4 Crafts

Core activities:

Creation, production & exhibition of crafts

- textiles
- ceramics
- jewellery/silver
- metal
- glass

Related activities:

Supply of materials

Distribution

Retail

Online retail

Packaging and display

Craft fairs

Craft magazines and books

Tools and machinery

Related industries:

Design

Fashion

Art & Antiques Market

Merchandise

Tourism

4 CRAFTS

REVENUES £400 million (estimate) (1998) [a]
EXPORTS £40 million (estimate) (1998) [b]
EMPLOYMENT 24,200 (1998), 23,700 (2000) [c]

a *DCMS, 1998: Creative Industries Mapping Document.* b *DCMS, 1998: Creative Industries Mapping Document.* c *ONS, 1998, 2000: Labour Force Survey.*

INDUSTRY REVENUES

The 1998 *Creative Industries Mapping Document* estimated a revenue of £400 million. There has been no further industry-wide survey comparable to the *Crafts in the 1990s* report by the Crafts Council. There is a belief in the industry that the sector has grown and we are able to consider other indicators that support this view.

The nature of the crafts business itself makes its contribution to the economy difficult to assess; craftspeople are often sole practitioners and multiple job-holders and many are micro-businesses whose turnover falls below the VAT threshold.

UK MARKET SIZE

The industry's trade fairs provide alternative indicators of the economic health of the sector. The Chelsea Crafts Fair, one of the national highlights of the industry, has run annually for over two decades and provides a showcase for the work of over 200 makers every year. The table below shows its performance and that of trade events supported by the Crafts Council over five years.

One of the industry's directories listed around 2,000 crafts events taking place in the UK[1] in 2000, including crafts shows, fairs, festivals and exhibitions. There are over 80 established organisers.[2]

CRAFTS COUNCIL SUPPORTED TRADE EVENTS, UK AND OVERSEAS, 1994-1999

	CHELSEA CRAFTS FAIR SALES (£ MILLIONS)	CHELSEA CRAFTS FAIR NUMBER OF VISITS	TRADE EVENTS (UK & OVERSEAS) SALES (£ MILLIONS)	TRADE EVENTS (UK & OVERSEAS) MAKERS ATTENDING
1994/95	*1.6*	*24,000*	*N/A*	*N/A*
1995/96	*1.7*	*21,288*	*2.7*	*368*
1996/97	*1.6*	*25,500*	*2.7*	*340*
1997/98	*2.2*	*25,200*	*3.1*	*345*
1998/99	*2.1*	*27,000*	*1.2*	*365*
1990/00	*2.5(a)*	*28,000*	*1.8(b)*	*398*

Source: Crafts Council, Annual Reports 1994/95 to 1998/99.
(a) Projected sales. (b) Includes activity in Germany.

1 ***Write Angle Press, 2000:*** *The Craftworker's Yearbook. Revised Edition.*
2 ***PSB, 1998:*** *The Essential Craft Guide.*

BALANCE OF TRADE

No current data available. It was estimated that £40 million in exports were achieved in 1998.[3]

EMPLOYMENT

There were around 23,700 people working in crafts in 2000.[4]

Crafts work is inherently labour intensive, which means that many craftspeople earn relatively modest financial rewards which hardly compensate for the hours spent creating and producing pieces and managing their businesses. This drives some craftspeople into multiple jobs, combining, for example, making with teaching. The number of people working in crafts as a second job is estimated to be over 2,000.

Research carried out in Cornwall, for example, estimates that the number of craftspeople was just over 1,000 in 1999/2000 while the Cornish crafts industry turned over around £13 million.[5]

The average annual income per craftsperson was in the region of £13,000. It was also estimated that 70% of Cornish craftspeople sold their work nationally while 22% were able to find international buyers.

INDUSTRY STRUCTURE

The individuality of the crafts work itself, from the original design and/or individual creation of each piece to the typically low (re)production numbers of individual pieces, determines the structural characteristics of the trade. Craftspeople will typically sell their pieces themselves directly to the public. Often the workshop and shop occupy the same space although pieces are also retailed in galleries and commercial outlets. Most craftspeople oversee or manage the distribution process themselves.

A variety of business models are identifiable in the crafts sector, including designer-makers who design a prototype which is registered, and then produced (batch production), distributed and retailed, for example, by a major retail chain.

The table below shows the complex chain of supply and reflects a diverse range of business models.

Often many of the supply chain activities are performed by the craftsperson; the majority of crafts businesses are sole traders and micro-businesses. Recent research on the creative industries in Yorkshire and Humberside shows that over three-quarters of the region's crafts businesses are sole-trader and micro-businesses.

SUPPLY CHAIN OF THE CRAFTS INDUSTRY

ACTIVITIES	***CRAFTSPERSON*** Design craft works	***COLLECTION SOCIETY*** Collect royalties and payments for craftsperson	***CRAFTSPERSON AND/OR OTHER PRODUCERS*** Create and produce craft works	***AGENT AND/OR CRAFTSPERSON*** Distribute craft work to retailers	***RETAIL OUTLETS AND/OR CRAFTSPERSON*** Sales
PLAYERS		DACS (Design and Artists Copyright Society) ACID (Anti Copying In Design)		Crafts Council Crafts associations Individual agent	900 workshops/ shops/ galleries Chelsea Crafts Fair 2,000+ fairs p.a. Festivals

3 ***DCMS, 1998:*** *Creative Industries Mapping Document, 1998.*
4 ***ONS, LFS (Labour Force Survey), summer 2000.***
5 ***De Facto and Stephen Burroughs, 2000:*** *The Applied Arts. Creating prosperity in Cornwall.*

INTERNATIONAL CRITICAL ACCLAIM

Trade missions to the US became increasingly successful in the late 1990s; for example, the Crafts Council organises two annual trade fairs in New York. British crafts are well represented in American Museum collections.

Japan and European markets such as Scandinavia and Germany are also becoming important markets overseas.

British crafts exhibitions were also toured by the British Council to great acclaim in recent months to countries such as Japan, Latvia, Lithuania, Italy and Portugal.

SECONDARY ECONOMIC IMPACT

A range of services supply the crafts industry including art and craft materials, mail-order services, printers, photographers, web-site designers, packaging and display suppliers and some 80 event organisers.
An estimated 900 retail outlets (workshops, shops and galleries) sell crafts in the UK. The crafts industry impacts on all these sectors and businesses – the employment generated by crafts shops and galleries alone is likely to be in the region of 1,000 jobs.

Case study: a recent study[6] of the economic impact of the arts in Dumfries and Galloway identified 326 economically active businesses within the visual arts and crafts sector in the region. The vast majority are micro-businesses and these were found to provide direct employment to 470 individuals. It was also estimated that the indirect employment generated by this sector was 176, bringing the total attributable employment to 646.

This estimated gross turnover per annum of the sector was £4.3 million while around £1 million per annum is generated through sales to the tourist market. Exports are worth on average £350,000 per annum.

There are some 60 periodicals and magazines specialising in the crafts sector and its numerous sub-sectors. The Crafts Council's own bi-monthly publication *Crafts magazine* has a cumulative readership of 168,000 and an annual turnover in excess of £500,000.

POTENTIAL FOR GROWTH

The nature of crafts work itself is currently undergoing significant change. Work is becoming more cross-disciplinary, for example, textiles with jewellery or furniture with textiles. Also, the scale of work is changing and some craftspeople are experimenting with much larger scales of work, and taking advantage of public art opportunities. Both these trends show that the sector is continually evolving.

A trend in employment in the crafts sector is the development of second careers: people move towards the crafts at a later stage in their working career.

The increasing number of students taking crafts and design courses at university is also a dynamic factor in the development of the industry and of crafts work itself. In 1998/99 a total of 448 students were enrolled in higher education crafts courses alone, while degree applications in arts and design education in general have risen by 12% in the last five years.

A national survey[7] conducted in 1999 found that around 30% of the UK's population had ever taken part in crafts activities, while around 14% had participated in the previous 12 months. The most cited reasons for taking part were pleasure (57% of all respondents) and relaxation (31%).

ORGANISATIONAL PROFILE OF CRAFTS SECTOR, YORKSHIRE AND HUMBERSIDE, 1998

ORGANISATIONAL PROFILE	%
SELF-EMPLOYED	48
SOLE PROPRIETOR	20
PARTNERSHIP	20
LIMITED COMPANY	4
NOT-FOR-PROFIT ORGANISATION	4
CLUB OR SOCIETY	4

Source: Bretton Hall College, 1999.

6 ***Todd Associates (commissioned by Dumfries and Galloway Council), 2000:*** *The Economic Impact of the Arts in Dumfries and Galloway.*

7 ***The Association for Creative Crafts and Art, 1999:*** *Great Britain National Survey. Crafts and Arts Participation.*

Another recent survey[8] on crafts audiences in Sussex found that 57% of those participating in crafts had bought contemporary crafts over the previous two years. It also discovered that the amount that people would spend on a crafts work varied from £10 to £2,000+. The average amount was around £50.

The sale of crafts objects in museum shops greatly increased in the 1990s, creating a new market for crafts-makers.

IMPACT OF E-COMMERCE/ INTERNET/TECHNOLOGY

The Internet is rapidly becoming an effective and efficient means of communication and marketing for crafts-makers. There are, at present, a number of dedicated websites which include virtual crafts fairs, providing e-commerce for crafts in general and specific sectors, for example, beadwork, ceramics, glass, jewellery, textiles and woodcrafts. A number of sites contain chat-rooms, offering opportunities to promote and advertise crafts products and services.

Individual makers are increasingly using the web as a means to publicise and sell their work. A key barrier to e-commerce is the fact that buyers are accustomed to touch and look at physical three-dimensional objects. Three-dimensional image technology, although available, is still expensive and not yet fully accessible to most Internet users.

The use of design software is becoming a feature of the design process and crafts and design students are increasingly trained in its use. The decreasing costs of hardware and software and their improved ease of use are making the use of computers more important and viable for designers and crafts makers.

GROWING THE SECTOR – POINTS FOR CONSIDERATION

As running a crafts business requires both artistic and business skills, one key issue for makers is the lack of knowledge and experience of administration and business management. This particularly applies to young makers and college leavers and may constitute a significant barrier to entry into the market.

Therefore improved training opportunities in business skills and the management of resources are required. These subjects are still not taught at most art and design schools and other sources for these training courses can be costly.

As technology becomes an increasingly important means of communication and marketing for crafts-makers information, support and training in ICT skills should be made more available for practitioners.

Other kinds of support and training opportunities also need to be more effectively targeted at practitioners.

Professionals crafts-makers, especially at mid-career stage, need the resources and opportunities to conduct research to develop and improve their skills and experience. Currently, there is no infrastructure to support the professional development needs of practitioners.

Raising the profile of the industry and increasing its potential for sales depends on investment in and support for good quality trade events. The Chelsea Crafts Fair has led the field for the past 20 years but it only takes place annually. The steady increase in the number of visitors indicates that more, and perhaps bigger, events of this kind are needed.

The crafts sector would benefit from closer links with related industries. There are synergies, for example, between textile crafts and the textile industry. At present collaborations are limited and considered a risk in business investment terms. Support for cross-industry working is needed to promote the development and expansion of the sector.

An important factor in the development of the sector is the quality of market information and of industry analysis. Crafts is a complex and fragmented sector which is difficult to define and classify. Improved knowledge of current and potential markets and of more effective ways to target them should greatly enhance the growth potential of the industry.

8 ***Sussex Arts Marketing, 1999:*** *Crafty Audiences. Research report on audiences for contemporary crafts.*