



Western Development Commission

Baseline Research on the Creative Industries Sector in the Western Region of Ireland

October 2008

Final Report

Regional Forecasts (a division of Oxford Economics)
in association with Perceptive Insight Market Research



OXFORD
ECONOMICS



perceptive insight
market research

www.oxfordeconomics.com

Tel: +44(0)844 979 2365

Fax: +44(0)871 504 5856

OXFORD ECONOMICS LTD

Contacts:
regcontact@oxfordeconomics.com

Belfast Office

10 The Chimes
Hillsborough
Belfast
BT26 6AJ
UK
Tel: +44 28 9268 1131
Fax: +44 28 9268 1132

Oxford Office

Abbey House
121 St. Aldates
Oxford
OX1 1HB
UK
Tel: +44 1865 268900
Fax: +44 1865 268906

London Office

1 Quality Court
Chancery Lane
London
WC2A 1HR
UK
Tel: +44 1865 268900
Fax: +44 207 061 6228

US Office

303 West Lancaster Avenue
Suite 1B
Wayne
PA 19087
USA
Tel: +1 610 995 9600
Fax: +1 610 995 9611

DISCLAIMER

This report has been prepared solely for the Western Development Commission for the purpose of undertaking baseline research on the creative industries sector in the Western Region of Ireland. As agreed in the terms of reference this work has been produced by Oxford Economics however is the property of the Western Development Commission (WDC) and is not copyrighted to Oxford Economics.

Western Development Commission
Dillon House
Ballaghaderreen
Co Roscommon
Ireland
Tel: +353 94 986 1441
Fax: +353 94 986 1443
e-mail: info@wdc.ie
Web: www.wdc.ie; www.lookwest.ie

Contents

Executive summary	5
1 Introduction.....	14
1.1 Study overview and objectives	14
1.2 Why this research matters.....	15
1.3 What we have done – our approach	15
1.4 Report structure.....	16
2 Defining and classifying the creative sector.....	19
2.1 What is the creative sector?	19
2.2 Definition of the creative sector used in the study.....	21
2.3 Classification of creative industries in the Western Region	21
3 A creative economy.....	25
3.1 Creative sector as part of the modern knowledge economy	25
3.2 Driving factors behind the international growth of the creative sector.....	26
3.3 The Western Region as a creative region – the Creative West	26
3.4 Creative sector's role in the economy and society	27
3.5 Key policy developments.....	28
3.6 Framework for assessing the creative 'environment' of the Western Region	30
3.6.1 Creative 'place'.....	30
3.6.2 Creative 'people'.....	31
3.6.3 Creative 'structure'	31
4 Current size and future outlook of the Western Region's creative sector.....	34
4.1 Data issues and methodology	34
4.2 Economic contribution of the creative sector.....	35
4.3 Productivity in the creative sector.....	37
4.4 Composition of the Western Region's creative sector	38
4.5 Size structure of the creative sector	41
4.6 Export activity of the creative sector.....	42
4.7 Linkages between the creative sector and wider economy.....	45
4.8 Performance and outlook	46
4.9 Conclusion.....	52
5 Strategic issues for the Western Region's creative sector.....	54
5.1 Interview process.....	54
5.2 Theme 1: Creative 'place'	56
5.2.1 Natural environment and inspiration	57
5.2.2 Lifestyle	58
5.2.3 Infrastructure and workspace provision	59
5.2.4 Planning and development.....	61
5.2.5 Creative 'place' conclusions.....	62
5.3 Theme 2: Creative 'people'.....	63
5.3.1 Creative talent	63
5.3.2 Education and training	65
5.3.3 Research and development	66
5.3.4 Creative 'people' conclusions.....	66
5.4 Theme 3: Creative 'structure'	68
5.4.1 Networking and alliances	68
5.4.2 Marketing and co-ordinating mechanisms	70
5.4.3 Suppliers and international markets.....	71
5.4.4 Access to funding.....	71
5.4.5 Creative 'structure' conclusions	74
5.5 Strengths, weaknesses, opportunities and threats (SWOT) analysis	76

6	International developments	79
6.1	Development of the creative sector in other countries	79
6.2	Lessons from international case studies	80
6.2.1	Lessons on creative 'place'	80
6.2.2	Lessons on creative 'people'	80
6.2.3	Lessons on creative 'structure'	81
6.3	Conclusion	81
7	Recommendations	84
7.1	Principles for building a creative economy	84
7.2	Approach to devising recommendations	84
7.3	'The Creative West' – recommendations	85
7.3.1	Aims of the recommendations	87
7.3.2	Creative 'place' recommendations	88
7.3.3	Creative 'people' recommendations	90
7.3.4	Creative 'structure' recommendations	91
7.4	Conclusion	96
Annex		
	Annex A: Cultural versus creative European definitions	98
	Annex B: List of consultations	99
	Annex C: Members of WDC's creative economy industry advisory group	100
	Annex D: Bibliography	101
	Annex E: Creative business survey – additional results	104
	Annex F: Measuring the economic contribution of the creative sector – primary research approach	123
	Annex G: The survey questionnaire	128
	Annex H: International case studies	136
	Annex I: Creative sector stakeholders' workshop	142
	Annex J: List of main public organisations of relevance to the creative sector	153

Acknowledgements

Oxford Economics would like to acknowledge the support provided and views shared by a number of individuals throughout the course of this research. We are particularly thankful to:

- Participants in the qualitative consultations listed in Annex B.
- The almost 300 creative businesses who took part in the survey by Perceptive Insight Market Research.

We would also like to thank the Western Development Commission specifically for their cooperation and critical input into the methodology of this project, and in particular Pauline White, Ian Brannigan and Bernadette Phelan.

Executive summary

Ireland's Western Region – Creative West [Chp 1]

The Western Development Commission (WDC) is a statutory body with the remit to promote the economic and social development of the seven county Western Region of Ireland (Donegal, Sligo, Leitrim, Roscommon, Mayo, Galway and Clare). The WDC considers that the creative industries sector has the potential to play a key role in achieving its overall objective and contributing to a number of its strategic goals for the Region (see www.wdc.ie).

The WDC therefore commissioned Oxford Economics, in partnership with Perceptive Insight Market Research (PIMR), in February 2008 to conduct baseline research on the creative industries sector within the Western Region. The research involved an international literature review, a telephone survey of 300 creative businesses in the Region and 40 face-to-face interviews with creative business people, trade associations and development organisations. The results of this research are the basis of the current report.

Significance of the creative sector [Chp 2 and 3]

The creative sector is an evolving concept which has emerged as a new dynamic sector in the modern knowledge economy. Creativity, knowledge and access to information are increasingly looked upon as important tools driving economic growth and development in a globalising world.

At its most basic, the creative sector is made up of those industries which rely upon human creativity to generate wealth. What is unique about the creative sector is that creativity is *the* fundamental factor of production for these goods and services. Without new, creative ideas, these industries could not exist.

While the creative sector itself contributes considerable employment and output to the economy, its wider role in driving creativity and innovation in other sectors, a role that is often overlooked and undervalued, may in fact have a greater impact on overall economic growth. Creativity and innovation play a key role in the development of all sectors of the economy e.g. biomedical devices, financial services, agriculture, etc and the creative sector is vital in stimulating these.

It is for these reasons that creative industries are increasingly becoming a priority economic development sector worldwide, harnessing considerable investment and policy focus. Countries such as Australia, Denmark, the US, Singapore, Hong Kong, New Zealand and Canada have seen their creative economies grow dramatically. In 2005 world exports of creative goods and services reached €424.4 billion or 3.4% of world trade (UNCTAD, 2008). Creative industries now straddle the economic, political, social, cultural and technological spheres and are at the crossroads of arts, business and technology.

Definition of the creative sector [Chp 2]

There are a wide range of definitions of the creative sector in use internationally. As part of this research a relatively simple definition of the creative sector has been adopted, which is not based upon specific Standard Industry Classification (SIC) codes. It is an extrapolation from the survey results, international literature and the qualitative research. The definition relates specifically to those industries which are primarily centred on creativity. We therefore define the creative sector as:

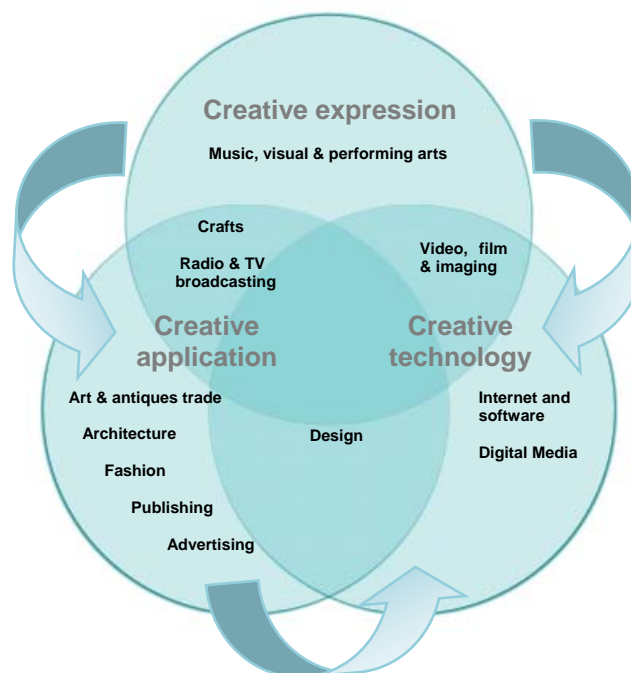
“Occupations and industries centred on creativity, for the production and distribution of original goods and services.”

In order to examine the creative industries sector in the Region in more detail, 12 individual creative industries which satisfy this definition were identified. These were then split into three distinct categories according to their core activity i.e. the primary reason for their establishment.

1. **Creative Application** – covers industries which develop products or services primarily for the purpose of selling. Their existence is dependent upon market demand. The industries in this category are: Art/Antiques trade; Architecture; Fashion; Publishing; Advertising; and Crafts.
2. **Creative Expression** – covers products that may not primarily be driven by commercial considerations. These products are typically defined as ‘art for its own sake’ and are developed for audiences and consumers with an expressive story in mind. The industries in this category are: Music, visual and performing arts; Video, film and imaging (photography); and Radio and TV broadcasting.
3. **Creative Technology** – includes creative industries which rely most on technology and digital media. The industries in this category are: Internet and software; Digital media (gaming and animation); and Design (graphic design and web design).

There can be definitional issues for some of these industries in terms of how a business is classified and this should be kept in mind when reviewing the results in this report. The research shows that there is also some overlap between each of the categories and blurred edges, however the classification presents a majority rules approach. Figure 1 below shows the overlap which exists between each of the categories.

Figure 1: Interaction between the Western Region’s creative categories and industries



Current size and future outlook of the Western Region's creative sector [Chp 4]

The quantitative analysis, based on the telephone survey plus grossing up assumptions, showed the economic contribution of the creative sector to the Western Region's economy.¹ Our *indicative* estimates of how much the creative sector is worth to the Western Region economy can be quantified in terms of:

- **Direct contribution** – employment, turnover and GVA (mainly wages and profits) generated by the sector itself;
- **Indirect contribution** – employment and GVA supported by the sector's purchases from its supply chain. This contribution is not exclusive to the Western Region; and
- **Induced contribution** – employment and GVA supported by the spending of those employed directly or indirectly by the creative sector. This contribution is also not exclusive to the Western Region.

Table 1: Estimated current economic contribution of the creative sector to the Western Region economy

	No. businesses	Employment	Turnover (Euro m)	GVA at basic prices (Euro m)
Survey sample - creative sector				
Direct	282	2,201	111	-
Grossed up - creative sector				
Direct	4,779	11,000	534	270
Indirect	-	3,800	-	300
Induced	-	3,600	-	190
Western region total	-	365,200	-	21,000
Direct (grossed up) % West total	-	3.0%	-	1.3%

Source: PIMR, Regional Forecasts/ Oxford Economics and CSO

Table 1 shows the current economic contribution of the creative sector to the Western Region. In terms of employment the creative sector would contribute approximately three percent of total regional employment (or 1 in 33 jobs in the Western Region are in the creative sector). This is in comparison to New Zealand where 1 in 28 jobs are in the sector. Were the Western Region to have the same concentration of creative jobs as New Zealand it would have 13,000 direct creative jobs, 2,000 more than currently.

Table 2 segments the overall figures on number of businesses, employment and turnover by the individual creative industries. In Table 2 we have also been able to roughly identify what proportion of total employment in these industries involves people who are actually undertaking creative work and what proportion of total turnover is attributable to creative activities. Of the 11,000 total direct jobs, we estimate 8,288 are specifically 'creative' while €470m of the total turnover of €534m is earned from 'creative activities'.

¹ Details of the methodology used to estimate the contribution of the sector, as well as the caveats that need to be considered when using the results, are set out in Sections 4.1 and 4.2 and Annex F of the report.

Table 2: Composition of creative sector businesses, employment and turnover by industry

	No. businesses			Direct employment			Direct turnover (Euro m)		
	Survey sample	Grossed up	% total (grossed up)	Grossed up - total	Grossed up - creative	% total (grossed up - total)	Grossed up - total	Grossed up - creative	% total (grossed up - total)
Creative application	138	911	19%	4,254	3,097	37%	201	181	38%
Crafts	35	455	10%	2,191	1,544	19%	69	58	12%
Architecture	53	207	4%	772	607	7%	53	51	11%
Fashion	5	51	1%	390	390	5%	15	15	3%
Publishing	16	29	1%	277	268	3%	21	18	4%
Advertising	2	18	0%	63	32	0%	9	7	2%
Art or antiques trade	27	151	3%	561	256	3%	35	32	7%
Creative expression	94	3,522	74%	5,202	3,973	48%	180	170	36%
Music and visual & performing arts	20	3,164	66%	3,264	2,594	31%	102	100	21%
Video, film and photography	61	313	7%	1,147	695	8%	52	46	10%
Radio and TV broadcasting	13	45	1%	791	685	8%	26	24	5%
Creative technology	50	346	7%	1,552	1,218	15%	152	119	25%
Internet and software	2	117	2%	810	743	9%	102	71	15%
Digital media	7	20	0%	35	23	0%	2	2	0%
Design	41	209	4%	707	452	5%	48	46	10%
Creative sector - total	282	4,779	100%	11,008	8,288	100%	534	470	100%

Source: PIMR and Regional Forecasts/ Oxford Economics

Selected findings from the quantitative research [Chp 4]

- The creative expression category has the largest number of businesses in the Western Region, however total turnover in this category is slightly lower than that for creative application as it is largely made up of self-employed businesses with less commercial focus.
- Less than 15 percent of creative businesses in the Western Region have more than 10 employees.
- Digital media and advertising businesses are particularly small in terms of employment and turnover.
- The creative technology category in the Region is more productive (on a GVA per employed person basis) than other categories – €56,000 per person employed compared to €17,000 per person employed in creative expression.
- Two-thirds of creative businesses in the Region export little or no goods or services (exports make up only 0-5% of their turnover).
- The music and visual and performing arts industry is the largest in terms of both employment and turnover. Other relatively large industries include: crafts; video, film and photography; internet and software; radio and TV broadcasting; architecture; and design.
- Over the past three years in the Region creative technology businesses along with radio and TV broadcasting, and advertising have performed strongest. Fashion, crafts, and video, film and photography have registered the weakest performance.

Framework for assessing the creative ‘environment’ of the Western Region [Chp 3]

Considering international best practice, as well as the results of the quantitative and qualitative research, a framework for assessing the creative ‘environment’ which exists in the Western Region was developed. This framework is designed to assess the strengths and weaknesses of the Region in terms of further developing its creative sector. It is based on three elements creative ‘place’, creative ‘people’ and creative ‘structure’. Each individual element is important in its own right but it is the success of the three elements combined which determines an area’s creative environment and therefore its ability to generate and sustain a successful creative sector.

- **Creative ‘place’**

The creative ‘place’ element relates to the attractiveness of an area including its landscape, heritage, built environment, infrastructure, social network and lifestyle. ‘Place’ characteristics are essential in order to attract creative skills to a region. They are a result of the natural environment combined with physical and social developments over time.

- **Creative ‘people’**

The creative ‘people’ element relates to the level of skills and creativity within an area, including people skills, diversity and technological know-how. ‘People’ characteristics are a reflection of creative individuals’ desire to locate or remain in an area as well as the culture of openness and creativity in the area.

- **Creative ‘structure’**

The creative ‘structure’ element takes into account the facilitating policies and programmes available to the creative sector. In particular this element looks at the development of marketing capabilities, funding and networking opportunities available within the area. Each of these characteristics has the potential to stimulate growth and development of the sector.

The interaction and combined effect of an area’s ‘place’, ‘people’ and ‘structure’ characteristics determine how conducive an ‘environment’ it has for growth of the creative sector.

Chapter 6 of the report includes details of three successful creative regions – New Zealand, New England (US), and Copenhagen. The experience of these three areas was assessed using the framework outlined above. It was evident that each area had raised awareness of the importance of the creative industries in a modern economy i.e. New Zealand by creating tax incentives, New England by releasing a blueprint for investment in creative industries, and Copenhagen by working on industry specific creative development strategies.

Each of these areas has tapped into its natural advantage, be that stunning landscapes, city centre location or a creative skills base, and developed a sector which reflects the uniqueness of the area. Their experience presents important lessons for the Western Region as it attempts to grow its creative sector.

Strategic issues facing the Western Region's creative sector [Chp 5]

The research revealed a range of strategic issues with respect to the creative environment in the Western Region.

Theme 1: Creative 'place'

- Location factors such as an attractive lifestyle, natural surroundings and the authenticity of the area were the key drivers for creative 'people' being in the West.
- The lack of availability of a good broadband service across many parts of the Region was evident from the interviews.
- Insufficient low cost workspace was highlighted as a continuing issue for many businesses, particularly in the creative expression category as it limited the opportunities and ambition of creative people.
- Planning and new developments in the Region were seen as having an impact, sometimes negative, on growth of the creative industries.

Theme 2: Creative 'people'

- A high level of skills exists in the Western Region however the majority of these skills are difficult to identify and tap into.
- A lack of basic business skills in the creative sector was also evident.
- Results showed a need for increased linkages between established businesses and education providers and for research and development to be continually upgraded and developed to keep pace with changes in technology and innovation.

Theme 3: Creative 'structure'

- The level of networking within the sector is quite minimal, interviewees stressed the importance of cross-county and business-to-business relationships and support.
- Marketing and branding in the Western Region is a key issue for those within the creative sector. There is currently no real brand which the West exhibits to help encourage or attract creative 'people' or tourists to the Region.
- There is a need for more showcasing of the Region's local creative talent, and to improve linkages with other sectors such as hospitality, tourism, business and manufacturing to increase the demand for creative businesses.
- Visibility of funding opportunities was also an important issue for creative industries. Results show there is a need for funding opportunities to be visible to those within the creative sector and to be tailored to the needs and expectations of their industry.

Recommendations [Chp 7]

Based on the research and consultations undertaken, a number of recommendations for developing the Western Region's creative sector are presented. A summary of the overall aims of the recommendations and the areas covered are given here, the more detailed recommendations are outlined in chapter 7.

It is important to note that these recommendations are currently under consideration by the WDC and its industry advisory group to assess priority and viability. It is anticipated that these recommendations will be further refined and developed as a result of this consideration.

Creative 'place' recommendations

1. Improve connectivity: improving connectivity, both physical and electronic, of the Western Region to facilitate creative businesses to operate in the global creative market.
 - Broadband development
 - Physical transportation network

2. Workspace provision: ensuring suitable, appropriately priced and serviced workspace is provided across the Region.
 - Workspace strategy
 - Urban/rural workspace scheme
 - Administration resource
 - Meeting hubs
3. Quality of life enhancement: preserving and enhancing the quality of life and lifestyle of the West which are major attractors for creative people.
 - Quality of the built environment

Creative 'people' recommendations

4. Education and training provision: sustaining and enhancing the pool of creative talent in the Region through specific skills initiatives.
 - Primary level creativity
 - Skills matching study
 - Skills for 'creating growth' – business skills

Creative 'structure' recommendations

5. Creative sector policy and responsibility: a national policy for the creative sector as a whole, along with clarity of responsibility, to provide a coherent structure for developing the sector.
 - Creative sector policy
 - Responsibility mapping
 - Establishment of regional creative forum
6. Facilitate Networking: supporting and facilitating networking between businesses across the Region's creative sector to take advantage of the benefits of joint working.
 - Networking agenda
 - Establishment of regional 'creative network'
 - Creative website
 - Contacts database
 - Who's who brochure
 - Best practice/trade missions
7. Stimulation of demand: stimulating demand for the outputs of the creative sector among other businesses and the general public.
 - Demand assessment
 - Creative customers
 - Routes to market
8. Marketing 'Creative West': developing a 'Creative West' concept to showcase the level of creativity inherent in the Western Region.
 - Marketing strategy
 - Marketing campaign
 - Creative champion
 - Tourist guide/creative trail
 - Showcasing events
 - Creative conference
 - Creative awards

9. Clarity of funding: ensuring that creative businesses have clear information on the funding sources available and that funding schemes meet the needs of the sector.
 - Streamlined funding support
 - Appropriate funding
 - Funding mapping

Chapter 1.0

Introduction



Western Development Commission

1 Introduction

1.1 Study overview and objectives

The Western Development Commission (WDC) is a statutory body with the remit to promote the economic and social development of the seven county Western Region of Ireland (Donegal, Sligo, Leitrim, Roscommon, Mayo, Galway and Clare). The WDC has identified the following strategic goals for the three year period 2007-2009:

- Contribute to balanced regional development by ensuring the Region maximises its full potential for development;
- Promote the benefits of living, working and doing business in the Western Region including through the LookWest.ie campaign;
- Support the sustainable economic and social development of the rural economy;
- Provide risk capital to SMEs and social enterprises through the WDC Investment Fund; and
- Operate the WDC as a competent and effective organisation.

The WDC considers that the creative industries sector has the potential to play a key role in the economic and social development of the Region, and to contribute to a number of its strategic goals. The creative sector is important not only as a high value, high skill economic sector in its own right, but also because of its role as a supplier to other sectors and the enhanced attractiveness of a region with a strong creative sector. Therefore the WDC included the following objective in its Strategic Statement 2007-2009:

“Develop the Western Region’s capacity to attract and support enterprises within the creative economy.”

As a starting point for the achievement of this objective, in February 2008 Oxford Economics, in partnership with Perceptive Insight Market Research (PIMR), was commissioned to conduct baseline research on the creative sector within the Western Region. This study will not only provide a baseline overview of the Region’s creative sector but in doing so will take into consideration the predominantly rural nature of the Western Region, as distinct from other studies of creative industries in predominantly urban settings.

The underlying rationale for this research is to try to define the unique aspects of the Western Region that contribute to its creativity and how this can be harnessed for the benefit of the Region. This includes both the growth of the creative industries sector itself and also the influence of the sector in stimulating creativity in the wider economy and society.

The key objectives set out in the terms of reference for this study are:

Box 1.1: Key objectives of baseline research

1. Define and scope the creative economy in the Western Region
2. Identify the strengths and opportunities for the creative industries sector in the Western Region
3. Identify the strategic issues facing the creative industries sector in the Western Region
4. Devise actions to develop the creative industries sector in the Western Region

Before reviewing this report it must be highlighted that due to the fact that the creative sector

is a relatively new area for research, and the extensive and differing set of definitions which exist, the measurement and subsequent recommendations for the Western Region presented here are based solely on Oxford Economics' extrapolation from econometric research in the Western Region.

1.2 Why this research matters

Now is an important time to be undertaking this research for a number of reasons:

1. The creative industries are increasingly recognised as a key sector of economic growth and development in the new global knowledge-based economy and are receiving considerable attention in many countries, both developed and developing. A recent report by UNCTAD estimated that over the period 2000-2005 world trade in creative goods and services grew at an average annual rate of 8.7%, with total world exports in 2005 reaching €424.4 billion. The unique nature of the sector, dependent upon individual human creativity, means that a location's strengths in this sector are not easily open to competition based on cost or tax advantages. The creative sector is therefore one of the economic sectors in which regional economies, and in particular, rural regional economies can develop a comparative advantage.
2. Creativity, knowledge and innovation play a key role in the development and growth of other economic sectors such as financial services, manufacturing, agriculture and tourism. The overall impact and influence of the creative industries on other sectors, by stimulating creativity within those sectors, may actually be greater than the economic contribution of the creative industries themselves.
3. Despite the potential for significant growth, the creative sector in Ireland is not well understood. There is currently no robust evidence base on the creative sector in Ireland or more specifically the Western Region. Basic questions which need to be answered include how the sector should be defined, its economic contribution, the relative importance of the individual creative industries which make up the broad sector and the strategic issues which interventions could address.
4. There is no comprehensive national policy for the development of the creative sector. There are policies relating to specific creative industries but no overarching policy aimed at strengthening the entire creative sector.
5. There is a need to examine the degree to which the unique sense of place within the Western Region can attract creative capital to the Region.
6. The results from this research could be used as a starting point to inform the development of initiatives to grow the sector in the Western Region.

1.3 What we have done – our approach

There have been five key stages to this research:

- **Stage 1: Desk-based research** – academic, research, policy, strategy and Government papers were examined (see bibliography in Annex D). This research provided a grounding for understanding international, national and regional developments within the creative industries sector.
- **Stage 2: International case studies** – three different case studies have been provided to establish an understanding of different policy approaches to creative industries' development and the composition of the creative sector in different localities. The three areas are New Zealand, New England (US) and Copenhagen, representing country, region and city examples. Each of these areas has been selected to provide an overview

of different methods and approaches to achieving a successful creative economy. The detailed case studies are provided in Annex H.

- **Stage 3: Telephone survey of individuals from Western Region creative businesses** – approximately 300 individuals from businesses in the Western Region were interviewed by PIMR via a telephone-based survey to provide information on a range of issues. The survey was conducted in April 2008 and a copy of the questionnaire appears in Annex G. The survey gathered data on the number of employees and turnover, recent performance, reasons for locating in the Western Region, export behaviour and supply chain linkages. The results, combined with grossing up assumptions, allowed the estimation of the direct, indirect and induced effects of the Western Region's creative sector on the wider economy. Additional survey results not presented in the main report are included in Annex E.
- **Stage 4: Interviews with individuals from selected businesses and organisations** – approximately 40 consultations were undertaken with key stakeholders including businesses, trade associations, education institutions and government organisations. These interviews helped to identify the key strategic issues affecting the sector.
- **Stage 5: Input from industry advisory group** – an advisory group, established by the WDC, of industry experts from the public and private sector provided input to the research (a list of members is given in Annex C). Its role was to provide insight and advice on any key issues or developments raised by the research. A wider stakeholders' workshop was also held to seek their views on a draft of this report and to provide suggestions on how the creative sector could be further developed. A report of the workshop is included in Annex I.

1.4 Report structure

The report is structured as follows:

- **Chapter 1: Introduction** – a background to the objectives of the research and the rationale for the report are provided, as well as an outline of the approach taken and the structure of the report.
- **Chapter 2: Defining and classifying the creative sector** – an overview of key definitions of the creative sector based on international literature is provided. The definition of the creative sector in the Western Region which is used in this report is also presented, as is a classification of individual creative industries into three broad categories.
- **Chapter 3: The creative economy** – the role of the creative sector in the knowledge and wider economy, and the implications for the Western Region of key international and national strategies to develop the creative sector are described. A framework for assessing the strengths and weaknesses of the creative environment within the Western Region is also presented.
- **Chapter 4: Current size and future outlook of the creative sector in the Western Region** – estimates of the direct, indirect and induced effects of the Western Region's creative sector on the wider economy, in other words the overall economic contribution of the sector, are presented. This is done using survey results on employment and turnover, combined with grossing up assumptions and the standard economic approach to measuring indirect and induced contributions. The current structure of the Western Region's creative economy is also summarised and an economic 'health check' of the sector in terms of recent performance and outlook is presented.

- **Chapter 5: Strategic issues for the Western Region's creative sector** – a succinct summary of the key issues identified by employers, trade associations, government organisations and representative organisations during the consultations is set out. The issues in this chapter are structured under the three key themes of Creative 'place', Creative 'people' and Creative 'structure'. Some findings from the survey are also presented as a cross-check against the consultation conclusions. The key emerging issues from this and earlier chapters are then set out in a SWOT analysis to draw out the strategic issues facing the Region's creative sector.
- **Chapter 6: International developments** – an overview of key international developments in the creative sector is presented as well as lessons from three international case studies (New Zealand, New England and Copenhagen).
- **Chapter 7: Recommendations** – recommendations to develop and sustain the creative sector in the Western Region are set out. National recommendations that are within the remit of national government policy, as well as regional recommendations that could be implemented by regional or local stakeholders are identified.

Chapter 2.0

Defining and classifying the creative sector



Western Development Commission

2 Defining and classifying the creative sector

What is meant by the creative sector, as well as the definition used in this report, are discussed in this chapter. A classification of the creative industries sector is also provided to highlight the relationships between the different industries which make up the sector.

2.1 What is the creative sector?

The creative sector is an evolving concept which has emerged as a new dynamic sector in the modern knowledge economy. Creativity, knowledge and access to information are increasingly looked upon as important tools driving economic growth and development in a globalising world. The creative sector is no longer a reflection of an economy's ability to produce traditional arts and crafts products, but encompasses a broad spectrum of functions including the formulation of new ideas, the production and application of original goods and technical innovation.

At its most basic, the creative sector is essentially made up of those industries which rely upon human creativity to generate wealth. What is unique about the creative sector is that creativity is *the* fundamental factor of production for these goods and services. Without new, creative ideas, these industries could not exist.

Clearly, creativity and innovation play a key role in the development of all sectors of the economy e.g. biomedical devices, financial services, agriculture. While the creative sector itself contributes considerable employment and output to the economy, its wider role in driving creativity and innovation in other sectors, a role that is often overlooked and undervalued, may in fact have a greater impact on overall economic growth. While this report will focus on measuring the creative industries themselves, it will also examine the wider role which the creative industries have in stimulating creativity across the economy and society.

While it is universally agreed that creativity is the unique characteristic of the creative sector, uncovering a universal definition for the sector is extremely difficult. There are many individual, regional and national examples and interpretations of how to define the creative sector and what the creative economy is actually comprised of. Some speak of cultural industries, some of creative and others of copyright industries. Others focus on the creative class or the creative workforce.²

There is certainly some confusion as to the meaning and segregation of cultural industries versus creative industries. Since the end of the 1990s studies of the creative industries have been carried out all over the world at both national and regional level. A comparison of available publications shows that the understanding of the sector varies from country to country dependant upon the history and national culture of the area. This is particularly evident across Europe when comparing the many and varied definitions (see Annex A). Although there is some overlap between the cultural and creative sectors, it is important to highlight that there are distinct differences between the two. The UNESCO Institute for Statistics defines the cultural and creative industries as follows:

² For example, Caves (2000) defines the creative industries as *"those that supply goods and services that we broadly associate with cultural, artistic or simply entertainment value. They include books and magazine publishing, the visual arts (painting and sculpture), the performing arts (theatre, opera, concerts, dance), sound recordings, cinema and TV films, even fashion and toys and games"*.

While, Colin Mercer (2001) states that *"the use of the term 'creative' turns on the recognition of creativity...as a universal human capacity that has a special though by no means exclusive relationship to the cultural sector....These connections position the creative industries strategically as crucial components of the strongly emergent 'knowledge economy' and an industry like no other that generates products and values that have a significance far beyond their economic currency"*.

- **Cultural industries** have been defined as the creation, production and commercialisation of the products of human creativity, which are copied and reproduced by industrial processes and worldwide mass distribution. They are often associated with private sector or market based goods and services and are often protected by national and international copyright laws. They are defined as covering sporting activities, cultural events, printing, publishing and multimedia, audiovisual, phonographic and cinematographic productions, crafts and design.
- **Creative industries** on the other hand are said to scope a broader range of industries including printing, publishing, craft, design, architecture, advertising, visual and performing arts. They tend to incorporate the private sector, non-profit organisations (associations and foundations) as well as the public sector (opera, museums and theatre).

By way of illustration of the lack of a common definition, Box 2.1 presents a selection of creative sector definitions from the UN, the UK and France. Ireland has so far largely adopted the UK definition of the creative sector.

Box 2.1: Selection of international creative sector definitions

- **United Nations** – In their Creative Economy Report 2008, UNCTAD defines the creative industries as *‘the cycles of creation, production and distribution of goods and services that use creativity and intellectual capital as primary inputs. They comprise a set of knowledge-based activities that produce tangible goods and intangible intellectual or artistic services with creative content, economic value and market objectives’*. The report goes on to examine cultural heritage, visual and performing arts, audiovisual, publishing and printed media, new media, design and creative services including architecture and advertising.
- **United Kingdom** – The UK’s Department for Culture, Media and Sport (DCMS) defines the creative industries as *“those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property”*. According to this definition, industries included are advertising, architecture, the art and antiques market, crafts, design, designer fashion, film and video, interactive leisure software, music, the performing arts, publishing, software and computer services, television and radio.
- **France** – The French have adopted a more cultural approach when defining creative industries. Their definition includes *“a set of economic activities that ally conception, creation and production functions to more industrial functions of manufacturing and commercialisation at large scale, through the use of material supports or communication technologies”*. Outputs tend to be aimed at large scale reproduction and outputs are characterised by copyright rather than intellectual property. Activities included are publishing, audiovisual activities and directly related activities such as press agencies, multimedia and advertising.

These imprecise and differentiated definitions have led to the creative economy being termed as somewhat unquantifiable and even confusing.

2.2 Definition of the creative sector used in the study

As part of this research and due to the difficulties highlighted above in finding a universal definition for the creative sector, a simplified definition of the creative sector has been adopted, which is not based upon specific Standard Industry Classification (SIC) codes.³ It is an extrapolation from survey results, international literature and the qualitative research. The definition relates specifically to those industries which are primarily centred on creativity.

“Occupations and industries centred on creativity, for the production and distribution of original goods and services.”

While this broad definition is required to conceptualise the creative sector, a more detailed classification of individual creative industries is also required if the sector is to be measured and discussed in a way that allows intervention for its further development.

2.3 Classification of creative industries in the Western Region

A classification of creative industries into three broad categories has been developed for this study, in close consultation with local businesses, trade associations, enterprise boards and government organisations. It was also developed using results from the creative business survey on the share of creative employees, and turnover attributable to creative activities, in the individual industries.⁴ As a general rule the creative sector includes all those industries of which **creativity is the central core of production or development**.

The classification splits individual creative industries into three distinct categories:

- Creative Application;
- Creative Expression; and
- Creative Technology.

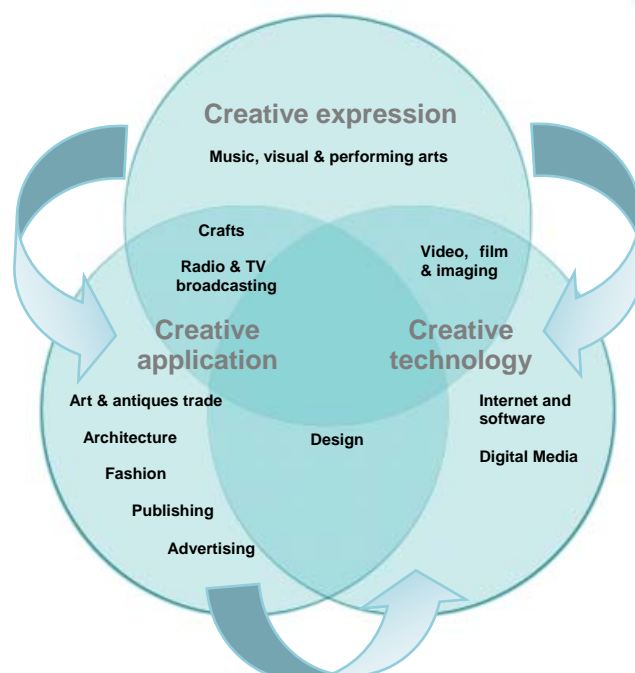
A description of the three categories is provided below.

³ It should be noted that at the beginning of the project, in order to select a sample for the survey, SIC codes were used based upon the UK definition highlighted in Box 2.1. Using SIC codes however is problematic due to the broad nature of some of the categories used in SIC. Some industries which fall under the SIC codes of the UK definition are not creative according to our definition e.g. market research, veterinary surgeons. These were removed and not included in the sample surveyed. See chapter 4 for a more detailed explanation of the process used.

⁴ Annex Table E.4 gives survey results for each of the industries on the share of employees whose main job involves undertaking creative work and the share of turnover attributable to creative activities. As a rule of thumb, only industries with more than 40 percent of employees whose main job involves creative work and more than 70 percent of turnover attributable to creative activities are included in this classification. This meant excluding three sectors from the overall creative definition – manufacturing, sales/ specialised retail and other creative. These three sectors were not originally targeted by the survey but 11 of the 293 businesses surveyed classified these sectors as best describing the main activity of their business.

1. **Creative Application** – covers industries which develop products or services primarily for the purpose of selling. Their existence is dependent upon market demand. This category includes such things as one off artefacts, signature designer pieces or end products such as books, blueprints or advertisements. These industries are largely market driven.
 - Art/Antiques trade
 - Architecture
 - Fashion
 - Publishing
 - Advertising
 - Crafts
2. **Creative Expression** – covers products that may not primarily be driven by commercial considerations. These products are typically defined as 'art for arts sake' and are developed for audiences and consumers with an expressive story in mind. In some cases these products or services would be provided even in the absence of market demand and may rely upon public sector support.
 - Music, visual and performing arts
 - Video, film and imaging (photography)
 - Radio and TV broadcasting
3. **Creative Technology** – includes creative industries which rely most on technology and digital media. Although technology is a key input for several creative industries, this category has been specifically separated out due to its core function being reliant on digital technology.
 - Internet and software
 - Digital media (gaming and animation)
 - Design (graphic design and web design)

Although there is some overlap between each of the categories and blurred edges, this classification represents a majority rules approach. Each industry has been classified according to its core activity i.e. the primary reason for its establishment. Fig 2.1 shows the overlap which exists between each of the categories. The potential overlap between the categories can be seen as a positive aspect of the sector and is a reflection of the interaction which is indicative of creative industries.

Fig 2.1: Interaction between the Western Region's creative categories and industries

It is also important to remember that Fig 2.1 is not a closed system as these creative industries are also highly interlinked with other sectors of the economy and help to stimulate creativity in those sectors. Overlaps exist beyond these three categories with digital media for example highly connected to the ICT sector, or the arts and crafts industries connected to the tourism sector. Section 3.3 presents a more detailed discussion of these linkages.

While this classification is useful when measuring the size and impact of the creative sector, caution is also required as there may be problems of definition for these industries. For example, a particular business may be classified in one source as digital media but as internet and software, or video, film and imagery elsewhere, similarly a person may be classified as a craftsperson by one source or a visual artist by another. These definitional problems need to be borne in mind when discussing individual creative industries.

Chapter 3.0

A creative economy



Western Development Commission

3 A creative economy

The role of the creative sector in the modern knowledge economy and the international factors driving the growth of the sector are explained briefly in this chapter. The implications of key international and national policies and their impact on the development of the creative sector at both a national and regional level are also discussed and a framework for assessing the Western Region's creative environment is presented.

3.1 Creative sector as part of the modern knowledge economy

The structure of developed economies has changed over time from being dominated by agriculture and industry to the emergence of the new economy of knowledge-based manufacturing and services. Knowledge has become a fundamental factor of production, not only for those industries typically associated with the knowledge economy but for sectors and industries right across the economy from agriculture to retail. The concept of knowledge is also evolving beyond a limited view of technical skills, to encompass the fundamental human attribute of creativity.

Creativity, innovation and knowledge are essential drivers of all economic activity and have a substantial impact on future economic growth and development. The creative industries sector can be seen as an important sub-set of this wider transformation of the economy as it encompasses those industries which are most reliant on creativity and individuality. Their economic impact goes beyond their direct contribution and is characterised by their influence on raising the general level of creativity and growth across the economy.

As discussed in the previous chapter, the creative sector is essentially those industries which harness the creativity of the human mind to generate wealth. Unlike other sectors which are based upon finite natural resources, creative industries are based upon ideas and human creativity. This is a virtually limitless global resource which may partly explain the increasing focus upon this sector.

Creative industries are increasingly becoming a priority economic development sector worldwide, harnessing considerable investment and policy focus. Countries such as Australia, Denmark, the US, Singapore, Hong Kong, New Zealand and Canada have seen their creative economies grow dramatically. In 2005 world exports of creative goods and services reached €424.4 billion or 3.4% of world trade (UNCTAD, 2008). Creative industries now straddle the economic, political, social, cultural and technological spheres and are at the crossroads of arts, business and technology.

A good example of the growing importance of these businesses is the fact that during the 1950s the world's largest companies included industrial manufacturers and raw materials suppliers. While these types of companies still remain among the largest, they have now been joined by broadcasters, publishers and entertainment businesses. This shift has very particular spatial implications, as previously the availability of raw materials or physical transport largely determined where industry established e.g. countryside for agriculture or coal mines for extraction. However for the creative sector, people are the raw material and it has been stated by Richard Florida that "*in the modern day economy, jobs now follow people*". This in turn has important implications for creating areas which provide an attractive lifestyle to live, work and play.

Although the creative sector has traditionally been associated with an urban affinity, evidence from the US and UK suggests that creative sector growth in rural communities has emerged and is particularly important for innovation and development in these areas. For example, USDA researchers explored the importance of the creative class for rural growth in the US. It was found that the creative class was present in some rural areas, particularly those considered to be high amenity, and that rural areas with a higher share of the creative class also experienced higher job growth (USDA, 2007).

3.2 **Driving factors behind the international growth of the creative sector**

A number of broad trends have played a key role in shaping the rapid global expansion of the creative industries:

- **Deregulation of national cultural and media policy frameworks**, such as the liberalisation of broadcasting and its regulatory framework beginning in the 1990s.
- **Increasing affluence** leading to shifting demand and employment patterns, which benefit income-elastic products with high cultural content. Noticeably affected are younger consumers with a high marginal propensity to spend on such items, who also see these industries as an attractive place to work, with a pleasant lifestyle and high potential earnings.
- **Technological change**, along with widespread diffusion of information technologies, has led to innovation through the emergence of many new formats for product delivery (e.g. the capacity to store musical sounds as computer files, copy and reproduce them on personal computers, and transmit them over the internet). This has had profound effects on the entire value chain of many creative industries.
- **The rise of the service economy** which is a growing source of demand for creative industries' services, especially in design, advertising and marketing. The service economy has also become increasingly internationalised.

3.3 **The Western Region as a creative region – the Creative West**

The Western Region of Ireland (Donegal, Leitrim, Sligo, Roscommon, Galway, Mayo and Clare) contains a rich and varied creative talent stretching back through the ages. This talent has expressed itself in many forms from sculpture, music, marine design and literature in latter days, to theatre, film and digital media in more recent times.

The creativity of the West has led to a unique imprint on everyday lives. The Region enjoys a preponderance of early Celtic art and distinctive art, design and architecture from the early Christian period. Interestingly it also enjoys a wealth of creative expression from earlier Neolithic and even megalithic times. In short, creative people and creative pieces have flourished in the Western Region for centuries.

Today the Region continues this tradition of creativity. Many world renowned talents are from this Region including playwrights like Brian Friel and Tom Murphy while others such as Booker prize winner DBC Pierre have chosen to live in the Western Region. The region is also home to top theatre companies including Druid and Macnas, a host of internationally-renowned musicians and painters as well as top class film, media and digital talent. Events and festivals including the Galway and Earagail Arts Festivals, pepper every month of the year.

Creative people and talent are drawn to the Region; the clarity and diversity of light, the ever increasing accessibility to global markets, the warm and welcoming environment, the space to create, all are aspects which foster inspiration. As Yeats wrote when describing the Region "*a land where even the old are fair and even the wise are merry of tongue*". The people of the Western Region have long been capable of creative expression.

In addition, the strength of the Irish language itself in the Region is another important factor. The language is in daily use in the Region's Gaeltacht areas including Galway city, Ireland's only bi-lingual city. This linguistic dynamic adds another important and unique layer to the

Region's creativity. TG4, Telegael etc are just a few examples of regional companies that successfully create using the Irish language.

3.4 Creative sector's role in the economy and society

UNCTAD's Creative Economy Report 2008 highlights the multiple dimensions of the creative economy in terms of economic, social and cultural aspects. The economic aspect is perhaps the best understood and quantified in terms of value of GDP and exports. The creative sector also has a large impact socially, largely in terms of its contribution to employment. Creative industries are both knowledge-intensive (requiring specific skills and high-level qualifications of their workforce), and labour-intensive (especially those with a high concentration of creative inputs, for example, in theatre or film production).

The job creation potential of these industries can be important in policy terms, especially for depressed agricultural and industrial regions. Furthermore, it is sometimes noted that the quality of jobs generated by the creative sector may provide greater levels of employee satisfaction than more routine occupations because of the commitment and sense of cultural involvement engendered among participants in a creative endeavour.

The reach of the creative sector extends beyond simple backward and forward supply chain linkages (which will be examined in chapter 4). The creative sector also has important spillover impacts on sectors such as tourism by encouraging more international tourists to visit (as New Zealand's film industry has done) and can increase productivity/ performance in sectors such as manufacturing, financial services, engineering and scientific research which purchase innovative creative services and products.

The relationship between the creative industries and innovation in other sectors has been examined in detail by the National Endowment for Science, Technology and the Arts (NESTA) in the UK. A recent study found that industries which have stronger links to the creative industries (through purchases from or sales to the creative sector) had stronger innovation performances (NESTA, 2008). This was found to result from products and services purchased from the creative sector being used as inputs to the innovation process, as well as from the transfer of knowledge and ideas from the creative sector to other sectors through their interactions.

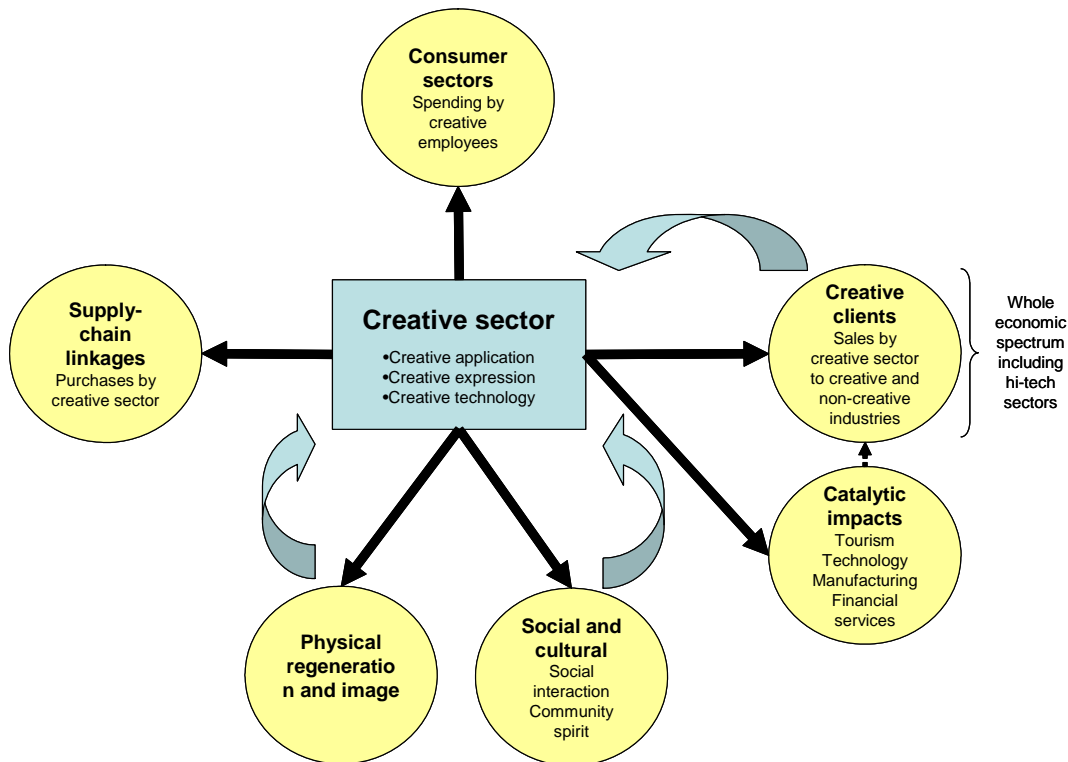
To fully take advantage of the potential offered by the creative industries to drive creativity and innovation in other sectors, there is a need to properly manage creativity in business. The application of creativity and innovation across the economy needs to be encouraged in a way that is central to the functioning of all businesses and not just viewed as an optional activity that is engaged in when there are available resources (NESTA, 2007).

The catalytic and spillover effects of the creative sector should be included when quantifying the full impact of the sector on the economy as a whole. However it is beyond the scope of this study to measure these impacts in the Western Region. As these benefits could potentially be quite large, research into the likely secondary effects of the creative industries should be considered in the future.

Softer but equally important benefits of a strong creative sector can include social and cultural impacts in terms of increased community spirit and social interaction at creative events such as arts and music festivals. The creative economy can help governments to generate both economic and cultural value. Similarly the regenerative role played by artists, designers, architects and craftspeople can help to improve the image of and enliven areas. By combining creative innovation, a rich social and cultural offering and physical regeneration, an economic and social dynamic can be created that makes an area increasingly attractive as a location for creative businesses.

Figure 3.1 summarises the linkages between the creative sector and the rest of the economy and society. Clearly, given the intimate linkages between the sector and other elements of the economy, policies within the creative sector will have an impact on developments in other sectors and vice versa.

Fig 3.1: Creative sector links to the rest of the economy and society



3.5 Key policy developments

Given the growing significance of the creative sector and its role in the wider economy and society, it is important to consider the policy context within which the sector is operating.

Creative industries – European context ... the EU has a strategic goal, set out in the Lisbon Agenda, that by 2010 “Europe will become the most dynamic and competitive knowledge based economy in the world”. This goal is heavily based on the economic concepts of innovation, the learning economy and social and environmental renewal. The cultural and creative sectors have a key role to play in achieving the Lisbon targets. Growth of these sectors in the EU from 1995–2003 was 12% higher than the growth of the overall economy and their turnover contributed 2.6% of EU GDP in 2003 (European Commission, 2006).

Creative industries – national context ... the National Development Plan (NDP) 2007-2013 has targeted €184 billion for investment. While the creative sector is not specifically identified in the NDP, the planned investments in economic and social infrastructure, enterprise, education, training and skills are necessary to facilitate growth in the sector.

National creative industry policy ... despite the growing importance of the creative sector there has been little identifiable research on creative sector development in Ireland and there is no comprehensive national policy. What does exist are several reports looking at individual

industry initiatives or strategies. For example:

- **The Enterprise Strategy Group** report was published in 2004 to help direct strategy for enterprise development over the next 10 years. This report also provided the results/recommendations from industry specific advisory groups including one for Creative Services (Design) and one for Creative Industries (Entertainment/Media).
- **The Services Innovation in Ireland: Options for innovation policy** report in 2006 looked at innovation models for the services sector. This report was prepared by Forfás and examined three services sectors as case studies, one of which was creative industries.
- **The Expert Group on Future Skills Needs** has published a number of reports on skills needs in the digital content/digital media area. These reports provide background information in relation to the provision of skills training and the organisations involved in the sector.
- **The Arts Council of Ireland** has also produced a number of publications specifically related to the arts industry in Ireland. These policy papers, such as Making Arts in Ireland International, provide useful background information with regard to the arts industry in Ireland.

Overall however there is a lack of coherent policy and research on creative industries from a national perspective. There is very little robust quantitative evidence to support policy development for the creative economy in Ireland. There is a need for a more multi-sectoral approach to the creative sector to deliver an overall baseline analysis and strategy which reflects the needs of more than one specific creative industry.

More balanced regional development ... the National Spatial Strategy (NSS) is the main instrument of regional policy in Ireland with the regional development element of the NDP structured around the NSS framework. The NSS sets out an approach to regional development based upon the identification of a hierarchy of spatial areas, from rural areas, to county and other towns, hubs and gateways. Each level is seen as serving a specific role in the development of the regions. The creative sector is not specifically referred to in the NSS, however tourism which has strong links with the creative sector, is identified as having potential to promote economic development in the more rural areas of the West and Border regions. The need to strengthen the social infrastructure of the identified gateways and hubs is also stressed which has direct implications for the creative sector, particularly the provision of creative infrastructure e.g. theatres.

Rural development ... the Rural Development Programme 2007–2013 has the potential to support the growth of the creative sector in rural areas. The LEADER programme has assisted many emerging creative industries in rural areas, including arts, media, craft and other cultural initiatives. The international LEADER network at its 2006 conference on the Creative Rural Economy highlighted:

“...the vital regenerative role played by artists, designers, media workers, architects and craftspeople working in rural areas, and ... innovative arts projects in support of rural health, youth, transport, housing and social inclusion...”

The development of creative industries has been identified as an important source for reinvigorating rural areas and economies. Both the UK and the US have identified creativity and innovation as important tools for growth and development of rural communities. For example the NESTA report on rural innovation in the UK (2007) contained a specific chapter on creative industries and highlighted the beneficial role that innovation can play in rural communities. The decline in agriculture and manufacturing in rural areas has presented problems for future development however it has opened up opportunities for new initiatives such as the development of the creative economy. However it is important that growth within this sector is in line with the sensitivity of rural environments.

3.6 Framework for assessing the creative 'environment' of the Western Region

Creativity is a fundamental human attribute and is displayed to some degree everywhere, regardless of how conducive an area is to that creativity. Areas with the most successful creative sectors tend to be characterised by a highly creative environment consisting of such things as amicable working environments, diversity and skills advantages. These attributes help to stimulate the sector and in turn further enhance the creative environment, thereby establishing a positive dynamic in the area.

The key question for any area is whether or not it possesses the underlying factors to stimulate and develop a truly creative environment. If it does, how can these be enhanced to encourage the expansion of its creative sector as well as stimulating creativity across the economy? If it does not, can such an environment be created? To answer this question it is necessary to provide a framework to assess the strengths and weaknesses of an area's creative environment and the likelihood that it can support a growing creative economy. A review of the literature, including the recent UNCTAD report and a range of US and UK county or state based articles, highlighted several elements that seem to be necessary to a creative environment and the development of the creative sector.

For example, in developing a framework or basis of success for creative economies, Richard Florida (2002) set out three interconnected elements as critical for building a creative economy.

1. **Talent** – ensuring a high level of creative skills exist.
2. **Technology** – ensuring that the level of technology and innovation are constantly being researched, developed and recreated.
3. **Tolerance** – ensuring that areas have enough openness and difference to emphasise cultural creativity and uniqueness.

Florida believes that in developing and interconnecting these three elements a creative economy can be developed and sustained. However, the difficulty associated with quantifying elements such as Tolerance highlights the need for a set of criteria to fairly judge an area's creative environment and its likely capacity to develop and sustain a creative sector.

Considering international best practice, as well as the results of the quantitative and qualitative research, a framework for assessing the **creative 'environment'** in the Western Region was developed based on three elements **creative 'place'**, **creative 'people'** and **creative 'structure'**. Each individual element is important in its own right but it is the success of the three elements combined which determines an area's creative environment and its ability to generate and sustain a successful creative sector.

3.6.1 Creative 'place'

The creative 'place' element relates to the attractiveness of an area including its landscape, heritage, built environment, infrastructure, social network and lifestyle. 'Place' characteristics are essential in order to attract creative skills to a region. Most of these characteristics are quite unique in that they cannot readily be replicated and can often be intangible. They are a result of the natural environment combined with physical and social developments over time.

The natural environment and lifestyle are significantly important for attracting creative individuals to an area. Other factors such as the built environment and local infrastructure play a key role in supporting creative industries and are a vital element of their success. Social factors such as opportunities for interaction with other creative people or access to cultural events are equally important. A creative 'place' exists as a result of the interaction of a large number of both natural and man made factors. For example, while landscape and creative stimulus may be the key driver for those in creative expression industries, the

availability of low cost workspace is also critical. Likewise while an attractive lifestyle may be sought by those in creative technology industries, physical and telecommunications connectivity must also be available.

The creative sector has often been associated with an urban affinity, with much international writing on the creative class being focused upon cities (Florida, 2002; Landry, 2000). Urban regeneration projects often give considerable emphasis to providing space for creative business. Within the Western Region, Galway city is a good example of an urban centre that has been very successful in attracting the creative sector.

The creative sector however is not an exclusively urban phenomenon. Creative workers are also drawn to locations due to the authenticity of an area, and peaceful working environments. Such areas provide the creative stimulus needed to perform their work. A study of the creative sector in rural areas in the US found that creative workers were often more able and apt than others to choose where they wanted to live based upon quality of life considerations and could therefore be attracted to live in high amenity rural locations (USDA, 2007). The same study found that rural areas with a higher share of creative workers experienced higher overall jobs growth than rural areas with lower shares of creative workers over the period 1990-2004. There are some notable examples of creative clusters developing in rural areas of the Western Region such as the audio visual sector in Connemara and crafts in Leitrim.

Creative 'place' characteristics are the most difficult to change or develop through policy actions as they are influenced by natural characteristics and are a reflection of the uniqueness and overall attractiveness of an area. The man made elements of creative 'place' e.g. the built environment, are more conducive to change as they can be enhanced to make a place more attractive, however they can also be damaged reducing an area's attractiveness. Changes to the creative 'place' element are the most likely to be long term, as they often cannot be altered quickly.

3.6.2 Creative 'people'

The creative 'people' element relates to the level of skills and creativity within an area, including people skills, diversity and technological know-how. 'People' characteristics are a reflection of creative individuals' desire to locate or remain in an area and are about more than just skills, local training courses and educational institutions. Diversity also plays a key role in attracting creative 'people' to a region. International literature shows that diversity stimulates creativity, as a more diverse population tends to be open to new ideas and innovations.

Given the centrality of human creativity to the creative sector, the attraction, retention and development of creative 'people' can be seen as the key to success in the creative economy. Ensuring that the right mix of old and new talent is sustained is important for the future of the sector. Educational institutions have an important role to play in this area as they can provide a link between local businesses and students. Technological innovation is also important to ensure that the level of technology within the community is constantly being updated and improved.

Creative 'people' characteristics in an area are somewhat difficult to change. However providing access to educational institutions, new technologies and an attractive location can help to ensure that the creative talent of an area is constantly growing and changing.

3.6.3 Creative 'structure'

The creative 'structure' element takes into account the facilitating policies and programmes available to the creative sector. In particular this element looks at the development of marketing capabilities, funding and networking opportunities available within the area. Each of

these characteristics has the potential to stimulate growth and development of the sector. The creative 'structure' of an area can be cultivated through focused strategy and targeted investment. However the provision of a conducive 'structure' alone will not lead to success if the other two elements (place and people) are not present.

This particular element has the greatest possibility of being influenced and developed through intervention by government organisations, industry bodies or funding agencies. This is particularly evident from all three case studies provided in Annex H. Each case study area implemented specific structural policies ranging from marketing programmes to tax incentives in order to try and develop their creative economy or specific creative industries.

The interaction and combined effect of an area's 'place', 'people' and 'structure' characteristics determine how conducive an 'environment' it has for growth of the creative sector. The strategic issues facing the Western Region's creative sector are presented in chapter 5 under the three themes outlined above in an effort to assess the Region's creative 'environment' and to inform efforts to enhance that 'environment'.

Chapter 4.0

Current size and future outlook of the Western Region's creative sector



Western Development Commission

4 Current size and future outlook of the Western Region's creative sector

In this chapter the current size and economic contribution of the creative sector in the Western Region is measured. The composition of the overall sector by individual creative industries and by location is also examined, as is the size structure, export activity and supply chain linkages of the sector. The future outlook for the Region's sector is also analysed.

4.1 Data issues and methodology

Comprehensive studies of the economic contribution of the creative sector, such as the GLA Economics report *Creativity: London's Core Business*, have tended to rely on highly detailed official data sources. This requires employment and occupation data at 4-digit SIC/NACE and SOC level to develop precise estimates of how much the creative sector is 'worth' to the economy.

As part of this project Oxford Economics consulted with the CSO to request this level of detailed data for the Western Region. While the required level of detail is not available regionally nor indeed nationally, due to insufficient sample sizes, from the Quarterly National Household Survey, it is partly available from the 2006 Census. This data was used as a cross-check against the quantitative results from this report, however the Census is not used directly to estimate creative sector employment as the occupation and industry classifications used include categories which are not part of the agreed definition outlined in section 2.2.

The approach taken in this report to measure the creative sector's economic contribution is based on primary research findings from a creative business survey, and grossing up assumptions to measure the contribution of creative businesses not covered in the survey.

The creative business survey was conducted by Perceptive Insight Market Research (PIMR) via telephone in April 2008. The database from which the sample was selected was sourced from an international business database (IDS marketing file) complemented by information from goldenpages.ie, local authority arts office databases and membership information from trade associations. From this general database, SIC codes were used (based upon the UK definition of creative industries, given in chapter 2) to create a database of 1,422 creative industry businesses located in the Western Region. A random sample of approximately 600 businesses was then generated from the database. Data was obtained from 293 of these creative businesses. A detailed outline of our approach, including grossing up methodology and the measurement of indirect and induced contributions, is provided in Annex F. A copy of the survey questionnaire is also provided in Annex G.

It is worth noting here what has been included and excluded in the creative sector for measurement purposes. Similar economic impact studies have included both creative industries (industries whose main business is creative) and creatively occupied workers (people whose work is by its nature creative even if they are not employed in a creative industry business), adjusting for any double counting between the two. Our approach is largely focused on creative industries. This is due to two main difficulties: identifying all creatively occupied workers, in particular those employed in other sectors; and identifying those working creatively on a self-employed and perhaps part-time basis.

The second difficulty has been addressed to some extent as the survey has captured over 100 self-employed persons and a large number of those have been assumed in grossing up, particularly for crafts, and music, visual and performing arts (based on information from the local authority Arts Officers). What we have excluded, which other studies may include, are creatively occupied workers not working in creative industries e.g. town planners (in the public sector), in-house designers in manufacturing businesses, musical instrument makers. This should be considered when comparing the economic contribution of the creative sector in the

Western Region, estimated in this report, with studies from other regions or countries.

4.2 Economic contribution of the creative sector

We present below our *indicative* estimates of how much the creative sector is worth to the Western Region economy. We quantify this contribution in terms of:

- **Direct contribution** – employment, turnover and GVA (mainly wages and profits) generated by the sector itself.
- **Indirect contribution** – employment and GVA supported by the sector's purchases from its supply chain. This contribution is not exclusive to the Western Region as purchases can be made from outside the Region, including spending on imports.⁵
- **Induced contribution** – employment and GVA supported by the spending of those employed directly or indirectly by the creative sector. This contribution is not exclusive to the Western Region as spending may be done outside of the Region, including spending on imports.

Table 4.1: Estimated current economic contribution of the creative sector to the Western Region economy

	No. businesses	Employment	Turnover (Euro m)	GVA at basic prices (Euro m)
Survey sample - creative sector				
Direct	282	2,201	111	-
Grossed up - creative sector				
Direct	4,779	11,000	534	270
Indirect	-	3,800	-	300
Induced	-	3,600	-	190
Western region total	-	365,200	-	21,000
Direct (grossed up) % West total	-	3.0%	-	1.3%

Source: PIMR, Regional Forecasts/ Oxford Economics and CSO

Note: Western Region current total employment and GVA calculated from NUTS 3 QNHS and Regional Accounts data. Western Region comprises counties across three NUTS 3 areas – Border (Donegal, Leitrim, Sligo), West (Galway, Roscommon, Mayo) and Mid-West (Clare). We estimate the share of employment and GVA in Border and Mid-West attributable to the Western Region using population shares from the 2006 Census (no better information exists to apportion). Employment data comes from QNHS 2007 Q2. GVA data comes from Regional Accounts 2005 and is extrapolated to 2007 using the aggregate State 2006 figure and trending. Grossed up employment figures are rounded to the nearest 100 and GVA figures to the nearest 10.

Caveats: The following caveats should be borne in mind in understanding how the figures were arrived at and we strongly recommend that these be noted when referring to these figures:

1. The survey asked creative businesses for levels of employment and turnover within a range of values and not precise numbers. We have assumed actual levels of employment and turnover are just less than the mid-point of these ranges to err on the side of being conservative.

⁵ It is beyond the scope of this research to estimate the proportion of indirect and induced employment accruing to the Western Region. Also support for indirect and induced jobs from the creative sector does not necessarily mean that these jobs would not exist in the absence of direct jobs in the creative sector – they may still exist but at lower levels of productivity or activity.

2. We assume creative businesses included in grossing up (identified by county and sector) share the same characteristics as creative businesses included in the survey in terms of average number of employees per business and average turnover per employee.
3. There may be problems with the classification of businesses. A business may be classified as digital media by one source and as internet and software by another, or as crafts in one source and visual arts in another. There are also issues in terms of official use of terms e.g. registration regulations for architects have recently changed which has reduced the number of persons who can use that title⁶. Therefore the data on individual industries given in the remainder of the report must be considered with caution.
4. The assumptions and methodology used in grossing up the survey results, as well as estimating the indirect and induced contribution of the sector, are set out in Annex F and should be referred to.

Box 4.1: Economic contribution of the creative sector to the Western Region economy

- **Direct contribution** – 11,000 jobs (3.0% of Western Region total) generating €534m in turnover and €270m in GVA (1.3% of Western Region total). The employment contribution is estimated to be higher than the GVA contribution in share terms because many of the creative businesses are small (not exploiting economies of scale), likely to be operating on a part-time basis or as a hobby, not focused exclusively on profit making and the sector is dependent on lower productivity industries.

(Note: the employment estimate compares closely to broad estimates of creative sector employment from the 2006 Census when measured on an industry and occupation basis (ranges between 10,000 and 11,000). This is a good indication of the credibility of the approach adopted and the grossing up assumptions.)

- **Indirect contribution** – the creative sector indirectly supports the employment of 3,800 persons, mainly in business services, other personal services, retail and distribution, both in the West and outside (generates €300m in GVA). The indirect contribution of capital spending by the creative sector is not included as we do not have information on investment by the sector.
- **Induced contribution** – the induced contribution from direct and indirect employees spending their incomes is 3,600 jobs (retail, other personal services and hotels), generating €190m in GVA.

It is not possible to make direct comparisons of the contribution of the creative sector in the Western Region to other areas as methodologies and definitions differ. However to provide some context for the above figure of direct creative sector employment accounting for 3.0% of

⁶ Our estimates of architecture employment are roughly double the total we have derived from figures provided by the Royal Institute of Architects of Ireland (sum of RIAI registered members in formal practices and non-formal practices and estimates of administrative and unqualified architects). This suggests that a potentially high number of architecture businesses advertising in Golden Pages do not have RIAI registered members.

total regional employment (or 1 in 33 jobs in the Western Region being in the creative sector), we provide some comparisons below:

- London – 1 in 7 jobs are creative (GLA Economics *London's Creative Sector: 2004 Update*, April 2004). This is based on a broader definition of the creative sector than used in this study. Other parts of the UK have a lower concentration of creative jobs.
- New Zealand – 1 in 28 jobs are creative (see international case studies in Annex H, 3.6% of total).
- New England – 1 in 25 jobs are creative (see international case studies in Annex H, 4% of total).

Were the Western Region to have the same concentration of creative jobs as New Zealand⁷ it would have 13,000 direct creative jobs, 2,000 more than currently.

One of the survey questions, examined later in the chapter, asked businesses about their recent performance in terms of employment and turnover. On the whole, more creative businesses experienced an increase in employment and turnover in the last three years than reported a decrease. This suggests that growing to the same concentration of creative jobs as somewhere like New Zealand could be achievable in the future.

4.3 Productivity in the creative sector

Some reference also needs to be made here to the issue of productivity within the Region's creative sector. Our estimate of productivity in the creative sector in the Western Region (standard GVA per employed worker) is €25,000. This is calculated by dividing the GVA of €270m by the 11,000 direct persons employed. This productivity level is relatively low by regional and national standards. We estimate the Western Region's average productivity to be €57,000 per worker in 2006 and national productivity to be €75,000 per worker in the same year. We have already cited above some of the factors which might explain this low level of productivity – many of the creative businesses are small, there is a low level of export activity, many creative persons are likely to be operating on a part-time or hobby basis and may not be primarily motivated by profit. In addition, overall productivity figures are influenced by the activities of large multinational companies in Ireland, particularly in the pharmaceutical, medical devices, ICT and cola concentrate sectors.

As can be seen from Table 4.2, productivity levels within the creative sector in fact vary considerably between the different categories. The creative technology category has average productivity of €56,000 per person employed, compared with just €17,000 per person employed for creative expression. This highlights the considerable differences between the individual creative industries in terms of their commercial focus and scale. The low productivity of the creative expression category needs to be considered with caution however given its positive spillover impacts on the attractiveness of an area, social regeneration, tourism and the stimulation of creativity in other sectors of the economy.

⁷ London's ratio is considered to be an unrealistic comparison given the major city location advantages for some creative industries.

Table 4.2: Productivity of the creative sector categories in the Western Region

	GVA at basic prices (Euro m)	Employment	Productivity (Euro 000s)
Creative application	91	4,254	21
Creative expression	89	5,202	17
Creative technology	86	1,552	56
Creative sector - total	270	11,000	25

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Figures may not add due to rounding. Productivity defined as GVA per employed person.

4.4 Composition of the Western Region's creative sector

Table 4.3 summarises the composition of the Western Region's creative sector by number of businesses (including the self-employed), employment and turnover. Creative expression has the largest number of businesses (3,522). However due to the fact that it is largely made up of self-employed persons with less commercial focus, the creative expression category has a lower total turnover than the creative application category which has far fewer business (911). Creative technology businesses meanwhile make up less than 10 percent of the total number of businesses but 25 percent of total turnover.

The music and visual and performing arts industry is the largest in employment terms (3,264) and joint largest (with internet and software) in turnover terms (€102m). This is primarily due to the large number of self-employed in this industry. It is difficult to know how many of these artists are full-time and to put an exact figure on annual turnover generated, hence we urge specific caution when reporting the size of this industry. Other relatively large industries in employment terms include: crafts; video, film and photography; internet and software; radio and TV broadcasting; architecture; and design. Our research suggests that advertising and digital media are currently relatively small.

We have also been able to roughly identify what proportion of total employment in these creative industries which involves people who are undertaking creative work and what proportion of total turnover is attributable to creative activities. Of the 11,000 total direct jobs, we estimate 8,300 are specifically 'creative' while €470m of the total turnover of €534m is earned from 'creative activities' (Table 4.3).

Looking at the composition of direct employment in the creative sector across counties, Table 4.4 shows that music and visual and performing arts are an important component across each county (caution is again required here – see Annex F). Architecture is relatively large across most counties (but to a lesser extent Roscommon). Other interesting observations are the importance of crafts in Donegal and Galway, video, film and photography in Galway and Clare, and radio and TV broadcasting in Sligo and Galway.

Table 4.3: Composition of creative sector businesses, employment and turnover by industry

	No. businesses			Direct employment			Direct turnover (Euro m)		
	Survey sample	Grossed up	% total (grossed up)	Grossed up - total	Grossed up - creative	% total (grossed up - total)	Grossed up - total	Grossed up - creative	% total (grossed up - total)
Creative application	138	911	19%	4,254	3,097	37%	201	181	38%
Crafts	35	455	10%	2,191	1,544	19%	69	58	12%
Architecture	53	207	4%	772	607	7%	53	51	11%
Fashion	5	51	1%	390	390	5%	15	15	3%
Publishing	16	29	1%	277	268	3%	21	18	4%
Advertising	2	18	0%	63	32	0%	9	7	2%
Art or antiques trade	27	151	3%	561	256	3%	35	32	7%
Creative expression	94	3,522	74%	5,202	3,973	48%	180	170	36%
Music and visual & performing arts	20	3,164	66%	3,264	2,594	31%	102	100	21%
Video, film and photography	61	313	7%	1,147	695	8%	52	46	10%
Radio and TV broadcasting	13	45	1%	791	685	8%	26	24	5%
Creative technology	50	346	7%	1,552	1,218	15%	152	119	25%
Internet and software	2	117	2%	810	743	9%	102	71	15%
Digital media	7	20	0%	35	23	0%	2	2	0%
Design	41	209	4%	707	452	5%	48	46	10%
Creative sector - total	282	4,779	100%	11,008	8,288	100%	534	470	100%

Source: PIMR and Regional Forecasts/ Oxford Economics

Table 4.4: Composition of direct employment in the creative sector by industry by county

	Donegal	Sligo	Galway	Mayo	Clare	Roscommon	Leitrim
Creative application	1,008	413	1,433	666	413	103	219
Crafts	539	167	731	382	189	65	118
Architecture	283	97	180	87	77	19	30
Fashion	110	15	170	40	35	5	15
Publishing	31	44	66	53	56	6	21
Advertising	6	6	9	9	30	3	0
Art or antiques trade	39	84	277	95	26	5	35
Creative expression	809	800	1,639	671	710	293	281
Music and visual & performing arts	601	430	931	499	448	239	116
Video, film and photography	92	165	383	96	222	54	135
Radio and TV broadcasting	116	205	325	75	40	0	30
Creative technology	112	52	806	200	180	82	119
Internet and software	55	30	420	115	100	60	30
Digital media	7	1	15	1	1	1	9
Design	50	21	371	84	79	21	80
Creative sector - total	1,929	1,265	3,878	1,536	1,303	478	619
% county total employment	3.1%	4.2%	3.4%	2.7%	2.3%	1.7%	4.4%

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: This table presents grossed up employment figures.

It is also important to note the differences across the counties in the percentage of total employment accounted for by the creative sector. According to the survey Leitrim has the highest concentration of people working within the sector (4.4% of total employment in the county). The majority of these individuals are involved in the creative expression and application categories. The concentration of employment is closely followed by Sligo (4.2%), Galway (3.4%) and Donegal (3.1%).

4.5 Size structure of the creative sector

The creative sector in the Western Region is largely made up of self-employed individuals or businesses comprising less than 10 employees (Table 4.5). Less than 15 percent of creative businesses in the Western Region have more than 10 employees. Digital media, music, visual and performing arts, and video, film and photography businesses are particularly small in terms of employment and turnover. We expect the size of these businesses to grow as the respective sectors mature. Internet and software, and radio and TV broadcasting businesses tend to be the largest. The dominance of small businesses presents significant challenges for the development of the sector as these businesses will need to network and form strategic alliances if they are to meet the needs of larger clients.

Table 4.5: Share of businesses in each creative industry by number of employees

	Average turnover per business (Euro 000)	Number of employees share of total (survey sample)						Sample
		Self employed	2-10	11-50	51-100	101-250	250+	
Creative application	509	28%	55%	15%	1%	1%	0%	138
Crafts	618	37%	43%	11%	3%	6%	0%	35
Architecture	462	17%	70%	13%	0%	0%	0%	53
Fashion	720	0%	20%	80%	0%	0%	0%	5
Publishing	805	13%	56%	31%	0%	0%	0%	16
Advertising	350	0%	100%	0%	0%	0%	0%	2
Art or antiques trade	255	52%	44%	4%	0%	0%	0%	27
Creative expression	360	47%	43%	5%	3%	2%	0%	94
Music and visual & performing arts	197	50%	45%	0%	5%	0%	0%	20
Video, film and photography	151	54%	43%	2%	2%	0%	0%	61
Radio and TV broadcasting	1,582	8%	38%	31%	8%	15%	0%	13
Creative technology	261	54%	42%	4%	0%	0%	0%	50
Internet and software	1,575	0%	50%	50%	0%	0%	0%	2
Digital media	127	57%	43%	0%	0%	0%	0%	7
Design	219	56%	41%	2%	0%	0%	0%	41
Creative sector - total	414	39%	49%	10%	1%	1%	0%	282

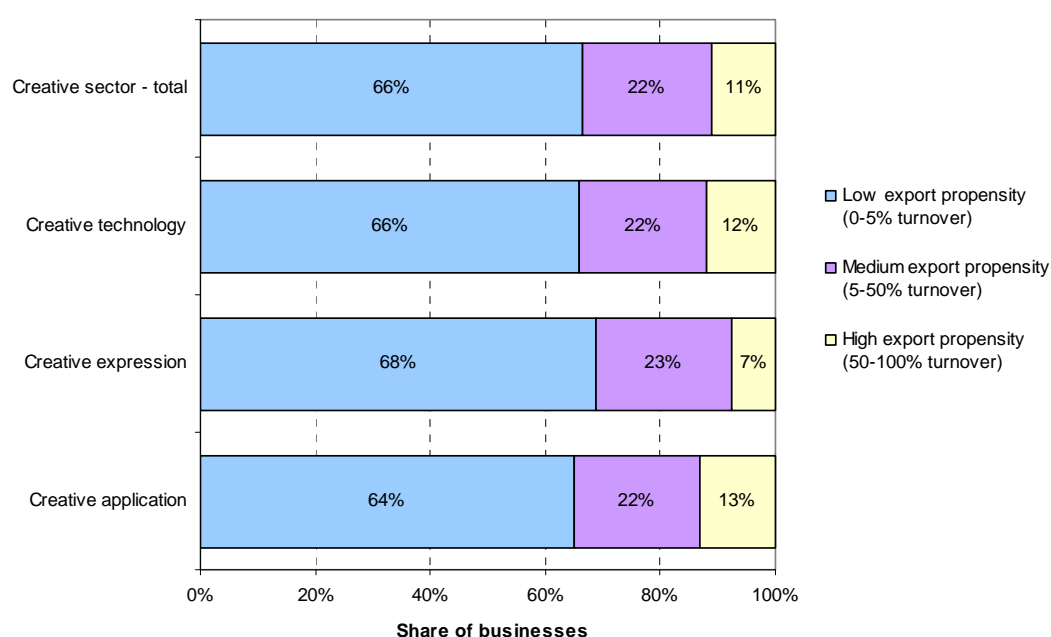
Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Average turnover calculated by dividing total sector turnover by number of businesses in the sector. This table provides details of the sample, not grossed up figures.

4.6 Export activity of the creative sector

We have also approximated the economic contribution from the Region's creative sector's total exports using export propensities for individual industries and estimates of grossed up turnover by industry. As Fig 4.1 shows, two-thirds of creative businesses export little or no goods or services (exports make up only 0-5% of their turnover). The creative technology and creative application categories have higher shares of businesses with a high export propensity. The estimated value of total creative sector exports from the Region is relatively low at €72m, with almost 60% of exports assumed to come from crafts, and music, visual and performing arts (Table 4.6).

Fig 4.1: Share of creative businesses with low, medium and high export propensity



Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Sample size: creative expression 96; creative technology 48; creative application 136, creative sector total 282.

Table 4.6: Creative sector export value by industry

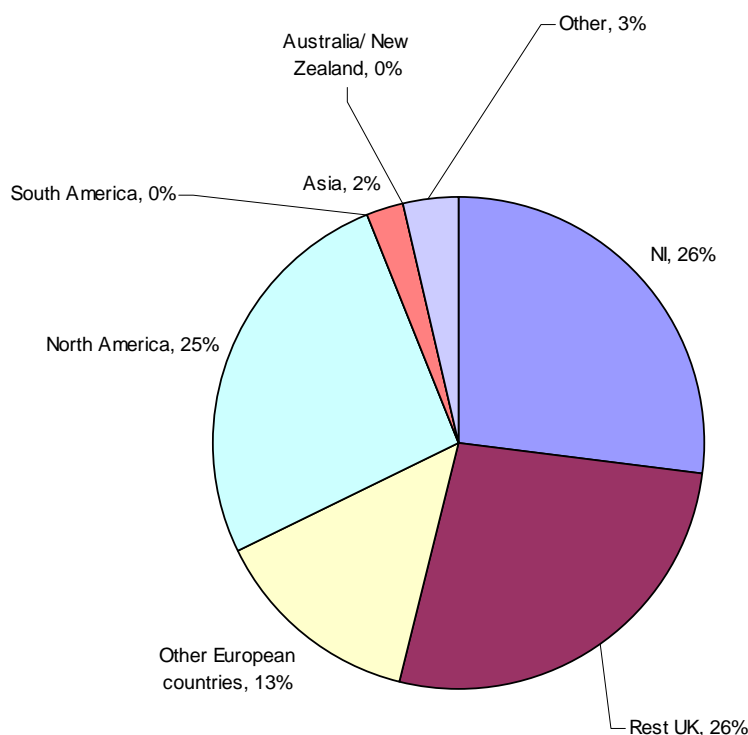
	Export value (Euro m)
Creative application	40
Crafts	26
Architecture	1
Fashion	6
Publishing	3
Advertising	0
Art or antiques trade	4
Creative expression	24
Music and visual & performing arts	17
Video, film and photography	4
Radio and TV broadcasting	3
Creative technology	8
Internet and software	2
Digital media	0
Design	6
Creative sector - total	72

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Exports based on grossed up turnover, and calculated from average export share of turnover by sector from the survey sample.

The accessibility of international markets through the internet as well as airports has presented new opportunities for regional expansion. The main export destinations for exporting businesses are NI, rest UK and North America (Fig 4.2).

Fig 4.2: Main export destination of exporting businesses



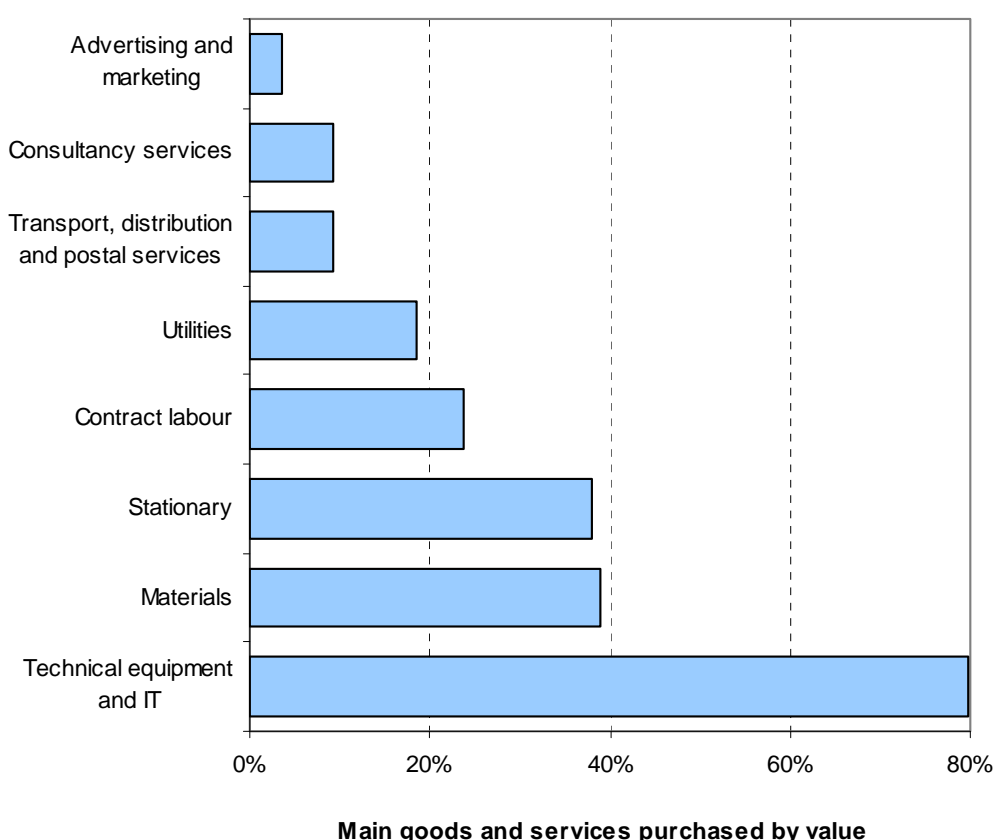
Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Total responses = 121. This is the share per business averaged over the sample, not the share of destination country by value as it is not possible to calculate precisely export values by destination from the survey result i.e. the shares are not based on a breakdown of the €72m export value by destination as it is not possible to estimate the breakdown in value terms. Effectively each business' export destination shares are given an equal weight independent of the actual value of exports.

4.7 Linkages between the creative sector and wider economy

One of the survey questions asked creative businesses the main goods and services they purchased by value i.e. their backward linkages. For almost all businesses, technical equipment and IT featured in the top three purchases (Fig 4.3). Some specific examples of purchases included camera equipment, computer software and hardware, lighting equipment, artist and designer fees, fabric and gallery rental.

Fig 4.3: Creative sector backward linkages – main goods and services purchased

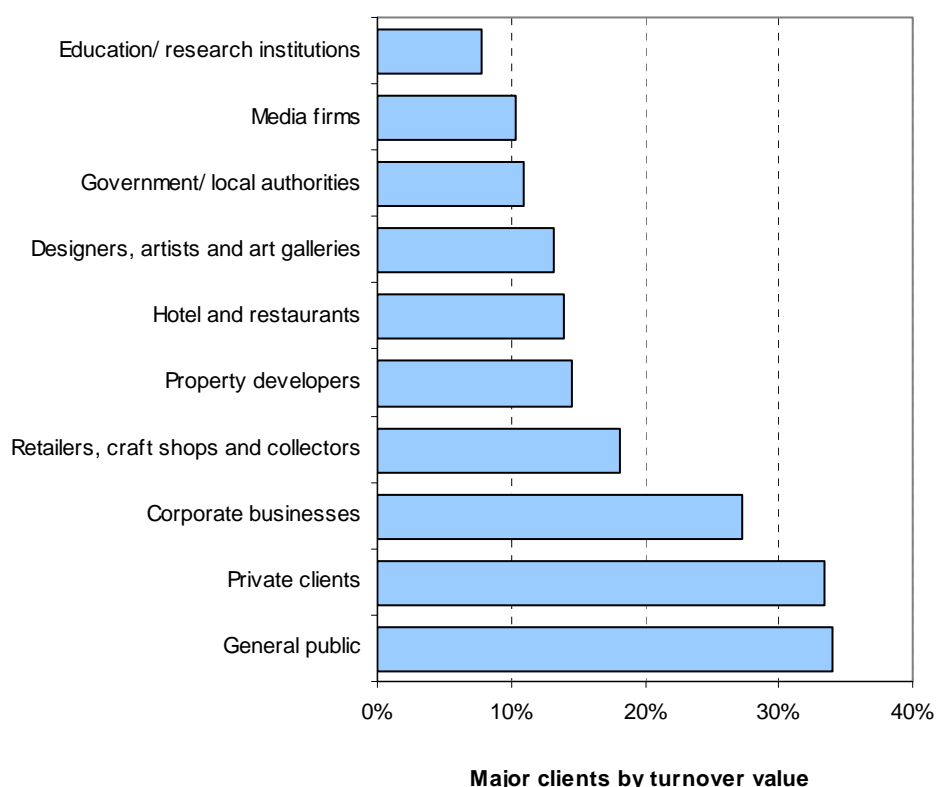


Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Total responses = 870. Respondent asked to give three main (by value) products and services purchased, each of the three responses is included here, no rank or weighting is applied.

The second set of linkages is forward to creative sector clients – who the creative sector sells its products to. The survey asked for the main business activity of the business' clients (Fig 4.4). Examples of clients included art galleries, book stores, craft shops, the hospitality sector, tourists, schools, property developers, industry and the general public. In other words, the whole spectrum of the economy – for example the fashion sector will work for the clothing industry while designers can be involved in activities as diverse as automotive design to graphic design for computer games.

Fig 4.4: Creative sector forward linkages – main business activity of largest clients of the creative sector



Source: PIMR and Regional Forecasts/ Oxford Economics

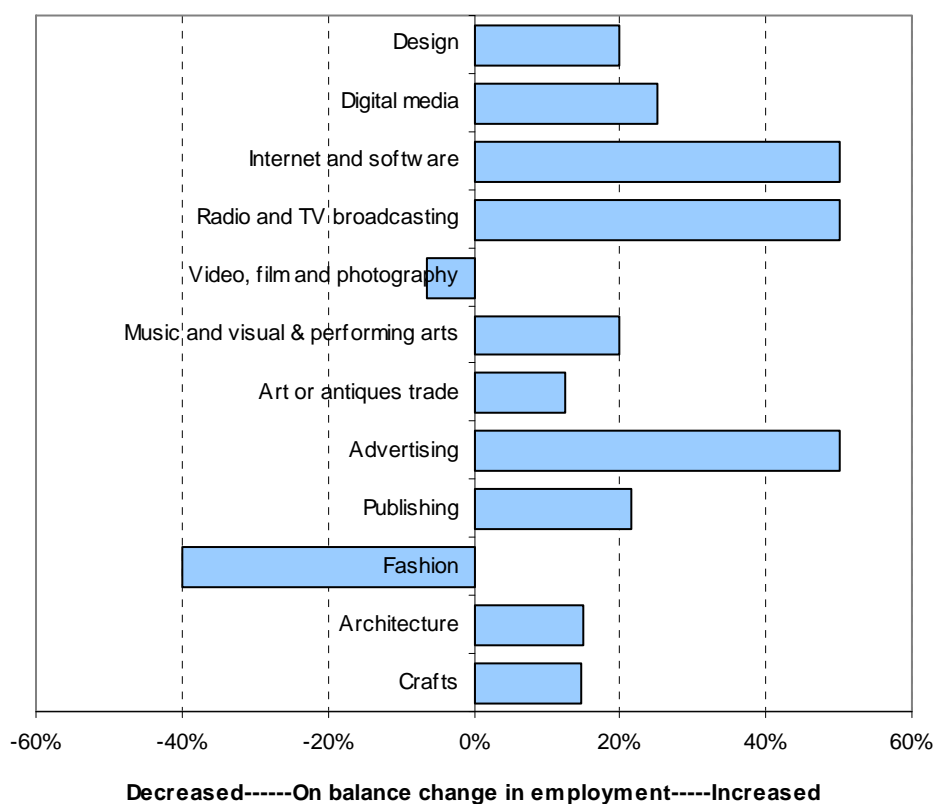
Note: Total responses = 587. Respondents asked to give main activity of their three largest (by value) clients, each of the three responses is included here, no rank or weighting is applied.

4.8 Performance and outlook

The survey also included questions which provide an important economic 'health check' of the creative sector. These covered employment and turnover performance over the last three years, whether businesses had recently recruited, growth priorities for the next 12 months and the outlook for employment over the next three years.

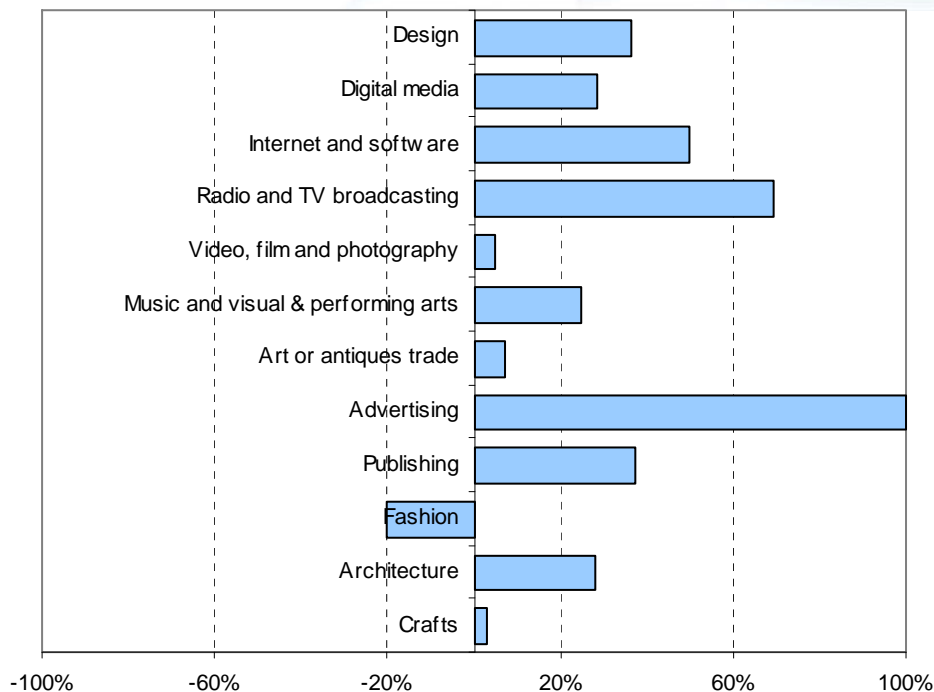
4.8.1 Employment and turnover performance over the last three years

More creative businesses experienced an increase in employment and turnover in the last three years than reported a decrease, though there were significant differences between individual industries (Fig 4.5 and Fig 4.6). Creative technology businesses along with radio and TV broadcasting, and advertising have performed strongest according to the survey. Fashion, crafts, and video, film and photography have registered the weakest performance.

Fig 4.5: Change in employment compared to three years ago by sector

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Total Responses = 190. Respondents were asked how employment had changed in comparison with three years ago. On balance share is equal to share of businesses responding increased a little/significantly, minus share of businesses responding decreased a little/significantly. Bars to the right indicate more businesses responding increased a little/significantly, compared to share of businesses responding decreased a little/significantly.

Fig 4.6: Change in turnover compared to three years ago by sector

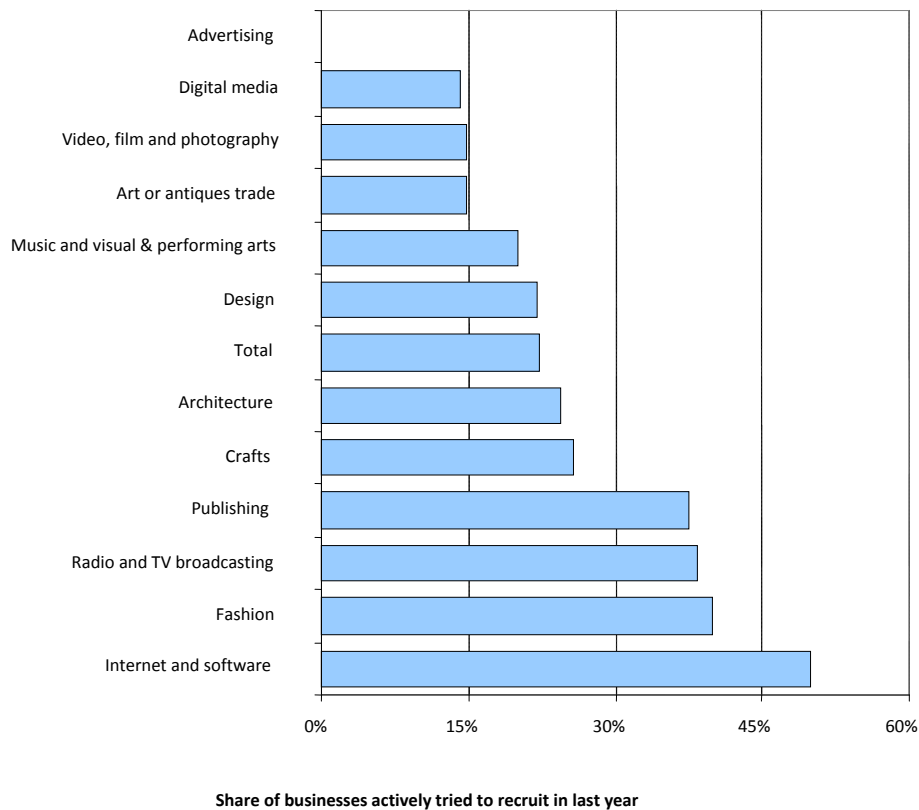
Decreased-----On balance change in turnover-----Increased

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Total Responses = 282. Respondents were asked how turnover had changed in comparison with three years ago. On balance share is equal to share of businesses responding increased a little/significantly, minus share of businesses responding decreased a little/significantly. Bars to the right indicate more businesses responding increased a little/significantly, compared to share of businesses responding decreased a little/significantly.

4.8.2 Recent staff recruitment

Over the last 12 months one in five creative businesses has recruited staff (it is not known what share was for new positions). Surprisingly, sectors which have not performed particularly well, such as fashion and crafts, have recently actively recruited (Fig 4.7). It may be the case that a shortage of appropriately skilled people is one reason why sectors perform poorly but are still actively recruiting.

Fig 4.7: Share of businesses in each industry that actively recruited in last year

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Total Responses = 282.

4.8.3 Short-term priorities and outlook for the next three years

There are quite large differences across categories in terms of priorities for growth over the next 12 months (Table 4.7). On balance, a higher share of creative application businesses is aiming to survive than to grow moderately. This is understandable in the craft and fashion sectors given recent weak performance. The high share of architecture firms also aiming to survive is partly explained by the downturn in the housing market and subsequent fall in demand for architectural services. Other industries in contrast report more ambitious aspirations for the next 12 months. These include publishing; video, film and photography; radio and TV broadcasting; internet and software; and digital media. This pattern broadly holds when looking at the employment outlook for creative businesses in the next three years (Fig 4.8). It should be borne in mind however that this survey was undertaken in April 2008, the outlook and aspirations of businesses in the sector are likely to be changing in light of ongoing difficulties in the economy.

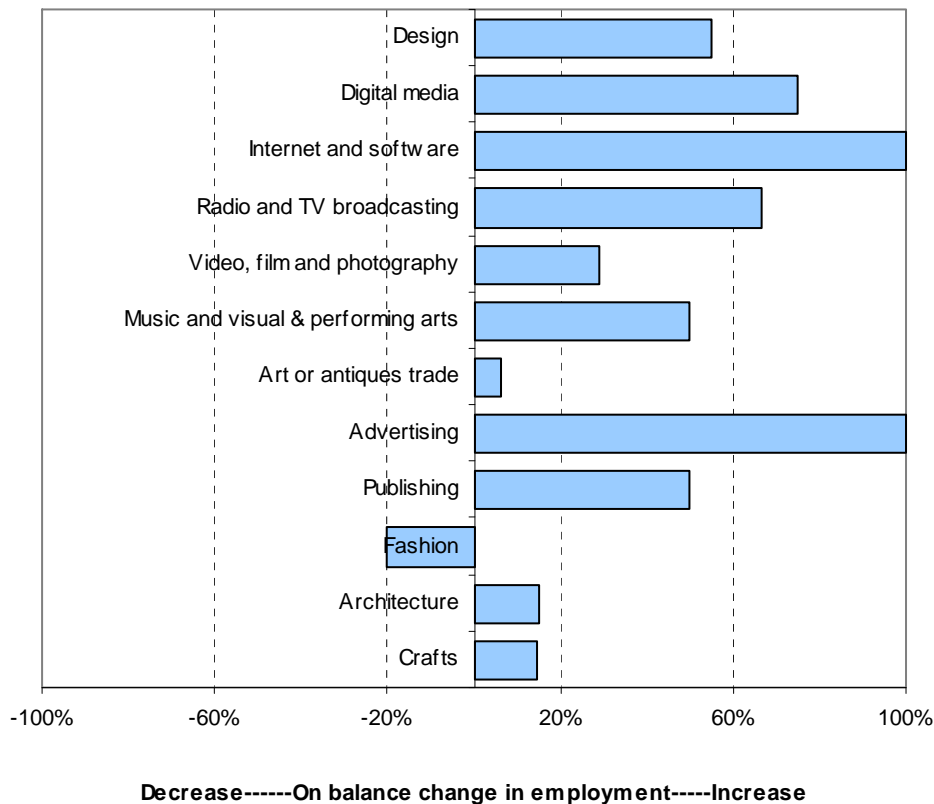
It is important to note that less than one in ten creative businesses are planning to grow rapidly. While this to an extent reflects prevailing economic and sector conditions, it is also likely to reflect the less commercial focus of many players in the creative sector who may prefer to preserve what they have rather than to 'mass produce for profit'.

Table 4.7: Main priority over the next 12 months

	Survival - remain in business by whatever means	Stabilise output - consolidate the business	Grow moderately	Grow rapidly	No. of responses
Creative application	38%	23%	31%	5%	138
Crafts	40%	17%	34%	6%	35
Architecture	43%	19%	32%	2%	53
Fashion	60%	20%	20%	0%	5
Publishing	19%	6%	56%	13%	16
Advertising	0%	100%	0%	0%	2
Art or antiques trade	33%	44%	15%	7%	27
Creative expression	17%	23%	44%	10%	94
Music and visual & performing arts	20%	15%	40%	15%	20
Video, film and photography	18%	26%	43%	8%	61
Radio and TV broadcasting	8%	23%	54%	8%	13
Creative technology	26%	24%	42%	8%	50
Internet and software	0%	50%	50%	0%	2
Digital media	29%	0%	57%	14%	7
Design	27%	27%	39%	7%	41
Creative sector - total	29%	23%	37%	7%	282
Donegal	33%	21%	32%	12%	82
Sligo	27%	15%	42%	13%	48
Galway	33%	20%	39%	6%	64
Mayo	15%	44%	33%	0%	39
Clare	38%	27%	27%	4%	26
Roscommon	27%	9%	55%	5%	22
Leitrim	13%	38%	50%	0%	8

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Cells shaded in blue indicate response share greater than 40 percent.

Fig 4.8: Outlook for employment in next three years by sector

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Total Responses = 190. On balance share is equal to share of businesses responding increase a little/significantly, minus share of businesses responding decrease a little/significantly. Bars to the right indicate more businesses responding increase a little/significantly compared to share of businesses responding decrease a little/significantly.

4.8.4 Relationship between export activity and recent performance

Finally, we address the question of the importance of export activity by looking at the recent employment and turnover performance of businesses with differing export propensities (Table 4.8). Low export propensity and medium export propensity businesses have had similar recent employment and turnover performance. However somewhat surprisingly, high export propensity businesses had the least impressive recent performance and weakest outlook. Recent strong growth in population and employment in the Western Region has led to increased local demand for creative products, meaning that those businesses with a low export propensity have experienced strong growth due to demand from within the Region. This highlights the likely impact of any downturn in the regional economy on these businesses.

Table 4.8: Employment and turnover performance of creative industries by export propensity

	Low export propensity (0-5% turnover)	Medium export propensity (5- 50% turnover)	High export propensity (50-100% turnover)
Change in employment last 3 years			
Decreased a little/ significantly	18%	22%	26%
Increased a little/ significantly	35%	33%	26%
On balance	17%	11%	0%
Change in turnover last 3 years			
Decreased a little/ a lot	22%	22%	31%
Increased a little/ a lot	44%	48%	42%
On balance	23%	26%	11%
Outlook employment next 3 years			
Decrease a little/ significantly	7%	2%	22%
Increase a little/ significantly	34%	49%	35%
On balance	27%	47%	13%
Average no. responses	151	52	27

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: On balance is the difference between the share responding increased a little/ significantly and decreased a little/ significantly.

4.9 Conclusion

On the whole the Western Region's creative sector appears to be performing quite well. As we have just noted, the fact that not many creative businesses are growing rapidly may reflect the preference of the business owner as well as market opportunities. There are clearly certain industries faring better out of globalisation than others, particularly in creative technology, radio and TV broadcasting. Other industries are more exposed to local economic conditions (architecture) and general buoyancy in the economy. This is particularly relevant to those sectors supplying the general public with products and services that could be considered to be 'luxury' items, e.g. art, craft and music. It is beyond the scope of this research to look in detail at individual industries but this may be a useful follow up piece of research for the WDC to pick out specific industries at either end of the performance spectrum (e.g. fashion and digital media) and better understand the risks and opportunities facing each.



Chapter 5.0

Strategic issues for the Western Region's creative sector



Western Development Commission

5 Strategic issues for the Western Region's creative sector

The strategic issues facing the Region's creative sector which emerged from the qualitative research are set out in this chapter. These issues are then summarised in a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis.

5.1 Interview process

Interviews with a wide group of stakeholders including businesses, trade associations and government organisations were undertaken during April-June 2008.⁸ This qualitative work fed into the development of the creative sector definition for the Western Region (see chapter 2), as well as identifying the risks and opportunities facing the sector which are presented in this chapter, and which inform the recommendations in chapter 7.

Three strands of consultations were undertaken:

- **Interviews with individuals from creative industry businesses in the Western Region** – approximately 25 interviews were undertaken to develop an understanding of key issues affecting everyday business activity and the creative environment in the Western Region. This included the key drivers which have influenced their decision to work creatively in the West and their experience of operating here.
- **Interviews with individuals in key representative organisations** – approximately five interviews were conducted to investigate current trends and changes within each of the creative sector industries. This also included an investigation of funding opportunities and industry views on the level of growth and development within each identified industry.
- **Interviews with individuals in key government organisations** – approximately 10 interviews were conducted to investigate government creative industry policy and its impact on the development and growth of the creative sector in the Western Region. These interviews also enabled us to identify key trends and changes within the creative sector internationally, nationally and locally.

A full list of businesses and organisations consulted either via telephone interview or face-to-face meetings is presented in Annex B. The expert advisory group established by the WDC to oversee this research (see Annex C) also provided their views on key issues facing the sector. These views are also incorporated into this chapter.

The chapter is structured under the three key themes introduced in chapter 3 as the driving elements behind the overall creative 'environment' of the Region and subsequent sector development. The issues emerging under these three themes combine to generate an overall picture of the creative 'environment' in the Region and the extent to which policy and action can assist in developing the Region's creative sector.

- Theme 1: Creative 'place'
- Theme 2: Creative 'people'
- Theme 3: Creative 'structure'

⁸ The consultations were carried out by Katrina Houghton (Oxford Economics) and Karen Barklie (Oxford Economics).

Under each theme we provide a brief summary of the relevant issues that were identified during the interviews. Quotes and case studies from some of the organisations consulted are also included as are relevant survey results.⁹

Briefly, the key issues facing the creative sector in the Western Region which emerged from the research are:

Box 5.1: Summary of key issues for the creative sector

Creative 'place'

- The natural environment and creative inspiration;
- The Western Region as a place to live, work and play;
- Supporting infrastructure and workspaces; and
- Planning and developments which may impact upon the growth and development of creative industries.

Creative 'people'

- The current level of creative skills working within the creative sector, the diversity of the Region and ease of recruitment;
- Provision of formal education and training programmes within the area; and
- Level of research and development available to businesses.

Creative 'structure'

- Networking and the use of strategic alliances within the sector;
- The marketing capabilities and co-ordinating functions available for creative businesses in the West;
- Access to suppliers and international markets; and
- Funding opportunities and programmes.

⁹ We urge caution in interpreting some survey results as sample sizes for some industries are small. We refer the reader to the accompanying notes which outline sample sizes unless otherwise presented in tables.

5.2 Theme 1: Creative 'place'

The creative 'place' theme relates to the attractiveness of an area including its landscape, heritage, built environment, infrastructure, social network and lifestyle. 'Place' characteristics include both the natural environment and man made components of development. Although most creative 'place' characteristics are very unique, in that they cannot be readily created or replicated, some 'place' characteristics such as international air access, broadband capacity and low cost workspaces have the potential to be developed and improved through investment.

'Place' characteristics are an important tool for attracting creative 'people' to a region. Creative workers are drawn to locations because of the natural surroundings, the peaceful working environment, the availability of good working infrastructure, low cost workspaces, the vibrancy of the community and/or quality of life available. Areas which offer these attributes provide the creative stimulus and workspaces needed for creative talent to perform their work.

The survey showed that personal reasons (close to where you live, quality of life, family/personal reasons) were the main factors determining the location of creative businesses in the Region (Fig 5.1). The importance of 'close to where I live' would appear to indicate that it is possible for people in the Region, who wish to set up a creative business, to do so in their own area. This would indicate that the Region provides an attractive operating environment such as adequate infrastructure and support for the establishment of such businesses.

The global nature of the creative sector means that it is possible to deliver services internationally from even the rural and remote parts of the West, however 1 in 5 creative businesses noted access to markets and clients as a key location factor, suggesting a not insignificant level of local demand. Design, digital media and radio and TV broadcasting businesses had the highest share of responses citing access to clients as a reason for their western location.

Fig 5.1: Reasons for locating business in the Western Region

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Sample size = 282. Survey question asked for the three main reasons for running a creative business from the Western Region, each response is counted giving 590 responses in total. The response 'close to where you live' includes both those born here and those who have moved.

The main creative 'place' issues for the Western Region which emerged from the consultations, and which will be outlined below, are:

- The natural environment and creative inspiration;
- The Western Region as a place to live, work and play;
- Supporting infrastructure and workspaces; and
- Planning and developments which may impact upon the growth and development of creative industries.

5.2.1 Natural environment and inspiration

From the interviews it was evident that an **attractive location** was a key driver for many in their decision to locate in the West. Although all respondents referred to the attractiveness of the Region it was particularly important for those operating within the creative application and creative expression categories. They cited elements such as the landscapes, authenticity, remoteness, natural surroundings, beaches, waterways, lighting and space as allowing creativity to flow and thrive.

The **Gaeltacht areas of the Region** also contribute to the uniqueness and authenticity of the area through their unique culture and language. This uniqueness has provided some of the catalyst for developments such as the audio-visual cluster in Connemara which is centred on Irish language programming. These areas were also noted as being well supported by the Gaeltacht funding body Údarás na Gaeltachta.

Eamonn O'Boyle, Photographer, Co Mayo

Eamonn O'Boyle, three-time Fuji Photographer of the Year winner, is an artistic and innovative photographer based in Ballina, Co Mayo. Eamonn is proud of his heritage and culture in the Western Region of Ireland and notes the endless number of international photographers drawn to the Region because of its lighting and picturesque photographic opportunities.



"As a photographer, the element of lighting is absolutely crucial. The lighting in the West is the best in the world. The area really offers so much for creativity – the landscapes, lakes, beaches and natural surroundings. These are all central to creativity." **Eamonn O'Boyle (Co Mayo)**

5.2.2 Lifestyle

The lifestyle which the West offers was also cited by those interviewed as an important factor for locating in the West. The importance of the lifestyle offering was strongly backed up by the survey results (Fig 5.1) with **quality of life and family reasons** cited as the second and third most important reasons for locating businesses in the West. Generally businesses from the different creative industries and across the seven counties cited the same factors as most important for location (see Annex E for more detailed survey results).

Of the eight people interviewed who relocated their businesses from Dublin, all had moved for the **quieter lifestyle and to get away from the 'hustle and bustle' of city living**. While living costs are cheaper relative to Dublin, the cost of doing business was not cited as a major factor for relocation, either in the consultations or in the survey (Fig 5.1).

Those interviewed believed that there was no real need to be located in Dublin, as creative workers can work from anywhere in the world as long as local supporting structures, such as suitable broadband connection and supporting organisations, were available. Some businesses also noted the **advantage of living and working within small communities** for their business, for example lower advertising costs, reduced competition and social networking.

Although the Western Region exhibits an attractive lifestyle for creative people there is also the need to ensure that **employment options** are readily available to encourage people to move or set up a business in the Region. The advisory group suggested that people would be unwilling to locate in an area, regardless how attractive the quality of life, if they feel that there are limited employment options and job security. The existence of concentrations of employment or clusters of industries is important for attracting creative people to an area. This also provides the opportunity for movement between creative industries and other sectors of the economy.

"My business has definitely benefited from being based within my village. I have never had to advertise as most of my business is through word of mouth. If I was in Dublin I would be

competing with lots of businesses and advertising would be quite costly.” **McNamee Designs (Co Donegal)**

Lake Recording Studio, Co Roscommon

The Lake Recording Studio was established on the shores of the Drumharlow Lake, Co Roscommon by Liam Cunningham. It is a spacious, comfortable studio equipped to handle any type of recording session. Liam has been working in the industry for over 30 years as a musician, songwriter, record producer and educator working with local musicians such as John Carty and Dervish as well as international artists such as Bern Dunleavy. Liam also has close ties with local educational facilities offering opportunities for the attainment of post leaving certificate awards. Liam is drawn to the area due to its natural beauty as well as the ability to live and work together.



“The beauty of my work is that I literally work from home. My clients also benefit from the relaxed nature which the Drumharlow Lake offers. The studio is literally just outside my front door.” **Liam Cunningham (Co Roscommon)**

5.2.3 Infrastructure and workspace provision

It was evident from the consultations that broadband services are a crucial component of the efficient workings of all creative business. The **lack of availability of a good broadband service** across many parts of the Region was evident from the interviews. Although some businesses had sufficient access to broadband themselves, they were aware of the difficulties faced by other businesses throughout the Region. This was also confirmed by survey results which we present in chapter 7.

Connectivity and international air access were also key factors determining the location of creative businesses. The Western Region is better served than many rural regions in terms of international air access with two international and three regional airports. This has contributed to certain people's decision to locate or remain in the Region. The interview process confirmed the need to ensure that regional infrastructure, such as airports, post offices, roads and broadband are constantly developed and supported to ensure the continued growth of the Region. Those businesses located in more remote areas also noted the importance of **community facilities** such as the local post office or newsagents for running their businesses.

The existence of **creative infrastructure**, such as theatres, art galleries, recording studios was also cited as important to underpin the sector and to facilitate future development.

The majority of self-employed creative workers interviewed had **built their own creative workspaces** such as film or photography studios and even office spaces. This was confirmed by survey results on ownership and rental patterns of specialised facilities. The cost of locating a creative workspace in a city centre or even on the outskirts of towns was cited as a reason why many of the businesses interviewed tended to operate in more rural

areas and/or worked from home. This could also be a reflection of people's desire to operate in a more tranquil and relaxing environment.

The advisory group stressed that the **lack of available low cost workspace** was a continuing constraint for many businesses, particularly in the creative expression category as it limited the opportunities and ambition of creative people. For example, visual artists have traditionally been drawn to underdeveloped and rural areas due to the availability of low cost workspace. The continued provision of affordable workspace is central to retaining such artists because if the costs of these facilities increase significantly these people tend to move elsewhere.

"Having access to a good broadband connection is absolutely vital for my business. The existing infrastructure in the West is not good enough and not conducive for running my business successfully. To support my business in the West I have created my own wireless infrastructure in order to adequately support clients in the US and UK markets." **Fanore Software (Co Clare)**

"Local facilities in our region are absolutely important for running our business. If these facilities closed we would have to come into Sligo to run most of our errands. This would be very time consuming and would definitely effect the running of our business." **Kids Own Publishing (Co Sligo)**

Music for Galway, Galway city

Music for Galway was established in 1981 when a group of people came together with the aim of providing audiences in the West of Ireland with a range of opportunities to listen to world class musicians. Since its development the organisation has presented hundreds of inspiring and stimulating performances in the city of Galway. The musical groups range from solo pianists to full symphony orchestras and their musical offerings include early, classical and romantic music as well as contemporary and jazz. The season runs from September through to May and in addition to concerts, Music for Galway also organise workshops, invite audiences to meet composers, writers and artists and offer some guided tours for forthcoming programmes.



"Ensuring money is spent in the right areas on the right infrastructure can most effectively be achieved by liaising with those currently working in the industry. Different types and size venues are required to cater for different needs, whether they are acoustic performances, big rock events, chamber music recitals, orchestral performances etc., and it would be of benefit if practitioners, be they performers or promoters, had input to future development." **Music for Galway (Galway city)**

5.2.4 Planning and development

Those interviewed felt that urban centre developments, tourism strategies and other development plans needed to ensure that established industries within local areas are identified and highlighted, and are **well connected with any new developments**.

The sustainability and longevity of some new developments was a concern amongst businesses interviewed. Whilst they recognised the inevitability of growth and some development, they stressed the importance of developing and moulding something unique for the West, beginning with looking after what is already there. It was felt that **new developments and investment needed to enhance the reasons for locating in the Region** i.e. landscapes, waterways, lifestyle etc. rather than trying to replicate Dublin. There was some concern that developments are following a more urban centred focus rather than taking into account the rural nature of the Region. The need to maintain the environmental, social and economic sustainability of the Region while delivering new opportunities and developments for future growth was stressed.

The advisory group noted that well designed developments can help to enhance the attractiveness of an area for creative people. An attractive **built environment and urban landscape** can enhance the sense of a creative place.

"It's important to make sure that any developments within Sligo or the region connect established businesses with new developments. It would make it very difficult for older businesses to compete if the developments were not inclusive." **The Cat and the Moon (Sligo)**

Burren College of Art, Co Clare

The Burren College of Art was established in 1994 to provide the best quality education in the fine arts to an international audience in the unique environment of the Burren. The College is an independent, not-for profit organisation, officially recognised as a third level college and attracts international art students from all over the world. The Burren College of Art offers a two years Masters of Fine Art, undergraduate programmes and summer programmes for international audiences. It hosts various conferences on leadership, environmental issues and the annual Burren law school. It serves as a cultural centre for the locality hosting concerts, poetry readings and has an active programme of national and international exhibitions in the College Gallery. Located in the Burren, the college is part of an environmentally sensitive area which inhibits industry growth. The College allows the local village to grow economically, socially and culturally and provides a link between tourism and creativity.

BURREN COLLEGE OF ART

"Without our College the area would be solely dependant upon seasonal tourism. Without the area however the college would cease to exist. We need to preserve and sustain our natural resources to maintain our uniqueness, lifestyle and character and continue attracting international students. This will be the greatest benefit to our community." **Burren College of Art (Co Clare)**

5.2.5 Creative 'place' conclusions

Although the creative industries have traditionally been defined as having an urban affinity there is also a strong rural-based creative economy. Rural communities, especially those within high amenity areas have become havens for clusters of industries particularly within the creative application and creative expression fields. This is evident in rural regions within the UK and the US, and from this research it also seems to be the case in the Western Region.

It is evident from the consultations and survey results that the biggest attraction for creative industries to the West is related to location factors i.e. the appeal of the lifestyle and landscapes. The existence and maintenance of these positive 'place' characteristics is paramount for the Western Region, as these elements are difficult to artificially create. It is important that the Western Region builds on these strengths and ensures that new developments and investments enhance the authenticity of the Region in a sensitive manner.

Despite the positive lifestyle and natural factors coming out of the research, there are some concerns surrounding the man made 'place' characteristics. The most pressing issue to come out of the consultation process was the lack of sufficient broadband capacity in the Western Region. Increasing broadband access across rural Ireland is a policy objective of the government and has been identified in the current NDP. It is evident that more work is required in the Western Region, particularly within more rural and remote communities. This issue needs to be consistently raised at national government level, as access to sufficient broadband is crucial across all three categories in the creative sector.

The lack of available low cost workspace was another constraint, particularly for those within the creative expression category. Provision of low cost workspace attracts creative individuals to an area and facilitates their continued development over time. Fortunately for the creative sector in the Western Region it is the man made factors of creative 'place' which present the main constraints. These are the most amenable to intervention to increase the attractiveness of the Region.

5.3 Theme 2: Creative 'people'

Given the importance of human creativity to the creative sector, the attraction, retention and development of creative 'people' can be seen as the key to success in the creative economy. 'People' characteristics relate to creative individuals' desire to locate or remain in an area as well as the availability of job opportunities. Although education and training is an important element of retaining and attracting creative 'people', other factors such as diversity, attractive location and research are also required.

Ensuring that the right mix of old and new talent is sustained is important for the future of the sector. Educational institutions have an important role to play in this area as they can provide a link between local businesses and students. Technological innovation is also important to ensure that the level of technology within the community is constantly being updated and improved.

Similar to the creative 'place' theme, creative 'people' elements in an area are somewhat difficult to change. However providing access to educational institutions, new technologies and an attractive location as well as having a diverse population can help to ensure that the creative talent of an area is constantly growing and changing.

The main creative 'people' issues effecting the Western Region which emerged from the consultations, and which will be outlined below, are:

- The current level of creative skills working within the creative sector, the diversity of the Region and ease of recruitment;
- Provision of formal education and training programmes within the area; and
- Level of research and development available to businesses.

5.3.1 Creative talent

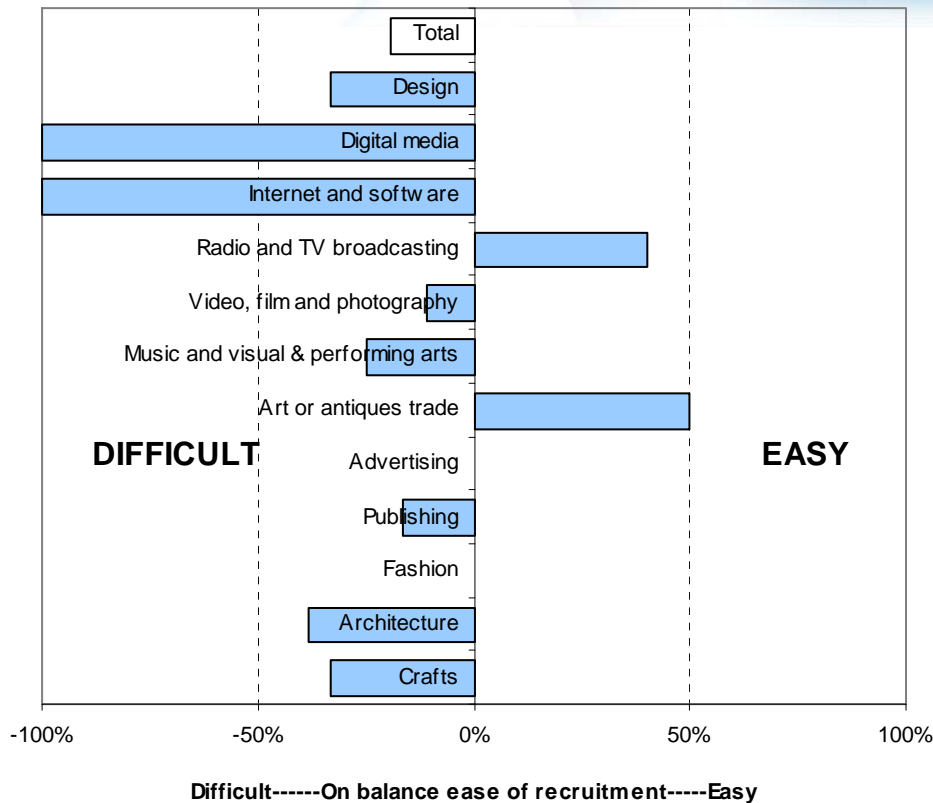
There was a clear belief amongst all those interviewed that a **high level of creative talent** exists across all creative industries in the Western Region. However it was suggested that the majority of these skills are currently untapped and unidentifiable, highlighting the fact that businesses typically operate on an isolated or individual level within their local areas.

It was noted from the consultations that both organisations and businesses found it **difficult to tap into this skills base** and to know who is operating in the creative sector in the West. The identification of key creative industry personnel was cited as crucial for allowing businesses to extend their operations across county boundaries. A small number of businesses noted that the lack of knowledge about available skills in the area, particularly for new businesses, meant that sourcing suppliers i.e. actors, software developers or designers, often involved looking outside of the West, most of the time to Dublin.

Despite the skill strengths noted by those interviewed, according to the survey results (Fig 5.2) **recruitment appears to be a greater challenge** than suggested by the consultations. On balance, 8 of the 10 industries which recruited staff over the last year classified the ease of recruiting as very or quite difficult. Creative technology sectors appear to have experienced the greatest difficulty while geographically, businesses in Leitrim and Donegal considered recruitment more difficult than in other areas.

Specific examples from the survey of skills which were difficult to find include: architectural technicians with CAD qualifications, crafts persons trained to international standard, software engineers, stage designers, graphic designers, sewers and knitters, and qualified photographers.

Fig 5.2: Ease of recruiting required skills in last year by industry



Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Total Responses = 63. On balance share is equal to share of businesses responding very/quite easy to find skills minus share of businesses responding very/quite difficult to find skills.

The advisory group also pointed out that a key requirement for creativity is **diversity**. Areas with more diverse populations tend to be more open to new and different ideas. Traditionally the West has had quite a homogenous population, however recent changes have led to a more diverse and multicultural society evolving. For example, in 2006 16% of the population of the Region had been born outside of Ireland (Census 2006). There is a great opportunity to tap into the emerging diversity in the Region to stimulate creativity, although declining immigration in response to slowing economic activity in the Region may reduce some of these opportunities.

Those interviewed in the creative application category stressed the importance of **continually developing current or established creative businesses within the West rather than merely attracting new talent**. There was a concern that the focus of policy would be to attract new skills and competition to the area rather than developing and promoting the existing creative businesses and skills base. This is likely to be a reflection of the more commercial nature of the creative application category.

The advisory group noted that the high level of skills within the creative sector, combined with the highly mobile nature of its workforce, can create **positive flows of skills and ideas between the creative industries and other sectors** throughout the economy. This can lead to significant benefits for a range of sectors, as creativity and innovation stimulate other areas of the economy.

"There is certainly not a lack of skills in the region, and knowing where to source local people is definitely an advantage for my business. However outside of my county I really don't know

what is available. If there was a resource by which I could tap into other local areas and know who is working there in terms of screen producers or actors that would definitely help my business grow on a more regional level." **Dreamcatcher Productions (Co Clare)**

Jikijela, Co Sligo

Jikijela has been operating from County Sligo since 2005. The company consists of four employees including founder and director Annette Tierney. Jikijela uses innovative acting and participatory techniques to enable business growth. These dynamic methods markedly impact on attitudes and behaviours, delivering long term growth.

Although based in Sligo, Jikijela sources actors from Dublin to deliver its services to clients. As the company operates sporadically it is more efficient to advertise for actors or contact agencies in Dublin rather than source local actors.

Jikijela is the only company of its kind in Ireland and has enjoyed the patronage of a host of Ireland's leading businesses since its inception in 2005.



"At the moment we source all of our actors from Dublin. If we knew of where to find local people, quickly and efficiently, we would certainly use them however it's difficult to know where they are." **Jikijela (Co Sligo)**

5.3.2 Education and training

Those interviewed expressed the view that the most effective training programmes are those tailored to both business and creativity. For example, some businesses highlighted that the level of creative talent is not an issue but rather the **lack of understanding of basic business skills**. This issue also came up in the survey responses on hard-to-find skills. One view was that there is a lack of people in the sector that combine creative knowledge and business acumen, particularly in terms of informal sales talent. Time and cost constraints were also highlighted as barriers to training and educating new staff.

Businesses and education providers both suggested there was a need for **more businesses to link with universities and colleges**. This could include such things as tutoring at local institutes or even in-house training. It was also suggested that a link between primary and secondary schools and the creative sector would enhance creative learning at a younger age and expose the younger generation to different opportunities. It is also important to stimulate a **culture of creativity** where being creative is valued by society. Education can play a key role in making this change.

Box 5.2: Creative training in education institutions in the Western Region

The Western Region offers a range of educational opportunities for those wishing to enter the creative sector. Examples include:

- The Huston School of Film and Digital Media at NUI Galway;
- The furniture design specialisation of the Letterfrack campus of Galway-Mayo Institute of Technology;
- The Centre for Design Innovation at the Institute of Technology Sligo;
- The Burren College of Art which provides opportunities for international artists; and
- The Letterkenny Institute of Technology's recently launched courses in computer games development.

5.3.3 Research and development

Those interviewed across all categories of creative businesses noted that research and development within the creative sector was needed, this would help to ensure that the West was **constantly upgrading and delivering new ways of doing things**. Businesses suggested that this could keep the West ahead of the game. Creative technology businesses in particular suggested that creating a technological hub in the West could ensure that new and emerging markets were constantly evolving in the Region.

The consultation process highlighted an increased emphasis on the **new generation of computer and IT literate school children** and the digital revolution. The Business Development Centre at Letterkenny Institute of Technology for example is supporting the use of technology for creative activities by offering on-campus incubation facilities for graduates setting up start-up businesses and for local businesses wanting access to the creative higher education environment.

"If the West wants to be recognised as a creative region then it's quite important that we keep up with what is happening in the market. The new generation of video games and digital technology is certainly something which we could develop in the West." **DreamIT (Co Clare)**

5.3.4 Creative 'people' conclusions

Creativity, knowledge and access to information are increasingly looked upon as important tools driving economic growth and development in a globalising world. At the heart of these tools lies creative 'people' and an economy's ability to attract, retain and develop creative talent.

The Western Region is currently home to a high level of skills across all categories in the creative sector. The main issue highlighted by the consultations was not the lack of creative 'people' but the low level of visibility within the creative sector. In order to develop creative 'people' within the Region there is a need to ensure that skills are identifiable to those working within the sector. This may also help to overcome some of the recruitment difficulties which were highlighted in the survey results. Harnessing the increased diversity of the Region's population is also critical to the future growth of the creative industries sector as well as enhancing the overall creative environment of the Region.

Education, training, research and development are also very important for the development of creative 'people'. The USDA report (2007) acknowledges the relationship between the

creative class, education, innovation and thriving creative rural economies. For example, rural areas within the US with a high number of educational institutions tended to attract a high number of those individuals working within the creative economy. Similarly areas which embarked upon research and development programmes and technical innovation were also more likely to have a higher concentration of creative workers.

There is certainly no shortage of educational opportunities for the creative sector in the Western Region, however there are concerns about how best these institutions can link with businesses to ensure that creative education meets the needs of the sector and is also combined with basic business skills. The shortage of basic business skills identified by the marketplace highlights a key issue which can be addressed through direct action.

Creative 'place' strengths also play a key role in attracting creative talent, particularly within rural communities. The Western Region's notable strength in creative 'place' is paramount to its success in attracting creative 'people'.

5.4 Theme 3: Creative 'structure'

The creative 'structure' theme takes into account the facilitating policies and programmes available to the creative sector. It includes the funding and networking opportunities and marketing capabilities available in an area. This particular theme has the greatest possibility for being influenced and developed through intervention by government organisations, statutory or funding bodies. The creative 'structure' of an area can be cultivated through focused strategy and targeted investment.

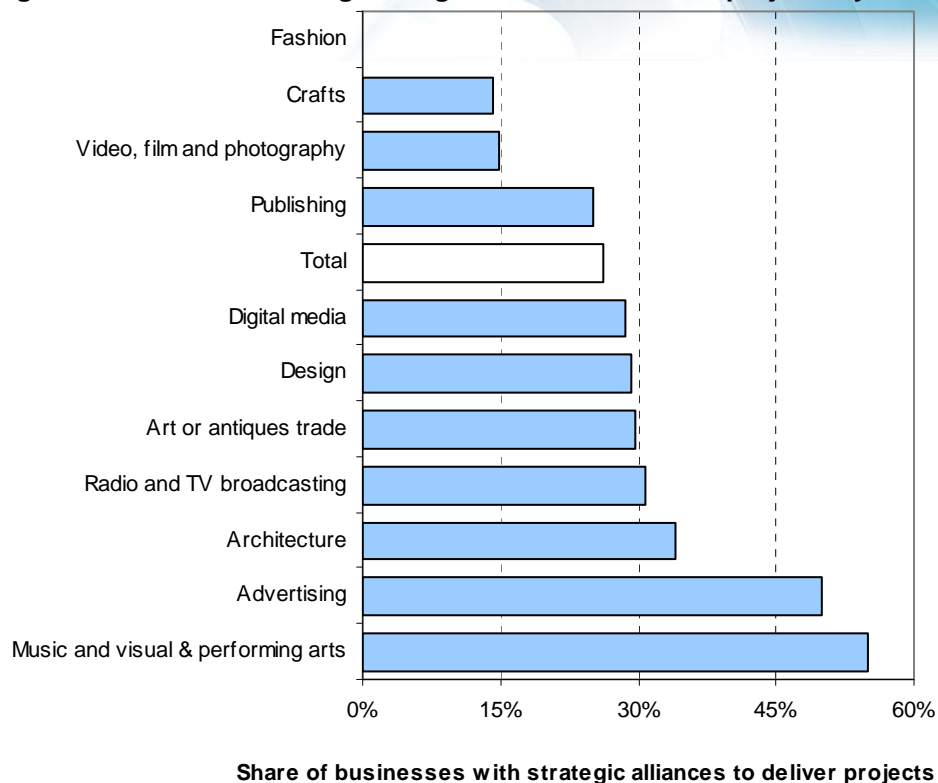
The main creative 'structure' issues affecting the Western Region which emerged from the consultations, and that are examined below, include:

- Networking and the use of strategic alliances within the sector;
- The marketing capabilities and co-ordinating functions available for creative businesses in the West;
- Access to suppliers and international markets; and
- Funding opportunities and programmes.

5.4.1 Networking and alliances

All businesses reported that the **level of networking within the sector is quite minimal**. Most creative workers operate independently of one another and only really meet at festivals or other organised events. This is confirmed by the survey results which show that on average for the creative sector, only 1 in 4 creative businesses in the West joined with other businesses in the last year to deliver projects (Fig 5.3).

Industries such as music and visual and performing arts, and advertising were more likely to enter strategic alliances than industries such as crafts. Industries tend to work first and foremost with other businesses in the same industry, but do also work with other industries within the sector e.g. architects with designers (Annex E presents further details).

Fig 5.3: Businesses entering strategic alliances to deliver projects by sector

Source: PIMR and Regional Forecasts/ Oxford Economics
 Note: Total Responses: 282

The survey results also provide information on the likelihood to form strategic alliances across business size and export propensity (see Annex E for details). Both **smaller businesses and businesses with a low share of exports were less likely to form strategic alliances** in the last year. This is perhaps holding back the growth of these businesses given the fact that 99% of those involved in strategic alliances stated they were very or quite important in helping to win business.

Those interviewed felt that the independent operation of many smaller businesses meant that the **support of local community organisations** such as the local authority arts offices or development bodies was crucial for their businesses to keep up to date with industry developments and opportunities. Although not a significant issue, it was also noted that most industry governing bodies are based in Dublin making it difficult to attend workshops, meetings or conferences organised to help improve business performance. This can lead to a feeling of isolation for western-based businesses.

Looking outside the creative sector, businesses across all categories highlighted **the need to increase links between the creative sector and the hospitality, tourism and wider business community**. It was felt this would provide a chance for local artists, designers, musicians etc. to showcase their talents and develop their business networks across the Region. This may include using local photographers in advertising campaigns, local musicians for hotel entertainment and local designers and software developers for business activity. It was suggested that this could increase local use of creative talent, increase investment and tourist footfall.

The advisory group stressed that networking across sectors should not just be limited to hospitality and tourism however, and should extend to all economic sectors e.g. biomedical

devices, industrial design. These **cross-sectoral links** can stimulate creativity and innovation across the economy.

The experience of the advisory group members was that there can be difficulties in the creation of networks, with successful examples being cases where there was a very clear business benefit from the networking and it had a specific focus or facilitator involved. Small businesses and the self-employed may lack the time and capacity to establish and engage with formal networks. **A supported, full-time facilitator** may be required to stimulate a network and to identify opportunities that exist for collaboration among network members.

"There is a need to co-ordinate the tourism, creative, retail and hospitality sectors so they can work together and stimulate demand for the sector. It's not good for the industry if a new hotel is accessing resources from Dublin, rather than using local musicians or designers."
Irish Imagery (Co Roscommon)

5.4.2 Marketing and co-ordinating mechanisms

All those interviewed commented on the importance of **showcasing and utilising local creative talent in the various festivals and exhibitions**, rather than just looking to promote international talent. Businesses from the creative expression category acknowledged the existence of local festivals and exhibitions to showcase local talent however noted that the bigger more marketable festivals, such as the Galway Arts Festival focused more on international talent.

All those interviewed believed that **marketing programmes and branding strategies** could play a key role in supporting a regional creative strategy. However it was noted that marketing the Region from a purely lifestyle perspective would not provide the impetus to attract profitable creative businesses, such as those in the creative technology category. It was felt that whilst it is important to highlight the authenticity and lifestyle in the Region it is also important to stress other factors conducive for doing business such as the lower cost of living, lower business start-up costs, innovation developments and good economic infrastructure.

The advisory group felt that any marketing programmes should not only focus on the creative industries themselves but rather be **centred around the concept of creativity as inherent to the Region**, across all sectors. Focusing too narrowly on the creative industries themselves could underplay the benefits which innovation and creativity can deliver to other economic sectors and the wider economy.

"The lifestyle of an area can only be sold to a limited number of people. It's important that we encourage businesses with a revenue building capacity by highlighting the 'business' benefits of locating in a region."
De Barron Publishing (Co Clare)

Galway Film Centre, Galway city

Established in 1989 by a group of film-makers, Galway Film Centre is dedicated to the development of film and video as an artistic medium in the West of Ireland. The Galway Film Centre aims to increase, encourage and promote film and television production, film exhibition and film culture within the Region. The Centre is a non-profit making, member-based organisation. The Centre actively promotes meaningful and practical engagement in film and video-making through its community, youth and schools outreach programme.



"Showcasing local talent and continuously supporting the film industry is what the film centre is all about. In the end marketing and promotion is crucial to the development of this industry in the region." **Galway Film Centre (Galway city)**

5.4.3 Suppliers and international markets

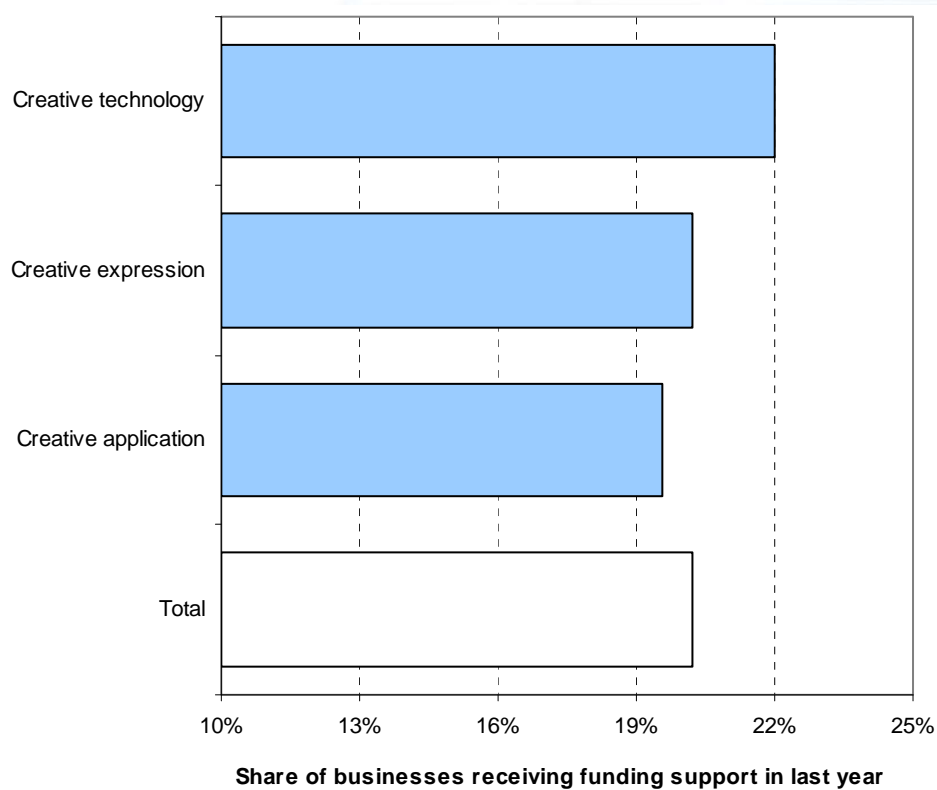
All businesses interviewed used a variety of suppliers for goods and services, including local, regional, national and international suppliers. Businesses across all categories would also be inclined to order goods over the internet.

Though not strictly an international issue, it is worth noting that economic factors such as the weakening US dollar and the downturn in the local economy (particularly in construction) did have an impact on some businesses, particularly those which involved selling products such as CDs or paintings and architectural services. These items may be considered 'luxury' items and often react sharply to weakening demand in the economy.

"The creative sector has become so international that borders are really not a problem anymore. My film business here has enabled me to direct film projects in India for Irish audiences." **Pranjali Bhawe (Co Mayo)**

5.4.4 Access to funding

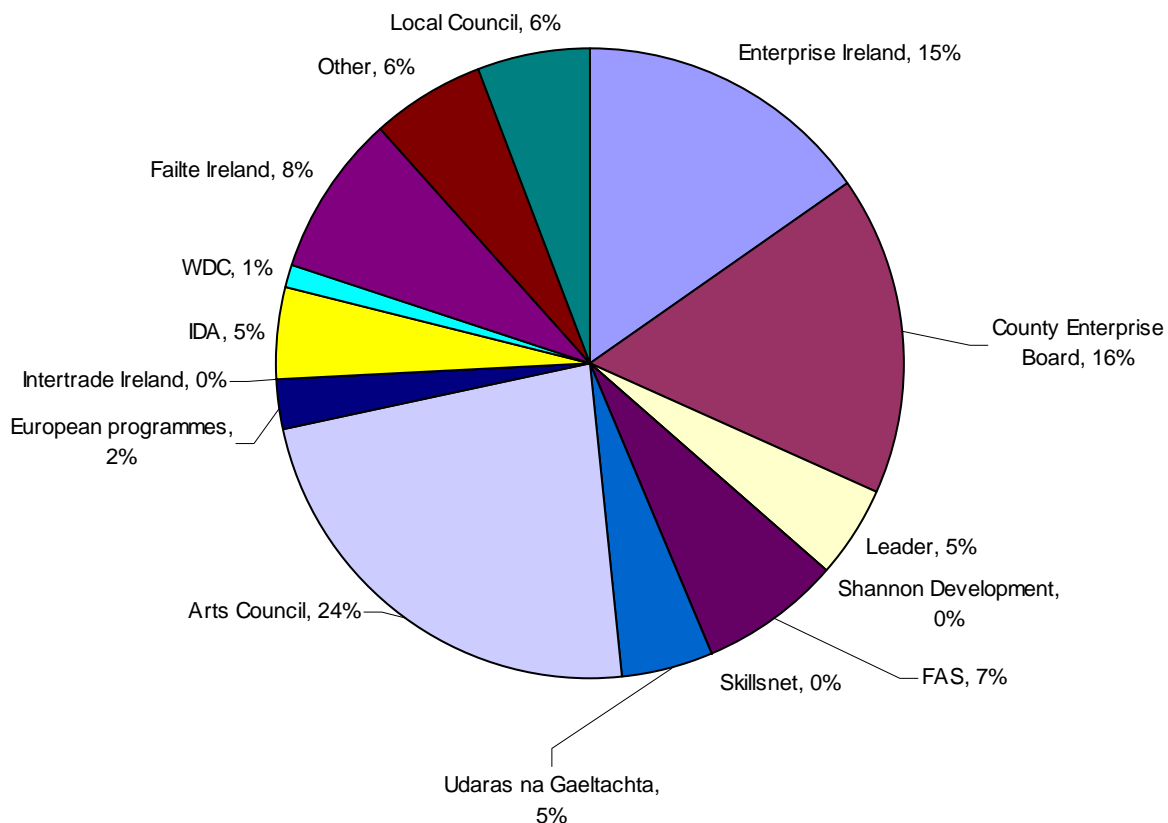
Based on the consultations, all categories received some level of public funding. However according to the survey results, **only 1 in 5 creative businesses received funding support in the last year** (Fig 5.4) with a slightly higher share of creative technology businesses receiving funding than creative expression or application. This may be a result of a larger number of new start-ups in the creative technology category, or the sectoral focus of certain funding agencies.

Fig 5.4: Businesses receiving funding support in last year by business category

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Total Responses = 85

From the survey, the three main sources of funding, by share of businesses receiving funding, were the **Arts Council, County Enterprise Boards and Enterprise Ireland** (Fig 5.5)

Fig 5.5: Sources of public funding for creative businesses in last year

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Responses = 85. 225 of the businesses surveyed did not receive funding.

From the consultations, there seemed to be some **confusion over the accessibility of funding sources**, particularly in the creative technology field, which has led to the suggestion that some support structures appear out of reach or biased. For example the view was expressed that it is unclear as to the eligibility criteria of certain funding programmes, in particular those associated with starting a new business.

In the view of several of the creative operators interviewed, there is a **lack of available information with regard to funding opportunities** and that which is available is often ad hoc or not received in time to develop a substantive response. A co-ordinating function was suggested to assist businesses to keep up to date with funding opportunities across the Region.

The advisory group raised the question of the **appropriateness of some funding schemes**. A lot of funding mechanisms were originally designed for manufacturing enterprises and tend to provide support in the form of capital, employment or training grants. These may not be suitable for creative individuals trying to develop a new idea. It is essentially their time that they require to be funded rather than buildings or staff. This is a risky form of investment for funding agencies. The linking of funding to Intellectual Property Rights (IPR) can also create particular issues for smaller creative companies.

Funding mechanisms can often be linked to the growth potential of a company e.g. High

Potential Start Ups (HPSUs). However **certain creative businesses may not be interested in scaling-up**, particularly if they are centred on an individual's creativity. They may be artisan, lifestyle businesses that may not be suitable to scale. The impact of such businesses often goes beyond their own direct output and has a spillover impact by stimulating a creative culture and enhancing the attractiveness of the area for other businesses. The advisory group felt that it may be possible to take these wider impacts into account in funding decisions for such businesses.

The question of 'What do we do if the funding dries up?' was clearly on the minds of many individuals interviewed.

While not specifically a funding issue, the importance of **public procurement** was also highlighted by the advisory group. The public sector is a large purchaser of goods and services, over 10% of the survey responses about creative industry clients mentioned the public sector (see Fig 4.4 in previous chapter). The criteria applied in public procurement can have an influence on the development of the sector, in some cases turnover requirements may preclude small operators from the public procurement process.

"Local artists and craft workers would benefit greatly from any direction with regard to funding opportunities. It is difficult for individuals to find the time to reply to funding applications."
Leitrim Design House (Co Leitrim)

5.4.5 Creative 'structure' conclusions

National and regional policy and government intervention are important components in stimulating and steering any sector within the economy. More specifically, there is significant global evidence that intervention within the creative sector is an important tool for providing stimulus for its growth and development. The three case studies provided in Annex H highlight specific structural policies ranging from marketing programmes to tax incentives which these economies adopted in order to try and develop their creative sectors or specific creative industries. This has contributed to all three case study areas developing successful creative economies.

Although the Western Region rates relatively highly for both creative 'place' and creative 'people' characteristics there is still some work to do with regard to creative 'structure'. Despite some resistance to change within the Western Region, and even a fear of the area becoming overdeveloped, intervention within the Western Region seems to be required in order to overcome some of the key issues highlighted through the consultations and survey results.

- **Marketing and branding** in the Western Region is a key issue for those within the creative sector. There is currently no real creative brand which the West exhibits to help encourage or attract creative 'people' or tourists to the Region. New Zealand embarked on a marketing strategy which utilised creative 'people' in the region such as local filmmakers, designers and photographers to showcase the landscape and natural surroundings of the area. Despite being primarily a tourist driven campaign, the use of local creative 'people' helped to develop an image for the area as well as provide business for local creative talent.
- **Showcasing** is a key issue, particularly relevant for the creative application and creative expression categories. Although there are a number of local festivals and exhibitions specifically developed to exhibit local talent, there is a concern amongst businesses that some of the larger festivals are more inclined to look for international talent.

There was also felt to be low utilisation of local talent in tourism promotions, business development initiatives, catalogues, hotel and pub gigs. Creativity and innovation are important tools which can be used across a variety of sectors in the economy. It is

important that local creative 'people' across all three categories are showcased not only for tourism or performance purposes but also for business development initiatives such as those which exist in the manufacturing or agricultural sectors. There is a clear message that a stronger working relationship needs to be developed between the creative, tourism, hospitality, retail and business sectors.

- The **lack of networking and strategic alliances** in the Region highlights the importance of growing cross-county and business-to-business relationships and support. There is currently a lack of information about who is operating in the creative sector across all categories. This has stifled some development within the Region and meant that businesses requiring fast access to specific skills have imported these from outside the Region. The ability to source businesses within the Region would reduce the reliance on those outside. An accessible business network or database would allow businesses to be more interconnected.
- **Visibility and appropriateness of funding opportunities** was a key issue for those within the creative application and creative expression categories. Time constraints on small businesses meant that filling in applications for funding can be problematic. Sourcing information too late, as well as the overwhelming amount of information which is sometimes required, was a common complaint for businesses. The main aim of funding is to help develop and promote businesses within the sector. In order to achieve this it is important that funding opportunities are visible for those within the creative sector and most importantly are appropriately tailored to the needs and expectations of the industry.

Although there is some resistance to change among the creative sector in the Western Region there is also a need to ensure that certain structural requirements are delivered in order to develop the creative 'environment' required to grow the sector. Both the consultations and survey results highlighted some specific structural requirements that are necessary to encourage the growth of the West as a creative region. It is evident from international literature, as well as the three case studies in Annex H, that by encouraging and supporting structural change a successful creative economy can be developed.

In summing up it is evident from the research that each of the individual creative categories – application, expression and technology – faces issues which need to be addressed. These issues present a constraint on the creative 'environment' of the Western Region. The issues under each of the three themes of 'place', 'people' and 'structure' would need to be addressed in order to deliver the creative 'environment' required to expand the Region's creative sector.

5.5 Strengths, weaknesses, opportunities and threats (SWOT) analysis

	Strengths	Weaknesses	Opportunities	Threats
'Place'	<ul style="list-style-type: none"> Landscapes, lighting, natural settings, uniqueness Good range of urban and rural settings, from city to remote rural areas Work/life balance, lifestyle, quality of life Cost of living International and regional air access Advantage of small communities Irish Language and heritage, and other cultural ties 	<ul style="list-style-type: none"> Lack of suitable low cost workspaces Surface connectivity between regions. i.e. road network Insufficient broadband speed and connectivity New developments not always sensitive to West's uniqueness 	<ul style="list-style-type: none"> Attraction of new businesses Relatively unspoiled landscapes Enhancement of the quality of the built environment Widespread recognition of the importance of the creative sector to the West Unique potential in West for creative growth 	<ul style="list-style-type: none"> Lack of appropriate creative infrastructure e.g. studios, theatres Risk of over-development or urban centred development plans ruining area's character Insufficient supply of good, stable employment opportunities for current and new creative workers
'People'	<ul style="list-style-type: none"> High level and diverse mix of skills across counties Current structure of both new and established businesses – mainly indigenous Diverse education institutions offering courses relevant to creative sector Growing diversity of the population – multicultural society 	<ul style="list-style-type: none"> Untapped potential of a high number of businesses/skilled people Shortage of certain creative skills Lack of basic business skills amongst operators in the sector and new entrants 	<ul style="list-style-type: none"> Tapping into the hidden skills currently operating in the Western Region Connecting skills across the West Utilising the experience of individuals and longevity of businesses within the Region Technological hubs or clusters to enhance business development Tapping into digital revolution, to include investment in research Increased flows of talent between creative and non-creative businesses Stimulating a greater culture of creativity 	<ul style="list-style-type: none"> Focus of policy on attracting new skills rather than sustaining and encouraging established skills Low levels of research and development Retaining current creative talent in the Region Reduced diversity of the Region due to lower in-migration as a result of economic factors

	Strengths	Weaknesses	Opportunities	Threats
'Structure'	<ul style="list-style-type: none"> • Support from community based organisations • Social networks for creative people in certain local areas • Strong festival culture in Region • Large number of funding sources 	<ul style="list-style-type: none"> • Poor networking between creative businesses across counties • Low level of alliances/joint projects, particularly among smaller businesses • Lack of information surrounding funding opportunities • Lack of showcasing of local talent by tourism sector • Lack of awareness of role of creative industries in innovation within non-creative sectors such as manufacturing, financial services and tourism • Distance from industry bodies 	<ul style="list-style-type: none"> • Increased access to export markets • Marketing creative uniqueness of the Western Region • Creating an integrated regional approach, through facilitated formal networking • Funding tailored to the needs of each of the creative industries to help businesses develop • Creativity becoming a key input into the development of non-creative sector businesses – cross-sectoral linkages 	<ul style="list-style-type: none"> • Funding 'dries up' – lack of sustainability criteria • Lack of appropriate funding opportunities for creative businesses • Narrow county based development rather than collaborative regional approach • Public procurement policies – tendering criteria

Chapter 6.0

International developments



Western Development Commission

6 International developments

The growth of the creative sector globally is examined in this chapter. Lessons for the Western Region from the experiences of three case study areas – New Zealand, New England and Copenhagen – are also set out.

6.1 Development of the creative sector in other countries

As discussed in chapter 3, the 21st century is the age of the knowledge economy. Knowledge and creativity are powerful engines driving economic growth and have profound implications for trade and development. In broad terms, the quantity and quality of a country's human or knowledge capital set the parameters for success, with creativity recognised as a key strategic asset. While this has implications right across the economic spectrum, one of the most important impacts is the growth of the creative sector.

While many developing and transition economies have great potential in the creative sector, most are still marginal players and the sector is dominated globally by the developed economies (UNCTAD, 2008). However some developing countries have been able to penetrate global markets by consolidating domestic industries, taking advantage of growing domestic markets and large pools of talent. Entry has been noticeable in areas such as software, publishing, design, music, video movie making and electronic games, where the links to ICT-based hardware are strongest and changing consumption patterns are moving closer to those in the OECD countries. For example:

- **South Korea** has been investing heavily in digital media and video game animation.
- **China's** move from a state-dominated focus on cultural industries towards a more market-oriented pattern of creative industries, with the advantage of a rapidly expanding domestic market, will have major implications for the global creative industries market.
- **India's** strength and long history in some key sectors (e.g. in 2003 the Indian film industry produced 877 films, the highest number in the world) has resulted in a skills base which has the potential to support growth across the entire creative sector. Fast growth is forecasted for the telecommunications and software industries as well as areas such as animation, music, radio, live entertainment, publishing, press and newspapers.

Among the developed economies, Scandinavia has emerged as a key creative region with strong creative industries emerging in Finland, Sweden and Denmark. Key creative sectors include design and the gaming industry, they are also leaders in new creative processes such as linking new technology to new content, and creative activities including developing cultural tourism. For example:

- The **Finnish** game industry is on a strong growth path. Over the coming years, the business volume of the industry is expected to increase as much as 50 percent each year. The strong development of the Finnish game industry can be attributed to three factors: the technical and content-related competence of companies as well as the excellent price/quality ratio and delivery performance in game production, added to the international rise of the mobile entertainment sector.

Countries worldwide are focussing their efforts on creative sectors and those with a long history in the creative industries, such as India, already have the creative skills and experience upon which to build. This creates a high degree of international competition within the sector, however it also presents new opportunities as technology allows for strategic alliances such as outsourcing, supply of creative services or joint projects, at an international level. Creating networks locally, regionally, nationally and internationally presents major opportunities for creative businesses and may be even more important for those operating in rural areas such as the Western Region.

It is important for the Western Region, as well as Ireland as a whole, to recognise the growth and importance of the creative economy worldwide. Developing links with countries, regions and cities around the world which are recognised as leaders in the creative sector can help to stimulate and develop the creative economy within Ireland. There is some evidence of these types of developments within the Western Region. For example, the Source Rural Creativity project not only promoted the growth of the creative sector within Leitrim, Sligo, Fermanagh and North Roscommon but also provided a structural link with Sweden. This programme provided access to a wider range of markets and trade opportunities and also stimulated the development of key relationships with European counterparts.

6.2 *Lessons from international case studies*

Three international case studies were conducted as part of this research – New Zealand, New England¹⁰ and Copenhagen. They were selected as examples of successful approaches to the development of a creative economy at country, region and city level. The three detailed case studies are contained in Annex H.

This section focuses upon the lessons which can be drawn from these case studies about what can be achieved and how it can be done. These lessons have been structured using the framework used throughout this report i.e. creative 'place', creative 'people' and creative 'structure'.

6.2.1 *Lessons on creative 'place'*

The importance of 'place' in stimulating growth of the creative sector has been extensively examined in this report. **New Zealand's** physical geography is characterised by mountainous ranges, rural settings and coastal landscapes, which create a highly attractive natural environment. It also means New Zealand can offer a stunning range of locations – from tropical beaches to snow-capped mountain ranges – all within two hours' travel time of a major city. This has proven to be a major attraction for the film industry. Similarly, **New England's** landscape is composed of mountainous and coastal areas with a mix of large cities and very rural areas. Both of these case study areas present a mix of rural, urban and coastal locations, providing both peace and quiet and a picturesque landscape which are desirable attributes for many of those involved in the creative sector. These assets have proven to be very popular for creative sectors such as the arts, music and film production.

Copenhagen on the other hand is the capital of Denmark and hence far more urban. Copenhagen's attractiveness as a place lies in its ability to attract a young, vibrant population. Its major industries are knowledge-based including electronics and pharmaceuticals. Creative activities are mostly concentrated in the city region with IT, film/ video production, music and leisure being the most prominent industries.

6.2.2 *Lessons on creative 'people'*

The development of any new sector requires the creation and enhancement of a good skills base. An important phenomenon which has occurred in **New Zealand** has been the 'brain gain' resulting from the in-migration of educated professionals. New Zealand has provided opportunities within the knowledge economy to encourage and stimulate its development. It is also world-renowned for the creativity, innovation, experience and professional approach of its actors, directors and crew. These skills and attitudes ensure New Zealand's film professionals are in high demand globally. On the back of this success, other sectors are now beginning to emerge such as fashion and design.

¹⁰ New England is an area of the United States which includes the states of Connecticut, Massachusetts, Rhode Island, Vermont, New Hampshire and Maine.

Prior to focusing on the development of their creative sectors, all three case study areas had a high level of skilled individuals operating within different industries. This has helped to provide a catalyst for the development of their creative sectors. One of the factors in this high level of creative skills is the educational opportunities which have been developed at third level institutions. For example, most of **New England's** nearly 270 colleges and universities offer some type of training in the literary, visual, performing and applied arts. Specialised schools such as Rhode Island School of Design, Massachusetts College of Art and Berklee College of Music draw students from around the world and contribute to training a creative workforce.

6.2.3 Lessons on creative 'structure'

Like many other developed economies, **New Zealand** is experiencing a decline in the agriculture and manufacturing sectors. In the face of this decline, combined with its peripheral location, New Zealand has acknowledged the need to develop niche markets in which its location will not be a constraining factor. This has led to their focus on the creative sector.

The success of the creative industries in New Zealand has been influenced by a number of key developments including key policy incentives such as reduced tax rates and investment in R & D. By providing a cost effective environment to do business, clients from a range of industries, both locally and internationally have identified New Zealand as a place to do creative business both efficiently and effectively.

In particular the New Zealand film industry has benefited from the marketing and promotion of New Zealand as a film location, which is combined with the availability of financial incentives. By developing partnerships with major multinationals New Zealand has established its position as a major player in the film industry. Multinationals such as BMW, Sony, Vodafone, Coca Cola and Burger King have turned to the New Zealand creative sector for its ability to make award-winning advertising commercials.

Support for creative industries in **New England** began in 1998 when the New England Council initiated 'The Creative Economy Initiative' to draw attention to the significantly positive impact that cultural activities could have on the regional economy. Support for the creative sector was further enhanced in 2001 when a blueprint was released which mapped out strategies to develop the creative cluster through policy formulation and programme development. New England's main creative activities include broadcasting and publishing.

Building on the success of Denmark as a whole within the creative field, **Copenhagen** began working on a creative development strategy in 2003. This included studies on different sectors, the examination of the potential of attracting creative industries and the frameworks needed to support a stronger creative sector. In doing so Copenhagen has adopted both cultural and market-based approaches. It is difficult at this stage to measure the success of these policies however Copenhagen has become a key hub for various creative industries such as software, film, video and music.

The creative structure which has been created in each of the three case study areas has contributed to the successful development of their individual creative economies. **Each case study area has developed a specific structural response tailored to the unique nature of its creative sector rather than taking a simple 'one-size fits all' approach.** In developing the creative sector in the Western Region of Ireland it is important that the uniqueness of the Region is captured in the policy actions and responses.

6.3 Conclusion

From looking at each of these case studies it is evident that each area has raised its awareness of the importance of the creative industries in a modern economy i.e. New

Zealand by creating tax incentives, New England by releasing a blueprint for investment in creative industries, and Copenhagen by working on industry specific creative development strategies. Each of these areas has tapped into its natural advantage, be that stunning landscapes, city centre location or a creative skills base, and developed a sector which reflects the uniqueness of the area.

Chapter 7.0

Recommendations



Western Development Commission

7 Recommendations

Recommendations for developing the Western Region's creative sector, based upon the research contained within this report are presented here. The principles underlying these recommendations are firstly set out.

7.1 Principles for building a creative economy

The overall objective of the WDC in relation to the creative sector is to:

"Develop the Western Region's capacity to attract and support enterprises within the creative economy."

The Western Region has the potential to become a respected creative region however there are several guiding principles which must be taken into account when developing a 'way forward' for the Region. These principles include:

1. **Creativity is an asset** in the Region and creative talent should be supported in order for it to be maintained and developed.
2. Preserving the **landscape, built environment, authenticity and natural heritage** of the Region can ensure that a thriving creative sector 'place' is maintained.
3. The **catalytic and spillover effects** of the creative sector are highly significant for the regional economy, and these linkages and benefits should be recognised within the Region and the wider national economy. Increased awareness in the Region of the sector's positive spillover effects will stimulate the sector.
4. A **regional approach** is the most effective way to support development of the sector as it will serve to build critical mass, and extend the diversity and efficiency of the creative economy in the Region.
5. Enhanced **partnership** between the private and public players across the creative sector and with the wider economy will ensure that the sector's full potential is realised. Increased **co-ordination** and linkage of the various stakeholders in the sector will foster a dynamic, vibrant sector.

7.2 Approach to devising recommendations

The recommendations presented here are based upon issues arising out of the quantitative and qualitative research as well as the creative sector stakeholders' workshop held in July 2008 in Boyle, Co Roscommon (Annex I). Relevant academic, research, policy and strategy documents have also provided a context for the recommendations.

In developing a creative economy there are several key players who require mention: operators within the sector, trade associations, industry bodies, central and local government, community organisations, educators and local businesses in other sectors (a list of the main public organisations operating within the sector is given at Annex J). Each of these can provide essential input, and most importantly local knowledge, to help determine an action plan or set of recommendations for the development of the sector. We have tried to incorporate the views of as many of these players as possible in the recommendations.

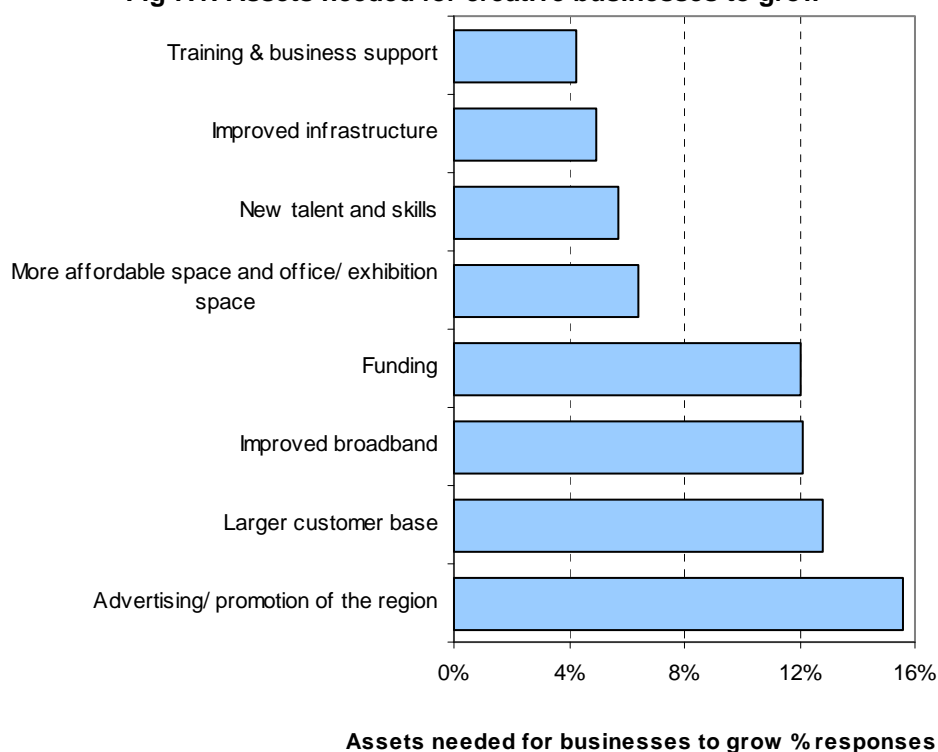
It must be noted that the creative sector in any region is unique and there is no one size fits all approach which can be recommended for its development. Whilst it is important for the creative sector in the Western Region to develop a focused strategy, it is also important to note that the nature of the sector, characterised by a large share of independent self-employed and/or part-time operators, means that it is not conducive to a highly structured

development approach. Therefore it is necessary to find a balance between the hands off approach preferred by many in the sector and the more structured approach typically employed in economic development policy for other sectors.

7.3 'The Creative West' – recommendations

Before setting out the detailed recommendations, it is worth examining the results of the quantitative survey in which respondents were asked: what facilities/assets they needed in order to grow; and their suggestions to attract and/or retain creative businesses in the West (Figs 7.1 and 7.2). Two issues emerged strongly from the results – **the need to promote the Region and sector; and improving infrastructure and communications.**

Fig 7.1: Assets needed for creative businesses to grow

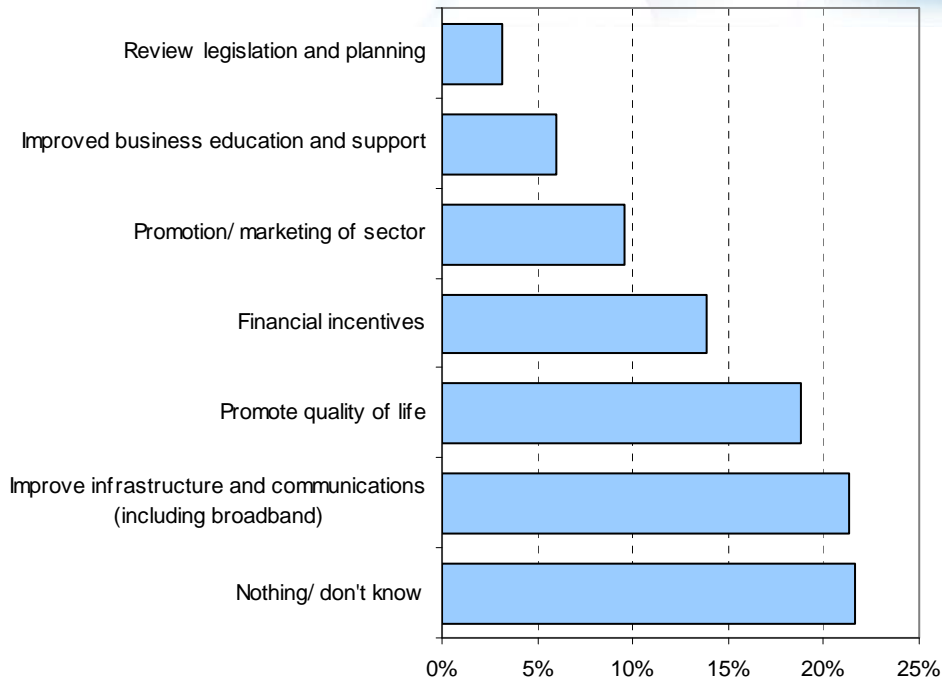


Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Survey question was open-ended. Responses have been coded by PIMR. Total number of responses is 293 (businesses were free to give more than one response).

This was an open-ended question in the survey, some specific suggestions of assets/facilities required to promote business growth were:

- A new theatre, artists' retreat, better train services, unique town centre signage, more tourists, more native-Irish speakers and a database of creative businesses in the West, rest of Ireland and UK. A more stable economy and upturn in the construction sector were also cited as necessary underpinning factors for growth

Fig 7.2: Recommendations to attract/ retain creative businesses to the Western Region**Recommendations to attract/ retain creative sectors % responses**

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Survey question was open-ended. Responses have been coded by PIMR. Total number of responses is 298 (businesses were free to give more than one response).

Again this was a very general open-ended question in the survey about what would attract/retain creative businesses to the Western Region, some examples of responses were:

- In addition to promotion and infrastructure and communications, other suggestions were, town centre regeneration, tax incentives, business training and more flexible, fluid and client-oriented funding.

The recommendations presented are set out under the three themes of 'place', 'people' and 'structure'. Recommendations have been classified as national – that are within the remit of national government policy, or as regional – that could be implemented by regional or local stakeholders. The recommendations presented here represent what needs to be done to develop the creative sector in the Western Region based upon the research and consultations outlined in this report. No attempt has been made to identify responsibility for these recommendations or to provide exact details of how they should be implemented in practice or the cost. These recommendations will form the basis for the WDC's next steps which will include devising a more specific action plan and liaising with relevant stakeholders to implement it.

While it would be desirable to quantify the impact of these recommendations on future growth of the creative sector in the Region, it is not possible to do so at this stage until a more detailed action plan is developed.

7.3.1 Aims of the recommendations

The general aims which the recommendations are intended to achieve are set out in Box 7.1.

Box 7.1: General aims of the recommendations

1. Improve connectivity: improving connectivity, both physical and electronic, of the Western Region to facilitate creative businesses to operate in the global creative market.
2. Workspace provision: ensuring suitable, appropriately priced and serviced workspace is provided across the Region.
3. Quality of life enhancement: preserving and enhancing the quality of life and lifestyle of the West which are major attractors for creative people.
4. Education and training provision: sustaining and enhancing the pool of creative talent in the Region through specific skills initiatives.
5. Creative sector policy and responsibility: a national policy for the creative sector as a whole, along with clarity of responsibility, to provide a coherent structure for developing the sector.
6. Facilitate Networking: supporting and facilitating networking between businesses across the Region's creative sector to take advantage of the benefits of joint working.
7. Stimulation of demand: stimulating demand for the outputs of the creative sector among other businesses and the general public.
8. Marketing 'Creative West': developing a 'Creative West' concept to showcase the level of creativity inherent in the Western Region.
9. Clarity of funding: ensuring that creative businesses have clear information on the funding sources available and that funding schemes meet the needs of the sector.

7.3.2 Creative 'place' recommendations

Recommendations with respect to 'place' focus predominantly on the provision of workspace, the preservation and careful development of the physical landscape, connectivity and technological infrastructure.

Action	National	Regional
Improve connectivity: improving connectivity, both physical and electronic, of the Western Region to facilitate creative businesses to operate in the global creative market.		
Broadband development:	The northern part of the Region could be used as a demonstration area for Next Generation broadband. It could be a showcase for the potential of NGNs for rural areas, allowing the area to 'leap frog' in its broadband development and providing a unique selling point for locating in the area.	
Physical transportation network:	<p>Increase the connectivity and accessibility of the Region by enhancing the current road and rail network, giving particular attention to the rural nature of the creative sector.</p> <p>Improved international air access is particularly important for export and business growth opportunities.</p>	The needs of the creative sector should be factored into local transport decisions e.g. public parking in town centres, increased airport access and the provision of bus routes etc. Decisions on the provision of public transport – including rural transport – should also take the sector's needs into account.
Workspace provision: ensuring that suitable, appropriately priced and serviced workspace is provided across the Region.		
Workspace strategy:		<p>Devise a strategy for the provision of creative sector workspace across the Western Region. The strategy should cover 'standard' incubation facilities, innovation centres, shared office workspace and specialised centres providing dance facilities, studio space or art workshops containing kilns and other equipment. Devising the strategy would entail:</p> <ul style="list-style-type: none"> • Development of an assets register of existing facilities within the Region. This should include the level of services and infrastructure available to these facilities. • A market gap analysis to identify the weaknesses in the provision of workspace. This should take into account the distribution of the sector as it would not be viable to provide all forms of space across all areas of the Region.

Action	National	Regional
Urban/rural workspace scheme:		A possible scheme under the regional workspace strategy (see above) would be urban/rural workspace provision. This scheme could include revitalised urban locations and/or redeveloped farm properties/out buildings and could provide demonstration projects for a more comprehensive workspace development scheme. The scheme should aim to use local creative skills in the form of architects, artists, designers and craftspeople to develop the space. There are existing examples in the Region such as the Leitrim Sculpture Centre which could be used as a model.
Administration resource:		The workspace strategy (see above) may also include funding support for business function resources at incubation/start-up units. This might be shared administration (such as secretarial cover) but also advice and services on marketing, legal requirements, HR functions and accountancy.
Meeting hubs:		Another element of the regional workspace strategy (see above) could be to utilise existing space, and possibly develop new space, to establish creative places as regular meeting and networking points. This would be linked to the Networking recommendations below.
Quality of life enhancement: preserving and enhancing the quality of life and lifestyle of the West which are major attractors for creative people.		
Quality of the built environment:	Decisions which impact upon the built environment have a profound impact on the character and attractiveness of the Region. Representation of the creative sector in these decisions would help incorporate best practice in design and aesthetics thereby enhancing the creative attractiveness of the Region.	

7.3.3 Creative 'people' recommendations

Recommendations with respect to 'people' focus predominantly on training and the identification of skills required to support the Region's creative people.

Action	National	Regional
Education and training provision: sustaining and enhancing the pool of creative talent in the Region through specific skills initiatives.		
Primary level creativity:	<p>Enhance the role of creativity within the primary school curriculum.</p> <p>Establish a national 'Creative Flag' initiative similar to the Green Flag (www.greenschoolsireland.org) used to raise environmental awareness in primary schools.</p>	Support demonstrations, presentations and field trips for young children in the Region to stimulate interest in a range of creative activities from the digital sectors to arts and crafts.
Skills matching study:	<p>Review existing national educational provision for the creative sector in terms of courses, dissertations, work-placements and careers advice.</p> <p>Conduct a skills needs assessment for the sector to determine its requirements. Then examine the match between provision and needs in order to identify gaps. This may involve reviews for individual creative industries (e.g. arts and crafts, TV and media etc).</p>	Establish a regional workforce development forum (or equivalent) to provide a means for industry representatives and educational providers (at all levels) to liaise on matching the demand and supply of skills for the sector in the Region. (see regional creative forum recommendation below)
Skills for 'creating growth' – business skills:		Establish a scheme to take creative businesses' business skills beyond start-up requirements to deal with the issues of growth/expansion in the creative sector. This could be run by members of the existing educational/training system, business support agencies and local workers in the sector (thus providing extra resource) and could focus on specific issues for the sector in the Region. It could also cover aspects of support and awareness of funding, new legal directives, training in marketing and staff recruitment. This could be linked to the networking recommendation below.

7.3.4 Creative 'structure' recommendations

'Structure' recommendations primarily relate to the institutions and organisations that enable the creative 'environment' to realise its potential.

Action	National	Regional
Creative sector policy and responsibility: a national policy for the creative sector as a whole, along with clarity of responsibility, to provide a coherent structure for developing the sector.		
Creative sector policy:	Develop a coherent national policy structure for the creative sector. Currently different aspects of the creative sector are subject to a wide range of policies. A coherent approach would facilitate development of this high-growth sector.	
Responsibility mapping:		Develop a 'map' of the range of stakeholders in the creative space from national government to local councils, voluntary bodies, educational providers and already funded centres/incubation parks in the Region. This could be placed on the creative website (see below) to identify who does what.
Establishment of regional creative forum:		Establish a forum of regional stakeholders in the creative sector. This forum would provide a facility to discuss national policy issues, share information, avoid duplication, initiate joint projects and discuss skills needs (see skills matching study recommendation above).
Facilitate Networking: supporting and facilitating networking between businesses across the Region's creative sector to take advantage of the benefits of joint working.		
Networking agenda:	One of the biggest challenges for the sector is to increase networking and social interaction. Facilitating networking within the creative sector should be an objective of national policy to promote the creative sector.	
Establishment of regional 'creative network':		Establish a 'creative network' in the Western Region to bring together a structurally, sectorally and geographically diverse group of businesses. A full time professional facilitator should be recruited to facilitate the establishment and operation of the network. Many of the other recommendations could be driven by this network and as such this would be a critical element of the action plan.

Action	National	Regional
Creative website:		<p>Establish a creative website for the Western Region. This could be targeted at three audiences: creative sector; non-creative businesses; and the public.</p> <p>The website should include examples of existing practice, contact lists of who's who in the sector (see below), guides to funding (see below) and links to application forms.</p> <p>The site should also champion local businesses with case studies/portfolios of work publicising award-winners and gaining forum-based opinion on potential policy actions. It should also advertise events, training, places of interest etc.</p> <p>The website would also play a key role in the marketing strategy for the West's creative sector (see marketing strategy recommendation below).</p>
Contacts database:		<p>As an element of the website a contacts database would provide 'virtual business cards' for creative businesses in the Region. This could have two functions:</p> <ol style="list-style-type: none"> 1. To allow the sector better identify people across the Region with supplementary skills which might be required e.g. film producers seeking actors, painters seeking suppliers, theatres seeking other performers etc. This may contain quite specific commercial information and be restricted to 'trade' members only. 2. Allow purchasers of creative goods and services (outside of the sector itself) to identify suppliers within the Region. This element of the database may contain less commercially sensitive information and be publicly available.
Who's who brochure:		<p>A hardcopy directory of who's who in the sector, funding sources and points of contact may be useful to complement the website. This could be issued to all people identified as part of the sector in this study as well as a more general dissemination to creative sector customers.</p>
Best practice/trade missions:		<p>Support for industry groups (e.g. visual artists, digital media or performing artists) to go on trade missions/educational visits to see examples of best practice elsewhere. This may take the form of international festivals, sales fairs or world seminars on creative issues.</p>

Action	National	Regional
Stimulation of demand: stimulating demand for the outputs of the creative sector among other businesses and the general public.		
Demand assessment:		<p>Conduct a study of local businesses outside the creative sector to determine their use of relevant inputs (arts, crafts digital media etc) and determine the extent to which there is a) local demand for creative outputs, b) potential for further creative demand locally, c) supply chain effects and leakage from the local economy through imported creative services.</p>
Creative customers:		<p>Use the tools recommended above (website, database, brochure) to facilitate non-creative businesses (e.g. hospitality, manufacturing, retail) to source creative goods and services in the Region and to become involved in efforts to grow the creative sector. Linkages between the Region's 'creative network' and other sectoral networks should be encouraged.</p>
Routes to market:		<p>Support collaborative measures to bring creative goods and services to market. This could involve:</p> <ul style="list-style-type: none"> • Part funding a team of people to provide a sales function on a pooled basis. This team could identify new routes to market for the sector. For example collecting a range of artists/craftpersons' wares and taking them to a fair/exhibition, or online sales through the creative website (see above). Such a project could become self-financing and could aid local sellers who do not have the resource to carry out such activities individually. This may only be relevant for certain elements of the sector. • A transportation scheme to bring the outputs of creative businesses with a customer selling focus to gatherings (fairs, markets etc). The rural location of many creative business within the Western Region, rising costs of transport and the expense for those with bulky/fragile products makes physically transporting output to the market a challenge for certain creative businesses.

Action	National	Regional
Marketing 'Creative West': developing a 'Creative West' concept to showcase the level of creativity inherent in the Western Region.		
Marketing strategy:		<p>Devise a marketing strategy to raise awareness of creativity within the Western Region. This would focus on raising awareness of the current creative sector in the Region, highlighting the attractiveness of the Region for creative people/businesses and profiling the creativity of the Region across all aspects of the economy and society.</p> <p>This strategy could include initiatives such as:</p> <ul style="list-style-type: none"> • a marketing campaign; • a creative 'champion'; • tourism guides; • showcasing events; • creative conference and awards. <p>These are outlined below.</p>
Marketing campaign:		<p>Develop a marketing campaign for the 'Creative West'. This would draw on the website, brochure etc outlined above and could be operated by the 'creative network' recommended above.</p> <p>The campaign would require branding, and the act of branding could form a PR element of the campaign. The campaign could include identifying aspects of tourism material, publicising existing events and co-ordination of event calendars to make the most effective 'product' for the Region and its people/enterprises. Regional creative industry resources could be used to devise the campaign. The diversity of the sector may also necessitate small targeted 'sub-campaigns' for individual industries.</p>
Creative champion:		<p>Identification of a highly respected 'champion' of local and international reputation who could put the creative sector on the economic, social and cultural development agenda at a high level. This 'champion' would help to increase recognition of the sector's role in delivering a sustainable and desirable Region. In practice it may be necessary to identify a number of 'champions' to represent the various elements of the sector.</p>
Tourist guide/creative trail:		<p>Establish a tourist guide around the 'Creative West'. Possibly a trail or places of interest booklet could bring more tourists to the Region and help to build and promote local creative businesses. This may be combined with a signage initiative for creative places.</p>

Action	National	Regional
Showcasing events:		Organise showcasing events to showcase local creative talent. This may involve organising specific events either inside or outside of the Region, and also facilitating local creative talent to showcase at national/international events. Other showcasing activities could include local tourism campaigns, hotel gigs or even selling CDs or local creative products in retail stores.
Creative conference:		Host a creative conference, perhaps on an annual basis. The conference would include international speakers, showcases of local creative talent and an update on the current policy environment, this could help to establish a 'creative buzz' or 'presence'. It would also contribute to networking within the sector.
Creative awards:		Establish an annual regional creative awards programme to profile local expertise and also bring the sector together. There could be categories for each of the main creative industries in the Region. These awards could be presented at the conference.
Clarity of funding: ensuring that creative businesses have clear information on the funding sources available and that funding schemes meet the needs of the sector.		
Streamlined funding support:	Avoid duplication of funding effort by identifying where overlap exists within the creative sector policy environment and rationalising funding provision. This might result in overarching responsibility for creative industries being placed within a single body to improve lines of communication and reduce overlap.	
Appropriate funding:	Review current national enterprise support criteria to assess their appropriateness for the needs of creative businesses. This should help to identify bureaucratic and technical obstacles to acquiring funding and may help to inform revisions or modifications to existing schemes.	

Funding mapping:

Develop a 'map' of the funding (start-up finance, schemes to support expansions into export markets or increased staff) available to creative enterprises, in all creative industries, in the Western Region. This should include looking at funding available for enterprises on an individual basis and also funding available to groups/networks of businesses. This 'map' would be a distinct section on the creative website.

7.4 Conclusion

Recommending a way forward for the creative sector is necessarily complex and we have drawn together a set of recommendations borne out of the work carried out in this study. However this is far from exhaustive – the policy process requires creativity as well. Reviewing the suggestions of Oxford Economics alongside workshop views (collated in Annex I), experts and interested parties are invited to draw their own conclusions and identify potential ways forward. The creative sector is still relatively young as a single identified sector and consequently so are the supporting policy mechanisms, particularly in Ireland.

Taking forward the recommendations into an action plan is the next step for the WDC, hasty establishment of additional bodies/groups would be unwise and counterproductive but a measured approach focussed on the key issues of **awareness/marketing/identity, skills, physical infrastructure and networking/interconnecting** should bring benefits to the sector and ultimately the wider economy of the Region.

It would also be important that this research be revisited in approximately three to five years time to assess the progress of the creative sector in the Western Region in terms of the issues identified in this report. This would form an element of ongoing monitoring and evaluation of the implementation of the action plan which will be developed based upon these recommendations.

Annex



Western Development Commission

Annex A: Cultural versus creative European definitions

	UK	Austria	Finland	Germany	Spain	France		EU	Switzer-land	Hungary
Term used	<i>Creative Industries</i>	<i>Creative Industries Austria/Vienna</i>	<i>Creative Industries</i>	<i>Culture Industries</i>	<i>Culture Industries (Industrias culturales)</i>	<i>Culture Industries (Industries Culturelles)</i>	<i>Cultural Sector (Secteur culturel)</i>	<i>Cultural Sector</i>	<i>Culture or Creative Industries</i>	<i>Culture or Creative Industries (often used synonymously)</i>
Industry										
Architecture	x	<i>Visual arts</i>	x	x	x (excl. Cologne)			x	x	x
Archives	x	<i>Cultural heritage</i>	x			x		x	x	<i>Literature/publishing</i> x (Culture Industries)
Audio-visual field (film, TV, radio)	x	x	x	x (media)	x	x	x	x	x	x
Libraries		<i>Cultural heritage</i>	x			x		x	x	<i>Literature/publishing</i> x (Culture Industries)
Performing arts	x	x	x	x (theatre)	x	x		x	x	x
Design	x	<i>Visual arts</i>	x (and graphic arts)		x (NRW, Aachen, Cologne)				x	x
Craftwork	x			x	x (Hesse)					x
Art market	x	<i>Visual arts</i>	x		x			x		x (+ fine arts)

Source: Austrian Institute for SME Research (2007) 'Creative industries in Europe and Austria: Definition and potential'

Annex B: List of consultations

List of Consultations	
Business or Association	Industry/Speciality
Donegal	
Donegal Arts Council	Development/Arts
Donegal Business Development Centre	Education
McNamee Design	Architecture
Irish Skipper Advertising	Advertising
Grr Charge Games	Digital Media
Roscommon	
Roscommon Arts Council	Development/Arts
Pure Design	Design
Mantua Arts Project	Arts
John Carty	Music
Irish Imagery/Willow Publishing	Photography/Design/Publishing
Lake Recording Studios	Music
Sligo	
Kids own Publishing Partnership	Publishing
Jikijela (performing arts)	Arts
The Cat & the Moon	Design/Arts
Sligo Arts Council	Development/Arts
Cultural Quarter	Development
Tom Weir - Janey Pictures	Photography
Institute of Technology - Fine Art	Education
Mayo	
Ideas Lab	Development
Mayo Arts Council	Development/Arts
Pranjali Bhawe	Film
Eamon O'Boyle	Photography
Clare	
Fanore Software	Software
Clare Arts Council	Development/Arts
DreamIT (Design/digital media)	Design/Digital Media
Dreamcatcher Productions	Film
De Barra publishing	Publishing
Burren College of Art	Education
Galway	
Galway Film Centre	Film
Galway City Arts Council (Writer/publisher)	Literature/Publishing/Development/Arts
The Design Tribe	Design
Music for Galway	Music
Leitrim	
Leitrim Design House	Craft/Arts/Design
Johnny Gogan - Bandit Films	Film
Chamber of Commerce	Development
Dominic Stevens/Mari-aymore D'jerbi (Architects)	Architecture/Design/Publishing
Other key stakeholders	
Irish Clothing & Textile Alliance	Fashion
Enterprise Ireland	Development
Irish Film Board	Film
The Digital Hub	Development
Centre for Design and Innovation	Design

Annex C: Members of WDC's creative economy industry advisory group

Name	Company/Organisation
William Golden	Director, Centre for Innovation & Structural Change, NUI Galway
Geraldine Gray	Manager, Leitrim Design House
Jim Keogh	Manager, Industrial Division, Udarás na Gaeltachta
Anton Mannering	Managing Director, Bench'd and representative of Digital Media Forum
Nick Miller	Artist
David Power	Architect, Cox Power & Associates and Western Region representative of Royal Institute of Architects of Ireland (RIAI)
Toby Scott	Director, Centre for Design Innovation, IT Sligo
Ray Walsh	Senior Development Advisor, Software, Enterprise Ireland

Annex D: Bibliography

Bakshi, H., McVittie, E. & Simmie, J. (2008) *Creative Innovation:: Do creative industries support innovation in the wider economy*, NESTA.

Copenhagen Capacity (2006) *The Creative Industries in Copenhagen*, online article at <http://www.copcap.com/composite-7910.htm>.

Creative Economy Council (2004) *New England's Creative Economy: Employment Update*, New England Council.

Danish Ministry of Economic and Business Affairs (2003) *The Culture and Experience Economy*.

DCMS (2008) *Creative Britain: New Talents for the New Economy*, Department for Culture, Media & Sport.

DCMS (2001) *Creative Industries Mapping Document*.

DCMS (1998) *Creative Industries Mapping Document*.

Denatale, D. & Wassall, G. (2007) *The Creative Economy: A New Definition*, NEFA.

Department of Environment, Heritage and Local Government (2002) *The National Spatial Strategy 2002-2020*, Government Publishing Office.

European Commission (2006) *The Economy of Culture in Europe*.

Florida, R. (2002) *The Rise of the Creative Class*, Basic Books.

Forfás (2007) *A Strategy for the Digital Content Industry in Ireland*.

Holzl, K. (2007) *Creative Industries in Europe and Austria Definition and potential*, Austrian Institute for SME Research.

Irish National Government. (2007) *National Development Plan 2007-2013*, Government Publishing Office.

Landry, C (2000) *The Creative City*, Earthscan.

McGranahan, D. (1999) *Natural Amenities Drive Rural Population Change*, USDA Economic

Research Service (September 1999).

National Endowment for Science, Technology and the Arts (NESTA) (2007) *Reaching out from the creative silo: the arts, creativity and innovation*, Policy Briefing March 2007, NESTA.

Naylor, R. (2007) *Creative Industries and Rural Innovation*, NESTA.

NZIER (2002) *Creative Industries in New Zealand*.

O'Connor, J. (1999) *The Definition of Cultural Industries*, online article at <http://www.mipc.mmu.ac.uk/iciss/reports/defin.pdf>.

OECD (2005) *Culture and Local Development*.

Price Waterhouse Coopers (2007) *Global Entertainment and Media Outlook: 2006-2010*.

QLD Department of State Development and Innovation, (2004) *Creative Industries*, Premier's policyscan, (August 2004).

Quick, L. (2004) *A Case for Creativity*, New Commons.

Quick, L. (2004) *Creating 21st Century Capable Innovation Systems*, New Commons (August 2004).

The Providence Foundation (2004) *Call to Action: Building Providence's Creative and Innovative Economy*, New Commons.

The Boston Globe (2008) *Mass. sees art as vital to the economy*, Globe Newspaper Company, 3 June 2008.

The Work Foundation (2007) *Staying Ahead: the economic performance of the UK's creative industries*, Department for Culture, Media and Sport.

The Work Foundation (2007) *The knowledge economy in Europe*.

UNCTAD. (2008) *The Creative Economy Report*.

USDA. (2007) *The Creative Class: A Key to Rural Growth*.

Van Der Pol, H. (2007) *Key role of cultural and creative industries in the economy*, UNESCO Canada.

WDC (2006) *Western Development for Ireland's Future*.

Wojan, T. & McGranahan, D. (2007) *Ambient Returns: Creative Capital's Contribution to Local Manufacturing Competitiveness*, *Agricultural and Resource Economics Review*, 36:1 (April 2007).

Wyszomirski, M. (2004) *Defining and Developing Creative Sector Initiatives*, The Ohio State University.

Annex E: Creative business survey – additional results

Sector of business

The table below presents results for the survey question on 'which sector best describes the main activity of your business by sector' (first column) and 'which of the following sectors does your business operate in' (sectors other than the main sector are presented in the other sector columns). Figures presented in the second row for each main sector show the share of businesses operating in other sectors. e.g. one-third of craft businesses also operate in design activities.

Table E.1: Main sector and other sectors of business

Main sector	Other sector 1	Other sector 2	Other sector 3	No. responses
Creative application				
Crafts	Design	Fashion	Art or antiques trade	53
	31%	9%	6%	
Architecture	Design	Manufacturing	-	58
	9%	2%	-	
Fashion	Design	Internet and software	-	8
	60%	20%	-	
Publishing	Crafts	Design	-	17
	6%	6%	-	
Advertising	-	-	-	3
	-	-	-	
Art or antiques trade	Crafts	Design	-	36
	22%	15%	-	
Creative expression				
Music and visual & performing arts	Publishing	Radio and TV broadcasting	-	22
	5%	5%	-	
Video, film and photography	Design	Art or antiques trade	-	69
	3%	2%	-	
Radio and TV broadcasting	Digital media	-	-	14
	8%	-	-	
Creative technology				
Internet and software	Digital media	-	-	3
	50%	-	-	
Digital media	Radio and TV broadcasting	-	-	8
	14%	-	-	
Design	Crafts	Fashion	Publishing	50
	15%	7%	5%	

Source: PIMR and Regional Forecasts/ Oxford Economics

Location of headquarters

Table E.2: Employees in Western Region and rest of Ireland and headquarters location

	Employment Western Region	Employment rest Ireland	Share of businesses with Irish HQ in Western Region	Sample
Creative application	1,203	295	99%	138
Crafts	533	150	100%	35
Architecture	334	145	98%	53
Fashion	85	0	100%	5
Publishing	147	0	100%	16
Advertising	10	0	100%	2
Art or antiques trade	94	0	100%	27
Creative expression	839	0	94%	94
Music and visual & performing arts	120	0	100%	20
Video, film and photography	248	na	97%	61
Radio and TV broadcasting	471	na	83%	13
Creative technology	172	8	100%	50
Internet and software	25	0	100%	2
Digital media	19	4	100%	7
Design	128	4	100%	41
Creative sector - total	2,214	303	98%	282

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: It is not possible to precisely identify employment in the rest of Ireland from the survey results as the relevant question asked businesses for number of employees within a range as opposed to the exact number.

Length of time established

Table E.3: Length of time established

	< 1 yr	1-3 yrs	3-5 yrs	5-10 yrs	10-15 yrs	15+ yrs	Sample
Creative application	1%	3%	0%	16%	18%	62%	138
Crafts	3%	9%	0%	14%	11%	63%	35
Architecture	0%	0%	0%	17%	21%	62%	53
Fashion	0%	0%	0%	20%	0%	80%	5
Publishing	0%	0%	0%	6%	31%	63%	16
Advertising	0%	0%	0%	50%	0%	50%	2
Art or antiques trade	0%	4%	0%	19%	19%	59%	27
Creative expression	3%	4%	9%	17%	13%	53%	94
Music and visual & performing arts	5%	5%	10%	25%	5%	50%	20
Video, film and photography	3%	5%	8%	13%	13%	56%	61
Radio and TV broadcasting	0%	0%	8%	23%	23%	46%	13
Creative technology	4%	14%	16%	22%	16%	28%	50
Internet and software	0%	0%	50%	0%	0%	50%	2
Digital media	0%	14%	0%	14%	29%	43%	7
Design	5%	15%	17%	24%	15%	24%	41

Source: PIMR and Regional Forecasts/ Oxford Economics

Creative activity as a share of total activity

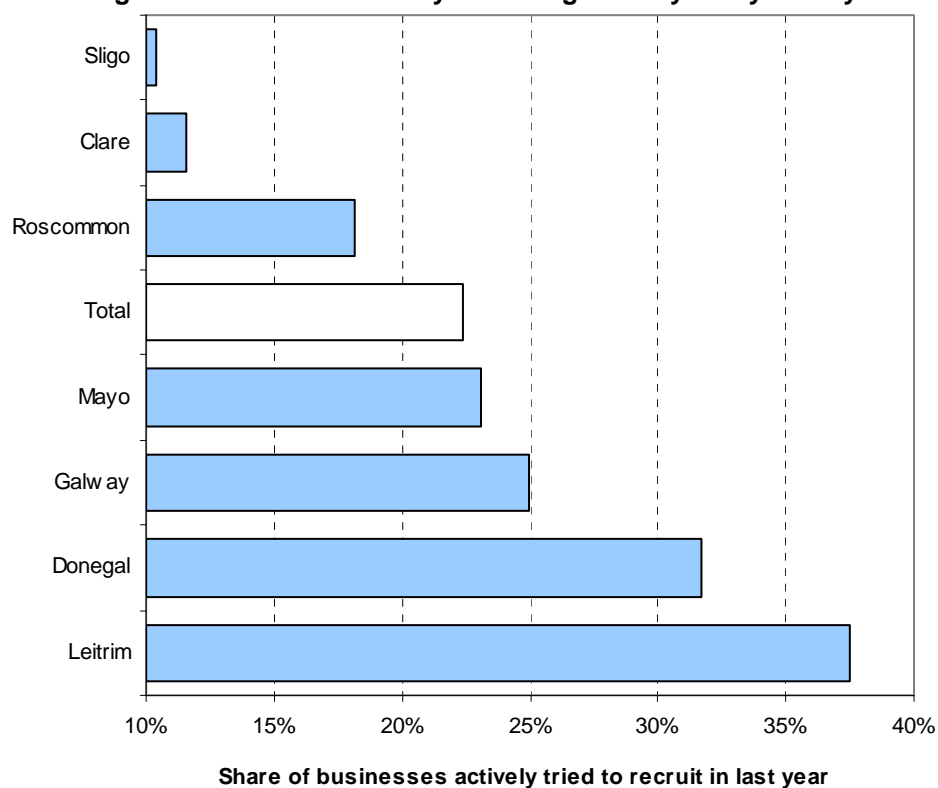
Table E.4: Creative activity in Western Region creative businesses as a share of total activity of the business

	Share of employees whose main job involves creative work	Share of turnover attributable to creative activities	Sample
Creative application	77%	91%	138
Crafts	70%	84%	35
Architecture	79%	97%	53
Fashion	100%	100%	5
Publishing	97%	85%	16
Advertising	50%	80%	2
Art or antiques trade	46%	91%	27
Creative expression	78%	91%	94
Music and visual & performing arts	79%	98%	20
Video, film and photography	61%	89%	61
Radio and TV broadcasting	87%	92%	13
Creative technology	70%	95%	50
Internet and software	92%	70%	2
Digital media	68%	96%	7
Design	64%	96%	41
Creative sector - total	77%	92%	282
Excluded sectors			
Manufacturing	34%	57%	5
Sales/ specialised retail	83%	55%	3

Source: PIMR and Regional Forecasts/ Oxford Economics

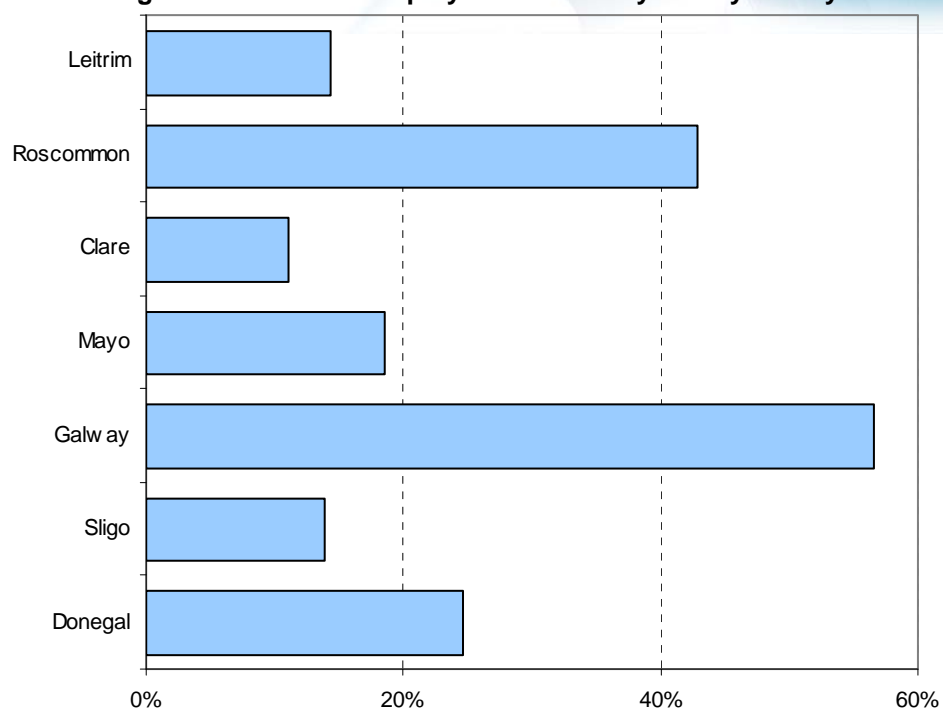
Performance and outlook

Fig E.1: Businesses actively recruiting in last year by county



Source: PIMR and Regional Forecasts/ Oxford Economics

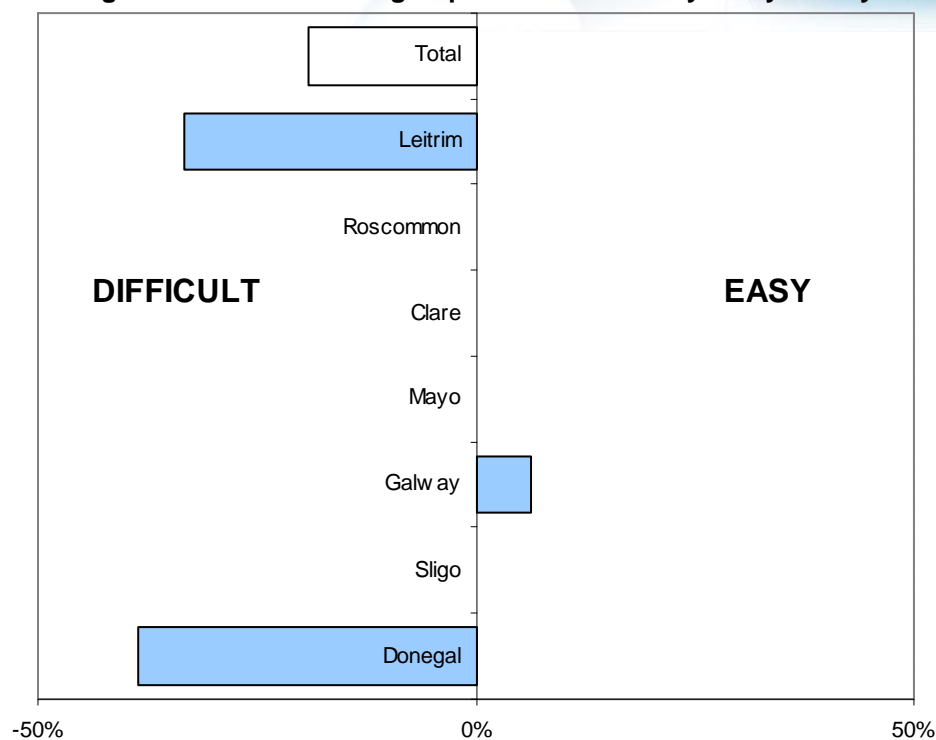
Note: Total creative sector shaded white. Number of responses per county as follows: Donegal 82; Sligo 48; Galway 64; Mayo 39; Clare 26; Roscommon 22; Leitrim 8.

Fig E.2: Outlook for employment in three years by county**On balance change in employment**

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Number of responses per county as follows: Donegal 57; Sligo 29; Galway 46; Mayo 27; Clare 18; Roscommon 14; Leitrim 7. On balance share is equal to share of business responding increase significantly/little minus share of business responding decrease significantly/little.

Fig E.3: Ease of recruiting required skills in last year by county



Difficult-----On balance ease of recruitment-----Easy

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Total creative sector shaded white. Number of responses per county as follows: Donegal 26; Sligo 5; Galway 16; Mayo 9; Clare 3; Roscommon 4; Leitrim 3 (only businesses actively recruiting in last year). On balance share is equal to share of business responding very/quite easy to find skills minus share of business responding very/quite difficult to find skills.

Where there is no bar alongside a county e.g. Clare, this indicates that the number of companies that responded that recruitment was very/quite easy was exactly equal to those that responded it was very/ quite difficult. It does not mean that there were no responses.

Factors influencing performance in last 12 months

Table E.5: Main issue or problem that has influenced creative businesses over last 12 months

	Creative sector - total	Creative application	Creative expression	Creative technology
Nothing	24%	19%	32%	24%
Economy/ lack of activity	14%	15%	12%	16%
Government policy/ legislation/ spending	10%	14%	5%	6%
Competition/ discounting	9%	5%	13%	10%
Cashflow	9%	10%	3%	14%
Finance/ availability of funds	7%	7%	11%	4%
Issues with broadband and technology	5%	3%	10%	4%
Recession/ slowdown in building trade in Western region	4%	7%	0%	6%
Currency/ exchange rates	4%	7%	1%	2%
Other	4%	2%	4%	6%
Recruitment of skilled staff/ labour shortages	3%	3%	2%	6%
Raw materials/ prices/ supply/ quality	2%	3%	3%	0%
Availability of facilities	2%	1%	3%	2%
Don't know	1%	2%	0%	0%
Interest rates	1%	1%	0%	0%
Lack of consumer confidence/ no feel good factor	0%	1%	0%	0%
Profitability/ margins	0%	1%	0%	0%
Capacity/ meeting orders	0%	0%	1%	0%
Company re-organising/ company specific	0%	1%	0%	0%
Exports/ problems in foreign markets	0%	0%	0%	0%
No. responses	282	138	94	50

Source: PIMR and Regional Forecasts/ Oxford Economics

Some specific examples of responses to this open-ended question include:

- Rising cost of advertising
- Freeze in Arts Council grants
- Competition from low cost producers
- Weak US dollar/ strong Euro affecting tourism
- Broadband access
- Local interest in creative products
- Clients paying on time
- Local labour costs

Location factors

Table E.6: Reasons for locating business in Western Region by creative business category

	Creative application	Creative expression	Creative technology
Close to where live	87%	65%	82%
Availability of skilled staff	3%	6%	0%
Buisness operating costs	3%	4%	6%
Business support available	12%	14%	6%
Access to markets or clients	20%	28%	26%
Quality of life	37%	38%	50%
Family/ personal reasons	40%	31%	50%
Creative inspiration	9%	7%	8%
No. responses for 3 main reasons	293	183	114

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Survey question asked for the three main reasons for running a creative business from the Western Region. Each response given is counted in the table above. The question did not ask for reasons to be ranked in order. Cells shaded in blue indicate a response share greater than 35 percent.

Table E.7: Reasons for locating business in Western Region by county

	Donegal	Sligo	Galway	Mayo	Clare	Roscommon	Leitrim
Close to where live	79%	81%	81%	67%	81%	82%	88%
Availability of skilled staff	5%	4%	3%	5%	0%	5%	0%
Buisness operating costs	6%	2%	5%	3%	0%	5%	13%
Business support available	16%	4%	16%	3%	15%	14%	13%
Access to markets or clients	26%	29%	31%	8%	19%	18%	13%
Quality of life	32%	44%	38%	36%	42%	36%	75%
Family/ personal reasons	40%	23%	34%	41%	38%	59%	50%
Creative inspiration	5%	8%	11%	8%	12%	9%	0%
No. responses for 3 main reasons	172	94	141	67	55	50	20

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Survey question asked for the three main reasons for running a creative business from the Western Region. Each response given is counted in the table above. The question did not ask for reasons to be ranked in order. Cells shaded in blue indicate a response share greater than 35 percent.

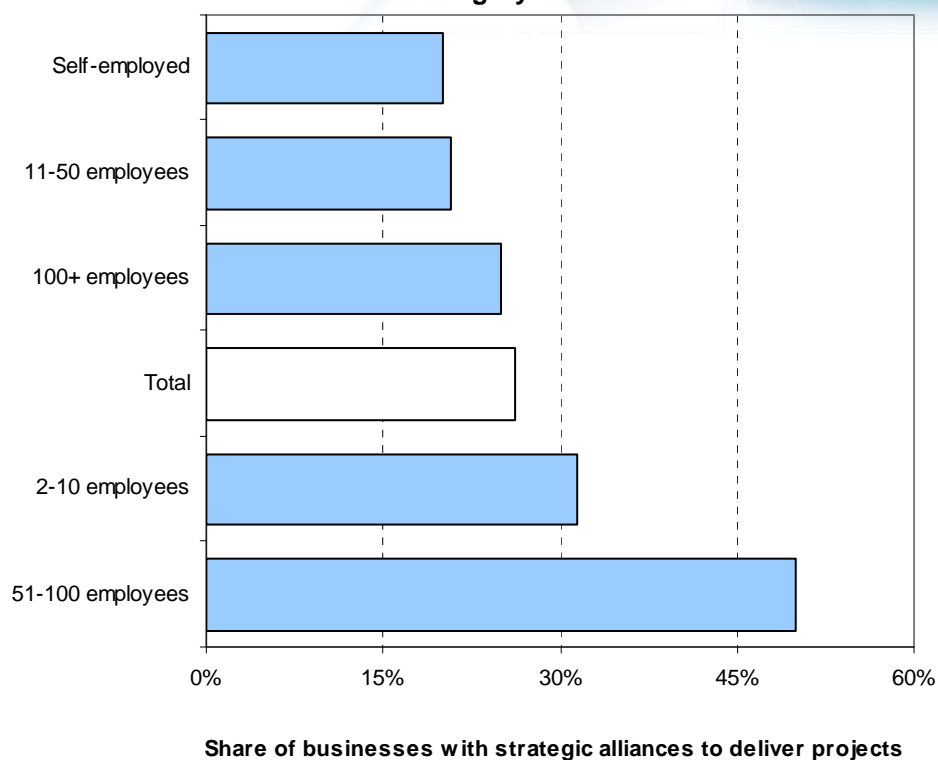
Strategic alliances

Table E.8: Businesses entering strategic alliances to deliver projects – creative industries worked with in last year

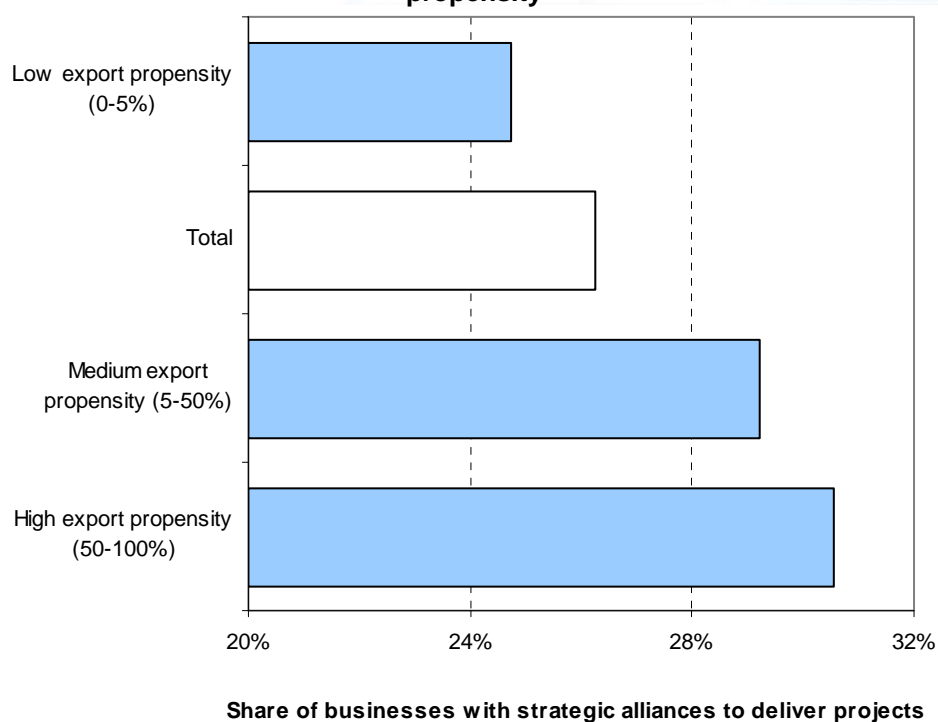
Main sector	Other sector 1	Other sector 2	Other sector 3	No. strategic alliances
Creative application				
Crafts	Crafts 40%	Advertising 20%	Design 20%	5
Architecture	Architecture 72%	Design 33%	- -	18
Fashion	- -	- -	- -	0
Publishing	Publishing 75%	Advertising 25%	Design 25%	4
Advertising	Advertising 100%	- -	- -	1
Art or antiques trade	Art or antiques trade 50%	Advertising 50%	Crafts 38%	8
Creative expression				
Music and visual & performing arts	Music and visual & performing arts 73%	Video, film and photography 27%	Radio and TV broadcasting 18%	11
Video, film and photography	Video, film and photography 44%	Design 33%	Publishing 22%	9
Radio and TV broadcasting	Publishing 75%	Advertising 50%	Radio and TV broadcasting 50%	4
Creative technology				
Internet and software	- -	- -	- -	0
Digital media	Digital media 100%	Publishing 50%	- -	2
Design	Design 50%	Crafts 17%	Art or antiques trade 17%	12

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Figures presented in the second row for each main sector show, of those businesses entering strategic alliances, the share of total alliances with each other sector. Shares can exceed 100 percent as individual businesses could respond with more than one sector.

Fig E.4: Businesses entering strategic alliances to deliver projects by employment size category

Source: PIMR and Regional Forecasts/ Oxford Economics
Note: Total Responses = 282

Fig E.5: Businesses entering strategic alliances to deliver projects by export propensity

Source: PIMR and Regional Forecasts/ Oxford Economics
Note: Total Responses = 282

Funding

Table E.9: Share of business support in last year by source

	Creative application	Creative expression	Creative technology
Enterprise Ireland	14%	3%	55%
County Enterprise Board	20%	7%	27%
Leader	7%	0%	9%
Shannon Development	0%	0%	0%
FAS	9%	7%	0%
Skillsnet	0%	0%	0%
Udaras na Gaeltachta	2%	7%	9%
Arts Council	23%	33%	0%
European programmes	2%	3%	0%
Intertrade Ireland	0%	0%	0%
IDA	7%	3%	0%
WDC	0%	3%	0%
Faite Ireland	7%	13%	0%
Other	7%	7%	0%
Local Council	2%	13%	0%

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Total responses: 85

Cells shaded in blue indicate funding share greater than 10 percent. Survey question asked for all funding sources received. Each response given is counted in the table above. The question did not ask for funding sources to be ranked in order of value.

Exports

Table E.10: Share of turnover by destination of sales

	Western Region	Rest Ireland (residual)	Exports
Creative application	65%	19%	16%
Crafts	46%	16%	38%
Architecture	78%	19%	3%
Fashion	36%	26%	38%
Publishing	67%	21%	12%
Advertising	85%	12%	3%
Art or antiques trade	68%	22%	11%
Creative expression	67%	23%	10%
Music and visual & performing arts	57%	26%	17%
Video, film and photography	72%	21%	8%
Radio and TV broadcasting	59%	29%	11%
Creative technology	60%	27%	14%
Internet and software	73%	26%	2%
Digital media	43%	35%	22%
Design	62%	25%	13%
Creative sector - total	65%	22%	14%
Donegal	54%	19%	26%
Sligo	71%	22%	7%
Galway	68%	20%	12%
Mayo	65%	27%	9%
Clare	75%	14%	10%
Roscommon	63%	26%	12%
Leitrim	64%	26%	10%

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Total responses: 282

Table E.11: Share of turnover derived from exports by sector

	0%	1-5%	6-25%	26-50%	51-75%	75-100%	Business average	No. responses
Creative application	57%	7%	10%	12%	4%	9%	16%	138
Crafts	26%	9%	3%	29%	6%	29%	38%	35
Architecture	89%	4%	2%	2%	0%	2%	3%	53
Fashion	20%	0%	20%	20%	20%	20%	38%	5
Publishing	56%	6%	19%	13%	0%	6%	12%	16
Advertising	0%	100%	0%	0%	0%	0%	3%	2
Art or antiques trade	48%	7%	30%	7%	7%	0%	11%	27
Creative expression	60%	9%	14%	10%	6%	1%	10%	94
Music and visual & performing arts	45%	5%	25%	5%	20%	0%	17%	20
Video, film and photography	69%	8%	8%	8%	3%	2%	8%	61
Radio and TV broadcasting	38%	15%	23%	23%	0%	0%	11%	13
Creative technology	52%	14%	12%	10%	8%	4%	14%	50
Internet and software	50%	50%	0%	0%	0%	0%	2%	2
Digital media	29%	0%	29%	29%	14%	0%	22%	7
Design	56%	15%	10%	7%	7%	5%	13%	41
Creative sector - total	57%	9%	12%	11%	5%	6%	14%	282

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Cells shaded in blue in the second from last column indicate an export share of turnover greater than 20 percent.

Table E.12: Main export region per exporting business by sector

	NI	Rest UK	Other European countries	North America	Other	Total	No. responses
Creative application	22%	24%	14%	31%	10%	100%	59
Crafts	19%	31%	8%	27%	15%	100%	26
Architecture	50%	17%	0%	0%	33%	100%	6
Fashion	0%	25%	50%	25%	0%	100%	4
Publishing	14%	29%	14%	43%	0%	100%	7
Advertising	50%	50%	0%	0%	0%	100%	2
Art or antiques trade	21%	7%	21%	50%	0%	100%	14
Creative expression	29%	26%	16%	21%	8%	100%	38
Music and visual & performing arts	9%	18%	27%	45%	0%	100%	11
Video, film and photography	32%	32%	16%	11%	11%	100%	19
Radio and TV broadcasting	50%	25%	0%	13%	13%	100%	8
Creative technology	29%	29%	8%	17%	17%	100%	24
Internet and software	100%	0%	0%	0%	0%	100%	1
Digital media	40%	40%	20%	0%	0%	100%	5
Design	22%	28%	6%	22%	22%	100%	18
Creative sector - total	26%	26%	13%	25%	11%	100%	121

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Cells shaded in blue indicate an export share greater than 40 percent by sector. This is the share per business averaged over the sample, not the share of destination country by value as it is not possible to calculate this from the survey results. Effectively each business in each sector is given an equal weight regardless of the value exported

Table E.13: Main export region per exporting business by county

	NI	Rest UK	Other European countries	North America	Other	Total	No. responses
Donegal	31%	27%	13%	19%	10%	100%	52
Sligo	28%	17%	17%	28%	11%	100%	18
Galway	17%	29%	21%	25%	8%	100%	24
Mayo	8%	31%	8%	31%	23%	100%	13
Clare	0%	29%	29%	29%	14%	100%	7
Roscommon	33%	22%	0%	44%	0%	100%	9
Leitrim	33%	33%	0%	0%	33%	100%	3

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Cells shaded in blue indicate an export share greater than 40 percent by sector. This is the share per business averaged over the sample, not the share of destination country by value as it is not possible to calculate this from the survey results.

Comparison of small versus larger business survey responses

Table E.14: Comparison of small versus larger businesses (by no. employees) survey responses

	Self employed	2-10	11-50	51-100	100+
Performance					
On balance change in employment last 3 years	-24%	17%	24%	25%	-25%
On balance change in turnover last 3 years	3%	34%	41%	50%	-25%
On balance outlook employment next 3 years	35%	31%	24%	25%	0%
Location factors					
Close to where you live	87%	73%	86%	25%	50%
Quality of life	48%	38%	14%	25%	0%
Family/ personal reasons	37%	44%	21%	0%	25%
Access to markets or clients	15%	27%	28%	50%	75%
Main priority next 12 months					
Survival - remain in business by whatever means	32%	27%	21%	0%	75%
Stabilise output - consolidate the business	25%	25%	17%	0%	0%
Grow moderately	33%	38%	38%	100%	25%
Grow rapidly	5%	10%	14%	0%	0%
Funding					
Share of businesses receiving funding in last year	17%	21%	28%	25%	0%
Sample	110	146	29	4	4

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: On balance share is equal to share of businesses responding increase significantly/little minus share of business responding decrease significantly/little.

Recommendations

Table E.15: Assets needed for businesses to grow by creative business category

	Creative application	Creative expression	Creative technology
Improved broadband	9%	17%	10%
Improved infrastructure	5%	5%	4%
Advertising/ promotion of the region	20%	10%	16%
Funding	11%	13%	14%
More affordable space and office/ exhibition space	6%	9%	4%
Larger customer base	19%	10%	2%
Training & business support	4%	5%	2%
New talent and skills	6%	6%	4%
No. of responses	142	98	53

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Survey question was open-ended. Responses have been coded by PIMR. Businesses were free to give more than one response. Cells shaded in blue indicate response share greater than 10 percent.

Table E.16: Assets needed for businesses to grow by county

	Donegal	Sligo	Galway	Mayo	Clare	Roscommon	Leitrim
Improved broadband	11%	15%	11%	13%	12%	5%	13%
Improved infrastructure	5%	6%	8%	0%	8%	5%	0%
Advertising/ promotion of the region	21%	8%	16%	13%	23%	5%	13%
Funding	13%	8%	17%	5%	4%	23%	13%
More affordable space and office/ exhibition space	9%	8%	3%	5%	4%	5%	13%
Larger customer base	13%	21%	11%	5%	4%	18%	38%
Training & business support	6%	0%	5%	5%	8%	5%	0%
New talent and skills	5%	8%	5%	8%	0%	9%	0%
No. of responses	86	51	66	40	27	22	8

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Survey question was open-ended. Responses have been coded by PIMR. Businesses were free to give more than one response. Cells shaded in blue indicate response share greater than 10 percent.

Table E.17: Recommendations to attract/ retain creative businesses in the Western Region by creative business category

	Creative application	Creative expression	Creative technology
Nothing/ don't know	25%	16%	22%
Improve infrastructure and communications (including broadband)	17%	27%	22%
Promotion/ marketing of sector	11%	7%	10%
Financial incentives	13%	15%	14%
Promote quality of life	17%	22%	16%
Improved business education and support	7%	2%	10%
Review legislation and planning	4%	2%	2%
No. of responses	146	101	51

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Survey question was open-ended. Responses have been coded by PIMR. Businesses were free to give more than one response. Cells shaded in blue indicate response share greater than 10 percent.

Table E.18: Recommendations to attract/ retain creative businesses in the Western Region by county

	Donegal	Sligo	Galway	Mayo	Clare	Roscommon	Leitrim
Nothing/ don't know	22%	15%	31%	26%	15%	18%	0%
Improve infrastructure and communications (including broadband)	24%	13%	22%	21%	31%	9%	38%
Promotion/ marketing of sector	16%	10%	5%	0%	8%	5%	25%
Financial incentives	18%	21%	8%	10%	8%	14%	38%
Promote quality of life	10%	27%	16%	36%	15%	9%	13%
Improved business education and support	9%	6%	6%	0%	4%	9%	13%
Review legislation and planning	1%	4%	6%	3%	8%	5%	0%
No. of responses	88	51	66	41	27	22	10

Source: PIMR and Regional Forecasts/ Oxford Economics

Note: Survey question was open-ended. Responses have been coded by PIMR. Businesses were free to give more than one

Annex F: Measuring the economic contribution of the creative sector – primary research approach

We outline below (a) how survey results are grossed up to produce estimates of direct economic aggregates for the whole western creative sector, and (b) how the indirect and induced contributions of the creative sector are estimated.

Grossing up

The creative business survey was conducted by Perceptive Insight Market Research (PIMR) via telephone in April 2008. The database from which the sample was selected was sourced from an international business database (IDS marketing file) complemented by information from goldenpages.ie, local authority arts office databases and membership information from trade associations. From this general database, SIC codes were used (based upon the UK definition of creative industries) to create a database of 1,422 creative industry businesses located in the Western Region. A random sample of approximately 600 businesses was then generated from the database, 293 interviews were conducted from this sample. A copy of the survey is provided in Annex G.

After removing sub-sectors from the survey sample which did not meet our creative definition we were left with employment and turnover results for 282 businesses. There are however more than 282 creative businesses in the West. Some of these were identified for the original survey sample but PIMR were unable to complete the survey with these businesses. In addition, other sources on creative businesses came to our attention after the survey was complete. Note even if the entire list of creative businesses and contact details were available at the outset of the project it would not have been possible to interview all creative businesses given the resource available for the survey element.

A key grossing up stage was required, which involved estimating the total number of creative businesses/ persons located in the Western Region, beyond those surveyed. We attempted to identify the total number of creative businesses in the Region using the following sources (we compiled a list by sector and county and were careful to avoid double counting):

- Golden Pages
- Websites recommended by WDC – www.screenproducersireland.com, www.ruralcreativity.com/members-directory.php, <http://sligoarts.ie/artists-artforms/>, www.auditoria.arts council.ie, www.ccoi.ie
- Sligo Arts Office provided us with a database of individuals and companies involved in the arts sector in Sligo whose work is mainly commercial
- Leitrim Sculpture Centre
- Music Network Ireland
- List of local artists and workers from the Leitrim Arts Office website
- Digital Media Forum
- Leitrim ICT Network
- Leitrim Design House
- Royal Institute of Architects of Ireland

A comparison of the survey sample by sector and county against the grossed up total number of businesses is presented in Table F.1 below. **In total the number of creative businesses was grossed up by a factor of 17 (from 278 creative businesses to just below 4,800 creative businesses).** The most significant grossing up was applied to the music, visual and performing arts sector based on Local Authority Arts Office information on commercial businesses and self-employed persons operating in the arts sector. Where this information was not available for each county, we grossed up on a pro rata population basis applying Sligo's ratio of six creative art businesses per 1,000 population. This is unlikely to be wholly

accurate as the distribution of craft workers will depend on factors other than population though no other data is available to improve this approach.

To estimate grossed up employment and turnover, we assumed the creative businesses not captured by the survey share the same characteristics as creative businesses surveyed in terms of average number of employees and average turnover per employee for the specific sector and county. For example in Donegal we estimate there are 52 additional craft businesses not captured in the survey. Applying an average of 3 persons per business and an average of €43,000 turnover per business (based on the survey results of craft businesses in Donegal) we estimate additional employment and turnover and add to the survey results to arrive at grossed up totals for the craft sector in Donegal.

Where the sample size for county sector results is small and potentially not representative, we applied average figures for the whole Western Region combined or surrounding counties. This may result in a slight over-estimation though again in the absence of other information no better source is available. Note the general principle applied in grossing up is to make conservative assumptions to avoid over-estimating the economic contribution of the creative sector.

Note we treated the internet and software industry slightly differently as Census data on the number of software engineers indicates a higher level of employment than would be estimated by the above method. To partly account for this (though our figure is still likely to be an underestimate), we assume an above average number of employees per internet and software business compared to the survey figures.

Table F.1: Grossing up number of businesses by sector and county

	Donegal		Sligo		Galway		Mayo		Clare		Roscommon		Leitrim	
	Survey sample	Grossed up	Survey sample	Grossed up	Survey sample	Grossed up	Survey sample	Grossed up	Survey sample	Grossed up	Survey sample	Grossed up	Survey sample	Grossed up
Creative application	51	171	18	85	26	213	15	118	14	123	8	30	3	171
Crafts	19	71	4	38	5	99	2	53	2	63	2	13	0	118
Architecture	19	63	7	16	11	46	6	29	5	33	3	8	2	12
Fashion	4	13	0	3	1	16	0	8	0	7	0	1	0	3
Publishing	2	3	1	3	5	8	4	6	1	4	2	2	1	3
Advertising	0	3	0	2	0	3	0	3	1	6	0	1	0	0
Art or antiques trade	7	18	6	23	4	41	3	19	5	10	1	5	0	35
Creative expression	17	628	20	407	20	1,061	17	540	8	489	8	251	3	146
Music and visual & performing arts	6	589	4	358	3	927	1	495	2	444	3	235	1	116
Video, film and photography	7	34	13	43	12	115	15	37	6	41	5	16	2	27
Radio and TV broadcasting	4	5	3	6	5	19	1	8	0	4	0	0	0	3
Creative technology	10	46	7	28	16	117	6	52	3	55	6	17	2	31
Internet and software	0	11	0	6	0	42	0	23	0	20	1	9	1	6
Digital media	3	3	0	1	3	4	0	1	0	1	1	1	0	9
Design	7	32	7	21	13	71	6	28	3	34	4	7	1	16
Creative sector - total	78	845	45	520	62	1,391	38	710	25	667	22	298	8	348

Source: Regional Forecasts/ Oxford Economics

Indirect and induced impacts of the creative sector

- **Converting turnover to GVA** – turnover figures from the survey by sector are converted to GVA using ratios of output to GVA taken from CSO input-output tables for the Irish economy for 2002. Where further detail is required for 3 and 4-digit sub-sectors, we used information from the ONS' ABI financial information (which has 4-digit data on output, GVA etc).
- **Indirect contribution** – we estimate the indirect contribution of the creative sector using the CSO 2002 input-output table (i.e. which sub-sectors the creative sector purchases from) and a standard multiplier approach (to convert the direct value of GVA output from the creative industries to GVA in indirect sectors and then into jobs). Note the CSO input-output table is only available at 2-digit level so it was not possible to estimate precise supply-chain linkage effects for individual creative industries.
- **Induced contribution** – the induced contribution represents the jobs supported by direct and indirect employees from the creative sector using their income to purchase goods and services for their own consumption. This induced spending helps to support additional businesses (and so additional value added and jobs) in the industries that supply goods and services for consumption (mainly in retail, hotel and restaurants and other personal services). The induced impacts are based on:
 - Income earned by direct and indirect employee jobs. We assume the ROI figure for weekly full-time earnings for 'other business services' (in the absence of official data on creative wage levels and indirect sectors), adjusted for part-time employment and lower wage earnings in the West relative to the national figure (using Western Region relative GVA per worker figure). We consider 'other business services' to be the closest proxy for the creative sector amongst the sectoral data available.
 - Income earnings are converted to consumer spending using the ratio of private consumption expenditure to compensation of employees from national accounts (1.13)
 - Spending patterns are taken from the CSO Household Budget Survey 2004/05 (to determine which sectors employees spend incomes on)
 - Consumer spending is converted to induced jobs using the ratio of private consumption expenditure to employment in retail, transport and other personal services

What contributions are not included:

- **Public services job effect** – there is also a potential public services job effect, reflecting the increase in demand for public services created by the extra people in an area. We have not made any estimate of these as the link between jobs in a specific sector and population numbers (i.e. migration flows) is difficult to determine. The extent to which the people would remain residents but not work in the creative sector for example is difficult to ascertain. Furthermore the net effect on population flows across regions is difficult to make reliable assumptions on.
- **Tax contribution** – the direct, indirect and induced effects would all have tax impacts in the form of corporation tax, PAYE etc. No attempt has been made to measure tax impacts as this is beyond the scope of the project.
- **Catalytic impact** – an economic channel sometimes considered in economic impact analysis is catalytic or spillover impacts – the extent to which the activities of the relevant sector/company contribute to improved productivity and performance in other sectors of the economy. One example of this related to the creative sector is how the film sub-sector (specifically the production of films set in the West and film festivals) encourages more international visitors to visit the Western Region. Given that this study is all-encompassing and not a specific economic impact study, it is also beyond our scope to consider in detail

- and measure catalytic impacts of the creative sector.
- There are also other impacts which are difficult to estimate in economic terms e.g. promoting the area as a place to invest in the creative and other sectors, the cultural and social impact of some creative sectors (i.e. arts, music).

Annex G: The survey questionnaire

Western Development Commission Creative Industries Research March 2008

ASK FOR MD/CEO/OWNER/FD

Good morning/afternoon. My name is _____ and I am calling on behalf of the market research company, Perceptive Insight. We are conducting a survey on behalf of the Western Development Commission, a statutory agency which promotes development in the Western counties. The aim of this research is to understand more fully the composition of the creative industry sector in the West of Ireland with a view to devising actions and recommendations to stimulate its further growth.

X1 Would you be willing to take part in this survey? It should take no more than 10 minutes of your time.

- Yes 1 Proceed with questions
Yes 2 Make appointment
No 3 Thank and close (record reason for refusal)

RECORD COMPANY ID NUMBER: _____

RECORD POSITION IN COMPANY: _____

Section 1: Company background

Firstly, we are aiming to talk to a wide spread of creative industry businesses across the West of Ireland.

		All	Main
Q1.1a	Which of the following sectors, if any, does your business operate in?		
	Advertising	1	1
	Architecture	2	2
	Art or antiques trade	3	3
	Crafts	4	4
	Design	5	5
	Fashion	6	6
	Digital Media	7	7
	Music, the visual or performing arts	8	8
	Publishing	9	9
	Radio and tv broadcasting	10	10
	Video, film and photography	11	11
	Other creative industry (please specify)	12	12
	None of the above	Close	Close

CODE ALL THAT APPLY

Q1.1b Which of the following sectors, if any, best describes the **main activity** of your business?

CODE ONE ONLY

IF NOT INVOLVED IN THE CREATIVE INDUSTRIES CLOSE

Q1.2a How many employees do you have in Ireland?

CODE ONE ONLY

Self employed	1	Continue
One	2	
2 to 10	3	
11 to 50	4	Go to
51 to 100	5	Q1.2c
101 to 250	6	
More than 250	7	

ASK SELF EMPLOYED

Q1.2b Are you based in the Western region which includes counties Donegal, Sligo, Galway, Mayo, Clare, Roscommon and Leitrim?

CODE ONE ONLY

Yes	1	Go to Q1.7
No	Close	

ASK THOSE WITH EMPLOYEES

Q1.2c And how many employees do you have based in the Western region which includes counties Donegal, Sligo, Galway, Mayo, Clare, Roscommon and Leitrim?

CODE ONE ONLY

None	Close
One	1
2 to 10	2
11 to 50	3
51 to 100	4
101 to 250	5
More than 250	6

Q1.2d And how many employees do you have based in the Western Region whose main job involves undertaking creative work?

CODE ONE ONLY

One or less	1
2 to 5	2
6 to 10	3
11 to 50	4
51 to 100	5
101 to 250	6
More than 250	7

Q1.3 Is your main or head office in Ireland located in the Western region?

CODE ONE ONLY

Yes	1
No	2

Q1.4 Thinking specifically about the Western region how, if at all, has the number of employees changed compared to three years ago?

CODE ONE ONLY

Increased significantly (more than 10%)	1
Increased a little (less than 10%)	2
Stayed the same	3
Decreased a little (less than 10%)	4
Decreased significantly (more than 10%)	5
Did not have employees in Western region 3 years ago	6

Q1.5 Again thinking specifically about the Western region, in three

Increase significantly (more than 10%)	1
Increase a little (less than 10%)	2

years time how, if at all, do you expect the number of people you employ to change?

CODE ONE ONLY

Stay the same
Decrease a little (less than 10%)
Decrease significantly (more than 10%)
Will not have employees in Western region in 3 years time

3
4
5
6

Q1.6 What was your/your company's turnover last year?

CODE ONE ONLY

Less than €50k	1
€50k or more but less than €100k	2
€100k or more but less than €250k	3
€250k or more but less than €500k	4
€500k or more but less than €1m	5
€1m or more but less than €2m	6
€2m or more but less than €5m	7
€5m or more but less than €10m	8
€10m or more	9
Refused	10
Don't know (DO NOT READ OUT)	11

Q1.7 How has your turnover changed compared with three years ago?

CODE ONE ONLY

Decreased a lot (11% or more)	1
Decreased a little (1- 10 %)	2
Stayed the same	3
Increased a little (1- 10 %)	4
Increased a lot (11% or more)	5
Refused	6
Don't know (DO NOT READ OUT)	7
Not in business 3 years ago	8

Q1.8 What percentage of your business turnover can be attributed to creative activities?

CODE ONE ONLY

100%	1
90 to 99%	2
70 to 89%	3
50 to 69%	4
30 to 49%	5
10 to 29%	6
Less than 10%	7
Refused	8
Don't know (DO NOT READ OUT)	9

Q1.9 How long has your business been established?

CODE ONE ONLY

Less than a year	1
More than 1 year but less than 3 years	2
More than 3 years but less than 5 years	3
More than 5 years but less than 10 years	4
More than 10 years but less than 15 years	5
More than 15 years	6
Refused	7
Don't know (DO NOT READ OUT)	8

Q1.10 What are your **three** main reasons for running your business in the Western region?

CODE UP TO THREE REASONS

Close to where you live	1
Availability of skilled staff	2
Business operating costs	3
Business supports available	4
Access to markets or clients	5
Quality of life	6
Family/personal reasons	7
Creative inspiration	8
Other – specify	9
Refused	10
Don't know (DO NOT READ OUT)	11

Section 2: Business environment

Q2.1 Apart from demand or issues relating to sales and orders, what would you say has been the main issue or problem that has influenced your company over the past 12 months?

DO NOT READ OUT, WRITE IN FIRST ANSWER ONLY, RECORD VERBATIM AND CODE

ANSWER

Economy /lack of activity	1
Availability of facilities	2
Competition/discounting	3
Lack of consumer confidence/no feel good factor	4
Profitability / margins	5
Cashflow	6
Raw materials/prices/supply/quality	7
Government policy /legislation/spending	8
Interest rates	9
Capacity / meeting orders	10
Finance / availability of funds	11
Exports / problems in foreign markets	12
Recruitment of skilled staff / labour shortages	13
Currency / exchange rates	14
Company re-organising / company specific	15
Other	16

Nothing	17
Don't know	18

Q2.2 What is the main priority for your company over the next 12 months?

CODE ONE ONLY

Survival – remain in business by whatever means	1
Stabilise output – consolidate the business	2
Grow moderately (up to 10 %)	3
Grow rapidly (11% or more)	4
Other	5
Refused (DO NOT READ OUT)	6
Don't know (DO NOT READ OUT)	7

Section 3: Demand

Q3.1 What proportion of your turnover is derived from sales to clients located in the Western region?

CODE ONE ONLY

0%	1
1 – 5%	2
6 – 25%	3
26 – 50%	4
51 – 75%	5
76 – 100%	6
Refused	7
Don't know (DO NOT READ OUT)	8

Q3.2a What proportion of your turnover is derived from exports outside ROI?

CODE ONE ONLY

0%	1	Go to Q4.1
1 – 5%	2	
6 – 25%	3	
26 – 50%	4	
51 – 75%	5	
76 – 100%	6	
Refused	7	
Don't know (DO NOT READ OUT)	8	

IF EXPORTER

Q3.2b To which of the following regions do you export?

Q3.2c And which is the top region, by value of turnover, that you export to?

	All	Main
Northern Ireland	1	1
Rest of UK	2	2
Other European countries	3	3
North America	4	4
South America	5	5
Asia	6	6
Australia / New Zealand	7	7
Other	8	8
Refused	9	9

Don't know (**DO NOT READ OUT**)

10	10
----	----

Section 4: Strategic alliances**ASK ALL**

Q4.1a In the last year, have you joined with any other businesses in the creative sector to deliver projects for your clients?

CODE ONE ONLY

Yes	1	
No	2	Go to Q4.2

IF YES

Q4.1b Which creative industries have you worked with in the last year?

CODE ALL THAT APPLY

Advertising	1
Architecture	2
Art or antiques trade	3
Crafts	4
Design	5
Fashion	6
Digital Media	7
Music, the visual or performing arts	8
Publishing	9
Radio and tv broadcasting	10
Video, film and photography	11
Other creative industry (please specify)	12

Q4.1c How important, if at all, are these types of alliances, in relation to helping your company win business?

CODE ONE ONLY

Very important	1
Quite important	2
Not very important	3
Not at all important	4

Section 5: Skills**ASK ALL**

Q5.1a In the last year, have you actively tried to recruit skilled employees to work in the creative areas of your business in the Western Region?

CODE ONE ONLY

Yes	1	
No	2	Go to Q5.2

IF YES

Q5.1b How easy or difficult was it to find the type of creative skills you need?

CODE ONE ONLY

Very easy	1
Quite easy	2
Neither easy nor difficult	3
Quite difficult	4
Very difficult	5

Q5.1c Why do you say that?

RECORD VERBATIM1
2
3**ASK ALL**

Q5.2 What types of skills in the creative industries, if any, are particularly difficult to find?

RECORD VERBATIM1
2
3

None 1

Section 6: Facilities

The next few questions are about the creative assets that exist in the Western Region. We are seeking to compile a list of essential creative assets that exist in the region.

Q6.1a Do you own, rent or hire any of the following creative assets or facilities in the Western region?

Q6.1b If yes, please give brief details of number of sites, size and location

	No	Yes			No of sites	Size	Location
		Own	Rent	Hire			
Specialised office space	1	2	3	4			
Studios e.g. sound, dance	1	2	3	4			
Workspace	1	2	3	4			
Production/processing facilities	1	2	3	4			
Design prototyping facilities	1	2	3	4			
Exhibition or performance space	1	2	3	4			
Other (please specify)	1	2	3	4	5		

Q6.2 What particular asset/facility does your industry most need in order to grow?

--

Section 7: Support programmes

Q7.1a In the last 12 months have you received support from any of the following sources?

CODE ALL THAT APPLY

Enterprise Ireland	1
County Enterprise Board	2
Leader	3
Shannon Development	4
FAS	5
Skillsnet	6
Údarás na Gaeltachta	7
Arts Council	8
European programmes	9
InterTradeIreland	10

IDA	11
Western Development Commission	12
Failete Ireland	13
Other – specify	14

Section 8: Supply chain

We would like to understand some more about the supply chain within the creative industries sector.

Q8.1 Thinking about all the businesses from whom you purchase goods and services, that is your suppliers, what are the main three services or products that you purchase by value?

1
2
3

Q8.2 Now thinking about your clients or customers, what is the main business activity of your three largest clients or customers?

1
2
3

Q 8.3 What one thing would you recommend to attract and or retain creative businesses to the Western Region?

RECORD VERBATIM

ANSWER

1

Q8.4 Finally, would you be willing to be contacted again by the Western Development Commission in relation to this research?

Yes	1
No	2
Don't know (DO NOT READ OUT)	3

IF YES

RECORD COMPANY NAME _____

RECORD DIRECT TELEPHONE NUMBER _____

RECORD EMAIL ADDRESS _____

THANK AND CLOSE

I declare that this interview was conducted within the Market Research Society's Code of Conduct and according to instruction and that the respondent was unknown to me. I understand that all information given to me must be kept confidential.

Signed _____

Date _____

Annex H: International case studies

Case study 1: Country – New Zealand

Location: New Zealand

Area: 104,000 sq miles

Landscape: Coastal, mountainous (volcanic), urban/rural mix

Population: 4,252,000 (Dec 2007 est.)

Major export industries: Tourism and agriculture

Key economic factors: Experiencing a 'brain gain' through in-migration of educated professionals and rapid tourism growth.

'Creative' industries

New Zealand has established a competitive advantage in some niches within the creative sector, notably screen production and post production, and has a growing reputation across a number of other areas including fashion (labels such as Trelise Cooper, Karen Walker, Nom D) and design.

'Creative' achievements

Films have been made in New Zealand since the 1920s, however it was only from the 1970s that New Zealand films began to be produced in significant numbers i.e. *Sleeping Dogs*, *Once Were Warriors*, *Whale Rider* and *Lord of The Rings Trilogy*.

'Creative' activities

New Zealand Arts Festival, New Zealand Music Festival, New Zealand international Jazz and Blues Festival, MarchFest, The Classic Southern Traverse, Arrowtown Autumn Festival, MUD Festival, New Zealand Dragonboat Festival, New Zealand International Film Festival.

'Creative' sector today

The creative sector in NZ is currently growing at approximately 9% per annum, faster than the NZ economy as a whole.

- **Total GDP (2000/01)** – \$2.86million NZ or 3.1% of GDP
- **Total Employment (2000/01)** – 3.6% of total
- **Revenue (2000/01)** - \$6,950 m

'Creative' sector actions

New Zealand Trade and Enterprise's long term vision for the creative sector is to stimulate the growth of the sector and enhance the use of creativity and innovation across the economy through three key strategies:

- **Connecting** – extending and deepening global networks and building targeted relationships with key influencers and decision makers.
- **Commercialising** – working with New Zealand creative industry companies on commercial arrangements and projects which enable them to capitalise on global opportunities and maximise profits is a priority for the sector.
- **Enabling** – assisting New Zealand companies to grow their business and enter higher value niches through the introduction of design-led processes and innovative technologies.

Some examples of 'industry based' schemes which have recently been implemented include:

New Public Lending Right scheme

The Minister for Arts, Culture and Heritage has announced stand alone legislation to be

developed, establishing a Public Lending Right for New Zealand authors, and replacing the Authors' Fund. Creative New Zealand received an additional \$500,000 per annum in the 2008 Budget for the Authors' Fund.

A Sustainable New Zealand Entertainment Sector

The key challenges for the entertainment sector are sustainable growth and increasing revenue and investment. This project will focus on two major opportunities for the screen production industry (the priority sector within the entertainment industry):

- Promote, market and leverage New Zealand as a premium destination for a wide range of in-bound screen production opportunities, thus building capability and investment for the New Zealand industry.
- Improve the sustainability of the New Zealand industry through identifying capability gaps, encouraging collaboration, promoting capability offshore and improving market access and global connectedness, with a particular focus on the TVC, TV and post-production niches.

NZ Screen Production Incentive Fund

As announced as part of the 2008 Budget, a new government incentive scheme for New Zealand film and television production is to be established from 1 July 2008, the New Zealand Screen Production Incentive Fund (SPIF).

Better By Design

The Better by Design programme aims to grow New Zealand's export revenue by making world-class design a bigger differentiator for New Zealand products and services. The programme is designed to raise awareness of, and expertise in, design-led thinking among New Zealand companies and to help companies integrate design through all aspects of their business, beginning with leadership, strategy and research, through to functional and aesthetic design, branding, packaging and distribution.

Case study 2: Region – New England

Location: New England, United States

States: Connecticut, Massachusetts, Rhode Island, Vermont, New Hampshire, and Maine

Area: 72,000 sq miles

Landscape: Coastal, mountainous, urban/rural mix

Population: 14,269,989 (2006)

Employment: 6,949,200 (2001)

Major export industries: Exports consist mostly of industrial and commercial products, including specialised machines (computers and electronic and electrical equipment) and weaponry. Other major industries within the region include carbon sequestration, agricultural produce, finance and tourism.

Key economic factors: New England is home to two of the ten poorest cities (by percentage living below the poverty line) in the United States: the state capital cities of Providence, Rhode Island and Hartford, Connecticut. New England also exports food products, ranging from fish to lobster, cranberries, Maine potatoes, and maple syrup.

'Creative' industries

The top ten (ranked by employment, 2002) creative industries in New England include: newspaper publishers; commercial lithographic printing; cable and other programme distribution; architectural services; radio, television and other electronics stores; periodical publishers; video tape and disc rental, jewellery stores, book stores, advertising agencies.

'Creative' achievements

New England has several regional broadcasting companies, including New England Cable News (NECN) and the New England Sports Network (NESN) as well as the national cable sports broadcaster Entertainment and Sports Programming Network (ESPN) in Bristol, Connecticut. There are also numerous movies that have been set in New England such as *Beetlejuice*, *The Firm*, *Goodwill Hunting*, *Jaws*, *Jumanji*, *Little Children*, *Mystic Pizza*, *Mystic River* and *Shawshank Redemption*.

'Creative' activities

Arts and Ideas Festival, Blueberry Festival, Chamber Music Festival, Discover Jazz Festival, Egg Festival, International Film Festival, Maine Lobster Festival.

'Creative' sector today

- **Employment** – 274,719 (2002) about 4% of total employment

'Creative' sector actions

The New England Council initiated 'The Creative Economy Initiative' in 1998 to demonstrate the major impact of culture on the region's economy. It released a 'Blueprint for Investment for New England's Creative Economy' in June 2001 which mapped out strategies to develop the creative cluster through policy formulation and programme development.

The blueprint proposed a set of strategic development goals supported by 10 action initiatives:

1. Forming an industry association to provide coordinated visibility and to voice policy and action;
2. Establish a creative economy research programme;
3. Foster the growth of particularly strong regional creative industries such as film and design;
4. Strengthen the relationship between creativity and technology;
5. Facilitate new and expanding finances for enterprises and entrepreneurs;

6. Expand markets for New England creative products and services;
7. Strengthen workforce and career development opportunities for creative occupations;
8. Facilitate creative exchange between communities;
9. Celebrate a creative community of the year; and
10. Showcase creative communities in corporate recruitment efforts.

The Creative Economy Initiative in the New England region sparked a lot of interest from a variety of communities. Individuals who previously saw themselves as business only, or arts only, began to understand that they were part of an interconnected creative economy, and their well being depended on advancing agendas that supported creative industries, workers and communities. This has been an important phenomenon for increasing demand for services within the creative economy.

Since 2003 powerful networks have been developed and the creative economy movement has extended from South Connecticut to the most rural communities of northern New England. In addition to increased participation, projects are growing and more clearly defining the work of the creative economy movement. Some examples of recent growth include;

- A task force has been established in Maine to examine the role of the creative economy in Maine's future.
- Research-based collaboration is underway between the partners of the Creative Economy Council and the University of Southern Maine.
- The Vermont Council on Rural Development is sponsoring a one year task force called the Vermont Council on Culture and Innovation.
- Other groups have also formed in areas such as Berkshire, the upper Connecticut River Valley, New Hampshire and Rhode Island to discuss the creative economy and to incorporate it into existing development strategies.
- More recently, on the 3rd of June 2008 a creative economy director was appointed in Massachusetts to help expand creative industries in the State.

The Research Initiative within the creative economy has also been quite active. In November 2003, the Initiative hosted a teleconference for 20 of the top creative economy researchers across New England. The meeting resulted in an agreement to build a research network via an internet-based list service in order to minimise duplication, share ideas and resources and challenge one another to obtain high quality research.

Members have also recently completed an overview of the organisational structure of various industries. Each key industry (i.e. film, design, arts and technology) within selected geographic areas now has a strong group of leaders in which to discuss issues and concerns related to their industry.

Case study 3: City – Copenhagen

Location: Denmark

City (capital): Copenhagen

Area: 2,673 sq km

Landscape: Urban based and situated on the island of Sealand

Population: 1,835,467 (Jan 2008)

Employment: 277,309 (2007)

Major export industries: Electronics, pharmaceuticals and textiles.

Key economic factors: Copenhagen is a centre for business and science, not only in Denmark, but also in the Oresund Region and Scandinavia. In a 2006 survey of the richest cities in the world, Copenhagen was ranked 9th, and along with the Norwegian capital Oslo the highest gross wages were paid in Copenhagen.

'Creative' industries

Creative jobs in Denmark are concentrated in the capital region. Computer industries are the fastest growing business sector in Copenhagen followed by film/video, music and leisure. In the film sector, Copenhagen has more than 50% of all jobs in Denmark and for music and design more than 40% of all jobs.

'Creative' achievements

In November 2006, Copenhagen hosted the European MTV Awards. Copenhagen won the prestigious 19th *Grand Prix CIFFT* for the world's best tourism film of the year 2007. The award was presented to Wonderful Copenhagen CVB for the film *Copenhagen Kicking*. The film has previously won seven international awards at five film festivals.

'Creative' activities

Copenhagen Jazz Festival, Golden Days in Copenhagen Festival, Copenhagen X, Copenhagen International Fashion Fair, Copenhagen Fashion Week, CPH – Fashion Fair and Copenhagen Film Festival.

'Creative' sector today (Denmark):

- **Employment** – 170,000 (full-time basis, 2000/01) – approximately 12% of the total full-time workforce employed in the private sector in Denmark.
- **GVA** – DKK 62 billion (estimate, 2001) – approximately 5.3% of total GDP.
- **Turnover** – DKK 175 billion (2000/01) – 7.3% of total private sector turnover in Denmark.
- **Exports** – DKK 68 billion (annually, 2000/01) – 16% of total Danish exports.

'Creative' sector actions

Before focusing on Copenhagen as a city we must first acknowledge that Denmark was one of the first countries to adopt a national design policy to help develop and grow its design sector. Government efforts in Denmark focused on strengthening Denmark in the design field. For example, design promotion initiatives were intensified to centre on framework conditions to boost growth, including establishing favourable markets for the design industry and its clients.

Public efforts were largely focused on improving market conditions, promoting the visibility of Danish design and enhancing research and education in the design field. The Government also liaised quite closely with the design industry and those sections of Denmark's corporate sector determined to expand the use of design in their development processes. Denmark is now ranked in the top five design countries worldwide. Being a first mover within a creative field has enabled Denmark to achieve international recognition for design innovation and philosophy. As a result Denmark has recently entered into a cooperation agreement with Singapore to develop joint programmes between educational institutions and the design industry.

On a more local level, since 2003 Copenhagen has been working on a creative development strategy involving studies on different sectors. For example studies on economic potential in attracting creative industries and studies on frameworks needed for supporting a stronger creative sector.

Copenhagen is working on at least two different approaches towards strengthening the city's creative potential:

- Culture based – creating a framework for a stronger cultural identity and vibrant city; and
- Market based – creating a framework for new companies and clusters of creative industries to locate in Copenhagen.

Actions in place include:

- Zoning of educational institutions;
- Creating zones in Copenhagen (city) suitable for creative industries;
- Deregulation to stimulate more cultural activity;
- Deregulation for location of creative industries in the city etc (local and national initiatives); and
- Improved counselling of creative start-ups.

Annex I: Creative sector stakeholders' workshop

Creative Sector Stakeholders' Workshop

Thursday, 17 July 2008
King House, Boyle, Co Roscommon

Attendees:

Table attached.

Welcome and introduction:

Gillian Buckley, CEO, WDC welcomed participants and outlined the background and reasons for the WDC's interest in the creative sector in the Western Region.

Draft research findings:

Neil Gibson, Director, Oxford Economics gave a presentation on the draft report 'Baseline Research on the Creative Industries Sector in the Western Region of Ireland' prepared by Oxford Economics for the WDC.

Discussion:

Robert Loughnane (GMIT): Businesses may not be aware of what students are doing on third level courses, at GMIT Digital Media Open Day 60 companies attended and many had not realised the content of the course. Need stronger links so courses can be tailored to needs of businesses.

Jos Evertsen (Forfas): In survey were there specific examples of what skills companies have difficulties in recruiting?

Neil Gibson: Business readiness was a big issue, need to ask if this is any different for creative sector than others.

Kate McCarthy (Leitrim Arts Office): Business skills may not be main problem, it is the pressures of operating a one-person operation – the regulatory environment, funding applications etc.

Toby Scott (Centre for Design Innovation): Next step after looking at creative sector should be to examine the demand for creative services from across the economy. What, where, how do businesses purchase creative goods and services? Also there is a gap between the number of businesses that know design is important and the number that actually purchase design services.

Tim Kelley (NORBIC): The metrics from this research seem low when compared with Northern Ireland, exports seem lower and most of the other statistics. Was retail incorporated? Need to compare with Northern Ireland.

Ian Brannigan (WDC): Took a conservative approach to measurement, did not include retail. But will compare stats with Northern Ireland.

Philip Delamere (Roscommon Arts Officer): The creative expression category is the building block for the whole creative sector, it stimulates creativity in other categories. The low productivity figure might discourage young people choosing it as a career. Need ways to make going into this sector more financially attractive. The viability of creative businesses that do not have a commercial focus is crucial to the viability of those creative businesses that

do.

Tommey Weir (Janey Pictures): Artists tend to move to places no one else wants to be, then as those areas develop the artists get pushed out e.g. Temple Bar. Need local businesses to support the artists to allow them to stay e.g. local art in hotels.

Úna McCarthy (Arts Council): Labelling of industries may not be the best way forward. We need to embrace the 'economy of the imagination', not focus on the commercial.

Mairéad Ní Oitsín (Udarás na Gaeltachta): Not always about financial incentives. Networking and personal relationships are key to the sector e.g. showing art in a café.

Joan Fahey (Mayo Ideas Lab): The creative sector is highly exportable, use of international networks.

David Power (Royal Institute of Architects of Ireland): Public procurement criteria can be a constraint on small firms e.g. turnover threshold.

Working Groups:

Participants were divided into three working groups. The purpose of the groups was to devise suggestions for how the creative sector in the Western Region can be further developed to feed into the final set of recommendations. The full results of the working groups, including the number of times a particular issue/idea was mentioned, under the three themes is set out below.

CREATIVE PLACE

Ideas/ Views	No.
Workspace: <ul style="list-style-type: none"> Affordable, accessible and flexible workspace. Possibly temporary workspaces. Artistic/ creative workspace – dedicated space. Incubation space with broadband, office space, mentoring, training, best practice workshops etc. Incubation centres – specific for creative and also generic. Paid managers for incubation centres. Varying size depending on local need. Green space, environmental. Larger incubation units in HEIs. Incubation centres integrated into town infrastructure as part of rural/regional town renewal. Art/craft studios as part of urban regeneration – tourism role as well. Not many job opportunities in craft/art businesses so most new graduates have to set up on their own, but can't access workspace or facilities e.g. kilns. Shannon Development e-towns initiative. More attractive office spaces – more sympathetic architecture. Farms can be attractive workspace – personal stamp gives it appeal. Utilise disused farm buildings to create rural clusters of studio space – tackle rural isolation, farm diversification, in line with aesthetics of area, economies of scale in services/infra, benefits to wider community. Satellite meeting points that can be used by a wide range of creative businesses, rather than hotels etc. Continue to support and effectively evaluate publicly-supported creative spaces. Advance workshops in place of advance factories. Pre-incubation and incubation space. Incubation enhancement scheme. 'Meeting hubs' where members of a network could hold meetings – real or virtual. Reduce costs. Hot desking along a chain of creative workspaces in the Region. 	22

Ideas/ Views	No.
Planning/Urban landscape/ Built Environment: <ul style="list-style-type: none"> Enhance and maintain authenticity. Local artists involved in urban design. Use creative talents in 'place development', work with town planners/local businesses. More town planners in the local authorities. They do not all employ architects to assess visual aspect of planning applications. Overdevelopment must not kill the creative attractiveness of the area. Planning to assist creative people to set up businesses. Attractiveness of townscapes – public art, less dereliction, design of housing estates Are we creating homogenised towns through planning policy? Is not conducive to creative place. Enhance the design of the environment. Architectural excellence. Need quirky, cool, funky cafes of a high standard in villages and towns. H&S regulations may be restrictive. Markets and farmers markets on the streets of towns, enhance the buzz. Artisan food is closely linked to creativity. Attractiveness of the Region – cultural attractions, entertainment, sports facilities. Aesthetic/design/visual should be bigger part of criteria in planning decisions. Vernacular is important but also need 'futuristic' design. Built environment should say 'yes' not 'no'. Impacts on mental and physical wellbeing. Vorarlberg in Austria has become synonymous with high quality architecture, there are 'design advisory councils' in small communities. Create 'creative villages'. Impact of planning processes on creative sector e.g. out of town retail development. 	15
Clustering: <ul style="list-style-type: none"> Creativity call-in centres. An IFSC (but with soul) for film & TV with workspaces and an anchor tenant. Cross-sectoral clusters e.g. digital media, artists, working and networking. A single location for many creative people to work, workshops could be used for tourism. A Craft trail – signage. 'Inspiration station' in Mayo run by Arts office. Shared space at HEIs to facilitate inter-disciplinary projects e.g. IT with art & design Clustering of skills, link local setting with global market. Nature of countryside and infrastructure makes co-operation difficult. Need to make more of existing centres which bring people together e.g. Leitrim sculpture centre in Manorhamilton. Digital in Design Hubs: Establish a digital in design hub in each region of Ireland. All different people to come together to develop an innovative project. The hubs in each region would be linked to share information and create business. Hothouses for continual development. Look at existing clusters, build on them. Clustering leads to synergies. 	15
Broadband: <ul style="list-style-type: none"> Essential for all businesses, operating in global market, research, networking. Lacking in the Region. West as a pilot for Next Generation broadband, showcase of the impact of NGN. NIBEST 1GB broadband pipe in the West for non-commercial companies. (NORBIC). Can be used to showcase creativity. Virtual West. Physical place less important than sense of place. 	11
Connectivity/ Distribution: <ul style="list-style-type: none"> Physical access to other areas, markets, distribution. Signage for creative businesses on secondary roads. Map distribution needs of companies – initiative to pool distribution, share costs, reduce carbon footprint and allow small businesses to distribute more widely. Poor public transport in rural areas. Rail and air infrastructure, need mobility, regional airports important. Personal publishing platform. 	7

Ideas/ Views	No.
Rural setting: <ul style="list-style-type: none"> • Develop the rural environment for creative businesses, infrastructure, facilities, social infrastructure, eco-leisure, space. • Advantage of small population, closer links across sectors of the community in a small area. • Workspace created in farm buildings. • A lot in the art/craft sector are living in rural areas – lack of public transport can be issue. • Need flexible models to promote creativity in a rural environment e.g. mobile cinemas showing arthouse Cinema NorthWest. 	6
Branding/Place: <ul style="list-style-type: none"> • A sense of place, identity for the Region. • A sense of the sector and the place as linked, known nationally and internationally. • Promote the Region to attract people here. • Creative West brand and network. • Need a new name to refer to the entire Region – the West isn't enough. 	5
Local solutions: <ul style="list-style-type: none"> • Need overall framework for the Region to promote concept of creative region. Need regional buy-in. • Do not roll out a standard plan. Need creative solutions based on local analysis. • Focus on local cultural values. 	3
Exhibition/Performance Space: <ul style="list-style-type: none"> • Need venues to exhibit/perform. • Cultural infrastructure. 	2
Lifestyle: <ul style="list-style-type: none"> • Promote the 'lifestyle of the creative person' which is available in the West. • Are creative people leaving Dublin? If so, why? Can we attract them? 	2
Gaeilge: <ul style="list-style-type: none"> • Make the language a USP. 	1
Examine success stories: <ul style="list-style-type: none"> • Need to look at what has worked in creating a creative 'place' in other areas. 	1

CREATIVE PEOPLE

Ideas/ Views	No.
Education: <ul style="list-style-type: none"> • Creativity should be encouraged 'Cradle to Grave' – night, summer, elderly, community. • Promote creativity in schools from primary upwards – start early. • 'Creative flag' for primary schools. • Creativity should be valued within families – children. • Formal introduction of enterprise education on 2nd level curriculum. • PLC courses in creative skills. • Business people working in the sector should be external examiners on courses e.g. digital media businesses as examiners on IT courses. • Mobility between education and business. • Students need advice from experienced business people in sector – talks. Education v real world knowledge. • Links between 3rd level and business to ensure matching of skills. Need a flow of skills between industry and business. Courses should meet the needs of business. • Continuously review the skills being provided by 3rd level. • Workshops on specific topics with innovation potential. • Apprenticeship schemes? • Focus of design courses is on the technology (digital/new media) rather than on the artistic design skills. Recruitment of new graduates from these courses involves further upskilling in basic design skills that is missing from the courses. • Collaboration across the three IOTs in the Region. Unique educational proposals for joint project. • A creative officer in the IOTs • IOTs in Region should focus on niche courses tailored to the sectors that are in the Region – develop and grow sectors we have to encourage students to remain. • Colouring outside the line. • Formal linkages between development agencies and educational institutions. 	21
Champions/ Role Models: <ul style="list-style-type: none"> • Need local champions/innovators. • The Region needs to be vocal about its champions, its success stories. Get the message out there about creativity in the West. • New emerging talent/achievements should be showcased. • De-stigmatise arts/creative professions. Need to be shown as viable career options for young people. • Case studies of successful creative entrepreneurs. • Need to be vocal about the champions. • Promoting champions attracts other people to an area. • Creative champion 'Una Voca'. 	8
Diversity: <ul style="list-style-type: none"> • Transfer of creative skills between migrants and local. • Creative places are diverse places. • Need to appreciate diversity, see creativity as being different. • Inclusion of grey panthers, expert exchange. • Rejoice in diversity. • Use, develop, encourage the diversity that is already here. 	6
Creative skills: <ul style="list-style-type: none"> • Multi-disciplinary creative skills organisation. Run a voucher scheme for firms to hire creative people, these creative people could work on their own project for the company. Innovators. • Multi-disciplinarity across the creative sectors – technology and non-technology mix. At education and business level. • Need training in their craft (training not just needed for business skills). Some practitioners may not realise/believe they need new training/knowledge in their own area. • Continuous training. • Teaching of creative skills throughout life – imagination, problem solving, conceptual thinking, lateral thinking, comedy, teamworking, conflict resolution. Need right brain learning, so much education is focused on left brain. 	5

Ideas/ Views	No.
Work Experience: <ul style="list-style-type: none"> Improve linkages between HEIs and business through structures which subsidise student placements in micro-businesses e.g. a 12 week paid work experience module. A central organising body for this. 	4
Business skills – Creative Skills: <ul style="list-style-type: none"> Need training in business skills for creatives e.g. marketing. Different mindset between creative and business. Product development, business development, marketing skills lacking in the sector. Equally need creative training for business people. See design/creativity as part of business. Training and advice to provide business skills. Training especially in marketing and sales. Some don't have websites or even e-mail. Provide skills needed to increase productivity. 	4
People: <ul style="list-style-type: none"> Connectivity between people. Acknowledge the separations between the disciplines. Not a homogenous sector, very different people. Can't have a one solution fits all. Nurture creative talents of creative people. 	3
Research: <ul style="list-style-type: none"> Digital Media research centre in Galway. Need to demonstrate benefits of R&D for the bottom line of creative businesses. 	2
General public: <ul style="list-style-type: none"> Interaction between artists and public. Public perception of the creative sector. Work by Leitrim Arts Office – Artist Friendly county (interested in data). 	2
Perception of Artist: <ul style="list-style-type: none"> View of art – conflict between 'artistic recognition' v 'selling out'. Artist's vision of their art may not be compatible with trade/commerce. Should not be forced. Art as a gift. Commercial ambitions lower. 	2
Available skills: <ul style="list-style-type: none"> Recruitment difficulties in the West, shortage in graphic design skills. Lack of skills in the Region, need to attract talent back to Region, a database on a website? 	2

CREATIVE STRUCTURE

Ideas/Views	No.
<p>Networking:</p> <ul style="list-style-type: none"> • Need protocols for networking – give people confidence. • Use digital media to create cross-regional networks. • Use networks to provide role models of larger firms to sole traders. Show the expansion options that exist that sole traders may not be aware of. • Use networks to do market visits overseas and to see best practice. • Need more meeting places for cross-fertilisation. • Need networking to get the information 'out there'. • Collaboration – navel gaze + outside views. • Social is big part. • Collaboration and co-operation – business/supply opportunities. • Facility for people to contact each other – linkages across disciplines to do joint projects. • Activities to encourage cross-fertilisation of ideas and skills e.g. designers with craft workers. • Networks are important but difficult to establish and maintain. • Use of networks for benchmarking. • Inclusive collaboration through virtual networks. • Networking seminars for information sharing. • Do not create new fora or networks – bring together what already exists. • Networking between creative expression, technology and application creates synergies which make the sector a more viable career choice and sustainable. • Design co-operatives. • Networking outside of Ireland, linking with firms in Europe. • Quality networking, people need to know how to network with intent. Focus on creating business links. 	20

Ideas/Views	No.
<p>Support:</p> <ul style="list-style-type: none"> • Remit of the CEBs should be broadened. • Re-evaluate eligibility criteria for financial assistance to reflect changing economy – out-moded criteria. • Need cohesive support structure for artists/makers. Different agencies need to pool their resources to develop tailored support mechanisms. • Look at range of support of the different agencies and see how they support the creative sector. • Overlap leads to waste. • A lot of existing projects, no need to re-create. • Employment support for artists. Similar to Back to Work scheme, supported employment. • Self-employment supports – revenue, social welfare. • Artist in residence schemes – commercial, voluntary and public sector. • Support for ‘agents’ to represent a number of artists in a publicly supported way. Establish group for marketing and distribution. • Need to make being ‘creative’ more financially attractive. • Provide assistance/mentoring/space to new graduates for 3 months after graduation to see if they can come up with a business idea. • French model of social welfare to increase viability of artists. • Need to provide services required by new graduates to return home and set up their own business. • A business advisor could be assigned to a creative business to benchmark how it is performing, operating, marketing itself. • Iceland model of a creative society with a bursary scheme. • Financial reward for becoming involved in initiatives. • Artists agency to represent a group of artists. • Challenge of declining public funding. • Who offers what? CEBs have capital/training grants, but there are other needs, marketing, branding. • Cyclical nature of funding means projects facing funding crises and have to focus on finding new funding sources rather than operating the project – dilution of original purpose in order to meet funding criteria. Hard to maintain continuity e.g. Leitrim Design House. • Simplify and clarify the structure, eliminate overlap. • Co-ordination between the agencies offering grant aid. • Funding package for start-up, re-development and expansion of creative businesses. • Voucher type mentor programme for business development within creative businesses. • Risk takers (creative business) v Risk Averse (agencies). • Quotas on grants e.g. limited % of a CEBs budget can be given in employment grants, why if this is where the need is? • Supports need to recognise that benefits are at 2nd, 3rd or 4th ripple. Evaluation needs to take these benefits into account. • One-person operations means they can’t avail of employment grants. • If creativity is properly valued and championed then it should be self-sustaining and viable and will not require as much funding. Don’t like too much focus on funding. • Client-need support system versus client-executive support system. • How much co-operation between agencies involved with the sector? • Profit smoothing because of cyclical nature of projects in the creative sector. 	20
<p>Expand markets:</p> <ul style="list-style-type: none"> • Limited sources of business for filmmakers. Need the TV channels and business to drive demand (MNCs go abroad for training videos). • Local markets. • Consumer education to stimulate demand from public and business. • Create awareness to stimulate markets. • Help existing practitioners to learn more about new distribution media. • Increase the audience for products and services. Public sector, agencies to purchase more creative products. • Utilise corridors, the creative West includes the border. • Creative industries are an exportable service. Need to examine how to develop export markets. • Public sector as consumer of local creative providers, should support smaller firms. • An export focus is needed. • Marketing to raise awareness of what is available in the Region in terms of creative services. • Are marketing needs of the individual industries the same? Need to check out the marketing needs of individual industries before providing advice. 	15

Ideas/Views	No.
Information: <ul style="list-style-type: none"> • Knowledge of where knowledge is held. • Need to spread information on funding opportunities. • New graduates need to know where to go for support, who can help them. • Need to provide information on gaps in the market to operators in the sector. • Organisations need to work together to spread information – roadshows to different communities. • Improve communication so businesses can access information on funding, other like-minded businesses, opportunities. • A newsletter to keep people informed of funding opportunities. • Listing of all the funding available by industry. • Directory/listing of all businesses in the creative industry. • Agency overlap creates customer confusion. • Missed opportunities because of lack of information. • Need to declutter information. • 'One stop shop' for information. National v regional. 	11
Internet: <ul style="list-style-type: none"> • Set up single website for creative businesses in the Region – single information portal. Database of who is operating in the Region, what resources are available. • For specific industries? • Some creative businesses still do not have an internet presence. Lost opportunities. • A website where one business could 'post' a requirement and another business could 'respond'. A means of creating strategic alliances. • Creation of a central database listing of creative industry practitioners and organisations. It should be at a national level and have a jobs/recruitment section. • Grants for IT upgrades. 	9
Cross-sectoral Linkages: <ul style="list-style-type: none"> • If creative sector seen as a totally separate sector it could be marginalised. Creative is fundamental to all our daily lives. • Integrate creative sector planning with related sectors e.g. tourism, food, construction, infrastructure, recreation, voluntary sector. • Networks outside sector – linking art and business e.g. Art 4 Business Capital Grant Scheme. • Need links between IT and art/design. • Networking events to move people outside their comfort zone. Tackle defensiveness. • Cross-sectoral events – synergies. • Knowledge in other sectors that creativity is not an 'optional extra' – fundamental. • Need to effectively demonstrate the benefits of using creativity within business. • 'Creativity at heart of business'. • Strategic alliances in a multidisciplinary approach. • Design as value for money. • Facilitation of links between creative and non-creative sectors. • Tourism agencies and creative support agencies should be working more closely to ensure that the creative sector helps to attract more tourists to an area, creating a bigger market/audience for the businesses. 	10
Strategic direction: <ul style="list-style-type: none"> • Government White Papers on the individual creative industries. • Establish creative industries steering group in the Region to oversee and give strategic direction. Industry, education, local government, consumers. • Establish a creative industries 'forum'. HEIs, practitioners, EI, Arts officers, Forfas etc. Specific tasks and deliverables with funds to support participation. Prioritisation of specific limited initiatives – not a talking shop. • Target key senior policy makers (DoES, DoEHLG, DoCENR, DoT) and figure out how to inform them of the importance of the creative sector – shift their thinking. • Eliminate overlap – clarify the roles and responsibilities of different agencies. • Government creative agenda – Minister for creativity, creative office, creativity brief. 	7

First Name	Surname	Position	Organisation
Ideas/Views			No.
Showcases: <ul style="list-style-type: none"> • Need exposition and showcasing. • Showcases that will encourage product development e.g. exhibitions, fashion shows. • Bring work to as wide an audience as possible – trade events, exhibitions, the internet. • Left brain/right brain travelling circus. • Regional events which combine the traditional crafts and technology. 			5
Variety within sector: <ul style="list-style-type: none"> • Is the creative sector too varied to be represented by one body? The different subsections need different interventions. • Disparate sectors. 			2
Connectors: <ul style="list-style-type: none"> • Not networks, need connectors. Connectors create the invisible linkages. • Fund organisations that provide a 'connecting' role between creative industries and people across the West. 			2
Measuring the sector: <ul style="list-style-type: none"> • Metrics to assess and measure the sector. Measure returns – employment survey, barriers. 			1

Frank	Borkin		Grr Charge Games
Ian	Brannigan	Development Manager	WDC
Gillian	Buckley	CEO	WDC
Claire	Carty		Arigna Leader
Ann	Dack	Project Manager	Crafts Council of Ireland
Philip	Delamere	Arts Officer	Roscommon County Council
Patsy	Donoghey	Enterprise Project Officer	Business Development Centre
Jos	Evertsen	Senior Policy Analyst	Forfas
Joan	Fahey	Project Manager	Mayo Ideas Lab
Ann	Finn	Regional Executive	Enterprise Ireland
Neil	Gibson	Director	Oxford Economics
Joanne	Grehan	Development Executive	WDC
Geraldine	Grey	Manager	Leitrim Design House
Graeme	Harrison	Senior Economist	Oxford Economics
Deirdre	Johnston	Design Shannon	InnovationWorks
Maeve	Joyce	Manager	Galway Film Centre
Jeff	Kay	Director	JDK Design
Mary	Keaveney	Clerical Officer	WDC
Tim	Kelley		NORBIC
Robert	Loughnane	Department of Mathematics & Computing	Galway-Mayo Institute of Technology
Mary	McAuliffe		Sligo Cultural Quarter
Kate	McCarthy	Arts Office	Leitrim County Council
Una	McCarthy	Director of Festivals	Arts Council
Mairead	Ni Oistin	Policy & Planning Department	Údarás na Gaeltachta
Michael	O'Brien	Programme Liaison Officer	Border, Midland, West (BMW) Regional Assembly
Aidan	O'Duibhir		Grr Charge Games
AnnaMarie	O'Rourke	Craft Development Officer	Leitrim Design House
David	Power	Western Representative	Royal Institute of Architects of Ireland (RIAI) (Cox Power & Associates)
Toby	Scott	Director	Centre for Design Innovation
Perry	Share	Head of Department of Humanities	Institute of Technology Sligo
Barry	Sheehan	President	Institute of Designers in Ireland
Maria	Staunton	Manager	Innovation in Business Centre, GMIT Castlebar
Stephen	Walsh	CEO	Sligo County Enterprise Board
Tom	Weir		Tom Weir - Janey Pictures
Pauline	White	Policy Analyst	WDC

Annex J: List of main public organisations of relevance to the creative sector

Arts Council
Border, Midlands and Western (BMW) Regional Assembly
Business Innovation Centres (BICs)
Chambers Ireland
County Enterprise Boards (CEBs)
Crafts Council of Ireland
Department of Arts, Sport and Tourism
Department of Communications, Energy and Natural Resources
Department of Community, Rural and Gaeltacht Affairs
Department of Education and Science
Department of Enterprise, Trade and Employment
Department of Environment, Heritage and Local Government
Department of Transport
Enterprise Ireland
Expert Group on Future Skills Needs (EGFSN)
FÁS
Fáilte Ireland
Forfás
Irish Business and Employers Confederation (IBEC)
IDA
Irish Small and Medium Sized Enterprises Association (ISME)
Institutes of Technology
InterTradelreland
Leader companies
Local Authorities
Local Authority Arts Offices
Shannon Development
Skillnets
Small Firms Association (SFA)
Southern and Eastern (S&E) Regional Assembly
Udarás na Gaeltachta
Universities
Western Development Commission (WDC)