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STRONGER ARTS
AND CULTURAL
ORGANISATIONS
FOR A GREATER
SOCIAL IMPACT

CREATIVE
LENSES
CASE STUDY
**NADÁCIA
CVERNOVKA**

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Interviewee Šymon Kliman, Co-Founder

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Creative Lenses is a four-year project, running from 2015 to 2019, that seeks to make arts and cultural organisations more resilient and sustainable by improving their business models and developing their long-term strategic and innovation capacities.

To find out more about Creative Lenses and its publications, **visit www.creativelenses.eu**



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CREATIVE LENSES PARTNER ORGANISATIONS



NADÁCIA CVERNOVKA

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| Location | Bratislava, Slovakia |
| Website | nadaciacvernovka.sk novacvernovka.eu/ateliery |
| Vision | Nadácia Cvernovka is a creative and cultural centre providing social, cultural and economic support to artists and the public, in a former, post-industrial area of Bratislava. |
| Organisation type | Foundation |
| Main activities | Artists' studios cover five floors. The first floor is permanently open to the public with a library, a venue (250 seats), bakery, and shop for artists with places for 6 local producers. There is a co-working space (25 companies and 15 freelancers) on the seventh floor, equipped with a café, Wi-Fi and crèche enabling those with children to become an active part of the community. The co-working space is used to run events and workshops. And Cvernovka runs artist-in-residence programmes. The public programme is continuing to expand and evolve, but already includes three festivals a year (focusing on history, sustainability, and art), open studios, and public library. |
| Art forms produced or promoted | The community is broad and includes people focusing on music production, painting, history, urban architecture, graphic design, photography, film, craft, science, philosophy, etc. |

Introduction

1998 – Artists started to rent studio space alongside one another thanks to cheap rent in a former thread factory, Cvernovka, in Bratislava.

2014 – 150-200 artists were renting studios and Cvernovka had become a significant cultural and social point on the map of Bratislava. They mostly worked privately, occasionally hosting open events for the public.

2015 – A new owner took over the building, and despite negotiations to try to continue to build a Cultural Centre, they were not successful. Cvernovka was established as a Foundation.

2016 – The Founders gained support from a head of regional government and a 25-year contract was secured on a new building – a former industrial school of chemistry. Fundraising for renovations started. The Foundation moved in to the industrial school of chemistry, established studios, a public library, workshops, festivals, and a co-working space.

2018 – The business model and governance is evolving to ensure this ecosystem of artists is maintained and expanded, seeking to provide a sustainable creative, cultural, and social Centre. Including setting up an advisory board meeting twice a year to provide a strategic focus for the future of the organisation.

Key income streams

1. Renting studio and co-working space (80%).
2. Fundraising – from trusts and foundations, individuals, businesses, EU funding, etc. (20%)
3. Additional earned income is being developed from the expanding public programme, e.g., via pay what you can entry to events, from a small shop, a bar and café, etc.

Turnover 2017

EUR 1 million

Surplus/deficit 2017

Deficit EUR 21,000

Number of employees and volunteers

21 full time and approx. 20 volunteers.



The drivers for change

The community started informally, due to cheap rent for studio space in a former thread factory. When a change of building ownership occurred, despite negotiations, it became clear that the venue was no longer an option for them.

However, this process of coming together to negotiate with the new owner helped people realise the value of co-working. As they socialized, ate and drank together, and created work alongside one another, an ecosystem of artists, innovators and creators was emerging. This was fueling collaboration and inspiring artistic innovation. They decided to look for an alternative building to continue to build on this creative ecosystem.

The community wanted to continue to offer Bratislava assistance in developing a creative industry that would help improve prospects for local people and the quality of life of the city. The aim was to continue to enhance unused areas of the city, breathing life into old, empty spaces through new, cultural uses.

The solution

A new location was found in a disused industrial school of chemistry. Early estimations from finance experts indicated that it would take approximately EUR 2.5 million to renovate the space. Following six months of extensive fundraising and business planning, the founders secured EUR 350,000 from an EU Social Investment Fund (TISE.pl) and EUR 200,000 from a Slovak private bank. Another 250,000

was invested by a private company in reconstruction of a new heating plant which Cvernoka is now in leasing for 15 years. The rest is provided through an investment of volunteer work, discounts of materials, and tenants investments. Overall investment evaluated by local government was 957,000 EUR.

The bank saw the project as high risk – how could they manage the renovation on EUR 550,000 when it was estimated to take EUR 2.5 million?! While they had secured a 25-year contract for the building, the law in Slovakia meant that it was not possible to use the building as security on the loan (heritage right) and, given the perceived risk, two of the founders had to put in their flats as security.

No one believed they could achieve the vision on this amount of money, but through huge amounts of hard work, sharing skills, resources, and time from across the community, they have achieved the first stage of the renovation. This success generated trust with external partners and funders and is helping to demonstrate potential, releasing further funding.

The implementation

Core to the success so far has been the co-working culture. The spirit of collaboration, openness and freedom is driving the new Foundation and has impacted on five key areas of the business model:

1) Establishing external support: the Founders sought to work with key influencers such as politicians and local government, to understand how they might mutually support one another. This was core to securing vital backing.

2) Providing resource, skill and time to firstly enable the renovation, and secondly provide innovation for future growth. For example:

- The Founders had to look for cheap labour to make the renovation work. Amongst others, they appointed several refugees and homeless people, discovering a breadth of talent and skill – they discovered a man who was living on the streets who had previously studied as a carpenter, he now runs some of their workshops. Initially they paid them in cash as this was the only option, but Cvernovka is now seeking to develop social investment funding from the EU to develop a social company to enable them to pay people properly, and to help them take care of their finances.

- Members of the community have brought skill and knowledge to the renovation enabling it to happen on a fraction of the predicted cost. For example, architects and inventors from within the community formed an eco-board to develop ecological ideas, e.g., inventing a new approach to enable air conditioning within the building. These innovations are now helping unlock new sources of funding.

- There is a community garden that people are contributing voluntary time to, enhancing the area that they live in, trying to save old trees, bringing in bees, supporting local wildlife, etc. This has led to ideas to try to establish links with local schools to train children in ecology.

3) Fundraising via the network and connected community: sharing resources and contacts to ensure cash flow stayed just high enough each week to meet short-term liabilities, crowdfunding, e.g., for sound equipment, and seeking donations – the chemical school used to be prominent in the area and many politicians, academics, scientists, etc., (all of them alumni of the school) emerged from it. They have mostly moved away but are enthusiastic about the work of the Foundation and fundraising taps into this extended network, making them feel valued with behind the scene tours and talks.

4) Public engagement: the collaborative culture has also influenced the way the Foundation relates to the public. Part of the ambition of the new space and of formalising the community as a Foundation, was to open the space to the public. This is happening in a collaborative, participatory way, e.g.:

- inviting people in for BBQs, and for monthly community breakfasts, where they present plans, discuss challenges, and hear people's thoughts about the future of the centre. This generates new ideas and helps overcome any concerns people might have about the impact of the conversion.

The ambition of the Foundation continues to grow. The founders want to continue to make an impact on the city and lives of people living in Bratislava, and beyond. Further development of the Centre and surrounding park will include:

- a summer terrace to enable artists and the public to hangout, with DJs, concerts

etc. held in the summer during time when cash flow is currently lowest.

- a community garden with a swimming pool.
- a gallery space for artists (currently they create pop-up galleries on an ad hoc basis).
- a performing arts space, theatre, etc.

The results

The centre has many social, cultural, environmental and economic impacts for the city, e.g:

- the centre is employing many people, providing opportunities that they would never have previously had to develop and use their skills, talents and creativity.
- it's attracting people from across the country to visit, e.g., for festivals and events, giving it life and sparking a new future for the area.
- real estate is increasing as it becomes a more desirable place to live and work.

Work to document the impact of the centre – and not just the economic impact – is an ambition for the future. This will provide compelling stories and evidence to inspire funders and partners about how it might continue to support the city to grow and improve.

Lessons learnt and advice

'The social enables the financial' – initial ideas to support the area and enhance the lives of people that live within it have led to entrepreneurial ideas for new business models and income streams, 'people bring skill and can make money for the Foundation'.

'Work with the city' – gaining support from local government was a crucial step in establishing the Foundation and securing the new venue. Understanding how you can support the values of the city, or of major partners or stakeholders, providing mutual return, can enable vital support.

ABOUT THE AUTHOR

Julie Aldridge is a consultant specialising in business planning, marketing strategy, and organisational development. She works with a diverse mix of clients from across the arts, heritage and cultural sector. Supporting leaders and teams to devise new strategies to achieve their ambitions during a time of rapid change. Prior to becoming a consultant, Julie was Executive Director of the Arts Marketing Association (AMA) for well over a decade.

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