Committee(s):	Date(s):
Policy and Resources	22 March 2013
Subject: Sponsorship of Digital Shoreditch 2013	**Public**
Report of: Director of Economic Development	**For Decision**

Summary

1. The annual Digital Shoreditch festival, now in its third year, is a focal point in the calendar of the growing Tech City cluster, centred on the City fringes. Bringing together entrepreneurs in the digital technology sector, large inward investors, corporate financiers, business angels, government agencies and others, over 10,000 people and around 900 businesses attended the week-long event in 2012.

2. The City Corporation has been approached to become a sponsor of Digital Shoreditch 2013, due to take place in late May. It is proposed that that the City Corporation make a sponsorship contribution of £9,750 (a 50% discount on the standard top tier sponsorship rate), which would provide considerable profile benefits and opportunities to showcase our existing programme of support for enterprise in wider London and Tech City specifically.

3. In addition to the cash sponsorship contribution this report proposes that your Committee also consider making provision for a further £10,250 (i.e. £20,000 in total) to cover additional in-kind support in the form of events/hospitality at Guildhall during the festival week, to maximise the links to the City.

Recommendation(s)

Your Committee is requested to provide funding of £20,000 to cover the costs of sponsoring Digital Shoreditch 2013, split into a contribution of £9,750 payable directly to Digital Shoreditch and a sum of £10,250 to cover in-kind support in the form of connected events/hospitality at Guildhall, both sums to be charged to City's Cash, the former to be met from your Committee's contingency for 2012/13, the latter from the Policy Initiatives Fund for 2013/14, under the Communities heading.

Main Report

Background

1.   The annual Digital Shoreditch Festival is now in its third year and has become a key focus in the calendar of Tech City, the fast-growing cluster of digital technology businesses centred on the City fringes around so-called 'Silicon Roundabout'. According to recent figures from the Centre for London, the core Tech City cluster contains at least 3,200 businesses in digital economy, employing some 50,000 people. It is the focus of much attention from the Government, which has convened a Tech City Advisory Board of eminent figures in the industry and supports the Tech City Investment Organisation to promote the cluster and drive investment and growth.

2.   Given the growing importance of Tech City to the wider London economy, including the City's neighbouring boroughs, and its proximity to the Square Mile itself, support for the cluster has also become a key part of the City Corporation's efforts to support enterprise locally. Examples of this support include access to finance through our Angels in the City initiative, sponsorship of organisations such as Entrepreneur First and the New Entrepreneurs Foundation, fostering high growth in new enterprises, and our involvement in setting up the Innovation Warehouse incubator space at Smithfield.

3.   Digital Shoreditch 2013 is a week long event, to be held in the week commecing 20th May, bringing together a wide range of audiences from start-ups to major national and global businesses in the digital technology field, and from jobseekers to some of the key individuals shaping Tech City. Attended by over 10,000 people and around 900 participant businesses across 350 sessions in 2012, the 2013 festival promises to be a major celebration of the Tech City cluster.

Current Position

4.   Plans for Digital Shoreditch 2013 envisage a week of themed, 'curated' events, centred on Shoreditch Town Hall. The broad themes at present cover the following:

   a. 'Tomorrow's World' – new developments in the digital technology area;

   b. 'Future Brands' – upcoming challenges and opportunities in advertising and consumer engagement;

   c. 'Capital and Growth' – raising finance and growing businesses;

   d. 'Behavioural Economics';

   e. 'The Tech City Super Jam' – a three-day challenge bringing together creative, technical and entreprenerial specialists.

5.   A further week of 'community events' will follow the main week, which itself will be accompanied by 'The Great Digital Exhibition of 2013', showcasing work from content providers and the digital technology community more broadly.

6. In view of the momentum building across Tech City, the number of attendees is expected to surpass the 2012 levels outlined in para. 3 above. Sponsors already in place include the Technology Strategy Board, London Stock Exchange, UK Trade & Investment, City University, London Borough of Hackney, Queen Mary University of London, Taylor Wessing and others.

7. The City Corporation has recently been approached to become a sponsor of Digital Shoreditch 2013, with an offer of a 50% discount on the standard 'platinum' sponsorship rate of £19,500. This reports seeks your Committee's approval to provide funding to meet the costs of sponsorship and proposes an option to enhance this sponsorship by meeting the costs of additional, in-kind support in the form of related events and hospitality to maximise the benefits of proposed involvement in the festival. Given the substantial discount offered on the 'platinum' - top tier - level of sponsorship, the options below do not include the other 'gold' and 'silver' packages, but both of these are detailed alongside the 'platinum' package for comparison purposes at Appendix 1.

Options

8. **Option 1 (preferred option) – Provide funding of £20,000 to cover a) sponsorship of Digital Shoreditch 2013 at a cost of £9,750 (a 50% discount on the standard rate) and b) costs of in-kind support in the form of related events/hospitality at Guildhall (up to £10,250).** This option would provide the full profile benefits available to sponsors including display of logo on all promotional materials, speaking slots at key events and access to networking opportunities, as well as a showcase for the City Corporation's existing support for Tech City businesses and enterprise in wider London. By making provision for events/hospitality at Guildhall in addition to the core sponsorship of the event, this option would also provide an opportunity to link Digital Shoreditch to a planned series of City Corporation led events during this week focusing on the EU's place in the world economy. It would also serve to connect the 'capital and growth' element of the week clearly to the City..

9. **Option 2 – Provide funding of £9,750 to sponsor Digital Shoreditch 2013 (a 50% discount on the standard rate) only, without offering any additional financial or in-kind support**. While this option would secure the key benefits of basic sponsorship as in option one, it would, by not including provision for support for events/hospitality in the City to tie in with the festival, represent a missed opportunity to capitalise fully on the links between the City and Tech City, particularly on the access to finance for growth agenda. For this reason this option is not recommended.

10. **Option 3 – Decline the request to sponsor Digital Shoreditch 2013.** Although there would be no negative profile or other practical implications to declining the request to sponsor Digital Shoreditch, to do so would mean that the City Corporation would miss out on a key opportunity to capitalise on an increasingly high profile, once a year opportunity to showcase its support for the Tech City cluster specifically and the enterprise agenda in wider London more generally. For this reason, this option is not recommended.

Proposals

11. The core benefits of sponsorship of Digital Shoreditch in profile terms are set out at Appendix 1 and cover a range of areas such as visibility of logo, advertising possibilities and speaking slots. All of these would be useful in showcasing the City Corporation's commitment to supporting enterprise as a core part of its work to support wider London and contribute to the jobs and growth agenda, with a specific focus in this instance on the Tech City cluster, of key importance to the immediately neighbouring boroughs particularly.

12. Crucially, in addition to the promotional and profile benefits of sponsorship, it would also allow practical linkages within the Tech City cluster for the City Corporation's growing range of activities in this area and would underline our commitment to Tech City among the range of other influential partners involved, both as sponsors (as set out in para. 6 above) and as participants.

13. In addition to providing the proposed sponsorship and ensuring the profile benefits from that are maximised as set out in Appendix 1, the provision for additional City-specific events could cover, for instance, an event at Guildhall to tie in with Digital Shoreditch's proposed 'Capital & Growth' day, to underline the link to the City around accessing finance. There could also be some additional events/hospitality to tie in with existing plans for City Corporation led events on the EU's role in the global economy during the same week. It is proposed that details on any of these events be worked up in due course by officers in the Economic Development Office, working with colleagues in the Public Relations Office and the City Remembrancer's team.

Corporate & Strategic Implications

14. The proposed sponsorship of Digital Shoreditch contributes to The City Together Strategy themes:

      a. …is competitive and promotes opportunities

      b. …supports our communities

15. It also supports objective 3 of the Economic Development Office Business Plan 2013-2016: Encourage, support and promote enterprise and responsible business growth across London.

16. An equalities impact assessment has been undertaken, concluding that the proposed sponsorship would not have an adverse impact on equalities.

Implications

17. Your Committee is requested to provide funding of £20,000 from City's Cash to cover sponsorship of Digital Shoreditch 2013. There is no possibility of meeting the proposed funding from existing local risk resources. The Policy Initiatives Fund 2012/13 is now fully committed. Therefore, it is proposed that

£9,750 of the proposed support will take the form of sponsorship payable to Digital Shoreditch (a 50% discount on the standard rate of £19,500) to be met from your Committee's contingency for 2012/13. It is also proposed that up to £10,250 be made available to cover the costs of associated in-kind support in the form of hospitality and events at Guildhall, to be met from your Committee's Policy Initiatives Fund in the 2013/14 financial year under the 'Communities' category. The current uncommitted balances available within your Committee's contingency for 2012/13 amounts to some £404,000 and for the Policy Initiatives Fund 2013/14 some £352,000, prior to any allowance being made for any other proposals on today's agenda.

Conclusion

18.   Sponsorship of Digital Shoreditch 2013 provides the opportunity for the City Corporation to underline its support for Tech City cluster specifically – and enterprise in wider London more broadly - among key audiences. It will also provide valuable practical linkages for our existing support for the cluster in addition to the profile benefits of showcasing these initiatives.

Appendices

- Appendix 1 - Digital Shoreditch 2013 sponsorship levels and benefits

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Appendix 1 – Digital Shoreditch 2013 sponsorship levels and benefits

	Platinum (£19,500)[1]	Gold (£9,500)	Silver (£4,500)
Visibility of Marks/Logos			
Media Print Advertisements	Logo		
Event Press Releases	Detailed Listing		
Festival App	Logo	Logo	
Festival Screens	Logo (full screen)	Logo (Shared screen)	
Sponsor Press Releases	Listing	Listing	
Festival Posters	Logo (large)	Logo (medium)	Logo (small)
Festival Flyers	Logo	Logo	
Festival Guide	Logo (large)	Logo	Logo
Pre-Festival Meet-ups	Logo (large)	Logo	
Festival Website	Logo/Link & profile	Logo/Link & profile	Logo/Link
Festival Blogs (relevant)	Full Posts	Logo/Link	Logo/Link
Advertising & Recognition			
Podium Recognition	•		
Signage at Festival Hub	•••	••	•
Showreel Displayed at Festival	3 min Showreel	2 min Showreel	
Ad within Festival Guide*	Full-page colour	Half-page colour	Quarter-page colour
Social Media links and tweets	•••	••	•
Sampling			
Distribution of promotional items	•		
One Insert within Festival Bag	•	•	
Tickets & Passes			
Exclusive Access All Passes	20	10	5
Party Passes	25	15	8
Event Opportunities			
10 min Speech in Key Note	•		

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[1] Offered to the City Corporation for £9,750 i.e. a 50% discount on the standard rate.

Guaranteed talk/showcase	••	•	
Guaranteed table-top discussion	••	•	
Host an Open House/Studio	•	•	•
Monthly Steering Meetings	•		