

Honoring Tradition, Embracing Community, Fostering Innovation

A Strategic Plan for Caffè Lena 2009 - 2014

Caffè Lena is widely recognized as the oldest continuously operating folk club in the United States. It is an internationally renowned cultural center and an American treasure. Opened in 1960, the Caffè has helped to launch many of America's most celebrated songwriters.

Following the death of its founder, Lena Spencer, in 1989, Caffè Lena was converted to a non-profit institution which today continues as a living legend: breathing in ideas, dreams, and possibilities--breathing out music, poetry and theater. Caffè Lena has always been a place where people renew their faith in the power of music. They come up the stairs and enter an intimate room where a world-class performer is only feet away from the audience; where they can see every movement of fingers on frets and feel a foot tapping rhythm on the stage.

Run by a small paid staff, a Board of Directors, and an ever-evolving team of volunteers, the Caffè is proud to stay true to Lena's founding vision of simplicity and openness, kindness to strangers, and art above profit.

Mission and Values

Caffè Lena is an institution devoted to the art of telling stories through music, theater and the spoken word.

This simple statement, adopted by the Caffè's Board of Directors in 2008, summarizes the organization's mission. Music, poetry, theater, and other forms of oral expression all come together at Caffè Lena to tell the stories of the peoples of the world. For those seeking an enriching, meaningful alternative to mass culture, Caffè Lena serves as a time-tested option. For artists seeking outlets for self-expression, Caffè Lena provides a venue that does not view commercial success as a benchmark of artistic quality. As the Caffè pursues its mission, it looks to its values, congruent with its longstanding history and traditions, to guide its activities:

- We value our volunteers, staff, artists and customers as friends and neighbors first, and as revenue generators second.
- We value the musical traditions of the world cultures that have blended together to create music that is uniquely American.
- We recognize that the music we present has developed and been sustained primarily as a non-commercial family and community tradition. We carry on the tradition by welcoming children, teens and adults to create and enjoy art side by side.
- We seek the inclusion of people of diverse economic and social backgrounds. We attempt to find a way for willing people at all skill levels and abilities to contribute to Caffè Lena's mission.
- We show caring for our customers and artists by offering the highest level of service, comfort and safety that we can provide.
- We maintain a wholesome, alcohol-free environment where authentic human connection can flourish.
- We contribute to the wider folk community by participating in conferences and festivals, holding benefits for performers in need, and disseminating information about regional folk events.
- We are active in the local community, sharing our resources with others and addressing community needs whenever possible.

Strategic Planning

The Board of Directors and the staff of Caffè Lena are committed to the artistic and cultural mission of the Caffè, and recognize the requirements of keeping such an institution alive and thriving. The business exists in a building that is in need of much renewal and renovation. In order to continue operating as consistently as it has for the past nearly half a century, it must have a safe and suitable physical plant. It is also true that the wider culture has become increasingly self-oriented, with electronic and virtual entertainment in some cases replacing face-to-face social interaction and the live music experience. The Caffè's

Board and staff believe that there is a robust market for the rich experience that the Caffè offers, and it continues to successfully attract that market. But, if it is to continue to thrive in the future, the Caffè's leaders must engage now in realistic self-appraisal and planning.

This document delineates the Caffè's strengths and challenges, and identifies the key issues facing Caffè Lena over the next five years. Finally, it lists a series of strategic initiatives that will be undertaken to help the Caffè fulfill its mission and values long into the future.

Strengths and Challenges

As Caffè Lena continues to live up to its reputation as one of the premier folk music venues in the country, its Board of Directors and staff are assessing the Caffè's strengths and challenges in the areas of core program, finances, physical plant, governance, and marketing. The leadership believes that if Caffè Lena builds on its identified strengths and addresses its challenges, its members, audience, artists, and the greater Saratoga community can be confident that this important institution will continue to thrive.

The Core Program- Caffè Lena's main stage is busy approximately 260 nights per year. The Black Box Theater runs another forty shows, and workshops and music lessons take place throughout the year. The Caffè presents professional music performances three nights per week, and "open mic" music, poetry, storytelling, and comedy two evenings per week. The Caffè has high artistic standards for its performances, and enjoys a strong reputation for excellence in the folk community, as recently evidenced by its recognition as "Best Small Venue" of 2008 by the International Folk Alliance.

Both established performers and up-and-coming acts are drawn to the Caffè's intimate performance space. With seating for eighty-five, excellent acoustics, and an inviting atmosphere, the Caffè provides a unique esthetic and human experience for both the artist and audience member. The quality of the performances and the attractive atmosphere have contributed to strong attendance and a current membership base of 500. Caffè Lena serves approximately 12,000 people per year, drawing regular attendance from all of New York State, southern Canada, Vermont, Massachusetts and New Jersey. Still, there is room for growth in attendance, particularly for less well-known artists, and an increase in sold-out shows is a desirable goal.

The Caffè's committed cadre of volunteers is an integral and cherished part of the organization. Volunteers serve on the Board, design publications, wait on tables, work in

the kitchen, and perform many other jobs that would ordinarily be filled by paid staff if the positions could be supported by the operating budget. While the volunteers will always be the backbone of Caffè Lena, the leadership recognizes that the business must take care to not depend on volunteers to serve critical functions where paid staff may be needed.

In recent years Caffè Lena has sought to revitalize its offerings beyond music. The Caffè is fortunate to have the forty-five seat Black Box Theater on premises which hosts unique and experimental drama not otherwise available in the Saratoga community. Since 2001 Channel Z has served as Caffè Lena's resident theater company. Their plays are primarily cast with high school and college students, thereby adding generational as well as programmatic diversity to the overall artistic lineup. However, theater programming is limited by the configuration of the space (it cannot be used when other facilities in the building are in use), and has not been fully integrated into the perceived core offerings of the Caffè.

Poetry, storytelling and comedy are other art forms that the Caffè has returned to in recent years. These important spoken word genres, like the theater program, help to diversify the Caffè's market. However, contemporary cultural norms for these art forms, especially in the area of comedy, are sometimes inconsistent with the values of Caffè Lena, thus creating the challenge of maintaining a family-friendly atmosphere while at the same time encouraging free expression.

Finances- Caffè Lena keeps current with its bills, deals fairly and reliably with its artists, and supports a small staff to provide continuity in its operations. The Caffè takes pride in the fact that its performers are paid a decent wage, making the Caffè a desired stop on the circuit for many artists. It is also a source of pride that the Caffè has been a distinctive part of the Saratoga Springs business community for over 48 years. The Caffè is fortunate in that it owns the building in which it operates, thanks to a successful capital campaign completed in 1998. Rental revenue adds diversity to the Caffè's income sources. Current tenants are two successful restaurants, and a purveyor of comic books and related materials. This revenue, combined with an ever-increasing membership pool and the revenue from shows, generally provides a positive cash flow and keeps debt to a minimum.

This is not to say, however, that the Caffè's finances are not fragile. Caffè Lena operates without an endowment. While cash flow is adequate to sustain the core program, it is not sufficient to professionally staff all needed positions, or to advance Caffè Lena's future growth and presence in the community. The Caffè's current paid staff consists of a full-

time director, a half-time assistant to the director, a part-time baker, a coordinator of the weekly open mic, and a custodian. The crucial positions of webmaster, sound technician and kitchen manager are all unpaid at the present time.

Further, the Board recognizes that, while the Caffè's pricing represents an excellent value for most audience members, there are many in the community for whom attendance is desirable but out of reach. The Caffè's current finances simply do not allow this concern to be addressed.

The Board, staff, and volunteers of Caffè Lena are committed to the future development of the Caffè as an important cultural resource in the Saratoga Springs, NY area, and as an essential player in keeping folk music viable on a national scale. The broad recognition of the financial imperatives represents an important strength in addressing the financial needs of Caffè Lena.

Governance- Caffè Lena is governed by a small Board of Directors (currently ten members). The Board consists of some who have been involved in the Caffè for decades and others who are newer. All Board members are annual financial contributors, strongly supportive of the mission and vision, and perform a great many hours of volunteer service in all areas of the operation. The Board has recently worked toward the development of a comprehensive vision for Caffè Lena by adopting a mission statement and developing a strategic plan. Since the Caffè achieved non-profit status in 1990, the Board has been highly involved and supportive in the operation, while giving the manager ample room to put her skills and judgment to good use. The current manager was hired in 1995 and is committed to the long-term possibilities of the Caffè. She enjoys a strong reputation among folk music professionals and is well regarded by the Caffè's Board, membership and audience.

The Board is poised to be even more involved in the life of the Caffè, having been on hiatus from any significant fundraising efforts since the down payment to purchase the building was raised in 1998. It plans to selectively expand its membership by inviting individuals to join who have interests and skills in key areas. Recognizing that Board-level service requires a greater commitment of time than is possible for many, the Board will seek to partner with skilled individuals on specific short-term projects. The Board wishes to expand opportunities for intra-Board communication between regularly scheduled meetings and improve its capacity for shared decision making. It must have structures in place that nurture and

support “big ideas” about the Caffè’s future, and these structures must be supported by a solid business plan.

Physical Plant- As noted earlier, Caffè Lena is blessed with a performance space that offers charm, history and intimacy. The eighty-five seat Caffè is “sacred ground” in the folk world. It enjoys an advantageous location in the thriving community of downtown Saratoga Springs. Despite limited financial resources, the Caffè has kept the performance space attractive and comfortable for artists and audience members alike.

The building that houses Caffè Lena was built in the 1890s as a boarding house. Later it became a “feed and flowers” shop, and then a woodworking shop in the 1940s. The moldings made in the woodshop, where the Black Box Theater is now, can be seen in buildings around the city. Because of its location in Saratoga’s historic downtown district, the building is included in the National Historic Register.

Like many old buildings, it is in need of significant renovation – renovation that cannot be undertaken now, given the current financial picture. This presents a major strategic imperative for the Caffè, since its ability to function is dependent on its ability to operate the building and market it to tenants.

The time has come for major structural repairs and expansion of the building to support program growth and meet current building codes. Rest room and “green room” facilities in the Caffè are inadequate by today’s standards. The kitchen facilities are at a point where they strain to support full food service. In addition, there is a need to take action to secure the structural integrity of the building, particularly by repointing the exterior brickwork and modernizing plumbing and electrical systems.

Beyond needed improvements to the existing building, there is an opportunity to enlarge the facility by expanding into the adjacent Caffè-owned parking lot. This would allow the Caffè to address the concerns regarding rest rooms, green room and kitchen facilities, and to grow slightly (to a capacity of 100). Perhaps more importantly, the expansion would enable the installation of a much-needed elevator for handicapped accessibility, new entrances and exits for improved safety, and reconfiguration of the theater space to enable use during prime hours.

As the Board goes forward with plans to renovate and expand the building it is conscious of the challenges inherent in such a project. The costs of renovating a building in a historic district are high. There must be a rigorous budget and business plan that support the expenditures required by a project of this scale. And the Board must secure “buy in” from all of its constituencies.

Marketing and Merchandizing - A key factor in the ability of an organization such as Caffè Lena to expand its audience and diversify its revenue is its merchandizing and marketing efforts. Caffè Lena enjoys strong and positive name recognition in the folk music world and in the local community. The Caffè staff and volunteers make good use of technology for such efforts as website development, performance promotion, and online ticket sales. As one of the community’s oldest businesses, the Caffè receives good coverage from local newspapers and radio stations, and has longstanding and positive relationships with other community groups. The Caffè is working toward developing its presence on social networking sites such as MySpace and Facebook in an effort to attract attention from a younger demographic.

The Board recognizes opportunities to participate more fully in the local business community through the Chamber of Commerce and other organizations, and to work with city institutions to ensure that Caffè Lena is consistently identified as one of Saratoga’s significant cultural attractions, known not only for its rich history but also for the vitality of its current program. It will be important for the Caffè to continually review and update key marketing components such as graphic identity, taglines, copyrights, and ownership of web addresses. Stewardship of the Caffè’s brand and image are high priorities of the Board and management of Caffè Lena.

Key Strategic Issues

To ensure that Caffè Lena builds on its reservoir of strengths and successfully meets its challenges, the leadership must address the following key issues:

1. Create a compelling vision of Caffè Lena’s future that is grounded in its rich history and is in keeping with its mission and values.
2. Raise Caffè Lena’s profile in the local community by refreshing alliances with local and state government, community service organizations, other non-profits and arts presenters, and with current and potential customers.

3. Capitalize on the unique performance space, broad range of artistic programming, and listening room atmosphere, recognizing the need to stand out in a changing and crowded cultural and entertainment landscape
4. Adopt governance and programmatic changes, including a strong business plan, while maintaining the Caffè's identity and values.
5. Develop the business by creating new, diversified streams of revenue so that Caffè Lena is less dependent on concert revenue to sustain operations.
6. Raise adequate funds to modernize and expand the historic and centrally located 47 Phila St. building, and begin building an endowment.
7. Capitalize on the clarity of the mission and strategic plan to attract individuals with a broad diversity of skills and professional experience to serve on the Board of Directors.
8. Utilize the power of technology in all areas of operation, including internal and external communication, customer service, merchandizing, recordkeeping, and fundraising.
9. Develop merchandizing and branding opportunities based on Caffè Lena's rich history, current prestige within folk music circles, and long life in Saratoga's business community.
10. During the Caffè's yearlong 50th anniversary celebration in 2010, attract national attention to the venue and ensure its lasting vitality.

Strategic Initiatives and Goals

Caffè Lena has identified four Strategic Initiatives and related goals that set the Caffè's agenda for the next five years, and chart the direction for the Caffè over the next decade. While these initiatives affirm and build on the business's strengths and achievements, they also express its intentions for the future.

1. Financial Vitality

Caffè Lena will develop a stronger financial foundation for the support of current and future programming, and needed improvements to the 47 Phila St. facility. In furthering this

initiative The Caffè will pursue the following goals:

1a. Plan and launch a capital fundraising campaign with the goals of completing renovations to the 47 Phila St. facility and establishing an endowment of a level that will meaningfully contribute to the Caffè's operating budget.

1b. Seek ways to diversify sources of revenue through new programming initiatives, new merchandizing projects, and partnerships with individuals and organizations with an interest in the arts and the community.

1c. Set goals for increasing the membership support of the Caffè.

1d. Establish an annual fund to assist the Caffè in meeting its shorter term goals.

1e. Enhance the visibility of the Caffè through increased community involvement.

1f. Strengthen relationships with city, county, and state officials and with appropriate associations in order to advocate for the interests of Caffè Lena and the arts community.

2. Business Planning and Governance

Caffè Lena will adopt improved governance structures and enhanced business planning practices to ensure that resources are allocated in support of the Strategic Plan. In furthering this initiative The Caffè will pursue the following goals:

2a. Explore opportunities for reaching fresh listeners via broadcast of live video feed, and developing new programming in the area of film, video and experimental media..

2b. Develop strategies for greater integration of theater activities into the core programming of the Caffè.

2c. Maintain the high quality and artistic vitality of the Caffè's offerings.

2d. Invest in staffing enhancements to further professionalize the operations of the Caffè, and advance the goals of the strategic plan.

2e. Review the Caffè's bylaws, financial reporting systems and other governance documents

to ensure the most effective oversight and evaluation of the operations of the Caffè.

2f. Seek individuals with diverse skills to serve as members of the Board, seek opportunities for Board training and development, and partner with skilled non-Board volunteers to accomplish special projects.

2g. Adopt annual action plans to measure progress toward achieving the goals of the strategic plan.

3. Distinctive Marketing

Caffè Lena will advance its programming, achievements, and reputation through a comprehensive marketing and communications plan that articulates the Caffè's distinctiveness and that builds the reputation and image of the Caffè among its stakeholders. In furthering this initiative the Caffè will pursue the following goals:

3a. Explore possibilities for using video technology to access new markets.

3b. Use the 50th anniversary celebration in 2010 as an opportunity to increase the visibility of the Caffè's programming and development efforts.

3c. Explore the possibility of using other venues for concerts in order to broaden the reach of Caffè Lena into new markets.

3d. Enhance the merchandizing of ancillary products, such as apparel, cds, music downloads, etc.

3e. Secure the Caffè's ownership of relevant logos, copyrights, web addresses, and other marketing materials.

3f. Continually upgrade the internet visibility of the Caffè.

3g. Strengthen the Caffè's base of local support through increased community involvement.

4. Physical Plant Enhancement

Caffè Lena will continue to improve the physical plant in a way that reflects our commitment to artistic quality and audience comfort. In furthering this initiative the Caffè will pursue the

following goals:

4a. Prepare a comprehensive plan for the improvement of the 47 Phila St. facility, including priorities for short-term maintenance and repair, longer term renovation, and other upgrades to the building.

4b. Complete needed repairs to the exterior of the building

4c. Address needed upgrades to the technology infrastructure, including the sound and lighting systems, and the computer and data storage systems.

4d. Address needed improvements to the kitchen area

Conclusion

Caffè Lena has forged a rich history, and has evolved from humble beginnings to become one of the most important music venues of its kind in the country. There is much to be proud of in this history of nearly 50 years, especially the hard work and dedication of so many individuals who have been committed to the mission, vision and values of the Caffè.

Like many arts organizations, Caffè Lena faces numerous challenges as it seeks to navigate the contemporary artistic and economic environment. The Board of Directors is confident that by adopting this strategic plan, updating it regularly, and using it as a guide for the governance of the Caffè, this important cultural resource will continue to thrive for many years into the future.