

FINAL REPORT

EXECUTIVE SUMMARY FOR 2007

A Statewide Conference

THE

INNOVATION AGENDA

Growing The Creative Economy In Massachusetts

May 3, 2006 | Salem, Massachusetts

THE INNOVATION AGENDA CONFERENCE SPEAKERS AND PANEL
MODERATORS

KAREN ANDREAS, Executive Editor, Eagle Tribune Publishing Co.

ALISON BERGLUND, Director of Office of Small Business & Entrepreneurship, Commonwealth of Massachusetts

REBECCA BLUNK, Executive Director, New England Foundation for the Arts

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GEORGE DONNELLY, Editor, Boston Business Journal

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HON. LIEUTENANT GOVERNOR KERRY HEALEY

DAVID IVES, Chairman and CEO of North Shore International Insurance Service

TONY KAHN, Producer/Director, WGBH Radio Morning Stories program

ELLIOT KATZMAN, Kodiak Venture Partners

MARY KELLEY, Executive Director, Massachusetts Cultural Council

RANCH KIMBALL, Secretary of Economic Development, Commonwealth of Massachusetts

ROBERT KRIM, Ph.D, Founder, Boston History and Innovation Collaborative

HON. SCOTT LANG, Mayor of New Bedford

GREG LIAKOS, Communications Director, Massachusetts Cultural Council

MARK MINELLI, Founder and Principal of Minelli, Inc.

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WENDY NORTHCROSS, CEO of the Cape Cod Chamber of Commerce

DAN PRIMACK, Columnist, Private Equity Week

DOUG REDDING, CEO, VIMAC Ventures LLC

MARK RICHEY, President and Founder Mark Richey Woodworking and Design

HON. JAMES RUBERTO, Mayor of Pittsfield

BETH SIEGEL, President and Co-founder of Mt. Auburn Associates, Cambridge

JOHN R. SCHNEIDER, Vice President, The Massachusetts Institute for a New Commonwealth (MassINC)

CHRISTINE SULLIVAN, Executive Director, Enterprise Center at Salem State College and President of Creative Economy Association of the North Shore

JOSEPH THOMPSON, Director, MASS MoCA, North Adams, MA

HON. REPRESENTATIVE ERIC TURKINGTON, House Chair, Joint Committee on Tourism, Arts and Cultural Development

CAROLYN WALL, President, Narrowstep

CONNIE WILLIAMS, Synectics

PATRICIA ZAIDO, Executive Director, The Salem Partnership

EXECUTIVE SUMMARY

The Innovation Agenda Brought the Right People Together

More than 200 strong, members and supporters of the Creative Economy in Massachusetts convened on May 3, 2006, in Salem, Massachusetts. During the daylong event, nearly 40 panelists and moderators participated in a total of nine workshops and plenary sessions, sharing their collective knowledge, insights, experiences and opinions on what is needed to spur the growth of the Creative Economy in the Commonwealth.

Both attendees and presenters alike came from all regions of the state and included representatives from the creative and technology communities as well as scholars, financial experts, business leaders and elected officials and others from both the public and private sectors. The Action Plan that follows is based on the recommendations of conference participants.

The Importance of the Creative Economy to the Future of the Commonwealth

Over the past centuries, the economy of Massachusetts has repeatedly reinvented itself—from maritime empire to manufacturing center to technology hub. Today's current economic environment and competitive global marketplace are creating a climate that calls for reinvention yet again. At the same time, today's knowledge workers are considerably more mobile, with advances in technology and communication enabling them to live and work where they choose.

This paradigm shift works in Massachusetts's favor. The Commonwealth offers a unique blend of innovative spirit, culture and geography that can attract and retain both individual contributors and larger companies. The Creative Economy provides a viable path for sustainable growth and fruitful economic development.

Nonprofit cultural organizations represent one of the key pillars of the Creative Economy in Massachusetts. The Creative Economy includes major employers, tourist magnets and contributors to our quality of life. New building projects for theaters and museums alone have pumped well over \$1 billion into the state's economy over the past five years. The Commonwealth should continue to follow the recommendations of the Cultural Task Force convened by the Boston Foundation in 2004. These included deepening strategic investments in nonprofit cultural organizations through the Massachusetts Cultural Council, the Massachusetts Historical Commission, the newly established Cultural Facilities Fund and other sources. By doing so, Massachusetts will also play an important role in leveraging private funding for arts and culture.

Conference Goals

The Innovation Agenda Conference marked the first time that representatives from art and culture, technology and business communities have come together to leverage existing strengths and plan a strategy for working together to promote economic growth and development throughout Massachusetts.

The conference builds on the extensive work that already exists in this area—past and present—including the Creative Economy Association of the North Shore (CEANS), the New England Council report, the New England Foundation for the Arts (NEFA) Creative Economy Reports and the related Counting on Culture Project, as well as regional competitiveness councils and the recently published Americans for the Arts Creative Industries database.

Why We Must Act NOW to Leverage the Success of The Innovation Agenda Conference

The Creative Economy is an idea whose time has definitely come. The Innovation Agenda Conference successfully launched the statewide dialogue. Now come the next crucial steps: to define a clear set of recommendations and develop a definitive plan of action to rollout at the local, regional and statewide levels, across the business and government sectors. The following Action Plan outlines recommendations on how to best achieve near-term and long-term goals and objectives for the Creative Economy in Massachusetts.

ACTION PLAN

Building upon the momentum generated during The Innovation Agenda Conference, it is imperative to move quickly to establish a clear, compelling plan for future action. Conference participants recommend the following:

First critical action: In order to plan and execute the following actions, it is strongly recommended that the Commonwealth establish and fund a nonprofit Commonwealth Creative Economy Council (CCEC) with statewide public and private representation and the capacity to deliver results.

Next step: Following the creation of the CCEC, the adoption of this Three-Phase Creative Economy Development Plan is recommended:

Phase 1: Lay the foundation for growth—and get the word out about the Creative Economy in Massachusetts

- 1. Conduct research:** Develop and conduct an extensive statewide research program to identify and capture information on Creative Economy companies and organizations in Massachusetts. The CCEC will be responsible for conducting this extensive statewide survey and developing a database from the results. The research should include sole proprietors, part-time and contract workers, employees of nonprofit cultural organizations and individual artists as part of the labor count. We also need to understand the current size and scope of goods and services exported within the Creative Economy as well as their potential contribution to the Massachusetts economy. This research will build upon the successful pilot conducted on the North Shore. It is important to respect the fact that economic growth comes from the bottom up as well as the top down. Our economy can also grow one business at a time—and the Creative Economy encompasses many, many small businesses.
- 2. Launch an online resource directory:** Develop and promote a web-based, data-filled resource highlighting the Creative Economy in Massachusetts and its member companies and organizations. The purpose of this online resource directory is to allow companies and individuals to find each other for business growth purposes—either for strategic alliances or for finding employees. Promoted and marketed locally and nationally, this online resource will establish a virtual Creative Economy community that will attract others to move to or invest in our state. The CCEC website will house the database developed from the above-mentioned survey and provide members and interested parties with easy access to this wealth of information. Potential vendors can also be researched and accessed via the web-hosted database. This concept is already in a pilot phase on the North Shore as a key part of the activities of the Creative Economy Association of the North Shore (CEANS), a trade association recently established to include all organizations in the Creative Economy in the region.
- 3. Develop a comprehensive communications program:** Create and implement a communications program targeted to Creative Economy member companies, organizations, stakeholders and interested parties. Recommended communications vehicles include but are not limited to email, blogging and quarterly electronic newsletters designed to keep sector members up to date on programs and opportunities. This is an essential part of the community-building component of this Action Plan.
- 4. Promote sector networking:** The CCEC will assist regions in establishing and organizing regional associations based on the CEANS model as well as support local programs as needed. The network will also undertake statewide events designed to bring together members of the Creative Economy from various regions across the Commonwealth.

5. **Support business development networking:** Design and establish a bridging and networking program to connect Creative Economy businesses with the Commonwealth's largest companies as a catalyst for joint business opportunities. The CCEC will work with designated business associations as well as some of the largest employers in Massachusetts to establish and produce networking events and opportunities. These events will showcase the skills and capabilities of Creative Economy businesses to encourage potential collaboration and economic growth opportunities with larger companies.
6. **Establish best practices:** Research and develop a Creative Economy Best Practices Program that features programs that have been successful in fostering and developing the Creative Economy at the local and national level. The CCEC will research and post on its website examples of innovative programs and initiatives. The focus will be on efforts that have enhanced the Creative Economy engine within various communities. These detailed profiles will provide other organizations with insight into how to best develop and foster Creative Economy activities.
7. **Brand Massachusetts as The Creative Economy State:** Develop a comprehensive marketing campaign to brand, position and promote Massachusetts as "THE Creative Economy State" in the United States. Using the Commonwealth's prominent stature within the cultural, educational, healthcare, technological and financial communities will help uniquely position Massachusetts to better leverage Creative Economy opportunities. The goal of the campaign is to attract both individual members of the Creative Economy workforce as well as firms while encouraging those already here to stay. As part of this larger Creative Economy marketing campaign, the public and private sectors must work together more effectively to market and promote our state's cultural assets to national and international visitors.

Phase 2: Focus on economic initiatives and financial viability

Conducted simultaneously with Phase 1 activities, Phase 2 of the Creative Economy Action Plan calls for the creation of a series of economic initiatives to encourage the start-up and expansion of Creative Economy businesses. These initiatives include:

- Create affordable micro-loan programs for small creative economy businesses in start-up or expansion mode.
- Develop an angel fund or early-stage investor network for Creative Economy businesses
- Establish a venture capital investment fund for creative economy companies
- Launch technical assistance funding to help creative companies learn business skills
- Identify local funding opportunities and make that information available through creative economy networks





Phase 3: Foster creativity in education to sharpen competitive advantage

One way to help ensure growth in the Creative Economy of Massachusetts is to educate and retain workers who can solve problems, think imaginatively, demonstrate strong analytical skills and learn new procedures, technologies and ideas quickly. This directly links to core skills for the present day worker: inventive thinking, effective communication and high productivity.

This means that the CCEC must work with the education community to provide students with the skills they need to enter creative industries and to make students aware of job opportunities. This can be accomplished in several ways on multiple fronts:

- Encourage creativity and innovation at the elementary and secondary school level by integrating arts and culture more effectively into learning, both inside and outside of school
- Encourage stronger relationships between the state, arts and cultural institutions and its public schools
- Encourage stronger relationships between the state, technology and its public schools
- Integrate creativity, innovation and collaborative thinking into the curriculum at the college level
- Offer training in entrepreneurial and business management skills at the college level to students not only in business as well as the arts, humanities and sciences so all will be better equipped to work within today's global marketplace
- Recognize and support the need for lifelong learning in creativity, innovation and collaboration

THE INNOVATION AGENDA CONFERENCE SPONSORS



The Salem Partnership is a public/private leadership organization directly involved in determining the outcome of issues critical to the greater Salem community. The members of the Partnership believe that a strong community creates a prosperous business climate. Members of the Partnership include city and state officials, CEOs of the major for-profit and not-for-profit businesses and community leaders. The goal of The Salem Partnership is to focus on key specific projects that will make a major impact on the economy of Salem and the North Shore region. Presently The Partnership is focused on three major initiatives: the renovation and expansion of the Salem Courts Complex; the Salem Port Development Project, which includes a harbor walk and ferry service from Salem to Boston; and the utilization of the Creative Economy as an economic engine for Southern Essex County. <http://www.salempartnership.org/>



The Enterprise Center at Salem State College is both a nonprofit business incubator where small businesses may lease space in the center's building and a virtual center for North Shore entrepreneurs at every stage of business development. Opened in 1998, the Enterprise Center offers office space for start-up and established companies and provides dozens of free programs designed to help small business owners and employees improve their business skills. The Enterprise Center also holds an annual Business Plan Competition aimed at finding high growth companies and is active in an initiative to grow the Creative Economy on the North Shore.

The Enterprise Center manifests the commitment of Salem State College to be a major force in the economic and cultural development of the North Shore in the 21st century and a "good neighbor" in the City of Salem. <http://www.enterprisectr.org/>



The John Adams Innovation Institute is the economic development arm of the Massachusetts Technology Collaborative. The Massachusetts Technology Collaborative (MTC) is the state's development agency for renewable energy and the innovation economy, which is responsible for one-quarter of all jobs in the Commonwealth. MTC administers the John Adams Innovation Institute which works to stimulate economic investment and activities in communities throughout the Commonwealth. <http://www.masstech.org/institute/index>



The Massachusetts Cultural Council (MCC) is a state agency committed to fostering a central place for arts and culture in the everyday lives of citizens in communities across the Commonwealth. It pursues this mission through a combination of grants, services and advocacy for cultural organizations, schools, communities and artists. MCC's John and Abigail Adams Arts Program for Cultural Economic Development is the most far-reaching and ambitious program of its kind in the nation. Now in its tenth year, the program supports 33 projects involving 400 organizations in every region of Massachusetts, drawing on the state's extensive cultural assets to stimulate economic activity and create new jobs and income. <http://www.massculturalcouncil.org/>

CONNECT WITH THE **CREATIVE ECONOMY**

Get the facts, learn more and find out how you can participate www.creativeeconomy.us

What is the Creative Economy?

The Creative Economy consists of those industries that have their origin in individual creativity, skill and talent and that have the potential for wealth and job creation through the generation of ideas, products and/or services.

What is the Innovation Economy?

The Innovation Economy consists of those industries that transform scientific or technological knowledge into products, processes, systems and services that fuel economic development, create wealth and generate improvements in the state's standard of living.

What are some Creative Economy industries?

The list includes but is not limited to:

- Architecture
- Advertising
- Art
- Cultural industries
- Design
- Education
- Film
- Gaming
- Historic preservation
- Museums
- Music
- New media
- Performing arts
- Publishing
- Radio and Television
- Software
- Tourism
- Web development
- And much more!

Investments in Creative Economy initiatives are taking place not only in the United States but also worldwide. For more information, visit: www.creativeeconomy.us

