



January 10, 2013
Mayor and Members of Council
City of London
300 Dufferin Ave.
London Ontario

Dear Members of Council

We continue to make good progress here at Orchestra London. Let me highlight a few key points for the 2011-2012 and 2012-2013 season progress that will be of interest to you:

Strategic Planning

Orchestra London has adopted and is now implementing our new strategic plan. The Board of Director's emphasis remains on our four key Pillars: Music Excellence, Music Education and Outreach, Music Collaborations and Music Leadership.

Governance

The AGM for 2011-2012 was held on November 9th 2012 at 10:00 a.m. The Board thanked Ailene Wittstein for her service and welcomed new Chair Joseph O'Neill, Business Development Manager with Price Waterhouse London. The mentors we have from the community still serve on the "Oversight Committee" and we appreciate the advice of Janet Stewart, Geno Francolini and Doug Alexander to keep the artistic programming on track with monthly milestone tracking and continual reviews of financial performance. **We are pleased to announce our third annual operating surplus.**

The AGM launched the reorganization of the corporate structure into three key business units: Artistic Operations, Facility and Events, and Fund Development.

Artistic Operations

We are delighted to welcome Maestro Alain Trudel to lead all Artistic programming. Alain has a wealth of knowledge and experience and as the incoming Music Director he is particularly passionate about reaching out in meaningful ways to youth; he envisions further developing the student Honours Strings mentoring program to include collaborative artist-student composition in the classroom. His new audience development initiatives aimed at younger audiences and the "Creative Class" will also be implemented using new social media communication tools.

The Artistic Planning committee continues to oversee the current series, serving 50,000 Londoners and 8,000 children with our music programs; Cathedral, Masterworks, POPS, Red Hot Weekends, Family Concerts and the very popular Sunday brunch. We also have some great collaboration with our community including:

a) Canadian Festival and Contemporary Music

The University of Western Ontario, Faculty of Music, (full time composition faculty, led by Paul Frehner) continues to partner with OLC to complete year two of the Canadian repertoire concert(s). The event will showcase contemporary works by Canadian composers, soloists and performers. Mentoring of students will occur this year in a concert in the community. The new Dean of Music, Dr. Betty Anne Younker has offered her full cooperation and support to build OLC patron's knowledge of Canadian works, while building our musicians skills, knowledge and capacity to perform contemporary music while mentoring the student body at Western.

b) Opera In Concerts with Canadian Operatic Arts Academy 2010-2011

OLC has continued its positive working relationship with the internationally acclaimed Canadian Opera Arts Academy at UWO. The London audience will enjoy an Opera in Concert program each May. The event has been proven to satisfy the artistic desire of the community within our current resources. UWO faculty and the Canadian Opera Arts Academy will remain active in the promotion and delivery of the Opera in Concert model.

c) School Board Concerts

A joint planning council has been established with participation from the two major school boards and the French language schools in London. The purpose of the program is to extend the reach of Orchestra London while supporting and enabling the creative process for children. Representatives of the school boards will bring their knowledge of the curriculum of the respective organizations. In addition, a professional development day for music teachers is in development with Maestro Trudel as the lead artistic instructor.

d) Community Collaborations

The orchestra is continuing with our community collaborations with the Military Family Resource Centre in a Support Our Troops, the Unity Project for the Support of the Homeless, as well as rural outreach concerts to serve Chatham, Woodstock, Ingersoll and St. Thomas. New efforts are underway with the Chinese, South American, Korean and Polish communities to extend music collaborations in our multi cultural community.

Facility and Events

In June 2012 we initiated the development of a new public/private partnership called Music London. The new entity of Orchestra London has been given the mandate to be a prosperous facility and event management company that will focus on the creation, development and advancement of the music and entertainment industry in London. Music London will lead the proposed \$200 million dollar mixed use land development that includes a new concert hall by 2017. The Music London Community Action Team remains very encouraged by the new IEPC process. Collaborative meetings are being held with the Grand Theatre and many facility user groups. Appointing the Music London team to govern Centennial Hall with an operational agreement with the private sector to facilitate the building of a new hall would be a positive step forward in our business plan. (2007 Novita Report.)

Fund Development

The OLC Board and Music London have reenergized the OLC Foundation. A \$40 million dollar capital and a \$5 million dollar endowment fundraising plan are now underway to enable the building of the new "Celebration Centre" concert hall by 2017.

Current Financial Performance

The total artistic operations budget remains at \$3 million dollars per year.

Fund Raising

New funding from the Ontario Arts Council has enabled us to hire additional fund development support and a new campaign has been in place to further develop our donor and corporate sponsorship program. Total donations remain on track year over year. Fund raising efforts over the last two years raised an additional \$200,000 from donors however the loss of approximately \$80,000 in corporate sponsors and the cancelation of a major fund raising event by one of our partners resulted in the loss of \$60,000 in donation revenue. The fluctuations in the economy and increased competition for donors and sponsors are ever present. OLC will continue to expand and strengthen its volunteer team to build the capacity of our fund raising effort. New case for support material is available and the Revenue Growth Team meets every month to ensure targets are met and funds are secured as per the business plan.

Government Grants

The government grants program has remained stable over the last three years.

Ticket Subscriptions and New Audience Development

The annual sales projections for this year are on budget noting the sales target in 2011-2012 was. \$1,135,368. The sales for 2012-2013 are expected to grow to \$1,237,269. Year over year subscription sales have declined but single ticket sales are moving up reflecting trends in the market place for more flexibility and choice by a growing and younger audience. The Red Hot series shows the most significant shift as the 1970's tribute band Jeans and Classics were replaced by original artists such as Jim Cuddy and Bare Naked Ladies. As expected the artist change resulted in a slight decline in subscriptions sales however those revenues are being replenished by the growth in sales of single and group tickets, plus there is growth in revenues from the business community by purchasing corporate tables to host client appreciation events and special occasion attendance at the *new Original Artists Red Hot* concerts.

We continue with "New Faces", an audience development effort to attract new members to the orchestra including an under 36 program, a youth mentorship program, and the provision of 1,000 free tickets to our classical performances for every child who enrolls in the prestigious Kiwanis Music Festival. We also launched a family's first campaign providing an additional 1,000 free tickets to our local Children and Youth Network. Corporate support for these programs is strong thanks to London Life.

Conclusion

As you can see the Orchestra is gaining community momentum both artistically and administratively. Board governance, financial and strategic planning has been strengthened. Stabilization in both financial and artistic management also continues. With the support and goodwill of the community Orchestra London is hitting all the right notes.

How can the City of London help?

- a) Approve the annual funds for OLC and release funds for January through March to ensure the line of credit remains in good stead and business operations remain on sound footing
- b) Continue to support the community in the development of a new concert hall through the IEPC process

Joe O'Neill
Chair Orchestra London

David Canton
Chair Music London