

**OUTPOST DRAFT BUDGET**

**PURPOSE**

To seek approval for the Outpost 2013 Budget.

**RECOMMENDATIONS**

It is recommended that the Trust: Approve the budget for the next Outpost festival in 2013 contained in **Attachment A**.

**SUMMARY**

Outpost was a significant undertaking for the Sydney Harbour Federation Trust delivering unprecedented visitation to the island over a 5 week period by showcasing a demand for content that is new, contemporary and accessible to families.

The event acted as a new platform for the Trust to acquire partnerships both in the cultural and corporate sectors. High profile PR coverage, wide spread social media through Facebook, twitter, blogs and competitions drove awareness for the event with flow-on editorial for the Trust. The 2011 event developed the organisation's skill set to deliver large-scale projects. It was voted Best Arts Event at the FBi SMAC Awards in Jan 2012 and included in the 'Top 100 moments of 2012' by the SMH Sydney Magazine.

[REDACTED]

Based on our 2011 key learnings and now with deeper understanding of running large scale self produced events on the island we have developed a budget to support our approach to Outpost 2013.

**Outpost 2011 Fast Facts:**

- Record breaking 86,000 attendees over a 5 week period
- Outpost attendees skewed to 18- 35 years olds and families
- [REDACTED]
- [REDACTED]
- [REDACTED]
- Increased Facebook fans for Cockatoo Island from 850 to 8,097, an increase of 7,247 fans
- Twitter followers increased from 121 fans through to 1467
- Cockatoo Island website attracted over 150,000 page visits
- 60% of our survey respondents had never been to Cockatoo Island before Outpost festival.
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]



**Our 3 key objectives for Outpost 2013**

- To produce an internationally acclaimed festival that positions Cockatoo Island and SHFT as an important cultural innovator on Sydney Harbour.
- To create outstanding Outpost content and marketing initiatives that drive increased visitation. Grow 86k visitors to 100k visitors.
- Leverage 2011 success and translate visitation growth into increased and new revenue streams.

**CURATION**

In re-energising Outpost for 2013, curatorial approach will focus on large scale installation site specific works to maximise impact of outdoor spaces/areas (Eastern Apron, Cranes, Bolt Wharf, Cliff Face and Tunnels) on the lower island. This year we will aim to work with over 5 new cultural collaborators across street/urban art genre to help identify new artists and program directions.

**OUTPOST PRIZE**

Our intention is to build on the grass roots interest in urban art as evidenced by 2011 Triple J competition which received over 700 entries from around the country. Create a desirable program for young artists that awards top entries with one of 15-20 walls on the island to create their work.

We believe again working with Triple J and a corporate partner (TBA) will help drive entry and awareness, potentially positioning the initiative as a cool alternative to or 'underground' Archibald prize.

**FAMILY & EDUCATION**

Executing Outpost 2013 over April and May gives the Trust an opportunity to dramatically increase mid week visitation numbers due to access to the school holiday period. A variety of initiatives will be created for mid week and Sunday activity including both unstructured and structured art making, sustained workshops with festival artists and educators, collaborative community based projects that evolve and grow over the course of the festival.

Family camping packages will also be provided to promote opportunities for family camping throughout the festival for family and school groups. Curriculum based arts programs will also be offered.

**LIVE EVENTS**

The Trust believes that live events will add to the festival vibe, providing more energy and engagement beyond the artwork. A dedicated space, with one internal staging area/set-up production elements will be provided to support self produced initiatives, partnerships and branded programs as some sponsors see this as a key asset for involvement. Fashion, music, skateboarding, tattoo art, workshops and art battles will be areas for consideration.

**NEW TIMING**

As per our 2011 schedule we propose a similar 40 day event program (5week/6weekend model) but recommend moving the event time to April 2013 to capitalise on greater family visitation due to end of Easter holidays plus April school holiday period.

This revised timing is supported by sponsors who have identified this as a better option than the busy period leading up to Christmas. Additionally there are less in-market competition from other major events and allows the Island to be handed back by mid- May for outside hires.





[REDACTED]  
[REDACTED]  
[REDACTED]

**COST TO PRODUCE 2013 EVENT**

Our intention for 2013 is to produce a program of similar scale and impact in the marketplace as our 2011 event, while reducing costs and improving revenue streams through maximising visitation and consumer spend on island.

The total cost to mount the event is \$950k (compare 2011 \$1.1m) to cover costs for production, content, artists and marketing. Based on our 2011 sponsorship activity and the appetite for the event in the market place we believe that we can generate \$250k in cash sponsorships and an additional \$350k in contra to offset this total cost [REDACTED]  
[REDACTED]

Additionally we will increase our approach to food and beverage, retail and gallery sales activity, venue hire through the event and family initiatives including camping packages. Combined revenue across these areas is expected to be over \$250k.

Details of how this estimate is devised will be presented at the meeting, however, please see attached budget. The following provides a breakdown of the components.

**Food and Beverage**

In 2013 we will design food and beverage activity to optimise sales, through queue management, design & theming, menu offering and price point. We are looking at a variety of models that include tendering satellite outlets, managing infrastructure including the beverage areas enabling us to broker multi-year deals with partners and across many island events. Based on 2011 return, research around island food and beverage consumptions during Outpost [REDACTED] we believe we can generate \$112k in profit.

**Gallery, Retail and Merchandise.**

In 2011 with a hastily organised gallery, retail leasing and merchandise, we generated \$25,032 in profit. We believe with more planning time and increased stock range including more range from artists we are confident that will increase profit to \$45,727.

**Venue Hire**

In 2011 Outpost Corporate events including tours and venue hire generated \$5700 in profit. With an improved go-to-market strategy, more spaces available for mid week and weekend evening activity we can generate an additional \$10k worth of hire.

**Family initiatives and Campground Plus**

In 2013 it is proposed to provide new family art/evening initiatives will be packaged as a value add for camping throughout the festival. These packages along with some paid program initiatives on the island are still to be explored but it is anticipated that the additional camping occupancy will be another revenue stream.

Prepared by: [REDACTED]

Date: 11 May 2012

Geoff Bailey  
Executive Director  
May 2012

BOARD IN CONFIDENCE

Attachment A

**Budget Summary**

<b>Fixed Total Costs</b>	<b>\$</b>		
Production and Content		633,000	
Marketing		<u>325,000</u>	
		958,000	
<b>Potential Cash &amp; Contra Offsets</b>			
	<i>Best Case</i>		<i>Conservative</i>
Anticipated Cash Sponsorship		250,000	175,000
Production & Marketing contra		<u>350,000</u>	<u>220,000</u>
		600,000	395,000
<b>Potential Revenue Streams</b>			
	<i>Best Case</i>		<i>Conservative</i>
Food & Beverage		112,000	112,000
Venue Hire Sale		15,000	15,000
Gallery, Retail and Merchandise		49,000	30,000
Camping & Holiday Activities		18,000	10,000
Education		<u>15,000</u>	<u>10,000</u>
		209,000	177,000
<b>Total SHFT Investment</b>		<b>\$149,934.00</b>	<b>386,934.00</b>