



**Pact response to Creative Economy Programme: Draft Working  
Group Reports**

**Sept 2006**

## Introduction: indies and the creative industries

- 1) The UK's £3.2 billion television content sector is the largest contributor to the £5.8 billion audiovisual creative industries sector (including music, games, film, advertisements and CGI/animation).<sup>1</sup>
- 2) Pact's 700-plus members - independent companies involved in creating and distributing content for television, film and new media – have a key role in driving this success. Independent companies are worth £1.28 billion in television-related revenue, or around 40% of the market for new programmes. The independent sector is likely to grow at almost 7% a year in nominal terms until 2010, according to a recent report from Oliver & Ohlbaum Associates.<sup>2</sup>
- 3) Independently-produced programmes such as Wallace & Gromit, X Factor and Bob The Builder are also amongst the UK's leading television exports. They have helped the UK become the second biggest exporter of television programmes after the far larger US industry, winning a 10% market share that is twice that of the UK's nearest rival.<sup>3</sup>
- 4) In addition to traditional television and film production, Pact members have proved to be innovators in new media. RDF recently won the BBC's first major "360-degree" commission with *The Verdict*, a courtroom drama with distinct content for BBC2, BBC3 and new media platforms. Channel 4's *FourDocs* series, produced by another independent, Magic Lantern, democratises filmmaking by championing user-generated content. And HIT Entertainment and Endemol UK, both indies, are providing content for BT's new on-demand broadband and digital television service, alongside US suppliers such as Paramount and National Geographic.
- 5) As the Creative Economy Programme's working groups recognise, the value of the creative industries should not be assessed on economic contribution alone. Independent producers have provided a wide range of public value content, creating 58% of qualifying hours in documentaries on terrestrial channels, 59% of comedies, 57% of sports and 40% of arts programming.<sup>4</sup> In recent years, highlights have included *Who Do You Think You Are?*, *Jamie's School Dinners*, the Oscar-winning *Wallace and Gromit: Curse of the Were-Rabbit*, and Ken Loach's *Palme d'Or* winning *The Wind That Shakes The Barley*.

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<sup>1</sup> UK TV Content In the Digital Age, Oliver & Ohlbaum Associates.

<sup>2</sup> Prospects for Independent UK Production to 2010, Sept 2006, Oliver & Ohlbaum Associates.

<sup>3</sup> Rights of Passage: British Television In The Global Market, Television Research Partnership.

<sup>4</sup> Independent Producers' Contribution to PSB Programming, DGA Metrics, figures for 2004.

## Executive summary

- 1) Pact welcomes the aim of the Department for Culture, Media & Sport's Creative Economies Programme of promoting the sustainability, growth and productivity of the UK's creative industries. In our view, the best way to achieve this is for a clear and a high profile government-level policy on the creative industries, setting out goals such as delivering skills for the workforce, encouraging companies to take risks and innovate, and ensuring that the legal framework surrounding intellectual property is clear and fit for purpose.
- 2) Pact supports the proposal of the working group for Competition and Intellectual Property that "asymmetric competition issues" are worthy of further investigation. We agree that this inquiry should focus on the contractual rights of small content producers to a share of the revenues from the exploitation of IP.
- 3) In doing this, the broadcasting industry and the subsequent growth of the independent television production sector might be considered as a model for other sectors of the creative industries. The relationship between broadcaster and producer has historically stifled competition, with just four major broadcasters controlling the majority of content buying. However, after sustained lobbying by Pact, the 2003 Communications Act introduced Codes of Practice that allowed producers to benefit from a fairer share of the revenues from the exploitation of the IP that they create.
- 4) This sea change in IP ownership has proved to be a huge stimulus for the sector, which has grown in turnover from under £1billion in 2003 to more than £1.7billion last year.<sup>5</sup> The ability of producers to benefit from these rights has helped them start to grow sustainable business and attract new investment into the sector, as evidenced by the successful IPOs of several companies, including Shed and RDF.
- 5) The independent television production sector is now likely to grow at almost 7% a year in nominal terms until 2010, according to a recent report from Oliver & Ohlbaum Associates.<sup>6</sup>
- 6) This recent and predicted growth means that there is an opportunity to develop training, business education and diversity levels within the television sector, and Pact therefore welcomes the Creative Economy

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<sup>5</sup> Broadcast Indies 2006, The annual survey of the UK's independent TV producers.

<sup>6</sup> Prospects for Independent UK Production to 2010, Sept 2006, Oliver & Ohlbaum Associates.

Programme's emphasis on improving these areas within the creative industries. A significant improvement in the broadcasting sector would be for the existing training and business support infrastructure to have a better understanding of, and be more tailored to, the needs of creative business. Greater flexibility would also help: funding for a certain area of training might currently only be available for a limited time period in one region.

- 7) Some of these issues might be solved through greater coordination through the Creative Skills and Education Partnership proposed by the working group for Education and Skills. Pact notes that previous attempts to create pan-industry working groups have sometimes been unsuccessful due to a lack of structure, financial support, organisation and commitment. Such a skills partnership of existing bodies and departments must therefore have a clear mandate from the government and real influence on policy.
- 8) An appropriately empowered pan-industry partnership would in Pact's view be potentially more efficient and effective than the proposal by the working group for Access to Finance and Business Support for a standing body that would represent all creative industries. While sharing information and providing research across the creative sectors could potentially be useful, this can be achieved in other, simpler ways, such as the skills partnership mentioned above.
- 9) Creating a new body to do so risks creating a bureaucratic cost that cannot be justified. It is important that any proposals implemented are focused on directly enabling creative businesses to grow, and do not create unnecessary costs and extra levels of administration by duplicating or replacing existing activities. The chairs group of the Creative Economies Programme apparently agreed this when it emphasised the need for "practical achievable recommendations" rather than imposing further bureaucracy.<sup>7</sup>

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<sup>7</sup> Minutes, fourth chairs group meeting.

## Working Group Recommendations

### Infrastructure working group

- 1) Pact supports the Creative Economy Programme's aim to ensure that regions outside London benefit from and support creative businesses. Nearly 40% of Pact's full producer members are based outside London. Their recent programmes include Sex Traffic, Shameless, Supernanny, The Boy Whose Skin Fell Off and Omagh. In addition to the economic impact such companies can have on local economies, the UK must nurture creativity across the country, not just in London, if its culture is to truly reflect its citizens.
- 2) The government should do this by, with a consistency of message, encourage the development of and investment in creative clusters and creative businesses through the involvement of regional development agencies and or screen agencies.
- 3) However, such support is often not sufficiently tailored to the needs of creative business. Greater flexibility would also help: funding for a certain area of training might currently only be available for a limited time period in one region. The uneven level of investment and varying type of support available from region to region creates in effect a "postcode lottery" as to the support available.
- 4) Improving agencies' understanding of the nature of intellectual property and the risks creative businesses take would improve this situation, as might overhauling the conditions by which funding is allocated to such agencies so that they are able to be more strategic. A single commission can make or break a small independent production company, and investment from screen agencies and regional development agencies should be made on as flexible basis as possible. The key is to back the talent behind the company as a long-term investment.
- 5) In terms of coordinating this support, the group's proposed 'portal' mapping out the entire creative sector is potentially a useful tool for businesses, though care should be taken to ensure that it acts as a 'front page' linking to other sites, rather than as a duplication of existing sites and services. Otherwise, there is a risk not only of generating unnecessary additional costs, but also of creating confusion amongst users.

- 6) We welcome the proposal to present reliable data on the creative industries as part of the web-based intelligence service. Such analysis is key to taking an evidence-based approach to policy. Again, however, care must be taken to coordinate with existing research through, for example, the media regulator Ofcom's annual market report and Pact's annual census of the independent production sector. Otherwise, the service risks duplicating existing material.
- 7) In the television sector, to achieve the desired growth in production capacity outside London, the scale and type of production commissioned by broadcasters is crucial. Only when larger scale productions and series are being won from national and regional centres can the critical mass necessary for economic growth be achieved.
- 8) There are substantial hurdles in achieving this. Network production in the nations and regions is only growing at a rate of 1% above the overall growth rate of 7% per year.<sup>8</sup>
- 9) Pact has therefore made a detailed submission to media regulator Ofcom, proposing that it encourage all public service broadcasters to produce at least one third of their series or productions of scale outside London.<sup>9</sup>
- 10) We have also called for all public service broadcasters with statutory quotas for showing programmes made outside London – the so-called “out of London” quota - to devise clear and transparent strategies on developing supplier relationships, external communication and non-London suppliers' access to commissioners.
- 11) In addition, there is no public data to demonstrate how broadcasters achieve their current levels of out of London production. Pact has therefore suggested that Ofcom require greater clarity in the nature of out of London production when broadcasters report their figures.
- 12) We have also proposed to Ofcom that broadcasters should report their regional performance quotas in terms of the geographical spread of production. It is in the interests of achieving diversity of supply that production is spread across the UK, rather than concentrating in a few centres outside London.

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<sup>8</sup> Television Production Sector Review: a survey of TV programme production in the UK, Sept 2005, Ofcom-Pact.

<sup>9</sup> Submission to Ofcom's Review of the Television Production Sector, Pact.

13) In terms of the BBC's planned investment in Manchester, the full extent of this commitment has yet to be decided. The BBC's movement of commissioning editors to Glasgow, Manchester and Bristol is currently operating on a part-time basis or has yet to be announced. We understand that no new network commissioning editors are permanently based outside the M25 at the time of writing.

## Competition and Intellectual Property working group

- 1) Pact supports the working group's proposal that "asymmetric competition issues" are worthy of further investigation, focusing on the contractual rights of small producers to a share of the revenues from the exploitation of intellectual property. The broadcasting sector has undergone a sea change after successfully addressing this issue, and should be considered as a model for growth in other sectors of the creative industries.
- 2) In broadcasting, the relationship between broadcaster and producer has historically stifled competition, with just four major broadcasters controlling the majority of content buying. After sustained lobbying by Pact, the 2003 Communications Act introduced Codes of Practice that allowed producers to benefit from a fairer share of the revenues from the exploitation of the IP that they create.
- 3) This change in IP ownership has proved to be a huge stimulus for the sector, which has grown in turnover from under £1billion in 2003 to more than £1.7billion last year.<sup>10</sup> The ability of producers to benefit from these rights has helped them start to grow sustainable business and attract new investment into the sector, as evidenced by the successful IPOs of several companies, including Shed and RDF.
- 4) The independent sector is likely to grow at almost 7% a year in nominal terms until 2010, according to a recent report from Oliver & Ohlbaum Associates.<sup>11</sup>
- 5) As the success of the broadcasting Codes of Practice illustrate, certain areas of the IP framework may be worth addressing. Pact is doing extensive work on devising clear and definable definitions of new media rights, for example.
- 6) Another area where Pact does have concerns is the cost of going to the Copyright Tribunal. We welcome the Patent Office's review of how the tribunal works and hope costs are addressed. This is an area of law that attracts the most expensive legal counsel as it is dominated by large media businesses pursuing high value or large-scale copyright cases. The high costs incurred over a lengthy time period are prohibitive for smaller businesses, which comprise the vast majority of Pact members.

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<sup>10</sup> Broadcast annual survey of top 150 independents.

<sup>11</sup> Prospects for Independent UK Production to 2010, Sept 2006, Oliver & Ohlbaum Associates.

- 7) However, we would stress that this does not mean that the IP system needs a wholesale overhaul in all areas. Current copyright and trademark law works largely with ease and clarity, successfully balancing the need for to protect IPO while allowing companies' to innovate and develop new formats. This flexibility should be maintained.
- 8) Pact welcomes the Creative Economy Programme's recognition of the need for improved education and awareness of what IP is, and why it is important. This should be both in the form of business support – Pact provides extensive advice for members in this area through a business affairs service, training and events – as well in terms of raising public awareness. The latter will create a culture of greater respect for IP, helping to tackle IP theft.
- 9) There is little in the Creative Economy Programme's paper on the issue of IP theft, which is a growing threat to the value of the UK's creative industries. The illegal use of television content is growing rapidly and research shows that the UK is a leading offender. According to a study last year by Envisional, an internet monitoring company specialising in anti-piracy and trademark and fraud areas, a typical episode of the television series 24 was downloaded 30,000 times globally in 2004; in 2005, that figure had more than tripled, to over 90,000. Envisional estimated that 18% of people involved in the unauthorised file sharing of copies of television programmes were from within the UK, the highest of any country.
- 10) In this area, Pact has made submissions to the Gowers Review of Intellectual Property, the All Party Parliamentary Internet Group's inquiry into Digital Rights Management and the Culture, Media and Sport Select Committee's inquiry into New Media and the Creative Industries. We ask that the Creative Economies Programme takes account of the recommendations from these inquiries.
- 11) Pact also supports the proposal to review the tax-based investment schemes available to small businesses, including the Enterprise Investment Scheme and Venture Capital Trusts. Small production businesses have already used these schemes, notably the £8m EIS raising for a television production of Captain Scarlet, by Thunderbirds creator Gerry Anderson.
- 12) However, companies' ability to maximise the potential benefits has been limited by a number of factors. One key problem with EIS schemes for this type of business is the difficulty in launching a scheme that can invest in more than one programme or film at a time. Such a scheme could prove beneficial for investors, who would be able to spread their

risk across a number of programmes or films. It would also help companies to develop in a strategic way, planning across several productions rather than on a project-by-project basis.

## Access to finance and business support working group

- 1) Pact supports the provision of business development services tailored to high growth creative industries. As we have noted above, the independent television production sector has grown in turnover from under £1 billion in 2003 to more than £1.7 billion last year. New challenges resulting from this growth have created a need for a greater focus on skills in areas such as finance, business and legal affairs and human resources.
- 2) However, while needing to be tailored to specific sectors, these services can be accommodated efficiently and effectively within existing structures rather than provided through newly-created, dedicated organisations. Pact successfully runs courses offering management training and dedicated business advice, such as Preparing a Business Plan and Reading Company Accounts. Our members have found these basic steps in business planning to be very useful, and we encourage the Programme to support courses that operate at a similar level.
- 3) Pact also runs a business affairs consultancy that advises members on commissioning agreements and contracts relating to exploiting secondary rights, as well as their own legal obligations. Further short courses have focused on encouraging member companies to take advantage of innovative new technologies and commercial opportunities, such as High Definition or Making Money from Mobile, in order to further expand their businesses. Other courses inform producers about IP rights issues, such as The Value of Rights.
- 4) Additionally, Pact provides in-company training support and funding through the innovative and popular in.indie scheme. This provides eligible companies with HR consultancy free of charge, including an analysis of training needs, coaching skills courses and bespoke in-company training. One member company which took part in the scheme said that it was:  
  
"Really useful in helping us to recognise our own personal management styles and those of our colleagues. We can now start to consolidate on previous talent development training and start to put into practice positive coaching and development of staff."
- 5) While supporting the development of and investment in tailored business services, Pact would therefore caution that many of these activities already exist in the sector. The emphasis of future policy should be on developing existing initiatives rather than duplicating or replacing them with new services or organisations at an additional and unnecessary cost.

- 6) Pact is therefore unconvinced that there is a need for a standing body that would represent all creative industries, as the group proposes. While sharing information and providing research across the creative sectors could potentially be useful, this can be done by partnerships between the government and existing bodies, as suggested by the working group on Education and Skills. In Pact's view creating a new body to do so risks creating a bureaucratic cost that cannot be justified.
  
- 7) In the film sector, such a body, the UK Film Council, has been created to encompass the various different agencies that existed previously. However, in this case, there was a need for an organization, either new or existing, to be in place to distribute the £50m in National Lottery money that is awarded to film each year. This role formed the core of the UK Film Council's industry-related activities. Where, as in television, no comparable government-backed investment or support exists, there is no need for such an organisation.

## Education and skills working group

- 1) Pact agrees with the assessment that training schemes and educational opportunities in the creative industries are currently highly fragmented and overly complex.
- 2) Many of our members confirm this, experiencing a lack of flexibility in the funding and training options available to them across the regions and across business sizes. Due to how an agency's funding is awarded, training in a certain area, such as business management, might only be offered during a limited time period in a particular region. Many companies do not take advantage of opportunities because the qualifying process for such schemes is too long and complicated.
- 3) As we have outlined in response to the working group on Access to Finance and Business Support, improving this situation may require an overhaul of the terms on which funding is allocated to agencies, so that they are able to be more strategic, rather than being required to award a tranche of funding during a certain time period.
- 4) In principle, we also support the proposed Creative Skills and Education Partnership as a way of providing more coordination. Recent attempts to create pan-industry working groups in this area have sometimes been unsuccessful due to a lack of structure, financial support, organisation and commitment. Such a partnership must therefore have a clear mandate from government, and real influence on policy, if it is to succeed.
- 5) Pact also agrees that the creative industries themselves must be involved in developing industry training. Pact already offers a wide range of training schemes that are developed by member companies, for member companies, as outlined in our response to the Access to Finance and Business Support working group. In addition to having a training policy group made up of members that advises on our training services, our courses are financed by the industry through the Independent Production Training Fund, which collects and distributes training funds throughout the sector, including Skillset and the National Film and TV School. The fund is administered by Pact and funded through a voluntary levy on UK independent television productions. Pact also represents independent film producers on the management group of the Skills Investment Fund (SIF) – to which film producers also contribute a training levy.
- 6) Furthermore, all of our courses are taught by industry professionals, who are able to offer our members valuable insider experience. Pact

- welcomes the Creative Economy Programme's call for more funding to be made available to train industry practitioners to work as specialist advisors on training courses.
- 7) However, while Pact supports industry and employer involvement in educational services, it must be acknowledged that the industry does not have an infinite amount of time or level of educational expertise to input into every scheme, at every level. Skillset, the sector skills council for the audiovisual industry, has representation from the industry on its board and various steering groups and employer panels and this structure has proved to be very successful. Skillset, and its links with associations such as Pact, should be the primary platform for industry input and has a key role in the working group's proposal for a Creative Skills and Education Partnership.
  - 8) Pact appreciates that the government and schools increasingly value creativity and creative skills as an important area of education. We support closer links between the creative industries from the academic world, particularly through higher-level initiatives that support graduate placements such as the Creative Industries Knowledge Transfer Partnerships.
  - 9) However, we have concerns over the increasing number of creative skills courses. Pact has already responded to sector skills council Skillset's consultation on the 14-19 Creative and Media diploma, expressing concern that the qualification will lead to young people being too specialised in their knowledge at too early an age.
  - 10) This concern over the amount of courses on offer also applies to the specialised MBA for the creative industries which the working group proposes. Skillset recently announced the launch of the Film Business Academy, the world's first international centre dedicated to the business of film. The academy offers specialist Masters courses in film business and a customised executive film MBA. Skillset is currently developing similar courses for television. However, while potentially useful, these courses could also encourage people to have knowledge only in the specific creative industries, without having the opportunity to share skills and experiences with people from a variety of industries and backgrounds.
  - 11) Managing the expectations of students is also crucial. Production companies receive hundreds of job applications from students every month, and there are often not sufficient jobs available to fill this demand.

- 12) This is of particular concern in animation, which is seen as a key skill, forming part of the National Curriculum and being integrated into the Creative Industries diploma, in addition to the proliferation of dedicated animation courses being launched around the country. The reality of the children's and animation television production industry at present, however, is bleak. ITV, the biggest source of investment in children's and animation outside the BBC, has requested it be allowed to cut it children's hours by 75%. Media regulator Ofcom is also considering introducing restriction on advertising around children's programmes, which would have a further significant impact on investment levels in children's programming.
- 13) A further point that must be acknowledged when examining the training needs of the creative industries is the fact that the sector changes quickly. Rapid technological changes mean that people within the industry have to constantly update their knowledge and it is difficult for many education programmes to keep up with this pace of change.
- 14) Pact agrees that it is important to make educational advice and business support as widely available as possible. However, as already highlighted, in implementing the proposals outlined in this section, it is important not to duplicate existing services. The online 'portal' proposed should therefore be aimed at raising the profile of the industries and offering entry routes to a wide cross section of people, but should not duplicate existing activities. This is likely to generate unnecessary additional costs, and create confusion amongst would-be industry entrants and existing members of the workforce as to where they can find reliable advice.
- 15) A portal must also be 'branded' carefully, as the term or concept of creative industries may be less well-known to the general public than specific sectors such as "television" or "fashion".

## Diversity working group

- 1) Pact welcomes the group's focus on democratising routes into careers in the creative industries, as well as the emphasis on understanding the businesses concerned. The independent television production sector is growing rapidly, and as companies look to develop their business models, there is an opportunity to help them tailor their working and recruitment practices in a diversity-conscious way.
- 2) The nature of the television production sector, which encompasses hundreds of small-to-medium sized business, means diversity strategies that might be standard for larger organisations, such as attending careers fairs, are not always practical or useful. Similarly time constraints in the commissioning process mean it is often impossible to advertise positions.
- 3) This unique nature of the independent production sector was one of the key reasons that Pact supported the BBC's decision this year to create a new post of an Editorial Executive of Diversity, and appoint an executive with a strong track record in working with indies. This 'diversity champion' was based on the Channel 4's successful model, whereby a key executive works with commissioners and production companies to raise diversity levels both in front of and behind the camera.
- 4) Pact urges the working group to consider supporting the creation of a similar, dedicated diversity champion within the independent sector. This executive would provide tailored advice to small and medium-sized production companies on how to raise diversity levels in their companies and programmes. This could include how to broaden their contacts base and source diverse talent, how to link up with schools and education institutions in order to encourage new entrants from diverse backgrounds, and guidance on developing company policies and monitoring their workforce.
- 5) Pact welcomes the working group's proposal to find new ways to go beyond immediate established social networks. This is a key problem affecting the diversity levels in the production sector, and many of our members have suggested that it would be useful to have recruitment databases that are networked into a variety of different communities, thereby creating an accessible way of finding and recruiting new and diverse talent. Pact asks that the Programme support initiatives that encourage recruitment databases to actively promote diversity by pursuing diverse talent.

- 6) On the remaining proposed solutions laid out by the working group, several are already provided for through existing organisations, and careful coordination with industry and key stakeholders is necessary to avoid unnecessary overlap. The group's proposals to offer more ways to see and experience creative production are, for example, already addressed through Education Business Link Consortiums, which help forge links between companies and schools and education institutions. Companies may also contact Skillset to become involved in initiatives such as open days where producers can explain what their job entails to groups of careers advisors. Pact already advises its members on how to access these initiatives.
- 7) Additionally, a wealth of organisations already provides training on diversity issues for those working in the industry. Pact provides a comprehensive training service for all members involved with recruitment, advising members on their legal responsibilities with courses including Employment Law and Disability and Health and Safety for Production Companies.
- 8) Skillset also runs several mentoring schemes through which experienced people can offer their assistance, including the Guiding Lights scheme and Skillset 100. Channel 4 and FT2 (Film and TV Freelance Training) run various schemes targeted at raising diversity levels that involve independent producers. These include the researcher training programme and runners scheme, both for entry-level recruits.
- 9) Further financial support to increase the number and variety of such schemes is welcome, but Pact urges careful consultation with industry in order to ensure initiatives are not unnecessarily duplicated.
- 10) We would also suggest that the online 'portal' proposed by the working group on Infrastructure could be useful in offering entry routes to a wide cross section of people.

## Technology working group

- 1) Independent producers are at the forefront new technologies. RDF recently won the BBC's first major "360-degree" commission with *The Verdict*, a courtroom drama with distinct content for BBC2, BBC3 and new media platforms. Channel 4's *FourDocs* series, produced by another independent, Magic Lantern, democratises filmmaking by championing user-generated content. And HIT Entertainment and Endemol UK, both Indies, are providing content for BT's new on-demand broadband and digital television service, alongside US suppliers such as Paramount and National Geographic.
- 2) Pact agrees that it is crucial to ensure the continued growth and success of the UK's creative industries by making sure that knowledge and skills are kept up to date with these technological advances. This should be a key part of government-level policy on the creative industries.
- 3) We would also highlight that technology is not neutral in terms of intellectual property, and can have an impact on the value of rights to IP. We note the increase in PVR technology, and have suggested in our response to the Gowers Review of Intellectual Property that a review of the future application of the current time shift exception recognised within the UK should be considered. The range of platforms for transmitting digital broadcasts has grown far beyond what was envisaged when the current provisions under the Copyright, Designs and Patents Act were agreed. The variety of devices with which material can be captured, copied and stored for on-demand access has similarly increased.
- 4) As a result, section 70 of the Copyright, Designs and Patents Act fails to address the market significance of new forms of communication to the public, including making a work available by electronic transmission in such a way that members of the public may access it from a place and at a time individually chose by them.
- 5) Pact has therefore proposed that section 70(1) of the Copyright, Designs and Patents Act be amended to allow for digital licensing solutions to operate alongside a private, domestic, non-commercial time shift provision.

## Evidence and analysis group

- 1) Pact agrees that it may be useful to research and organize data based on similarities between sectors within the creative industries. Pact agrees, for example, that specific creative industries policies are likely to be tailored around small and medium-sized companies.
- 2) However, it is crucial at the same time to maintain an evidence-based understanding of each specific sector in order to ensure that policy can be sector specific when necessary. In some cases, a more detailed breakdown of activities – such as production and distribution - within each sector may be worthwhile. A more sophisticated approach is all the more important given that the creative industries are growing at 8% per annum.
- 3) This might be approached through overhauling how activities are defined under the Standard Industrial Classification (SIC) code so that sub-sectors are more apparent. Also, in understanding television exports, it would also be useful to examine which particular genres were most successful, and in which markets.
- 4) Pact agrees that having one department take responsibility for collecting data and providing a cross sector view of the impact of policies would potentially be useful. However, this should be accompanied by a clear and a high profile government-level policy on the creative industries, setting out goals such as delivering skills for the workforce, encouraging companies to take risks and innovate, and ensuring that the legal framework surrounding intellectual property is clear and fit for purpose.