

WHERE MUSICIANS GO TO PLAY





***“The Salmon Arm
ROOTS&BLUES is an event
easily on par with the
Winnipeg, Edmonton and
Vancouver Folk Festivals.” –
Vancouver Province***



FESTIVAL

The Salmon Arm Folk Music Society is a non-profit charitable organization that presents the annual ROOTS&BLUES festival the third weekend of every August.

Our goal each year is to expose, entertain and enrich our community by delivering an excellent presentation of culturally diverse music and related artistic experiences, engaging a multi-generational audience.

WHAT HAPPENED LAST YEAR...

The 25th Annual Salmon Arm Roots and Blues (SARB) was both a critical and financial success, an indication the festival is on the rise. DestinationBC now considers the Festival from a tourism perspective as an anchor event that business and local communities can benefit.

“The Festival is the highest attended outdoor music festival in the BC interior.”

We attribute this uptrend to the event organizers effort to improve communication with our patrons, and developing a sophisticated communication plan to retain and increase new patron activity.

With the new communication plan the attendance during the 25th SARB improved by 500 over the festival weekend, reaching 27,000 festival attendees over the entire 4 day event.

We estimate the 26th Annual event will reach 27,500 attendees over the weekend. Boost attributed to benefits expect from better known headliners and increased integration with Shuswap Tourism and DestinationBC promotional partnerships.





HIGHLIGHTS

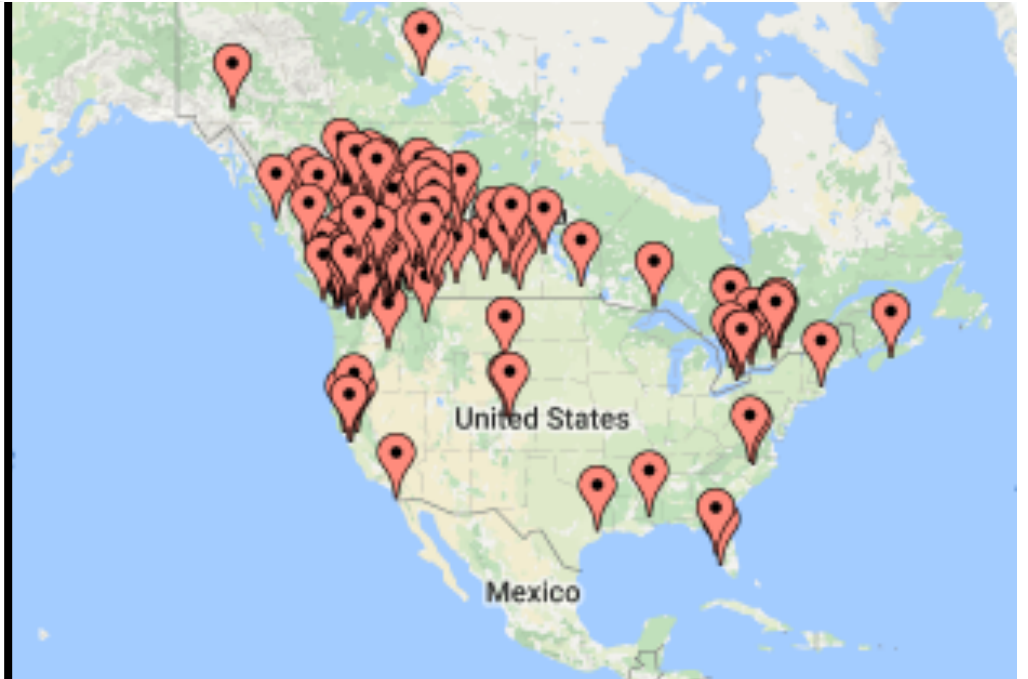
- 2017 was a year of change and recovery: the 3 core staff creatively sought to:
 - Find new grants and funding opportunities while continuing to provide quality music and enhancing off stage entertainment;
 - Expand ticket sale opportunities:
 - Askews store in Salmon Arm, Armstrong and Sicamous
 - Orchard Park Shopping Mall in Kelowna
 - Hillcrest PAC;
 - Increase use of Billboards;
 - Tsawwassen Ferry, West Kelowna, Chase, Three Valley Gap and Enderby.
 - Integrate Promotional efforts with Shuswap Tourism and DestinationBC;
 - Festival Program inserted in BC Musician Magazine and distributed in July to over 400 locations across Western Canada
 - Article in July/August WestJet InFlight magazine
 - Increase in-kind sponsorship contributions and reduce expenditures through new sponsorship agreements
 - New: CanadaDry and Motts; and multiple breweries sponsors were added;



EXPANDING

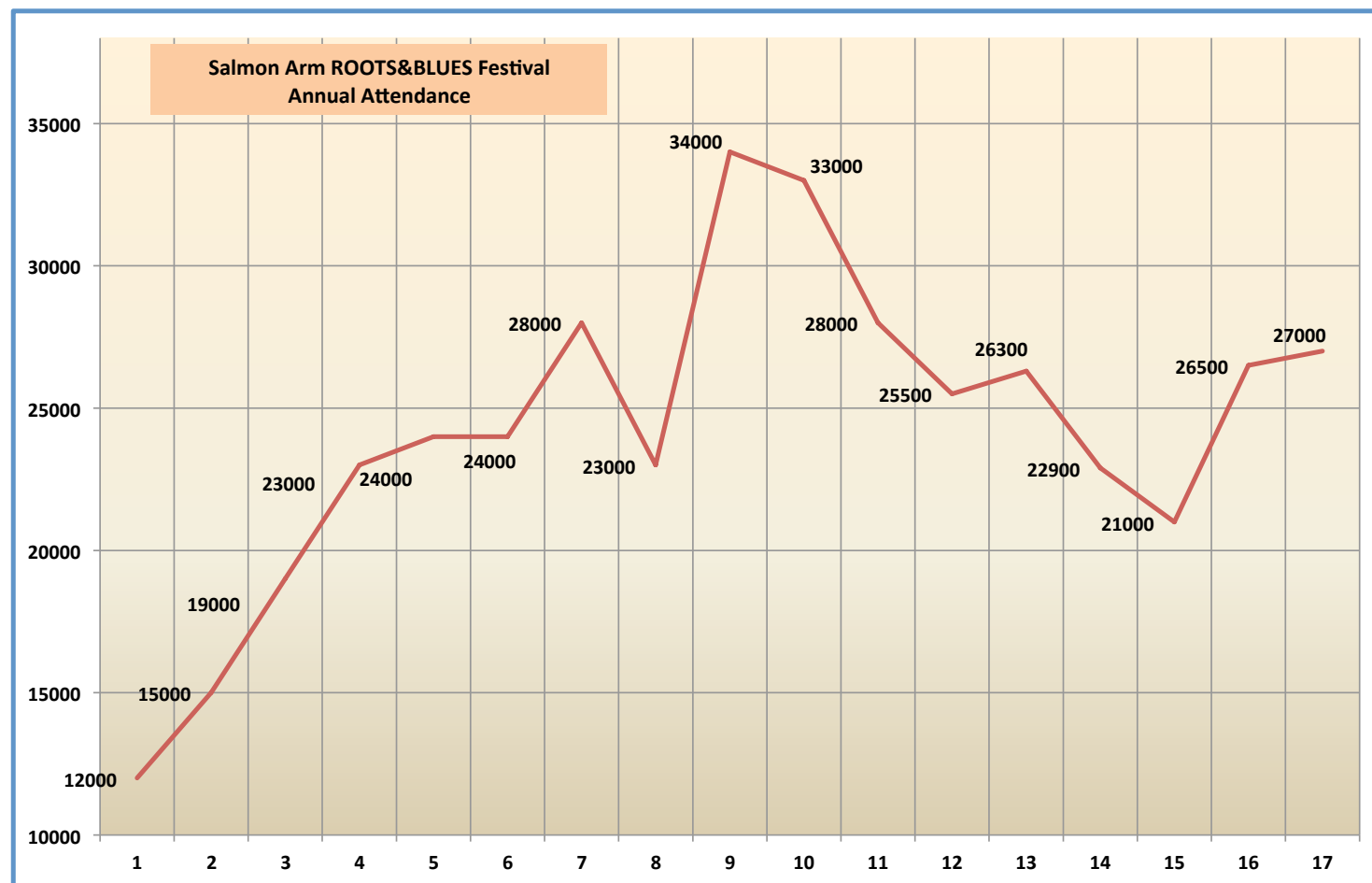
- In an effort to bridge the void left after the Routes and Blues was cancelled in 2015 we reincarnated the annual Music Crawl in 2016 to be a multi-day community based cultural experience called the “Super Crawl”:
 - Main objective was to increase cultural events in Salmon Arm on the Monday through Thursday leading to the festival weekend. Community event partners included the Shuswap Theatre, Runaway Moon Theatre, Askew’s Uptown, Urban Market, WOW,
 - The 2nd Annual Super Crawl increased attendance to reach 1,200;

**TICKETS
SOLD ACROSS
NORTH
AMERICA**



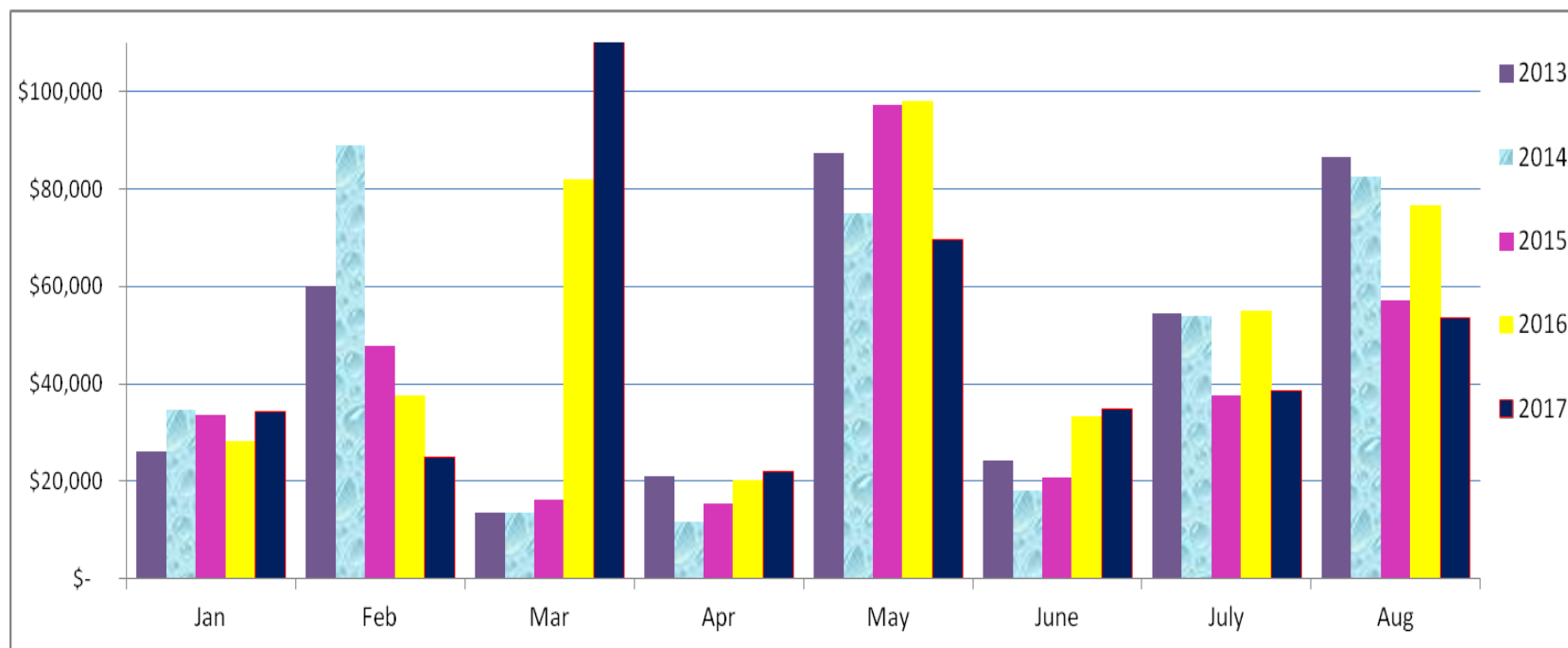
An aerial black and white photograph of a large outdoor festival. The scene is filled with a dense crowd of people, numerous tents of various sizes (including a large striped one), and parked cars. In the background, there are some buildings and trees. The text '25TH ANNUAL ATTENDANCE 27,000' is overlaid in a large, white, distressed font in the center-right of the image.

25TH ANNUAL
ATTENDANCE
27,000

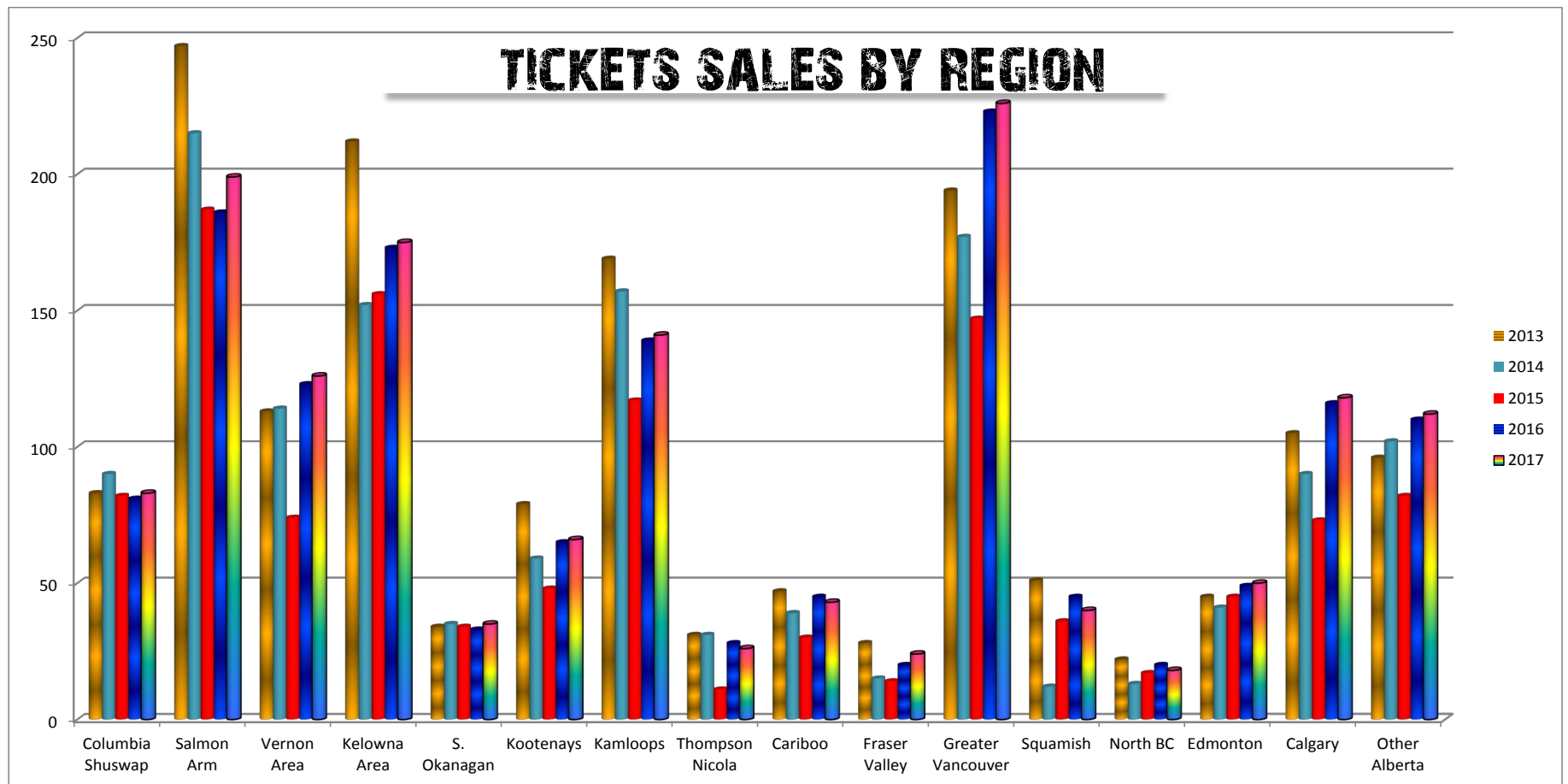




Advanced Ticket Sales



Tracking advanced sales helps to understand and predict the overall success of the festival.





SHUSwap

Beautiful. Casual. Down-to-earth.

Shuswap Tourism has committed to supporting our marketing efforts to drive more tourism to the Shuswap region.



PATRON DEMOGRAPHICS

Over 533 individuals were surveyed during the 25th annual event by Shuswap Tourism staff onsite, and post-event via an online survey.

11% **18-34**

27% **35-55**

37% **56+**

57%
FROM
OUTSIDE
SHUSWAP

66%
STAYED IN
SHUSWAP
2+ days

76%
PLAN TO
ATTEND
IN 2018



PRESENTING
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Results for 2017 to 2014

	2017 Near Final (i)	2016 Actuals (ii)	2017-2016 Variance = (i) - (ii)	2015 Actuals (iii)	2017-2015 Variance = (i) - (iii)	2014 Actuals (v)	2017-2014 Variance = (i) - (iii)
A. Summary of Net Profit and Loss							
Total Revenues	1,307,896	1,303,553	4,343	1,138,968	168,928	1,177,169	130,727
Total Expenses	1,265,323	1,118,735	146,589	1,169,043	96,281	1,304,961	(39,637)
Net Profit / Loss	42,572	184,818	(142,246)	(30,074)	72,647	(127,792)	170,364

Results for 2017 back to 2014 demonstrate 2 years of profit.



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Local Support

- | | |
|----------------------------------|---------|
| ■ Invoices paid to local vendors | \$272K |
| ■ Wages paid to local staff | \$176K |
| ■ Total paid expenditures | \$448K |
| ■ Estimated % of total expenses | 35% |
| ■ Support from local businesses | ~\$200K |



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Major Variances 2017-2016

Revenues	(\$000)
New Grants:	20
Increase in funding from DestinationBC	
Sponsorship:	12
1. Change in beverage sponsors	
2. Increase from TD	
Reduction in Ticket sales	(34)
On-Site Sales inc food, alcohol, raffle	6
Net Improvement in Revenues	4



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Major Variances 2017 - 2016

Expenses	(\$000)
Site Support Costs	29
Event / Production / Volunteers	43
Performers Costs	11
Marketing	25
Staff & Office Support Costs	21
Onsite Sales (inc. Merchandise)	17
Net increase in costs	146



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Cost Increases in 2017

- | | |
|---------------------------|-------------------|
| ■ Office move | \$10K + |
| ■ Break in at Quonset | \$10K |
| ■ Replacement Storage | \$ 5K |
| ■ Security costs | \$ 8K |
| ■ Travel & Training costs | \$16K |
| ■ General cost increases | <i>everywhere</i> |



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2018 Cost Reduction Plan

- Reduce Expenditures through Investment:
 - Install Hydro in the South Fairground site. This will remove requirement for generator rental.
 - Volunteers training to be registered security guards to reduce requirement in having to hire security firm.
 - Purchase equipment we normally rent for each event.
- Partner with local event organizers to share costs
- Establish long term agreements to reduce annual costs per supplier.