

To: ECONOMIC DEVELOPMENT COMMITTEE		Subject : LANARKSHIRE ONLINE BUSINESS DIRECTORY - UPDATE
From: DIRECTOR OF PLANNING & ENVIRONMENT		
Date: 24 August 2000	Ref: DR/REP/720	

## 1 Purpose of Report

- 1.1 The purpose of this report is to provide an update on the progress made with the Lanarkshire Online Business Directory Website, since previously reported to Committee (Report dated 23 December 1999 which was submitted to the Committee on 27 January 2000), and, to seek approval for the Council to contribute to the future development of the Online Business Directory in partnership with South Lanarkshire Council and Scottish Enterprise Lanarkshire.

## 2 Sustainability

- 2.1 This project meets the sustainable development policy adopted by the Council through Local Agenda 21 by addressing elements of Section 3 "Economy and Work", Section 6 "Waste, Resources and Energy" and Section 11 "Partnership and Funding". This has been outlined in detail in the previous report dated 23 December 1999 which was submitted to the Committee on 27 January 2000.

## 3 Background

- 3.1 Members will note that a published version of the North Lanarkshire Business Directory has recently been produced and is the subject of a separate report to Committee.
- 3.2 The development of an Internet-based business directory is a progressive step in the dissemination of local company information. This seeks to take advantage of the rapid growth of the Internet as a global communication medium amongst business users and consumers.
- 3.3 The Online Business Directory has been developed by a partnership of North and South Lanarkshire Councils and Scottish Enterprise Lanarkshire in response to the demand for a Lanarkshire-wide listing of companies on the Internet.

## 4 Lanarkshire Online Business Directory: Contents

- 4.1 The Lanarkshire Online Business Directory – <http://www.lanarkshirebusiness.org.uk> – contains details of over 4500 new and established Lanarkshire companies in all main industrial sectors, excluding retail and agriculture.
- 4.2 Advanced search tools enable browsers to undertake fast searches for local companies by alphabetical listing, business sector and sub-sector categories, type of product/service, and, by number of employees. Users can also click on an interactive map of Lanarkshire to search for company information by geographical area or town.
- 4.3 Local companies can update or add to their business details held on the Online Business Directory, while users can feedback any comments, by completing on-line forms which are then circulated to each Council for processing.

## 5 Sale of Advertising Space

- 5.1 To develop the potential of a limited income from the Online Business Directory, which would help offset some of the future development costs, Straightline Publishing Ltd of Bothwell has been contracted by both Councils to sell advertising space on the Website to local companies. This will be for a trial period of one year from 28 April 2000 – 28 April 2001.
- 5.2 The Online Business Directory Website is effectively an extension of both Council's hardcopy business directories, which are funded through the sale of advertising space that is sold by Straightline Publishing.
- 5.3 Straightline Publishing will offer banner advertising space to potential advertisers for periods of 3 months, 6 months or one year. A total of 60 banner advertising spaces are available for take-up by local companies.
- 5.4 Each Council will receive 25% of any advertising revenue generated after sales commission and administration costs incurred by Straightline Publishing and the costs of uploading a banner advertisement on to the Website incurred by HMG Internet Services Ltd. The remaining 50% of any advertising revenue will be retained by Straightline Publishing as profit.
- 5.5 The maximum projected advertising revenue generated by the sale of banner advertising space, based on the assumption that all 60 advertising spaces are sold over the year, will be in the region of £11700 per annum.
- 5.6 The estimated costs for sales commission, administration and design, based on the assumption that advertisers will all take a banner advert for a period of one year, will be in the region of £3300 per annum.
- 5.7 The remaining balance will be profit and is to be split three ways as follows:-  
 Straightline Publishing - 50%  
 North Lanarkshire Council - 25%  
 South Lanarkshire Council - 25%
- 5.8 It should be noted, however, that the selling of banner advertising space on the Online Business Directory is a pilot scheme. Taking advertising space on the Internet is still a relatively new concept for many local companies and the take-up of banner advertising may be slow in the initial stages. The figure for the maximum projected revenue is very much dependant on a full take-up of banner advertising spaces each for a period of one year by advertisers.
- 5.9 At the present time, over 12 local companies have indicated that they will be taking banner advertising on the Website.

## 6 Future Development

- 6.1 To improve the range of services offered by the Online Business Directory, new developments to the content and design of the Website are being considered by the project partners as follows:-
- Option 1
- a password facility to allow companies to change their details and forward information electronically to each Council for uploading onto the Website at a later date
- plus
- an update facility to allow each Council to update data directly onto the Website
  - a map facility to allow geographic searches of industrial sites in Lanarkshire
- Option 2
- a password facility to allow companies to input their new details directly onto the Website without the need for the information to be uploaded later on by the Council
- plus
- an update facility to allow each Council to update data directly onto the Website
  - a map facility to allow geographic searches of industrial sites in Lanarkshire

- 6.2 It is important that the updating of Online Business Directory data is put on a more regular and systematic basis than at present. Companies listed on the Website will expect their details to be updated quickly. Internet users will expect to access a Website that holds information that is accurate and current. Moreover, each Council receives notice of changes to company details through various internal and external sources with increasing frequency.
- 6.3 It is proposed that each company listed on the Online Business Directory would be given an individual username and password to amend their details.  
Option 1 would allow companies to call up their details on screen on the Website, modify these details, with the new information being forwarded to each Council for loading onto the Website at a later date.  
Option 2 would allow companies to modify their details as above with the new information being incorporated directly onto the Website in an immediate way.
- 6.4 The introduction of these facilities will help ensure that up-to-the minute information on Lanarkshire companies is accessible to a worldwide Internet audience of business-to-business and public users. This will help encourage the growth of trade links between external organisations and Lanarkshire suppliers.
- 6.5 In addition, it is proposed that each Council have the ability to update company information directly onto the Website on a monthly basis and independently of one another.
- 6.6 It is also proposed that the Website feature a clickable image map of Lanarkshire showing the location of all industrial estates and business parks. Both Council's Economic Development services receive enquiries from external organisations seeking lists of companies within an industrial site. This facility would allow company searches of these sites by street name.

## 7 Development Costs

- 7.1 The initial development cost for the Online Business Directory – £7000 – was absorbed by South Lanarkshire Council as part of the development of their own Economic Development Website.
- 7.2 Further costs in developing the Online Business Directory to its present format - £5425 – have been shared equally by the two other project partners. Therefore, the total cost to North Lanarkshire Council has been £2712.50.
- 7.3 It is anticipated that the approximate cost of introducing these new facilities to the Lanarkshire Online Business Directory will be no more than £4609 for Option 1 and no more than £8600 for Option 2.
- 7.4 The total costs for the introduction of these new facilities will be shared equally by the three project partners. The cost to North Lanarkshire Council in carrying out this development work to the Online Business Directory will therefore be no more than £1536 for Option 1 and no more than £2867 for Option 2.
- 7.5 The Council and its partners are considering the various options for the future development of this service. All options can be funded from existing resources.

## 8 Recommendation

It is recommended that the Committee note the contents of the report and:-

- (a) Approve the future development of the Lanarkshire Online Business Directory to be funded from existing resources.
- (b) Seek further reports in due course to provide an update on the project.



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25<sup>th</sup> July 2000