Committee(s):	Date(s):
Policy and Resources	10/10/2013
Subject: Sponsorship of Digital Shoreditch 2014	**Public**
Report of: Director of Economic Development	**For Decision**

Summary

1. The annual Digital Shoreditch festival, now in its fourth 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, almost 15,000 people and around 1,500 businesses attended the week-long event in 2013.

2. The City Corporation sponsored Digital Shoreditch 2013, and has been approached to continue sponsorship for Digital Shoreditch 2014, due to take place in late May 2014. It is proposed that that the City Corporation make the same sponsorship contribution as last year 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 three 'meet-up' events, where representatives from Tech City will be introduced to a range of City business contacts, the first of which will be held in early 2014. This follows on from a successful dinner hosted by your Chairman in 2013 which introduced 60 representatives from the City to 70 from Tech City. Holding three less formal events will allow a greater number of connections to be made.

Recommendation(s)

Members are asked to:

approve funding of £20,000 to cover the costs of sponsoring Digital Shoreditch 2014, 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 and met from the contingency for 2013/14 (£13,160) and 2014/15 (£6,840).

Main Report

Background

1.   The annual Digital Shoreditch Festival is now in its fourth 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 Tech City News, over 15,000 businesses have set up in the area in the last 12 months, with Deloitte estimating that 441,000 people are employed across London in the technology and media sector. 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. In March 2013 your Committee agreed funding of £20,000 (£9,750 as sponsorship for Digital Shoreditch 2013 and £10,250 to host a 'Tech City meets the City' dinner introducing 60 representatives from the City to 70 from Tech City). Other examples of the City Corporation's support for Tech City include access to finance through our Angels in the City initiative, sponsorship of organisations such as Entrepreneur First, the New Entrepreneurs Foundation and Launch48, fostering high growth in new enterprises, and our involvement in setting up the Innovation Warehouse incubator space at Smithfield.

3.   The Tech City meets the City dinner, held in July 2013, broadened and reinforced our own networks within the Tech City cluster, showcased the extent of the City Corporation's interest in the cluster to a range of audiences (City stakeholders, key players in enterprise support, government agencies and the Mayor of Hackney) and promoted our ability to convene such events bringing together diverse audiences. It also presented an opportunity to promote the City as a business location, including to a firm currently headquartered in the Netherlands.

4.   Digital Shoreditch 2014 is a week long event, to be held at the end of May 2014, 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 almost 15,000 people and around 1,500 participant businesses across 490 sessions in 2013, the 2014 festival promises to be a major celebration of the Tech City cluster.

Current Position

5.   Plans for Digital Shoreditch 2014 envisage a week of themed, 'curated' events, centred on Shoreditch Town Hall. The broad themes at present cover the following:

　　　　a. Start-up: Focus on funding and growing businesses

b. Social: Focus on societal and policy impact

c. Creative: Celebrating the outstanding creativity of the area

d. Technical: Highlighting the most interesting technologies coming up

6. A further week of 'community events' will follow the main week showcasing work from content providers and the digital technology community more broadly.

7. In view of the momentum building across Tech City, the number of attendees is expected to surpass the 2013 levels outlined in para. 3 above. Sponsors already in place include the London Borough of Hackney and Ogilvy. It is likely that the London Stock Exchange, UK Trade & Investment and City University, which sponsored the festival in 2013, will continue to do so.

8. The City Corporation has recently been approached to become a sponsor of Digital Shoreditch 2014, with an offer of a 50% discount on the standard 'platinum' sponsorship rate of £19,950. 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 hosting three events where representatives from the City (e.g. institutional investors, lawyers, corporate finance experts etc.) will be introduced to those from Tech City in an attempt to bridge the gap between the two communities. 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

9. **Option 1 (preferred option) – Provide funding of £20,000 to cover a) sponsorship of Digital Shoreditch 2014 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 continue the momentum of the 'Tech City meets the City' dinner hosted by your Chairman in July, allowing more links between Tech City and the City to be formed and complementing the City Corporation's wider support for the cluster. It would also provide an opportunity to link the Barbican's digital strategy and its Digital Revolution exhibition 2014 and the City Corporation's support for the CultureTech festival in Derry-Londonderry with Digital Shoreditch.

10. **Option 2 – Provide funding of £9,750 to sponsor Digital Shoreditch 2014 (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 follow on events that build on the dinner hosted by your Chairman in 2013, 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.

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 three additional City-specific events could tie in with, for instance, the Barbican's Digital 14 exhibition and the City Corporation's support for the CultureTech in Derry-Londonderry.

14.   Holding three meet-up events will build on the momentum generated by the dinner hosted in July 2013 and increase connections between the City and Tech City. 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 incorporating suggestions from attendees at the dinner in July.

Corporate & Strategic Implications

15.   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 to cover sponsorship of Digital Shoreditch 2014. It is proposed that £9,750 of the support will take the form of sponsorship payable to Digital Shoreditch (a 50% discount on the standard rate of £19,500) and that £10,250 be made available to cover the costs of associated in-kind support in the form of hospitality and events at Guildhall, both sums to be charged to City's Cash and met from your Committee's contingency for 2013/14 (£13,160) and 2014/15 (£6,840). The current uncommitted balances available within the contingency amount to some £541,000 in 2013/14 and some £551,000 in 2014/15, prior to any allowance being made for any other proposals on today's agenda.

Conclusion

18. Sponsorship of Digital Shoreditch 2014 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 2014 sponsorship levels and benefits

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Appendix 1 – Digital Shoreditch 2014 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	•		

[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	•		