

Fostering Entrepreneurship in the Creative Economy

Report

Overview

ARDN's financial assistance supported the travel of Dr. Keith Archer, Director of Research at The Banff Centre, to attend the conference, "Fostering Entrepreneurship in the Creative Economy," organized by the Monieson Centre at Queen's University. The conference took place on the campus of Queen's University on November 19, 2010.

Purpose

The Queen's University School of Business, which is home to the Monieson Centre, described the purpose of the conference as follows:

What is the secret to competitiveness in the new economy? With jobs in traditional industries like manufacturing in decline, and financing for entrepreneurs increasingly scarce, communities across Eastern Ontario are seeking new ways to grow their local economies. Many communities are now asking how they might tap into some of the wealth found in the burgeoning creative economy.

On November 19th, academic researchers, government policymakers, economic development officers and business specialists will benefit from the latest research on growing the creative economy at a one-day conference at Queen's University. "Fostering Entrepreneurship in the Creative Economy" presents the findings of 16 academic and business experts who have delved into the workings of the creative economy and entrepreneurs who drive it. Topics range from key success factors in establishing new creative ventures to the competition among venture capitalists for creative entrepreneurial ideas.

"This conference brings together creative entrepreneurs and academics to examine growth opportunities for rural Canada," says Dr. Yolande Chan, Director of The Monieson Centre, one of the event sponsors. Other conference sponsors are the Social Sciences and Humanities Research Council of Canada (SSHRC), Prince Edward/Lennox & Addington Community Futures Development Corporation (PELA CFDC), and the Ontario East Economic Development Commission (OEEDC).

Creative economic activities include art, advertising, design, film, publishing, education, R&D, software, and media. They have the potential to contribute to the vitality of 21st century rural Canadian communities. This innovative and interactive forum will provide academics, representatives from the business community, and economic developers with opportunities to debate ideas, examine theory, present research findings, and exchange experiences.

"The creative economy is filling the gap left by the demise of other more traditional employment," says Dan Taylor, Prince Edward County Economic Development Officer and OEEDC spokesperson. "This conference will give practitioners tools they can use to revitalize their communities."

Conference Program

The conference began at 9:00 am with opening remarks by the Vice-Principal Research of Queen's University, Dr. Steven Liss, together with additional welcoming remarks by the Associate Dean Research of the Business School at Queen's and by a representative of the Prince Edward/Lennox and Addington Community Futures Development Corporation, a regional development agency operating in eastern Ontario. The program then focussed on the presentation of 10 separate reports based on recent scholarship and practice relating to the use of creative industries as driver of economic development in rural areas. I will comment on the substance of several of these presentations under question number 2 below. This was followed by an interactive session, led by Erik Lockhart of the Queen's Executive Decision Centre, that attempted to draw from the audience additional questions and lessons learned from the day. The conference concluded with some closing remarks from Dr. Yolande Chan, the conference organizer, and Mr Dan Taylor, a representative of Prince Edward County Economic Development Authority. A copy of the conference program is attached to this report.

The following comments respond to the items on which I was requested to report on the basis of the notice of award of October 22, 2010.

Networking

Mark Tierney,
Development Officer, Western Newfoundland,
Atlantic Canada Opportunities Agency

Mark was heavily involved in the development of a "cultural cluster", with a focus on the Gros Morne National Park in Newfoundland. The initiative involved very active (indeed leadership) involvement of this regional development agency (ACOA), in identifying cultural industries as a key economic driver for economic development in rural communities. The project to date has led to creation of over 150 jobs in the cultural industries in the regional of Western Newfoundland. I believe there are significant opportunities to adapt the model development by ACOA to Alberta communities, with the assistance of ACOA's western counterpart, Western Economic Diversification.

Dr. Ivan Emke,
Professor of Anthropology, Sociology and Cultural Studies, and
Associate Vice-President Research
Sir Wilfred Grenfell College
Memorial University of Newfoundland

Dr. Emke was the academic collaborator with Mark Tierney and Susan Drodge of ACOA on the project to develop cultural industries in the western part of Newfoundland. The

project involved a significant role for the university both in defining the strategy and studying the effect of ACOA's engagement with the local artistic communities in strengthening cultural industries and cultural production in the area. Dr. Emke is very familiar with The Banff Centre and may provide an important partner in future activities.

Dr. Jacquelyn Scott,
Professor,
Shannon School of Business, and
formerly, President
Cape Breton University

Dr. Scott gave a presentation on Cape Breton's Celtic Colours International Festival. The presentation focussed on the major impact this festival is having on economic development in rural Nova Scotia. From its beginnings in only 1997, it has grown into a region-wide event, having an economic impact of \$15.5 million in 2009, and according to Dr. Scott is has become a "game-changer" of organizational culture in the region. Dr. Scott's involvement both through the college/university and in serving on the board of the festival have combined to provide her with significant insights into the ways in which successful festival development may lead to economic growth and cultural strength.

Dr. Yolande Chan
Professor
Queen's School of Business
Queen's University

Dr. Chan was the conference organizer and the recipient of the SSHRC award that enabled the development of this conference. She has established a reputation as a significant scholarly voice on the topic of using the creative and cultural sector as a driver of economic growth and development. She has strong ties with individuals and organizations both in her local region in eastern Ontario, and more broadly across Canada, on this topic.

In addition to these key contacts, the meeting itself provided many opportunities for engagement among the attendees. I was able to share some of the experiences from Alberta both in the plenary sessions as well as in less formal one-on-one discussions with conference attendees. Although we were not given a full list of all conference attendees, I have included with this report a copy of the biographies of those who attended the conference.

Entrepreneurial/Creative Practices

There were a wide range of perspectives offered at the conference, some focusing on general trends in development and reasons for success and failure, whereas others provided more of a case study of successful initiatives. In this section, I will highlight the key findings from several of the papers.

- a. Elspeth Murray, Queen's University, "Rural Revival or Requiem? Establishing New Creative Ventures in a Rural Context". A key part of this presentation is the argument that rurally-based ventures are at an inherent disadvantage. This finding is based both on a review of the literature of the determinants of success in economic development as well as the result of a survey of entrepreneurs and venture capitalists undertaken by Professor Murray. Among the factors that work against success in rural communities are:
- lack of business, technology, functional talent pool
 - lack of customer proximity
 - lack of investors
 - lack of experienced business people
 - lack of good executives/advisors/board members
 - lack of suppliers and other "food chain" participants
 - small market base
 - travel to customers is costly, time consuming
 - lack of intense competitive pace
 - lack of general business ecosystem
 - lack of industry/channel/relationships
 - media ignores you

The research then examined two high-tech companies (hb studios and Radian 6) who have been successful in establishing strong organizations in rural communities. These two case studies enable them to ask, what factors were responsible for these companies "beating the odds" and overcoming the rural disadvantage. They found the following factors important in these two cases:

- experienced founder/entrepreneur. Rural venture was not his first
- experience start-up CEO. Brought connections and reputation to the table
- local connections – successful people returning to their roots
- low cost of customer acquisition. Tie to market already existed
- founder married to local girl

Concludes that initiatives may develop their own "unfair advantage" to become successful in rural settings.

- b. Kevin Stolarick, Research Director, The Martin Prosperity Institute, "Creativity, Tourism and Economic Development in a Rural Context: The Case of Prince Edward County"

This fellow has worked quite a bit with Richard Florida on developing creative economies. Suggests the challenge facing rural communities includes, loss of manufacturing, restructuring of the agricultural sector (with few jobs and fewer family farms), and the loss of young, educated workers to the urban centres. Rural communities may turn to tourism for job growth and reverse de-population. Factors that can be used include, superb quality of place, outdoor recreation, local festivals and traditions and local cultural and historical activities. But these are often low paying. Suggests a strategy

based on TAPE, and acronym for Technology and R&D; Arts and Culture; Professional and Managerial jobs; and Educating and Training. Rural strategies must, Think Big; Look Big; Use a Shotgun, and a rifle; and must have Luck.

c. Ivan Emke et al, "Achieving Cluster Consciousness"

This was the presentation by the faculty member from Memorial University together with the people from ACOA. The mandate of ACOA is to foster economic development and growth in the region (similar to WED). As a result of a series of consultations with the community in Western Newfoundland, ACOA decided to develop and implement a policy focused on supporting people to make a living in the cultural/artistic industries in this region. Have focused their work on Gros Morne National park, and a series of cultural offerings that provide locals with employment opportunities and attract more tourist funding to the region. Have developed a strong culture of community engagement in visioning the future, and a network to bring it into being.