

Orchestra London Canada

Tuesday March 21, 2000 Informational release distributed at a special "Maestro's Circle" reception.

Thank you for showing your support of Orchestra London by being here with us this evening. You have heard a great deal about our situation in the last few months; some positive and some not so positive. We hope that this package will answer some of the questions that you may have.

Does Orchestra London really need 1.2 million dollars to finish the season?

No. That number was an early estimate that assumed we could retire ten years' worth of deficit in three months. We propose to retire it in three years. The 1.2 million dollars comes from the following numbers:

\$ 660,000 deficit accumulation over ten years
\$ 360,000 projected deficit over 1999/2000

What does Orchestra London need to complete this season?

The Corporation of the City of London has done their part. Now we need to raise \$ 330,000 from the community as follows:

\$ 50,000 by March 22, 2000
Plus \$ 280,000 by May 31, 2000

How did Orchestra London get in this mess in the first place?

Federal and Provincial government grants have been declining for years. The crucial cut that tipped us over the edge was a \$100,000 short-fall in the 1997/98 season, when the Ontario Arts Council took major funding cuts. In December 1999, the Ontario Provincial Government required us to pay a \$130,000 tax assessment for Employee Health Tax, because they judged our musicians to be employees, rather than independent contractors. We have paid this (with a loan from the City of London), and a lengthy appeal process is underway. Last week, City administrators advised us not to proceed with the subscription renewal we do every spring, which usually brings in about \$400,000. Therefore, we have been unable to access the cash flow that we usually need at this time to complete every season. All Arts organizations, including the Grand Theatre, Shaw Festival and Stratford Festival, rely on their spring subscription renewal campaigns for cash flow at this time of the year.

How will Orchestra London get out of this mess?

We will raise \$ 50,000 by March 22, 2000 plus \$ 280,000 by May 31, 2000. By May 31, 2000 we will present a three year business plan to City Council that will have Orchestra London operating on a balanced budget based on government grants, subscriptions and donations.

What will Orchestra London be doing differently?

- Our players are putting their hearts and their wallets behind this campaign
- We will be appearing in a variety of more appealing performance venues
- We will be introducing more theatrical settings to classical performances including video screens, some costuming and a more relaxed atmosphere with couch seating
- Our musicians will have a much higher profile in the city
- We will take advantage of synergies with the Grand Theatre and LHRAM
- We have created a program where Orchestra London will touch every school in the city within the next three years
- We will display total fiscal responsibility on an immediate basis and negotiate with the City of London to take back revenue from concessions with a goal to making Orchestra London self-sufficient by 2004/2005
- There will be a strong emphasis on asking our patrons, “What do You Want?”

**The next three years will be great.
The next three months will be perilous.
We need your help.**