



Juxtaposition Arts Business Plan (FY 15-19) Overview

Juxtaposition Arts embarked on a journey nearly twenty years ago, setting forth a mission to engage and employ young artists, while shaping paths for the artists' self-sufficiency and increased creative potential. Juxtaposition's initiative focuses on young artists, particularly those in North Minneapolis, an area with a large youth population, creativity in abundance and under acknowledged and under engaged youth who experience high unemployment and a significant deficiency in formal art offerings. Juxtaposition has identified a market demand for artistic products that can be fulfilled by young artists, thereby positioning Juxtaposition to accomplish its mission of empowering young artists by harnessing their creative abilities and molding the artist's self-sufficiency and marketable artistic potential.

Late in October 2013, Juxtaposition began working with Lyceum Partners + design, in collaboration with the Carlson School of Management, on a business plan (the Plan) that could carry Juxtaposition's vision forward into the future. The collaborative work culminated in *Interwoven Globe*, Juxtaposition's business plan. The Plan represents the organization's strategic determination to update its business planning process to one that will carry it into the future. The plan uses the metaphor of a sailboat—the boat, winds and currents, and sails—to illustrate how the organization will sail into the future.

The Plan aims to package all elements of earned revenue from Juxtaposition's student staffed Contemporary Arts studio and JXTalabs Operating Units into a single social venture. This unified venture, in turn, aims to satisfy the Plan's two primary goals:

1. Generate 50% of total organizational revenue from earned revenue by 2019, and
2. Achieve positive gross revenue for operating division by 2017

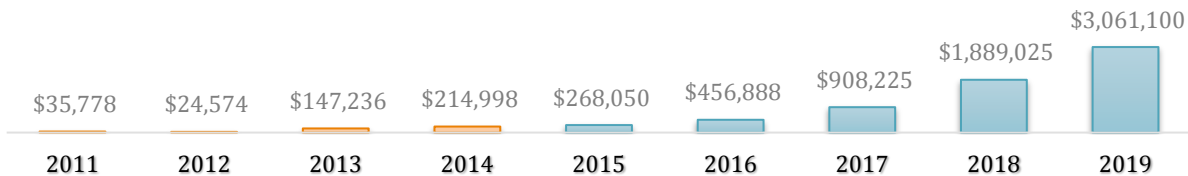
The Plan outlines a standard Youth Participation Continuum that provides the framework for youth involvement in the organization. The most elementary level of youth involvement is also its foundation. This level, known as Visual Arts Literacy Training (VALT), represents the youngest Juxtaposition participants and its largest group. VALT participants hone their skills through any combination of three trimesters of work-study. After VALT participants graduate from VALT, they transition to VALT 2 where they choose a specialized field of work-study in the organization's Contemporary Arts Studio or one of its four other labs: Graphics and Textiles, Community Design Collaborative, Fabrication, and Product Development. Each lab in turn has a number of different roles, each representing an increase in pay and responsibility. This employment strategy reflects the organization's desire to potentiate artists through a formal process of engagement and structural adjustments.

Juxtaposition's young artists create a diverse array of products to meet the market's demand for artistic merchandise. These products are offered through three differentiated business units, including an Art School, Gallery, and the Social Venture itself. The Plan was developed to effectively implement a model utilizing key metrics and business goals to foster growth in the coming years.

The plan emphasizes a multi-phase approach: ramp-up, start-up, and stabilization. The ramp-up phase begins in 2015 and matures in 2019. Juxtaposition's primary objective is to become 50% self-sustaining over this period, transferring its dependence on grants and donations to revenue generated by the social venture. Juxtaposition's revenue growth averaged 10% from 2011-2014. The detailed plan

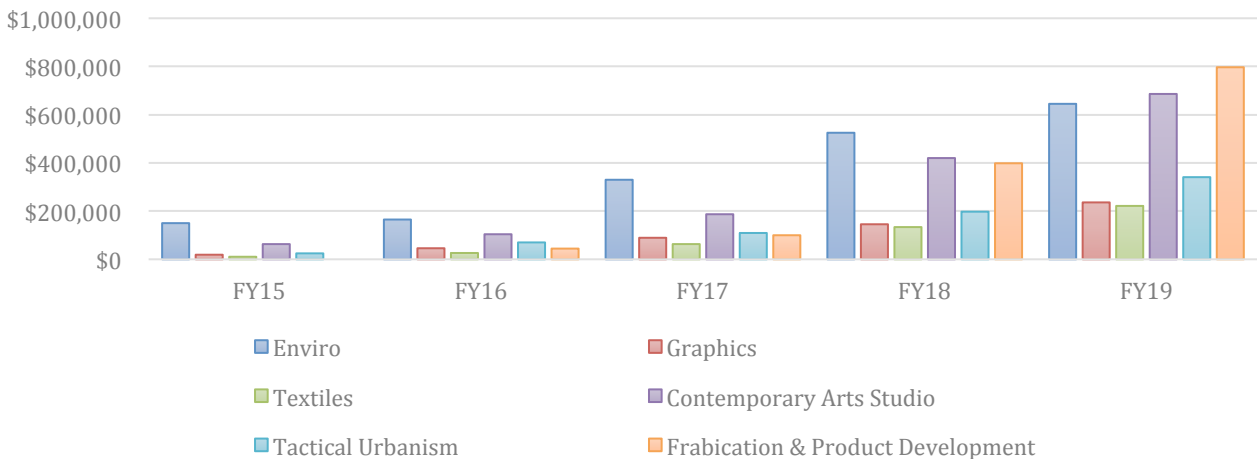
outlines preliminary growth during the ramp-up phase of 18% from 2014-2016, while revenue growth in the start-up and stabilization phases will average 45% in 2016-2019. These estimations are based on the organization’s proven ability to push revenue-creating projects and effectively market itself with its social venture initiative. Historical revenue and projected figures are shown below.

Social Venture Earned & Projected Revenue



Juxtaposition draws revenues from a diverse product mix, ranging from customized shirts and hats to large-scale products like public sculptures, murals, and construction wraps. Increased project output within each Juxtaposition Lab is projected to increase on average of 19% year-over-year. In 2016, two new JXTAlabs will open, providing the opportunity for the artists to explore Fabrication and Product Development. The initialization of these two labs will require significant capital and will generate nearly a third of lab revenues by 2019. Throughout 2015, a total of 204 projects are expected to generate revenues of \$267,100 growing to over 2,800 projects generating over \$3M by 2019. The chart below highlights each lab and expected revenues and their growth over the period.

Forecasted Revenue by Lab Type



The Plan laid out by Juxtaposition Arts has prepared the organization for the journey ahead. The Plan positions the organization to utilize the artists’ creative potential and the generative capacity of their products to fulfill the mission of employing young artists while facilitating the artists’ sustainable future. The journey ahead of Juxtaposition is one with clear skies and full sails.