

ADDENDUM

Budget City Grant = \$242,600

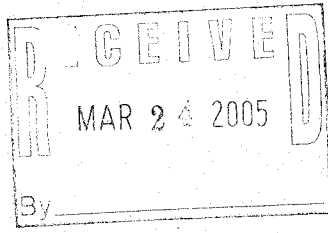
Expenses - Economic Development Grant 2004-05

Regional Marketing	\$ 1,000
Volunteer Appreciation	1,500
LDBG Printing (½ cost)	10,000
Business Newsletter	3,000
Street Map w/Econ Info	2,500
Postage	6,500
Equipment Purchase/Rent/Main	11,000
City Directory Board Info	2,000
Business Development Workshops	15,000
Website design & marketing	10,000
Economic Analysis/Survey development	10,000
HDTV (High Definition Television/video)	3,000
Photofile of Businesses	2,000
Office Maintenance/Redesign	5,000
Office Supplies	4,000
Telephone	6,000
Accounting	6,500
Misc	1,000
Payroll Expenses (2 FTE)	60,000
Total Economic Development	\$160,000

Expenses – Visitors & Convention Bureau Grant

Dues	\$ 1,000
Marketing & Advertising	\$ 8,000
Travel & Marketing Shows	6,700
SOVA	500
Winter Marketing	11,000
Volunteer Appreciation	1,300
Printing	10,000
Postage	10,000
Photofile	3,600
Hospitality	1,500
Research & Studies	1,000
Website Redesign	4,000
Accounting	5,000
Misc	1,000
Payroll Expenses (½ FTE)	15,000
Total	\$82,600

Note: Total Chamber Staff (8 FTE's)



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March 22, 2005

Ashland City Council
City Hall
Ashland, OR 97520

Re: Report for Section 2 of Resolution No. 2004-11

Dear Council Members:

On behalf of the Festival Board, staff and audience, thank you for the City's \$110,000 Economic and Cultural Development grant for 2004-05.

I am pleased to report that the Festival's 2004 season saw attendance of 356,770 tickets, or 80% of capacity. Visitors new to OSF purchased 57,839 of those tickets.

The 2005 season is looking very promising with two world premieres that will attract new national and regional press. In addition to theater critics and feature writers, OSF draws numerous travel writers. Last season, articles about OSF and Ashland appeared in the *Washington Post* and the *Christian Science Monitor*; and those articles subsequently appeared in major newspapers throughout the country.

Promoting Tourism in 2005

OSF will spend over \$700,000 in marketing in FY2005. The following are among the actions already taken, or to be taken, toward the goals outlined by the Economic and Cultural Development Committee, specifically Goal 3(b), "To promote tourism":

TOURISM SALES

Season brochure. OSF has distributed 470,000 copies of the full-color 2005 season brochure nationally and internationally to its mailing list of individual ticket buyers, members, schools and universities, businesses and corporations, government agencies, media contacts, tourist and business locations throughout Oregon, and trade shows in Japan, Germany, England and Switzerland.

Advertising. OSF has placed and will continue to place display ads in major newspapers in the Bay Area, Sacramento, Portland and Seattle. OSF will partner with Brand Oregon, the state tourism office's marketing campaign, in advertisements in major magazine in California, Oregon and Washington. OSF has also moved into premier online advertising

locations in travel sections on major San Francisco, Sacramento and Portland websites. Together with the Ashland Chamber of Commerce, OSF has supported co-op ads in *Sunset* magazine. Additionally, through its website at www.osfashland.org, OSF provides links to lodgings, restaurants and other Southern Oregon attractions.

HOSPITALITY AND SPECIAL EVENTS

Trade shows. OSF has partnered with the Ashland Chamber at trade shows from Los Angeles to Canada. OSF regularly participates in the Ashland Hospitality Showcase and contributes staff support to the Ashland Visitors and Convention Bureau.

Communication and training. OSF actively participates in, and regularly hosts, the Ashland Greeters to thoroughly inform community leaders about pertinent visitor information. Additionally, OSF hosts a community event each year at which OSF's Artistic Director Libby Appel shares insights on the season's plays with members of the hospitality community. These talks are now videotaped and broadcast throughout the local area, including to hotels and motels.

MEDIA RELATIONS

West coast and national media: OSF sustains existing relationships and builds new ones with reviewers and writers on the West Coast, particularly in Oregon and California, where more than 80% of OSF patrons reside. OSF continues to cultivate relationships with national writers.

Travel writers: As noted above, theater and travel writers visit OSF, and articles about OSF appeared in the *New York Times*, *Time* magazine, *Christian Science Monitor*, *Los Angeles Times*, *Backstage West*, *Washington Post*, *Philadelphia Inquirer*, *Sunset*, *American Theatre*, *Horizon Airlines* and *Alaska Airlines* magazines, and *Gentry* in 2003 and 2004.

Radio and television (national and regional):

Radio stations representing a wide geographic area, from Dallas to Bolinas, Calif., aired programs about OSF. In October 2004 the Food Channel's *\$40 A Day* with host Rachel Ray visited OSF. The program will air April 8, 2005, at 9:30 p.m. Ashland is mentioned in a story on the *Today* show (NBC) website as one of the "hot spots" to retire (<http://www.msnbc.msn.com/id/7204492/>). OSF and the many opportunities to volunteer with the Festival are mentioned. Oregon's OPB-TV has made OSF a regular subject of its program *Art Beat* for the past four seasons.

Improved technology: Over the past year, OSF has continued to develop a comprehensive electronic press kit. The significant increase in national media coverage of OSF in the past two years is in large part due to the ease of access to high-resolution images through OSF's secure electronic press kit. The images used in *Time* magazine's June 2003 "Bigger than Broadway" article were used because the writer found them to be both professional and accessible. In addition, OSF has developed a comprehensive video news

release that is delivered to all west coast and select national television stations for both spring and summer openings. These video releases contain digital footage of OSF productions as well as extensive establishing shots of Ashland. This stock footage is used by television stations when doing both theater and non-theater stories on our region. OSF has also begun to stream video on its website to provide more information about the productions.

OSF in the Community

The past year also saw the continuation of OSF's active participation in our community, through Festival programs and in community work by company members. We are especially proud of the success of the fifth year of the new Ashland Schools Project, in which the OSF Education Department, and specifically a team of two OSF actor-teachers, worked with students from fourth through twelfth grades in the Ashland School District. During the past school year, 342 ninth graders and 273 tenth, eleventh, and twelfth graders participated at the high school; 684 middle school students participated; and elementary school 396 students participated.

The program began in the fall of 2004 with all AHS freshmen English students attending *The Comedy of Errors*. Before seeing the show, the students had a preparatory session with an OSF actor-teacher. After the show, a *Comedy of Errors* cast member visited each class for a follow-up discussion. In December, a team of OSF actors spent two days at the high school performing assemblies (such as the thirty-five-minute version of *Richard III*) and leading student workshops.

At the middle school, the actor-teachers performed the thirty-five-minute version of *Richard III* for all students in sixth through eighth grades. Half of the seventh- and eighth-grade students then took a backstage tour, while the other half visited with OSF artisans. This fall, the two groups will rotate.

At the elementary schools, the actor-teachers performed the abbreviated *Richard III* for fourth and fifth graders, then visited each fifth-grade class with a trunk of costume renderings, fabric swatches, set designs and photos of past productions to use in discussing *Richard III* with the students.

Volunteer participation by Ashland residents also reflects OSF's connection to the community. In 2004, 576 local residents were active volunteers at OSF, contributing in excess of 29,480 hours of service.

OSF's Diversity Efforts

In recent years, one of OSF's key initiatives has been creating greater diversity in our staff and audience. We have seen dramatic success in some areas. Today, more than 30% (27 of 78 actors) of the acting company are people of color; the Festival offers more employment to actors of color than any other theater in America. In other areas, the pace of change is much slower. About 6% of our production and administrative staff are minorities, and we continue to work to increase that proportion. In addition, the Festival

now employs an audience development manager, and FAIR (Fellowships, Assistantships, Internships, and Residencies) coordinator whose focus is developing programs to increase the number of people of color in our audience and on our staff.

For the last seven years, the Festival has undertaken diversity training for its staff. Almost all company members have now received this training. In 2002, we helped to initiate what has become the Ashland Cultural Diversity Alliance, which is now taking a leadership role in encouraging other institutions to join us in addressing issues of diversity. After many planning sessions, citywide diversity training has now begun with four successful workshops, and more to come. We are gratified that our initial efforts are leading to a greater citywide awareness and appreciation of the benefits of diversity.

Economic Impact

The Festival's economic impact on Ashland and Southern Oregon approached \$129 million* in 2004. Beyond this economic impact, the City received \$1,309,000 from the Hotel/Motel tax and \$1,684,000 from the Food and Beverage tax in 2003/2004. OSF's activities are a major factor in the generation of these taxes.

OSF's 79,009 non-local visitors spent an average of \$304.45 each. Added to OSF expenditures of \$20,393,637 and multiplied by the Oregon multiplier of 2.9, brings the total regional impact of Festival operations of \$128,898,548.

Conclusion

Over the past twenty-two years, the Ashland City Council's commitment to investing in the promotion of tourism through OSF and the Ashland Chamber of Commerce has paid off handsomely. Through that investment, the City has helped build a powerful economic and cultural engine that has created a stable base of funding for many City activities. At a time when other theaters and other cities are facing severe deficits and cutbacks, we are seeing continued interest in Ashland and the Festival, in large part because of concerted cooperation between the two. This is clearly a time when the support of the Council is crucial to the ongoing health of both the Festival and the City—two entities that have been linked for almost seventy years.

Again, thank you very much for your support. We are grateful to be the recipient of an Economic and Cultural Development grant this year and look forward to your continued support.

Sincerely,



Oregon Shakespeare Festival
Paul E. Nicholson
Executive Director