



Association
for Cultural
Enterprises

Submission to the Scottish Government Consultation on a Draft Culture Strategy

18 September 2018

The Scottish Government is consulting on a Draft Culture Strategy, with a focus on three ambitions:

- **Transforming Through Culture**
- **Empowering Through Culture**
- **Sustaining Culture**

The Association for Cultural Enterprises is a membership organisation which exists to promote excellence in cultural trading.

Our network of more than 3,000 individual members make a significant contribution to the financial bottom line and visitor experience of more than three hundred venues and other organisations across the UK, including Historic Environment Scotland, National Galleries of Scotland, VisitScotland, Royal Botanic Garden Edinburgh, Tate, The Wales Millennium Centre, BALTIC Centre for Contemporary Art, the British Library and hundreds of local and regional organisations.

Cultural Enterprises professionals specialise in:

- **Cultural Retail (eg museum, gallery and heritage attraction shops)**
- **Catering and Events**
- **Diversification**
- **E-commerce**
- **Licensing**
- **Picture Libraries**
- **Publishing**

Skills Development & Leadership

As part of the Scottish Government's Sustaining Culture ambition in the draft Strategy, there is an aim to "Develop the conditions and skills for culture to thrive, so it is cared for, protected and produced for the enjoyment of all present and future generations."

It is our submission that for many cultural organisations, applied commercial skills (coupled with a prominent voice for commercial leadership in the governance structure) can make a critical contribution to developing the conditions within which culture can thrive. There is significant potential yet to be tapped in boosting commercial aptitude and awareness within the leadership of the cultural and heritage

sectors. Failure to do so carries a significant but as yet unquantified opportunity cost in lost self-generated income from commercial activities such as licensing, events, retail and other trading activities. The loss of this potential income inherently limits the delivery of cultural activity for the benefit of the citizens of Scotland and elsewhere.

Economic impact for cultural benefit

An analysis of Association for Cultural Enterprises' charitable members in England & Wales (produced from data published by the Charity Commission for England & Wales) found that trading income frequently amounts to 20-25% of the overall organisational income. This contribution, and the potential for growth, is too-often overlooked in the funding and sustainability debate.

The draft strategy states "Often lines are drawn between the public and the private sectors, and the subsidised and the commercial". It is our submission that subsidy and commercial income can, and in many places do, co-exist and complement each other, improving the overall sustainability and viability of cultural organisations in the delivery of cultural and economic benefits.

Direct and indirect impacts

It is generally understood that excellent cultural trading can extend the participant or visitor experience. Susan Tudor, Vice President of the Museum Stores Association in America, reminds us that a souvenir is literally a 'memory' – she says "we provide memories to our visitors. They're looking for those things that remind them of the experience they had. [Cultural shops] offer curated products and unique experiences."

It is less readily understood that commercial activity can be the moment of initiation – the point at which a person first becomes a visitor or participant. There is a cliché that when visiting a gallery, museum, heritage attraction or other cultural organisation that you 'walk through the shop on the way out'. However, we also know that:

- **Events** (i.e. commercial hires) are for many people the first time they cross the threshold of a cultural venue.
- In addition to providing direct income, **movie and television filming rights** promote engagement with cultural venues and activities.
- National and international **licensing** helps to reach new audiences.
- Distinctive **retail products (eg souvenirs) and image licensing** create a “long tail” effect in the community, attract visitors whose initial primary purpose is to make a purchase either online or on-site.

Cultural enterprises also have positive cultural and economic benefits in the wider creative industries. For example, venues and attractions act as commissioners, generating business and income for artists and designer-makers of varying scales from microbusiness to global supplier.

The Association for Cultural Enterprises provides training and networking for people working at all levels of all types of cultural organisation, and we regularly provide study days and masterclass events in Scotland. In 2017 we brought our Annual Conference & Trade Show – the only specialist Conference and Trade Show in this sector - to Edinburgh.

Over the next two years, the Association will create an online academy, made possible by funding from Arts Council England and available as a cross-UK resource, which will offer specialised training in commerciality for the cultural sector.

It is our submission that where a strong and distinctive trading/commercial offer exists within a cultural or heritage organisation, maximum benefit is achieved for both when there is a genuine partnership between the artistic/curatorial and the commercial.

We encourage the Scottish Government to reflect the potential for commercial development in supporting the arts, heritage and culture, and to signpost the services of

the Association for Cultural Enterprises and others in celebrating existing good practice, and promoting change for the future.

For more information

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