

2014 FINA PRE-BUDGET SUBMISSION

Design Exchange

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EXECUTIVE SUMMARY

DESIGN EXCHANGE (DX) – A Celebration of Innovation

Design Exchange is Canada's only museum dedicated to the pursuit of design excellence and preservation of design heritage. At the crossroads of multiple disciplines from furniture design and architecture to graphic design and fashion, DX exhibitions, talks and educational programming reflect contemporary culture. Located in downtown Toronto, in the historic Toronto Stock Exchange building, DX annually attracts thousands of visitors of all ages.

In 1994, DX opened its doors. Registered as a non-profit charity, DX came to its current location at 234 Bay Street as part of a Section 37 agreement between the City of Toronto and at the time, Olympia & York (now Cadillac Fairview). The agreement entailed a sublease of 40,000 square feet gross at a cost of \$1/year for a period of 99 years as well as a grant of \$500,000/year for a period of 25 years.

From its inception, DX pursued a dual mandate – to act as a resource and promotional vehicle for the Canadian design industries while also providing an opportunity for the public to learn about the importance of design. DX mounted exhibitions and organized lectures, seminars and educational programs – however most were geared toward academic and professional audiences.

With the flow through grant ending in 2014 coupled with an overly broad mandate, the Board of Directors (with the assistance of the City of Toronto, Economic Development and Culture) contracted Lord Cultural Resources to develop a strategic plan on behalf of the institution.

As of March 2012, the Design Exchange has taken a revitalized strategic direction and refined mandate – to promote the relevance and experience of design to as large a number of people as possible, DX will now be exclusively a Design Museum. Covering off the various design disciplines including fashion, architecture, interior and industrial design, digital design and more. Exhibitions and programming will explore designers, products, projects or themes that have broad public appeal and reflect popular contemporary culture.

President Shauna Levy leads this new direction offering renowned traveling exhibits from prestigious cultural institutions across the globe, in-house curated shows with mass appeal, a new city-wide cultural component, a greater focus on educational experiences for the public, including youth and adults, and a rollout of programming that will extend across the country. Already the DX has seen a huge increase in visitors, corporate sponsorship and innovative programming. Recent and future guest curators include grammy-award winner Pharrell Williams for the recently held "This Is Not a Toy" exhibition as well as Canadian fashion icon Jeannie Beker for the upcoming "Politics of Fashion | Fashion of Politics" exhibition this fall.

In two short years, both quantitative and qualitative indicators are encouraging and are overwhelmingly positive. These successes have been achieved WITHOUT operational support from the public sector. In other words, the institution

embarked on an extremely ambitious new direction without an endowment or seed capital.

DX is making a formal request for transitional support from all three levels of government for a combined amount of 2.5 million over 5 years in transitional funding to allow it to become self-sustaining.

OUR STORY

“At the Design Museum we believe that without better design, better use of scarce resources, and more innovation, the future won’t work. We see design as an integral part of every aspect of life: a way to understand the world around us, and to make it a better place to live.” -DESIGN MUSEUM LONDON.

New York, London, Helsinki, Copenhagen and Munich are all home to design museums. The exciting thing is that Toronto has one, too. That is, if both the public and private sector want it badly enough.

DESIGN EXCHANGE BUSINESS PLAN: PLAN 20/20

PLAN 20/20 DX Management and Board of Directors are launching a five-year strategy to fulfill the mandate of serving as a world-class design museum for Toronto – and Canada at large – while also demonstrating economic sustainability. The assumptions are as follows:

1. Return to a net positive asset position by 2018
2. \$200,000 increase of the bank loan to be guaranteed by members of the Board of Directors.
3. Grow exhibition attendance at 12 per cent per annum.
4. Create four new positions over the duration of five years to support museum growth.
5. Increase major exhibitions to three (from two) per year in 2018.
6. Launch Design Festival with the City in 2017/2018.

Plan 20/20 is a business plan that outlines a road map to economic sustainability.

With 25,000 workers, Toronto has the 3rd largest design workforce in North America (following New York and Boston). Toronto sits at the centre of Ontario’s and Canada’s design economy. It boasts the largest number of design workers and establishments; the highest number of design education programs (OCAD, George Brown College, Sheridan College, York University, Ryerson University, University of Toronto, etc); the largest concentration of industry and professional organizations (OAC, TSA, RGD, ACIDO, OALA, ARIDO, TFI); as well as a plethora of design-related studios, agencies and self-employed freelance designers. It is a de facto breeding ground for innovation. And so as benefit from the vast supply of design talent, it is also the head office for some of the world’s most established design firms, ie Yabu Pushelberg, Burdi Filek,

Figure 3, Umbra and others. (“Design Matters”, Design Industry Advisory Council, 2014.)

However the interest in design extends even further than just those who work in the design industries. As stated by Tara Vinodrai of the Martin Prosperity Institute in “A Place for Design” , “...Design has become a celebrated and central aspect of today’s economy. “ Academics, policymakers and business leaders increasingly recognize that design – an inherently creative activity that sits at the intersection of art, business and technology – is a critical input into the production of goods and services in both emerging and traditional sectors.”

Never before have we understood more the value of design and innovation. Toronto-based businesses understand the economic value as a competitor on the international stage.

“Given that the Canadian economy remains dominated by SMEs (small and medium sized enterprises), such business-oriented design approaches and skills are exactly what is needed in order to build innovation capacity in Canada’s challenged manufacturing and small service industries...design operates as a critically important source of economic value, raising firms’ levels of profitability and productivity, and contributing to national economic competitiveness and performance” Sara Diamond and Linda Lewis, “Innovation by Design: Differentiator in the Digital Age, September 2011, pg 61.

Similarly, never before has the public been more engaged in design – within all of its disciplines – from fashion to architecture. Design magazines, interior design shows and events, fashion events, architecture and design magazines, blogs and sites abound. But design is more than only product, it is also a way in which to view the world, a viewfinder with which to understand cultural and social trends and events. As such, there is a cultural role to be played – one that is seamlessly integrated with commerce and one that extends beyond traditional educational institutions. This is where the opportunity for a design museum lies. Exposure to the culture of design has social and intellectual significance but also has a potentially transformative role.

“ In Ontario’s urban centres, both large and small, design contributes to improving the aesthetic appeal and quality of the built environment. Supportive policies, as well as initiatives such as awards competitions and investments in the public realm, will have extraordinary value in constructing quality of place and engaging local citizens in their communities”. Tara Vinodrai, Martin Prosperity Institute, The Place of Design, 2009, pg5.

Design is no longer easily ignored. Advances in digital technology have enabled designers in all disciplines to define their own objectives and exercise greater control over their work. What’s more, design has grown to become a significant factor in pursuing the social, political and environmental challenges faced at local and global levels

By offering unique and accessible experiences, Design Exchange educates and shares design stories with a broader public to highlight the importance and relevance of design. Through robust education and public programming that includes thoughtful and provocative exhibitions, enlightening guest speakers, hands-on workshops, community outreach partnerships, behind-the-scenes tours and more, Design Exchange acts as the pre-eminent anchor for the local community, facilitating the development of networks and associations that support investment and stimulate local design culture and community development.

Recognizing the wide-ranging, transformative talent pool in Toronto, Ontario and Canada, Design Exchange concurrently seeks to offer a platform and support system that showcases Canada's diverse talent and provide the channels by which these emerging and established creatives will receive recognition and exposure. Undisputedly, investing in design contributes to and enhances the local and national economy. Through Design Exchange's programming and extensive partnerships, the museum highlights how design practices, showrooms, and manufacturers generate revenue and create employment; the museum focuses on how good design adds value to products and services in other industries; and promotes community engagement.

DX is a vehicle through which Canada's achievements and successes in design and innovation can be celebrated and promoted both nationally and internationally; and where Canada's decision-makers of tomorrow can learn about the vital role for civic engagement.

DX has the potential to contribute to our country's economic vibrancy and is our city's (and country's) design ambassador to the world.

The City of Toronto is fortunate to boast several museums, public galleries, cultural institutions and festivals ranging from larger institutions such as the AGO and ROM to smaller niche museums like the Textile Museum, Bata Shoe Museum, and MOCCA. In addition, tourist destinations and cultural opportunities abound. And then there's DX... a unique, contemporary, innovative, entrepreneurial and forward-thinking cultural institution. DX is an essential cultural ambassador for the city of Toronto. As it evolves, it will have a significant impact on the regional economy by playing a major role in tourism attraction through the development of Toronto as a worldwide cultural destination.

DX is well on its way to becoming one of the most important cultural institutions in the city. (**Economic Development Committee Report, May 21 2014.) As an important strategic tool for business and a driving force behind economic success, design is a crucial component of the city's long-term competitiveness. DX and the City of Toronto share a common mandate to promote design. (**Economic Development report for May 21 economic Development Committee meeting.) Our country needs to support the design industry. We are lagging within the global arena of innovation that would clearly produce products, services and ideas that would enhance our levels of export and prestige. And with that of course, increase the quality of life for all Canadians." – George Yabu, Yabu Pushelberg.

Competition for eyeballs or foot traffic today now includes all consumer experiences –

from real life in retail or public spaces to virtual and online. It is becoming increasingly critical for museums to speak a language that is comprehensible by a majority of the population so as to appeal to a younger and diverse demographic. Often, this means the understanding how to incorporate themes and elements found in popular contemporary culture.

DX has successfully adapted to the new normal and has taken lead on this development in Toronto – as demonstrated by both the Christian Louboutin exhibition; and This Is Not A Toy, guest curated by Pharrell Williams. This has resulted in a visitor base that can be described as sharing a psychographic, rather than a demographic – anyone who is interested in design as culture; as well as those who study, practice or work in design.

The current DX team (management and board) is comprised of creative and entrepreneurial business leaders. They are pro-active thinkers and have already demonstrated great success in two short years – without an endowment or funding. DX is making a formal request for transitional support from all three levels of government that amounts to approximately \$2.5 million over 5 years. Armed with a strong leadership, a crystal clear vision, an invested Board of Directors and public sector support, one can only just imagine what will happen once the funding is acquired.

We would welcome the opportunity to appear before the committee and look forward to hearing from you.