

Economic Development Report

Creative Economy of the North Shore

Where innovation and art meet

Key Research Findings:

- **Over 2,200 creative economy enterprises are located on the North Shore.** The region has a strong presence in both the innovative and cultural segments of the creative economy, encompassing both for-profit businesses and non-profit organizations.
- **Between 17,000 and 20,000 people work in the North Shore creative economy.** This employment estimate encompasses a diverse mix of full-time and part-time employees, contract workers, and sole proprietorships.
- **The creative economy represents 10% to 12% of the North Shore's total private sector (non-government) employment – which is larger than the share of biotech and manufacturing industries within the Boston metro economy at 2% and 7%, respectively.**
- **North Shore creative economy enterprises conservatively contribute over \$3 billion in annual sales.**

Study commissioned by:



North Shore Creative Economy
Market Analysis and Action Plan

Prepared by:
ConsultEcon, Inc.

In association with:
Karl F. Seidman Consulting Services
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The Creative Economy of the North Shore

Table II-3

Distribution of Identified North Shore Creative Economy Establishments Ranked by Number of Establishments by City/Town

Town	Number of Firms	% of Total	Cumulative % of Total
Beverly	268	12.24%	12.24%
Newburyport	219	9.63%	21.87%
Salem	192	8.52%	30.38%
Gloucester	195	8.47%	38.85%
Peabody	159	7.57%	46.43%
Marblehead	172	7.49%	53.92%
Danvers	144	6.63%	60.55%
Lynn	96	4.36%	64.91%
Rockport	94	4.07%	68.98%
Amesbury	87	3.89%	72.87%
Ipswich	74	3.25%	76.12%
Saugus	58	2.78%	78.90%
Topsfield	59	2.61%	81.51%
Manchester	57	2.48%	84.00%
Salisbury	45	2.01%	86.01%
Swampscott	45	1.97%	87.98%
Lynnfield	38	1.80%	89.77%
Middleton	25	1.20%	90.97%
Essex	25	1.16%	92.13%
Rowley	26	1.16%	93.28%
Georgetown	25	1.07%	94.35%
Wenham	25	1.07%	95.42%
West Newbury	23	0.98%	96.41%
Newbury	21	0.94%	97.35%
Boxford	21	0.90%	98.25%
Groveland	15	0.68%	98.93%
Nahant	16	0.68%	99.61%
Hamilton	9	0.39%	100%
TOTAL	2233	100%	

Source: Karl F. Seidman Consulting Services and ConsultEcon, Inc

Table II-5

Distribution of Identified North Shore Creative Economy Establishments Ranked by Number of Establishments by Industry

Industry	Number of Establishments	Percent of Total Establishments
Design	395	17.7%
Business Consulting	280	12.5%
Engineering/Research&Development	212	9.5%
Artists	203	9.1%
Advertising	168	7.5%
Architecture	149	6.7%
Publishing	132	5.9%
Photography	125	5.6%
Marketing	116	5.2%
Education	107	4.8%
Web & Software Development	95	4.3%
Museums & Cultural Institutions	64	2.9%
Performing Arts	54	2.4%
Films	34	1.5%
Historic Preservation	27	1.2%
Radio & Television	25	1.1%
Public Relations	18	0.8%
Music	17	0.8%
Games	12	0.5%
TOTAL	2233	100.0%

Source: Karl F. Seidman Consulting Services and ConsultEcon, Inc

More Key Research Findings:

- **Five creative clusters account for 56% of all of the North Shore creative economy enterprises.** Based on their size, key creative industries are diverse and include:
 - **Design** (including computer systems and software design)
 - **Business and Management Consulting**
 - **Engineering/Research and Development**
 - **Artists**
 - **Advertising**
- **Ten cities and towns account for 73 percent of all of the North Shore creative economy enterprises.** Creative economy enterprises are spread throughout the region in every city and town. This geographic diversity is a regional asset.
- **A survey of over 200 enterprises revealed that, on average, almost half of the customers of creative economy enterprises are located outside of the North Shore.** Moreover, almost a quarter of customers of creative enterprises are located outside of Massachusetts, indicating that the creative economy is part of the Commonwealth's export economy.
- **Sixty-five percent of creative economy enterprises surveyed use contract or consultant resources.** Creative economy organizations are flexible in staffing.

Where innovation and art meet

Goals:

1. Grow the creative economy on the North Shore* as a source of new businesses, jobs and wealth;
2. Strengthen the North Shore as a recognized and unique center of the creative economy activity and innovation; and,
3. Build a collaborative and coordinated regional approach to development of the North Shore creative economy.

Action Plan:

- A. **Regionalization Strategy** – The regionalization strategy solidifies the creative economy as a significant economic initiative through leadership, collaboration and resources. The Creative Economy Initiative will encourage and cultivate partnerships with local governments, economic development intermediaries and other regional stakeholders.
- B. **Convergence Strategy** – Creative activity reaches its full economic potential when it is linked to other creative enterprises and activity, markets and to urban life and communities. ***The convergence strategy focuses on bringing enterprises and individuals together in virtual or physical environments to foster creative collaboration.*** This capitalizes on the diversity on the North Shore to foster “collisions” of talent and enterprises.

These collaborations will help to generate business and job growth and brand the North Shore as a center of innovative and creative activity. The strategy begins by **identifying existing places where creative enterprises can converge**, with the long-term goal of **developing a regional convergence center** that includes incubator space, long-term space and shared space for collaboration.

- C. **Support and Development Strategy** – The support and development strategy focuses on expanding the region’s capacity to nurture the growth of creative economy entities, both for-profit and non-profit, through investing in and expanding access to the knowledge, management skills, workforce and capital needed to start and grow a successful enterprise.
- D. **Marketing Strategy** – The marketing strategy is focused on developing recognition of the North Shore as a unique and competitive center of creative economic activity within the North Shore and greater Boston region.

* Communities included in definition of North Shore are listed in Table 11-3 on page 2

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First Year Action Plan (May 2008 to June 2009)*

1. **Present North Shore creative economy research and action plan** to key stakeholders, specifically local governments, key institutions, chambers and other organizations.
2. **Meet with leaders of top ten creative economy communities** to:
 - Determine **how to help** community grow creative economy.
 - **Identify current and potential convergence spaces** in those communities.
 - Provide **guidance on events that attract creative economy** to convergence spaces.
 - Identify and provide **ideas for a "toolkit"** that local officials can use to promote their communities as great places for creative organizations to thrive. Ideas to explore include a "by community" analysis of critical creative industry clusters, templates for creative economy events, model zoning, a guide of current and possible funding sources for creative entities and/or to accelerate the use of convergence spaces.
 - Ask **communities to designate a creative economy point person** to act as liaison with the initiative.
3. **Interview organizations in largest creative economy clusters to identify their needs and how to meet them.**
4. Convene the North Shore Workforce Investment Board (WIB) and the area colleges to **understand the creative economy workforce needs and develop appropriate training and curriculum plans.**
5. Develop a **next generation creative economy website** that reflects the creativity on the North Shore and acts as an on-line convergence center.
6. **Hire a program director** to coordinate action plan activities.
7. **Develop and hold a signature creative economy event.**

* based on funding

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

Creative economy industries include: architecture, advertising, consulting, education, performing arts, artists, museums and other cultural industries, design including electronic design, software development, film, games (including computer games), historic preservation, music, new media, publishing, radio and television, and tourism.