



HERITAGE BUSINESS PLANNING TOOLKIT

Planning for sustainable development
through intangible cultural heritage

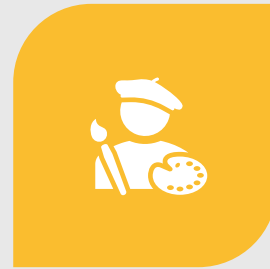
What is in the toolkit?



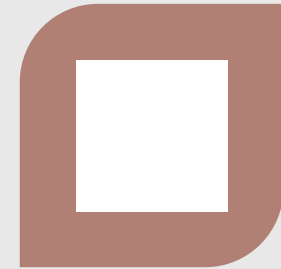
PART 1: INTRODUCTION



**PART 2: SUSTAINABLE
DEVELOPMENT THROUGH
INTANGIBLE CULTURAL
HERITAGE**



**PART 3: DEVELOPING
HIPAMS – AN INDIAN CASE
STUDY**



**PART 4 – KYRGYZ CASE
STUDIES**



Part 1 INTRODUCTION

Planning for sustainable development through intangible cultural heritage

- Heritage knowledge, know-how and skills (known as intangible cultural heritage, or ICH), such as traditional crafts, cooking skills, dance, poetry or songs, can be used to generate income.
- Many communities and individual businesses run by community members wish to use their heritage skills and knowledge to support local livelihoods as well as maintain identity and meaning.
- This can support the Sustainable Development Goals under Agenda 2030, for social, cultural, environmental and economic empowerment.
- This toolkit provides some approaches that can be used to maximise benefits and mitigate risks associated with putting heritage-related products and services on the market.



Why do heritage businesses need special support?

- Heritage businesses have to strike a balance between generating income and making sure that the heritage itself survives and thrives into the future. They need to ensure that their specific business thrives, but also supports the local community who created the heritage as far as possible. Finally, they need to communicate heritage value effectively in their marketing messages. Heritage businesses face specific challenges, but heritage issues are not generally discussed in small business training. Business development is not generally a topic of discussion in heritage management training.
- This toolkit tries to address the gap by providing some information and case studies for small businesses working in the heritage sector. We also provide links to other more general resources that small businesses in the culture sector may find useful. This is particularly important in building resilience for small businesses in developing countries facing natural disasters and reduced income from tourism.

Overview of Part 1

- Knitting together heritage and business planning
- Understanding the context for heritage businesses in Kyrgyzstan
- A toolkit to assist in heritage business planning



KNITTING
TOGETHER
HERITAGE AND
BUSINESS
PLANNING



Spindrift Handknits: an example from Canada

- Worldwide, heritage businesses need to consider both business strategies and heritage safeguarding strategies to sustain themselves in the long term.
- Spindrift Handknits is a heritage business in Newfoundland, Canada. Christine LeGrow, who started the business, was born and raised in Newfoundland. She learned to knit very young, even though she was left-handed. She started making and selling gloves. She noticed that knitting was becoming trendy, but the traditional patterns were being forgotten.
- She wanted to make sure her business model was secure, to generate income, but she wanted to sustain and renew the heritage skills in the community as well because these underpin her business in the longer term.

Mittens on the line. Photo: Christine leGrow, with permission

Small business planning

Christine LeGrow made sure her business model was secure.

Her advice to others starting a creative business is as follows:

1. Have a five-year business plan, and then review it every six months.
2. Know your competition, know your customer base. Do all your market research, do your budget.
3. Find out the cost of all your goods.
4. Keep a record in writing.
5. Register as a business. (note: this is not required in all countries, regulations can vary)
6. Do all your paperwork and start out as a professional from day one.
7. Also, love that business!



Heritage business planning

Spindrift Handknits helps to pass down local hand-knitting skills across the generations in Newfoundland and raises awareness of the value of these traditions:

- Spindrift Handknits produces hand-knitted woollen products such as gloves and mittens, considered part of the Newfoundland heritage.
- Products are made by rural knitters throughout the island who make extensive use of traditional patterns.
- Spindrift has created smaller women's versions of three-finger 'trigger mitt' gloves traditionally made for men only.
- They sell traditional patterns, that had not been documented before, updated for modern knitters.
- Christine has also co-authored a book to tell others about the heritage: *Saltwater Mittens from the Island of Newfoundland: More than 20 Heritage Designs to Knit* (2018)





Knitting together heritage and business planning

Alongside her basic business planning, Christine LeGrow thought carefully about how to sustain the heritage of knitting in Newfoundland. This is important to LeGrow, the local community, and in fact also the reputation of Spindrift Handknits products as a heritage business. These concerns influenced decisions on what products Spindrift Handknits made, how they were made, who made them and what information they provided about them.

This means that Spindrift Handknits does not just do good business, creating local jobs, it also helps to safeguard the knitting heritage of the Newfoundland community, for example by sharing knowledge about and supporting ongoing innovation in traditional patterns.

Case study kindly reproduced in amended form here with permission from Intangible Cultural Heritage Program, Heritage Foundation of Newfoundland and Labrador. See <http://www.ichblog.ca/2018/12/saving-traditional-newfoundland.html>



UNDERSTANDING
THE CONTEXT FOR
HERITAGE
BUSINESSES IN
KYRGYZSTAN

Heritage businesses are part of the cultural and creative industries

- Heritage businesses are part of the cultural and creative industries or the creative economy, because they cover traditional crafts, design, games, performing arts and knowledge.
- The creative economy includes a range of economic activities which are concerned with the generation or exploitation of knowledge and information. They may also include advertising, architecture, art, crafts, design, fashion, film, music, performing arts, publishing, R&D, software, toys and games, TV and radio, and video games.

An overview of creative industries in Kyrgyzstan

- Today, the development of the creative industries in Kyrgyzstan is at an early stage, and discussions about cultural or creative industries and creative cities are relatively new.
- No comprehensive mapping of the creative sector, or indeed the heritage business sector, has been done to date in Kyrgyzstan. KG Lab, a local NGO, is currently collecting information for a mapping exercise.
- Some people still believe that the term 'creative industries' is an oxymoron: artistic and cultural activities are pastimes, rather than serious businesses, and heritage entrepreneurs are otherworldly bohemians who don't belong in the world of industry.
- However, in Kyrgyzstan, government ministries are now beginning to realize the importance of a creative economy. KyrgyzPatent, the intellectual property office, the Ministry of Economy of the Kyrgyz Republic, the Ministry of Culture, Information and Tourism of the Kyrgyz Republic have begun to actively plan measures to promote the creative economy.

Regional disparities in growth

- Much of the growth in creative industries to date has been in cities such as Osh, Bishkek and its suburban areas. The city of Osh, whose history spans more than three thousand years, has been declared the cultural capital of the Turkic world in 2019 by TURKSOY. The next meeting of this organization, the equivalent of UNESCO in the Turkic world, will be held in Osh, where international cultural events will also be held.
- In these cities, cinema, variety art, architecture, landscape design, interior design, web design, fashion, cosmetics and other creative industries have begun to contribute significantly to national GDP. In 2017, the contribution of creative industries to GDP was 520,958.6 million Soms, which amounted to 6.49% of total GDP (in comparison, the share of tourism is about 5%, according to the National Statistics Committee of the Kyrgyz Republic).

The potential of tourism

- The tourism industry in Kyrgyzstan offers significant potential to foster rural development through creative industries. Tourism in the country has two main foci: extreme sports tourism (mountain climbing, mountain river descents, winter mountain tourism, bicycle and motorcycle tourism, horse riding tourism, etc.) and cultural tourism (living in rural families, in yurts with herders, ethnographic tourism, craft tourism, event tourism, etc.).
- The World Nomad Games held in Kyrgyzstan in 2015, 2016 and 2018 demonstrated the potential of traditional culture in tourism and creative industries. Thanks to the World Nomad Games, the number of foreign tourists grew from 1.5 million in 2015 to 6 million in 2018, although tourism growth has focused in the districts of Issyk-Kul and Naryn; it has expanded less in Osh, and remains underdeveloped in Batken, Jalalabad, Talas and Chui districts.
- However, tourism can be negatively affected by natural disasters and pandemics.

Challenges faced

- Creative industries in Kyrgyzstan can thus contribute significantly to development in the country, especially in rural areas. However, they face a number of challenges.
- Kyrgyzstan is experiencing a significant brain drain, and loss of expertise from rural-urban migration and emigration, mostly to the Russian Federation and Kazakhstan.
- The vocational school system needs reform. Some financial assistance has been received from external donors like the Soros-Kyrgyzstan Foundation, Christensen Foundation, Swiss Helvetas Program, European Union, British Council, United Nations agencies and USAID.
- The creative sector in Kyrgyzstan lacks sufficient institutional and financial support from government. Rural authorities, in particular, should provide additional support and strategic direction.

Fragmentation of the creative sector

- Creative industries in Kyrgyzstan are rather fragmented across sectors. Artists and artisans are represented by a number of important associations, including the Union of Cinematographers of the Kyrgyz Republic, the Union of Artists of the Kyrgyz Republic and the Crafts Council of Kyrgyzstan. They are also represented by a number of NGOs, such as public foundations CACSARC-kg, Salttuu Music, ISUR, Aigine, and organizations such as Kurmanzhan Datka Museum of Nomadic Culture, Central Asian Network of Culture and Art - CACCA, Kiyiz Duino" Foundation, and so on.
- The sector would benefit from the creation of a nationwide network of educational institutions, creative unions, professional associations, and other organizations. This could be effected through the creation of hubs for information sharing, advocacy and mutual support in the sector.

Resources on creative industries elsewhere

- A United Nations survey of the global creative economy, published in 2008, found that creative and cultural industries were growing rapidly in all parts of the world, not just in Europe and North America. The report concluded “The interface between creativity, culture, economics and technology, as expressed in the ability to create and circulate intellectual capital, has the potential to generate income, jobs and exports while at the same time promoting social inclusion, cultural diversity and human development. This is what the emerging creative economy has begun to do.”
- The British Council has been helping researchers in different parts of the world to develop surveys of creative industries. Some of these surveys have been done in Central Asia, such as the Creative Industries Mapping Report, Kazakhstan <https://www.britishcouncil.kz/programmes/arts/creative-industries-mapping-report>
- UN Creative Economy report 2008 https://unctad.org/en/docs/ditc20082cer_en.pdf
- Measuring the creative industries, British Council website <https://creativeeconomy.britishcouncil.org/guide/measuring-creative-industries/>; Mapping Creative Industries toolkit <https://creativeeconomy.britishcouncil.org/resources/mapping-creative-industries-toolkit/>

Creative industries in the UK

- In the UK, considerable research has been done since the late 1990s on creative industries and the value they add to society and the economy.
- Information about creative industries research in the UK can be found on the following websites:
 - Creative Industries Policy and Evidence Centre <https://www.pec.ac.uk/>
 - Creative Industries Council website, UK to the world <https://thecreativeindustries.co.uk/>
 - Creative Industries Federation website <https://www.creativeindustriesfederation.com/statistics>
 - Creative Industries Clusters Programme <https://creativeindustriesclusters.com/>
 - Crafts Council <https://www.craftscouncil.org.uk/what-we-do/research-reports>
 - The cultural value initiative <http://culturalvalueinitiative.org/the-cultural-value-network/>
- The data on UK creative industries illustrate two general points. First, it is difficult to collect data on heritage businesses as part of the creative sector, and secondly, heritage businesses can add significant value in terms of sustainable development.

General resources for creative industries business planning

- The **Business model canvas** designed in 2005 by Alexander Osterwalder is a strategic management template for developing and improving business models. It is a visual chart with elements describing a firm's or product's value proposition, infrastructure, customers, and finances. It assists firms in aligning their activities by illustrating potential trade-offs. Wikipedia page – Business Model Canvas https://en.wikipedia.org/wiki/Business_Model_Canvas
- Specific model canvases have been designed for the creative sector. https://media.nesta.org.uk/documents/Resources_2017_version_01.pdf
- These videos explain how the business model canvas can be used <https://www.youtube.com/watch?v=2FumwkBMhLo>
<https://www.youtube.com/playlist?list=PLrIRKwAVZ1Y-wyCRWxpf0sZLHYhXnW7Qt>
- A **SWOT analysis** helps businesses analyse their strengths, weaknesses, opportunities and threats. This helps businesses identify the real business opportunity and their unique value proposition. <https://www.nesta.org.uk/toolkit/swot-analysis/>

Small business planning in Kyrgyzstan



A TOOLKIT TO
ASSIST IN
HERITAGE
BUSINESS
PLANNING



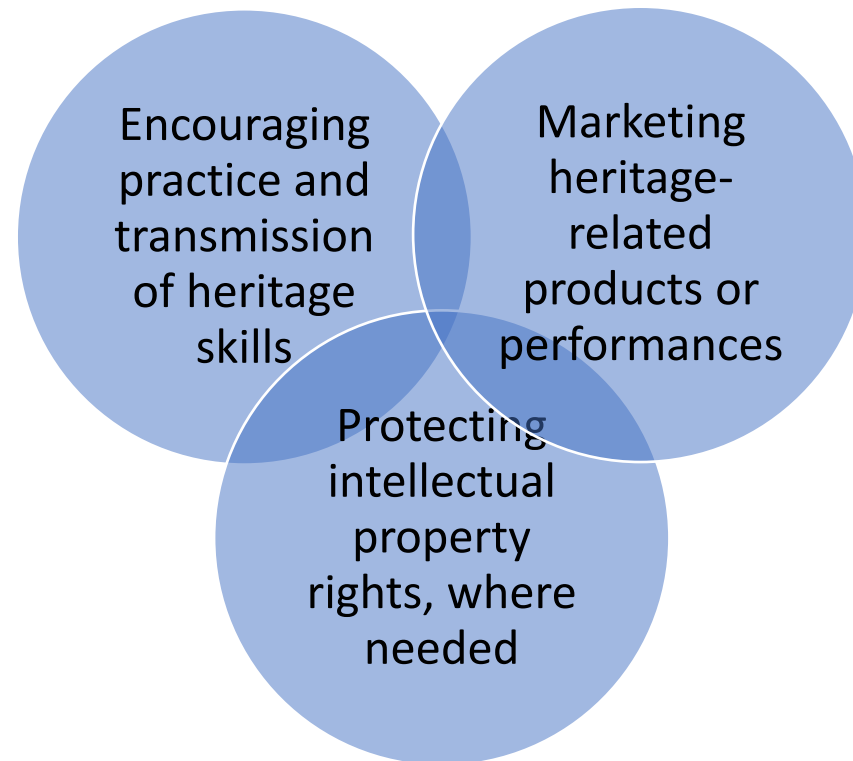
Baul artist Pradyut Bala performing at Tepantar. Photo: Charlotte Waelde 2018

A toolkit to assist in heritage business planning

- This toolkit is for entrepreneurs running heritage businesses that can contribute to sustainable development in their communities. In all parts of the process, we encourage ongoing consultation with other members of the bearer community.
- The toolkit can be used to help heritage businesses and their bearer communities benefit from their heritage in a sustainable and equitable way while maintaining its viability.
- These business planning tools are mainly aimed at people who are commercializing the heritage from their own communities. We do not support misappropriation of other communities' heritage for commercial gain.

The model we use is called HIPAMS

Heritage-sensitive intellectual property (IP) and marketing strategies can help heritage businesses and their communities safeguard the heritage while supporting livelihoods.



The HIPAMS process

1. What worked, and why?
2. What didn't work, and why?
3. What were the outcomes and impacts?



1. How can heritage commercialization support sustainable development?
2. What heritage attributes are important to the community?
3. What challenges and opportunities can be identified in using the tradition to support livelihoods?

1. How can marketing support heritage safeguarding, promote innovation and reach customers?
2. How can IP protection support marketing and heritage safeguarding?

1. Who will do what to implement the strategy?
2. When and how will it be done?



Mrs Turusbek assembling a yurt at Kyzyl Tuu. Photo: Harriet Deacon 2019

Using the toolkit

- Communities, NGOs and other stakeholders can use the toolkit to help them refine their sustainable development strategies.
- It can be freely used under a CC-BY creative commons license.



Who wrote the toolkit?

- The toolkit was written as part of a Creative Spark project in Kyrgyzstan, funded by the British Council, a collaboration between a Kyrgyzstan NGO, CACSARC-kg and Coventry University in the UK. The project aimed to support young heritage entrepreneurs in Kyrgyzstan to develop their skills in business development using HIPAMS (heritage-sensitive intellectual property and marketing strategies).
- It draws on the work of a parallel project funded by the British Academy (UK) involving three artist communities in West Bengal, India, a non-profit organization (Contact Base) and a team of researchers from Italy, France and the UK.
- The work has been inspired by the Art for Life approach, supported by UNESCO & implemented by Contact Base, supporting the maintenance of culture-based livelihoods among traditional artists communities in West Bengal and other regions in India.
- It also draws from other projects, such as AlpFoodway, an EU-funded interregional project in the European Alps, that aims to propose a sustainable development model for the Alpine region based on the safeguarding and promotion of local heritage foodways.

Glossary of terms in the toolkit

- **ICH:** Intangible cultural heritage, i.e. knowledge and skills such as traditional crafts, cooking skills, dance, poetry or songs, that communities regard as part of their cultural heritage.
- **HIPAMS:** Heritage-sensitive intellectual property and marketing strategies that can be used to help heritage entrepreneurs (or communities of traditional artists) develop their businesses in a heritage-sensitive way.
- **Bearer communities:** Those who created the heritage and kept it alive over generations. It may be difficult in many cases to determine the exact boundaries of those communities or groups within them but in aspects of heritage business development, we encourage ongoing consultation with members of the bearer community.
- **Heritage businesses:** Small or micro-businesses based on ICH. In Kyrgyzstan, heritage entrepreneurs in these businesses are making a living from creating traditional crafts from silk and felt, such as shyrdak carpets or kalpak headgear, taking tours to cultural sites, or offering workshops to people learning traditional crafts, for example.