

Creative Export Group Meeting
Tuesday 13th February 3.30pm
ERA, New Premier House, 150 Southampton Row, London

Attendees

Andrew Yeates	Chair
Matt Glover	BPI
Doug D'Arcy	Song Lines
Simon Bell	Publishers Association
Christian Losecaat	Little Dipper
Martyn Freeman	BBC Worldwide
Neil Watson	UKFC
Adam Minns	PACT

Martin Bond	UKTI
Gillian Baker	UKTI
Dominic Jermey	UKTI
Keith Moses	UKTI London
David Humphries	DCMS
Fiona Gallagher	DCMS
Alison Molloy	DCMS

Apologies:

Paul Howson	British Council
Phil Patterson	UKTI
Teresa Arnesen	UKTI
Natalie Murray	PPA

Agenda Item 1: Welcome and introductions

Andrew Yeates (AY) welcomed Martyn Freeman (BBC), Neil Watson (UKFC) and Dominic Jermey (UKTI Director of Services).

Agenda Item 2: Minutes of last meeting and matters arising

AY reminded members of the presentation from the European and World Trade Team in DTI on Market Access. A summary was circulated. AY highlighted the importance of this and for CEG members to monitor progress and continue to feedback issues.

David Humphries (DH) reported that the CEG page on the DCMS website had been updated and includes minutes from the previous 2 meetings. DH added that

discussions were taking place with DCMS communications team to consider how we might best refresh and update the CEG pages.

Agenda Item 3: Creative Economy Programme update – David Humphries

DH reported that the CEP working groups submitted their final reports last autumn – taking on board issues that had been highlighted in written consultation responses and the series of industry summits held during summer 2006. This work would now be used as the basis for drafting the Green Paper. DCMS planned to publish the Green Paper before Summer Recess 2007. Will Hutton and the Work Foundation had been contracted to produce a thesis on the creative economy and the challenges and opportunities faced by the creative industries. This will provide context for the Green Paper and will also inform the more thematic part of the paper based around the working group reports. International work was a key element of the Green Paper and DCMS were working closely with UKTI on the drafting of a specific chapter on this issue.

DH added that Will Hutton had presented his initial ideas to a range of stakeholders on 8th February. He had also held a range of one to one meetings with individuals and organisations from the creative industries to inform his thinking. DH also reported that DCMS would be holding a series of sector specific summits during March and Chairs of the working groups would be invited.

To help inform the international chapter and the Green Paper generally, Frontier Economics had been contracted to undertake two pieces of research as part of the CEP – Drivers of Demand in International Markets; and Location Decisions for Multinational Companies. This work is being completed in partnership with UKTI.

ACTION: DH to ensure Chairs are invited to CEP summits.

Neil Watson (NW) asked DH for further detail regarding the Green Paper; how the does the Green Paper relate to the spending review and; whether there will be a White Paper? DH responded stating that not all Green Papers recommended legislative changes and therefore, depending upon the content and recommendations in the final Paper there may not be a need for a White Paper. The Green Paper aims to set out a long term strategy and vision for supporting the creative industries and this will be the basis for DCMS and DTI to make the case for supporting initiatives that benefit the creative industries with HMT, RDAs and other funding partners. The Green Paper will be published in an interactive web-based format and hard copy.

AY commented that the Competition and IP, Business Support and Access to Finance, and Infrastructure reports from the CEP were the most relevant to CEG. In responding to these reports and the information coming out of the CEP it is important that the CEG maintains a level of consistency in supporting the key concerns coming out of debate within the different Export working groups.

AY highlighted that the groups need to continue to focus on possible effects of the implementation of Gowers recommendations and the forthcoming report from the Culture, Media and Sport Select Committee on Creative industries and New Media.

As has been recognised by the Group and by other stakeholders, whilst there are some commonalities between industries represented at CEG, the creative industries recognised by DCMS also operate in competition with each other, both in terms of competing for rights and talent and in competing for consumer interest and attention. The work of many companies straddles different sub sectors of the creative industries, but very often a company will still wish to be associated with the

sub sector from which their business had grown. This recognises how each of the sectors had become established with different needs and characteristics. In particular the markets that one sector regarded as "primary" or "secondary" were not necessarily mirrored by another sector. The main sectors should therefore be treated as distinct industries and not necessarily 'lumped' together when assessing the export support required. AY reported that he had raised this concern with Frontier Economics and that it was important for the methodology used to "measure" the impact of the creative industries not to "double count" impacts and therefore discredit figures compiled about the

Real value of the creative industries as a whole in the eyes of HMT and others.

"Double counting" might occur when a television production company set up a book or magazine publishing arm. The key question was whether profits of the book or magazine publishing arm should be treated as profits of the television production sector or the publishing sector. However measurement was agreed it was ever more important for sectors to be able to diversify and take advantage of the new opportunities technology was bringing.

DH added that the CEG should make a formal submission to the CEP to highlight these points. He further added that Shaun Woodward had been very clear that the CEP needed to take account of sectoral needs. Creative London continued to be the lead for creative industries coordination and DCMS was engaging with them and the other RDAs on the CEP. Tessa Jowell, Shaun Woodward and Will Hutton are scheduled to meet the RDA Chairs in early March to outline the CEP and where RDAs can add value to the CEP.

AY agreed to draft a submission on behalf of CEG and requested a short paragraph from each of the working groups to help crystallize the main points to be fed into the CEP.

Dominic Jerney (DJ) emphasised that UKTI were working in partnership with DCMS and DTI on the CEP and that there would be a strong international emphasis running throughout the CEP. DJ added that the Creative and Media Strategy was being developed in conjunction with the CEP Green Paper in order that to avoid duplication of effort.

DH said that DCMS were working closely with the Patent Office on Gowers implementation to ensure that the CEP Green Paper would not conflict with Gowers, but to see how it can compliment the implementation of Gowers. AY made specific reference to Gowers Recommendation 32 *"Form a working group with Patent Office, RDA and Business Link representation, to identify and promote best practice to maximise the use of effective schemes nationwide."* AY commented that it would be important for any such group to look at where advice and expertise is made available for SME's. Simon Bell (SB) requested that a representative from the UK Intellectual Property Office attend future CEG meetings. DH advised that UK IPO /Patent Office are on the circulation list and would be invited to the next meeting.

ACTION: To invite Patent Office/UK IPO representative to next CEG meeting.

ACTION: AY to prepare and circulate a response on behalf of CEG to the Creative Economy Programme with specific reference to the Competition and Intellectual Property Working Group report. AY to circulate draft to Working Group for comment.

Agenda Item 4: UKTI Strategy – Report on TAP and other support scheme updates – Gillian Baker/ Martin Bond.

Martin Bond (MB) reported on UKTI's plans to publish 5 international trade strategies for key areas; Financial Service, Energy, ICT and Creative Industries. The CI strategy will complement and feed into the CEP Green Paper. The strategy will incorporate trade and inward investment. The strategy also provides an opportunity to position itself alongside existing strategies from the Design Council and UK Film Council. MB informed the Group that "Circus" consultancy had been appointed to help draft the strategy and that they had been provided with group members contact details in order to help inform their thinking. MB stressed that it was important for the strategy to reflect the needs of the sectors that UK TI were to support. MB added that UKTI recognised that different sectors have different priority territories and needs and this would be reflected in the strategy.

AY added that it would be important to consider the role of the intermediates, trade associations and organisations such as the Regional Screen Agencies in helping deliver objectives addressed in the strategy. He added that it was also vital for the strategy to recognise the importance of helping experienced companies enter into new markets (including markets "new" to the particular company), and not just focus on start ups or companies new to export as a whole. MB commented that UKTI should not be seen as the sole support agency, and many others intermediary organisations might have more resource available than UKTI. However, what would be important is to ensure consistency and avoid duplication of effort. NW added whilst it was important to be joined up it should be noted that organisations such as the Regional Screen Agencies could not be dictated to and work would need to be done to promote and highlight the benefits of better coordination.

AY highlighted the importance of the London 2012 Olympics as a showcase for the creative industries and the need to build this and other major international events

such as the Shanghai Expo 2010 into any evolving strategies. GB added that UKTI hoped to develop ideas on how to work more closely with the sectors in relation to these kinds of events.

DH reported that the London Development Agency were about to appoint a new Head of Creative London (Tom Campbell) and the Group might be able to work with him on the Creative London and Olympics agenda in terms of cultural and business development. Doug D'Arcy (DD) added that Creative London had a focus on the music industry and were very tied into the Music Export Group. DD added that Visit Britain had also come on board and would provide a useful addition in seeking promotional opportunities for UK music. AY considered that other working groups might want to explore links with Visit Britain. CEG will continue to link with Creative London wherever possible.

AY requested that working groups submit an outline of how their sectors might best benefit and link into London 2012.

GB updated the group on the progress of TAP. Whilst it is closed to new applicants, over 50 creative and media events are likely to benefit from TAP funding next year. Discussions have been taking place with the TAP team in Glasgow MB has since had a telephone conversation with those in Glasgow who organise this and it was evident that work needed to be done to see how the revised TAP scheme would fit with events such as South By South West (SBSW).

GB reported that budgets had not yet been allocated and organisations were being encouraged to submit proposals. AY asked whether programme budget allocation could be used to fund research about

the creative industry sectors and how their individual priorities were evolving to embrace market opportunities that were “new” to that sector. GB and DH added that UKTI and DCMS were aware of the continuing need for research and it was likely that one of the outcomes from the stakeholder consultations is a need for more research.

ACTION: Each of the working groups to submit a paragraph to AY about how the benefits of London 2012 Olympics to be annexed to the CEP submission.

ACTION: DH to establish contact with Tom Campbell at Creative London. Matt Glover (BPI) to establish VisitBritain contact.

**Agenda Item 5: Reports from FEG, MEG, PEG, PACT and update from members
Ministerial visit to MIDEM – Feedback;**

NW said that there was no specific initiative which he wished to report back to the group regarding FEG.

DD reported on behalf of MEG that there had been good RDA representation at the last meeting and that RDAs were eager to engage. DD added that MEG had representation from a range of different genres - British Urban, UK Asian, Jazz and Folk – to feed into MEG and ensure that it adequately reflected the UK music sector.

Simon Bell (SB) reported on behalf of PEG. An All Party Parliamentary Publishing group would be established in early March. Details to be circulated.

In relation to India, SB reported that customs had recently intercepted two boats heading to the US from Mumbai. On China, SB said that more raids on University

Campuses were planned in China. SB reported that there has been an increase amount of raids in Pakistan with good results, although the Pakistan Publishing Association has been upset about this. There was nothing significant to report about Turkey other than a strategy meeting in January 2007, which made the decision to downscale enforcement and focus on lobbying Government. SB added that the Middle East or Central Africa might be added to their list of priority markets.

SB commented that from the perspective of the Publishers Association, they received more effective help and assistance from US officials than the UK. The US style is more aggressive, whereas their EU counterparts are more diplomatic, and are more likely to take a neutral stance. AY added, that in terms of the IP Briefing template that working groups had been asked to populate, it was important to provide feedback on this sort of issue for Ministers and officials.

Adam Minns (AM) reported that PACT were working closely with UKTI to update their research into international television trends. The UK is the second biggest exporter of TV programmes and formats. However, AM cautioned that there seemed to be a worrying trend where more revenue came from fewer shows depending on the levels of sponsorship. PACT were planning to look at IP regimes in emerging markets over the next six years.

Agenda Item 6: China

Nothing new to report.

Agenda Item 7: IP Forum update – David Humphries

DH reported that the IP Forum meeting on 24 January had been chaired by Shaun Woodward and Margaret Hodge and all sectors were well represented. Minutes would be circulated once approved. AY had presented the CREATE paper and Angela Mills Wade presented the IP Crime paper. These documents had been circulated to the Group.

Ministers concluded that the IP Forum had achieved its objective and that it should not meet again. However, there currently is no other independently facilitated forum which represents the whole of the value chain. Following Gowers, the Patent Office will establish an independent Standing Advisory Board on Intellectual Property (SABIP) to inform Government on copyright issues and to conduct research. This would however cover all industry sectors, not just the creative industries. Industry may decide therefore that a forum, along the lines of the IP Forum is needed to help inform SABIP and to promote the interests of the creative industries.

AY was concerned that it would be difficult for any creative industries representative on SABIP to be truly representative of all the sectoral interests. AY asked the Secretariat to circulate details of SABIP once available.

Agenda Item 8: Gowers review and EC copyright acquis review

AY reported on the Patent Office (PO) plans for implementing the Gowers recommendations. They lead on 41 of the 54 recommendations. There are a number of recommendations that impact upon the work of this group, including a number of recommendations which were made to Europe. Details of the implementation and consultation schedule can be found on the Patent Office website

<http://www.patent.gov.uk/policy/policy-issues/policy-issues-gowers.htm>.

AY considered that one of the most problematic recommendations where potential knock on effects may emerge when the detail was addressed related to format shifting and the suggestion that there "should be no accompanying levies for consumers" in the context of applying any new exception. A Patent Office/UK IPO Consultation would take place in the Spring and it was important for CEG members to respond.

Agenda Item 9: AOB

DH reported that Shaun Woodward was visiting LA during the Oscars, and that he had a series of meetings scheduled with the studios and others to discuss a range of issues including piracy.

GB added that UKTI was holding a series of half day clinic sessions with commercial officers and details would be circulated.

ACTION: Gillian Baker to circulate details of half day clinic sessions with Commercial Officers.