2006 Report to the City of Toronto
# Table of Contents

Notice.................................................................................................................................................. 1
Executive Summary ................................................................................................................................. 2
The Festival........................................................................................................................................... 3
   History of Caribana ........................................................................................................................... 4
Festival Management Committee ....................................................................................................... 6
   Highlights and Accomplishments ................................................................................................. 8
Stakeholders Views.............................................................................................................................. 9
   Chair............................................................................................................................................. 9
   Co Chair ...................................................................................................................................... 10
   Toronto Mas Bands Association................................................................................................. 10
   Caribana Cultural Committee .................................................................................................... 10
   Organization Steel Pan Association ............................................................................................ 10
   Organization of Calypso Performing Artists ............................................................................. 11
Financing............................................................................................................................................ 11
Way Forward..................................................................................................................................... 12
   Economic Impact ....................................................................................................................... 12
   Cultural and Social Impact ....................................................................................................... 14
   Prerequisite for Success ........................................................................................................... 14
   Structure..................................................................................................................................... 17
Conclusion ......................................................................................................................................... 18
Notice

This report has been prepared by the Festival Management Committee (2006) for the City of Toronto and the Caribana Community.

As Chair of the Festival Management Committee, I am pleased to have had the opportunity to have worked with hundreds of dedicated volunteers in bringing about one of the most successful Caribana festivals to date.

For further enquires please contact the Festival Chair: Joe Halstead

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Executive Summary

The Festival Management Committee (FMC) is pleased to present this report to the City of Toronto outlining the activities of the Toronto Caribbean Carnival (Caribana) 2006 festival. The report also includes a proposed management structure for 2007 and beyond, as well as an outline of the minimum support required to ensure a successful 40th anniversary festival in 2007.

The report answers the following questions:

Post-Festival Operations:
- Was the FMC able to meet the expectations and objectives of City Council in the overall governance and financial oversight for the 2006 Festival?
- What were the successes and accomplishments in managing the 2006 Festival?

Strategically and Long-term:
- What are the major risks and challenges facing the Caribana festival?
- What are the urgent steps required to ensure the festival's survival and continued contribution to Toronto's economy?
- What is the proposed management structure for 2007 and beyond?
- How can the municipal, provincial and federal governments partner with the FMC to ensure the financial stability of the organization?

Please refer to the financial audit of the Festival for detailed accounting of the activities, as the figures enclosed herein are summarized from preliminary data.
The Festival

Caribana is a cultural explosion of Caribbean music, cuisine, visual and performing arts in Toronto. While it is duly acknowledged that the annual Caribana was conceived and developed by the Caribbean Cultural Committee (CCC) and is a valuable, intellectual and artistic property whose ownership is vested in the CCC, other stakeholders provide vital components to the success of the festival. The Toronto Mas Band Association (TMBA) and its member bands, spend months designing and creating their masquerade costumes and parade presentations. Members of the Ontario Calypso Performing Arts (OCPA), the Ontario Steelpan Association (OSA), and various entertainment groups provide music and other cultural offerings. What is clear is that when it comes to Caribana, “no man is an Island.”

The Toronto Caribbean Carnival (Caribana) 2006 was held July 14 through August 7, 2006. Toronto’s populace along with hundreds of thousands of foreign visitors from around the world become part of a throng of a million or more people jumping to the rhythms of Caribana. The festival has evolved from a cultural festival of Caribbean Nationals, to include other cultures including a Chinese Marching Band. In many ways Caribana captures and bring to life the true essence of Toronto as the greatest multicultural city in the world.

Indeed, it is hard to think of a better showcase for all that is good about Toronto than Caribana. With its lively mix of music, dance and culture, the festival celebrates the city’s deep Caribbean roots, as well as its community spirit and fun-loving soul. It also shows Toronto’s increasingly diverse face to the world. That is truly something to celebrate.

August 4, 2006 editorial of Toronto Star
History of Caribana

Caribana began as the dream of ten individuals from diverse backgrounds but with a common West Indian heritage. Their dream was the construction of a monument of goodwill, a confirmation of Caribbean culture and a statement of belonging to their adopted land, Canada. This dream was forged in 1967, when Canada was celebrating its Centennial and the West Indian community was asked to make a contribution which would enhance the celebrations of Expo '67. The end result was a colourful parade down Yonge Street and a week long celebration on Toronto’s Island, bringing to life the rhythms and culture of the Caribbean.

What was originally performed as a gift from Canada’s West Indian community, as a tribute to Canada's Centennial is the only surviving arts project launched as part of the Centennial celebrations. More importantly the Festival has now grown to become the largest of its kind in North America.

Despite its longevity and continued success in promoting Toronto internationally the Festival from conception to now has been unable to achieve financial stability. In 1974, for example, the then Chairman, Mr. Elmore Daisy appealed to the provincial government in writing for assistance:

"... In brief, net profit from each year's function was barely sufficient to enable the organization to keep functioning on a year-round basis. We therefore, request that you consider favourably this application for a grant of $25,000 ..."

The grant request was denied. Then in 1974, without viable assets and already committed to the event, directors signed personal loan guarantees to obtain the needed funds. Two years later, the province awarded a rival group of Carnival band leaders, called the Carnival Development Association, $20,000 to stage a Carnival parade scheduled for Caribana week. At that time, the committee received only a permit for the same event. It was not until 1984 when Caribana festival was threatened due to mounting deficits in 1982 and 1983, that provincial grants in excess of $7,500 were made available to the group. The core of Caribana’s problems was recognized in 1974 and now 28 years later continues to be an albatross preventing the festival from
achieving its full potential. To properly succeed the festival needs to maintain operational infrastructure year round.
Festival Management Committee

At the onset of 2006 it became clear that the City of Toronto was not prepared to provide funding to the CCC for the 2006 festival. This decision was reached after the CCC had failed to comply with the conditions for funding laid out in a letter sent by the City’s festival liaison person, Councilor Joe Mihevc. The essence of City Council’s position was summarized by Councilor Mihevc stating, “I have come to believe that the Caribana Festival will never reach its true potential in Toronto until the issues relating to governance and management of the festival are adequately addressed.” A key component being that the CCC provides an unqualified audited financial statement for the year 2005. When these preconditions where not met, the City extended an invitation to the Toronto Mas Band Association (TMBA) to apply for funding to operate and manage the 2006 Festival.

The grant was approved on the condition that the TMBA form a neutral, arms-length body, the Festival Management Committee (FMC), to provide overall governance and financial oversight.

In late April 2007, merely three months before the opening of the annual Caribana Festival, its interim overall governance and financial oversight was entrusted to the Festival Management Committee (FMC).

The FMC board represented the multiple stakeholders of the festival combined with professional assistance from key individuals. This structure was invaluable in being able to achieve compromise on many decisions which impacted on all parties. It also helped to forge a new vision of how the festival should be managed in order to fulfill its true potential.
The following chart displays the 2006 Board members.

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Association</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair</td>
<td>Joe Halstead</td>
<td>Former City of Toronto Commissioner</td>
</tr>
<tr>
<td>Vice Chair</td>
<td>Courtney Betty</td>
<td>Attorney</td>
</tr>
<tr>
<td>General Member</td>
<td>Diana Burke</td>
<td>Royal Bank Senior VP</td>
</tr>
<tr>
<td>General Member</td>
<td>Henry Gomez</td>
<td>Caribana Cultural Committee</td>
</tr>
<tr>
<td>General Member</td>
<td>Parker Woods</td>
<td>Caribana Cultural Committee</td>
</tr>
<tr>
<td>General Member</td>
<td>Raynier Maharaj</td>
<td>Publisher – Caribbean Camera</td>
</tr>
<tr>
<td>General Member</td>
<td>Frank Ramsaroop</td>
<td>TMBA</td>
</tr>
<tr>
<td>General Member</td>
<td>Curtis Eustace</td>
<td>TMBA</td>
</tr>
<tr>
<td>General Member</td>
<td>Errol Achue</td>
<td>TMBA</td>
</tr>
<tr>
<td>General Member</td>
<td>Ed Peters</td>
<td>Ontario Steel Pan Association</td>
</tr>
<tr>
<td>General Member</td>
<td>Kevin Padmore</td>
<td>Organization of Calypso Performing Artists</td>
</tr>
</tbody>
</table>

The first task faced by the FMC was to address the community concerns that arouse from the City’s decision not to provide funding to the CCC. An agreement was eventually reached with the CCC which resulted in participation by the CCC on the FMC Board, along with a license allowing the use of the name Caribana for the festival. This was truly significant in legitimizing the role of the FMC as an all inclusive board representative of the community.

The next task was to design the plan and execute on the deliverables as it related to the festival and all of its associated events.

The FMC had a distinct objective: Create a vision, chart a course, and coordinate activities resulting in a sustainable, efficient and profitable best in class cultural event.

The FMC was driven by a mission: To restore the trust of the community, government and event participants by re-branding the Festival as one run by competent and accountable leadership year after year.

These values have been put in place and maintained throughout the FMC’s tenure as it adhered to its tasks and responsibilities with respects to operations and governance.

---

Sandy Fraser
Promotions Manager
CTV Toronto
Highlights and Accomplishments

The following areas highlight the accomplishments of the FMC in fulfilling its mandate and providing good governance in the management of the festival:

- Put in place a professional management team to handle the day-to-day operations.

- Formulation of and compliance with FMC conflict of interest policy and advisory committee procedures

- Grants received by Municipal and Provincial governments were duly utilized in compliance with a transparent and judicious tendering process and following generally accepted accounting procedures.

- FMC conducted its operations in a professional and accountable manner among its members and staff and in relation to the CCC, TMBA, and other stakeholder organizations.

- Complied with all due items in the terms of reference provided by the funding government offices

- Attracted a peak crowd of 1.2 million (as per reports by the Toronto City Police), with no major incidence impacting on the security of spectators or participants

- Prepared documentation of all operational procedures to be used for future events.

- According to the estimates of Stephen Weir & Association, the public relations firm, over 20 million people primarily from Canada, the US, UK and the Caribbean saw at least one story about the festival.
The following chart further highlights and references budgetary accomplishments. The figures represented in the following chart were assembled prior to the completion of the audit; therefore the audited amounts in the final audit report should govern.

<table>
<thead>
<tr>
<th>Item</th>
<th>Accomplishments</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of bands</td>
<td>35</td>
<td>Largest</td>
</tr>
<tr>
<td>Number of spectators at the Parade</td>
<td>Estimated 1.2 million</td>
<td>Indications by police and media</td>
</tr>
<tr>
<td>Major Incidents</td>
<td>None</td>
<td>Major accomplishment</td>
</tr>
<tr>
<td>Parade</td>
<td>Actual: $76,000</td>
<td>Tickets were sold out for bleachers</td>
</tr>
<tr>
<td></td>
<td>Forecast: $63,000</td>
<td>2005: $61,000</td>
</tr>
<tr>
<td>Marketplace</td>
<td>Actual: $133,000</td>
<td>Sold out completely</td>
</tr>
<tr>
<td></td>
<td>Forecast: $126,000</td>
<td></td>
</tr>
<tr>
<td>Sponsorship</td>
<td>Omni/Rogers Group</td>
<td>Signified ability to begin to attract Corporate Canada</td>
</tr>
<tr>
<td>Residual Income</td>
<td>DVD to be produced</td>
<td>A first for Caribana</td>
</tr>
<tr>
<td>Contracts</td>
<td>$60k in savings as a result of tendering process – A first</td>
<td>A major step demonstrating transparency to the general public</td>
</tr>
<tr>
<td>Methods and Procedures</td>
<td>Documented policies and procedures – A first</td>
<td>Foundation for Good Governance</td>
</tr>
<tr>
<td>Commentaries</td>
<td>Excellent commentaries all around</td>
<td>Very positive media editorials and reports.</td>
</tr>
</tbody>
</table>

**Stakeholders Views**

The following represents views of the key stakeholders who have all indicated their support that a properly structured festival management committee is a prerequisite for a successful festival.

**Chair**

The Toronto Caribbean Carnival (Caribana) events are appropriate symbols of this City’s cultural diversity, and a testament to the creativity and resilience of the Caribbean community in Toronto. With the economic impact of festivals to the Ontario economy estimated at over...
$345 million, it is arguable that this festival is the crown jewel by virtue of size and impact.

Co Chair

Caribana (2006) greatest accomplishment is the unity, cooperation professionalism and common vision among all stakeholders. This has given me a deep sense of pride in my community, whose contribution to Toronto still remains unrecognized.

Toronto Mas Bands Association

The TMBA fully supports the Festival Management Committee and look forward to producing a successful 40th anniversary celebration in 2007.

Caribana Cultural Committee

The essence of Caribana is the ability to capture the cultural rhythms of the Caribbean. I look forward to working with the Festival Management Committee as we restore the cultural components on which the festival was founded.

Organization Steel Pan Association

The OSA would like to forge a meaningful and functional relationship with the FMC. This relationship must be based on mutual respect and understanding of each other’s roll in this Festival. To achieve this goal, we believe that, at all levels, it is imperative that the Chair and the COO engage the leaders of each Stakeholder in meaningful discussion to be able to develop a comprehensive understanding of the mandate and accompanying support systems needed by each group.

The makeup of any future board must include some component which ensures the artistic integrity and improvement of the event. In closing I want to reiterate that OSA will play its roll in the continuing growth of this festival.
Organization of Calypso Performing Artists

Calypsonians are prepared to do our share, and we look forward to a greater partnership and a stronger working relationship with all stakeholders and the governing body that has overall responsibility for the Caribana festival.

Financing

The Festival Management Committee currently receives grant funding from the City of Toronto totaling $400,000. $245,000 of which is directly allocated to the TMBA. The festival is left with an operating grant of $155,000.00. All of the remaining funds are paid back to City of Toronto entities as follows:

<table>
<thead>
<tr>
<th>Grant Balance to Festival</th>
<th>$155,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>CNE</td>
<td>$100,158</td>
</tr>
<tr>
<td>Police</td>
<td>$52,474</td>
</tr>
<tr>
<td>Island</td>
<td>$5,070</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$157,702</strong></td>
</tr>
</tbody>
</table>

The graph below illustrates how the $157,702.00 is allocated between the three major city entities.

The end result is that the festival is left in an impossible situation as it strives to gain economic stability.
Way Forward

Having implemented all of the recommendations and prerequisites for funding established by the City of Toronto, the Festival Management Committee now seeks the City’s assistance in maintaining the accomplishments to date, while paving the way for greater successes in 2007 and beyond. This is significant in that 2007 will be the 40th anniversary for Caribana. The starting point has to be a recognition that an investment in Caribana is an investment in Toronto’s economy.

Economic Impact

It is imperative that for the 40th anniversary of this great festival, that the city of Toronto recognizes the monetary contribution the festival has made. Despite the many challenges the Caribana festival remains one of the greatest economic contributors to the city of Toronto. With the festival generating between $300 to $500 million dollars annually to Toronto’s economy, the City of Toronto over the last ten years has received over $4 billion dollars in economic spin offs from Caribana.

- Every hotel room in the GTA is completely booked, despite the spike in rates
- Hundreds of vendors are employed and enjoy the benefits of 98% of inventory sales
- Restaurants are full despite aggressive table turn over
- Ontario Government welcomes millions of dollars in additional Provincial Sales Tax
- The Federal Government also welcomes millions of dollars in additional GST revenues
- The City of Toronto is recognized internationally as having the largest most successful festival in North America, contributing billions of dollars to Toronto’s economy over the years.
It is also important to note that while the number American tourists to the City has declined significantly over the past three years, due to SARS and other world wide incidents, Caribana continues to attract a significant amount of American visitors.

*Imagine a summer without Caribana!*

The stark reality is that the tremendous economic and cultural contributions of Caribana has to date not been recognized. Instead the perception is left that the ability of the festival to create financial sustainability is a result of poor management.

The reality however is that similar types of festivals around the world are not valued for the money it brings into the organization, but for the economic spin offs usually associated with tourism.

Imagine a private not-for-profit organization with over 2,200 volunteer members running a Canadian Festival attracting over 1.2 million spectators, yielding CAD$345 million of visitor-expenditures, and receiving a *provincial government grant of CAD$9.6 million to deal with it’s losses (before government assistance) of CAD$4.5 million*. Sad to say, this Foundation is not the CCC. It is the Calgary Stampede which runs the world’s largest outdoor rodeo, and which is entitled to receive a further provincial government capital grant of $35.0 million in 2006. Its promotion included a group of Stampede cowboys and cowgirls riding down Wall Street to the New York Stock Exchange, launching an international media conference – broadcast live to the world via the Internet. Without the same enormous grant from the government and devoid of a sophisticated pitch to Wall Street, Caribana still attracted 1.2 million people to the streets of Toronto.
Cultural and Social Impact

Caribana’s inability to achieve financial stability has prevented the organization from fulfilling its founder’s second goal; to acquire, maintain and operate a community centre. Other aims refer to the recognition and support of similar organizations; the sponsorship of events of a social or recreational nature; the acquisition and use of gifts in the furtherance of these aims and the undertaking of financial endeavors in the pursuit of its objectives. In other words Caribana would establish a Foundation to help advance the development of the Caribbean community. The failure to establish this foundation has had a tremendous negative impact on the community’s development, primarily among the youth.

Many critics within the Caribbean community ask the question, “What benefits does the community achieve from Caribana?” This has become a rallying point which unless addressed will continue to fester. There is little doubt that the Caribbean community lags behind others in economic development and has had its share of social challenges primarily among the youth.

Establishment of the Foundation will stimulate economic development within the community by enabling community businesses and small entrepreneurs, such as vendors and artisans to fully capitalize on the event. More importantly the community will have a strong sense of pride from fulfilling this mission.

The first step forward is to receive a commitment from all levels of government to match revenues generated from the 2007 festival, as seed capital for the foundation.

Prerequisite for Success

The FMC has identified the following areas as critical to the staging of a successful festival in 2007:

1. Caribana needs to operate year-round to ensure the proper management and planning of the festival.
2. Grant funding must be received by September 30th of the calendar year to allow tenders, suppliers, fund raising initiatives, etc. to be effectively managed.

All interested parties and stakeholders fully agree that the magnitude of the festival is such, that it requires a year round operation in order to succeed. An important element in the Way Forward is the receipt of grant funding to continue operations beyond September 30, 2006. This will allow the FMC to accomplish the following:

1. Early preparation and submission of request for funding and early release of initial grant amounts to finance the operations of the organization

2. Early preparation of the business and marketing plan for 2007. The goal is to synchronize and connect with the budgeting and planning of potential corporate sponsors. The marketing plan will cover:
   a. Implementation of segmented marketing through identifying the parties or target “consumers”;
   b. offering services/benefits suited to target “consumers” needs/wants; and
   c. communication through media that are popular and most credible to each target audience
   d. Pre-sell or offering customers/beneficiaries “bundled services” (e.g. a guest in a hotel which is a sponsor of the Caribana will get the preferred room rates, reduced ticket prices and preferred seats in certain Caribana events)

3. Formulation by all organizations participating in the Festival in cooperation with police authorities of a public safety and security plan. This requires immediately bringing on board a security consultant.

4. Detailed post-mortem report to ensure that best practices are documented and maintained.

5. Sufficient time to design and produce collateral and memorabilia’s for sale to visitors. This will create additional revenue generating opportunities.
6. Designing and developing additional services tailored at improving the experience of the visitors, while generating income. Such ideas include pavilions which represent each Caribbean country as we look to celebrate the 40th anniversary of Caribana by truly showcasing the Caribbean culture, both in rhythm, food, and the arts.

7. Develop consensus and community input in finalizing names of seven additional FMC members.

8. Implement operational structure and permanent office staff to maintain continuity of festival on a year round basis.

By obtaining the necessary seed capital in a timely fashion, the FMC will now be able to continue on its successes to date, and enter into meaningful discussions with Corporate Canada. Failure to accomplish this will place the festival’s 40th year and our accomplishments to date in jeopardy.

Within the next 100 days and before its tenure ends this year, the Festival Management Committee with adequate seed funding will undertake the following:

1. Convene a meeting of representatives of the key stakeholder organizations to develop a shared understanding of the areas for improvement

2. Enrichment of shared understanding through the creations of action plans and improvement program committees

3. Reach out to other communities who have shown strong interest in participating in the festival.

4. Research and adoption of best practices from festivals like:

   a. Tournament of Roses – Pasadena, California
   b. The Calgary Stampede – Calgary, Alberta
c. Noting Hill (Caribbean) Festival in the United Kingdom.
d. Trinidad Carnival – Trinidad & Tobago, West Indies

5. Prepare a “consensus” report on Governance structure for the 2007 Carnival Festival & beyond; the goal being the development of a five – year plan.

6. Detailed Post Mortem Report

Structure

The City of Toronto has laid out preconditions for continuation of funding for Caribana. The festival Management committee along with all stakeholders has collectively complied.

As a result agreements have been reached with all stakeholders and the organizational structure for 2007 will be consistent with the 2006 FMC structure. The proposed structure is compiled of representatives from multiple stakeholders of the festival:

- 2 reps from Toronto Mas Bands Association
- 1 rep selected by the Ontario Steel – Pan Association
- 1 rep of Calypso Performing Artists
- 7 additional members to be decided by all stakeholders

The seven additional members will be chosen in consultation with the FMC and the CCC. The City of Toronto will continue to be a facilitator of the process. The goal is to solidify the structure to create stability by having board members remain for a period of three years where possible.
Conclusion

The City of Toronto is now in a unique position of being able to remedy many of the challenges faced by the Caribana festival over the last 39 years. The FMC has been able to create unity, and a sense of team work among all stakeholders and interested parties. Further, corporate Canada is now starting to recognize the potential benefits of Caribana as a marketing tool.

In order to maintain and build on the momentum that has been created from the 2006 festival, the FMC believes that active management of the festival should remain in place year round. To that end the FMC is asking for the support of City Council in producing the most successful Caribana festival to date for the 40th anniversary in 2007 by assisting in the following areas:

1. City Council advance a portion of the 2007 festival grant by September 30, 2006 in the amount $150,000.00
2. City Council assist in lobbing the Provincial Government to advance a portion of the 2007 festival grant by September 30, 2006 in the amount $150,000.00
3. City Council assists FMC in its efforts to lobby Toronto Tourism for grant seed funding of $500,000.00 for the 2007 festival, and for continued funding beyond 2007.
4. City Council agree to provide matching funds on any profits generated by the festival to go towards establishing a foundation with the mandate of economic, social and cultural empowerment of the community, especially the youth.

The City of Toronto prides itself on being one of the greatest multicultural cities in the world. This was recognized by the United Nations when it declared Toronto to be the most ethnically, racially and linguistically diverse city in the world.

How then can we not afford to maintain and enhance the city’s greatest symbol of multiculturalism – The Caribana Festival?