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To Corporate Policy Overview Committee – 27 March 2008

Subject: **Kent-Virginia Project and Smithsonian Festival Outcomes**

Classification Unrestricted

Summary:

- At Cabinet Scrutiny Committee on 12 December 2007 it was decided that the International Activities Annual Report 2006-7 should be referred to Corporate Policy Overview Committee for consideration of whether the expenditure on Kent/Virginia and Smithsonian represented 'good value for money.'
 - This report therefore provides an update on the successes and outcomes of the Kent-Virginia Project and the Kent's participation in the 2007 Smithsonian Folklife Festival to date.
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1. Kent-Virginia Project

Introduction

1.1 KCC established the Kent-Virginia project in 2004 to enable Kent to achieve a long-held ambition to gain maximum benefit from a wide-ranging partnership with a US state. A Memorandum of Understanding (MoU) was signed between the Commonwealth of Virginia (Governor Warner) and Kent County Council (Lord Bruce-Lockhart) on 3rd June 2005. The current Governor of Virginia, Tim Kaine and the Leader of KCC, Paul Carter, renewed this on 14th November 2006. The MoUs cover the following areas for co-operation:

- Trade and business relationships for commercial, economic and social benefit,
- New approaches to tourism development jointly between the Virginia Tourism Corporation and the Kent Tourism Alliance building on and beyond the 2007 Quadricentennial events,
- Links between the land based economies in Virginia and Kent,
- Educational and cultural links between Virginia and Kent,
- Virginia's economic and commercial presence in UK and Europe and Kent's economic and commercial presence in the US,
- Share experience and best practice in any field that the parties agree to be relevant for mutual benefit
- Sharing experience and best practice
- Performance Management
- Health and Medical Administration including social care, fostering and adoption
- Energy Use and Comprehensive Energy Policy
- Agribusiness and Farm Preservation

1.2 Since the MoU was signed in 2005 the project has seen the following Statements of Intent signed covering specific areas of activity:

- Rural Sector - Virginia Department of Agriculture (Bob Bloxom) and Kent County Council (Alex King) in July 2005.
- Culture – Formal twinning between Gravesham BC and Chesterfield County, Virginia in September 2005.
- Economy – Agreement signed with Center for Innovation & Technology making them part of the Strategic Innovation Gateway Network (SIGN) in November 2005 (Bill Leighty, Peter Jobse, Peter Parsons and Alex King).
- Staff Exchanges - Virginia Department of Human Resources (Stephen Adkins) and Kent County Council (Amanda Beer) in July 2006

Outcomes

1.3 KCC's investment in the first three years of the Kent-Virginia Project (2005-07) amounted to £315,000. Quantifying the potential benefits and value for the Project is difficult, as much of the work is speculative, opportunistic, experimental and is built over time. However, the following outcomes highlight the work of those involved with the Project:

Education	<ul style="list-style-type: none"> ▪ 32 teachers benefited from professional opportunities in Virginia between 2005 and 2006 through the Teachers International Professional Development (TIPD) programme funded by DfES. This equates to funding of around £50,000. ▪ 32 schools in Kent linked with schools in Virginia. ▪ Link established between schools in Kent and Centre for Politics at University of Virginia. ▪ 16 schools in Gravesham visited by Virginia Indians (VI) in July 2006 as part of the VI Festival. ▪ Astor College in Dover staged two joint musical theatre productions (including Jesus Christ Superstar) with New Kent County, Virginia. ▪ Link established between the University of Kent and George Mason University.
Culture	<ul style="list-style-type: none"> ▪ Delivery of Kent's participation in the Smithsonian Folklife Festival 2007, alongside the Commonwealth of Virginia. The first time that England has featured in this prestigious event. ▪ A national Virginia Indian Festival held in Kent in July 2006, the first official delegation of Native Americans to visit the UK for 250 years. Resulted in 12.1 million media impressions. ▪ Project has highlighted that Ashford has been twinned with Hopewell in Virginia for over 10 years. ▪ Kent Rotarians have developed their own links with Virginia.
Land Based Economy	<ul style="list-style-type: none"> ▪ Link established between Produced in Kent and Virginia's Finest to develop market opportunities for Kent produce in Virginia. ▪ Secretary for Agriculture attended County Show in July 2005 and spoke at conference. ▪ Equestrian specialists from Virginia visited Kent in July 2006 and attended County Show. ▪ Kent County Agricultural Society is exploring the possibility if a long-term link with the USA's equestrian team.
Tourism	<ul style="list-style-type: none"> ▪ Kent Tourism Alliance launched US campaign in July 2005

	<p>targeting eastern seaboard of US.</p> <ul style="list-style-type: none"> ▪ 20 Kent and regional partners, led by Viscount De L'Isle, formed a sales mission to US covering 3 cities in 5 days. ▪ Partnership between Kent and Lincolnshire levered £150K from East Midlands Development Agency. ▪ Heritage map illustrating Kent-Virginia connections produced. ▪ Dedicated website www.beginyouradventure.co.uk launched. ▪ Collaboration in trade and consumer marketing activities with Visit Britain. ▪ Partnership expanded to include additional partners notably Visit Britain, Tourism South East, British Museum, Hilton Hotel Group and various relevant historical sites across the east of England. ▪ Participation in "Big Sail" – a travelling consumer exhibition that accompanied replica of Godspeed on tour of 6 cities on the eastern seaboard of US that attracted over 400,000 visitors. KTA was the only UK organisation invited to participate. ▪ Study completed to determine the potential for direct flights between Kent and Virginia. Norfolk Airport Authority (NAA) agreed to fund 50% of start-up costs for direct flights. Agreements signed between KCC, NAA and Cosmos in July 2006. Series of launch events held in Kent and Virginia achieving widespread publicity.
<p>Economic & Commercial Presence</p>	<ul style="list-style-type: none"> ▪ In 2006 partnership working began with Virginia Economic Development's office which re-located to Brussels from Frankfurt. ▪ Successful bid by Kent to host European Business Innovation Centre Network (EBN) Congress in 2007. For the first time, the Congress was opened to colleagues from the USA as part of the Kent-Virginia project celebrating Jamestown 2007 and featured in particular Virginia's Centre for Innovative Technology. The 3-day congress, held in Canterbury attracted 370 delegates from 32 countries worldwide. ▪ The University of Kent and Fortune 500 company Science Applications International Corporation (SAIC) are collaborating on biometrics and identity management projects. A Letter of Intent was signed during the KCC-led "Trade Force" Trade Mission.
<p>Trade & Business</p>	<ul style="list-style-type: none"> ▪ Kent & Essex joint Trade Mission "Trade Force" to Washington DC and Virginia, July 2007. During the mission, £20,000 worth of business was received, two significant Letters of Intent were signed between American contacts and Trade Force delegates and the UK companies have estimated that the expected orders in the 12 months following Trade Force will amount to around £300,000. ▪ KCC and Locate in Kent formally linked with Greater Richmond Partnership (GRP); a similar organisation in Virginia and also closely linked with Fairfax County Economic Development Authority. ▪ Locate in Kent hosted briefing sessions for GRP and Hampton Roads allowing access to Kent companies. ▪ Kent company making a base in Virginia, securing a 295 acre site in Hanover County. ▪ African-American Trade Mission from Virginia hosted in September 2006.

	<ul style="list-style-type: none"> ▪ A seminar hosted by Locate in Kent and delivered by Virginia Economic Development Partnership to explain the opportunities for Kent businesses to set up in Virginia.
Jamestown 2007 Activities	<ul style="list-style-type: none"> ▪ KCC-led establishment of Jamestown 2007 British Committee tasked with co-ordinating UK involvement in America's 400th Anniversary. ▪ KCC led establishment of Jamestown UK Foundation; a charitable company set up to disperse the funds of the J2007 British Committee. ▪ Executive support for the British Committee and Foundation provided by KCC. ▪ Extensive networks developed to the benefit of KCC as a result of work with J2007 British Committee and Jamestown UK Foundation. ▪ Replica of the Discovery, one of the first three ships that journeyed to Jamestown, imported to UK from US by the Jamestown UK Foundation, toured the UK and was seen by 330,000 visitors. ▪ Launch events at Museum in Docklands and Middle Temple on 19th December 2006 to commemorate departure of ships. ▪ Representation of Kent at the Queen's visit to Virginia and Anniversary Weekend.
Performance Management/ Best Practice/Staff Exchanges	<ul style="list-style-type: none"> ▪ Videoconferences established to identify areas of collaboration in performance management and the exchange of best practice and staff. ▪ Peer review exchange agreed to take place in 2008. ▪ Links established between KCC, Federal Department of Justice and Virginia's State Counsellor.
Media/PR	<ul style="list-style-type: none"> ▪ Partnership brokered between BBC South East and CBS6, Richmond. ▪ News crew from CBS6 visited Kent and produced series of features aired in Virginia. ▪ Positive features in local and trade media with regular features in Kent Business, Kent Life and Kent on Sunday. ▪ BBC coverage of MoU signing, visit by Smithsonian Directors and direct flights launch event at Norfolk estimated at £450,000 of media advertising for Kent. ▪ Widespread media coverage of the VI Festival both in the US and UK.

2. Kent at the Smithsonian Folklife Festival 2007

Background

- 2.1 Kent accepted an invitation from the Smithsonian Centre for Folklife and Cultural Heritage (and signed an appropriate contract) to join with the Commonwealth of Virginia in the 'Roots of Virginia Culture' programme at the Smithsonian Folklife Festival in Washington DC in 2007. This was a first for England, which had never been represented at the Festival before, either nationally or by a county. KCC's investment in the Festival amounted to £225,000.

- 2.2 For the first time, Kent was showcased on an International stage. Compared to the 110,000 visitors who usually attend the Kent County Show, there were 1,006,195 visitors at the 2007 Smithsonian Folklife Festival.
- 2.3 Over 10 days, 38 cultural tradition bearers, showcasing the very best of our county, represented Kent on the Mall. They took advantage of an unprecedented opportunity to promote the county to an American and international audience, including many influential opinion formers. Over an area the size of 3 football fields, they performed, demonstrated and interacted with the Festival visitors to show them the best of Kent.
- 2.4 The programme provided a platform to show how Kent's famed history is continually moving forward and how innovation is one of the County's greatest strengths. Participants demonstrated how historic crafts still have a vital place in Kent's economy and how occupations are evolving and taking advantage of modern technology to increase business opportunities.
- 2.5 Visitors learnt how business and history are closely interlinked in the county and the way Kent is using its wealth of ancient sites to create new business ventures and bring more money into the county.

Outcomes

- 2.6 It was intended that the heightened profile Kent would receive by participating in the Festival would provide tourism, inward investment and business to business opportunities. The following outcome measures were used to test the anticipated outcomes of Kent's involvement in the Festival:
 1. Outcome: "A living advertisement is created that is representative of Kent and resonates with the American audience"

Measure:

 - Surveys carried out by the Smithsonian institute measured visitor enjoyment of the programme and showed an increase in awareness and desire to visit from the visitors.
 - Anecdotal evidence gathered by staff on the Festival site and also through Kent TV's film illustrated that the programme resonated with the audience. British visitors and dignitaries confirmed an accurate representation of Kent within the parameters given.
 2. Outcome: "Recognition and awareness of Kent and the Kent product is raised in the USA"

Measure 1: Media coverage

 - In 2007, the Festival produced approximately \$10 to 14 million US dollars worth of press coverage. These pieces focus on the Festival as a whole and drive traffic to the Festival and the website.
 - Kent hired a media agency to track pieces referring to Kent both in print, broadcast and online in the UK and US. This activity was only measured until the end of August 2007 but gave a value of £728,799 for the coverage promoting Kent.
 - 100,000 double-sided fans were produced and 96,000 were handed out to visitors, promoting the "Visit Kent" message.

- 2,000 people signed up to the 'Begin your Adventure' competition providing real names and addresses for follow up.

Measure 2: Web coverage

- During the Festival the websites attracted 3,488 page views and will remain in use to capture further information requests. The Smithsonian's website received 33,236,357 hits, 3,155,642 page views and 1,086,916 visits. Smithsonian website figures are the largest in the history of the Festival. Additionally, the Smithsonian website had a direct link to the Kent.gov.uk website.
 - During the Festival North American visitors to kent.gov.uk rose substantially, peaking at an 85% increase in traffic from North America over the July 4th weekend.
3. Outcome: "Tourism in Kent rises by 26,000 visitors, £14m expenditure" (Based on Scotland's experience at the 2003 Festival)

Measure:

- Using the figures of 200,000 US visitors and £80m direct spend in Kent as a 2006 base, the Kent Tourism Alliance will produce comparable statistics each year after the event to demonstrate any increase.
4. Outcome: "Income generation into small businesses in Kent through the festival marketplace"

Measure:

- Kent products to the value of \$8,355 were sold through the Smithsonian Marketplace. Additionally, four Graham Clarke etchings, worth \$800 each were ordered and one Stevenson Brothers horse (worth approx. \$3000) was sold directly. These figures are slightly below what the Kent Team had hoped for. This is due to the restrictions on the range of product and late changes to the same, coupled with the weakness of the dollar. To sell products in the marketplace they had to be purchased at cost and then shipped to the United States. Therefore these costs had to be factored in when setting a price to sell to the Smithsonian. The Smithsonian then added a 50% profit margin. This meant that in order to price the items within the market rates, some of them had to be dropped in order to sell and raise the profile of Kent products.
 - Additional orders to businesses promoted at the Festival are likely to continue to arrive throughout the 2008.
5. Outcome: "Heightened awareness nationally and locally of Kent's presence at the Smithsonian Festival and the links cultivated by KCC for the benefit of Kent"

Measure:

- Local media coverage in Kent was mainly generated through two days of live broadcasting of the Dominic King's Drivetime BBC radio show from the Festival, pre and post event stories (double page spreads) in the Kent Messenger, Kent Business and filming done by Kent TV. Kent on Sunday also ran some stories prior to the event.

- Due to a hostile press climate towards the international activities of KCC, many of the good news stories generated by the online videos and blogs were not widely seen in the UK.

6. Outcome: “Increased links and continued relationship building”

Measure:

- Relationships between Kent and the Commonwealth of Virginia were undoubtedly strengthened at all levels by the joint working and involvement in the Festival. This was evidenced by the number of US dignitaries who visited the programme, specifically to see Kent participants.
- Kent’s profile was successfully raised with local opinion formers and existing contacts with the British Embassy in Washington were strengthened.

3. Recommendations

3.1 The Committee is requested to:

- Note the report and to comment on its contents
- Endorse the successes of the Kent-Virginia Project and Kent’s participation at the Smithsonian Folklife Festival 2007

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