

The Bootstrap Artisans

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BUSINESS PLAN

2014 – 2017

**Arts Centre and
co-operative for
Wolverhampton**

The Bootstrap Artisans

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Table of Contents

Who are we?	4
What is the legal structure and why?	5
What is the aim of the artist's hub project?	5
Co-Operative Structure	5
What will the project look like?	6
Cafe and bar area	6
Teaching spaces	6
Start up studios and workshops	6
Gallery and open space	6
Equipment hire	6
Retail area	6
Incubator units for small businesses	8
Photographic studio	8
Print services	8
Resources shop	8
Others	8
What timescales will we work on, and what key milestones exist?	9
Who will benefit? (Outcomes and outputs)	10
Why we can do it? (evidence)	11
Project Management	11
Where is our competition and how will we overcome this?	12
How much will it cost?	14
What will the funding pay for?	14
Where will this money come from?	14
What happens when the money runs out? (sustainability and exit strategy)	14
APPENDICES	16
Costings	18

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Who are we?

The Bootstrap Artisans is to become a newly formed co-operative of artists, makers and supporters from Wolverhampton and surrounding areas. Our aim is to create both physical and virtual places where we can make, learn, share, sell and enjoy the process of working in the creative industries through various projects over the years that the co-operative exists.

We live in a world of austerity, we live in a world of job insecurity yet we also live in a world where we can accomplish many great things if we choose to and especially if we work together. As the Bootstrap Artisans we choose that challenge, we choose to make our own path and we invite you into our journey to share with us. Art is not a static display in a fancy gallery, it is all around us and each can contribute and should have the opportunity to do so regardless of age, ability or background. We will offer anyone that comes through our doors the chance to learn something new, to reduce their isolation and to create a community that supports each other. We will achieve this with cake, with passion and most of all with friends.

What is the legal structure and why?

We have currently existed as Little Hippo Presents, a sole trading operation to test the viability of the project from March 2012. In that time, we have grown to a current turnover of £42,000. Profit is negligible as the shop was always intended as a not for profit retail outlet to provide selling space for local artists which it has and continues to provide. We have grown from 5 to over 150 artists selling through us during that time.

The new legal structure will see us change name and become a formal co-operative of artists and makers. This better reflects how and why we work, and more importantly allows wider ownership and decision making for those involved. It also allows the group to have a distinct identity, take on legal contracts and premises and give external credibility.

What is the aim of the artist's hub project?

The aim is to offer a chance for local artists and makers to engage and share what they are fantastic at doing. Many artists are unemployable in the traditional sense due to mental health issues, redundancy, childcare and a host of others but would much rather make their own way in the world than be reliant on benefits. The project offers all of us a chance to work together and help each other move forward, and to share with visitors and tourists alike. Artists are not naturally solitary creatures and the co-operative structure offers a secure place to grow both as a person and as an artist.

Co-Operative Structure

The co-operative will have four membership types, each member will have one vote per person at meetings and be eligible to serve on the Board of Directors. Each member will be issued shares of differing amounts and shares have a value of £1. Benefits will include a members magazine, special offers, private viewings of new exhibitions and priority booking for events.

Consumer member – 20 shares

Producer member (artist) – 50 shares

Supporter member – 20 shares

Employee member – matched shares to the value they buy

What will the project look like?

We will take on a disused factory on the edge of Wolverhampton centre and create a welcoming, sustaining centre of arts and crafts housing several smaller projects all under the collective banner of the co-operative:

Cafe and bar area

A cafe area provides a soft focal point for visitors and service users alike, offering a space to mingle, share ideas and act as a gateway into the building. The cafe must be a place of good service, good food, a welcoming atmosphere and a place where people feel comfortable to pop in at any time regardless of their involvement with any other aspect of the project.

Teaching spaces

Various areas have been allocated to teaching areas, ranging from an open table in the cafe area to dedicated teaching rooms that can be hired by groups or individuals. From research, we are aware of the diverse range of classes requested by artists and customers. The ability to offer both the informal and formal will make this project unique within the area and attract a wide range of service users.

Start up studios and workshops

Within Wolverhampton and surrounding area there are many artists seeking studio space where they can work and develop in a group environment. We would be offering a secure space for up to 15 makers or artists to rent a 5m x 5m to allow artists and makers a collaborative working area.

Gallery and open space

From our trading record at Apley Farm Shop we are aware that many artists seek a gallery or exhibition space at entry level of galleries. In addition, our customers leave feedback that they appreciate a less formal setting in which to see and buy contemporary pieces by local artists. An additional function of this space will be to hire it out for craft fairs on weekends, corporate event space, dance classes or large lecture space.

Equipment hire

Large capital equipment is beyond the reach of most artists and makers but is the one thing that restricts them on larger commission or exhibition pieces. By hiring equipment they can take on bigger projects, grow their own studio practice and grow their own business.

Retail area

We have a reputation for quality, diversity and value of products. We cannot compete on High Street prices for mass produced items and therefore have to emphasise the value and supporting hand made in your area coupled with good service and an enjoyable visit.

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Incubator units for small businesses

We have identified six physical spaces to house small independent businesses that support the wider project. Each of these businesses would be hosted by either groups or individuals as a way to create jobs and training and would pay rent on their space hired. Building users will be expected to use these businesses in the first instance to create an internal economy and support each other.

Photographic studio

One aspect that many artists and makers have difficulty accessing is product photography. We will offer a dedicated space equipped with lighting and backdrops that can be hired either by makers or photographers that do not currently have their own studio space.

Print services

We would lease a large-scale laser colour photocopier capable of creating posters and flyers for local groups and re-charge within the project itself such as the cafe area.

Resources shop

This would buy packaging and other materials in bulk and re-sell items to building users and other local groups that patronise the project.

Others

We would anticipate that by year 2 the other units are occupied by similar businesses such as a fabric supplier, paper crafts, and art materials or similar. Discussions with a fabric shop owner who had to close due to lack of trade have created interest at taking such a unit and we envisage that once open as a project these units will be fully occupied by year 2.

What timescales will we work on, and what key milestones exist?

January 2014 – March 2014:

We aim to secure a pop up shop in the Mander Centre shopping centre in Wolverhampton from January to March 2014. It will offer us to have a physical presence in Wolverhampton where we can build the volunteer group, raise awareness and gather initial momentum so that when the arts centre opens it appears a natural progression and expansion.

April 2014 – December 2016:

The arts centre will be available to move into from this date and we have identified five physical areas within the building for the overall project all of which will be available to hire by local groups. We intend that the floors will be occupied by the co-op from mid April 2014 with full use of each space by the end of March 2017 on a gradual, organic build

January 2015 – December 2016

The ground floor area will become available to increase our retail outlet and move from 10 local sellers to approximately 50 giving people the opportunity to move themselves into self employment.

All studios and small business units will be fully occupied and the membership of the co-operative will increase as our reputation and provision of services builds.

By January 2016 we would anticipate that the building is fully occupied and used and that the role of the project manager is diminishing as volunteers are in place and the project moves into a sustain rather than create phase.

Who will benefit? (Outcomes and outputs)

We have identified various benefits to the project:

- Artists & makers seeking to become self employed (job and training creation)
- Local community groups (cohesion and engagement)
- Visitors to the area (tourism)
- Restoration of listed building for the City (heritage)
- General public as members of the co-operative supporting and growing a sustainable arts hub through their patronage

We anticipate the following quantifiable outcomes over the 36 month funding period:

- 5 x small businesses established creating jobs and volunteer posts
- 30 x studio artists moving from benefits to self employment
- 100 x local artists and makers supported to self employment and away from benefits
- 40 x local groups supported through classes and meeting space
- 200 x student attendees at courses and classes
- A local tourism location generating revenue for Wolverhampton
- 50 local artists and makers offering tuition and gaining experience to move onto teaching qualifications as well as creating their own employment

Wolverhampton has always enjoyed a strong link with the arts and crafts movement as shown by the Mander family and William Morris who lived at Wightwick Manor which is now a National Trust property. There is a rich heritage of craft from leather in Walsall, locks in Willenhall and many other trades and these skills and sense of cottage industry still exist in pockets around the area. We intend to bring back all those hidden skills and create a place where you can learn something new and also find out about the history and heritage of the area.

Why we can do it? (evidence)

We already have the collective support of our customers and service users and converting to a legal co-operative will only enhance and improve this support.

As Little Hippo Presents, we have successfully traded since March 2012 with no external financial help. We started in a recession, in a non-essential sector and have supported over 150 makers in that time. We have a positive cash flow, no outstanding creditors and have generated a turnover of £42,000. We have successfully run over 40 craft fair events and currently have over 300 actively involved artists on our mailing list. We also have a customer mailing list of over 600.

We have a positive record of accomplishment of engaging with both the customer and the artist through social media and print media and have a strong brand and ethos that is easily translated into action with measurable results.

We are aware of local and national targets around job creation and urban regeneration and try to ensure that our outcomes and outputs support these targets.

Project Management

The project will be managed by a Board of Directors drawn from the membership and offering a sound background in business, community development and the arts. Our project management skills include working on ERDF projects from proposal to delivery and successful management. This balance of experience and leadership together with a needs responsive project leads us to feel confident that all risk will be minimised, targets are realistic and the project can be delivered in time and on budget. Day to day management will be through a paid post of project manager to oversee and implement advertising, marketing, building maintenance and hiring the building out to service users. The post will be for three years to support to set up and the initial networking required to place the project on the local and national map.

Where is our competition and how will we overcome this?

There are several agencies and organisations currently operating in the area, which pose competition for both the artists and the customers.

Our most notable competition is from:

Art Gallery It would be unrealistic to expect that our co-operative could or even should compete, but equally it would be foolish to not explore ways of cross promotion and collaborative working where possible.

Light House Media Centre (4th on Trip Advisor for local attractions) – a local cinema and gallery space that has cultural heritage in the area. It has strong links with the University of Wolverhampton and the council and is often the preferred choice for booking informal events and public consultation events (MakeShift).

Newhampton Arts Centre – a charity organisation that houses Wolverhampton community radio, local youth theatre and has meeting space and units to let. Again, it is patronised more widely by the public sector rather than private and is not customer centric.

Adult Education, Wolverhampton – we will be offering courses and classes and competing for the same users looking for a course. Our difference lies in that we will not be offering formal qualification based courses and aiming at those that want a more relaxed, friendly 'try something new' class. One key class that they run is on social media for creative businesses; however this is an expensive class unless you are in receipt of benefit. Many of our users are straddling part time work while they build up their own business and want a less formal drop in session on twitter or facebook, which we can offer and eventually create a self-supporting group.

The University of Wolverhampton – this presents competition between their MA students in art and design and our offer of hiring equipment. Many MA students decided to continue their studies due to lack of access to facilities and use the course as a means to use the University's facilities. We have already met and discussed this with them and been offered the opportunity to lead on a lecture when students have to consider their place in a commercial world and what external partners look for.

Access 2 Business – a local charity offering training provision to support people into self-employment. Again this is training provision that those on benefits tend to access whereas many of our users are between work and self-employment. Many of our users are unaware of Access 2 Business as the voluntary sector within Wolverhampton tends to market themselves to each other more effectively than marketing to a wider audience.

An additional aspect of many of these groups is that the funding to many via Wolverhampton City Council is being cut or reduced over the next few years. This offers both an opportunity

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and a threat to us. An opportunity because funded bodies may not be able to offer the soft courses that we propose but equally a threat because funding bodies will not fund similar projects in one area. In addition, the competition to gain customers and patronage will be increased as these bodies will have to become more self-financing and look to diversify and be more lateral in their approaches.

There are many other groups that as we grow and network we become aware of and meet. We would always aim to work with not against existing groups and hope that they would do the same. We would actively seek to be a signposting service for other related activities around the city such as craft fairs, exhibitions, open studio tours and any other activity that our customers would find interesting. The co-operative model must be active beyond our own project, and be seen to be active by the wider audiences that we engage with.

How much will it cost?

Please see attached appendix of costings and cash flow forecasting for the three year period of funding requested.

What will the funding pay for?

The funding will pay for a project manager to oversee the set up and processes needed to sustain the project and all capital equipment needed including the cafe fitting. The funding will partly support the revenue costs of the project but on a sliding diminishing scale so that by the end of the 3 year period the project is self sustaining on day to day basis.

Where will this money come from?

We anticipate a mix of income streams to support the project. As a co-operative, we would issue membership; our retail sales would continue; sub businesses within the building would pay rent and each element of the big project has an income stream attached to it. We are looking to create a mix of sustainable and growing income. We would seek external funding for the capital start up of the project to purchase equipment for hire and classes, fit out of the cafe area, physical modifications to create the business and studio units and modifications necessary to allow full access to all areas of the building.

If however, this capital funding is not approved the revenue income can support the revenue spend on a daily basis and the additional aspects of the project would be implemented as and when capital funding is approved (full costings included in appendix).

What happens when the money runs out? (sustainability and exit strategy)

The intention of the project has always been that we move away from grant funding and become a self-sustaining arts hub. Funding is limited for any projects and increasingly so for continuation funding and as a group we have assumed there is no continuation funding after the initial set up phase.

Each cost and income assumes the lowest income that could be generated, and the highest expenditure we might encounter. This is to allow for worst case scenario yet break even with a clear view that all costs need to be continually reviewed and monitored to ensure best value for money.

We have a strong Board of Directors with business and budget experience and we would be reviewing all aspects of the project on a rolling basis and specifically at month 14 of the 36 month funded period.

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APPENDICES

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Costings

BREAKDOWN OF COSTINGS ('000)

	YEAR 1		YEAR 2		YEAR 3	
	income	spend	income	spend	income	spend
capital		69		11		7
revenue		110		156		156
generated income ₁	79		123		128	
grant funding ₂	100		45		35	
totals	179	179	168	167	163	163

profit/loss

0

1

0

All figures are based on our previous 18 months of trading and are as realistic as possible, they include all licences and VAT to ensure compliance at all times.

Quotes have been requested and received for significant expenditure to ensure best value is achieved at all times, and to ensure transparency and accountability of public funds.

1. Our self generated income will be from membership fees, retail sales, studio rent and hire of spaces
2. Grant funding is intended to pay for all capital costs, the 3 year post of project manager and a reducing proportion of revenue costs.
3. In all cases we have assumed the highest spend we might incur, and lowest income we might generate to allow for realistic budgeting but also allowing us to create savings and economies of scale in the future.
4. The project will be sustainable by year 4 as there will be minimal capital expenditure required, the post of project manager will no longer exist and increased interest and patronage will have been created.