

# JET STRATEGIC PLAN NOVEMBER, 2017 FINAL DRAFT

## Section 1: Background

The Jewish Ensemble Theatre (JET) was started 30 years ago and is enjoying its 29<sup>th</sup> season. It is the longest continuous performing professional Jewish Theatre in North America.

It was started by a professional Equity Actor who believed in herself as an Artistic Director of a professional Jewish theatre along with two professional actors and two community people. **These people were all in their early 50s.**

JET' original Mission Statement, still used today:

*To produce theatre of the highest professional standards and to provide a stage for the exploration of ideas that confront issues of humanity and community from a Jewish perspective. JET serves as a force for Jewish Continuity, a platform for new voices, and a bridge of understanding to the general community.*

This mission statement does not deal with the significant Youth education element of JET's activity, does not directly deal with JET's desire to do shows based on issues of universal social consciousness. It should be redone in a way that more closely fits what JET does and wants to do today.

The theatre only started because it was conceived as a Jewish Theatre. There were professional Jewish theatres in Toronto, Chicago, San Francisco, Washington D.C. and other markets that seemed to be flourishing. All except San Francisco were tightly attached to Federations. All the Federation associated theatres closed over the next several years because, at least in great part, changing Federation priorities reduced their funding.

For JET, 80 to 90% of funding comes directly from Jews or is positively affected by being Jewish. In selling Outreach, starting the conversation with Jewish Ensemble Theatre is a show-stopper, so that marketing effort begins with JET; once the interest is there, being the Jewish Ensemble Theatre is no longer an issue.

Being the Jewish Ensemble Theatre does not help in bringing general audience, particularly given JET's location. How would the Jewish audience feel about going to the Catholic Ensemble Theatre inside the Mercy College campus?

JET has become more conscious of this in its recent marketing, using JET in Free Press and internet advertising, identifying JET as West Bloomfield's only professional Equity theatre and so on.

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JET began with a four-show Main Stage season, each running four weeks, and a staged reading festival of four new plays, each running two performances.

JET has experimented with different ways to run the Main Stage season: five shows, three week runs, five week runs, four, five and six performances per week. The current strategy of four shows, four performances a week for four weeks seems appropriate for this time.

JET has also experimented with bringing in one or two performance one-person or similar type shows. They were moderately successful until one not properly vetted show was so bad it apparently destroyed JET's ability to do these at this time.

All 29 seasons have run in the Aaron DeRoy Theatre in the lower level of the Jewish Community Center in West Bloomfield. In 1987 The Jewish Community numbered over 100,000 people and was still moving from the "old neighborhood" into the West Bloomfield area. Mort Plotnik, then Center Director, saw JET's mission as parallel to The Center's and a strong addition to Center activities.

JET would not have started without the Center's encouragement and support. Still it can be a mixed blessing at times: it emphasizes Jewish to the general audience, parking is awful and the new roundabouts on the access roads are an issue for the older audience.

JET currently uses the theater set up for 125 seats. Up until the 16-17 season the theater (which The Center refurbished some years ago) had about 185 seats. JET decided that it was rarely using more than 125 seats and reconfigured the space to create a different and better audience experience. There is an ability to add significant additional capacity with folding chairs, but the need is rare.

JET is a tenant of The Center and pays rent on a month-to-month basis. JET is told the rent is well below the square footage rental rates from other Jewish organization renters, although none seem to have as parallel a mission. For two years (13-14 and 14 -15) JET could not pay the rent and Center management, in the midst of its own turmoil, let the past due rent pile up without comment. Starting in the 15-16 year, JET has paid the full rent plus a modest monthly "balance adjuster." This past due balance (now about \$17,000) is a sometimes thorn in the side of Center's board and community leadership.

The community is still working through a long-term strategy for the Center as an institution. It is possible there will some changes in the building footprint and space utilization. Whether that will affect JET's space is unknown. In addition, there is constant buzz about the Frankel Jewish Academy and the theatre space. FJA is the 800-pound gorilla in terms of the Center facility and there seems to be no way FJA and JET can usefully share the space.

JET's audience from the start has been 50+ in age, and today it tends to more to 60+(as determined by observation.) There is a clear statistical pattern that the more successful shows draw more senior single tickets sales. The audience comes primarily from West

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Bloomfield and adjacent zip-codes, although a particular play or a subject matter can draw 10% or so additional audience from afar. The audience is overwhelmingly Jewish.

The size of the Jewish community has shrunk by 50% since JET opened and the 60+ population has dropped in the same way. While over half the professional theatres in the market have closed in the 30 years, there is uncountable new competition from readily accessible sources of entertainment (Netflix, Hulu, etc.) The net result is that the primary market for theatre is a lot smaller than it was 30 years ago.

Subscription sales have dropped over the years in line with a national trend as well as the special issues facing JET.

According to the Theatre Communication's Group (TCG) 2015 study, of 198 theatres, regional theatre attendance has been on a downward trend of 10%. And subscription sales have dropped over the last five years.

(Data from this study appears from time to time in this document identified as TCG data. 198 theatres reported in all, 18 in "group 1", theatres with budgets under \$500,000, and 21 in "group 2" with budgets from \$500,000 to \$1,000,000. JET falls right on the cusp of the two groups with an annual budget of about \$500,000.)

JET's paid attendance for the last four seasons:

2013-14	3,667, ave of 917
2014-15	3,996, ave of 998
2015-16	1,550, ave of 775
2016-17	3,639, ave of 910

About 20 years ago JET began what is now The Dorfman Family Youth Theatre, presenting short-form anti-bullying plays in schools for various age groups. The size of this activity has gone up and down through the years depending on a host of internal factors. Last season there were 102 performances, four times the number from two years before.

The shows were originally sold to schools for \$590 a performance. Only a handful of schools can pay that today; most are subsidized from that price and many more are fully subsidized. JET generated a three-year Farber grant (ending this year) of enough money to provide this subsidy to a large number of schools and JET may actually do 150 performances this season. The anti-bullying shows have become a mission central part of JET, a source of pride and satisfaction among JET leaders, and a major source of general as well as foundation fund raising

At about the same time JET began an annual production of The Diary of Anne Frank (Diary) for school children. This production runs for two weeks and has moved through many venues over the years. Since The Berman opened it has run in that facility. The audience has varied considerably over the years and has grown from 2,250 to 5,200 over the last two years in part because of resources generated by the Farber grant.

This season it is scheduled to run for five performances at The Berman and seven performances at the DIA theatre that will increase audience capacity from 5,200 to 13,000. The DIA is a win-win for both parties; it provides JET additional capacity and support within the City of Detroit, and it gives the DIA the kind of suburban partnership they need to fulfill the tri-county tax support agreement.

The Seymour J and Ethel S Frank Staged Reading Festival is a program that involves JET in a national new-play-writing enterprise. Un-produced new plays are solicited for staged readings. Somewhere between 50 and 100 plays are submitted, a volunteer play-reading committee recommends four plays to the Executive Director for presentation to the community in a festival format in June. It is considered mission central by the Board. For some years the program was supported by a restricted grant; it no longer has its own funding and must be funded from the regular budget.

24.8% of JET's \$508,000 budget comes from Main Stage ticket sales and subscriptions; 7.3% from income from Touring and Diary, 67.1% from contributed funds..

The TCG 2015 report for 21 theatres with budget from \$500,000 to \$1,000,000 shows 60.6% of revenue from contributed sources. For 18 smaller theatres the contributed percent is 65%.

JET's sales and revenue sources are not out-of-whack with the industry.

Table 1  
Sources of earned income, TCG 2015 data and JET data

Source	All TGC	TGC 2	TGC 1	YE 2017	YE '18 Budget
Subscription income	\$836,225	\$56,512	\$18,211	\$47,566	\$50,000
Single Ticket income	\$1,440,897	\$141,477	\$66,578	\$78,941	\$78,000
Booked-in events	\$50,744	\$1,853	\$527	\$0	\$0
<b>TOTAL TICKET INCOME</b>	<b>\$2,327,866</b>	<b>\$199,842</b>	<b>\$85,316</b>	<b>\$126,507</b>	<b>\$128,000</b>
Presenter fees	\$22,145	\$12,430	\$3,846		
Education Outreach	\$221,595	\$32,731	\$8,571	\$37,363	\$60,000
Concessions	\$99,338	\$13,678	\$3,168		\$2,000
Advertising	\$16,858	\$7,817	\$1,391	\$300	\$500
other	\$443,794	\$24,897	\$7,173	\$2,163	\$4,300
<b>TOTAL OTHER INCOME</b>	<b>\$803,730</b>	<b>\$91,553</b>	<b>\$24,149</b>	<b>\$39,826</b>	<b>\$6,800</b>
<b>TOTAL EARNED INCOME</b>	<b>\$3,131,596</b>	<b>\$291,395</b>	<b>\$109,465</b>	<b>\$166,333</b>	<b>\$134,800</b>

JET operated at a growing deficit in the seasons prior to 2015-16, accumulated significant past due accounts and was essentially bankrupt. A \$150,000 three year Farber grant and a one-time \$30,000 unrestricted grant enable JET to right the ship, pay down all the past due receivable except what is owed the Center, and show a very modest surplus in 2015-16, and 2016-17. The 2017-18 season still includes major funding from Farber, and the just completed Gala raised significantly more income than was budgeted.

Table 2  
JET FINANCIAL INFORMATION 2014 through  
2018

Year end 6/30:	2014	2015	2016	2017	*2018
Contributed income	\$283,538	\$286,952	\$367,351	\$344,191	\$350,000
Earned Income	\$263,348	\$247,635	\$96,227	\$194,410	\$192,800
Total income	\$546,886	\$534,586	\$463,578	\$538,601	\$542,800
Variable cost	\$305,822	\$301,342	\$163,794	\$250,190	\$284,980
G&A cost	\$300,286	\$227,825	\$245,635	\$265,458	\$253,829
Total expense	\$606,108	\$529,167	\$409,429	\$515,648	\$538,809
Operating surplus	-\$59,222	\$5,318	\$54,149	\$22,953	\$3,091

\* Data as of October 1 projections

JET'S operating results for the season ending June 2017 showed an operating profit of about \$23,000 of which \$15,000 was used to pay off the last of the long term balance sheet debt (except for the Center) leaving a surplus of \$7,000.

Management is reasonably confident that based on the results through the first four months of the year, the year ending June 30, 2018 will produce an operating surplus of \$3,000.

However, in the year ending 2019, management forecasts a loss of \$15,000. And, this assumes additional \$42,500 corporate/foundation revenue over the current year and allows for a reduction in Gala (and appeal) revenue of \$35,000 from this year.

It is clear that fund raising is a critical issue facing its Board. The current year will result in a surplus solely because of the Gala that will account for 41% of contributed support in comparison with 22% the year before. The loss of the Farber money must be replaced by either corporate or foundation grants.

Finally, JET lives in 30 and 20-year-old ruts. The Main Stage program is exactly the same as it was 30 years ago. The Outreach programs are essentially the same as they were 20 years ago. But the world is not the same. Many of the donors who built the theatre are either gone or have pulled back on their support, and enough new ones have not stepped forward. The original enthusiasts who started the theatre in their 50s are now in their 80s.

New enthusiasts must be engaged. The vision and the reality of JET must renew. New opportunities, new iterations, new strategies must evolve if the JET legacy is to survive and grow. Transformational ideas and strategies are crucial.

These renewals can't be little projects like the two different kinds of readings JET did two years ago. Those were costly but instructive. Even with underwriters and partners, they barely covered direct costs, were a drain on vital staff resources and made no impact. JET needs to think out-the-box about itself. It may need outsiders to join the effort. It has to hold the promise of a sea-change. New ideas have to be financially viable either on their own or through their ability to engage foundation support.

It's highly unlikely JET will exist in five years in a 35-year-old format. What will it be?

## **Section 2: WHO IS JET?**

1. A professional, Equity theatre.
2. A small off-Broadway regional theatre.
3. A Jewish theatre: Of particular meaning to the Jewish community, addressing issues of Jewish Cultural Heritage and a Jewish perspective on universal issues of humanity, a platform for Jewish talent.
4. A provider of educational support to schools using the theatre arts and Jewish perspectives.
5. A provider of Holocaust education to students.
6. A partner in the communal Jewish enterprise.

One form of analysis that enables us to cut to the quick is called **SWOT**—**STRENGTHS**, **WEAKNESSES**, **OPPORTUNITIES**, and **THREATS**. It puts all the variables in front of us in a simple format. Note that some variables can fall in more than one category, i.e. both a weakness and an opportunity.

### **STRENGTHS:**

1. Quality of the work: main stage, touring shows and Diary
2. Unique (for this market) nature of our main stage season.
3. Uniqueness of mission
4. Perceived value in The Jewish Community
5. Growing demand for touring shows in schools
6. Growing demand for Diary seats with a strong revenue stream
7. Dedication of board/long-term supporters
8. Extremely effective professional leader
9. Response of Donors to educational services
10. Good reputation in the theatre community

**WEAKNESSES:**

1. Lack of mass; too small a staff and funder group to even accomplish the current plan.
2. No dedicated professional fund raising staff
3. Very weak board ability to fund raise
4. Over-dependence on one key staff leader
5. Increasing inability of schools to pay for touring shows
6. Lack of strong marketing/promotional tools (not mainly within JET's control)
7. Inability to conceptualize transformational strategy

**OPPORTUNITIES:**

1. Make the current staffing more focused and productive
2. Attract non-core audiences
3. Focus on younger (50 to 60) audience
4. Finding younger (50 to 60) board members
5. Expand the donor base
  - a. Get more effective in soliciting high capacity individuals and Foundations
  - b. Become productive in soliciting commercial support
6. Focus on shows with wider audience appeal
7. Rebuild subscriber base with one-on-one effort
8. Create an energy that can lead to transformational ideas.

**THREATS:**

**Existential Threats:**

1. JET exists on the financial edge and must raise new funds to operate next year and into the future.
2. The still evolving way forward of the Center and the fragile nature of our lease is an existential issue we cannot control. There is no reasonable alternative existing theater space (i.e. the Muse experience) in the area.
3. No clear vision of the future. Just repeating and repeating a very old formula

**General Threats:**

1. Irreversible shrinking of our core 55-80 aged Jewish audience.
2. Market wide shrinking of theatre audiences
3. Aging board and no pipeline of new lay leadership
4. Little donor interest for the Theatre itself aside from the Outreach programs
5. Donor fatigue

## **MISSION STATEMENT FOR 2018:**

### **Original:**

*To produce theatre of the highest professional standards and to provide a stage for the exploration of ideas which confront issues of humanity and community from a Jewish perspective. JET serves as a force for Jewish Continuity, a platform for new voices, and a bridge of understanding to the general community.*

### **Proposed Revised:**

A committee of the Board was asked to take a crack at updating this statement last spring. This has yet to be submitted to the Board for approval:

*JET is a nonprofit, professional theatre company that delivers quality, contemporary productions. Grounded in the ideas of Jewish culture, values and ethics, JET strives to provide main stage and youth outreach theatre that is provocative and illuminating while also engaging*

### **A Recommended Approach:**

*Theatre. Professional. Quality talent and production. Grounded in Jewish culture, values and ethics. Concerned with issues of humanity. Use the theatre arts to reach children with these vales. Provocative, illuminating and engaging.*

## **Section 3: GOALS AND STRATEGIES:**

### **GOALS:**

1. To create a revenue stream than promises some stability and predictability for JET that will assures its operational sustainability for a rolling 18 to 24-month period.
2. To generate surplus funds that can be used to develop new programs, invest in new staff and otherwise provide for JET's growth and evolution.
3. To develop a strategy and plan to deal with the potential existential issue of losing JET's space at someone else's discretion, beyond our influence.
4. To expand the diversity of the Board by age, race, sex and skill sets.
5. To strive for a paid audience of 1200 tickets per Main Stage production (60% of the house.) Over the last 23 shows, 8 sold more than 1,000 tickets including *Old Jews Telling Jokes*, which sold 1565. For the seasons from '13/'14 through '16/'17, average tickets sales were 917, 998, 775 and 910. Six out of 14 productions have covered their variable cost.
6. To capitalize on and extend the value of the growing the Dorfman Family Foundation Youth Theatre and *Diary* production to its target market of students,

teachers and schools, as well as to JET's other important stakeholders: funders, donors, and volunteers.

7. To continue to present Main Stage *seasons of substance* that combine humor, drama, and music to confront issues of humanity and community from a Jewish perspective.
8. To provide a stage for work of the highest professional quality by actors, directors and other stage crafters.
9. To maintain a culture of respect and encouragement that provides a safe, collaborative and creative space for staff, performers and board members.

### **STRATEGIES:**

The Board as a collective or group activity cannot do the development of the tactical plans to carry out these strategies. Committees must be created to work on these problems with short time lines. Given the dispersion of the Board during the winter period, much of this work will have to be directed by a chair and involve phone (or Skype if you like) meetings. Staff can facilitate these meetings and serve on the committees. Non-board members can be asked to serve on these committees.

1. **To create a revenue stream than promises some stability and predictability for JET that will assures its operational sustainability for a rolling 18 to 24 month period. This is the JET Board's most urgent task. To develop a plan by December 30, 2017 to solicit funds for the Season beginning July 1, 2018.**

The nature of philanthropic giving in the Jewish community has evolved in recent years and we can identify five potential categories of prospects; plans must details specific tactics to be successful with all five.

- a. **Public Foundations:** (i.e. Kresge, MCACA ,Shubert) The target here is annual gifts from \$10,000 to \$30,000 annually. As a word of caution, these gifts require detailed and time consuming proposals and updates; JET needs to be aware of the cost of applying for and maintaining the grants to make sure they are worth the effort.
- b. **Private Foundations and Philanthropic Funds,** primarily those established by Jewish families. These sources are almost exclusively seeking to make grants of over \$100,000 (often over a two or three year period) and require following a proscribed process. Experience suggests these grants go to very specific projects, not just to the institutional sponsors.
- c. **Businesses** that see contributions as community support, reaching an audience of commercial value or building relations with customers from within JETs advocate group. Gifts in the \$2,500 to \$25,000 range.

- d. **Private Individuals** capable of giving annual gifts of \$500 to \$5,000, solicited on a person-to-person basis. This year has been significantly more successful than past years and is a direct result of more and smarter work by individuals.
  - e. **Community Supporters under \$500** through events, add-on to subscriptions, response to seasonal appeals, tributes and so on.
2. **To manage the Theatre with sound and realistic planning, to constantly manage issues of cash control, to use smart financial skills to maximize financial resources.**
  3. **To seek new and transformational ideas, strategies and programs that will remake JET into a contemporary organization that can appeal to new audiences and new funders still within the framework of its mission.**
  4. **To develop a plan to evolve JET into a contemporary organization with new and different kind of activities that expand its audience and funder reach within the framework of its mission. This plan should be developed by May 1, 2018. It is necessary and desirable to include outsiders with relevant experience and know how in this process**
    - a. JET has demonstrated that small ideas for change or growth are not productive—too much effort, too little impact or revenue.
    - b. It is almost impossible to envision JET successful five years from now with same 30-year-old model that it has today.
    - c. Change can come with its educational mission in new markets, in new venues, with new subjects, in new media. How can social media be integrated into our current programs that makes them more relevant to the market? Will this bring in new funders?
    - d. How should the Main Sage program evolve? Should we be doing short form theatre for YouTube? Instagram? Social media is more content driven than the media in the past. What's that mean for JET?
    - e. Should JET have a winter season where the Jewish Snowbirds go? How can we grow out of West Bloomfield?
  5. **To generate surplus funds that can be used to develop new programs, invest in new Staff and otherwise provide for JET's growth and evolution.**
    - a. This is a longer-term priority that probably should be integrated with the strategies for the first goal and the evolution goal.

6. **To manage the Theatre with sound and realistic planning, to constantly manage issues of cash control, to use smart financial skills to maximize financial resources, and to meet commitments to donors.**
  - a. This is the function of the officers and members of the executive committee with the appropriate expertise.
  - b. Given the financial pressures on the theatre, rolling budgets for the current and following year should be maintained at a minimum on a quarterly basis.
7. **To develop a strategy and plan to deal with the potential existential issue of losing our space at someone else's discretion beyond our influence.**
  - a. This requires expertise that does not exist on JET's Board. A committee should be created, led by a Board member but made up of community people who can approach this with a "how" attitude.)
8. **To expand the diversity of the Board by age, race, sex and skill sets.**
  - a. JET has to stop adding people 70+ to the board and focus on people between 50-to-70. There has to be an organized program to accomplish this with an April 1, 2018 deadline.
  - b. JET's subscriber and giver bases must be mined, but generally outreach has to be made for help among that target age-group.
  - c. Nominations for the Board should be made in time for voting at the May meeting. Prospects who are contacted should not be told they are "in" before the Board has a chance to review their nominations.
  - d. A specific action plan and goal should be submitted the first week in January.
9. **To strive for a paid audience of 1200 tickets per Main Stage production (60% of the house.) Over the four seasons from '13/'14 through '16/'17, average tickets sold were 917, 998, 775 and 910. Six out of 14 productions have sold more than 1,000 tickets including Old Jews Telling Jokes, which sold 1565.**
  - a. A key part of this rebuilding the subscription base. Part is play selection and marketing. JET cannot justify its program when it can't draw an audience.
10. **A plan for increasing the subscription base should be ready no later than March 1, 2018.**
11. **This is primarily a staff function, assisted by board members with particular expertise as staff requests. The 2018-19 season must be submitted to the Board for approval no later than the March Board meeting.**

- 12. To capitalize on and extend the value of the growing the Dorfman Family Youth Theatre and Dairy production to its target market of students, teachers and schools, as well as to JET's other important stakeholders: funders, donors, and volunteers.**
- 13. It's clear that with a lower price structure demand for the Touring shows is stron. The Farber grant enabled JET to reduce the need for revenue dramatically and that's fueled success. It's also clear that these programs drive JET's contributors; there ain't a lot of folks out there who want to give money to a Jewish Theatre. It appears the Farber grant must be replaced in some way, by May1, 2018.**
- 14. The hard cost of a Touring show is about \$280. If the grant is not replaced JET ill have to reduce the number of performances which will negatively affect other fund raising. This is part and parcel of the fund raising strategy, but it is clearly essential to the Theatre's success.**
- 15. The *Diary* move to the DIA could increase size of this audience and its revenue. Keeping the Grand grant here is crucial, but this is a real source of overhead revenue for JET.**
- 16. To continue to present Main Stage *seasons of substance* that combine humor, drama, and music to confront issues of humanity and community from a Jewish perspective.**
  - a. Product is always key to audience. The Detroit News recognized JET for a more meaningful season than competitors. JET has to balance this strategy with the need to build audience. The Lady Day experience demonstrates how important affordable and quality music can be to a season.
  - b. This is the responsibility of the Artistic Director, or, in JET's case the Executive Director. He should remain open to ideas from board members and others, but it's his responsibility to develop a season and have it ready for approval by the April Board meeting.
- 17. To provide a stage for work of the highest professional quality by actors, directors and other stage crafters. JET has always worked toward this goal and by and large meets it.**

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18. **To maintain a culture of respect and encouragement that provides a safe, collaborative and creative space for staff, performers and board members.**
  - a. Standards for interpersonal relationships in the workplace are in a sea change and JET has to be sensitive to this. A recent incident demonstrated JET's sensitivity to this issue; it acted promptly and properly. But, attention must be paid.

### SUMMARY

This is a big plan for a small organization with an overcommitted staff and dispersed leadership. But it is what it is. Progress on issues of development, alternative location and leadership development must be made with urgency.