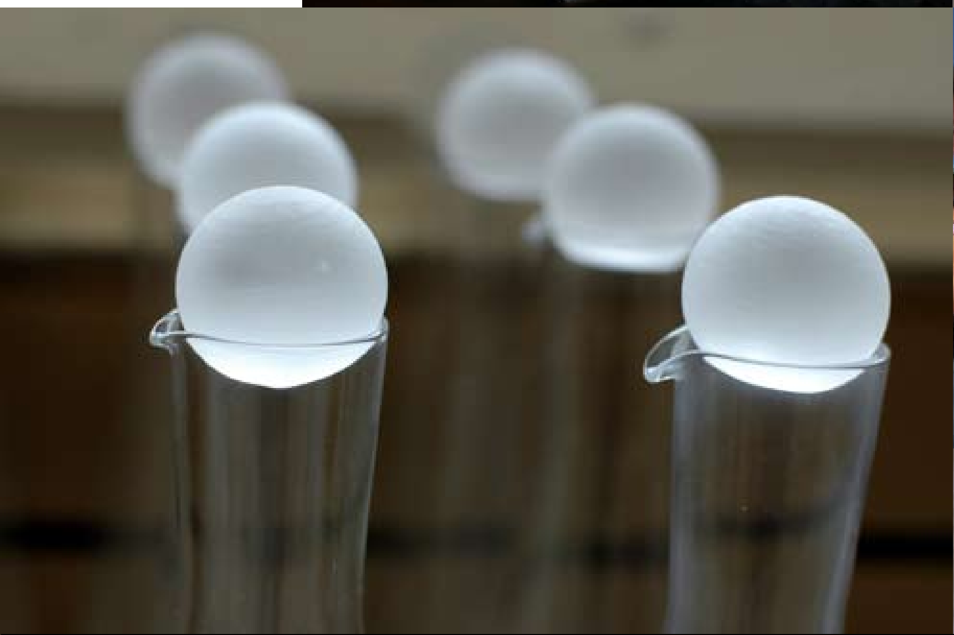
CREATIVE GROWTH



CREATIVE GROWTH - developing businesses for the future

European Union
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INTERREG IVC
INNOVATION & ENVIRONMENT
REGIONS OF EUROPE SHARING SOLUTIONS

Creative Growth-developing businesses for the future

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1. Introduction

It is estimated that more than half of the jobs in manufacturing have been lost in Europe since the late In1990s. During the same period Europe has developed to be a leader in sectors such as music, fashion, design, architecture, arts and games development. The culture and creative industries therefore offer enormous potential for the EU to remain among the top players with regard to global competitiveness. The creative sector is growing, developing at a higher pace than the rest of the economy. The European Year of Creativity and Innovation 2009 is taking place at a time of economic crisis in Europe. One needs real creativity and innovation at times like this – and regions need to develop policy tools, support structures and conditions that encourage new ideas to happen and to be open to change. Nurturing creativity is the key to promote a region's competitiveness.

Creative industries, cultural industries, creative economy, experience industry, different names but are they that different? Some say yes, others say that the overall understanding for these definitions is similar. Our description for the key economic driver for the future is the "creative sector". A sector that includes rather than excludes, it is not an isolated field but on the contrary is in constant motion between people and organisations. The creative sector is an arena for people who are working with music, theatre, film, architecture, computer games, advertising, literature, magazines, dance, handicraft, design and much more. Many of them are creating the content, as creators. Others provide the creators with equipment or reproduce, market and distribute the outcome of the creator's work. There are also important people close to the sector who are working with education and other kinds of support for the sector.

The creative sector is a key driver for economic development and growth. Strong policies and business development mechanisms are prerequisites to maximise the business potential of the creative sector.

The definition of creative sector that we use in this project is inspired by studies from Great Britain, but we are eager to not only count the part of the sector that is run by private interests but also the public financed and the non-profit parts. Europe´s economy is no longer the same and in need of new solutions and new ways of creating growth and sustainable societies. We believe the creative sector is a part of that solution in Europe, not only because it is a continuously growing sector, but also because of its positive impact on the society as a whole. Regions that have well functioning creative sectors attract investment, creative talents and tourism. This also implicates that the quality of life is higher in these regions than elsewhere, to put it simply; people want to work and live there. The creative sector is a business for the future of regional, national and European development.

The Creative Growth project wants to teach creative entrepreneurs how to sell their product, and teach how to make business out of creativity.

Our strengths but also disparities have been the basis for the project. To combine business and culture is in some ways controversial – what is culture, what is business, can business and creativity be combined and should we? The creative sector is a rather new business sector in the perspective of economic development and growth. In the Creative Growth project eleven partners from different parts of Europe have joined forces to share experience and knowledge on how to develop the creative sector as a business sector. Creative Growth is carried out between Östsam Regional Development Agency as the lead partner and the ten project partners: Regional Council of Södra Småland, Edinburgh Napier University, Észak-Alföld Regional Development Agency, Kaunas County Governor's Administration, Aster S. cons. p.a., Business and Innovation Centre of Asturias, Timis County Council, Regional Association of Municipalities of Central Staria Planina, South Denmark European Office and BIZ-ART - Centre for Culture and Business. The project partners represent 9 countries - Bulgaria, Italy, Spain, Lithuania, Romania, Great Britain, Sweden, Hungary and Denmark building this joint development project, and what we see is the start of the term "European network of creative regions for the future". This project is made possible by the Interreg IVC programme. Co-financed by the European Regional Development Fund.

The idea of the Creative Growth project is to provide comparable data about the creative sector, by developing a joint basis for a European model for comparing the creative sector in different regions. Through the analyses we will get further knowledge on our strengths and weaknesses, and this will be the basis for deepened studies and a number of thematic working groups, interregional seminars and pilot cases. One great challenge is to provide facts and knowledge that can have an impact on the policy making process, to better shape and adopt tailor made policies.

Methodology

The work on changing the view on growth and leaving the industrial society going into a knowledge society is a continuous challenge today. Creativity is an important factor in this development because of how the economy changes. One influential researcher in this field is Richard Florida, who points out the importance of creativity in the new economy in his two books "The rise of the creative class" and "The flight of the creative class". There are also a number of other social scientists who are discussing the rise of the creativity as one of the most important driving forces for the new economy.

This study will show how the creative sector functions in eight different regions in Europe. Three more partners will take part in the project without doing the mapping. They are there for learning or supporting their home region. The mapping will give us an overview of the participating region's historical context, educational system, "light houses", support for business development and creative networks. With this mapping we want to create an understanding and awareness of the sector´s potential for economic growth and to build a foundation for a toolbox for future development.

In order to increase competitiveness and regional economic growth through the creative sector we need to understand the history and conditions with which the different regions work with. The regional history will always reflect the future and the historic context is therefore a crucial part of knowing how to move forward. We have therefore asked regions to describe their unique features and traditions that now work as a basis for development of the creative sector in the region.

More details about the method used for the quantitative mapping can be read in a separate part of the report.

Light-houses, education and enterprise support

The regional education system plays an important role for a region; it gives the population an opportunity to learn new skills and competences and provide the region with a competent workforce. If a region has a higher education and/or a research institution with a special focus in the field of the creative sector the region is more likely to develop organisations and businesses within the sector. We asked the eight regions to describe the overall educational systems in their region and to specify if there are any existing institutions with a specific orientation to the creative sector.

Every region has something within the creative sector that stands out from the others, these "light houses" often play an important role for the region and sometimes set the rules of play for the surrounding actors. We asked the participating regions what role these light houses play in the context of their regional development.

There is a huge potential for business development in the creative sector. However, there is little knowledge in this field, especially on how to create the best possible framework for this in a local and regional context. In order to develop such a framework we need to learn more about the best practices and obstacles that an actor within the creative sector faces when developing a business. In this mapping we asked for a description of the structure for business support for entrepreneurs in the regions. We also asked if there is any special focus on the creative sector in any of the existing support units.

Another component for growth and to make the creative sector an important part of the local society is what we call creative networks or meeting places. These networks are often linked to a geographical place or a common theme and consist of a variety of actors in the creative sector that collaborate and complement each other in the region. The actors in the networks have defined ways of cooperation and work with a united vision even though they have different goals. We wondered if these kinds of networks exist in the partner regions and how they work.

The following chapters will give an overall view of the regions related to the above mentioned topics. Together with these descriptions you will find statistical data from the regions. The two components will show the differences and similarities within the creative sector. The comparative summary will lead us to the projects following steps, creation of thematic working groups. The most important part of the summary is the identification of problems and barriers, what challenges stands before the regions in developing the creative sector as a component for growth?

2. Mapping the creative sector with statistics

Background

In this chapter the statistics used in the mapping of the creative sector in Creative Growth will be described. Before that is done we will start with a short philosophical discussion on the use of statistics, and especially what use it fills in this project.

Using statistics is an easy way to make quick comparisons between different areas of the economy, or as in the case of this project, between different regions in Europe. Statistics is also a quick and easy way to detect and analyze change over time. At the same time it is crucial not to forget that statistics always give a simplified picture of reality, and that statistics never can provide a full picture of reality. In Creative Growth we have used statistics to describe the economics of the creative sector. What we mean by that is we have used statistics to describe how large the sector is according to how many people get their outcome from the sector, how many companies are active in the sector etc. This does not mean that we have forgotten important parts of the creative sector such as the third sector, public institutions, relevant legislation, etc. It only means there are some things where statistics are available and others where it is not. Further there are other things that are better described in ways other than the use of statistics.
We have in this project chosen to use the term the creative sector. There are several other similar terms such as creative industries, experience industries, cultural industries etc. The use of the term sector is intentional and aim to acknowledge that many of the activities in the cultural and creative fields are taking place outside of the commonly defined economical field. A lot of interesting, and for the creative sector important, activities are conducted outside companies, workplaces and without people doing it for their living.

However it is data on economic activities that is easily accessible and routinely gathered. . We therefore use statistics for describing this, although we are aware of the possibility it gives a somewhat skewed picture of the creative sector and even the economics of the creative sector.

Definition of creative sector

There is no definition of the creative sector using industry classification available. More correctly, there are many different definitions around, but none commonly recognized. In different countries there are different definitions, in some countries there are several different but similar definitions, and in some countries there are no definitions. There are also both official definitions and unofficial definitions around.

The first thing we had to do to be able to compare development, structure and size of the creative sector was to come up with a common statistical definition. The definition should have a production based starting point, i.e. it should reflect the creative sector from a creator's point of view. In order for creators to reach their market, their audience etc. a number of functions are needed, not only the primary creative function. Some of these functions are unique to the creative sector and others are common to many sectors or industries. The idea was to single out those functions that are to a predominant part used to make a creative product or service reach its consumers. Those branches of industry that fulfil this precondition, together with the actual production of creative products or services, were to make up the creative sector. In this way we tried to single out the whole production chain for the creative sector, but not to include common services, to produce an ideal value chain with production, reproduction, distribution etc for the creative sector.

For analysis different parts or sectors within the creative sector needed to be identified. The ones we used in our definition are the following fourteen sectors:

- **Newspaper and magazines**
- **Computer software**
- **Television and radio**
- **Advertising**
- **Film and video**
- **Photography**
- **Toys**
- **Amusement parks and visiting places**
- **Music**
- **Fashion and design**
- **Arts and craft**
- **Literature**
- **Artists, Theatre and dancing**
- **Architecture**

This definition of the creative sector has more sectors than some definitions and less than others. We especially want to point out three sectors that are included in some other definitions, but not in our definition of the creative sector: Sports, Food and Restaurants and Accommodation. Also to be mentioned is that since the creative sector is closely linked to the tourism industry, and sectors included in them are to some extent overlapping, no transportation industry is included in the creative sector.

Definition contra commonly available statistics

Once we had decided on the basics for definition and what sectors should be included in the creative sector, we looked at what commonly available statistical definition of those sectors could be found. The common industry classification in EU is NACE. NACE is a hierarchical classification system compatible to national systems on three-digit level. That means that it is comparable between countries on a rather general level, and we thought this level was not detailed enough for singling out industry in the creative sector from other industries. We therefore compared national statistics on four digit level and found there were large similarities between the countries relevant to the project, and that the same or similar codes could be found in different countries but under different names. We then decided to use NACE on four digit level as the classification ground for the statistical definition of the creative sector. We would have liked to use a more detailed classification, but when looking into them they were too different between the countries to be able to use.

NACE was redefined in 2007 (from NACE rev 1.1 to NACE rev2). Since we wanted to show development over the past five year period, we had to use the older version of NACE (rev 1.1), even though this will gradually go out of use.

What NACE we have classified into each sector, and the whole creative sector, is shown in Appendix1.

Using NACE rev1.1 on four digit level to statistically define the creative sector presents a lot of problems since this classification really is not detailed enough. This means that in some cases many companies, employed etc. are included in the definition since those branches of industry that are interesting to use for the classification are put together with industries that are not. This is the case almost overall in the definition but it is most striking in the sectors Computer Software (all kinds of computer activities are included, not only creativity based ones): Television and Radio (telephone companies are included): Film and Video (all kinds of renting of goods are included): Fashion and Design (a lot of other businesses are included): and Architecture (a lot of technical engineering firms are included).

Overall in the definition there are few companies, employed etc. included, for example many of the relevant retail businesses are not included since they have been thought to be too small in comparison to the not relevant businesses they are put together with. The sector Arts and Craft is small since it is impossible to single out handicraft from industrial production.

A third obstacle is that some NACE codes include businesses that should be in different sectors within the creative sector. For example all artists now put in the sector Artists, theatre and dancing, irrespective of whether they are painters, dancers, writers or something else. When deciding on whether a NACE code should be in or out of the definition of the creative sector and what sector they should be in we tried to analyse whether it is more important to the creative sector or to the rest of the economy, and to which sector in the creative sector it is most important. There are always cases where discussions will continue on whether certain codes should be in or out of the definition and in what sector they best fit in.

Statistics used in the analyze

In the analysis of the creative sector in Creative Growth four types of statistics were used:

- Number of companies, divided into size-classes according to number of employees
- Number of workplaces
- Number of employed
- Number of new companies, i.e. companies start ed in the year

These statistics are probably the most commonly available and most commonly used for describing economic levels and development, and they were chosen for that reason. They are the ones that are most likely to be found at regional level. This does not mean that we have been able to retrieve all of them for every region, for some regions one or more of them have not been able to be retrieved. In Kaunas County the accessible statistics were thought to be of low quality and therefore no data from there have been used in the analysis.

Even though these four types of statistics probably are the best for comparative economic analysis, it is crucial to know they are not perfect. Different methods for retrieving data in different countries lead to somewhat different results. There are also different classifications for example on what a new company is. In some countries a company might need to reach a certain level of turnover to be registered in the statistics, in other countries it might need to be registered for taxation etc. The definitions vary between the countries for all the four different types of statistics used. This means that there is really no use in comparing actual numbers of companies, employed etc. between the regions in the study. The very different sizes of the regions make this a bit hard.

In the following chapters you will find analysis on how large the creative sector is compared to the whole economy, how the creative sector have developed over time and what the structure of the creative sector is according to how companies and employed are spread between different sectors. These things are then compared between the regions. In saying "comparing the comparisons" we at least a bit go around the problem of different standards of the statistics.

Two years were chosen for analysis, 2002 and 2006. In Eszak-Alföld statistics for these years have been unsuitable to analyse and therefore the years 2003 and 2008 are used. In South Denmark the analysis of employment uses the years 2003 and 2007.

Each partner has retrieved statistics for their own region but in a for all regions common fashion. The statistics are mainly retrieved from regional or national statistics agencies.

Sources for the statistics:

Östergötland and South Småland:	Statistiska Centralbyrån (Statistics Sweden)
Emilia-Romagna:	ASIA database: ISTAT (the Italian Institute for Statistics)
Asturias:	National Statistical Institute (INE), Central Business Directory (DIRCE). National Statistical Institute (INE), Industrial Survey of Companies National Statistical Institute (INE), Annual Survey of Services Asturias Statistical Institute (SADEI)
Észak-Alföld:	Hungarian Central Statistical Office (KSH)
South Denmark:	Denmark Statitics: Register based labour force statistics Denmark Statistics: Workplaces/employment conditions Denmark Statistics: DB03
Scotland:	UK ONS Annual Business Inquiry Employee Analysis 2002 and 2006 UK ONS Annual Business Inquiry Workplace Analysis 2002 and 2006 UK ONS Business Demography Enterprise Analysis 2002 and 2006 UK ONS Business Demography Enterprise Birth Analysis 2002 and 2006

3. The creative sector in eight European regions

East Sweden
South Småland
Emilia-Romagna
Észak-Alföld
Southern Denmark
Asturias
Scotland
Kaunas

4. East Sweden
- Östergötland

Traditions form the creative sector

Since medieval time Östergötland has been one of the main regions in Sweden. The fertile plain made it possible to establish big farms with rich and influential families, from which the first kings were recruited when the Kingdom of Sweden was founded. When the country became Christian it was on the slopes of Omberg the first monastery on Swedish ground was built the year 1143. The medieval heritage is still there as a part of the modern Östergötland, even if people in daily life don´t always think of it. Work is going on in an effort to develop the medieval based tourism together with the neighbour region that was the other powerful part of the early kingdom. These open possibilities for both educating activities and for tourism. The growing tourism sector is an interesting example of how heritage in the form of remaining and stories can be used as a resource in the creative sector. The beautiful and peaceful landscape also offers good opportunities for organisations and entrepreneurs to develop activities based in nature experiences, alternative health care, recreation and other experiences.

The west side of Östergötland is maybe one of the most beautiful parts of Sweden. A big lake forms the border to another region, and from the top of the hill Omberg (Östergötlands highest mountain) you can see out of the plain below. On a clear day is it possible to see over 30 churches from there, most of them medieval. Here a creative cluster has started with the aim to develop business from the connections between ”culture, nature and health”. Right now there are 15 companies involved. The

very simple ground for the network is the knowledge that good experiences from neighbour culture and nature makes you feel better, healthier.

Like in many other parts of the world it is the bigger cities that now grow fastest. In Östergötland there are the two big cities of Norrköping and Linköping, and they have decided to build the centre for a new city region, the fourth biggest in Sweden. Through history both cities have developed side by side, parallel but always in a mutual relation to each other. Both are old medieval cities, where Linköping gradually became residential city with bishop, dome, county governor and the first schools. By the 13th century the first grammar school started in Linköping.
Norrköping´s growth started later, and started with the Swedish great power period in the early 16th century. The army needed clothes and canons, and the production that started in Norrköping was the beginning of the industrialisation. Already in the early 1700 was the production of wool so big that the city was called ”Swedish Manchester”. The textile industry dominated the economy in the city until the years of crises around 1960 and 1970, when many of the factories had to close. The industrial landscape is still there and now has a new role as important place for actors and activities belonging to the creative sector - culture, media, education and conferences.

Light houses and creative networks

In the city of Norrköping the municipality will together with the University of Linköping and several companies use a part of the old industrial landscape to build a Center for Visualizations and New media. There will be a public venue for visualizations, a theatre for traditional film, space for up to 100 researchers, a centre for film- and media pedagogic and an incubator for young film producers. The centre opens in 2011. The centre is a hub for the network, an arena where research and education meet entrepreneurship and culture production. The new building for public activities will be well recognized and will be an important place for meetings and mutual activities in the network. In and around the centre there will be room for production, presentation and showing, pedagogic, research and education both for traditional film and for new forms of visualization and other use of new media.

When Norrköping became an industrial city Linköping remained as an agrarian market town and a centre for church and county administration. For a long time the city was dominated by several military units. Since the air craft industry was established after the Second World War the city has started to grow more seriously. Linköping is now the biggest city in the region and has a profile of high technology, medicine and environment technology. There is still a character of a preserved small town that gives a charming feeling for both inhabitants and visitors.

In Linköping culture institutions, associations, shops and performers in the field formed around arts, handicraft and design have started a co-operation through a creative network - Forum for Culture. The vision for the network is to develop the district between the castle, the dome and the big square to a vibrant culture zone with shops, studios, galleries, cafés and restaurants. All of them shall build on the same profile. The organisation for Handicraft in Östergötland has taken the role as a hub in the area and for the network. There you meet and make up plans for the future. A yearly festival, called City Art Link, dedicated to art, design and handicraft is a way to invite a broader public to the area. Another ”light house” is Göta kanal. The canal was built in the early 1800s for transport, but was soon driven out of business by the railways. The recent years tourism has grown along the canal, and now Göta kanal is one of the most visited tourist attractions in Sweden. Taking care of the heritage is an important part of the mission, but this and the boat traffic have increasingly come to see activities grounded on culture, food and drink, recreation and experiences as a compliment. Because of this the profile will continue to be more connected to the creative sector and activities will be done to help the entrepreneurs to improve their skills for example as arrangers.

One more ”light house” for the creative sector in Östergötland is the archipelago. Here also has a network has been established to improve the co-operation between different actors such as municipalities, entrepreneurs, organisations etc. In the area, which in fact consists of four different archipelagos, a great number of artists, handcrafters, musicians and other culture workers live and work. The weak part is the infrastructure in the form of communications and hotels. Therefore has it not yet been ready for a more extensive marketing of the archipelago on the foreign market. There are challenges for the network, but this also is the reason for them to work together.

Higher education and research

The University of Linköping has a second campus in the neighbour city of Norrköping. Of the 25 000 students about 5 000 carry out their studies there. One program is for culture producers (Culture, Society and creation), where you can go up to Master level. The program has been very important for Norrköping and for the region. A lot of young, ambitious and talented creators are formed there, and many of them want to stay in the region if possible. The Visualization Center is in a way a result of this profile in Norrköping, and it also a place where the students can find jobs in the future. However there are rather good opportunities for students with the right profile to get a job after their degree, at least compared to many other places. To have a university in the region means that researchers and students are resources also outside of the academy. Students and researchers need arenas for testing their ideas and many of them want to take part in the society during their studies. In Norrköping the students have an important role in the annual film festival, outdoor cinema during the summer and in one growing festival for digital audio and visual art, New Media Meeting.

In the region there are a number of education institutions in the level under university. In Sweden there are a form of schools called ”folk high schools”, which offers both complementary adult education and special programs for music, art, theatre, dance and more. Some of the schools are better known than others. In Östergötland Lunnevads folk high school is one of the best known, to which young people from the whole country apply. Student in these schools and in the aesthetic high schools are also big producers of concerts, exhibitions, musicals and theatre.

Enterprise support

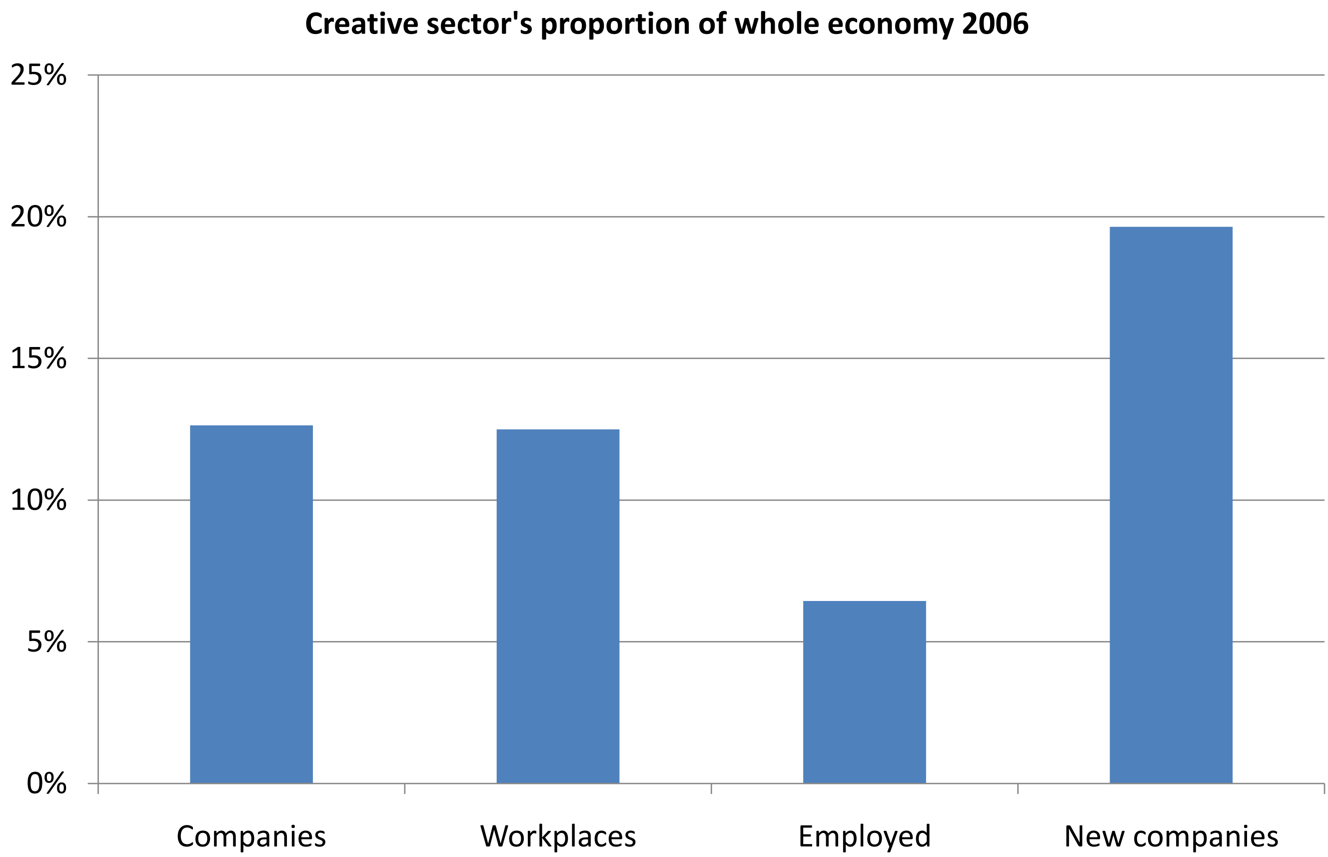
In Sweden we have a national, society owned company for support to SMEs. In each region there is a regional department, or really an affiliated company, where the Region is the main owner. The aim of ALMI is to support SMEs through business training, coaching and financial support. From now on there is a national instruction to all ALMI companies from the Ministry of Enterprise to include and make special effort to support SMEs in the cultural and creative sector. On local level in Östergötland we are working together with our regional ALMI, to find ways to develop a structure here for support to the creative sector. This work is also a part of complementary Swedish project that the region is involved in. This project is financed as an Objective 2-project.

All municipalities have their own function for enterprise support. The aim is to help existing and new companies to establish and grow, and to communicate what the strengths are for each municipality. Often companies are too focused on its own activities to also have energy to follow trends and changes in the surrounding world. An office for business support in the municipality can therefore be valuable, but of course all the decisions are taken in the companies. Also at regional level there are functions for enterprise support. In the region there have been a number of initiatives taken to support a development of the creative sector. Money comes from different EU-programs, structure funding and from national and regional development funding. When these projects are connected to other regional strategies for development, they can be important tools for changing the agenda in right direction.

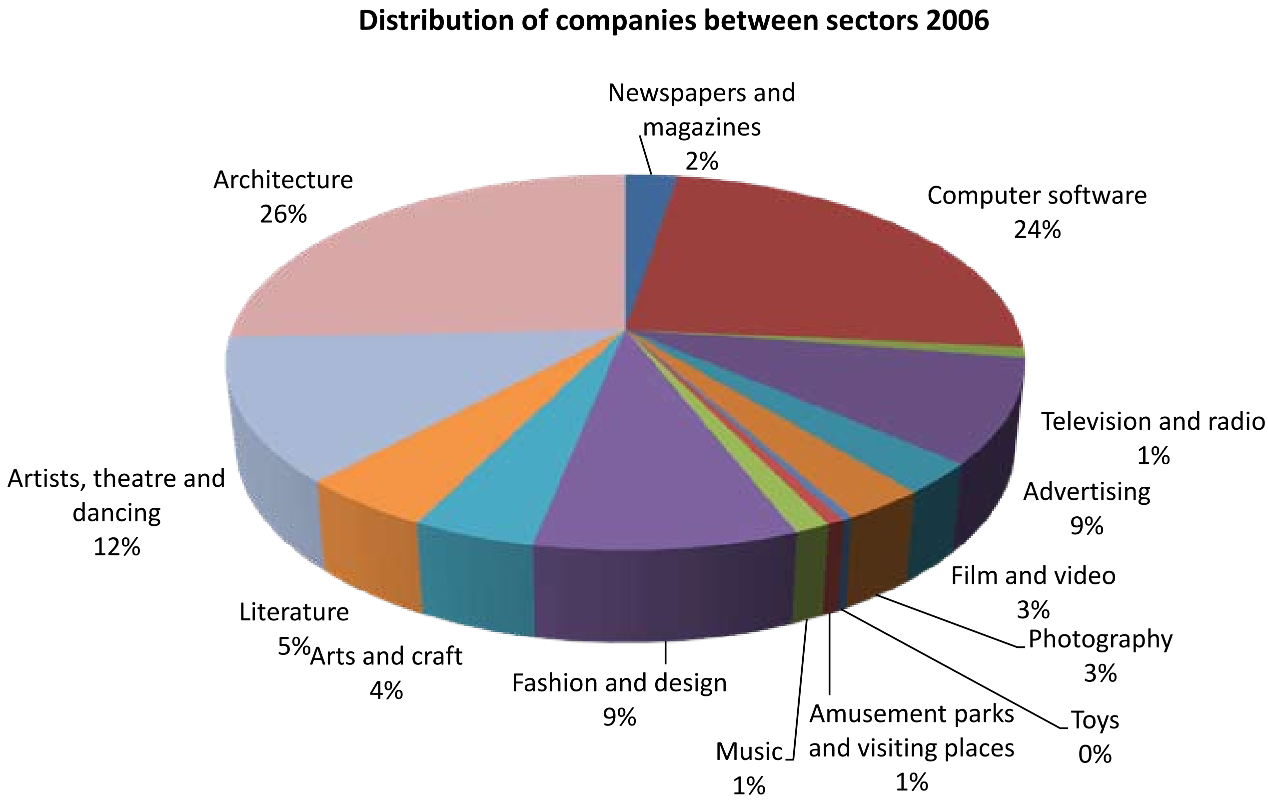
Size of the creative sector

	Creative Sector 2006	Whole economy 2006
Companies	4 220	33 399
Workplaces	4 627	37 019
Employed	11 970	185 904
New companies	505	2 571

The creative sector is a very important part of the Östergötland economy. About 4.200 companies are found in the sector and they make up about 13 percent of all companies in the region in 2006. The fraction of workplaces found in the creative sector is about as large as the fraction of companies found there, meaning that the creative sector is not only important in the private sector; it is as important in the public sector as well. It also indicates that the ratio companies/workplaces do not differ from the average of the economy.
The creative sector stands for about six percent of the employment in the region, which puts the creative sector in the same league as for example the building industry. The part of the employed found in the creative sector which is about half as large as that for companies and workplaces indicates that the creative sector on average have significantly smaller companies and workplaces, according to number of employed, than the average of the economy.
Of the companies started in 2006 every fifth company was started in the creative sector, indicating that the sector is very important in job creation and that is has a large entrepreneurial importance.

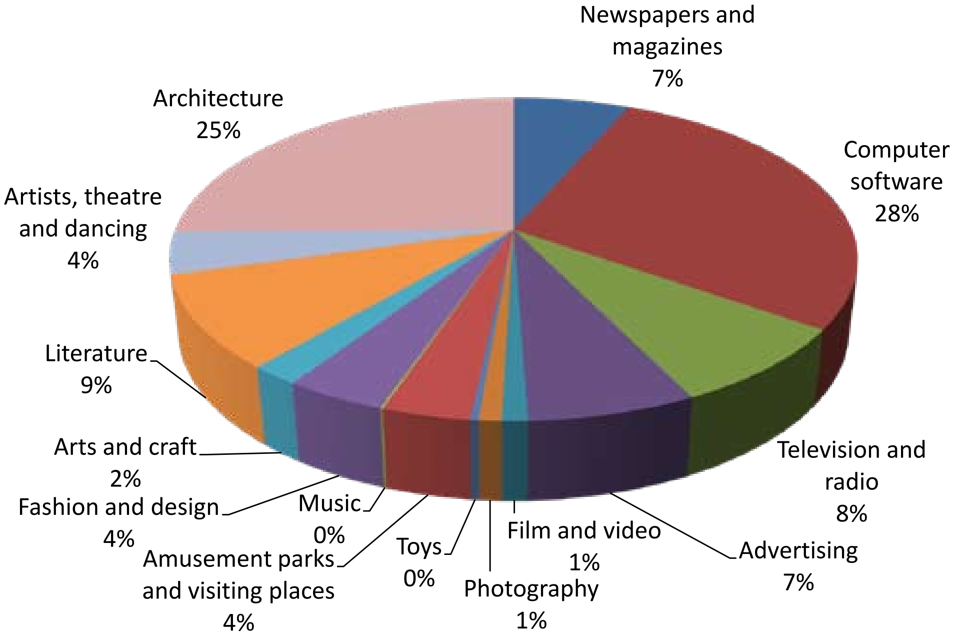


Structure of the creative sector



The most important sectors within the creative sector, when it comes to number of companies, are Computer software and Architecture. These two sectors represent half of the companies in the creative sector. Östergötland has a history of a rather technology intensive industry, which is reflected also in the creative sector. The Television and radio, Toys, Amusement parks and visiting places and Music sectors are very small; they represent one percent or less of the companies in the creative sector. At least in the case of Television and radio this is partly because companies do not have their seat in the region, and therefore are not represented in the statistics, even if they have activities in the region.

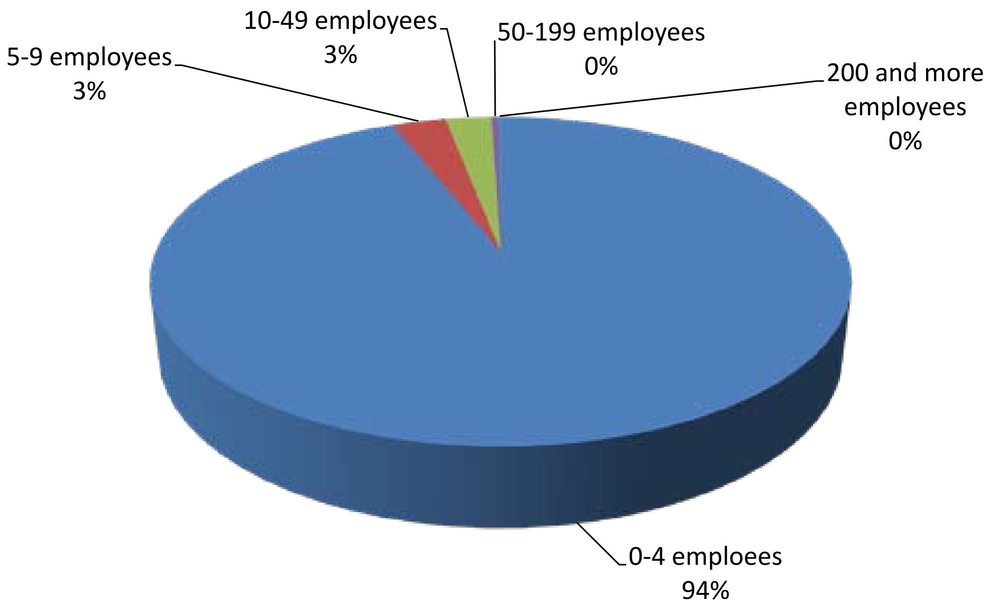
Distribution of employed between sectors 2006



Similarly in relation to employment the Computer software and Architecture sectors represent half of the creative sector. The distribution between the remainder of the sectors differs a lot from that of the companies, but some of the smaller sectors for companies are also small according to employment. Film and video, Photography, Toys and music each stands for one percent or less of the employment in the creative sector.

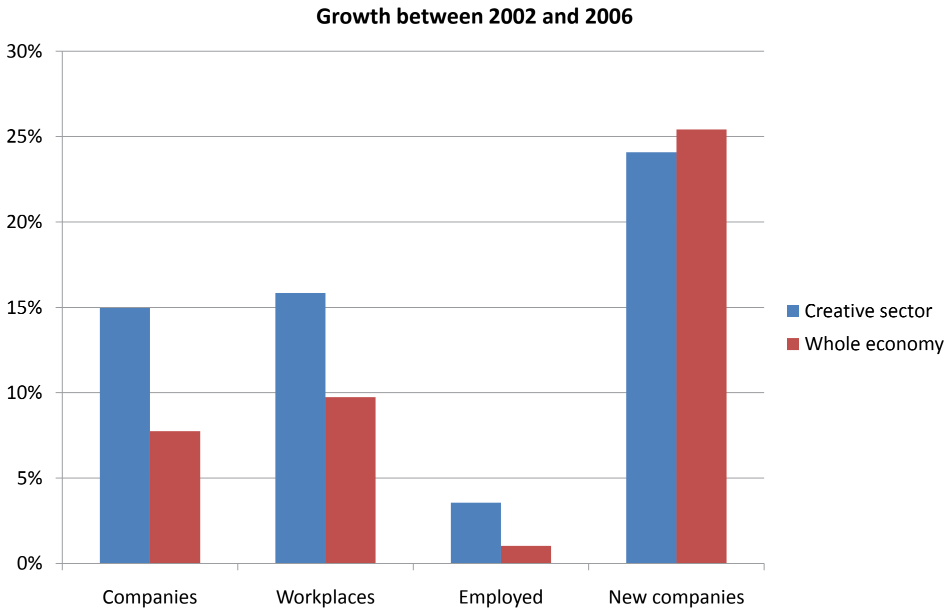
Sectors that have a smaller part of the companies than of the employment are generally companies with more employed than the average of the creative sector. These sectors include Newspapers and magazines, Television and radio, Amusement parks and visiting places and Literature in Östergötland. These sectors are all rather dependent on large investments in technology or other investments, and therefore operate under economies of scale. The sectors Fashion and design, Artists, theatre and dancing, Arts and craft, Photography and Music are almost never seen to work under these premises, but instead the companies in these sectors have their primary investments in their staff and intellectual property. Therefore these tend to be smaller companies than the average of the creative sector, and so is the case in Östergötland. Film and video and Toys are also smaller in employment than in companies, even though they in many cases might operate under economies of scale, but this is not the case in Östergötland, There are no large companies in these sectors in Östergötland.

Distribution of companies between size 2006



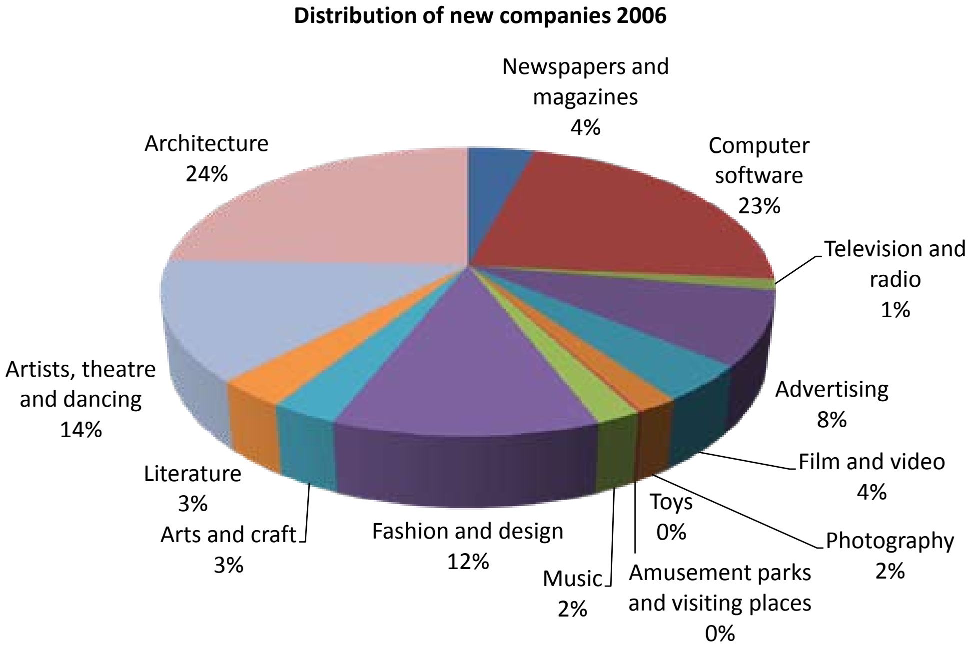
94 percent of the companies in the creative sector in Östergötland have fewer than five employees. This is somewhat higher than the number for the total economy, 91 percent. This is a rather large difference, considering that it means fewer larger companies in the creative sector. There are especially very few companies in the most large size-classes. The creative sector is a typical small company sector.

Development of the creative sector



Between 2002 and 2006 the development of the creative sector has been good in Östergötland. The number of companies, number of workplaces and numbers employed have all grown more than the average of the economy. Even if the growth of employment has been merely four percent in the creative sector, this is about four times as high as the total growth of employment in the region.
The annual number of new companies has grown at almost the same rate in the creative sector as in the whole economy. The start-up rates in the early 2000s were generally rather low in Sweden.

The large difference in growth between on the one hand companies and workplaces and on the other employment, tells us that even if many companies are started this does not necessarily mean that employment grows, at least not in the short term. Many companies that are started stays with a single or a few employees over time. This is not exclusive for the creative sector but is also found in the total economy. Also considering the difference in growth of companies between the creative sector and the whole economy, and the difference in growth of workplaces between the two, one finds that the creative sector grows more from new companies being started than the whole economy does. There are not as many multi-workplace companies in the creative sector as in the whole economy.



The distribution of new companies in 2006 is very similar to that of already existing companies. That means that there are no big structural changes ongoing in the creative sector in Östergötland, according to distribution of companies between sectors. Some sectors have a slightly higher proportion of the new companies than of the already existing, meaning that they are somewhat getting more important. These include the sectors: Newspapers and magazines, Film and video, Fashion and design and Music. For the sectors Literature, Arts and craft and Photography the situation is the opposite, they are losing in relative importance.

5. Region of Emilia-Romagna

Design Center in Bologna

L'Immagine Ritrovata laboratory for film restoration

Traditions form the creative sector

Emilia-Romagna has a very long cultural tradition, being the cradle of the Etruscan civilisation since 9th century B.C. It was then conquered by the Gauls and in the 2nd century B.C. passed on to the Romans, who built the via Aemilia to connect the city of Rome to the region. In the beginning of the 5th century, the political prominence of the region grew when Ravenna became the capital of the Western Roman Empire. At the end of the 15th century, Emilia-Romagna region was divided into the duchies of Parma and Piacenza of Modena and Reggio and the Pontifical Delegation of Bologna, Ferrara, Ravenna and Forlì which was owned by the Church of Italy. This division lasted until the unification of Italy.

There is a large amount of archaeological evidence of this important history and the region has more than 200 historical monuments, archaeological areas and almost 200 museums and art galleries. Ravenna, Modena and Ferrara have been inscribed in the UNESCO World Heritage List and in 2000 the European Union assigned Bologna, the main city of the region, the honour of being "European Capital of Culture".

Emilia-Romagna also has a long and important music tradition. The Philharmonic Academy of Bologna, founded in 1666, gathers musicians from all over Europe. The region is also a plant school for other music genres, such as jazz music. The first "Bologna International Jazz Festival" was organized in 1958 and the city became a meeting place for the most important artists of that time. In addition to the music, Emilia-Romagna has an interesting theatrical tradition, for both prose and dance. In this field, one actor is the National Dance Foundation in Reggio Emilia that is, since its foundation in 1978, the main company for production and distribution of dance shows in Italy. The region also has strong connections with the film industry. An example of this being the rich patrimony of films realised in Bologna by important movie directors from the region such as Pier Paolo Pasolini, Pupi Avati, Bernardo Bertolucci and Federico Fellini.

Light houses and creative networks

MAMBO Museum
Source: http://www.arassociati.it

One example of a light house in the Emilia-Romagna region is the Cineteca of Bologna. Founded in 1960, the Cineteca is a key actor in the field of film restoration worldwide, with the laboratory "L'immagine ritrovata". The laboratory has an important role inside the Word Cinema Foundation, a non-profit organisation created by Martin Scorsese with his fellow film-makers to help developing countries preserve their cinematic treasures. The cinematographic hall of Cineteca currently houses the Lumière Cinema, which was founded in 1984 and has daily screenings, organises seminars and lectures.

Another light house in the region is Lepida SpA. Lepida produces ideas for innovation for the public administration, creating opportunities for ICT operators and acting as a facilitator partner for innovation The organisation represents the operating instrument promoted by the Emilia-Romagna Region to plan, develop and manage the telecommunication infrastructure of the organizations linked to the so called Lepida Net..

The Emilia-Romagna High Technology Network is made of industrial research and technology transfer centers specializing in 6 strategic areas: advanced mechanics, agro-food, building and construction materials, environment, sustainable development and energy, life and health sciences, organization innovation. The network, composed of 27 Industrial Research Laboratories and 24 Innovation Centres, has evolved into a more structured one composed by 14 Industrial Research Laboratories and 8 Innovation Centres. The next steps foresees the creation of the so called "Technopoles", technological infrastructures devoted to industrial research, technology transfer, business creation and innovation promotion, where industrial research labs, innovation centers and incubators will be located. As regards to the creative sector, a Technopole will be set up in Bologna, in an area recently acquired by the regional authority. In this area, old manufacture buildings will be refurbished and dedicated to innovation and research activities, focusing on specific areas such as multimedia, digital technologies and design. Furthermore, the Emilia-Romagna region has launched a project to develop a new "centre for multimedia development and digital innovation in Emilia-Romagna". This centre is promoted both by the Regional Authority and by Cineteca and co-financed by the Italian Ministery for Youth. The aim of the centre will be to transfer knowledge and technological experiences to enterprises and workers in order to create a Multimedia Regional District.

Local authorities in the region have defined the creative sector as a priority in their agendas. In particular, the Municipality of Bologna has developed several ambitious projects to support creative networks that are to be developed in the region. For example, the city of Bologna has carried out a project consisting of the establishment of a district for arts; the Arts Manufacture.. It was founded in 2003 and has an extension of more than 100.000 square meters. In the same area of Bologna, several complementary organisations/structures have been gathered, such as research and education organisations, the Cineteca di Bologna and Bologna Museum of Modern Art.

The fashion industry is well represented in the Emilia-Romagna region, with some of the most important international fashion enterprises, such as Max Mara Group, Mariella Burani, La Perla, Bruno Magli, Fendi, Blumarine, Liu Lo and Les Copains. Together with the above mentioned enterprises, the region has a large network of small businesses with both high technical and manual competences in the fashion industry.

Emilia-Romagna is known all over the world for ceramic manufacturing. This activity is concentrated in two areas of the region: Faenza and Sassuolo. Faenza is one of the most important ceramic centres in the world and is home of the M.I.C. International Museum of Ceramics, which has one of the largest, most complete collection of ceramic art. Moreover, there is an association called "Ente Ceramica Faenza", founded in 1977, with the aim of fostering Faenza's ceramics trademark. Today, its main goal is to promote Faenza's artistic, handicraft and ceramic design production, both in Italy and abroad. The Sassuolo ceramics district is a very specialised area representing the productive and strategic heart of the Italian ceramics industry. 80% of Italy's tiles are produced in the District of Sassuolo, of which four out of five is devoted to flooring and the rest is used for coverings. Tiles from Sassuolo and the surrounding area are well known all over the world for their high quality and beauty.

Higher Research and Education

Emilia-Romagna region has a large number of education and research structures carrying out activities in the creative sector. Founded in 1088, the University of Bologna is the oldest University of the Western World. With more than 100,000 students enrolled, the University of Bologna is one of the largest in Italy with competences in all possible academic fields. With regards to the creative sector, the following departments can be mentioned; Degree Course in Fine Art, Music and Drama, Department of Communication Sciences with its degrees courses in communication sciences and public, social and political communication sciences, Faculty of Architecture in Cesena and a Faculty for cultural heritage conservation in Ravenna. Bologna also has a Fine Arts Academy; a very important institution in Italy with university degrees in visual arts, communication and arts education, applied arts etc.

One special project conceived by the Academy of Fine Arts in Bologna with funds provided by the Emilia-Romagna regional authority, is the so called Design Centere. Its mission is to position design at the service of companies, specifically for the recognition and problem solving as they relate to the product, their communication and to the processes that determine the creation of a product.

Besides the above mentioned institutions the region also hosts CINECA ically for the recognition et by 39 Italian Universities and Research Centres and the Italian Ministry of Education, University and Research – that is largest Italian computing centre, one of the most important worldwide with a specialisation and advanced infrastructure for computer graphics and virtual reality: CINECA hosts the largest virtual theatre in Italy and a virtual reality lab.
The region is also a host for one out of four higher institutes for industrial design in Italy; the Higher Institute for industrial design (ISIA) in Faenza. ISIA was founded in 1980 and carries out both educational activities and research.
There is also a wide research activity for the ceramics sector: an example of this is the Laboratorio Centro Ceramico that mainly focuses on materials and studying the opportunities of using nanomaterial's.
Research is also being developed in the creative sector as a whole with examples like
the research centre Opera. The centre is a collaboration between the University of Modena and Reggio Emilia together with Reggio Emilia Municipality. Opera will study both the organizational and managerial aspects of creative enterprises and creative processes inside organizations which work in more traditional sectors.

Piazza Maggiore and San Petronio Cathedral in Bologna

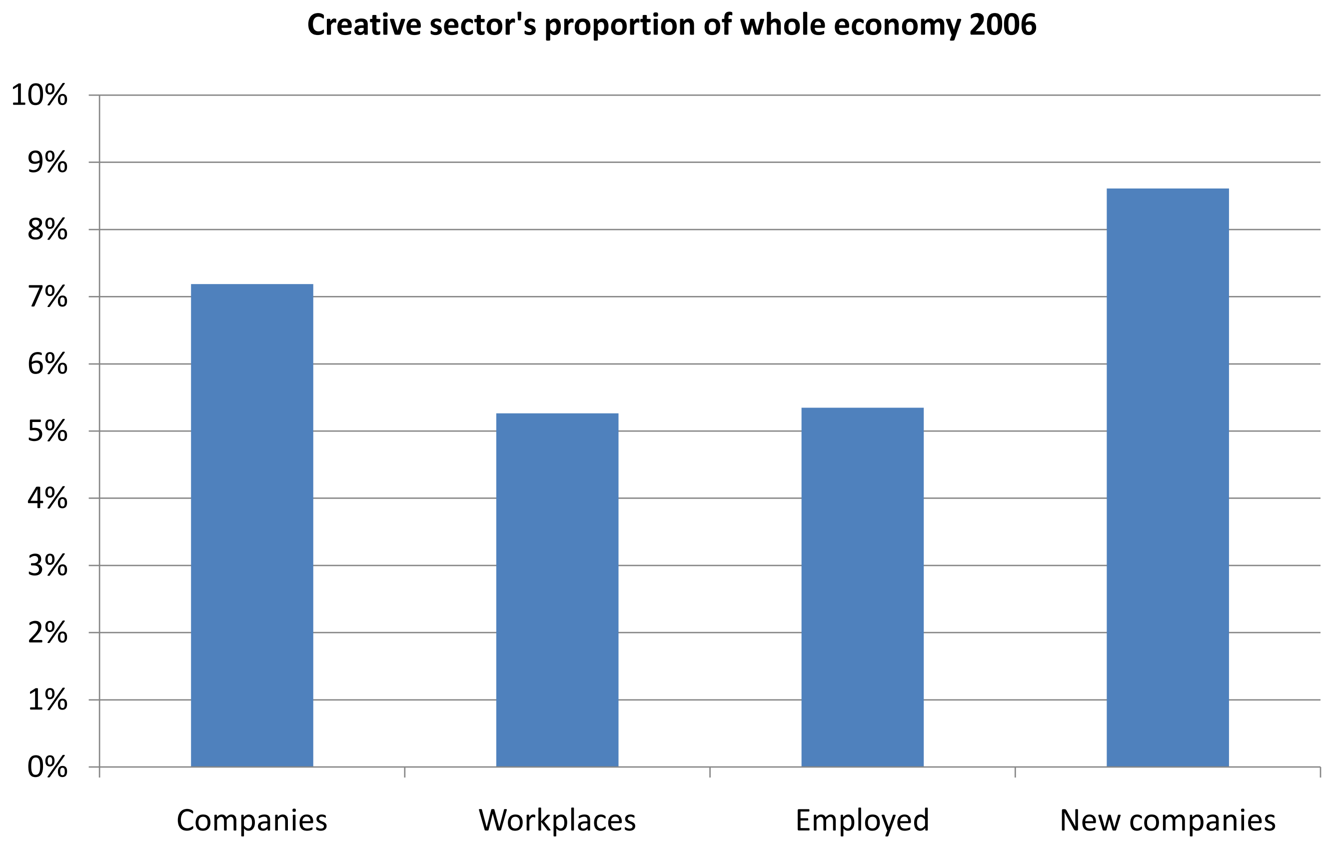
Size of the creative sector

	Creative Sector 2006	Whole economy 2006
Companies	22 251	309 638
Workplaces	45 378	861 896
Employed	81 929	1 531 889

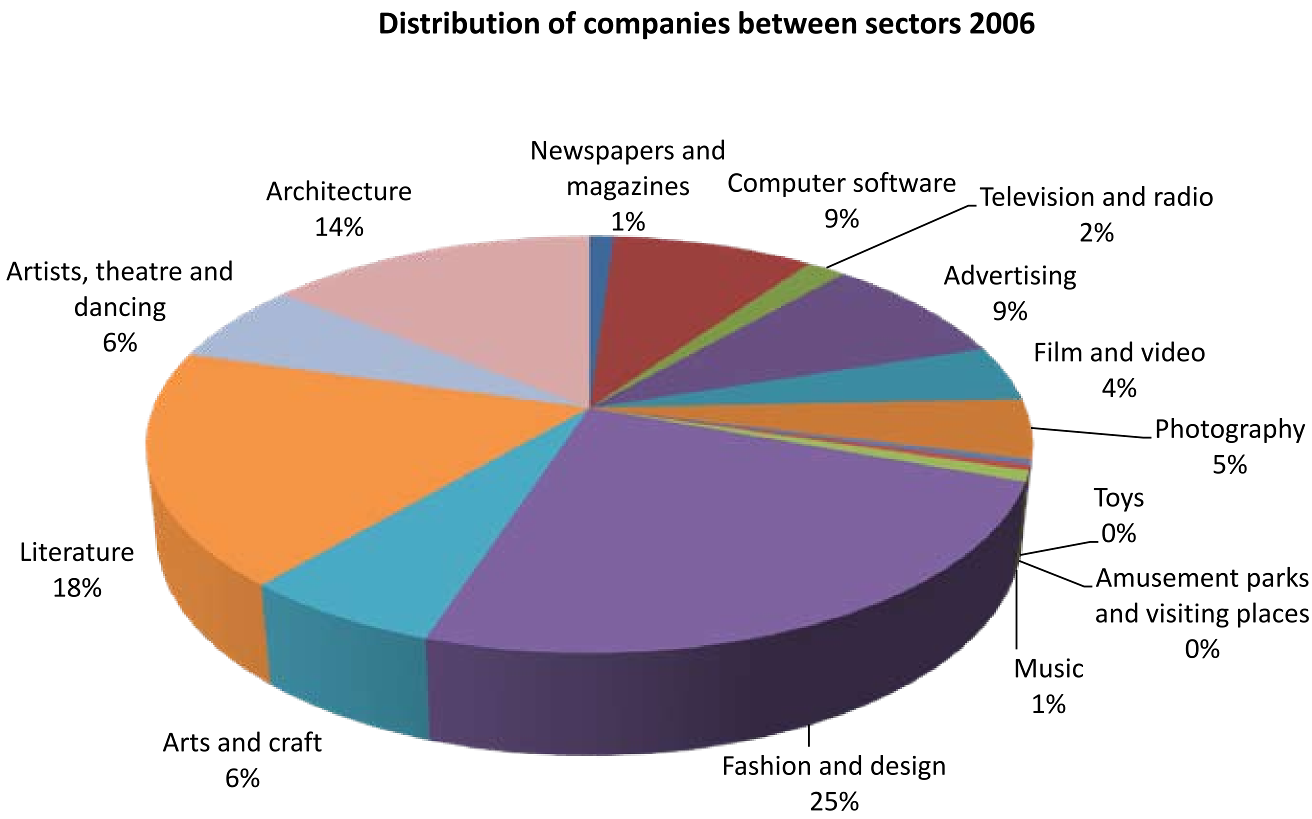
The creative sector is an important part of the economy in Emilia-Romagna. About seven percent of the companies in the region are operating within the creative sector, and about five percent of the employed in the region have their occupation within the creative sector.

The fact that there is a larger proportion of all companies in the region that is found in the creative sector than the proportion of the workplaces, tells us two things. Firstly the companies in the creative sector seems more often to be single workplace companies than the companies in the rest of the economy, i.e. there seems to be more small companies in the creative sector than in the rest of the economy. Secondly, the creative sector seems to be more important in the private sector than in the publically financed sector. The difference between the creative sector's fraction of companies and workplaces originates from both these things.

Out of all new companies formed in 2006, almost nine percent were born within the creative sector. This proportion is larger than the proportion of companies found in the creative sector, which means that the creative sector is growing more rapidly than the rest of the economy, at least in terms of number of companies.

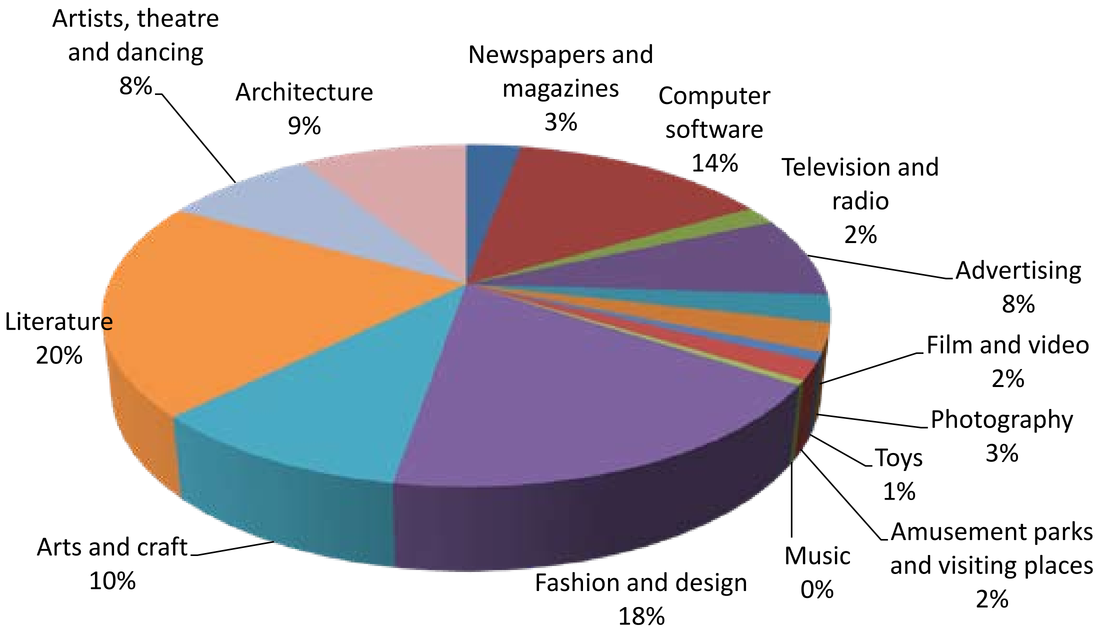


Structure of the creative sector



Two thirds of the companies within the creative sector are found in one of the four sectors Computer software, Fashion and design, Literature or Architecture. Fashion and design is the largest sector that holds every fourth company within the creative sector. Very small sectors according to number of companies are Newspapers and magazines, Television and radio, Toys, Amusement parks and visiting places and Music. Each of these sectors has 2 percent or less of the companies in the creative sector.

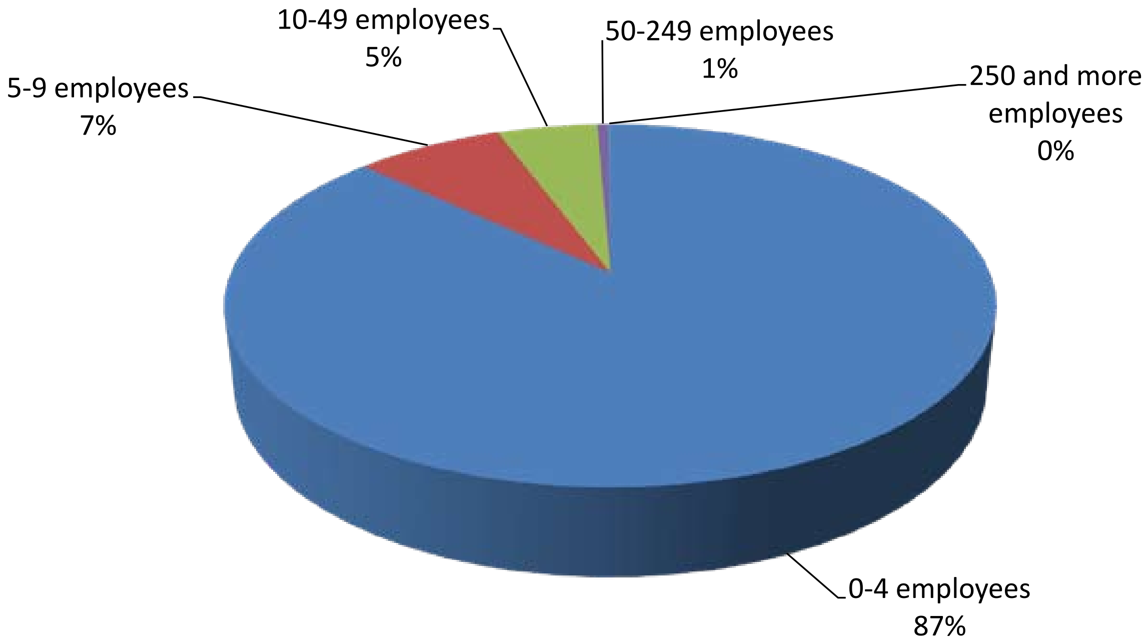
Distribution of employed between sectors 2006



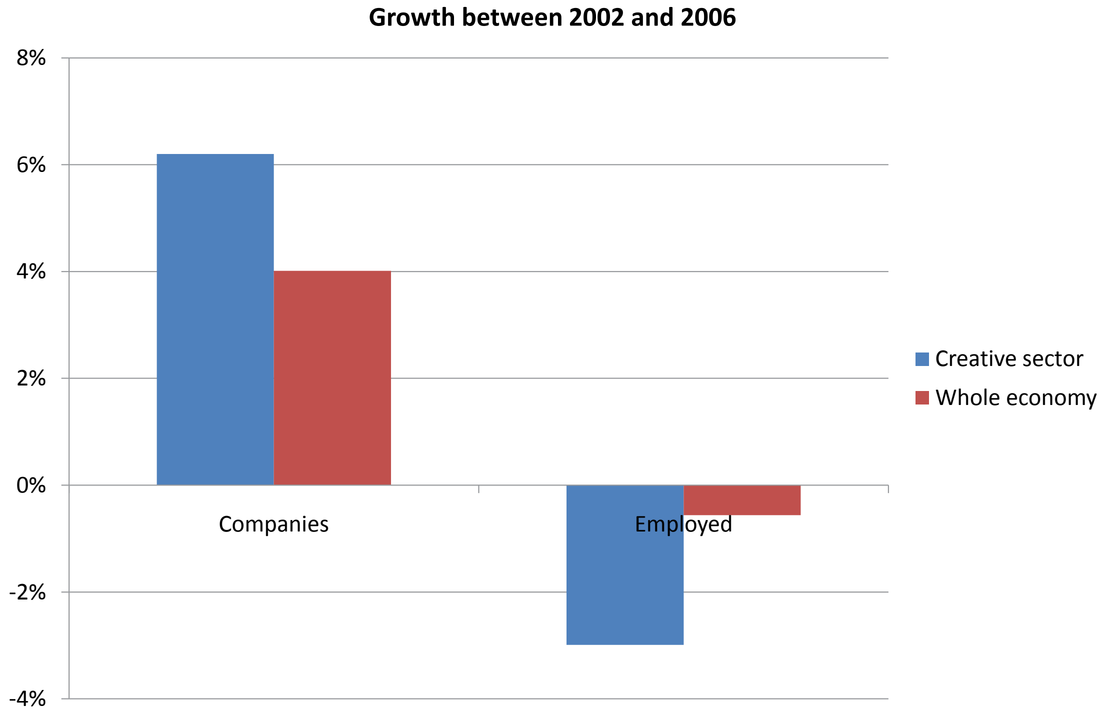
The distribution of employed between different sectors within the creative sector is somewhat similar to the distribution of that of companies. Roughly, the same sectors are big and small both according to number of companies and employment. The sectors with the most people employed are: Computer software, Fashion and design, Arts and craft and Literature.

When comparing the distribution of companies to that of employed, some sectors stand out as having a larger part of the companies than part of the employed. These sectors are characterised as having smaller companies on average than the average of the creative sector. In Emilia-Romagna these are Architecture, Fashion and design, Photography and Film and video. In the sectors Newspaper and Magazines, Amusement parks and visiting places, Computer software and Arts and craft the situation is the opposite. These sectors have generally larger companies than the average of the creative sector.

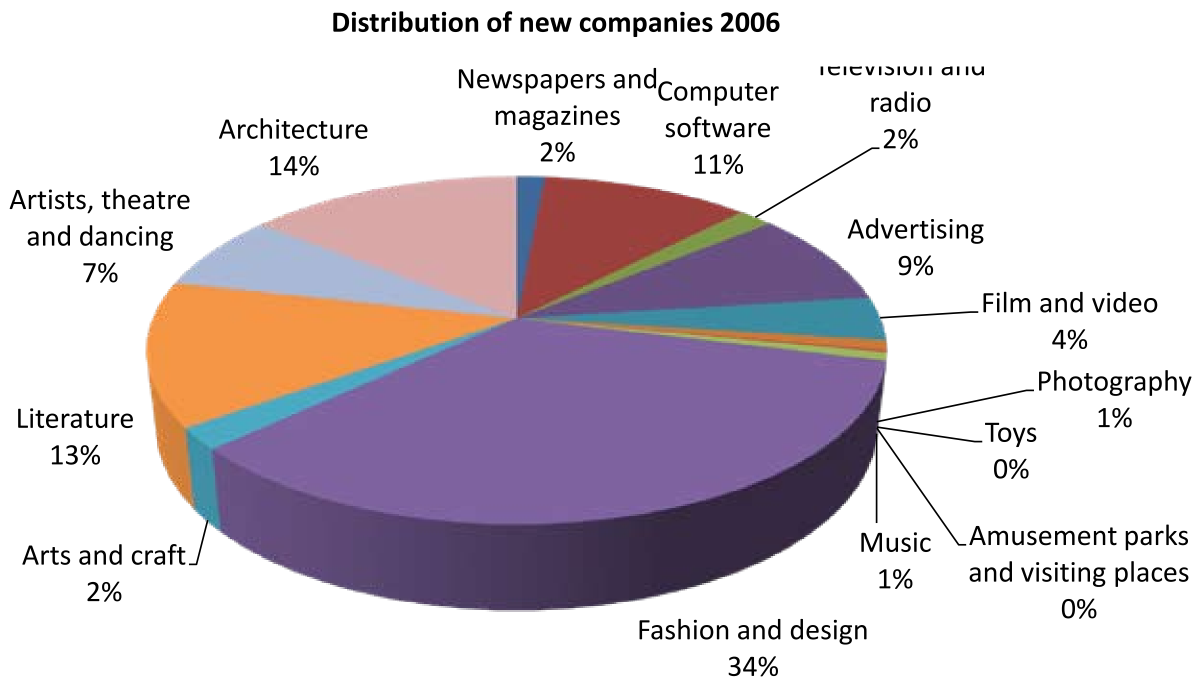
Distribution of companies between size 2006



The companies in the creative sector are on average smaller than those of the economy as a whole, in terms of number of employees. Within the creative sector, 87 percent of the companies have less than 5 employees compared to 82% for the whole economy.



Between 2002 and 2006 the number of companies in the creative sector in Emilia-Romagna increased by about six percent. During the same period the total number of companies in the region grew by four percent, meaning that the growth of companies is significantly larger in the creative sector than in the rest of the economy.
Employment on the other hand decreased by about three percent in the creative sector between 2002 and 2006, when in the same period of time employment almost did not change at all in the whole economy. This could mean a few different things. Large companies in the creative sector might have gone out of business or moved from the region at a larger scale in the creative sector than in the whole economy, and the companies started or moving into the region is smaller in the creative sector than in the whole economy. Another explanation might be that there has been a larger decrease of employment in the private sector than in the public sector.



There were 544 companies started within the creative sector in 2006. Of these every third was started in the sector Fashion and design. Overall the distribution of new companies is similar to that of already existing companies. The exceptions being the sector Fashion and design which had a larger part of the new companies than of the already existing companies, and the sectors Literature and Photography which had a lower part of the new companies than of the existing companies. This means that at least in 2006 there were no large structural changes within the creative sector according to companies' distribution between sectors.

6. Asturias
Spain

The Oscar Niemeyer The Oscar Niemeyer International Culture Centre in Avilés, will be a technologically advanced cultural centre and an international reference of culture and new technologies.

The Laboral University
Laboral City of Culture, in the magnificent building of the Laboral University of Gijón. It is a centre of creativity and production, with spaces dedicated to learning and teaching; spaces to see, hear and consume cultural products, to interchange knowledge and convey ideas.

Traditions form the creative sector

Asturias is built up on a mixture of influences:

In Asturias there is an old Celtic tradition, with strong connections between music, food & beverages- (cider-) and Celtic heritage, folklore, festivals, mythology, traditional suites, that still today influences gastronomy, tourism, craft sector, etc.

The extraordinary landscape and natural patrimony, has been in some areas designated as Biosphere Reserves by UNESCO: The Somiedo Nature Park, the Reserve of Rio Eo and Oscos, the Integrated Nature Reserve of Muniellos Forest, the Redes Nature Park and the Picos de Europa National Park. The region is well known for the opportunities for active tourism with some type of sport available throughout the year.

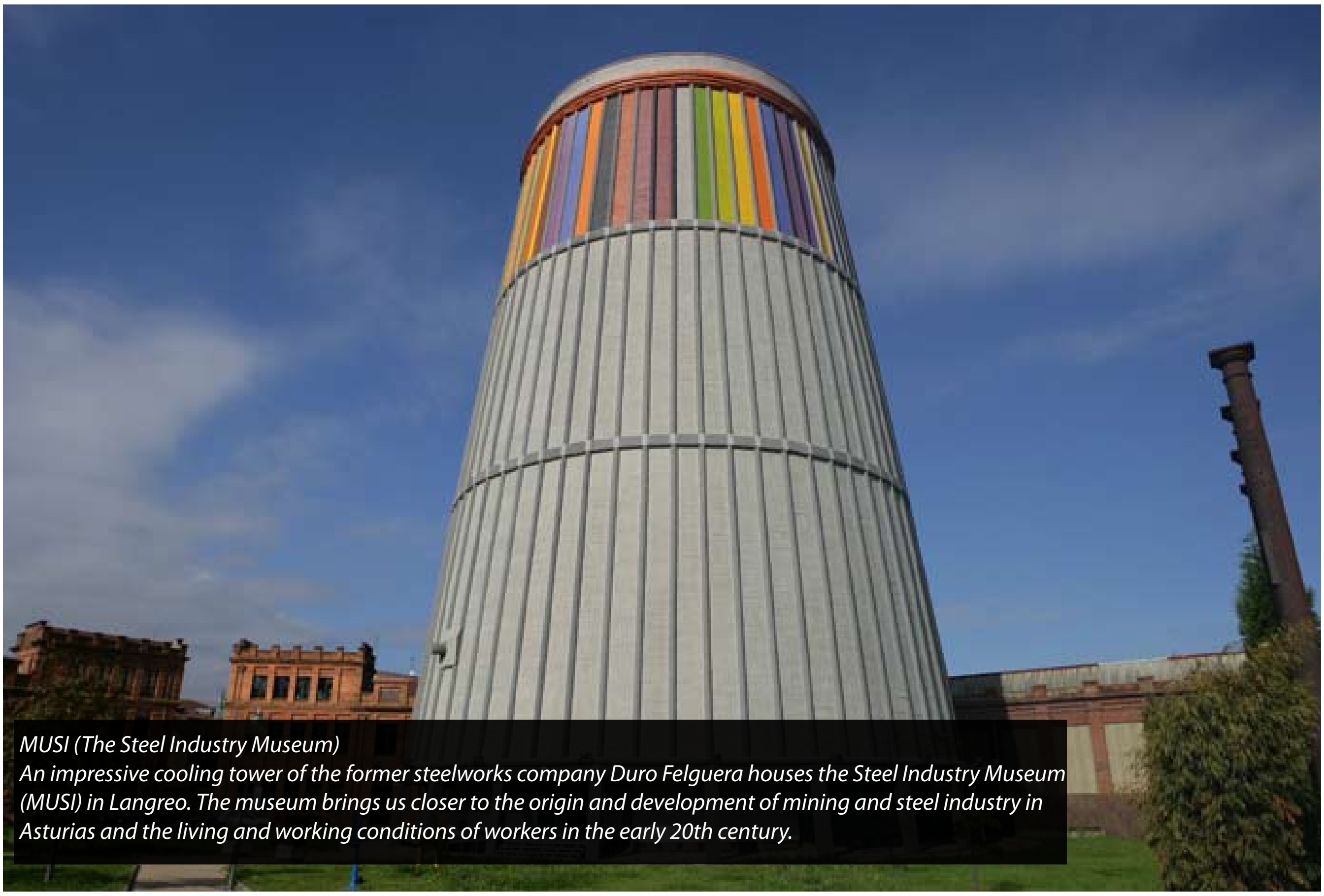
Furthermore, it has rich artistic and monumental heritage, its main reference being the Asturian Pre-Romanesque Art, architecture and gold-work that are unique in the world. Some of the buildings that best represent it, such as Santa Maria del Naranco or San Miguel de Lillo, have been declared World Heritage sites by UNESCO.

The economy of small villages in such rural areas, was traditionally based on agriculture, farming, fishing, arts and craft. Some museums show economic activity, such as The Maritime Museum in Luanco, The cider Museum in Villaviciosa, The Ethnographic Museum of Grandas de Salime. In addition, at the same time agro-food, arts and craft have an important value.

Asturias is a region with a high industrial vocation& culture built up during industrialization of 19th and 20th centuries, principally in metallurgic and mining industry in cities such as Aviles, Gijón, La Felguera and Langreo.

The new emerging economy in the region, more oriented to tourism and creative sector, has tried to recover this industrial patrimony with museums, such us The MUMI (The Mining Industry Museum), or The MUSI (The Steel Industry Museum) to combine culture, industry, recreation and history, as a new model of interest and knowledge. During the last years some old industrial buildings have been restored also to host public services, for example Business Centres (such us La Curtidora in Avilés, or Cristasa and La Laboral en Gijon) or even private companies.

Nowadays ICT technologies have led to increased permeability and fusion between the traditional and modern culture. The ICT sector plays a key role in the creative industries in developing internationally competitive products and services. The restructuring process from traditional economies, the development of the ICT sector, the high qualification of the work force and the changes in consumer, open new business opportunities, with innovation and creativity as the main factors in the new knowledge economy. The economy is expanding into new areas of activity in which modern technologies and the opening up to the outside world, play a fundamental role for the future of the region. For this reason the influence of the ICT sector and technologies are the key of our approach to the creative sector.



MUSI (The Steel Industry Museum)
An impressive cooling tower of the former steelworks company Duro Felguera houses the Steel Industry Museum (MUSI) in Langreo. The museum brings us closer to the origin and development of mining and steel industry in Asturias and the living and working conditions of workers in the early 20th century.

Light houses and creative networks

The Laboral University of Gijón, was originally designed as an orphanage for the children of miners. The Government of the Principality of Asturias undertook in 2001 a transformation project to revive the building. The result was Laboral City of Culture, launched in 2007 as a cultural city of the 20th century, open and plural, in which there is place for all kind of entertainment and leisure proposals. The headquarters of Radio Television of the Principality of Asturias, Laboral Centre of Art and Industrial Creation, the Integrated Training Center, the School of Dramatic Art, the Theater, the Auditorium and School Jovellanos, are some of the areas that are based in the City of Culture.

The Oscar Niemeyer International Cultural Centre, Avilés, will be a cultural complex of international importance, attracting knowledge and artistic creations that will contribute to the economic and urban regeneration of the Estuary of Avilés. It will be a technologically advanced cultural centre and an international reference of culture and new technologies. The first stone was laid in April 2008 and the inauguration of the centre is planned for 2010.
In the region there are a number of technology centres with importance for the creative sector.
PRODINTEC Technology Centre for Design and Industrial Production in Asturias, Gijón, fosters Asturian industry competitiveness by means of the application of technological advances for both products and manufacture processes, providing RTD services applied to industrial design and production.

EUROPEAN CENTRE FOR SOFT COMPUTING, Mieres, is a research and development centre. Within their objectives is basic and applied research in the Soft Computing area as well as the technology transfer in industrial applications of intelligent systems design for the resolution of real problems, as a meeting point for worldwide experts and a place where PhD students and young researchers can develop advanced research.

THE CTIC FOUNDATION, Gijón, is the Information & Telecommunications Technology Centre, which is especially active as driving force for the sector. The main goal of the CTIC Foundation is to promote and stimulate activities related to the development of Information and Communication Technologies in all fields of economic and social life in order to lead the impulse and strengthening of the Information Society. CTIC is also home to the Spain and Latin America headquarters of the W3C (World Wide Web) consortium, the most important international body for Internet standardization.

CTIC Foundation has launched CREATIC, a laboratory R&D in LABoral Centre of Art and Industrial Creation, whose main objective is the development of human capital. Creatic is understood as a space for young people with talent and good ideas, who may find support from companies that believe in their projects. Therefore, it has two objectives, to promote innovation in new materials technologies, primarily software, and to offer university students the opportunity to investigate.

Audiovisual has been an emerging sector and with the recent setting-up of the Public Radio Television of Asturias. It is planned to be the turning point for the audiovisual landscape in the region, giving an important public boost to this activity in the Asturian audiovisual sector.

Here is also essential to mention the International Festival of Film, in Gijón. With more than 47 editions is an international referent both for its programming, and for the great affluence of public and professionals related to the world of cinema.

KNOWLEDGE CLUSTER. The ICT Cluster was created in Asturias in December 2003 and they are now 73 companies. They compete but also co-operate between them, doing the Cluster one of the main values for business and technological dynamism in the region. This Cluster offered Asturias the opportunity to develop itself giving the appropriate dimension to small business doing the Cluster organisation focuses on new business, promotes partnerships and collaborations to recruit projects with adequate guarantees.

MOTIVA
MOTIVA, is the generic name with which since 1997 a series of actions has been organized aimed at promoting design in all its aspects: professional, enterprise, social or educational. MOTIVA is, along with the Spring of Design that was held in Barcelona, the most important graphic design event in Spain, as shown by its wide dissemina tion in the specialized press.

Higher education and research

There is one University in the region, the University of Oviedo, covering the majority of humanistic and scientific disciplines and more than 25.000 students. Some specific programmes are focused on the creative sector: The Master in Management Industrial Design, in collaboration with the Technology Centre of PRODINTEC and University Expert on Written and Production of Programs for Television.

The Arts High College Education in the Principality of Asturias, Avilés, offers equivalent education. It is a public owned centre established in 2002, in response to the higher artistic training demand in Plastic Arts and Design. The studies from this centre go in two directions: conservation of the past and designing the future.

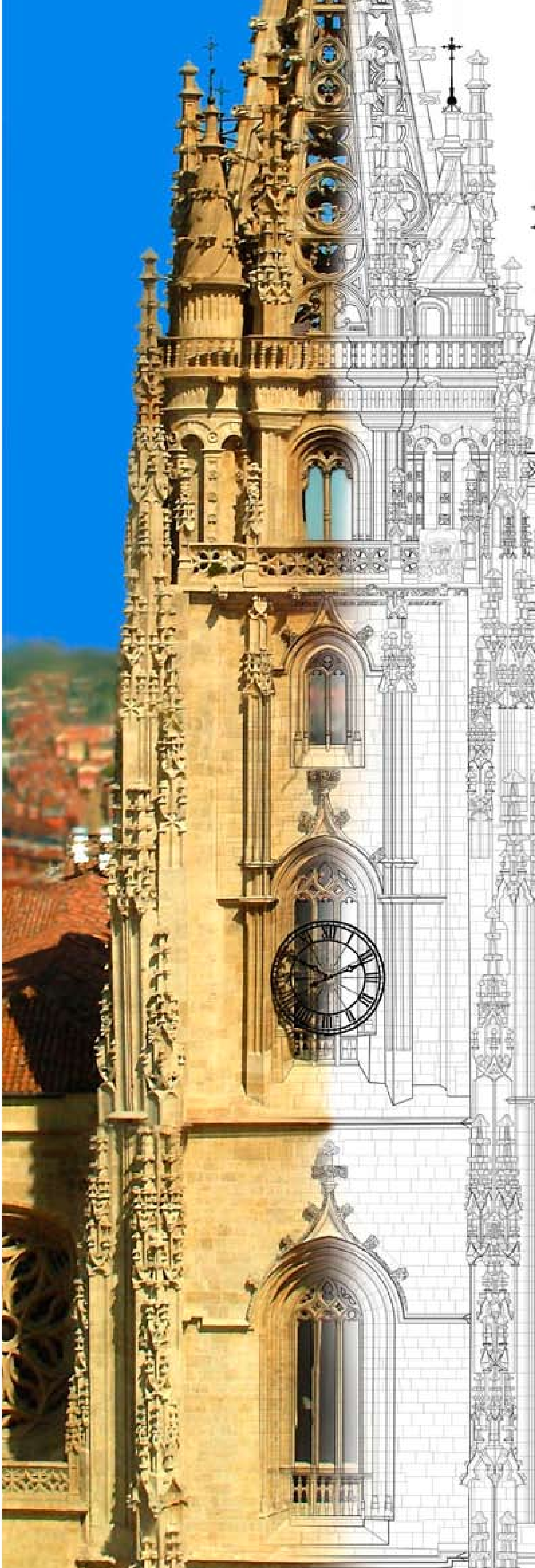
There is an important Secondary Education with some Centres qualified as Integrated Centres of Professional Training and covering the majority of disciplines, some of them focused on ICT sector. Regarding to the creative sector there are important references in the region.

The School of Art of Oviedo offers High studies of Photography, Advertising - Graphic, Illustration, Architecture, Applied Arts to the Stone, Engraving and Printing Techniques and Arts Edition.

This School develops MOTIVA, an initiative to teach and motivate the Graphic Design in Asturias in all its aspects: professional, entrepreneurial, social and educative level. This initiative is one of the most important events of graphic design in Spain and it is supported by the Economic Regional Development Agency of the Principality of Asturias (Idepa) and the Association of Graphic Designers of Asturias (AGA).

The High School of Dramatic Art, Gijón. The one hundred students actively participate in the cultural and artistic life of the City of Culture. There are High Studies of Image and Sound, Audiovisuals Production, Radio and Entertainment, High Studies of Editorial Design and Production, Conservatories of Music in principal cities, such us Avilés, Oviedo and Gijón, and at local level the Municipal Schools of Music in the majority of municipalities.

The Municipal School of Ceramic in Avilés. Ceramics is one of the most ancient craft traditions of Avilés, in the district of Miranda were a critical pivot in this activity. Therefore the Municipal School of Ceramics has the intention that survive, leading to early joint education of traditional and contemporary ceramics. The School is one of the best in Spain with in machinery (lathes, electric ovens, gas and firewood and auxiliaries are divided into three floors of the building)



The Cathedral of Oviedo, one of the main references in asturian monumental heritage by Metria Digital, SL, an innovative company offering photogrammetry documentation services.

Enterprise support

At national level, the lead role for the promotion of entrepreneurship in Spain sits with the Ministry of Industry, in the General Directorate of SMEs. However, as Spain is a much-decentralised country, where the regional administration has a lot of competencies in business promotion, business support services are conceived and provided at regional and local level.

The entrepreneurship support in the Principality of Asturias is under the Ministry of Industry and Employment, in the General Directorate of Trade, Self Employment and Social Economy. The Principality of Asturias has 78 municipalities and their Town Councils are the administrative bodies closest to inhabitants. They offer support to entrepreneurs, through the following key actors:

Local Development Agencies and Entrepreneurial Initiative Centres are normally the first contact with entrepreneurs and SMEs. Rural Development Groups are specialised in financial support for business projects in rural areas.

13 Business Centres are members of ACEPPA, the Asturias Public Business Centres Network offers expert business advice, training, premises and complementary services, providing advice and tutorial to those entrepreneurs interested in carry out their business ideas. The majority of them offer accommodation in incubation and Technology Advance Services. CEEI Asturias, located in the Technology Park of Asturias, provides specialised support for innovative and technology based firms.

Chambers of Commerce in the main cities, associations or foundations specialised in business supporting services (venture capital, guaranties, internationalization, innovation, ICT Sector, young entrepreneurs, Social Economy).

It is important to highlight that all business support services are annually collected in the "Map of resources to promote entrepreneurship in Asturias", grouped in function of the business support offered to consolidation.

Gamelab
Eva Pando, CEEI Asturias Manager Director presenting Gamelab and Creative Gowth Project. Gamelab is host in the region as the biggest International Event of Interactive Leisure in Spain. Three days of conferences, journeys, presentations, networking activities and press meetings for bringing together the largest videogames companies and providers in electronic entertainment industry (Microsoft, Sony, Digital Legends, Dharma Studios, etc.)

Size of the creative sector

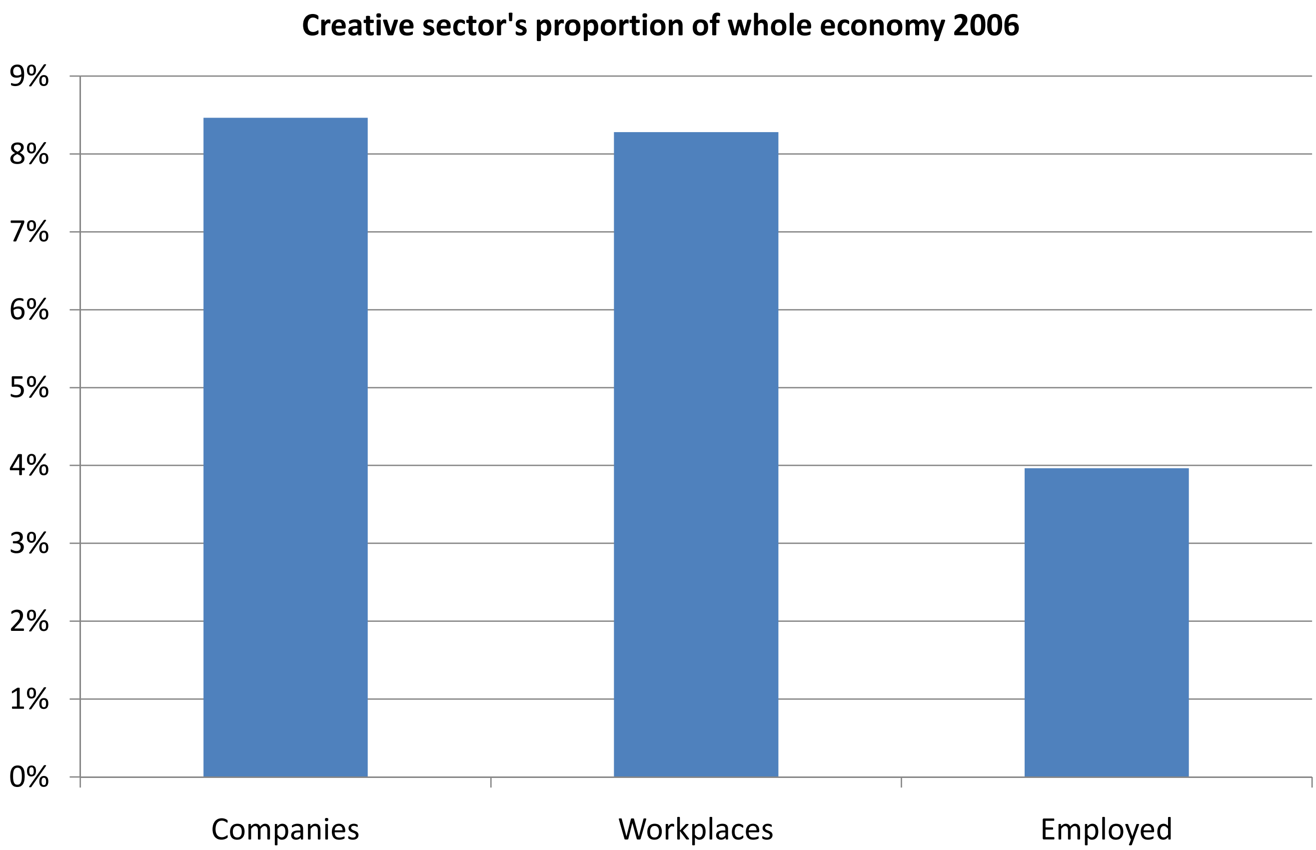
	Creative Sector 2006	Whole economy 2006
Companies	6 113	72 221
Workplaces	6 799	82 125
Employed	12 146	306 349

There are about 6.100 companies in the creative sector in Asturias in 2006, which stands for about 8 percent of the total number of companies in the region. About 6.800 of the total of about 82.000 workplaces in Asturias are found within the creative sector. These represent about 8 percent of all workplaces in the region.

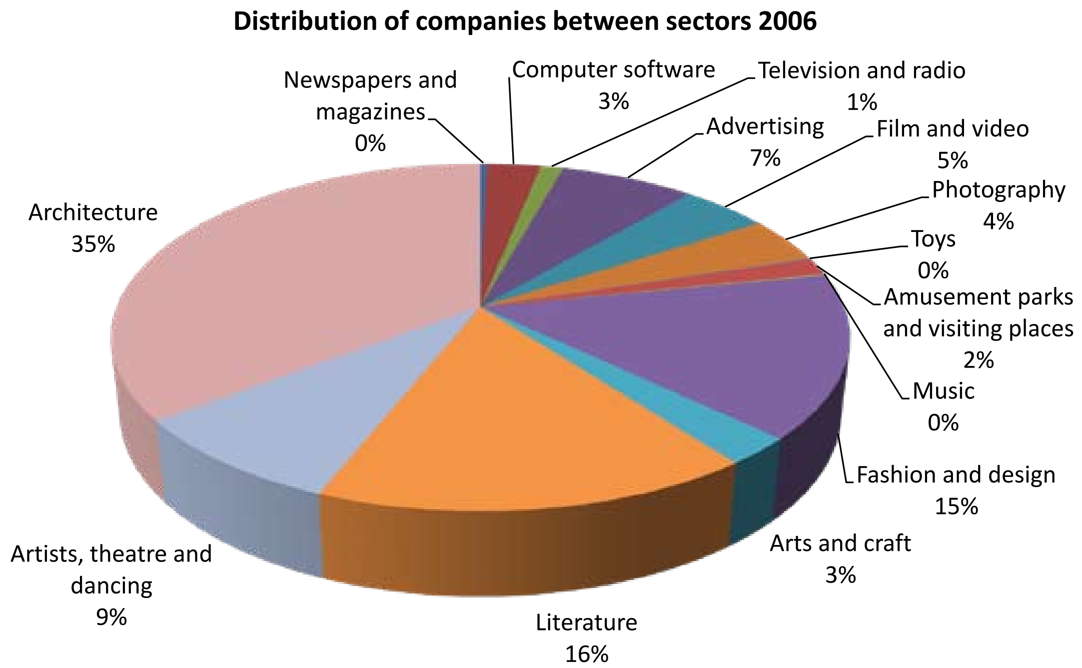
In Asturias there were 306.300 employed persons in 2006, about 12.100 were employed within the creative sector. That means that about 4 percent of the employed were found in the creative sector.

Since no adequate figures for employment in computer software were to be found for 2006, this figure is actually larger than shown in the diagram and the real figure is larger than 12.100 employed.

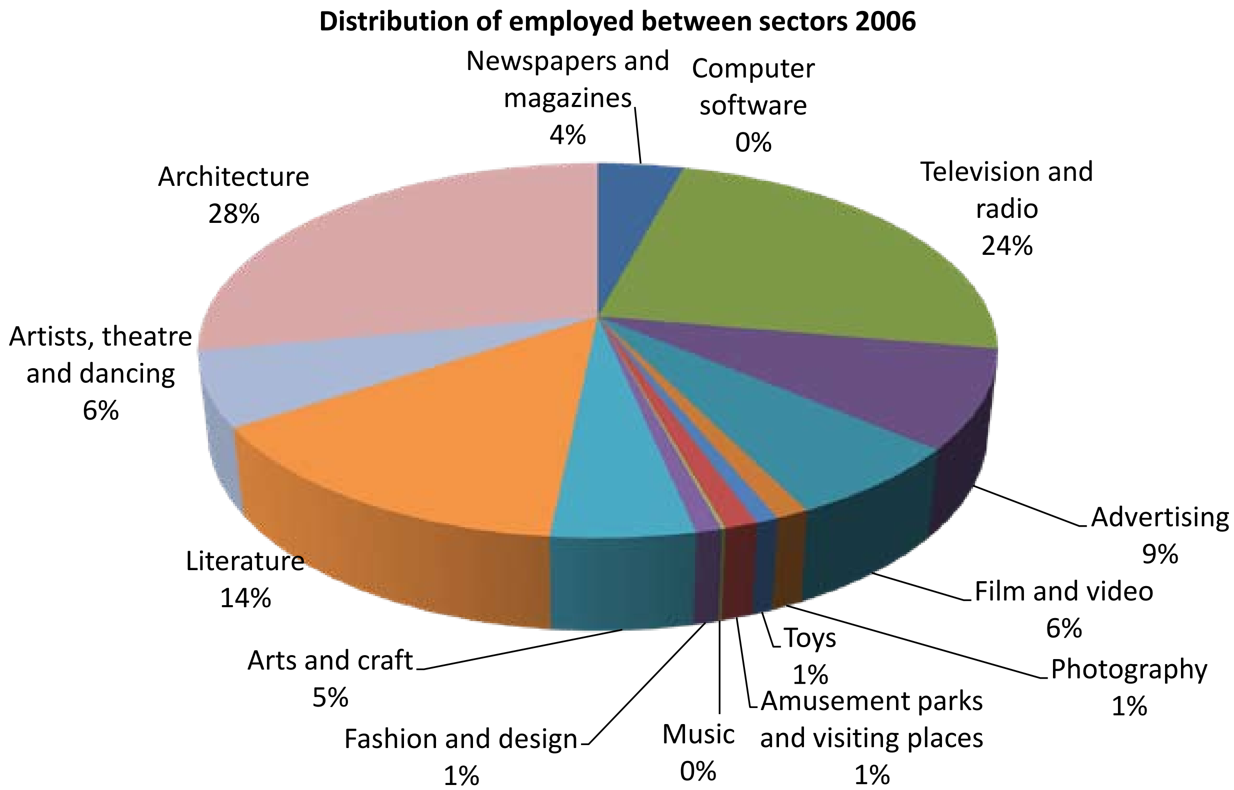
The fact that the fraction of the whole economy that is found in the creative sector is larger for both companies and workplaces than for employment, means that the creative sector has smaller companies and workplaces than they mean for the economy.



Structure of the creative sector



When analysing the distribution of companies between different sectors within the creative sector one finds that four sectors are dominate; Architecture, Fashion and design, Literature and Artists, theatre and dancing. These sectors together holds about 75 percent of the companies in the creative sector. On the other hand, some of the sectors are very small: Newspaper and magazines, Television and radio, Toys and Music all have less than two percent of the companies in the creative sector.

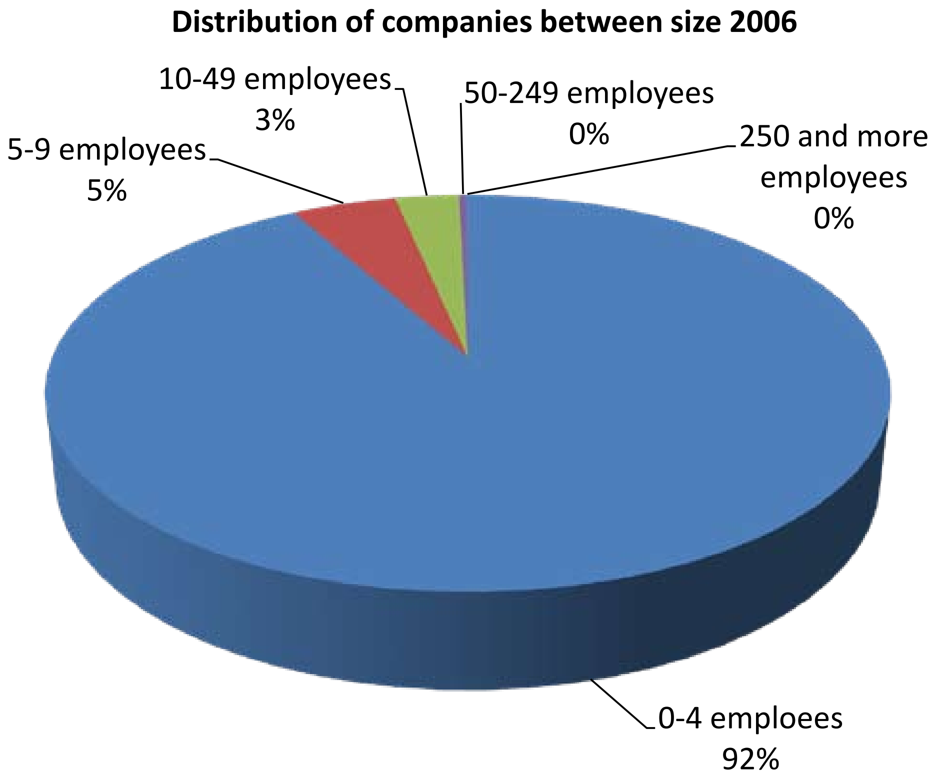


When analysing the employment in the creative sector in Asturias, it is important to know that no statistics regarding employment within the sector Computer software were retrievable for the year 2006. This does not only mean that the total amount of employed in the creative sector is underestimated, it also means that the distribution between the sectors is a bit skewed. Since there are actually people employed in Computer software, only unknown to what extent, the fractions of all the rest of the sectors becomes somewhat higher than they actually are.

Also when analysing employment within the creative sector one finds that a few sectors dominate: Architecture, Television and radio, Literature and Advertising together stands for about 75 percent of the employment in the creative sector. There are also sectors that do not provide very much to the employment within the creative sector: Photography, Toys, Amusement parks and visiting places, Music and Fashion and design all employ less than two percent of the creative sectors employed each.

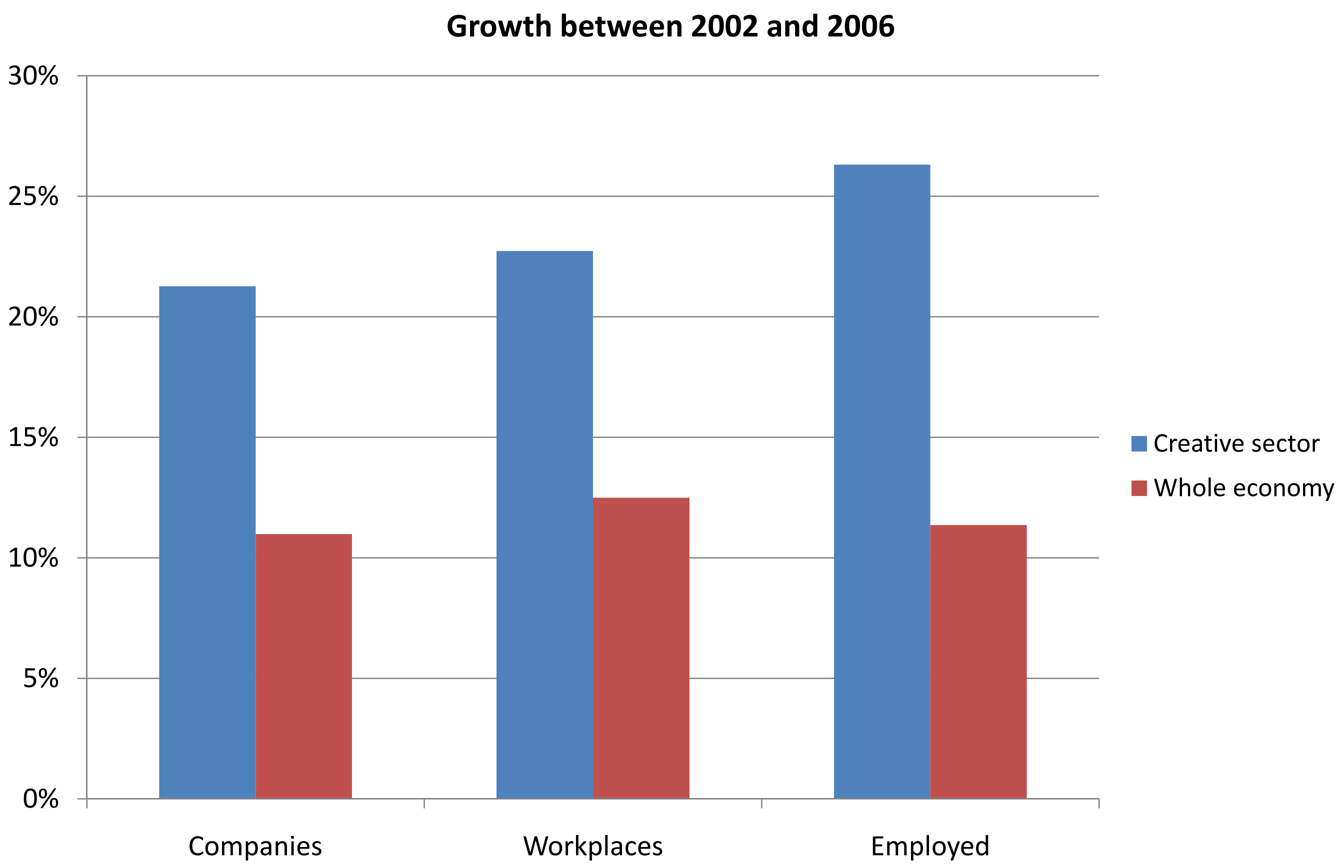
When comparing companies and employment in different sectors in the creative sector, one finds that some sectors have very different fraction from both. Newspaper and magazines, Arts and craft and, especially, Television and radio have much a higher fraction of employment than of companies, meaning that in these sectors companies are generally larger than the average for the creative sector. At least Newspaper and magazines and Television and radio are sectors that have large technology investments and therefore operate under economy of scale.

In the sectors Architecture, Artists, theatre and dancing and, especially, Fashion and design, the fraction of the creative sector's companies is larger than the fraction of employed. This indicates that companies in these sectors are smaller than the average in the creative sector.



In the creative sector 92 percent of the companies, have less than five employees.

Development of the creative sector



Between 2002 and 2006 the number of companies in the creative sector in Asturias has increased by over 20 percent, the number of workplaces has increased by over 20 percent and the number of employed has increased by over 25 percent. During the same period, the increase in the whole economy in the region has been around 10 percent for companies, workplaces as well as employed. The creative sector has grown twice as much as the whole economy according to number of companies and even more according to employment.

Sources for the statistics:

Asturias (page 7)	Spanish Statistical Institute (INE): DIRCE, Industrial Survey of Companies, Annual Survey of Services Asturias Statistical Institute (SADEI)

7. Scotland

Traditions form the creative sector

Festival culture

The instigation in 1947 of Europe's premier arts festival at Edinburgh was in many ways a happy accident. However, Edinburgh rose magnificently to the challenge that fortune bestowed on it and the Edinburgh International Festival is now not only the world's premier arts festival but has also spawned a festival culture across the whole of the country.

There are now twelve international festivals each year in Edinburgh alone: apart from the main festival, there is the vast Fringe Festival, the Edinburgh International Book Festival, the famous Edinburgh Tattoo, the Children's Festival, the Science Festival, the Film and Television Festival, the Jazz and Blues Festival and the multicultural Edinburgh Mela.

Out with Edinburgh, Aberdeen has a dynamic biennial literary festival – Word - and Glasgow has its own Jazz and Blues Festival and the exciting Celtic Connections showcasing the best of contemporary bands. Lewis and Skye also have music festivals with a Gaelic twist and the Gaels have their own annual festival The Mod, which moves from location to location. There is a Borders Festival, a Highland Festival, an annual festival in Perth and a festival of internationally renowned way up north in Orkney – the St. Magnus Festival. There are now even two whisky festivals – one on Speyside and one on the isle of Islay. In addition, of course, there are the traditional Highland Games which take place up and down the country and over the islands during the summer months.

Strong live music tradition

Where other areas of the music industry in Scotland appear lag behind their equivalents in the rest of the UK and other comparable countries, there is considerable strength in the Scottish live music market. In this market, Scotland benefits from a strong tradition of live music, of all types and at all levels. From informal traditional music sessions which still take place in bars throughout the country, to arena-sized rock shows, there is a culture in Scotland that is very receptive to the notion of watching live music as a leisure pursuit. When on tour it is usual for artists to play to the largest audiences in the UK outside London at their Glasgow or Edinburgh show. This is down not only to the large population area from which the two cities' venues draw – they remain the exclusive destination of most non-Scottish touring acts – but also to a reputation that Scottish audiences have acquired for being among the best in the world to play to

Strong Traditional Music

Scotland is well known for its traditional music and its old Celtic tradition, which became part of the new interest for folk culture in the 1970es. The oldest forms of music in Scotland are believed to be Gaelic singing and harp playing. Although much of the harp playing tradition was lost, contemporary players are reviving the harp. Later, the Great Highland Bagpipe appeared on the scene. The piping tradition is strongly linked to Gaelic singing, step dance and fiddle. In addition, vocal music is very popular in the Scottish music tradition. There are a number of activities carried out around the traditional music scene including events, a magazine, tourism attractions and international marketing of Scotland.

Light houses and creative networks

The Edinburgh Festival Fringe began in 1947, when the Edinburgh International Festival was so successful that it attracted more performers than there were available venues. The Fringe is an open-access festival, and the Fringe Society (the organising incorporated body managing the Fringe) does not make 'artistic' judgements on the work being presented. Effectively it acts as the co-ordinator of a published magazine of events that pulls together the 200-plus venues' individual programmes into one marketing campaign. On top of this it acts as a central ticket office for the Fringe Venues and currently sells more than 1.6 million tickets each year, 33 per cent of which sold online via its website. The Fringe has a 75 per cent market share of all attendance at Edinburgh's year-round festivals and annually generates around £75 million for the Edinburgh and Scottish economy. It sells 118 per cent more tickets than it did only 10 years ago (776,560 in 1997, 1,531,606 in 2006). The 28,014 performances staged in 2006 constituted a 94 per cent increase on the number of performances staged 10 years ago.

The Edinburgh Festival Fringe receives practically no public subsidy and raises nearly all its income from the services listed above.

Looking at the rural context, two of the major events looked are the The Hebridean Celtic Festival and St. Magnus Festival on the Orkney Islands.

Dundee for Digital Media is a good example of a creative industries cluster in the growth of computer games development in Dundee. It is home to over 352 creative industry companies involved in developing interactive digital content, with a total employment of over 2,300 people.

Culture and creativity have always played an important role in Glasgow's regeneration. Becoming European Capital of Culture in 1990 was a major turning point after enduring years of decline and high unemployment rates after the loss of traditional engineering and manufacturing industries.
From the Garden Festival in 1988, to the UK City of Architecture & Design in 1999 and its recent appointment as a UNESCO City of Music in 2008, the city has successfully used major events and recognition of its cultural status to stimulate investment in cultural production and capital infrastructure.

Edinburgh: the country's growing hub for advertising and design (esp. City district of Leith). Edinburgh hosts the country's most successful advertising and design agencies. A number of these companies are based in Leith, a Northern district of Edinburgh and the city's port. After years of decline, the area experienced an upturn from the late 1980s onwards and has more recently become a hub for the creative industries. A growing collective of architects, designers, musicians and artists are choosing Leith as their home.

Higher education and research

Edinburgh Napier University School of Arts & Creative Industries is the largest creative media school in the Scottish Higher Education sector. It has more than 1.500 students and undergraduate, postgraduate and doctoral programmes including design, advertising, communication, film, photography, journalism, music, publishing, cultural studies and literature.

University of the West of Scotland: The School of Media, Language and Music has grown from 40 students in 1996 to over 700 today. Due to a merger the School now additionally offers programmes in Journalism, Broadcast Journalism and Corporate Communication.

University of Abertay Dundee, School of Computing and Creative Technologies offers courses in Computer Arts & Design, Computer Games, Computing & IT, Engineering and Sound Production. CCT works closely with computing and new technology companies to provide innovative and relevant courses that match the needs of business with the research excellence to innovate themselves.

Glasgow Caledonian University, Centre for Creative Industries brings together the collective talents of staff and students from a breadth of academic and business backgrounds, offering a holistic approach to research, consultancy and teaching in creative industries' subject areas.

The Institute for Capitalising on Creativity is a newly established consortium of four educational institutions across Scotland including the Management School of the University St. Andrews. An inter-disciplinary Institute, the ICC brings together a range of specialist knowledge and expertise in the creative industries, providing expertise and awareness of business challenges with recognition of the distinctive characteristics of each of the creative industries and the challenges that these pose.

Enterprise support

Scottish Enterprise is the primary agency for delivering business start-up and business development support within Scotland, and as part of economic development local authorities increasing become involved in that area as well.

The one-stop-shop approach of Business Gateway is a simple and effective concept. The branded outlets across the country provide customers with a clear structured approach to business start up as well as access to a diverse range of support for entrepreneurs from both the public and private sectors. The model is backed by an online platform.

Regarding the special focus on creative industry, Scottish Enterprise has launched a specific support scheme for this sector called "Cultural Enterprise Office". This is Scotland's specialist business support and development service for creative and cultural businesses and individuals. Operating across Scotland the CEO hub office is based in Glasgow with satellite offices in Aberdeen, Dundee and Edinburgh.

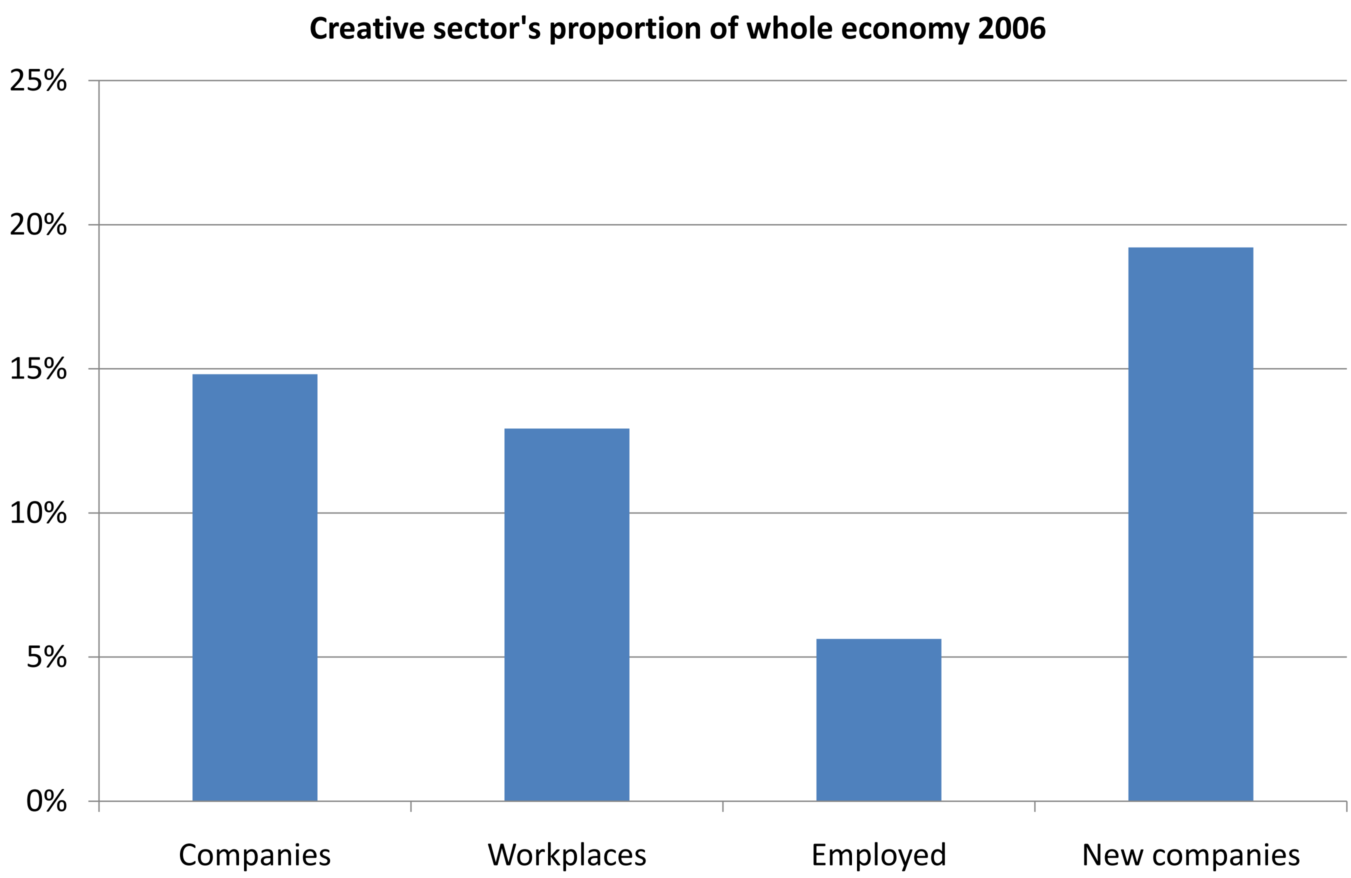
As part of a UK-wide government initiative, Scottish musicians are eligible to the programme "New Deal for Musicians". The New Deal for Musicians (NDfM) was introduced by the UK government to enable unemployed musicians to pursue a career in the music industry. NDfM aims to help unemployed musicians progress into careers in all types of music, whether self-employed or as artists under contract.

Size of the creative sector

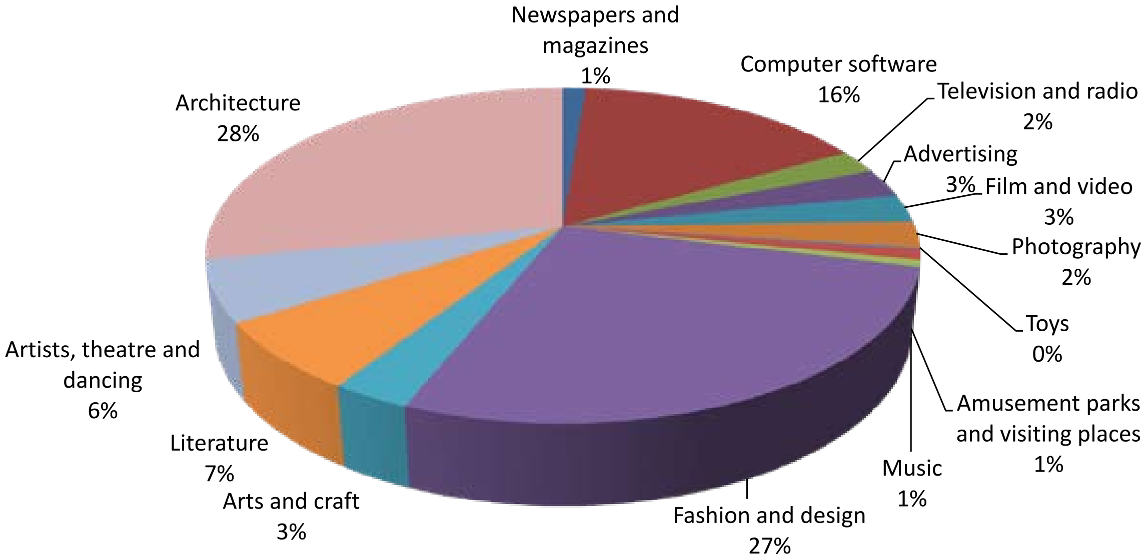
	Creative Sector 2006	Whole economy 2006
Companies	20 530	138 565
Workplaces	22 441	173 631
Employed	133 846	2 377 170
New companies	2 895	15 070

The creative sector is an important part of the Scottish economy. About 15 percent of all companies in Scotland have their trade in the creative sector, about 13 percent of the workplaces are found here and more than 5 percent of the employment in Scotland is found in the creative sector. The creative sector is a sector of small companies, which is obvious when you compare the fraction of companies found here to the fraction of employed. This is also shown by the fact that the number of workplaces is only slightly higher than the number of companies in the creative sector. Most companies are single workplace companies.

Almost 20 percent of the companies started in 2006 were started in the creative sector, so the creative sector is not only important now, it is also growing fast. About 2 900 companies were started in the creative sector in 2006.

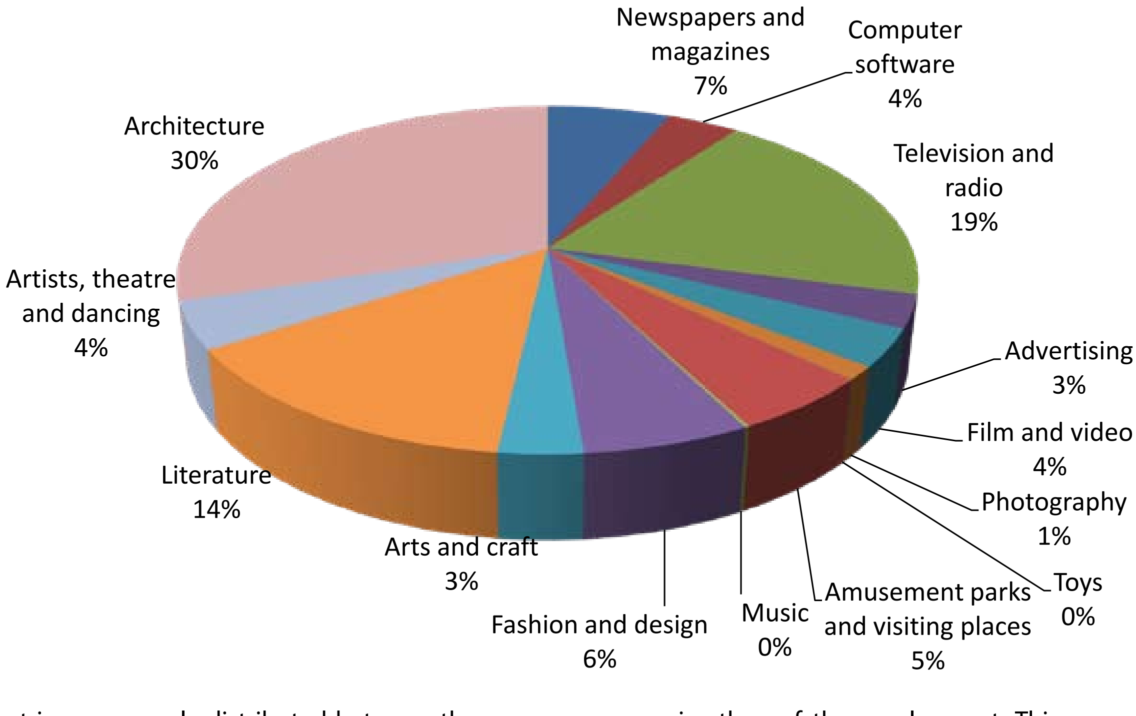


Distribution of companies between sectors 2006



The companies in the creative sector are heavily concentrated to three sectors; Computer software, Fashion and design and Architecture. These three sectors stand for about 70 percent of the companies in the creative sector. In the other end of the scale some sectors have very few companies. Newspapers and magazines, Television and radio, Photography, Toys, Amusement parks and visiting places and Music each stand for two percent or less of the companies.

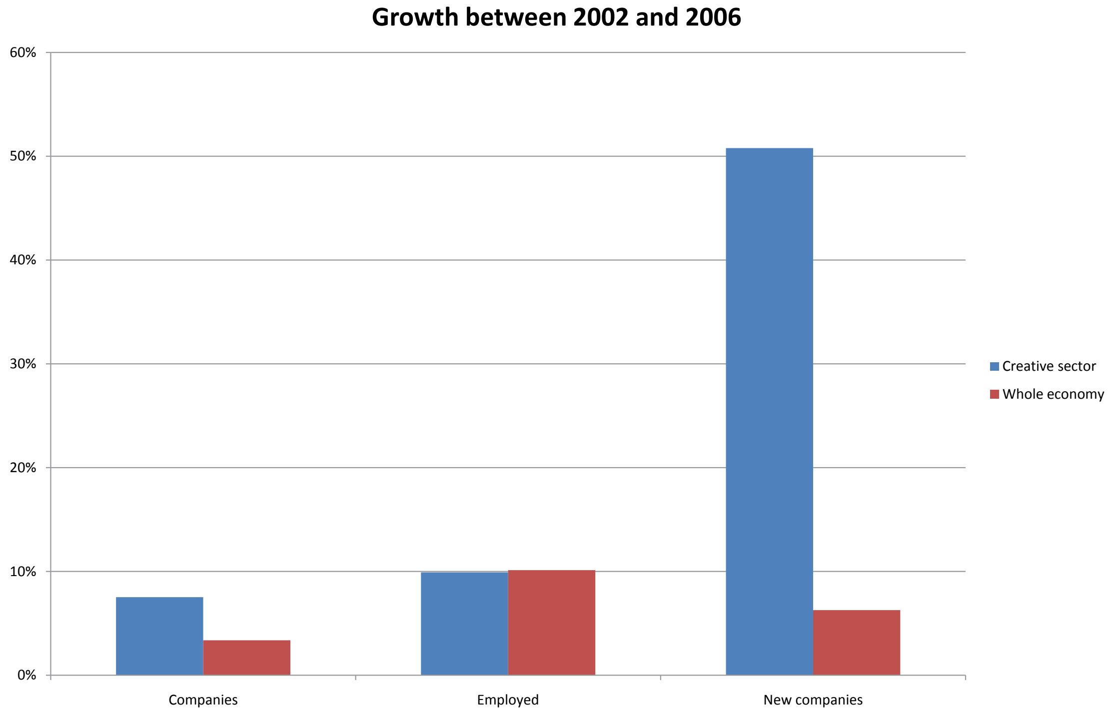
Distribution of employed between sectors 2006



Employment is more evenly distributed between the sectors than the companies are, even though some sectors are more important than others are. The sectors with the highest employment are Television and radio, Literature and Architecture. In the sectors Photography, Toys and Music not many persons are employed. Each of these sectors has one percent or less of the employed within the creative sector.

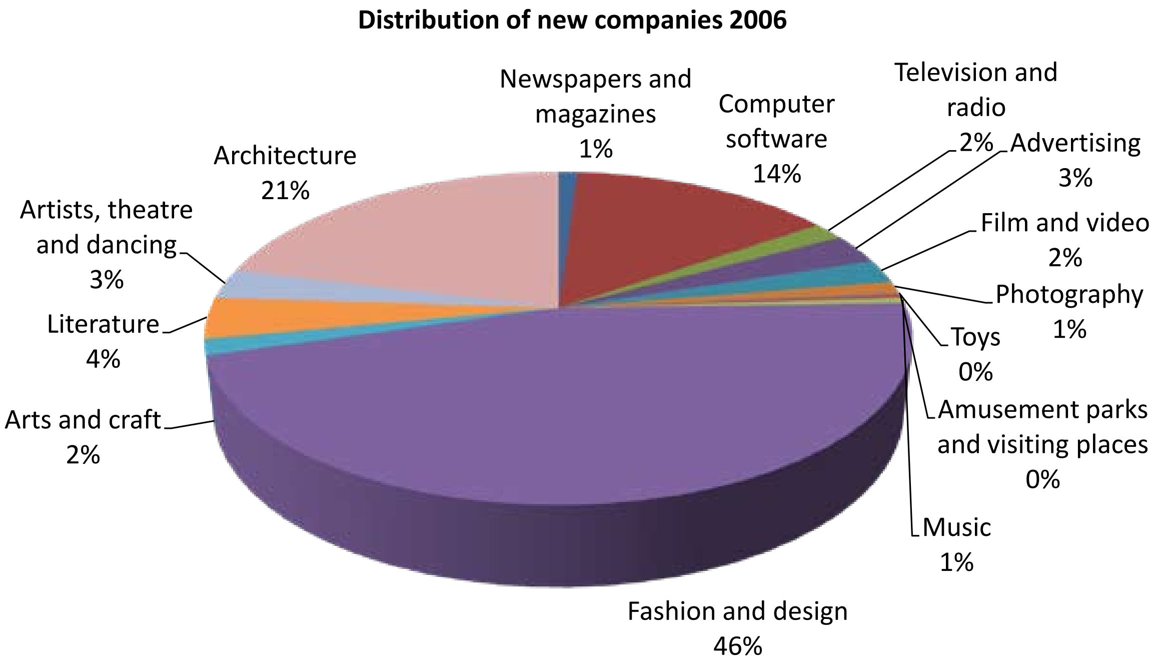
When comparing the distribution of employment to the distribution of companies within the creative sector, one finds that they are rather different. The sectors Computer software, Photography, Artists, theatre and dancing and Fashion and design have a much larger proportion of the companies than of the employment. This means that in these sectors the companies are generally smaller than the average of the creative sector, which as a total generally has smaller companies than the whole economy. The opposite is found in the sectors Newspapers and Magazines, Television and radio, Amusement parks and visiting places and Literature. These all have a larger proportion of the employed than they have of the companies, and from thisyou can draw the conclusion that the companies in those sectors generally are larger than the average of the creative sector.

Development of the creative sector



In 2006, the number of companies in the creative sector had grown by about 8 percent since 2002. This increase was more than twice as large as the increase of the total number of companies in Scotland during the same period. A smaller part of this increase is imaginary since there are incomplete statistics on companies for the year 2002. Especially in the sector Computer software the number of companies is too small in 2002. Employment in the creative sector increased by 10 percent between 2002 and 2006 which means that the growth rate of employment in the creative sector was in parity with that of the whole economy.

The change in newly started companies between 2002 and 2006 was extraordinary in the creative sector in Scotland. In 2006 fifty percent more companies were started than in 2002! This increase in new companies is almost 10 times as high as the increase of total new companies in Scotland in the same period. When looking closely at the material though, it is apparent that all this increase is due to an increase in the sector Fashion and design. This sector holds many companies that in fact should not be a part of the creative sector, but are because of the problems of using NACE 4-digit codes. Most of the increase is due to companies started in such businesses that really should not be a part of the creative sector.



In 2006 the majority of the new companies in the creative sector were started in the sectors Architecture, Computer software and Fashion and design. These are the same sectors that held the largest amounts of companies in 2006, and so there are no signs of revolutionary change in the structure of sectors within the creative sector, even though the high numbers of companies started in Fashion and design strengthens that sector´s importance in the creative sector in Scotland.

8. The Region of Southern Denmark

Traditions form the creative sector

In 2007, a new administrative structure was implemented in Denmark, creating 98 municipalities and 5 regions. Denmark had formerly operated with 275 local authorities and 14 counties. Hence the Region of Southern Denmark cover a geography of an emerging Southern Denmark region in which towns, inhabitants and companies until that moment neither had nor shared much of a common tradition. The region is composed of several sub regions where centres are rather small towns such as Odense, Esbjerg, Svendborg and Sønderborg. There is also the so called Triangle Region conurbation that consists of Frederica, Kolding and Vejle. Besides the physical infrastructure and certain functional ones like a few global companies and the University of South Denmark, there is no obvious regional coherence related to regional traditions in people´s everyday lives.

Southern Denmark has 1.2 million inhabitants, or 22 percent of the total population in Denmark. It is an ageing population and the labour force is expected to decrease by 4 percent over the next 20 years. Many SMEs and a few large companies, such as LEGO and Danfoss, characterise the business structure. Four workplaces out of five have less than 10 employees and 3 percent have more than 50 employees. Traditional industries such as construction, healthcare and transportation provide half of the labour market in South Denmark, but employment in the traditional industries is decreasing. However, renewal in the labour market is taking place. Innovation ratio in marketing and management is high and tourism and educational entertainment are essential economic drivers in the region.

Because of the region´s short common history it is difficult to find a common historical denominator, but the region´s diversity can instead be used as an asset. The region contains different historical places from the period of the Vikings and the Napoleonic and Prussian wars. The world known author H.C. Andersen was born in the city of Odense and the famous entertainment park LEGOLAND attracts many tourists.

Light houses, creative networks and clusters

The light houses in Southern Denmark fall under three categories: private sector, public sector and public-private-operations (PPO).

The above-mentioned entertainment park LEGOLAND, is the biggest private light house in the region. Other private light houses are the Danfoss Universe, Egeskov Castle and Givskud ZOO. The public sector light houses are mainly the H.C Andersen Museum in Odense and the so-called "Jelling Monuments" that holds a place in the UNESCO World Cultural Heritage list. Danfoss Universe is one example of a PPO, and more of these collaborations are emerging in the region.

Southern Denmark is home of two emerging creative networks: an experience network and a tourism network. The centre of gravity for the time being is the FilmFyn, an initiative that concentrates around film production; the core of the centre is situated around Svendborg. Additional initiatives can be found at BIZ-ART in Vejle and Ge9 in Southern Funen. These initiatives are concentrating on development of micro business. Since micro businesses hold special competences that are needed by larger companies, they therefore pose an extension of the triple helix in to a "quadruple helix". BIZ-ART will open an incubator for 60 micro businesses in September 2009. The incubator consists of a business development programme, a knowledge centre and an event centre. Ge9 forms a looser network of public/private incubators.

Due to the many vacation cottages in the west-coast, the Region of Southern Denmark has the largest number of overnights in the whole of Denmark. However, this lead position is decreasing despite the emergence of a new tourist destination that combines a water land with the toys and Lego models: the LEGOLAND/Lalandia complex in Billund. This is an example of an emerging creative cluster in the region with the possibility of becoming a global light house globally. Due to the financial crisis, the traditional vacation cottage industry in 2009 is said to have regained some of its former position.

Higher education and research

In Denmark, there are three levels of further and higher education; short, medium and long duration.

Short-term courses has duration of up to 2 1/2 years and is provided by business academies. Relevant to the sector are educations such as junior computer scientist and multimedia designer. Recently some of these academies have been accredited to offer BA degrees. The medium term educations are mainly dedicated to deliver candidates to the labour market for the public sector. This part of the educational sector has been a subject for reorganisation and is now gathered in so-called “University Colleges”. Educations within the creative sector are sparsely represented in this field. The long term education consists of traditional academic educations offered by the universities and the emerging arts and crafts courses that are are undergoing an academic face-lift. However, both categories are in a period of organisational transformation since new university reform is currently being implemented and reform for the arts and crafts educations is being agreed upon in the national parliament.

Southern Denmark has two universities; the University of Southern Denmark and a department of the Aalborg University. The headquarters and main campus of the University of Southern Denmark is in Odense. Furthermore, it contains three specialised campuses in Esbjerg, Kolding and Sønderborg. You will find a wide range of educations in Odense; computer science and technology, product design, media science and dissemination in literature and culture. In Esbjerg, you will find educations in tourism and leisure management. In Kolding, the specialisation is information science and in Sønderborg, it is interactive design and IT product development. The University of Southern Denmark also houses several initiatives in innovation, entrepreneurship and business development. There is also a centre for Arts and Science that is co funded with the municipality of Odense. The aim for the centre is to explore new ways of creating a dialogue between researchers and the public. The Aalborg University maintains a small branch in Esbjerg. Apart from being active in computer science and technology in engineering and building, the Aalborg University offers education in architecture and digital design as well as media logy. In Esbjerg the focus is on oil and offshore industry.

The design school in Kolding is a division of the national school for design and offers three types of education: industrial design, communications and arts and crafts. Just recently an agreement was reached to establish The Musical Conservatorium and Actors School by merging three institutions into one (two in Odense and one in Esbjerg). There are also talks about the merging of the architectural and design schools but so far, the goal has not been reached.

Entrepreneurial support

The Danish government aims to have a uniform system for entrepreneurs; a system where support does not imply grants in cash. Business support structures for entrepreneurs comprise mainly of two initiatives: incubators and competence development programmes. The basis of the system is the local authorities service points to entrepreneurs and SMEs within the municipal borders. Many municipalities establish a business development office that may include general or specialised incubators. Specific services may be based on voluntary co-operation between several local authorities, for example between the municipalities in the Triangle Region. This region co-operates in the field of innovation in general and specific initiatives of networks in for example food or energy industry.

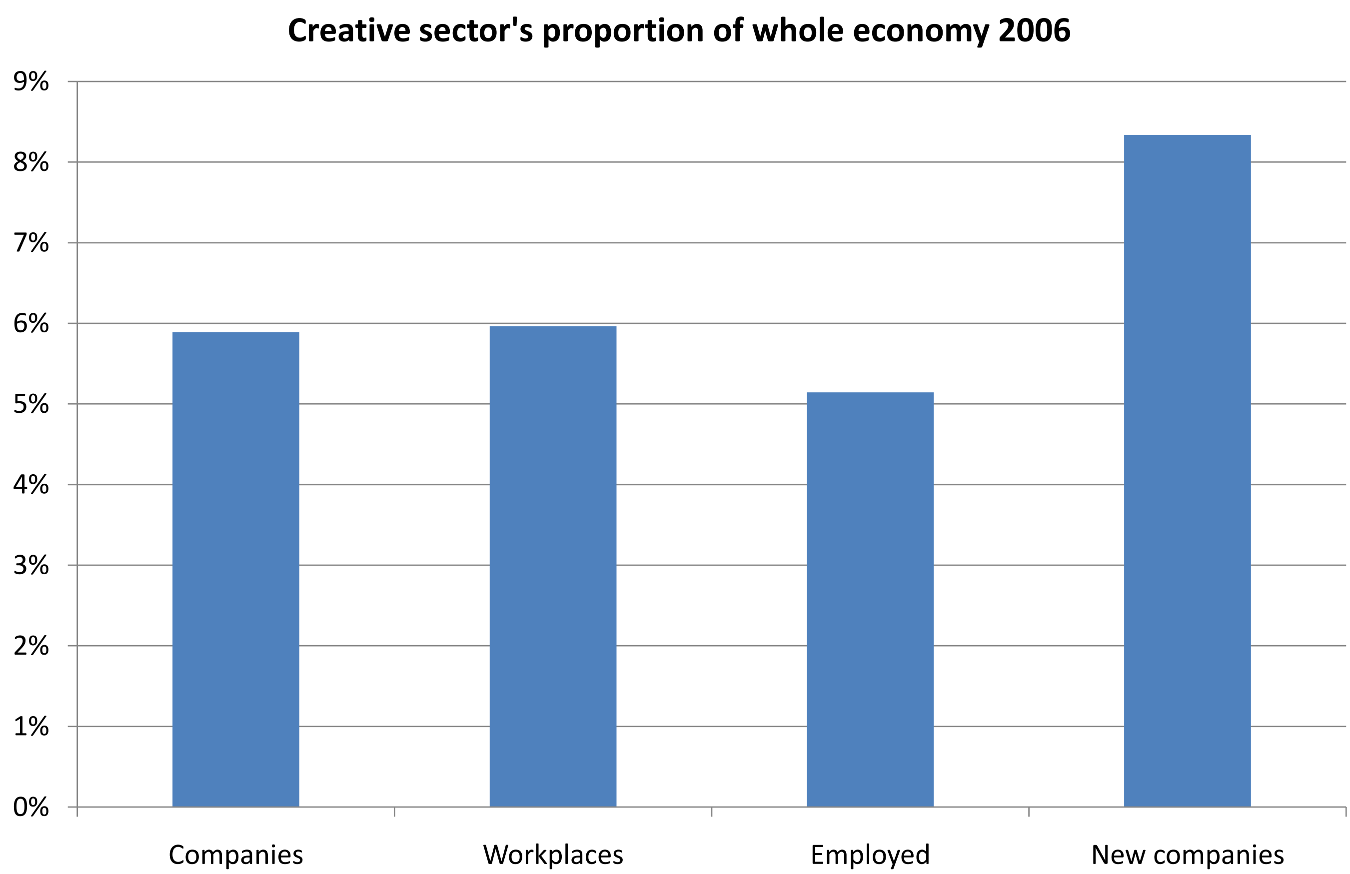
On the regional level you will find two actors; the regional Growth Forum and Business Link South Denmark. The Growth Forum often has entrepreneurship as a theme when co-financing EU structural funds projects. Every region in Denmark has a so-called Business Link centre that has been established by the Danish government. The mission for these centres is to mentor entrepreneurs with a growth potential but who needs further and specialised advice in order to reach their goals. On the national level, the Ministry of Business and Development is responsible for, not only the Business Link centres but also several development programmes. Two of these programmes are of special interest for the creative sector: the innovation program and the program for "user-driven innovation" and "experience zone" development.

Size of the creative sector

	Creative Sector 2006	Whole economy 2006
Companies	3 708	62 958
Workplaces	4 756	80 428
Employed	30 850	600 521
New companies	536	6 430

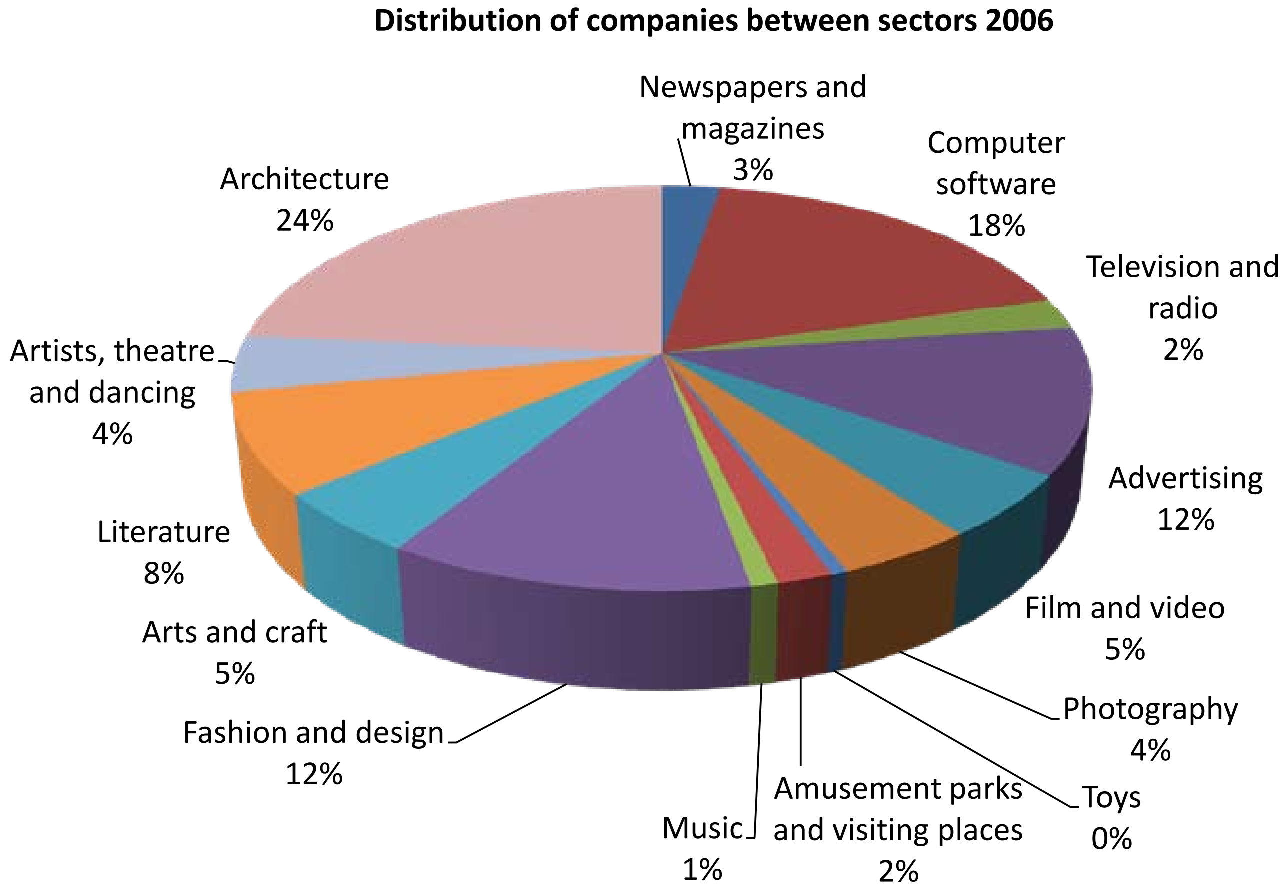
The creative sector makes up a significant part of the economy in South Denmark. Out of the about 63.000 companies in the region, some 3.700 are found in the creative sector, making the creative sector stand for about 6 percent of the companies in the region. Workplaces in the creative sector also stand for about 6 percent of the economy . The creative sector stands for about 5 percent of the employed in the region. The fact that the fraction of the employed in the creative sector in the region is somewhat lower than the fraction of companies and workplaces found in the creative sector, indicates that the companies and workplaces in the creative sector generally have fewer employees than the average for the whole economy in the region.

In 2006 about 6.400 companies were started in South Denmark. More than 8 percent of these were in the creative sector. This fraction being larger than the creative sector's fraction of the total number of companies in South Denmark means that in 2006 the creative sector had a higher renewal rate than the whole economy, and probably it was growing faster than the whole economy.



Structure of the creative sector

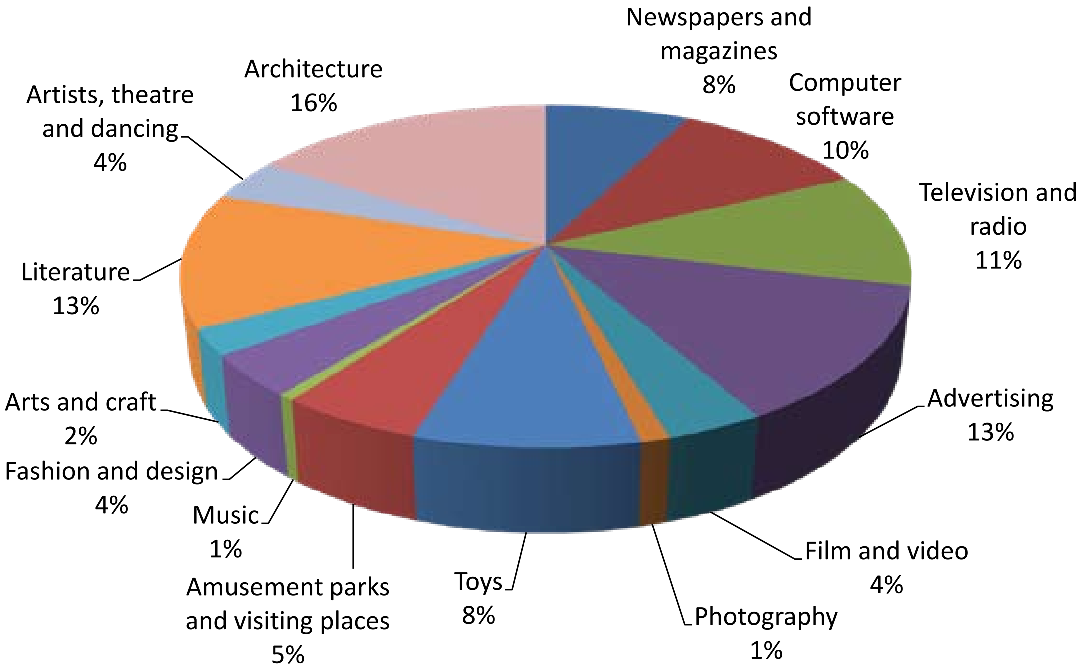
[1.] According to The Danish national definition of the creative industries Tourism, Gastronomy and Night life are included. When included the figures mentioned would rise to a range between 9 and 11 %.



When analysing the distribution of the 3.700 companies in the creative sector in South Denmark between different sectors within the creative sector, four sectors stand out as being the most important sectors according to number of companies. Computer software, Advertising, Fashion and design and Architecture together stand for two thirds of the companies in the creative sector. What these four sectors have in common is that business in these sectors do not face very large infrastructural investments in order to conduct their business; their major assets are the competence of their staff and therefore there are not any significant economy of scale in these sectors. These sectors typically contain many small consultancy businesses.

Four sectors stand for two percent or less each of the companies in the creative sector: Television and radio, Toys, Amusement parks and visiting places and Music. All of these, maybe with an exception of Music, are sectors that typically have firms with large infrastructural investments. In South Denmark you find such important firms as TV2, LEGO and Legoland in these sectors with a low amount of companies.

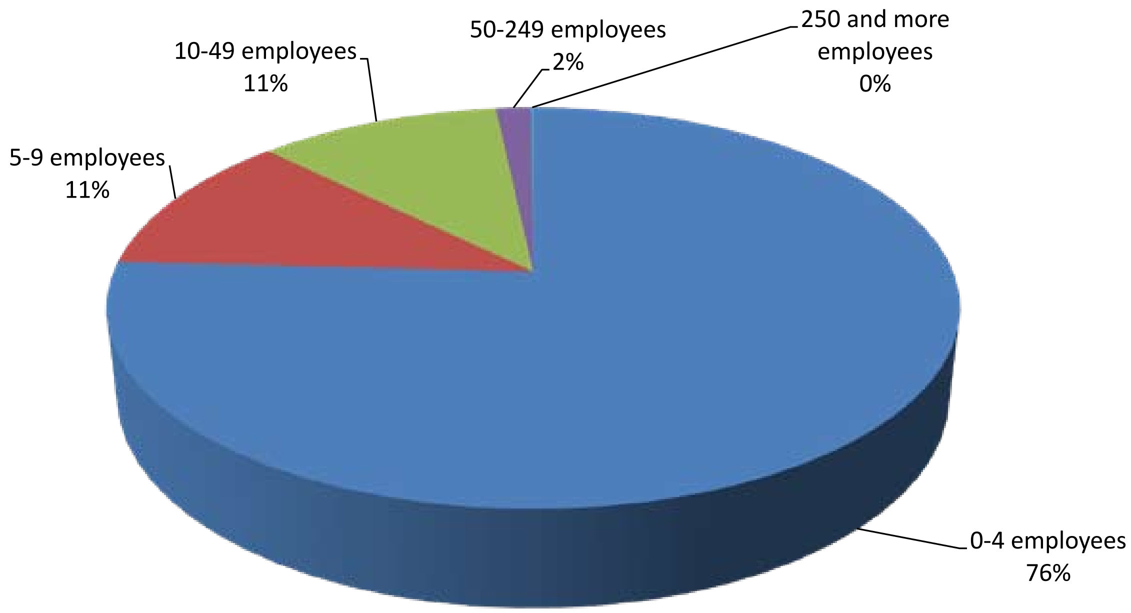
Distribution of employed between sectors 2006



The most important sectors according to number of employed within the creative sector in South Denmark are Computer software, Television and radio, Advertising, Literature and Architecture. All these sectors employ each more than 10 percent of the employed in the creative sector. On the other end of the scale you find the sectors Photography, Music and Arts and craft that each employs two percent or less of the workforce in the creative sector.

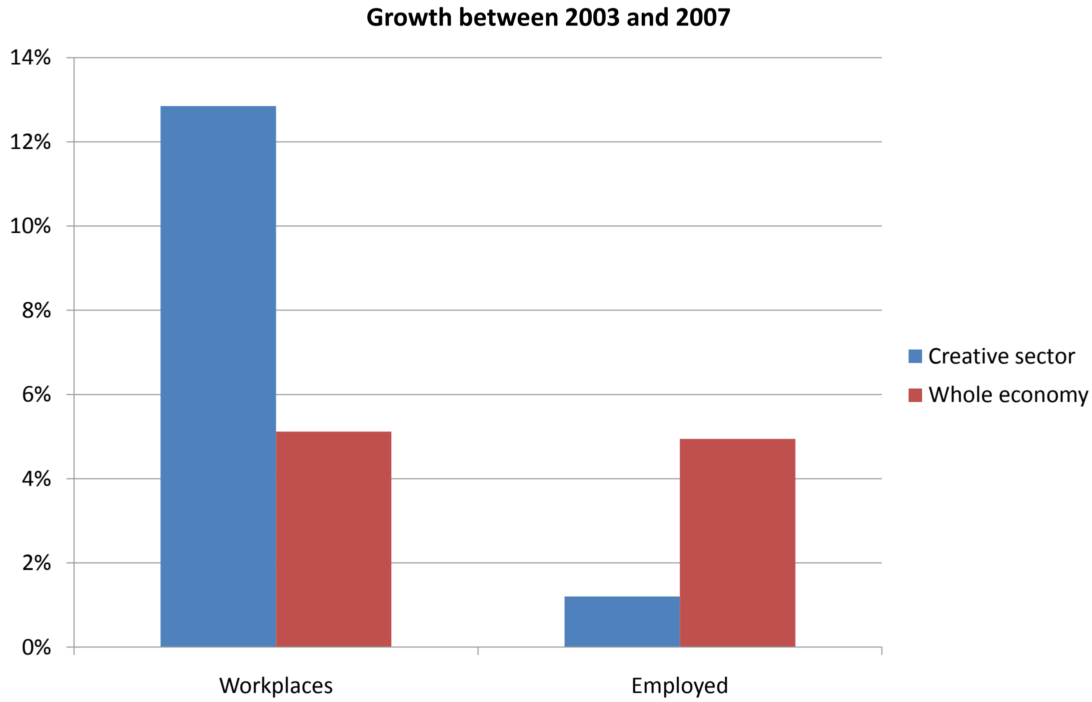
When comparing the sectors according to what fraction of both companies and employed are found in each sector, one finds that some sectors have significantly higher fraction of companies than the fraction of employed. These sectors are: Architecture, Computer software, Photography, Arts and craft and Fashion and design. These sectors have companies that are generally smaller than the average in the creative sector. The sectors Newspapers and magazines, Television and radio, Toys, Amusement parks and visiting places and Literature all have a fraction of the companies that is lower than their fraction of the employed in the creative sector. This means that these sectors have companies that are generally larger than the average of the creative sector.

Distribution of workplaces between size 2006

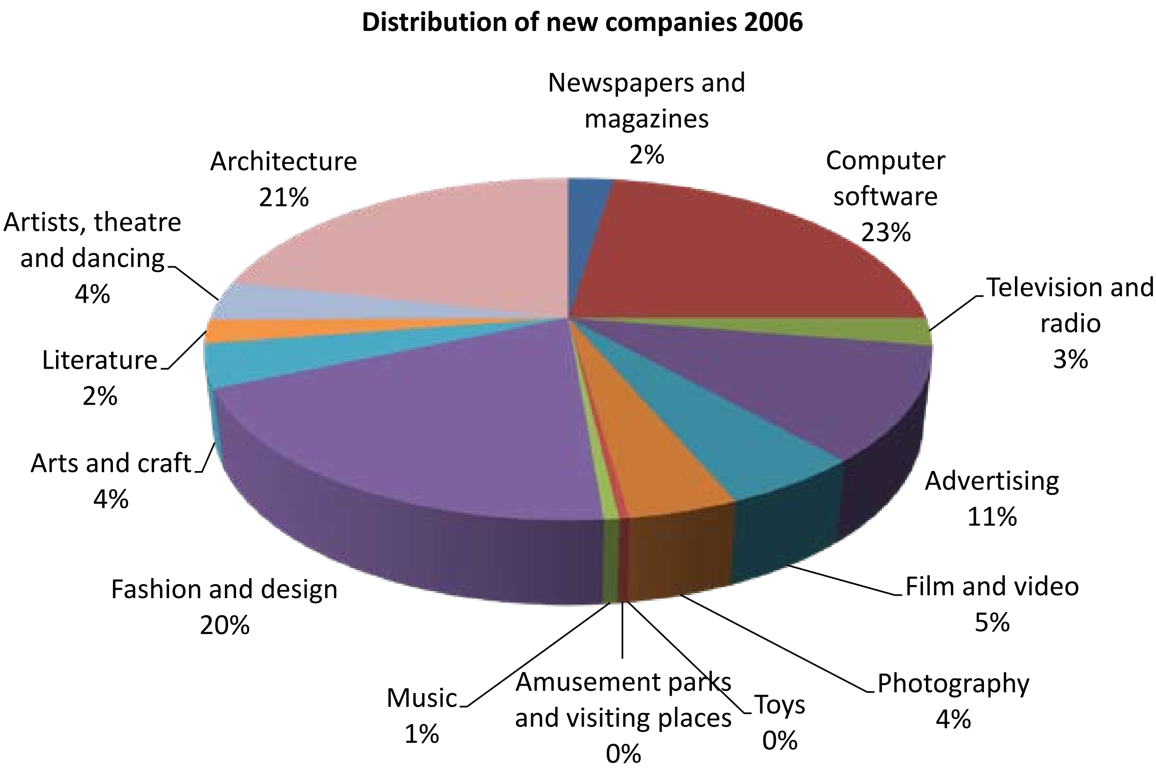


Seventy six percent of the workplaces in the creative sector have less than five employees. This is a somewhat lower figure than that for the whole economy of 73 percent. This means that the workplaces on an average are a little bit smaller in the creative sector than what is the average for the whole economy, but the difference is not very large.

Development of the creative sector



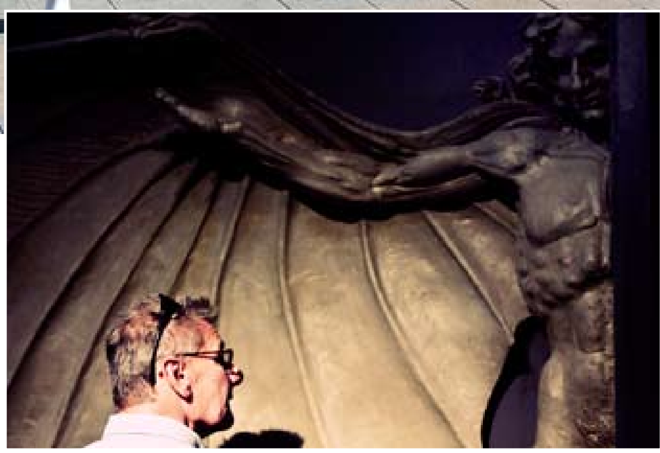
When analysing the development of the creative sector in South Denmark between 2003 and 2007 one finds that the number of workplaces have increased by 538 workplaces. That is an increase of almost 15 percent, and that is more than twice the growth of workplaces within the whole economy in the region. Employment on the other hand has also grown in the creative sector, but not at the same rate as the total employment has grown. These figures indicate that there has been somewhat of a change of the structure in the creative sector. There has been an increase in the number of workplaces but on average these have become smaller according to number of employed.



536 companies were started in the creative sector in 2006. The distribution of these between different sectors was very similar to that of the already existing companies, with a few exceptions. Twenty percent of the new companies were found in the sector Fashion and design, when only 12 percent of the already existing companies were found there. This indicates that this sector might be growing faster than the average for the creative sector according to number of companies. This also applies to the sector Computer software. The opposite is found in the sector Literature. Two percent of the new companies were started in this sector, but 13 percent of the already existing companies operate in this sector, indicating Literature might be a contracting sector.

9. Észak-Alföld Region,

Hungary



Traditions form the creative sector

One of the important strengths of the region is the abundance of treasures of nature and the preserved environmental and cultural values. Different cultural programmes, initiatives showing local characteristics, are in numerous micro-regions and settlements of the region. The region has important natural, architectural, folk art and religious culture. Creating the conditions of the infrastructure and improving the marketing of these cultural values is a task of elemental importance. Észak-Alföld region is the youngest region in Hungary, with young talented and creative people. Therefore we believe that developing and supporting CREATIVITY could be a strategic objective and key for the future development.

Észak-Alföld region is a border region, bordering Romania, Ukraine and Slovakia so the region is a meeting place of different traditions and cultures. One of the many strengths of the Észak-Alföld Region is its attitude of opnness . Due to our cross-border location we find the economic, cultural as well as the cross-border co-operation extremely important.

Észak-Alföld region is the ascendant centre of the Hungarian reformation ; its religious values, monuments are also held in account, the adjunct sights, events attract many tourists, firstly from the region and the broader area. The symbol of Debrecen, a city often mentioned as the Calvinist Rome, is the largest Calvinist building in Hungary. The region is rich in historical heritage. Considered as a part of our World Heritage, Hortobágy hides in the heart of the European Continent and offers insight into a long lasting harmony between man and nature.

Additional important cultural values are represented by the traditional lifestyle and folk remains of farming, folklores (Jászság, Nagykunság, Hortobágy, Hajdúság, Szatmár, Bereg), folk arts, even the mainly unemployed castles and curios, whose utilisation can also involve exploitable opportunities in regard to the future. The region is rich in museums, historical and ethnical memories, at the same time their development into allure has just started in some cases. The representatives of traditional professions and handcraftsmanship – wood carvers, weavers, embroiderers, potters – inherited their skills from a long sequence of generations. The variety in style and patterns that characterises these elements of folk art has accumulated throughout the past centuries. Famous Hungarian writers, actors were born and worked in the region. Annual creative workshops and courses are organised for artists and amateurs of all branches of art. The region is also characterised by a rich tradition of folk music and folk dance. There are a number of bands, dance groups and choirs working on the preservation of a vast cultural tradition.

The cultural and folk festivals have significant traditions in the region, every year many festivals are organised, most of them are artistic festivals(for example folkdance-festivals and theatre festivals) or linked to traditions (horse shows, Goulash festival, Folder festival, etc.), with local or regional scope.

Light houses and creative networks

In Hungary, in the Észak-Alföld region there are some companies, which play an important part in the creative sector. Two of them are Inform Média and Invictus-Games.

Inform Média Kft. (Debrecen) works in the sector newspaper publishing. It is an important firm in the creative sector with high employment and with a prominently high turnover nationwide.

Invictus-Games Kft. (Debrecen) work in the sector software consultancy mainly with development of game software.

On the other side there are non-governmental organisations, which have an important part in the educational and in the cutural life.

MODEM is one of the largest and probably the most up-to-date modern and contemporary art gallery of the country and its greater region. MODEM is remarkably suitable for being the centre of modern and contemporary international art life in Central Europe according to its size, position and architectural conditions.

Two theatres are of great importance - Móricz Zsigmond Theatre in Nyíregyháza and Csokonai Theatre in Debrecen. The later is now transforming into a provincial music theatre where musical productions (operas, operettas, musicals, ballets) will be produced.

College of Nyíregyháza offers courses in visual arts and University of Debrecen has a faculty for media and the College of Szolnok trains specialised advertising managers.

The region has a number of creative clusters, most of them founded in recent years. The first one is Észak-Alföld Thermal Cluster, which is a network for co-operation of the curative, thermal, spa and the related suppliers.

Észak-Alföld Informatics Cluster works with information and communication technology and with development of software as does the Silicon Field Regional Informatics Cluster.

Other creative clusters in the region are Észak-Alföld Audio-Visual Media and Creative Industrial Cluster, Handicraft Supplier Cluster in Szabole s-Szatmár-Bereg, PRIZMATECH Instrument Producer and Developer Cluster in Debrecen and Innovative Tourism Cluster.

Higher education and research

University of Debrecen has three departments for students who are planning for a work life in the creative sector. Faculty of Music has a great past in Hungarian higher education in the field of music, having important roles both regionally and in national relations. Those who graduated from here work in numerous music education institutes of Hungary, our former students can be found in almost all Hungarian professional ensembles, utilising their knowledge and ability in theatres, television, radio and cultural institutions. Other departments are those for Ethnography and Communication and Media Science.

The Institute of Visual Culture of the College of Nyíregyháza (previously the Department of Drawing) has trained almost two thousand teachers during the last 35 years, as the most significant and most impressive visual training workshop in the region. Drawing and visual communication was one of the most demanded and popular course pair before 2006.

College of Szolnok offers courses to specialised advertising managers. The aim is to train experts who are able to carry out managerial work in trading concerns and in the trade departments of production companies, middle level managerial duties in bigger companies and advertising tasks assisting head managers, as well as to fluently communicate in foreign languages.

Enterprise support

In Hungary the support of creative sector is financed by national and EU resources.

NATIONAL RESCOURCES

The "Mecenatura" fund finances activities like

- radio and television program making
- professional newspaper production
- exhibition-organising for research and development companies, etc.

The "Mecenatura" program will be open for applications to the end of 2010.

The "Regional Film Fund" project

The aim of the "Regional Film Fund" is to develop the audiovisual sectors by strengthening local movie industry. This fund will be established because the movie industry in Hungary is concentrated in the capital city (Budapest) and the regional level would like to have more opportunities.

The National Cultural Fund ("NKA") finances programs that have additional effects on the culture. Theatres, photo galleries, archives, and such institutions can be financed by this fund.

The "Baross-Gabor" and "Innocsekk" Programs mainly finance regional R+D activities.

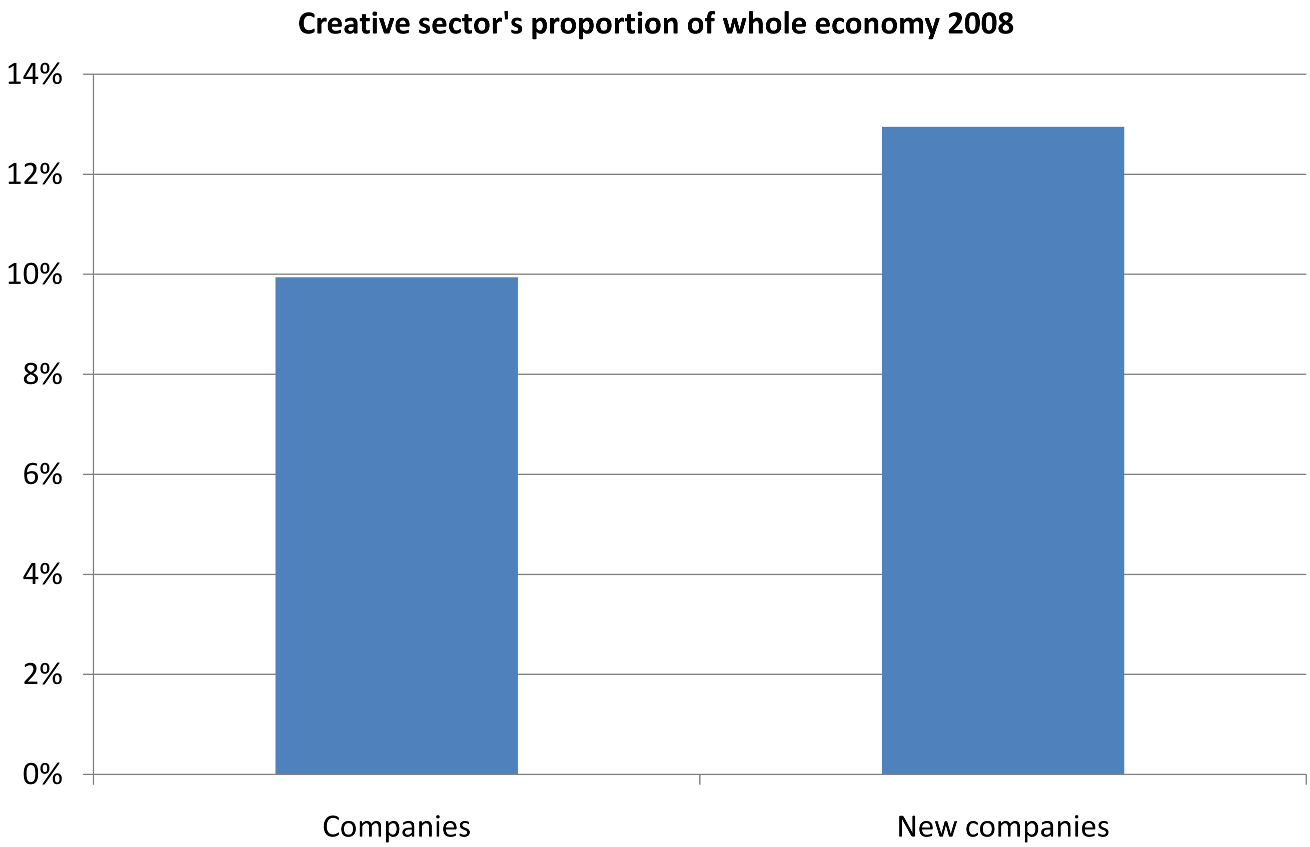
EU RESOURCES

The New Hungary Rural development Program (UMVP) finances rural activities. It has a part which mainly focuses on villages that have less than 5.000 inhabitants. In Hungary the creative sector is located in the rural areas as well, so the UMVP can be the most important fund for the creative entrepreneurs.

Size of the creative sector

	Creative Sector	Whole economy
Companies	4 333	43 584
Employed	14 095	513 100
New companies	395	3 050

Ten percent of the companies in Észak-Alföld Region are in the creative sector. In 2008 about 14.000 persons were employed in this sector by about 4.300 companies. In 2008 13 percent of the start-up companies were founded in the creative sector, indicating that the creative sector is becomming an important sector of the regions economy.




EUROPE INNOVA
Innovation and Clusters
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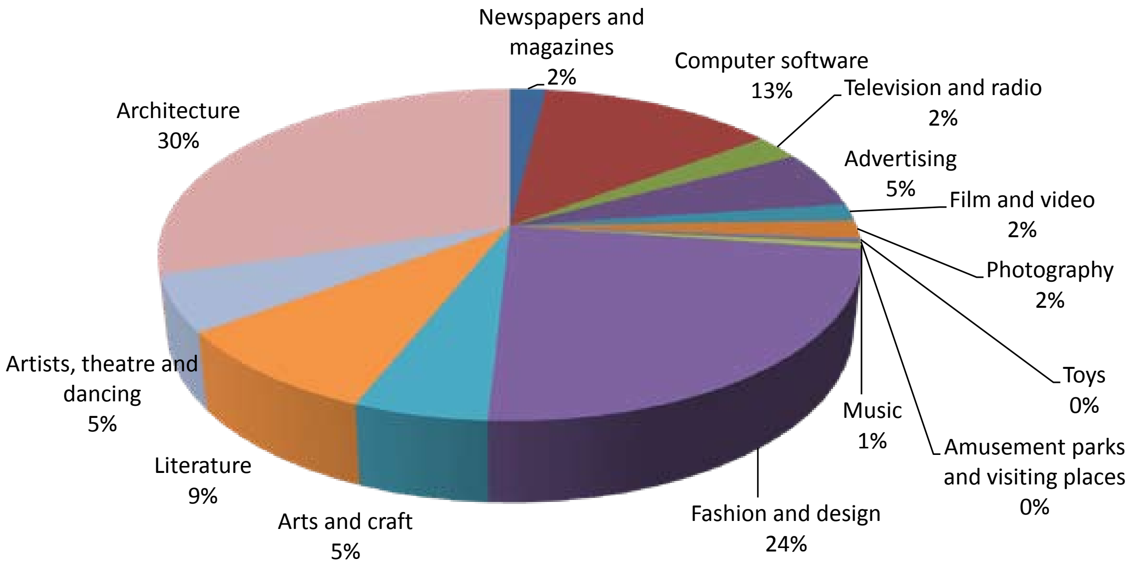
Structure of the creative sector

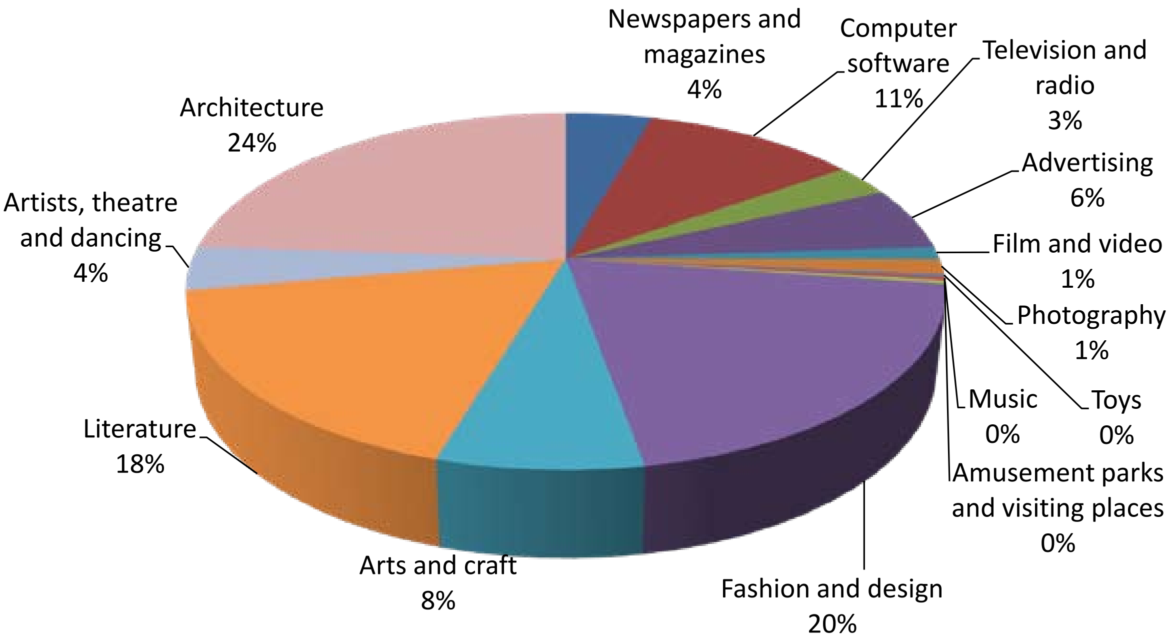
Distribution of companies between sectors 2008



The most important sectors according to **number of companies** are Architecture, Computer software, Literature, and Fashion and design.
However the Fashion and design sector is over-represented as it included companies with other business activities (mainly providing services), not exclusively working in design and fashion industry.

The creative sector shows a concentrated image in the region. The Architecture and Fashion and design sectors together stand for over half of the number of the companies within the creative sector. A dynamically growing sector is Computer and software representing 11% of the companies.

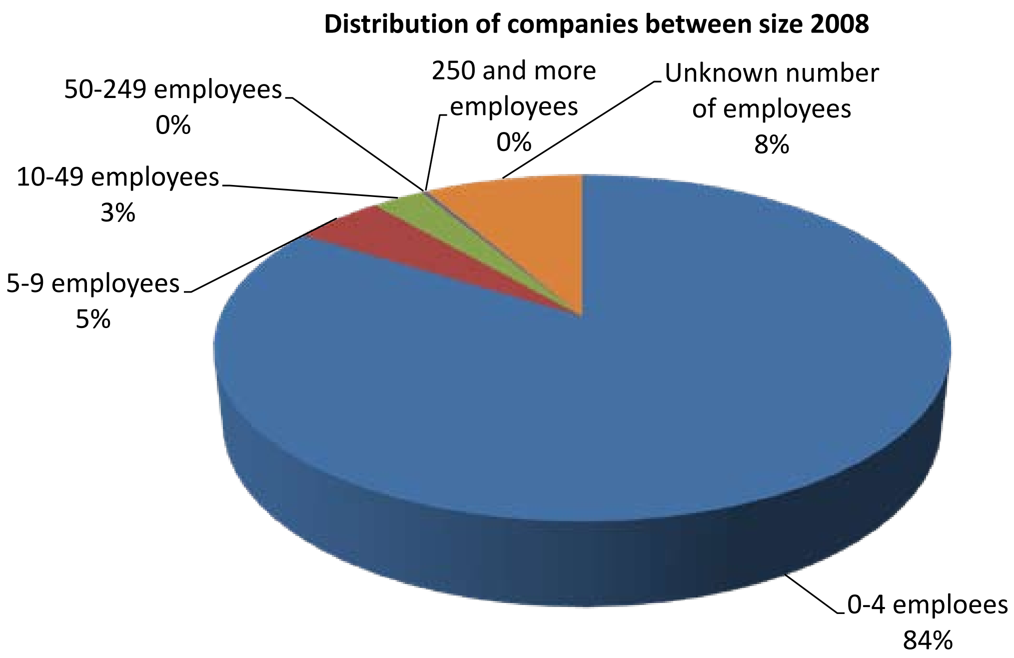
Distribution of employed between sectors 2008



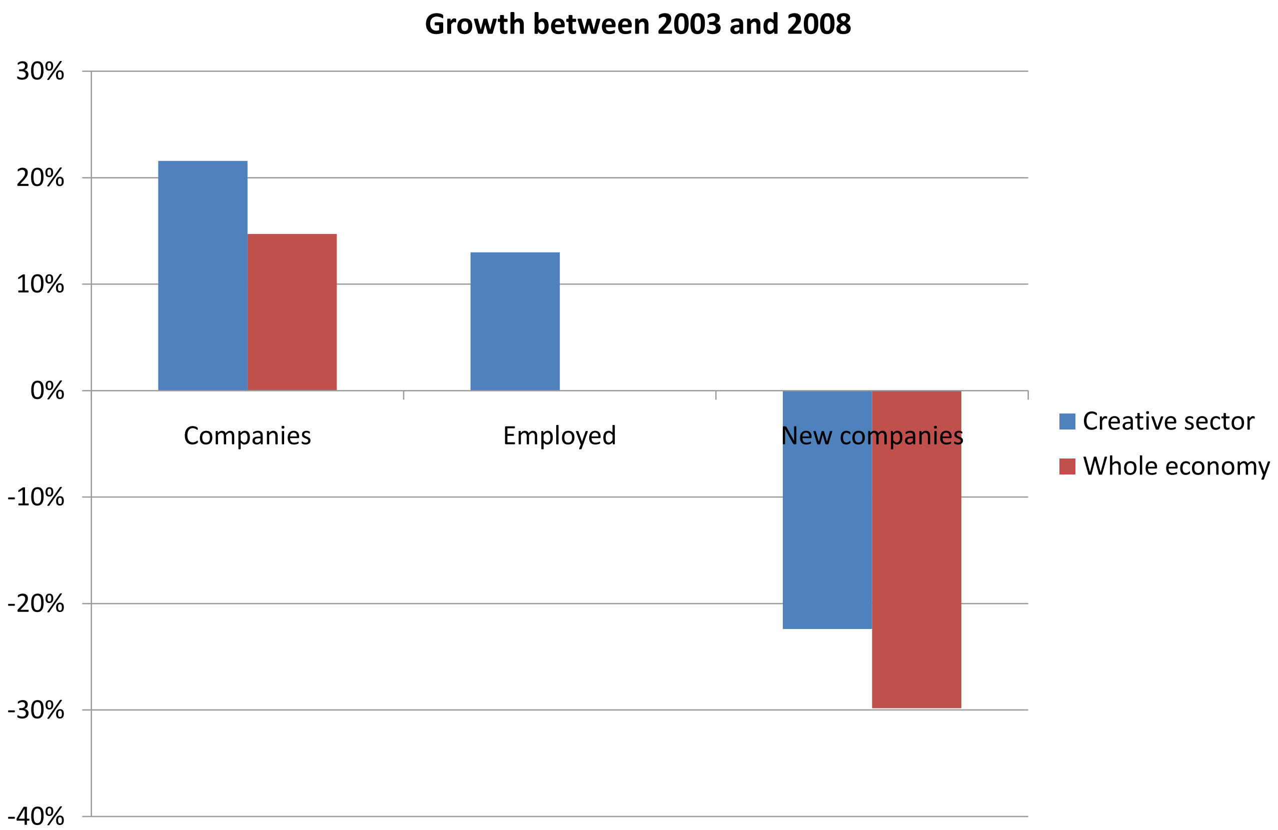
There are many companies with very few employees. The average number of employees in the sector is 3.5. Employment in the creative sector is also concentrated to a few fields. People employed in the Fashion and design, Literature and Architecture sectors together stand for about two third of the employed persons in the creative industries.
The smaller, above mentioned sectors (eg. Newspapers, TV and radio, etc.) employ much less people, even in some cases they have significantly higher proportion of the employed than of the companies.

Comparing the number of the companies with the number of employees in creative sectors, it turns out that the two distributions are very similar.

However, in sectors like Fashion and design, Film and video, Photography, Music and Architecture there are smaller companies considering the number of the employees.
In sectors like Newspaper and magazines, Arts and craft and, especially, Literature there are bigger companies, considering the the number of the employees.
Apart from companies local municipalities and NGOs are very active actors of the creative sector. The cultural life of the region is organised around festivals, most of the festivals are thematic and on the preservation and promotion of local culture.



Most companies in the creative sector have few or no employees (meaning that the owner of the company works for it alone). 84 percent of the companies have less than five employees, and probably an even higher figure if we include the number of unknown number of employees to this category.



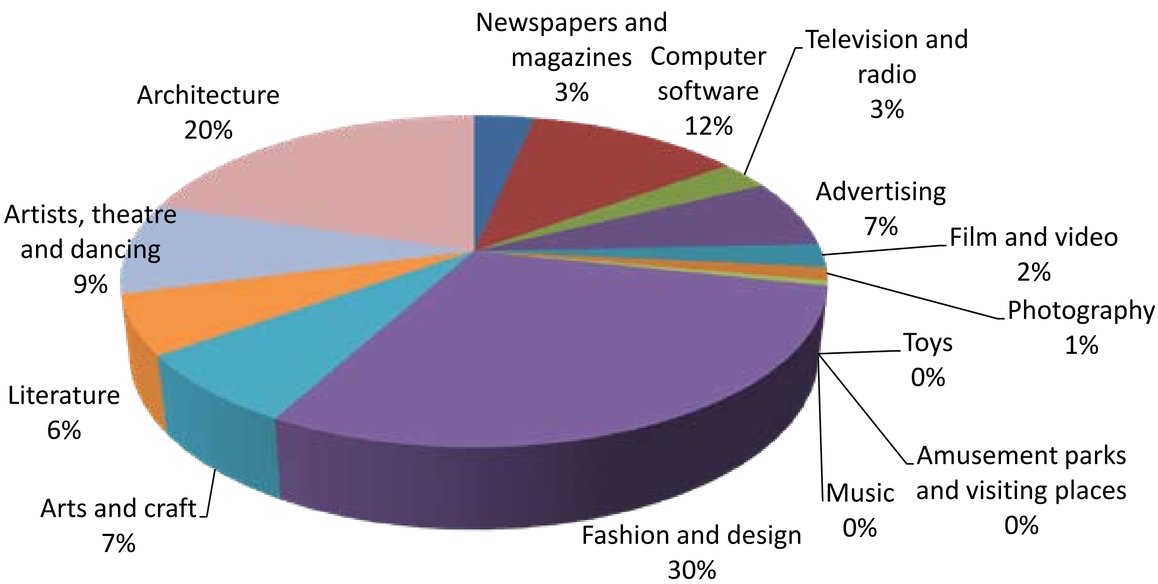
Concerning the whole economy the number of employed people in 2000 is 508.900, and 513.100 in 2008, which means that the whole economy have grown less than one percent in the period 2000-2008.

The number of companies in the creative sector has grown by more than 20 percent between 2003 and 2008, by about 750 companies. This growth is significantly larger than the growth of the whole economy, where the number of companies has grown by about 15 percent.

The number of employees in the creative sector has also grown in this period, by less than 15 percent. The number of companies has grown more than the number of employees, which indicates that the growth of the creative sector is driven by founding new, but small companies, rather than by employing new people.

Even if there is a decrease in the number of new companies in the creative sector between 2003 and 2008, that is a smaller decrease compared to the whole economy. This, together with the growth of number of companies, shows that the creative sector is much more expansive than the rest of the economy.

Distribution of new companies 2008



In 2008 the half of the start-up companies were founded in Fashion and design and the Architecture sectors. This means that these sectors become more and more important in the creative sector. In 2008 this was the situation for, most significantly, Fashion and design, but also for the sectors Advertising, Literature, Newspapers and magazines and Television and radio.

On the contrary some sectors become less popular in the creative sector since in these sectors there are less foundations year by year. These sectors are Arts and craft, Artists, theatre and dancing, Photography and, especially, Architecture.

10. The Region of Southern Småland

Traditions form the creative sector

Southern Småland has a long historic tradition within the fields of **glassblowing, furniture making** and **storytelling.**

The region has a vast amount of forests and lakes, in fact the largest amount of lakes in the whole of Sweden. These natural resources were a pre-condition for the growth of glassworks in the region in the eighteenth century. The wood kept the glass furnaces burning for a long time and the sand from the bottom of the many lakes was transformed into magnificent glass. Furthermore, the area surrounding the glassworks consisted of an abundant work force. At the beginning of the twentieth century there existed as many as 100 glassworks in the region.
The many forests also resulted in early industrial furniture making, which focused mainly in chairs, in the nineteenth century and onwards. In the year 1990 a network for design oriented furniture stores and manufacturers started in the small village of Lammhult.
Many of Sweden's most known authors and storytellers lived in the south of Småland. It is also here were most of the Swedish storytelling tradition was documented during the nineteenth century. This history has contributed to the continuation of the tradition and today the region has for example a network for storytellers and an annual storytelling festival in the city of Ljungby.

The founder of the multinational furniture company IKEA, Ingvar Kamprad, was born in the South of Småland where he started his business. Until today, the IKEA headquarters is situated in the region and IKEA plays a very important role in the region's labour market. The company is an attractive workplace for creative people from all over Sweden with many people commuting to the region.

Another historic tradition is that of having many part-time jobs. In the south of Småland it hasn´t only been people in the creative sector who have had to have many jobs to make ends meet since the preconditions for traditional farming have been so bad. Therefore many people work with lots of different things and in that way you don´t stand out as a creator.

Foto: Peter Lloyd

Foto: Peter Lloyd

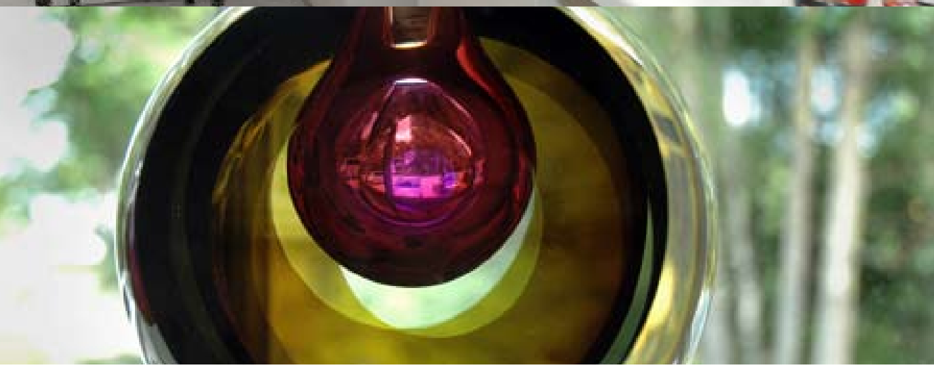


Foto: Peter Lloyd

Light houses and creative networks

Southern Småland has three important light houses worth mentioning. The above mentioned company IKEA as well as the two creative/tourist attractions: The Kingdom of Glass and The Kingdom of Furniture. These three attracts not only tourists but also a highly qualified and creative workforce. They are also very good examples of organisations working in the creative sector since they are dependent on good design, good handicraft, marketing etc. in order to sell their products and increase their share in the international market. The Kingdom of Glass and Furniture is also an important tourist destination. Tourist come to the region, not only to buy the glassworks but also to see how they are made. For those willing to try it also is possible to blow your own glass. These lighthouses are the main reasons why southern Småland is perceived as the "design region" in Sweden. This is something that other creative people and organisations active in the region can use as a marketing advantage for themselves.

The municipality of Älmhult is the home of IKEA headquarters and is of course, because of this very successful in the design field and the main part of the workforce in IKEA is active within the creative sector. Much of this is because IKEA has been operating in the municipality since 1943, when Ingvar Kamprad started the company in the neighbouring town Agunnaryd. Today, IKEA provide work for 128 000 persons in 24 countries with a yearly sales of around 21 billion Euros.

At the moment the municioality of Älmhult is looking into the possibility of starting a creative network that could help develop the creative sector even further.

The Kingdom of Glass and Furniture are two examples of already existing creative networks in Southern Småland. The networks consist of businesses within tourism, hotels, restaurants, glassmaking, furniture making and shops that sell glass and furniture. However, their focus is tourism and not so much preconditions for the creative sector.

The Kingdom of Glass is a network that consists of 15 glassworks and the 4 municipalities of Emmaboda, Lessebo, Nybro and Uppvidinge. The main task of the cluster is to promote the region and the activities it has to offer to tourists. Some of the most famous glassworks made here are Orrefors Kosta Boda, Målerås, Nybro and Transjö. Southern Småland also uses the good reputation from the glassworks to promote the region's hotels, restaurants and other tourist attractions. One example of what is happening in the area right now is the performance "Circus in the Kingdom of Glass" were circus, music and glassblowing are combined. The performance is also a good example of a close collaboration between the world of arts and culture and the business world.

A few of the more famous companies in the Kingdom of Furniture are Lammhults Möbel, Norrgavel, Bruno Mathsson och Källemo. The network members also run their own projects, for example, the current project Green Design where young designers learn more about green design and how to become more competitive in the global market.

Higher educational and research institutions

The University of Växjö and Kalmar College are about to merge into the new Linnaeus University that will start functioning from the 1st of January 2010. The new University will have about 23.000 students and two campuses – one in Växjö and one in Kalmar.

The two existing institutions both offer many programs within the creative sector. Some examples of this are Design, Music Management, Library and Information Management, Computer Science, Interactive Digital Media, Coaching and Sport Management, Music and Sound Design etc. Both Växjö and Kalmar carry out research within the field of cultural economy and as a consequence of the coming merge there are plans to form a Centre for Cultural Economy and Regional Development in the region.

Växjö today has a main focus in entrepreneurship and then not only from business perpective but its impact on society as a whole. How entrepreneurship is important to create and renew society. The research is therefore done in a multidisciplinary way with researchers from business, economics, sociology, design and pedagogic. The four main themes are: experience economy (closely related to the creative sector), design, how you learn and territorial dynamics.

Kalmar has a Centre for Cultural Economy where they do research in tourism and experiencies, cultural heritage and copyright industries.

Entrepreneurial support

The largest organisation for entrepreneurial support in southern Småland is ALMI. ALMI's task is to promote the development of competitive small and medium-sized businesses as well as to stimulate new enterprise with the aim of creating growth and innovation in Swedish business life. Its activity covers the whole process from idea to profitable business. The needs of the clients differ according to which stage in the process they have reached. Activities are therefore organised into three business areas based on the different client needs – Innovation, New Enterprises and Established Businesses. Within these areas, two principal services are offered – financing and business development. What is unique about ALMI is the combination of financing and business development. The objective is to get more innovative ideas to the market successfully, to get viable businesses launched and developed, as well as to increase the competitiveness and profitability of the businesses. The ALMI branch in southern Småland has a task to work with the creative sector, together with other areas such as female entrepreneurship etc.

Another, not so common, organisation for entrepreneurial support in southern Småland is SIP Network. The network is a youth organisation that has its Swedish headquarters in the south of Småland. They work with entrepreneurship in many different ways and methods and mainly support young entrepreneurs - of whom many have business ideas within in the field of the creative sector. Besides entrepreneurship SIP works with a wide range of issues such as labour market, sexuality, gender equality, digital media, democracy, international relations and school. What the main focus at the moment is decide the members of the network.

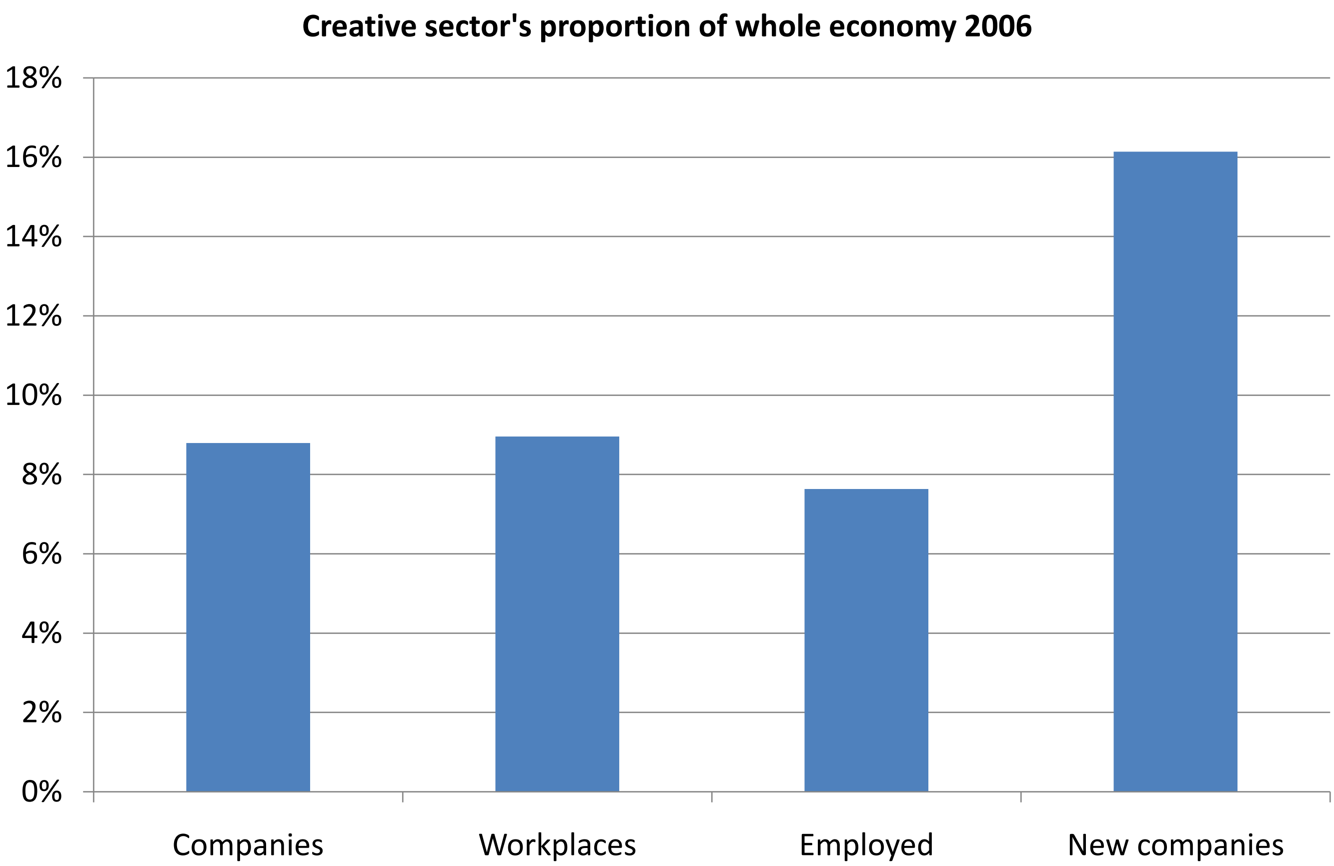
Coompanion is an organization that is available in many parts in Sweden and that focuses on business support to companies and organisations in the social economy and cooperative enterprising. Their way of thinking regarding why you start a business sometimes better suits actors within the creative sector than other types of business support organisations.

Size of the creative sector

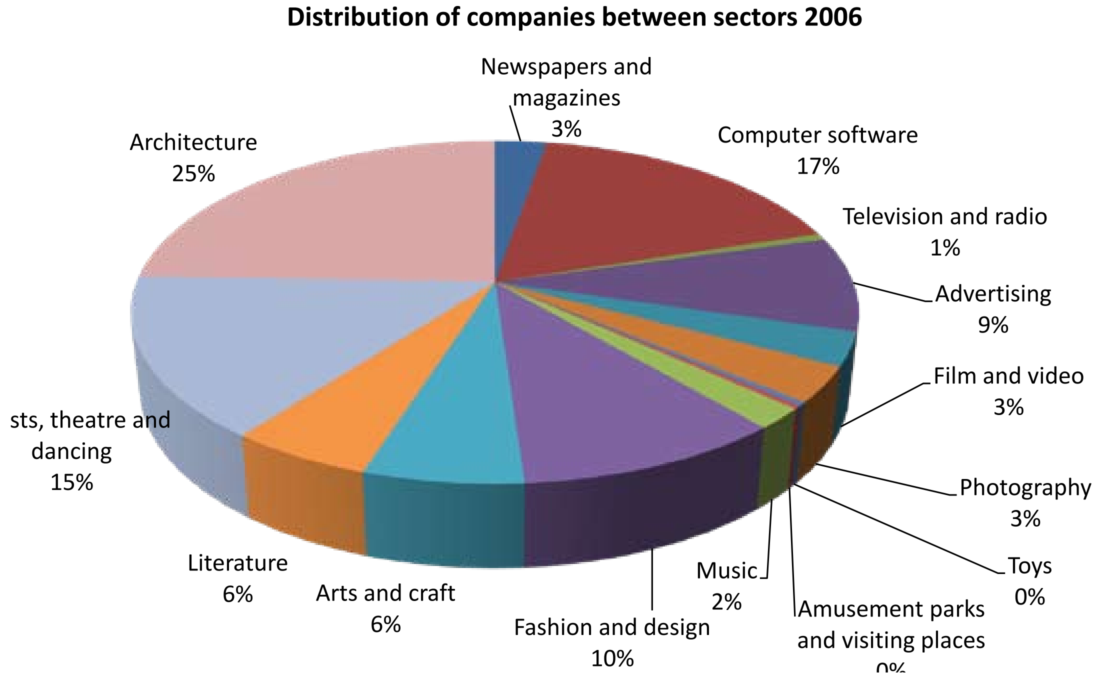
	Creative Sector	Whole economy
Companies	1 867	21 228
Workplaces	2 070	23 111
Employed	6 978	91 390
New companies	178	1 103

In South Småland there is about 1.900 companies and about 2.100 workplaces found in the creative sector. That means that the creative sector stands for about 9 percent of both the companies and the workplaces in the region. About 7.000 persons are employed within the creative sector, and they stand for about 8 percent of the employed in the region. The fraction of the employed in the creative sector is lower than the fraction for companies and workplaces, meaning that the companies and workplaces are somewhat smaller on average in the creative sector than the average for the economy. However, the difference between on the one hand the fraction of employed found in the creative sector and on the other hand the fraction of companies and workplaces are smaller than in most other regions. Even if companies and workplaces are generally smaller than in the whole economy, compared to other regions they are relatively large.

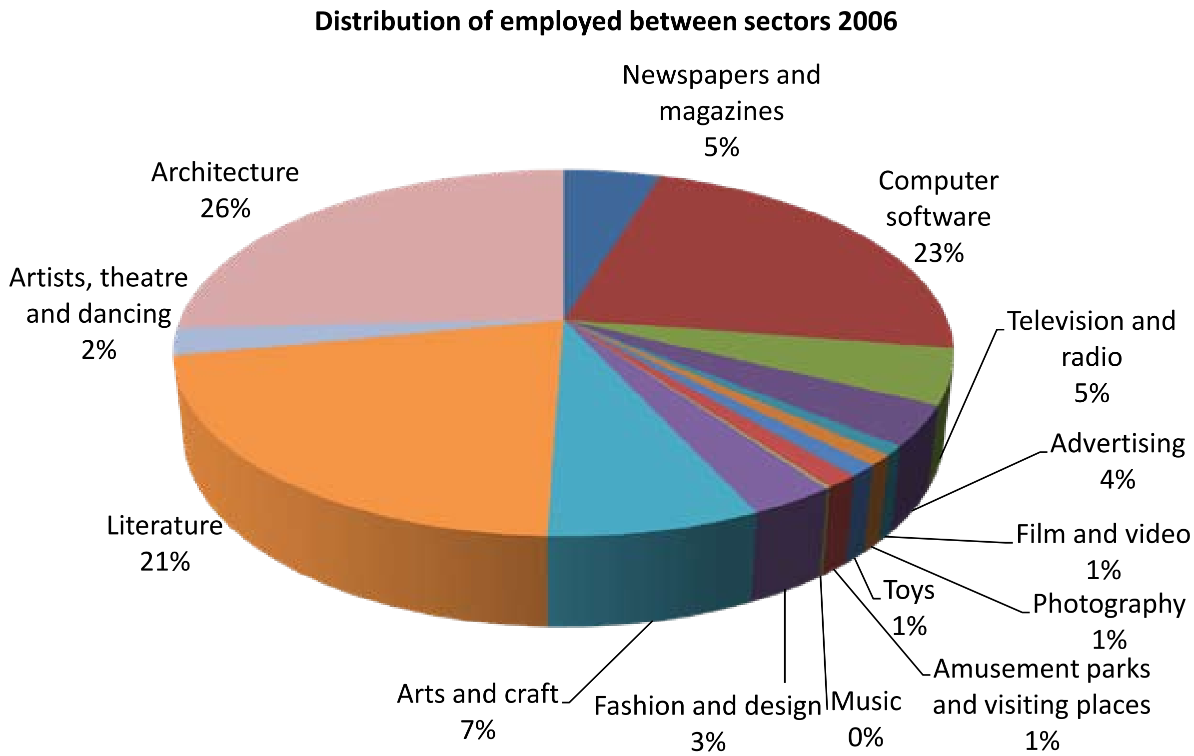
Of all started companies in 2006 about 16 percent were in the creative sector. This high percentage, compared to the 9 percent of the companies that are found in the creative sector, indicates that the growth and the renewal rate of the creative sector is higher than in the whole economy.



Structure of the creative sector

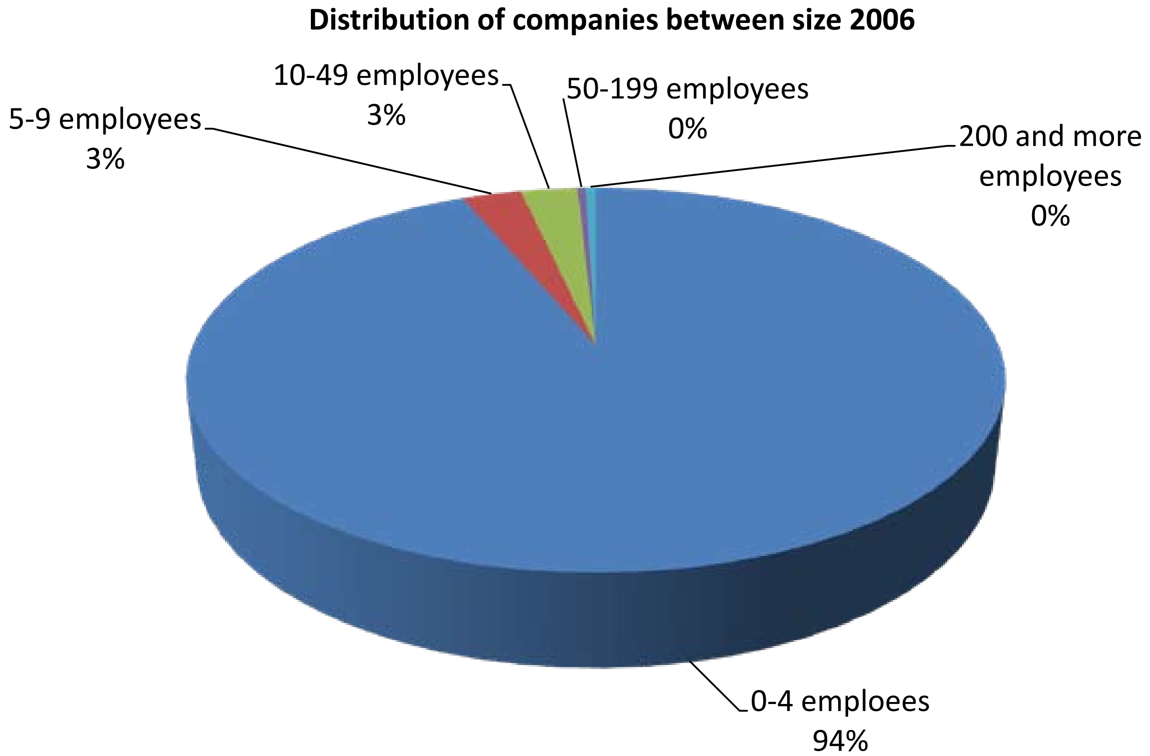


Of the 1. 900 companies within the creative sector over half are found in one of the three sectors Computer software, Artists, theatre and dancing or Architects. On the other end of the scale there are sector with very few companies. Television and radio, Toys, Amusement parks and visiting places and Music are all sectors with two percent or less each of the companies in the creative sector.



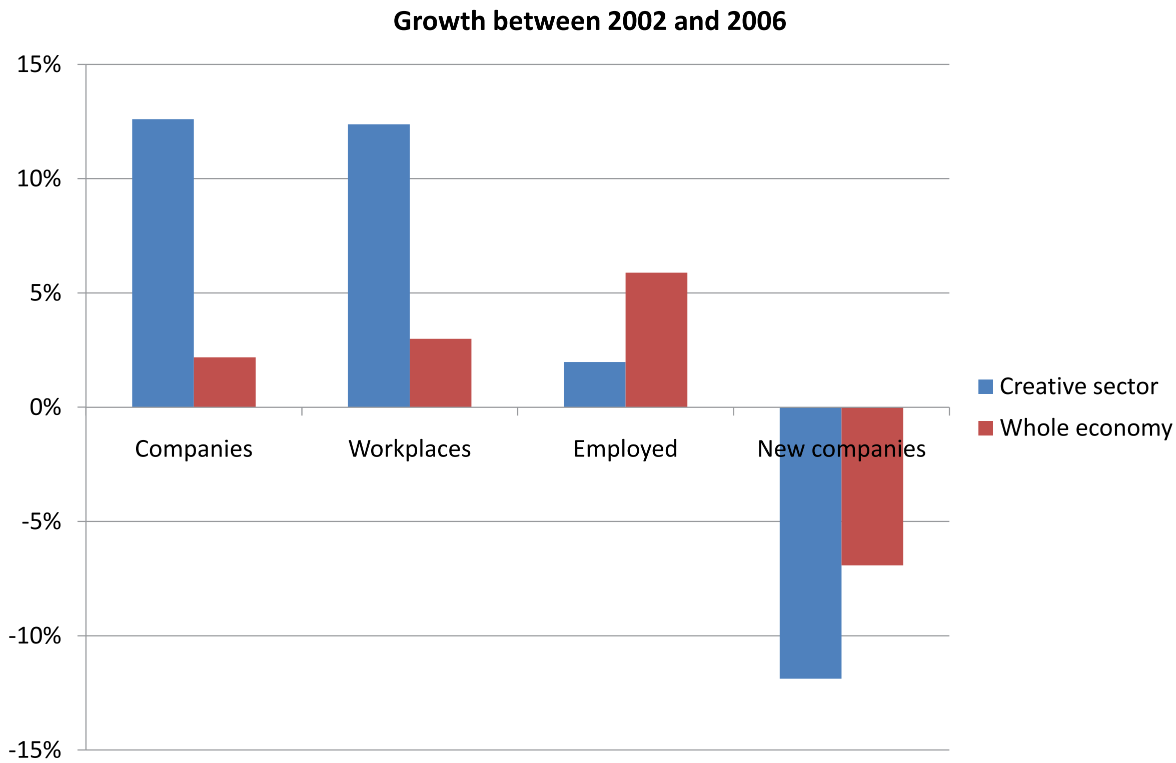
The main sectors in the creative sector according to employment are Computer software, Literature and Architecture. These three sectors each stand for more than 20 percent of the employed in the creative sector. Film and Video, Photography, Toys, Amusement parks and visiting places and Music are all very small according to employment; they each stand for one percent or less of the employed in the creative sector.

When comparing large and small sectors according to number of companies and employment, one finds that some sectors have many companies compared to the number of employed. These are: Film, Music, Fashion and design, Artists, theatre and dancing, Advertising and Photography. This means that in these sectors the companies typically have fewer employees than the average for the creative sector. There are also two sectors where the situation is the opposite, where there are many employed compared to the number of companies. This is the situation in Television and Literature. This means that in these sectors the companies have many employed compared to the average in the creative sector.



Most of the companies in the creative sector have very few employees: 94 percent of the companies have fewer than 5 employees. This however means that the creative sector is rather similar to the whole economy. The corresponding figure for the whole economy is 93 percent.

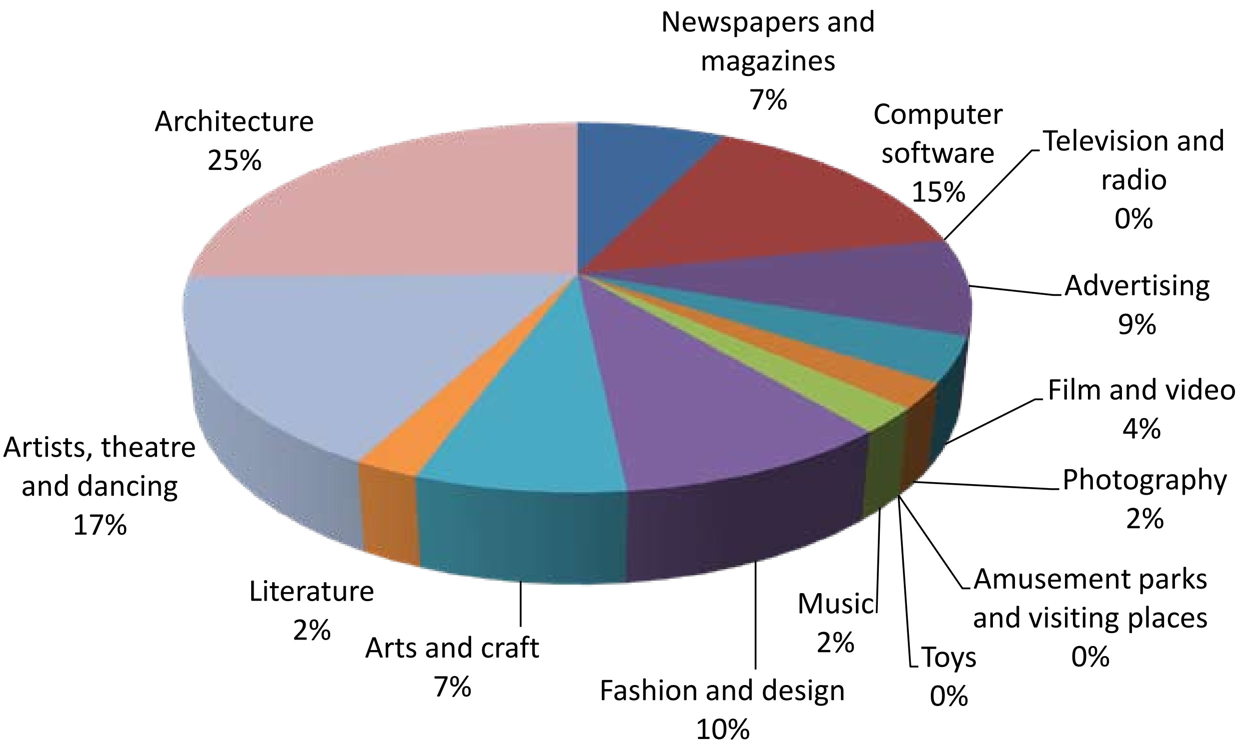
Development of the creative sector



Between 2002 and 2006, development of the creative sector in South Småland has been somewhat mixed. Compared to the development of the whole economy the number of companies and workplaces has many times more in the creative sector. The increase in the creative sector has been about 13 percent both for companies and workplaces, whereas the increase in the whole economy has been only 2-3 percent.

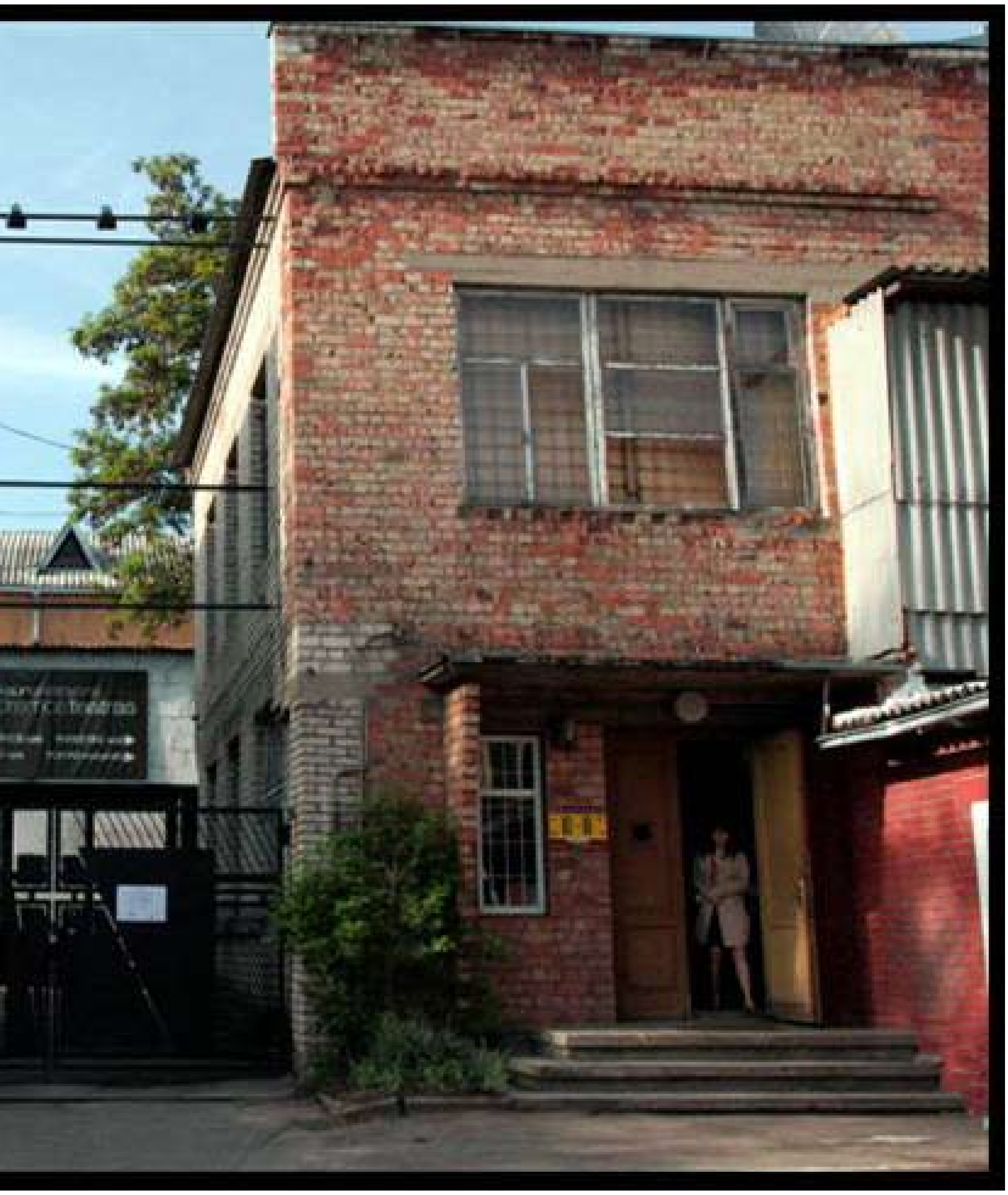
When looking to employment there has been an increase in the creative sector, but that has been only about two percent, when the increase in the whole economy during the same period has been about six percent.

Distribution of new companies 2006



The 178 companies started in 2006 in the creative sector are distributed between sectors in the same fashion that the already existing companies are. The largest sectors were Computer software, Artists, theatre and dancing and Architecture. The most obvious exception from this distribution is Literature where only 2 percent of the started companies in 2006 were found, when out of the existing companies 6 percent was found in this sector.

11. Kaunas Region



Traditions form the creative sector

Numerous historical estates and industrial heritages of different historical periods bring uniqueness to the Kaunas region. With different forms of regeneration this industrial heritage has great potential to become a platform for the development of creative industries.

Kaunas region has the natural and cultural resources that are necessary for the development of cultural tourism, with the cultural heritage like monuments of religious culture, galleries and museums and an attractive landscape. Traditional culture is well developed in the region but it has little connection with the creative sector at the moment today. Many cultural events are held in the Kaunas region, such as festivals and performances by different types of ethnic culture groups. Numerous events of ancient crafts reveal new trends in musicology and demonstrate an active position in national heritage protection. In Kaunas region traditional culture events of this type are supported and developed by centres of culture in towns and regions that were created during the soviet days and have been active until the present.

Light houses and creative networks

Now there are no special light houses of creative industry that stand out in the Kaunas region. However, many new ideas have contributed to the formation of the first creative centres in the region.

The non-formal art incubator was established in the premises of a former slaughter house and meat processing company in Aleksotas district in Kaunas. This could be singled out as a light house that has the potential to develop into a multi-functional art factory. Creative businessmen and artists, jewellers and craftsmen use some of the former meat factory facilities. This public undertaking Potiomkinas, with the head office arranged in the former boiler-room, runs this informal art incubator. The premises nourish the atmosphere of industrial heritage, avant-garde and creative mindsets and are used for public and private events. At the same time the public undertaking Potiomkinas coordinates and realises various cultural projects inside the factory and all over Lithuania.

The concept of Kaunas arts incubator is currently being developed and possibilities of realising the idea are being discussed. The incubator would be a mutual project of PU Artkomas and Kaunas City Municipality Administration. The project pursues the goal to set up a universal centre of practice and theory activities, connect creative initiatives with community processes and ensure co-operation of both public and private and culture and business sectors. There will be an exhibition hall, photo, painting and universal studios, several rooms for residing artists and an exhibition space in the basement. This possible light house is expected to provide opportunities for connecting art and business and to ensure a big scope of artistic abilities and talents.

Creative networks facilitate broader co-operation between artists and businessmen, efficient use of human and material resources, and the retention of tourists and consumers. They involve not only artistic institutions but also support businesses activities that strengthen the actions. In the case of Kaunas, major attention will be given to external relationships pre-conditioned by spaces of the town. In certain cases the creative networks in Kaunas are also related to the creative light houses. To date two creative networks have been formed in Kaunas; the Old Town and the Laivės Avenue.

Kaunas Old Town, with most of the buildings dating back to the 15th and 17th century, is a rather big block standing out from an architectural and urban point of view. This district contains numerous art galleries, museums, university faculties, and churches. Significant places of historical heritage and trade in antiques are abundant here; events held in the Town Hall and local amphitheatre create a competitive creative network. This is appreciated by local architects and artists, who have their studios here. Businessmen are also aware of the commercial value of historical heritage and therefore highlight the attractiveness of the old town while promoting their business and allocate private funds for the maintenance of this district. Co-operation between businessmen, the Church, local authorities, museums and artists help to uphold the heritage and present it in an attractive manner. The Old Town has an outstanding national monument as well as a potential light house, the Kaunas Castle, which is being restored and adjusted to cultural needs by employing both national and EU funds. Nevertheless the Old Town faces certain problems, such as meagre activities of the Kaunas Castle, insufficient integration of numerous churches and museums into abundant events, and incompatibility of interests of the Church, artists, subcultures and students.

The Laisvės Avenue encompasses the actual avenue and parallel or perpendicular streets. There are many creative institutions in Laisvės Avenue or in the vicinity: several big theatres, big art galleries, and a cinema. Their activities are complemented by creative sector related actions of two universities: Vytautas Magnus University and Kaunas University of Technology. They organise exhibitions, new media and programming experiments, as well as subculture evenings and art campaigns. Kaunas National Drama Theatre is expanding into the premises of the former fur factory and is building new stages and theatre subdivisions. The area of M. Žilinskas Art Gallery is similarly enlarged by giving cultural functions to the yard. The unfinished and now abandoned hotel building will also be related to creative activities after the reconstruction. Finally activities of the network are strengthened by the city's administrative institutions located in the neighbourhood. Today Laisvės Avenue hosts regular events such as city festivals, fairs, sculpture exhibitions, carnivals and pageants, performances, second-hand book-sellers have their stands on the avenue and artists trade their pictures. Laisvės Avenue has a fan club in the international social network Facebook, which strengthens the branding of the site.

Recently a project of a Science and Technologies Park, Technopolis, was in Kaunas. The project wants to create a favourable environment for innovation and business by developing a public infrastructure in form of a Science and Technologies Park. This public infrastructure will enable the supply of intellectual services to businesses, ease the start-ups and development of small undertakings, and encourage competitiveness. The companies will collaborate and implement on mutual projects and encourage the spread of innovations and investment into new technologies in the region. By joining the constituent parts of business, science and municipality the park will become an integral part of Research, Study and Business Centre – the Santaka Valley.

Higher education and research

Kaunas region is an important centre of science and studies in Lithuania with 10 higher education institutions, 17 vocational schools, 10 colleges and further education institutions. The majority of these schools are located in Kaunas. Educational institutions of different types educate sufficient human resources that can be a part of the creative sector in the future.

Vytautas Magnus University offers study programs of all stages and educates highly qualified specialists in social sciences. Kaunas University of Technology (KTU) is one of the most important centres in Lithuania where engineers, IT specialists, business administrators, audio and video art technologies specialists are educated. KTU has excellent research and technological development facilities and collaborates with business companies in the field of scientific research.

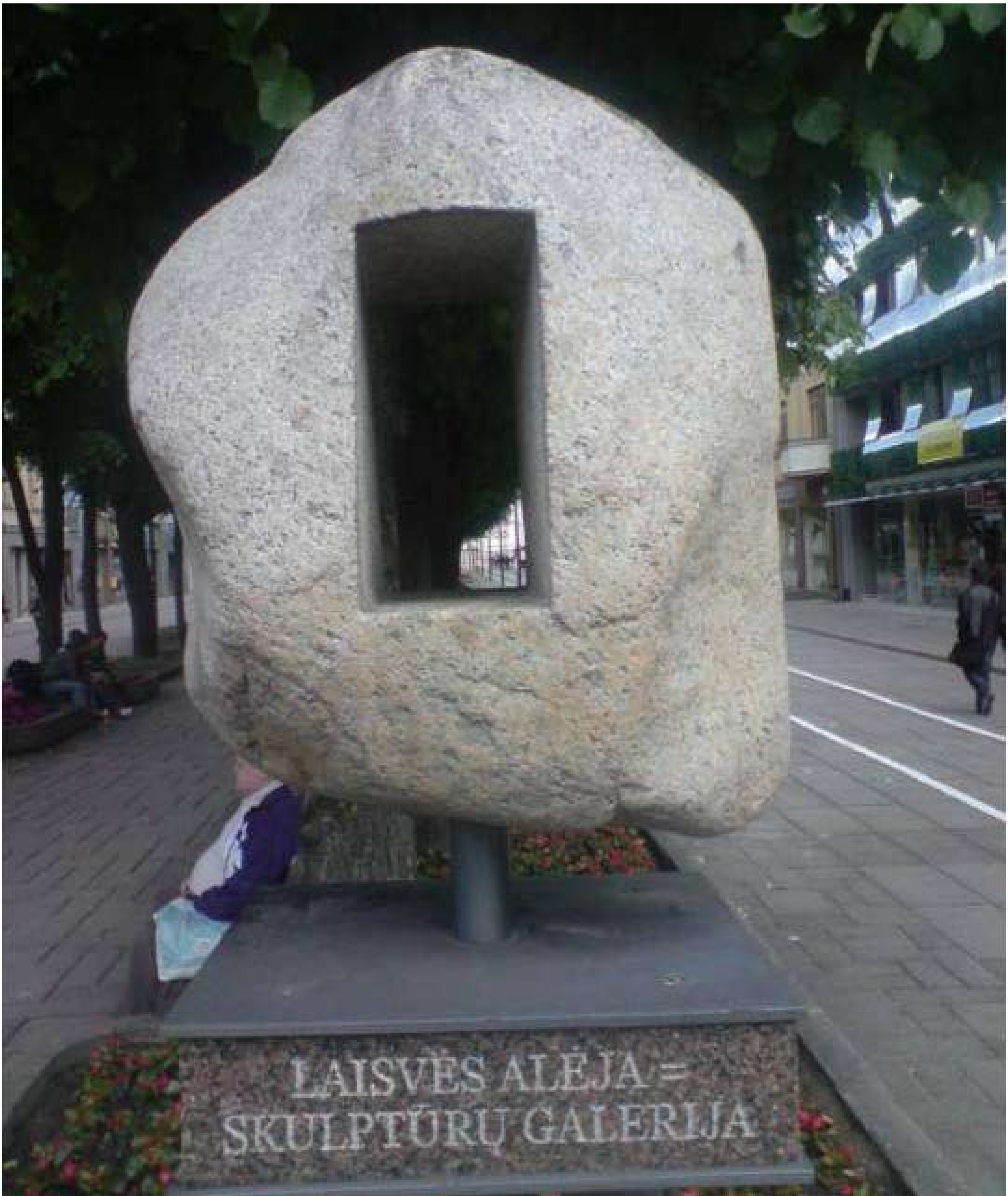
In Kaunas County there are branches of International School of Management and Economics and Kaunas Humanitarian Faculty of Vilnius University that offers bachelor and master studies in management and business administration, culture management, communication and information, Lithuanian and foreign languages. Specialists of arts are educated in Vilnius Art Academy Kaunas Institute of Art and Lithuanian Music and Theatre Academy Kaunas Faculty. J. Vienožinskis Art Faculty of Kaunas College also trains art specialists, masters, teachers of art, designers, and pre-school teachers.

A big number of study programs related to artistic skills and cultural entrepreneurship show a growing interest of young people in creative activities and thus prove that development of the creative sector in Kaunas region is feasible. In the light of education and science reform many higher education institutions are going to revise their study programmes in accordance to the needs of the creative sector. Most probably new and upgraded study programmes will be offered and will help to train the skills required in the creative sector and ensure higher cohesion of art, science and business.

Entrepreneurial support

Kaunas region has more business encouragement than direct business support structures and the give little attention to creative industries. Most attention is given to business development in general, implementation of new technologies and advancement of innovations.

In Kaunas region there is a Regional Development Agency that provides consulting, project management and administration and training services. Kaunas Chamber of Trade, Industry and Crafts provide business development education and consulting services. PUs Tourism and Business Information Centres or Business Information provide business information and consulting services, arrange information dissemination seminars and trainings on business management and development. PU Home of Businessmen provide business consultations, training and seminars while PU Kaunas Regional Innovations Centre encourages innovations in business, implementation of new technologies, expansion of innovative businesses, provides consultations on technologies transfer, innovations management, and international project management.

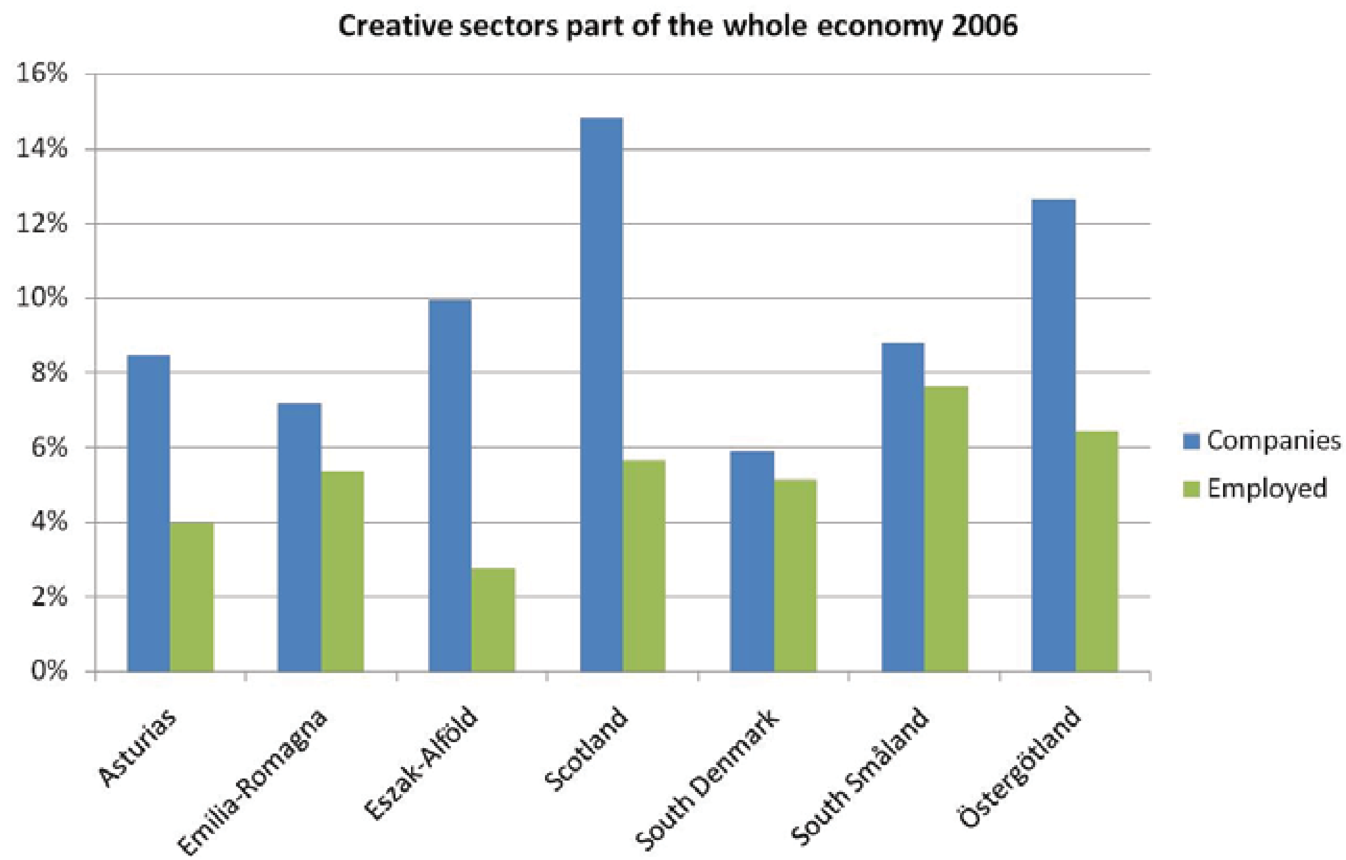


12. Comparisons between regional statistics

Size of creative sector

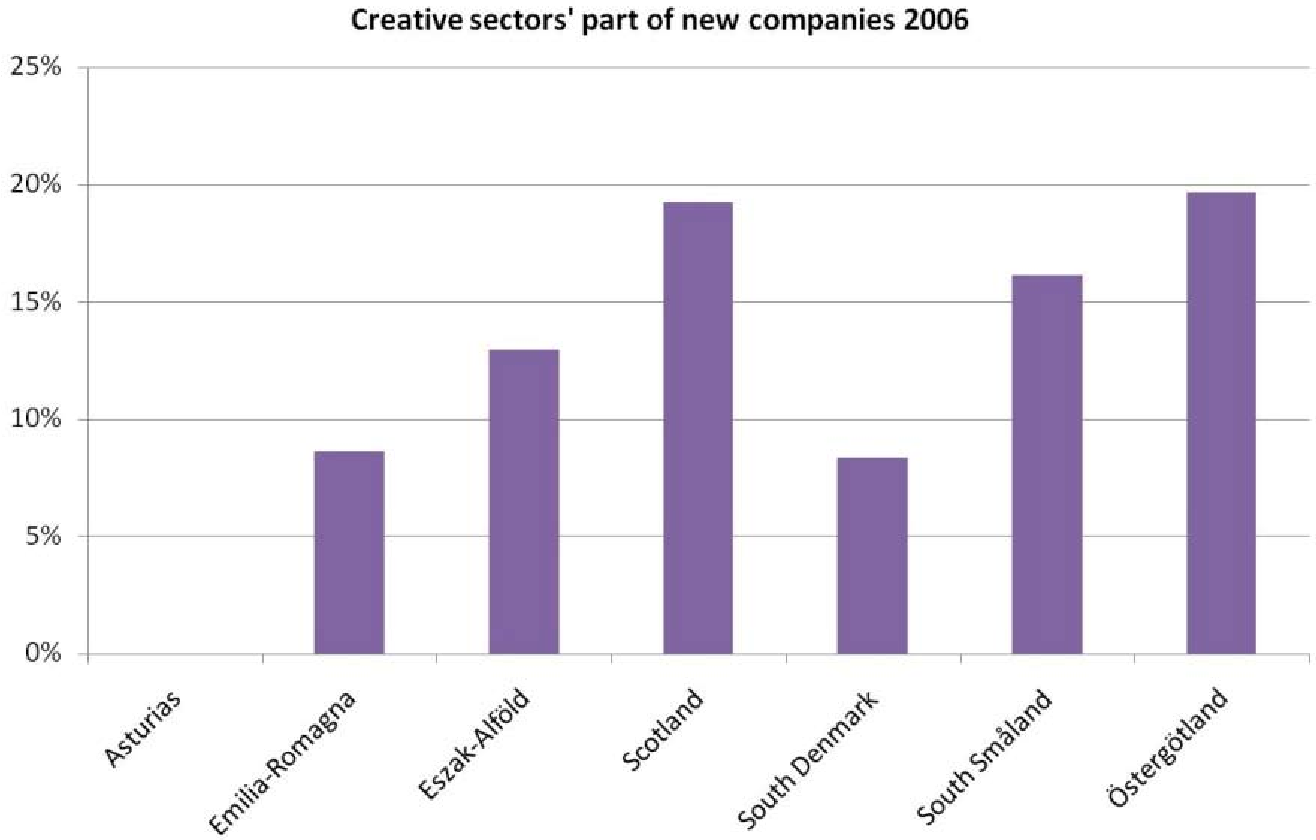
Between the seven analyzed regions the importance of the creative sector varies, but in all the regions the creative sector makes up an important part of the economy. Companies in the creative sector make up between six percent of the total number of companies, in South Denmark, and fifteen percent in Scotland. The creative sector stands for between four percent of employment, in Asturias, and just short of eight percent in South Småland.

When comparing creative sectors part of the companies in each region and its part of employment, the regions can be divided into two groups. In one group, comprising of Asturias, Eszak-Alföld, Scotland and Östergötland, the proportion of the region's companies that are found in the creative sector is twice as large or more than the proportion of the employment. This means that the companies in the creative sector in these regions on average have fewer employed than the average for all companies in the regions. In the other group, comprising of Emilia-Romagna, South Denmark and South Småland, the difference between creative sector's part of the companies and its part of the employment is much smaller. In these regions the companies have an average size that is more like the whole economy than in the first group. Another explanation of the difference between the two groups could be that public sector or other organisations apart from companies could be more important for the employment in the creative sector than in the first group. Even so in the second group the companies on an average are somewhat larger than the mean for the whole economy.



Figures for Eszak-Alföld are from 2008.

New companies in 2006 makes up between 8 percent in South Denmark, and just short of 20 percent in Scotland and Östergötland of the total new companies in the regions. Creative sectors' proportion of total new companies is larger than its proportion of already existing companies in all the regions. This does not in itself mean that the creative sector is growing faster than the whole economy, since we do not have any data on how many companies are going out of business, but it is anyway a strong indication on that being the case.



Data on new companies is lacking for Asturias. Data for Eszak-Alföld is from 2008.

Important and less important sectors in the regions

When comparing the distribution of sectors within the creative sector one finds that many sectors are large in all or almost all regions. This is the case for Architecture, which has a large part of the companies, employed and new companies in all regions. Fashion and design has a large part of the companies and new companies in all regions and a large part of the employed I many regions. Literature makes up a large part of the creative sector in most regions. There are also sectors that are small in all regions, for example Music and Photography.

More interesting for the Creative Growth project than the absolute largeness or smallness of certain sectors, is how large a sector is in a region compared to the other regions. The three matrixes below show if sector in each region is significantly larger or smaller compared to the mean of the seven regions analysed. A sector is marked in the matrixes if it makes up a proportion of the creative sector in the region that is either 50 percent smaller than the average for all regions (marked red) or 50 percent larger than the mean for the regions (marked green). It is important to point out that the relative importance of a sector is to do with the creative sector not the whole economy. That means that a certain sector might relatively be more important to the whole economy for an unmarked region than it is for a green-marked region if the creative sector totally is larger than that for the green-marked region.

It is also important to point out that when a sector is not marked in a region this means that the sector is neither more important nor less important than the average of the regions. It does not mean that the sector is unimportant in the region.

Relative importance of sectors: Companies

	Asturias	Emilia-Romagna	Eszak-Alföld	Scotland	South Denmark	South Småland	Östergötland
Newspapers and magazines	🔴					🟢	
Computer software	🔴						🟢
Television and radio			🟢		🟢	🔴	🔴
Advertising				🔴	🟢		
Film and video			🔴				
Photography							
Toys	🔴				🟢		
Amusement parks and visiting places	🟢		🔴		🟢	🔴	
Music	🔴					🟢	
Fashion and design				🟢			
Arts and craft							
Literature	🟢	🟢					🔴
Artists, theatre and dancing						🟢	
Architecture							

Relative importance of sectors: Employed

	Asturias	Emilia-Romagna	Eszak-Alföld	Scotland	South Denmark	South Småland	Östergötland
Newspapers and magazines							
Computer software	🔴			🔴		🟢	🟢
Television and radio	🟢	🔴	🔴	🟢		🔴	
Advertising				🔴	🟢		
Film and video	🟢					🔴	🔴
Photography		🟢					
Toys	🔴	🔴	🔴	🔴	🟢		🔴
Amusement parks and visiting places	🔴		🔴	🟢	🟢	🔴	
Music	🔴	🟢			🟢		🔴
Fashion and design	🔴	🟢	🟢			🔴	
Arts and craft		🟢			🔴		🔴
Literature							
Artists, theatre and dancing		🟢					
Architecture		🟢					

Relative importance of sectors: New companies

	Emilia-Romagna	Eszak-Alföld	Scotland	South Denmark	South Småland	Östergötland
Newspapers and magazines	🔴		🔴		🟢	
Computer software						
Television and radio		🟢			🔴	
Advertising			🔴			
Film and video						
Photography	🔴			🟢		
Toys	🔴	🟢	🟢	🔴	🔴	🔴
Amusement parks and visiting places		🔴	🟢	🟢	🔴	
Music			🔴		🟢	🟢
Fashion and design			🟢		🔴	🔴
Arts and craft			🔴		🟢	
Literature	🟢			🔴	🔴	
Artists, theatre and dancing		🔴	🔴	🔴	🟢	🟢
Architecture						

Data on new companies is not available for Asturias.

When analysing what sectors are important or less important in all the regions, compared to the other regions, the picture is quite complex. For instance, what is a relatively important sector according to companies, in one region might not be that according to employment. It is also very important to remember that these three tables show the importance of economical variables used in Creative Growth and according to the definition of the creative sector used in the project. A certain sector that is not shown as more important in the above tables, can most certainly be important in a region according to other values or with another definition used.

Structure of creative sector

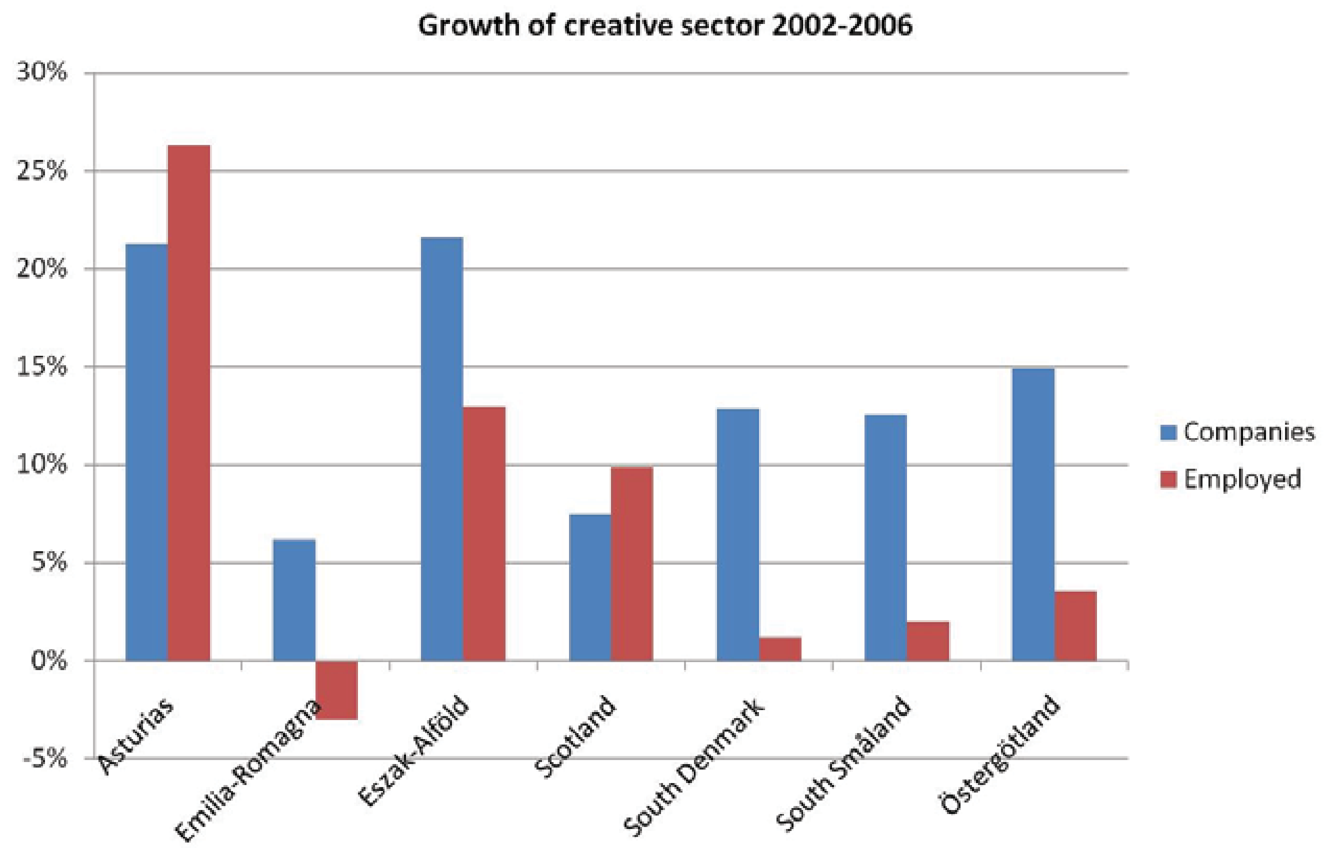
The creative sector in all regions has a higher proportion of the total economy's companies than of the total employment. This means that the companies in the creative sector on average are smaller than in the whole economy in the regions.
There are though differences between the sectors within the creative sector. Companies in some sectors are larger than the average of the creative sector, sometimes even larger than the average of the whole economy. The overall picture for the sectors Newspapers and magazines, Television and radio, Toys, Amusement parks and visiting places and Literature is that they have a large part of the employed than companies in the creative sector, and therefore the companies are larger than the average of the creative sector in these sectors. This is the general picture but of course there are exceptions for certain sectors in certain regions.

Other sectors have companies that are smaller than the average of the creative sector. Photography, Music, Fashion and design and Artists, theatre and dancing all generally have a smaller part of the employment than of the companies in the regions.

Development of creative sector

Over the studied five year period (six years in Eszak-Alföld) the number of companies in the creative sector has grown in all the regions. In most of the regions the growth has been substantially; over ten percent increase of the companies. In Asturias and Eszak-Alföld growth has been even higher, more than 20 percent.
Employment in the creative sector has grown over the studied period in all regions but Emilia-Romagna. In Asturias, Eszak-Alföld and Scotland the growth in employment has been ten percent or higher. In the Nordic regions growth has been more moderate.

In all regions except Asturias and Scotland growth in number of companies has been larger than the growth of employment. This might be an indication that in most regions creative sector mainly expands by start ups of new companies, andcompanies do not grow very much in number of employees over time. In Scotland and Asturias on the other hand start ups of new companies seem to go hand in hand with a higher increase of employees in already existing companies than in the other regions. In addition, employment in public sector and other organisations than companies might have been more important for growth in these two regions than in the others.

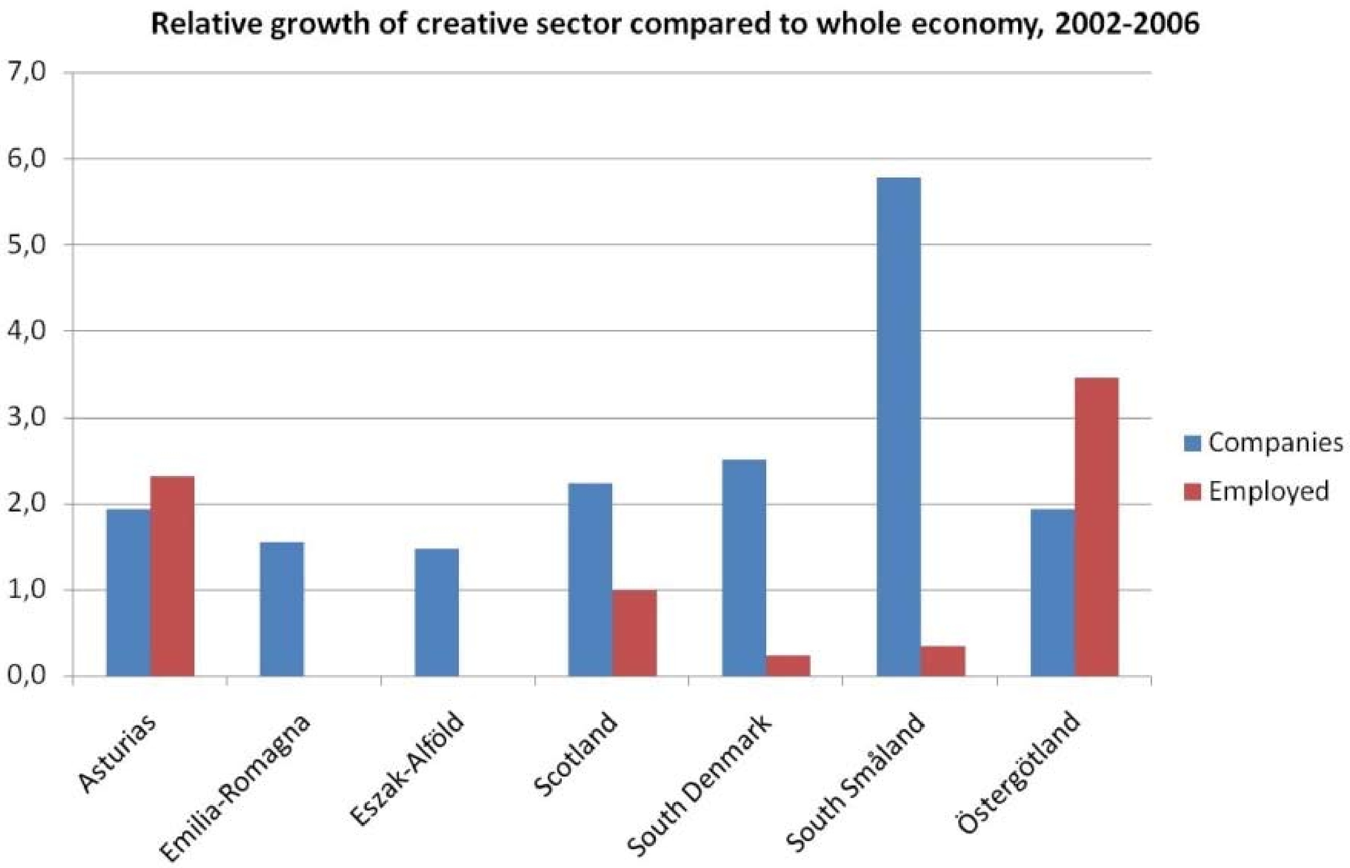


Data for development of companies is not available for South Denmark. Companies in the diagram are represented by development of workplaces. Employment development is for the period 2003-2007 in South Denmark. Development in Eszak-Alföld is between the years 2003 and 2008.

More interesting than the actual growth of the creative sector, is the relative growth of the creative sector compared to the growth of the whole economy. Times of depression or boom hit different countries and regions at different times, therefore comparing actual growth might be somewhat misleading for a certain sector, but when compared to overall development of the economy in the region this is not such a problem. Different definitions of statistics in different countries might lead to problems in comparing, but these are minimised when comparing relative growth.

In all the regions number of companies has grown faster in the creative sector than in the whole economy. In South Småland companies in the creative sector have grown as much as six times more than the total number of companies in the region. In the rest of the regions, except South Småland, number of companies has grown around twice as fast in the creative sector as in the whole economy.

In two regions, Asturias and Östergötland, employment has grown faster in the creative sector than in the whole economy, and in Scotland the growth rate of the creative sector equals that of the whole economy. In South Denmark and South Småland the growth rate of employment has been lower than that of the whole economy. In Emilia-Romagna there has been a decrease of development in both the creative sector and overall in the economy. The decrease was larger in the creative sector (three percent) than in the whole economy (one percent).



A number over 1 in the diagram shows that the creative sector has grown faster than the whole economy in the region. A level of 2 means that the creative sector has grown twice as fast as the whole economy, a level of 3 means three times as fast etc. A level below 1 means that the creative sector has grown more slowly than the whole economy.
In Emilia-Romagna there has been a decrease of employment in both the creative sector and in the whole economy, and therefore the development cannot be shown in the diagram.
Data for development of companies is not available for South Denmark. Companies in the diagram represent development of workplaces. Employment development is for the period 2003-2007 in South Denmark. Development in Eszak-Alföld is between the years 2003 and 2008.
Data on development of employment is not available for Eszak-Alföld. Growth shown for Eszak-Alföld is between the years 2003 and 2008.

When comparing the distribution between the new companies and the distribution of the already existing companies in the regions the overall picture is that some sectors grow faster than the average of the creative sector. If the proportion of new companies is higher in a sector than the distribution of the already existing companies, that is an indication of that sector growing faster than the average of the creative sector, according to number of companies. It is only an indication since we do not have any data on companies going out of business. If that number also is higher than the average, that would erase the relative growth. In the sectors Newspapers and magazines, Music and Fashion and design, the overall picture for the regions is that they have a larger proportion of the new companies than they have of the existing companies. This indicates these three sectors are becoming more and more important in the creative sector, even if there are certain sectors in certain regions where this is not the case. Observe though that this is only based on the start ups of new companies in a single year, if we were to look over a longer period the picture might be different.

If it were the opposite i.e. if a sector generally has a lower part of the new companies than of the existing companies, that indicates an increasingly smaller importance of that sector. This is the case for Photography, Toys, Amusement parks and visiting places and Literature. Since these sectors, with exception of Photography, are characterised by having quite large companies and are rather dependent on large investments, it might be even more important to issue the warning that this is based on data for a single year and if more years were to be studied the picture might change.

Conclusions from the statistics

The creative sector is an important part of the economy. When analysing the size of different economical variables we have found that the creative sector stands for about 5-10 percent of the regional economics, and sometimes even more, depending on what variable and what region is analysed.
The creative sector is a growing sector. In most of the regions analysed the creative sector is growing more rapidly than the whole economy. There is especially a high growth rate in number of companies, and many new companies starting in the creative sector.

There are rather large differences between the regions in the distribution of sectors within the creative sector. The sectors Fashion and design and Architecture are among the largest sectors in all the regions. Notable is that these sectors are identified as being too large, because the definition of the creative sector is based on not enough detailed industry classification. Some sectors are small in all the regions, among them Photography, Film and video and Music.

Companies in the creative sector are generally smaller according to number of employees than the average of companies in the regions.

There is a need for a generally acknowledged definition of the creative sector (or similar) in Europe. Today there are many different definitions based on statistics in different regions and different countries. When trying to compare different regions between each other too much effort has to be put in to developing or adaptation of definitions. There is also confusion when one definition is used regionally and another inter-regionally.

There is a need for common European statistics. In this project statistics based on NACE codes on 4-digit level was used. This level of detail is not enough to build a definition of the creative sector. If a definition of the creative sector shall fulfil its explanatory purpose and be trustworthy there must be a harmonization of statistics on a more detailed level in Europe. There is also a need for harmonisation of definition on such things as what is a company, how to measure employment, etc.

13. Conclusions

The creative sector is of considerable importance in all the regions that take part in the project Creative Growth. It is an important sector, with many employees and a big turnover. The development has been high during many years and the growth rate is higher than the average in the economy.

This joint study shows that there are great similarities between the regions. One of them is that culture and creativity build the ground for an important and growing sector. Another is that the sector is dominated by small companies. You can also find the same kind of subsectors as central in almost all regions, for example design and architecture.

There are also some major differences. In the qualitative mapping one can see that the regions have their special or unique assets that they point out as important for how the region can make itself visible. It is helpful for a region who wants to be known as an attractive place to use these assets which allows them to mark the whole image of the region. This potential can be used and further developed.

If we want to continue to work with the creative sector as an important part of the economy there is a need for more and better methods for analyses and mapping. It would be a great advantage if the sector could be described in the same way in all regions. Differences in the accessibility to statistics make comparisons difficult and the picture we can give from the creative sector is less reliable than it needed to be. In the project Creative Growth we have tested the limits for what is possible to do today when it comes to mapping and description of the creative sector. The method used in the project gives a relatively good picture of the sector, but it can be improved. We believe this is an important task that should be done on a European level, led by the Commission and in close cooperation with the national governments.

Statistics can not by itself give the whole picture of the creative sector. In addition to the statistics there are also actors and activities that are important but not possible to catch with the statistical methods that we have. Therefore you have to supplement the mapping with some form of local reconciliation. Often there are local stakeholders and individuals that have the necessary knowledge. In the Creative Growth project we have dealt with this problem by also doing a, what we call, qualitative mapping. In this part of the mapping each region has presented the context in which the creative sector exists and grows in their region.

Because of the need for a further developed statistical method, there is a need for a shared definition of the creative sector, a definition that can and is used every time we discuss the importance of culture and creativity for the economy today. The definition used in the project has worked out well, but only after a long discussion. In the future it would be an advantage if new projects did not all have to start with the definition problem.

The next step for Creative Growth is to start five thematic working groups with the aim of deepening the knowledge about what kind of support the actors in the sector need and the understanding of the forms that this support can be given in. During the mapping phase we have been documenting ideas of different types of support, and this has led to these four themes for the working groups (TWG):

- Access to finance
- Incubator facilities
- Cluster development
- Business networks within the creative industries

Appendix 1

List of sectors in the creative sector and what NACE rev 1.1 is included in each of them.

Newspapers and magazines
2212 Publishing of newspapers, 2213 Publishing of journals and periodicals, 2221 Printing of newspapers, 9240 News agency activities

Computer software
7221 Publishing of software, 7222 Other software consultancy

Television and radio
6420 Telecommunications, 9220 Radio and television activities

Advertising
2224 Pre-press activities, 7440 Advertising

Film and video
2232 Reproduction of video recording, 7140 Renting of personal and household goods n.e.c., 9211 Motion picture and video production, 9212 Motion picture and video distribution, 9213 Motion picture projection

Photography
7481 Photographic activities

Toys
3650 Manufacture of games and toys

Visiting places
9233 Fair and amusement park activities, 9252 Museum activities and preservation of historical sites and buildings, 9253 Botanical and zoological gardens and nature reserve activities

Music
2214 Publishing of sound recordings, 3630 Manufacture of musical instruments,
2231 Reproduction of sound recordings

Fashion and design
2225 Ancillary activities related to printing, 7487 Other business activities n.e.c

Arts and craft
2215 Other publishing, 2613 Manufacture of hollow glass, 2621 Manufacture of ceramic household and ornamental products, 2670 Cutting, shaping and finishing of ornamental and building stone, 3622 Manufacture of jewellery and related articles n.e.c., 3661 Manufacture of imitation jewellery, 5250 Retail sale of second-hand goods in stores

Literature
2222 Printing n.e.c., 2211 Publishing of books, 2223 Bookbinding, 5247 Retail sale of books, newspapers and stationary

Artists, theatre and dancing
9231 Artist and literary creation and interpretation, 9232 Operation of arts facilities,
9234 Other entertainment activities n.e.c.

Architecture
7420 Architectural and engineering activities and related technical consultancy

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