

SECRETARY OF STATE'S FOREWORD



Just over two years ago, we published the first ever *Creative Industries Mapping Document*. The need then was to raise awareness of the industries, the contribution they made to the economy and the issues they faced.

Today, the term is more widely used and understood; in a knowledge economy the importance of these industries to national wealth is more commonly recognised; and the special needs of these industries are reflected more in policy development at national, regional and sub-regional levels. The creative industries have moved from the fringes to the mainstream.

All that could not have happened without a great deal of goodwill and effort by a large number of people in both the creative industries and government. To all of them I pass on my thanks. We have made a good start, but now we must build on that, and ensure we maintain momentum so that our creative industries can achieve their full potential.

This *Mapping Document* demonstrates the continuing success of our creative industries. They are a real success story, and a key element in today's knowledge economy. All of this is, of course, founded on original creativity – the lifeblood of these industries. The most successful economies and societies in the twenty-first century will be creative ones. Creativity will make the difference – to businesses seeking a competitive edge, to societies looking for new ways to tackle issues and improve the quality of life. This offers the UK enormous opportunities. We have a well-deserved reputation for creativity; we can draw on both a strong historical base and vibrant contemporary developments.

I want to see us putting creativity at the heart of education, encouraging our children to develop their innate talents. That is why in July last year I announced funding of £40 million for the Creative Partnership initiative which will bring together schools, arts and other creative organisations to provide enhanced opportunities for every schoolchild in 16 deprived areas.

I want all young people to have the opportunity to express and channel their creativity through a wide range of activities, including for some a career in the creative industries. In April last year, we launched *Your Creative Future*, the first ever careers guidance booklet on the creative industries, followed by the launch of the web version in October.

I want everyone to be able to experience the wealth of culture in our museums and galleries, and that is why we have opened up access and why we are developing plans for Culture Online.

I want all businesses to think creatively, to realise creativity is not an add-on but an essential ingredient for success.

I want our creative industries in particular to continue to seize the opportunities of a fast-changing world, to think “out of the box”, to innovate, to be flexible and swift, and to strive to realise their full potential.

BACKGROUND

THE CREATIVE INDUSTRIES

The first *Creative Industries Mapping Document*, published in November 1998, was the first ever attempt to measure the economic contribution of these industries to the UK, and to identify the opportunities and threats they faced. The *Mapping Document* also helped set a blueprint for action for both Government and the industries.

Over the past two years the Creative Industries Task Force has investigated generic issues which impacted on the creative industries and has made recommendations for change in areas such as skills and training, finance for creative venture, intellectual property rights, and export promotion.

These changes have, for example, resulted in better careers guidance on the creative industries; more efforts at regional level to provide appropriate finance for creative businesses; improved information services on intellectual property for creators, users and the general public; and a more streamlined and focused range of support for creative exporters. The Task Force also looked specifically at increasing sales of television exports and the opportunities and threats to creative businesses from the Internet.

Some two years later, there is significantly increased recognition of the importance of these industries:

- *within government, the Ministerial Creative Industries Strategy Group helps to ensure a co-ordinated response to the needs of these industries, acting as a “clearing house” for initiatives and action. Moreover, this remains a national initiative, with Ministers from the Scottish Executive, the Northern Ireland Executive, and the Welsh Assembly involved. Several departments and agencies have taken initiatives which target the creative industries;*
- *within the industries, there is a willingness to work in partnership with government and others to tackle key issues. Examples include the Music Industry Forum and the Creative Industries Export Promotion Advisory Group;*
- *at regional level, Regional Development Agencies and Regional Cultural Consortiums are working with other key partners to ensure the development of creative industries in their regions;*
- *an increasing number of local authorities have recognised the contribution creative industries can make in economic development, regeneration and social inclusion. Examples include the Cultural Industries Quarter in Sheffield, the Jewellery Quarter in Birmingham, Grainger Town in Newcastle, the Cathedral Quarter in Belfast and the City Fringe area of London.*

BACKGROUND

METHODOLOGY

In revisiting the *Creative Industries Mapping Document* we have retained the original definition of the creative industries as “*those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property*”.

Similarly, we retain the same coverage, taking the creative industries to include *advertising, architecture, the art and antiques market, crafts, design, designer fashion, film and video, interactive leisure software, music, the performing arts, publishing, software and computer services, television and radio*.

We also recognise the close economic relationships with other sectors such as tourism, hospitality, museums and galleries, heritage and sport.

Although there has been some improvement in the provision of official statistics, the complex nature of the creative industries makes “scientific” definition difficult, so there are still difficulties in producing robust data which separately identify the creative industries. As with the *Creative Industries Mapping Document*, 1998, we have used a variety of sources to

ensure the most appropriate and up-to-date data have been included to help give us the best understanding we can of the current state of our creative industries. A direct comparison with the 1998 *Mapping Document* is largely inappropriate since the many sources drawn upon can differ widely between the two documents. However, where we can establish data for 1998 that is comparable to that presented in this document, we have shown this in the Appendix. The key sources used are listed in the Bibliography. A Review Group is currently looking at the difficulties in collecting data in this area and we will publish later this year a report with recommendations on how to provide more timely, robust data on the creative industries.

The initial work of collecting and analysing the data was, on this occasion, led by City University London’s Department of Arts Policy and Management. We are grateful to the many sector bodies, trade associations, other organisations and individuals who have assisted CUL in their work. A list of researchers and government contacts who contributed to this task is included in the Acknowledgements. An electronic version of this report is available at www.culture.gov.uk/creative/mapping.html

BACKGROUND

MEMBERSHIP DETAILS – MINISTERIAL CREATIVE INDUSTRIES STRATEGY GROUP

Rt Hon Chris Smith MP *Secretary of State for Culture, Media and Sport.*

Rt Hon Hilary Armstrong MP *Minister of State, Department for the Environment, Transport and the Regions.*

Patricia Hewitt MP *Minister of State, Department of Trade and Industry.*

Stephen Timms MP *Financial Secretary, HM Treasury.*

Janet Anderson MP *Parliamentary Under Secretary of State, Department for Culture, Media and Sport.*

Dr Kim Howells MP *Parliamentary Under Secretary of State, Department of Trade and Industry.*

BACKGROUND

MEMBERSHIP DETAILS – MINISTERIAL CREATIVE INDUSTRIES STRATEGY GROUP

Michael Wills MP *Parliamentary Under Secretary of State,
Department for Education and Employment.*

Baroness Scotland of Asthal *Parliamentary Under Secretary of State,
Foreign and Commonwealth Office.*

Michael McGimpsey MLA *Minister for Culture, Arts and Leisure,
Northern Ireland Assembly.*

Jenny Randerson AM *Minister for Culture, Sport and Welsh Language,
National Assembly for Wales.*

Allan Wilson MSP *Deputy Minister for Environment,
Sport and Culture, Scottish Executive.*

*Supported by officials from the above departments,
No. 10 Policy Unit
The British Council
The Office of Science and Technology.*

Part 1

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REGIONAL PERSPECTIVE 00:17 – 00:23

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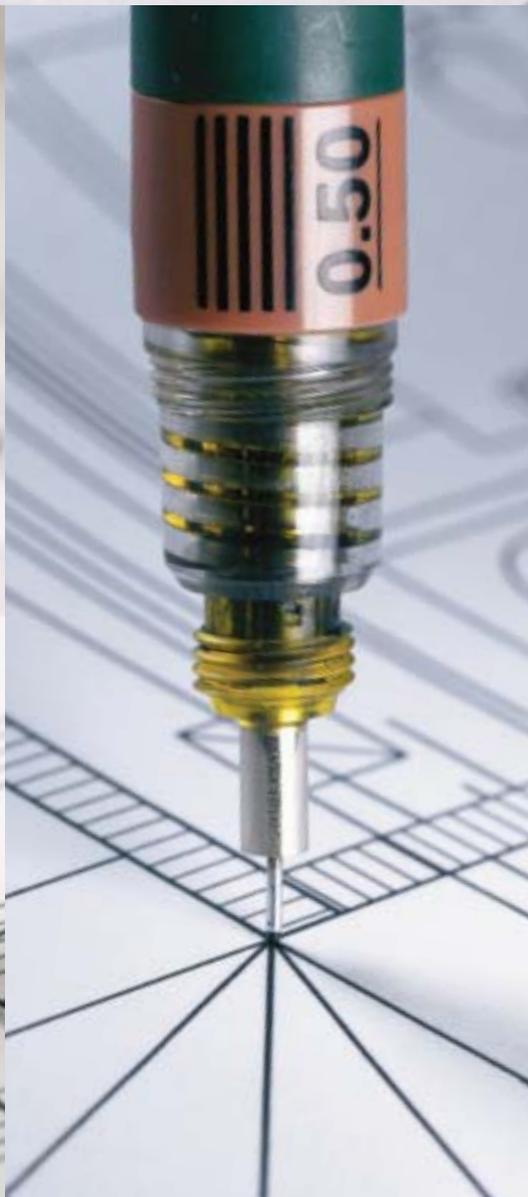


Part 2

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OVERVIEW

REVENUE

Estimated Total (£bn) 112.5 ⁽¹⁾



REVENUE, EMPLOYMENT AND EXPORTS

The creative industries in the UK generate revenues of around £112.5 billion and employ some 1.3 million people. Exports contribute around £10.3 billion to the balance of trade, and the industries account for over 5% of GDP. In 1997-98, output grew by 16%, compared to under 6% for the economy as a whole.

(1) Figures may not appear to sum due to rounding.

(2) Gross revenue is £16bn from which £13bn as reported as revenue by other creative industries has been deducted to avoid double counting.

OVERVIEW

EMPLOYMENT

Estimated Total 1,322,000 ⁽¹⁾



(1) Figures may not appear to sum due to rounding.

OVERVIEW

EXPORTS

Estimated Total (£m) 10,252 ⁽¹⁾



(1) Figures may not appear to sum due to rounding.

(2) Television exports only.

REGIONAL OVERVIEW

Although London and the South East continue to be major magnets for the creative industries, there is growing recognition in the English regions, Northern Ireland, Scotland and Wales of their important contribution, both through wealth generation and employment opportunities, to social inclusion and regeneration strategies. Recent evidence from a DTI study on cluster development¹ has highlighted the growing significance of creative clusters in many parts of the UK.

IMPACT OF E-COMMERCE AND THE INTERNET

E-commerce and the Internet have had a significant impact on all creative industries. On e-commerce, creative industries are seeking to complement and enhance existing commerce models. Industries whose core products and services can be distributed via the Internet will see this intensify as increased bandwidth becomes widely available. Consumers and business expect creative companies to have a presence on the Internet to provide basic company, contact, product and service information.

Creative companies need increasingly to pursue flexible strategies which address the complementary development of on-line and “real world” business processes, which are tactical and responsive to both the fast pace of short-term developments and anticipated longer-term outcomes.

There is a need for the industries and government to continue to work in partnership to monitor both threats and opportunities arising from these developments.

EXPORTS

There is a growing demand for UK creative content in many markets overseas. The work of the Creative Industries Export Promotion Advisory Group has helped to ensure a better focus for promotional support, and the newly established Britain Abroad Task Force will have an important role in promoting UK creativity and innovation. Trade Partners UK and the British Council will continue to be pivotal in ensuring the continuing success of creative exports through their presence and efforts in overseas markets.

PARTNERSHIPS

Working in partnership is common practice across the creative industries. At UK level, we have established mechanisms, such as the Music Industry Forum, to ensure government and industry work together on policy development. A similar inclusive approach has been taken by the devolved administrations in Northern Ireland, Scotland and Wales. In the English regions, the Regional Development Agencies can draw upon the expertise of Regional Cultural Consortia and industry-focused bodies, such as the Regional

Arts Boards, in formulating their economic development strategies and ensuring the continuing success of the industries.

GROWING THE CREATIVE INDUSTRIES

Each of the industries considered in this report faces a range of issues which impact on its growth potential. These include the importance of:

- *stimulating creativity and innovation in young people to ensure we have a long-term supply of creative talent;*
- *ensuring that at primary, secondary and tertiary education levels, it is possible to identify and develop new talent;*
- *ensuring that people have both the creative and business skills necessary to succeed;*
- *ensuring wider public awareness of the importance of intellectual property rights to longer-term creativity;*
- *ensuring that creative businesses have access to appropriate financial support, and that the financial sector is aware of the opportunities and benefits of investing in the creative industries;*
- *responding to global opportunities, promoting UK creativity and innovation throughout the world, removing obstacles to free trade, and opposing the introduction of measures which would harm the competitiveness of UK companies;*

¹ DTI, February 2001: *Business Clusters in the UK – A First Assessment.*

- *exploiting the opportunities presented by e-commerce and the Internet;*
- *ensuring the regulatory burden does not fall disproportionately on creative businesses;*
- *recognising the interlocking relationship and synergies between the subsidised and commercial creative sectors, between the creative industries and broader cultural sectors, and promoting the UK's diverse vibrant cultural life;*
- *continuing to improve the collection of robust and timely data on the creative industries, based on a common understanding of coverage.*

INDUSTRY HIGHLIGHTS

Advertising

The UK is a centre for advertising best practice. London, one of the three main centres for the global advertising industry, is used increasingly as a base for targeting pan-European and global markets. Expenditure on online advertising is showing strong growth.

The ability to find skilled and creative people, essential to growth, continues to be a difficulty and there remains a need to develop better training methods. The industry still needs to nurture more SME (Small and Medium-size Enterprise) clients, and there is a shift in power from business to customer which the industry will need to reflect.

Architecture

There is a large increase in the number of architects working overseas and the value of export earnings. There was a spectacular rise in new commissions for leisure and cultural buildings in the latter half of the 1990s. National

Lottery and local authority funding for arts and cultural projects are significant in increasing demand.

The use of e-commerce and e-business by architects is still at an early stage. Constraints on ICT use include low bandwidth and incompatibility of building design software.

There is a need to export architectural expertise more proactively, and the under-representation of both women and ethnic minorities remains a concern.

Art and Antiques Market

The UK is home to the second largest art and antiques market in the world. It has the second largest number of art and antiques businesses and the highest number of employees in Europe. London is the Central European commodity exchange for art and antiques. The British Council continues to play an important role in ensuring international exposure of British artists.

The proposal for an EU Directive harmonising *droit de suite* may encourage vendors to switch high-value sales to New York, Geneva and other non-EU markets. For lower value sales, the cost of applying the right may prove disproportionate to the benefit to artists.

Crafts

Increasing numbers of students are undertaking crafts and design courses at Higher Education level, and are using higher level skills in production. British crafts are receiving more international recognition, in part due to the Craft Council's proactive export

promotion efforts. Technology is becoming increasingly important for communication and marketing.

The lack of robust industry information is inhibiting development of the sector. There is a need for more good quality trade fairs such as the Chelsea Crafts Fair. There is a need for better training opportunities particularly among young makers and college leavers, and to support the professional development needs of practitioners.

Design

Design is integral to most economic activities. The UK – widely regarded as a world leader across all design disciplines – is the top exporter of design worldwide, with consultancies estimated to generate £1 billion in export earnings in 2000. Our design education system is held in high regard internationally, reflected in the growth of overseas students (up 112% between 1994/5 and 1998/9).

Whilst there are a range of bodies representing parts of the industry, there is no overarching body which represents all parts of the design industry, and which could help to inform policy development. Some concerns have been expressed over the quality of recent leavers from design schools, attributed in part to a diminution of one-to-one time with tutors during courses.

Designer Fashion

The UK has the fourth largest designer fashion industry in the world, with 60% of companies exporting. There is potential for growth in the domestic market with the introduction of designer diffusion ranges.

The Internet is providing a good opportunity for young designers to have a presence in the market at low cost.

The shortage of robust data on the industry impedes companies' abilities to identify trends and opportunities. There is a need to equip new designers with management skills to ensure business survival and provision of finance to develop businesses. There needs to be better relationships between designers and manufacturers, and the development of more retail opportunities outside London.

Film

UK films were highly successful in 1999 and 2000 in terms of awards, and the fortunes of the UK feature film industry are more positive now than at the start of the 1990s. Digitisation may result in savings of 90% in film print production and distribution. There is large potential for the export of digital equipment for cinemas, and new markets are being created through DVD and Pay-TV.

The distribution process, dominated by large US companies, fails to prioritise UK films. There is an insufficient number of integrated UK companies operating across development, production and distribution. There is a need to develop reliable up-to-date statistics on the industry, and to identify ways for new enterprises to secure investment and achieve sustained long term growth. There are also concerns over the investment needed to move to digital transmission.

Interactive Leisure Software

In terms of consumption, the UK is the third largest market after the US and Japan. It is arguably the games industry's most important European territory, and therefore home to subsidiaries of most of the world's major games publishers. Although most games studios comprise a single team of 5-15 people, there are now a number of highly capitalised studios employing 50 or more.

Leisure software is inherently unstable, subject to limited technology and product life cycles, resulting in "famine and feast". The industry continues to experience difficulties in attracting UK-based funding. Technological developments may allow creators to bypass publishers in future, similar to the situation in music. There remains a need for more robust data on the industry.

Music

In 1999 the UK was the third largest record sales market in the world, and the market leader in Europe. Patterns of consumption of music have increasingly diversified, in relation to both audiences and expenditure. Institutional sectors have combined spending in the region of £350 million. On-line music sales are projected to double in each of the next two years.

E-commerce is challenging traditional systems of delivery, which may impact on employment in certain areas. Online distribution poses problems for content creators, e.g. protection of their rights and payment, and for consumers because of the perceived

insecurity of online financial transactions. Piracy remains a key problem, and Internet piracy is spreading rapidly.

Performing Arts

There are over 800 formal theatre performance venues, and over 500 companies producing professional drama, dance, opera and music theatre in the UK. There is also a strong amateur tradition in this area. There are some 550 festivals each year, some 40 of which have strong commitment to the performing arts. The Edinburgh International Festival is by far the largest.

As attendances overall are static, the sector does not demonstrate strong growth. The highly developed skills of performers and technicians and the capital stock of new and refurbished buildings are not being used to the full. There is a higher level of dependence on market support than in other European countries, resulting in a fear of creative risk-taking. There is a need to encourage more private support, and for more robust data on the sector.

Publishing

Retail sales of books in 1999 are forecast to have increased by 10% over the previous year. The industry showed a balance of trade surplus of £690 million in 1999. Over 80% of UK adults read a consumer magazine, and the UK is responsible for one-sixth of all new media titles available worldwide. Government initiatives on literacy are creating increases in sales. Copyright and intellectual property

rights protection remain key issues, as does payment for content. There are concerns over the speed at which mergers and acquisitions are taking place. There is a need to develop skills, both technical and managerial, particularly in electronic publishing, where managing rapid growth has proved problematic. Finance for business development and short-term cashflow management are also concerns.

Software

The UK is the second largest IT market in Europe after Germany. UK companies earn around one-third of their revenues from exports, and employment in the sector continues to show double digit growth rates. The UK can offer some highly developed sector specific software skills, e.g. in

banking and finance. 90% of UK employees now work in businesses which are connected to the Internet (on a par with the US's 93%).

The lack of availability of specific skills is likely to remain a barrier to growth.

Television and Radio

The UK television industry is acknowledged as one of Europe's most dynamic. Satellite and cable audiences continue to increase. Commercial radio is forecast to grow at twice the rate of other media in 2000 (12%). Digital technology, the Internet and developments in telecommunications are allowing for a number of new and innovative methods of service delivery by TV and radio.

The *New Future for Communications* White Paper covers the main issues the industry faces. These include regulation of cross-media ownership, regulation of converging markets, and spectrum management. In addition, emerging technologies (e.g. video on demand, personal television recorders) will create further challenges for traditional broadcasters.

In the short to medium term the unavailability of spectrum will restrict new analogue independent local radio, hence the keenly awaited arrival of digital radio. However, advertising revenues, a main source of income for commercial radio, will materialise only with a base of digitally equipped listeners.

REGIONAL PERSPECTIVE

KEY ISSUES

In relation to growth in the creative industries, issues pertinent to most or all of the regions in the UK include:

- *the need for more mapping to provide a better picture of what is happening on the ground and help inform policy development. The mapping also needs to be based on a common understanding of the coverage of the creative industries;*
- *the need for creative industries strategies to integrate with other related strategies, including Regional Development Agencies, Regional Cultural Consortiums, Learning and Skills Councils and the Small Business Service;*
- *the need to improve business support agencies awareness of creative businesses, and to provide appropriate support mechanisms, including the need to help creative businesses to network more effectively, encouraging communication and exchange;*
- *the need to improve advice on sources of finance available and to develop bespoke creative industries support mechanisms, such as Creative Advantage West Midlands;*
- *the need to strengthen existing, and develop emerging creative clusters, with appropriate support structures to help them succeed;*
- *the need to encourage retention of creative talent in their regions.*

Mapping

We need to ensure the provision of robust data on the creative industries at both regional and sub-regional levels. Some efforts have been made to map the industries, but we need to ensure this becomes more consistent across the UK, and that Regional Development Agencies in England, the Northern Ireland Industrial Development Board, Scottish Enterprise and the Welsh Development Agency have as full a picture as possible on which to base policy development.

Strategies

A large number of organisations have a role to play in developing the creative industries agenda. These include, in England, Regional Development Agencies, Regional Cultural Consortiums, Learning and Skills Councils, the Small Business Service, and equivalent bodies in Northern Ireland, Scotland and Wales, and a range of publicly funded industry specific bodies such as the Arts Council, Design Council and the Film Council. We need to ensure that their creative industries strategies interlock, ensuring effective targeting of effort and avoiding unnecessary duplication. Also, where appropriate, we need to ensure strategic use of EU funding to support creative industries.

Business Support Mechanisms

The challenge for the Small Business Service is to develop its understanding

of the needs of creative businesses, and to develop ways of delivering support which those in the industries want – this may entail greater use of peer group learning and networking than with other industries; and the need to help creative businesses to network more effectively, encouraging communication and exchange.

Finance

A key factor in ensuring the continued growth of the creative industries is to provide appropriate financial support at all phases of business development. Creative Advantage West Midlands (see Case Study) provides one example of funding which is tailored to the needs of creative businesses. The challenge will be to ensure such provision is available more widely.

CASE STUDY

Creative Advantage West Midlands

The Creative Advantage Fund provides venture capital in the West Midlands to assist the growth of businesses in the creative industries. The fund has been established, with support from European Regional Development Fund, to help address some of the difficulties that companies in the creative industries encounter in attracting venture capital funding because of their smaller size and relative risk perceived in this young sector. The fund will provide capital investments of up to £130,000 for new and established creative businesses. More details are at: www.creative-advantage-fund.co.uk

Clusters

The recently published DTI Clusters Map¹ demonstrated the spread of creative clusters across the UK. Successful cluster development can be a key to regional competitive advantage, and the challenge is how to ensure the continued success of existing clusters and nurture the growth of emergent clusters.

Retention

A common complaint among creative businesses is the drift of talent to London. A key challenge is how to develop initiatives which will ensure talented individuals remain in a given region.

Overview

Although there is a strong concentration of creative industries in London and the South East – together they account for some 50% of all employees in the creative industries in Great Britain, and both have a higher share of all creative industries employment than all-industry employment – it would be wrong to portray the creative industries as only a London and South East phenomenon. The reality – as demonstrated by the Creative Industries Task Force's report *The Regional Dimension* and the Clusters Map² recently published by the Department of Trade and Industry – is that creative businesses make a significant contribution to all regional economies in the UK.

English Regions

In England, the Regional Development Agencies (RDAs) have all identified the creative industries as important contributors to regional

economic development. Working in partnership with the Regional Cultural Consortia and other players, the challenge for the RDAs is to ensure that the potential contribution of the creative industries is maximised, helping them to grow, create more wealth and employment. The London Development Agency has recognised the creative industries as a key sector, and is developing plans to ensure appropriate support is given to the industries to help them succeed.

Scotland

Scottish Enterprise has identified the creative industries as a key cluster in the Scottish economy. Its Cluster Development Strategy, published in August last year, outlined plans to invest £25 million in the sector over the next five years. The policy seeks to ensure growth of 10% a year over the next 3-5 years, and to increase creative exports to contribute 15% of Scotland's total exports over the same period. Investment is to be focused on developing a dynamic business environment; developing and expanding the talent and skills base; increasing innovation; and enhancing the international reputation of Scotland's creative industries.

Wales

The recently published *Culture in Common* report recommended the establishment of Wales Creating as an umbrella body to develop and support the creative industries in Wales. The new National Council for Education and Training for Wales will be involved in developing training and development strategies for the creative industries. A study, *The Economic Impact of the Arts and Cultural Industries*

in Wales, has helped inform strategy, targeting sub-sectors in which growth is projected, such as music, crafts, design, television and radio, performing arts and film.

Northern Ireland

In Northern Ireland, the Department for Culture, Arts and Leisure, in partnership with three other departments (Education; Higher and Further Education, Training and Employment; Enterprise, Trade and Investment) published in November last year a consultation document *Unlocking Creativity – A Strategy for Development* which outlines how Northern Ireland can nurture and harness individual creativity from schools to the workplace. Complementing this initiative, DCAL has established a cross-departmental Creative Industries Action Group to develop a strategy for raising the profile of the sector and realising its potential for growth; and is funding a research and development programme, Creative Enterprise, led by Queen's University, Belfast. As well as providing a detailed map of the sector in Northern Ireland, the programme will examine critical factors (enablers and inhibitors) and competitive advantages; and produce draft policy options and priorities for government.

As part of this initiative, DCAL has established a Creative Industries Action Group to champion the work, and research is being undertaken by Queens University, Belfast, to map the economic contribution of the creative industries and help inform policy development. This is due to be published in 2002.

1, 2 DTI, February 2001: *Business Clusters in the UK – A First Assessment*.

ANALYSIS OF CONCENTRATIONS, CLUSTERS AND DEVELOPMENTS BY REGION

REGION	CONCENTRATIONS AND CLUSTERS	NOTES ON DEVELOPMENTS
North East	Publishing, Architecture, Software, Multimedia, Film, Crafts.	<p>Developments around the major culture-led regeneration schemes at Gateshead Quays (Baltic Centre for Contemporary Arts and Music Centre) and Grainger Town in Newcastle.</p> <p>Property-led clusters of creative businesses at Pink Lane and Ouseburn Warehouse, Newcastle upon Tyne, and the Multimedia Exchange in Middlesbrough.</p> <p>A small but very active and critically acclaimed film cluster, supporting 40-50 small businesses in Tyneside and Northumberland.</p> <p>Significant clusters around glass in Sunderland (e.g. National Glass Centre) and tourism related rural crafts (giftware etc) in Northumberland and Durham.</p> <p>Strong multimedia clusters on Tyneside and Teeside, recognised and identified by the RDA as a priority cluster in the Regional Economic Strategy.</p> <p>Development of multimedia/software cluster is identified as one of five priority clusters for Objective 2 European Funding.</p>
North West	Television, Music, Performing Arts, Interactive Leisure Software , Crafts.	<p>The North West Regional Development Agency with the North West Cultural Consortium is currently undertaking a cultural cluster mapping of the region which will include the creative industries.</p> <p>Main concentrations around the Manchester and Liverpool conurbations, the Cheshire corridor and South Lakeland, but a wide range of local and sub regional strategies recognise the value and needs of creative industries as a key growth sector.</p> <p>Largest Media cluster outside London and South East.</p> <p>Liverpool is one of the world's most important cities for computer games.</p> <p>Merseyside research has shown significant growth in design and visual arts, music, and in museums, galleries and conservation.</p> <p>Cluster development is a major regional strategy priority for the North West. The NWDA is committed to substantial investment in the creative industries sector as one of its key growth opportunities sectors.</p>

<p>Yorkshire and Humberside</p>	<p>Architecture, Software, Performing Arts, Web Design, Internet Services, Interactive Leisure Software.</p>	<p>Notable concentrations in:</p> <ul style="list-style-type: none"> • Sheffield (Cultural Industries Quarter) around media, new media, visual arts, music; • Huddersfield Creative Town initiative around software, music and design; • North East Lincolnshire and North Yorkshire around arts and crafts. <p>Substantial research on the contribution of the creative and cultural industries undertaken by Bretton Hall, University of Leeds, on behalf of the RDA, Yorkshire Forward and the Regional Arts Board.</p>
<p>West Midlands</p>	<p>Software, Interactive Leisure Software, Film, Art & Antiques Market, Advertising, Performing Arts.</p>	<p>Importance of performing arts to tourism recognised. Development of Jewellery Quarter in Birmingham as a creative cluster.</p> <p>A number of local authorities in the region emphasise the development of the creative industries as part of their economic and regeneration strategies, e.g. Birmingham, Coventry, Wolverhampton, and Stoke on Trent. Creative industries clusters are being developed around regeneration initiatives such as the Custard Factory and Big Peg in Birmingham and the Lighthouse Media Centre in Wolverhampton.</p> <p>Rural creative industry development being pursued in Herefordshire and Shropshire.</p>
<p>East Midlands</p>	<p>Architecture, Advertising, Film, Publishing, TV & Radio, Web Design, Internet Services.</p>	<p>Lincoln and Nottingham developing formal cultural quarters.</p> <p>Leicester’s developing cultural strategy may propose a cultural industries quarter for the city, to act as a cultural production house for the East Midlands and a regional flagship for cultural investment and the creative industries.</p> <p>The RDA, East Midlands Development Agency, has undertaken research on the creative industries, and early results are positive in terms of growth. EMDA has agreed to invest in new initiatives to support and develop creative talent.</p>

<p>Eastern</p>	<p>Software, Publishing, Multimedia.</p>	<p>Film and TV production is concentrated in Hertfordshire (Leavesden and Elstree Studios) and Norwich. Notable media and software clusters centre around Cambridge and Essex.</p> <p>The RDA recognises the role of the creative industries in providing employment and economic development, and has established a Creative Industries Sector Group. The Regional Cultural Strategy will support the development of creative industries networks, training initiatives and incubator units to facilitate business growth and supply chain management.</p> <p>The region has a number of strong network and development agencies within the sector, notably the eastern Multimedia Alliance and the Multimedia Training Consortium.</p> <p>Film, TV and Moving Image business development will benefit by the planned establishment of the Moving Image Development Agency, supported by the Film Council.</p>
<p>South West</p>	<p>Film, TV & Radio, Architecture, Software, Publishing, Art & Antiques Market.</p>	<p>Culture South West (Regional Cultural Consortium) has established a creative industries forum to act as focal point for developments in the region.</p> <p>Culture South West has proposed to undertake a mapping exercise of the creative industries in partnership with the Regional Development Agency.</p> <p>A Skills Development Fund is planned by Skillnet South West and South West Arts focusing on the arts, film and media.</p>
<p>South East</p>	<p>Advertising, Publishing, Performing Arts, Interactive Leisure Software, Art & Antiques Market, Film & TV production, Web Design, Internet Services, Software.</p>	<p>Existing and emerging creative industry clusters feature strongly in the first group of five Enterprise Hubs announced by the Regional Development Agency (SEEDA) in Sept 2000:</p> <ul style="list-style-type: none"> • Brighton & Hove: new media and creative industries; • Southampton: film and TV production; • North Oxfordshire: media and motorsport (focused on the Silverstone circuit). <p>In June 2000 the creative industries sector won 3 out of the 11 grants awarded from the SEEDA Fund for Learning and Skills (over £800K out of £3.5M awarded):</p> <ul style="list-style-type: none"> • management development for the cultural heritage sector; • <i>Earshot</i>: training and development for people in "sound journalism" including commercial radio and production; uses radio to train people across all media platforms (internet, digital, interactive media TV, CD-ROM); based around Brighton cluster; • <i>MediaBusiness.Net II</i>: a website dedicated to media and new media industries across the south east; creating new information resources, learning networks and supply chain linkages; extending the mediabusiness.net Leadership Forum to create an online community;

		Existing creative industry clusters continue to develop and expand in Brighton & Hove, Guildford (network of interactive leisure software micro-businesses), Oxford (publishing, etc).
London	Film, TV & Radio, Music, Performing Arts, Publishing, Design, Advertising, Architecture, Craft, Designer Fashion, Art and Antiques Market, Interactive Leisure Software, Photography.	<p>London Development Agency, in conjunction with the Mayor's Cultural Strategy Group, is drawing up proposals to ensure the needs of the creative industries are reflected across the Greater London Authority's economic, transport, spatial development and cultural strategies.</p> <p>Emerging creative industries clusters in East London around film and a cultural quarter in Stratford.</p> <p>In Deptford, emergence of a creative concentration around arts (visual and performing).</p> <p>City Fringe creative cluster around design, new media and music.</p>
Northern Ireland	Film & Video, Television & Radio, Software, Publishing, Performing Arts.	<p>DCAL has commissioned a Creative Industries research and development programme and published a strategy for harnessing individual creativity from schools to the workplace.</p> <p>Significant research and development capabilities. e.g. Centre for Sonic Art. Queen's University and University of Ulster both support NI Centre for Entrepreneurship (NICENT).</p> <p>Development of Cathedral Cultural Quarter in Belfast.</p> <p>Cultural tourism initiative being pursued by Northern Ireland Tourist Board in association with Arts Council of Northern Ireland.</p> <p>Growth in film production and in capacity of local production sector. Paint Hall Studios is a major new contribution to film and television infrastructure.</p> <p>The Nerve Centre in Londonderry is now recognised as one of the most dynamic and innovative multimedia centres in the British Isles.</p>
Scotland	Architecture, Publishing, TV & Radio, Advertising/PR, Interactive Leisure Software.	<p>The Scottish Enterprise Network is:</p> <ul style="list-style-type: none"> • creating a campus environment for the creative industries in Tayside. This is a combined project which comprises an international centre for computer games and a virtual entertainment centre at Abertay University and a partnership between private, public and academic sectors to facilitate the development of the area's digital media industries. • developing Pacific Quay on the River Clyde at Glasgow as an international media centre with the emphasis on new media. BBC Scotland and Channel 4, Nations and Regions, are committed to move to the site (subject to planning issues).

		<ul style="list-style-type: none"> • in serious discussions with major sponsors and partners concerning the development of an interactive website for the creative industries which will become the main source of information, exchange of intellectual property etc. for all of the country's creative industries.
Wales	Art & Antiques Market, Craft, Design, Performing Arts, Music.	<p>A new consortium, Cymru'n Creu (Wales Creating), is being established combining all cultural sponsored bodies in Wales and key partners, including Wales Tourist Board, Welsh Development Agency, Welsh Local Government Association, National Council for Education and Training in Wales and the voluntary sector. One of the first priorities of the consortium will be to take a close look at the creative/ cultural industries in Wales and to determine a strategy for support and development.</p> <p>Advice and guidance is currently available to small businesses on the promotion of Internet use and on intellectual property rights.</p> <p>Wales Trade International have developed a cluster group on the creative industries to develop participants' international trade potential.</p> <p>The project "Know How Cymru Wales" is promoting effective links between colleges and businesses.</p>

Note: Clusters identified in *Business Clusters in the UK – A First Assessment*, DTI, February 2001, are in bold.