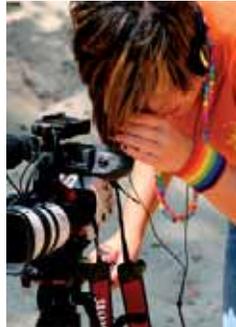
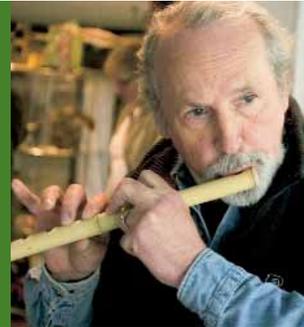


Unveiling THE

CREATIVE Economy

in ARKANSAS



STRATEGIES TO INCREASE
CREATIVE CAPACITY
AND COMPETITIVE ADVANTAGE

Creativity in the Natural State

Fayetteville, **Arkansas**. Fateville, as
the poets call it. . . .

Fateville, Home of the Hogs. Also,
poets, potters, painters, musicians,
woodcarvers, college professors,
unwashed doctors, makers of musical
instruments....

Amanda had fallen in love with the
world where the postman makes
stained glass windows, the Orkin man
makes dueling swords, the bartender
writes murder mysteries, the waitress
at the Smokehouse reads Nietzsche on
her lunch break.

“Where in the name of God are you
going?” everyone in New Orleans kept
asking Amanda.

“To Fayetteville, Arkansas,” she
replied. “My Paris and my Rome.”

From *The Annunciation* by Ellen Gilchrist

Unveiling THE

CREATIVE Economy

in ARKANSAS

STRATEGIES TO
INCREASE CREATIVE
CAPACITY AND
COMPETITIVE ADVANTAGE

REGIONAL TECHNOLOGY STRATEGIES With Mt. Auburn Associates

ARKANSAS ARTS COUNCIL, ARKANSAS
SCIENCE & TECHNOLOGY AUTHORITY,
AND ARKANSAS ASSOCIATION OF TWO-
YEAR COLLEGES

Supported by a grant from the
Winthrop Rockefeller Foundation

Creativity in the
Natural State • Vol.4 • March 2009

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Vol. 2 • Ducks, Documentaries & Design: Tales from Arkansas' Creative Economy, 2008

Vol. 3 • Deep Roots, High Hopes: Foundations of Arkansas' Creative Economy, 2008

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205 Lloyd Street, Suite 210 Carrboro, NC 27510

ISBN 1-931613-06-0

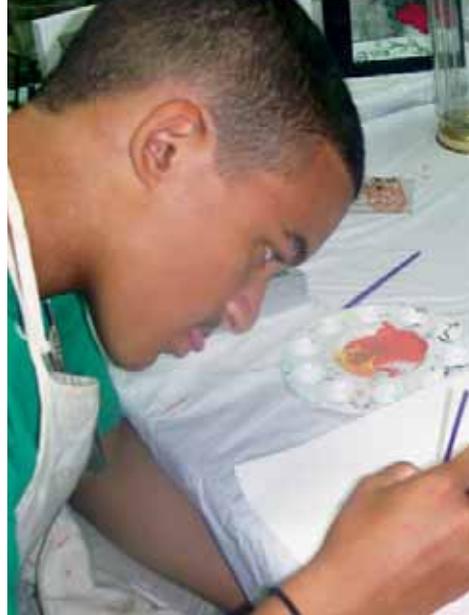
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The FUTURE is Now

IN THE DARK OF A HOT SPRINGS MOVIE THEATER lies the key to Arkansas's future. There a young documentary filmmaker shows his work to a rapt audience who has traveled from around the nation and world to view films at one of the preeminent documentary film festivals, injecting thousands of dollars into the region's economy.

IN THE BACK ROW OF LEKIA JONES'S 6TH GRADE MATH CLASS AT COLLEGE HILLS MIDDLE SCHOOL IN TEXARKANA sits a key to Arkansas's future. There a young girl who has learned to embrace mathematics and science through integration of the arts into the school's curriculum is poised to grow up and design a technological breakthrough.



The Southwest Arkansas Arts Council trains young people not only to become artists but to manage a creative business.

IN FRONT OF THE STONE COUNTY COURTHOUSE IN MOUNTAIN VIEW lies the key to Arkansas's future. There a family of musicians picks out an old standard keeping the grand tradition of the state's music alive for future generations.

IN THE GRAND PRAIRIE NEAR STUTTGART lies yet another Arkansas future. There duck hunters call to their prey using hand crafted duck calls designed in the state and shipped around the world.

The creative economy, which all of the above examples represent, shows a possible path for Arkansas as we move further into the 21st century. No longer can the state rely simply on traditional industries such as manufacturing and agriculture to ensure economic success. The creative economy, which includes the arts but also businesses that produce and distribute design-intensive goods, is already the third largest industry cluster in the state. Strengthening the businesses, institutions and individuals that are making the creative economy flourish in the state should be a priority of local and state government.



The Gann Museum of Saline County houses a wealth of Arkansas artifacts.

**WHEN THE ARTS ARE INTEGRATED
WITH BUSINESS AND SCIENCE, THEY CAN INFLUENCE
SOLUTIONS, AND PRODUCTIVITY.**

BUILDING the Case



THIS REPORT REPRESENTS THE CULMINATION OF A THREE-YEAR STUDY commissioned by the Winthrop Rockefeller Foundation: *Creativity in the Natural State*. The first year's report, *Growing Arkansas' Creative Economy*, catalogued the size and scale of the creative economy in Arkansas. The second year's report, *Deep Roots and High Hopes*, looked at the creative assets in the state, particularly by region. A third report issued that year, *Ducks, Documentaries and Design*, offered vignettes about examples of creative activity from Texarkana to Blytheville and from Eureka Springs to the heart of Little Rock.

This fourth report offers a summary of some of the most important findings. It also includes our on-the-ground interactions with Arkansans and our experience working with those organizations through a series of grants made to Arkansas-based organizations that pursued innovative strategies to build their communities. But rather than simply looking at where Arkansas's creative economy stands, this report offers a wide range of recommendations on how it can be enhanced.

We developed these recommendations through input from an advisory board of leaders in economic, workforce, and cultural development as well as through talks with key individuals throughout the state. While we outline an ambitious agenda, we believe that if implemented, the steps indicated in this final report can help Arkansas reach its full potential as a center of creative activity, thereby contributing to its economic growth.

The Arkansas Blues and Heritage Festival in Helena attracts visitors from around the globe.

What WE MEAN by the CREATIVE ECONOMY

IF ARKANSAS
IS GOING TO TAKE
ADVANTAGE OF
ITS GROWING

CREATIVE ECONOMY, it might help to understand what exactly we mean when we use this phrase. After all, the term has been embraced by pop-economists from around the country who often use words like “the creative class” to encompass almost every occupation that requires higher education. But applying creativity only to a class of workers rather than an industry cluster misses a large part of its potential economic value, especially outside of the nation’s largest metro areas.

Therefore we have chosen to apply the term ‘creativity’ to a selective class of businesses that produce and distribute goods and services for which the aesthetic, intellectual, and emotional engagement of the consumer adds value to products in the marketplace.

Further, creative enterprises include a set of companies and institutions that have overlapping needs and interests, benefit from proximity to one another, and can be described and treated as a “business cluster”. In simple terms, the value chain in Arkansas’s creative economy includes:



The Ozark Film Fest, through its T Tauri program, trains young people to become film makers.

Individual artists that are the talent and the source of creativity.

Doug Stowe is an internationally renowned woodworker from Eureka Springs who is also known for his expertise in teaching the Sloyd method, a Scandinavian education system that uses wood craftsmanship to stimulate academic learning and discovery, at the Clear Spring School.

Non-profit cultural institutions and commercial businesses that take the original ideas of these artists and produce creative goods and services.

T. Lamarr Interiors in Little Rock helps businesses and individuals choose the design furniture, accessories, and art to make a place a unique experience.

The businesses and institutions that bring the creative products to the marketplace.

Romantique in Heber Springs, which brings decorative and creative fragrances to the market, has developed an international reputation and has been featured in The Washington Post and London Sunday Express.

The institutions and commercial businesses that depend on creative talent to survive and prosper.

Aristotle is a successful and award-winning interactive media design and consulting firm with well-known clients

across the country that does no outsourcing. The company depends on a flow of creative talent, and the key to building success, according to its founder and president Marla Johnson Norris, is education.

The support system that nurtures and sustains the creative economy.

The city of Conway, along with the University of Central Arkansas and Hendrix College, sponsor ArtsFest, a city-wide celebration of the arts.



Bladesmithing represents one of Arkansas's best examples of a homegrown creative talent.

Raku fired teapot by Larry Pennington, Little Rock



Why ARKANSAS should care about the Creative Economy

ARTS AND DESIGN, long valued as a bedrock of the South's culture and a source of regional cohesiveness, has become much more. It's a vital source of jobs and income and an increasingly important factor in economic developers' mantra of growth—"location, location, and location." The creative economy has multiple sources of value.

The first is pure **ECONOMIC GROWTH**. Creative enterprises are more numerous than generally believed, growing faster than the economy as a whole, and are key sources of economic development in many communities. In many smaller and poorer communities unlikely to attract the high technology growth industries, they represent sources of wealth.

The second is its contribution to **COMPETITIVE ADVANTAGE**. Creative design provides a way to add a value to products in niche markets. That value is rooted in the aesthetic or emotional appeal of these products to certain markets, which can create a brand loyalty. Creative design has the capacity to restore and preserve segments of struggling and threatened industrial sectors.

The third is as a set of **AMENITIES THAT ATTRACTS BUSINESSES, TOURISTS, AND TALENTED WORKERS**. The types of people who typically work in today's high growth sectors are mobile and highly selective, and they look for places to live and work with amenities that satisfy their creative and recreational interests and urges—places with arts, culture, entertainment, green space, and, most importantly, high levels of tolerance. Communities that spruce up their downtown, celebrate their heritage, provide sufficient venues for culture and entertainment, and support diversity are more likely to attract and keep youth and talent.

The fourth lies in its **EFFECT ON IMAGINATION, INNOVATION, AND WELL BEING**. Art and culture inspire different ways of thinking about problems. When the arts are integrated with business and science, they can influence solutions, and productivity. Munro Shoes incorporates art into its workspaces to increase productivity, and the Washington Regional Medical Center in Fayetteville displays local art to enhance the recovery process. The arts can create an environment that affects business, institutions, and community and engenders a greater sense of pride in a community.

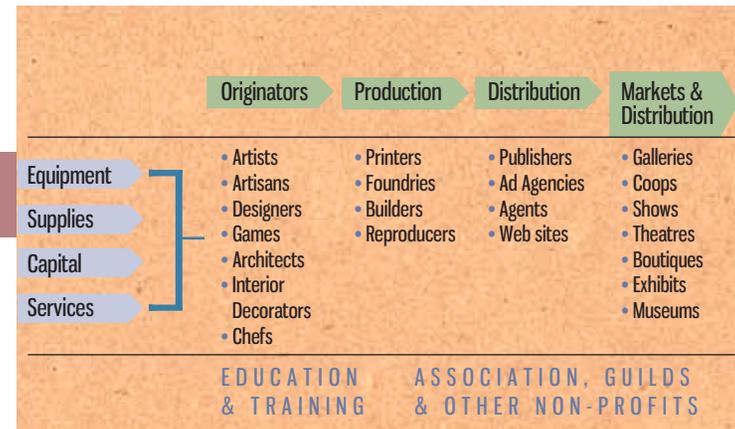
The fifth is its **CONTRIBUTIONS TO, AND OFTEN CONVERGENCE WITH, OTHER GROWTH SECTORS**. The most obvious is tourism, where the arts and culture are leading magnets. Creative enterprises also influence the packaging of specialty foods and culinary arts and serve some of the same consumer markets as green products and alternative energy.

FLYING UNDER the Radar

THE CREATIVE ECONOMY HAS OFTEN BEEN OVERLOOKED in the economic development literature and undervalued in economic development analyses and plans, largely because much of the wealth it produces falls just under the radar screen of conventional economic analyses. It crisscrosses so many sectors that it's rarely selected as a targeted sector. The creative economy is populated by large numbers of microenterprises, misclassified enterprises, enterprises without employees, part-time businesses, secondary or supplementary sources of income that are vital to a family's livelihood, and businesses embedded in other sectors. Further, it is not captured by employment data based on unemployment insurance laws and is rarely included in standardized cluster or sector templates used by states.

The creative economy also doesn't have the pizzazz of technology-based industries and has few research and development champions at universities. Its entrepreneurs are more apt to be lone eagles than the highly sought gazelles, the firms seeking fast growth. But the lone eagles are more likely to achieve their goals, remain near their nest, and attract others like them.

Figure 1 shows examples of the businesses and institutions that make up the creative economy in Arkansas. Collectively, these businesses, organizations, and individuals make up one of the largest industry clusters in the state. Indeed, estimates of employment in Arkansas's creative economy put it just below transport and logistics and perishable and processed foods in terms of total employment. This means that there are more people employed in creative industries—nearly 35,000 in



2005—than such vital Arkansas sectors as forest and transportation manufacturing. And the truth is that even this impressive figure is almost certainly an undercount.

Applying national models to the state shows that Arkansas's creative economy is not just larger than typically revealed by employment data; it has a huge impact on the state's growth as well. Without artists and design workers, we estimate that Arkansas's employment would have increased by only 15 percent between 1990 and 2000 instead of the 24 percent growth that actually occurred.

In addition, studies have shown that new businesses, especially knowledge-intensive companies and talented people, tend to locate where creative enterprises and cultural venues flourish. A case in point is Northwest Arkansas. New artistic venues in that region not only add to the quality of life of the region's citizens but also attract new companies, new investment, and needed talented workers. Thus, creativity represents a way that Arkansas can distinguish itself in the highly competitive 21st century economy. As manufacturing continues to contract, Arkansas will be best served if it can produce products that establish a niche for the state and inspire loyalty to state-made products. No longer can the state be seen as just a place that produces things cheaper. It needs to put its own stamp on its products infused with the creative assets that abound in the Natural State.

Aiding & Abetting the CREATIVE ECONOMY

THE BUSINESSES AND INDIVIDUALS that make up the creative economy in Arkansas can draw from a wide range of assets, ranging from the educational providers that offer education and training in new design techniques to the venues in which theater groups can put on their productions. The state's universities awarded more than 1,000 creative economy-related baccalaureate degrees in 2007, and the state's community colleges, which awarded more than 100 associate degrees and certificates, are quickly expanding their programs in all aspects of the arts, especially in entrepreneurial skill needs.

Across the state, creative enterprises and individuals have established forums for associating, mixing and matching their talents and needs, solving problems, expanding markets, and just schmoozing—"knowledge spillover" is economists' term for it. The Arkansas Arts Council serves the state, while dozens of guilds, local councils, clubs, and centers meet the needs of local communities.

Each area of the state has impressive and sometimes distinctive creative assets to draw upon. The Northwest and Central Regions draw upon the centers of innovation located in the state's largest metropolitan areas, but the rural areas of the



The T Tauri Program of the Ozark Film Fest

state also have access to important assets. For instance, the Delta Cultural Center promotes the arts throughout the Southeast, and the Texarkana Arts and Humanities Council brings artists from around the country to Southwest Arkansas. Throughout the state, EAST Labs bring exciting new forms of technology and design to Arkansas's youngest residents.

GOOD THINGS
are

HAPPENING

OVER THE COURSE OF THE PROJECT, a number of people and places have stepped forward to champion or lead innovative efforts to build on the creative economy of Arkansas. Some were the result of small grants awarded to communities through this project, but others were purely local initiatives that recognized the economic potential of the arts and creativity.

One such effort is being managed by the Arkansas Association of Two-Year Colleges (AATYC). It administers several consortia of community colleges that work together on issues of common interest and concern, such as aerospace, advanced manufacturing, and rural nursing. It has now added another: the Creative Economy Consortium. This consortium will bring together colleges that have programs or other offerings related to the creative economy to see how they can be further developed, and to assist each other in finding new ways for the colleges to connect to their communities' and the state's creative assets.

The AATYC's entrepreneurship consortium also will make significant contributions to the creative economy and is planning to embed entrepreneurial content into existing creative programs in ways that are relevant to artists and artisans. Arkansas State University's two-year college at Beebe already has a new associate's degree in Creative Arts Enterprise and certificate in Creative Arts. Together with an international alliance of community colleges called CraftNet, ASU-Beebe has developed an on-line curriculum to teach artisans to more effectively use e-commerce.

College students are not the only ones whose education has been positively influenced by connections to the creative economy. Some Arkansas organizations are also thinking innovatively about what creative education and experience means in the lives of Arkansas youth. The Studio for the Arts in Pocahontas, using a grant administered under the auspices of Creativity in the Natural State, is using a donated set of sign shop equipment to simultaneously create customized products that generate revenues for the organization, and give local stu-



Students at the New Design School in Fayetteville provided digital design for a new video game.

dents the training and experience of using the equipment and running the shop.

In Batesville, the Ozark Foothills FilmFest, which has for years held an eponymous spring film festival, has launched a youth-focused festival and website called T Tauri—astronomers’ name for a new start. The students who are involved in its management get invaluable job experience, and those who comprise the site’s online community get instruction and support in developing their filmmaking skills.

The Chewy Café, developed by Sandy Wright at the Communications Arts Institute, which also oversees the Writers Colony at Dairy Hollow in Eureka Springs, is developing a series of 20-minute DVDs featuring Chef Mac and chew-crew kids to teach kids to eat more healthfully. The shows are taped at the Ozark Film and Video Productions and have a paid cast that includes middle school students.

The Cooperative Extension Service at the University of Arkansas has been a major source of support for smaller communities through its emphasis on amenity-based economic development. For example, after holding focus groups in all eight counties in North Central Arkansas, the communities in these counties agreed to develop a regional brand, “Naturally Ozark,” and form a Creative Economy Team. The team is looking at benchmark projects such as HandMade in America and

Delta Brand to develop a marketing strategy for their own products and places.

Arkansas’s arts councils are also finding new ways to contribute to the economic development of their communities. One such example is the Southwest Arkansas Arts Council (SWAAC), which through a grant from this project created internships for students to teach them not only new artistic techniques but also how to market their work and how to manage a creative business. It has also provided them with venues in which they can present and sell what they have created.

The idea promoted by SWAAC in its programs—that nurturing artistic talent and technique should be married to nurturing business sense and entrepreneurial know-how—is embraced as well, and taken further, by the programs created by the Arkansas Craft Guild through its educational arm, called the Arkansas Craft School. Through an innovative partnership with Ozarka College, the Craft School has begun offering several credit and non-credit courses. Ozarka College has been inspired to create its own creative offerings as well and has just been approved by the Arkansas Department of Higher Education to offer a two-year Associate of Arts degree in Entrepreneurial Artisanhip. The credential will give artisans training and experience in both the creative and business sides of the world of craft and trades.

EACH AREA OF THE STATE HAS IMPRESSIVE AND DISTINCTIVE CREATIVE ASSETS TO DRAW UPON.

THE STATE OF ARKANSAS has an impressive set of creative economy assets, but additional attention and support is needed for it to reach its full potential. Arkansas has developed niches in several aspects of the creative economy that, if effectively built upon, will enable the state to make a strong national impact. But creative industries and enterprises and their contributions to growth need to be moved to the front burner.

This final report of *Creativity in the Natural State* offers recommendations to ensure that the state recognizes and taps into the creative potential of all of its citizens and all of its communities. During the three years of this report, we have analyzed reams of data, talked to hundreds of Arkansans, and studied best practices from around the nation to develop what we believe are a set of recommendations to improve the creative economy of Arkansas.

These recommendations are targeted to a variety of stakeholders, from the halls of government in Little Rock to local arts councils to economic developers to community associations. We believe it will take a coordinated, innovative, and supported effort to take the Natural State to where it can and needs to be in terms of the creative economy. If communities are going to be successful, they have to produce products that reflect something unique about the place in which they are created. It is no different for public policy. We believe the programs and policies set

forth in this report are achievable because we believe they are rooted in the unique Arkansas experience.

These recommendations have additional power in that they have been vetted by those most knowledgeable about the state's creative economy: Arkansans themselves. The project's advisory panel offered valuable feedback. Additionally, during the final year of the project, we took the draft recommendations to the public to better understand how the creative economy functions in communities and what is needed to recognize the value of the state's creative and cultural sectors.

The input from the public was particularly important. Based on comments at open regional meetings, we learned that business and civic leaders don't understand the importance of the creative economy and that a persuasive, cogent argument backed by data and information is needed. We also found that widespread dissemination has to reach even the smallest and most remote communities—communities that may have the most to gain from it.

We learned that stakeholders believed they could build on organizations already in place but that they also wanted to know more about what's working well in Arkansas and in other places and a chance to observe and connect with promising practices. And although each community and region wanted to be distinctive, they also knew that they needed to work collaboratively to succeed. They all felt that they needed a political strategy and champions—and ultimately the recognition, support, and resources that other major industries get. The recommendations that follow reflect these thoughts and provide a roadmap to meet the general public's concerns.

Where
NEXT?

**IT WILL TAKE A COORDINATED, INNOVATIVE, AND SUPPORTED
EFFORT TO TAKE THE NATURAL STATE TO WHERE IT CAN AND NEEDS
TO BE IN TERMS OF THE CREATIVE ECONOMY**

RECOMMENDATIONS

FOR Growing & Enhancing ARKANSAS'S

CREATIVE ECONOMY

WE BELIEVE THAT THERE ARE FIVE CRITICAL GOALS TO ARKANSAS'S REACHING ITS FULL POTENTIAL IN THE CREATIVE ECONOMY:

- Strengthening recognition of and support for the creative economy within the state's economic development community.
- Nurturing the development of creative talent and the pipeline of creative workers.
- Promoting the growth and profitability of creative enterprises.
- Utilizing creative talent and assets to increase competitiveness of other key clusters in Arkansas.
- Supporting and expanding the state's creative infrastructure.

For each of these goals, we make recommendations on how they can be implemented and by whom. Wherever possible, we offer examples on how other states and regions have taken similar approaches toward their creative economy with great success.

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The College of Aspiring Artists trains students, young and old, on how to enter and succeed in the entertainment business.

GOAL 1: Strengthen recognition of and support for Arkansas's creative economy within the state's economic development community.

As is clear from this report and those that preceded it, Arkansas has a rich and deep creative economy asset base that could help generate revenue and employment for the state. The state should follow the example of states like Louisiana and Massachusetts in making the creative economy a high priority and an integral part of the state's economic and workforce development infrastructure. Under the leadership of the Governor and top officials in economic development, the creative economy of Arkansas could get the recognition and support it deserves.

A. CREATE A STATEWIDE CREATIVE ECONOMY LEADERSHIP COUNCIL OR TASK FORCE.

A Creative Economy Leadership Council (CELC) should be formed that would provide the oversight and support needed to carry out the recommendations that follow, and to provide long-term direction for the growth of the state's creative economy. States like Maine and Massachusetts, among others, have developed similar councils, and in a relatively short time, they have elevated the visibility of the creative economy.

Our recommendation is to create a CELC with 20-25 members, including representation from the state's economic and workforce development organizations/agencies, the business community (banks, major employers, entrepreneurs, etc.), the Arkansas Arts Council, the artist community, arts enterprises, arts organizations, as well as representation from the state's higher education and public school systems. This Council will have to be staffed to be effective, and we recommend that a person be hired to report to the Director of the Arkansas Economic Development Commission (AEDC). The CELC would be charged with overseeing and guiding the implementation of the recommendations in this report, as well as the following tasks:

1. Strengthen relationships between art and design organizations and economic development organizations across the state.

There is considerable potential for greater synergy between arts councils, for example, and local economic development organizations. Whether it is putting on a festival or helping private companies find qualified graphic designers, better coordination will advance the missions of both types of organizations. A

*Eureka Springs' Famous
Writer's Colony*





University of Central Arkansas

statewide initiative, coordinated through the CELC, would pave the way for local cooperation. The state of Colorado, for example, encourages frequent collaboration between the arts and economic development by actually locating the Colorado's Arts Council in the state's Office of Economic Development.

2. Advocate for the inclusion of creative industries as one of the targeted sectors for the state's economic development organizations, the Arkansas Science and Technology Authority, and Innovate Arkansas.

THE PROGRAMS AND POLICIES SET FORTH ARE ACHIEVABLE BECAUSE WE BELIEVE THEY ARE ROOTED IN THE UNIQUE ARKANSAS EXPERIENCE.

Much of the state's economic development policy is set through Innovate Arkansas and AEDC and its targeted sectors program. The CELC should encourage all state agencies to recognize the value of creative industries to Arkansas's economic future both as an overarching cluster and through components like design's role in manufacturing. The state of Michigan used a similar approach in its creative council, creating the Office of Cultural Economic Development to strengthen state support for the creative economy.

3. Advocate for sustained funding and support for the arts in the public school system and community colleges.

Some of the most successful creative economy efforts in Arkansas are found in the educational system. Some effective roles that public education is playing in the promotion of creativity include: ArtSmart in Texarkana, which integrates the arts on a systematic basis in the public school curriculum; EAST Labs, which teach new media arts technologies to young Arkansans; and the many efforts of the state's two year colleges profiled earlier in this report. In this age of tight budgets, however, the arts are often the first to be cut. The CELC can give these programs a voice in Little Rock and throughout the state, offering concrete examples of how these programs should not be thought of as extracurricular but rather as important components of young people's education.

B. POSITION THE CREATIVE ECONOMY ALONGSIDE ECONOMIC DEVELOPMENT IN THE LEGISLATIVE PROCESS.

As in most states, the purse strings in Arkansas are ultimately controlled by the state legislature. Accordingly,



The Arts and Science Center of Southeast Arkansas in Pine Bluff

we recommend that the legislature become more explicit in addressing the state's creative economy. This would be best accomplished by encouraging champions within the Arkansas legislature to either form a creative economy subcommittee or add the responsibility for the creative economy to an existing committee.

C. CREATE AN ANNUAL GRANTS FUND FOR INNOVATIVE ART, CULTURE, OR DESIGN-BASED PROJECTS.

One of the successes of *Creativity in the Natural State* was the awarding of grants to support promising creative economy efforts around the state. We recommend establishing an annual creative economy fund within the Arkansas Arts Council to

support projects that will contribute to local and regional economies, with an emphasis on poorer and rural communities. Massachusetts is one state that took such an approach. Using a \$4.5 million allocation from the state legislature, the Massachusetts Cultural Council established the Adams Arts Fund, which provides grants for arts-related economic development projects in the state.

GOAL 11: Nurture the development of creative talent and the pipeline of creative workers.

Of all the goals in this report, developing a creative workforce is likely to have the most far-reaching effects on the state's economy and its future. It is fuel for not only creative enterprises but for innovation more generally. Educational systems must recognize and respond to the occupational and entrepreneurial opportunities for students with creative skills and find ways to recognize and reward creative talents, especially among those who don't match traditional learner testing patterns.

A. ATTRACT AND RETAIN TALENT IN ARKANSAS.

With companies following talent more than vice versa, states and regions find they must compete for talent. While amenities are critical, states can sweeten the pot with incentives, especially in rural communities, as they have done for teachers and doctors in the past. Arkansas has many more amenities than many people outside the state realize, and once they come, they're likely to stay. Accordingly the state should:

1. Strengthen the state's creative economy by developing a set of incentives for key individuals with highly sought talents.

2. Develop a "train here, stay here" program, emphasizing minority populations. These types of programs provide loans and grants to help pay for educational opportunities in exchange for the recipients agreement to practice their craft in a targeted community.

B. MAP CREATIVE ENTERPRISE OCCUPATIONAL CAREER PATHS.

The arts have been seen as peripheral rather than core occupational programs. Consequently, they are often left out of information about career paths. Recognizing and describing the range of employment and business opportunities associated with the creative fields, as the steps below demonstrate, is the first step toward filling a pipeline with creative talent.

1. Create a catalogue or inventory of the Arkansas-based jobs and occupations that are found directly in the state's creative economy, and those that are embedded within other economic sectors.
2. Offer workshops on career pathways in the creative economy for the boards and staff of the Workforce Investment Board and community college and high school guidance counselors. This could have a particularly powerful impact on lower-wealth communities in the state, where individuals in these types of organizations might have limited information about career opportunities. For example, New Mexico Arts partnered with the state's Department of Labor and used WIA funds to create an arts and entrepreneurial training program serving rural communities throughout the state.

ALTHOUGH EACH COMMUNITY AND REGION WANTED TO BE DISTINCTIVE, THEY ALSO KNEW THAT THEY NEEDED TO WORK COLLABORATIVELY TO SUCCEED.

3. Create a web site devoted to creative occupations, with information about career pathways and links to education and training programs across the state. For example, the Berkshire Creative Council, in Western Massachusetts, publishes a listing of job opportunities in arts organizations and in arts enterprises on its web site.

C. SHOWCASE AND FURTHER DEVELOP K-12 ARTS EDUCATION IN THE STATE.

Arkansas must spread the word to parents, school boards, and communities about the importance of arts and design in the schools and their impact on learning. The state is already a step ahead of most of the country in emphasizing arts in the schools. By widely disseminating its accomplishments, Arkansas can become a benchmark state.

1. Fund the arts portion of the Arkansas School of Mathematics, Science and Arts and establish a satellite branch in the Delta. Putting a location of this innovative school in a traditionally underserved part of the state will demonstrate a commitment to providing equitable access to science and arts education.
2. Encourage arts organizations throughout the state to “adopt” individual schools. Such a program would lead to enhanced art programming and more visiting artists to schools.
3. Take advantage of the resources of the Crystal Bridges Museum of American Art and other major arts organizations to introduce more youth to the arts and, if not already in the plans of these organizations, establish art and summer programs and internships. The state of Illinois, for instance, has a Youth Employment in the Arts program that provides stipends for high school-aged interns who work in non-profit organizations. The goal is to introduce them to careers in the arts.
4. Create a funding pool to support linkages among artists, community-based organizations, arts organizations, and public schools and to establish a program of visiting resident artists

in public schools and community colleges. New Mexico offers a good example of such a program, with the state providing funding for an Arts Learning in Schools Residency program, pairing artists with teachers in the K-12 public school system.

D. EXPAND ROLES FOR ART AND DESIGN IN HIGHER EDUCATION..

The arts and design are just beginning to gain recognition in higher education but still have a long way to go. Arkansas should look to and model exemplary programs in design and digital media from community colleges and universities around the world, recruit recognized faculty who can attract talented students, and re-connect the arts to technology to inspire innovation. Some steps that can be taken include:

1. Introduce multidisciplinary programs in which engineering, science, and business students can take courses in art or design, and art and design students study business. Bellingham Technical College in Washington, for example, includes design in some of its technical and commercial programs and holds an annual welding rodeo to turn scrap metal into art.
2. Support the filmmaking program in the state, emphasizing *documentary* films, which are a particular strength of Arkansas. The community college system should assume responsibility for preparing and training local work crews and technical personnel. Universities should take responsibility for preparing the writers, directors, producers, and performers.
3. Expand university expertise and programs in all aspects of product, graphics, and environmental design, interior and fashion design, and especially architecture, now only offered by one university.
4. Organize a Creative Economy Task Force among the state’s higher education institutions to create collaborative opportunities and facilitate better articulation in key creative economy areas.



The Art Colony in Eureka Springs

GOAL III. Promote the growth and profitability of creative enterprises.

Creative businesses need the same level of services as more conventional businesses—in fact, probably more, because they are more likely to have started as the result of their talent, not a well-thought out entrepreneurial scheme. The agencies providing services to small businesses will have to learn how creative businesses operate—their networks, markets, and revenue streams—so they can effectively assist them.

A. ASSIST WITH MARKET DEVELOPMENT.

The highest need expressed by creative companies is for help

with marketing and with branching out beyond their markets to build relationships with broader customer bases. In the entertainment and media fields, it means connecting to the major entertainment centers where deals are made. It also means, however, taking greater advantage of resident artists and designers when state contracts are let. Several discrete activities that can be undertaken include:

1. Help Arkansas artists learn how to use the Internet more effectively. A new project funded by the Appalachian Regional Commission is developing a new E-Commerce curriculum that when created could be used by Arkansas artists.

2. Provide support for artists to attend and show in major festivals and fairs, and to attend trade shows when three or more artists agree to jointly market their products and the state of Arkansas. Nebraska's Microenterprise Partnership Fund awarded a grant to GROW Nebraska to underwrite the costs for artists to do cooperative advertising and attend trade shows and represents a possible model for Arkansas.
3. Offer incentives for the procurement of local arts and crafts by institutions, encourage state procurement of local designers for the design of state buildings, and provide new incentives for public arts in all state projects. For instance, New Mexico Arts, a division of the Office of Cultural Affairs, collaborated with the state highway and transportation department to offer artists the opportunity to erect sculptures along major highways.

B. PROVIDE ARTISTS AND ARTISANS WITH TECHNICAL AND FINANCIAL ASSISTANCE.

The most promising sources for technical assistance may be institutions of higher education, particularly the community

colleges. In some instances, arts or cultural organizations could step up to the plate and branch out to offer such services.

1. Establish creative enterprise and new business incubators at selected community colleges and universities. Examples in North Carolina include Central Carolina Community College, which developed an arts business incubator that houses more than two dozen arts businesses, or Mayland Community College, which co-hosts an incubator built on a land fill and uses the methane to power kilns and ovens for six pottery and glass studios.
2. Offer business assistance to artists through Small Business Development Centers, or develop a new program for business assistance provided, for example, by a cadre of arts and business-savvy entrepreneurs. The state of Maine published Maine's Creative Economy Handbook as a resource for creative entrepreneurs.
3. Develop a micro-loan program that supports creative ventures such as sound recording studios, CD production,

**CREATIVE INDUSTRIES AND ENTERPRISES
AND THEIR CONTRIBUTIONS TO GROWTH NEED TO BE
MOVED TO THE FRONT BURNER.**

The Chewy Café, a program designed to promote nutrition among young people, is produced in Arkansas.



artists' shows, film making, artisan productions, and niche publishing. The state of New Hampshire offers small grants to artists in its Artists Entrepreneurial Grants program.

4. Review the existing business incentives and financing programs in Arkansas and refine some of the guidelines to increase eligibility for the state's creative businesses. Louisiana has done a remarkably good job of integrating the



cultural economy into the state's economic development departments and of targeting arts enterprises for small business loan and support programs.

C. PROMOTE AND ENCOURAGE CREATIVE ENTREPRENEURS.

The individual who intends to turn an artistic talent into a successful business must be an entrepreneur. Since these skills aren't always natural for right-brained thinkers, they have to be intentionally introduced and honed. That usually takes place in educational institutions, either as part of the curriculum or as continuing education workshops. The following steps are ways to advance entrepreneurial activity

1. Develop creative economy entrepreneurial curriculum modules that can be integrated into art and design programs and into other entrepreneurial education programs in community colleges and four-year institutions. The University of Alaska's Rural Extension Program, in partnership with the state's department of community and economic development, has a marketing training program designed to help artists increase their sales and customer base.
2. Expand successful entrepreneurial programs already in place in Arkansas.
3. Develop or contract for accelerated non-credit educational programs to be offered regionally in short sessions and multi-day "boot" camps to assist local artists with entrepreneurial skills. Haywood Community College in North Carolina contracts with the ArtBusiness Institute to regularly offer seminars and boot camps to regional artists.

Parkview Arts/Science Magnet High School

GOAL IV . Utilize creative talent and assets to increase the competitiveness of other key clusters in Arkansas.

Creative enterprises are rapidly converging with other clusters, and the creative economy can and should be more integrated with other economic sectors. It can help nearly all industries through, for example, its contributions to creative packaging, advertising, and improving physical space in ways that appeal to visitors and customers.

A. HELP COMPANIES TO BECOME MORE COMPETITIVE.

Design is today what automation was to the 1990s, the competency that can make the difference between manufacturing in Springdale, Arkansas and Shenzhen, China. Just as Arkansas created statewide extension systems to bring more advanced technology to its farms and manufacturers and to help them compete, similar measures to take advantage of design now are needed to help Arkansas companies remain competitive.

1. Create dedicated units and expertise within Arkansas Manufacturing Solutions and Cooperative Extension focused on design. Add design capabilities in firm assessments and provide access to technical assistance in design of products, packaging, and branding.
2. With assistance from Cooperative Extension, support the development, packaging, marketing, and branding of local niche food products linked to the state.
3. Working in partnership with the Arkansas Science & Technology Authority, identify any and all technologies that could enable the production and distribution of creative products and services.

B. FURTHER DEVELOP CULTURAL TOURISM.

The natural partner of the creative economy is the experience economy, that collection of enterprises and places that entice people to visit Arkansas and purchase its goods and services. The two often go hand in hand, with visitors seeking more authentic goods. Consequently, the two should be developed and marketed together.

1. Expand the state's regional "trails" in arts & crafts, African-American history, local foods, and music. Arkansas's neighbors, Louisiana and Mississippi, have several such trails. Louisiana has developed a Culinary Trail that highlights the state's food culture and assets, and Virginia has created a Heritage Music Trail that features bluegrass music and draws visitors to rural regions of the state. The Mississippi Arts Commission provides marketing and sales support for Crossroads Quilters, a group of African-American women who produce hand-made quilts. Ohio created a Mural Corridor to attract tourists to communities that feature these works of art.
2. Strengthen culinary arts programs in selected community colleges and recruit chefs to areas lacking good eating establishments.

GOAL V . Support and expand the creative infrastructure.

The creative and cultural infrastructure described and analyzed in this and other reports is strong but in need of further support and enhancement. Like any economic sector or cluster, the long-term economic viability of the creative economy depends on specialized support systems and infrastructures. When these systems of support are in place and properly directed toward supporting an economic sector or cluster, they thrive and reach levels of competitiveness that could not be achieved otherwise.

We recommend that the state focus on the creative economy's cultural infrastructure in two important ways.

A. ASSIST CREATIVE AND CULTURAL ORGANIZATIONS.

Arkansas needs to strengthen the principal organizations that are the bedrock of the state's arts and culture system.

1. Organize additional workshops or training programs for arts organizations that want to either expand their revenues or develop ways to cut costs.
2. Provide business development assistance to the organizers and sponsors of fairs and festivals to help them create more revenue-generating opportunities. One example of this support comes from Utah. That state developed the Creative Communities Initiative, a grant program that supports collaborations and connections among cultural organizations that strengthen economic and community development throughout the state.
3. Examine ways to engage non-traditional arts organizations in promoting the arts. Reports from the field in Arkansas show the importance that African-American churches play in promoting creative expression through music, not only in the African-American community, but through music ministries in faith communities across the state. Expanding the impact of this activity beyond the pulpit could be critical in some of the more disadvantaged areas of the state.

C. BUILD THE PHYSICAL INFRASTRUCTURE IN THE STATE THROUGH THE ARKANSAS CULTURAL DEVELOPMENT BOND.

In addition to strengthening the organizational support infrastructure, the state should invest in the physical infrastructure for the creative economy and cultural heritage. The buildings and facilities that house the arts and retain the state's rich cultural and historical heritage are vitally important to the growth

and development of the creative economy. They are equally important to the state's ability to attract a talented and knowledge-based workforce.

1. Develop a biennial bond issue that is used for the renovation, building, and planning of the state's cultural assets. Vermont and Massachusetts are among several states that have created cultural facilities funds that are targeted to cultural assets.
2. Create a coalition of state agencies and nonprofit organizations involved in cultural industries such as the Arkansas Historic Preservation Program, Arkansas Humanities Council, Arkansas Arts Council, and the Arkansas State Library to lobby for and oversee the Bond program.



Duck call manufacturing in Stuttgart

NO LONGER CAN THE STATE BE SEEN AS JUST A PLACE THAT PRODUCES THINGS CHEAPER. IT NEEDS TO PUT ITS OWN STAMP ON ITS PRODUCTS INFUSED WITH THE CREATIVE ASSETS THAT ABOUND IN THE NATURAL STATE.

MAKING
ARKANSAS
THE
Creativity
State



THE RECOMMENDATIONS outlined in this report are admittedly ambitious and will require champions across a range of stakeholders to move this agenda forward. Fortunately, the state is not without strong leadership in both the economic development and the creative community. The Advisory Board formed for this project brought together representatives from across the arts and economic development spectrum, including the state office of economic development, the Arts Council, and higher education. A similar type of group should be entrusted with taking the first steps toward making these recommendations a reality.

However, whether it is a Creative Economy Leadership Council, as described in this report, or some other body, it is critically important that it have the endorsement of Arkansas leaders and the credibility to move an agenda forward, beginning with the assignment of various elements of these recommendations to appropriate agencies or organizations.

Arkansas is known by many nicknames—the Natural State, the Land of Opportunity, and the Razorback State. We are confident that being known as the State of Creativity can help it advance its economic development goals.

The Arkansas Folk Festival

Acknowledgements

Regional Technology Strategies would like to acknowledge the contributions of many people who helped bring this publication to fruition. We had vital support and able advice from our colleagues at Mt. Auburn Associates. In addition, our partners in Arkansas, the Arkansas Arts Council, the Arkansas Association of Two-Year Colleges and Arkansas Science and Technology Council, provided significant support in helping select the individuals and organizations profiled and accessing information. The distinguished advisory panel listed below provided valuable advice and information and contributions to the reports.

Those who made major contributions to the report include RTS staff members Dan Broun and former staff member Sarah Butzen; Michael Kane, Beth Siegel, and Peter Kwass of Mt. Auburn Associates; and Robert Donnan, a consultant who also provided some of the photographs. Marcia Kingslow, of Kingslow Associates LLC was our evaluator but also a valued team member and contributor to the project. Maxine Mills and Abbey Brown of Maxine Mills Graphic Design in Carrboro designed and produced all of the publications.

We also are indebted to the many people who helped arrange our regional meetings, the participants who offered ideas and suggestions that contributed to the recommendations, and to the organizations that received grants to extend or expand the creative assets of their communities. We want to thank all these people and organizations whose efforts make Arkansas such a creative place to live and do business.

Finally, a grant from the Winthrop Rockefeller Foundation makes this publication and our work in Arkansas possible. We continue to be grateful for their support.

*Stuart Rosenfeld, RTS
March 2009*

Advisory Panel

Ginger Beebe, *First Lady, State of Arkansas*

Linda Beene, *University of Arkansas*

David Belcher, *University of Arkansas-Little Rock*

Joyce Brooks, *Guachoya Arts Council*

John Cain, *KABF Radio*

Ed Clifford, *Bentonville-Bella Vista Chamber of Commerce*

Tobi Wells Fairley, *T. Lamarr Interiors and T. Lamarr Fine Art*

Ruth Hawkins, *Arkansas State University*

Ken Hubbell, *Hubbell Associates*

Arthur Hunt, *The College of Aspiring Artists*

Robert Hupp, *Arkansas Repertory Theatre*

Marla Johnson Norris, *Aristotle*

Don Munro, *Munro Shoes*

Denisa Pennington, *Arkansas Department of Economic Development*

Dick Trammel, *Arkansas State Board of Higher Education*

EX OFFICIO MEMBERS

John Ahlen, *Arkansas Science & Technology Authority*

Edward Franklin, *Arkansas Association of Two-Year Colleges*

Joy Pennington, *Arkansas Arts Council*



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