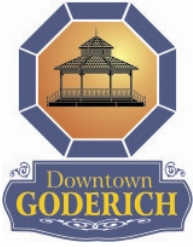




FEASIBILITY STUDY: DOWNTOWN GODERICH FILM FESTIVAL

December 15, 2009
Final Copy
BIA Co-op Student Committee

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Message from the Chair:

This report is the culmination of a tremendous amount of volunteer effort by the Goderich BIA Board of Management and in particular, the BIA Co-op Committee. Special thanks to Co-op Committee members: Dan Stringer-Chair, Robert Evans, Cheryl Dunn, Councillor Myles Murdock, and Courtney Ristow. I would also like to thank Nina Reynolds for sitting on the committee as a representative of the Goderich Little Theatre.

It is our hope that this report will encourage the development or expansion of a film festival in Downtown Goderich, and in turn, will benefit the entire BIA membership.

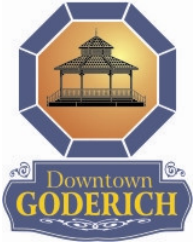
It is with pleasure that I recognize the 2009 BIA Board of Management for their role and support of this project.

Chair- Michael Strickland
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West Harbour Insurance
Councillor
Councillor
Goderich BIA Manager

Respectfully,

Michael Strickland
Chair, Goderich BIA Board



Message from the Committee Chair:

It remains my very great pleasure to chair the Goderich BIA Co-op Student Committee. This committee is tasked with selecting and overseeing the projects assigned to College and University students who have been selected to spend a work term with the Goderich BIA.

From September to December of this year, third-year University of Guelph student, Courtney Ristow, filled the co-op placement. Courtney was tasked with investigating the feasibility of a Major Film Festival in Goderich. She entered the project with great enthusiasm and energy which she maintained to the end. Courtney produced a sixty page document that is first class in all respects. I feel that it will work well for her as a Master's thesis as it is thorough and all-encompassing.

This co-op student project was made possible through funding by Paul Nichol at HBDC and the Goderich BIA. I would like to thank the BIA Board of Management for their financial investment and continual willingness to innovate.

Thank you also to Susan Armstrong, our BIA manager, who worked side by side with Courtney and assisted greatly in the process. Recognition needs to be paid to the members of the Co-op Student Committee including: Rob Evans, Mike Strickland, Myles Murdoch, Cheryl Dunn, and Nina Reynolds, for their hard work, time, and diligence.

I would also like to thank Ian Wallace, from the University of Guelph, for steering us in Courtney's direction. Thank you also to Rob and Sheryl Evans for donating accommodation in their home to Courtney for the duration of her stay. Finally, thank you to Courtney for a job well done. We are the privileged recipients of her interest, dedication, hard work, persistence, and willingness to do whatever was asked of her.

It has been a rewarding process to see this co-op student project through to completion. Along the way a lot of good people contributed a great deal, and it is my pleasure to recognize and thank them.

Respectfully,

Dan Stringer
Chair,
Co-op Student Committee

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ACKNOWLEDGMENTS

This report is the result of combined efforts and dedicated work of many members of the Downtown Goderich Business Improvement Area Board of Management and the Co-op Student Committee. Special thanks go to all of the Co-op Student Committee members who dedicated their time, knowledge, and expertise to the development of this report.

Co-op Student Committee members:

Dan Stringer- Committee Chair

Michael Strickland- Chair, BIA Board

Cheryl Dunn- Past Chair, BIA Board

Rob Evans- BIA Board Member

Myles Murdock- Councillor

Susan Armstrong- BIA Manager

Nina Reynolds- Livery/GLT Representative

Courtney Ristow- Co-op Student

This feasibility study was made possible through the contributions of all the people I contacted over the course of this project, including: all of the film festival organizers, members at the Huron County Planning Department, community volunteers and business owners, and members from the Ontario Regional Services Branch.

A special thank you goes to Susan Armstrong for her daily support and enthusiasm for the project. Thank you also to Nina Reynolds and Brigitte Wolf for their valuable input and being open to the idea of future expansion and partnership opportunities with the Livery Film Group.

Respectfully,

Courtney Ristow

EXECUTIVE SUMMARY

PURPOSE

The purpose of this study is to determine the feasibility of a Downtown Goderich Film Festival (DGFF).

GOALS

The goals of the BIA Board of Management for the implementation of a film festival are to:

- Promote business in the downtown core and around The Square
- Strengthen and support the local arts community through film
- Attract tourists and visitors in the shoulder seasons

COMPETITION

There are three large film festivals within a two-hour drive of Goderich that could be potential competitors. However, it is unlikely that any of these festivals would provide a high degree of competition based on the experienced opinion of founder and artistic director of the Grand River Film Festival (GRFF), Ken Nakamura. He stated that although another film festival occurred on the same weekend as GRFF it was not viewed as competition at all.¹

DATE OF FESTIVAL

Fall is the season of film festivals in Ontario and it was determined by the Committee to be the optimal time of year to host the Downtown Goderich Film Festival. The fall presents an opportunity to advertise to summer travellers, with an 89% higher traffic flow through Goderich in the two-month period leading up to a fall festival compared to the two month period leading up to a spring festival².

¹ K. Nakamura, personal communication, November 13, 2009

² Marshall, B. (2009). Tourist Information Centre Statistics, 2008. *Tourism Goderich*.

MARKETING STRATEGY

Marketing and advertising will be very important to the success of the Downtown Goderich Film Festival (DGFF). Strategies have been identified to:

- Educate potential customers of the existence of DGFF
- Promote incentives for potential customers to attend DGFF
- Generate and sustain return customers

The development of a multi-purpose website will be an essential marketing strategy to connect with customers for information, promotions, and direct ticket sales. According to a Huron County Travel Survey, 62.5% of travellers book their vacations online³.

ECONOMIC IMPACT

The Downtown Goderich Film Festival will have a strong economic impact on the local economy. Assuming an average attendance rate of 80% capacity⁴ over three years, it is estimated that \$168,800 of associated revenue would be injected into the local economy yearly. With an expected increase in attendance rate to 90% capacity⁵ after three years of establishing the film festival and through increased participation in educational programs, the associated annual retail spending benefit could reach \$201,120. The DGFF could also help to promote the Town of Goderich as a filming location site. Studies show that in 11 days of filming in a small town, approximately \$500,000 of economic spin-off is generated in the local economy⁶.

RECOMMENDATIONS

In conclusion, a Downtown Goderich Film Festival is deemed feasible. Goderich has the basic capacity and infrastructure required to host an expanded film festival, which will in turn benefit the community through economic stimulus.

³ The Planning and Development Department. (2009). Huron County Travel Survey. *The County of Huron*.

⁴ Based on start-up experience of the Meaford International Film Festival as stated in newspaper article: Woodhouse, S. (2007, September 5). First Meaford film festival gets rave reviews. *Meaford Express*.

⁵ Based on experience of the Meaford International Film Festival as stated by: M. Anderson, personal communication, October 9, 2009

⁶ Campbell, D. (2009, September 10). Port Perry says welcome to 'Happy Town'. *The Scugog Standard*.

INTRODUCTION

The purpose of this study is to determine the feasibility of a nationally recognized film festival in the Downtown Goderich Business Improvement Area. The goals of the BIA for this type of film festival are to promote business in the downtown core, to support arts in the community through exposure to film, and to encourage tourists to visit Goderich in the shoulder seasons.

A film festival can include a wide variety of activities and components that make it unique. Although all film festivals screen films, each can create its own niche. Some festivals screen only Canadian, only independent, or only short films, while others screen a combination of these. Contests, which can be competitive or non-competitive, are also used to differentiate between one film festival and another. Many festivals also have gala parties, panel discussions, special guests, workshops, and the list goes on. Because the term "film festival" cannot be easily defined, this report will review a variety of options that could be included in a film festival to assist in determining its feasibility.

Goderich has been home to the Livery Film Group for ten years. The Livery/Goderich Little Theatre (GLT) began running a fall and winter film series upon the creation of the Livery Film Group, screening three films per season. After several successful years of the film series, they created a two-day film festival, featuring five films and a popular Wrap Party, held in the spring.

The expectations for this report are to discover opportunities and encourage partnership discussions between several community groups. A partnership with the Livery/GLT is an obvious and desired choice, and this report may assist in expanding their current Spring Fling Film Festival or in the creation of an entirely new film festival, or both.

INDUSTRY

A film festival is a sub-section of the film industry. The film industry is a very large and complex industry, which has faced many challenges in Canada throughout history. The Canadian film industry includes production, distribution, and theatrical screening. Each of these areas strengthens the industry and can make it more recognizable and competitive.

PRODUCTION

Film Production in Canada has faced many challenges in the past, in particular with competition from Hollywood feature films. "Between 1910 and the late 1950s, Hollywood made more than 500 films with a Canadian theme, roughly 10 times the number of feature films Canadians made about themselves."⁷ In the last four years Canadian production has been on the rise, despite a 7% decrease in growth in 2008 due to the global recession⁸. From 2004 to 2008, Canadian production of television and film, made largely by independent production companies, grew by 14%. In 2008, despite the challenges brought forth by the recession, 75 theatrical feature films were produced and 131,600 jobs were created across Canada as a direct and indirect result of film and television production⁹.

DISTRIBUTION

Canadian film distribution can occur in a variety of ways. The first is through distribution agencies and companies, both privately and publicly owned. The Canadian Filmmakers Distribution Centre is an example of one of Canada's non-commercial distributors, which represents about 550 filmmakers and 2600 titles¹⁰. The other form of distribution occurs through attendance at

⁷ Magner, T. (2009). The film industry. *The Canadian Encyclopedia*.

⁸ The Canadian Film and Television Production Association. (2009). *Profile: An Economic Report on the Canadian Film and Television Production Industry*.

⁹ Ibid.

¹⁰ The Canadian Filmmakers Distribution Centre website. <http://www.cfmdc.org/home.php>

international film festivals. The Toronto International Film Festival (TIFF) is Canada's largest and most prestigious film festival, and has a distribution channel described as an unofficial market. The unofficial market, or sales office, consists of facilitated meetings and support provided by the festival to dealmakers in the industry. Generally, dealings are limited to the films participating in the festival¹¹. The Toronto International Film Festival also has a subsidiary group known as the Film Circuit, which distributes films to remote parts of Canada that would not normally screen them. This is how TIFF has begun to distribute films beyond what is screened at their annual festival. In 2008, Film Circuit generated direct revenues of \$2.2 million for Canadian distributors and exhibitors¹². These Film Circuit groups, including the Windsor International Film Festival, Cinefest Sudbury, and Stratford's DocFest, could act as competition to a Goderich film festival. The Livery's Spring Fling Film Festival is also a Film Circuit group and so it is likely that the creation or the expansion of a Goderich film festival would be a part of the Film Circuit as well.

THEATRICAL SCREENING

The theatrical screening segment is a very successful piece of the Canadian film industry. In 2007, overall box office revenue was \$919.6 million, which represents a growth rate of 6.8% from the previous year. Of that box office total, only \$26.3 million was attributed to Canadian films, a 2.9% market share¹³. Figure 1: Box Office Revenues below illustrates the changes in Canadian theatrical trends since 2002.

¹¹ Secor Consulting. (2004). Analysis of Canada's major film festivals.

¹² Toronto International Film Festival Group Annual Report. (2008).

¹³ Telefilm Canada 2008-2009 Annual Report. (2009).

Box office revenues in Canada, by origin of production

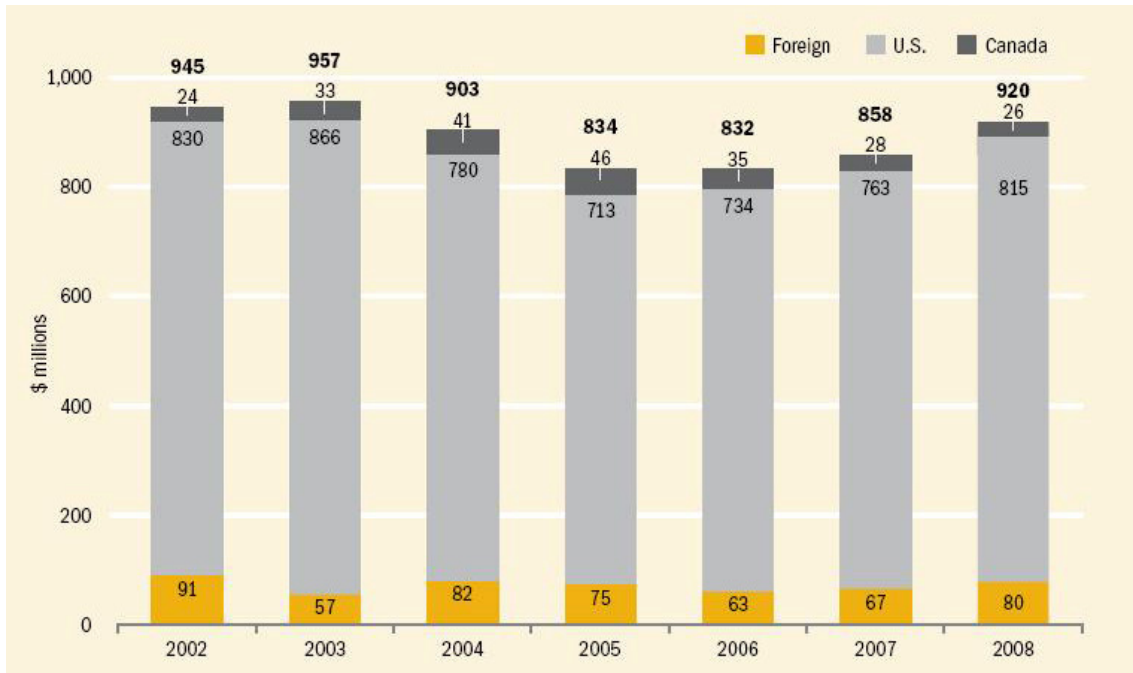


Figure 1: Box Office Revenues¹⁴

An increase in theatrical screenings also occurred through TIFF's Film Circuit, which as of 2008 had 205 separate film groups in 169 communities across Canada¹⁵. Of the 205 film groups, most are film series that generally take the form of 1-3 screenings per month for a fall, winter, or spring season. A select few of the film groups across Canada have film festivals. A film festival differs from a film series in that it takes place over a weekend, screens several films, and has additional activities including galas, parties, guest appearances, competitions, and so on. The Film Circuit's Collingwood Film Group had 9,728 people in attendance over the course of their season, and received recognition for being attendance leaders in 2008¹⁶. It is evident that any shortcomings in Canada's film industry are not attributed to a lack in viewing interest.

¹⁴ Telefilm Canada 2008-2009 Annual Report. (2009).

¹⁵ Toronto International Film Festival Group Annual Report. (2008).

¹⁶ Film Circuit Newsletter Winter 2009.

SUPPLY AND DEMAND

Like other traditional markets, the market for film festivals has a clear supply and demand. The major Canadian film festivals appeal more to the general public, as opposed to industry professionals, and a large portion of the general public in attendance are described as “movie buffs.”¹⁷ It is assumed that “movie buffs” and any other strong supporters of film would attend as many film festivals as possible in order to have the opportunity to see a wide variety of films. If this assumption is accepted and if the festival is within a reasonable distance of said “movie buffs” then there would certainly be a demand for a film festival in Goderich by these individuals. The fact that Goderich has already succeeded in running a profitable film festival and has attracted an audience for over 10 years would suggest that Goderich certainly does have a population of avid moviegoers and film supporters. The Goderich Livery Film Group’s Spring Fling Film Festival (SFFF) features an average of five films over two days in either April or May.

According to Mary Malone, a volunteer with the London Canadian Film Festival (LCFF), their festival has been put on hiatus as of this year due to supply chain issues. Ms. Malone stated, “We could not get the films we wanted from the distributors for our [festival] because they were holding them for commercial distribution.” She noted that there was no longer such a strong demand for a Canadian-only film festival due to the fact that Canadian films were becoming more mainstream and no longer depended on a festival for distribution¹⁸. For the Downtown Goderich Film Festival, supply chain issues such as these could be avoided through the Film Circuit and their reliable distribution channels. On another note, a volunteer from the Ancaster Film Fest has reported that they have had to turn away people interested in buying memberships, in order to reserve enough theatre space for the usual

¹⁷ Secor Consulting. (2004). Analysis of Canada’s major film festivals.

¹⁸ M. Malone, personal communication, October 19, 2009

walk-in attendees¹⁹. The act of turning people away combined with the groups' future plans to extend the festival by running a two- or three-day festival suggests a strong demand for a film festival in the Ancaster area.

Overall, the expansion of the Film Circuit, having to turn customers away at the Ancaster Film Fest, and the increased commercial success of Canadian films are positive signs of demand. All of this indicates more interest in film festivals and the types of films that they present. The warning from the London Canadian Film Festival (LCFF) should not be overlooked however, especially because of the proximity of London to Goderich. What can be taken from the experience of the LCFF is that it would not be feasible for the Downtown Goderich Film Festival to attempt to be a Canadian-only film festival. In fact, it may also be a warning to avoid a niche film market all together. The LCFF ran into supply chain issues because of their restrictive criteria of Canadian films. A concern regarding the supply of film festivals across Canada is the potential over-saturation of the market. Although there is still potential for market expansion at this time, if the Film Circuit continues to grow at its current rate it could affect the future success of a Goderich film festival. In order to diminish this risk, a Goderich film festival should begin to create a brand identity as soon as possible to remain competitive during a period of high supply in the market.

¹⁹ J. D'Angela, personal communication, October 14, 2009

TARGET MARKET ANALYSIS

Film is a diverse narrative that has the potential to attract several different groups of people. A recent study discovered that 61% of Canadians attended a movie theatre within the year²⁰. The target market for a Downtown Goderich Film Festival has been divided into three market segmentations below.

LOCAL SENIORS

Retired couples and seniors are a part of the target market for a Downtown Goderich Film Festival (DGFF) because they have time, disposable income, and interest in cultural activities. They have also been identified as being a large part of the audience-base at other film festivals, and there is a large representation of this market segmentation in the region.

Spending patterns are generally good indicators of consumer behaviour and can be useful in determining target markets by demonstrating who is spending. Over the past 20 years, the number of senior couples who report spending on recreation and entertainment services has increased from 68% to 93%²¹. This demonstrates that seniors are in better health and financial position now than 20 years ago, and are more willing to seek entertainment outside the home.

Organizers from Film Night International, Muse International Fine Films, Chatham-Kent Film Group, and the Woodstock Art Gallery Film Festival all specifically stated that seniors made up a significant part of their audience. Of the groups interviewed that offer multiple viewing times, including both the Ancaster Film Festival and the Collingwood Cinema Club, it was stated that their early screenings, 4:00 p.m. in both cases, attracted an audience represented mainly by seniors.

²⁰ Hill Strategies Research Inc. (2008). Factors in Canadians' Cultural Activities.

²¹ Canada's Office of Consumer Affairs. (2007). Chapter 9: Consumer Spending.

This market segment is advantageous for a Downtown Goderich Film Festival because 21.6% (1,635 people) of the population of Goderich is aged 65 and older compared to 13.6% in Ontario²². In the next immediate market for attendance, Huron County, 17.9% (10,615 people) of the population falls under the same age group, still a significantly higher representation than Ontario's average²³. It is important to have a strong local representation of the target market to ensure that the festival would be able to sustain itself without relying on the inconsistencies of the tourism industry. This would allow the festival to survive a slow season or a dip in the economy when fewer people are travelling, especially because seniors are generally loyal consumers.

To cater to this target market, early screening times should be considered. Various film festival volunteers stated that their senior members prefer an earlier screening so that they can go out for dinner after the film or avoid driving home in the dark. Marie O'Connor, an organizing member of Muse International Fine Films located in Peterborough, Ontario, mentioned that their senior-based audience has shown a preference towards English period pieces and romance films. This is also confirmed by a study which suggests that as men age they begin to have more of a preference towards the romance genre than younger men do. This same study reports drama as the most popular genre for both men and women over the age of 50²⁴.

²² Statistics Canada. (2007). Goderich, Ontario (table). *2006 Community Profiles*, 2006 Census.

²³ Statistics Canada. (2007). Huron County Health Unit (table). *2006 Community Profiles*, 2006 Census.

²⁴ Fischhoff, S. et al. (1998). Favourite films and film genres as a function of race, age, and gender.

YOUTH INVOLVED IN THE ARTS

Many film festivals and film groups across Ontario have identified the youth market as one worth pursuing. Some groups have already begun to see a slight shift in their audience to a younger demographic. Most commonly, the youth who would be interested in attending a film festival would be those who have pre-existing interests in performing arts, film, or music. Movie theatre attendance is very high among the younger demographic which suggests that this group does have the capacity to spend money at a film festival.

In 2005, 87% of Canadians between 15 and 24 went to the movies²⁵. This represents a clear demand and interest by young Canadians in film. Movie theatre attendance was higher in the age-group category than any other factor considered in the study, including demographic and non-demographic factors. However, the next nine indicators were all non-demographic factors. The study suggests that those people who participate in other cultural activities, such as attending festivals, downloading music, attending live theatre performances, and visiting a museum or art gallery are more likely to go to the movies²⁶. Therefore, youth who are involved in other culture-related activities would be the most likely group to attend a Goderich film festival.

As of 2006, 12% of the population in Goderich, compared to 13.4% of the population of Ontario, fell between the ages of 15 and 24²⁷. Although this group has a slightly lower representation in Goderich than other parts of the province, there are still 910 residents in this age group. There are approximately 8,600 secondary school students in both the Avon-Maitland District School Board and the Huron Perth Catholic District School Board²⁸.

²⁵ Hill Strategies Research Inc. (2008). *Factors in Canadians' Cultural Activities*

²⁶ Ibid.

²⁷ Statistics Canada. (2007). Goderich, Ontario (table). *2006 Community Profiles*, 2006 Census, Statistics Canada. Catalogue no. 92-591-XWE

²⁸ Ministry of Education. (2008). *School Board Profiles. Government of Ontario, Canada.*

Within each school, there are bands, choirs, drama clubs, and many other arts programs. For the six years leading up to 2007, Central Huron Secondary School even had a special digital media studies course where students planned and organized a student film festival. The IMAGO Student Film Festival hosted about 50 students coming from schools in Owen Sound, Kitchener-Waterloo, Stratford, London, Kincardine, Goderich, and Sarnia²⁹. There are many young people across Southwestern Ontario who participate in arts programs and would be interested in attending a film festival.

Many of the film groups in Southwestern Ontario have reported that the majority of their audience are seniors. However, it is interesting to note that those film groups which offer later screening times reported that they do receive a younger demographic in addition to their older clientele. Julian D'Angela, executive director of the Ancaster Film Fest stated, "The majority of our attendees at our 4:00 p.m. screening are seniors with a slightly younger audience at the 7:15 p.m. screening. We're hoping to increase the number of young adults and even older teenagers attending [in the future]." A volunteer from the Collingwood Cinema Club has also stated that they receive significantly more young people to their 9 p.m. screening³⁰. The Collingwood Cinema Club is one of the few groups that offer three separate screening times: 4:30 p.m., 7:00 p.m., and 9:00 p.m. Both of the groups mentioned above have consciously attempted to cater to a younger demographic and as a result, are among the only groups that have succeeded in this respect so far. This suggests that with proper programming, there is potential to attain an audience from this younger market segment.

Different considerations need to be made to cater to this target market, including later screening times. Unlike the seniors that attend the 4:00 p.m. screenings, a number of young people have full-time or after-school jobs which would prevent them from attending an early screening. The later the

²⁹ S. Oliver, personal communication, October 21, 2009.

³⁰ B. Christianson, personal communication, October 19, 2009.

screening time, the more likely a younger audience would be available to attend. Another important programming consideration for this group is genre preference. A study of film preferences has reported that young people between 13 and 25 years of age identified drama and action-adventure as their favourite two film genres. Of the male and female respondents who participated in this study, 23% reported drama as their favourite genre and 20% reported action-adventure as their favourite genre³¹.

PARENTS WITH TEENAGERS OR EMPTY NESTERS

Parents with teenagers and empty nesters have been identified as a target market for a film festival because they have the flexibility of going out for the night without having to worry about babysitters. Adults in this market segment would be between the ages of 45 and 65 and are likely in their prime earning years. A film festival would be a desirable choice of entertainment for both couples and groups of women in this age group.

A volunteer from the Chatham-Kent Film Group has noted that their group has seen a gradual shift over the past three years to a younger demographic, moving beyond the seniors-only crowd³². The consuming behaviour of this age group, 35 to 55 years of age, has predominantly been to pay the premium ticket price at the door instead of purchasing season tickets³³. This has been a common trend because of the busy lifestyles of this group; however, it is much more noticeable for monthly film series than for weekend film festivals.

In Goderich, there are 2,210 residents between the ages of 45 and 65, representing 29% of the total population³⁴. The population break down is mirrored in Huron County, with 28.1% (16,650 people) of the population

³¹ Fischhoff, S. et al. (1998). Favourite films and film genres as a function of age, race, and gender.

³² A. Duchene, personal communication, November 6, 2009

³³ Ibid.

³⁴ Statistics Canada. (2007). Goderich, Ontario (table). *2006 Community Profiles*, 2006 Census, Statistics Canada. Catalogue no. 92-591-XWE.

represented in this age group. Within this market segment, there are two sub-groups that could be a part of the target market for a film festival: groups of women and couples. At the Livery Film Series, there are more women than men in attendance³⁵. Generally, women attend events and festivals together in groups as a social outing, and therefore could easily be a targeted market segment for the Downtown Goderich Film Festival. Couples of this age group can also be expected to attend the festival as a social outing. About 70% of money spent on entertainment services in Canada comes from husband-wife households³⁶.

In general, this age group and market segment may need more incentive to attend the film festival than seniors do. There are many entertainment choices available for this market segment, including live theatre performances, big blockbuster films, dinner in up-scale restaurants, and so on. In addition to the many entertainment choices available, some people have volunteer or work commitments as well as full family schedules. Marketing will be vital to attaining an audience from this group, because they are coming out of the busiest time of their lives with young children and have a wide range of interests. It is important to clearly identify why the film festival would be the best option for them from an economic perspective as well as in their use of leisure time.

³⁵ N. Reynolds, personal communication, October 7, 2009

³⁶ Stafford, J. (2003). Consumer demand for entertainment services.

COMPETITION

One of the most important rules of business is to know your competition. This section will identify the different competitors that a Downtown Goderich Film Festival (DGFF) might have to face. The list includes both direct and indirect competition.

DIRECT COMPETITION

Competition can be either direct or indirect. The direct competitors to DGFF could be other film festivals in surrounding locations. The likeliest competitors would be similar in size and budget and would be relatively close to Goderich. Figure 2 below, indicates the size of six film festival within 250 km of Goderich by budget.

Film Festival	Annual Budget
<i>Livery's Spring Fling Film Festival (2008-2007 average)</i>	\$4,200
<i>Meaford International Film Festival (2009 festival)</i>	\$30,000
<i>Windsor International Film Festival (2009 festival)</i>	\$70,000
<i>Stratford DocFest (2009 government grants only)</i>	\$82,000
<i>Grand River Film Festival (2009 festival)</i>	\$100,000
<i>Toronto International Film Festival (2008 festival)</i>	\$19,750,000

Figure 2: Film Festival Annual Budgets

The biggest direct competitor to DGFF could be Stratford's 3rd annual Documentary and Digital Media Festival, also known as DocFest. This year's Stratford DocFest took place on October 22 to 25 and it is scheduled for the same weekend in 2010. In 2009, Stratford had a number of financial advantages in receiving roughly \$82,000 in provincial and municipal funding³⁷. Not only does Stratford's large budget seem to make it tough competition for a Goderich film festival, but its location does as well. Stratford's proximity to Goderich may make the two festivals interchangeable

³⁷ O'Connor, D. (2009). Stratford to host DocFest this October. *Sentinel Review*.

for people wishing to attend a film festival. The focus of the Stratford DocFest is documentary films and digital media. The festival featured nineteen films, two short films, a "No Boundaries" one-day intensive student workshop, and question/answer sessions with various directors and actor William Shatner.

Another direct competitor to the DGFF could be the Grand River Film Festival in Cambridge, Ontario. In the 2009 season, the Grand River Film Festival featured seven full length films, screened a series of documentary films called the Hobo Film Fest, hosted a "Short Shorts" Film competition, and ran a number of workshops, panels, and demonstrations as a part of a program called "Indie Lounge". The main limitation to the Grand River Film Festival is that they do not have a permanent home in a local theatre or the projection equipment to screen films on 35mm. This is a great disadvantage, because it restricts the choice of films they can screen to only those released on DVD. The organizers of the festival have made it clear that their next step is to raise money to purchase high quality projection equipment to provide their audience with films that would be harder for them to acquire on their own accord³⁸. Goderich may have a slight advantage over the Grand River Film Festival by being able to utilize a well-equipped commercial theatre to host a festival, through the co-operation of the private owners. Cambridge's Grand River Film Festival is a possible, but more distant, alternative to DGFF. An area of strength for the Grand River Film Festival is the expertise of the festival's founder and artistic director, Ken Nakamura, who has been involved in the film industry for 20 years. He was able to secure the Academy Award winning director, Mr. Yojiro Takita, for "Best Foreign Language Film," *Departures*, to participate in question/answer sessions, the Indie Lounge, and the Closing Gala³⁹. The Grand River Film Festival occurred on the 4th weekend of October, the same weekend as the Stratford DocFest.

³⁸ Hill, V. (2009). Grand River Film Festival ready to roll. *The Record*.

³⁹ Grand River Film Festival website. <http://www.grff.ca/>

The Meaford International Film Festival (MIFF) could also be a direct competitor to a film festival in Goderich. However, Meaford is about a two-hour drive from Goderich, which would make MIFF and DGFF substitutes only for those audience members willing to travel far distances to attend a film festival. The Meaford International Film Festival has an advantage in the date of their festival: Labour Day weekend. This date has proved to be successful because they receive a lot of Labour Day traffic and tourists in their area for the last weekend of the summer⁴⁰. Also, it occurs the week prior to the Toronto International Film Festival, so it provides an opportunity for people to see films in Meaford before their peers see the film in Toronto. Another strength of the Meaford International Film Festival is the venue. The Meaford Hall is a spectacular building, which seats about 300 people in the Opera House and has theatregoers descend into a gala party after the screening. The focus of MIFF is on creating an ambience much like that of TIFF, Cannes, or Sundance. It always has a gala party following the nightly film premiere.

The Stratford DocFest, Grand River Film Festival, and Meaford International Film Festival are all displayed in Figure 3: Map of Southwestern Ontario Film Festivals, on the following page. This map displays seven film festivals of significant size in the region. The closest film festival to Goderich is about 75 km away in Stratford. The map clearly indicates a geographical void, and an opportunity for a large-scale film festival in Goderich.

⁴⁰ M. Anderson, personal communication, October 9, 2009

Southwestern Ontario Film Festivals

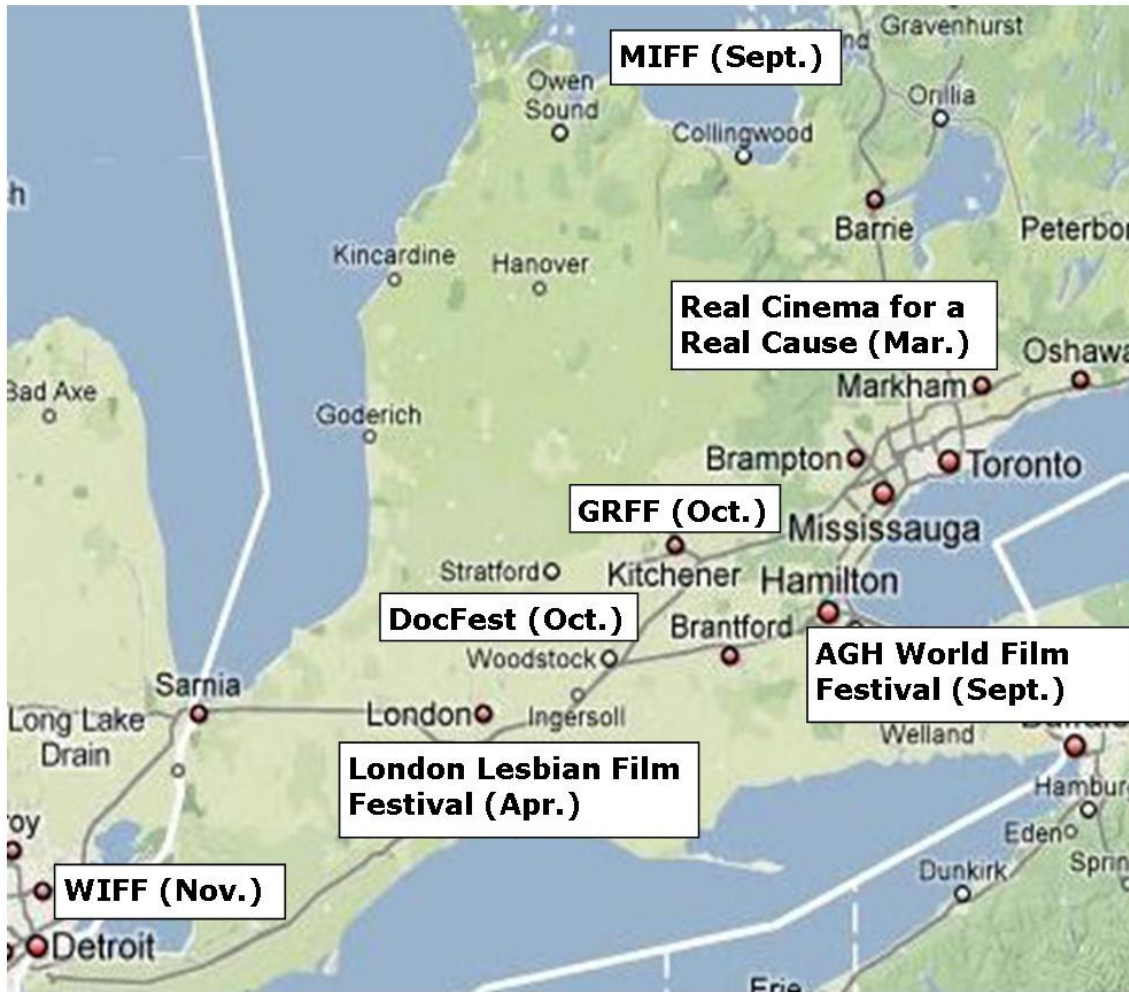


Figure 3: Map of Southwestern Ontario Film Festivals

INDIRECT COMPETITION

There are numerous individual indirect competitors which could be competitors to a Goderich film festival. Indirect competition to DGFF would include all of the other entertainment options available. This type of competition could include live theatre performances, professional sporting events, movie theatre admission, DVD rentals, concerts, and even trips to the museum. Consumers have a limited amount of disposable income, and from that, a budgeted amount that they are willing to spend on entertainment. On average, Ontario families spend \$913 on entertainment services annually, about 1.6% of their annual household budget⁴¹. The entertainment services included in this figure are for cable, satellite, bingo, casinos, movie theatre admission, sporting events and movie and videogame rentals. "All provinces except Ontario had larger consumer markets for rentals of videotapes and videodiscs than they did for movie theatre admissions⁴²." This suggests that Ontario residents are more likely to seek entertainment services outside of their homes than residents of other provinces. For a film festival to be successful, the target market identified must choose to actually attend the festival. In some cases, this might require them to choose attending the film festival over attending an ordinary blockbuster film at the theatre or attending a live production. A critical consideration is the "value-added" component that a film festival must provide to an audience.

COMPETITION STRUCTURE

Identifying the type of market structure that best suits a film festival will clarify how the market will relate to its competitors. A film festival in Goderich would fit under the market structure title of monopolistic competition. A defining characteristic of monopolistic competition is that

⁴¹ Stafford, J. (2003). Consumer demand for entertainment services [Electronic version]. *Analytical Paper Series*, Service Industries Division, Statistics Canada. Catalogue no. 63F0002XIB no. 42

⁴² Ibid.

goods or services offered are similar but not the same. This type of market is what makes advertising so important. As previously mentioned, no film festival is the same as another, and it is the ability to create a unique festival that makes film festivals fall under this competitive model.

Monopolistic competition is also responsible for the level of competition and substitution effect between two film festivals. For example, this past year both the Grand River Film Festival (GRFF) in Cambridge and the Stratford DocFest occurred on the same weekend. The festivals even screened one of the same films, but according to founder and artistic director, Ken Nakamura, DocFest was not seen as competition to GRFF. Cambridge and Stratford are less than an hour's drive away from each other and based on the 2009 success of DocFest, which was two to three times bigger than last year⁴³, it is assumed that DocFest did not find GRFF to be a competitive threat either. This is a significant advantage to monopolistic competition, and it explains the popularity of the film festival "season" in Ontario, indicating that film festivals do not shy away from potential competition.

Another advantage to this type of market includes the control that individual film festivals have over ticket prices. Because the services available are not exactly the same, the price is not completely controlled by the market. This allows for flexibility in terms of the pricing strategy for a Goderich film festival. Specific detail of the pricing strategy will be discussed in the Marketing and Sales Strategy section of this report.

Monopolistic competition, by definition, includes a market that is somewhat difficult to enter with significant barriers to entry. Fortunately, the Downtown Goderich Film Festival would not be required to incur extreme capital start-up costs, unlike MIFF that purchased a \$75,000 projector, and GRFF that is seeking funding for a similar projector. However, barriers to entry do include:

⁴³ O'Connor, D. (2009, October 27). Rave reviews for second edition of DocFest. *The Beacon Herald*.

- Smaller population base: Some reliance on tourists and visitors to attend the festival and help make it profitable.
- “Brand Identity”: Brand designing would be needed in order to begin large-scale promotions to local and regional residents as well as to tourists and out-of-towners.
- “Intellectual” Barriers: Some competitors have strong connections within the film industry and therefore can call in favours to have directors, actors, and writers attend their festivals. Not having these types of connections could create a challenge for DGFF organizers.

Although barriers to entry have been identified above, it is possible to attempt to address these barriers and proceed with plans of entering into the film festival market. The festival should strive to use their smaller population base to their advantage by having high participation rates from local and regional residents. For example, Film Night International, a small film series in Smiths Falls, has over 3% of their catchment area population attend their film series annually⁴⁴. However, the Windsor International Film Festival, a larger festival with paid staff and corporate sponsors, gets less than 1% of their catchment area in attendance at their festival⁴⁵. If a Goderich film festival can get strong support from local residents to participate in the festival and help to sustain it, an opportunity may be created for the committee to begin targeting more tourists and travellers. Targeting tourists and out-of-towners would be successful with the use of a strong brand. Brand identity will take some time to become recognized, but developing the film festival brand should be a priority. See the Branding section for more details. In addressing the “intellectual barriers” a key to success would be in finding connections or incentives for potential celebrity speakers to attend. Efforts should be made to engage celebrities who grew up in the area to tap into their sense of “hometown” loyalty.

⁴⁴ F. Cunningham, personal communication, October 16, 2009

⁴⁵ P. Coady, personal communication, October 20, 2009

After addressing the barriers to entry, it is evident that the market can be both easy to enter and easy to exit. The film festival industry is easy to enter due to the impartial and secure access of distribution channels. All of the festivals associated with the TIFF Film Circuit have access to the same extensive list of films. It is also possible, as the Meaford International Film Festival has proven, to work independently from large players such as the TIFF Film Circuit, and still obtain competitive and comparable films. Low start-up costs are also responsible for the ease of entry into the film festival industry because the festival does not require any high-cost capital assets in order to get underway. This is a huge advantage because having very few sunk costs minimizes the financial risk involved. If necessary, the market would be easy to exit by scaling down or discontinuing the festival, without incurring widespread unrecoverable costs.

FESTIVAL COMPONENTS

There are many opportunities for expanding film festivals because a film festival is not clearly defined and does not need to follow a specific format. This section will identify several opportunities and ideas for structuring a festival in order to identify the best case for proceeding with a business model.

The major key to success for the Downtown Goderich Film Festival lies in creating an “experience”. This should be done not only by screening films, but by adding value through galas and parties, panel discussions, educational programs, short film competitions, question/answer sessions from industry professionals, and so on. There is much room for creativity and growth over time, and it is certainly conceivable that some components would be used for future development of the festival.

GALAS AND PARTIES

The first step in enhancing a film festival in most communities is through a gala because it is a natural extension of the festival. Some festivals, such as the Meaford International Film Festival (MIFF), see the gala as such an important extension of their film festival that they have one for each film they screen. The slogan for MIFF is “4 films, 4 nights, 4 parties.”

Galas can vary widely from one film festival to another. Galas at the Grand River Film Festival in Cambridge are very formal, and with tickets at \$100, appeal to an older, more financially sound market. Conversely, in the case of MIFF, the upgrade from the regular ticket to the gala is only \$7.50. The difference in pricing for these two festivals speaks a lot about their pricing model, target market, and festival image. Although it is relatively inexpensive to upgrade the movie ticket to include the Gala at MIFF, the party is still very well decorated and formal. Each gala sees attendance

around 150 people, over half of the total attendance at the film screenings⁴⁶. The “Reel Cinema for a Real Cause” film festival organized by Family Transition Place in Orangeville also noted the great success of their gala. The executive director of Family Transition Place, Norah Kennedy, reported the 2008 gala attendance at 150 people, which was more than the attendance at the festival’s closing night film⁴⁷. This indicates the allure and interest of a well-organized gala.

The Livery’s Spring Fling Film Festival also hosts a gala called the “Wrap Party” which has taken place at J’s Bistro for the past two years because of the “ambiance” of the restaurant⁴⁸. Cindy Morris, the manager of Film Circuit relations, stated that it is quite common among Film Circuit Groups to have a casual party on the Friday night and a more formal Gala on the Saturday night of a film festival. This is something that could be considered for the Downtown Goderich Film Festival (DGFF) as a way of targeting different groups. A formal, more expensive gala on opening night may appeal to the older crowd and may be better suited to a serious film or drama. A casual, less expensive after-party on Saturday night could target the younger crowd or families attending with children. The theme of the party should relate to the feature film. For example, a comedy on Saturday night would be a good precursor for a casual after-party.

QUESTION/ANSWER SESSIONS

Having directors, writers, actors, editors, or other industry professional involvement is generally the next step taken by organizing committees to enhance their film festivals. The presentations by special guests often occur at the gala functions or directly after the screening of the film. Most major film festivals strive to have celebrated guests commit to attending, because it has proven to draw an audience and attract media attention.

⁴⁶ Martin, S. (2009, September 8). Walking the red carpet at the Meaford International Film Festival. *The Blue Mountain Courier-Herald*.

⁴⁷ N. Kennedy, personal communication, October 19, 2009

⁴⁸ B. Wolf, personal communication, November 11, 2009

For the 2009 second annual Stratford DocFest, one of the many special guests that the festival organizers secured was William Shatner. Although his was not the only star appearance at the festival, he was the most publicized, which shows the impact that the right guest can have on the success and turnout of a film festival. Similarly, one of the main appeals to the Toronto International Film Festival (TIFF) is the celebrity sightings. Many festival-goers agree that celebrity sightings are one of the top reasons to attend the film festival or to be in the city at the time of the festival.

Having a special guests attend a film festival is easier said than done. Many festival organizers will tell you that landing special guest appearances is all about your contacts. The Grand River Film Festival organizer, Ken Nakamura, has been working in the film industry for over 20 years, and believes that his industry contacts have been invaluable to his experience booking special guests and industry professionals for his Indie Lounge program. There needs to be a reason for the guest to attend, especially if he or she will be travelling a long distance. After all, the visit by William Shatner to DocFest was a combination of his personal history in starting his career in Stratford and the ambition of DocFest's executive producer, Craig Thompson. "He got Shatner's phone number and talked to him directly on the phone⁴⁹."

The benefits of having special guest appearances are so great that Goderich should consider special guests as a top priority. Programming may eventually be derived from the availability of a certain director or actor. Also, if a special guest is not available to travel to Goderich for the film festival, i-conference technology could be used for live interviews. In the first year of the Meaford International Film Festival, live interviews were arranged with three separate directors for a question/answer session through internet technology⁵⁰. Another option would be inviting a special guest or professional who is not necessarily connected to a particular film but may be able to speak to a

⁴⁹ O'Connor, D. (2009). Stratford to host DocFest this October. *Sentinel Review*.

⁵⁰ Woodhouse, S. (2007, September 5). First Meaford film festival gets rave reviews. *Meaford Express*.

related topic. This could include a special guest speaking about the trends in film, the move away from large corporate productions to independent productions, or the process of film location selection and the potential for Goderich to be selected.

EDUCATIONAL PROGRAMS

Educational programs associated with film festivals are on the rise. Programs can be geared towards elementary school children, high school students, adults, or all of the above. Existing film festival workshops and educational programs include, Stratford DocFest's "No Boundaries", MIFF's "MY Film Studio", and GRFF's "Indie Lounge".

The No Boundaries workshop is a one-day intensive digital media program for senior high school students. Students who participate in this program are given digital video cameras, editing software, and internet access in order to create a 1-2 minute film to use in their personal portfolios⁵¹. The goal of the workshop is to expose students to digital media technology and to give them hands-on instruction to prepare them for post-secondary education or a career in the digital media field. In 2008, 150 students participated in this workshop⁵².

On a smaller scale, only nine students participated in the MY Film Studio program in partnership with the Meaford International Film Festival (MIFF) and the Grey-Bruce Arts Collective⁵³. This program is a two-week course open to youth between the ages of 12 and 18 years old. The program gives participating students the opportunity to write scripts, schedule filming, plan and shoot the film, and participate in the editing process. Throughout the course students also learn about acting, lighting, and continuity⁵⁴. The course

⁵¹ Meyer, Jon. (2009, September 13). Stratford's DocFest wants to inspire youth. *Bayshore Broadcasting News Centre*.

⁵² Stratford Documentary and Digital Media Film Festival website. <http://www.docfeststratford.ca/>

⁵³ R. Shank, personal communication, September 28, 2009.

⁵⁴ Ibid.

takes place during the summer and as a finale the films produced are screened prior to a feature film.

The Indie Lounge, a significant part of the Grand River Film Festival, is different from other educational programs because it is not limited to students. In fact, according to Ken Nakamura, the majority of participants in the Indie Lounge were adults. The Indie Lounge featured panel discussions and workshops presented by industry professionals. Some of the topics discussed were editing, funding, distribution, licensing, using digital equipment, and art direction. The program was scheduled for two full days and occurred on the Saturday and Sunday of the festival.

An educational program should strive to become as recognizable as class trips to the Stratford Festival for English and Drama courses. Art Soup is another successful example of a student program in Simcoe. Established in 2000 and in partnership with the Grand Erie District School Board, this program is a one-day festival that offers workshops and sessions for elementary students with local artists. Between 800 and 1000 students participated each year and the program became a compulsory field trip⁵⁵. Having an educational program become a compulsory event for students has many benefits to the festival. Most importantly, it becomes a recurring and reliable form of revenue and something students begin to look forward to.

Because educational programming is in the early stages of development in combination with film festivals, there is an opportunity for DGFF to differentiate itself from the rest. The impacts of educational programming include the obvious benefits to students by exposing them to arts, culture, and social issues through the media of film. From a business perspective, positive benefits would be spurred from having students in town for the day. Students would likely be sent with lunch money to spend in Downtown restaurants and may have enjoyed their visit enough to come back for the

⁵⁵ R. Demerling, personal communication, September 20, 2009

longer whole weekend festival with their families. The program in turn would act as an advertising strategy, because if students are being sent home with permission slips to attend DGFF, the word will be spread to all of those families in other communities. Children play a major role in their family's travel destination decisions. Having students from further afield come to a film festival in Downtown Goderich may act as a promotional tool and may provide another reason for Goderich to be a future family vacation destination.

SHORT FILM COMPETITIONS

Short film competitions can be the main focus of a film festival or a supplementary piece of programming. Short film competitions can vary in the quality of work presented: amateur or professional, student or adult. The short film competitions are not common among Southwestern Ontario film festivals.

The closest potential competitor to Goderich is the Short Shorts Competition, at the Grand River Film Festival (GRFF). This competition has been in existence for only two years and received 40 entries this past year, which demonstrates the high amount of interest this program has stirred⁵⁶. This past year, they received a submission from a Vancouver resident, who ultimately had to be disqualified due to the rules and restrictions detailing that the competition is only open to Ontario citizens⁵⁷. The structure of GRFF's short film competition was to have two categories under which filmmakers could make submissions. There was an "Open" category and an "Under 18" category.

Another example of a successful short film competition is through the Nickel Independent Film Festival out of St. John's Newfoundland. This festival will be celebrating its 10th anniversary next year and is an outlet for all types and

⁵⁶ Hill, V. (2009) Grand River Film Festival ready to roll. *The Record*.

⁵⁷ K. Nakamura, personal communication, November 13, 2009.

genres of independent film including shorts, documentaries, full-length features, and music videos. This is an example of a more professionally geared festival, which does not separate categories based on age or level of experience.

For the Downtown Goderich Film Festival (DGFF), an option could be to include a short film competition as a part of its educational program. A more professionally geared competition is recommended as a future extension of the film festival, but not upon initial start-up. There are possibilities for organizing this type of festival component with the help of partnerships with community groups such as the “Engaging Huron’s Youth in Arts and Culture” (EHYAC) Program operated by the Heritage and Cultural Partnership. This program has a section based around music, visual arts, and filmmaking. In the filmmaking section of the program students learn idea creation, script writing, filming, and editing⁵⁸. A Goderich film festival represents an opportunity for those student-made films to be screened publicly at the Park Theatre and to be viewed by a regional audience. As the EHYAC Program grows and more students become involved, there is a possibility of creating a partnership between EHYAC and DGFF, and ending the program with a friendly competition. Screening of student films could possibly occur at the Huron County Museum for the duration of the weekend festival.

PANEL DISCUSSIONS

Panel discussions are presented uniquely by different film festivals. Some are a big affair with special guests and media representatives and a large number of participants. Alternatively, film discussions can take place in a relaxed setting with a member, special guest or volunteer, to lead the discussion and allow an outlet for people to discuss their opinions and reactions to the film they just watched.

⁵⁸ Scott, D. (2009, September 30). Youth film program debuts soon. *Goderich Signal Star*, p. 17.

The leading competitor of organized panel discussions is the Grand River Film Festival. GRFF has faced the challenge of not having a permanent home for screening their films, which has led them to increase their additional programs, such as the Indie Lounge. The Indie Lounge, which has been previously mentioned as an educational program, also features panel discussions. A number of industry professionals are normally present to share their wisdom and experience through discussion. A different sort of panel discussion would be the example at DocFest where William Shatner's question/answer period was more of a press conference. These two examples are good illustrations of the extreme variations in hosting panel discussions as a part of a film festival.

An option discussed by members of the Livery Film Group is that Goderich could host a panel discussion that is less of a "panel" and more "discussion". This would include a group of people getting together after a screening to discuss a controversial film.

COMPONENT VIABILITY

All of the possible components of a film festival presented above are pieces that could fit together to generate additional revenue for a Goderich film festival. The main draw to the film festival will be the actual films being screened and, therefore, box office ticket sales will be the largest single revenue generator. The creation of an education program where students could come to participate in a mini weekday festival is strongly recommended. This would present an opportunity to increase ticket sales, create higher box office revenue and broaden the scope and reach of the festival. After box office ticket sales, gala ticket sales are the next highest revenue generator. A Goderich film festival should include a minimum of two gala events or after-parties. Also, it is always advisable to have special guests in attendance to increase the profile of the event. Although it is harder to track the direct impact of special guests to a festival, the additional media attention alone is invaluable to the promotion of the film festival.

In the initial launch period, attendance figures will likely not reach their full potential. Yearly attendance figures are expected to be 80% of theatre capacity, averaged over the first three years. This is based on similar start-up trends at the Meaford International Film Festival (MIFF), and would generate box office sales of approximately \$11,600 per year. Implementation of a student program at the same attendance rate would generate estimated revenue of \$5,000. Also, by hosting one formal gala and one casual after-party, expected revenue from both is \$4,500. This is based on 100 people in attendance at each event, slightly lower than gala attendance at MIFF in Meaford and "Reel Cinema for a Real Cause" in Orangeville. Overall, revenue generated from ticket sales for box office, galas, and education programs will be approximately \$21,100.

Government funding will be important during the start-up period to cover expenses that will later be covered by increased attendance figures and festival components, as the DGFF continues to develop and mature. Sponsorship will also be important to the success and progress of the film festival. Sponsorships are expected to increase after the initial launching period, at which point, sponsors will be able to justify support through historical audience trends and tracking. The film festival organizers should track not only the attendance figures but also the audience demographic through surveys or comment cards available at screenings and events. These statistics will prove useful for future sponsor recruitment, because there will be proof that the sponsors' target market will be exposed to their advertising during the festival.

OPERATING REQUIREMENTS AND LOGISTICS

This section provides an overview of some of the logistical requirements that will need to be considered for the Downtown Goderich Film Festival. Scheduling, locations and venues, and the date of the festival are all discussed. Figure 4: Tentative Schedule of Events, below, outlines typical schedule assumptions that these logistical requirements are based on.

Tentative Schedule of Events

Friday

10:00 a.m.	Student Buses Arrive
10:30 a.m.	First Film
12:15 p.m.	Lunch Break
1:00 p.m.	Second Film
2:30 p.m.	Q&A with Special Guest and Educational Presentation
4:00 p.m.	Student Buses Leave
7:00 p.m.	Opening Night Film Premiere and Q&A with Special Guest
9:00 p.m.	Opening Night Gala

Saturday

12:30 p.m.	Film
2:30 p.m.	Break
3:00 p.m.	Film
5:00 p.m.	Dinner Break
7:00 p.m.	Film
9:00 p.m.	Casual After-Party with Special Guest

Sunday

Noon	Student Films Screening at the Museum
2:00 p.m.	Film
4:00 p.m.	Break
5:00 p.m.	Closing Film
7:00 p.m.	Closing Night Dinner Party

Figure 4: Tentative Schedule of Events

SCHEDULING

Generally, people do not want to be inside a dark movie theatre for the entire day. However, the allure of a film festival is being able to see a large number of films in a short period of time. Short breaks should be allotted between films in order to give viewers a chance to get some fresh air. As one goal of hosting a film festival in the Downtown is to encourage business there, breaks should be structured so that people will walk around The Square instead of getting in their cars and leaving. This would present a great opportunity for local businesses to offer special deals for festival-goers. Local restaurants, coffee shops, and bakeries should be encouraged to distribute coupons as people exit the theatre for break, to direct customers to their shops.

There is a lot of room for expansion of the educational program to earlier in the week. Additional educational programs could be extended to Wednesday and Thursday without causing logistical problems for theatre bookings. The advantage of Fridays for educational programs is that special guests could make presentations both during the day and at the night-time premieres. Expanding the educational programs to Wednesday and Thursday could increase the cost for guest speakers.

Deadlines and timelines are organizational issues that will need to be addressed far in advance of the actual date of the film festival. One example includes the programming and booking of films. According to Cindy Morris, the manager of Film Circuit relations, groups should begin to look at programming about three months prior to the festival. She also stressed that this does not mean the schedule needs to be set in stone. In fact, programmers prefer working with groups that are flexible and who may be willing to adjust their programs if a better suited film becomes available in the weeks leading up to a festival⁵⁹. For promotional purposes, last minute

⁵⁹ C. Morris, personal communication, November 13, 2009

changes are not encouraged because of the importance of press releases and advertising leading up to the event. As soon as the program has been set and the films have been secured, promotional information should be printed. This allows for the greatest amount of advertising time and exposure to target audiences.

VENUES AND OPTIMAL LOCATIONS

The home and primary location for the Downtown Goderich Film Festival should be the Park Theatre located at 30 Court House Square. The Park Theatre would be the optimal venue for all six feature films as well as for the two films screened during the day as a part of the educational program. The Theatre has two screens, each with a capacity between 250 and 300 people. Because of the nature of the film industry, theatre availability for primetime or weekend bookings for the date preferences of DGFF is limited to the spring season and the fall season for the months of September and October only. The theatre can have contracts with distribution companies that may restrict the theatre to screening only their films during the opening weekend⁶⁰. This is an important logistical challenge that must be considered in the final scheduling decisions. Rental costs for the Park Theatre would range from \$200 to \$300 per booking/screening⁶¹. The pro forma budget has allocated \$2000 for theatre rental charges for the entire length of the festival. Please refer to Appendix: Pro Forma Budget for full budget details.

The other location of importance for DGFF is the Huron County Museum located at 110 North Street. The Huron County Museum is an excellent location to screen smaller productions and to potentially showcase student films created as a part of the Engaging Huron's Youth in Arts and Culture program. The theatre in the Huron County Museum has a capacity of 58 people⁶². One restriction of note for this theatre facility is the lack of

⁶⁰ J. Lyons, personal communication, November 13, 2009

⁶¹ Ibid.

⁶² J. Allin, personal communication, November 17, 2009.

technology to screen 35mm films and the subsequent restriction to screening films only available in DVD format. The cost of renting the theatre ranges from \$10 to \$35 per hour based on the time of the event. The pro forma budget has allocated \$500 to museum rental fees. Theatre rental is free of charge to the County of Huron and to Community Heritage Partners, a benefit which may be applicable to this film festival depending upon the success of partnership initiatives.

DATE OF FESTIVAL

One of the major goals for this project is to promote business in Downtown Goderich during the shoulder seasons. In following that mandate, the possibility of hosting a film festival in the summer months will not be considered. The winter months have also been disqualified because of the unpredictable weather, the disincentive for the audience members to walk around The Square, and the tendency for people to stay at home during the cold winter months. As a result, the possibilities of dates for DGFF are either the spring or fall seasons, and there are advantages and disadvantages for both. Figure 5, on the following page, indicates the other film festivals in Ontario and where and when they take place. Budgets and number of attendees are also included for some festivals where information was available. The chart clearly shows the trend of other Ontario film festivals, with two thirds of the festivals taking place in the fall season.

Ontario Film Festivals

Festival Name	Date	Attendees	Budget
<i>Kingston</i> Canadian Film Festival	Feb. 25- Mar.1, 2009	N/A	N/A
Canadian International Annual Film Festival (<i>Hamilton</i>)	Feb. 2009	N/A	N/A
Reel Cinema for a Real Cause (<i>Orangeville</i>)	Mar. 4-6, 2009	250	N/A
<i>London</i> Canadian Film Festival	Mar.6-9, 2009 CANCELLED	N/A	\$30,000
Livery's Spring Fling Film Festival (<i>Goderich</i>)	Apr. 3-4, 2009	600	\$4,000
<i>London</i> Lesbian Film Festival	Apr. 23-25, 2009	N/A	N/A
<i>Meaford</i> International Film Festival	Sept. 3-6, 2009	1,200	\$30,000
<i>Toronto</i> International Film Festival	Sept. 9-19, 2009	300,000	\$19,750,000
Cinefest <i>Sudbury</i> International Film Festival	Sept. 19-27, 2009	N/A	N/A
<i>Georgian Bay</i> Extreme Sports Film Festival	Sept. 25, 2009	N/A	N/A
Art Gallery of <i>Hamilton</i> World Film Festival	Sept. 24- Oct. 3, 2010	N/A	N/A
<i>Barrie</i> Film Festival	Oct. 16-25, 2009	N/A	N/A
Grand River Film Festival (<i>Cambridge</i>)	Oct 22-25, 2009	N/A	\$100,000
<i>Stratford</i> Documentary and Digital Media Festival	Oct. 22-25, 2009	N/A	\$82,000 +
<i>Windsor</i> International Film Festival	Nov. 12-15, 2009	3,000	\$70,000
<i>Waterloo</i> Festival for Animated Cinema	Nov. 19-22, 2009	N/A	N/A

*For further listing of Canadian film festivals (including 20+ in Toronto) please refer to the Canadian Film and Television Production Association: Guide 09/10 at: <http://www.cftpa.ca/guide/>

* N/A – Not Available

Figure 5: Ontario Film Festivals

A fall festival in Goderich would be limited to September or October because of the availability of the Park Theatre. The Park Theatre is the only venue in the downtown core that has the technology available to screen newly released films, so it is extremely important to take advantage of that opportunity and be flexible with possible festival dates. A September festival with an educational component would face challenges because of a shortage of planning time for teachers. October would be a more accommodating month because for secondary students the film festival trip would fall before midterms. Another consideration for a fall film festival is the fact that it is the most popular season for film festivals in Ontario, a trend that is visible in Figure 5. By hosting a film festival during the popular season there is constant reminder and media recognition of film festival events. For example, because of the hype of the Toronto International Film Festival (TIFF), many additional people become interested in attending film festivals. If Goderich were to host a festival soon after TIFF, when interest is still high, they would likely see a greater turnout. Also, as identified in the Competition section above, numerous film festivals within the same season do not pose a great risk to the success of any one festival. Another advantage to the fall season is that tourists are keen to vacation to areas that have great displays of fall colours. According to Goderich tourism manager, Bob Marshall, he received several calls per day in late September and October asking if the leaves had changed yet⁶³. Although this may seem a small or unrelated thing, this is a motive for some target market groups.

The spring season offers opposite and similar considerations. Unlike the fall, spring is not film festival season, which means less potential direct competition. The Livery's Spring Fling Film Festival has been established in the spring season for several years, occurring in either April or May each year. The Spring Fling Film Festival in April 2007 had overall festival attendance of about 665 people. In April 2008, attendance dropped to

⁶³ B. Marshall, personal communication, October 2009

approximately 580 people. There are many factors that could have influenced this drop, and the date of the festival could be one of them. One advantage to the spring may be a greater chance of securing schools to participate in educational programs, because it allows for more planning time and negotiations with educational institutions. A disadvantage to this time of year is that people tend to want to be outdoors in the spring when the weather is warming up, and sitting in a dark theatre may not be as favourable.

In conclusion, the fall season is the optimal date for the Downtown Goderich Film Festival. With a history of 25% more travellers passing through Goderich in October compared to April, and an 89% higher traffic flow in the two month period leading up to the fall film festival, it is the better choice of date for the festival⁶⁴.

⁶⁴ Marshall, B. (2009). Tourist Information Centre Statistics, 2008. *Tourism Goderich*.

MANAGEMENT AND PERSONNEL REQUIREMENTS

To successfully implement the proposed Downtown Goderich Film Festival (DGFF) much work will need to be done. This section will identify the requirements for personnel as well as the tasks that will need to be completed.

VOLUNTEERS

Many small-scale festivals are organized solely by volunteers. For non-profit organizations a volunteer-based committee is the most economical organizational method because it avoids high salary expenses. The executive producer of DocFest, Craig Thompson stated, "The big difference this year is that we had a lot of volunteers which we didn't have last year⁶⁵." There is no denying the value that volunteers can add to a festival, but as the event gets larger, the need for a full-time staff member increases. For some festivals, the hiring of a full-time staff member has been delayed because of the dedication of certain volunteers who are willing to devote a lot of time and effort to run and manage the project. For example, the Meaford International Film Festival is run entirely by volunteers, which is surprising for a festival of its magnitude. The volunteer executive director, Michael Anderson, has said that in the month leading up to the festival, his position is a full-time job. His suggestion is to hire a full-time staff member to handle all of the programming, scheduling, and negotiations. The Grand River Film Festival's founder and artistic director Ken Nakamura, is also a volunteer although his position could very easily be justified as a paid position. His dedication to the vision of the festival motivates him to continue working on a volunteer basis.

⁶⁵ O'Connor, D. (2009, October 27). Rave reviews for second edition of DocFest. *The Beacon Herald*.

PARTNERS

The key to adding value to DGFF would be to include many partners in the project. The involvement of partners could come in many forms and could be indicative of the organizational structure of the film festival. The optimal structure of a film festival would be to have a Board or Committee made up of various community volunteers and members from partnering businesses and groups. Each stakeholder in the film festival would have a voice through a position on the Board. See Figure 6 on the following page for a list of possible partners and the benefits to be gained from each individual partnership.

Community volunteers may come from various backgrounds, including the arts, business, government, and education. The committee should aim to include people of differing age, gender, and socio-economic backgrounds to bring fresh ideas to the table and to encourage catering to new target markets as the festival grows. Beyond the Board, the community volunteers, and the partnering businesses, there should be sub-committees to handle specific tasks, such as programming, scheduling, advertising, and educational program implementation.

Potential Partners and Partnership Opportunities

Group/Business Name	Type of Partner	Benefits to BIA	Benefits to Partner
The Livery/ Goderich Little Theatre (GLT)	Equal Partner (Creative)	<ul style="list-style-type: none"> ▪ 10 years of experience ▪ Film industry contacts ▪ Existing client base 	<ul style="list-style-type: none"> ▪ Experience in promotion and marketing ▪ Resources for funding applications ▪ Direct contact to downtown businesses
The Park Theatre	Primary Venue	<ul style="list-style-type: none"> ▪ Home of SFFF ▪ Required technology and equipment ▪ Pre-existing client base 	<ul style="list-style-type: none"> ▪ Expansion of client base ▪ Regional promotion of the theatre
Huron Tourism Association	Supporting Partner	<ul style="list-style-type: none"> ▪ Creation of package deals with tourism businesses 	<ul style="list-style-type: none"> ▪ Promotion of participating tourism businesses
Tourism Goderich	Supporting Partner	<ul style="list-style-type: none"> ▪ Promotions on website ▪ Other print ads that they prepare 	<ul style="list-style-type: none"> ▪ Brings new tourists to Goderich in the off season
Heritage and Culture	Partner in Educational Programming	<ul style="list-style-type: none"> ▪ Addition of educational component ▪ Student involvement in the festival 	<ul style="list-style-type: none"> ▪ A venue to screen student films to be viewed by a regional audience
Avon-Maitland District School Board	Partner in Educational Programming	<ul style="list-style-type: none"> ▪ Provides a link between the film festival and the students 	<ul style="list-style-type: none"> ▪ Enhances education through alternative learning opportunities
The Goderich Signal Star	Media Partner	<ul style="list-style-type: none"> ▪ Local sponsor and supporter 	<ul style="list-style-type: none"> ▪ Increased news stories and readership
The London Free Press	Media Partner	<ul style="list-style-type: none"> ▪ Advertisements in a new location ▪ Widespread geographic reach 	<ul style="list-style-type: none"> ▪ Increased news stories and readership
104.9 The Beach	Media Partner	<ul style="list-style-type: none"> ▪ Local sponsor and supporter 	<ul style="list-style-type: none"> ▪ Increased news stories and listeners

*Partnership opportunities are not limited to those mentioned in the above list, many others are available.

Figure 6: Potential Partners and Partnership Opportunities

STAFFING

Consideration should be given to hiring one paid employee who works with all of the volunteers in addition to completing several other pre-assigned tasks. The paid employee, henceforth referred to as the coordinator, could be a position available to a student or an adult. The film festival coordinator position would be contracted for a maximum of 35 weeks. The pre-assigned tasks of the coordinator should include attending committee meetings and executing the decisions made by committees to ensure continuity and follow through. He/She would also create the final schedule for the festival, book the films, contact educational institutions for student programs, and request the presence of special guests. For scheduling and programming, the coordinator would need to choose films, coordinate shipping, negotiate deals, and make a final schedule of events for the entire festival. For the educational programs, the coordinator would be required to contact school boards and propose the idea, recruit schools to participate, and make arrangements for transportation for different groups. The role would also include responsibility for dealing with the press as well as advertising and promotion. The coordinator would be expected to begin about seven months prior to the festival date to begin preparations for promotions, negotiations with community groups and business, and several other tasks. Presence at the time of the film festival would also be required, in order to deal with last minute issues and to be the main organizer of the event. Preferably, the coordinator should be available to work for about one month after the festival to be available to follow-up with the press, complete financial statements, and prepare the budget for the following year.

The key costs associated with a coordinator's position include salary, office space, and office supplies/administrative expenses. The largest expense is the salary, budgeted for a total of \$17,500, or \$500 per week for an 8-month contractual position. The nature of the position would allow the coordinator to work from home which could reduce costs for office space however the rental of additional office space in Downtown Goderich has been included for

conservative budgeting purposes. Office rental space has been assumed at \$1,600, representing \$200 per month for the duration of an eight-month contract. Office supplies and telephone expense have also been budgeted for \$800 each based on prices of necessary office supplies from a local business and monthly telephone charges of \$100 per month. Therefore the total direct expenses associated with hiring a festival coordinator for the implementation and planning of a film festival is \$20,700. Please refer to Appendix: Pro Forma Budget for all estimated expenses associated with the implementation of the film festival.

MARKETING AND SALES STRATEGY

A marketing strategy should always stem from the market segments that are going to be targeted. Marketing and advertising will be extremely important to the success of the Downtown Goderich Film Festival (DGFF), especially during the initial launch period.

WEBSITE DEVELOPMENT

The best place to start marketing is online. With the recent successes in online shopping and e-commerce, it is no surprise that the Internet will be invaluable to DGFF. An official film festival website will act as a source of information, advertising, and marketplace. The biggest advantage to a website is its vast reach, both in terms of geography and demographics. Geographically, a website will relate information about a Goderich film festival to people around the world. Demographically, a website will appeal to the younger generation who spend a lot of leisure time on social networking sites as well as to an older generation who use the Internet at work and home for email, booking vacations, and general research. An online presence is important because it is quite common for people to try to find information online as opposed to calling a hotline for additional information. It will also create a positive image of success and professionalism to on-lookers and potential festival participants. The official website could also act as an advertising initiative to promote deals and discounts associated with the film festival. The website should be linked to Facebook, Twitter, MySpace, and other social networking sites to further extent and diffuse the film festival advertising across the web. A website that can act as a marketplace or online box office should also be considered. Customers should be able to purchase tickets to the film festival online using credit cards. This creates flexibility and convenience for tourists and locals alike and would have a positive impact on the marketing of the festival.

ADVERTISING CAMPAIGN

The first objective of the advertising campaign is to educate local and regional residents as well as tourists and out-of-towners about the existence of the Goderich Film Festival. This objective could be reached through traditional advertising methods such as articles, advertising, and advertorials in newspapers and magazines. Advertorials, which are text advertisements in the format of editorials, are generally considered more successful than traditional print ads because of the perception of receiving a recommendation from another individual. Also, promotional material should be prepared in time for the summer to maximize exposure to the majority of tourists and travellers in the area. Banners and other forms of advertisements for a fall film festival should be displayed at this time to encourage visitors to return to Goderich specifically to attend. The local radio and cable TV media should also be harnessed, in addition to an informative web presence. The creation and sustaining of a progressive comprehensive communication strategy would be critical for a successful launch and on-going success as well. See Branding section below for more information.

The second promotional objective will be to create incentives and deals to increase attendance. There are many strategies to convince potential guests to come to the film festival, such as offering a package including hotels, complimentary meals, and a full-access pass to the festival. Complimentary meals or discounts encourage tourists to dine out at local restaurants. Also, a couple staying for the whole weekend would need to eat out for up to six more meals, and whether this particular couple chooses to eat in restaurants or buy groceries, all purchases will stimulate the local economy. In addition to package deals, the advertising campaign will need to focus on the "experience" of the film festival including galas, special guests, educational programs, and panel discussion. Another aspect of the "experience" should include becoming acquainted with the Town of Goderich. Downtown merchants could participate in a special sale event focused around the film festival, and offer deals and discounts to the film festival audience members.

This type of event could provide a further, non-film related, incentive for travellers to come to Goderich and to shop the Downtown.

The third and final marketing objective is to have attendees return in subsequent years. The newest trend in marketing is geared towards creating life-long repeat customers. One strategy that a Goderich film festival could employ is to offer a price incentive by way of discount ticketing for the next year. For example, if the all-access tickets to the film festival in the first year are \$100 and the prices are set to go up the following year, return-customers would pay last year's cheaper price. In other words, return-customers would be protected from price increases. This type of strategy would not have a significant effect on revenue, but would still be a good deal for audience members. Other incentives for preferred customers include pre-sale opportunities and best-seat/best-night offers. On the website, there could be a special opportunity for existing customers to pre-order their tickets. If contact information is formally collected during the festival, alerts could be sent to customers reminding them to purchase their tickets during the pre-sale period. Not only does email and web communication provide an opportunity to stay connected with customers, it is also a low-cost alternative to printing and mailing flyers. Best-seat-in-the-house or best-night offers could also be extended to the most dedicated customers. Preferred and return customers could be given the chance to purchase these tickets in the same way as the pre-sale opportunity. To implement these types of incentive strategies, audience contact information would need to be collected. A strategy for collecting contact information is a "business card" draw where audience members could fill out a ballot or put their business card into a draw for a door prize. A lucky audience member could then win a prize from a local business and at the same time contact information is collected for future use.

BRANDING

Ideally, there will be an advertising campaign that will address all market segments individually. Although the advertising campaign should be geared towards the target market, it is extremely important to remain consistent in branding. There should be a predetermined theme and brand that will appear consistently on all advertising from signs and flyers, to newspaper ads, promotional clothing, and the official website. Branding is important for customer recognition, especially if the festival has many components. The brand should be easily recognized, and colours, fonts, and logos should be clear and consistent. In consideration of catering to all target markets, the creation of an online system will not replace the option for purchasing pre-sale or regular tickets off-line. Both payment options, online and at local stores, should be suitable in addressing the needs of the pre-determined target markets. For the seniors that wish to attend the festival and are not comfortable using the Internet, tickets will be available at local stores. Customers who will be travelling longer distances to attend the festival are typically more technically inclined and would prefer the convenience of the online option. Local studies show that 62.5% of travellers book their vacations online, the highest single method by a margin of about 50%⁶⁶.

The overall marketing allowance has been budgeted for \$9,050; please see Appendix: Pro Forma Budget for the breakdown of this total. This marketing allowance for the Downtown Goderich Film Festival represents 17% of the total expenditures. Marketing and advertising are extremely important in the initial years of the festival, creating the need for a high marketing budget. The Grand River Film Festival allocates approximately \$20,000 per year on marketing. This represents about 20% of their total expenses. The Meaford International Film Festival also spends about \$6,000 on advertising out of their \$30,000 budget. Again, their marketing expense represents about 20% of total expenditures. Figure 7 shows how attendance at film festivals is

⁶⁶ The Huron County Planning and Development Department. (2009). Huron County Travel Survey.

directly related to the marketing budget of the festival. The graph indicates a clear gradual and constant increase in attendance as advertising budgets increase. For DGFF, the website will also act as an advertising outlet, so by including those costs into the calculation, the marketing budget for DGFF is a competitive and comparable 24% of total expenditures. The ability to allocate this percentage of the budget will have a positive effect on the attendance of the festival, as Figure 7 below indicates.

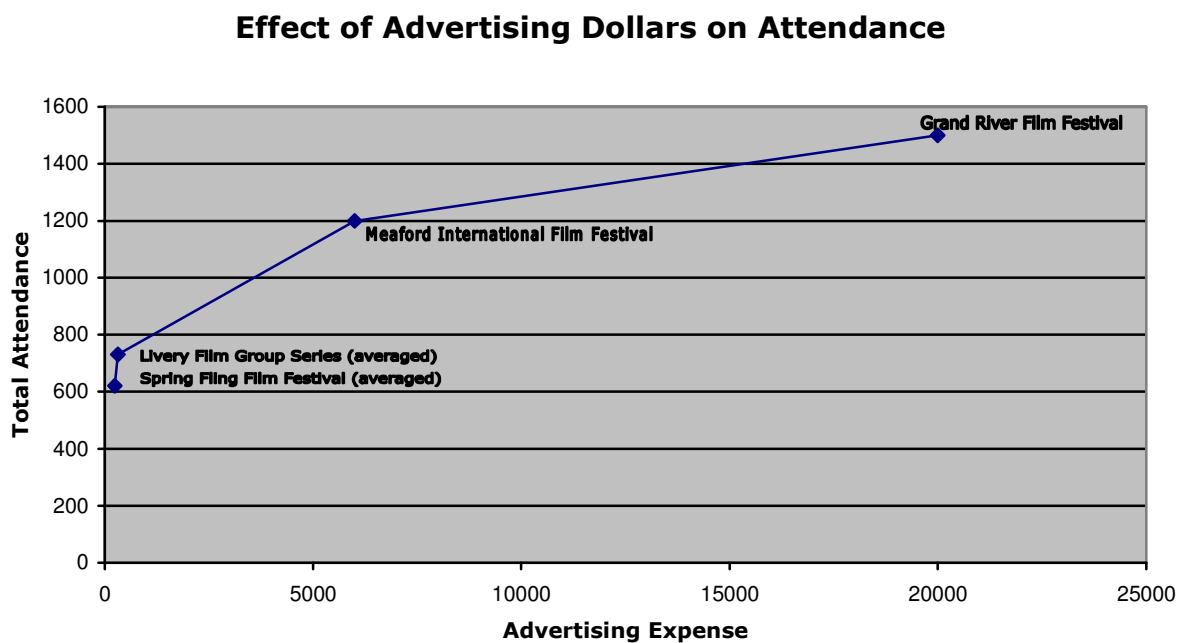


Figure 7: Effect of Advertising Dollars on Attendance

PRICING STRATEGY

The pricing strategy is heavily dependent on the target market. The pricing strategy needs to be based around those who are expected to attend the film festival and should not deter the identified target market. As mentioned previously, film festival markets are categorized as monopolistic competition, meaning that the film festival committee would have quite a bit of control over ticket prices, as opposed to a purely competitive market where market

demand controls prices. The estimated box office revenue has assumed ticket prices of \$10 for last minute or individual tickets, \$8 per film for subscription tickets, and \$15 per ticket for package deals including film and gala. There are other pricing approaches which could involve existing community groups taking management for one or more galas or other specific events which could both increase potential attendance and success, as well as increase prospects for additional revenue. Figure 8: Pricing Guidelines, presents some suggested ticket prices and ticket types.

Pricing Guidelines

Ticket Type	Price
Individual ticket price	\$10.00
All-access pass	\$75.00
All films, one party	\$60.00
All films, no parties	\$50.00
Saturday all-access	\$40.00
Sunday all-access	\$15.00
Opening night film & gala	\$35.00
Friday night gala	\$30.00
Saturday night after-party	\$15.00
Student films @ museum	Free!
Accommodation Specials¹	
2 night stay, complimentary dinner for 2, all-access	\$250.00
2 night stay (includes all-access pass)	\$240.00
1 night stay (+ Opening night + Saturday all-access)	\$150.00
Educational Program	
Student Tickets (1 day pass)	\$15.00

¹ For discussion purposes only, prices may vary depending on tourism partners

Figure 8: Pricing Guidelines

FINANCIAL REQUIREMENTS AND IMPACTS

It often comes down to financing when determining the capacity of an organization to implement a project. This section will highlight some funding sources as well as the potential financial impacts resulting from the film festival. The extent of financial outcomes is dependant on securing funding.

FUNDING REQUIREMENTS

The implementation of a film festival would incur much expenditure, thus making funding extremely significant. There are many resources available for obtaining funds including government grant programs, corporate sponsorship programs, and benevolent foundations, and fundraising initiatives.

The information presented below on government grants is ever-changing. Funding programs start, stop, and transform over time based on pre-determined need. Government funding programs reflect current social and economic conditions, so they have very strict qualification guidelines.

One currently available funding program is the Celebrate Ontario 2010 grant from the Ministry of Tourism. The grant is awarded based on the organization's ability to prove increased attendance, tourist visitation, and quality of a festival. The grant offers assistance of up to \$40,000 for festivals with operating budgets less than \$250,000. The eligible costs covered are: website development, fees paid to filmmakers, fees for new programming, and moveable assets. The restrictions of the following grant are expenses such as administrative costs, staff salaries, and marketing costs.

A smaller grant offered by the Ontario Arts Council is also available. The Media Arts Festivals Projects grant covers expenses such as film screenings, question/answer sessions, and arts education activities. This grant offers funding up to \$10,000 and the application deadlines for 2010 are still to be announced.

ECONOMIC IMPACTS

A goal of the BIA for hosting a film festival in Downtown Goderich is to promote business. The success of a film festival can be determined by economic benefits to local Downtown businesses and the community as a whole.

With an estimated annual attendance rate averaged over the first three years at 80% theatre capacity, the total estimated attendance for a Goderich film festival is 1200 people yearly. This attendance figure is similar to the trends noted by the Meaford International Film Festival (MIFF) in its first year of operation. MIFF currently has an attendance rate of 90% theatre capacity at all four screenings⁶⁷. Even in its first year, MIFF had 80% attendance at each film and sold out the final night⁶⁸. Based on comparative information from the executive director of MIFF, it is expected that nearly 40% of the audience will be from Goderich. The other 60% or 720 people will be visitors, likely from Southwestern Ontario. These tourists will have the greatest economic impact on local businesses through purchases of gas, accommodation, and food. The structure of the festival should therefore encourage audience members to walk around The Square, to create further economic benefits for coffee shops, restaurants, and specialty and retail stores. Businesses should participate in promotional initiatives, such as a "film festival sidewalk sale" in combination with the festival to reap greater economic rewards.

"The theatre industry standard indicates that approximately \$8 associated money is spent on food, gas, accommodation, and shopping for every \$1 of theatre ticket sales⁶⁹." Using this statistic and the predetermined attendance rate, it is estimated that annually \$168,800 increased retail activity could be enjoyed in the local community during the festival. Through further promotion and events such as special sales during the time of the festival,

⁶⁷ M. Anderson, personal communication, October 9, 2009

⁶⁸ Woodhouse, S. (2007, September 5). First Meaford film festival gets rave reviews. *Meaford Express*.

⁶⁹ The Huron County Planning and Development Department. (2008). Annual Tourism Report. *County of Huron*.

the economic impact could be even greater. With an estimated increase to 90% theatre capacity after three years, as MIFF has demonstrated is possible and likely, increased economic spin off generated by the festival is estimated to reach \$221,680 each year. Studies also show that overnight bus tours could translate to an average of \$5,000 per day⁷⁰. Bus tours should be considered as a strategy to attract a larger audience.

Another benefit to hosting a film festival in Goderich would be the subsequent promotion of Goderich as a potential location for filming. Goderich was recently identified by the Ontario Media Development Corporation as “a possible filming location for film and television projects⁷¹.” This distinction put Goderich on the map and landing a filming contract would generate vast economic benefits. “Production companies will spend on average between \$20,000 [and] \$30,000 directly in a small town daily⁷².” This figure represents the direct cash injections into the local economy through things like coffee, lunch, supplies, and tools⁷³. Other economic activity and investments are also made in the community during the filming process as well. Studies also show that in 11 days of filming in a small town, approximately \$500,000 of economic spin-off is generated in the local economy⁷⁴.

⁷⁰ The Huron County Planning and Development Department. (2008). Annual Tourism Report. *County of Huron*.

⁷¹ Creces, G. (2009, October 28). Town eyed as film setting. *Goderich Signal Star*.

⁷² Campbell, D. (2009, September 10). Port Perry says welcome to ‘Happy Town’. *The Scugog Standard*.

⁷³ Ibid.

⁷⁴ Ibid.

RECOMMENDATIONS

Given the information presented, a film festival in Downtown Goderich is feasible. Proceeding with implementation plans is recommended as follows:

Recommendations for immediate action include:

- Formation of a Board comprised of community partners and stakeholders
- Hiring of a Film Festival Coordinator for an 8-month contract to facilitate implementation plans

Recommendations for actions of the Board and Film Festival Coordinator include:

- Setting the date of the Downtown Goderich Film Festival for October
- Implementing a three-day festival commencing Friday, and:
 - Planning a gala on Friday night and after-party on Saturday night
 - Making special guest bookings a priority
 - Creating a one-day educational program for students
- Developing an official website
- Encouraging merchant participation through associated sales and promotions

October is the suggested month for DGFF, however it is also recommended to avoid October 20-24, 2010, the proposed date of the third annual Stratford DocFest. The greatest advantage to an October festival is the significantly higher traffic flow through Goderich in the two month period leading up to a fall festival, 89% more than leading up to an April festival⁷⁵.

Galas and after-parties are a major distinguisher of a professional film festival and have been very successful for other film festivals by creating an

⁷⁵ Marshall, B. (2009). Tourist Information Centre Statistics, 2008. *Tourism Goderich*.

“experience” for the audience. By making question/answer sessions with special guests a priority, this could create more media attention and promotion of the festival. Having students from Kitchener-Waterloo, London, Sarnia, and Owen Sound attend the educational programs automatically extends promotions of the festival to parents in those locations as well.

From a marketing and advertising standpoint, the development of an official website is vital. It will accommodate people from all geographic regions as well as to the majority of the target market. Creating a website with capabilities for online ticket sales could also be a major benefit to attracting more ticket sales.

Merchant participation is also very important in creating a unique film festival experience. Merchant involvement in the festival through participating in associated sidewalk sales or by distributing coupons after screenings will encourage audience members to shop and dine around The Square. The more merchant involvement and participation that occurs during the festival, the greater the economic benefits will be to the local economy. The festival is estimated to generate an average of \$168,800 of economic spin-off yearly for the first three years. After three years, with a 10% increase in attendance, it is estimated that associated spending could reach \$221,680 annually.

APPENDIX: PRO FORMA BUDGET

Revenue:

Box Office Sales ¹		
Individual Tickets (\$10)	3,000	
Subscriptions	5,600	
Package Deals	<u>3,000</u>	11,600
Events		
Gala Tickets (\$30)	4,500	
Educational Program	<u>5,000</u>	9,500
Government Funding		
Provincial ²	18,400	
Local/Regional	<u>9,000</u>	27,400
Sponsorships		
Advertising Revenue	2,500	
Sponsor for Screenings	1,000	
In-kind donations	<u>2,000</u>	5,500

Total Revenue 54,000

Expenses:

Personnel Costs		
Manager Salary ³	17,500	
Office Rental Space	<u>1,600</u>	19,100
Capital Costs		
Laptop	1,000	
Specialty Software	300	
Printer	300	
Misc. Furniture and Fixtures	<u>800</u>	2,400
Administration		
Office Supplies	800	
Telephone	800	
Accounting Costs	<u>1,000</u>	2,600
Productions		
Tickets & Passes	500	
Distributor Fees	4,000	
Theatre Rental	2,000	
Film Circuit Costs	350	
Shipping Fees	<u>300</u>	7,150
Events		
Event Licensing	100	
Entertainment/Music	500	
Decorations	500	
Museum Rental	500	
Catering	<u>3,000</u>	4,600
Special Guests		
Accommodation & Food	600	
Honoraria, misc.	<u>2,000</u>	2,600
Marketing/Advertising		
Design Work/Branding	2,000	
Posters/Flyers	1,550	
Newspaper Ads	2,500	
Banners	1,000	
Radio/TV	<u>2,000</u>	9,050
Website Development		
External website development	<u>4,000</u>	4,000
General		
Contingency Allowance ⁴	<u>1,500</u>	1,500

Total Expenses 53,000

Surplus - to reserve 1,000

¹ Based on first three year average at 80% capacity (similar to first year of MIFF)

² Same per capita provincial government funding as obtained by the Stratford DocFest

³ Estimate 35 weeks start-up services by contract at \$500 per week

⁴ Allowance at 3% of revenue

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