



SAN FRANCISCO **FILM SOCIETY**™

Strategic Plan (2015 – 2017)

February 18, 2015

Final Draft



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STRATEGY





Table of Contents

- 1 INTRODUCTION P. 3
- 2 VISION, MISSION & VALUES P. 5
- 3 HOW WE GOT HERE P. 6
- 4 OUR AUDIENCE P. 9
- 5 PROGRAM GOALS P. 10
- 6 ORGANIZATIONAL PRIORITIES P. 18
- 7 WHERE WE ARE GOING IN NUMBERS P. 24
- 8 NEXT STEPS P. 25
- 9 ACKNOWLEDGEMENTS P. 26

1 INTRODUCTION

We live in a most exciting time. Bay Area-based technology companies have altered the traditional media environment beyond recognition. As we feel our way into an unclear future for film culture, enormous opportunities arise for a leading nonprofit film organization to position itself within this environment of change.

The San Francisco Film Society, among the country's oldest and most respected film institutions, must prepare now for this opportunity and challenge. As we approach our 60th anniversary in 2017, we need to reorient our programming priorities to embrace new audiences in our city and on line. We need to establish and sustain long-term and diverse revenue models to supplement our history of generous Board giving. We need to get serious about operational improvements as we grow into a true year-round organization. We need to build capacity in our staff to meet the special challenges of our changing industry and civic culture. And we need to harmonize our key programming streams, incomplete since our 2009 expansion.

The pathway to success in these areas will not be an easy one but we are inspired by several key cultural trends that point us towards an exciting future:

People still crave the social experience of film. The proliferation of new screens continues to challenge film exhibition models, but has also created a vast marketing platform for the art form. Urban adults have increasingly demonstrated a discriminating attitude towards what they watch alone, on small devices and what they save for larger-scale outings with peers.

The San Francisco Film Society is committed to providing unique and innovative experiences for audiences who want to gather together and experience the enduring, connective power and beauty of film—and exploring how those experiences might be extended through new technology.

Filmmakers remain the leaders of moving image culture. As the definition of “film” and “cinema” expand well beyond their historical meanings, we see filmmakers leading the way in the creation of narrative gaming, long-form television, transmedia and webisodic experiments.

The San Francisco Film Society is committed to championing great film artists, enabling sustainable creative careers and supporting the rise of new talent in the various creative fields related to film.

Media literacy will be the key to developing sophisticated and innovative future generations. Understanding how to “read” a series of images, to understand not just what is being said but *how* it is being said and how those tools have been used historically is as important today as the appreciation of form and structure was in the study of literature 50 years ago. Film, especially its feature length narrative form, provides rich opportunities to teach the principles of storytelling, visual metaphor and narrative logic, inspiring present and future generations to be creative, thoughtful citizens.

The San Francisco Film Society is committed to creating innovative, technology-based and inspiring experiential learning models to be disseminated nationwide.

The Bay Area will need to provide the partnerships and inspiration to shepherd film culture into its next iteration. It should come as no surprise that the film industry is anxious about the proliferation of new distribution channels. Such innovations have effectively and massively disrupted entire realms of media, most prominently with music and newspapers.. While the film industry may change considerably, we have a key role to play in ensuring that great films continue to be made and widely experienced.

The San Francisco Film Society is committed to seeking out and working with thought leaders and business innovators in the Bay Area and beyond to explore and enable opportunities that support a healthy future for film culture.

The document before you outlines a series of strategies to grow the San Francisco Film Society to meet these opportunities. We will need the encouragement, collaboration and financial support of a small army to meet these goals. In this dynamic Bay Area community, which celebrates the “art of the possible,” I urge you to join the Film Society staff and Board of Directors in helping us realize this exciting future.

A handwritten signature in black ink, appearing to read "Noah C", with a stylized flourish at the end.

Noah Cowan
Executive Director
San Francisco Film Society

2 VISION, MISSION & VALUES

Vision

We envision a world where film is an indispensable, relevant and accessible art form.

Mission

The San Francisco Film Society champions the world's finest films and filmmakers through programs anchored in and inspired by the spirit and values of the San Francisco Bay Area.

Values

Film—We believe in the enduring power and beauty of film and cherish it as an indispensable art form.

Filmmakers—We are committed to supporting the imagination, talent and professional sustainability of filmmakers, especially those working in the Bay Area.

Audience—A robust film culture depends on engaged, curious and diverse audiences. Our programs are dedicated to delivering quality, enrichment, education and enjoyment to our community.

San Francisco/Bay Area—San Francisco is a city of global interest, the Bay Area a gateway to the future. We are inspired by where we live and are proud to welcome the best film artists in the world to share in its innovation and creativity.

3 HOW WE GOT HERE

2009 – 2013: A Period of Turbulence

The San Francisco Film Society published its last Strategic Plan in 2009. Inspirational Executive Director Graham Leggat called for a film center, a physical space to anchor the organization's then 50-year commitment to the art of film within the creative hub of the Bay Area. The new venue would have served as headquarters for the well-known San Francisco International Film Festival and smaller year-round national cinema showcases. It would also have housed and fostered newly absorbed elements from the Film Arts Foundation, including filmmaker support and education programs. A surplus budget, a committed Board and audience and internationally respected programming put the organization on a strong footing to grow.

The following years saw the deaths of Leggat and his successor, Executive Director Bingham Ray, in rapid order. During this difficult time period, the organization experimented with a leased venue, as a preparatory step to operating its own building. This made for new learning around audience growth but also a rapid depletion of financial resources. The period also saw the dramatic expansion of the organization's filmmaker support area, rechristened Filmmaker360, through a visionary partnership with the Kenneth Rainin Foundation. As a result, the Film Society is now the largest grant-giving body in the United States for narrative feature films.

Following Ray's death and the interim leadership of Board member Melanie Blum, the organization experienced a year under Executive Director Ted Hope and his enthusiastic embrace of the Bay Area technology sector. While his work ultimately helped shape the current consensus around the organization's civic role as a bridge between film and tech, his short tenure meant the Film Society still faced significant financial challenges, the aftermath of staff migration and a now urgent need to build new audiences.

2014: The Reset

Following Hope's departure and the loss of several key Board members, including the death of longtime champion George Gund III, efforts began to reinvigorate the organization. Several new energetic Board members, with deep connections in film, tech and philanthropy, joined the organization, along with new Executive Director Noah Cowan in March 2014. A permanent Director of Development was also hired in early 2014, further stabilizing the organization's fundraising efforts.

While significant progress was made in consolidating the organization's financial position in 2014, Board and staff determined that a capital project based on Leggat's plan would not be in the organization's best interests for this strategic plan period. Instead of bringing people into a building, the organization would turn the idea of a venue "inside out," making its programs more accessible by bringing film, filmmakers and the film festival experience to new and existing audiences throughout the region, in a variety of venues and through vibrant partnerships.

The Story in Numbers

The financial summary below illustrates the organization's revenue and expenses during this recent time period.

	Actual	Actual	Actual	Actual	Actual	Unaudited
	2009	2010	2011	2012	2013	2014
<u>Income Statement</u>						
Revenue	5,959,585	6,498,364	6,878,070	6,980,558	6,382,933	6,223,744
Expense	5,934,674	6,883,673	7,503,809	6,939,823	6,270,162	6,172,512
Net	24,911	-385,309	-625,739	40,736	112,772	51,232
<u>Expense Detail</u>						
Personnel	2,044,041	2,421,714	2,577,007	2,125,460	2,099,203	1,902,087
General Operating Expense	2,206,776	2,254,624	2,381,073	2,200,206	1,906,035	1,782,753
Filmmaker Grants	110,000	460,000	730,000	720,000	885,000	801,700
Other Restricted Expense	-	3,400	63,077	187,611	338,012	485,972
In-Kind Expense	1,573,858	1,743,935	1,752,651	1,706,546	1,041,912	1,200,000

4 OUR AUDIENCE

The San Francisco Film Society engaged a consultant in 2011 to build an overview of current and potential audiences, based on the 2009 strategic plan. The principal findings of that study are summarized below.

The Board and Staff of the Film Society believe that the content of this new strategic plan—and the rapid demographic shifts in the city and region—necessitate a new audience appraisal, utilizing the following insights and descriptors from the 2011 study as a starting point for discussion of audience growth and development throughout the document.

Audience Breakdown & Audience Types

SUPPORTERS	SUPPORTERS	SERVED	CONVERTS
Those who support us directly.	Those who support us indirectly.	Those we serve.	Those we wish to convert.
Primary: Donors Members Ticket Buyers	Primary: In-Kind Sponsors Media Partners	Primary: Filmmakers Filmgoers	Primary: Pre-Members and Donors Existing Members and Donors (Upsell)
Secondary: Foundations Government Agencies Corporate Sponsors	Secondary: Industry Agencies and Professionals Media	Secondary: Students Educators	Foundations Government Agencies Corporate Sponsors Film Culture Participants and Enthusiasts
Tertiary: Filmmakers Students	Tertiary: Community Partners	Tertiary: Industry Agencies and Professionals Vendors	Tertiary: Local, National and International Media

AUDIENCES				
PASSIONATES	PATRONS	CREATIVES	CONNECTEDS	CASUALS
“Film is a vital cultural experience” Existing members and donors, ticket buyers, filmgoers, filmmakers, film culture enthusiasts, pre-members and pre-donors, students, educators, media.	“Film is worth supporting (and to be seen supporting)” Existing members and donors, sponsors, pre-members and pre-donors, media partners, ticket buyers, foundations, government, corporate, community partners.	“Film is who I am” Ticket buyers, filmmakers, volunteers, members, film culture enthusiasts, media, industry professionals.	“Film is the original multi-media (the SXSW Crowd)” Ticket buyers, filmgoers, media, students, educators, pre-members and pre-donors, film culture enthusiasts, foundations, government, corporate.	“Film is fun, cool, interesting, whatever” Ticket buyers, filmgoers, media, students, educators, pre-members and pre-donors, foundations, government, corporate, volunteers.

5 PROGRAM GOALS

The San Francisco Film Society seeks to fulfill its mission through four major program areas: the San Francisco International Film Festival, Year-Round Film Programming, Education and Filmmaker Support.

For the 2015–2017 Strategic Plan, we have identified five practical goals that cut across the organization and inform the program initiatives to follow in this document. We anticipate these goals will remain relevant well into the future and guide the organization’s growth through successive strategic plans.

Each of these goals is based on the idea that partnerships are the key to our ongoing success. The San Francisco Film Society has not been a particularly active partnering institution throughout its history, except in the area of cross-promotion with other related events in the city. However, the key leaders of the organization have informally played critical roles in assisting other institutions and individuals; the idea is to translate that practice into concrete programmatic initiatives. In addition, we are recommending an important new hire, a Partnerships Director, who will work between Programming, Communications and Development to ensure the smooth implementation of partnership efforts throughout the organization’s activities.

- 1. Embed Bay Area thought leadership in our programming.** The Bay Area contains a remarkable cross section of the world’s most interesting cultural, business, science and intellectual leadership. The San Francisco Film Society will present events that feature these leaders, creating meaningful benefits for films while further emphasizing—and simultaneously adding to—the unique culture of the region.
- 2. Encourage meaningful dialogue between the film and tech sectors.** Film and technology are deeply intertwined and have influenced one another since filmmaking began. The San Francisco Film Society will proactively engage a variety of players in the tech sector to develop new points of interaction, including targeted screening programs, conferences and talks. Optimally, these initiatives will spur a mutually beneficial cross-fertilization between film and technology innovators, deepening and enriching this relationship at a critical point of change for both sectors.
- 3. Engage film-related media.** Technological innovation enables more and more manifestations of the “moving image,” in related fields such as gaming and long-form television and in ever-multiplying delivery platforms. Film artists have steadily been

branching out into these various sectors and in many cases are setting the creative pace within them. The San Francisco Film Society will embrace these existing and emergent forms in our programs and will underline their inspirational connections to the history and culture of film. These programs are intended to advance the cause of media literacy as the key to understanding the how and why of film creation, how films communicate social impact and film impact.

4. Harmonize our programs. The ever-closer integration of program areas—Film Festival, Year-Round Film Programming, Education and Filmmaker Support—fosters meaningful connections between audiences, curators, filmmakers, educators and industry professionals. The San Francisco Film Society will audit all programs for potential connection points and use its findings to design and refine initiatives that cross traditional program boundaries.

5. Develop program streams to reach new audiences and locations. Demographic changes and the decline of traditional media in the Bay Area have created an urgent need for meaningful engagement with currently underrepresented audience sectors and neighborhoods in the Bay Area. The San Francisco Film Society will develop specific program streams and forms of outreach to connect with new audiences in vibrant communities with non-English film traditions, and in areas like the East Bay and Silicon Valley.

Key Programmatic Initiatives

The initiatives in this Strategic Plan recognize the uncertain investment climate for cultural organizations in the Bay Area and the recent turbulent history of the organization; they can be piloted with minimal investment, respond well to scalable funding and balance earned and contributed revenue expectations. Each initiative below is briefly explained with basic implementation and funding timelines.

We will undertake all of these initiatives during the strategic plan period. Prioritization follows the order of initiatives in each section. To help contextualize these plans, a visual mapping of when these initiatives hit on the SFFS calendar follows as Chapter 8.

Film Festival

The San Francisco International Film Festival is the oldest event of its kind in the Americas and will celebrate its 60th anniversary in 2017. Its core strength in global cinema and its loyal local following provide a base to speak to new audiences in the Bay Area, capitalize on the world's

rapt interest in the region's innovation culture and explore new opportunities for civic celebration. Current unique attendance at the Festival is 45,000. We anticipate attendance of 55–60,000 in 2017.

The Festival will divide its program into coherent sections to better address key audiences. It will continue to feature signature “Big Nights”—Opening, Closing and Centerpiece—as well as its core main program and the documentary and dramatic competition sections. The Festival's long-time commitment to alternative film forms—it was the first film festival to give awards for excellence in TV production—will be amplified and integrated into the three new initiatives below.

- 1. Collaborations Program.** Local and global thought leaders will work with the Film Society to construct meaningful programs around key films (and related forms, like long form television). Program collaborators will seek ways to break out of the “intro and Q&A” format, curating additional talks, seminars, screenings, meals, performances, tours, classroom opportunities and/or additional events outside the Festival and San Francisco. This program supplements the current 3–5 annual “Live & Onstage” presentations, which are collaborative in their nature. Examples of possible participants include Chez Panisse, Sundance, 826 Valencia, Google X and The New York Times Op-Ed page.

We anticipate piloting 3–5 new types of collaborative events at the 2015 Festival at low cost, either by deploying local partners or relying on projects with funding already attached. 10–15 collaborative events, now funded through directed and operating funds within SFFS as well, will appear under this banner at the 2016 Festival. We anticipate more growth in 2017, landing at approximately 15 signature events per year thereafter. Work effort involves a programming team already accustomed to collaborative efforts assisted by a new Partnerships Director.

- 2. Film/Tech Conference.** No later than the 2016 Festival, the Film Society will produce a conference that explores the intersection of film and technology. This will be an international event and will highlight the Bay Area's ongoing, central role in the evolution of film, culture and technology. The format will be casual, focusing on getting important minds in the same room at the same time, with a small number of signature onstage events to punctuate the proceedings.

We anticipate a pilot conference in 2016 featuring at least 20 key players in both industries, with a larger effort to follow in 2017, numbers based on user feedback in 2016. Board and staff will need to work conscientiously to build hospitality partners and secure base costs to operate the conference on a VVIP level, likely through Foundations support. A new Partnerships

Director will work with a volunteer committee from the tech sector to organize, with seasonal staff to execute.

3. New Audience Initiatives. To better serve and engage the evolving demographics of the city, the San Francisco Film Society will build new, and adapt existing, strands of Festival programming around the interests and preferences of younger and more ethnically diverse audiences. Potential strategies include adding and/or partnering with venues in the East Bay and positioning key elements of Festival programming in the Mid-Market and Mission neighborhoods. The Film Society will also explore a free or low-cost screening strand to better serve the Bay Area population as a whole.

With only our current four-film Dark Wave program as a base, we anticipate introducing new program divisions in 2015. In 2016, we will create enhanced marketing around those divisions, with an eye to expanding programs that appeal to younger and more ethnically diverse audiences, and pilot low-cost screening opportunities. By 2017, we will establish our base in the Mid-Market and Mission neighborhoods, pilot a significant East Bay venue and present a minimum of ten low-cost screening opportunities. Costs associated with the move are expense neutral with marketing costs supplemented by strong pro bono agency relationships.

Year-Round Film Programming

To ensure San Francisco and the Bay Area continue to sustain a thriving film culture, the Film Society must engage its audiences and other constituencies in year-round programming. This programming should underline the history, culture and relevance of film, and explore the possibilities for the medium in the future. Instead of focusing on a permanent home for the organization's activity, the Film Society will seek to ambitiously collaborate with organizations in the region to realize an array of new programming opportunities. We anticipate significant audience growth for this program, from a base of 6000 attendees of a our fall national cinema events, 1500 for our event screening pilot and approximately 5000 for other screening programs (including member screenings, co-presentations, etc.). We expect 30,000 attendees across all three programs by 2017.

Currently our non-Festival programming includes a number of small festivals in the fall spotlighting a national cinema or a cinema genre, plus frequent special pre-release screenings for our loyal and growing membership. The organization anticipates reducing these festivals to the most successful ventures for the organization and expanding Members screenings to become more public-facing opportunities.

1. Museum Screening Series & Art Collaboration. The Film Society will seek a collaboration with a major contemporary museum to plan and execute a cinematheque-style program of “film masters,” old and new, with frequent guests, introductions, lectures and educational panels to take place at the museum beginning in 2016. In addition, the Film Society will work with the same partner on periodic explorations into moving image art work, created at the intersection of film and the visual arts.

Discussions have already begun identifying shared donors to create a three-year runway to launch and sustain base programming and infrastructure costs. Earned revenue should be a bottom-line benefit for the organization. We anticipate program announcement by summer 2015, fundraising complete by March 2016, the implementation of the first program and a full schedule of dates for 2017 announced by the end of 2016. Existing programming and marketing staff will absorb the project, timed to the less busy times of the year. This is a new initiative.

2. Collaborative Exhibition Series. The Film Society will seek to partner with local partners to design and execute film and discussion series that draw on the complementary assets of both partners and inspire their shared audiences. The series will seek to highlight new storytelling forms on television and in game development.

We will launch our first series in March 2015. We will announce our second partnership by June 2015, with implementation of a pilot series in fall 2015. We anticipate three continuing series in 2016 and 2017. Minimal investment—local guests, reasonable rentals, low venue costs, existing expertise —and strong joint marketing efforts should make these series both a center of earned revenue value and exceptional opportunities for membership acquisition. This is a new initiative though versions of it have been piloted previously by the organization.

3. Academy Awards Season Screening Series. Based on two successful pilot screenings in 2014, the Film Society will plan and implement a number of one-off screenings and series related to the major films destined to be honored each year.

We will create highly anticipated intimate screenings with highly-curated audiences of opinion makers, guild and Academy members, VIP member, donor and Board members that will become a “must-stop” for campaigning films. We will also launch series highlighting key awards categories and the films contending for nominations, including documentaries, foreign language films and an initiative related to the technical awards.

From a base of two screenings in 2014, we anticipate the following growth in Awards Season screenings. 2015: 5 events, 1 new Academy series (docs); 2016: 10 smaller events, 1 new

Academy series (foreign); 2017: 12–15 smaller events, 1 new Academy series (animation/tech). Seasonal marketing and communications assistance will be needed.

4. Year-Round Public Events. Inspired by a successful pilot screening in 2014, the Film Society will produce large-scale public “launch” screenings of major films and TV shows on a regular basis. We will partner with tech firms on many of these screenings thus amplifying the Film Society’s impact.

By 2016, we anticipate producing an event in eight out of our ten “non-Festival” months and nine in 2017, deploying existing staff resources.

Education

The coming years will see the San Francisco Film Society sharpen its focus in the education sphere and play to its strengths. A consolidation of existing smaller programs will better position the organization to collaborate with innovative partners in the region and seek sustainable funding. The organization will concentrate on programs that are replicable and scalable, thus maximizing efficient use of resources.

Our nationally recognized programs bringing films into classrooms and students into theaters throughout the region will remain the cornerstone of efforts for the area, supplemented by an expanded initiative with Lucasfilm and assessment phase as we seek better ways to engage teachers and provide online resources around key films. Our current programs for youth and university students during the Film Festival will continue. Our artist-in-residence and youth mentorship programs will end in their current form. We currently serve 10,000 youth, 750 college students and 500 educators per year. We anticipate growth in all areas once a new education plan is presented.

1. Lucasfilm / Pixar Program. The Film Society currently collaborates with Lucasfilm to showcase four annual inspirational cinema-based modules for Bay Area school groups. These presentations explore the creative forces behind the various Lucasfilm divisions, focusing on how art and science intersect in their work. We aim to increase collaborative efforts with Lucasfilm, and add programs with Pixar Studios and other film technology leaders in the region. Our intention is for the programs to be scaled up through the coming years, nationally and internationally. Programs for adults and families will be added, and school offerings will be expanded.

We anticipate piloting a Pixar programming strand in 2015 and a regional expansion of Lucasfilm initiatives to two other markets. In 2016, we will pilot our national program with both

companies in 2–3 markets, adding 2–3 more in 2017. As we rebuild the overall education area, new staffing needs will be proposed to run this program. Our collaborators will generously donate the creation costs for these modules and their staff time and travel. We will seek donors and foundations who see the power of connecting youth to digital art-making to expand our offerings and continue to make these programs free to schools. Some national institutional partners will have existing funding to cover program costs.

2. Online Learning Initiatives. The Film Society will seek partners for the next phase of its highly regarded online educational programs. The extensive online teacher modules created through the 2011–2014 FilmEd program will attract interest from technology-based companies and foundations interested in how moving images will be incorporated into classroom activities in the future.

Budget will follow partnership conversations. We anticipate hiring a consultant, to examine this and all education initiatives, to deliver a report by the end of 2015.

Filmmaker Support

The San Francisco Film Society filmmaker support program, Filmmaker360, provides significant financial and logistical support to narrative films and documentaries. Through its signature partnership with Kenneth Rainin Foundation (KRF), the program has supported award-winning dramatic films such as *Beasts of the Southern Wild* and *Fruitvale Station*. Major documentaries also have benefited from Filmmaker360's Project Development program and Jenerosity Foundation partnership. The program's continuing goal of strengthening the Bay Area filmmaking community is also reflected in its FilmHouse Residencies, now housed in a new Chinatown location. Consolidation and growth in focused areas will form the core activities in the next strategy cycle. We currently have 26 residents, 242 active grantees and 100 alumni participating in our programs.

While there are no plans to stop any existing filmmaker support programs, 2015 will see an administrative consolidation of smaller narrative film support programs and grants providing more focused resources for key grantees and residents. We will also seek to address the clear need for programs benefiting women writers and directors through a streamlining and redirection of KRF support.

1. Enhanced Grant-making and New Residency Opportunities. The San Francisco Film Society will partner with new and existing funders as well as national institutional partners to deepen access to its programs for women filmmakers and emerging producers, while

growing granting funds by 50% overall over the next three years. Initiatives to bring documentary filmmakers into the FilmHouse residency program will also be launched. Currently approximately \$1 million is allocated between feature film grantmaking, residencies, the Producers Initiative and the Women Filmmaker Fellowship. An additional \$100,000 is allocated to documentary programs.

A streamlining of current KRF support will provide resources for our Women Filmmaker Fellowship. Donor and Foundations support will drive new funding, residency and producer support programs. Existing staff will drive funding efforts with new staff introduced as new program execution begins.

2. Foundations Congress for Documentary Support. Recognizing the increased interest in documentaries from the Foundations sector, and the robust community of local documentary filmmakers and supporters, the San Francisco Film Society will convene a congress for regional (and select national) funders in 2016. Goals will include: education and guidelines for documentary film support, best practices in the field, funding models and funding pilots.

We will look to Foundations and individual support to pilot this project and hope to make it partially self-sustaining through members fees in future years. Seasonal hires will be required to organize and execute the program. This is a new initiative.

3. Tech & Film Salons. The San Francisco Film Society will pilot several salons that initiate dialogue between filmmakers and innovators in the tech sector about the future of film and technology. There will be an emphasis on developing new forms of moving image content and deploying evolving distribution platforms. Filmmakers will have the opportunity to grow their knowledge and skill set in this area, leaving them well-positioned to make creative use of new technologies.

This new initiative will be resourced within existing budgets and with existing staff.

6 ORGANIZATIONAL PRIORITIES

In order to sustain and grow its program goals, the San Francisco Film Society commits to a number of organizational priorities designed to enhance organizational effectiveness, unity and sustainability; establish a pathway to the efficient utilization of resources; and lead to high performance at all levels and in all functions of the organization. Thoughtful staff growth, especially in the area of partnerships and membership, will help drive these plans. The organizational priorities for this strategic planning period focus on three areas:

1. Fundraising
2. Brand and Marketing Strategy
3. Organizational Development

1. Fundraising

The San Francisco Film Society is committed to building a solid development program by deploying best practices, deepening Board engagement and revitalizing a culture of shared goals and partnership among the Board and staff on all fundraising efforts. Specific strategies to build new and enhanced contributed revenue streams include:

- **Board Support:** The San Francisco Film Society has traditionally relied on its Board partnerships for the bulk of its funding. Retaining key Board contributors and expanding the Board to include future Bay Area philanthropy leaders will reinforce the organization's central position in civic life and encourage new contributors to join us. Board assistance is essential to opening doors and fueling relationships with individual major donors, foundations (including family foundations and their trustees) and corporate sponsors. We expect to grow Board support from \$600,000 (2014) by approximately 15–20% per year through recruitment of new Board members and management of contributions.
- **Membership:** Our member base provides a steady source of reliable, year-round revenue, lays the groundwork for future giving and supplies a built-in audience. A large member base demonstrates support in the community and helps secure foundation and corporate funding. A significant redesign and relaunch of the Membership program will be timed to capitalize on the 2015 Film Festival. This redesign will include a new tier of top-level memberships which will, in effect, become our Major Gifts program. With appropriate promotion, net annual revenue from membership could grow from \$350,000 (2014) by \$175,000 per year to \$700,000 in 2017. We anticipate at least one new staff member added to help design and service this program in 2016.

- **Individual Giving:** We will continue the systematic targeting, researching, cultivation and solicitation of key major gift prospects to continue giving generously to the Annual Fund, a year-end solicitation program that significantly contributes to the organization's revenue. Smaller major gifts and personal solicitation of key Annual Fund supporters will allow for increases in this area of about 10% per year starting in 2016 from a base of \$400,000.
- **Foundations and Grants:** Of all revenue areas, Foundation support has suffered the most with recent changes of leadership. SFFS's Executive Director and Board of Directors will actively collaborate in the process of identifying and cultivating key foundation staff and trustees in an effort to obtain major gift-level grants. We will grow support in this area by securing one to three major new grants per year and anticipate hiring a part-time Foundations and grants writer in 2015 to help us do so, growing support in this area from \$200,000 to \$300,000 per year by 2017.
- **Corporate Sponsorship:** A limited source of revenue for the organization in the past, we will now aggressively pursue corporate sponsorship opportunities including a major title sponsor for a suite of key activities at San Francisco Film Society, drawn from the increased synergy of film and tech companies around moving image creation and distribution. Price point for this sponsorship would begin between \$250,000–\$500,000 with incentives for both parties to deepen the relationship. We anticipate the solicitation and execution of our corporate sponsorship relationships to be part of the responsibilities of the new Partnerships Director. We see growth from a base under \$200,000 to \$500,000 in 2017.
- **Business Memberships:** In addition to ongoing sponsorship efforts, we will create a new Corporate Partners program that will establish a group of annual, unrestricted corporate funders who will give at a variety of levels; benefits will be folded into our existing program offerings. After launch, we will try to enlist a founding sponsor at the top level and/or at least one key sponsor at each lower level for a minimum goal of \$100,000–\$250,000 the first year. The focus here is on the tech and other entrepreneurial businesses in the Bay Area, with benefits tailored to match their needs. Projections are blended into Memberships as above.
- **Special Campaigns:** We will design a 60th anniversary campaign, a planned giving strategy and possible endowment campaigns over the coming three years. We have not included costs or revenues in our projections.

- **Fundraising Events:** While once a principal source of revenue for all major non-profit cultural organizations in San Francisco, including SFFS, major fundraising events are proving less able to deliver need revenue targets against the work expended. There is room for a creative and reinvigorated approach to fundraising events and for engaging donors socially, especially the well-regarded and decades-old Film Society Awards Night during the San Francisco International Film Festival. Our brand and marketing research (see below) should help inform our thinking on what we deliver in this area. Modest increases to net revenue in this area of 10–15% per year will guide our planning from a \$450,000 base.

2. Brand and Marketing Strategy

We recognize that a cohesive brand strategy and robust marketing capability are fundamental to building a sustainable and engaged relationship with supporters and audiences alike. Several attempts at brand realignment have occurred over the past decade but changes in leadership precluded the completion of these various initiatives. Some areas of focus in the brand and marketing arena, a major strategic priority for the organization, include:

- **Brand Strategy Review:** With the support of a pro bono agency, the Film Society aims to undergo a brand strategy review in early 2015. The process will include examining the organization's current brand, reviewing past branding work and previously conducted market research and reviewing the competitive landscape for the Film Society's brand. We aim to have a brand recommendation to the Board by December 2015.
- **Brand Positioning:** Based on the outcomes of the brand evaluation process, the organization may consider updating and/or evolving its brand identity. Either way, a brand positioning statement and "Value Proposition" will be articulated. This positioning work is a critical building block for effective messaging and positioning to all audiences, stakeholders and supporters. Based on brand recommendation to the board, we anticipate rollout and implementation through 2016.
- **Marketing and Publicity Plan:** Once the brand and positioning work is completed, the organization will create a marketing and publicity plan for the institution as a whole, for all program strands and for the organization's 60th anniversary in 2017. The plan will be created in partnership between the communications, partnerships, development and programming teams to ensure a unified vision, relevance and utilization. We anticipate completing this plan in early 2016.

- **Audience Analysis:** The marketing and publicity plan will include an audit and segmentation of Film Society’s audiences and key stakeholders, using any existing data and available analytics as well as past studies (and engaging in further study if there is insufficient data). The audit will include existing as well as prospective or new audiences, and both direct (such as festival goers) and indirect audiences (such as film industry executives). It is a top priority to understand and profile SFFS’s various—and potential—audiences in order to create, deliver and promote meaningful programs and services to them.
- **Case for Engagement:** The plan will include the development of a “case for engagement” for each important audience and stakeholder segment in order to effectively engage them as long-term partners and supporters.
- **Digital Strategy:** The organization acknowledges that a dual strategy is necessary to grow our digital footprint. On one hand, the Film Society will need to ensure the basics of digital marketing are covered: digital production, promotion, engagement and fundraising initiatives will need to become more robust and targeted, and match our audience development goals. At the same time, a significant partnership with one or many innovative digital marketing entities, championed by our new Partnerships Director hire, should be a key goal for the organization as it looks to the creation of unique, new and innovative strategies to market itself, its programs, the films it supports and filmmaking in the Bay Area.
- **SFFS Content:** These efforts will be augmented and customized through a commitment to consistent capturing of Film Society-produced events and creative use of our own digital content likely through a series of content capture partnerships developed by our new Partnerships Director.

3. Organizational Development

Following a number of changes in Board and staff leadership, San Francisco Film Society remains in transition from its Festival-only past to the integrated, multi-tiered organization it aims to become. Governance measures, identification of skills gaps, evaluation tools and process management are key for future growth. HR structures are in their infancy at SFFS so many of these initiatives begin at a very basic baseline. Our Organizational Development priorities for 2015 – 2017 include but are not limited to:

- **Governance:** Board governance will be improved by clarifying roles and responsibilities of Board members, officers and committees; reviewing bylaws and policies; and committing to a Board self-assessment process. Pilot efforts in this area will be implemented in early 2015 with full compliance in 2016.
- **Org Structure and Staffing:** For the first time in five years, a formally presented organizational structure will support the functional integration of the program areas and set the conditions for high performance, accountability and strategic staff growth. The new organizational structure will be introduced and implemented in 2015, within the context of the new Operating Plan accompanying this Strategic Plan
- **Human Resources:** The Film Society will ensure the optimal functioning of its HR practice, with a particular focus on strengthening staff recruitment and performance evaluation. A new department was established 2014, so all initiatives in this area are new. 2015 will see the rollout of an employee handbook and HR code of conduct. An end-of-year evaluation structure is to be introduced at the end of 2015/beginning of 2016.
- **Roles and Responsibilities:** In the new Operating Plan, the Film Society will, for the first time, provide clarity about roles and responsibilities (for individual staff members and for departments as a whole) to improve organizational performance and job satisfaction.
- **IT:** Significant investment of money and time has improved the IT situation at SFFS over the last five years. However, there is still much to be done. An interdepartmental task force will be established in early 2015 with the charter to audit such mission-critical IT systems as the organization's database, accounting, ticketing and media management functions. The task force will make recommendations by end of 2015 for action steps necessary to address any inefficiencies in the system and optimize staff utilization of the various digital tools.
- **Culture:** The organization's complex recent history suggests that a deliberate process to foster and reinforce a culture of collaboration, partnership, entrepreneurship and high performance (at the Board and staff levels, as well as with both internal and external stakeholders, including prospective partners) is needed by end of summer 2015.
- **Systems and Processes:** The Film Society will foster a renewed commitment to improved internal systems and processes—such as internal communications, meeting management and project management—in order to achieve more streamlined communications and collaboration, both internally and externally. Implementation guidelines will be set by the end of 2016.

- **In-kind and Pro Bono:** Board and staff within the Programs, Development, Finance and Communications areas will build a network and practice that can recruit and utilize non-financial support, such as in-kind donations and pro bono services. This is a key deliverable for the new Partnerships Director, with work and execution to be carried out in 2015 and a board presentation on future growth opportunities conducted by early 2016. SFFS will build its in-kind support from a base of \$1.8 million in 2014 and 2015 to \$2.5 million in 2017.
- **Monitoring and Evaluation:** A new monitoring and evaluation (“M&E”) plan will ensure that the organization as well as the individual functional departments stay on track to meet the goals and objectives specified in the Strategic Plan and Operating Plan. The plan will encourage ongoing learning from experience and promote high quality programs and operational efficiency and effectiveness. An annual evaluation plan is to begin by the end of 2015.

7 WHERE WE ARE GOING IN NUMBERS

	Unaudited	Budget	Estimated	Estimated
	2014	2015	2016	2017
<u>Income Statement</u>				
Revenue	6,223,744	6,340,469	6,913,683	7,550,404
Expense	6,172,512	6,339,218	6,756,179	7,388,987
Net	51,232	1,251	157,505	161,416
<u>Expense Detail</u>				
Personnel	1,902,087	1,976,573	2,075,402	2,179,172
General Operating Expense	1,782,753	1,857,481	2,050,355	2,447,872
Filmmaker Grants	801,700	833,242	874,904	918,649
Other Restricted Expense	485,972	471,922	495,518	520,294
In-Kind Expense	1,200,000	1,200,000	1,260,000	1,323,000

*Projected surplus in net revenue 2016-2017 will be used to pay down the Film Society's Long Term Liabilities, establish a cash reserve and decrease dependency on the line of credit

8 NEXT STEPS

This Strategic Plan provides the foundation for the development of an Operating Plan, which will include discrete plans for the Board of Directors and each functional department as well as a comprehensive Revenue and Financial Plan for 2015. Individual department plans will outline roles and responsibilities and list key departmental objectives for 2015–2016, among other elements.

The Operating Plan will specify how the various initiatives will be implemented and monitored for progress.

9 ACKNOWLEDGEMENTS

This Strategic Plan was made possible in part by a grant from Hewlett Foundation.

The plan was produced by the board and staff of San Francisco Film Society in collaboration with Liz Manne Strategy and Learning for Action. The San Francisco Film Society's strategic planning steering committee was comprised of Board Chair David Winton, Executive Director Noah Cowan and Operations Director Gyllian Christiansen. Additional support was provided by Karolina Peysakhov. The consulting team was led by Liz Manne and Alex Hildebrand, with support from Meredith Osborne, Steven LaFrance and Amy Fourrier.

About San Francisco Film Society

Building on a legacy of more than 50 years of bringing the best in world cinema to the Bay Area, the **San Francisco Film Society**, home of the San Francisco International Film Festival, is a national leader in exhibition, education and filmmaker services. San Francisco Film Society is a 501(c)(3) nonprofit organization.

sffs.org

About the Consultants

Liz Manne Strategy is a New York-based firm providing management consulting, strategic planning and campaign and brand strategy to the nonprofit, political and independent media sectors.

lizmanne.com

Established in 2000 and with offices in San Francisco and Seattle, **LFA Group: Learning for Action** provides customized research, strategy and evaluation services that enhance the impact and sustainability of nonprofit organizations across the U.S. and beyond.

learningforaction.com