

CREATIVE VITALITY

IN WASHINGTON STATE | 2009 UPDATE



Great coffee shops, bustling bookstores, a lively music scene, well-designed buildings, thriving arts venues, and creative enterprise – these are elements we find in the communities that drive the new economy.



WASHINGTON STATE
ARTS COMMISSION

INTRODUCTION

In recent years, there's been a lively dialogue about the creative economy – its definition, characteristics, and contributions to the vitality of our communities. Across Washington State, creative economy is in evidence in a variety of cities and neighborhoods, and is a factor in the job growth, retail sales, recreational choices, and community aesthetics.

Spokane has more architects now than in 2004. Bookstores and record stores in Washington perform above the national average. Motion picture attendance statewide has declined for four years in a row.

The Creative Vitality Index reflects the broad, systems-oriented thinking behind this dialogue and reinforces that nonprofit arts organizations and public arts agencies are part of an interdependent creative sector, the vitality of which is essential to the continuing health and vitality of the Washington's economy and communities.

In 2005, the Washington State Arts Commission, in partnership with the Mayor's Office of Arts and Cultural Affairs in Seattle and the Western States Arts Federation (WESTAF), produced the first-of-its-kind Creative Vitality Index to illuminate the elements of creative vitality in our state.

Now updated with data from 2007, the Index is an ongoing measure of the health of the creative economy and includes data on both for-profit and nonprofit arts enterprises, and arts occupations.

With this Index we've learned a few things about Washington: Spokane has more architects now than in 2004. Bookstores and record stores in Washington perform above the national average. Motion picture attendance statewide has declined for four years in a row.

In the years ahead, we will continue to calculate the Creative Vitality Index with annual progress reports. The Index will help us understand the context of artistic and creative enterprises, educate the community at large about the creative economy, and inform public policy decision-making about trends and related issues. We'll also be focusing in on some stories that illustrate the creative economy in action and make these numbers come to life.

The arts and creativity are important to people in all parts of the state. We look forward to hearing your stories and working together for a future of creative possibility.

Sincerely,



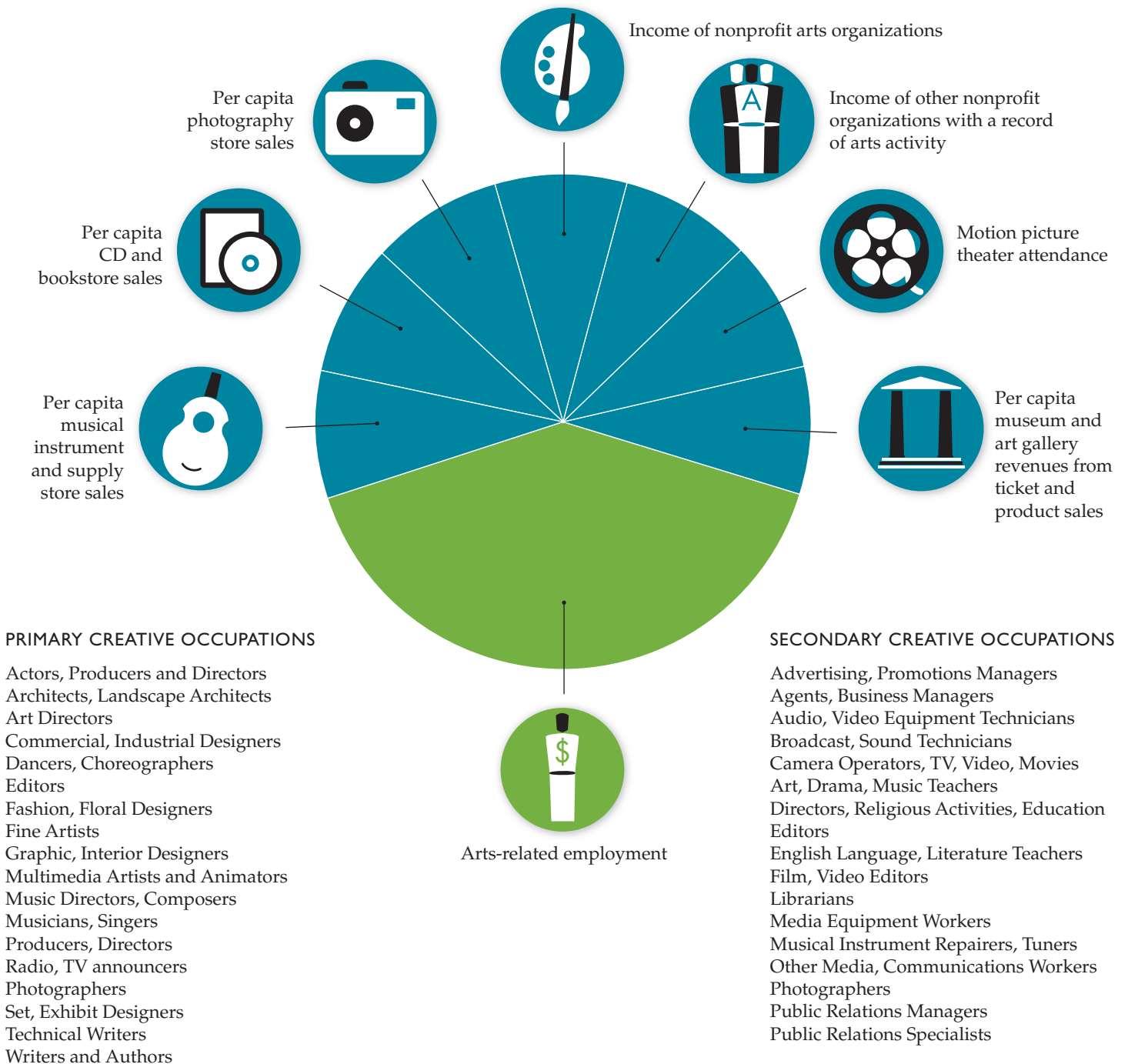
Kris Tucker
Executive Director

CREATIVE VITALITY INDEX COMPONENTS

The Creative Vitality Index measures the health of the creative economy in a city, county, state or other geographic area compared to the national baseline, and creates a benchmark for future measurement. The Index has two major components. One component measures seven indicators of **COMMUNITY PARTICIPATION** in the arts, the other measures concentrations of arts-related **EMPLOYMENT**.

60% Seven indicators of community participation in the arts.

40% Arts-related employment in more than 30 professional categories.



UNDERSTANDING THE CREATIVE VITALITY INDEX

The CVI Defined

The Creative Vitality Index (CVI) is an annual measure of the economic health of the arts-related creative economy in Washington State. In the CVI, the creative economy is defined as including for-profit and nonprofit arts-related creative enterprises and the key support and service activities that sustain them. Using readily available, inexpensive data on employment and community participation, the Creative Vitality Index reflects the vigor of this sector of the economy.

Definition of an Index

An index is designed to summarize the content, scope, and dynamics of a complicated phenomenon, to provide a single indicator to describe a complex set of variables, activities, and events. The best known examples of indexes are the Dow Jones Industrial Average and the Consumer Price Index, both of which measure the health of our economy.

Centered on the Arts

This Index is centered on creative vitality related to the arts as it is broadly defined and not the culture field in general. Cultural activities that are not included in the scope of this study are endeavors such as science museums, botanical gardens, and the affiliated external education and outreach programs of these types of organizations. This Index is organized around the concept that while activities may have strong creative elements, they differ substantially from creative work that is focused on and through the arts.

Index Components


The Index has two major components. One component measures seven indicators of community PARTICIPATION in the arts (i.e., per capita museum and art gallery revenue from ticket and product sales). The other component measures arts-related EMPLOYMENT (e.g., actors, graphic designers, television producers, art teachers).

The Creative Vitality Index favors participation and employment in the nonprofit arts, but defines the creative sector as a continuum that ranges from the nonprofit arts through related for-profit activities; the index seeks to capture a wide range of arts-related activities.


The components are weighted 60% towards PARTICIPATION and 40% towards EMPLOYMENT. The rationale for this approach relates to the cause-and-effect relationship between participation levels and jobs. The underlying theory is that public participation in the arts or public demand for arts experiences and events ultimately is what drives budgets and organizational funding levels, which in turn support artists and art-related jobs within the economy.

Index Data Streams

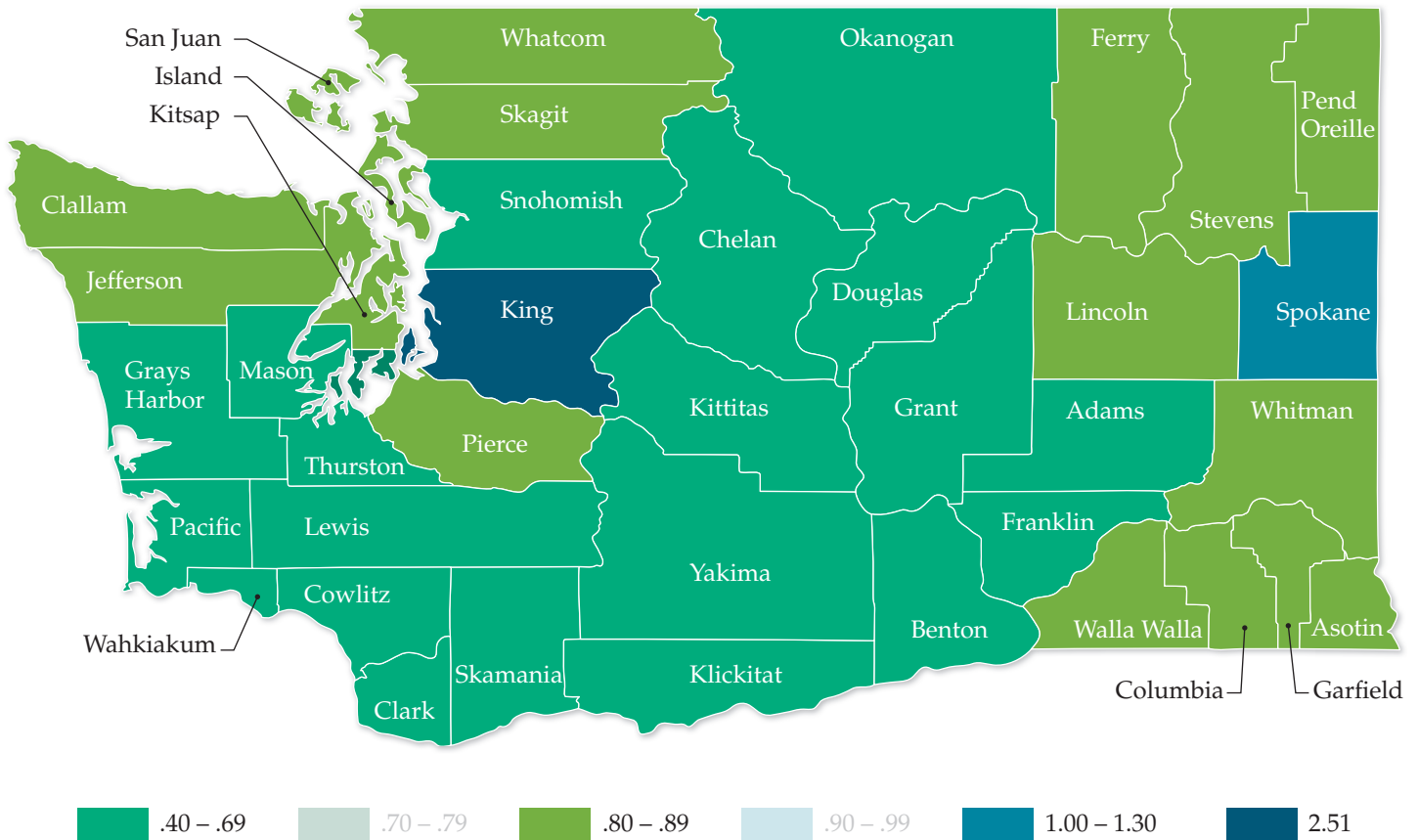
The CVI draws data from three major sources: the Washington Office of Employment Security, the Urban Institute's National Center for Charitable Statistics, and the commercial data source Claritas. The measures were selected for four core reasons: they are pre-existing and do not require the collection of additional data; they are available in the form of annual updates; they can be easily compared nationally, across states and in regions within states; and experts have determined that they are reliable.



The Creative Vitality Index captures the economic dimension of creative activity in an economy, not the creative potential of individuals.



CREATIVE VITALITY INDEX By Workforce Development Area in 2007



WDA	REGION	2003	2004	2006	2007
WDA 11	Benton – Franklin	0.74	0.72	0.70	0.62
WDA 10	Eastern Washington	0.60	0.57	0.90	0.89
WDA 8	North Central Washington	0.47	0.53	0.85	0.40
WDA 3	Northwest Washington	0.72	0.79	0.86	0.84
WDA 1	Olympics	0.81	0.85	0.85	0.86
WDA 2	Pacific Mountain	0.75	0.80	0.77	0.69
WDA 6	Pierce County	0.77	0.79	0.76	0.84
WDA 5	Seattle – King County	2.70	2.60	2.44	2.51
WDA 4	Snohomish County	0.89	0.93	0.68	0.63
WDA 7	Southwest Washington	0.54	0.62	0.77	0.69
WDA 12	Spokane County	1.36	1.24	1.07	1.18
WDA 9	Tri-County	0.65	0.68	0.74	0.56
	Washington State	1.35	1.33	1.26	1.32

WORKFORCE DEVELOPMENT AREAS	
WDA 1:	Clallam, Jefferson, Kitsap counties
WDA 2:	Grays Harbor, Mason, Pacific, Thurston, Lewis counties
WDA 3:	Whatcom, Skagit, San Juan, Island counties
WDA 4:	Snohomish County
WDA 5:	King County
WDA 6:	Pierce County
WDA 7:	Cowlitz, Clark, Skamania, Wahkiakum counties
WDA 8:	Okanogan, Chelan, Douglas, Grant, Adams counties
WDA 9:	Kittitas, Yakima, Klickitat counties
WDA 10:	Pend Oreille, Ferry, Stevens, Lincoln, Whitman, Walla Walla, Garfield, Columbia, Asotin counties
WDA 11:	Benton, Franklin counties
WDA 12:	Spokane: Spokane County

WASHINGTON'S CREATIVE VITALITY



Against a national baseline of 1.00, Washington's counties, measured in Workforce Development Areas (WDA), ranked from 2.51 to 0.40 in the Creative Vitality Index for 2007

The baseline score for the Creative Vitality Index is 1.00; this is the national score using the same data streams used locally. A region's score reflects a value relative to this national baseline; a score of 1.00 or greater means that the area has a relatively strong arts sector.

The Washington State Creative Vitality Index for the 2007 calendar year was 1.32, a slight increase over the previous year. Seattle-King County has the highest regional index, with an overall value of 2.51, also slightly increased over the 2006 index. While revenue for arts organizations was down slightly, book, music, photography, and museum stores all saw increases contributing to an overall increase in the Washington State Creative Vitality Index.

Although there were declines in Benton-Franklin, from .70 to .62, and Tri-County, from .74 to .56, several areas saw positive growth. Spokane County increased from 1.07 to 1.18, and Pierce County saw an increase from .76 to .84.

Overall, the State of Washington remains above the nation as a whole as measured by the 2007 Creative Vitality Index.

Geographic Boundaries

The CVI is an indicator of the economic health of the creative economy in Washington State. Although any defined geographic region can be studied, the basic geographic building block for the CVI in Washington is Workforce Development Areas (WDAs). A WDA is an artificial geographic subdivision of a state designated for employment-development purposes. Their boundaries coincide with county or multi-county borders. Although constructed on a county/multi-county basis, the WDA occupation statistics can be further broken down into much smaller geographic regions.

Not included in the Index

The Creative Vitality Index is not an index of raw creativity. The Creative Vitality Index captures the economic dimension of creative activity in an economy, not the creative potential of individuals.

The Creative Vitality Index does not measure economic activity in the area of the technology sector. While the developers of the index believe there is a strong connection between the creative sector and the technology sector, the economic dynamics of the technology sector are outside of the scope of the Creative Vitality Index.

The Creative Vitality Index does not measure self-employment or online transactions (i.e. purchasing music or books online) as this data is not regularly available. Since this information is not collected in other states where the Creative Vitality Index has been implemented, it does not put Washington at a disadvantage – we are comparing apples to apples, not apples to oranges.

Using the Creative Vitality Index

The Creative Vitality Index is designed to serve as a tool to inform public policy decision making and to support the work of advocates for the development of the creative economy. The Index can be used for the following purposes:

- To consistently define the parameters of a localities' creative economy;
- To explain the components and dynamics of the creative economy;
- As a source of information for arts advocacy messaging;
- To call the attention to significant changes in the creative economy ecosystem;
- To underscore the economic relationships between the for-profit sector and the nonprofit sector;
- To benchmark the status of a local creative economy to diagnose weaknesses in that economy.

The Creative Vitality Index can be used as a tool for comparison; however, its greatest power is its ability to inform a community, and contribute to assessment and planning. A state or community's index rating should be understood in the context of an economy's size and trading position. For example, a community with a relatively small population that is not a trading center may continually have a relatively modest Creative Vitality Index rating. Such a rating may not indicate failure for an area, but that it has the opportunity to grow in different ways.

CVI and Economic Impact Studies

The CVI is not an economic impact study of the arts. Economic impact studies attempt to measure the total economic value and impact of a limited range of arts activities, taking into account estimates of the ripple effect on jobs and revenues in other non-related industries. The majority of such studies focus on the nonprofit art sector and either measure its impact exclusively or introduce measures of the impact of selected for-profit activities in a supplementary manner. The CVI utilizes some of the data typically included in arts economic impact studies, but draws on many more data streams. The goal of the CVI is quite different in that it seeks to provide an indicator of the relative health of the economic elements of the creative economy.

The CVI is about exploring a complex set of relationships and changes in the dynamics of those relationships over time. It is not a replacement for economic impact studies but can be a complement to them.

The Creative Vitality Index beyond Washington

Initiated in Washington and Seattle, the Creative Vitality Index is currently being used in Oregon and Denver; Utah and New Mexico are in the process of collecting data.

An individual's participation in Washington's creative vitality is measured in a number of ways: employment, purchasing art supplies, buying books, attendance at arts events, donations to art-related organizations, etc.

ON THE COVER



Top: When the historic Fox Theater re-opened in downtown Spokane in 2007, it signaled the region's commitment to cultural opportunities that link history with the future. When some in Spokane started talking about demolishing the Fox to make way for a parking lot, others saw the Fox as the new home for the Spokane Symphony. "Save the Fox" became a new call to action. Success required public and private contributions, including funding from the State of Washington's Building for the Arts program, foundations, corporations, and individuals. The Fox team has calculated the economic return on these investments. During construction and through the first year of operation, the Fox will put more than \$57 million into the local economy. In subsequent years, the 1700 seat theater will host up to 100 events annually, providing twelve new permanent jobs, with operations and related activities generating \$16 million annually for the local economy. Photo provided by the Spokane Symphony.



Middle: Located in the heart of downtown Olympia, Orca Books is the largest independent bookstore between Seattle and Portland. They stock tens of thousands of new and used books, cards, and journals, and carry many items made by local artists and craftspeople. Photo by Mark Gerth.



Bottom: Fabrication Specialties, Ltd. (FS), a Seattle based company, are fabricators and installers of public art and artworks for artists, architects, designers, galleries, museums, corporations, and communities locally, nationally, and internationally. FS is an artist owned and operated company founded in 1979 by three University of Washington MFA graduates. The company plays an instrumental role in the art community, and artists from around the country come to Seattle to have their work engineered and repaired by these skilled craftsmen. Pictured is the removal for renovation of *Broken Obelisk* by artist Barnett Newman, located on the University of Washington campus. Photo by Kathy Sauber, University of Washington.

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The Washington State Arts Commission advances and supports arts and culture in Washington State through leadership, knowledge, funding, and resources that build participation in and access to the arts. We improve community vitality, education, and stewardship by supporting high quality arts and arts education endeavors.



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