

EUROPEAN AND EXTERNAL RELATIONS COMMITTEE

Tuesday 10 June 2008

Session 3

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CONTENTS

Tuesday 10 June 2008

	Col.
DECISION ON TAKING BUSINESS IN PRIVATE.....	723
SCOTLAND WEEK.....	724
“BRUSSELS BULLETIN”	753

EUROPEAN AND EXTERNAL RELATIONS COMMITTEE 12th Meeting 2008, Session 3

CONVENER

*Malcolm Chisholm (Edinburgh North and Leith) (Lab)

DEPUTY CONVENER

*Alex Neil (Central Scotland) (SNP)

COMMITTEE MEMBERS

*Ted Brocklebank (Mid Scotland and Fife) (Con)

*Patricia Ferguson (Glasgow Maryhill) (Lab)

*Alasdair Morgan (South of Scotland) (SNP)

*Irene Oldfather (Cunninghame South) (Lab)

*Gil Paterson (West of Scotland) (SNP)

Iain Smith (North East Fife) (LD)

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Keith Brown (Ochil) (SNP)

Jackson Carlaw (West of Scotland) (Con)

Jeremy Purvis (Tw eeddale, Ettrick and Lauderdale) (LD)

*attended

THE FOLLOWING GAVE EVIDENCE:

Ewan Colville (VisitScotland)

Denise Hill (VisitScotland)

Lorna Jack (Scottish Development International)

Mary McCluskey (Scottish Youth Theatre)

CLERK TO THE COMMITTEE

Dr Jim Johnston

ASSISTANT CLERKS

Ian Cox

Lucy Scharbert

LOCATION

Committee Room 1

Scottish Parliament

European and External Relations Committee

Tuesday 10 June 2008

[THE CONVENER *opened the meeting at 10:00*]

Decision on Taking Business in Private

The Convener (Malcolm Chisholm): Good morning, and welcome to the 12th meeting in 2008 of the European and External Relations Committee. We have received apologies from Iain Smith.

Under agenda item 1, do members agree to take in private item 5, which is the draft report of the inquiry into international development?

Members *indicated agreement.*

Scotland Week

10:00

The Convener: Our main item in public today is consideration of the recent Scotland week in North America. The item is in two parts: feedback from Alex Neil, who was part of the Parliament's cross-party delegation, and evidence from witnesses.

Alex Neil (Central Scotland) (SNP): We have had a meeting with all the people involved in the parliamentary delegation, so my feedback is on behalf of myself, the Presiding Officer, and the other three parliamentarians who were part of the delegation: Frank McAveety from the Labour Party; Iain Smith from the Liberal Democrats; and David McLetchie from the Tories.

We set three aims for the parliamentary delegation: first, to work with the Scottish Government and Scottish public agencies in promoting Scotland as a place to visit, live, work and study; secondly, to make contact with central and state Government and governmental organisations and Parliaments to learn more about United States legislative practices and procedures and look into opportunities for future collaborative work; and thirdly, to establish relationships with the Canadian Parliament and provincial legislatures, learn more about the Canadian parliamentary system and look for opportunities for future collaborative work and shared good practice with the Canadians.

We started off in New York, because of the marathon—the Scotland run—which was jointly launched by Linda Fabiani, in her role as minister, and Alex Fergusson, in his position as Presiding Officer. We went from New York to Toronto, on to Ottawa, then to Washington DC and back to New York.

Gil Paterson (West of Scotland) (SNP): Some marathon, eh?

Alex Neil: It was some marathon.

In each of those cities, we had very different experiences but equally exciting opportunities. For example, it is clear that there are major opportunities for Scottish business in Canada, not just on the east coast but in Alberta and Saskatchewan, where there are major investments in the energy sector. We had a substantive briefing from the Ontario Ministry of Energy on the opportunities for collaboration on the energy front between Scottish and Canadian companies. Canada is opening up the oil sands—whether committee members are in favour of that is another issue; it is a Canadian decision—and a number of companies from Aberdeen are involved in helping to develop the technology for that. We

gave feedback to the Scottish Government on the huge business opportunities for Scotland in Canada. However, Scottish Development International has only one full-time representative there. Although that representative is first class, some additional resource there could help to generate substantial expansion of trade with Canada.

One of the highlights in the US was the trip to Virginia. We were hosted by the Governor, Tim Kaine, who is on the shortlist for consideration as vice-president to Barack Obama. There are substantial opportunities for collaboration between Virginia and Scotland. We had a full presentation on the work of Virginia performs, which has been adopted by the Scottish Government as Scotland performs. What we learned about Virginia performs made that a worthwhile experience. From my point of view, as a member of the Finance Committee, it was useful.

According to Ted Brocklebank, David McLetchie has, unlike the rest of us, been an annual visitor to Scotland week since it started. That was useful because he could compare this year with previous years. He observed that the number of senators and congressmen and congresswomen turning up to the congressional functions in Washington was substantially higher than it has been in previous years. Importantly, the seniority was higher than in previous years. An indication of that was that one of the main speakers at the congressional dinner was Jim Webb, who is another shortlist candidate for VP to Barack Obama, and who has recently published a book on the Scottish-American diaspora. Congresswoman Nancy Pelosi spent a considerable time with Alex Fergusson, the Presiding Officer. We also spent a fair bit of time with the Speakers of the Canadian House of Commons and the Canadian Senate.

One of the most exciting points for me was when I met someone, who shall remain nameless, from the US Department of Justice, who told me that the department was already working on rewriting international treaties for when Scotland becomes independent. That is perhaps a clear indication of expectations on the part of the American Government.

There was a view that the parliamentary delegation should do a number of things in the future that could further enhance the impact of our visit and our contribution to Scotland week. In particular, we should perhaps follow the Government list of meetings less and instead have a more independent parliamentary agenda. Secondly, we should not confine ourselves to the east coast but do more in areas such as the Canadian provinces and other US states. We should focus on promoting the year of homecoming. We did some of that this year—as

much as we could—but next year is the year of homecoming, which lends itself to a particular focus for next year. We thought that there was a need for us to establish more direct links between universities in Scotland and the States, and on where we link in to science and technology policy.

One of the highlights was the excellent performances by the Scottish Youth Theatre prior to and after the Scotland run. The SYT was performing while we were in New York, and it made an impact on the Americans as well as on the visiting Scots.

The increased visibility of Scotland in the US is indicated by the fact that the House of Representatives has a Scottish caucus, which has more than 20 members from Congress. Jim Webb is now starting a Scottish caucus in the US Senate, and he has already identified quite a number of the senators—there are only 100 senators—at federal level who are keen to become members. That is not just a case of waving the flag. There are huge opportunities for us to establish close links to those leading American politicians at federal level, as well as to people at state level in Virginia and so on—and the same in Canada—to the mutual benefit of both.

We thought that a distinction between Scotland week and tartan day was beneficial because it allowed the presentation of Scotland in North America to become less focused on tartan day, which is an important event in itself. The kirking of the tartan in New York has been going on every year since 1941, long before tartan week was invented. Building that into Scotland week presented a wider image of a modern Scotland and allowed us to widen the scope from both the Parliament and Government points of view. However, that is not to undermine the importance of tartan day and the impact that it had.

The Convener: Thanks very much, Alex; that was a useful start. We will pick up several of your points when we question the witnesses, but if members want to ask you a question before then, they are at liberty to do so.

Ted Brocklebank (Mid Scotland and Fife) (Con): I will make one or two comments and perhaps ask a couple of questions. With reference to the gentleman whom Alex Neil met and who is apparently looking at future treaties between Scotland as an independent country and the United States, I had not realised that Alex Neil was such a fan of fiction writing, but never mind.

I turn to more substantive points. Some of the paperwork on the subject seems to suggest that New York does not have the same importance for Scotland that other places might have and that the Scottish diaspora does not have the same impact

in New York city as the Irish diaspora. However, other places do, such as Virginia—as Alex Neil mentioned—Washington, and one of the places that I thought had tremendous Scottish roots, North Carolina, which has the world's biggest highland gathering at Grandfather mountain. It seems to me that other places might give us more focus. I am not saying that we should withdraw totally from New York, but perhaps that city and the parade down Sixth Avenue are not as important as focusing on some of those other places.

As has been said, next year is the year of homecoming. I think that a delegation from the Parliament will be going out in the spring, possibly under the aegis of the Commonwealth Parliamentary Association. There are thoughts of taking in Nova Scotia and the original Scottish settlements. Although Nova Scotia is not one of the richer Canadian provinces, it certainly has Scottish connections, cultural and otherwise, which are highly important.

The final thought that I put in your mind is that, as you have probably heard, the very first lady principal of a Scottish university was appointed to St Andrews last week; I refer to Dr Louise Richardson from Harvard. Interesting links could perhaps be developed in the future at university level between an organisation such as Harvard, with its huge funding, and Scotland's oldest university at St Andrews.

Alex Neil: Taking the last point first, I totally agree with Ted Brocklebank, although Dr Richardson is not our first university principal from the States—she is the first lady principal, but the principal of Aberdeen, Professor Rice, has built strong links between the University of Aberdeen and similar institutions in the States. Many of our other universities—Edinburgh, Glasgow, Strathclyde and Heriot-Watt—also have strong links with the States. Perhaps there is a need for more, which we could make by building on those existing links and strengthening established links such as those in the university or industry sectors so that the visit is not just a narrow parliamentary one, but a much wider one about the promotion of Scotland, Scottish science and technology, industry, trade and culture. There is a clear hunger for that.

Ted Brocklebank's first point was about geographic focus. As I know from my time living in the States in the 1980s, there is a fundamental difference between the Irish and Scottish diasporas. For reasons that we will not go into at the moment, the Irish diaspora tended to be much more concentrated on cities such as Boston, primarily, and New York, whereas the Scottish diaspora tended to be much less clustered. Therefore, it has been more difficult to organise the Scottish diaspora.

The Scotland Funds, of which I am a former director, put together a comprehensive diaspora list of people living across Canada. A similar exercise in the US would be extremely useful to build up contacts. The role of globalscot is very important and its network could begin to build up that comprehensive list of contacts, who might not want to play a direct part in globalscot, but who are prepared to be part of the diaspora directory in the US.

10:15

As regards the events, Washington is a political city and it will always remain important for its obvious political links. Our parade in New York, which went down Sixth Avenue, was very successful. However—and I do not wish to make any narrow political points—the parade down Fifth Avenue the next day to celebrate Greek independence day was on a completely different scale. It seemed that the whole of New York was out to see the Greek independence effort. We can learn lessons from that to raise the profile of our parade in New York and we have an opportunity to do so.

Ted Brocklebank is absolutely right that we should look at other cities and states, too. Chicago is an obvious example and California is another. When the rest of us were on the east coast, Jim Mather went to the west coast and had a very successful visit, I am told. He talked to companies about inward investment, trade development, technology and all the rest of it.

Our discussions with state Governments, such as Virginia, as well as with the Ontario Government, were very helpful. We think of Ontario as just another province, but to give an indication of its size, I advise members that Ontario is geographically larger than western Europe. One of the members of the provincial Parliament in Ontario represents an area that is larger than France. In addition to having a mileage allowance, the member has an aviation allowance, which sounds extremely attractive. That gives you an indication of the scale of the geography. However, the benefit of dealing with Canada is that there is heavy concentration in the urban areas. Although it is a vast country—the second largest in the world—it is heavily urbanised into a couple of dozen huge cities.

As I said, Ted Brocklebank is absolutely right that we have to look beyond New York and Washington and establish links further afield, for example in Nova Scotia. However, if the dollar situation does not improve—the Canadian dollar pretty well matches the US dollar—it will be extremely difficult to get the numbers from North America that we could otherwise get for the year of homecoming next year; we should not kid

ourselves about that. If I were organising the year of homecoming, my strategy would be directed at the more prosperous elements in North American society because, to be frank, they are the only ones who will be able to afford it, given the state of the dollar.

The Convener: That was helpful. Does anybody else want to ask a question?

Patricia Ferguson (Glasgow Maryhill) (Lab): When we consider tartan day, Scotland week or whatever we want to call it, it is important that we learn lessons year on year. One of the things that I have always been anxious about is that we do not carry forward mistakes from one year to another.

It is important to see tartan day in context. I can give Mr McLetchie a run for his money on the number of tartan days that he has attended because I think that I have been to more, although we will not argue about it. The first such event that I attended was in 2000, when George Reid and I were there. It was a Washington-based event that was just about handing over the Wallace medal to a prominent American with Scots ancestry. It was an important event and a showcase, which was held on the steps of the Capitol.

The following year was a break with tradition when the medal was given to Sean Connery; that also took place on the steps of the Capitol. At that point, it was only a Washington event, although elements of Scotland and tartan were celebrated elsewhere, as they had been for years. It happened because Senator Trent Lott moved a resolution to mark tartan day.

So, Scotland week started off as a relatively small celebration less than 10 years ago, but it has gradually moved on. It moved into New York for a couple of reasons: first, because the then Scottish Executive began to get involved and saw the opportunity to do more with tartan day and, secondly, because 9/11 had happened and there could not be the same focus on Washington, as we could not do things around Capitol Hill and the Senate. The first tartan week parade in New York was held in 2002 and involved around 10,000 pipers. It was a very big, dramatic event, which people enjoyed; I think that that is why it ended up being replicated elsewhere.

I do not think that that always has to be the focus of what we do, but it is important that the celebration grows in an organic way and not too quickly. There have always been other things going on around it, such as ministers visiting the west coast. What bothers me is the fact that we seem not to remember what happened before and do not seem to use that to go on to the next level and take the next steps. I have been pleased with VisitScotland's involvement, over the past few years, as there is an opportunity to learn on the

tourism side. There can be consistency of approach in that, whereas the delegations from the Parliament and the Government have not necessarily been consistent, because of politics as much as anything and the changing fortunes of different parties. We must start to build up a database of the experiences at both Parliament and Government levels, to make progress by taking what we have done before with us if it has worked and dumping it if it has not worked.

Scotland week has reached an interesting point, and I think that the next couple of years will either make or break it as an annual event. It is important that we get as much out of the week as we possibly can, as it is the showcase for everything that we do in North America. It is also important that the work that is done by VisitScotland, our cultural agencies and others—organisations such as SDI are obviously enormously important in all of that, as are globalscots—is used to influence our on-going work programme for the rest of the year.

We must not forget the history of Scotland week; we must learn from what we have done and use it to inform what we do next. I have read a couple of reports that have suggested that we are doing things that were discarded in 2002-03. We could have avoided that if we all talked to one another a wee bit more.

Alex Neil: I totally agree with what Patricia Ferguson says. One of the recommendations that came from this year's parliamentary delegation, which included the Presiding Officer, is that the planning for next year's event should start a lot earlier. There are two reasons for that. First, we could get a more productive programme in place, as we would have time to arrange to meet people; for example, we could meet people from the Department of Energy to talk about carbon capture. We tried to do that this year, but it was too late. Secondly, the lessons from the previous year would be fresher in people's minds. Although such lessons can be written down, it is helpful if people can remember the dos and don'ts.

An important recommendation is that planning for the parliamentary delegation should start in September or October this year rather than in January or February next year. That is not a criticism of what has happened in the past; it is just one of the lessons that we have learned. We will get more out of Scotland week if we plan for it earlier. The Presiding Officer is keen to talk to the business managers about the possibility of doing that. That would go a long way towards addressing the valid point that Patricia Ferguson has made.

This year, the Red Hot Chilli Pipers were everywhere that we went, including the National Library of Congress, and made a huge impact.

VisitScotland, Scottish Development International and the Scottish Youth Theatre, as well as the government machine—the embassies in both countries—were extremely helpful in putting together the programme and ensuring that it was a success.

If I were asked to pick the single biggest event that had not been done before and which had an impact on the Americans, getting network coverage on American television, it would be the announcement by Alex Salmond of the saltire prize for innovation in wave power. The prize, which is worth £10 million, was launched at the National Geographic Society conference and had an impact among the congressmen and congresswomen as well as in the US media. For £10 million, we got probably \$100 million worth of coverage for Scotland that we would not otherwise have got. We learned that that kind of initiative goes down extremely well, particularly with the American media. Of all the things that happened, that was the biggest media hit in America, which put Scotland on the map and in the minds of people in the States. It is more a Government initiative, but perhaps the Parliament could do something similar on the political front, which might have the same impact.

The Convener: That has been a useful and interesting start, and I now ask our witnesses to take their seats at the table. We welcome a panel of key stakeholders who played a major part in this year's celebrations, working in partnership with the Scottish Government. Lorna Jack is the director for the Americas at Scottish Development International; Denise Hill is the head of international marketing at VisitScotland; Ewan Colville is the international marketing manager for North America at VisitScotland; and Mary McCluskey is the artistic director for the Scottish Youth Theatre. I thank you all for coming and invite you to make your opening statements before we ask questions.

Lorna Jack (Scottish Development International): Thank you for inviting me to the committee; I am delighted to be here. This year's Scotland week was the most ambitious and successful in which Scottish Development International has ever been involved. We had activities in eight cities in the US and in Toronto, in Canada. Ministers and a cross-party delegation were involved in almost all those activities, with the exception of the one in Chicago—diary commitments did not allow that, but Glasgow's Lord Provost was there, supporting us. The support that we received was terrific.

Ministers and Scottish Development International addressed around 1,000 North American businesspeople with the modern Scottish business message. On the trade side, we

involved about 50 Scottish companies throughout the week. We signed up three new Scottish companies to incubate with us in our trade incubator in Boston, and we graduated two that had been with us for a couple of years out into their own premises, as they are now very successful in the market. We delivered a trade mission of Scottish education and training organisations—universities and private sector companies—to Washington. They met the Inter-American Development Bank and the World Bank, and one of them secured a contract on the day, which is pretty unusual. Clearly, there will be follow-up from them, and we hope to see more business coming from that.

On the investment side, we generated about 40 new project leads from the events that we ran in those cities. We had ministers and Jack Perry, our chief executive, in front of 15 key inward investors or potential inward investors, including Halliburton, JPMorgan, Morgan Stanley, Microsoft, State Street, Wyeth, Schering-Plough, Pfizer, Research in Motion, Alexandria and Dell. Between them, they employ more than 8,000 people in Scotland, so it was important for us to give them some time during Scotland week.

We received support from other Scottish organisations, such as the Wood Group, HBOS, the Walker Group, the Royal Bank of Scotland, Highland Industries and Laphroaig. They all supported us as sponsors at several of our events. The First Minister opened our new North American headquarters in Boston. The globalscot network was mentioned earlier, and we involved about 100 of its members throughout the week. We also signed up three new ones: Sir Andrew Crockett of JPMorgan; Don Stewart, the chief executive officer of Sun Life Financial in Toronto; and Jim Rowan from RIM, which is also based in Canada.

We secured live coverage on Bloomberg TV, Fox business news and "Canada AM", and we had print coverage in the *Toronto Star*, *The Seattle Times* and *The Boston Globe*. All that coverage was about the key business, trade and investment messages.

10:30

We secured a speaking slot for the First Minister at Harvard University, which now has an interesting link with the University of St Andrews, on which we hope to do more. Through a networking event in Toronto, we raised 50,000 Canadian dollars for the centre for Scottish studies at the University of Guelph in Ontario. Finally, we held a joint business event with VisitScotland in New York, which demonstrated that we could work well with that organisation.

I thank Alex Neil for his kind words about our member of staff in Canada, Michael Corish, who

is, indeed, terrific. He has the support of two full-time equivalents. Isobel Bell, who works in inside sales, is absolutely terrific, too.

I have an additional point that is not about Scotland week, but which I hope will give the committee confidence about the follow-up to it. We have 12 Scottish companies at the global petroleum show in Calgary this week, which is targeting the opportunities in oil sands development. We can do more to work the Calgary market, in particular.

That is all I wanted to say. Scotland week was terrifically successful for us. We would love to learn lessons about areas in which we could have put in a bit more effort. Alex Neil's suggestion that we should plan the event much earlier resonates with us. In that regard, a planning session is being held this Friday to allow the organisations to start thinking about Scotland week 2009.

Denise Hill (VisitScotland): I welcome the opportunity to provide the committee with oral evidence on our experience of this year's Scotland week. Before I begin, let me introduce Ewan Colville, our marketing manager for the US market—or, more precisely, for North America and Australasia—who, with his team, leads our activity on Scotland week in the States. As Lorna Jack said, Ewan and his team work closely with her team at SDI and, I am happy to say, with Robin Naysmith's team in Washington and the Government's external affairs and culture division to deliver the project.

Our main objective is to generate more visits to Scotland from the US. The timing of Scotland week, which is centred on tartan day, is ideal because it is held at the time of year when our US prospects are thinking about their holiday decisions. Tartan day gives us a big window of opportunity to get public relations coverage that might not otherwise come our way, and we enjoy making the most of it. Our commercial partners recognise the opportunity, too. As well as general support, we get significant financial investment from companies such as Continental Airlines and Glenfiddich, which are big partners of ours in such activity.

As the committee will be aware, our activity programme this year was a little different from that in previous years, in that we focused more on business-to-business activity. We continued to hold a major sales mission, which involved taking out Scottish tourism businesses to make contact with wholesalers and tour operators across the US. In addition, as Lorna Jack mentioned, we had a special reception involving SDI and our business tourism unit, through which we targeted the business community and the associations community. The fact that it was held in conjunction with Continental Airlines meant that it gave us a

big opportunity not just to encourage inbound conference and association business but to target some of the airline's best customers. We also had a separate business-to-business event, at which we targeted the airline's elite business-class customers.

The thrust of such activity is to generate additional business from the US market in the form of additional visitors to Scotland. The main objective of the activity plan was to target our travel trade contacts—our wholesalers, our tour operators and the retail travel agency sector, which is important for the US market. Our Scots agents in the US market are a big focus. The business tourism market was also important this year. The press and the media are a key part of what we seek to achieve through Scotland week. This year, we had a particular focus on getting in touch with what we call our gatekeepers to the diaspora—big contacts who can help us to engage the help of members of the diaspora in promoting the year of homecoming in 2009.

This year's main themes included major cultural themes, such as ancestry, Scottish food, whisky, Scottish fashions and the vibrant new face of traditional music, as represented by the Red Hot Chilli Pipers. The overarching theme was the year of homecoming in 2009.

As I said, PR is extremely important. We used Tom Kitchin, the Michelin-starred Scottish chef of the year, to get across the culinary message. His media friendliness was important in helping us to get enormous coverage for the quality of food and dining in Scotland, which can make or break a stay in a destination.

Our use of bands such as the Red Hot Chilli Pipers was part of a focus on younger bands. We wanted to show how traditional music has been embraced by younger Scots, who have made it their own and who, in so doing, have made the music scene in Scotland a vibrant and exciting experience for visitors.

A big part of the homecoming Scotland message was to have the original Robert Burns manuscript of "Auld Lang Syne" brought out to New York, where it was on display at the Grolier club during Scotland week. It was also the subject of a press event on the steps of the New York public library, where a major day of seminars was held on the theme of homecoming Scotland, which covered topics such as Robert Burns, Scottish ancestry and the clans, and innovation and enlightenment, and which included a lecture by the respected author of "How the Scots Invented the Modern World", Arthur Herman.

All that activity was backed up by an advertising campaign specifically on Scotland week, which dovetailed with the broader advertising activity that

is undertaken in the springtime. Scotland week is not the only activity in which we engage in the US at that time of year, but it is a major part of our work. We ensured that the promotion of Scotland week dovetailed with the broader advertising campaign. We were extremely happy with the results of our campaign, through which we managed to generate 71,000 responses—71,000 prospective visitors got in touch with us and went on to our website, including 31,000 who took part in our sweepstakes competition. That drive was partly motivated by a desire to get people's names and addresses on our database. We will contact them on a monthly basis, to ensure that we continue to stoke their interest in Scotland and, ultimately, get them to travel here.

Our PR activity was immensely successful—through it, we reached 47 million people and generated about £2.5 million of PR activity specifically around Scotland week. The sales mission, too, was a big success, as it resulted in the setting up of 645 appointments between members of the Scottish travel trade and travel agents and tour operators in the US.

Finally, our chief executive and our chairman engaged in special lunches with prominent members of the Scots communities in Canada and America to engage their support for the homecoming effort. We are pleased with the outputs that we have generated this year. I hope that I have helped to put matters in context and will be happy to take questions.

The Convener: Do you have anything to add, Ewan?

Ewan Colville (VisitScotland): No.

Mary McCluskey (Scottish Youth Theatre): Thank you for giving the Scottish Youth Theatre a voice.

The Scottish Youth Theatre is Scotland's national theatre for and by young people. This was our second visit to New York as part of tartan week or Scotland week. We first went there in 2006 when, as part of tartan week, we put on a production of "Geordie" and an extensive workshop programme. This year, we took two pieces of entertainment. The first was a modern play about life in Scotland and young people's views on citizenship and what it means to be an alien in Scotland in the 21st century. "When a Star Falls" was performed at the Algonquin theatre.

We also put together a 20-minute excerpt of a new arrangement of Burns songs. That extra show was performed at a VIP reception that was hosted by our patron, Brian Cox; it was also performed at the Scotland run in Central park on the Sunday and at the Scottish Government reception after a performance of "When a Star Falls". As well as those two pieces of entertainment, we ran a series

of workshops with local young people in schools and youth theatres in the five boroughs in and around New York.

Overall, Scottish Youth Theatre considered the visit a great success as a cultural and professional exchange for the company. We have already received several invitations to perform again in New York. Our young people had a great experience, meeting and working with young people and theatre professionals from New York and the surrounding area—upping the ante not only on their performing skills but on their life skills. The young people were given their schedule for the 10 days and they made their own way in and around New York. Their parents have told me that they cannot believe the confidence and the skills that the young people have gained on the social side as well as on the performing side.

The production was well attended and received. The play and the issues that it raised struck a chord with audiences from a variety of groups. The workshop programme was also a great success, with staff and participants sharing skills and exchanging ideas with several groups in and around New York, which was really important to us. There was a legacy from 2006 as well. We revisited groups that we had visited before; in fact, some of the young people who were with us this year had also been over in 2006 and had kept in e-mail contact with young people from New York. They are building bridges, which is a very important part of the work that we do.

The company was delighted to be given this opportunity to showcase our work to audiences and to Scottish politicians. More Scottish politicians have seen our work in New York than have seen it in Scotland—and I will just let you think about that one. The company's professional workers were also given the opportunity to interact and to build relationships with theatre professionals in New York.

Taking part in the tartan day parade and the Scotland run was great fun for everybody. In particular, the Scotland run offered another platform for our young people to show the diversity of their skills with the Burns songs. It was great to hear the audience singing along with "For a' that". A wee tear came to the eye.

I will finish by making a few observations that committee members might want to think about. We felt that the company was underused. We would have been available to take part in other events or collaborations. The short lead-in time meant that organisations were unable to organise and plan events to support one another. Our Burns entertainment could have been showcased at many of the other events that have been mentioned today.

The confirmation of funding arrived at such short notice that it was difficult to organise as extensive a programme as we would have wished. With more notice, we feel that we could give you better value for the money invested.

A marketing plan that was more inclusive overall would result in a higher profile and in more events taking place. Having been over in 2006, we felt the lack of a central hub, such as the tartan village in Grand Central station. The village provided a central point for daily shows and events, which led to greater visibility in general and to increased opportunities in marketing and networking.

However, we appreciate the opportunity that was given to us to represent Scotland in New York.

The Convener: Thank you for those introductions, all three of which were very helpful.

A headline comment about this year's Scotland week has been that it was more focused on business, which I imagine is true. In what ways did that focus manifest itself? We have just heard some interesting comments on the cultural side, but did anything lose out as a result of the focus on business?

10:45

Denise Hill: This year, we did not have the Scottish village in New York; because of a logistical problem, the space was not available. We had to think around that, and we decided that we had been presented with an opportunity—if we were not to invest in the village—to go down a more business-to-business route. That meant that we could extend our reach. VisitScotland did not limit itself to New York but went out to Canada as well. There was a quid pro quo: I agree with Mary McCluskey that, without the village, there was less of a focal point for consumers in New York but, because we did not have the village, we were able to branch out into Canada, which we had wanted to do for some time. There is a great hunger out there, and I know from Lorna Jack that the SDI event was very successful in the Canadian market.

Going down a more business-to-business route allows us to be a little more fleet of foot. Some of the big consumer-facing activity of the past—not least in the village—can require an enormous amount of organisation, which has to start very early. The business-to-business route can allow us to take up opportunities that might not otherwise present themselves.

As I said earlier, VisitScotland extended its range of activities. This year, much more than in the past, we engaged with commercial partners as well as with SDI in order to consider the business

market, the business tourism market and the association and conference market. We worked with the likes of Glenfiddich and Continental and were able to look at their closed lists, if you like, of elite customers. Activities took place that had not taken place before. As I say, we were also able to take in Canada this year.

Lorna Jack: SDI was much more involved in Scotland week than we have been in the past. That arose because of the possibility of a geographical spread this year. Not all of our business-to-business customers are in and around New York, so the opportunity of going to Seattle, San Jose, Houston, Austin, Chicago and Toronto, as well as to the traditional Scotland week cities, meant that we were more able to put in a bigger business-to-business effort.

A tricky issue—and one that has been raised in recent parliamentary questions—was whether trade missions should go out at the same time. We pressed hard for groups in particular sectors to go out, but the only one that we were able to deliver was the education group. A challenge in getting trade missions to be part of a scheduled Scotland week is that certain sectors want to be in the North American market at certain times of the year. For example, if someone is in oil and gas, they want to be in Houston at the beginning of May, to match up with the offshore technology conference. That is the largest oil and gas trade exhibition in the world, but it happens a month after Scotland week. I do not think that we will ever be able to convince oil and gas companies to go over en masse a month before the trade fair. Similarly, a group from our life sciences sector is going out to the Biotechnology Industry Organization conference next week. BIO tends to happen in June; it is the key exhibition for people in the life sciences sector, so convincing them to go over at a different time would be difficult. However, we could do more in the area of trade missions.

Convener, your question hinted at trade offs. We did not really trade off anything; it was more a matter of changing the timing of things that we would spend our marketing dollars on. Scotland week was a great opportunity for us. More ministers were involved, and there was a cross-party delegation. People were able to go to different cities and really make an effort to support us in our business-to-business marketing and promotion.

The Convener: Mary, do you wish to add anything?

Mary McCluskey: No, I do not think so.

The Convener: You covered different issues in your opening remarks.

Gil Paterson: Grand Central station was under repair so you did not have that facility. Did that

turn out to be a happy situation, in that it offered you an opportunity? Rather than concentrating on a Scottish village, is doing what you did—by accident because there was no central venue—in fact the right way to get the benefit from the resources available? Is that a better model?

Denise Hill: It is horses for courses: if you want a really big consumer buzz in a city, something like the village is a real boon. However, if you want to go down the business-to-business route, the village is not necessary. As Lorna Jack and I said, going down the business-to-business route allows us to take in more cities. It also allows us to be more fleet of foot. There is no right and wrong; a choice has to be made about what Scotland and the agencies together with their partners want.

The village generated enormous PR value for us and, as Mary McCluskey said, created a great focus. However, if we and the other agencies have decided that we would rather go down the business-to-business route and focus more on our key accounts than on the consumer, the village becomes a very expensive add-on. We see success on both sides—one could go either way. The choice is one that Scotland and the partnership need to make.

Lorna Jack: Denise Hill is absolutely right. We were much less involved in the village. That is because we are not involved at all in the consumer end of the market; we are very much about business to business. Key decision makers from North American companies tend not to be found wandering through Grand Central station. For us, the best use for the village is as a possible venue for business-to-business events. It needs to create a buzz. The decision has to be made but, if you want the week to be more consumer ended, we will be less involved.

Gil Paterson: Tartan day is not in Scottish ownership; it is an American initiative. Surely both things should happen: tartan day can be focused on New York and, at the same time, we can spread our wings. That would give us both business and cultural involvement, although I realise that we would have to ask for more money if we wanted to come to the table on that.

Not yet having heard about his experience, I listened with interest to Alex Neil's briefing. From what you have brought to the table today, it seems that we are getting a big return from a little investment. Instead of making this difficult choice, surely both things should happen at the same time.

Denise Hill: VisitScotland would say that there is definitely room and scope for the two things to happen. We want to make use of tartan day—to do otherwise would be foolishness. Tartan day is the one day in the year when Scotland is

guaranteed to be on the big stations. We would be very foolish not to try to exploit that. We should also try to support the efforts of the American-Scottish bodies on the ground that make a valiant effort to build the parade, year on year.

However, we are interested also in the creation of a Scotland week that, because it is not tied to a specific day, we can move around North America. For that matter, we would be interested to see it happen in other countries of the world. Again, we have greater flexibility to move around the world and take the message to different cities, year on year, if there is no expectation that the programme and the week have to be exactly the same. That is extremely limiting, not least for the reasons that Lorna Jack set out.

Irene Oldfather (Cunninghame South) (Lab): I have two points, one of which has been answered. I will focus on the question of geographical expansion versus spreading resources too thinly. Having lived in Arizona, I have felt in the past that a lot of money has gone to the village and other things that happen in the one place despite the fact that there is a huge Scottish diaspora across the United States. California is the obvious place in that regard, but there are other less obvious places. For example, in Arizona, there is a huge highland games in Phoenix and an annual Burns supper in the tiny town of Sierra Vista. The issue of geographical expansion versus spreading resources too thinly needs to be debated. There is also the question why certain cities were chosen, although I guess that there are historical reasons for that, but Virginia, for example, has a large Scottish population and yet has not been targeted thus far.

From what you said, it seems that you favour geographical expansion rather than an overconcentration of resources on the east coast, as happened in the past.

Lorna Jack: Certainly, for SDI, the cities where we encouraged activity this year are the cities where there are concentrations of the sectors in which Scotland is strong. It is no surprise therefore that San Jose was included; Scotland has a huge digital media legacy there, as is the case in Seattle. Houston was chosen because of our on-going oil and gas activity. Notwithstanding what the US economy is going through at the moment, New York will always be an important sector for Scotland because of its financial services role.

In choosing the cities on which to focus the business-to-business activity to further our trade and investment agenda, we very much mirror sectors and not the places where large populations of heritage connection to Scotland are to be found. Virginia is not massively rich with business-to-business connections. I am sure that we could make use of it, but business-to-business

activity was the reason for prioritising the eight cities on which we focused.

Irene Oldfather: Looking to next year's events, and given that next year is homecoming Scotland 2009, is there not merit in putting a greater focus on the Scottish diaspora across the United States?

Ewan Colville: I return to your earlier point on timing. You mentioned the highland games and Burns night celebrations in Arizona, both of which happen at different times of year to Scotland week. The main highland games in North America happen between June and September. In promoting the year of homecoming, VisitScotland has a programme of attendance at the games. It is therefore more appropriate that our long-haul market activity in support of the year of homecoming is done much earlier than Scotland week 2009. The main spike of our activity will happen in North America, Australia and New Zealand in October and November and again between January and March. The tail of that activity is Scotland week, if it happens again in New York and Toronto. In January 2009, Burns night offers another opportunity to promote the year of homecoming.

As you rightly said, we will focus on regions where there are high concentrations of people with Scottish roots. That said, in our geographical targeting of America markets, we look at where the numbers come from—our best originating states—and not only at places with high concentrations of people with Scots ancestry. The latter areas are not exclusively our target markets for Scotland's best leisure tourism prospects. California and the New York tri-state area are the two best originating states for leisure tourism in Scotland.

Irene Oldfather: One reason for California being the best originating state is because many airlines operate from there. Loads of people from places such as New Mexico and Arizona catch international flights from California because it is cheaper for them to do that than to fly out of other nearby cities, and the flights are direct. Although many of the people who come to Scotland from California originate from that state, many others come from neighbouring states. That is my experience.

Given that all my family live in Canada and the United States, I know quite a lot about American travellers. I know that they are nervous travellers who worry about issues such as security. Those who travel on to mainland Europe are also concerned about the language barrier and so on. Your Welsh counterparts are marketing two-centre holidays. Responding to travellers' concerns about security issues at Heathrow and London, they are marketing Wales as a destination from which

travellers can travel on by air to Paris, Rome or wherever.

With the deals that Ryanair and other cheap airlines offer, your Welsh colleagues are marketing holidays to Wales and Europe. Is Scotland taking that two-centre approach and marketing the country as a gateway to Europe? There is surely merit in that, particularly given the present financial climate in the United States where money is tight and the US dollar to pound exchange rate is low.

11:00

Denise Hill: We have always positioned Scotland as a European destination. The type of traveller who elects to come to Scotland is well educated and interested in heritage and culture, and that type of traveller wants a European experience. Therefore, we have always positioned Scotland as a key destination within the European context.

However, we now find that, because of all the direct access flights to Scotland from North America and particularly from the USA, about 80 per cent of US visitors come solely to Scotland for their holiday. If I looked at my international passenger statistics from 10 years ago, I would probably find that the vast majority of American visitors were doing a pan-Britain or pan-Europe tour. That situation has changed a lot in the meantime. I am happy to say that we and everybody else involved have worked over the years to position Scotland as a destination in its own right and that, given that over 80 per cent of people come purely to Scotland, we seem to be pushing the situation in that direction. What the Welsh are doing is interesting, but we are achieving 80 per cent coming only to Scotland and spending 100 per cent of their bed nights here, so I am not terribly sure that I want to share them with other destinations.

Irene Oldfather: I quite understand that, but I am suggesting as a possible market the group that would normally go to Heathrow and London and not come to Scotland at all. They often come to Heathrow, then go on to Paris or Rome, for example, because they regard Heathrow as a gateway for flights to anywhere. I wonder whether there is an untapped market there. Obviously, the Welsh feel, like us, that they have a heritage and a culture that they want to market. However, they have been trying to tap into that London market. I put that on the table for consideration.

Denise Hill: That is certainly of interest to Delta and Continental Airlines, for instance, with which we work closely on consumer advertising and, more important, the travel trade work that we do with our Scots agents and our bigger database. I

think that we communicate fortnightly with about 3,000 travel agents in the US. We are making them aware that major airlines fly into Scotland now and that there are opportunities for visitors to take in Scotland as part of a broader tour, but at the same time we are trying to convince as many as possible to come just to Scotland.

Ted Brocklebank: It has been fascinating listening to all the different strands in the panel's presentations and hearing that you all feel that this year's visit was successful. However, perhaps you can explain something to me—I also put this question to the minister. How will the outcome of the trip ultimately be evaluated? When will we see it broken down into how much business was actually done and how many people you believe you generated to come to Scotland as a result of the trip? When will all that be tabulated so that we can see what was achieved?

Lorna Jack: We are constantly working up the evaluations. We have a continuing evaluation effort for all SDI activity. We can definitely track the trade mission of 21 businesspeople who went to see people in the World Bank and the Inter-American Development Bank and say what can specifically be attributed to it. For example, for some of the company meetings to which we took ministers, we had already identified inward investment projects, which ministers will help us to push on. That can be attributed totally to Scotland week, which certainly was important in the sales process.

To me, the attribution aspect is tricky. We did an initial evaluation that was based on the generated leads, and we will follow up all of them. We update the information every three months, so there is a continuing evaluation. The interesting question is whether there will be a point at which we can say what the 2008 Scotland week generated and draw a line under it, given that many things go into the pot as we move our activity around. I do not know whether that is true of VisitScotland.

Ewan Colville: Many of the outcomes of VisitScotland's evaluation of its programmes, such as the Toronto four-day programme and our Scotland week programme, are immediately available to us and we publish them. For example, the outcome of all our online campaign activity flows in immediately: once campaigns have run, we know what kind of response we have had. From our PR campaigns we move quickly to accumulate all the clippings and we put a value on them in terms of reach, which is the number of people who saw the campaign. Denise Hill gave the figure of 47 million people. We also put a qualitative measure on that in terms of the value of Scotland messaging and how successful we were in carrying through homecoming Scotland

messaging. We have done that and have come out with a PR credibility figure of £2.5 million.

Beyond that, an important target that we have already evaluated is our ability to recruit prospects into our consumer database, so that we have them in our loyalty programme. That is essential, because a tourism purchase is not an impulse buy. We must keep chipping away at prospects month after month. If they are in our loyalty programme, we can talk to them monthly. We have about 17,000 e-mail contacts that are new to VisitScotland, representing prospects in the North American market, which is of huge value to us.

The final part of our evaluation comes in our end-of-year conversion study, which goes out in November. We will run an online survey and ask everyone who participated in our spring campaign and in our Scotland week activity what they subsequently did during summer 2008. Did they book a holiday to Scotland? If so, how long did they stay, where did they go and how much did they spend? We will ask them how much they were influenced by our marketing message. That is our means of looking back on our activity and establishing the outcomes. We can then put a hard value on our effectiveness.

Ted Brocklebank: It would be useful if you explained something for my benefit, because I am stupid about these things. I have looked at examples of your marketing campaign material. In one case, there is a picture of a lady's legs with a wee Highland coo underneath her. What is the thinking behind that? What does it say to an American?

Ewan Colville: I will put that in context. It was a 32ft by 20ft billboard on Times Square. We had an opportunity to buy the space at a knock-down price. It cost \$14,000, which is very cheap for Times Square, which is the most cluttered, busiest and most expensive media environment in the world.

Ted Brocklebank: But what does it say to an American? Does it say something about Scottish girls' legs? Does it say something about the size of our Highland cattle? What is its message?

Alex Neil: It is that it is the best wee coo in the world.

Ted Brocklebank: Is it not sexist?

Ewan Colville: You could say that in New York it is almost a stereotype to see a lapdog being walked around. Our agency had the idea of using the Highland cow as a lapdog. The advert was designed to stand out. I go back to the poster being in Times Square. If you want to have an impact in such an environment, you must produce impactful and creative advertising. We believe that the poster did the job. It was a joint buy with

Continental, which was our partner. Continental was delighted with the outcome. You will notice that there is a Continental Airlines message on it, which says "nonstop flights to Scotland." Continental told us that it is unable to do such advertising because of the constraints of its corporate guidelines. It was delighted to be part of something that was a little more edgy.

Ted Brocklebank: I would like to take the issue on to a more serious level and look ahead to next year. I come from St Andrews, and I have had discussions with people in the town about the way that the American market is going, because it is extremely important in golf terms. Although they think that this year is holding up pretty well, there is—certainly anecdotally—widespread concern about how the American market will react, perhaps more so next year, which is our year of homecoming. Alex Neil has also raised the issue. Is there concern? Are there ways in which we can ameliorate the situation?

Denise Hill: I will let Ewan Colville say more about it, but we are investing much more in the US market and in the Canadian, Australian and New Zealand markets for the year of homecoming. There is a much bigger budget than usual and we are engaging with all the airline partners. I mentioned Delta and Continental, which have engaged with us and have financially invested in our campaigns in the past. We are looking to other airlines to do likewise to support the effort. They recognise it as being an exciting opportunity, and it is great to have something of the magnitude of the year of homecoming to help them to fill seats at a time when it will be harder for them to do so. We will be investing more in trying to get travellers from the diaspora markets to come over for the year of homecoming.

However, we must set that in context. I am frequently asked why we are investing in the US market. The answer is that it is far and away our biggest international market. We have to be in there for the long haul, and that is important not only for tourism but for other sectors. If we were skittish and pulled out, we would lose a lot of ground and it would take an awful lot of dollars to catch up. It is important that we are consistent and that we stick with it. At the same time, though, we recognise that in a year or two, when there are difficulties with the US market, the situation will be advantageous to our European visitors. We are seeing growth from Spain, Italy and Germany, and are investing heavily in those markets to ensure that we eke the most that we can out of the opportunity that is presented by the weakness of the pound against the euro. Tourism is a lot like stocks and shares: you have to spread the risk. Some years, the US stock brings in the bounty; in other years, it is the European stock. We will not

move out of the US market; we will just invest cleverly across the piece.

Ewan Colville: In the US market, as was said earlier, we are more focused on the luxury segment and high-net-worth individuals. We should target those with the means to travel. Everything that we are doing, from the extended activity and support for homecoming Scotland, to our media buy, to the direct mail campaign that we are running, is profiled by household income, which means that we can go after those who are able to travel. It means that our marketing is focused and targeted.

The Convener: Ted Brocklebank's original question was about evaluation. Are you involved in the cultural side of that? How should we evaluate the cultural side of Scotland week?

Mary McCluskey: We have reported back to the international division with our views on Scotland week, but we have not been involved in any other evaluation. We have done our own evaluation. For example we hand out forms about participation to young people, asking for their comments, and we talk to our international colleagues in New York about how we might do things better next time. The Government should decide what sort of cultural programme it wants for Scotland week and what it wants that programme to achieve. Scottish culture is internationally renowned. We can represent the best of Scottish culture on the international stage—not just in North America but around the world. The Government has to decide exactly what it wants us to do.

The Convener: Could you have a much bigger role?

Mary McCluskey: Absolutely. In particular, the piece of entertainment that we did with the Burns songs could have been used at various events around the country, because it is quick, easy and transportable. I urge that any cultural programme in future should contain a workshop programme. It is important that we go out to the suburbs and meet young people, some of whom might not even know where Scotland is. There was a shocking revelation this year when one young person thought that Scotland was one of the states. We are laughing now, but it is not really funny. At least that young person now knows where Scotland is and who we are. The workshop programme is an important element of the cultural programme.

Patricia Ferguson: I am interested in what we should do next. Obviously, the year of homecoming is next year. Given its proximity, I imagine that most of the people who will come will do so as a result of the marketing that you have done, rather than the marketing that you will do next year. I am also interested in the discussion on the Scotland village. Is it the idea that the Scotland

village will not be used, or does it have a different purpose now, which is more about showcasing organisations such as the Scottish Youth Theatre?

In a previous year, as I remember, we had chefs who worked from the Scotland village. Should the purpose of the Scotland village change if we find that the focus on the business-to-business aspect works best in promoting tourism? Might that aspect also be valuable in promoting the year of homecoming next year, or should the focus be on individual travellers? I am interested in hearing views on that.

Mary McCluskey is absolutely right that thought needs to be given to the cultural programme. Personally, for years I have been an advocate of taking the tattoo to Central park, but no one has ever taken me up on that. Perhaps it is too difficult logistically.

Scotland week provides an opportunity for our creative industries in the wider sense—including those that do not make a lot of money—to promote Scotland's cultural life and to support themselves in North America, where there is huge interest in the work of, for example, our silversmiths and our small creative businesses. Has there been any discussion about that?

11:15

Denise Hill: At the session on the future of Scotland week that we will have with the Government team on Friday, we will consider all those points as we decide what happens next. In physical terms, the kit that is the Scotland village is available for use so, if it was decided that Scotland and its agencies were keen to showcase cultural and craft events and food and drink elements, using it would be possible. However, I do not think that we can elaborate until we have had the meeting on Friday.

On the need for step-by-step staging for the year of homecoming, you are absolutely right that we need to speak business to business with tour operators and wholesaler partners before spring 2009. Over the past 18 months, we have spoken with those businesses that have the longest lead-in times—airlines, wholesalers and tour operators—but there will still be last-minute opportunities next spring, not least with retail travel agents.

With PR, the same story applies. Over the past 18 months, we have talked to long-lead opportunities because they plan their programme of copy way in advance. However, there will always be short-lead opportunities with newspapers, radio and television, which we will target more in the spring of next year. We have staged our work by starting with long-lead

opportunities and moving towards those with shorter leads.

At the back end of last year, we began a lot of work on targeting the diaspora market. Ewan Colville and his team have been involved with probably the biggest ever direct-mailing or direct-marketing exercise focusing on what we call our gatekeepers—the people in charge of Caledonian societies, St Andrew's societies, clan societies and what have you—on whom we now have probably the biggest database anywhere. Since last year, we have been in constant contact with those gatekeepers. Throughout this year and through to next year, we will continue to update those people on what is new in the programme for the year of homecoming. The work began quite far out, but there will always be last-minute opportunities in the spring of next year.

Lorna Jack: Let me pick up on Patricia Ferguson's first point. With or without the Scotland village, we can bring the cultural programme even closer to the business-to-business side. As I mentioned to Mary McCluskey before coming to the committee, given a bit more lead-in time, we could have used the Burns song event—which could relatively easily have been made mobile—at any of the business events that we held. Businesspeople are interested in the cultural side of what we do. At our planning session on Friday, we might think about how we can expose more of the cultural side, with or without a big platform.

Ewan Colville: A good example of how we were fleet of foot and were not disadvantaged by not having the village this year is the in-store cookery demonstration that we secured for Tom Kitchin in Bloomingdales. We were able to put him in New York's busiest department store, where he performed an hour-long cookery demonstration. He also did a similar demonstration in Williams-Sonoma, which is a high-end cookery equipment store on Sixth Avenue.

Patricia Ferguson: I have clear memories from the last time I was at tartan day of being stopped twice by individuals who wanted to see specific things that we were doing that they had heard about on the radio. I did not have to stop and think about where those things were—I knew that they were in the Vanderbilt hall, and everybody knew where that was. I understand your point, but I would be concerned if we lost that focus entirely.

Mary McCluskey: The Scotland village was a great hub of information. People knew that they could go there and find out what was on at any time during tartan week. On the plane on the way back, I sat next to a Scottish couple who plan to go to Scotland week every year. They bemoaned the lack of a village, because they did not have a programme and they did not know what was going on. They did not come to see us because they did

not know we were there. It is important to have a visible source of information. If there is another way of providing information, that is great, but as Patricia Ferguson said, people knew that they could wander down to the Vanderbilt hall and find out what was on.

Alasdair Morgan (South of Scotland) (SNP): I have a question on business-to-business communication. A lot of your activity happens throughout the year, and you do not need Scotland week to make it happen, although it gives you a focus. Could Scotland week be regarded as a distraction? Does the fact that you have to divert a lot of resources to the week take things away from your other activities? To some people, especially politicians, there is a danger that the corollary of having Scotland week is that the other 51 weeks are not Scotland week.

I will not ask the obvious question, "Would you like a bigger budget?", because I know what your answer would be, but assuming that Scotland week is a good idea, is it the case that a week is not long enough? Should it be extended, other than through the normal activities that you do anyway?

Lorna Jack: I want the committee to be confident that we are open for business in the other 51 weeks of the year, with the possible exception of the holidays in the United States. It is difficult to touch 1,000 North American businesspeople in one week with a sales force of 30, but Scotland week gives us the opportunity to organise people into groups and give them the message. Of course, that work needs to be followed up and converted into business, but Scotland week is an opportunity.

For us, it would be distracting if we were pulled into the consumer end, because that would give us nothing. We need to remain focused on a targeted group of companies. Our target is not just business in the USA but the particular sectors in which Scotland has a global competitive advantage, so we try to keep our focus on events and activities for those six sectors. Scotland week represents net added value for us because we can reach more people in the time that is available. We reach higher levels when ministers and members of the Scottish Parliament visit, because companies are interested in how the Government is working to accommodate businesses' needs and are interested in having open dialogue with ministers and MSPs. To me, those are benefits that we get from Scotland week that do not exist for the other 51 weeks of the year.

On whether it would be advantageous to expand, Scotland week already takes a lot of resources. I am not making a plea for additional resources, because even if we had twice as many staff, it would be exhausting and difficult to extend

the programme to two or three weeks or a month. What we have is appropriate. We now need to do it better and better every year.

Gil Paterson: VisitScotland gave us some figures on the cost per contact, which I think ranges from about \$1.75 to about \$3. Is it possible to measure what it would cost to get the same number of quality contacts if tartan day and Scotland week did not happen?

Ewan Colville: We could measure that by looking at the cost per response for the core consumer advertising campaign that we run from January through to March. The figures are comparable, which indicates that our Scotland week advertising is as effective as our core consumer advertising. We benchmark against the figure of about \$3 per response, which is the number that you gave.

Gil Paterson: Is the figure for Scotland week significantly higher or the same? Do responses come in faster and in a more consolidated way in that period than at other times?

Ewan Colville: Scotland week coincided with our most successful ever consumer promotion. During Scotland week, we ran a sweepstake promotion in the US, focused on New York, which was called "Win a Scottish island". The prize winner did not literally win the island of Harris, but metaphorically they won the keys to the island. That promotion, for a prize that money cannot buy, yielded a huge response in the context of Scotland week. It was the main reason that we were able to sign up 17,000 prospects in North America who are new to VisitScotland. All of them are now locked into our loyalty programme. Using that tactic, against the backdrop of Scotland week, we received a very cost-effective response to our marketing, which had the fantastic outcome of 17,000 new contacts.

Irene Oldfather: My question is about involving young people. Have you given any thought to using contemporary icons, apart from the Red Hot Chilli Pipers? I refer to bands such as Franz Ferdinand or, for a different generation, Eddi Reader. There is also Graeme Obree, the flying Scotsman, whose story has literary, film and sporting aspects. I know that we have used Sir Sean Connery a great deal, but there may be opportunities to involve younger Scottish VIPs.

Denise Hill: We nearly managed to involve Franz Ferdinand—the Government team was working on that, and it almost came off. KT Tunstall has been involved in tartan week activity in the past. As I mentioned, VisitScotland tends to use younger bands. This year we used the Red Hot Chilli Pipers; when we were in Canada, we used the Finlay MacDonald Band. We have also used bands such as the Peatbog Faeries and

Shooglenifty—younger, vibrant bands that are surprising not just to the younger market but to the slightly older market that is our key tourism market. People know and anticipate that they will like Scottish music, but when we bring it to them in that format, it blows their socks off, whether they are young or old.

Lorna Jack: We have looked at the issue, especially with Robin Naysmith. We have made limited use of celebrities in sport or music, but recently we used Sandi Thom at a globalscot event. I am far too young to remember Stevie Nicol as a football player, so I did not know who he was, but he now happens to be the coach of the New England Revolution in Boston. He is a well-known personality locally, so we used him for our Boston event. We had an unfortunate experience with a Scottish celebrity—I will not name him—whom we asked to get involved in the Toronto event. What he asked for his night's fee was more than our entire budget for Scotland week, so we said no, thank you.

We have been speaking to Robin Naysmith—I am sure that the issue will come up on Friday—about the possibility of having a network equivalent to globalscot for celebrities who are prepared to appear for free or at a discounted rate. We are part of the public sector, so we must be conscious of the money that we are spending. I like to think that some celebrities will be prepared to step forward for the greater good.

Ewan Colville: I reiterate the point that Lorna Jack has made. The issue of fees is raised frequently in approaches to VisitScotland, usually by celebrities' agents. Initially, they say that they will do it for the jersey, but fees get in the way and it is impossible for us to work around them.

Lorna Jack spoke about trying to galvanise Scots celebrities, and perhaps homecoming Scotland will give us an opportunity to do that. There is a programme to recruit ambassadors who are willing to lend their name and endorsement to homecoming Scotland—not on a fee basis; simply for the greater good of Scotland—from which we hope to see some outcomes.

11:30

The Convener: Does anyone want to add a final word?

Mary McCluskey: We have a list of patrons who do things for us for nothing, so perhaps the Scottish Youth Theatre and VisitScotland should talk to each other. I guess that that is my message: we should talk more. I did not meet Lorna Jack until today, yet we both have programmes operating in Scotland. More discussion and communication beforehand could lead to better value.

The Convener: That is an important final message. I thank you all for what has been a useful session. We look forward to the Government's evaluation in the autumn, when the committee will probably return to the subject. We have certainly benefited from your comments today, and I am sure that the Government will read them as well. Thank you very much for coming.

“Brussels Bulletin”

11:31

The Convener: We move straight on to our regular item on the *Brussels Bulletin*, which I am sure members have read. Do members have any comments?

Alex Neil: I have just one point. There is a reference in the bulletin to the new social package that the Commission expected to launch in June 2008, but which will now be launched at the beginning of the French presidency in July. Perhaps we should examine that to see whether it impinges on devolved matters. As a social package, it might touch on some of the responsibilities of this Parliament and the Government. Initially, more information could be circulated to members, then we could decide whether there is anything that we need to pursue.

The Convener: I am sure that we should do that, but Irene Oldfather might have more information about it.

Irene Oldfather: My understanding is that part of that social agenda is the cross-border health directive, about which I asked before. I see from Ian Duncan's report that the directive will emerge on 25 June, although the wider social agenda is due on 3 July, when we will be in recess. It is important to keep an eye on the situation.

I asked about tobacco subsidies at the previous meeting, but I do not know whether we are still waiting for information.

I note in Ian Duncan's report that an action plan for the animal health strategy from 2007 to 2013 will be published in July or September, items in which will be of substantial importance to Scotland. I come at the situation as someone who is very much in favour of animal welfare, but I recall from past committee discussions that, although I want live animals to be transported under the strictest possible regime, that could pose difficulties for some Scottish island communities. It is important to ensure that we examine the action plan, so that we do not realise only after the directive has been published all the difficulties that it will cause for Scottish farmers or island communities.

The Convener: There are three points to consider. The Health and Sport Committee is taking an interest in the health directive, which is not to say that we should not as well; I certainly am. I think that the European officer is still looking into the tobacco issue. I am sure that we can ask him to pursue the animal health action plan, although I am sure that the Rural Affairs and Environment Committee will also take a strong interest in it.

There are no other comments, and, given that we agreed at the start of the meeting to take item 5 in private, I am afraid that we must ask the public to leave.

11:34

Meeting continued in private until 12:03.

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