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Creativity and Innovation Study
San Francisco | Portland | Seattle
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“Human creativity is the ultimate source of economic growth”
Professor Richard Florida, author,
‘The Rise of the Creative Class’

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In September 2004 a group of delegates from UK government, private companies and universities travelled to the West Coast of the USA to learn more about knowledge capitals, the links between universities and creative companies, and the role that innovation and creativity play in successful companies. The theme of the trip was Innovation and Creativity, USA.

During the course of the week long visit, 10 organisations in three different cities were visited, listened to and many questions were asked and answered. The study tour was designed to help the delegates to get a better understanding of the how the companies operated, how the company culture had evolved, and how each company had achieved so much success. The group learned a lot more about each of the companies than they had imagined, and came back with a lot more things to think about for each organisation that took part.

As in many of the accomplished companies around the world, there were no overnight success stories. Many of the organisations were world leaders in their respective fields and have been in business for decades. Some companies were small and others were large, but they all had one thing in common, they were creative leaders in their fields. We sought to learn from business leaders and journalists, politicians and employees, so we could get a fuller picture as to why the companies had settled in these cities in particular. We also wanted to find out about the role of creativity and innovation in each of the companies, and how free employees were to be creative. We wanted to learn about the role of universities in each of the cities, and what they had done to encourage innovative and creative graduates. Why do some cities do better when it comes to growing successful creative companies, and what do those companies do to remain at the top of their field?

We visited a mix of organisations, from government agencies, to private and public companies, magazines, journalists, entrepreneurs and CEOs. We heard many stories about each company, and did a lot of background reading on each one. Some companies were more forthright than others, some we felt we'd love to work in, and others we felt had a very strong culture.

The companies visited were as follows:

In San Francisco, California: Apple, Yahoo, Wired Magazine and the San Francisco Centre for Economic Development.

In Portland, Oregon: Wieden and Kennedy, Nike, Ziba Design and The Mayor's Office

In Seattle, Washington: Recreational Equipment Inc, Mayor's Office of Seattle

Broken down, the themes that were focused on were the following:

- Creativity
- Focus
- DNA
- Authenticity
- Talent
- Design
- Collaboration
- Fearlessness
- Vision

Creativity has to have the right conditions to survive. It has to be valued, and then employees can feel free to be creative. You can't create it, but you can create the right conditions for it to flourish.

We saw good examples of this in Nike, Apple, and in Wieden and Kennedy. Apple seemed to be alive with Creativity, and Google was an absolute hive of creative action. We have witnessed nothing like Google, where it was like a beehive of activity, where everybody seemed to be focused on the same goal, which is to *"organize the world's information and make it universally accessible and useful"*

Creativity seems to be a perfect match for California, which has attracted the wild, the wonderful, the desperate and the destitute. That mix fashioned some of the world's most creative companies.

Focus was seen in many companies, none more so than Nike. Nike's is focused on producing the best athletic apparel in the world, and it's very easy to see from their campus how very focused on sport they are. Successful sportspeople are revered as heroes, their names adorning every building, with pictures and bronze statues everywhere.

W+K had a lot of style and talent, this was really clear from their CEO, Dan Wieden and their headquarters, which said a lot about who they were, and where they were going. ZIBA wanted to get into the DNA of a company, and find out about what the company really meant. The importance of finding an organisation's 'DNA' struck a chord, as did Jelly Helm's business philosophy, *'We're just throwing shit on the wall'* (to see what sticks).

Although the public authorities we saw seemed less strategic (or powerful) than that in the UK, their assumption that less government is a good thing impressed us. Equally, both the public and private sector's conviction that you have to get the place right (play to your assets) and make it clear you are open to all kinds of people, was telling.

The company that impressed the group the most was Apple. The atmosphere, integrity, product, people, strategy and an openness to look beyond themselves was extraordinary. There was a certain openness and honesty about the company like none other, and we felt like we were being treated like some of their best customers and friends, rather than a visiting delegation who were wasting their precious time. A telling fact to this was their follow-up. One of Apple's most valuable employees, Jon Ive (the head designer) could not turn up due to some last minute commitments. To apologise, Jon sent a letter to each delegate by FedEx the following week. We were all stunned to receive this. We were given the most time in Apple, and the reception, the attention to detail and the level of honesty we got from the speakers was fantastic.

The following is a summary of the meetings we had with each organisation.



San Francisco Center for Economic Development

San Francisco is a fantastic city with organic growth unparalleled achievements in economic, scientific and humanistic areas. With a dynamic economy, San Francisco has been rated #1 in the Forbes educational rating and has also been listed as the most liveable city in the US by the Mercer liveability index. Some of the top 100 universities as rated by Economist magazine are to be found in San Francisco. UC Berkley and Stanford are in the top five while UC SF is among the top 100. Silicon Valley, home to the best minds in technology today, is to be found in south of San Francisco. Offsetting these positive factors is the high cost of living - it is one of the most expensive cities in the US.

The San Francisco Center for Economic Development (SFCED) is an city organisation committed to keep the growth path on an upward curve. SFCED is funded by partners and private businesses. It operates privately and is a non profit organisation.

Why was SFCED created? In the aftermath of dot com bust, 60,000 jobs were lost in the city. The city's authorities were concerned about businesses leaving and felt the need to have private sector consulting. There was a perception that to pick up the pieces, a joint collaboration between the private sector and the city was necessary to combat the downward surge after the dot com bubble burst. SFCED works on a budget of six million dollars and investors have a seat on the board. Small businesses occupy 80 per cent of the seats on the board, and reflect the concerns of their areas.

SFCED's objective is to attract new businesses and retain them locally in the Bay Area. Real estate, construction, and architecture groups are also consulted. We asked if people see SFCED as a legitimate voice and they answered that the SFCED and city partnership is seen as a think-tank. Businesses like the idea of collaboration and retention efforts. Retention strategies are mainly based on spreading the word about the talented and smart workforce San Francisco has to offer and serving as ambassadors to companies. SFCED meets with top companies and lets them know that they are happy to have them in San Francisco and that they genuinely care about their continued presence in the area.

One of the most successful examples of this campaign is Virgin. Ask the CEO of Virgin USA why they moved to San Francisco and he will give you three reasons:

- Warmth, collaboration, and feeling of being wanted
- Demographic of the area and profile of customers
- Proximity of airport, a great facility

Although Virgin knew the high cost of housing and living, they decided that the demographic made up for the disadvantages.

We also asked SFCED if government and partners can actually affect development. SFCED is positive that this beautiful city with its unique culture and people can respond to the challenge of creating a business friendly environment and enhancing the liveability, and that government can actively change perceptions and can affect development in their city.

San Francisco prides itself on its work life balance. It has been said that the city is more laidback in comparison to other American cities and is focused on achieving a balance between work and recreation activities. Plus there is a flexibility and diversity in the city that offers a wide range of opportunities and allows people to do what they want. Although San Francisco is an old city, the highest population ratio is in the 18-45 age group. The 55+ age group has the lowest ratio.

San Francisco tries to encourage creativity, scientific breakthroughs and free thinking. The Apache server was invented there as well as the first search engine. There are many businesses such as HP in the Stanford area. But San Francisco is also losing big businesses

because it is not able to provide the right environment for them. After the dot com bust, there was a tainted feeling in being associated with the city, but now attempts are being made to change the way San Francisco works.

The question facing SFCED is how to deal intelligently with the strengths and weaknesses of the city. They are working to strengthen what businesses are already there, attract more companies into the area and adapt the existing workforce to fit new industries as well.

San Francisco was the birth place of bio- tech but companies like Genetech, spun off UCSF, which were among the pioneers, have created sub companies and moved out. Now, a new 300 acre campus has ensured that such companies stay in this region.

SFCED is evolving strategies that can sell other positive factors in the city despite its expensive standard of living. Companies tend to go where they have easy access to talent, capital and resources that is they will go where the workforce is. This is a unique selling point for San Francisco with its educated and talented workforce. There is no one dominant race in San Francisco instead the city encourages cultural and ethnic diversity thus generating a potpourri that is unique to itself.

SFCED is also concerned with expanding the tax base. One of the worries is that one of the reasons for companies leaving could be the payroll tax. The tax structure was changed to tax non – venture capital businesses. The city recognised that VC funded companies are unique and very important to the region.

SFCED is working to educate companies on the characteristics of San Francisco's talent base. They had to decide whether to sell the labor available or specialist skills or generic skills or combination of all, showing that the workforce is adaptable and creative. After a careful study of San Francisco and surrounding counties, SFCED has concluded that the city's work force is heavily over weighted towards banking professionals, lawyers, management consultants and designers.

The middle class is moving out due to the high cost of living. The whole region is, in fact, faced with the issue of maintaining perfect US ideals. Further, manual labour is scarce but Virgin and other private operators require a large workforce for its airlines. San Francisco's universities and Community colleges came to the rescue, and responded positively to the demand for airline mechanics and chefs. Driven by a vision of organic growth, San Francisco has always looked to its educational institutes to produce the right mix for its workforce. At the time of the dot com boom for example, web design was taken up by students in state colleges.

The next problem facing SFCED was where to house manual labourers. Cheap liveability areas and transportation facilities needed to be created. The affordability index of the labour class that is those with the ability to buy homes is less than 20% while the national average is 65%. San Francisco is basically faced with a density issue that is the problem of high demand and low inventory.

San Francisco is not a city of generic skills. Companies like Delta Dental have found that generic jobs are too expensive. SFCED realises that the city cannot support these kinds of jobs and is hence not looking to attract companies that require these sort of companies.

The San Francisco Workforce Development Group is providing training in specialized skills required for the bio-tech industry. This has brought in non PhD researchers and training jobs. The city is looking at more than just bio–tech firms however. Having faced the havoc caused by the death of dot com, the city feels there is a real danger that bio tech would wash over the area just like dot com and is therefore diversifying their industries.

San Francisco relies on home grown industries epitomised by such companies as Gap, Bank of America, and Wells Fargo. Industries that are prominent but didn't start there are venture capital and investment services. The city is also targeting new industries, in particular, gaming and entertainment.

San Francisco is recognized as one of the USA's leading centres for multimedia and telecommunications – SFCED is concerned with bringing together technical and creative

groups. Lucas Films' decision to move to the Presidio National Park will certainly put San Francisco on the map in the new digital century.

San Francisco is a great place to live and the West coast is perceived to having a lot going on economically. The issues that come up are social details and liveability. There are definitely some challenges involved in creating an ideal environment for the businesses the city wishes to attract. The quality of life is the driver behind the developmental efforts in the city. SFCED aims at using and adapting what already exists to create a culture that welcomes new businesses and allows them to grow.

San Francisco's developmental blueprint is thus a synergy of public and private efforts.

In brief:

- People come from the place, and that place must be safe, clean, have the right type of quality of life, with the right mix of ethnic and cultural diversity.
- The right place will create a pool of talent
- Local or National Government don't create an innovative or creative place, but they can create the right conditions for it to exist.

- Companies then come for the talent



Chris Anderson - Editor-in-chief

Wired Magazine is a monthly and online publication published in San Francisco, California since March 1993. It reports on digital technology and culture, examining how they influence mainstream culture, business and politics.

Wired magazine positions itself at the intersection of society; it stands at the edge and looks out into the technological issues that matter to society. Wired is studying the effect of these technologies on society. When Wired was first launched, it was compared to the magazine, Rolling Stone for its innovation and cultural impact. It harnessed the the utopia of the new computer generation, and California was all about changing the world, where the "geeks were the new world order"

The future of America may be in San Francisco's Silicon Valley but the technological tools created here influence far flung corners of the globe. The entrepreneurship and digital culture that are inherent to San Francisco make it the birth place of cutting edge technologies, for example, the telecom boom has its greatest effects in such Asian countries as China and India.

How does Wired inspire its employees? It encourages ambiguities rather than killing it. There is freedom to share ideas and discuss different subjects. While management supports such open forums, they arrive at clear lines so that the readers and staff are not let down by a stance of the magazine. Every project has well defined rules and boundaries. Although art direction is not black and white, and ambiguities are inevitable, Wired ensures that everyone involved talks the same language so that they are all on the same plane of reality. They say that the success of each article that they produce and illustrate is "directly related to the amount of time that we spend together in a room"

Wired is looking for employees who are bilingual – that is, they can be creative as well as have managerial skills. They should be able to communicate the idea creatively and aesthetically as well as ensure that the idea makes business sense. Ultimately they are concerned with how to communicate the message. Once the three people in the team, the artist, editor and statistician agree on a common language, visual ideas and metaphors are condensed into a great story.

From 1993 to now, the magazine has reinvented itself in terms of style and content. From jazzy aesthetics, neon and art colours, experimentation and technology, Wired has made the switch to a more sober, general interest magazine that is concerned with the digital explosion. Wired was once the voice of the dot com era, the total collapse of the dot coms seemed like a hallucination rather than reality. But today they have realised that technology is bigger than what they were seeing at that time.

Wired has, in fact, moved from the underground to the mainstream. This will help them acquire a wider audience in the aftermath of the dot com bust. Reader demographics have changed – today's readers love gadgets, biology, ideas and science. So successful has Wired's transformation been that they have maintained the same growth rate between 1997 and 2004 despite the many technological upheavals. There have been troublesome patches. For example, their attempt to localise their magazine in the UK was unsuccessful.

80 % of Wired's readers are in the US while 20% are outside. Most of Wired's readers are online. They are not captive readers. Wired's most famous work is 'Why the future doesn't need us.' By Bill Joy.

According to Anderson, creativity is not a problem but capital has always been a problem. With the rise of venture capitalists, Wired looked to venture capital for its financial needs. The magazine faces a struggle to balance the technology, business and creative side of the business, but given its past success, and its ability to see into the future, it looks like Wired Magazine will continue to shape the way people think about the internet and the technologies that come from it.

Quotes from Wired

"You can't do visual creativity remotely"

"We are in the world of ideas"

Richard Florida Creativity Group

Richard Florida is an economist and planner who believes that the future of our cities lies in harnessing the technological and social trends that allow larger numbers of the creative class to prosper. The creative class is a upwardly mobile, highly educated, and well-paid segment of the workforce on whose efforts corporate profits and economic growth increasingly depend. Members of the creative class work in a variety of industries including technology, entertainment, journalism, finance, high-end manufacturing and the arts. As a class they believe in the values of creativity, individuality, difference, and merit.

Creativity, according to Florida, is the great leveller today. Cities must attract artists, scientists and other creative problem-solvers if they want to prosper. The creative class is interested in the challenge of becoming more innovative in the production, distribution and consumption of goods and services.

Florida believes that liveability is the biggest factor influencing the decision of the workforce to move to a particular city. There is a great need to have the freedom to do what they want to do and when they want to do it. Although the workforce is adaptable, they are tired of wandering and would like to find a job that they can settle down in. Ultimately each of them is trying to figure out "How would I fit in here?" Once they join an organization and they have figured out what they are good at, they are willing to grow on that basis. Florida believes that in order for cities to be economically viable they must learn to be diverse and inclusive, so that different types of people can live the way they choose and contribute fully to the city's growth.

There is a new rebellious community that is starting to acquire importance today. This community does not settle for less than they think they deserve. Moving and job mobility are big concerns in the US. Hence the workforce is always looking for the next city which can offer them better opportunities. Florida therefore advises city authorities to look carefully at their policies or risk the chance of people moving out.

San Francisco has the talent of attracting people with an interest in learning, both for education at its universities/colleges as well as for research and development. The path breaking research in the field of technology leads to the creation of ground-breaking designs and technical advances.

San Francisco also scores on the humanistic index. The flourishing bohemian and gay community is one example of the city's tolerance. It makes people of every race or community feel welcome and at home. Portland is also a perfect example of "the young and the restless"



Yahoo is a strange mix of dom com-ism and corporate correctness. From the purple cow in the reception hall, the purple water sprinklers in the gardens, and the purple vintage car in the parking lot, a lot of people would be led to believe that Yahoo hasn't changed much since it was founded. However, once behind that, there is a very strong company which is focused on increasing its market share and its sales of \$1.6bn.

Yahoo is famed for its ability to think differently. "The Y gene is about a thirst and longing for thinking outside of the box". How they do it? They believe in spending less money on marketing but doing more marketing experiments that have not been done before. They in fact employ guerrilla marketing strategies – that is see a marketing problem and go into it with limited money. Yahoo spends time and research clearly defining target markets. They call this market 'the what ifer's' – they are under 35, understand technology, explore new ideas, use many devices of communication and are savvy users of the internet.

Yahoo's Personals section is a good example of their innovative marketing strategy. Yahoo asked real people to tell their stories – 28, 000 responded with their personal stories and sent in their pictures. So they hired a billboard, got a living person – Julie – to be a live person looking for a date and had her on the billboard with her messaging live on the web and on the billboard, on the side of a major road. Julie gets a man. They get international press. It costs around \$20,000. Everyone is happy.

The story made it on to the *Good Morning America* program – they used it to get the most publicity out of it. Money is not the focus, their main strategy is on how to take the idea further.

Yahoo is divided into different business units. The structure of the marketing business unit is as follows – buzz team, creative team, media buyer, cause marketing, barter and licensing team. The different groups work as partners, recommendations from different groups are analysed and then executed. The Buzz team is the highest priority group; they go after a great idea and build on it. Yahoo turned an Oldsmobile into a street machine. They told their audience you can win this car, by logging on with your phone. This is an instance of Yahoo's event marketing, it was built around winning the car.

There is a major global focus on Mobile and other emerging technologies. Yahoo is spending money on global research to see who wants it first and how can they provide it. The stimulus for idea generation is market research and non traditional methods of research.

Yahoo's attitude towards risk is to weigh potential issues and decide if it is legally possible. Their legal people are also willing to think creatively and solve problems based on more than just legal facts. "Yahoo is not a hype machine. It is on the contrary a modest company that is aimed at real people and wants to be easy to use and utilitarian as possible" Time will tell.

Yahoo recognises that there is a risk in advertising and takes different ways to mitigate the risk. Great ideas are encouraged. Yahoo encourages its employees to get it right the first time round. Divergent opinions are encouraged. The team sits down together and hashes out things to produce great ideas. The process is less about the idea and more about the rapid iteration of the ideas. The trick is to connect the dots, bounce ideas off each other, and then refine them so as to view and build products. Process is very valuable at Yahoo.

The working culture at Yahoo is high energy. It has a number of unique and employee focused activities including gym, basketball and other sports. Every quarter all employees meet with the CEO, and can ask him any question they want. This translates into huge benefits for the company as a whole.

The environment at Yahoo encourages creativity. Incentives are offered for the best ideas. Seth Godin, at Yahoo marketing, came up with the idea of the Purple Cow award. The Purple Cow is a framed piece of paper, cut through, given to employees as a reward for creativity.

The Instant Messenger system (IM) of yahoo is a live example of Yahoo's successful market research. They created a reality TV streamed live within the banner ad. People who came online to chat tuned into the TV in the banner. Yahoo's execution was flawless and the banner received the highest clickthrough ever.

We asked Yahoo, why are people coming to this area? Intellectual curiosity and a desire to contribute to the changes sweeping the world keep people coming. Creative people are attracted by the idea of changing the world, through talk, mail and communication. There is a huge amount of creativity involved in this business that people find attractive.

Yahoo points out that everything they do is first marketed to their employees so that they understand what this brand means. As Yahoo says, if you are good at selling the idea internally, you can translate this idea to reach 100 million people. So Yahoo in fact gathers real time data without extra money or research.

The Yahoo brand is about building a relationship and communication with the customer. In their brand marketing, the publicity is all about the highest possible impact. Each area works differently. What may be good for Los Angeles is not going to work in San Francisco. So Yahoo aims to create a particular focus for each market.

San Jose has a higher population ratio and is the capital of Silicon Valley but Yahoo has very poor brand equity in the city. Austin, Texas is a small city in which Yahoo has had huge impact. Creative arts such as music flourish and independent thinking is encouraged in the city. The brand promise of Yahoo is a maverick spirit; they created brand awareness by holding festivals and other cultural festivals in downtown Austin. To reach their goal, Yahoo is willing to try new things – for example their executives cooked in a café. Fundraisers were also held as part of brand promotions.

The consumer is king – anything he sees as right is appropriate and is to be provided to him. Yahoo is aiming its marketing at more and more audiences. Yahoo.com tries to be everything to everyone. It has reworked its pages avoiding clutter and over information, instead providing balance and a cleaner, simpler interface.

People want many different things from websites – from AOL style to Google.com style and everything in between. Rather than offer one kind of style to its varied audience, Yahoo aims at personalising its content and offering its audience a wide variety of choice.

Yahoo remains in constant touch with the fabric of society and the changes in it. There is a Speakers bureau which invites different personalities such as Steven Spielberg, Thomas Freedman etc to give global, thought provoking views on the issues in today's world. These intellectually stimulating conversations help Yahoo employees acquire a different perspective and think differently.

Before deciding to set up office in a different market, the factors considered are

- Opportunity of growth
- Revenue margins
- Profitability

Yahoo's biggest technological advancement is their search engine. With increasing success, they needed a wake up call to fix the framework and make the product great. The features they are looking at are search personalization, customisation according to countries etc. These interesting challenges are getting engineers to come to Yahoo. Worldwide, Yahoo has 25 offices with local employees. Yahoo is actively recruiting.

Yahoo thus has different metrics for different business models, from mail to mobile units.



Apple – 9/15/04

Apple was probably the most fascinating company we visited. When asked if given a choice between being the biggest in the world and disliked, or being where they are and loved and respected, all asked went for the love and respect.

Apple are unusually driven by instinct and not by research. They have never been interested in asking what the consumer wants. They have inspired the consumer to think differently about design and beauty in computer products. Not very many people wanted an ipod before they brought it out. They created it and itunes and suddenly we all wanted one.

Apple are passionate about talent and the people that they attract. They really embrace diversity and really accept that you often are different if you think differently and produce different things.

Patty used to work at Pottery Barn as a gap retailer. Now she's the Head of Personnel in charge of talent acquisition. Apple's HR mission is to fuel the company's growth with talented employees identified by talent scouts. Patty's job involves talent spotting in schools and universities.

The great interest generated in the ipod made Apple realise that there was a great market, especially since there weren't too many similar options at that time. Apple used an innovative design that made the ipod a fashion product and gave it a coolness factor.

To create the 'Gotta have it' factor, Apple gives away goody bags at the Emmys and the Grammys thus making it a media attraction. The challenge is to inject new life into the brand and aggressively create more users for the brand.

Itunes, Apple's digital music solution is a noteworthy innovation. No one had done it before and the technological requirements were tough. Yet Apple managed to create a revolution in digital music and the Itunes store is a successful component of the premium niche brand, the ipod.

Steve Jobs and the executive team lead the company. They are the core group and follow an organic rather than a predefined growth path. Idea generation is done in a relaxed manner. Apple is in fact a very team based company, it is all about producing results as a team and success is the result of a group effort. The power of the team is recognised and used to create a buzz that will result in creation of ideas.

The organization structure is tightly grouped. There is the product marketing group; design and engineering group etc all working together to present the central point or message. Apple as a company is very loyal to the past and a big part of the company wants the history to be honoured. Yet they are also progressive and looking to move the brand fresh and move it forward.

Sales people are used as creative resources at Apple. Sales leaders too need to be comfortable with buying into the Apple image hence they were given non traditional opportunities to achieve this which proved successful.

Marketing is used as a strategic resource. The marketing mantra at Apple is as follows

- Product placement
- Developing relationships
- Using non traditional approaches

Marketing is not research focused alone, it is based more on what the product feels like to the team and how it speaks to them personally. Planning and logistics are kept flexible. Ultimately marketing is based on gut instinct; how Apple's people like the product, how cool they see it as. Apple also looks to retail stores, websites and chat rooms for information on how to market their product. This innovate market approach has paid off especially for the new imac and the ipod. The imac's lasting look and signature have become a graphic standard and with the ipod, customers feel that Apple is a company that cares about the details.

We asked Apple how important did they consider the company being loved and respected as opposed to getting recognition. Apple said we don't like Microsoft's tactics. "Here you will find a belief and passion in what we do. We like our customers to come and tell us, "wow, that was great." " Apple is a company that hasn't lost its soul, they care about what they do and don't want to lose that attitude. According to Apple, there is always the worry of how much to compromise and how far to go weighing down on them. They aim to be good corporate citizens as well and make the bay area a better place to live in.

Marketing in apple

Apple is always thinking about doing more collaborative work. They are willing to partner selectively but there is always the worry of how far they can go without hurting their brand. Historically, they have never partnered with anyone, however VW approached Apple and they agreed to an Ipod promo with the new car. Apple turned down McDonalds although they could have made huge amounts of money. Apple has partnered with Pepsi recently, and BMW. Although it is important to stretch the dollar, Apple will only partner selectively as long as they do not damage the brand.

Customers get information about Apple products from both traditional and non traditional sources. Apple, for example used a tear away billboard in a Tokyo subway to advertise itself. Apple attempts to create a big bang effect in its marketing so that they get publicity through word of mouth as well. Advertising should focus on what is to be communicated to the customer and drive home that message. The Ipod Silhouette Project, for example, was all about keeping the message simple. It simply showed what you can do with the product and how to use it.

We asked Apple why they chose Cupertino, San Francisco. Apple sees itself absolutely as a Californian company, they follow the ethos of California and a merit based approach, as California itself does. Apple feels that San Francisco's free thinking, dare to be different attitude make it a logical place for them. The well educated group of people in the San Francisco bay area and home grown talent are a massive draw for Apple even though it is an expensive place in terms of standard of living. While graphic designers are imported from the UK, the technological and research positions are filled from this area.

Apple's future now looks very bright, with the launch of the mini mac, a new flash based ipod and their stock price is a record highs. We wish them all the best.

THE ROLE OF CREATIVITY IN PORTLAND'S KNOWLEDGE ECONOMY

City of Portland – Mayor's Office

Portland is the 22nd largest metro area in the US. It has 8 counties, with 2.2 million residents and 50, 000 listed businesses with a payroll.

The nineties have seen dramatic development in Portland –200, 000 new jobs were created and the city has outgrown the US economy 80 per cent of the time.

Historically, the people were here due to three reasons – firstly, the landscape, secondly, they inherited property or businesses or property in the area and thirdly, there was a lot of tradition work in farm lands or the wood product industry.

Today, thanks to the new direction coming from the Mayor's office, the metro economy is moving away from an industry based model to a knowledge driven population model – consisting of engineers, designers and creative groups.

There is a wide array of businesses, ranging from the big brands to small business ventures. 25 different categories of businesses have been identified. There are even more brew pubs per capita then any other city in the US!

The city also houses big brands such as Nike, Adidas and CS, to name a few.

The Mayor's Creative Economy Initiative

The creative services in Portland comprise of 800 firms with payrolls and 13, 500 employees. Together they have a 600 million payroll. The Mayor's Creative Economy initiative aims at drawing this design community together.

The natural beauty of Portland is attracting a large number of people from the creative community. The visual arts and fashion industry employs more people than any other industry in Portland. The large number of architectural and industrial design firms contributes largely to the economy.

The creative class is looking for policies that are friendly to them and how far the government is willing to go in order to encourage them to stay.

The factors necessary for economic prosperity have been identified as follows:

- creativity
- clusters
- talent
- distinctiveness
- regions

As the city authorities have realised, diversity in business, industry and development is the key to prosperity.

The Young and the Restless Project

While the number of young adults, that is those between 25 – 35 years of age, has declined in other places, Portland has been one of the few gainers. The city has the most university graduates and shows a five times faster growth of number of college graduates.

The city is studying the reasons why the 25 – 35 group is coming to Portland as well as the various ways to keep them here. Focus groups and workshops were conducted and a tool kit was prepared.

Now, once their education is complete, the city is now encouraging the graduates to stay on and join or start businesses rather than move on elsewhere. In 2003, \$10,000 was given as an award for those who moved to the next step, that is micro enterprise.

In 2004, the city offered \$20,000 in total, there were 200 applications and 13 awards were given out.

The trends in the young adult group are linked to the success of the creative class and the bohemian index.

BUILDING AN INNOVATIVE CITY / SOUTH WATERFRONT DEVELOPMENT

Together with Portland Development Commission, the city has made a conscious effort to invest and develop its Waterfront district. At the Mayor's initiative, the South Waterfront development has been undertaken as part of efforts to build an innovative city. The Portland Development Commission has an extensive role and is involved in suggesting project initiatives and project development.

The old industrial area is now redeveloped to become a larger and more important part of the city with a good urban design. Apart from bolstering the Oregon Health Sciences University, there are now 3000 housing units, a greenway area, medical and dental schools and a tram service up the hill. Portland enjoys the largest ridership on the public system in the US and the design for the South Waterfront will ensure that this continues.

The Portland Development Commission is making a conscious effort to invest in and pioneer technologies such as open source and information sharing technologies. A tribute to this is that Linus Torvalds, the person behind the open source movement, and creator of Linux, lives in Portland.

The Portland Development Commission is also attempting to leverage wireless technologies for use in a density. These include WiFi, for both local and long ranges as well as broadband and WiMax.

The city is putting money into both public and private sectors; in total, the government has spent about 440 million dollars.

Conclusion

Portland's economic development has received a major boost thanks to the initiatives coming from the Mayor's office. The private sector is given a key role in development and elevated to the role of a partner to the public sector. The South Waterfront development project is a good example of the cooperation between the government and the private sector.

Education is not neglected; students as well as emerging designers are encouraged to involve themselves in design projects for the city, and to start up companies.



NIKE

Nike has a big focus on solving problems. They see that improving sportswear design is one big problem-solving role and they focus their creativity on this issue. The slogan, *Just do it*, rings true for staff as much as for athletes and their commitment to all things sporting is 100%. All their buildings are named after sporting heroes. Almost every wall is covered in pictures of athletes. There is no doubting their commitment to the cause of creating better sportswear for the world. The founder Phil Knight came from this world and is probably a frustrated athlete.

Our presenter, Richard Clarke (a Brit) has a background in fashion, business and architecture. He now works for the Active Life group.

Branding, innovation and creation is the thought process at Nike. Nike created a cross community of designers and innovative thinkers. The strength of this group is its depth and its cultural diversity that allows it to cross pollinate, or understand and mix products and packaging for vastly different cultures.

There is collaboration, sharing of ideas and learning from various peoples, both within and outside the group. Nike does not believe in a right way to approach things, rather than believe in a rigid, set in stone approach, Nike encourages its designers to think out of the box. It is safe to say that Nike puts its people first and is committed to helping them grow.

At the functional centre of Nike innovation are not just its designers but also the members of its Innovation Kitchen. The Innovation Kitchen is committed to finding ways to improving athletic performances, and is set apart from the daily grind of production, marketing and selling. An Explorer Group is in the pipeline at Nike, five or six years from now. The Explorer Group will work on a more general timeline than the Innovation Kitchen which has a closer, tighter timeline. Nike envisages a flow of ideas from the Explorer Group to the Innovation Kitchen to the designers and so on.

Passion to make and do the right thing for its customers, feel good about yourself so you can make great stuff and by making a great product, you are doing an amazing thing are some of the favourite Nike maxims. Chairman, CEO, and co-founder Phil Knight got it all right because he was passionate about creating a good brand and his employees continue to believe in that ideology too.

Sport Development for Women

Sports goods for women are the fastest growing market but Nike has identified a lack of diversity in this segment. More women are being hired into the business, including a large group of designers.

Nike retail is making efforts to communicate to women more effectively. The Asia Pacific region especially is not too much into marketing for women. The image they want to project to women is that sports goods are important to their self esteem. By using sports goods, such as running shoes, for example, women will lose weight and gain more self esteem.

Nike does not just create fashion innovations, it creates Nikevation. Nikevation is about inspirational trips, personal research and library time. It involves interacting with the local environment, athletes and other sportspersons. It empowers you so

that you can empower yourself. This radical policy ensures that people know exactly what they have to do to get to their goal.

Nike's design pods are to be found all over the world today. Communication between its creative team and their ability to identify with the local culture will, Nike believes, decide the future of the design pods.

So what does Nike do to keep the buzz going in its corporate world? Here are its methods:

- Share passion
- Refuse to accept normalcy
- Bring in A type characters
- Provide outlets for creative energy
- Innovate to create better product scenarios

Nike does not think itself self sufficient – instead it adds its innovative thinking to Portland's culture thus creating a vibrant design pod in the city. Nike believes in different vibes for different cities. In Portland, there is a slower speed of life and a different kind of life as compared to say a city like New York. The ideas that would fit NY would not work in Portland.

The values that govern the city are unique to their lifestyle – niceness, respect for others and informality are some of the values that Nike has identified.

In Portland, the important factors are the low cost of living, the emphasis on access to nature, an open community that encourages liberal points of view, promotes designers and artists and supports a bohemian lifestyle.

The triggers that drive the design community are as listed below:

- Cheap rent
- Strength of counter culture in the area
- Opportunities available in the locality
- Possibilities of redefining a neighbourhood
- Lifestyle of a community

As Nike has learnt, Portland's citizens come from diverse backgrounds and since they favour the informal look, what they look like doesn't always represent what they do.

Dan Weiden and Jelly Helm – 9/15/04

W+K is best known for the Nike slogan "Just do it." However, after our visit, the group remembers the saying "we throw sh*t on the wall"

Dan Wieden and partner David Kennedy (now retired) set up shop with four employees in the basement of a Portland labor union hall, working with a pay phone and a typewriter borrowed from Nike. When they started working on the campaign, Nike was a relatively small, unknown company, today it's an internationally recognised brand. W+K has done very well too; it is now a \$780 million dollar business, with 500 employees in offices located in Portland, New York, Amsterdam, London, Shanghai, and Tokyo.

W+K has an unusual management style. It sees each of its employees as a creative individual and gives them both the security and freedom that they need to be creative. Hence the management believes that W+K is an organism, independent and thinking, not some abstract company that you can impose your will on.

Employees are praised for their creativity and made to feel like they are truly amazing people. W+K tells them to be orderly and normal in everyday life and violent and original in their work. They believe that no matter which position you are in, you will eventually find yourself in the work that is most suitable to your skills.

Ultimately they are concerned with producing the best possible work they can, theirs is not art with an eye on the financials. It is no surprise that W+K has built up a strong culture. It is this culture that drives the business, not the money. It is with justifiable pride that W+K states their management style is not exportable. Rather than buy out other companies, W+K has focussed on building their own unique brand. The success of this vision is obvious in their high productivity.

The factors that influenced W+K's move to Oregon are as follows:

- The number of artists in the city
- The good quality of life
- Cheap standard of living
- Feeling that it was a great city

W+K created a branding campaign for Oregon when it was starting to attract entrepreneurs, business and moving towards economic success. The campaign sells not just the plus points of the city but also its applied idealism.

The "We love dreamers" campaign as it was called communicated the culture of the city perfectly. The Oregon Dreamers campaign was supported by local businesses. Along with the idealism and the hospitable nature of the state, there were some problem areas such as the laidback attitude of the people and the fact that Oregon was not a big city state. But W+K took all the characteristics, good and bad and converted it into a very successful advertising campaign. W+K attributes their success to the fact that Oregon's values reflect their own in many ways.

For further information, please see W+K's print advertisements or contact the Oregon Tourism Division.

We asked W+K on what basis they picked their campaigns and how they divided the time between them. These things are decided internally within the agency, the creative team deals directly with the clients themselves. Clients are owned by the group. The crucial part is to keep people inspired and focused and centralized on the idea.

There have been many ups and downs as well as some failures. About three years ago, Coca-Cola pulled back much of its business, and Microsoft cut ties completely. For the first time, Wieden had to lay off a significant number of staffers. But on the whole W+K feels lucky that it has good clients who understand where it comes from.

After more than 20 years in the business, W+K is as passionate and as committed to their work as ever. Unlike other creative agencies, they have resisted takeovers by bigger agencies as well as fading out. They work harder than ever to secure more business.

W+K was involved in the November 2nd campaign, a nationwide call to mobilise voters. The key idea of November 2 Campaign is to project an unpartisan, non threatening image that encourages you to vote. More information on this campaign can be found at www.november2.org or www.wk.com.

The company has launched a school, called WK12, for aspiring advertising professionals. The school provides a 13-month program of hands-on experience. WK12 aims for a broader perspective that goes beyond advertising; theirs is more of an education outreach program. Jelly Helm, formerly Creative Director at W+K is credited with thinking up the school, he also teaches there.

12 serves as a testing ground for the advertising industry's best practices and new thinking and the people here could well decide the future directions of advertising.

Here's one delegate's take on W+K:

"Not many agencies last this long being at the top of their field. To do this they had to have something special and keep it. W and K do. They just ooze creativity. They drive creativity into everything that they do. Their building is one of the most amazing private spaces that I have ever seen; part design studio, part public gallery, part cathedral. It totally reflects the personality of the company. It takes you back with their vision and audacity. It is big but manages not to look corporate. It is almost unnoticeable from the street. Maybe one of the most powerful elements is that it is in the city centre. If the same building was in a business park off the freeway, I really don't think that it would have the same impact. The fact that it is a private building but built with the generous proportions and functions of a public building is possibly what makes it the most powerful. It is like a creative city in itself."

z i b a

ZIBA Design is a strategic consultancy firm for start-up companies in Portland, Oregon. It was launched in 1982 by its founder and president, Sohrab Vossoughi. ZIBA is a bit of everything, from a product design company to a strategic design consultancy to interactive media to communication. Although it began with product design, ZIBA has evolved into more, in depth work that reflects the nature and spirit of the company.

ZIBA means beautiful. The name signifies what they are about, that is beauty is what is right in a specific moment for a particular time and application. Essentially its about finding beauty in what they do. ZIBA's philosophy is that great design can impact the business in a big way. The DNA is that magical moment when what is right at that specific moment in time is understood and implemented. ZIBA's working model is urban inspiration and accessibility.

ZIBA follows best practices in understanding the core values of the client and the DNA of the company. It focuses on what people want to do it better and helps them achieve this the right way. Bringing all the components together is what creates the understanding necessary to give them the product they need. ZIBA's unwavering and tenacious search on how to make the end product better is what makes it unique. Creativity requires tension, managing the tension makes the end product better.

With every new client, ZIBA sets on a discovery process of what the product needs to be and what the needs of the customer are. One example they like to use of their creative process is the ipod design. The Ipod has a revolutionary new design with double function buttons that create a sensory and emotional experience. The buttons are designed in transistor radio style – the design pays homage to the past and creates a cultural connection to an era gone by. Anthropologists and historians with design backgrounds were chosen to help with the design of the product, and from their research came the new Ipod which is reminiscent of days gone by but is also a futuristic device.

Clients come to ZIBA for innovation management in ideas, design and experimentation. ZIBA works to create brand definition, recognition or strategic placement of the brand for the commercial American consumer. The challenge with every new client is to find the core consumer group and target it. At the end of the research and analysis, ZIBA makes recommendations that the company uses as best as they can. ZIBA is very client focused; it builds up a close relationship with its customers in order to understand their needs and attempts to ensure that the clients come back to it for more.

ZIBA's growth has been organic. They never planned to establish more offices, it has happened naturally. Before moving to a city, ZIBA studies some key factors such as the strength of the client base, the networking and advisors available in the area, space and access in the city and the availability of good talent.

The creative work continues to be done in Portland, the other offices are more business or strategy driven. Employees are infused into other cultures so that they can learn more about the client based in the area and their home culture. Before moving to other locations, all employees work first in the home base at Portland.

We asked them how ZIBA had ended up in Portland. They answered that Portland is a traditional, yet nationally and internationally focused city. Something about the city grabbed their attention, the structure; size and humanism all combine to create a great experience. Portland is a cultural Mecca, with immense diversity of experiences. The city is very welcoming to ZIBA and provides varying stimuli that is the key to creating good design. Portland has, according to ZIBA, all the advantages of a large city without sacrificing on liveability. The design community has always been active here, and ZIBA feels that the Mayor and other city officials needs to work to keep the passion alive. Portland is evolving constantly – ZIBA feels that the broken window syndrome is bound to affect the area. The gentrification of the city is unavoidable. If Portland is to retain its culturally diverse lifestyle, some sacrifices are inevitable. As the city evolves, ZIBA is focused on reconnecting to the area – to find out what is important to them is important for creative purposes.

ZIBA is helping the Portland Development Commission (PDC) tell the story of the development of the South Waterfront area. The story is central to creating a DNA that defines the site. Using metaphor and different methods of communication, ZIBA helps PDC reach out to its target customers. It will help them develop a sales office, communication, websites as well as collateral materials. ZIBA is in fact developing a guidebook for that area.

The South Waterfront is an effort not by just developers but a group of people, both from the government and private businesses. ZIBA recognises the sense of signification and aims to establish credibility for the project. ZIBA is telling the story of the transformation of the idea into reality.

IF ZIBA was given an amount of money to promote a design centre, it would function thus:

- Add more resources
- Have everyone pulling together
- Initiate a lecture series
- Start a materials lab
- Create a larger organization
- Build PR around it

ZIBA was a great example of how some dedicated individuals who are passionate about design can create a world class company in a highly creative city.

City of Seattle

Seattle is known as one of the most liveable cities in the world, Seattle strives to make the area a great place to live in and attract industries that are creative. Seattle is a well rounded community that invests in creativity. Seattle has a well defined music scene, and good restaurants, a vibrant gay community, all of which put it on the path to economic prosperity.

Seattle city has a well planned strategy for fostering economic growth in the region. Boeing, Microsoft, Nordstrom and Starbucks coffee are based here. The economic task force focuses on key industries such as Biotech, medical technology, music, health care, software, apparel design, manufacturing, transportation equipment, food products and maritime trade and what these industries bring to the city. There is a conscious attempt to foster these industries and help them grow. Business development is closely related to community development. Hence the city makes sure that the kind of jobs that the community needs are the same being offered by the industries that are brought here.

The quality of life in Seattle is high. A lot of neighbourhoods have a distinct feel and culture. Each neighbourhood has different tolerance issues but all celebrate an open atmosphere that provides opportunities for gay communities and other marginal groups. There is no sense of being held back because you are different from what is considered 'normal'.

Creative individuals are staying due to the encouragement given to the arts, the major events held to promote creative fields and because of the vitality of the city itself. In turn the artists reinvigorate the city with their cross cultural backgrounds that mingles people of diverse thought groups and ages. Seattle ranks # 1 in arts and cultural activities in the US.

Seattle city celebrates the micro business and small creative groups. The private sector is supportive of the cultural scene. There is a strong connection between businesses and the art world. A combination of a strong economic base, venture funding and philanthropy provide events and opportunities for artists to showcase talent. Lobbies of buildings are allowed to be used for artwork, both public and corporate collections. The Opera and symphony groups are sustained by private gifts, young professionals, in fact, are giving back to the arts. Seattle, as a community, thus values aesthetics.

The Seattle City government plays a huge role in fostering communication and assists in planning for innovative projects. Public leaders and community spokespersons are the key decision makers. The government makes decisions along with community involvement.

There are some issues that are left to be addressed in Seattle. The region's single most important employer was Boeing, which is the largest aircraft manufacturer in the world, but job cuts resulted in huge unemployment and a downward spiralling economy for Seattle. However the good news is that Boeing manufacturing is maritime production is growing.

Transportation is another troublesome issue for the city. There was a distinct shift with workers and industries moving out of the city due to the problematic nature of transport. Seattle is addressing the issue so that travelling becomes less time consuming. Other problem is land. Real estate prices are very expensive and first time homebuyers can't afford to live in the city.

The city's development is funded both privately and through levies. The Rem Koolhaas library which cost \$160 million was funded by property tax levies and generous private donations. Seattle has a long history of one time levies. The cost of the library was in fact collected five or six years before it actually was built. \$80 million came from private businesses. Although the library overran its budget by \$8.5 million, the project was still completed successfully.

The Seattle Public Library designed by Rem Koolhaas and Seattle-based LMN Architects. It is a good example of this partnership between public and private sectors and was a risky venture as nothing had been done like this ever before. The library reflects the city's aesthetics – its

asymmetrical shape and innovative design make it an exciting monument to the city's exciting creative identity.

Another example of the successful partnership between public and private enterprises is the sports stadium. When a new baseball stadium was suggested as a replacement for the existing sports stadium, much controversy was generated. Voters rejected a tax package but the state legislature authorized the city to levy taxes to pay for bonds to build a new baseball stadium. When the stadium overshot its budget, the costs were paid for by the baseball team.



Recreational Equipment, Inc. (REI) was founded by Lloyd and Mary Anderson and 21 fellow Northwest climbers. They shared a common love of mountains and outdoors and a loyalty to their friends and community. The group structured REI as a consumer cooperative. As word of the co-op spread, REI was soon at the leading edge of the age of profound interest in the outdoors, backpacking and getting back to nature. Today REI is a popular supplier of specialty outdoor gear and clothing. There are 70 retail stores in the U.S. and they also sell by direct sales via the Internet as well as telephone and mail. REI is the largest consumer cooperative in the US with more than 2 million members. Anyone may shop at REI; but members pay a one-time \$15 fee and receive a share in the company's profits through an annual member refund based on their purchases and other special benefits.

While competitors have faced ownership transitions and changed directions, REI has retained its community focus and never lost sight of its primary market – outdoors equipment. The focus creates sustainability and the co-op structure drives the organisation ahead.

REI stores firmly look to the future, they are web and video enabled. The purpose is to help customers with information and explanations of the technologies they can use to drive their love of the outdoors. No matter how complicated the product, customers can expect REI staff to answer all questions.

Dennis Madsen, the President and CEO of REI started out as a stocker in the company. He was the 40th employee of REI and has never worked anywhere else. Denis, towering above the delegation, brought us through the store, saying hello and good morning to many employees we passed along the way to the conference room. He knew them all by first name.

We asked Dennis why he chose to stay at REI all these years. He says although he considered other options from time to time, he never felt the need to leave. Madsen attributes his success to getting up early and working hard till you strike oil!

We asked Madsen to name the good leaders who impress him. Madsen respects Howard Shultz from Starbucks who he sees has created socialization. Starbucks outlets are a place for people to socialise. Coffee is the medium of interaction. They continue to innovate and renew their business while keeping their commitment to corporate responsibility.

Other organisations that command Madsen's respect are Whole Foods who are in the business of Wellness, selling organic and high quality food and the Bill and Melinda Gates Foundation which has an endowment of \$27bn dollars.

People drive the business while the employees drive the product. The essence of the REI brand comes from this formula. Consumers are the owners hence REI just have to worry about making them happy. As long as the owners provide good feedback on the store, its products and the service, REI has fulfilled its goals.

REI has a strong employee centric approach. The employees share the vision of the company and help their customers select the right equipment for fun outdoors. The training starts right from the interview process. Employees are clearly told the money they can expect to earn and the benefits and in turn they are questioned on their expectations, what they believe they can provide to the company etc. Once hired, they are provided 40 hrs of training, which covers orientation, distribution and enhancing their understanding. Then they go into a work unit where they are trained in specific areas. Rotations are created within stores, so that people get into different jobs and learn the entire process.

Madsen believes that communication is the key to ensuring a proper relationship. A dialogue is established with staff so that everyone knows and believes in the organization. There is an Ask Dennis option on the website where people can directly talk to their CEO. Employees are encouraged to bring back information to the main office, where town hall style meetings are held. Every kind of issue and question, no matter how simple or complex, are answered. This

openness has created a credibility and trust among the employees who believe that management is working in their best interests.

REI attracts the best talent – it has a reputation as a caring employer and is ranked highly in all employee surveys. A recent event with a bankrupt supplier of REI proved this. Workers from closed plants were paid by REI, when their own employer could not afford to pay them. Employees are clearly told about working conditions and practices and safety is always stressed. They share their success with REI Excels Program. Everyone is on a profit sharing basis, having the same benefits, and no special privileges.

Store managers play a critical role in engaging employee's creativity and energy. There is an interactive dialogue, with feedback being used to critique and improve the process and store design. Brainstorming sessions are held to sort out what is doable and what the end product will look like. The guiding vision is a passionate dedication to having fun outdoors.

Vendors are in alignment with this vision. Strict guidelines for sourcing, from working conditions to packaging and environmental concerns are provided and all vendors adhere to it. Today REI outsource \$200m products out of China. Madsen knows this is a good thing for China, having visited there 20 years ago, and recently last year. He has seen for himself the differences, and knows that a lot of the difference comes from trade with the west.

Why did REI choose Seattle? Seattle is seen as an optimistic town, with a vibrant community. It is a great place to live with a valued lifestyle, creating a quest for success. REI is aligned with the city's spirit and beliefs.

Final Group Meeting

The group finished the end of the week by having a discussion about the companies we visited. The following are extracts from notes taken during that meeting.

“On a personal level, this trip is about getting in touch with the soul of your company and the need to be true to yourself. In the US, which hasn't faced the market failure that UK has, the government policy is less about intervention and more about liberating the creative. It is about intervening to do something better and different. People innovate with their hearts and not their heads.”

One of the delegates compared Portland and Seattle to Portland: The city recognises that the creative industry is very important and takes special care not to alienate its creative population. It encourages creative culture, design and digital technology. Liverpool is concerned with bringing the people back into the city but is not about marketing and getting new people in. Rather it is about nurturing people who are already there. Liverpool is indeed the English version of Seattle or Portland.

The really interesting parts, the group felt, came from the most unexpected places. The key things that are to be studied are

- Creative process
- Initiatives launched
- True meaning of ideas and issues
- Creating a place to support your market

Getting the time to understand the depth and authenticity of the project or business was a rewarding experience for the group. The group utilised the time to mine down to the basic DNA of each organisation and therefore learnt the processes of creativity.

Diversity is very important in each organisation they came across. No longer is it just a fashion statement but is an essential prerequisite to success. Hence the lesson drawn was “don't be ashamed that your company has a personality” Instead use it to draw people to it. To create a personality for your company, you need to interact with your staff and involve yourself actively in creative direction.

The opportunity to engage and think creatively was very important, as it infused a new way of thinking into all of the members. As John Flamson put it, “The world was changed by the people who turned up”. John is commenting on the fact that the people who came on the trip were going to learn an awful lot more than those who would just sit around and read about it. The group continued a discussion on what degree you can push your ideas and how much you can allow them to happen organically.

The willingness of organizations to take risks was one of the key factors in each company and cities' success. These cities created the right conditions to flourish, rather than just following old guidelines and pre - built conditions. The businesses that take risks are the ones that use their skills fully. The key focus is how to make that risk attractive and failure not overwhelming but a part of the transaction.

The UK has a great cultural diversity. The cities have used their particular local culture to enhance their creativity and create unique examples of business development. Each of the companies has its own corporate culture, drawn from the

city it is based in. for example Yahoo is about being seen, marketing and hype while W+K is all heart and emotion. No matter how diverse the culture or daunting the technology, the group was able to relate to the creative element of each organisation every time. Ultimately what matters is not whether you are at Silicon Valley or Portland, it is the quality of ideas presented and how they are created that assumes importance for the group.

The private sector in the UK was characterised as having “a go getter” attitude. Rather than letting the government control all aspects, the private sector actively initiates new ideas and projects. The private sector drives the creative engine and the fact that the government has given it a free hand is a testimony to the world class nature of its creativity.

The public sector and the personal drive of corporate citizens together drive the businesses and the direction the city should take. Rather than focus on who is providing what impetus and the differences between the public and private sectors, the project is given the main importance. Relationship building is essential if the layers of bureaucracy are to be overcome and the cities visited have indeed created successful working relationships between the public and the private to revitalise their economies.

The size of the group was found comfortable. Although the members were of all ages and widely varied in their backgrounds, there was good chemistry due to the fact that each of the representatives was creative in his/her own way.

Finally, I'd like to thank all of the participants and companies. Without companies to visit, there'd be no visits, and without delegates, there would be no Inspire Nation. Delegates' interest and curiosity and companies' generosity of time make Inspire Nation a reality.

Thank you.

Philip McNamara