

7 Promoting Britain as the world's creative hub

Challenge

Promoting UK companies to the global creative economy

Promoting the UK as the world's creative hub

Response

UK Trade and Investment marketing strategy for the creative industries

The World Creative Business Conference

The UK has established a position in the vanguard of the world's creative economy. The creative industries, more than most, rely on the UK's reputation for creativity and innovation. They, in turn, have become central to our national identity and brand. This inter-dependence is likely to intensify in the years ahead. Meanwhile, as incomes and aspirations rise in newly developing nations around the world, their demand for creative goods and services will rise – stimulating their own creative industries. This will lead to more opportunities for British businesses. But it also heralds increasing international competition. We need to market ourselves as effectively as we can and be open to ideas and talent from around the world, and ensure that London and Britain continue to be seen as the best places to trade in the marketplace of ideas.

The Government will develop a 'Creative International Challenge Competition'

intended to be an iconic competition, with nominal but worthwhile prizes, involving institutions and businesses. We will invite selected organisations to propose collaborative projects with partners in emerging markets, particularly China and India.

- 7.1 The UK has a headstart in an expanding global creative economy. But we need to be constantly ready to adapt, building on our strengths and recognising those of other countries. As the challenges of competition have increased, the concept of the UK acting as an international creative hub has become increasingly attractive. This would mean our being a leading international cluster of the many aspects of the creative economy, maintaining world-class standards and operating as a creative broker. The challenge now is to define this role more clearly, and to help our creative businesses and the institutions and programmes which support them, to make it a reality.
- 7.2 Government can project the strength of the countries arts and creative industries through international cultural diplomacy. But we can also enhance our reputation by providing an open market in ideas and skills, building on the UK's traditions as an open society. Our tradition of free speech and a free press are widely respected, as is our cultural diversity and the welcome we afford to overseas students and creatively skilled people.

Ceramics and textiles

Much of the UK's strength as a creative nation has developed through the combination of creative skill and manufacturing, a relationship which has been nurtured and supported from the 19th century onwards by our great design colleges and cultural institutions. The blend of creative and manufacturing skills is at its most expressive in industrial sectors such as ceramics and textiles. The movement abroad of the manufacturing base has changed these businesses but they are redefining themselves as part of a new creative economy. For example, the great art potteries of Staffordshire are harnessing sophisticated electronics and computer-driven techniques with creative and innovative skills to produce world-leading products, again supported in this by the development of specialist skills programmes and inspired by local and national investment in cultural infrastructure. And apparel textile manufacturing in the UK, now devoid of mass market demand, thrives as specialist niche supply for leading edge fashion and luxury brands whose customers increasingly insist on assurances of quality, provenance, sustainability and exclusivity in return for premium prices paid. Interior and technical textiles produced in the UK are seeing increased demand as customers in the global economy require ever more stringent standards in a world market governed by health and safety regulations and ever increasing concerns for the environment. These industries will continue as leading aspects of the UK's distinctive character in the 21st century world creative economy.

- 7.3 A growing number of overseas governments are recognising the power of the creative industries to drive the knowledge economy and to symbolise national identity and economic success. They have come to represent high value, highly skilled and flexible economies.
- 7.4 The UK may have been the first nation to recognise the significance of the creative industries as a discrete sector of the economy, but others are determined to catch up. Nations as diverse as Singapore, Finland and New Zealand are pursuing focused national strategies for creative growth. China's eleventh Five-Year Plan expresses the ambition to move from a 'Made in China' to a 'Designed in China' economy. And Nokia has recently established 'design oases' in Bangalore, India and Rio de Janeiro, Brazil.
- 7.5 London's cluster of creative businesses matches the City's role as a global financial hub. Both are linked to the development of a wider group of business services. We need to optimise London's leading position without ignoring the capital's dependency on talents, businesses and clusters elsewhere in Britain.
- 7.6 Because of its position between the major US market and the emerging markets in Asia, the UK is particularly well-placed to be the world's creative hub. The UK must aim to become a global creative broker. It can do this by building on the international work of the British Council, exploiting government assistance to the creative sector to access new markets and by forming effective international partnerships.

Promoting the UK as the world's creative hub

A level playing field

Globalisation offers many opportunities to the creative industries and we welcome competition which often drives improvements in quality and efficiencies in industry. However, the UK must take the lead in opposing practices that unfairly distort competition. That is why, for example, we will be working with our European counterparts to determine whether the incentives offered by Canada to video games companies contravene World Trade Organisation (WTO) rules. If they do, we will pursue this vigorously through the WTO.

- 7.7 The UK is home to many of the world's leading brand names of the creative industries. WPP in advertising, EMI in music, the BBC in media, and the Norman Foster and Richard Rogers Partnerships in architecture are among many creative businesses which have major international reputations. Multi-national companies locating in the UK bring with them significant turnover and employment as well as making vital contributions to the overall health of the UK creative economy through innovations, enhanced competitive pressure and trade with smaller companies. The most crucial factors in location decisions are the quality of the UK's universities and colleges and our ability to retain our own most talented graduates; the sophistication of the UK consumer market; the flexible business environment; the quality and rigour of intellectual property protection; and the access to good cultural facilities.⁴⁰ Government must continue to prioritise these areas in an era of increasing international mobility for companies and skilled labour, if we are to attract and retain domestic and foreign owned creative multi-nationals. The UK's position as a world leader in the creative industries does not depend on British ownership of all the relevant businesses.
- 7.8 However, the advantages offered by London and the UK must also be clearly marketed. There must be confidence in our reputation and the brand of Britain before business can flow. The Government is developing a strategy for overseas marketing closely integrated with improved domestic promotion of our creative industries. All this is supported by our initiative to strengthen international cultural diplomacy and our work, within wider migration policy, to attract international creative talent to Britain.

UK business entering and collaborating in overseas markets

- 7.9 However, there is a role for government, in particular to tackle the market failures that may prevent or reduce trade. For example, the Government provides assistance to access and exploit new markets and global networks. This activity is supported by the UK's diplomatic missions, the British Council and trade associations. The best of our creative business can showcase internationally through British embassies and High Commissions. We also continue to push for international policy and regulation which promotes an open and fair playing field – while we want our creative industries to succeed, it is vitally important that free trade operates in the creative economy, and we must ensure that our markets are just as open to others.

Commitment 23

UK Trade and Investment will lead a five-year strategy to 'enhance the international competitive position of the UK's creative industries'

- 7.10 UK Trade & Investment (UKTI) is working with business and public sector bodies to develop a five-year marketing strategy for the creative industries. The strategy, which will be closely aligned with the Creative Economy Programme, has three themes:
- Developing stronger messaging which resonates with overseas buyers and investors and projects an exciting image of a Britain as an inspiring and creative nation
 - Ensuring our promotional activities have maximum impact: for instance, exploiting links between music and fashion, and using global events such as the 2010 Shanghai Expo and the 2012 Olympics as a promotional hook
 - Developing new initiatives to promote the British creative industries as a whole in target markets.

University of the Arts Creative Industries Observatory

International comparisons about the creative industries are important for governments and industries to understand their comparative advantage and performance compared with other countries. This can be difficult for the creative industries, but researchers at the University of the Arts Creative Industries Observatory are tackling this by initiating collaborations with China and India to collect comparable statistics. DCMS will support this ongoing work which is intended to make significant progress on international comparisons.

www.lcc.arts.ac.uk/industries_observatory.htm

- 7.11 By successfully promoting British creative industries, we re-enforce the image of Britain as an innovative, dynamic nation, supporting the Government's wider strategy to present the UK as a springboard to global growth.

Commitment 24

We will initiate the launch of the World Creative Business Conference

- 7.12 Aspiring to the scale of the Davos World Economic Forum, we will develop the World Creative Business Conference to combine the UK's unique strength as a world-leader in the creative and financial sectors. This will build on the concept developed by the originators of the World Creative Forum. It will cement the UK's place as the world's creative hub. It will also be a platform for leaders from the creative and financial sectors to develop a deeper engagement and dialogue.
- 7.13 Over time, we hope the forum will develop into an event of global significance in the business calendar. We expect a pilot in autumn 2008 in London. One part of this initiative will involve the development of strategic alliances with other global hubs, for example the American West Coast. In addition we hope that in time its success might lead to satellite events in other parts of the country, and in other global cities.

Commitment 25

We will work with the Mayor of London and other partners to champion London's many creative festivals – and forge better, mutually beneficial links with important festivals around the country

- 7.14 Museums and galleries, such as the Tate and the V&A, do a lot to promote Britain's international reputation for creativity. Exhibitions like Vivienne Westwood, which has already travelled to 11 international cities, demonstrate their potential. A diverse range of annual festivals and promotional events in London showcase excellence in the creative industries: London Fashion Week, London Design Week and the London Film Festival among them. These and other showcases also help provide work and inspiration for the UK's events industry, which is itself a world leader, with turnover exceeding £20 billion a year; and they provide iconic focus for the visitor economy. But London could do even more. DCMS will support the Mayor of London's work with the organisers of these events so that we maximise the global profile of London and the creative sector.
- 7.15 We will use this work to forge better, mutually beneficial, links with important festivals around the country.
- 7.16 The Government will underpin these commitments with additional initiatives to develop supporting infrastructure, including two specific projects:
- A permanent location for London Fashion Week will be provided in a suitable central London location, subject to council planning and other permissions. London Fashion Week is a vital part of the fashion industry's calendar and provides a shop window for the British fashion industry to the world. In recent years it has developed a niche amongst the top four fashion weeks – the others being Paris, Milan and New York – as the event which unearths emerging fashion designers. However, with increasingly strong international competition, London must fight to retain its status. While its current temporary location in the grounds of the Natural History Museum has worked well, a new permanent site will help the British Fashion Council, who organise the event, to focus on developing the event and building the brand.
 - DCMS recently announced £25 million for the UK Film Council which will be used to support national and regional archive. The BFI's proposal for the building of a new film centre on London's Southbank will allow access to the archive, the library, exhibitions and cultural film in one place and has the potential to cement Britain's place as a major international centre for film. This proposal is at an early stage and the Government is working with the UK Film Council and the BFI to determine whether the conditions can be met to attract significant funding from public and private sources to make this project a reality and bring enjoyment, celebration and film to London and the rest of the UK. Government support is conditional upon the BFI producing a viable business plan to address these conditions.

International cultural diplomacy

- 7.17 Culture and the creative industries can build, develop and sustain international relationships where more formal means of contact fail. Film, television, fashion, design, art and music can powerfully communicate images and ideas to a mass audience, enabling different cultures to build mutual understanding as well as a shared experience and sense of purpose.
- 7.18 We need to support this valuable activity. We will also lead on providing additional support on geographical areas of priority and we are pursuing a high level agreement with India on programme co-operation. DCMS will work to ensure that the Government, the British Council and the BBC World Service are much better connected with the cultural sector and provide a forum to discuss joint priorities and co-working. This will be supported by a database of existing and planned international cultural and creative engagement to ensure better planning and efficiency. The DCMS-based database will also be used in planning Ministerial visits overseas. The China: UK Connections through Culture programme is a good example of what can be achieved.

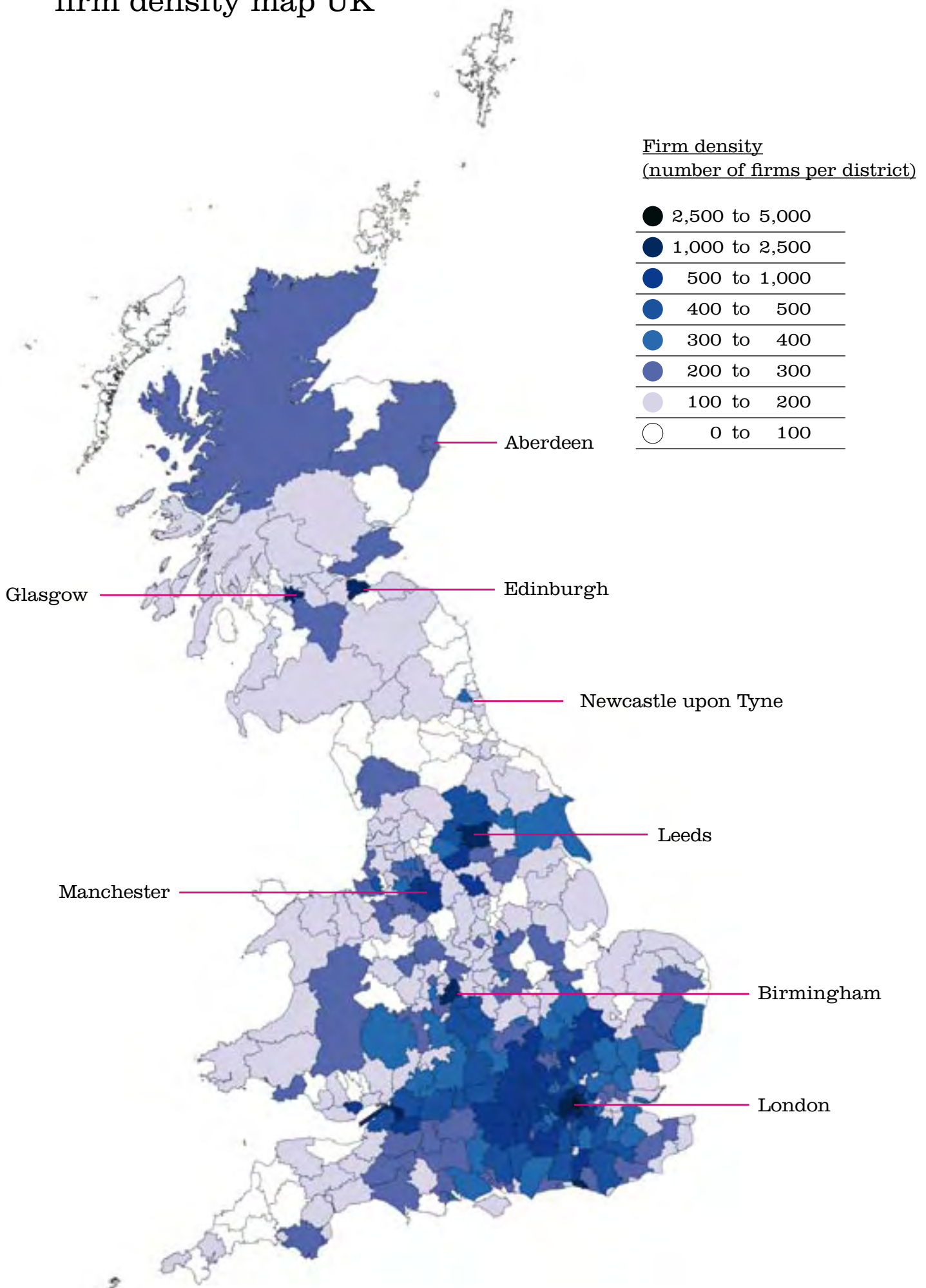
Talent from the world: migration policy

- 7.19 The UK's creative economy is fed by talented people from all over the world who in turn attract business. So we need to sustain this flow of talent to our shores. The Government is currently undertaking a major reform of the UK's immigration system, expected to be completed by 2009. It includes a new points-based system, simpler routes of entry and a new structure of visa charges. The new system will be more transparent, and will seek to ensure that Britain attracts the right people with the skills the UK needs.
- 7.20 The Government is taking the specific needs of the creative industries into account. The points-based system will include a specific creative and sporting sub-category which has been developed in consultation with representatives from the sector.

Conclusion

- 7.21 Britain is the world's creative capital. By meeting the challenges set out in this document, we can safeguard that status. By investing in our festivals and a world creative business conference we can showcase that position, while allowing the world's leading creative business people to meet in London.

Creative industries – firm density map UK



Creative industries – firm density map London

Firm density in the London area
(number of firms per ward)

