



# Creative West

The Creative Sector  
in the Western Region





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The WDC particularly wishes to thank William Golden, Geraldine Gray, Jim Keogh, Anton Mannering, Nick Miller, David Power, Toby Scott and Ray Walsh for their time and commitment as members of the industry advisory group established to oversee the research. The WDC would also like to thank the participants at the stakeholder workshop held in July 2008 and those who participated in the qualitative consultations and the telephone survey undertaken as part of this research.

# Foreword

Creativity is a distinctive asset of the Western Region. The western counties of Donegal, Sligo, Leitrim, Roscommon, Mayo, Galway and Clare enjoy a rich and varied creative legacy. This has been manifested in many forms through the centuries from art, music and literature through to film, design and digital media.

Renowned creative talents such as playwright Brian Friel, novelist John McGahern and artist Barry Cooke have derived creative inspiration from the West. Not to mention the region's critical role in the works of William and Jack B. Yeats. The region is also home to internationally renowned theatre company Druid, as well as hosting two of the top three arts festivals in the country – Galway and Earagail Arts Festivals.

Businesses in industries such as architecture, broadcasting, design, publishing and software are also operating successfully across the Western Region, and it is home to a cluster of audio-visual companies producing innovative, award-winning programming which is shown around the world.

Regions have increasingly emerged as the focal points for competitive advantage in a globalised economy. Strategies which position regions to exploit their distinct natural advantages can enhance regional competitiveness and contribute to national growth. This report shows that the Western Region's quality of life, landscape, heritage, business support, access to markets and skilled staff are some of the key motivators for creative people to locate and operate here.

These strengths provide the Western Region with the means to position itself as a truly 'Creative West' which will attract talent, drive innovation in the wider knowledge economy and become an even more attractive location for business and tourism. A key challenge in achieving such a 'Creative West' is to ensure that the region's current advantages are preserved and strengthened.



The Western Development Commission (WDC) believes that the creative sector has the potential to greatly contribute to sustainable growth that is rooted within the regional economy. It is also a sector that lends itself to operating in both urban and rural locations.

It is for these reasons that the WDC commissioned baseline research to investigate the size of the region's creative sector, the critical issues for the sector and to devise a set of recommendations to develop the sector and the Western Region as a creative region.

This 'Creative West' report presents a summary of the research findings as well as a detailed set of recommendations for developing the sector. The identification and profiling of the creative sector as a coherent economic sector within the region is an important first step. I hope that this report will assist in gaining the support of those working within the sector in the design of a coordinated process to support its future growth.

This report is particularly timely given the fact that 2009 is the European Year of Creativity and Innovation, and I look forward to working in partnership with all stakeholders within the private, public and voluntary sectors to progress the implementation of these recommendations during 2009.

A handwritten signature in black ink, reading "Gillian Buckley". The script is fluid and cursive, with the first letters of "Gillian" and "Buckley" being capitalized and prominent.

Gillian Buckley  
Chief Executive Officer

January 2009



# Executive Summary

## Why this report?

The Western Development Commission (WDC) is a statutory body which promotes the economic and social development of the seven county Western Region of Ireland (Donegal, Sligo, Leitrim, Roscommon, Mayo, Galway and Clare).

The WDC has an interest in promoting the creative sector within the region because it has strong growth potential, generates high quality employment, stimulates innovation in other sectors, plays a key social role and can stimulate both rural and regional development. As there is very little research or data on the creative sector within Ireland, the WDC commissioned baseline research to investigate the size and nature of the region's creative sector and to identify the sector's key issues. The resulting report 'Baseline Research on the Creative Industries Sector in the Western Region of Ireland' is available at [www.wdc.ie](http://www.wdc.ie).

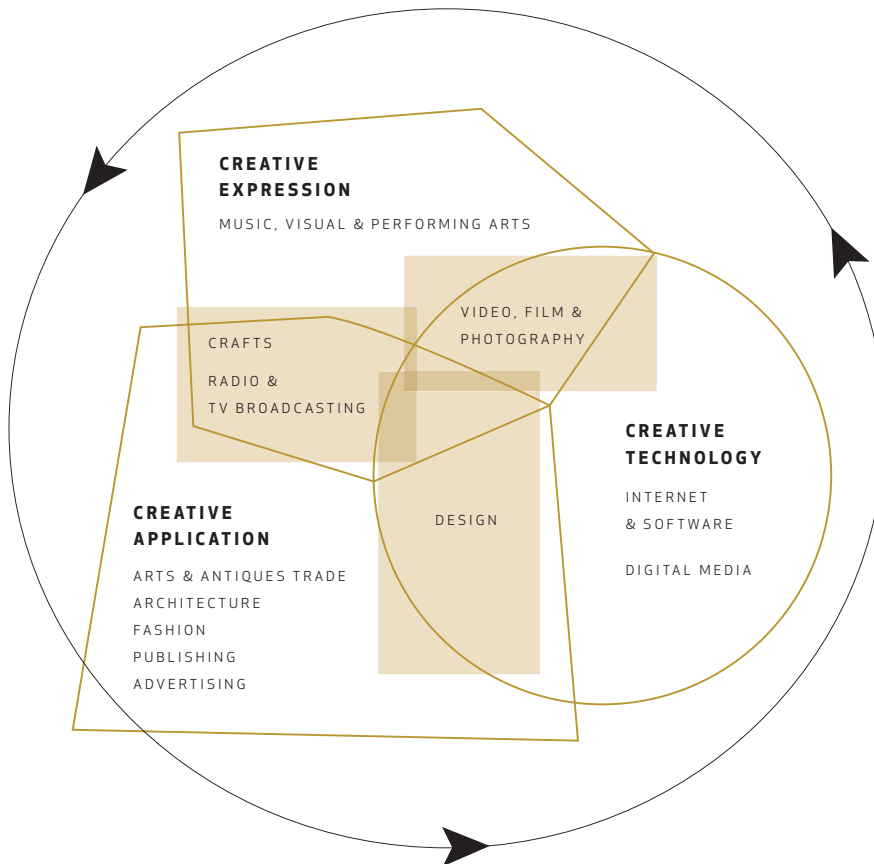
The 'Creative West' report presents a summary of the key findings from the baseline research and sets out a number of recommended actions to promote the creative sector's future growth in the region. It is hoped that this document will stimulate interest in the Western Region's creative sector from both within and outside the region, and generate interest among stakeholders in working to progress the recommendations outlined.

# What is the creative sector?

For the purposes of this report the creative sector is defined as:

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

In total, 12 individual creative industries are considered to make up the creative sector as outlined in the diagram below:



## What is the current size and nature of the Western Region's creative sector?

*Indicative* estimates of the economic contribution of the creative sector to the Western Region's economy were generated by the baseline research.<sup>A</sup> In total, it is estimated that there are **4,779 creative businesses** in the Western Region which **directly employ 11,000 people**, equal to 3% of total employment in the region. The creative sector generates **annual turnover of €534m** and directly contributes **€270m to the Gross Value Added<sup>B</sup>** of the region. There are no similar studies of the country as a whole, so it is not possible to compare the size of the sector in the region with the situation in the rest of the country.

Creative businesses in the region tend to be small scale with 39% of the sample of 293 businesses which were surveyed, being self-employed with only 12% employing more than 10 people. This is reflected in relatively low export activity among the region's creative businesses – 66% of those surveyed received less than 5% of their total turnover from exports.

In terms of individual creative industries, music, visual and performing arts account for a high number of businesses but a far lower share of total turnover, due to many of these individuals operating on a part-time basis and not being primarily commercially focused. In contrast, the internet and software industry accounts for a relatively small share of total businesses but a far higher share of total turnover indicating a more commercial focus and higher productivity.

Across the region, the importance of the creative sector for total employment was found to be highest in counties Leitrim, Sligo, Galway and Donegal.

# What are the issues for the Western Region's creative sector?

The key issues for the Western Region's creative sector were identified through a series of interviews with business people and support agencies, a stakeholder workshop and the input of an expert advisory group (see Annex A). The issues identified fall within three categories, those relating to creative people, creative place and creative supports. Some of the key issues are summarised below:

## **Creative people:**

- Creative talent: there is a considerable pool of creative talent in the region but it can be difficult to identify and certain specific skills are difficult to recruit. The creative workforce is highly mobile which presents opportunities to spread creativity to other sectors but also a challenge to retain creative people in the region.
- Education and training: it was felt that creativity was not being sufficiently stimulated through the primary and secondary school curriculum, addressing this would enhance the value given to creativity within society. There are currently inadequate linkages between creative businesses in the region and third level institutions. In addition business skills can present a challenge for creative people.

## **Creative place:**

- Quality of life and creative inspiration: quality of life was one of the main motivators for creative people locating in the region, including those who had relocated from Dublin. The landscape, remoteness, waterways and lighting in the region were also cited as providing inspiration. Quality of life however is not sufficient if adequate employment and business options within the sector are not available.

- **Connectivity:** improved infrastructure and communications are critical to developing the creative sector in the region. Insufficient broadband quality in parts of the region is a constraint for businesses, with creative technology businesses in particular requiring large bandwidth.
- **Workspace and the built environment:** the high cost of locating creative workspace in large urban centres means that many businesses have built their own premises or work from home. A lack of low cost workspace can be a constraint to creative ambition. New developments and investments have not always been tailored to the key strengths of the region and may have damaged the key attributes which attract creative people.

#### **Creative supports:**

- **Networking and alliances:** there is a low level of networking within the sector with many businesses operating in relative isolation. Formal networks may not be successful, as small businesses often lack the time and capacity to establish and engage with such networks. Networking beyond the creative sector itself is critical to spreading the benefits of creativity to the wider economy and society.
- **Marketing and promotional activities:** currently the region's creative sector is not promoted in a coherent manner. Highlighting and promoting the region's creative sector, as well as the wider benefits of creativity, was seen as a key priority for the sector's growth.
- **Access to funding:** the eligibility criteria for certain funding sources were felt to be inappropriate for creative businesses which often do not require capital or training grants. The funding of an individual's time in order to develop an idea was seen as critical for the sector.

# What can be done to develop the 'Creative West'?

The research highlighted that there were a number of fundamental principles that were necessary to underpin the future success of the Western Region's creative sector. These principles form the basis of the recommendations.

## Principles underlying the 'Creative West'

1. **Creativity is an asset** and creative talent should be supported in order for it to be maintained, developed and enabled to contribute to the growth of the knowledge economy.
2. Potential exists for the region's creative sector to **participate more fully in global markets** and to enhance its export capacity.
3. Preserving the **landscape, built environment and natural heritage** of the region, bearing in mind its predominantly rural nature, is necessary to ensure that the West's creative place strengths are maintained.
4. The **catalytic and spillover effects** of the creative sector can be significant for driving innovation in the regional economy.
5. A **regional approach** to development of the sector will serve to build capacity across the region, and extend the diversity and efficiency of the region's creative sector. It is important that such a regional approach be aligned with any future national policy for the sector.
6. Enhanced **partnership** between the private and public sector will contribute to the realisation of the creative sector's potential. Increased coordination and linkage among the various stakeholders in the sector will help foster a dynamic, vibrant sector.



The recommendations for developing the Western Region's creative sector are listed overleaf. They are given in order of priority with the first seven recommendations considered to be those with the greatest potential impact. The main objectives of the recommendations are set out here with detailed recommendations for achieving these objectives contained in Section 5.4.

No indication is given of responsibility for implementing the various recommendations. The next stage for the WDC will be to engage with public and private sector stakeholders in the creative sector to identify a number of specific initiatives, based on these recommendations, which can be implemented in 2009 and following years. The WDC will undertake in-depth consultation with those working in the sector in order to design, and then effectively deliver, these regional initiatives on a collaborative basis.

## **Recommendations for developing the Western Region's creative sector**

### **'First tier' recommendations**

- Enable more effective production and development of creative goods and services through establishing networks of practice.
- Facilitate export growth and domestic sales by effectively promoting the 'Creative West'.
- Facilitate the transfer of creative capabilities into the wider business environment.
- Nurture and develop future creative talent in the region through education.
- Develop creative connectors and hubs in the region to facilitate businesses and operators to work in suitable cost effective environments.
- Accelerate growth of creative businesses through enhanced broadband capacity (particularly the high productivity creative technology sector).
- Establish a national policy for the creative sector as a whole to provide a coherent structure for developing the sector.

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### **'Second tier' recommendations**

- Enhance the quality of the built environment.
- Create an information website for the creative sector in the Western Region.
- Try to ensure that funding schemes available to creative businesses meet the needs of the sector.
- Provide training in business skills of relevance to the creative sector.
- Enhance the role of research and development in the creative sector.
- Conduct a skills matching study for the sector.
- Prepare a tourist guide for the 'Creative West'.
- Improve the transport network.



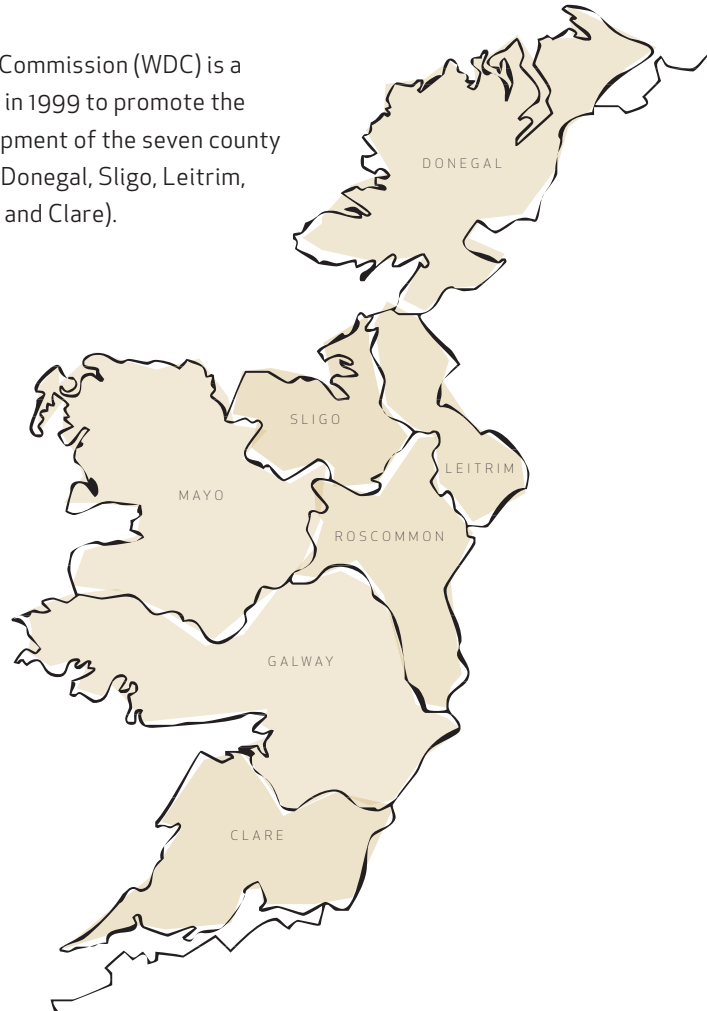


# 1. Why this report?

## 1.1

### What is the Western Development Commission?

The Western Development Commission (WDC) is a statutory body established in 1999 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's main aim is to ensure the region maximises its full potential for economic and social development. This is done by:

- identifying and analysing the key social and economic issues for the region and making policy recommendations;
- promoting the benefits of living, working and doing business in the region through the LookWest.ie campaign;
- supporting the sustainable development of the rural economy through strategic projects; and
- providing risk capital to small and medium-sized enterprises (SMEs) through the WDC Investment Fund.

The WDC often works in partnership with national, regional and local bodies from the public, private, and community and voluntary sectors to achieve its aims.

## 1.2

### Why is the WDC interested in the creative sector?

The creative sector is composed of a varied range of industries, referred to collectively as the creative industries. For the purposes of this report the creative sector is defined as:

*Occupations and industries centred on creativity, for the production and distribution of original goods and services.<sup>C</sup>*

The creative industries are at the crossroads of arts, business and technology and in recent years have emerged as a dynamic sector within the knowledge economy. Creativity, knowledge and access to information are driving economic

growth and development, and consequently the creative sector is receiving considerable policy attention and investment internationally. Countries such as Australia, Denmark, the United States (US), Singapore, Hong Kong, New Zealand and Canada have seen their creative sectors grow dramatically.

The main reasons for the WDC's interest in the creative sector are that it:

- **Has strong growth potential:** A recent report by the UN 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 €424.4bn.<sup>D</sup> Factors such as the liberalisation of national media policy in many countries, increasing affluence particularly among younger consumers, technological change e.g. downloading music from the internet, and the general rise in the service economy are driving this strong international growth.
- **Generates high quality employment:** The creative sector is both knowledge-intensive (requiring specific skills and high-level qualifications of the workforce), and labour-intensive (especially in certain industries e.g. theatre or film production). It is estimated that in 2004, of the 5.8 million people working in the cultural and creative sector in the European Union (EU), 46.8% of them had at least a university degree (compared with just 25.7% in total employment).<sup>E</sup>
- **Stimulates innovation in other sectors:** The impact of the creative sector in raising the general level of creativity and innovation across the economy may in fact be greater than the economic contribution of the sector itself. A recent study found that businesses which have strong links to the creative sector (through purchases from or sales to creative sector enterprises) have stronger innovation performances.<sup>F</sup> It was found that these businesses used products and services sourced from the creative sector as inputs to their own innovation process e.g. bespoke software, and they also gained new ideas through interacting with individuals working in the creative sector.

- **Plays an important social role:** The creative sector can generate important social and cultural impacts such as a greater sense of community, social inclusion of marginalised groups, social interaction at creative events and regeneration in relatively deprived areas. Given that these benefits are considered to constitute a public good, such activities are often initiated and supported by publicly funded programmes. The creative sector can also be critical in improving the image of and enlivening an area, thereby increasing its attractiveness as a location to live, visit or set up a business.
- **Can stimulate rural and regional development:** Although the creative sector has traditionally been seen as being attracted to urban centres, evidence from the US and United Kingdom (UK) suggests that creative sector growth in rural communities is occurring.<sup>G</sup> In the US, workers in creative occupations were found to be present in certain rural areas, particularly those considered to be high amenity, and such rural areas experienced higher job growth.

The unique nature of the sector, dependent on individual human creativity, means that personal factors can be the most important in determining a business' location. In addition the creative sector is predominantly composed of small and medium-sized enterprises (SMEs) many of which are micro or sole trader businesses.<sup>H</sup> The importance of personal factors, combined with the fact that creative businesses are generally small scale, means that creative individuals or firms may be more likely to locate in a rural region than perhaps larger scale enterprises whose location is determined by cost, tax or local labour supply advantages.



### 1.3

## What has the WDC done so far?

Countries and regions with the most successful creative sectors tend to have highly creative environments. The WDC believes that the Western Region possesses the creative environment necessary to become a successful creative region, and that the creative sector can play a key role in the sustainable long term development of the region. Therefore the WDC set itself the following objective in its Strategic Statement 2007-2009:

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

There has been relatively little research conducted to date on the creative sector in the Republic of Ireland and there is currently no comprehensive national policy for its development. Given the shortage of previous research it was decided that the first step to achieving the WDC's objective was to conduct baseline research on the sector in the Western Region. In February 2008 the WDC commissioned Oxford Economics, in partnership with Perceptive Insight Market Research (PIMR), to conduct that research. The WDC also established an industry advisory group composed of creative industry experts from the public, private and educational sectors to assist in overseeing the research (see Annex A).

The key objectives for the research were to:

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

The research involved a literature review, a telephone survey of 293 creative businesses in the region and 40 face-to-face interviews with business people in the creative sector, trade associations and development organisations. A stakeholder workshop attended by 30 participants was held in July 2008 to review the draft report and discuss recommended actions. The detailed research report 'Baseline Research on the Creative Industries Sector in the Western Region of Ireland' prepared by Oxford Economics<sup>1</sup> was finalised in October 2008 and is available to download at [www.wdc.ie](http://www.wdc.ie).

#### 1.4

### What is the purpose of this report and who should read it?

This 'Creative West' report gives an overview of the findings of the baseline research. In respect of the recommendations for action, this report has progressed from the baseline research by being made more specific and assigning priority levels.

It is hoped that this document will stimulate interest in the Western Region's creative sector from both within and outside the region and generate interest among stakeholders in working to progress the recommendations outlined.

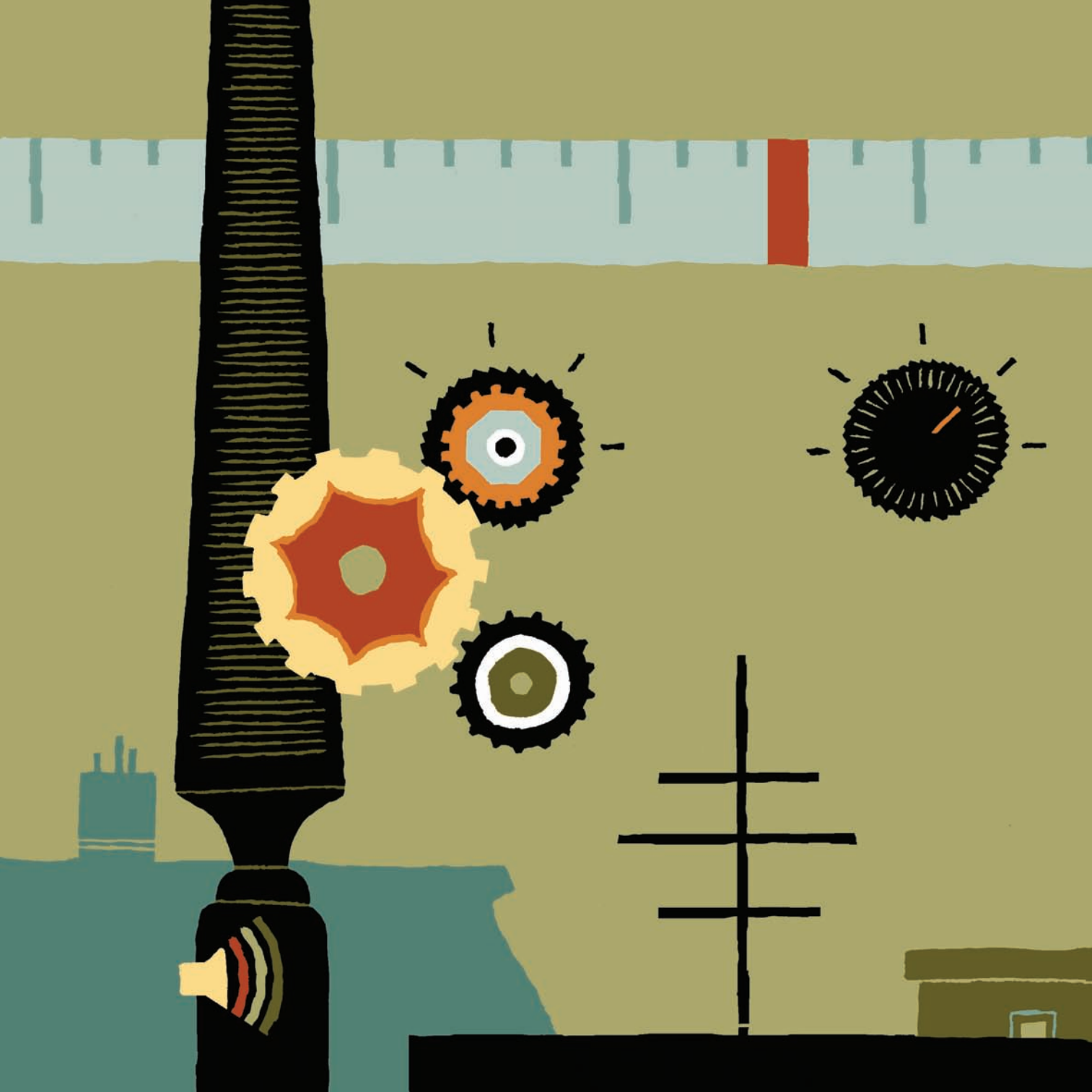
The primary target audiences for this report are those operating within the creative sector both within and outside the region, creative sector trade associations and networks, business development agencies, business people outside of the creative sector and policymakers. Those who wish to delve more deeply into the results and methodology of the research are invited to read the more detailed research report.<sup>1</sup>

## 1.5

# How is this report organised?

The report is structured around the following questions:

- What is the creative sector?
- What is the current size and nature of the creative sector in the Western Region?
- What are the key issues for the region's creative sector?
- How can the region's creative sector be developed?
- What are the next steps?



## 2. What is the creative sector?

### 2.1

#### How is the creative sector defined?

Before examining the importance of the sector, or its size in the Western Region, or indeed how it can be further developed, what the creative sector actually is must be clarified. At its most basic, the creative sector includes those industries which rely on human creativity to generate wealth. Without new, creative ideas, these industries could not exist.

There are many definitions of the creative sector in circulation, and some sources use the term cultural sector or cultural industries to describe a very similar concept.<sup>K</sup> A relatively simple definition has been devised by Oxford Economics for use in this report.

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

## 2.2

# What industries make up the creative sector?

While this broad definition helps us to understand what is meant by the creative sector, a more detailed classification of individual creative industries is also required if the sector is to be analysed and measured.

In total, 12 creative industries are studied in this report. These 12 industries have been aggregated into three broad categories, with each industry allocated to a category according to its core activity i.e. the primary reason for its establishment. The three categories are:

**1. Creative Application** – industries which develop products or services primarily based upon meeting a market demand. This category includes products such as signature designer pieces, books, blueprints or advertisements, and services such as private art galleries. Six creative industries fall within this category:

- Art/Antiques trade (private art galleries, antique shops)
- Architecture
- Fashion
- Publishing
- Advertising
- Crafts

**2. Creative Expression** – industries where products or services are developed for audiences with an expressive story in mind. There is a relatively high level of public funding involved within this category and it includes the arts sector. Three creative industries fall within this category:

- Music, visual and performing arts (musicians, artists, theatre groups)
- Video, film and photography
- Radio and TV broadcasting

**3. Creative Technology** – industries which rely most on technology and digital media, particularly for their core functions. Three creative industries are in this category:

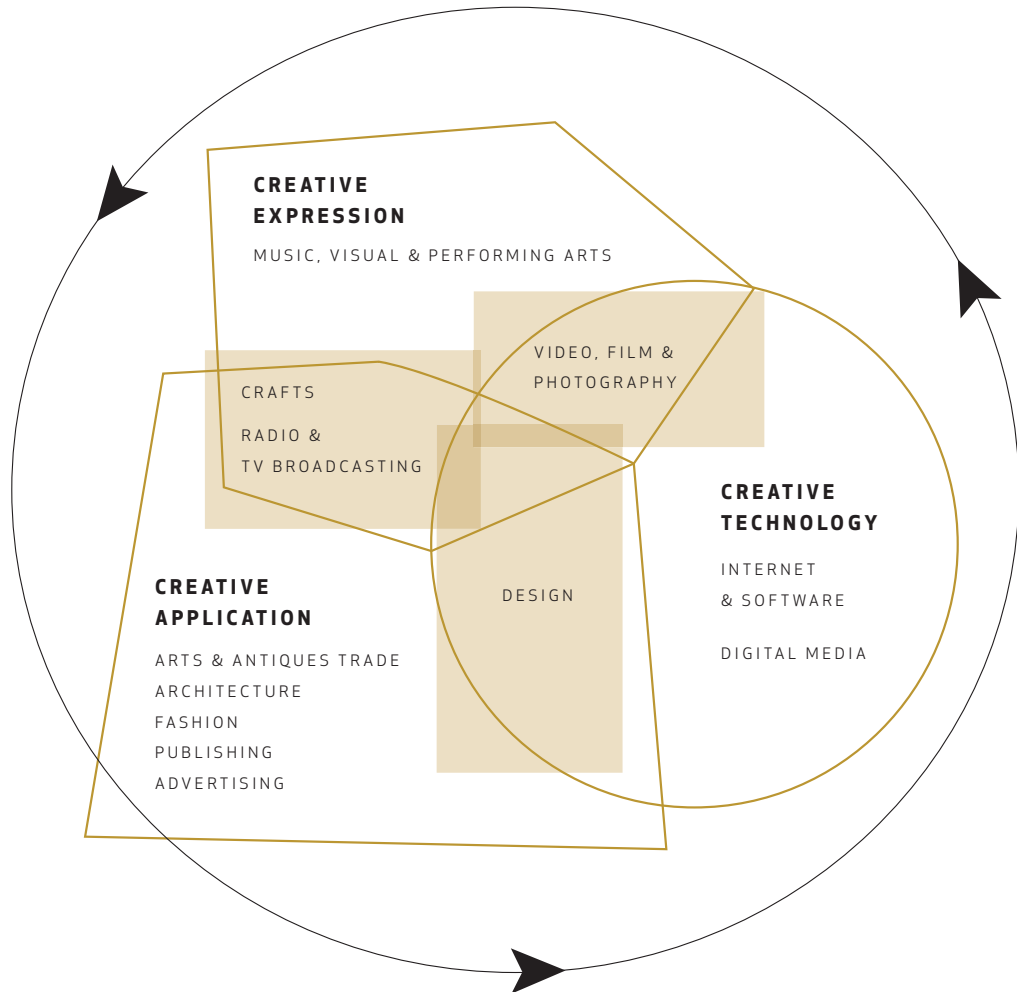
- Internet and software
- Digital media (gaming, animation)
- Design (graphic design, web design)

Although there is some overlap between each of the three categories, this classification represents a majority rules approach. One of the examples of overlap is the crafts industry which is classified as part of creative application however can often have an artistic motivation and therefore overlaps with creative expression. Also while we have included radio and TV broadcasting within creative expression, there is a strong commercial focus in that sector so it also overlaps with creative application. Fig 2.1 shows the three categories as well as the overlap which exists between them.



**Fig 2.1**

## Interaction between creative categories and industries



### 2.3

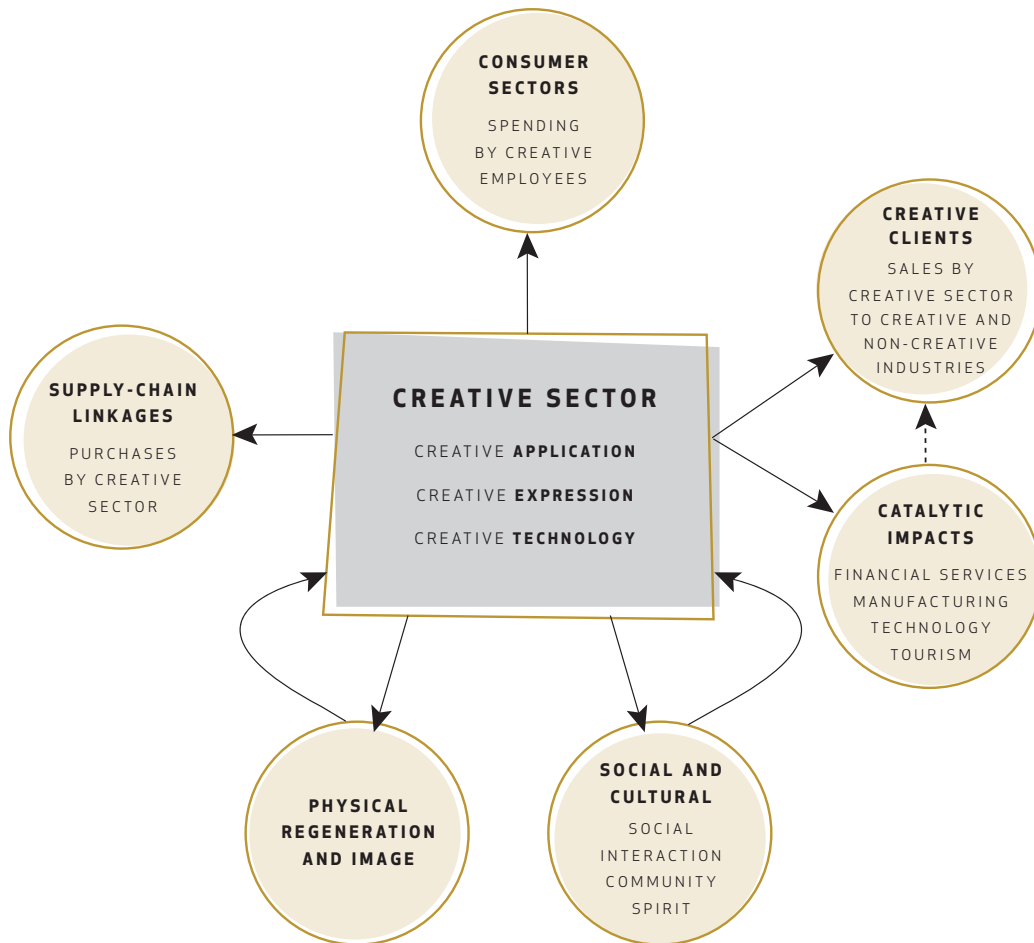
## How is the creative sector linked to other sectors?

As noted in Section 1 the creative sector is interlinked with other elements of the economy and society and its impact in stimulating innovation and creativity in other sectors may in fact outweigh the sector's own direct contribution.

Fig 2.2 illustrates the sector's interlinkages. Clearly there are direct linkages with suppliers and customers, but the sector also impacts on society through providing opportunities for social interaction and community activity, and has catalytic impacts through stimulating innovation across other economic sectors. Some specific examples of linkages would include tourists visiting an area to attend a music event and then purchasing goods and services from the retail and hospitality sectors.

**Fig 2.2**

## Creative sector links to the rest of the economy and society





### 3. What is the current size and nature of the Western Region's creative sector?

#### 3.1

#### How has the region's creative sector been measured?

In order to measure the economic contribution of the Western Region's creative sector, a survey of 293 creative businesses in the region was conducted. The survey results were grossed up to estimate the contribution to the region of the entire creative sector. The creative business survey was conducted by Perceptive Insight Market Research (PIMR) via telephone in April 2008.<sup>L</sup>

By surveying creative sector businesses (as defined in Section 2) data was gathered on these businesses' activities and the people they employ. This approach however excludes those who work in a creative occupation but are not employed in a creative sector business e.g. an in-house designer in a manufacturing business. Identifying such individuals was not possible given the resources available for this research. Some other studies have included such people, for example in the UK it is estimated that 1 million people work within creative sector businesses and a further 800,000 work in creative occupations in other sectors.<sup>M</sup> This difference in what is measured by different studies should be borne in mind when comparing the results for the Western Region with estimates for other regions and countries.

### 3.2

## What is the sector's economic contribution?

*Indicative* estimates of the economic contribution of the creative sector to the Western Region's economy are set out in Table 3.1. In total, it is estimated that there are **4,779 creative businesses** in the Western Region which **directly employ 11,000 people**, equal to 3% of total employment in the region. The creative sector generates **annual turnover of €534m** and directly contributes **€270m to the Gross Value Added<sup>N</sup>** of the region. As noted in Section 1, there are no similar studies of the country as a whole, so it is not possible to compare the size of the sector in the region with the situation in the rest of the country.

In addition to its direct contribution, the creative sector indirectly supports the employment of 3,800 persons mainly through its purchases of business services, personal services, retail and distribution services. This indirect contribution generates €300m in GVA. The induced contribution, which results from the spending of those employed either directly or indirectly by the creative sector, supports an additional 3,600 jobs in retail, personal services and hotels and restaurants. This induced contribution generates €190m in GVA. Both the indirect and induced contributions are not exclusive to the Western Region as purchases may be made from outside of the region, including spending on imports.

**Table 3.1**

Estimated **economic contribution** of the creative sector to the Western Region economy, 2008<sup>o</sup>

	<b>Businesses</b>	<b>Employment</b>	<b>Turnover</b>	<b>GVA at basic prices</b>
	<b>No.</b>	<b>No.</b>	<b>€m</b>	<b>€m</b>
<b>Direct</b>	4,779	11,000	534	270
<b>Indirect</b>	-	3,800	-	300
<b>Induced</b>	-	3,600	-	190
<b>Western Region (total economy) <sup>p</sup></b>	-	365,200	-	21,000
<b>Direct creative sector as % of Western Region</b>	-	3.0%	-	1.3%

**Source**

PIMR, Regional Forecasts/ Oxford Economics and CSO

**Note**

The sample upon which these grossed up figures are based was 282 businesses, employing 2,201 persons with turnover of €111m. Grossed up employment figures are rounded to the nearest 100 and GVA figures to the nearest 10.

### 3.3

## How does this contribution compare with other areas and sectors?

It is not possible to make direct comparisons with the contribution of the creative sector in other regions as methodologies and definitions differ. However the following data provide some context for the above figures:

- London – 1 in 7 jobs are creative. This is based on a broader definition of the creative sector than used in this study.
- New Zealand – 1 in 28 jobs are creative (3.6% of total employment).
- New England (US) – 1 in 25 jobs are creative (4% of total employment).
- Western Region – 1 in 33 jobs are creative (3% of total employment).

While there are differences in how creative employment was measured, it is interesting to note that 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.



It is also interesting to compare the contribution of the creative sector to the region's economy with that of other sectors. The single largest employment sector in the Western Region in 2008 was retail and wholesale trade which accounted for 14% of total employment, while hotels and restaurants accounted for 6.6% and public administration for 5.4%.<sup>9</sup> In this context, the creative sector's share of 3% represents a relatively small but important source of employment.

### 3.4

## How productive is the sector?

The level of productivity varies considerably across the different creative categories in the Western Region as shown in Table 3.2. It is estimated that the productivity of the total creative sector in the region (measured as GVA per employed worker) is €25,000. This varies considerably across the creative categories with average productivity of €56,000 per person employed in the creative technology category, compared with just €17,000 per person employed for creative expression.

The productivity figures for the creative sector in the Western Region are relatively low compared with average productivity figures for the economy. The Western Region's average productivity per worker (for all economic activity) is estimated at €57,000 in 2006, with average national productivity estimated at €75,000.

Relatively low productivity in the creative sector is closely related to the low level of capital inputs employed by the creative sector compared with other, highly capital-intensive industries such as pharmaceuticals or computer equipment.<sup>R</sup> Indeed, many creative businesses are small scale, have low levels of export activity and many creative persons operate on a part-time or hobby basis and are not primarily commercially focused. The particularly low productivity of the creative expression category should also be considered in the context of its positive spillover impacts on the attractiveness of an area, opportunities for social interaction, tourism and the stimulation of creativity in other sectors of the economy.

Table 3.2

Estimated **productivity** of the creative sector categories in the Western Region

	GVA at basic prices	Employment	Productivity (GVA per employed worker)
	€m	No.	€
Creative application	91	4,254	21,000
Creative expression	89	5,202	17,000
Creative technology	86	1,552	56,000
<b>Total creative sector</b>	<b>270</b>	<b>11,000</b>	<b>25,000</b>
<p><b>Source</b></p> <p>PIMR and Regional Forecasts/ Oxford Economics</p> <p><b>Note</b></p> <p>Figures may not add due to rounding</p>			

### 3.5

## What is the size and turnover of creative businesses?

Average annual turnover per business in the Western Region varies considerably among the individual creative industries as can be seen from Table 3.3. Of the three broad categories, creative application has the highest average turnover at €509,000 per annum per business, followed by creative expression at €360,000 per annum and creative technology at €261,000 per annum. At the level of individual creative industries, the radio and TV broadcasting, internet and software, and publishing industries seem to have the highest turnover per business.

In terms of the size of businesses, the creative sector in the Western Region is largely made up of self-employed individuals or micro businesses comprising fewer than 10 employees. Only 12% of the creative businesses surveyed had more than 10 employees, with 39% of those surveyed being self-employed. Digital media, music, visual and performing arts, and video, film and photography businesses are particularly small in terms of employment and turnover. Internet and software, and radio and TV broadcasting businesses tend to be the largest.

**Table 3.3**

Share of businesses in each creative industry by average annual turnover per business and number of employees

Creative Industry	Avg. Annual Turnover per business (€000)	Percentage of sample in each employee size category (%)			Sample size
		Self- employed	2-10 employees	11+ employees	
Crafts	618	37	43	20	35
Architecture <sup>5</sup>	462	17	70	13	53
Fashion	720	0	20	80	5
Publishing	805	13	56	31	16
Advertising	350	0	100	0	2
Art or antiques trade	255	52	44	4	27
<b>Creative application</b>	<b>509</b>	<b>28</b>	<b>55</b>	<b>17</b>	<b>138</b>
Music, visual & performing arts	197	50	45	5	20
Video, film & photography	151	54	43	4	61
Radio & TV broadcasting	1,582	8	38	54	13
<b>Creative expression</b>	<b>360</b>	<b>47</b>	<b>43</b>	<b>10</b>	<b>94</b>
Internet & software	1,575	0	50	50	2
Digital media	127	57	43	0	7
Design	219	56	41	2	41
<b>Creative technology</b>	<b>261</b>	<b>54</b>	<b>42</b>	<b>4</b>	<b>50</b>
<b>Creative sector – total</b>	<b>414</b>	<b>39</b>	<b>49</b>	<b>12</b>	<b>282</b>

**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 surveyed, not grossed up figures.

### 3.6

## What is the industry composition of the sector?

It is estimated that the creative expression category accounts for three-quarters of all creative businesses in the region (3,522). However as it is largely made up of self-employed persons with less commercial focus, this category actually has a lower total turnover (€180m) than the creative application category (€201m) which has far fewer businesses (911). Creative technology businesses meanwhile make up only 7% of the total number of businesses but 28% of total turnover.

Fig 3.1, 3.2 and 3.3 set out the composition of creative businesses, employment and turnover in the Western Region by individual creative industry. It is striking that the music, visual and performing arts industry accounts for 66% of all businesses, 30% of all employment and only 19% of all turnover. As it is difficult to know how many of these artists are full-time, caution is urged when reporting the size of this industry.

The internet and software industry on the other hand accounts for 2% of businesses, 7% of employment but 19% of turnover. Other relatively large industries in employment terms include: crafts; video, film and photography; radio and TV broadcasting; architecture; and design. The results suggest that advertising and digital media are currently relatively small.

Fig 3.1

Share of **total businesses** in Western Region's creative sector by individual creative industry, 2008

Source

PIMR and  
Regional  
Forecasts/  
Oxford  
Economics;  
and WDC

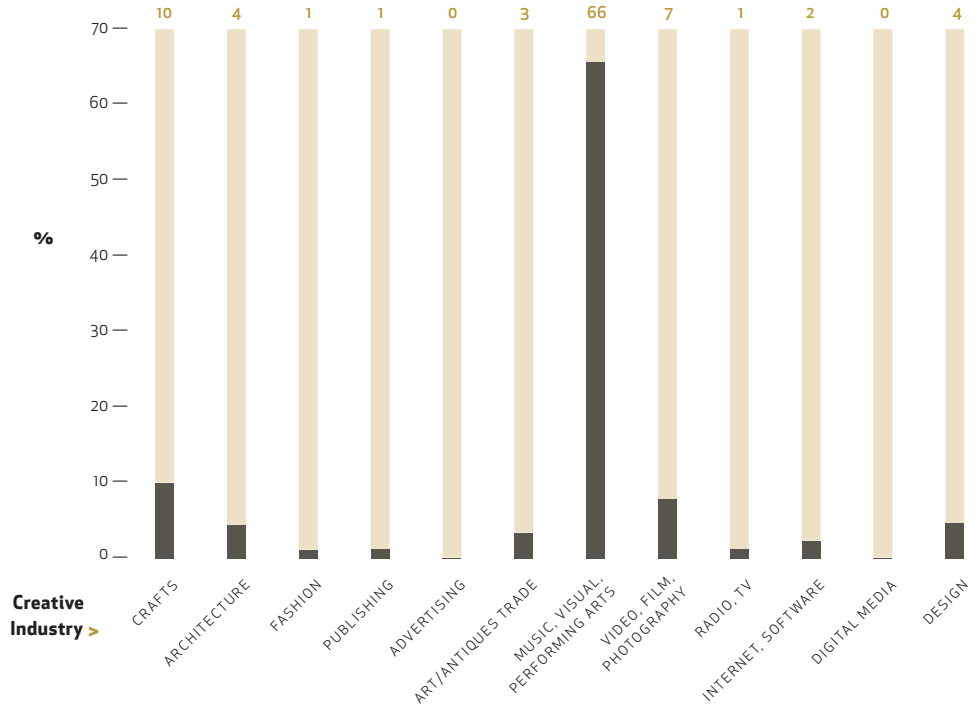
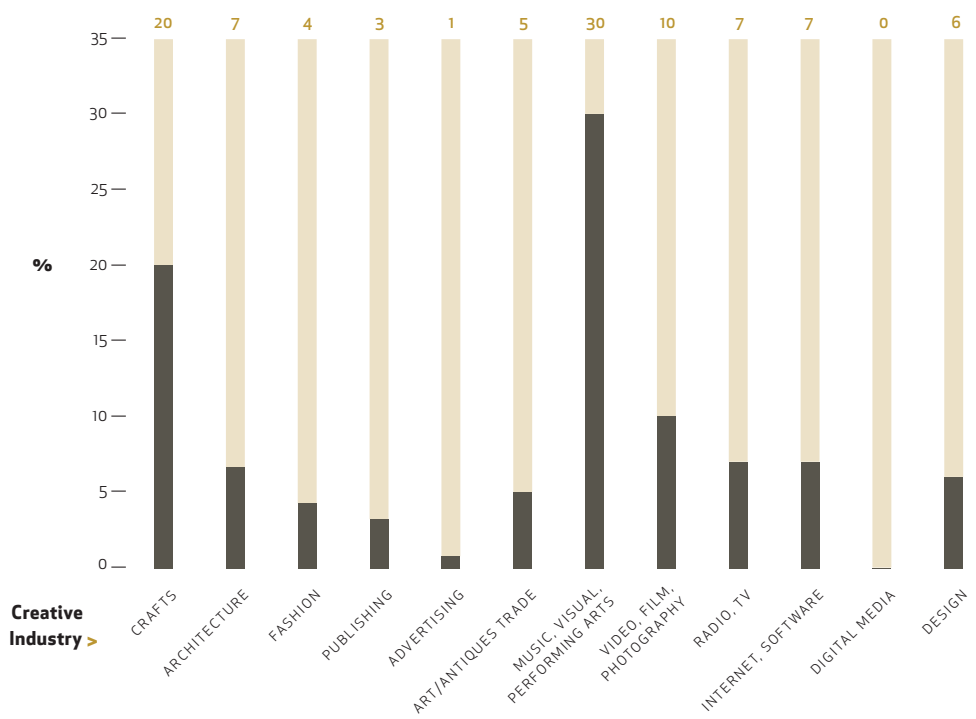


Fig 3.2

Share of **total employment** in Western Region's creative sector by individual creative industry, 2008



Source  
PIMR and  
Regional  
Forecasts/  
Oxford  
Economics;  
and WDC

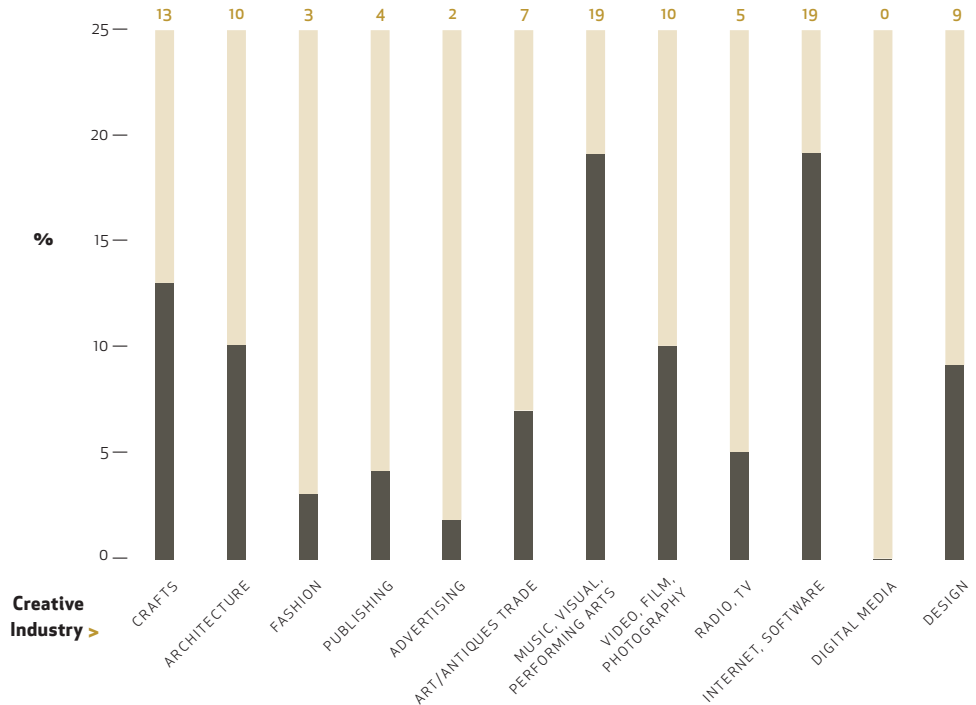


Fig 3.3

Share of **total turnover** in Western Region's creative sector by individual creative industry, 2008

Source

PIMR and  
Regional  
Forecasts/  
Oxford  
Economics;  
and WDC



3.7

How does the creative sector’s contribution vary across the region?

The Western Region’s creative sector is not spread evenly across the seven western counties. The map (Fig 3.4) shows the estimated number of people employed in the creative sector in each county, as well as the share of total employment in that county accounted for by the sector. According to the survey Leitrim has the highest proportion of people working within the sector (4.4% of total employment in the county). The next highest in terms of the share of total employment were Sligo, Galway and Donegal.

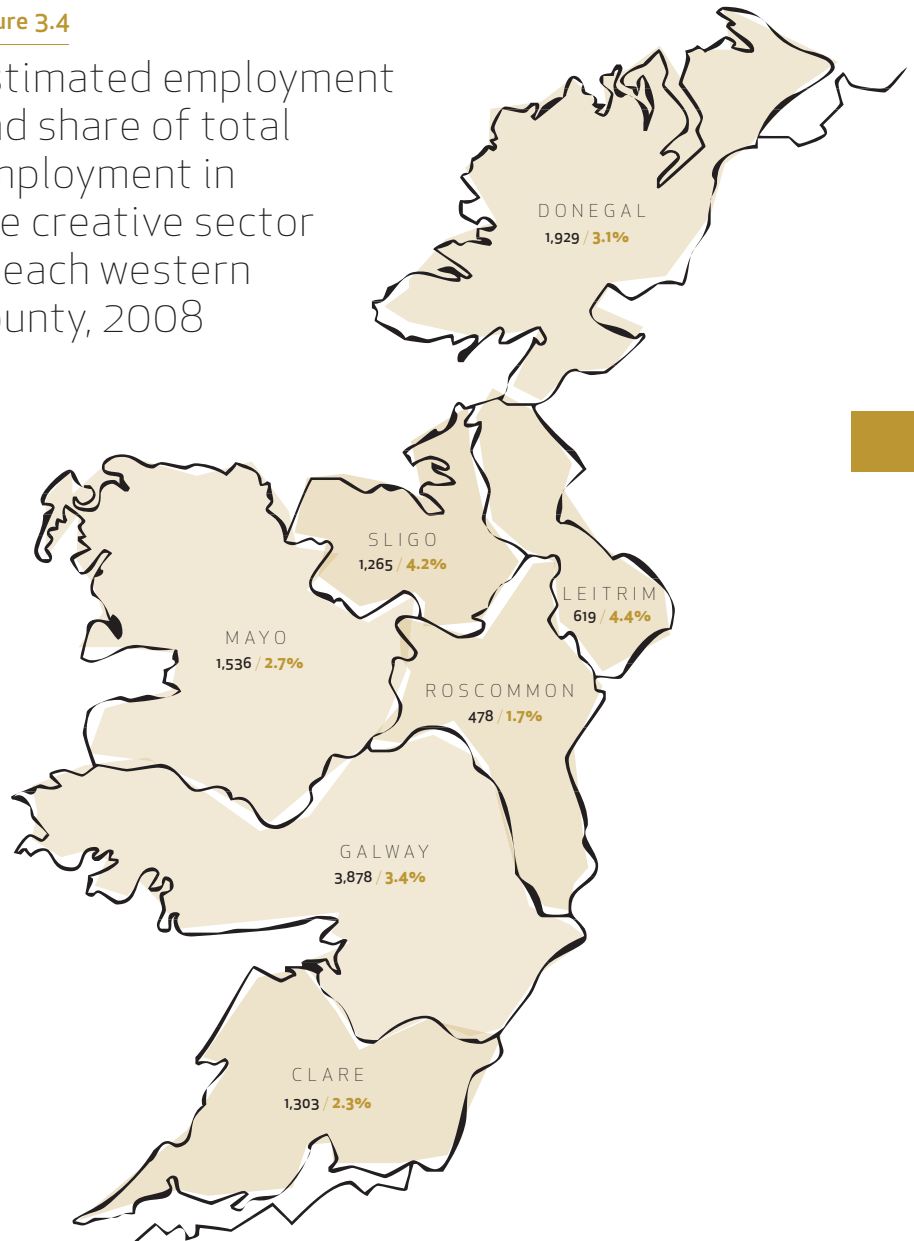
County	Employment	Share of total employment
Donegal	1,929	3.1%
Sligo	1,265	4.2%
Galway	3,878	3.4%
Mayo	1,536	2.7%
Clare	1,303	2.3%
Roscommon	478	1.7%
Leitrim	619	4.4%
Western Region	11,000	3.0%

Source

PIMR and Regional Forecasts/  
Oxford Economics

**Figure 3.4**

Estimated employment  
and share of total  
employment in  
the creative sector  
in each western  
county, 2008



## What are the other main research findings?

- **Significance of creative work for the creative sector:** Employment in creative businesses includes people who are in creative occupations such as designers, artists, film directors, and also people in support roles such as marketing, finance and administration. Figures have been presented for total employment in creative businesses however it is useful to also consider what share of total employment is composed of those with creative occupations.

Of the 11,000 total direct jobs, it was estimated that 8,288 (75%) are specifically creative jobs while 88% of total turnover (€470m) is earned from creative activities (see Annex B, Fig B.1).

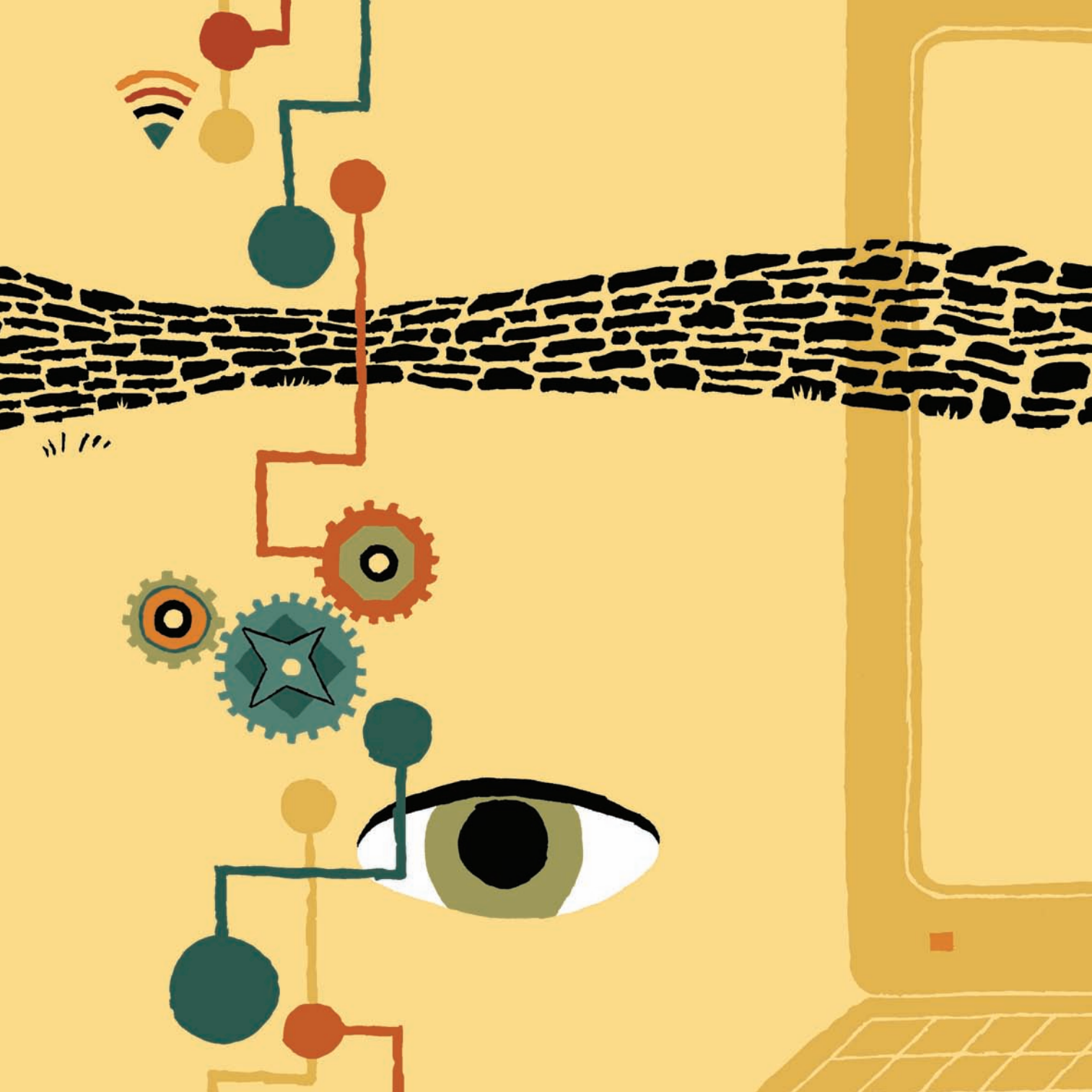
- **Export activity of creative sector businesses:** It is estimated that 66% of creative businesses surveyed in the Western Region receive less than 5% of their total turnover from exports. Most creative businesses in the region export little or no goods or services. Only 11% of businesses received more than 50% of their turnover from exports. The creative technology and creative application categories tend to have a greater share of businesses with high export levels.

The estimated value of total creative sector exports from the region is relatively low at €72m, with the main export destinations being Northern Ireland, the rest of the UK and North America (see Annex B, Fig B.2).

- **Supply linkages between the creative and other sectors:** The main goods and services purchased by creative businesses were technical equipment and IT, materials, stationery and contract labour. Examples of clients that purchase from the region's creative sector are the general public, corporate clients, retailers and craft shops, property developers and the hospitality sector (see Annex B, Fig B.3 and B.4).

- **Recent performance of the creative sector:** The survey results show that 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. Creative technology businesses, along with radio and TV broadcasting, and advertising have performed strongest. Fashion, crafts, and video, film and photography on the other hand registered the weakest performance. During the year prior to April 2008, one in five creative businesses recruited new staff (see Annex B, Fig B.5, B.6 and B.7).
- **Outlook for the creative sector in the coming years:** While the survey results on future outlook are unlikely to still be accurate given the downturn in the economy since April 2008, it is interesting to consider the outlook of these businesses at that time. Survival was the main priority for businesses in the fashion, crafts and architecture industries, which indicates that such firms are likely to be in a particularly vulnerable situation given the deteriorating economic conditions since then. In contrast, other industries had more ambitious aspirations with more businesses in digital media, publishing, radio and TV broadcasting, internet and software, and video, film and photography planning to grow moderately.

Even in April 2008, fewer than one in ten creative businesses surveyed were planning to grow rapidly over the coming 12 months. While this may have reflected prevailing economic and sector conditions, it is also an indication of the lack of commercial focus of many individuals and businesses in the creative sector.



## 4. What are the issues for the Western Region's creative sector?

### 4.1

#### What are the key issues for the sector?

The key issues for the region's creative sector have been categorised under three headings:

- **Creative people:** related to the level of skills and creativity within the region's population, provision of local training courses and the activities of educational institutions, as well as the level of diversity.
- **Creative place:** related to the attractiveness of the region including its landscape, heritage, built environment, infrastructure, social network and quality of life.
- **Creative supports:** related to the facilitating policies and programmes available to the creative sector, such as funding, networking opportunities and marketing capabilities.

The issues were analysed to identify the key strengths and weaknesses of the Western Region's current creative sector. In addition, future opportunities, as well as possible threats to future growth, were identified. The resulting strengths, weaknesses, opportunities and threats (SWOT) analysis is set out in Table 4.1 overleaf and represents a summary of the key issues for the Western Region's creative sector and its future development potential. These issues are further elaborated on in the remainder of this Section.

Table 4.1

## Strengths, weaknesses, opportunities and threats (SWOT) of the

	Strengths	Weaknesses
<b>Creative People</b>	<ul style="list-style-type: none"> <li>• High level and diverse mix of skills across counties</li> <li>• Current structure of both new and established businesses – mainly indigenous</li> <li>• Diverse education institutions offering courses relevant to the creative sector</li> <li>• Growing diversity of the population – multicultural society</li> </ul>	<ul style="list-style-type: none"> <li>• Untapped potential of a high number of businesses/skilled people</li> <li>• Shortage of certain creative skills</li> <li>• Lack of basic business skills amongst those working in the sector and new entrants</li> <li>• Low levels of research and development limiting innovation in the sector</li> </ul>
<b>Creative Place</b>	<ul style="list-style-type: none"> <li>• Landscapes, lighting, natural settings, uniqueness</li> <li>• Good range of urban and rural settings, from city to remote rural areas</li> <li>• Work/life balance, quality of life</li> <li>• Cost of living</li> <li>• Advantage of small communities</li> <li>• Irish language and heritage, and other cultural resources</li> <li>• Two international airports and three regional airports</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of suitable low cost workspaces</li> <li>• Surface connectivity between regions, i.e. road network</li> <li>• Insufficient broadband capacity and connectivity</li> <li>• New built developments not always sensitive to West's uniqueness</li> </ul>
<b>Creative Supports</b>	<ul style="list-style-type: none"> <li>• Existing critical mass in certain areas of the region e.g. Galway, Sligo, Leitrim</li> <li>• Support from community based organisations</li> <li>• Social networks for creative people in certain local areas</li> <li>• Strong festival culture in the region</li> <li>• Availability of funding sources</li> </ul>	<ul style="list-style-type: none"> <li>• Poor networking between creative businesses across counties</li> <li>• Low level of alliances/joint projects, particularly among smaller businesses</li> <li>• Lack of information surrounding funding opportunities</li> <li>• Lack of showcasing of local talent by tourism sector</li> <li>• Lack of awareness of role of creative industries in innovation within non-creative sectors such as manufacturing, financial services and tourism</li> <li>• Distance from primarily Dublin-based trade associations</li> </ul>



# Western Region's creative sector

Opportunities	Threats
<ul style="list-style-type: none"> <li>• Tapping into the hidden skills currently operating in the Western Region</li> <li>• Connecting skills across the region</li> <li>• Utilising the experience of individuals and longevity of businesses within the region</li> <li>• Technological hubs or clusters to enhance business development</li> <li>• Tapping into digital revolution, including investment in research</li> <li>• Increased flows of talent between creative and non-creative businesses</li> <li>• Stimulating a greater culture of creativity</li> </ul>	<ul style="list-style-type: none"> <li>• Losing current creative talent from the region</li> <li>• Reduced diversity in the region due to lower in-migration as a result of economic factors</li> <li>• Focus of policy on attracting new skills rather than sustaining and encouraging established skills</li> </ul>
<ul style="list-style-type: none"> <li>• Attraction of new businesses</li> <li>• Relatively unspoiled landscapes</li> <li>• Enhancement of the quality of the built environment</li> <li>• Widespread recognition of the importance of the creative sector to the region</li> <li>• Potential of the character of the Western Region to stimulate creative growth</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of appropriate creative infrastructure e.g. studios, theatres</li> <li>• Risk of over-development or over urban-centred development plans spoiling the area's character</li> <li>• Insufficient supply of good, stable employment opportunities for current and new creative workers</li> </ul>
<ul style="list-style-type: none"> <li>• Increased access to export markets</li> <li>• Marketing creative uniqueness of the Western Region</li> <li>• Creating an integrated regional approach, through facilitated networking</li> <li>• Funding tailored to the needs of each of the creative industries to help businesses develop</li> <li>• Creativity becoming a key input into the development of non-creative sector businesses – cross-sectoral linkages</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of sustainability criteria leading to a drying up of funding</li> <li>• Lack of appropriately tailored funding opportunities for creative businesses</li> <li>• Narrow county-based development rather than collaborative regional approach</li> <li>• Public procurement policies – tendering criteria</li> </ul>

## **4.2**

### How were these issues identified?

To supplement the results from the survey, 40 interviews were also conducted – 25 with business people in the sector, five with representatives of trade associations and a further ten with individuals from key public sector organisations. These interviews were undertaken by Oxford Economics during April-June 2008. A stakeholder workshop attended by 30 participants was held in July 2008 to identify additional issues and the expert advisory group which oversaw this research (see Annex A) also provided their views.

### 4.3

## What are the creative people issues for the Western Region?

Given the importance of human creativity to the creative sector, the attraction, retention and development of creative people and talent can be seen as the keys to success for the sector in the region. The main issues which emerged from the research were:

*"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)

- **Creative talent:** All those interviewed believed there was a high level of creative talent across all creative industries in the Western Region. However both organisations and businesses reported finding it difficult to tap into this skills base and to know exactly who is operating in the creative sector in the West.

The survey results showed that 8 of the 10 industries that reported recruiting staff over the last year found recruitment very or quite difficult, with creative technology sectors experiencing the greatest difficulty. Staff such as architectural technicians with CAD qualifications, crafts persons trained to international standard, software engineers, graphic designers and qualified photographers were cited as particularly difficult to recruit.

The advisory group noted that the workforce in the creative sector tends to be highly mobile creating positive flows of skills, ideas and creativity between the creative sector and other sectors throughout the economy. As this can involve both movements within the region and flows into or out of the region, this can be both an opportunity to stimulate innovation across the regional economy and a challenge in terms of retaining creative talent in the region.

The advisory group also pointed out that a key requirement for creativity is diversity, as areas with more diverse populations tend to be more tolerant and open to new and different ideas.<sup>T</sup> Traditionally the West has had quite a homogenous population however recent migration patterns mean that in 2006, 16% of the population of the region had been born outside of Ireland<sup>U</sup> creating an opportunity for increased creativity.

- **Education and training:** There was a feeling that creativity may not be adequately valued by society and that there is a need to stimulate a greater culture of creativity. It was suggested that links between primary and secondary schools and the creative sector would enhance creative learning at a younger age and expose the younger generation to opportunities within the sector.

Businesses and education providers both suggested there were insufficient linkages between creative businesses and the universities and colleges. Activities such as creative individuals tutoring at local institutes or in-house training by the institutes within creative businesses could address some of the problems. Time and cost constraints were highlighted by businesses as barriers to training and educating new staff.

Some businesses noted that the level of creative talent in the region is not an issue but rather a lack of basic business skills. It was felt that there is a lack of people in the sector who combine creative knowledge and business acumen, particularly in terms of sales skills.

### **Creative training in education institutions in the Western Region**

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

- Huston School of Film and Digital Media at NUI Galway.
- Furniture design specialisation at the Letterfrack campus of Galway-Mayo Institute of Technology.
- Centre for Design Innovation at the Institute of Technology Sligo.
- Burren College of Art which provides opportunities for international artists.
- Courses in computer games development at the Letterkenny Institute of Technology.

## 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 across the world.

The Burren College of Art offers a two year Masters of Fine Art as well as 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.

*“Without our College the area would be solely dependent 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)**

#### 4.4

## What are the creative place issues for the Western Region?

Ensuring that the Western Region has the attributes of a creative place is essential in order to attract creative skills and enterprises to the region as well as support the growth of the region's existing sector. The main issues that emerged from the research were:

- **Quality of life:** The quality of life in the Western Region was cited by those interviewed as an important factor influencing their location in the region. In the survey, quality of life and family reasons were cited as the second and third most important reasons for creative businesses locating in the region.

Of those interviewed who had relocated their businesses from Dublin, all had moved for the quieter lifestyle and to get away from the 'hustle and bustle' of city living. They felt that creative workers have the flexibility to work from any location as long as facilities, such as a quality broadband connection and supporting organisations, are available.

Although the Western Region exhibits an attractive quality of life for creative people, unless there are sufficient and relatively secure employment and businesses options available, they will be reluctant to relocate simply for quality of life reasons. Concentrations of employment are important for attracting creative people and providing the opportunity for workers to move between creative industries and other sectors of 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)

*"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)

*"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)

- **Natural environment and creative inspiration:** An attractive location was one of the main motivations for many of those interviewed in their decision to locate in the West. This was particularly important for those operating within the creative application and creative expression categories. Elements such as the landscape, remoteness, natural surroundings, waterways, lighting, space and heritage were cited as important for allowing creativity to thrive.

The culture, language and heritage of the Gaeltacht areas of the region also contribute to the uniqueness of the area. This has provided a stimulus for developments such as the audio-visual cluster in Connemara which is centred on Irish language programming.

- **Connectivity:** When asked in the survey what they would recommend in order to attract or retain creative businesses in the Western Region, improved infrastructure and communications was the top response of creative businesses. The lack of sufficient quality broadband services across many parts of the region was evident from the interviews. Broadband services were cited as critical to the operation of all creative businesses, however creative technology businesses have very specific requirements for large bandwidth.

Transport connections, including international air access, were key factors determining the location of creative businesses. The fact that the Western Region has two international and three regional airports has contributed to the decision to locate or remain in the region for a number of those interviewed.

- **Workspace and infrastructure provision:** The majority of self-employed creative workers interviewed had built their own creative workspaces, studios and/or office space. The high cost of workspace in a city/town centre or suburbs was cited as a reason why many of the businesses interviewed operated in more rural areas and/or worked from home.

The advisory group stressed that the lack of available low cost workspace limited the opportunities and ambition of creative people, particularly in the creative expression category. For example, visual artists have traditionally been drawn to underdeveloped and rural areas because of the availability of low cost workspace, if costs increase significantly they tend to move elsewhere.

A further expansion of the creative infrastructure, such as theatres, art galleries, recording studios was also cited as important to underpin the sector and to facilitate future development. Those businesses located in more remote areas noted the importance of community facilities such as the local post office or newsagents for running their businesses.

- **Planning and development:** A number of those interviewed felt that new urban centre developments, tourism strategies and other development plans did not always take the needs of established creative businesses into account.

The sustainability and longevity of some new property developments was also a concern amongst those interviewed. It was felt that new developments and investment needed to enhance the reasons for locating in the region by being tailored to the West's key strengths rather than simply trying to replicate Dublin.

The advisory group noted that an attractive built environment and urban landscape can enhance the sense of a creative place and help in attracting more creative people to an area.

*"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)**



## 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)

## 4.5

# What are the creative support issues for the Western Region?

The creative supports of an area refer to the overall framework of stakeholders, policies, funding support and programmes which are available to the creative sector. The main issues that emerged from the research were:

- **Networking and alliances:** All businesses reported that the level of networking within the sector is quite minimal. Businesses typically operate in relative isolation within their local area. The survey results showed that only one in four creative businesses in the Western Region joined with other businesses in the last year to deliver projects and that smaller businesses and businesses with a low share of exports were less likely to form such alliances. Ninety-nine percent of those businesses that were 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 office or development bodies was crucial for their businesses to keep up to date with industry developments and opportunities.

In terms of networking outside the creative sector, those interviewed highlighted the need to increase links between the creative sector and the wider business community. Links with the hospitality and tourism sector were felt to be particularly important for the creative expression category to provide facilities to showcase local talent. The advisory group stressed the critical need to network with all economic sectors e.g. biomedical devices, ICT, in order to stimulate innovation across the economy.

The general experience of those interviewed was that there can be difficulties in the creation of formal networks. Where there was a very clear business benefit from the network and it had a specific focus or facilitator involved there was a higher chance of success. Small businesses and the

*"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)**

*"Showcasing local talent and continuously supporting the film industry is what the Galway 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)

*"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)

self-employed often lack the time and capacity to establish and engage with formal networks.

- **Marketing and promotional mechanisms:** All those interviewed believed that marketing programmes and branding strategies could play a key role in supporting a regional creative strategy. In the survey, advertising and promotion of the region was the top response when asked what assets were required for the region's creative sector to grow.

However it was felt that marketing the region from a purely creative lifestyle perspective would not be sufficient to attract profitable creative businesses, such as those in the creative technology category. Other factors conducive to doing business such as the lower cost of living, lower business start-up costs, innovation developments and good economic infrastructure also needed to be highlighted.

The importance of showcasing and utilising local creative talent in the various festivals and exhibitions was also highlighted. Businesses from the creative expression category noted that the larger, more marketable festivals, such as the Galway Arts Festival, tended to focus more on international talent.

The advisory group felt that in addition to promoting the creative sector itself, the wider concept of creativity as inherent to the region should be an integral element of the promotion. Highlighting the wider role of creativity in stimulating innovation across the economy would strengthen the case for developing the region's creative sector.

- **Research and development:** Those interviewed across all categories noted that additional research and development within the creative sector, particularly in the area of creative technology, was needed for the West to compete internationally. Creative technology businesses suggested that creating a centre for technological research directly relevant to the sector could ensure that new and emerging markets were identified and businesses in the region were in a position to take advantage of these.

- **Access to funding:** From the interviews, there seemed to be some confusion over the accessibility of funding sources, particularly in the creative technology field. For example the eligibility criteria of certain funding programmes, in particular those associated with starting a new business, were felt to be unclear. In the view of several of the creative business people, there is also a lack of information about funding opportunities. Furthermore the information that is available may not be received in time to develop a substantive response.

The advisory group raised the question of the appropriateness of certain funding schemes. Many 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 suit the needs of a creative individual who is trying to develop a new idea, an activity that can be viewed as a risky investment for a funding agency. 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. Enterprise Ireland's High Potential Start Ups (HPSUs). However certain creative businesses may not be interested in scaling-up, particularly if they are centred on one or a small group of individuals' creativity. The impact of such businesses can go beyond their own direct output and have spillover impacts on the creative culture and attractiveness of the area for other businesses. The advisory group suggested that it may be possible to take these wider impacts into account in funding decisions for such businesses.

According to the survey results, one in five creative businesses received public funding support in the last year, with a slightly higher share of creative technology businesses receiving funding. This may be a result of a larger number of new start-ups in the creative technology category, or reflect the sectoral focus of certain funding agencies. 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 4.1).

*"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 apply to funding calls."*

**Leitrim Design House  
(Co Leitrim)**

**Fig 4.1**

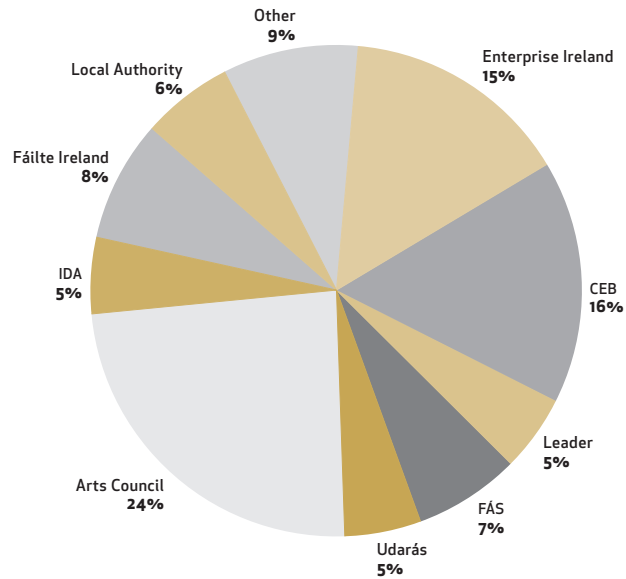
Percentage of creative businesses in the Western Region receiving **public funding** by source, April 2007-April 2008

**Source**

PIMR and Regional  
Forecasts/  
Oxford Economics

**Note**

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



- **Public procurement:** The importance of public procurement was highlighted by the advisory group. The public sector is a large purchaser of goods and services, over 10% of the survey responses mentioned the public sector as a client. Therefore the criteria applied in public procurement can have an influence on the development of the sector. In some cases tender requests require a minimum level of turnover or specific previous experience on the part of tendering companies. These can present a barrier to new entrants or smaller companies. It was noted that this presents a particular challenge for architectural businesses. In addition the weighting applied by the public sector to good or innovative design in proposal evaluation can influence the growth of the sector.

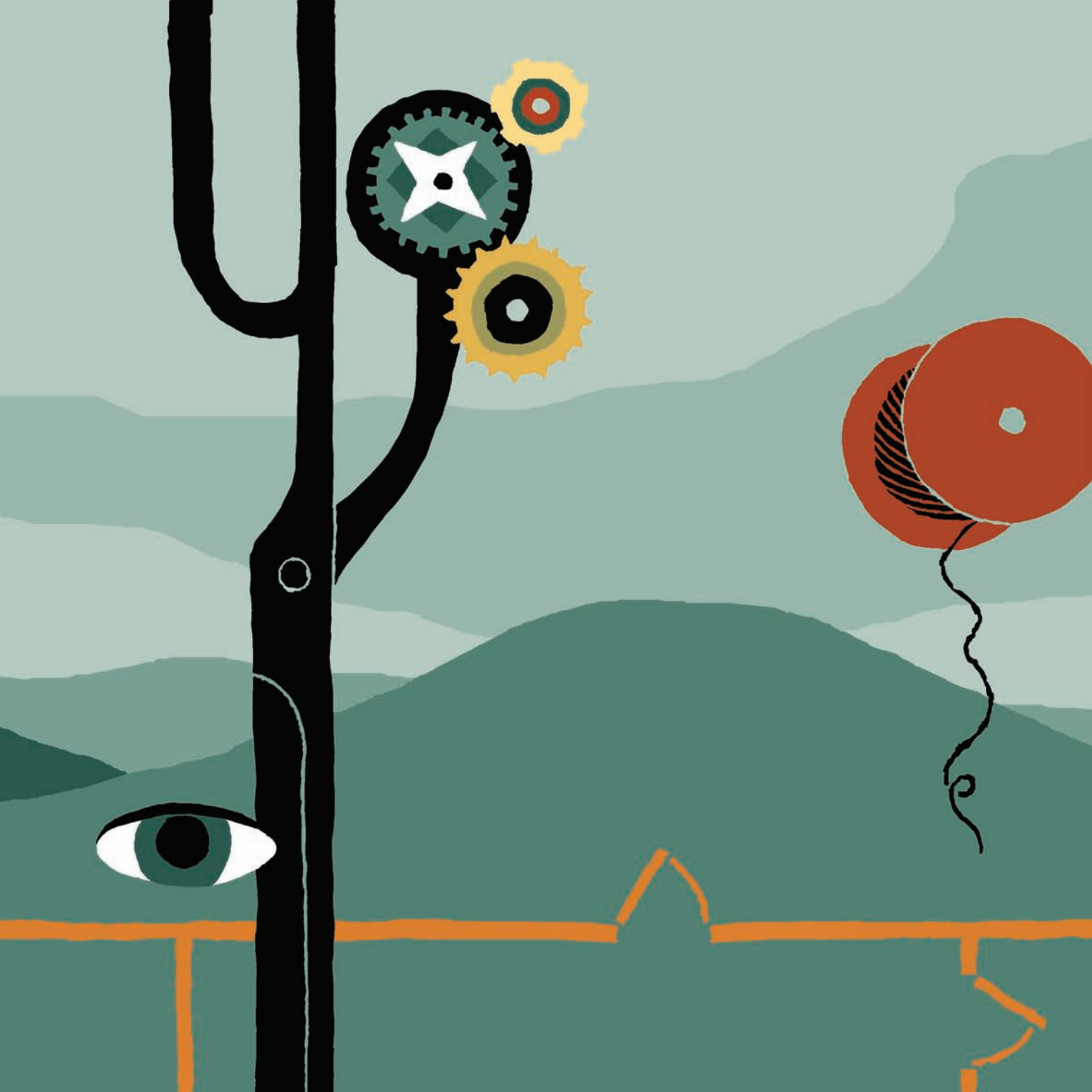
## Mantis Cranes, Co Donegal

Established in 1999, Mantis Cranes is already recognised as the innovator of self-erecting cranes in the Irish market; providing equipment for sale and hire. It was decided to keep manufacturing in Ireland and to grow their R&D and design capability. In 2008 they participated on the Innovation by Design programme; an 18-month programme of workshops and mentoring to transfer creative tools into six SMEs in the northwest to help them innovate and grow, which was run by the Centre for Design Innovation at IT Sligo.

Following a brand workshop that introduced the concept of customer touch points, an extended team from Mantis came to the Centre for Design Innovation offices to map out their service offering. Mantis expects the new tools and approach developed for their service offering and new product development to help them enter new markets, become more competitive and less sensitive to price pressure.

*"They were the first genuine workshops that I'd ever been on in a training programme ... we were actually doing the work. The new crane ... will be more user-friendly for the customer, and more friendly for fabrication and service. Lead times have been reduced and that goes back to the fact that we now have a formal design management tool for doing it."*

**Robert Rowlette, Mantis Cranes (Co Donegal)**





## 5. What can be done to develop the 'Creative West'?

### 5.1

#### What principles underpin the sector's future growth?

Following the analysis of the survey results, combined with the issues emerging from the direct interviews as well as the literature review, it was found that there were a number of fundamental principles that were necessary to underpin the future success of the Western Region's creative sector. These principles formed the basis of the recommendations presented in this Section.

### Principles underlying the 'Creative West'

1. **Creativity is an asset** and creative talent should be supported in order for it to be maintained, developed and enabled to contribute to the growth of the knowledge economy.
2. Potential exists for the region's creative sector to **participate more fully in global markets** and to enhance its export capacity.
3. Preserving the **landscape, built environment and natural heritage** of the region, bearing in mind its predominantly rural nature, is necessary to ensure that the West's creative place strengths are maintained.
4. The **catalytic and spillover effects** of the creative sector can be significant for driving innovation in the regional economy.
5. **A regional approach** to development of the sector will serve to build capacity across the region, and extend the diversity and efficiency of the region's creative sector. It is important that such a regional approach be aligned with any future national policy for the sector.
6. Enhanced **partnership** between the private and public sector will contribute to the realisation of the creative sector's potential. Increased coordination and linkage among the various stakeholders in the sector will help foster a dynamic, vibrant sector.

## 5.2

### What is the policy context for the sector?

Given the importance of the creative sector, a policy framework to facilitate and support its development is required. According to a study commissioned by the European Commission, the creative sector has a key role to play in achieving the target set in the Lisbon Strategy for the EU to become the most dynamic and competitive knowledge-based economy in the world by 2010. The importance of the creative sector in achieving this overall goal is highlighted by the fact that growth of this sector from 1995–2003 was 12% higher than growth of the overall EU economy.<sup>v</sup> This has led to considerable policy attention on the creative sector across EU countries.

There has been relatively little research or policy focus on creative sector development in the Republic of Ireland.<sup>w</sup> While there are several reports on individual creative industry initiatives or strategies, there is no overarching national policy aimed at strengthening the creative sector as a whole. Some examples of policy work that has been carried out in Ireland to date include:

- The Enterprise Strategy Group (2004) provided recommendations for enterprise development in the Creative Services (Design) and Creative Industries (Entertainment/Media) sectors.
- Forfás included creative industries as a case study sector in its 2006 report on 'Services Innovation in Ireland: Options for innovation policy' which looked at innovation models for the services sector.
- The Expert Group on Future Skills Needs has published a number of reports on skills needs in the digital content/digital media area.
- The Arts Council of Ireland has also produced a number of publications specifically related to the arts sector in Ireland.

### 5.3

## What are the priorities of those working in the creative sector?

When asked during the survey what assets were required in order for creative businesses in the Western Region to expand, the top responses given were advertising/promotion of the region, a larger customer base, improved broadband and funding.

A second survey question asked businesses what they thought was needed to attract creative businesses to the Western Region and to retain those already located here. The top responses in this case were improved infrastructure and communications, quality of life and financial incentives.

These responses correspond strongly to the issues already highlighted in Section 4 which emerged from the interviews and stakeholders workshop.

## 5.4

# How can the Western Region's creative sector be developed?

The priority recommendations for developing the Western Region's creative sector are presented below. The recommendations presented in Chapter 7 of the report 'Baseline Research on the Creative Industries Sector in the Western Region of Ireland' have been summarised and ranked in order of priority for the purposes of this report.

## 5.4.1

### **'First tier' recommendations**

The first seven recommendations are considered to be the 'first tier' of priorities for developing the region's creative sector. However many of the recommendations outlined here are closely interrelated and the overall impact will be greatly enhanced through a coordinated approach to implementation. While no indication is given here of responsibility for implementing the various recommendations, pursuing strategies for implementation with relevant stakeholders will be the focus of the WDC's next stage, as set out in Section 6.

‘First tier’ recommendations

OBJECTIVE	ISSUES	RECOMMENDATIONS
<div>A</div> <div>Enable more effective production and development of creative goods and services through establishing networks of practice</div>	<div>At present there is minimal networking between creative industry business people in the region, particularly among smaller businesses. This diminishes the opportunities for product and market development.</div>	<div>a) Organise a series of events across the Western Region for business people from the creative sector to have an opportunity to interact with each other and establish networks of practice. Such events would need to provide a very clear benefit to encourage participation, such as the information attendees will receive or the business connections they will make. Events may take the form of workshops on particular topics, a design challenge event, a public showcase event, a conference, an international visit to witness a best practice model etc.</div> <div>b) In certain creative industries a particular market need may require the establishment of a formal network. Such networks should be driven by a tangible need being expressed by business people in a particular creative industry e.g. architects, digital media.</div>

OBJECTIVE	ISSUES	RECOMMENDATIONS
<p><b>B</b></p> <p><b>Facilitate export growth and domestic sales by effectively promoting the 'Creative West'</b></p>	<p>Currently the Western Region does not have a coherent 'brand' which identifies it as a creative region. The region's creative sector also has a low level of engagement with international markets and low export activity.</p> <p>Promotion of the Western Region as a creative region was highlighted by operators as one of the most important assets required to stimulate growth of the sector in the region.</p>	<p>a) Devise a marketing strategy and campaign for the 'Creative West' to promote 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.</p> <p>b) Create a strong brand for use in the marketing campaign. The brand should contain a simple core message which signifies the creativity of the Western Region. An example would be the IDA campaign 'Knowledge is in our nature' (<a href="http://www.idaireland.com">www.idaireland.com</a>). The actual act of branding the campaign may also be used as a public relations element of the campaign.</p> <p>c) Identify a highly respected 'champion' of local and international reputation who could increase recognition of the sector's role in delivering a sustainable and desirable region. This 'champion' could be the leading voice that represents the Western Region's creative sector and ensures there is a consistent message.</p> <p>d) The marketing campaign may incorporate showcasing events, a creative conference and /or a regional creative awards scheme to profile local talent. Such events would be an element of the networking activities outlined above.</p> <p>e) Encourage the public sector to take a leading role in purchasing creative products and services as they have previously done with fair trade products and renewable energy. The Beacon Scheme in the UK is an example (<a href="http://www.beacons.idea.gov.uk">www.beacons.idea.gov.uk</a>).</p>

**'First tier' recommendations** Continued

OBJECTIVE	ISSUES	RECOMMENDATIONS
<div>C</div> <div><b>Facilitate the transfer of creative capabilities into the wider business environment</b></div>	<p>Awareness of how creativity and the outputs of the creative sector can enhance economic returns for all businesses is relatively low. This lack of engagement limits opportunities for innovation both within the creative sector and in other sectors of the economy. Increasing this awareness could involve:</p> <ul style="list-style-type: none"><li>• Demonstrating the added value for businesses from creativity, particularly in terms of innovation</li><li>• Providing information to businesses</li><li>• Facilitating businesses to access creativity and creative goods and services</li></ul>	<p>a) Organise a series of events across the Western Region so that business people from outside of the sector are provided with an opportunity to interact with creative sector business people. The focus of such events should be on ways in which creativity and the outputs of the creative sector can solve 'real world' problems in other sectors e.g. biomedical devices, ICT, financial services.</p> <p>b) Undertake an awareness campaign to demonstrate the economic value that businesses can derive from creativity and creative goods and services. This is closely linked with the marketing recommendations.</p> <p>c) Support collaborative measures to bring creative goods and services to the market such as part funding a team of sales people to provide a sales function on a pooled basis for a group of creative enterprises.</p>



OBJECTIVE	ISSUES	RECOMMENDATIONS
<p><b>D</b></p> <p><b>Nurture and develop future creative talent in the region through education</b></p>	<p>Incorporating creativity within the curriculum will generate a culture where creativity is valued and which is increasingly open to new ideas.</p> <p>It will also better equip students to identify business or employment opportunities within the creative sector.</p> <p>Greater use of creativity in education will also underpin the future knowledge economy in areas such as science and engineering.</p>	<p>a) Make creativity a mainstream element throughout the primary and secondary school curriculum and which is not only limited to arts subjects. This could include setting design challenges, future visioning exercises etc.</p> <p>b) Establish a national Creative Flag initiative similar to the Green Flag (<a href="http://www.greenschoolsireland.org">www.greenschoolsireland.org</a>) used to raise environmental awareness in primary schools. Creativity could also be added as a topic in the Junior Achievement programme in addition to the current business and science focus (<a href="http://www.juniorachievement.ie">www.juniorachievement.ie</a>).</p> <p>c) Support demonstrations, presentations and field trips for students in the Western Region to stimulate interest in a range of creative activities from the digital sectors to arts and crafts.</p>

‘First tier’ recommendations Continued

OBJECTIVE	ISSUES	RECOMMENDATIONS
<div>E</div> <p><b>Develop creative connectors and hubs in the region to facilitate businesses and operators to work in suitable cost effective environments</b></p>	<p>There are three key issues relating to workspaces for creative businesses in the region:</p> <ul style="list-style-type: none"><li>• Provision of spaces where there is an opportunity to connect with others</li><li>• Access to services and facilities</li><li>• Availability of low cost workspace that is conducive to creativity</li></ul> <p>Workspace refers to incubation facilities, innovation centres, office space, meeting hubs, studio space and workshops.</p>	<p>a) High specification facilities should be provided to ensure cost effectiveness and access to such facilities for smaller operations. Shared resources including hot-desking, video-conferencing, shared administration, advice and services such as marketing, legal requirements, HR functions and accountancy could be provided. The facilities which are already available in existing innovation centres, incubation facilities and public buildings in the region could be audited to assess their appropriateness for creative enterprises.</p> <p>b) Establish meeting hubs where opportunities are created for individuals from the creative sector to interact with each other and with business people from outside of the creative sector. Such hubs could also establish connections with hubs outside of the region and even internationally e.g. the Digital Hub. This may require a professional ‘connector’ to be employed to stimulate such interactions. A number of these meeting hubs could be established across the region and may utilise current space. This is closely linked to the networking recommendations above.</p> <p>c) Investigate a workspace scheme which may include use of revitalised urban locations and/or redeveloped farm properties/ out buildings. The scheme could aim to use local creative skills in the form of architects, artists, designers and craftspeople to develop the space.</p> <p>Some useful examples include the Digital Hub (<a href="http://www.thedigitalhub.ie">www.thedigitalhub.ie</a>) and the Leitrim Sculpture Centre (<a href="http://www.leitrimsculpturecentre.ie">www.leitrimsculpturecentre.ie</a>).</p>

OBJECTIVE	ISSUES	RECOMMENDATIONS
<p><b>F</b></p> <p><b>Accelerate growth of creative businesses through enhanced broadband capacity (particularly the high productivity creative technology sector)</b></p>	<p>There are three key broadband issues for creative businesses in the Western Region, particularly in rural areas:</p> <ul style="list-style-type: none"> <li>• Accessibility of broadband</li> <li>• Cost of broadband services</li> <li>• Capacity (bandwidth) of broadband services</li> </ul> <p>The needs vary across different creative categories. Creative technology in particular requires higher broadband capacity than is currently available in many rural areas.</p>	<p>a) Roll-out a number of regional pilots to provide high capacity broadband at a competitive cost to businesses. This issue is not exclusive to creative sector businesses and these could be cross-sectoral initiatives. For example the region could be used as a demonstration area for Next Generation Networks (NGN) 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. An example would be the HEAnet (<a href="http://www.heanet.ie">www.heanet.ie</a>).</p>

'First tier' recommendations Continued

OBJECTIVE	ISSUES	RECOMMENDATIONS
<div>G</div> <div>Establish a national policy for the creative sector as a whole to provide a coherent structure for developing the sector</div>	<div>Currently the Republic of Ireland does not have a comprehensive national policy for the creative sector.</div> <div>Northern Ireland launched its 'Creative Industries in Northern Ireland: Strategic Action Plan' in October 2008 setting out its strategy to develop the creative sector in Northern Ireland (<a href="http://www.dcalni.gov.uk">www.dcalni.gov.uk</a>).</div>	<div>a) Develop a coherent national policy structure for the creative sector. This may take the form of a Green Paper on the Creative Sector followed by public consultation and then a White Paper.</div> <div>b) Other government policies can also support the development of the creative sector, particularly in the weighting given to creativity and design in public procurement decisions.</div>

#### 5.4.2

##### **'Second tier' recommendations**

The seven recommendations presented so far represent the main priorities for developing the Western Region's creative sector. However there are additional activities which can be viewed as 'second tier' recommendations but which are still critical to the growth of the 'Creative West'. Eight such recommendations are presented below. A number of the recommendations have been included in this group because, though they are fundamental, they represent wider issues which are not unique to the creative sector. For example enhanced quality of the built environment and training in business skills for small businesses.

‘Second tier’ recommendations

OBJECTIVES	ISSUES	RECOMMENDATIONS
<p>A</p> <p><b>Enhance the quality of the built environment</b></p>	<p>Decisions which impact upon the built environment have a profound impact on the character and attractiveness of the region, including its attractiveness as a creative place.</p>	<p>a) Establish cross-discipline local design councils to provide advice to each Local Authority on planning and development decisions which impact upon the built environment, and to promote good design in the urban and rural landscape.</p> <p>Some useful current examples include the Commission for Architecture and the Built Environment in the UK (<a href="http://www.cabe.org.uk">www.cabe.org.uk</a>) and design advisory councils in Vorarlberg in Austria (<a href="http://www.vorarlberg.travel/?_lang=en">www.vorarlberg.travel/?_lang=en</a>).</p>
<p>B</p> <p><b>Create an information website for the creative sector in the Western Region</b></p>	<p>Lack of information about others working in the sector and about funding opportunities was a concern for businesses in the sector.</p>	<p>a) Establish a website for the creative sector in the Western Region. This may be a new website or may be a further development of an existing website e.g. <a href="http://www.lookwest.ie">www.lookwest.ie</a>. Possible content for the website could be:</p> <ul style="list-style-type: none"><li>• A contacts database of operators in the sector (including links to enterprises’ own websites to facilitate their online sales).</li><li>• A guide to funding sources for the creative sector with links to the relevant funding agencies and application forms.</li><li>• A recruitment facility to post vacancies within the creative sector in the region.</li><li>• Case studies/portfolios of work by creative people in the region, publicising award-winners.</li><li>• News about upcoming events, training, etc.</li><li>• Examples of international best practice.</li><li>• Links to the websites of all relevant stakeholders – national, regional and local.</li></ul>

OBJECTIVES	ISSUES	RECOMMENDATIONS
<p><b>C</b></p> <p><b>Try to ensure that funding schemes available to creative businesses meet the needs of the sector</b></p>	<p>The current enterprise support schemes and eligibility criteria are not always suitable for a creative sector enterprise. For example grants for training and capital purchases may not be the most suitable for an enterprise that requires support for the time taken to develop a new idea.</p>	<p>a) Review current national enterprise support criteria to assess their appropriateness for the needs of creative businesses. These schemes are already undergoing considerable changes due to the rising importance of the services sector and the needs of the creative sector should be taken into account in any revisions or modifications to existing schemes.</p> <p>For example Northern Ireland launched a £5m Creative Industries Innovation Fund in October 2008 (<a href="http://www.artscouncil-ni.org/award/innovation.html">www.artscouncil-ni.org/award/innovation.html</a>).</p>
<p><b>D</b></p> <p><b>Provide training in business skills of relevance to the creative sector</b></p>	<p>Weaknesses in certain business skills can be a common issue for all SMEs. However there are some unique issues which relate to creative businesses such as intellectual property (IP) for ideas, marketing of an experience rather than a product etc.</p>	<p>a) Establish tailored business skills training courses specifically relevant to creative businesses. These courses could cover IP issues, marketing of a new and unique service or product. Courses could also cover aspects of financial support and awareness of funding, new legal directives and staff recruitment.</p> <p>b) Provide information to creative sector business people to allow them to identify and access existing business training courses, this could be done via the creative website (see above).</p> <p>c) Facilitate creative people to 'buy in' business services. In many cases it may be a better option for the creative operator to purchase business services and advice rather than undertake training in those areas themselves. An example would be the Udarás na Gaeltachta scheme that grant aids full administration costs of a business for the first four years of operation to allow them to concentrate on the core functions of the business (<a href="http://www.udaras.ie">www.udaras.ie</a>).</p>

‘Second tier’ recommendations Continued

OBJECTIVES	ISSUES	RECOMMENDATIONS
<div>E</div> <p>Enhance the role of research and development (R&amp;D) in the creative sector</p>	<p>Current national policy and strategy in relation to research and development (Strategy on Science, Technology and Innovation) tends to be focused on R&amp;D expenditure within the science and technology fields.</p>	<div>a) Assess the current R&amp;D needs of the creative sector, particularly those of creative technology businesses e.g. digital media. Assess the extent to which current R&amp;D resources and funding initiatives are meeting these needs.</div> <div>b) Creativity is fundamental to innovation, therefore creativity can assist research undertaken in the science and technology fields to become commercially viable by applying a creative approach to ‘real world’ research and development problems. R&amp;D funding should facilitate creative approaches.</div>
<div>F</div> <p>Conduct a skills matching study for the sector</p>	<p>In order to provide appropriate skills training, it is necessary to be aware of the skills needs of the sector and current levels of skills training provision.</p>	<div>a) Review existing national educational provision for the creative sector in terms of courses, dissertations, work-placements and careers advice. 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. The Expert Group on Future Skills Needs is currently undertaking such a study on the skills needs of creativity and innovation (<a href="http://www.skillsireland.ie">www.skillsireland.ie</a>).</div>



OBJECTIVES	ISSUES	RECOMMENDATIONS
<p><b>G</b></p> <p><b>Prepare a tourist guide for the 'Creative West'</b></p>	<p>Tourism provides an important source of demand, particularly for the creative expression category. Facilitating more tourists to visit places of interest from a creative perspective e.g. Yeats' grave, pottery studios, may enhance demand for the sector as well as enhancing the region's tourism product.</p>	<p>a) Prepare a tourist guide for the 'Creative West'. This could involve a trail or places of interest booklet aimed at attracting more tourists to visit the region and help to build and promote local creative businesses.</p>
<p><b>H</b></p> <p><b>Improve the transport network</b></p>	<p>Difficulties in physical access between the Western Region, particularly the more rural areas, and the rest of the country and overseas are a constraint for creative sector businesses, in common with all enterprises in the region.</p>	<p>a) 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 region. Improved international air access is particularly important for export and business growth opportunities.</p> <p>b) 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.</p>



## 6. What Next?

### 6.1

#### What is the WDC's role?

The WDC has an objective to 'Develop the Western Region's capacity to attract and support enterprises within the creative economy' which has stimulated its involvement with this sector. The first stage in delivering this objective has been achieved with the commissioning of baseline research on the creative sector in the region<sup>x</sup> and also the publication of this 'Creative West' summary report.

This stage has provided a detailed understanding of the size and nature of the region's creative sector, as well as the critical issues facing its future development. It has established that the creative sector is a key component of the regional economy, yielding both direct and indirect benefits. There are approximately 4,800 businesses operating within the Western Region's creative sector employing 11,000 people and generating over €500m in annual turnover. The identification and profiling of the creative sector as a coherent economic sector within the region is an important first step. It will assist in gaining the support of those working within the sector in the design of a process to support its future growth.

The WDC has considerable experience in developing initiatives in other economic sectors based on the region's strengths. These have included initiatives in rural tourism, organic agri-food production and renewable energy, particularly in the areas of wood and wind energy. The WDC's experience and approach to development in these other sectors has been documented in 'The Western Development Commission's Model of Rural Development.'<sup>Y</sup> The approach encompasses an ethos of demand-led and value-added outcomes.

An early stage in the WDC's approach has always involved gathering a comprehensive knowledge base to underpin future development initiatives, as has now been achieved for the creative sector. The WDC's future role in progressing development of the creative sector will be through:

- leading and facilitating the various stakeholders in a collaborative approach to implementing the recommendations outlined in Section 5.4, through selected initiatives; and
- providing analysis of ongoing issues for the region's creative sector and ensuring that the experience in the Western Region informs the development of national policy for the creative sector.

## 6.2

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### What are the next steps?

Coinciding with the publication of this report, the WDC will engage with public and private sector stakeholders in the creative sector to identify a number of specific initiatives, based upon the recommendations outlined previously, which can be implemented in 2009 and following years. The WDC will undertake in-depth consultation with those working within the sector in order to design and then effectively deliver these regional initiatives.

The WDC is committed to supporting this sector in the coming years, ensuring it maximises its potential for sustainable growth within the region.



# Annex A

## Members of the WDC’s creative sector 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 Honorary Secretary 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 B

## Additional survey results

<b>Figure B.1</b>	Share of total employment and turnover in creative industries in the Western Region due to creative activities, 2008	95
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<b>Figure B.7</b>	Share of businesses in each industry that actively recruited in last year	101



Fig B.1

## Share of total employment and turnover in creative industries in the Western Region due to creative activities, 2008

Source

PIMR and Regional Forecasts/ Oxford Economics; and WDC

Note

These figures are based on the sample surveyed. Total responses = 282

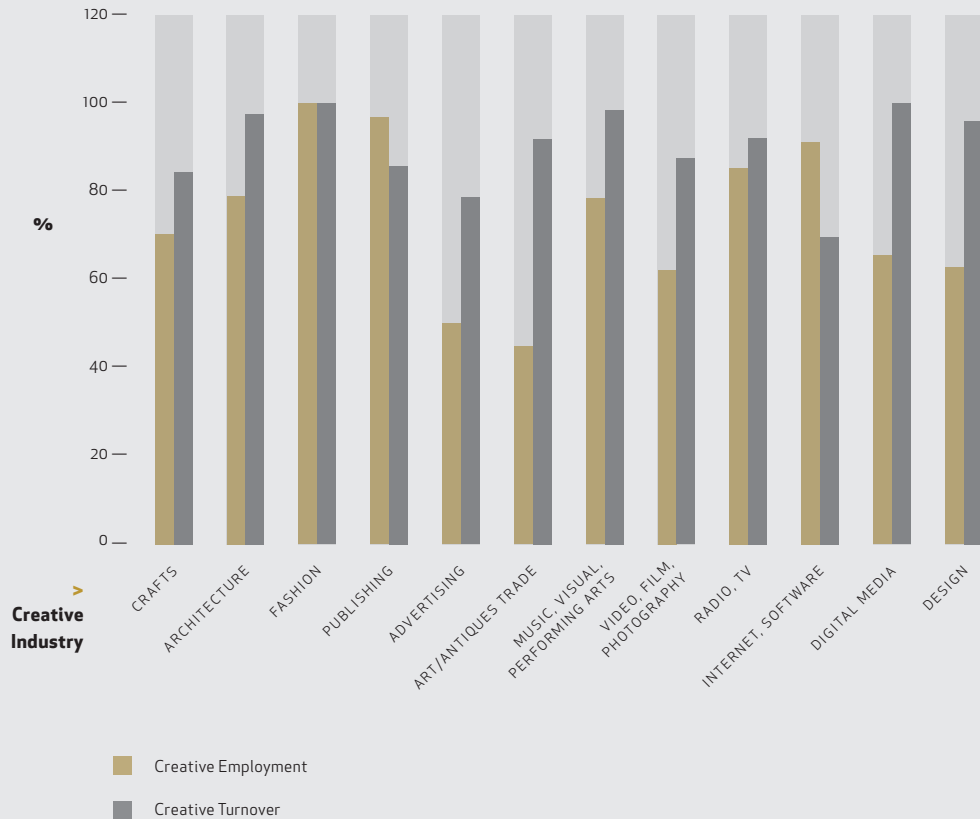
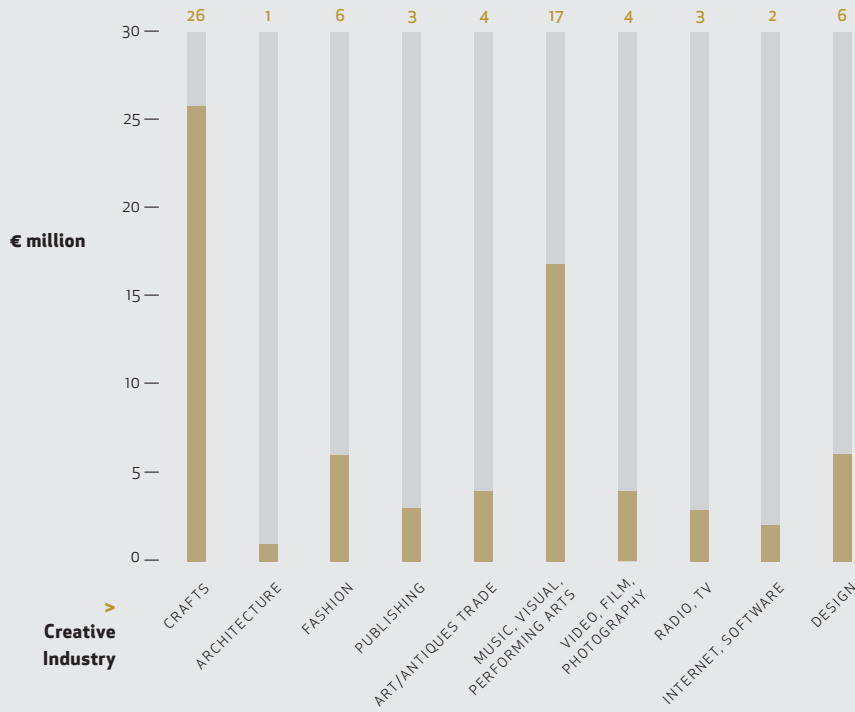


Fig B.2

Estimates of the Western Region’s creative sector **export value** (€m) by industry, 2008



Source

PIMR and Regional Forecasts/ Oxford Economics; and WDC

Note

These figures are grossed up estimates based on results from the survey.

Fig B.3

## Creative sector **backward linkages** – main goods and services purchased

**Source**

PIMR and Regional  
Forecasts/ Oxford  
Economics

**Note**

These figures are  
based on the sample  
surveyed. 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.

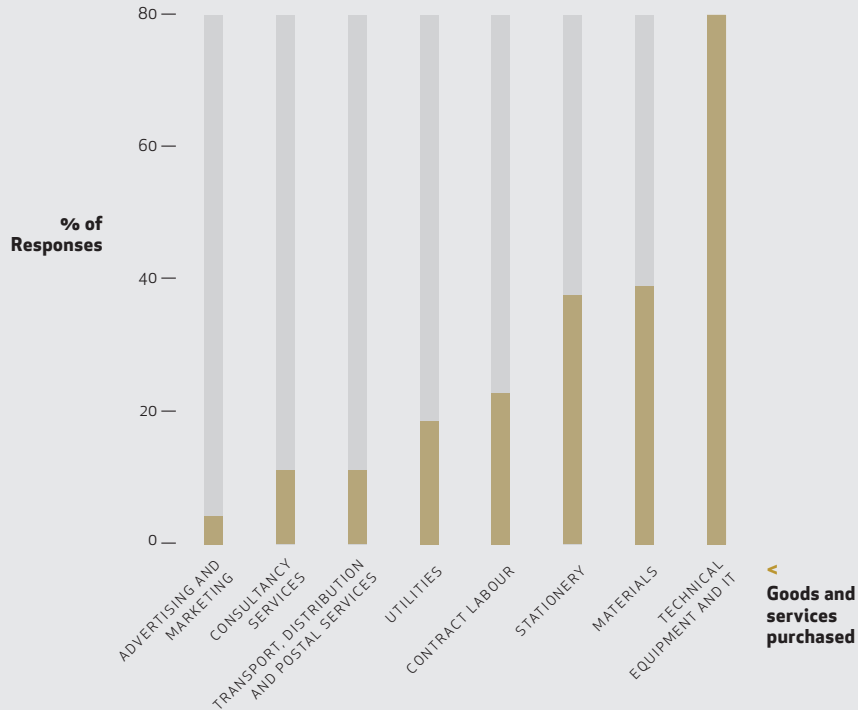
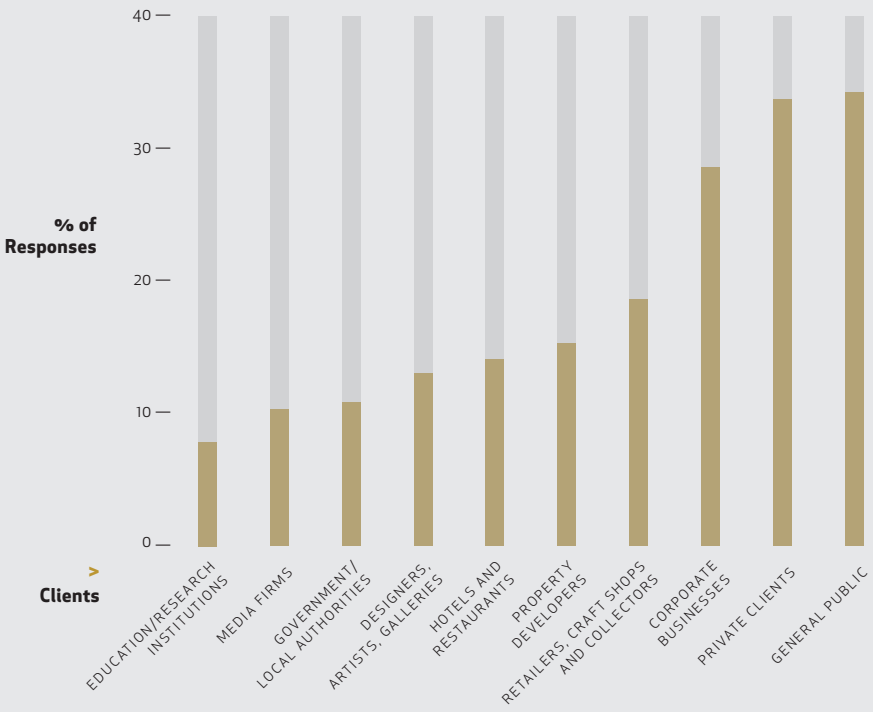


Fig B.4

Creative sector **forward linkages** –  
main business activity of largest clients  
of the creative sector



Source

PIMR and Regional Forecasts/ Oxford Economics

Note

These figures are based on the sample surveyed. 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

Fig B.5

## Change in **employment** compared to three years ago by sector

**Source**

PIMR and Regional Forecasts/ Oxford Economics

**Note**

These figures are based on the sample surveyed. 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 above the line indicate more businesses responding increased a little/significantly, compared to share of businesses responding decreased a little/significantly

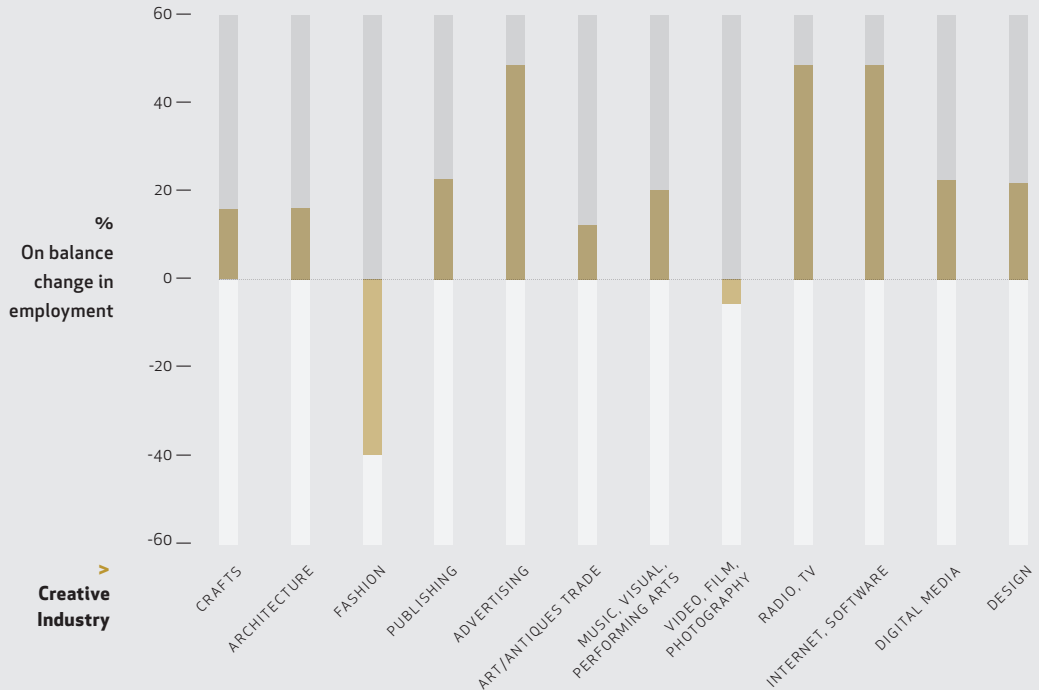
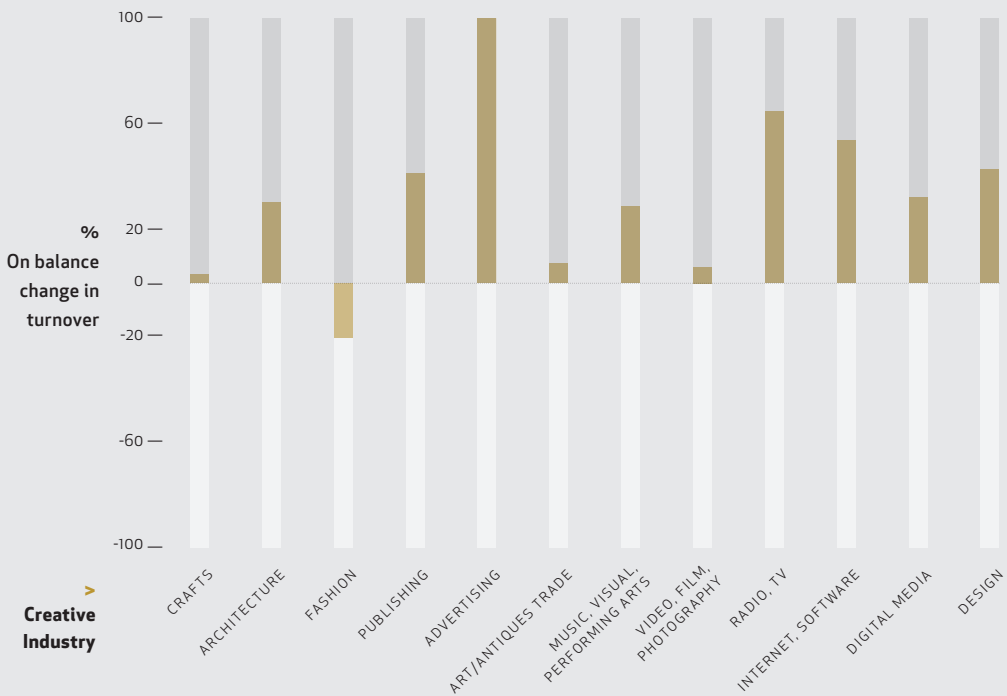


Fig B.6

# Change in **turnover** compared to three years ago by sector



Source

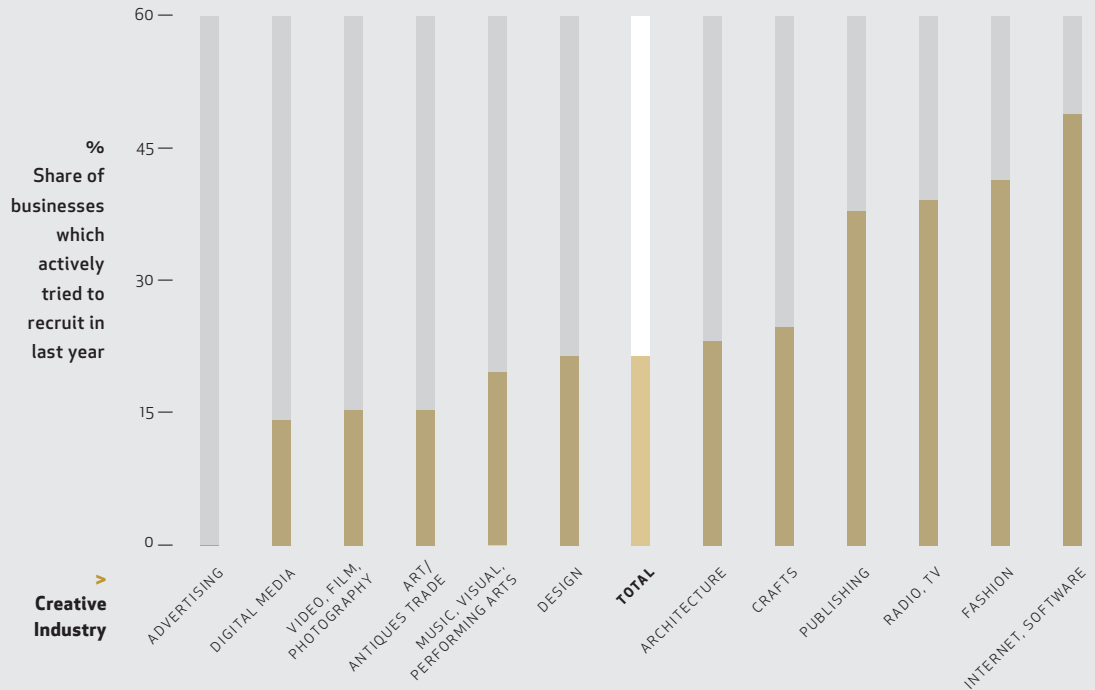
PIMR and Regional Forecasts/ Oxford Economics

Note

These figures are based on the sample surveyed. 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 above the line indicate more businesses responding increased a little/ significantly, compared to share of businesses responding decreased a little/ significantly

Fig B.7

## Share of businesses in each industry that **actively recruited** in last year



Source

PIMR and Regional  
Forecasts/ Oxford  
Economics

Note

These figures are  
based on the sample  
surveyed. Total  
Responses = 282

# Notes

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- A** These results are based upon a telephone survey of 293 creative businesses located in the Western Region. The survey results were grossed up to estimate the total contribution of the sector, see 'Baseline Research on the Creative Industries Sector in the Western Region of Ireland' available at [www.wdc.ie](http://www.wdc.ie)
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- B** Gross Value Added (GVA) at basic prices is a measure of the value of the goods and services produced in a region (less the materials and services used which come from outside the region) priced at the value which the producers received minus any taxes payable and plus any subsidies receivable as a consequence of their production or sale. Total GVA at market prices is equivalent to GDP at market prices.
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- C** The definition of the creative sector will be discussed in more detail in Section 2, including details of its constituent industries.
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- D** United Nations Conference on Trade and Development (UNCTAD) and United Nations Development Programme (UNDP) (2008), Creative Economy Report 2008
- 
- E** KEA (2006), The Economy of Culture in Europe, European Commission
- 
- F** Bakshi, H., McVittie, E. and Simmie, J. (2008), Creative Industries: Do creative industries support innovation in the wider economy, NESTA
- 
- G** Naylor, R. (2007), Creative Industries and Rural Innovation, NESTA; United States Department of Agriculture (2007), The Creative Class: A Key to Rural Growth
- 
- H** United Nations Conference on Trade and Development (UNCTAD) and United Nations Development Programme (UNDP) (2008), Creative Economy Report 2008
- 
- I** 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 estimates of the size and nature of the creative sector in the Western Region presented in the detailed research report and the current document, are based solely on Oxford Economics' extrapolation from quantitative research conducted in the Western Region.
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- J** 'Baseline Research on the Creative Industries Sector in the Western Region of Ireland' available at [www.wdc.ie](http://www.wdc.ie)
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- K** What is included and excluded from definitions of the creative and cultural industries varies across different sources and countries. One of the notable differences between the two concepts is that sport is often included within cultural industries whereas it is not included as an element of creative industries. A detailed discussion of definitional issues is contained in Chapter 2 of 'Baseline Research on the Creative Industries Sector in the Western Region of Ireland' available at [www.wdc.ie](http://www.wdc.ie)
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- L** Full details of the methodology used for this research are contained within Chapter 4 and Annex F of the report 'Baseline Research on the Creative Industries Sector in the Western Region of Ireland' available at [www.wdc.ie](http://www.wdc.ie)
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- M** NESTA (2008), *Staying ahead: the economic performance of the UK's creative industries*
- 
- N** Gross Value Added (GVA) at basic prices is a measure of the value of the goods and services produced in a region (less the materials and services used which come from outside the region) priced at the value which the producers received minus any taxes payable and plus any subsidies receivable as a consequence of their production or sale. Total GVA at market prices is equivalent to GDP at market prices.
- 
- O** The survey asked for levels of employment and turnover within a range rather than for precise figures. Levels of employment and turnover just less than the mid-point of these ranges (to be conservative) have been used in these estimates. It is assumed that creative businesses included in grossing up share the same characteristics as creative businesses interviewed in the survey in terms of average number of employees and average turnover per employee.
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- P** The Western Region's current total employment and GVA were calculated from NUTS3 QNHS and Regional Accounts data. The Western Region comprises counties across three NUTS3 areas – Border (Donegal, Leitrim, Sligo), West (Galway, Roscommon, Mayo) and Mid-West (Clare). The share of employment and GVA in the Border and Mid-West attributable to the Western Region was estimated 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.
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- Q** CSO (2008), Quarterly National Household Survey, Quarter 2 (March-May) 2008 (special analysis for Western Region)
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- R** It should be noted that the overall regional and national productivity levels are influenced by the pricing activities of multinational corporations operating within Ireland.
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- S** New legislation regulating who can officially register themselves as an architect has come into force since the survey was undertaken. This will have reduced the number of architects from that shown in the survey and therefore caution is required when considering data for architecture.
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- T** Florida, R. (2002), *The Rise of the Creative Class*
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- U** CSO, *Census of Population 2006*
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- V** KEA (2006), *The Economy of Culture in Europe*, European Commission
- 
- W** More extensive work has been carried out on the creative industries in Northern Ireland. See Department of Culture, Arts and Leisure (2008), *Creative Industries in Northern Ireland: Strategic Action Plan*; Jeffcutt, P. (2005), *Creativity in the Knowledge Economy*, Corporate NI
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- X** 'Baseline Research on the Creative Industries Sector in the Western Region of Ireland' available at [www.wdc.ie](http://www.wdc.ie)
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- Y** WDC (2006), *The Western Development Commission's Model of Rural Development* available at [www.wdc.ie](http://www.wdc.ie)
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