ADVANCING VERMONT’S CREATIVE ECONOMY

Final report and recommendations from the Vermont Council on Culture and Innovation

Produced by Vermont Council on Rural Development, September 2004
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The Vermont Council on Culture and Innovation envisions a future in which two principles are widely understood.

First, that our cultural expressions and heritage are central to the fabric of each and every Vermont community. Second, that they act as a powerful economic engine that inspires innovation, creates jobs, and produces revenue throughout the state.

Recognizing these principles, Vermont should engage and build the capacity of its cultural resources to re-energize communities, revitalize downtowns, and reactivate economic development that builds on heritage, preservation, creativity and the entrepreneurial spirit.
The creative economy is critical to the future competitiveness of Vermont in the global marketplace. Vermont’s heritage, arts and culture are integral strengths. They are an economic sector in Vermont today; they also provide a foundation to the sense of place and creative workforce critical to innovation in other sectors, add value to the Vermont brand, and magnify the attractive power of Vermont as a location to do business. The creative economy is a hidden economic driver, one that deserves understanding, recognition, and investment.

The Vermont Council on Culture and Innovation (VCCI) was convened in May 2003 by the Vermont Council on Rural Development. VCCI’s charge was to evaluate the role of and challenges to the creative economy in the state and to build a practical and strategic plan for its advancement. This Action Plan is the product of that work.

This report makes specific recommendations for how to grow the State’s creative economy as a vital and complementary part of the state’s economy as a whole. These recommendations encourage collaboration among Vermont’s private sector, cultural organizations, and local, state, and federal government to use Vermont’s cultural resources to spark and leverage community and economic development. It documents seventeen recommendations in the four areas listed below that the Governor’s administration, Legislature, and public and private partners are encouraged to undertake to expand innovation, enhance community life, attract and encourage entrepreneurs, build Vermont’s market identity, and stimulate job growth.

**Support the Growth of Creative Enterprises** by expanding markets, unifying promotion, enhancing the Vermont brand, producing celebratory events, building a Vermont artists and artisans market identity, and providing technical support and access to capital for culturally-based businesses and creative entrepreneurs.

**Promote and Document the Roles that Creativity, Culture, and Innovation Play in Vermont’s Economic Future** by tracking and reporting this economic sector, reinforcing arts and heritage education, and instituting a statewide public information campaign.

**Invest in Communities so They May Build on their Past while Adapting for a Vibrant Future** by making culture and heritage priority community investments, supporting historic town and village centers, expanding cultural facilities funding, and encouraging creative entrepreneurial development in vacant industrial space.

**Develop Vermont’s Creative Economy through Community-Based Planning and Improved Statewide Collaboration** by facilitating locally designed creative economy projects, building a collaborative umbrella between statewide cultural organizations, and establishing a nonpartisan Governor’s Commission to provide leadership for the growth of Vermont’s creative economy.
Evidence shows that public and private investment in creative enterprises yields favorable economic and social returns, producing jobs and supporting communities.

The development of the creative economy in Vermont is not limited by geography, topography, demographics, or population density. It can play a vital role in every corner of the state.

Just as Vermont was a leader in the manufacturing of things, it is now poised to be a leader in the production of ideas. Like any promising economic sector, the creative economy will need policies and incentives to support its growth.

Strengthening the creative sector will take a long-term and incremental effort. However, pressing needs must be addressed now in order to assure its future competitiveness.

Creative and stimulating communities attract and retain young people. This is a key concern in Vermont, where the loss of its youth to other regions is an historic challenge.

The emerging jobs market places a premium on creative problem solving, yet these skills are not taught consistently throughout Vermont’s education system.
Introduction

In today's global economy, Vermont is facing challenges to its traditional agricultural and manufacturing base and working to develop new opportunities. Efforts are currently underway in Vermont to foster emerging technologies, develop value-added forest and agricultural products, build on the state's brand recognition, support entrepreneurs, retain and attract high wage industries, and capture an edge in recruiting and growing new businesses. Many Vermonters rightly ask, "How can Vermont capitalize on its strengths and provide creative opportunities for the next generation? What are the jobs of the future?"

Given the fact of global economic competition, how can we celebrate our unique culture and heritage, and use these resources as leverage as we grow an economy that will sustain our children tomorrow? To answer these questions the VCCI held forums in the fall of 2003 in cooperation with 90 community organizations throughout Vermont. Over 300 Vermonters attended these events and their energy, ideas and comments provided the base for this report.

Developers, venture capitalists, policy makers, and educators recognize the emergence of a creative economy — a sector driven by ideas, and motivated by the intellectual and cultural stimuli of our surroundings. They understand that in today's global economy this sector has tremendous potential for growth, especially if it is supported by the right balance of public and private investment. While the creative economy can be narrowly defined as a particular set of jobs and skills, it can also be seen as a driver that complements and leverages all other economic sectors.

In parts of Vermont, the creative economy is plainly visible. You can see it in a village like Bellows Falls, where a dying downtown has been resurrected with artist residences, gallery spaces, new restaurants and shops in abundance. Starting with one building and a handful of volunteers, creative leaders in Bellows Falls have taken historic preservation step by step around the square and along the river, and have built music and cultural programs to turn the village into a regional attraction. The town's revitalized life has attracted entrepreneurs who have launched successful, sustainable, and growing businesses such as SoVerNet, a statewide internet service provider, and Chroma Technology, a leading manufacturer of optical products. Bellows Falls today is on the rise. Many Vermonters are now asking, "If it can work
in Bellows Falls, how can we make it work in my town?” This report encourages Vermont to capitalize on its strengths and systematically support local leadership in communities throughout the state so that they can jumpstart this engine of community and economic development.

Founded and produced by the Vermont Council on Rural Development (VCRD), the Vermont Council on Culture and Innovation (VCCI), spent the past year examining the important role that arts and culture play in the Vermont economy, both as inspiration for innovative commerce and as a starting point for community and economic revitalization. VCCI’s twenty-two members share a conviction that advancing the “creative economy” will help Vermont meet the challenges of the 21st century while preserving its values, authenticity, and working landscape. The recommendations contained in this document are diverse, but they have a common goal: to empower communities throughout the state to define and build creatively upon their “sense of place” and to use the combined resources of Vermont’s cultural enterprises to re-energize communities, revitalize downtowns, and stimulate economic development that builds on heritage, preservation, creativity, and the entrepreneurial spirit.

The Creative Economy: What is it?

It is no longer news that culture is big business. The New England Council (NEC), one of the nation’s oldest business associations, recently documented that New England’s “creative cluster” employs nearly a quarter of a million people, with an annual payroll of $4.3 billion. At a time of substantial losses in the manufacturing sector, NEC found that jobs in this creative cluster are growing at twice the rate of New England’s overall economy. Their study was the first to determine the cumulative impact of creative businesses (recording studios, publishers, architects, and book stores, for example), nonprofit cultural organizations (such as historical societies, libraries, performing arts centers, and museums), and self-employed artists (ranging from dancers and musicians to writers and artisans).

Cultural tourism alone brings $6.6 billion into our region every year. Vermont’s nonprofit cultural organizations have an economic impact of $156 million. We know that when government and business invest in the arts and humanities, in heritage and folklife, the payoff is big.

But that’s only one way to think about how cultural activity affects economic vitality. Richard Florida, Professor of Economic Development at Carnegie Mellon University, argues that creativity has become a defining characteristic of the American economy, a fact that has important implications for our community life. His research shows that:

- Creativity is a crucial skill for the jobs that are being created in the American economy today. We need to cultivate creativity in our children if they are to hold the jobs of the present and future.
Cultural arts are a catalyst to growth and innovation, and their creative forces can be seen and felt across virtually every industry. They make communities more aesthetically desirable, they improve the quality of educational systems and they make the workforce more productive and creative. They also encourage tourism and they generate growth in output, income and jobs.

Creative people thrive in an environment where there is an authentic sense of place, an acceptance and celebration of cultural diversity, a variety of recreational activities, and opportunities for the energetic exchange of ideas. Creative workers are mobile. They live in places where their creativity is welcomed and inspired and where there is rich cultural expression. Jobs follow them.

The ultimate implication of Florida’s work is that communities that want to build an economy based on the jobs of the future must cultivate a creative workforce. This workforce is made up of people who design new products, invent new technological solutions, solve problems for clients, or teach kids how to read and write. They produce ideas.

The opportunity for harnessing the creativity that already exists in Vermont’s communities and attracting new knowledge workers and companies is enormous. To attract these workers, and retain its creative thinkers of all ages, Vermont must build from its strengths and sustain and expand its cultural core.

The bottom line is: cultural and community development inspires and attracts creative business enterprises — highly desirable enterprises which can locate anywhere. In the global economy, Vermont’s culture and quality of life are tremendous resources for the attraction and retention of vibrant businesses — as important as tax credits and loan supports. It is important to realize that the creative economy is not simply about drawing new businesses and creative workers to Vermont. It is a key strategy toward building communities and developing economic opportunities so that young Vermonters can find meaningful and productive employment here at home.

What Do We Mean by “Culture?”

Many people think of culture as the performing and visual arts. Art and music are important, but in a place like Vermont it is easy to see that culture involves much more. Cultural identity in Vermont is deeply informed by history. Stone walls and Town Halls, downtowns and open lands all help shape who Vermonters are and the values they share. Sugar makers who post a maple syrup sign at the end of their driveway, dairy farmers who invite visitors to observe a milking, artisans who demonstrate and sell their crafts in studios and at farmers’ markets — all of these people embody something that is immediately recognizable as part of Vermont’s distinct character and culture. When Vermonters gather at cafes or libraries for lively conversation, or at the local school for town meeting, they live and breathe a culture that values human interaction and thought.

Today’s Vermonters hail from many parts of the world; some trace an ancestral relationship with this land that predates the arrival of Europeans. A flourishing creative economy thrives in places where there is both rich cultural expression and a vigorous exchange of ideas, where cultural diversity
How Can Vermont Build its Creative Economy?

Over the course of the last year, VCCI traveled across the state to listen to the voices of Vermonters working to revitalize their communities and grow innovative businesses. Not only do Vermonters want to advance the creative sector, they had specific ideas about how they think it should be done. Many of them spoke from personal experience about the kinds of support that would help them build or expand their own businesses. Their ideas, illuminated by the testimony at VCCI meetings from cultural sector leaders and experts in economic development, form the backbone of VCCI’s report.

VCCI Has Identified Four Broad Areas for Action and Investment:

Support the Growth of Creative Enterprises.

The creative economy means jobs for Vermonters. Recent research estimates that 14,000 Vermonters – 4.5% of the state’s workforce – hold jobs in the “creative cluster.” These businesses represent the most visible intersection of commerce and culture: entrepreneurs who produce creative products (e.g. designers, artists, writers, filmmakers); those who turn creations into commercial products (manufacturers, printers, studios); and those who distribute or market them (public relations firms, publishers, galleries, clothing stores, bookstores, movie theaters). Between 1997 and 2001, Vermont’s creative cluster had a growth rate of about 5.4%—the fastest of all New England states. These figures are conservative; they do not take into account the multiplier effects that these creative and attractive enterprises have on economic development across the board. The recommendations in this section are designed to grease the wheels for these entrepreneurs, strengthen Vermont’s existing base, and make the state more inviting to creative sector businesses.

Here’s another element in the equation: Vermont’s heritage, arts, and culture serve as foundations for the Vermont brand so essential to the success of the state’s tourism industry, as well as its manufactured, handcrafted, and agricultural products. Yet the 2003 Vermont brand Study showed that people across the country do not automatically associate the name “Vermont” with creative dynamism. The study identified this as a chief concern of Vermont businesses struggling to recruit skilled professionals, particularly in high tech industries. VCCI supports the report’s conclusion that, “Vermont marketers
need to take the concept of ‘creative’ and give it a full, robust meaning that incorporates both the intellectual and artistic richness of Vermont.”

VCCI’s report recommends supporting creative enterprises in many ways. By thinking about the relationship between commerce and culture, Vermont can build its job base in this sector now, and position the state to continue developing jobs and economic prosperity for years to come.

**Promote and Document the Roles that Creativity, Culture, and Innovation Play in Vermont’s Economy and Future.**

To maximize the long-term potential of the creative economy, Vermont must put several key building blocks into place now.

State government should track this sector. In economic development, numbers drive decisions. Yet no one in Vermont knows how many paintings are sold, products designed, recordings produced, or theater seats filled each year. It is true that many enterprises in this sector do not fit neatly into a single industry code — if they conform to the realm of routine economic indicators at all. The difficulties in quantifying its existence and growth have proven to be a significant stumbling block to this sector’s advancement. We need a clear, statistically-accurate picture of the sector to guide the strategic use of precious venture capital and economic development dollars.

Schools clearly play a pivotal role in nurturing creativity in our children. They are natural incubators for intellectual curiosity in young people and seedbeds for communities that enjoy the rich exchange of ideas so critical to a robust creative economy. This report makes several recommendations designed to support and strengthen arts and heritage education in Vermont for students of all ages.

A statewide public information campaign is a crucial next step to advance the creative sector. Proponents of the creative economy tend to be people who see themselves in it. They grasp its significance both anecdotally and intuitively, and studies affirm what they already know about the importance of culture to economic life. At the same time, the creative economy remains a hazy abstraction to many people, even to people whose work depends on creativity as a core skill. A widely disseminated, grassroots campaign should clearly articulate what the creative economy is, make people conscious of the creative economy at work around them, share models of communities that have successfully adopted creative economy strategies, and provide support and encouragement to local economic development efforts.

**Invest in Communities so They Can Build on Their Past While Adapting for a Vibrant Future.**

In forums throughout Vermont, VCCI heard about the central role culture and innovation play in communities of all sizes. Revitalizing Main Street, offering youth and seniors healthy activities, galvanizing civic pride,
expanding the job market, and providing experiences for everyone to share are just some of the vital ways culture builds community. Arts and heritage organizations are essential partners in these efforts. Book discussions in libraries, festivals on the green, preservation of town halls, art in our parks, issue oriented films, and singing in local choirs all bring people together, promote dialogue, and develop the social capital that underlies strong communities. Creative and stimulating communities attract and retain young people, a key concern in Vermont where the average age of our population is among the highest in the country.

Vermont’s cultural organizations comprise, anchor, and inspire Vermont’s creative enterprises. They are magnets for tourism and retailers, and their programs serve all Vermonters. Yet, despite their contributions, many of these organizations face financial challenges that prevent them from achieving their full potential. They deserve public and private investment.

In many cases these groups occupy and preserve downtown buildings and irreplaceable historic structures that define our communities. When the roof leaks and threatens a historical collection, or changes need to be made to bring buildings up to code, there is little assistance available. This report recommends bolstering cultural infrastructure through increased capital funding to cultural and historic facilities.

VCCI applauds the many remarkable efforts underway in Vermont to revitalize downtowns and to adapt historic structures for contemporary use. This report hopes to shore up such efforts, encouraging key entities to prioritize the heritage and cultural components of revitalization projects, make it easier for local communities to rehabilitate historic downtown buildings, and facilitate new uses for empty industrial space.

**Develop Vermont’s Creative Economy Through Community-Based Planning and Improved Statewide Collaboration.**

Bringing the cultural sector to the table in community and state planning is clearly key to Vermont’s success in building a creative economy. Entities responsible for economic development should view cultural organizations as partners in their efforts. Cultural organizations must see themselves in this same light, and develop their capacity to be the partner that planners need. This section contains three recommendations designed to develop cultural and economic development partnerships at the local and state level to support Vermont communities’ revitalization efforts and inspire and attract creative businesses.

First, forum attendees asked VCCI to help find a way to support local leaders who can spark community revitalization through culture. Many communities are poised to undertake key projects, but don’t know how to get started. Others need assistance in incorporating culture into their development plans or maintaining the very sense of place and heritage that are crucial assets for economic and community development. “We have talent,” they said, “but we need guidance and leadership.” VCCI recommends creating a program that
will give a number of Vermont towns the opportunity to develop their creative economy through deliberate, well-coordinated, locally-led community development projects based on creative economy premises and models. By bringing resources and expertise from cultural organizations and business leadership, this effort will boost the power of communities to use cultural and community development to directly leverage business development and job creation. In addition to benefiting the incubator communities themselves, this program will provide concrete models for creative economic development that will be useful throughout the state and perhaps beyond our borders.

Second, while cultural groups have long provided energy for creative communities and can take much credit for the strength of this economic sector, many cultural organizations are eager to play a more intentional role in advancing the creative economy. In Vermont, leaders of statewide groups representing the humanities, the arts, history, and preservation have committed to form a “cultural coordinating council,” an umbrella that will further articulate and facilitate cultural participation in community and economic development efforts across the state.

Finally, VCCI recommends that the Governor establish a creative economy Commission to continue to identify and advocate for policies that will advance the creative economy. The Commission will also serve as a liaison between culture, commerce, and government, working to break down barriers and build up partnerships, allowing and stimulating the creative sector to grow and flourish in Vermont.

VCCI’s Process

In May, 2003, the Vermont Council on Rural Development convened the Vermont Council on Culture and Innovation (VCCI), a dynamic group including representative leaders of statewide cultural organizations, policy makers, and individuals whose businesses are directly tied to the creative economy.

During its fourteen month existence, VCCI conducted extensive research related to the creative economy both within Vermont and around the world. VCCI held six public forums around the state that drew over 300 people and a great deal of media interest. In addition, numerous business and non-profit organizations around the state invited VCCI to participate in panel discussions and workshops, and we conducted written surveys at targeted conferences and annual meetings. VCCI met monthly and at those meetings heard from guests invited specifically to share expertise we felt was needed for our work. [See Acknowledgements, Page 38]

VCCI also monitored and sought to coordinate its work with on-going related efforts, including the CREDability initiative, the Upper Valley Creative Economy Summit, a recent study on Burlington’s Creative Economy, the Creative Commerce Group, the Gund Institute, and the Creative Economy Council.
The Council stayed in regular contact with interested individuals throughout the year, sending e-mail updates on VCCI’s activities, including meeting minutes and excerpts of relevant international and domestic reports and news articles. By June 2004, that list had grown to more than 500 people. In addition, VCCI created a web page last summer and posted much of this information on that site.

**The Role of the Vermont Council on Rural Development**

In the last four years the Vermont Council on Rural Development (VCRD) has led policy council evaluations on issues of overarching and historic importance to Vermont communities: Agricultural Viability, Value-Added Forest Products, and Rural Broadband Access. Advancing the creative economy and examining the leverage available to communities through the cultural sector were logical next steps in the strategic planning VCRD does to support the progress of rural communities.

VCRD developed the collaborative framework for the VCCI, invited participants, built the charge to the group, and established a reporting sequence to the Governor’s Office, other concerned state agencies, Vermont’s Congressional delegation, the Vermont State Legislature, and statewide arts, business, and cultural organizations. Individuals were asked to serve on the VCCI to capture leading ideas, rather than seek representatives from specific organizations or businesses. In their discussions, VCCI members were asked to consider the interests of the sector as a whole.

VCRD is a nonprofit organization dedicated to helping Vermonters and Vermont communities develop their capacity to create a prosperous and sustainable future through coordination, collaboration, and the effective use of public and private resources. A dynamic partnership of federal, state, local, nonprofit and private leadership, VCRD is actively non-partisan. Its neutrality, along with its established reputation for community-based facilitation, puts it in a unique position to sponsor, moderate, and coordinate committees concerned with policy questions of statewide importance.

**VCCI Council Members**

Alex Aldrich  
Vermont Arts Council

Andy Broderick  
Housing Vermont

Paul Bruhn  
Preservation Trust of Vermont

Senator Ann Cummings  
Vermont Senate

Judi Danforth  
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Chip Evans  
VCCI Chair, Vermont Human Resources Investment Council

Peter Gilbert  
Vermont Humanities Council

Kevin Graffagnino  
Vermont Historical Society

Margaret Kannenstine  
Visual artist

Charles Lief  
The Hartland Group

Peter Mallary  
*Behind the Times / It’s Classified newspapers*

Bobbie Maynes  
Make A Wish Foundation of Vermont

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Rockingham Arts and Museum Project

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Elizabeth Stedman  
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Paul Costello  
Producer, Vermont Council on Rural Development

Garrett Kimberley  
Associate Member, New England Council

Michael Levine  
VCCI Project Director
VCCI’S RECOMMENDATIONS

Support the Growth of Creative Enterprises


Provide more help in getting inventions, art works, new technologies, and creative products to the marketplace.

a. Include cultural ambassadors with all domestic and foreign trade missions.

b. Promote Vermont creative and intellectual products at trade shows.

c. Assist cultural organizations in developing mission-related products to sell as a revenue stream.

d. Incorporate Vermont’s creative products in all public relations efforts.

e. Develop a “buy local, buy creative” campaign for consumers, businesses, and state agencies.

f. Create and support a new artist-to-business network where artists and private corporations can collaborate on exhibits and/or purchases of artwork or services.

LEAD: VT Dept. of Economic Development, VT Arts Council, and the VT Dept. of Tourism and Marketing
PARTNERS: VT Cultural Coordinating Council

2. Unify and Expand the Promotion of Vermont’s Cultural Resources.

Increase the number of cultural heritage visitors to Vermont through a more unified promotion at the state level of the breadth and depth of Vermont’s cultural attractions and resources. Toward that end:

a. Design, produce and promote a statewide Vermont Cultural Heritage Guide (on paper and online) integrating regional offerings.

b. Develop standardized trainings that will make it easier for everyone to promote all aspects of their region. Cultural groups, nonprofits, hospitality and other
businesses, local chambers, Regional Marketing Organizations, and interested parties statewide would participate.

**LEAD:** VT Dept. of Tourism and Marketing  
**PARTNERS:** VT Chamber of Commerce, VT Cultural Coordinating Council, VT Attractions Association

c. Implement a “brown sign” program for cultural and heritage destinations and allow temporary signs to promote specific cultural and heritage activities or events.

**LEAD:** VT Agency of Transportation  
**PARTNERS:** VT Dept. of Tourism and Marketing

### 3. Ensure the Vermont Brand Reflects and Promotes the State's Creativity.

In line with findings of the recent O'Neal Branding Study, the Vermont Department of Tourism and Marketing should lead in the formation of a fund encompassing state, federal and private resources to support statewide, regional and/or industry-wide marketing efforts that reinforce “creative” aspects of the Vermont brand.

**LEAD:** VT Dept. of Tourism and Marketing, Marketing and Promotion (M.A.P.) Team  
**PARTNERS:** VT Legislature, Congressional offices, VT Dept. of Economic Development

### 4. Highlight Vermont's Creative and Cultural Life through Special Events.

Promote and celebrate Vermont’s creative and cultural life.

a. Declare a Vermont Arts and Artisans Weekend to coincide with the Vermont Open Studio Weekend, with the resources of state government behind its promotion.

**LEAD:** Governor, VT Crafts Council  
**PARTNERS:** Vermont Arts Council, VT Historical Society, VT Museum and Gallery Alliance, VT Dept. of Tourism and Marketing, VT Dept. of Economic Development, Marketing and Promotion (M.A.P.) Team

b. Declare a Vermont History and Heritage Month to correspond with efforts already underway (such as the Vermont History Expo), with the resources of state government behind its promotion.

**LEAD:** Governor, VT Historical Society  
**PARTNERS:** VT Dept. of Tourism and Marketing, Regional Marketing Organizations, VT Division of Historic Preservation, VT Humanities Council, VT Museum and Gallery Alliance, Preservation Trust of VT

c. Work with the Vermont Chamber of Commerce to set “Marketing Vermont Innovation” as the topic of next year’s Vermont Business and Industry Expo.
Under this theme, the Expo would feature creativity in the development of software, technology, manufacturing, Vermont natural resource products, Vermont branding initiatives, Vermont made art and artisan productions, and the work of Vermont's distinctive entrepreneurs.

LEAD: VT Chamber of Commerce

5. Develop a “Vermont Artists and Artisans” Identity and Marketing Campaign.

Develop a “Vermont Artists and Artisans” identity similar in size and scope to the newly launched Vermont Forest Products logo and campaign. The products supported would be original creations by Vermont artists or artisans that are suitable for sale.

a. Establish standards for inclusion.

b. Design and distribute “look and feel” collateral pieces that reinforce the brand identity and incorporate the new logo.

c. Create and implement an in-state and out-of-state marketing campaign to support these products.

LEAD: VT Crafts Council, VT Dept. of Tourism and Marketing, VT Dept. of Economic Development
PARTNERS: VT Arts Council, Marketing and Promotion (M.A.P.) Team, VT Museum and Gallery Alliance, Frog Hollow Craft Center, VT Handcrafters

6. Provide Technical Support to Emerging as well as Established Culturally-based Businesses.

Provide technical support to micro and small, emerging or established, culturally-based businesses.

a. Increase the annual appropriation to the Vermont Small Business Development Center by $50,000. These funds should be used specifically to train technical assistance providers to work with artists and other culturally based businesses, offer focused FastTrac Entrepreneurial Training classes for artists and other culturally-based businesses, and provide scholarships for business training for small cultural enterprises.

LEAD: Small Business Development Center
PARTNERS: VT Agency of Commerce and Community Development, VT Business Roundtable

b. Extend the life of a program that provides technical support to entrepreneurs who have come to Vermont through the Vermont Refugee Resettlement Program and
who are launching businesses that tap into their cultural heritage through a $50,000 grant to the Micro Business Development Program.

LEAD: Micro Business Development Center
PARTNERS: VT Legislature, VT Agency of Commerce and Community Development, Regional Revolving Loan Funds, Refugee Immigrant Service Providers Network


Support creative, Vermont-based, small and micro businesses by providing access to start-up and working capital. Identify and encourage a variety of fund providers to make available below market loans, subordinated loans, equity, program related investments, and recoverable grants. In addition to serving small business development needs across the board, these funds could target enterprises celebrating the diversity of cultures found in Vermont today.

LEAD: VT Economic Development Authority Job Start Loan Program
PARTNERS: VT Dept. of Economic Development, USDA Rural Development, Vermont banks, Small Business Administration, Micro Business Development Program, community development finance institutions, VT Cultural Coordinating Council, VT Community Loan Fund and private foundations
Promote and Document the Role that Creativity, Culture, and Innovation Play in Vermont’s Economic Future.

8. Track and Report the Impact of the State’s Creative Economy.

Introduce analysis of the creative economy’s impact in Vermont into ongoing public economic policy research.

a. Commission Vermont’s State Economists to model the direct and indirect impacts of the creative economy in the state.

LEAD: Governor
PARTNERS: VT Agency of Commerce and Community Development, VT Cultural Coordinating Council, Creative Economy Council

b. Ensure that creative economy enterprises are categorically identified in every significant report on Vermont’s economy.

LEAD: VT Agency of Commerce and Community Development
PARTNERS: Creative Economy Council, VT Cultural Coordinating Council

9. Reinforce Arts and Heritage Education.

Develop and strengthen Vermont’s communities and creative workforce through the support of arts, heritage, and community-based education incentives.

a. Fully implement all existing Vermont Framework of Standards and Learning Opportunities related to the arts and humanities and ensure their equitable implementation in every public K-12 school in Vermont.[1]

b. Develop a coordinated “Vermont Content” curriculum for K-12 students in history, geography, arts, humanities, and culture and enhance the professional development offerings for Vermont school teachers that focus on these areas.

c. Encourage informal, community-based education through partnerships between K-12 schools, town libraries, and cultural organizations.

d. Provide practical experience (internships, mentors, etc.) for students interested in pursuing careers in technology, fine arts, and the applied arts through partnerships among public schools and tech centers, higher education, cultural organizations, and creative sector businesses.

e. Expand the Department of Education’s successful “Career Academies” model with programs relating to the creative economy including the performing, visual, and applied arts.

f. Inventory all higher education courses and resources in Vermont that relate to
the creative economy to identify what is currently available to attract potential students and opportunities for expanding these offerings.

g. Assure workforce retraining programs recognize the potential for jobs in the creative economy and teach the skills needed to prepare workers for this sector.

LEAD: VT Dept. of Education
PARTNERS: Governor, VT Legislature, VT Cultural Coordinating Council, Consortium of VT Colleges, VT Dept. of Employment and Training, UVM Center for Research on VT and VT Studies Program

10. Launch a Statewide Public Information Campaign.

Plan and execute a major media and public information campaign to promote the opportunities of the creative economy, celebrate existing cultural resources, publicize VCCI’s report and its findings, expand awareness of Vermont models of successful development through the creative economy, and support the community development potential of the Vermont Creative Community Program. [See Recommendation 15]

LEAD: VT Council on Rural Development
PARTNERS: VCCI members, Jane’s Trust, Vermont businesses and communities
Invest in Communities so They Can Build on Their Past While Adapting for a Vibrant Future.

11. Ensure that Culture and Heritage are Strategic Priorities in Vermont’s Community Development Investment Policies.

Strengthen creative communities through existing state and federal programs that provide community development funds. Specifically:

a. Ensure that the VT Agency of Transportation Enhancement Program maximizes resources for public aesthetic improvements and downtown redevelopment that highlight the work of Vermont artists, craftspeople, designers, architects, and materials.

b. Ensure that the Vermont Consolidated Plan for the use of federal funds, the Vermont Housing and Conservation Board, and the Vermont Community Development Block Grant Program continue to make the adaptive reuse of downtown buildings a central priority.

LEAD: Governor
PARTNERS: VT Agency of Commerce and Community Development, VT Housing and Conservation Board, VT Agency of Transportation

12. Maintain the Historic Fabric of our Downtowns and Village Centers.

Promote and support the rehabilitation and use of historic downtown buildings and structures for innovative and creative small businesses, affordable artist housing, studio and performance space, cultural institutions, retail space, and services.

a. Provide a minimum of $300,000 annually for competitive grants to support downtown projects that would serve as economic catalysts.

b. Increase the cap on tax credits for life safety, accessibility, and rehabilitation work to $1.5 million in FY 2006, and raise it by $250,000 per year for the following four years.

LEAD: Governor, VT Legislature
PARTNERS: Regional Development Corporations, VT Agency of Commerce and Community Development, VT Dept. of Labor and Industry, VT Arts Council, VT Historical Society, VT Housing and Conservation Board, Preservation Trust of VT, and Housing VT

13. Increase Funding for Cultural and Historic Facilities.

Support stabilization and improvement of cultural infrastructure throughout Vermont.
a. Increase funding for the existing Cultural Facilities Program from the current level of $50,000 to $200,000 annually. This competitive grant program is a partnership among the Vermont Arts Council, the Vermont Museum and Gallery Alliance, Preservation Trust of Vermont, the Vermont Division of Historic Preservation, and the Vermont Historical Society.

b. Restore the Division for Historic Preservation's barn and historic preservation grant programs with a minimum investment of $200,000 for each.

LEAD: Governor, VT Legislature


Encourage new uses for empty industrial buildings.

a. Inventory potential large, inexpensive, raw spaces for sculptors, artists, theater set designers and other cultural entrepreneurs in the region. Inform owners of large spaces about creative industry needs that are a low investment alternative to traditional manufacturing uses.

b. Develop incentives to bring empty manufacturing and warehouse space into use by creative entrepreneurs.

LEAD: Regional Economic Development Corporations
PARTNERS: VT Economic Progress Council, VT Dept. of Labor and Industry, VT Realtors Association
Develop Vermont’s Creative Economy Through Community-Based Planning and Improved Statewide Collaboration.

15. Jumpstart Local Creative Economy Development Projects.

Establish the Vermont Creative Community Program. This multi-year project will bring a creative economy perspective to locally-led community planning and build on successful models by offering targeted technical assistance for community development projects. By expanding partnerships between communities and the cultural organizations that serve them, this program will:

a. Make Vermont a model laboratory of the creative economy and build the reputation of the state for culture and innovation.

b. Give communities the tools to develop creative initiatives and provide the resources for them to build identity, momentum, and excitement as creative economy destinations.

c. Provide a framework for the Vermont cultural sector to work together as direct participants in community and economic development.

VCRD will review applications from communities throughout the state and select fourteen as initial participants in this VCC program. Seven would begin in 2005-06, the other seven in 2006-07.

LEAD: VT Council on Rural Development
PARTNERS: VCCI members, VT Downtown Program, VT Community Foundation, Upper Valley Community Foundation, VT Legislature, Regional Development Corporations, Regional Planning Commissions, private foundations, businesses, and Vermont’s Congressional delegation


Initiate a Vermont Cultural Coordinating Council to expand collaboration among statewide cultural organizations in support of community and economic development. State funding to VCCC member groups should increase to build capacity within these organizations to participate and to implement this support. This Council will:

a. Develop a statewide vision for the nurture and delivery of cultural programming.

b. Help shape and implement elements of the Vermont Creative Community Program [see Recommendation 15], including public education, cultural advocacy, and locally-defined community development projects.

c. Co-sponsor statewide culture and heritage conferences and provide cross-organizational professional development opportunities.

d. Consider joint memberships and fund development.
e. Advocate for increased funding for Vermont cultural organizations.

LEAD: Executive Directors of the VT Historical Society, VT Arts Council, VT Humanities Council, and Preservation Trust of VT
PARTNERS: VT Museum and Gallery Alliance, VT Crafts Council, VT Folklife Center, VT Agency of Commerce and Community Development, and a Vermont library representative

17. Establish a Governor Appointed Commission to Provide Leadership for the Growth of the Creative Economy in Vermont.

Establish a nonpartisan Vermont Creative Economy Commission consisting of leaders appointed by the Governor from the cultural, private and public sectors. The Commission will:

a. Increase public understanding of the creative economy and its impact.

b. Foster new opportunities for growth in cultural, community and economic development.

c. Serve as liaison between Vermont’s cultural organizations, the Governor, the administration, and the Legislature.

LEAD: Governor
PARTNERS: Vermont business leaders, creative entrepreneurs, artists, historians, humanists, and educators
Vermont’s Creative Cluster accounts for 14,000 jobs and 4.5% of our total workforce. (Includes private and nonprofit businesses)[2]

Between 1997 and 2001, Vermont had the fastest growth rate in Creative Cluster employment of all New England states — about 5.4%. This was six times the rate of New England overall (0.9%), and two and one-half times the rate of second fastest Massachusetts (2%).[3]

Vermont has 1,306 nonprofit cultural organizations. They generate income of $152 million, direct spending of $119 million, employ 5,300 people, provide $39 million in wages, and produce a total economic impact of $156 million.[3]

Vermont’s nonprofit cultural organizations brought $27 million from outside our borders into the Vermont economy in the year 2000.[3]

In 1997, creative industries in Burlington showed sales of $515 million, a payroll of $135 million, and a total of 2,800 employees.[4]

Burlington’s Flynn Center for the Performing Arts reports a regional economic impact of $20 million.

America’s nonprofit arts industry generates $134 billion in annual spending, producing $24.4 billion in tax revenues.[5]

Between 1940 and 1998, the number of artists working in all sectors of the general economy (public, commercial, and nonprofit) grew at a rate roughly two and half times faster than that of other types of workers and now number at least 1.5 million.[6]

Vermont lost 8,100 manufacturing jobs between 2001 and the end of 2003, declining from 45,600 to 37,500 jobs. Manufacturing employment has dropped from 30% of the state’s non-farm labor force in 1970 to just under 13% today.[7]

The Vermont Department of Taxes reports significant increases in tax revenues from towns that can serve as models of creative economic development in Vermont.[8] [See Creative Sector at Work, Page 25]

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In New England, cultural heritage tourism brings in nearly $6.6 billion in revenues.[9]

Eighty-one percent of U.S. adults who traveled in the past year, or 118 million, are considered cultural heritage travelers. They spend more money for the average U.S. trip ($623 vs. $457, excluding cost of transportation).[10]

In Vermont, cultural heritage travelers stay longer (7.7 nights vs. 3.2 nights), travel in larger groups (4.5 people vs. 3), and are much more likely to buy Vermont-made products (87% vs. 51%) than the typical Vermont visitor.[11]

Vermont ranks best in the U.S. (and sixth in the world) in National Geographic’s "Index of Destination Stewardship." Ratings were based on environmental and ecological quality, social and cultural integrity, condition of historic buildings and archaeological sites, aesthetic appeal, quality of tourism management and outlook for the future.[12]

The Vermont Crafts Council estimates an impact of over $1 million across Vermont from the 2003 Open Studio held during Memorial Day weekend. One-third of the out-of-state attendees said Open Studio Weekend was the main reason for their visit.[13]

Recent polls show eight out of ten Vermonters rated state support for arts programs as either “important” or “very important.” The amount of their state taxes they want to see invested in supporting the arts rose 52% in just two years (from an average of $118 in 2001 to $180 in 2003).[14]

Over the past ten years the Freeman Foundation has provided $7.5 million dollars to the Preservation Trust of Vermont, leveraging over $85 million dollars worth of preservation work on 264 projects throughout Vermont.

A Connecticut study found that every $1 of public funding invested in history museums generated $10 for the state’s economy. This echoes a similar finding by the National Trust for Historic Preservation.[15]

Men and women over age 65 who participate in music, art, dance and poetry programs report better overall health, fewer doctor visits, less use of medications, fewer falls, less depression, less loneliness and higher morale.[16]

Children who study the arts as part of a conscientiously applied curriculum are four times more likely to be recognized for academic achievement and three times more likely to win an award for school attendance.[17]

In a study identifying the most creative regions in the country, Burlington is #1 for communities under 250,000 population, and fourth among all size metro areas.[18]
The Renaissance of Vergennes

Few will argue that Vergennes, “Vermont’s smallest city”, was depressed by the early 1990s. Main Street offered six empty storefronts, deteriorating buildings, and a steady stream of unsuccessful businesses. Yet today Vergennes is a vital, exciting community that supports full blocks of new shops and restaurants and benefits from several public/private partnerships that are restoring its downtown. What happened?

In the mid ’90s, a remarkable community-based volunteer effort pieced together donated supplies and services, matching grants, and local fundraising to restore the Vergennes Opera House. This architectural treasure, which had been shut down in 1974 and taken over by pigeons shortly after, reopened in 1997 for its 100th anniversary. Though still rough around the edges, the Opera House was up to modern building codes and ready to host a wide variety of cultural and community events.

“The Opera House got lots of people thinking about what else could be done in Vergennes,” former Vergennes Opera House President Gerianne Smart explains, “and spurred new partnerships that began exploring how can we do these projects together. This marked a big turnaround. Before, everyone was sitting back and waiting for someone else to make things happen. We showed what community people willing to roll up their sleeves and sling their mops could accomplish. There was no outside developer who waved a magic wand and revitalized Vergennes. It’s happening because local entrepreneurs and businesses are now willing to take new risks.”

Located upstairs from the city offices, the Opera House is seen by the community as a civic center, not just a cultural icon. Residents literally feel ownership of it, and the space is used for weddings and private celebrations, city council and other public meetings, and local recitals. In addition the VOH hosts full length operas, fiddle contests, dances, marionettes, jugglers, magicians, and other performances by local and traveling troupes. All of this activity brings people to Vergennes, and keeps them coming back.
This in turn attracts new business such as the chef-owned Christophe’s On the Green, one of four new restaurants to open since the Opera House restoration. While exploring the Maine coast and New York as well as Vermont for a location, Christophe discovered the new enthusiasm of this small city with a French name. More people were moving in and the opportunity was right. Shortly after, he opened in one of Main Street’s renovated historic buildings where his success continues today.

Vergennes is just one model for how volunteers can seize the initiative for creative downtown revitalization and all that it produces for the community’s economy and quality of life.

WEB: www.vergennespartnership.org
www.vergennesoperahouse.org

### North Bennington Incubator Attracts Creative Entrepreneurs

The Bennington County Industrial Corporation (BCIC) operates a business incubator in North Bennington which offers a great example of the creative economy at work. Providing start-up firms and other small businesses flexible, affordable lease space in a converted 150,000 square foot mill complex, BCIC attracts a dynamic mix of innovative and creative entrepreneurs, artists, and nonprofit organizations. Each benefits from the variety of business support services BCIC supplies, as well as the synergy that develops among the thirty tenants. Their success helps BCIC meet its goal of nurturing job growth and promoting prosperity in a low income rural community.

The incubator builds on a strong culture of technology innovation and invention with links to the classic tradition of “Yankee ingenuity.” Since its founding in 1979, tenants have included woodworking shops, robotics and industrial machines manufacture, glassware, ceramics, specialty textiles and clothing production, painting, sculpture, and photographic studios, printing, computerized design, and copper foil circuit manufacture among others. An active relationship has also developed between tenants and the creative and artistic talent at neighboring Bennington College. It’s not unusual for faculty members and students to rent studio space in the BCIC incubator, and College seniors have discovered it’s a great environment for creating the multi-disciplinary projects they have in mind for graduation. The building also hosts occasional concerts and gallery exhibitions.

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Lance Matteson, BCIC’s executive director, says, “The creative sector is a central force in our regional economic development strategy, not only in our pervasive artistic enterprises as such, but in the whole array of innovative business activities featuring creative uses of technology and ideas. When you stop and think about it, it’s hard to conceive of a credible jobs plan that ignores the creative economy. The BCIC incubator is a concrete illustration of this dynamic.”

While typical tenant enterprises range from 1-3 employees, some have as many as 60 workers. Their space needs vary from 100 to over 10,000 square feet and BCIC assists tenants outgrowing the structure in finding adequate facilities close by. “Graduate businesses” continue to provide jobs and economic diversity to Bennington County. Among the best known are Abacus Automation, Inc., Mary Jane Artwear (handpainted silk and velvet clothing), Hex Design Inc. (clocks, desk accessories), and ADC/Krone (fiber optic cable).

WEB: [www.bcic.org/work.htm](http://www.bcic.org/work.htm)

### Creative Solutions Keep Wall/Goldfinger in Demand

Vermont’s creative sector includes literally thousands of businesses. One of those, Wall/Goldfinger, produces furniture for the most prestigious companies in America. Fortune 500 corporations, leading financial and insurance institutions, nationally known law firms, and many of the finest universities are counted as Wall/Goldfinger customers. In addition, this Northfield company is trusted and preferred by the finest architectural and design firms in the country.

This is a far cry from 1971, when four friends started building solid wood residential furniture in a barn in Warren. They sold locally, and gained wider exposure on the craft fair circuit. In 1976 W/G moved to a turn-of-the-century brick woolen mill on the Dog River. Through the mid-‘80s the company shifted into the custom corporate furniture market, developing clients throughout the Northeast. Today, after numerous expansions, W/G employs 40 people and occupies 50,000 sq. ft.

Company president John Wall says his firm can’t compete globally on price, but so far its reputation for creative problem solving is keeping it in demand. Its one-of-a-kind designs combine engineering for very sophisticated built-in electronics with fine veneer work and rubbed lacquer finishes.

WEB: [www.wallgoldfinger.com](http://www.wallgoldfinger.com)

WEB: [www.wallgoldfinger.com](http://www.wallgoldfinger.com)
Rockingham Rebounds

Once the center of a bustling industrial economy, the southeastern Vermont village of Bellows Falls had experienced little in the way of new investment since its paper and machine mills began closing in the 1930s. But, in the late 1990s, Bellows Falls and the surrounding town of Rockingham began a dramatic rebirth.

The arts and citizen involvement have been the primary keys to the community’s comeback. Several events provided the initial sparks, but the most significant catalyst for change was Robert McBride, who founded the Rockingham Arts and Museum Project (RAMP) and has been a driving force behind many of the projects and events that have enabled residents to take charge of their future and bring the village back to life.

RAMP started slowly, but by 1999 made a big splash when it brought the Bread and Puppet Theater to Bellows Falls for a residency and performance that drew more than 1,000 people. That same year, RAMP hosted the Women’s Film Festival, helped Bellows Falls receive Vermont Downtown Designation, and worked with artist/entrepreneur Charlie Hunter to launch Flying Under the Radar, producing a singer/songwriter concert series and annual festival.

RAMP’s most tangible impact on the community came in 2000 with the unveiling of the restored Exner Block, a downtown jewel that sat vacant and deteriorating for decades. In 1998, Housing Vermont and the Rockingham Community Land Trust worked with McBride to convert the building into affordable housing/work space for artists with retail and gallery space at street level. Grants and loans to finance the $1.9 million project came from HUD, First Vermont Bank, Chittenden Bank, the Vermont Housing and Conservation Board, and a HOME loan. The building was fully occupied within two months of opening. This project built local knowledge and connections that helped residents redevelopment buildings, one by one, around the village square.

Restoration of the Exner Block inspired several other projects. The newly renovated Howard Block, a prominent building on the village square that had been vacant since 1996, includes thirteen affordable apartments and six retail spaces. Town Hall has seen major improvements and the brand new Waypoint Interpretive Center for the Connecticut Scenic River Byway is now open to assist visitors discovering the region.

Bread and Puppet Theater spent a week working with Bellows Falls residents, culminating in a community-wide celebration. Culture and heritage have been crucial in the village’s economic revitalization.
All of this activity helped nurture a lively local retail economy. Long established businesses that managed to hang on during the lean years — including a hardware store, pharmacy, movie theater, diner, and barbershop — are doing well once again. New businesses, such as Oona’s Restaurant, have opened. Rock & Hammer, a local jewelry store, recently expanded.

The downtown’s renewed vitality was one of the main factors behind Chroma Technologies’ decision to build a plant outside Bellows Falls. The move by this high tech optics company (where the median annual wage is about $70,000) demonstrates just how critical a vibrant community life is to attracting new businesses and achieving long-term prosperity.

WEB: www.ramp-vt.org
www.bellowsfalls.org

### A Maritime Museum and Classic Resort at Basin Harbor

Vermont’s festivals, museums, historic sites, and year-round performance calendars are great resources for attracting visitors and building community.

In 1994, when the Lake Champlain Maritime Museum (LCMM) was awarded the honor of Addison County Business of the Year, it underscored the impact of this cultural magnet on the local economy. Not only does the museum employ twenty-five Vermonters, it also draws 250,000 visitors a year. Like many of Vermont’s cultural enterprises, the Museum’s community contributions do not end there. The Museum offers great interactive exhibits, family festivals, programs for youth at risk, adult education, hands-on workshops, and year-round school visits.

Since its founding in 1986, the Museum has focused on the maritime history and nautical archeology of the Champlain Valley. While on the surface this may seem an obscure topic, the Lake’s shipwrecks represent one of the largest collections in the world, as recent articles in the *NY Times*, *Boston Globe*, and *Wooden Boat Magazine in Paris* attest. In addition to building over a dozen exhibition buildings at its Basin Harbor location in Ferrisburgh, the Museum is an active shipyard, producing seaworthy replicas of Lake Champlain crafts from past eras.

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**The Lake Champlain Maritime Museum brings history to life for 250,000 visitors each year.**

![Photo: www.krisjarrett.com](image-url)
Champlain Longboats is a program that partners LCMM with regional schools, youth, and community organizations including the Hannaford Career Center and the Counseling Service of Addison County. Students come to the LCMM boat-shop and classroom five days a week for six months to build a “pilot gig” and learn to row as a team. They gain hands-on vocational skills, while exploring a curriculum that weaves science, history, English, and math around the boat building project. The power of teamwork, mutual respect, and positive work ethic are critical life skills that are at the core of Champlain Longboats. During the summer these “gigs” are used extensively by members of the public.

Just around the cove from the Museum, sits one of Vermont’s classic resorts. The Basin Harbor Club and the Beach family that owns it, have been inviting guests to Lake Champlain’s shores for over 100 years. As a way to bring a fresh perspective to its surroundings, Basin Harbor invites twenty painters to be its guests for two nights each year.

The artists are inspired by their surroundings and spend much of their visit sketching scenes and capturing their emotions on canvas. Other guests love to see the paintings evolve and to talk with the artists in the relaxed atmosphere. Over the years relationships have developed that have led to substantial commissions. Artists are also invited to participate in an end of summer “Reflections on Basin Harbor” exhibition at the hotel.

The resident artists have been so popular, Basin Harbor added quilt exhibits, storytellers, and weekly readings by Vermont authors to its summer schedule a few years ago. Area residents are welcome at these events and they generate a lot of community good will.

These successful enterprises are important regional employers, combine arts, heritage, and tourism, make Addison County a more vibrant and attractive place, and draw in and out of state visitors that benefit the bottom line of other businesses throughout the County.

WEB: www.lccm.org
www.basinharbor.com

Open Studio Weekend

Twelve years ago the newly formed Vermont Crafts Council worked with the Department of Tourism and Vermont Arts Council to launch an exciting venture. The Crafts Council began building a network of artisans around the state who would be willing to open their studios to visitors from near and far, offer on-site demonstrations of their craft, raise their profile in the community, and expand their client base. First year sales were under $25,000, but the idea of linking these studios through a special map and getting a critical mass of studios to open on the same weekend showed great promise. A few years later, Cabot Cheese and The Point radio station joined as sponsors, providing key resources for coordinating such a complex event and allowing it to expand to include fine artists studios.
From such humble beginnings, Open Studio Weekend has become a hallmark of Vermont’s Memorial Day, attracting over 20,000 visits to studios in 2003 and generating over $270,000 in sales. Not only does Open Studio directly benefit the sellers, it supports restaurants, other retail shops, and lodging as well. The event strengthens a key “shoulder season” weekend for the tourism industry in virtually every region of the state and the map serves as a year-round guide to connect artists and artisans with customers. More often than not, it’s that personal connection with the artist that leads to sales. Studio visitors want to bring that memory home with them.

Crafts Council surveys indicate that one-third of its out of state visitors in 2003 came to Vermont because of Open Studio, and many were repeat visitors for this event. As one craftsperson reported, “Strong showing from NYC and Boston...people were ready to spend money.”

Open Studio Weekend is a good example of an event that celebrates a hidden segment of Vermont’s small businesses, brings revenue to the state, and builds community. By emphasizing Vermont and its creativity, Open Studio markets the Vermont brand and helps diversify the state’s image in the minds of consumers throughout the Northeast.

While Open Studio serves as one model for public-private partnership, it is not yet a guaranteed success. The event is still dependent on the tremendous commitment of volunteers and will need additional resources to reach its full potential.

WEB: www.vermontcrafts.com

**Burlington Blends Business and the Arts**

It should come as no surprise that Burlington placed first in a recent index of America’s most creative metro areas of under 250,000 people produced by author/economist Richard Florida. Vermont’s largest city practically defines Florida’s ideal of where creative workers want to live. Its lively cafes, increasingly diverse population, beautiful setting, easy access to outdoor recreation, tech based companies and well established institutions of higher education are key ingredients to attracting and retaining the modern mobile workforce.

But what truly sets Burlington apart is the quality and diversity of its cultural offerings. From the beautifully renovated Firehouse Gallery of Visual Arts and the Flynn Center for the Performing Arts downtown to the colonial revival Fleming Museum on
UVM’s campus, Burlington hosts world class artists and performers. Equally important, its galleries, bars, theaters and coffeehouses provide venues for local talent to build audiences and exchange creative ideas.

The transformation of the south end of the city over the past twenty years has been based on a deliberate mix of art and business, encouraged by city policies and led by entrepreneurs. Former industrial spaces, like the Maltex Building, were preserved as offices, shops, and restaurants. Warehouses were converted to studios, start-up businesses moved in, and more buildings were colonized. About ten years ago this loose knit group formed the South End Arts and Business Association (SEABA), a model for encouraging creative enterprises. Today, galleries, light industrial manufacturing companies such as Conant Brass, and specialty shops all share the former blighted area.

Its turnaround is celebrated with the annual South End Art Hop, when work from area artists literally overflows into the streets and on to the walls of local companies, creating an extraordinary sense of community and expression. This festival draws over 10,000 people, generating revenue for artists, increasing awareness of the South End throughout the region, and attracting businesses to relocate.

The Great Harvest Bread Company is but one example. Its owners stopped in Burlington as part of a national search for a place to establish their new business. While viewing an Art Hop exhibit in the former Vermont Maid plant, the couple decided it was the perfect spot. They worked closely with the building’s owners, restoring it to house their state of the art bakery (bringing eight new jobs), a landscape architect’s office, and artist studios.

Stories like this are so powerful, the city’s community economic development office has just kicked off a media campaign themed “They Chose Burlington”, highlighting companies that have moved or expanded to the Queen City as a way to build on this excitement.

WEB: www.seaba.com
www.cedoburlington.org
THE VCCI FORUMS

In the fall of 2003, more than 300 people attended the six public forums presented by VCCI across the state. These forums were co-hosted by almost 100 local businesses and organizations representing the broad interest in advancing the creative economy. VCCI’s recommendations are based in large part on what we heard at these forums.

Selected Forum Comments and VCCI Analysis

VCCI’s research following the forums showed that existing services and programs answered some of the needs identified repeatedly by forum participants working in the creative economy. Below are selected comments (in color), followed by VCCI’s findings.

A complete summary of comments from forum participants is available as part of the on-line appendices.

Vermont needs an events clearinghouse to coordinate scheduling. Improve ways for local chambers of commerce to get a wide spectrum of event information.

› Two websites hosted by the VT Agency of Commerce and Community Development offer calendars with searchable databases that can be updated easily by local organizations: The first, <www.VermontVacation.com> is geared toward public events (festivals, concerts, lectures, theater, etc.) and attractions (exhibits, historic sites, museums) while <www.thinkvermont.com> focuses on meetings, workshops, seminars and other professional training and exchange opportunities.

Provide assistance to overcome barriers in rehabilitating buildings.

› Community Development Corporations, such as the Gilman Housing Trust or the Rutland Area Land Trust, are a good starting place. If questions are about preservation of older structures specifically, then the Preservation Trust of Vermont or the state’s Division for Historic Preservation can be helpful as well. The Division also keeps an updated directory of funding sources for preservation projects.
Provide technical assistance for setting up and managing nonprofit organizations.

- The Vermont Alliance of Nonprofit Organizations (VANPO) offers workshops and training to all levels and types of nonprofit organizations.

- The VT Secretary of State website is a resource for those considering establishing a nonprofit organization or who have questions about reporting requirements.

Create a statewide directory of state agencies and organizations that offer grant programs and services for small organizations and businesses.

- The City of Burlington Community and Economic Development Office produces an excellent directory of organizations that assist and support Chittenden County businesses. It is now available on interactive CD (with internet links and useful forms) as well as a booklet. This could serve as a statewide model.

Arrange current economic development incentives and technical assistance to support larger numbers of creative sector small and micro businesses.

- An array of state and federal programs (Vermont Economic Development Authority, Small Business Development Center, Micro Business Development Program, Regional Development Corporations, USDA Rural Development, etc.) exist and offer potential resources to assist creative economy businesses.

Develop mentoring program for CE businesses and organizations.

- The VT Business Roundtable is piloting a Peer-to-Peer Program that could be useful for creative businesses. SCORE offers a network of experienced entrepreneurs and corporate manager/executives to provide free business counseling through the U.S. Small Business Administration.

Encourage refugees to tap into their cultural heritage as a means to survive and thrive.

- The VT Refugee Resettlement Program is working on this through the Micro Business Development Program in Addison, Chittenden, and Washington Counties.

Lower costs and simplify ways for entrepreneurs, artists, and artisans to market nationally and internationally on the web. Create a “Buy Vermont” website portal.

- The Market Vermont program was established by the state about ten years ago to help identify and sell Vermont products. Along with a logo and sales
materials, it established a web shopping portal for anyone accepted into the program. The program ran into numerous obstacles and has not been funded the past several years.

› The New England Foundation for the Arts (NEFA) is creating a web-based Online Cultural Marketplace (OCM) to "match" artists with businesses, organizations and institutions that are interested in their work. Artists will be able to maintain their portfolios online, including streaming video and audio samples, technology that is often cost-prohibitive for self-employed artists. Presenters will use the site to locate, schedule, promote and track their artist bookings. The OCM will launch in Summer of 2005, and over the next three years will expand to include visual artists in addition to performing artists.

Provide high speed broadband connections in all schools to promote resource sharing.

› The VT Broadband Council and VCRD are just two of the groups working to expand access to high speed digital communications statewide.

Offer more assistance to help groups identify and apply for available grants.

› VANPO and the VT Arts Council are two organizations that offer grants training. The VT Department of Libraries maintains collections of grants resources at several locations around the state.

Find a way to provide operating money, not just funding for innovative projects.

› Beginning in the fall of 2004, the VT Community Foundation is allowing nonprofits to apply for operating support through its discretionary grants.

Offer smaller grants for Farmers Markets and other venues to bring in local performers.

› The VT Arts Council offers Opportunity Grants of up to $750 to help non-profit groups present Vermont performers.

Set aside more state money for cultural heritage tourism.

› Local partnerships have helped a number of CHT efforts. For instance the Nulhegan Gateway Association helped fund the Northeast Kingdom Heritage Guide and assists individuals in creating businesses that will support eco-tourism.

Do more to take advantage of Lake Champlain. Begin planning for major events marking the 450th anniversary of Samuel de Champlain's arrival.

› Gov. Douglas established a task force in the spring of '04 to work in collaboration with NY and Quebec on this.
Cross-market Vermont parks and historic attractions.

› This effort was started by the state a few years ago and is recognized as an area for improvement.

Include arts and culture in local and regional plans. The current process doesn’t usually incorporate this, but it can promote discussion.

› While no formal mechanism for this exists, planning is an open and public process. To assure the inclusion of arts and culture, contact your local and regional planners and see how to get involved.

Vermont should form at least one arts high school.

› People’s Academy in Morrisville is a designated academy in the arts, through the Department of Education’s Career Academy Program. Though federal support for this program is no longer available, this is a model other Vermont schools can adopt. There is no magnet school program in Vermont through which a school could specialize in a particular subject and serve students throughout the state.

Culture has a big sales/education job to do. Schools are too fast to cut arts out when facing budget pressure.

› The VT Alliance for Arts Education and the VT Arts Council have taken the lead to increase public awareness of the crucial role the arts play in learning.

Develop statewide list of art teachers (visual arts, music, dance, media, etc.). Establish listserves for them to communicate.

› The VT Alliance for Arts Education has created a database of current teachers that is housed at the VT Arts Council and the VT Department of Education.

Creative industries can be added to tech training centers. For instance, train students in restoration arts and let them work on projects in our downtowns.

› The Preservation Education Institute in Windsor, VT offers workshops throughout the year in preservation skills, technology, and practice for building professionals, property owners and others. In addition, the VT Museum and Gallery Alliance runs workshops on preserving objects and papers.

Vermont should use innovation to develop new green power sources.

› The VT Environmental Consortium is promoting the idea of a “Green Valley” in Vermont and is working on ways to develop sustainable growth for environmental sector business in the state.
Help identify feasibility and location for a larger site for events and conferences in Vermont.

› A panel appointed by Gov. Douglas is currently conducting a study on the feasibility of just such a facility in the Burlington area.

Downtowns need help.

› Vermont’s Downtown Program is a key element in reviving our village centers and cities as creative communities. Their resource library includes numerous publications and videos developed by the National Main Street Center. Though funding for projects is limited, the Program’s strength is getting people to organize locally, define their goals and carry them out.

Assure VT customers pay sales tax on catalog and web purchases.

› The VT Legislature and Governor are working on this as part of a national effort for states to collect sales tax on out of state purchases.
The Vermont Council on Rural Development deeply appreciates all the sponsors, partners and friends who made this report possible and the collaboration of everyone who supports locally-led community and economic development in Vermont.

The work of the VCCI would have been impossible without the generous financial investment of the Windham Foundation, the Lintilhac Foundation, the Vermont Community Foundation, the Woodstock Foundation, Housing Vermont, the Vermont Arts Council and VCRD Members. We also want to thank USDA Rural Development, Kimbell Sherman Ellis, and the members of the VCCI for their exceptional in-kind contributions.

In addition to the input we received from VCCI’s forums, the Council benefited from the expertise of presenters at our monthly meetings. They expanded our understanding of many issues and helped form our final recommendations. Joss Besse, VT Downtown Program Coordinator; Sybil Chicoine, Deputy Commissioner, VT Dept. of Tourism and Marketing; Art Cohn, Co-founder and Executive Director, Lake Champlain Maritime Museum; Rocki-Lee DeWitt, Dean, UVM School of Business Administration; Bruce Hyde, Commissioner, VT Dept. of Tourism and Marketing; Tara Kelly, Rutland Regional Planning Commission; Roberta MacDonald, Senior Vice-President of Marketing, Cabot Cheese; Robert McNamara, Superintendent, Lamoille North Supervisory Union; Dr. Nick Muller, past CEO, Frank Lloyd Wright Foundation; Joan Robinson, Director of School Programs, Flynn Center for the Performing Arts; Bruce Seifer, Assistant Director for Economic Development, City of Burlington; James Sturm, Director of proposed Center for Cartoon Studies; John Wall, President, Wall/Goldfinger; and Diana Winn, Chief Rebop, Re-Bop Records.

Through the course of its deliberations, the VCCI also benefited from the advice of key partners, strategists and analysts — we appreciate their help in clarifying issues or suggesting ways to improve our recommendations: Becky Anderson, Executive Director, Handmade in America; Kevin Dorn, Secretary, Agency of Commerce and Community Development; Matt Dunne, State Senator, Windsor County; Martha Fitch, Executive Director, VT Crafts Council; Tom Kavet, Economist for VT State Legislature; Linda Kelliher, Kelliher Samets Volk; Lance Matteson, Bennington County Industrial Corporation; Hinda Miller, State Senator, Chittenden County; Meg Ostrum, Museum and Arts consultant; Andrea Rogers, Executive Director, Flynn Center for the Performing Arts; Dr. Stuart Rosenfeld, President, Regional Technology Strategies, Inc.; and Richard White, President, Community National Bank.

VCCI values the pro bono services of the Hayes Group, which designed this report. The design team was led by Kevin Jasmin, who embodies the potential of the creative economy in Vermont. Now in his twenties, Kevin has chosen to stay in Vermont, his home state, to pursue his career in marketing communications. We are grateful for his energy, creative vision, and for the enthusiasm he brought to this project.
The Council is also grateful for research conducted by Mike Loner and Stacy Mitchell that was used in this report.

The VCCI project thanks both the New England Foundation for the Arts and the Creative Economy Council for hosting our website. We are particularly grateful to Garrett Kimberly for connecting us to regional and national perspectives.

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Finally, VCRD is deeply grateful to the members of the Vermont Council on Culture and Innovation for their frankness and clarity in discussions, their passionate dedication to serving Vermont, their openness to considering new partnerships and taking on new burdens, and their vision of the opportunities for progress and prosperity for communities throughout the state.

FOOTNOTES:

[1] Standards include Writing: Narratives (1.9); Expression: Artistic Dimensions (1.16), Information Literacy: Poetry (1.23); Abstract and Creative Thinking: Fluency (2.10), Elaboration (2.11), Flexibility (2.12), Product/Service (2.13), Planning/Organization (2.14); Human Diversity: Cultural Expression (4.3); Change: Continuity and Change (4.5), Understanding Place (4.6); Critical Response: All (5.1-5.7); Literature and Media: All (5.8-5.15); Artistic Process: All (5.22-5.27); Elements, Forms, and Techniques in the Arts: All (5.28-5.37); Investigation and Critical Evaluation: Analyzing Knowledge (6.3); History: All (6.4-6.6); Geography: Movements and Settlements (6.8); Diversity and Unity: Concepts of Culture (6.13); Conflicts and Conflict Resolution: Nature of Conflict (6.18); Identity and Interdependence (6.19); Connections: Family and Community Collaboration (D.3 c, d); Arts, Language and Literature (E.1 a, f)


[4] Working to Develop Sustainability within Burlington’s Creative Community, prepared by Mike Loner, June 2004


[8] Vermont Department of Taxes


[11] 2000 National Survey of the Vermont Visitor, prepared for VT Department of Tourism and Marketing by the VT Tourism Data Center at UVM and the Hospitality and Tourism Program at Western Carolina University; March 2002; <www.uvm.edu/~srvtde/publications>


[14] From the Vermonter Poll, conducted by the Center for Rural Studies at UVM


[16] Ongoing study at George Washington University; the British Medical Journal, 1999


This printed report is available online at the Vermont Council on Rural Development website. It can be found at <http://www.sover.net/~vcrd/pdf/vccreport.pdf>. In addition, you'll find a menu there with links to the following report appendices.

**Summary of Forum Comments**
VCCI heard from over 300 people at its public forums and through surveys in the Fall of 2003. A summary of these comments, organized by broad topics, offers insight into what issues were on people's minds.

**Who We Heard From**
Residents from throughout Vermont participated in VCCI's process. We offer a list of towns they came from.

**VCCI's Charge from VCRD**
The document adopted by VCCI in August of 2003, stating the initial purpose of the group and the outcomes expected from its year long process.

**Selected Minutes of VCCI Meetings**
Minutes summarizing comments from some of the guest experts invited to VCCI's monthly meetings.

**Who Is in the Creative Cluster?**
VCCI did not put limits on what is or isn't included within the creative economy. However, this list is based on the “Creative Cluster” occupations included in the New England Council’s 2000 report. It illustrates the wide variety that fits under this umbrella.

**Related readings and web sites**
A brief list of web links to national and international reports, articles, and conferences related to the creative economy.

**Initial survey**
A copy of the survey VCCI circulated at conferences, meetings, and the forums.

**Press coverage for the VCCI initiative**
A collection of news clippings, mostly about the VCCI forums.
VCCI COUNCIL MEMBERS

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Senator Ann Cummings
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