors, incorporating the knowledge gained through the above process. This includes staff management practices, time keeping to support the new Business Model, a review of all employee benefit programs, documentation of travel and entertainment policies, an enhanced employee complaint process, new overtime rule implementation and policies, compliance with ACA regulations, full implementation of the Whistleblower and Conflict of Interest policies etc.
- As a result of the above process, develop a new, comprehensive human resource handbook that can be easily revised in the future as policies change or new policies are introduced. Establish processes that ensures that organizational policies are consistently applied throughout all staff levels of the organization.
- Improve new staff orientation: including information on communications, management, facility, reporting, org chart, roles and responsibilities.
- Implement annual performance evaluations of all employees, from CEO to lowest wage hourly worker.
- Select a new vendor for payroll processing and perform the data transfer and implementation tasks required.
- Continue thoughtful management of union contract by the General Manager, and begin negotiations for the new contract effective March 18, 2017 or, pending agreement by the union, extend the current contract for a one year period or more.

STAFF RESOURCE MANAGEMENT

- Establish a Succession Plan for senior management, particularly the Executive Director. Revise the plan as necessary per Board discussion.
- Determine staffing needs for the Finance, Administration and Human Resource functions of the organization in an effort to maximize the CFO's time available for financial matters necessitated by the capital campaign, the renovation of the State Theatre, the development of the new Business Model, and the implementation of the Agile Ticketing System.
- Review and improve Hiring process: improve job descriptions, clear lines of management and responsibility, performance goals.

BOARD

- Continue Board involvement with Capital Campaign and facility renovation projects.
- Work with/communicate with the Board to ensure their understanding of the new level of capability/resources required to manage and operate the expanded Michigan Theater Foundation.
- Engage community, regional and national leaders to participate in Board of Trustee level work so that we may be assured of future outstanding Board leadership.

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VOLUNTEERS

- Evaluate integrating increased volunteer support into daily operations.
- The Ark and the State Theatre in Traverse City may provide insight into how extensive volunteer support can both save labor costs and better engage the community.

FY 2018 (October 1, 2017-September 30, 2018)

MISSION/VISION – Internalize new mission in organizational processes.

Encourage staff and Board to internalize the new mission and understand its meaning.

TRANSFORMATION: REIMAGINE WHOLE ORG PURPOSE/OPERATION as THE Cinema Culture Institution of Metro Detroit. Capital Campaigns are transformative- drives the organization to think differently about achieving its vision.

- How does this new set of elements work as a whole?
- What new opportunities may emerge and how do we want to address them?
- What market advantages can we build on?
- How does ownership of these 2 theaters impact how we execute our role in the community? Marketing/Programming/Expectations of impact- (State Theater was avoided by population segment before)
- Operations side- want tools/people for both Michigan and State
- First Stage of this Transformation: Something that we do between now and December that sets the stage for the reimagining of the Michigan/State and how they are going to work together in the future. Heavy focus on live stage stuff, etc. Distinguish what we did before from what we're aiming at now.

CONSTRUCTION MANAGEMENT – Construction focus will shift from State Theater (FY2017) to the Michigan Theater, which will be much less intense. Finish all Michigan Theater work by September 30, 2018.

- Will need to celebrate the opening of the State Theatre for the benefit of the community, donors and the new potential of the State Theatre's four screens
- Management of role/responsibility changes – work with each relevant staff member, experiment with what is needed for the new vision and goals
- Communication of relevant facility and operational changes (Russ, Steve, Tim, Brian, Amanda). Produce bi-weekly communication on this (Brian and Amanda responsible for putting together) for use at each regular staff meeting.
- Will need to anticipate the strain and financial impact of this new operation on management and staff after opening.

CAPITAL CAMPAIGN MANAGEMENT

- Must raise final \$500,000 to complete the Campaign. We will celebrate the Michigan Theater's 90 anniversary in January 2018.
- Communications with and care for all donors is especially urgent during this time period.

TRANSITION TO NEW MTF CULTURE

- Staff leadership will be organized to further the shift to new culture goals: moving from Persistence + Enthusiasm+Risk Taking+etc. environment (work as much as needed and don't worry about burn out) to a different culture with a strong/supportive work

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environment, clear expectations and goals, strong communication and integration to achieve the very challenging goals we set for ourselves in a sustainable manner.

- The new budget and accounting systems that create better visibility of revenues/expenses/resource allocation for better decision making and understanding of our financial dynamics of the new Business Model for the MTF will now be in place. We will monitor key revenue streams and other appropriate KPIs.
- We will use the new systems to develop deep understanding of how different expenses impact short term and long term revenue, how to evaluate performance of different resource investments, and how to use financial information to inform organizational strategic decisions.
- We will decide which organizational certification programs with which to participate. Programs like: Charity Navigator, Guidestar, Giving Wise Alliance and other similar organizations as appropriate.

HR PRACTICES AND POLICIES

- Continue to refine draft HR policies and practices which includes better staff management practices, time keeping to support the new Business Model, a review of all employee benefit programs, documentation of travel and entertainment policies, an enhanced employee complaint process, compliance with ACA regulations, full implementation of the Whistleblower and Conflict of Interest policies etc.
- New human resource handbook will be finalized and implemented. It will establish processes that ensure organizational policies are consistently applied throughout all staff levels of the organization, including a new staff orientation system.
- Complete the implementation of annual performance evaluations of all employees, from CEO to lowest wage hourly worker.
- Continue thoughtful management of IATSE union contract and begin negotiations for the new contract effective Oct 1 2018.

STAFF RESOURCE MANAGEMENT

- Annually revisit Succession Plan for the Executive Director. Revise the plan as necessary per Board discussion.
- Determine staffing needs for the Finance, Administration and Human Resource functions of the organization in an effort to maximize the CFO's time available for financial matters necessitated by the capital campaign, the renovation of the State Theatre, the development of the new Business Model, and the implementation of the Agile Ticketing System.
- Develop and maintain staff organization chart and management systems: job descriptions, clear lines of management and responsibility, performance goals. Include review of compensation practices.

BOARD

- Installing new Board Chair in 2018.
- Work with/communicate with the Board to ensure their understanding of the new level of capability/resources required to manage and operate the expanded Michigan Theater Foundation.

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- Engage community, regional and national leaders to participate in Board of Trustee level work so that we may be assured of future outstanding Board leadership.

VOLUNTEERS

- Evaluate integrating increased volunteer support into daily operations and implement as appropriate.
- The Ark and the State Theatre in Traverse City may provide insight into how extensive volunteer support can both save labor costs and better engage the community
- Implement, as decided, additional volunteer work program to support daily operations.

FY 2019 (October 1, 2018-September 30, 2019)

MISSION/VISION – Internalize new mission in organizational processes.

CAPITAL CAMPAIGN MANAGEMENT – Communications and care for all donors is especially urgent during this time period.

TRANSITION TO NEW MTF CULTURE

- The shift from the old Persistence + Enthusiasm work environment to the new Michigan Theater work culture with a strong/supportive work environment, clear expectations and goals, strong communication and integration to achieve the very challenging goals we set for ourselves in a sustainable manner will be clearly evident in all work processes.
- The new budget and accounting systems that create better visibility of revenues/expenses/resource for the new Business Model of the Michigan Theater, State Theatre, AHC, Cinetopia, etc. will be well established to provide deep understanding of how different expenses impact short term and long term revenue, how to evaluate performance of different resource investments, and how to use financial information to inform organizational strategic decisions.
- The new management systems will help to clearly tie staff resources to goals and priorities, involve relevant management in decision making process and communicate roles and responsibilities.
- We will work with the organizational certification programs (Charity Navigator, Guidestar, Giving Wise Alliance and other similar organizations) with whom we have chosen to work.

HR PRACTICES AND POLICIES

- Updated HR policies and practices will be fully implemented and will help us create a great place to work and include annual performance evaluations of all employees, from CEO to lowest wage hourly worker.
- New IATSE union contract will be in place.

STAFF RESOURCE MANAGEMENT

- Annually revisit Succession Plan for senior management, particularly the Executive Director. Revise the plan as necessary per Board discussion.
- Continuously review staff organization chart and management systems: job descriptions, clear lines of management and responsibility, performance goals.

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BOARD

- Work with/communicate with the Board to ensure their understanding of the new level of capability/resources required to manage and operate the expanded Michigan Theater Foundation.
- Engage community, regional and national leaders to participate in Board of Trustee level work so that we may be assured of future outstanding Board leadership.

VOLUNTEERS

- Continue to implement as decided additional volunteer work program to support into daily operations.

FY 2020 (October 1, 2019-September 30, 2020)

THE NEW MICHIGAN THEATER

- The shift from the old work environment to the new Michigan Theater work culture will be evident in all work processes.
- The new budget and accounting systems will be well established to provide deep understanding of how to use financial information to inform organizational strategic decisions.
- The new management systems will help to clearly tie staff resources to goals and priorities, involve relevant management in decision making process and communicate roles and responsibilities.
- New Human Resource policies and practices will be fully implemented and will help us create a great place to work.
- A management Succession Plan, particularly the Executive Director will be in place
- We will engage local, regional and national leaders to provide outstanding Board leadership.
- Volunteers will have a daily and active role to support daily operations and engage the community.