

The Creative Engine: Tapping Into Its Drawing Power

*DRAFT Presentation to
Insight's Land Economic Development Conference*

March, 2009

Prepared by:

Peter Lyman
Senior Partner
Nordicity
plyman@nordicity.com

Research assistance by

Nicholas Mills



Before we begin...

a few

definitions



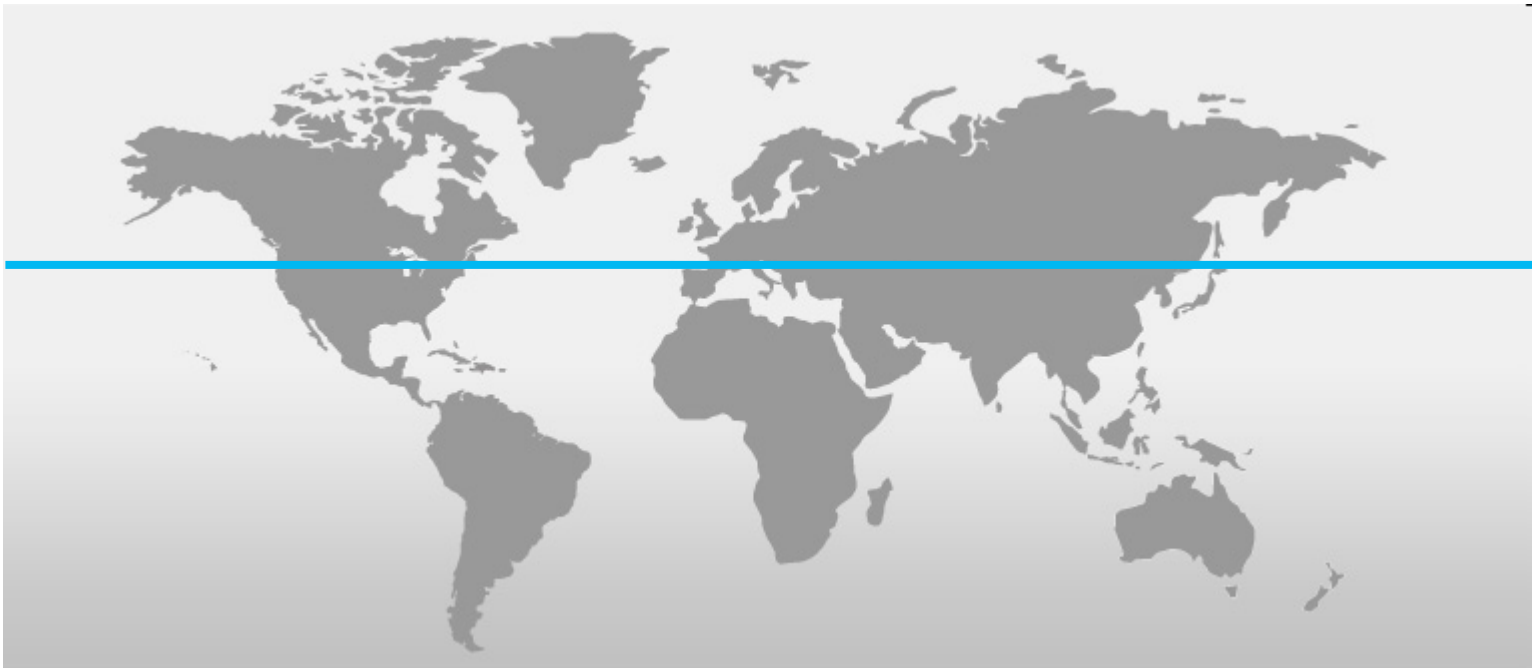
What is Nordicity?

Nor·dic·i·ty. [*Nawr-dis-i-tee*]

Degree of “northernness”. Concept developed by Canadian geographer Louis-Edmond Hamelin in 1960s. Countries with similar degrees of northernness share a common set of values.

Nor·dic·i·ty. [*the firm*]

Strategy and policy through research, analysis, and economics in the creative industries. Based in Toronto, Ottawa, and London, UK.



What is a cluster? Why we need to use the term with care

Cluster [*kluhs-ter*]

Number of things of the same kind, growing or held together

Kinds of Clusters:

1. A horizontal 'convergent' cluster (or creative engine)
2. A geographic cluster
 1. Regional
 2. Creative space



- What is the “creative engine”?
- How important is the creative engine for GDP and jobs?
- How does innovation powers the engine ?
- Why do the creative industries cluster?
- Why are creative spaces important?
- Where else are creative engines harnessed?
- How can we tap into creative engine?



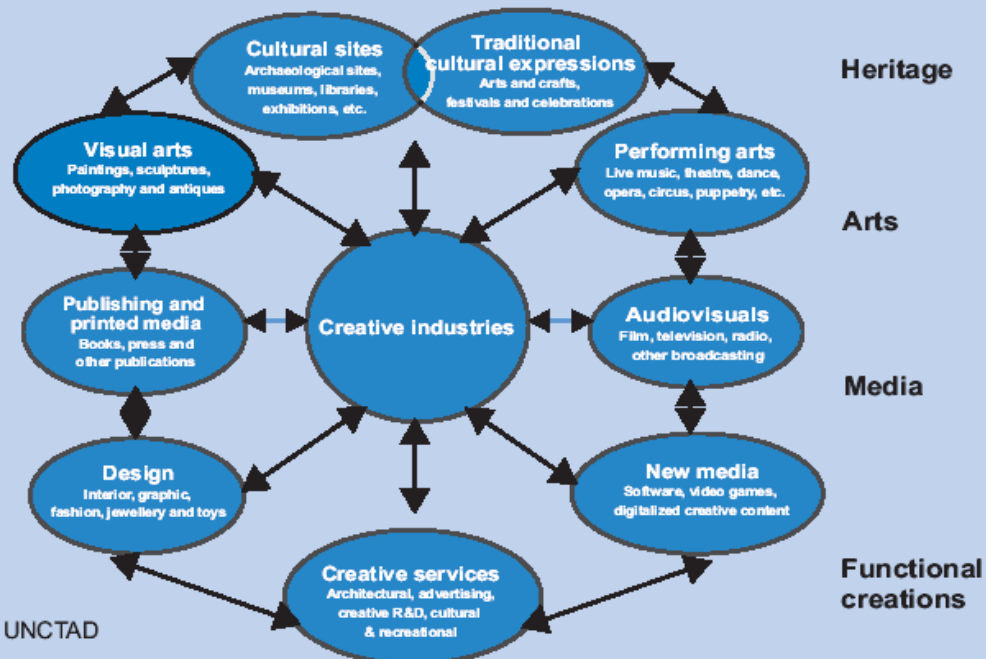
What is a creative engine? A part of the creative economy

“There is no greater resource than the creativity, innovativeness, and productive talents of our people. Our goal must be to harness and use our full creative talents, to grow the businesses and industries of the future.”

- The Martin Prosperity Institute - *Ontario in the Creative Age*

Creative industries are full of ... creative people who power the Creative Engine

Figure 1.3 UNCTAD classification of creative industries



Source: UNCTAD



Why Creatives Cluster: The Convergence of Formerly Distinct Ecologies

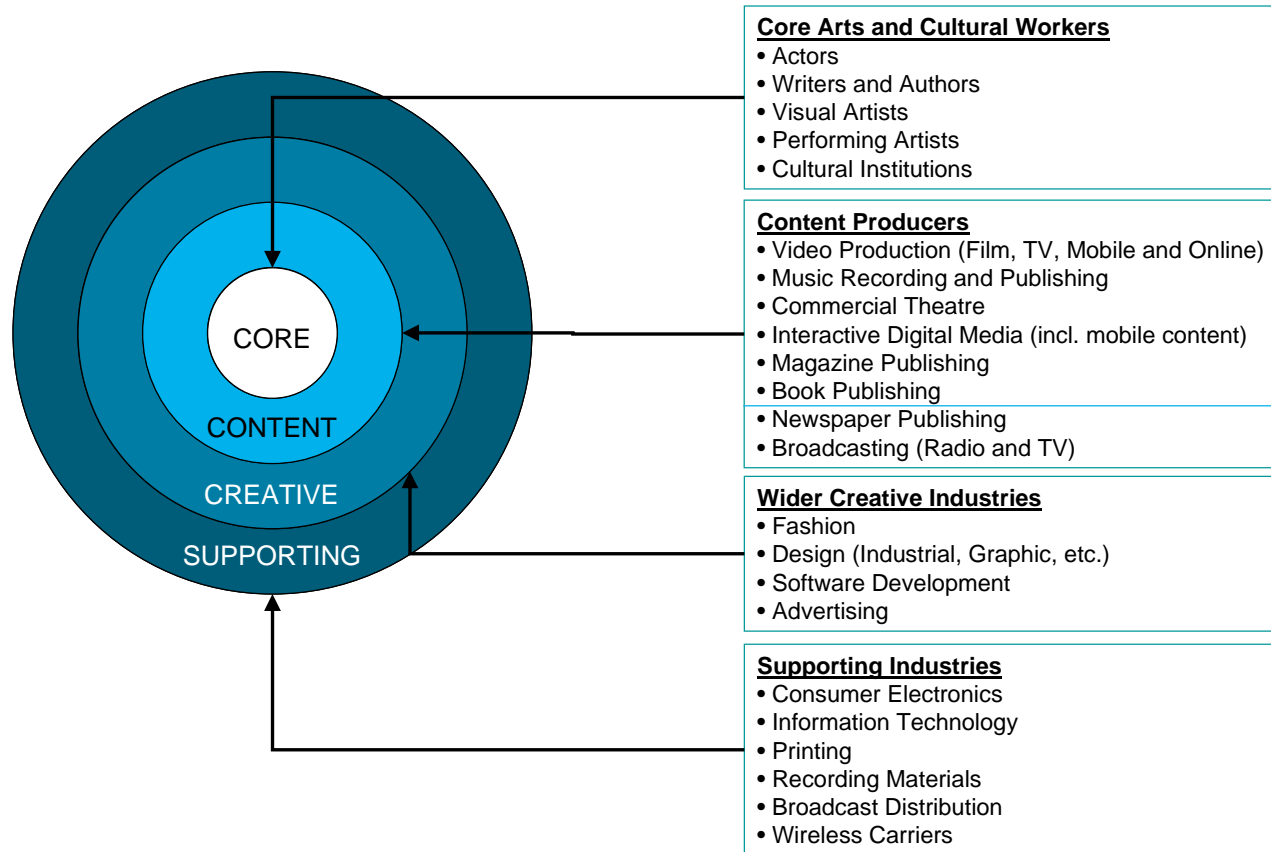
*Creative industries seem to work best as part of a **cluster**...*

*... which is encouraged by **digitization***



What is a Creative Cluster?

A **creative cluster** is a set of creative individuals and support organizations – from the original creator to the entrepreneurial content producer to the distributor of that product



Categories as defined by World Intellectual Property Organization (WIPO), which was the foundation of the Conference Board report.



Why is it an Engine? The People Dimension

The creative cluster employed 292,000 Ontarians in 2007...

...or 43% of Canada's total creative workforce

This makes Ontario the 3rd largest creative cluster in North America (after California and New York)

Speaking of people...

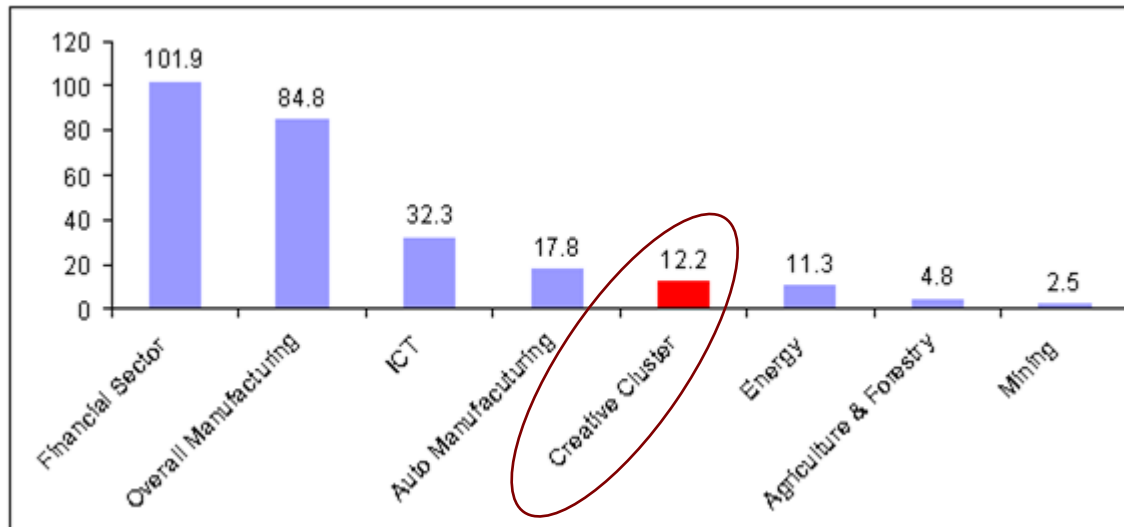
- Creative activities attract talent for other industries
- Creative industries can also attract tourists



Why is it an Engine? The Relative Economic Importance of the Creative Cluster (in Ontario)

The creative cluster is in the **top 5 sectors** in Ontario by GDP

... and one of the more recession proof



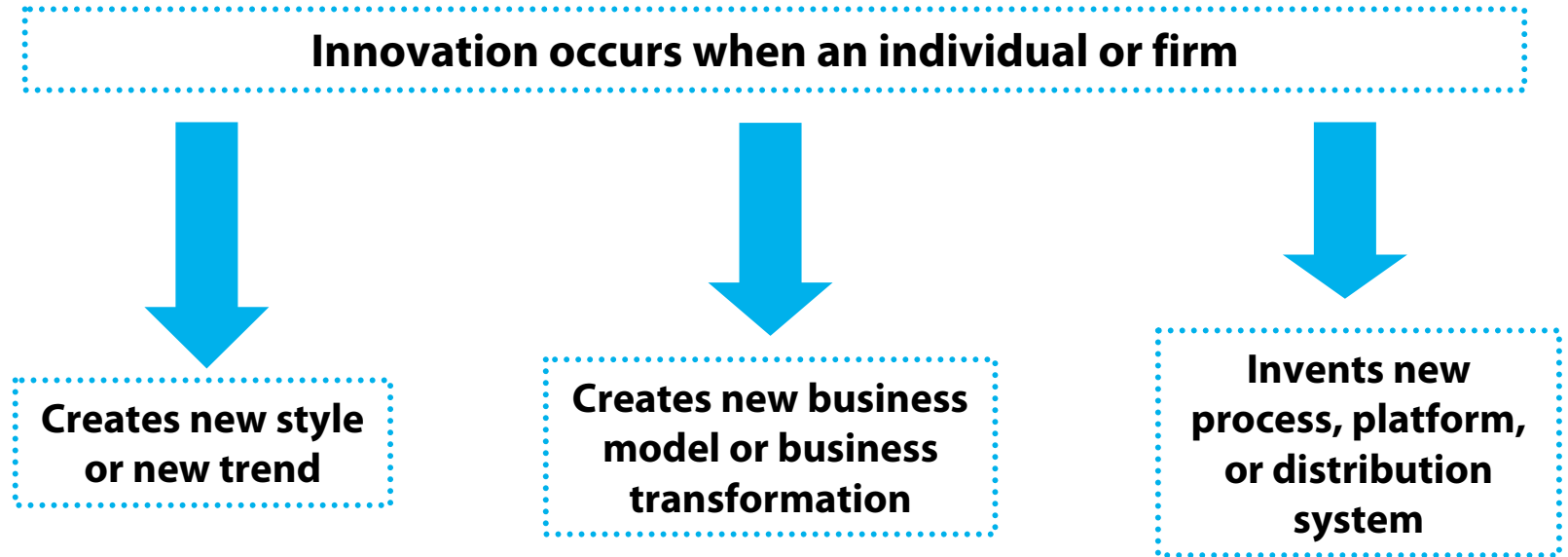
Source: Ontario Ministry of Finance

The Creative Cluster is also:

- Growing at twice the rate of the average in Ontario (at least it was!)
- Represents opportunities for **INNOVATION**



Digital technology is disrupting traditional value chains of creative industries - and spurring new innovation



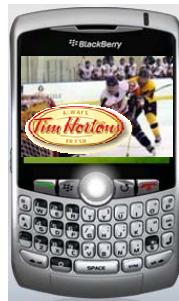
Opportunities for Innovation in Digital Media

Ontario Innovation Agenda (2008) -- "Ontario's entertainment and creative cluster is a cornerstone of Ontario's new innovative economy..." Because, "...creative Ontarians turn ideas into the next generation of jobs."

CONCERT – a consortium dedicated to accelerating innovation in the creative industries in the GTA – identified 5 opportunity areas:



Internet Applications



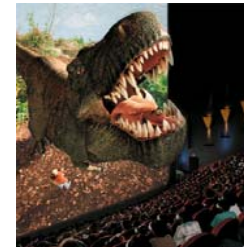
Mobile Content



Digital Games



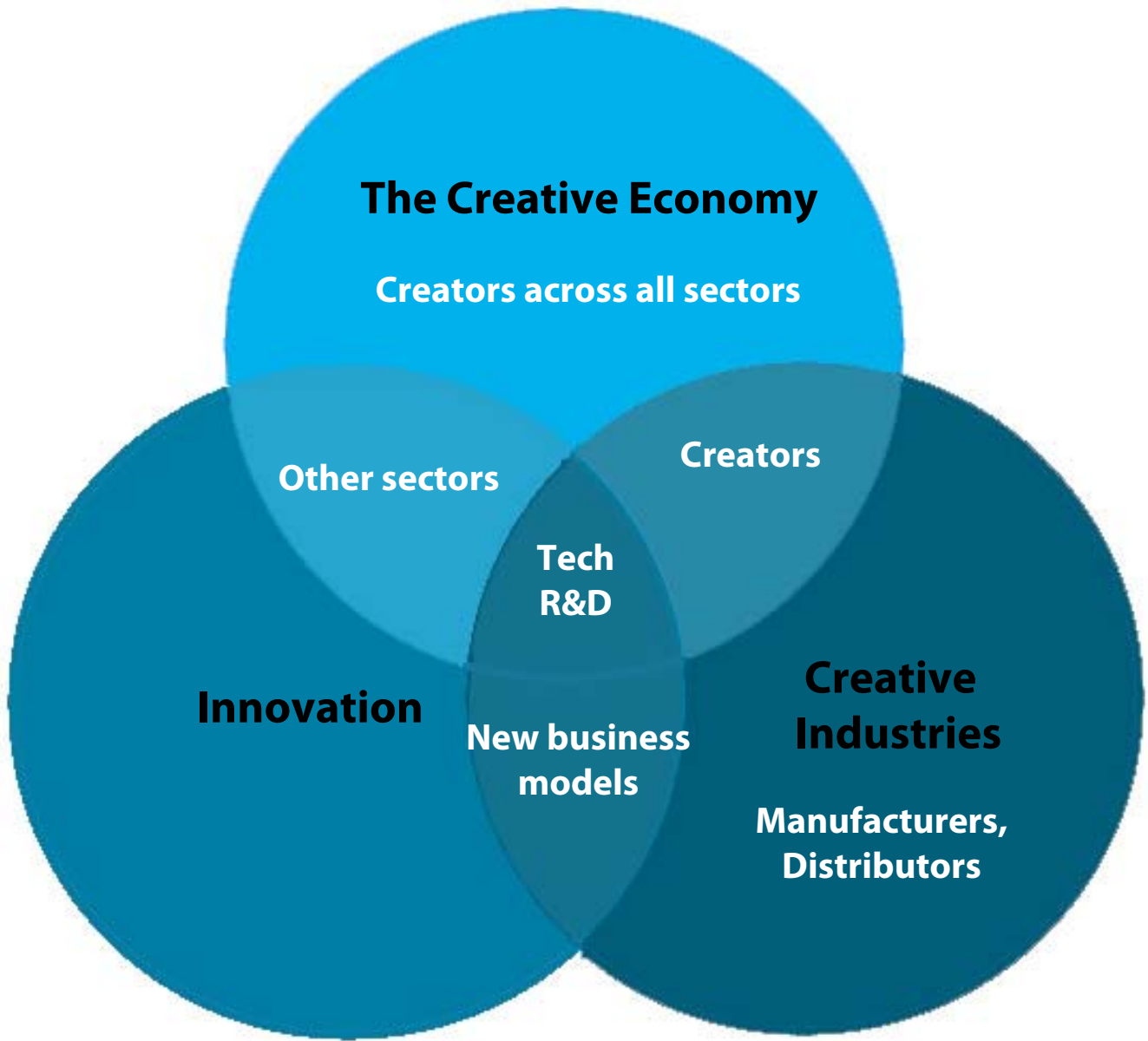
Animation and Vfx



Digital Cinema and TV



Tying it together: The Creative Economy, Creative Industries, and Innovation



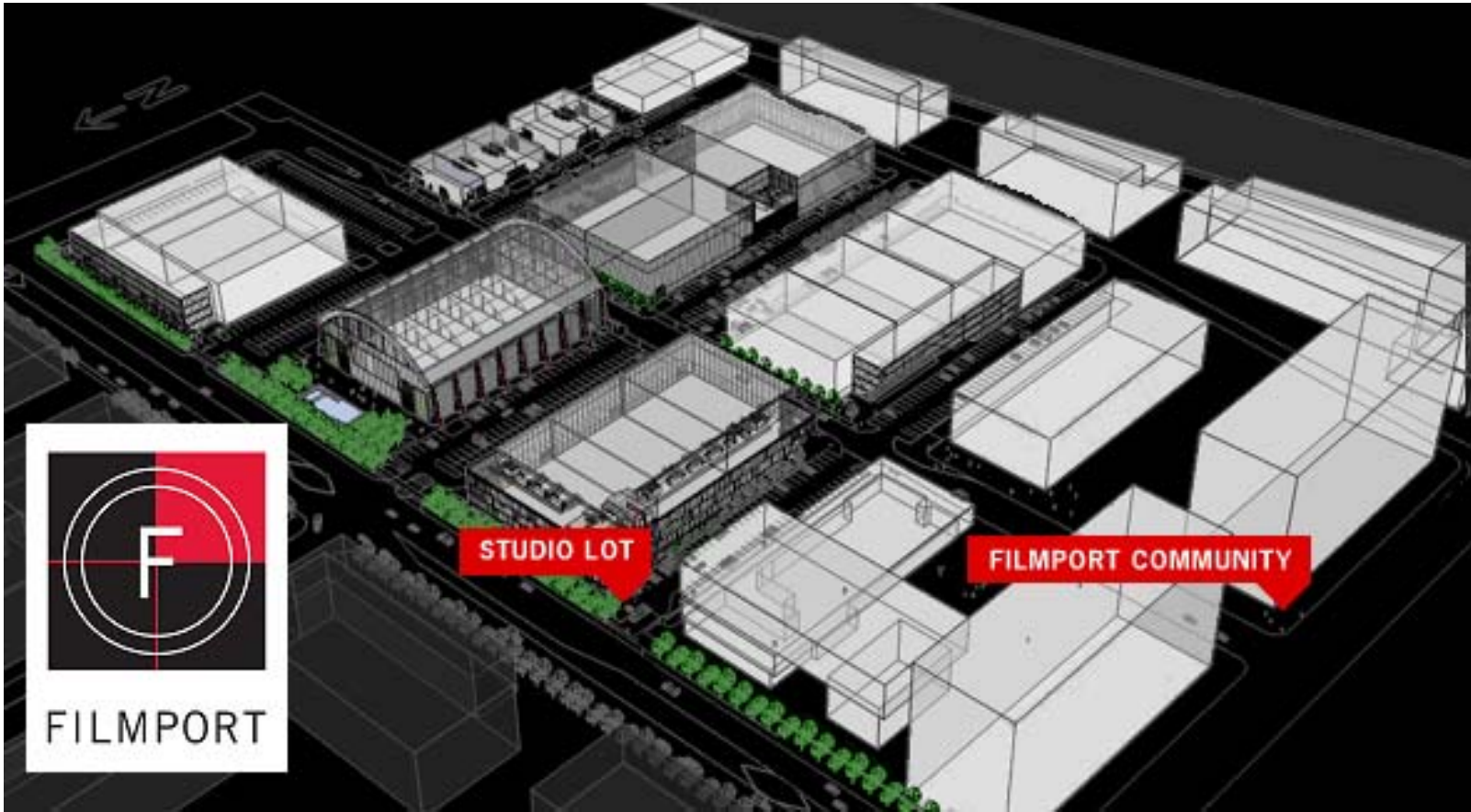
Why Creative Spaces? Creative Infrastructure at the Heart of Place and Community

Concentration of infrastructure and creative activity includes:

- World class and high profile cultural infrastructure.
Cultural Infrastructure is at the centre of the development – galleries, museums, and concert halls.
- A wide range of accessible and affordable facilities
Media centres, rehearsal space, studio space, and workspace.
- Spaces of convergence and connectivity
Where creative knowledge workers can meet, generate ideas, and build relationships
- Spaces for community and cultural diversity
Exploring and promoting a city's diversity through events and programmes
- Spaces of cultural consumption connecting spaces of production



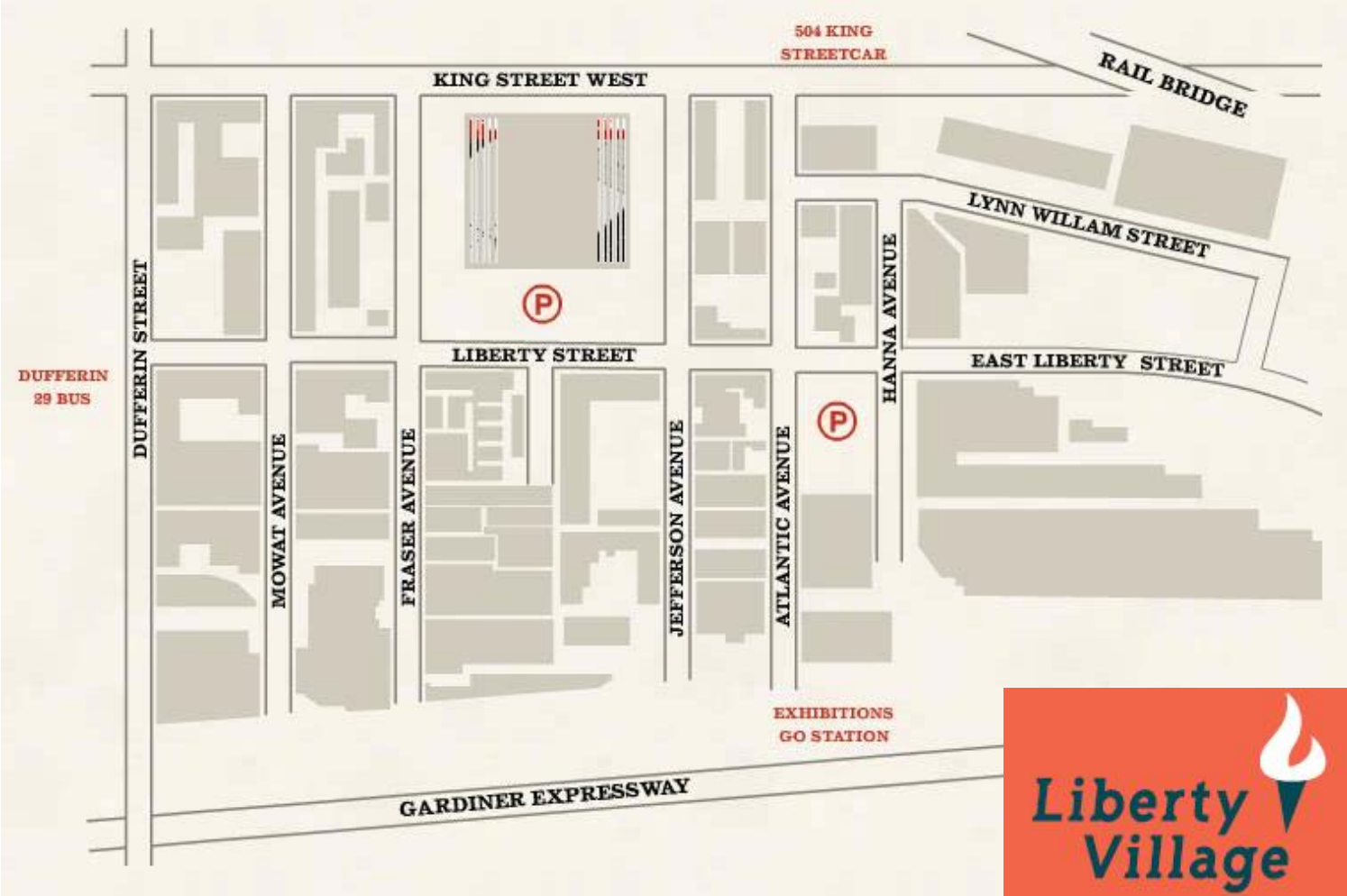
Toronto's Core Places: Filmport



Toronto's Core Places: Distillery District



Toronto's Core Places: Liberty Village



Toronto's Core Spaces: Meeting the Key Infrastructure Components

Some creative places have matured more than others...

Core Space	Cultural Infrastructure	Media Facilities	Convergence Centres	Community/ Diversity	Cultural Consumption
Filmport		✓			
Distillery District	✓	✓	✓	✓	✓
Liberty Village		✓	✓	✓	

...but all are continuing to develop and grow



Where else? Glasgow as a Case study for Cultural Regeneration

- Over two decades of strategic vision of **culture-led** regeneration
 - Becoming Major Cultural Capital in 1990
- Organized major events to gain international recognition of its cultural status
 - Garden Festival in 1988
 - UK City of Architecture & Design in 1999
 - Creative clusters conference in 2008
 - UNESCO City of Music in 2009
- Glasgow supports cultural consumption and creative production with infrastructure
 - Briggait crafts complex
 - Film City Glasgow
 - Digital Media Quarter
 - Pacific Quay (home of BBC Scotland)





Socially Responsible Investment Policy in 20 cities in the UK:

- Generating social, economic, environmental and financial value for:
 - Localized Creative Industries
 - Municipal Regeneration Agencies
- £2.5 billion fund from an amalgamation of pension funds
- New urban development opportunities in the UK's Top 20 cities.
 - Has created 8,500 homes and 10,000 jobs



How can we tap into creative engine?

- **Cities** can integrate creative industries within the broader innovation and investment policies – via traditional spatial planning tools and tax incentives
 - Preservation of a district
 - Rejuvenation of a district
- **Private Investors** can recognize the value of investing in creative industries
 - Infrastructure investments to support creative industries, e.g. Filmport
- **Public institutions** can lead in major collaborative innovation projects,
 - OCAD-led wireless R&D
 - new BBC remit to promote economic development
- **Developers** can leverage the creative industries innovative engine by developing creative spaces.
 - Incubator development investments – high speed access, mix of skills, and lubrication for innovation



In a nutshell...

- Creative people are key to the health and growth of a city's economy (as we have heard)
- Creative industries are a key sector in the emerging economy ... and are full of creative people
- Digital technology is a disruptive technology in the creative industries that fosters **innovation** ... which is the key to development and growth
- Creative industries work better as clusters ... which can be creative spaces
- Creating creative spaces will stimulate economic growth and innovation



For more information

The Creative Engine: Tapping Into Its Drawing Power

www.nordicity.com

UK, Canada and International: plyman@nordicity.com

