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Creative Industries in Gloucestershire 2005

A study for Gloucestershire County and District Councils, and partners

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Creative Industries in Gloucestershire 2005

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Summary

Gloucestershire County and District Councils, Arts Council England South West and their partners commissioned research into the creative industries and arts sector in the county to support strategic action planning and future investment. To obtain a detailed picture of the county's creative sector a selected database of 3,297 contacts was compiled. 42% of existing contactable enterprises participated in a telephone survey, including companies, individual artists, makers and creative freelancers.
A series of 14 case studies based on face-to-face interviews was carried out to illuminate these clusters, the characteristics of businesses in the sector and the personal stories of some creative entrepreneurs living and working in the county.

Gloucestershire's distinctiveness

Gloucestershire is recognised nationally and internationally for its community of artists, makers and creative entrepreneurs. There are particular strengths which make the county distinctive. The most prominent are large numbers of art and craft practitioners, especially in Stroud and Forest of Dean and the scale and success of the art and antiques trade, notably in Cotswold. The growth of clusters of creative enterprises, particularly in the Stroud Valleys, Forest of Dean and Cotswold areas, have drawn increasing numbers of creative people to live and work in the county, attracted by the combination of affordable living in rural surroundings amongst like-minded communities.

Historically, the Arts & Crafts movement has always been strong in Gloucestershire. Many of its luminaries, Morris, Gimson, the Barnsley brothers, Gordon Russell, CR Ashbee were attracted to live and work in the county, which has provided a home for generations of innovators and creative entrepreneurs. This inward migration of artists, craftspeople and creative practitioners continues today.

The county is characterised by a rich blend of inspiring landscapes and vibrant cultural heritage - hills and plains, mining and mills, rural fastness and urban cultural diversity, an ancient port city and a high-tech communications centre, traditional rural communities and modern cosmopolitanism. The county's characteristics make its creative industries sector distinctive. Its diversity is reflected in the range and scope of its creative industries, which are widely distributed across the sectors.

There is innovation alongside continuity. The county has benefited from the legacy of traditional industries including the wool trade, textiles, metalworking and woodland crafts. The demise of traditional industries has left a legacy of established communities of highly skilled people, well suited to new employment with the creative industries. Post-industrial Gloucestershire saw the former infrastructure fall into disuse and buildings became available as cheap space for emergent new enterprises.

Since the 1960s the supply of affordable housing, redundant mills offering economic workspaces and the railway link to London have attracted waves of creative people into the area. New technologies, ideas and industries have flourished. The county's landscapes together with its accessibility from the capital, has attracted wealthy residents, which in turn has created a local market for high-value products.

Key findings

- The creative industries in Gloucestershire in 2005 comprise at least 1900 companies and small businesses. They employ close to 9,000 people and produce a total turnover of some £808m in the local economy.
- The sector represents 9.8% of the total of VAT enterprises in the county, employs 4.8% of the total of employment and generates 4.2% of the total turnover of all enterprises in the county.
- In addition between six and seven hundred very small businesses and individual practitioners produce an estimated additional £11-12m turnover.
- The creative sector in the county is substantial and growing but also has weaknesses. If the creative sector were to raise its performance in turnover per employee to the industrial average of the county, the effect would be to produce £130m additional turnover. Had growth in employment been equal to the national pace, there would have been an additional 1700 people employed in 2005.
- Gloucestershire has between 10-14% share of the creative industries sector in the SW region. Compared to its population of 11% of the region's total, the county is performing well in this sector compared to other parts of the region.
- Most creative businesses in the county are small, employing on average less than 5 people. Turnover per employee is 86% of the all-industries average. Software and computer games generate the highest total turnover at £264m, the art and antiques trade next at £170m.
- 40% of creative sector businesses surveyed reported that they experience no barriers to their growth.
- There are marked distinctions between the sectors. Fashion, music, visual art and craft, and performing arts all show more than 70% of respondents having a turnover less than £50,000. In advertising, architecture, design, publishing, software and printing, small businesses are in the minority.
- Between 1997 and 2005 the total of turnover in the sectors for which comparative data is available rose by 36% when adjusted for inflation.
- Among the businesses, as distinct from freelances and individual practitioners, 17% of businesses are less than three years old, and half have been in business less than ten years. At the other end of the scale, 15% of businesses are more than 25 years old indicating a healthy new business birth rate and survival rate. Taking the proportion of businesses less than three years old as an index of the birth rate, the most prolific sectors are fashion, audio-visual, art & antiques, and software.
- 50% of businesses and 80% of freelances work from their home.
- Broadband access is available to 68% of businesses. Of the businesses surveyed 56% have a company website and 10% of respondents have the capacity to sell on-line.
- 70% of businesses reported a mainly local customer base with a predominant use of local suppliers. Three-quarters of businesses report that none of their turnover is generated from export activity. The highest levels of respondents deriving a quarter or more of their turnover from exports are in Cotswold and Stroud.

- More than 60% reported that they had not used any business advisory or support services in the last year. The most frequently cited source of support among those who had received any was Business Link. 82% of those who received business advice and support declared themselves satisfied with the available services.
- 75% of business respondents and 85% of freelancers reported taking no training during the past year. Time, cost, awareness of what is available and location were most often cited as the reasons for not taking up training.

Recommendations

In our view, the scale, diversity and depth of the county's creative sector revealed by this research give it substantial potential to contribute to local and regional economic goals, if its weaknesses and support needs can be successfully addressed. We suggest below the areas of intervention and actions which can be taken to achieve the creative sector's growth potential.

The following summary recommendations, which are set out in full in the Conclusions and Recommendations section of the report, are made to help the commissioning partners formulate and implement a plan to support the growth of the creative industries in the county.

We recommend that Gloucestershire First is best placed to co-ordinate development and implementation of a plan of this kind.

We also recommend that the commissioning partners should examine in detail the case for establishing a dedicated Creative Industries Agency in the county to carry out the work involved.

1. Economic strategy

- Support and enable the integration of the creative sector into the development of local, county and regional economic and regeneration strategies, including Local Area Agreements, the region's Rural Regeneration Strategy and the planned Regional Urban Strategy;
- Provide a year-on-year evidence base of the impact of the creative sector on the achievement of economic and regeneration objectives, in association with the Regional Cultural Observatory.

2 Business and organisational development

- Work with Creative Enterprise gateway and other local and regional agencies at a strategic level to encourage appropriate and suitably tailored support for the creative sector and disseminate best practice;
- Work with local and regional partners to explore new UK market opportunities and with United Kingdom Trade and Investment (UKTI) for export opportunities;
- Support start up/new businesses through information and signposting provision, through specific strategic and research interventions, and encouragement of entrepreneurship;
- Develop a Mentoring Scheme to provide tailored support from sector leaders and experts to assist new and emerging enterprises, including artists residencies and creative exchange programmes;

- Support targeting of creative business graduates, FE students, Arts and Technology Schools students to promote the availability of business advice, information and signposting and provide local and regional advocacy for the sector;
- Deliver in partnership or by commission a series of appropriate creative business support/start up events in the county, targeting in particular ‘second career’ seekers in the 45+ age bracket.

3 Sub-sectors and Cluster Support

- Evaluate candidates for targeted support for key sub-sectors. Recommended candidates are visual arts & crafts, the antiques trade, and publishing;
- Seek ways to focus sub sector support by identifying and supporting hub organisations working within creative clusters.
- Clusters which may merit further attention are identified here as:
  - Visual arts & crafts in Stroud District and Forest of Dean.
  - Publishing in Stroud District and Cheltenham
  - Film & video, advertising, design and marketing in and around Cheltenham
  - The arts and antiques trade in Cotswold
  - The potential geographic cluster in Gloucester linked to the Heritage Dockyard and the strategy of the Urban Regeneration Company;
- Identify and promote selected areas as creative communities & quarters, and identify and support leading organisations which can act as creative hubs and focal points for networks. Candidate areas recommended are Cheltenham & Stroud.

4 Marketing

- Support the growth of current and planned marketing enterprises and initiatives by organisations and local networks including arts trails, antiques trails, festivals;
- Support and co-ordinate marketing efforts jointly with related sectors, particularly tourism, hospitality and the artisan food sector;
- Strengthen links between the creative sector and rural regeneration, rural employment and tourism
- Co-ordinate the efforts of partners, trade organisations and UKTI in initiatives to develop exports by businesses in the creative sector;
- Stimulate a 'buy local' campaign to encourage partners to procure creative sector services within the county.

5 Workforce and skills development

- Review sector skills needs and current provision through analysis of the research and continuing consultation with creative businesses;
- Promote the sector to those at school and ensure the pathways through the FE and HE sectors exist and match the skills needs identified by the relevant Sector Skills Councils (Skillset and Creative & Cultural Skills);

- Deliver in partnership or by commission a series of pilot projects targeting increased business management and market development skills in potential growth sectors such as visual arts, craft and new media;
- Promote regional and local skills development opportunities, including work placements and apprenticeships with leading creative sector organisations.

6 Workspace provision
- Align with the regional cultural infrastructure strategy in respect of development of workspace provision in the county;
- Work with voluntary, private and public sector agencies to encourage the development of a cultural/creative business area within each District according to Local Authority strategic aims;
- Be a contributing partner in the development of The University of Gloucestershire Development Centre's Innovation Programme;
- Work with the County arts organisations to secure appropriate workspace/studio/rehearsal/exhibition space provision across the County.

7 Information and signposting
- Facilitate access to appropriate local, regional and national business and creative industry information and advice services;
- Support provision of a regularly updated information and signposting service to the creative industries sector through a county or regional sector-specific website, such as the Creative Enterprise Gateway portal, among other communications options.

8 Networking
- Encourage county and regional networking in partnership with existing creative industries networks including Gloucestershire Media Group, Artsmatrix, Stroud Valleys Artspace, The University of Gloucestershire and the county's FE sector;
- Support development of the Creative Enterprise Gateway portal to facilitate peer group on-line networking;
- Support the formation and development of independent sector-led groupings and organisations where strategically appropriate.

9 Investment
- Evaluate the potential benefits of the different approaches to encouraging access to investment for creative enterprises;
- Encourage the development of investment-readiness among the creative sector by facilitating access to and take-up of existing generic investment-readiness programmes.

Creative Industries Development Agency

We recommend that the commissioning partners examine the case for and against the creation of a county-based Creative Industries Agency, weigh the costs and benefits, and evaluate the advantages and purposes of such an agency, which might include:

- To lead and manage the process of developing a strategic plan;
- To act as a co-ordinator and source of support for advocacy for the sector;
- To focus and co-ordinate the range of support and development activity which is being, and could be, undertaken in the county;
- To deliver aspects of business support, network management and marketing initiatives where necessary
- To focus the capacity of the creative sector to contribute to the achievement of economic and regeneration objectives;
- To disseminate research findings and intelligence among partners, and co-ordinate further research efforts by partners as necessary.

Introduction

Gloucestershire County and District Councils and Arts Council England South West, in partnership with Gloucestershire First, Business Link, Gloucestershire Learning and Skills Council, Stroud Local Strategic Partnership and Forest of Dean Creative Partnerships, commissioned this research as part of a wider brief embracing the creative industries and arts sector in the county. The object of this part of the research is to provide baseline data to support effective intervention across the creative industries sector in Gloucestershire.

Headline findings

The creative industries in Gloucestershire in 2005 comprise at least 1900 companies and small businesses. These employ close to 9,000 people and produce a total turnover of some £808,000,000 in the local economy[1].
This sector represents 9.8% of the total of VAT enterprises in the county. It employs 4.8% of the total of employment of all enterprises, and generates 4.2% of the total turnover of all enterprises in the county.

In addition between six and seven hundred very small businesses and individual practitioners produce an estimated additional £11-12m turnover.

The creative industries sector includes a wide range of different kinds of activities, and there is a wide range of difference between them. Businesses in the creative categories in the county tend to be small, employing on average less than 5 people. Publishing shows the largest average size, though still less than ten. Overall the creative sector shows an average employment size about half that of the all-industries average. Turnover per employee is 86% of the all-industries average. Software and computer games generate the highest total turnover at £264m, the art and antiques trade next at £170m.

Change over time

Between 1997 and 2005[2] there has been considerable change in the creative sector in the county. Changes in the statistics over that time mean that trend data must be interpreted with caution. Where direct comparisons of sectors can be made with some confidence, it is possible to draw conclusions about the nature of change in the sector.
Overall, the total of enterprises increased by 2.7% between 1997 and 2005. Employment rose by 5.8% overall. This is somewhat slower than the national trend[3] which has seen employment in the creative sector grow at a rate of 3% per annum, compared to 1% for the whole of the economy.
Architecture, advertising and art & antiques trade enterprises increased in number between 1997 and 2005, while there were reductions in the other sub-sectors, most markedly in audio-visual and radio & tv [Chart 1].

[1] ONS IDBR Data, March 2005 (see Appendix 4 for search specification)
[2] ONS IDBR Data March 1997, March 2005
[3] DCMS Creative Industries Economic Estimates, Statistical Bulletin October 2005

Architecture increased employment by more than 100% over same period, software and computer games by half, and music, visual and performing arts by 20%. Arts and antique trade employment was almost unchanged [Chart 2].

Chart 1

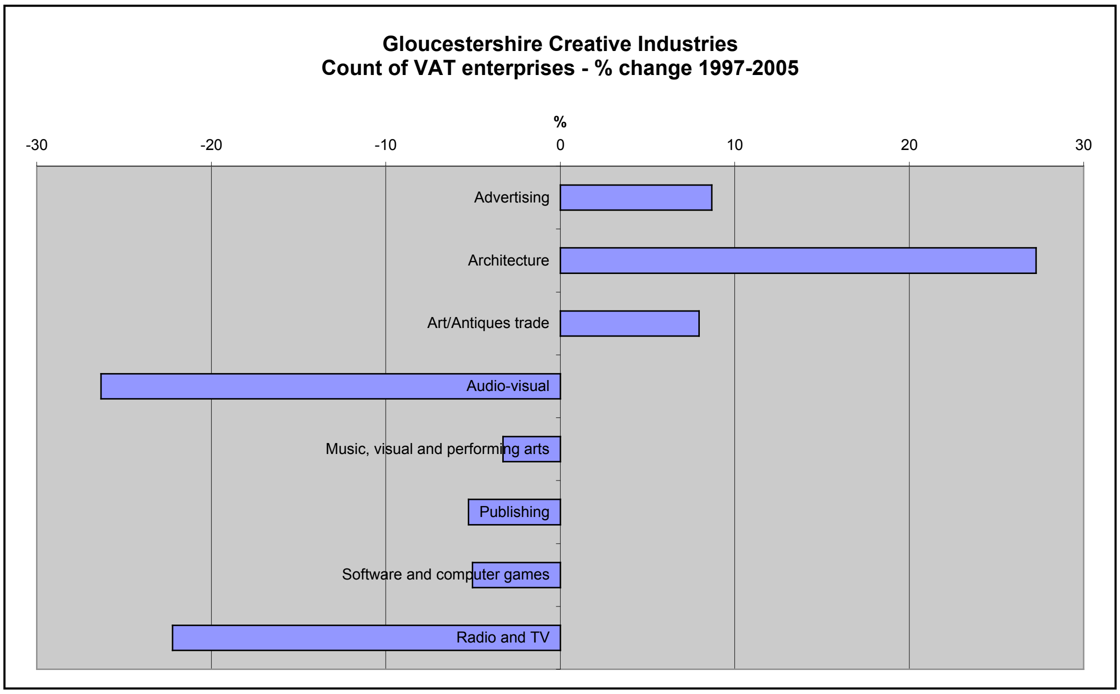
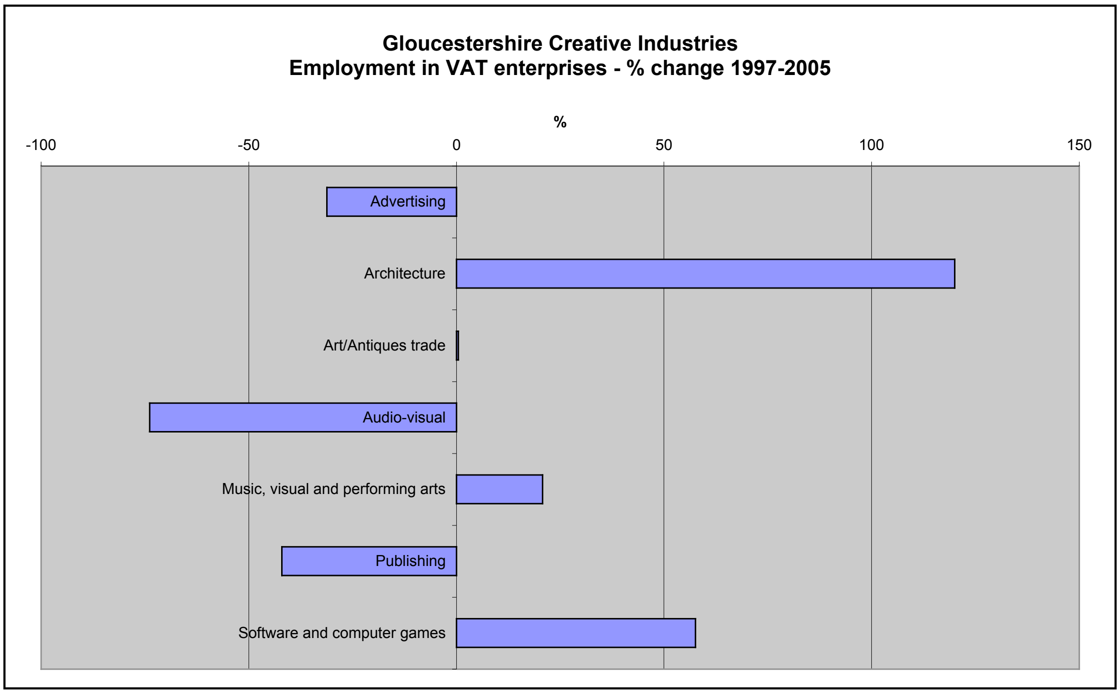


Chart 2



Adjusted for inflation, the total turnover of the creative sector rose by 62% between 1997 and 2005, with architecture and software & computer games showing marked increases [Chart 3]. A comparison of the figures for turnover per employee in 1997 and 2005, adjusted for inflation, shows an increase in all sub-sectors except advertising. Music, visual and performing arts increases least, and the audio-visual sub-sector, which over the same period declined both in number of enterprises and employment, the greatest increase in turnover per employee [Chart 4].

Chart 3

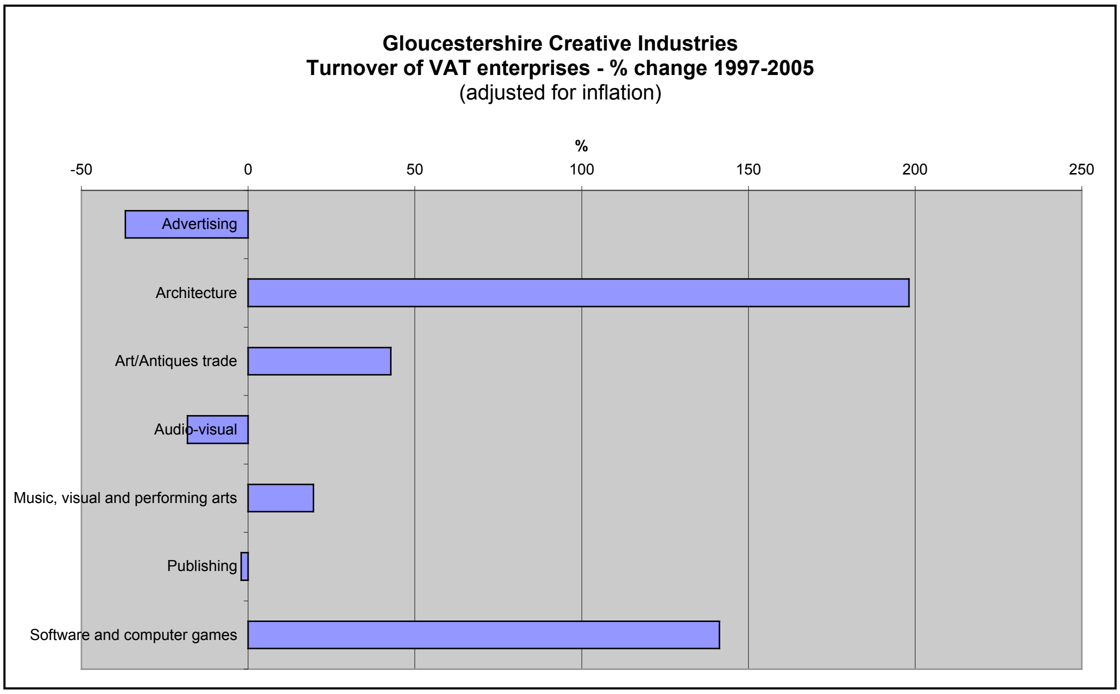
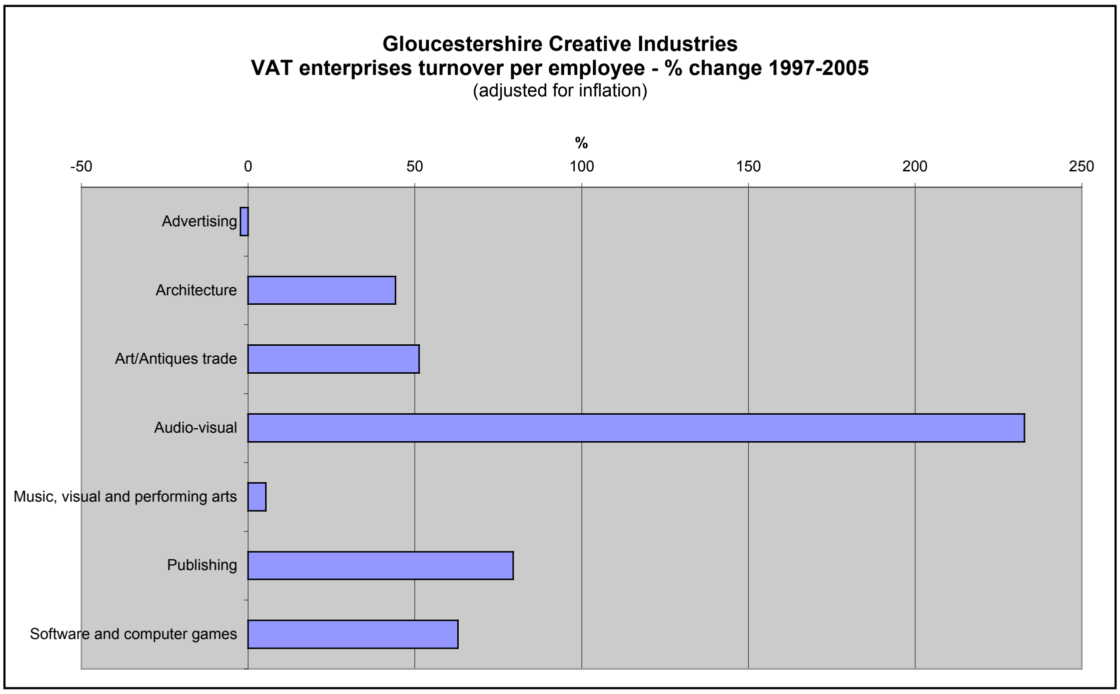


Chart 4

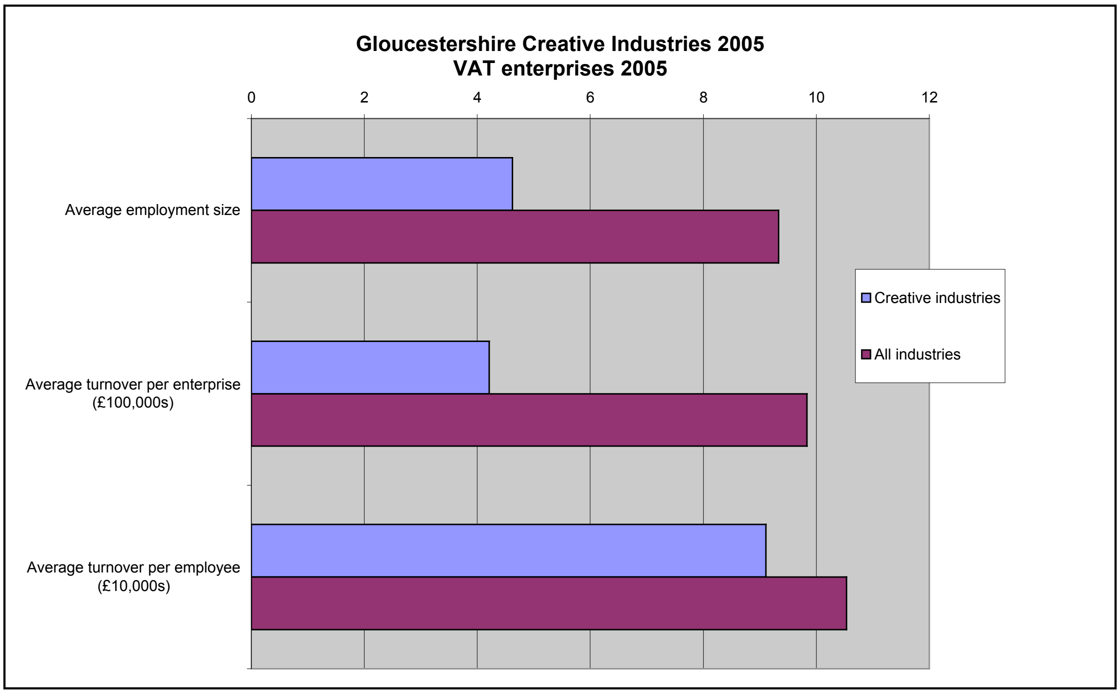


Current position

Those 1920 enterprises in the creative sector in the county which are large enough to show up in the IDBR statistics (broadly speaking any which are VAT registered or employ anyone on PAYE) make up 9.8% of the total of enterprises in all industries in the county. They employ some 8,900 people, 4.8% of the county total. In the South West region as a whole, it is estimated that some 8,608 enterprises in the creative sector employ between 59,500 and 89,000[4] people. In broad terms then, Gloucestershire has about a 10-14% share of the creative industries sector in the region. Compared to its population of 11% of the region's total, the county can be seen to be performing in this sector at least on par, and probably somewhat ahead, compared to other parts of the region.

The creative sector shows some distinctive characteristics. On average, creative sector enterprises registering on the IDBR have about half as many employed as the average of all industries, and their average turnover is less than 40% of the all-industries average in the county. The average of turnover generated per employee is 86% that of the average of all industries [Chart 5].

Chart 5



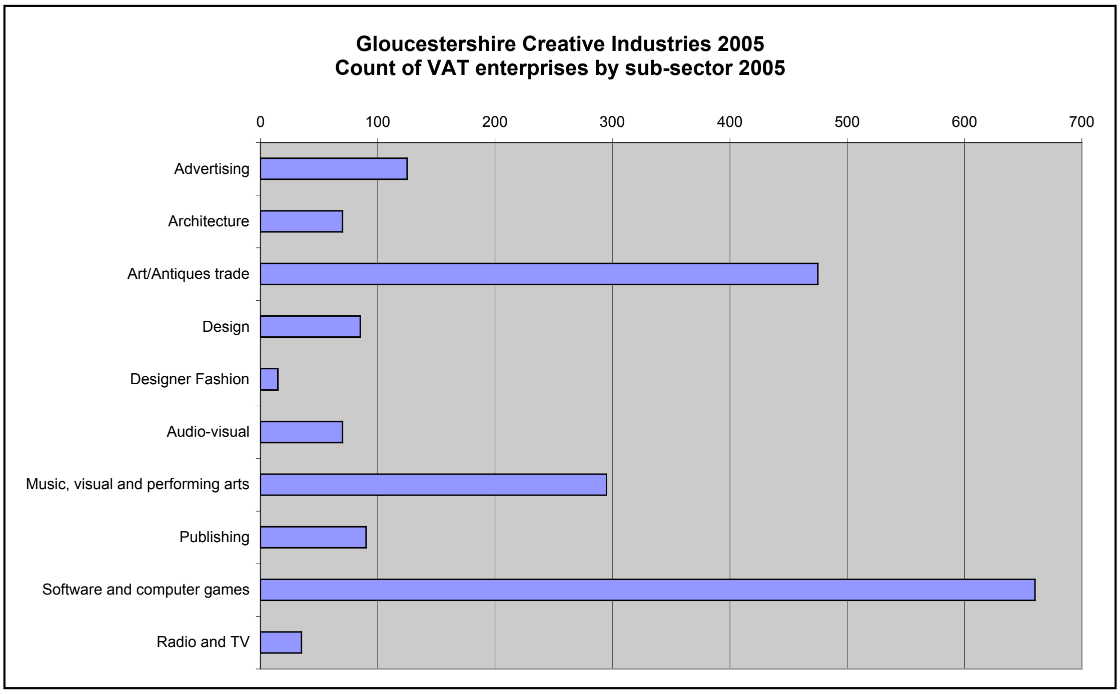
Sectoral analysis

A view of the shape of the creative economy in the county in 2005 can be drawn from official statistics. The Inter-departmental Business Register (IDBR) combines VAT, IR and other data to give a continuously-updated snapshot of economic activity. Some 99% of business activity in the country is represented by the IDBR. Using the definitional framework laid down by the DCMS, which is detailed in Appendix 2, this data can be used to draw a picture of the

[4] Creative Industries: Key Questions on Regional Impact (South West), Culture South West, 2004

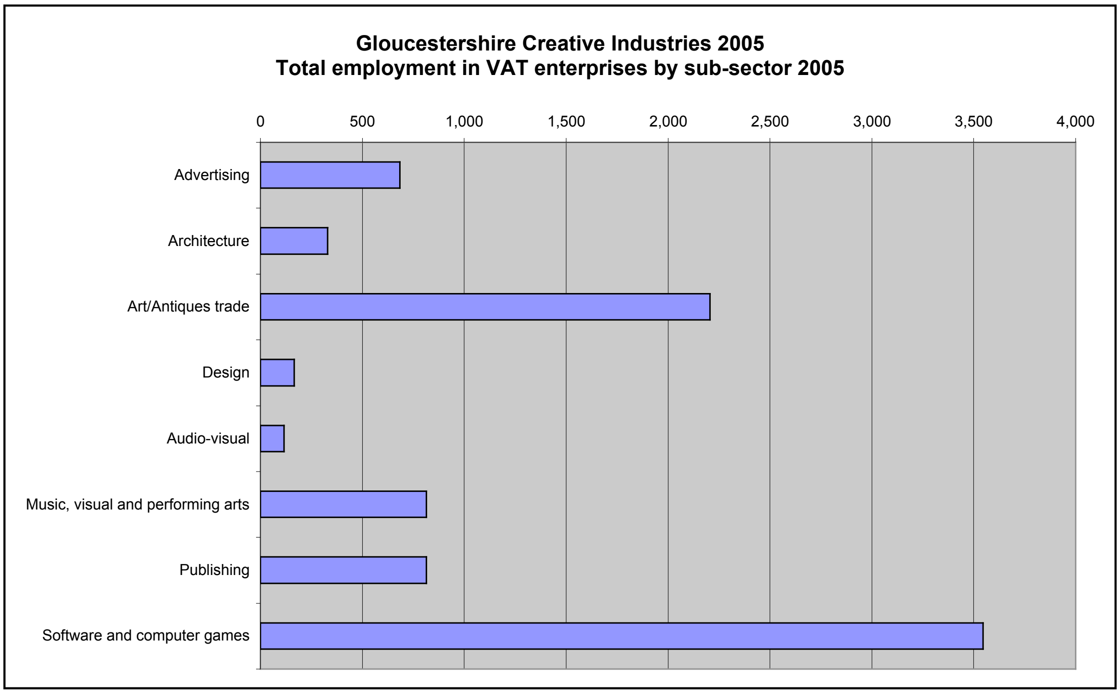
creative economy in the county. While this does not reflect well the very smallest businesses and freelance operators, it gives an up-to-date macro view of the situation.
The national total of creative sector businesses on the IDBR is about 113,000[5]. Gloucestershire's 1,920 make up 1.7% of the national total. Nearly three quarters of the national total of enterprises are accounted for by two sectors: Software and Electronic publishing (49,000 enterprises), and Music, Visual and Performing arts (30,000 enterprises). In Gloucestershire, these sectors make up just under half of the total.
The 1,920 Gloucestershire businesses which are included in the IDBR data are chiefly active in the software and computer games category, where 660 enterprises are shown [Chart 6]. The art and antiques trade shows 475 enterprises, making up 1.4% of the national total, and indicating a local strength which grew 8% between 1997 and 2005. The music, visual and performing arts category has 295 enterprises on the register. The radio and television, and fashion categories show the smallest numbers of businesses. Employment reveals a similar pattern, with the greatest numbers being in the software & computer games and art & antiques trade categories [Chart 7]. Publishing businesses show the largest average employment size, nine people. Software and computer games employs about 3,500 in the county, with an average employment size just over five.

Chart 6



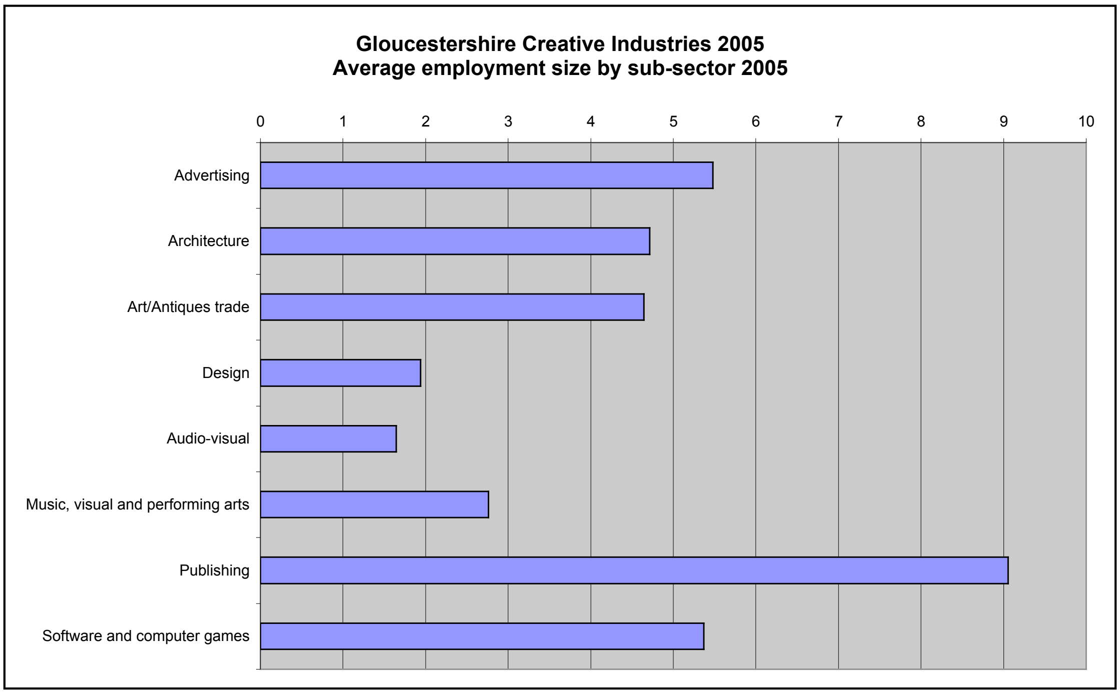
[5] DCMS Creative Industries Economic Estimates, Statistical Bulletin October 2005

Chart 7



No sub-sectors have an average employment size in the SME range, indicating that the creative sector overall in the county is in the micro-business category [Chart 8].

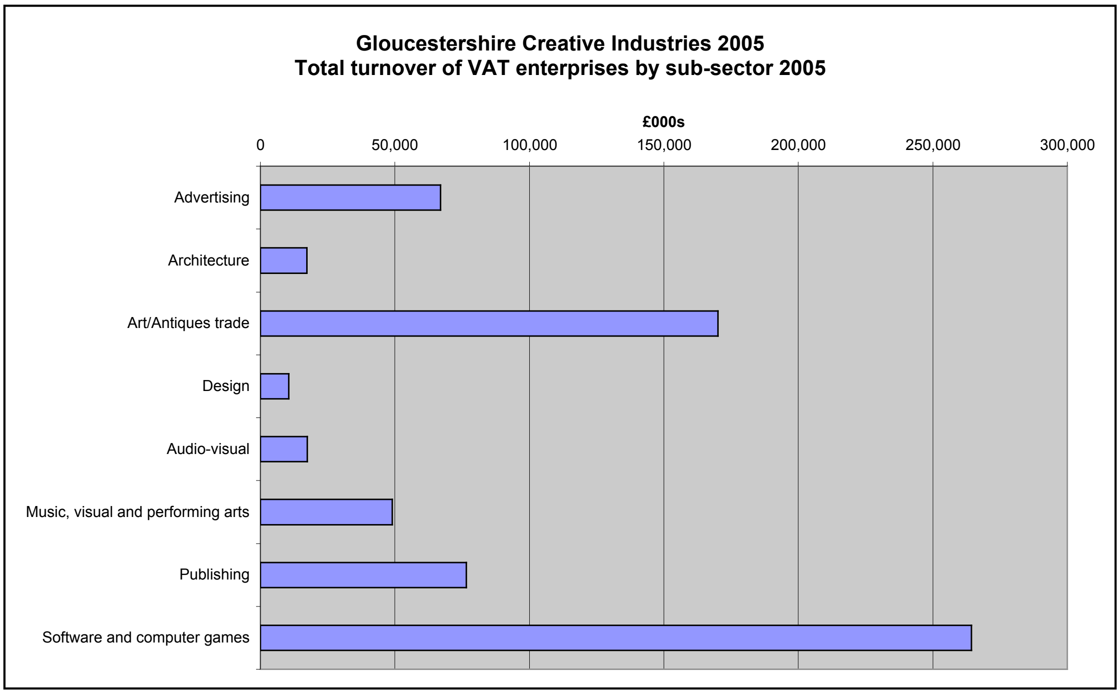
Chart 8



Total annual turnover in the software and computer games category was recorded at over £250m in March 2005, the largest of any in the county's creative sector, followed by the art & antiques category at £170m. Publishing

(£76m) and advertising (£67m) were the only other sub-sectors to produce total turnover above £50m [Chart 9].

Chart 9



The trend of total turnover, where statistical variations allow comparisons to be made between 1997 and 2005, was overall upwards. The architecture and software & computer games categories increased sharply between 1997 and 2005. The trend of the total of the sector for which comparative turnover data is available from IDBR was up by 36% when adjusted for inflation. The total for the sector as a whole, which includes sectors for which comparative turnover information is not available, was up by 62%. Some inferences can be drawn about the design category, for which no comparative 1997 data is available. The available data suggests that both employment and turnover grew substantially over the period.

Survey process

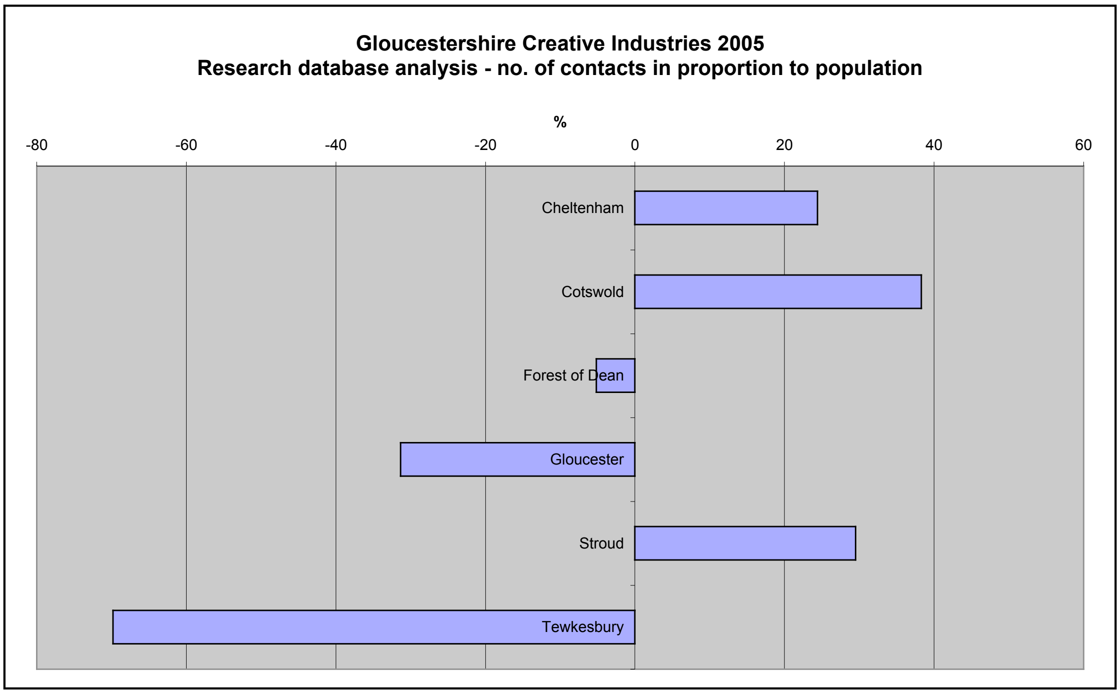
Research database

To obtain a detailed picture of the county's creative sector a database and survey project was undertaken. Drawing on a range of sources including Business Link, commercial directories, published lists of companies and practitioners, local authorities, cultural agencies and organisations, an initial total of some 4,800 contacts was compiled, including companies from all the creative sectors, individual practitioners and freelances. A list of sources is given at Appendix 3.

While the diversity of sources and variable reliability of the contacts in the research database mean that it must be interpreted with caution, it nonetheless provides an approximate overview of the sector in the county. Analysis at this stage of the project suggests some features which are worth noting.

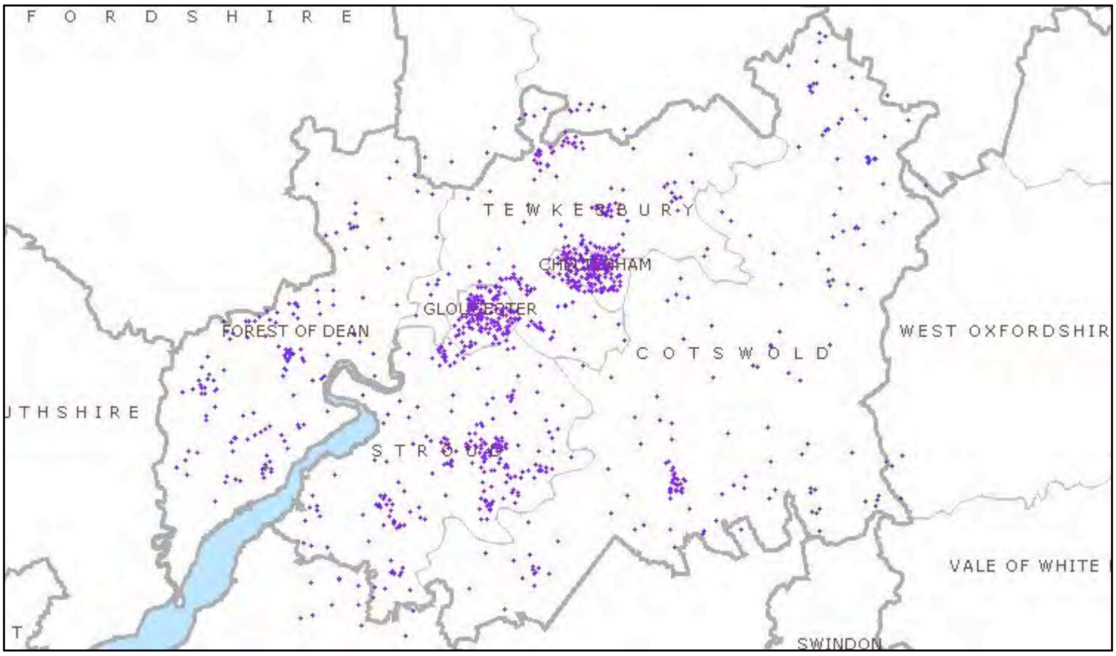
Though some research database contacts could not be identified to a district location, most could, and the distribution of these across the county suggests that, relative to their population, Cotswold, Stroud and Cheltenham have a larger share of the total than the other Districts [Chart 10].

Chart 10



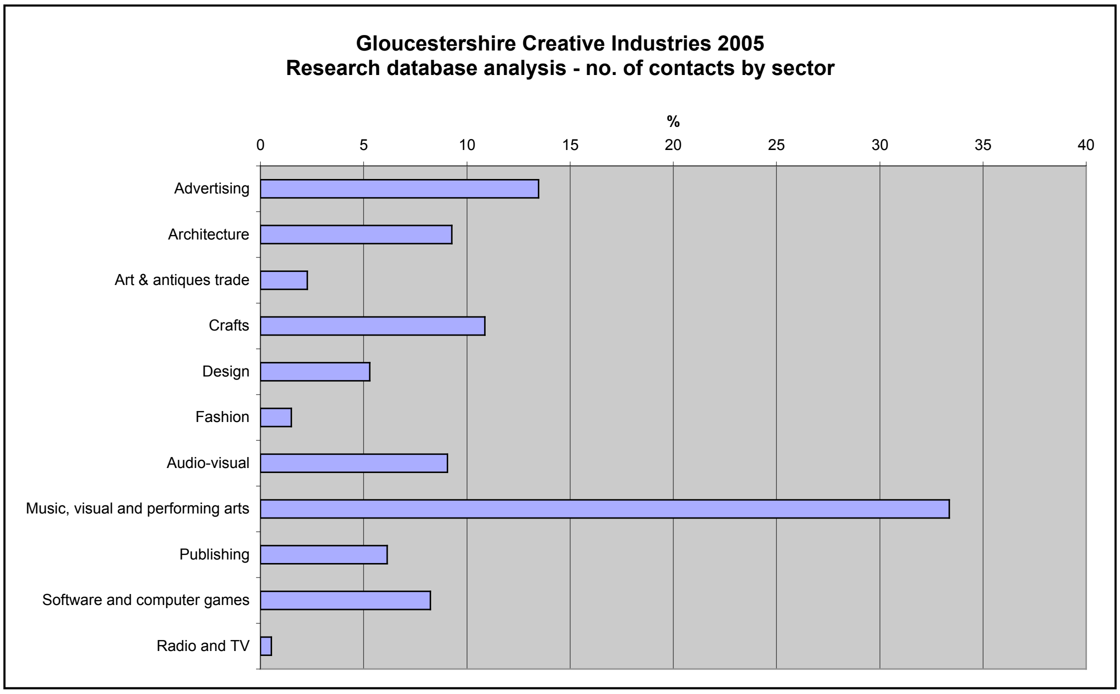
The overall distribution of contacts across the geography of the county is shown in Map 1.

Map 1



Most of these contacts could be attributed to a category, at least provisionally. Analysis of the range of contacts against the DCMS categories [Chart 11] shows a distribution which includes all categories.

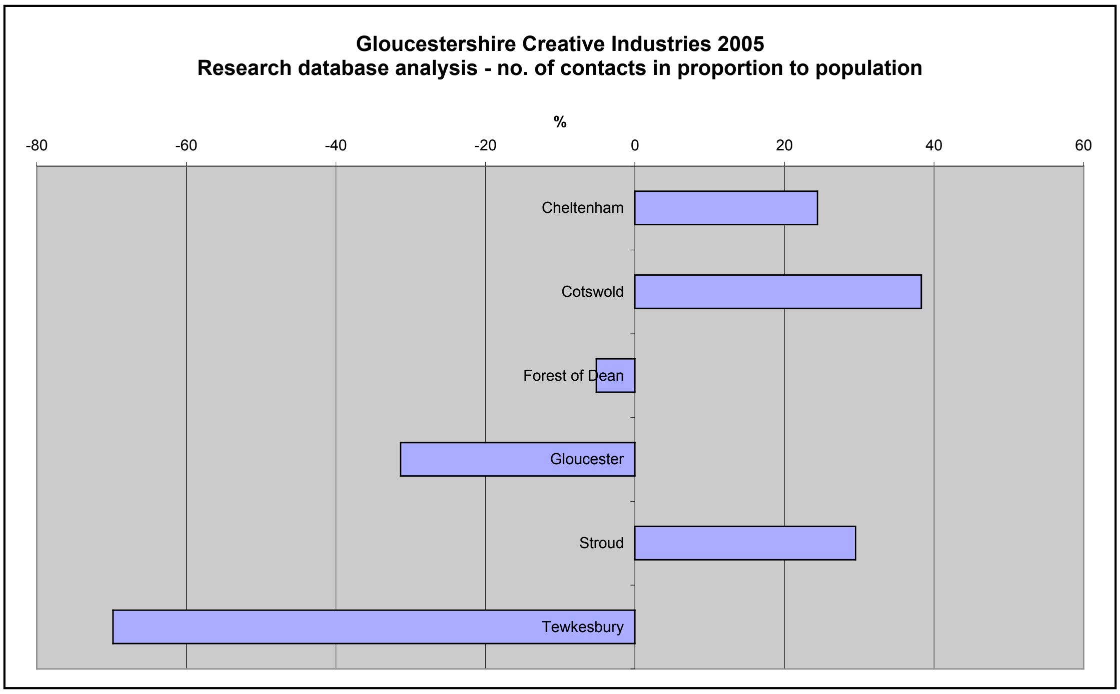
Chart 11



A specific interest of the commissioners of the study was to ensure that the very small-scale businesses and freelance practitioners was as well

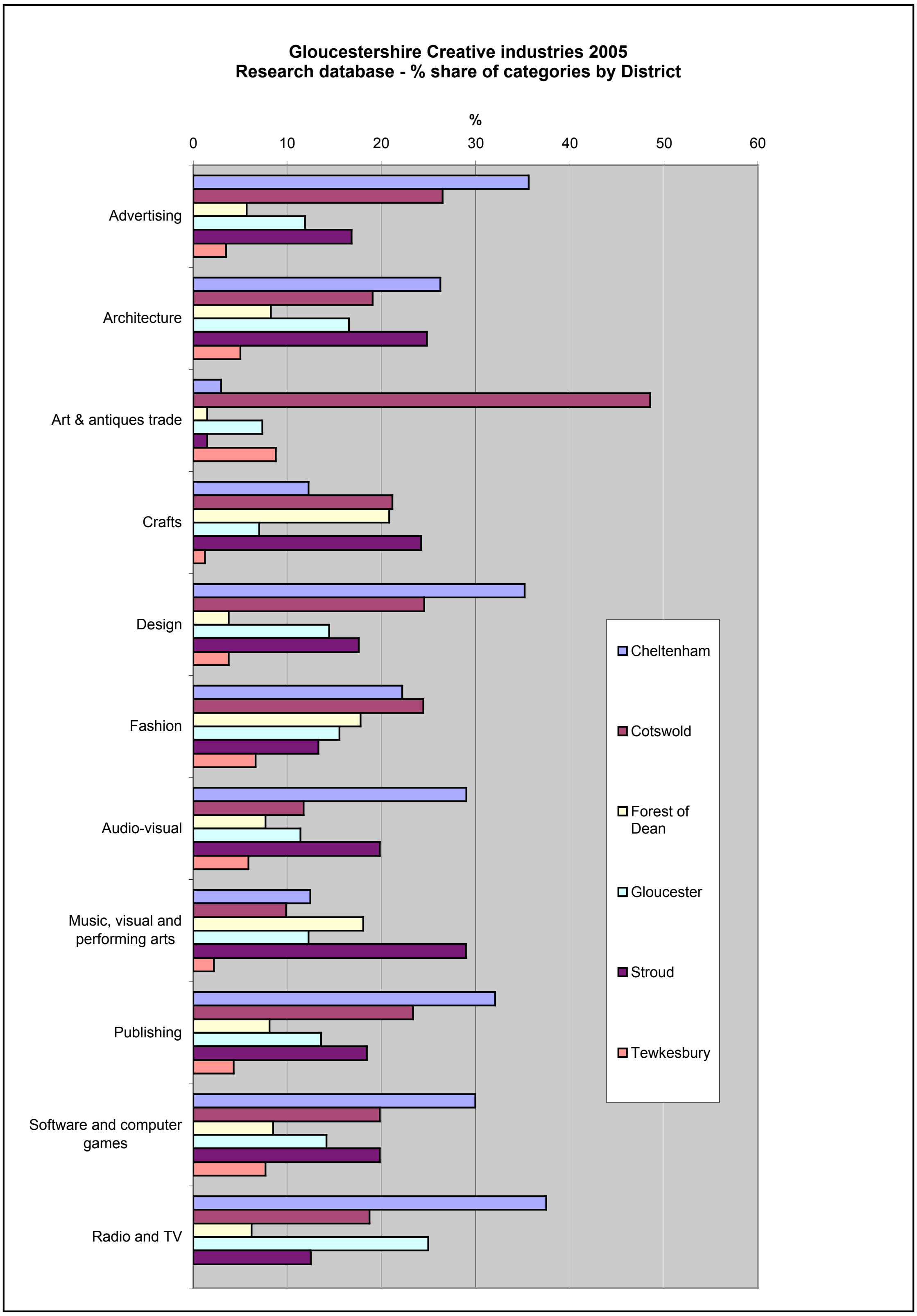
represented as possible. This results in a relatively strong representation of the music, visual and performing arts category. The crafts sector is included in the evidence framework but is not represented in DCMS economic impact statistics. Crafts contacts have been included in the research database.
The proportion of the database in each district, when compared with the proportion of the county's population, gives an indication of the relative strength of creative industries between districts. Chart 12 shows the result, suggesting that in Cotswold, Stroud and Cheltenham the creative sector plays a stronger part in the local economy than in the other districts.

Chart 12



A view of the relative strength of representation of the different sectors of the creative industries across the six districts of the county can be obtained by assessing the relative share which each district has of the total number of research database contacts in each category. Chart 13 shows the pattern which emerges.
This suggests that the art & antiques category is strongly focused in Cotswold, while the advertising and design categories have a strong showing in Cheltenham. Stroud shows a substantial share of the music, visual and performing arts category, to be expected to some extent given the particular focus on visual art and crafts in the Stroud district required by the client.

Chart 13


Gloucestershire Creative industries 2005
Research database - % share of categories by District
%
0
10
20
30
40
50
60
Advertising
Architecture
Art & antiques trade
Crafts
Design
Fashion
Audio-visual
Music, visual and performing arts
Publishing
Software and computer games
Radio and TV
Cheltenham
Cotswold
Forest of Dean
Gloucester
Stroud
Tewkesbury

Survey

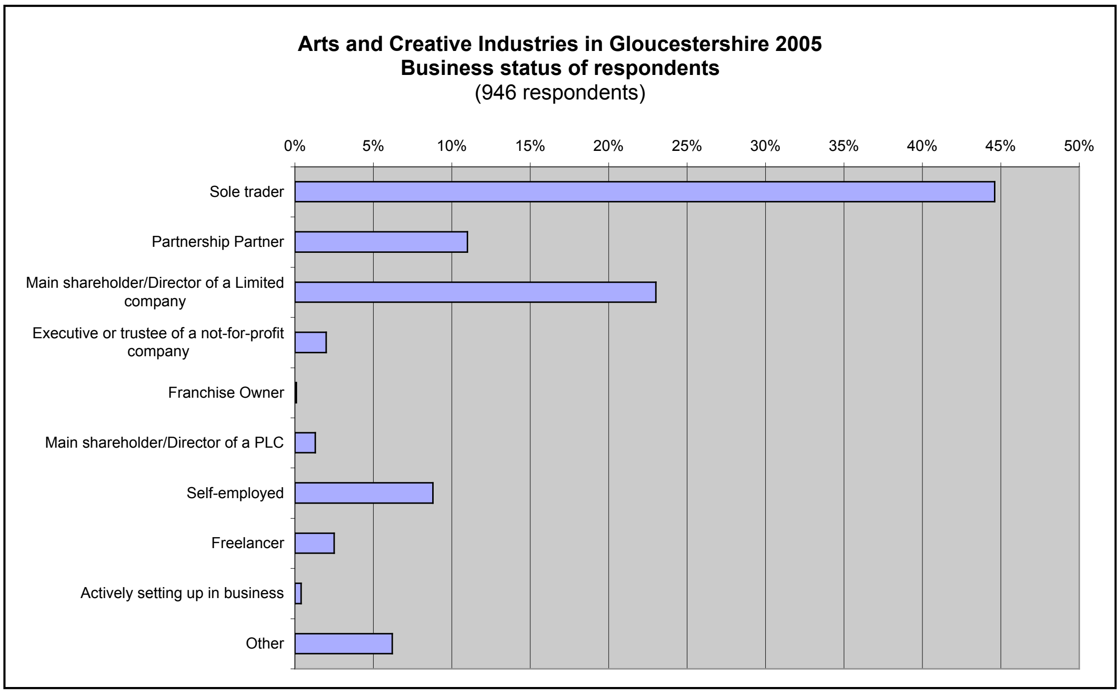
As a means of obtaining a dataset of information relevant to the interests of the client partners in their work to support and develop the creative sector in the county, a survey of the research database was undertaken. The initial database compiled ran to nearly 5000 contacts.
To limit the number of contacts surveyed to fit the budget available, an exercise was undertaken to prioritise the principal interests of the Steering Group. Less relevant or marginal contacts, as far as could be identified, were reduced. For example, retail newsagents, secondhand stores, opticians, household electrical appliances, and a range of specialist stores including florists, garden centres, pet shops, among others which are classified alongside businesses of more direct interest to the research. The architectural category includes not only architects but structural engineers and surveyors. Software and computer services includes installation and maintenance of hardware, as well as software development.
A final list of 3297 was used for the telephone survey, of which 2236 proved to be existing contactable enterprises. 2220 of these were contacted, of which 1044 declined to take part in the survey.
A 48-point questionnaire was developed and used in implementing the telephone survey of contacts. A total of 946 completed responses from creative sector enterprises was obtained, 29% of the total survey list, and 42% of those which proved to be actually existing and contactable enterprises.
From the data obtained a detailed analysis produced a wide range of information and statistics which is set out in the following sections. Details of the response to the survey are at Appendix 1.

Findings

Business status
Limited companies make up 23% of respondents, while PLCs account for 1%. The largest group of respondents are sole traders, 45%, a further 9% regard themselves as self-employed and 3% as freelances. 11% are partnerships, a large proportion of which are two-person businesses, confirming the predominantly micro-business nature of the creative sector [Chart 14]. 45% of respondents describing themselves as businesses work alone, and 82% have less than six people working.

Business sector
Across all respondents, 23 % of the total are in the visual arts and crafts. This high proportion partly reflects the particular focus on the individual practitioner, and on the visual arts in Stroud, which were both specified in the brief and therefore affected the gathering of initial contacts. The design sector also figures strongly at 12% of the total. The arts & antiques market and film, video & photography each have 10% of the total. The rest of the range of business sectors is fairly evenly represented around the 5% level, apart from interactive leisure software, radio & tv and fashion, which show less than 2%.

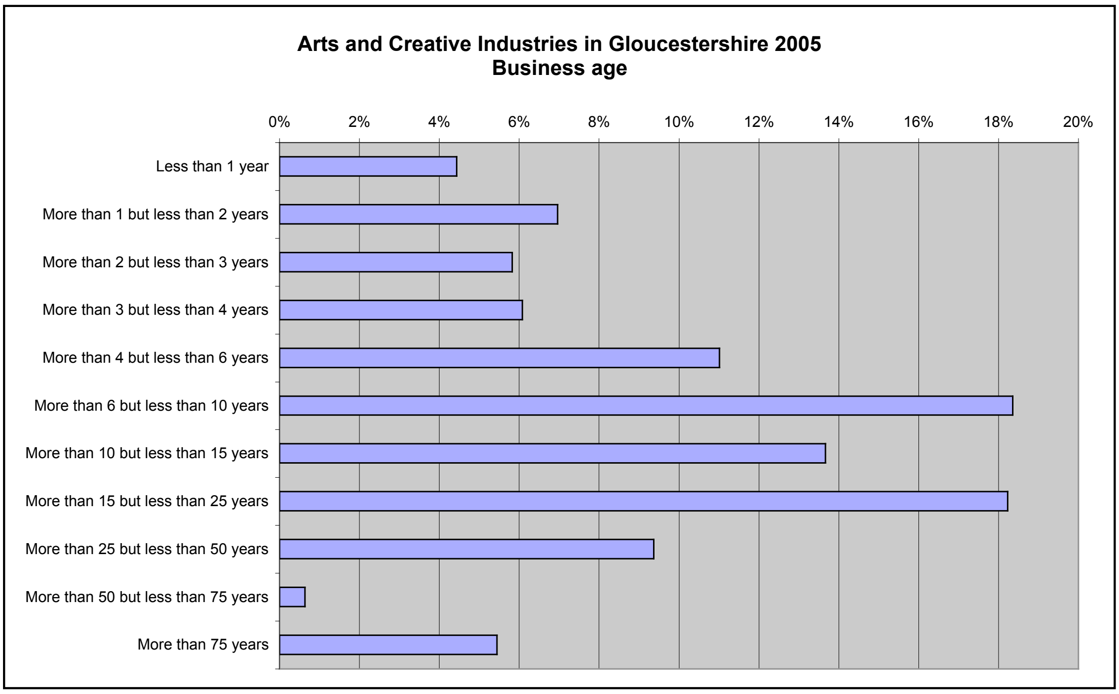
Chart 14



Business age

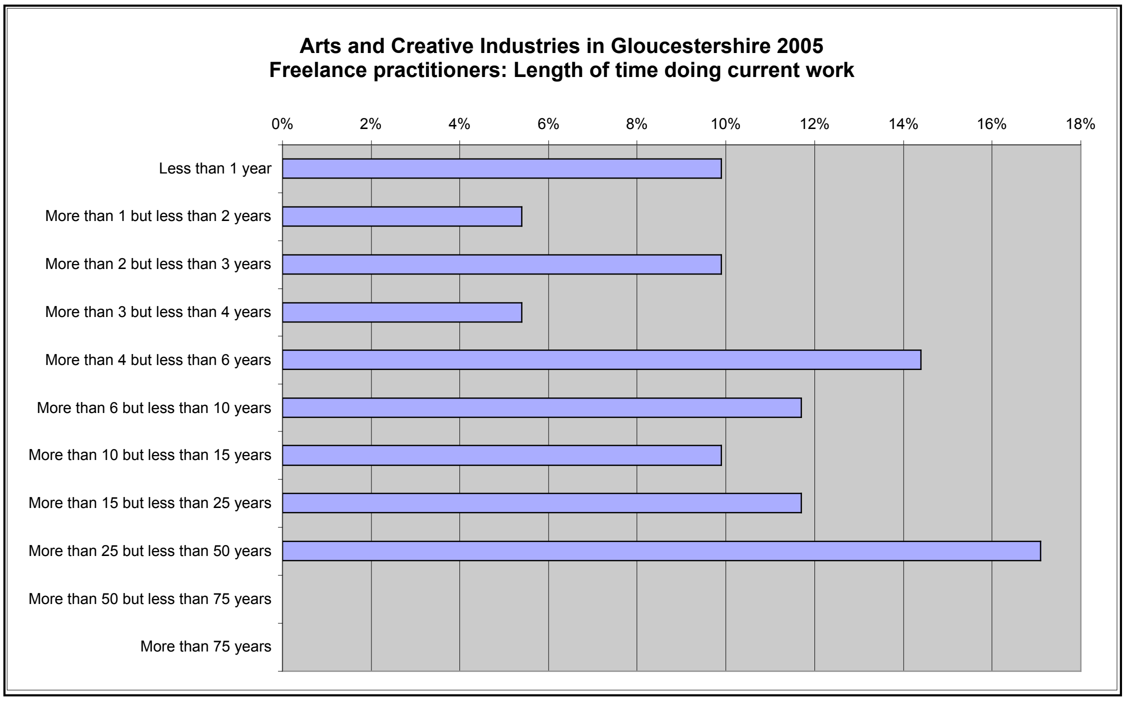
Among the businesses (as distinct from freelances and individual practitioners) business age is broadly distributed across the age groups [Chart 15]. 17% are less than three years old, and half have been in business less than ten years. At the other end of the scale, 15% of businesses are more than 25 years old. This pattern suggests both a healthy new business birth rate and a good survival rate.

Chart 15



Freelances and practitioners also show a robust pattern across the age range. A quarter have been pursuing their present work less than three years, and 56% less than ten years. 17% have been in their present business over 25 years [Chart 16].

Chart 16



Use of freelances

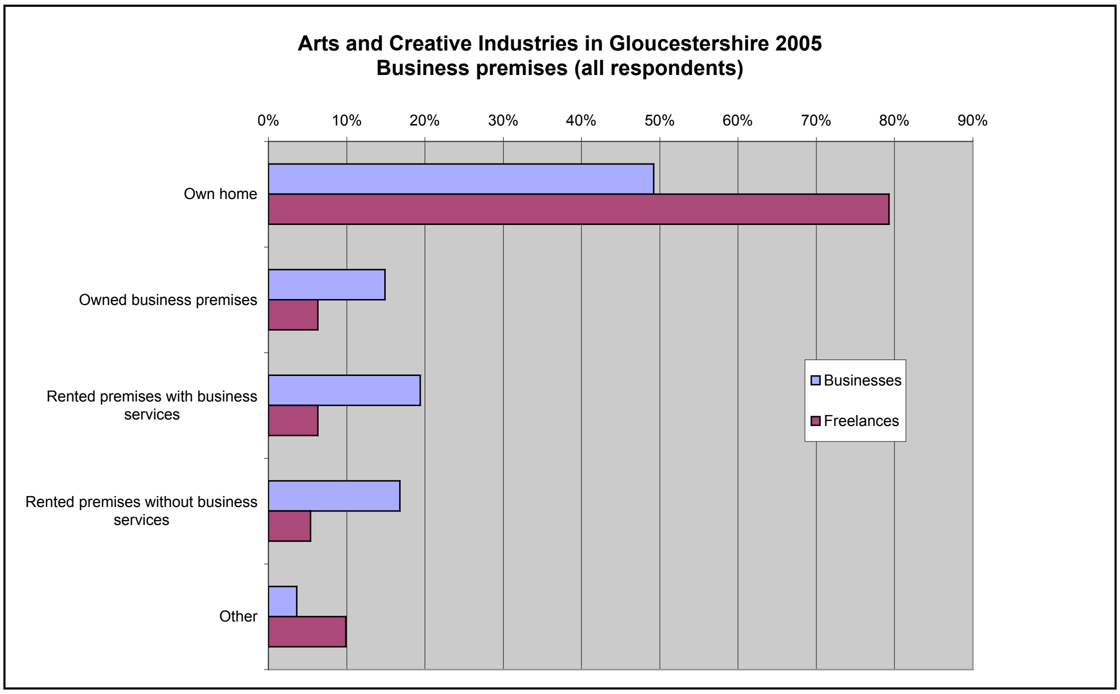
The survey throws some light on the relationship between businesses and freelances in the creative sector. Some 40% of the businesses report using freelances at least occasionally, and 11% always do. Of those who do, more than 80% use less than ten individual freelances in a year, while 7% report using 25 or more. 30% of freelances use other freelances at least occasionally, and 5% always do.

Premises

The creative industries as reflected in the survey can legitimately be described as a cottage industry. Half of businesses and 80% of freelances work from their own home as their business premises [Chart 17]. 15% of businesses and 6% of freelances own business premises separate from their home. Over a third of businesses rent their premises, while 11% of freelances and practitioners do so.

The survey asked about the range of services available at the workplace. Broadband access is available to 68% of businesses and 45% of freelances and practitioners at their workplace. 15-20% of businesses report the availability of each of such services as messaging and reception, secretarial and admin support, security and dedicated marketing. Around 5% of freelances have access to these services, but half report that none of them, including broadband, are available.

Chart 17



There appears to be little problem with the premises available, with 90% of both businesses and freelances reporting their premises as adequate or better. Only 7% of businesses and 8% of freelances reported the availability of suitable premises as a barrier to growth.

Turnover

The survey asked all respondents to place their business turnover in a scale of bands. This question elicited a 68% response from businesses and 89% from freelances and practitioners. The micro-business nature of the sector is shown in sharp relief. More than half the businesses responding, 53%, reported an annual turnover currently of less than £50,000, and 87% under a quarter of a million [Chart 18]. One third of freelances and practitioners reported annual turnover from their creative activity of less than £5,000, 80% less than £50,000 [Chart 19].

More businesses report a rising trend of turnover (39%) than a falling one (15%) over the last two years. Among the freelances, there is no discernible trend.

Chart 18

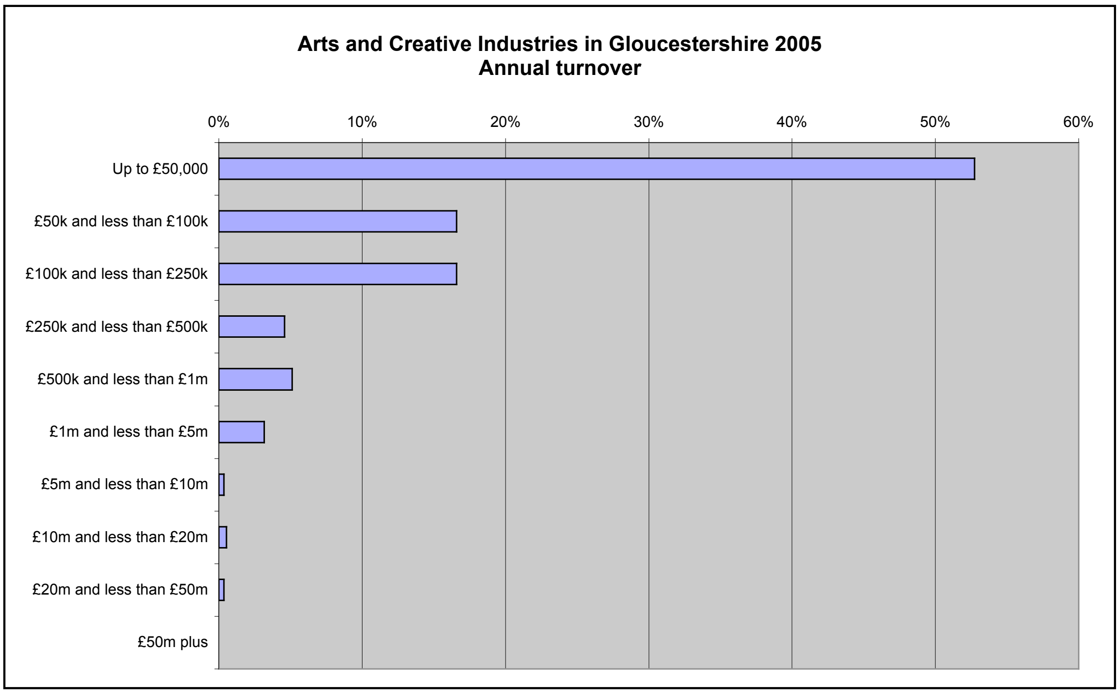
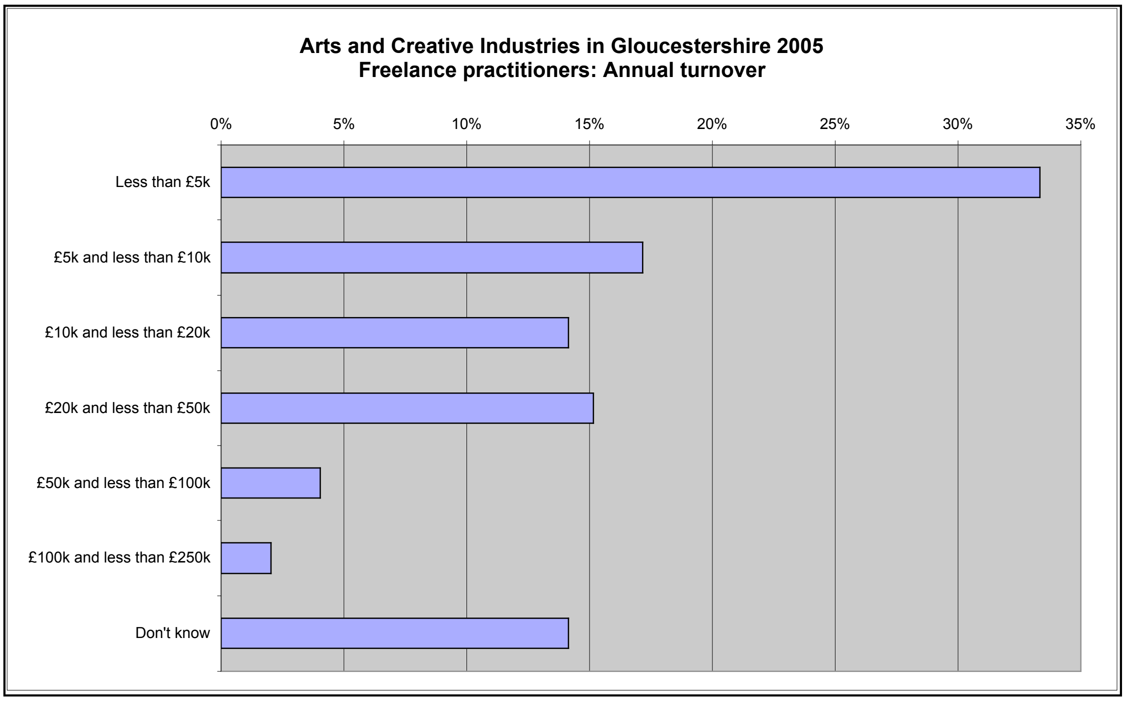


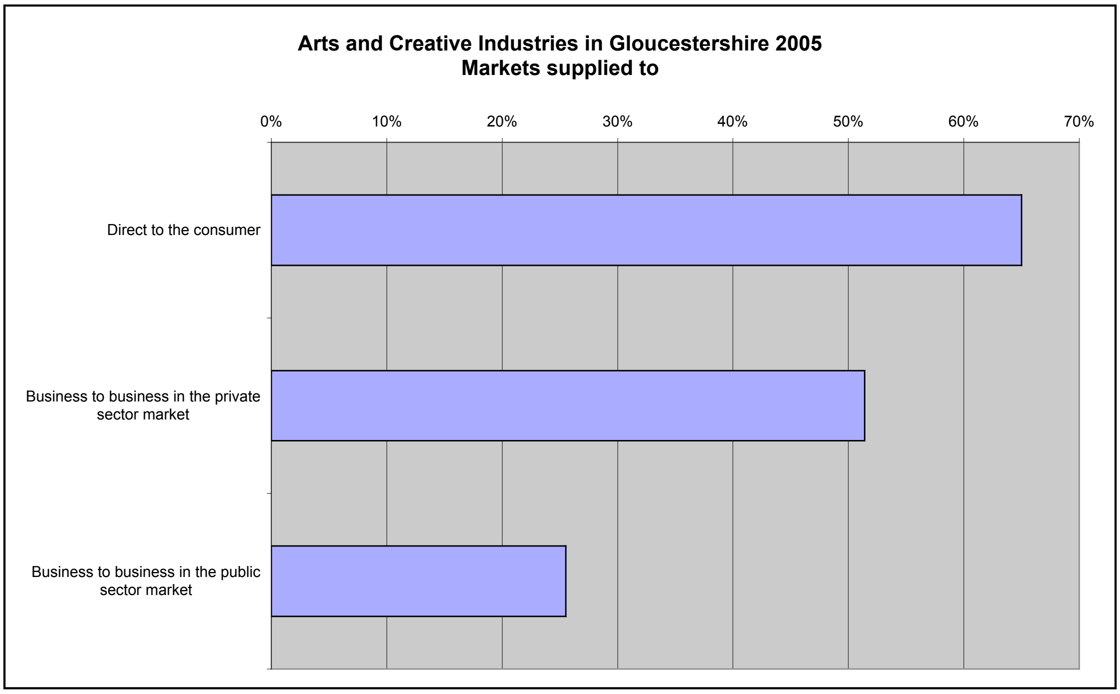
Chart 19



Markets, customers and suppliers

For both businesses and freelances the spread of their markets was broadly similar [Chart 20], with 60% or so supplying to the consumer market, most selling directly to customers. About half sell into the private sector business to business market, with other creative industries businesses being the most frequently cited, followed by services, retail, manufacturing and technology. About a quarter sell in to the public sector market, where local government and education are the dominant sectors, followed by national government and health.

Chart 20



The location of customers is substantially local, with 60-70% reporting a local customer base, rather more so for freelances than for businesses [Chart 21]. A higher proportion of businesses report a customer base beyond the region and abroad, than do the freelances. The location of suppliers follows a similar pattern, though with freelances show a somewhat more locally focused supplier base than businesses do [Chart 22].

Chart 21

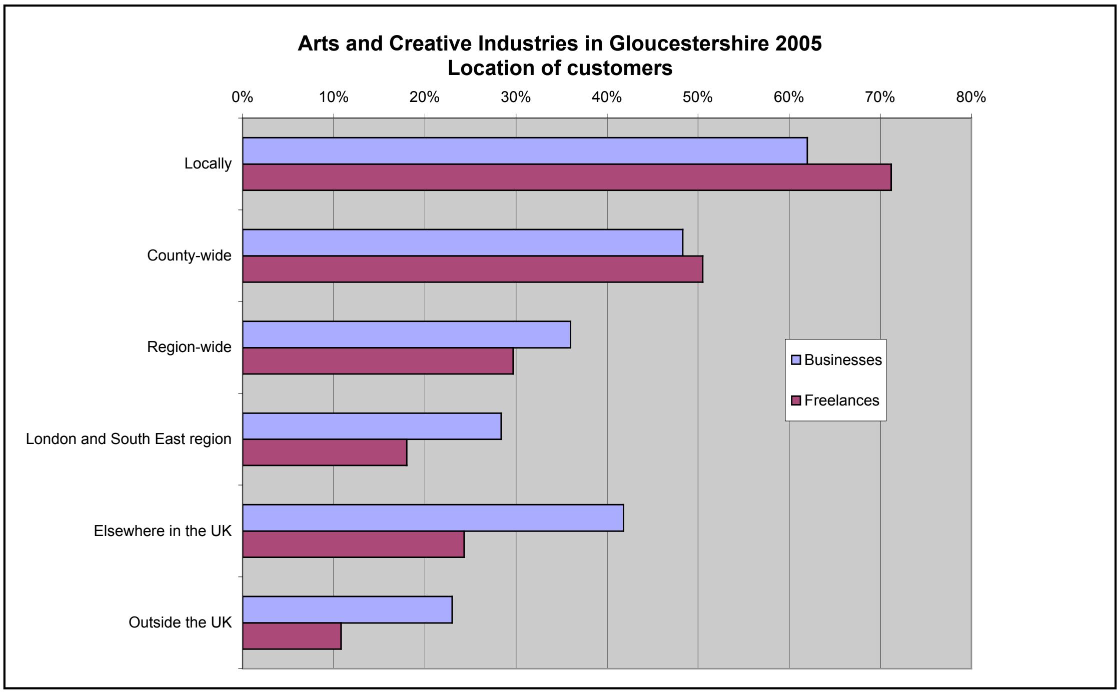
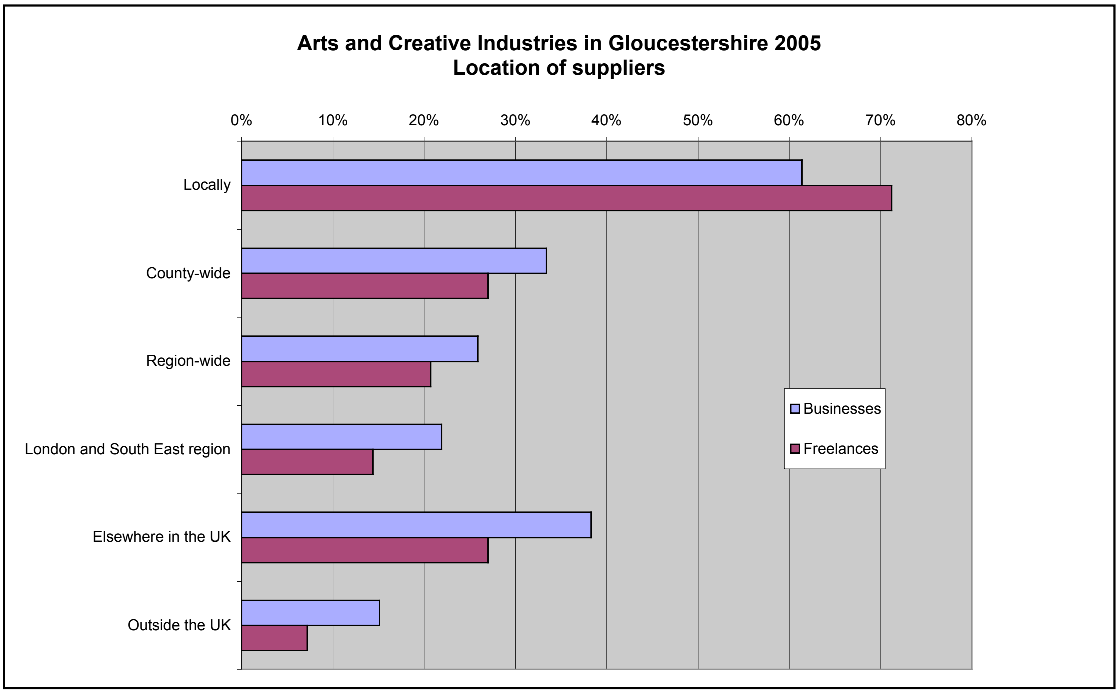


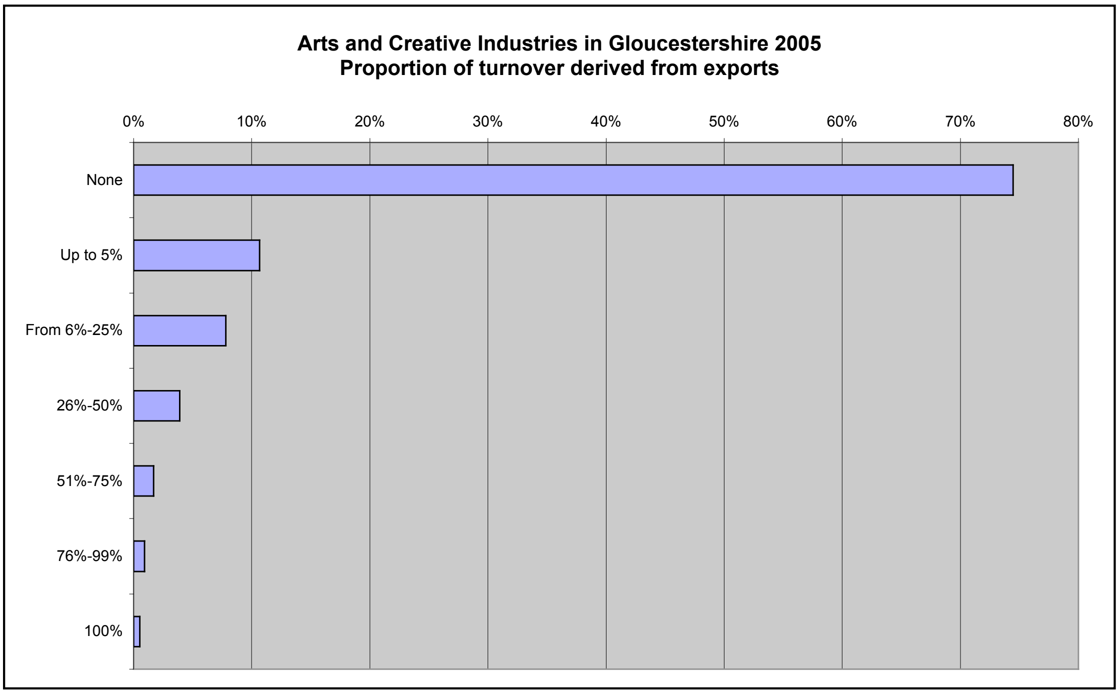
Chart 22



Exports

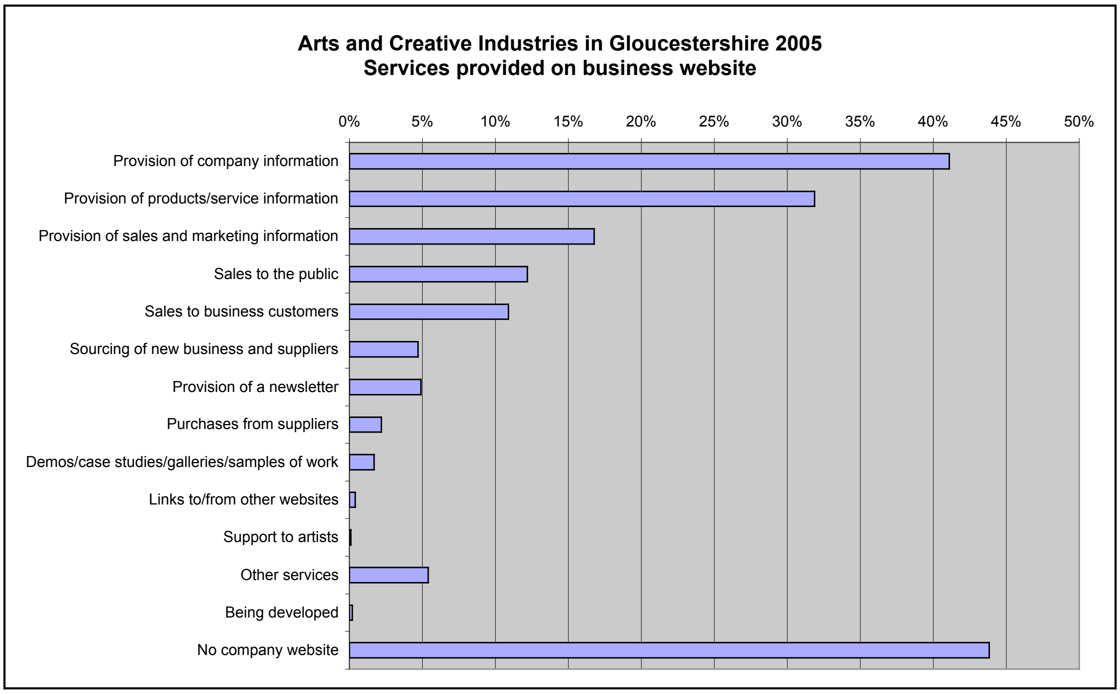
The low level of customers located outside the UK is reflected also in the figures for the proportion of turnover derived from export of goods and services. Three-quarters of businesses report that none of their turnover is generated from export activity [Chart 23]. A further 19% suggest that up to 25% of their turnover is derived from exports. A similar pattern is reflected among the freelances and individual practitioners, among whom 89% indicate that no part of their annual turnover comes from exports

Chart 23



Website
Of the businesses surveyed, 56% have a company website [Chart 24]. Most often cited services provided on the website are provision of company information, information about products or services, or sales information. Something over 10% have the capacity to sell to public or trade customers over the web. 32% of freelance respondents have a website.

Chart 24



Barriers to growth
The creative sector businesses as a whole are reflected in this survey have an optimistic view. 40% report that they experience no barriers to their growth [Chart 25]. Half expect their turnover to increase in the next year and a quarter expect to increase employment over that time [Chart 26]. Very few anticipate reduction or decline in business.
Of those that do encounter barriers, those most often cited are not particularly specific to the creative sector. They are cashflow problems, late payment, marketing problems, competition (including from imports) and access to finance for investment, much the same as in any small business sector.
Less than half of one percent of business respondents reported that they do not want their business to grow.

Chart 25

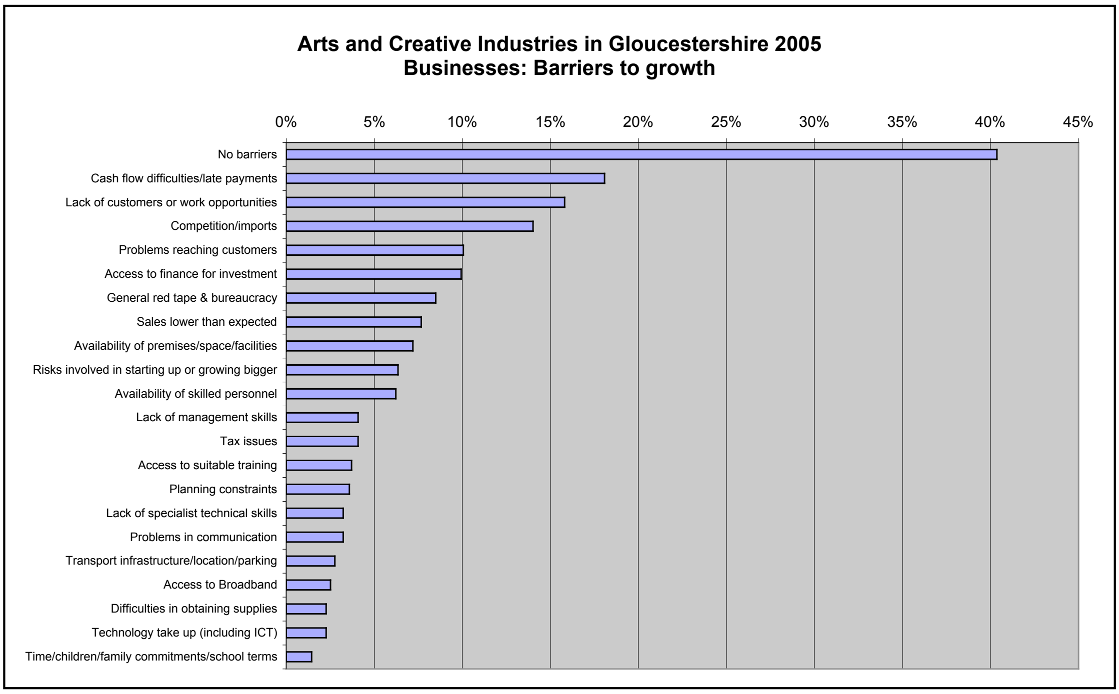
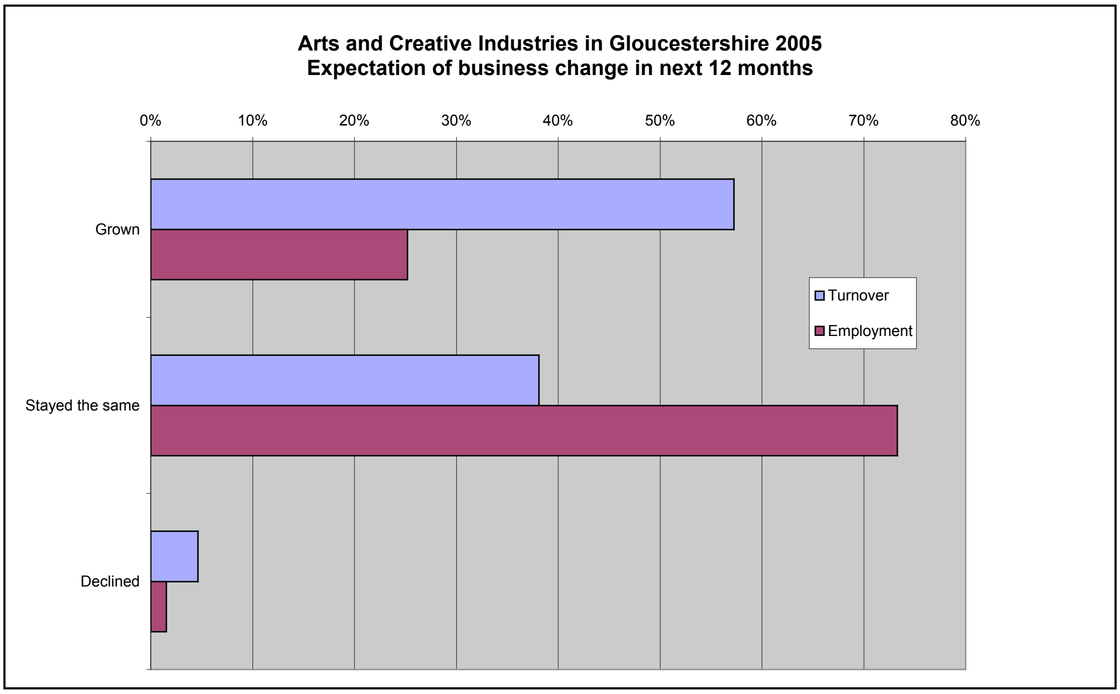


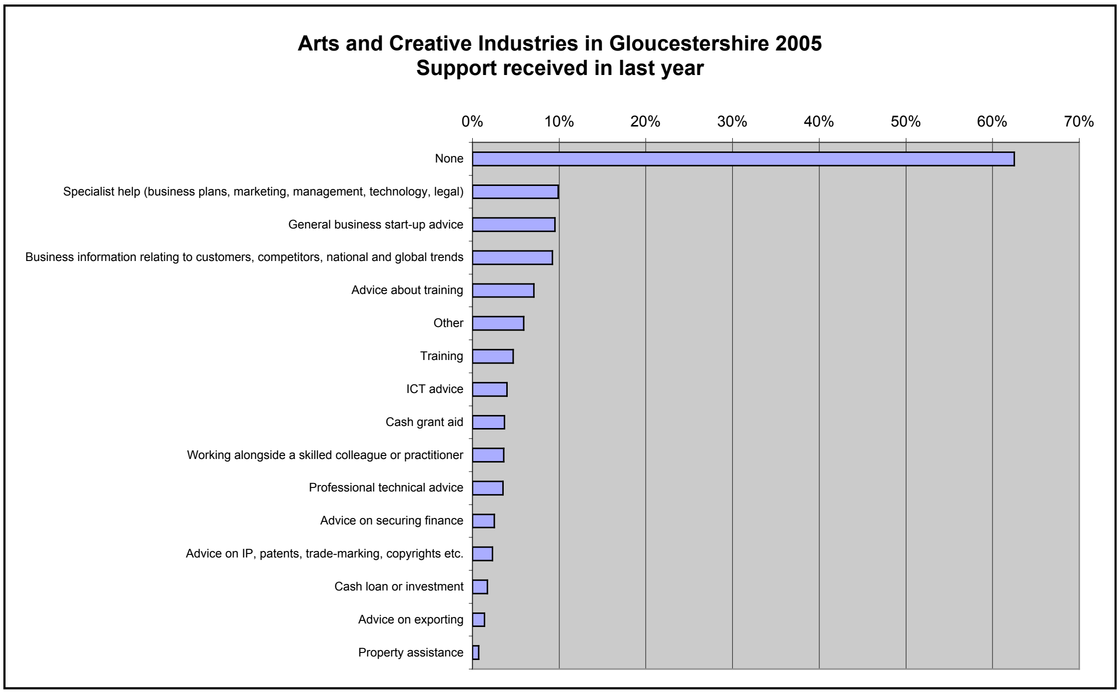
Chart 26



Business advice, help and support
The survey enquired about the extent of business advice, help and support which respondents had received in the last year. More than 60% reported that they had had none. When asked why, 70% of those that had not used any support explained that they did not need any. Among the 37% who reported having had some support during the past year, the range of kinds of support

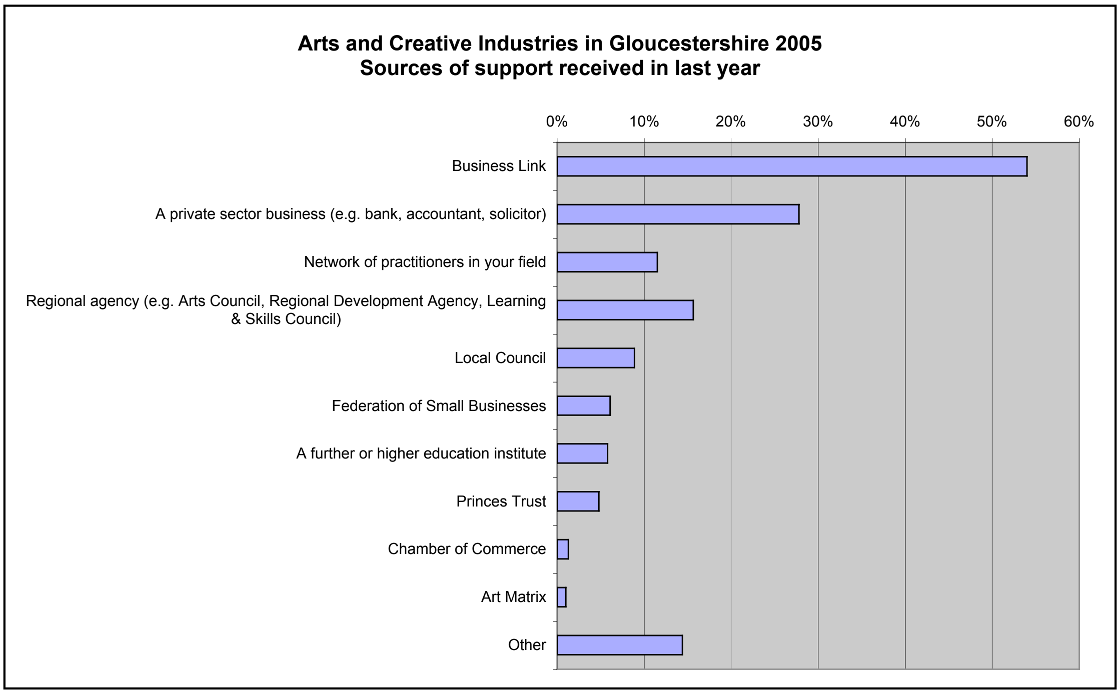
was broad [Chart 27], from specialist advice, including legal and business planning, to start-up advice, to training. Only 4% reported having been helped by working alongside a skilled colleague. 2% reported having had advice on intellectual property issues, and as many had had a loan or cash investment.

Chart 27



The most frequently cited source of support among those who had received any was Business Link, named by 54% [Chart 28].

Chart 28

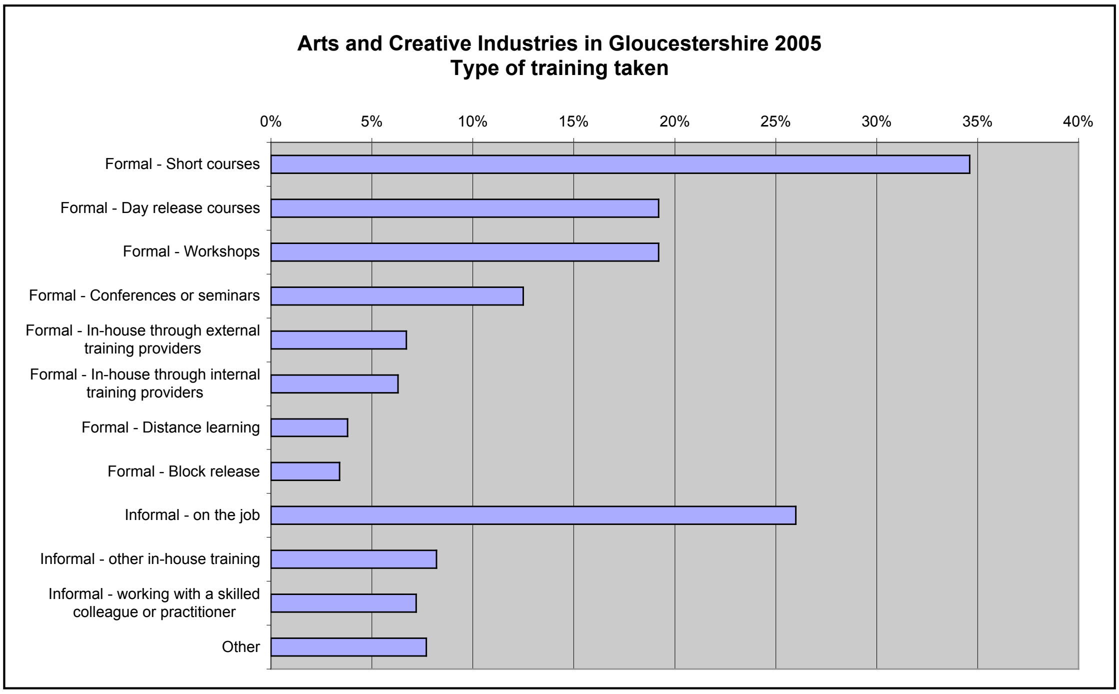


The private sector sources, bank, accountant, solicitor, were named by just over a quarter, regional bodies such as Arts Council, RDA and LSC by 16%, and networks of practitioners working in the same field by 12%. Of those who had used support of any kind, 82% declared themselves satisfied or better with what they had received.

Training

The picture is an even more pronounced one in relation to training. 75% of business respondents and 85% of freelances reported their having taken no training during the past year. Types of training reported as most frequent were short course of a formal nature, and informal on-the-job training [Chart 29].

Chart 29



The content of training undertaken was in 34% of instances creative skills, followed by technical and ICT skills [Chart 30]. Only 10% reported training in commercial skills related to negotiation and selling. Most respondents who had had training gave the reason for doing so as to meet perceived weaknesses or gain new skills, or to meet specific business demands. Less than one third undertook training towards a specific recognised qualification. 9% reported study towards a professional qualification, and the range of qualifications reported was wide, ranging from NVQ to Modern Apprenticeship, and from Chartered Institute of Marketing to Microsoft certification.

Respondents who reported having taken training had used a wide range of providers [Chart 31] including colleges (20%), Business Link (12%), universities (11%). commercial training providers (11%), and internal trainers (10%).

Chart 30

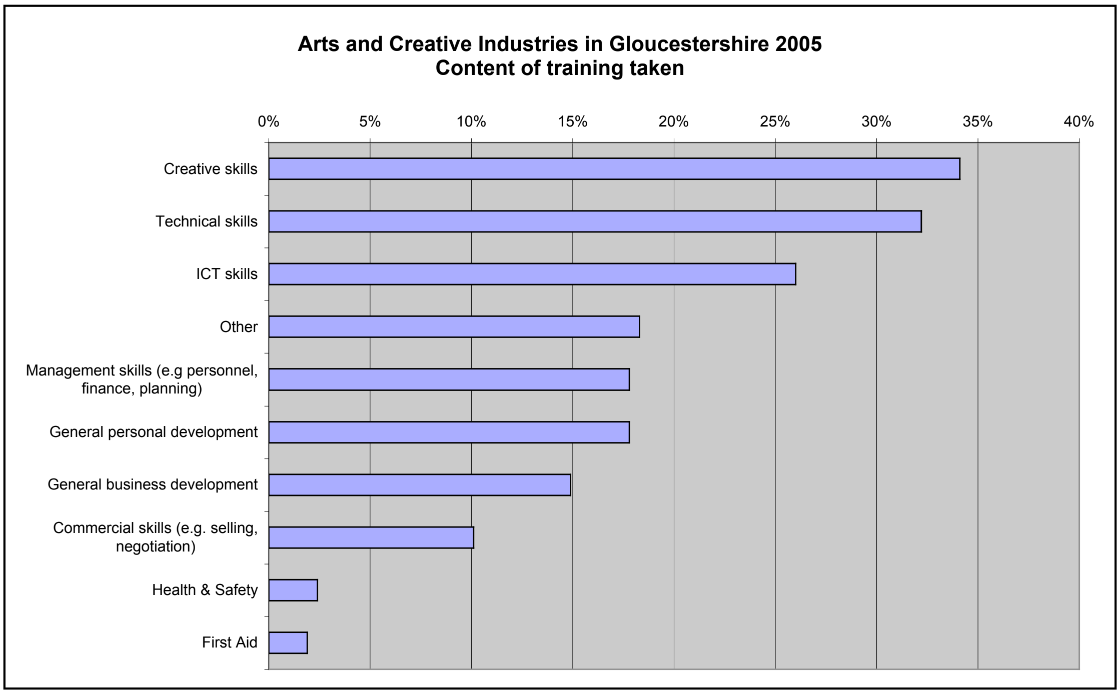
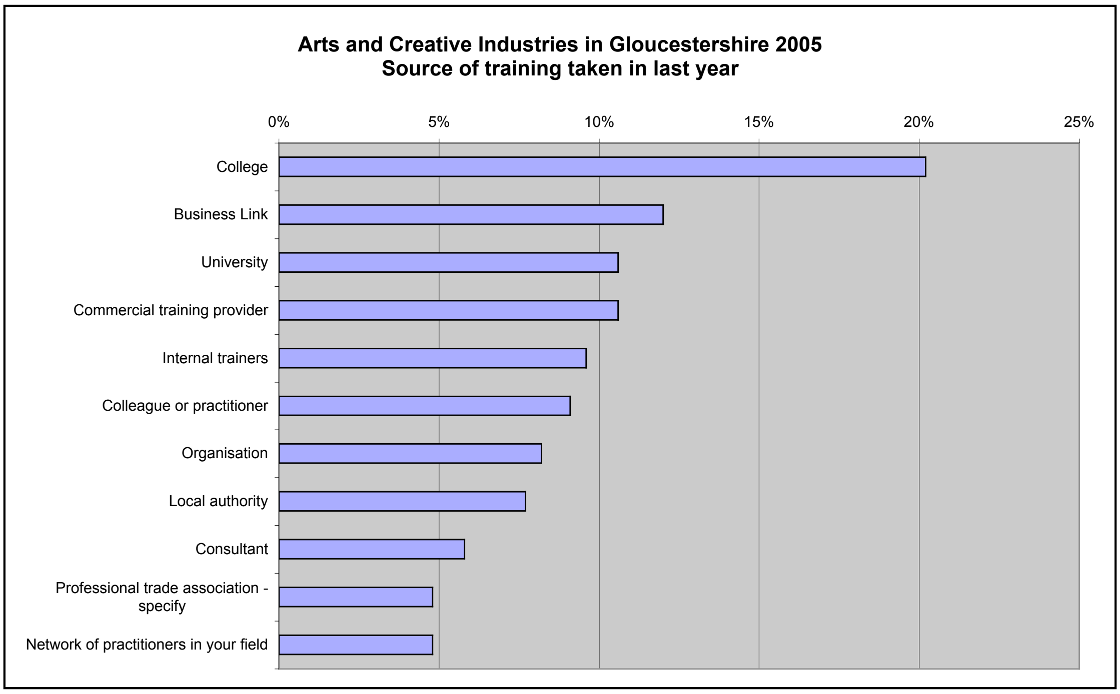


Chart 31

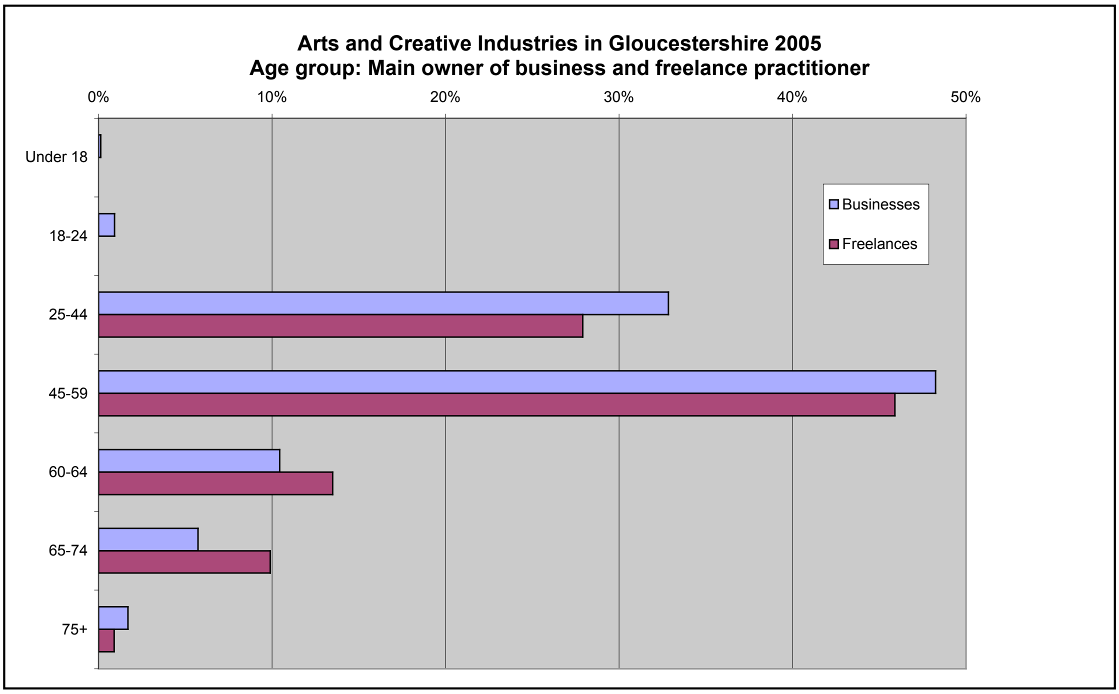


Those freelances who had taken training reported a similar pattern, save that Business Link and internal trainers did not feature among the providers they used.

Respondents who had taken training expressed themselves in the great majority satisfied or better with the training they had received. There was a distinct difference when asked about their satisfaction with the training available locally, when 13% expressed dissatisfaction. 21% of those who had had training reported that their specific training requirements are not met by local training provision. Time, cost, awareness of what is available and location were most often cited as the reasons for a business not taking up training.

Ethnicity, gender, age and disability
Respondents to the survey almost all give White British as their ethic group, 96% in the case of freelances and 98% for main business owners. Those from other ethnic groups included African, Caribbean, Asian and Chinese.
With regard to gender, 70% of the main owners of businesses responding to the survey are male. However, the second owner is as often female as male. Freelances are equally divided male and female.
The age profile of business owners and freelances is broadly similar [Chart 32], with some distinctions between the two groups. Business owners have a higher representation in the under-60s than freelances, and conversely in the over-60 bracket. This may suggest that people tend to be employed for a period before becoming freelance practitioners, while entrepreneurs may get into business at an earlier life stage.

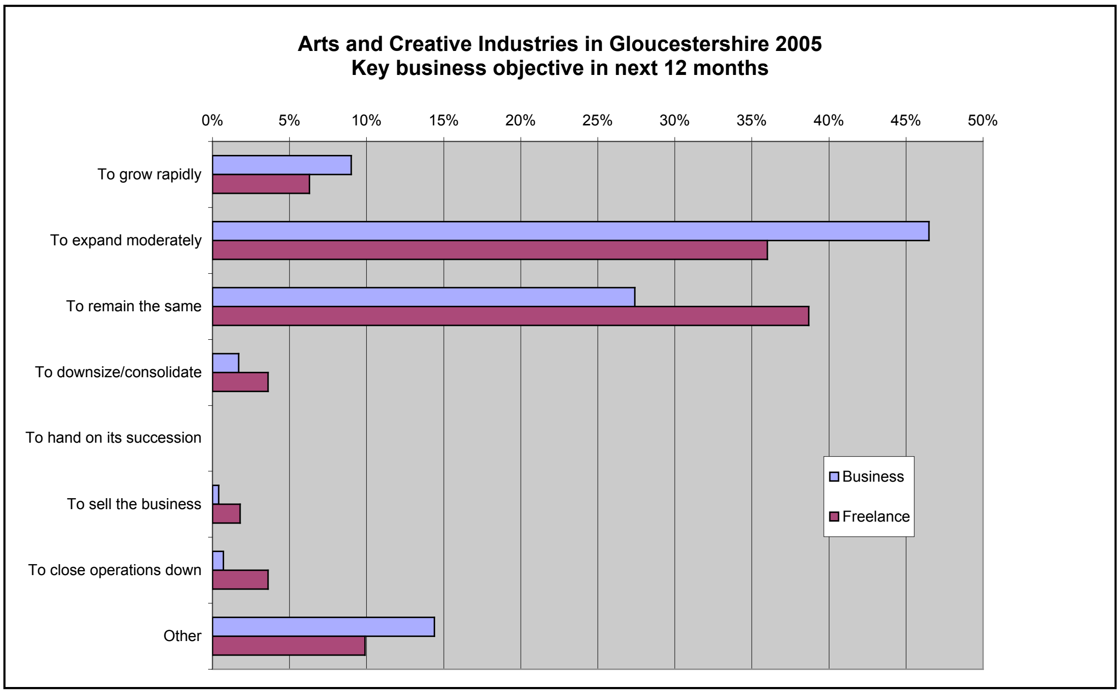
Chart 32



Few respondents identified themselves as having a disability, 2% of business owners and 3% of freelances.

Future objectives
The survey enquired about the key objectives which businesses, freelances and practitioners had for their operations in the coming year [Chart 33]. A large proportion expected to expand their business, 56% of businesses, 42% of freelances. More freelances than businesses expected to stay at the same level, and similarly more freelances expected to reduce, close down or sell their business. No respondents in either group spoke of planning to hand on the business to a successor.

Chart 33

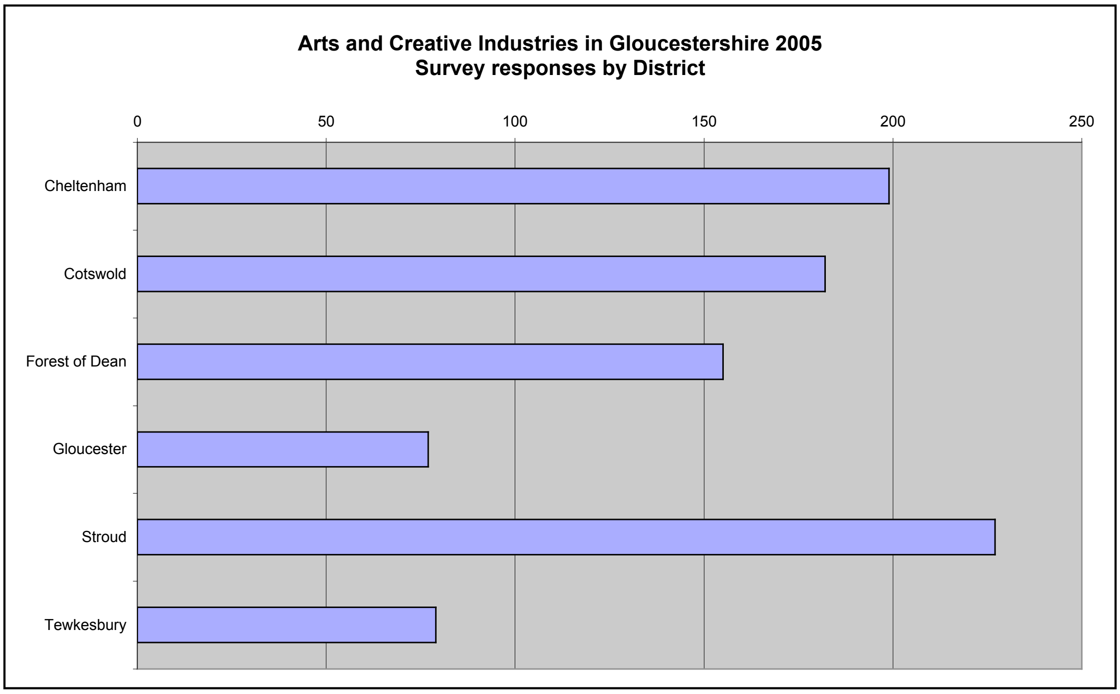


Arts and Creative Industries in Gloucestershire 2005
Key business objective in next 12 months
0%
5%
10%
15%
20%
25%
30%
35%
40%
45%
50%
To grow rapidly
To expand moderately
To remain the same
To downsize/consolidate
To hand on its succession
To sell the business
To close operations down
Other
Business
Freelance

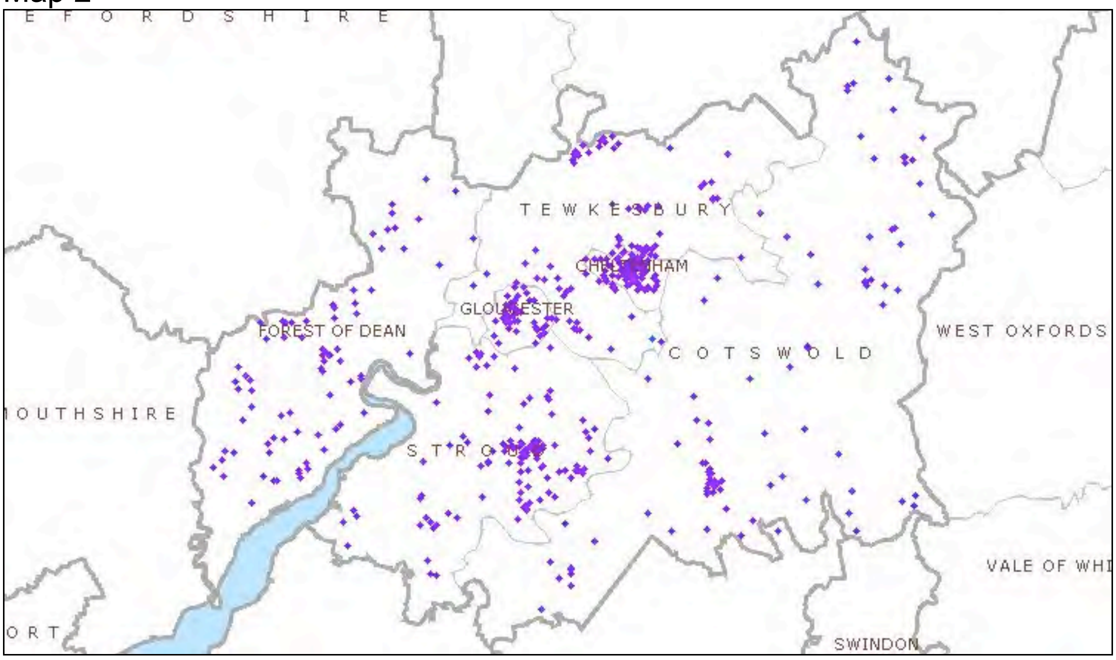
Area findings

The results of the survey cast some light on the nature of the creative sector in the seven Gloucestershire Districts, Cheltenham, Cotswold, Forest of Dean, Gloucester, Stroud, Tewkesbury. This section summarises the findings from the geographical perspective. A total of 919 responses can be attributed to a location, and these break down across the county as shown in Chart 34 and Map 2.

Chart 34



Map 2



The relative strengths of the representation of respondents from the creative industry sectors in the Districts can be gauged from Chart 35. This shows the proportion of each sector's total number of respondents located in each District. Thus, for example, the largest proportion of the advertising sector is located in Cheltenham, while the largest proportion of art and antiques market respondents is located in Cotswold. Another way of looking at the same analysis is in Chart 36 which shows the total of each District's respondents broken down by sector. In this view, it is clear that the largest proportion of Forest of Dean's respondents are in the visual arts and crafts sector. The number of visual arts and crafts respondents in Tewkesbury and Cheltenham is about the same, but they make up twice as big proportion in Tewkesbury, because the total of responses from Cheltenham is much greater than Tewkesbury's.
These two views of the survey data suggest some differential characteristics between the Districts. Cheltenham is a significant centre of activity overall, its specific strengths are in advertising, architecture, design, publishing and print. The arts and antiques market is particularly well represented in Cotswold, as is design. Forest of Dean and Stroud are both strongly represented in the visual art and craft sector. Stroud also has a strong representation in architecture, audio-visual, performing arts and publishing. That said, there is a wide spread of activity across the county and the suggestion of strength in depth in a number of sectors, including architecture, visual arts and crafts, design and audio-visual sectors.

Chart 35

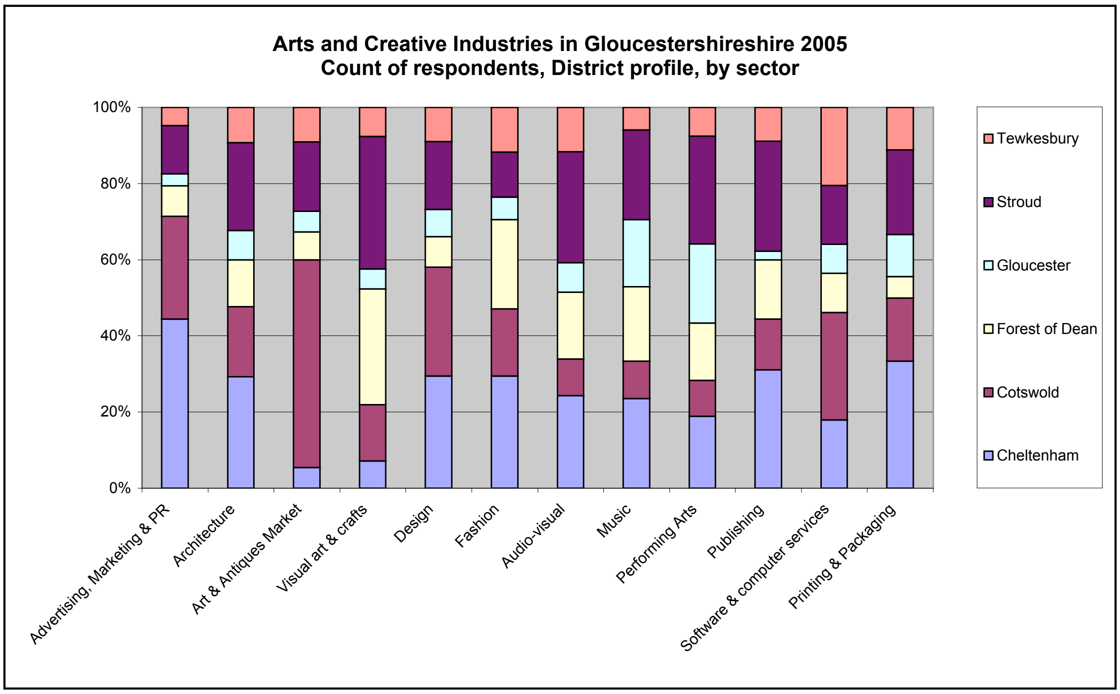
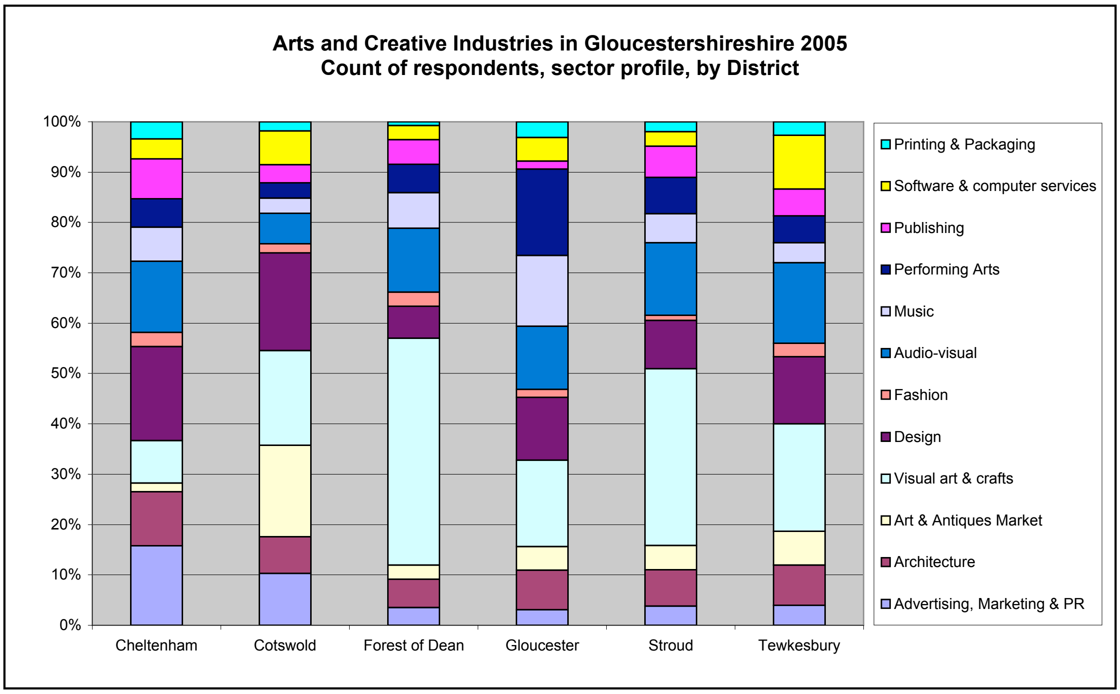


Chart 36



The turnover question in the survey invited respondents to place their enterprise's annual turnover in a range of bands. The results show a picture of the distribution of smaller and larger businesses across the county.
A high proportion of the respondents, over 50% everywhere except in Cheltenham, are very small businesses with a turnover less than £50,000. Forest of Dean, Stroud and Gloucester have a somewhat larger proportion of these among their respondents than the other Districts do [Chart 37]. At the other end of the scale, the higher turnover creative sector businesses, at £500,000 or more, form a higher proportion in Cheltenham and Tewkesbury. Employment size [Chart 38] shows a similar pattern.

Chart 37

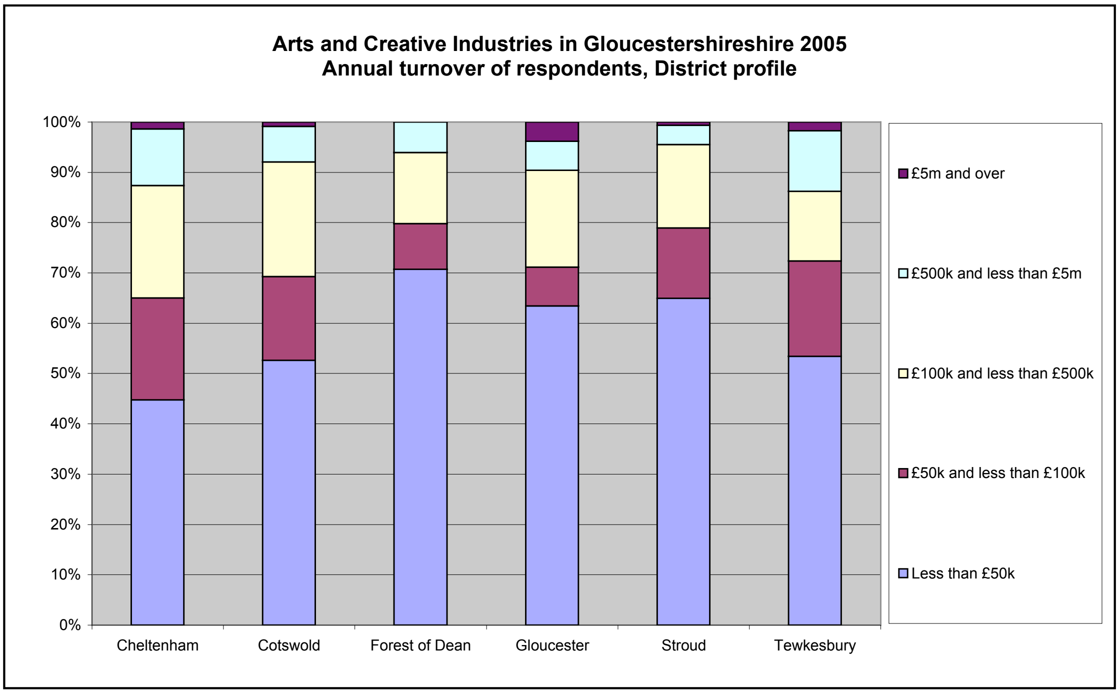
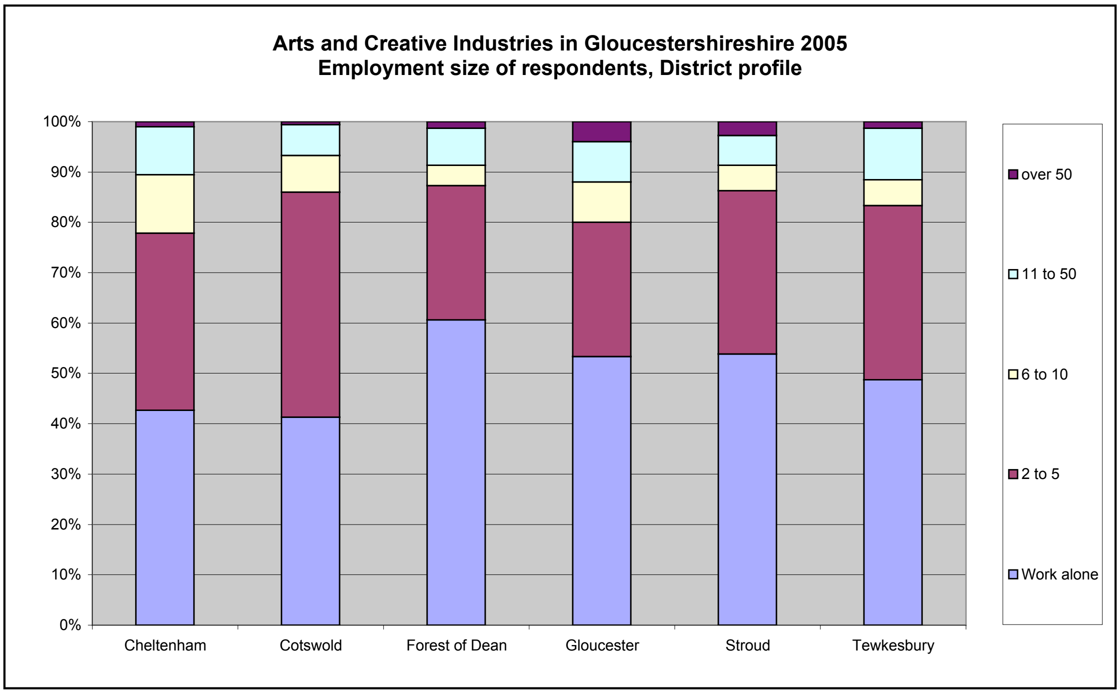
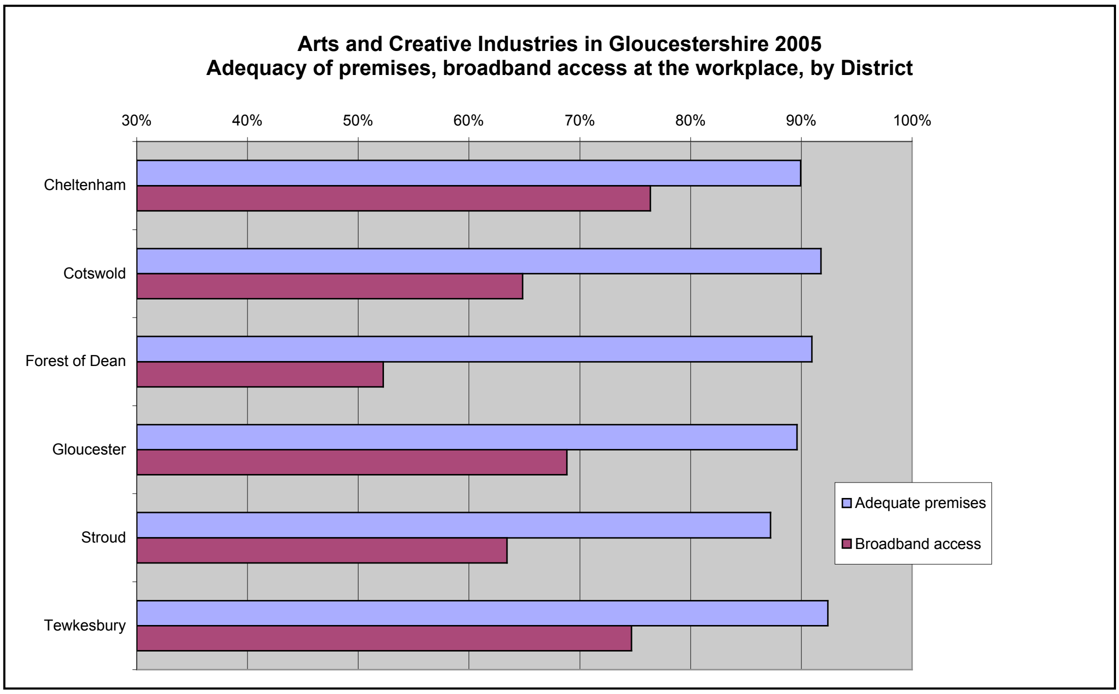


Chart 38



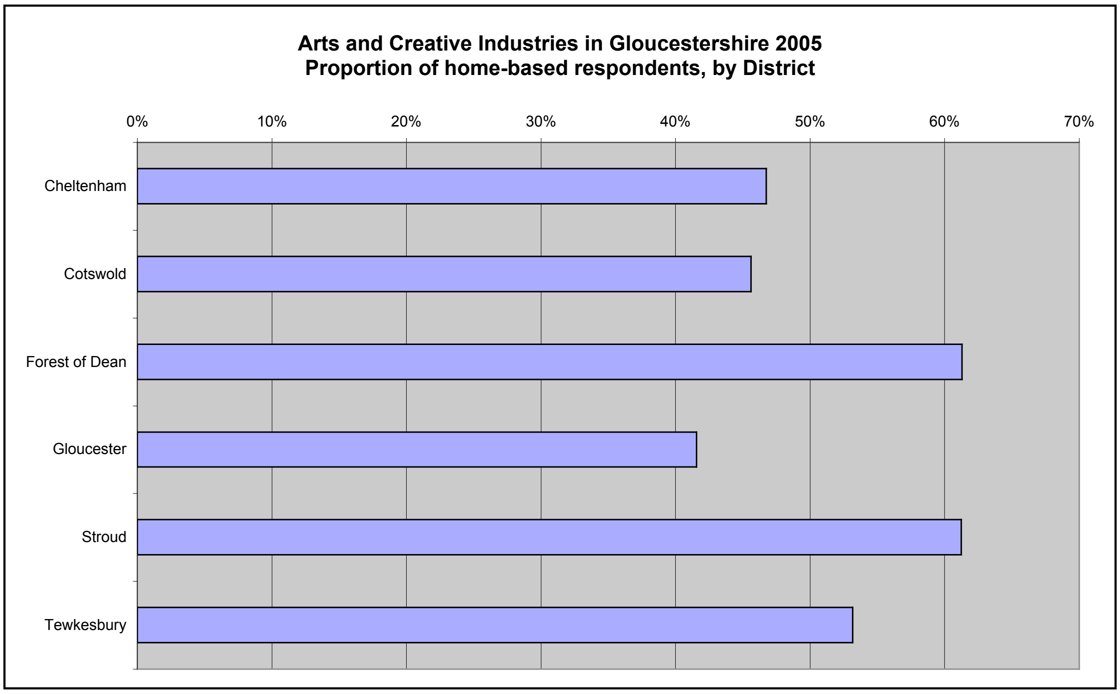
The survey enquired about premises and the services available at the workplace. There was some variation between Districts in the responses obtained [Chart 39]. The proportion of businesses describing their premises as inadequate, though not above 13% anywhere, was higher in Stroud than in the rest of the county. Lack of access to broadband at the workplace was reported by at least 25% of respondents in all Districts, with the highest proportion, nearly half, in Forest of Dean.

Chart 39



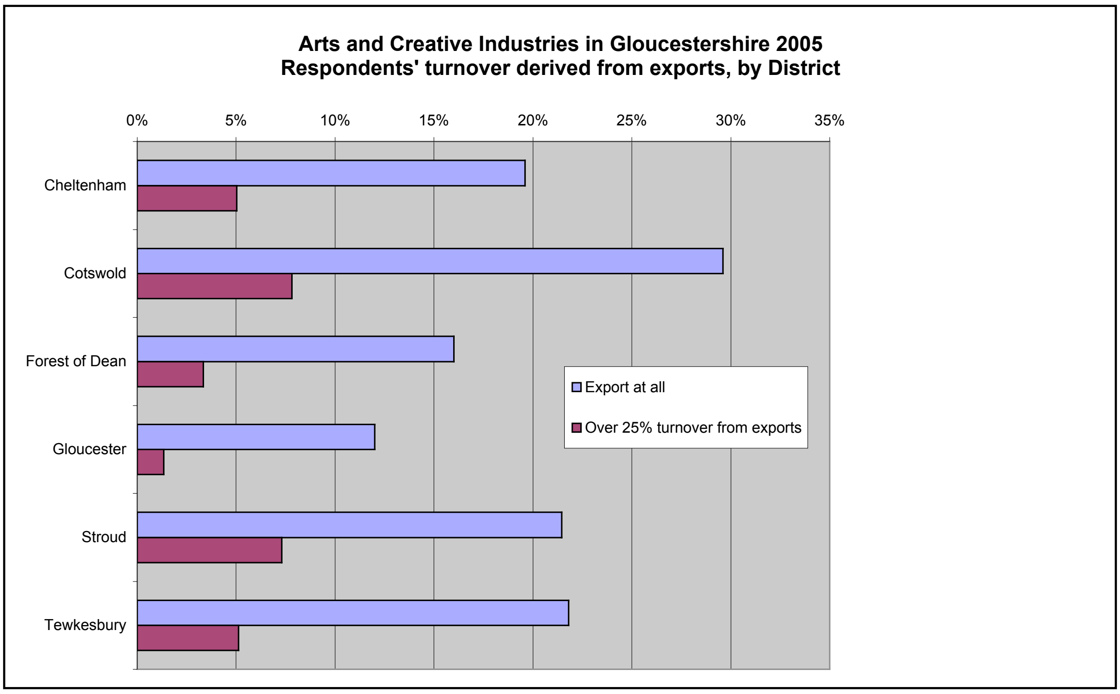
Overall some 40% of respondents have their business premises at their own home, but there is considerable variation across the county [Chart 40], with 60% or more in Forest of Dean and Stroud compared with 42% in Gloucester.

Chart 40



The overall level of export activity varies between Districts in the proportion of respondents deriving some of their turnover from export of goods or sale of services abroad [Chart 41].

Chart 41

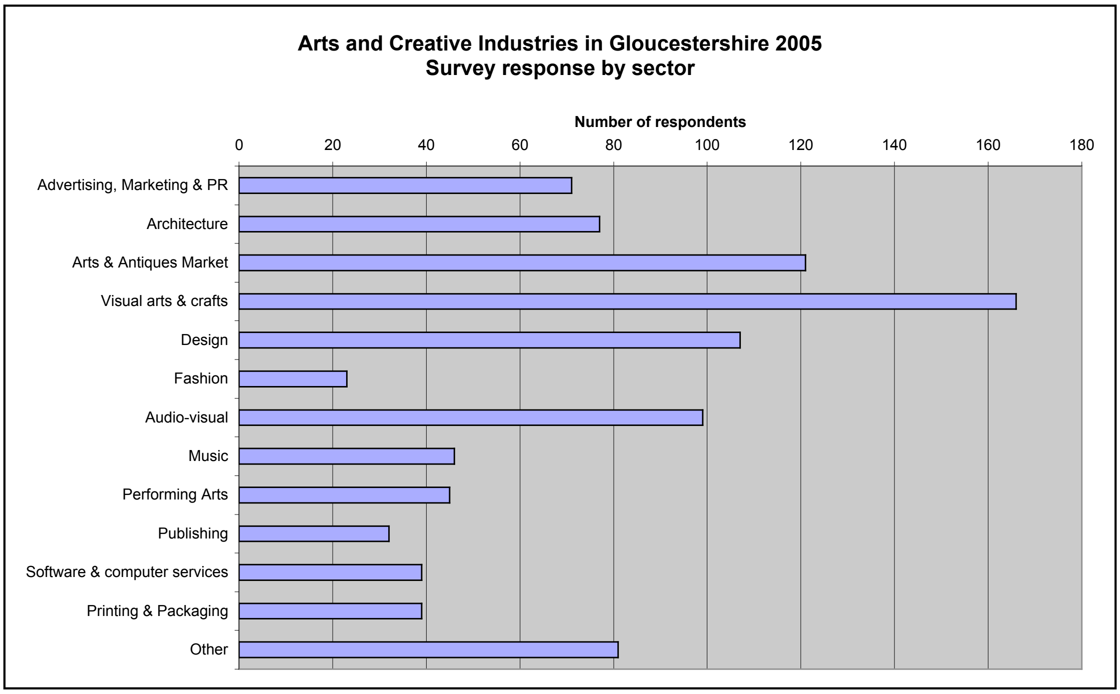


Close to one third of respondents in Cotswold make at least 5% of turnover from exporting, while in Gloucester only 12% export at all. In Cheltenham, Stroud and Tewkesbury close to one fifth of respondents have some export activity. The highest levels of respondents deriving a quarter or more of their turnover from overseas business are in Cotswold and Stroud, about 8%.

Sector findings

The 946 responses to the survey included all the sectors of the creative industries as defined by DCMS. The break down of responses to the survey across the categories is shown in Chart 42. In two sectors the numbers of responses were too few to have statistical value. Accordingly, for the detailed analysis in this section of the report, responses from the interactive leisure software sector have been added to the software and computer services category, and those from television and radio have been added to the film, video and photography sector, under the category title audio-visual.

Chart 42



Some key characteristics of respondent businesses can be compared across sectors. In terms of annual turnover [Chart 43] there are marked distinctions between the sectors. Fashion, music, visual art and craft, and performing arts all show more than 70% of respondents having a turnover less than £50,000, whereas such small businesses are in the minority in advertising, architecture, design, publishing, software and printing.

With respect to the age of businesses which responded to the survey, sectors show different profiles [Chart 44]. Fashion and software show the youngest age profile, with more than 70 of businesses less than ten years old, while architecture and the art and antiques sectors have more than 20% over 25 years old. Taking the proportion of businesses less than three years old as an index of the birthrate, the most prolific sectors are fashion, audio-visual, art & antiques and software. The publishing sector shows a distinctive profile, with more than half the respondent business having been started between ten and 25 years ago.

Chart 43

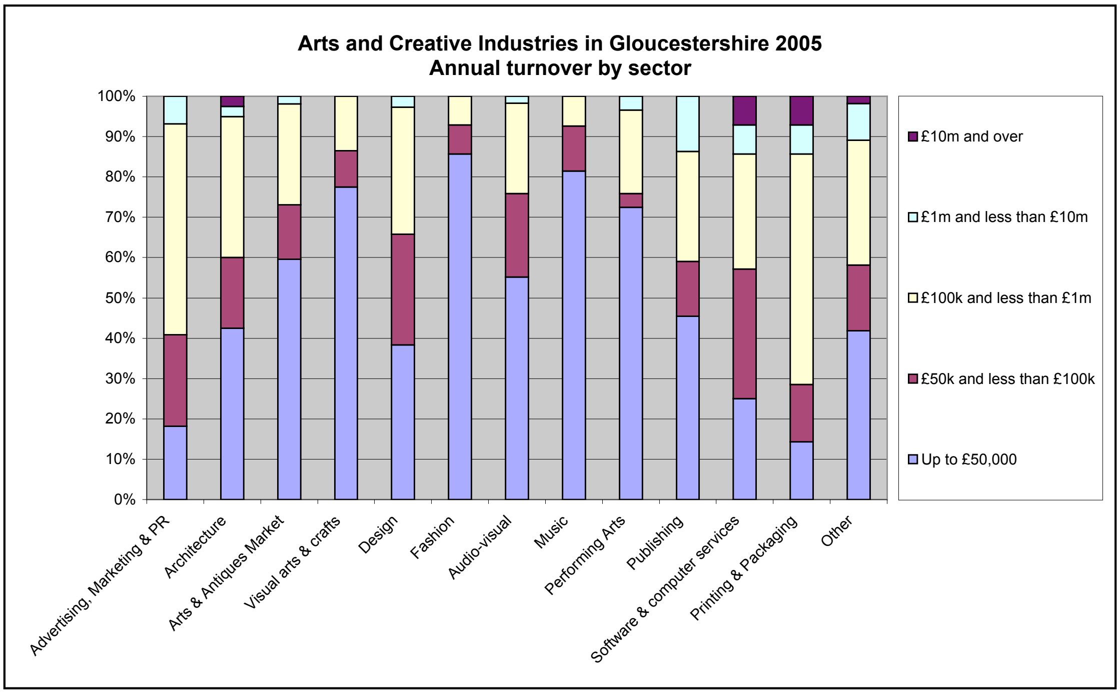


Chart 44

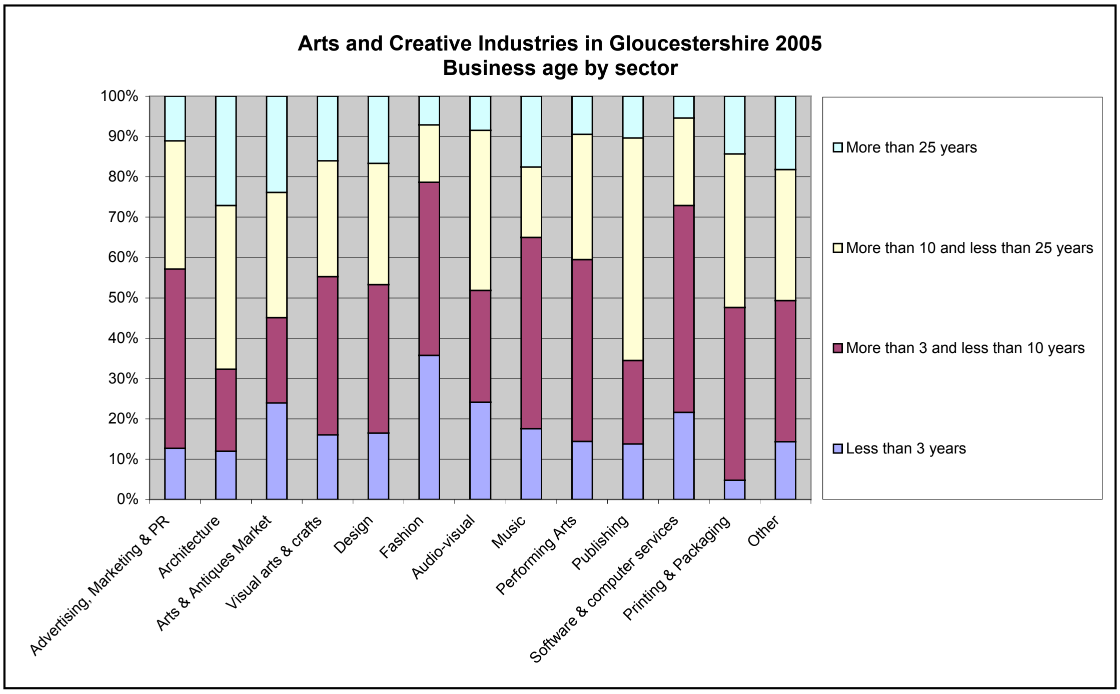


Chart 45 shows the relative proportion of responding businesses which have business premises at home, and in owned or rented premises. The ‘cottage industry’ nature of the sector is evident across almost all sector, with only printing, advertising and performing arts having less than 40% home-based.

Chart 45

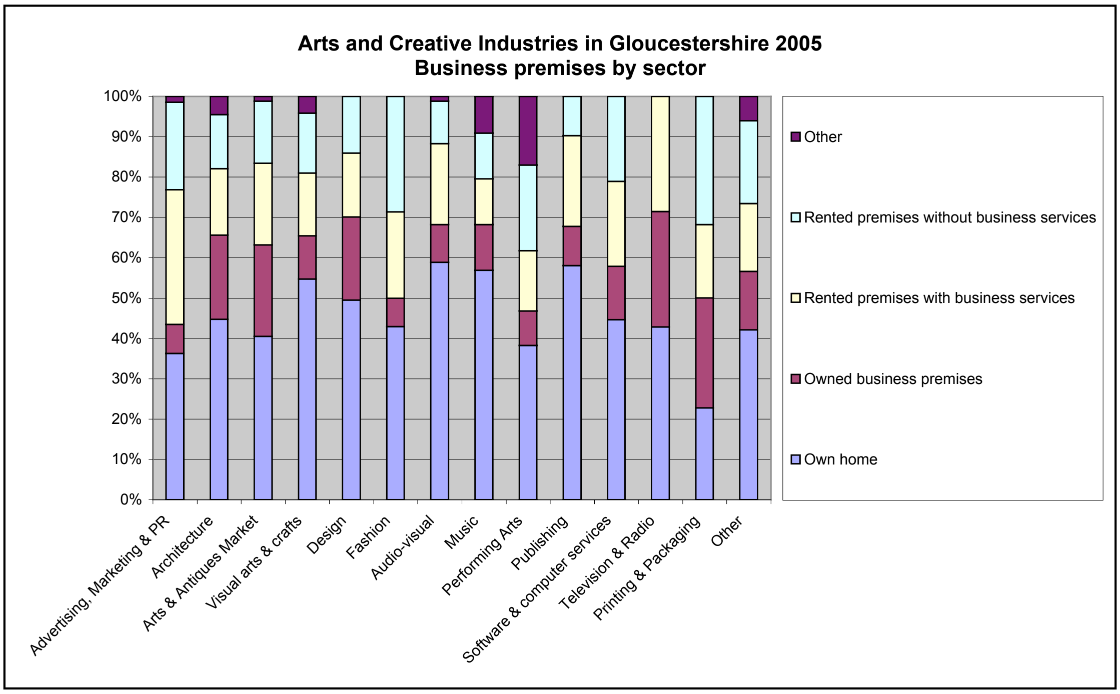
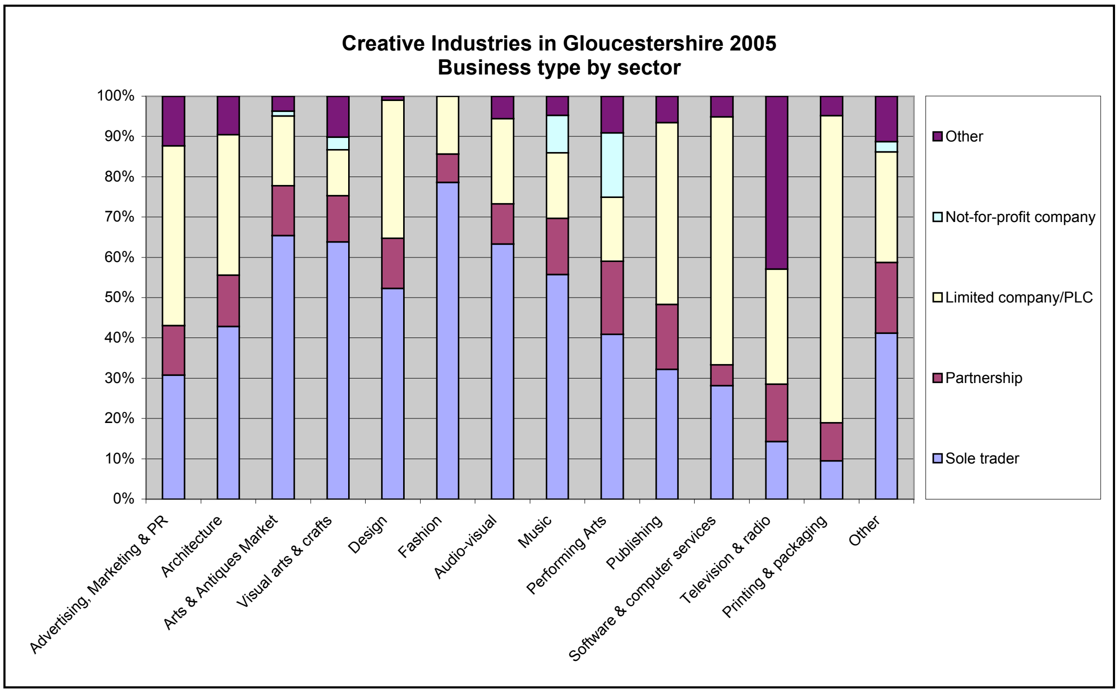


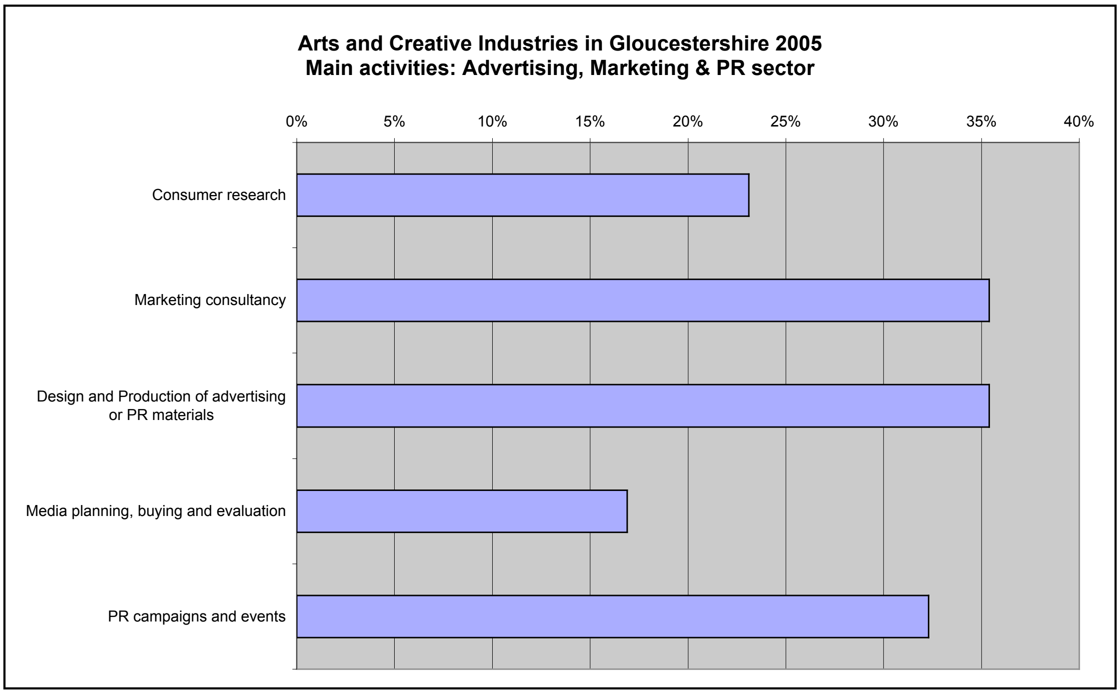
Chart 46



The range of business type varies widely between sectors. Chart 46 shows the relative proportion of sole traders, partnerships, limited companies and not-for-profits in each sector. More than half of responding businesses in the fashion, art and antiques, visual arts, audio-visual and design sectors are sole traders. Printing, software, advertising and publishing have the largest proportion of limited companies.

Advertising
65 responses were obtained from businesses in the advertising, marketing and public relations sector, 8% of the total. Their activities span the field with the majority activities being marketing consultancy, design and production of materials, and PR campaigns, each of which is reported by more than one third of respondents [Chart 47].

Chart 47



More than 70% of respondents in this sector are small businesses with five or less people involved [Chart 48], however the 22% of respondents working alone is the lowest of any sector in the survey apart from printing. Nearly 70% of respondents report using freelance workers at least occasionally. 39% work at home. A lower proportion than in most sectors work in business premises which they own, about 60% are in rented premises. 92% have broadband at the workplace.
Chart 49 shows the annual turnover of respondents in bands. A lower proportion report turnover of under £100,000 than in most sectors in the survey. About one third of respondents reported turnover rising generally year on year and 12% falling.
The private business to business market sector is dominant for these respondents, with 85% reporting this as a source of business spread widely across sectors. 40% cite the public sector, and in that market local government is predominant, followed by education and health.
Customers are located across the country, this sector’s respondents citing the local market rather less than most other sectors. About a quarter report a customer base outside the UK and 11% derive 25% or more of their turnover from overseas business. 80% of respondents in this sector have a website of which about a quarter can make sales directly through the site.
55% report no barriers to growth. 70% of respondents expect their business turnover to grow over the next year, and 41% expect to put on more staff, the

highest proportion of any sector in the survey. Barriers to growth most often cited by those who perceive them are lack of customers, cashflow difficulties, competition and the risks involved in growth.

Chart 48

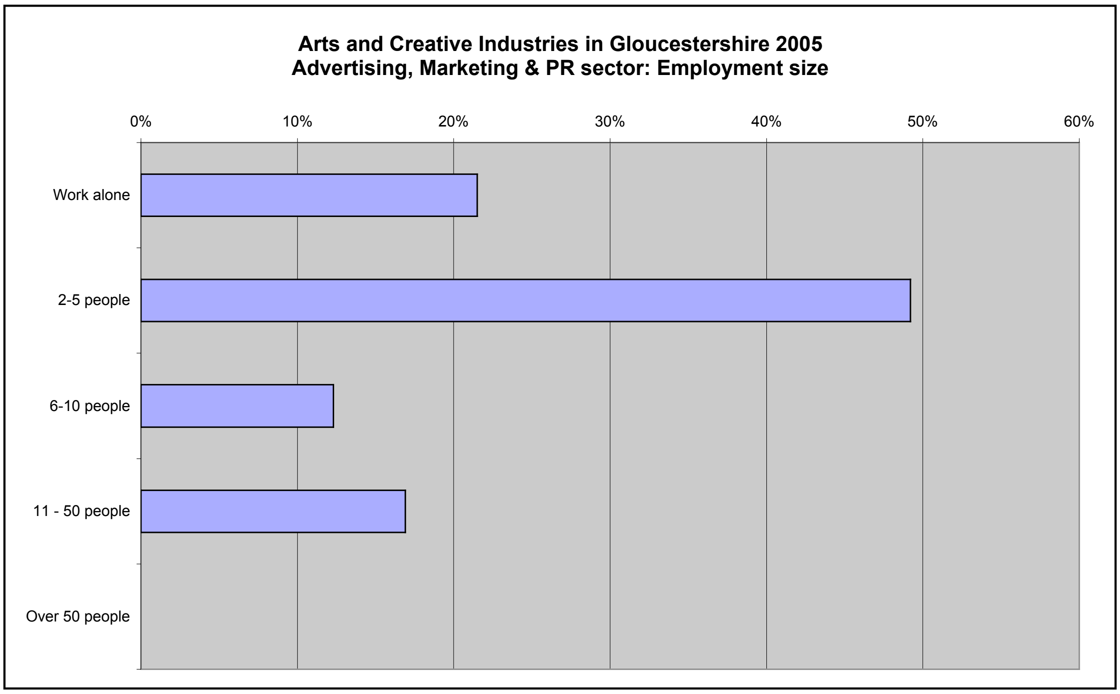
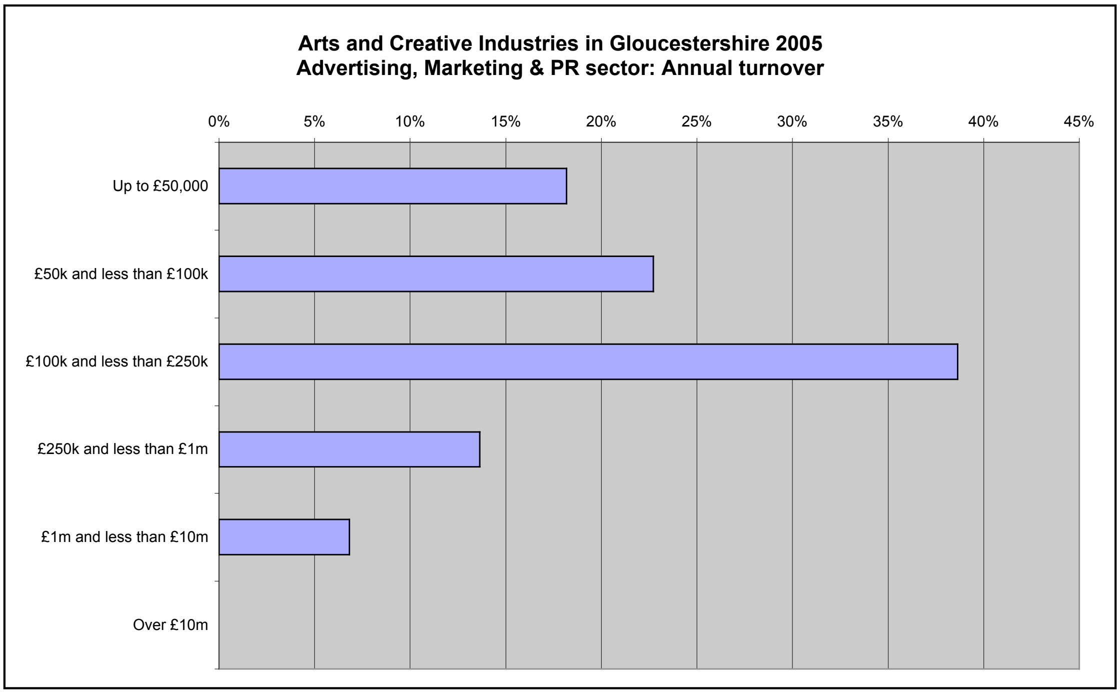
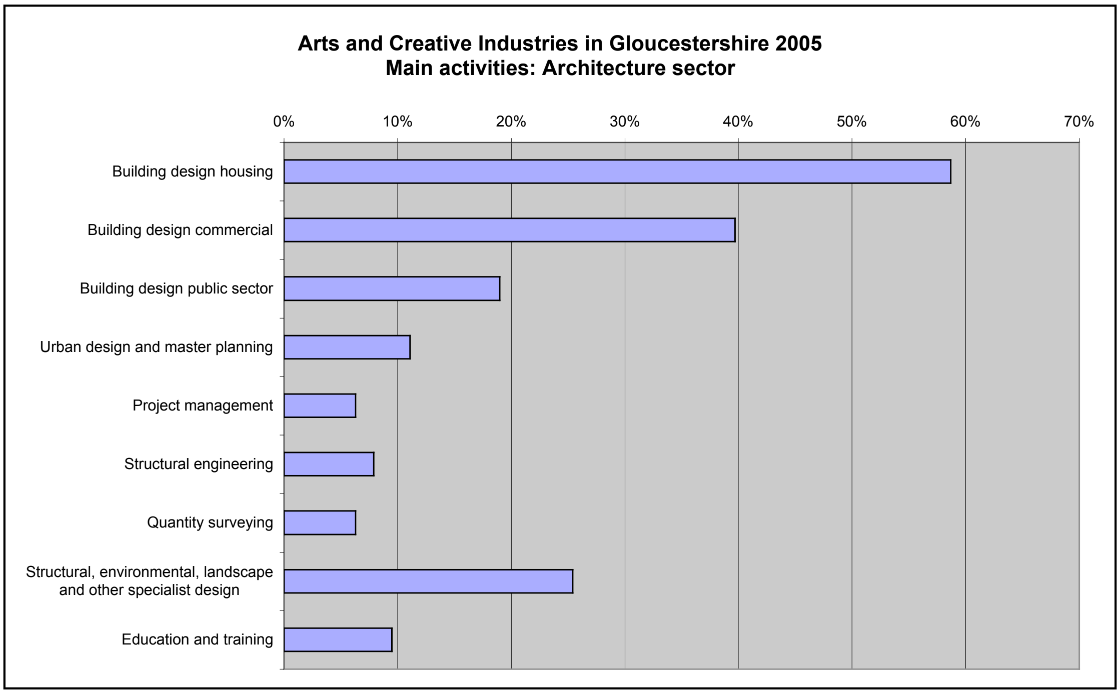


Chart 49



Architecture
Among the 63 business respondents and 6 freelances from the architecture sector, 60% are involved in design of housing, 40% in commercial development and 20% in public sector development [Chart 50]. A quarter are engaged in one or another specialism, such as environmental or landscape design.

Chart 50



One third of these respondents work alone. Of those working in groups, the majority are in groups of up to ten people, and about 15% employ more than ten [Chart 51]. Use of freelances is quite low, less than 20% report using them always or sometimes, and 60% of respondents never. 48% of these respondents work at home. This sector has one of the higher proportions of respondents owning their own business premises (22%) and relatively lower numbers in rented premises. 78% have broadband access at the workplace. Chart 52 shows that more than 40% of these respondents generate an annual turnover of less than £50,000, and a very small proportion, 6%, are in the £1m band. A lower proportion of respondents in this sector report turnover as falling generally year on year than in most sectors. 73% of respondents sell services direct to the consumer, 56% to the private sector business to business market, and 30% to the public sector market. The market for these respondents is predominantly within the region, and very few report overseas customers, more than 80% make no turnover from exports. More than 40% do not have a website, and of those who do very few make sales through it. Though half of respondents report that they face no barriers to growth, 43% do not expect their turnover to grow in the next year. Those respondents who do report barriers cite a wide range, with none particularly predominant, including lack of customers, bureaucracy and planning constraints.
Nearly 60% of respondents in this sector describe themselves as family-run businesses. In this sector first owners are 90% male, while second owners are

three times more often female than first owners, one of the highest proportions along with software and publishing.

Chart 51

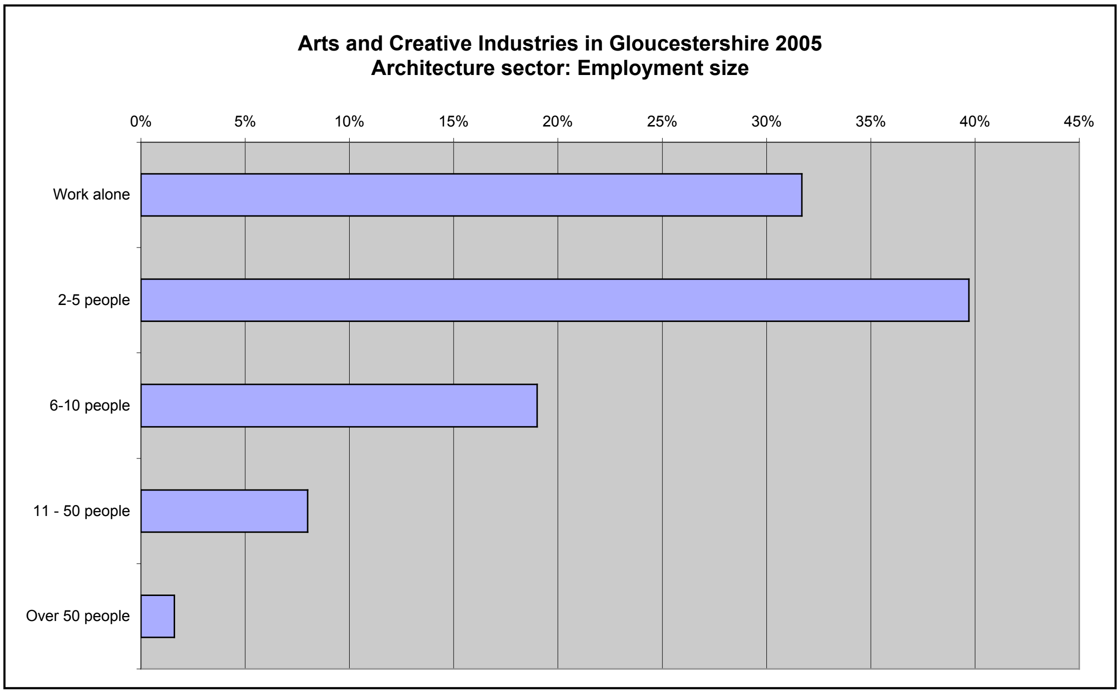
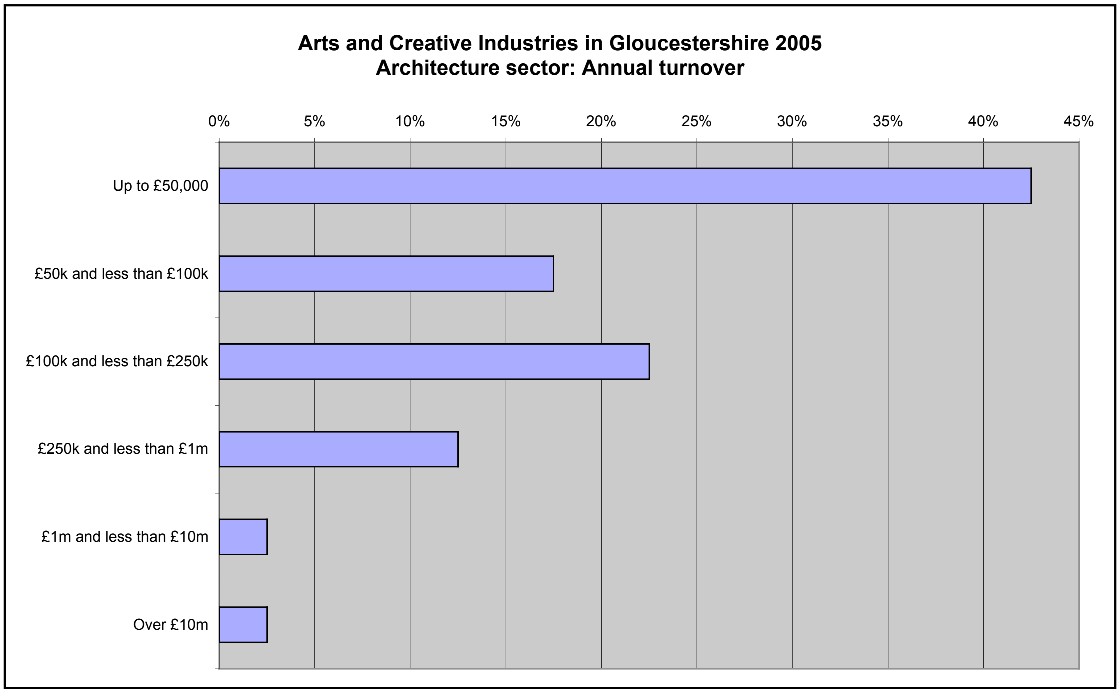


Chart 52



Art and Antiques market

The 81 respondents in this sector engage in a wide range of activities. 60% are involved in the fine art trade, a quarter in furniture, 20% in other forms of collectables and 15% trade in such specialist items as books or jewellery

[Chart 53]. More than half work alone [Chart 54] and few have more than five people involved. 65% are sole traders. 10% of respondents always use freelances, and 84% never do, the highest proportion of any sector in the survey, alongside fashion.

Chart 53

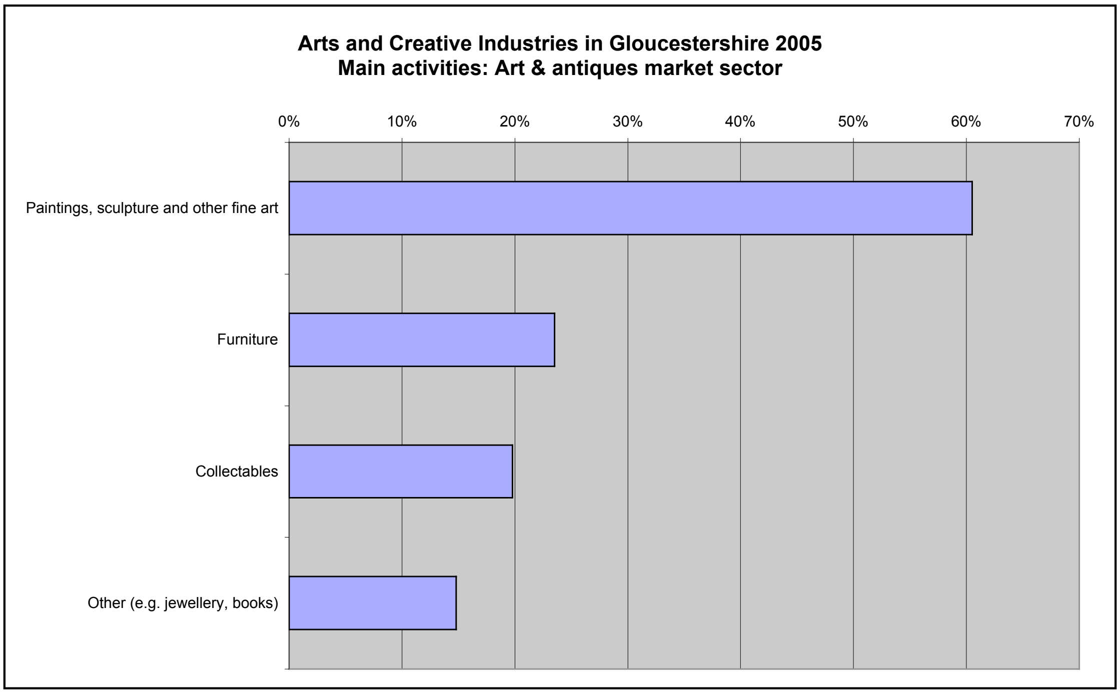
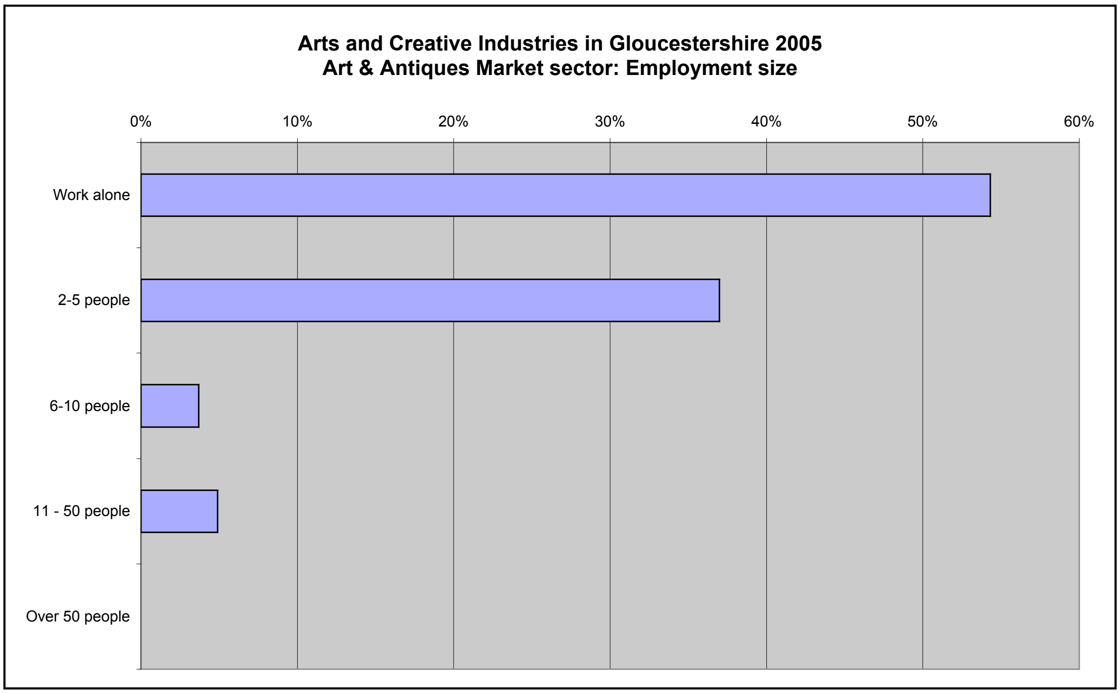
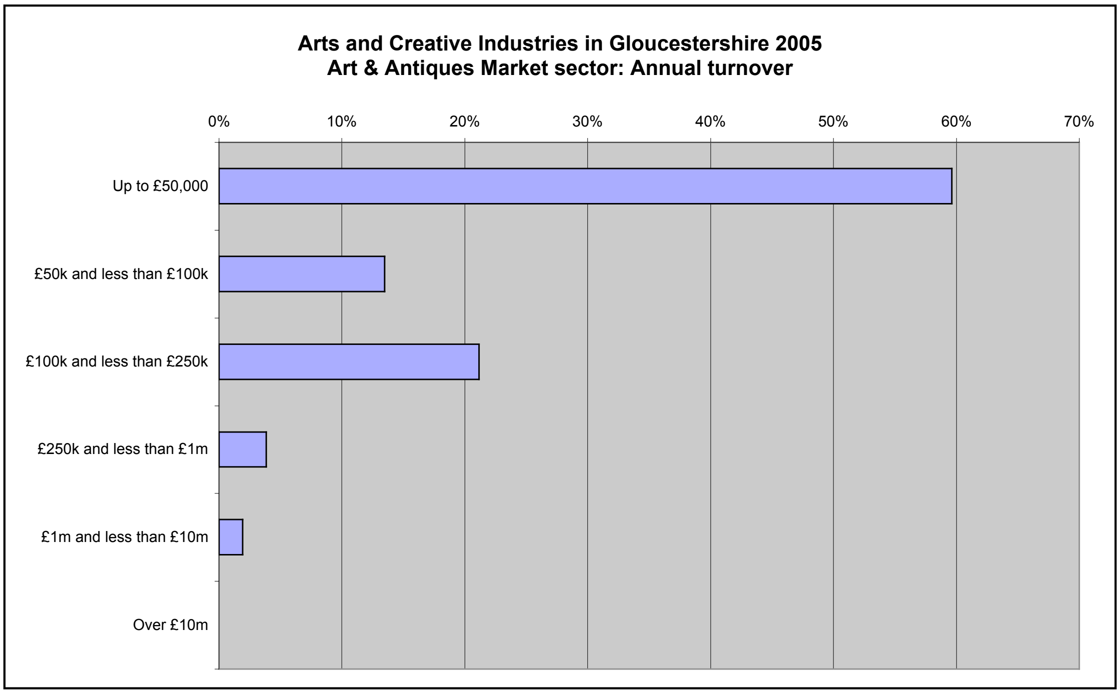


Chart 54



Home-based businesses make up 42% of respondents, and nearly a quarter own their own business premises, one of the highest proportions in the survey. 43% of respondents have broadband access at the workplace, by far the lowest proportion of any sector in the survey, though only one reports this as a barrier to growth. 60% of respondents are very small operations reporting annual turnover of up to £50,000 [Chart 55].

Chart 55



The majority of respondents, 85%, are active in the consumer market, 30% in the private sector business to business market and 12% in the public sector. More than 40% report trading with other creative industries businesses and with retailers. The local market is a source of customers for nearly 70% of respondents, but this is the sector with the highest proportion reporting an overseas market, 42% doing business outside the UK and 7% report making 25% or more of their turnover from exports. 60% of these respondents have a company website and more than 20% can make sales through their site. This is the least optimistic sector, with 36% of respondents expecting turnover to grow in the next year, and the lowest proportion reporting no barriers to growth (along with performing arts). Among the 70% of respondents reporting barriers to future growth, those most often cited are cashflow difficulties, lack of customers or lower than expected sales, competition and bureaucracy. Availability of premises, tax issues, communication problems and parking were mentioned more often than the average of the survey.
The age profile of owners among these respondents is somewhat weighted towards the older age groups than the mean for the survey as a whole. Correspondingly this sector has the highest proportion, 9%, of respondents having as a business objective to downsize, hand on, sell or close down the business.

Visual arts and crafts
The 198 respondents in this sector included 158 businesses and 40 freelances. Of the latter almost half do not make their main income from the

creative activity. Of those classifying themselves as businesses, 64% are sole traders. Five not-for-profit organisations are among the business respondents. Chart 56 shows the range of activities in which respondents are engaged, visual art being the most often cited (by 38%) and a range of craft activities also having significant numbers. This is one of few sectors in which a significant proportion of respondents are engaged in education and training, alongside other activity.

Chart 56

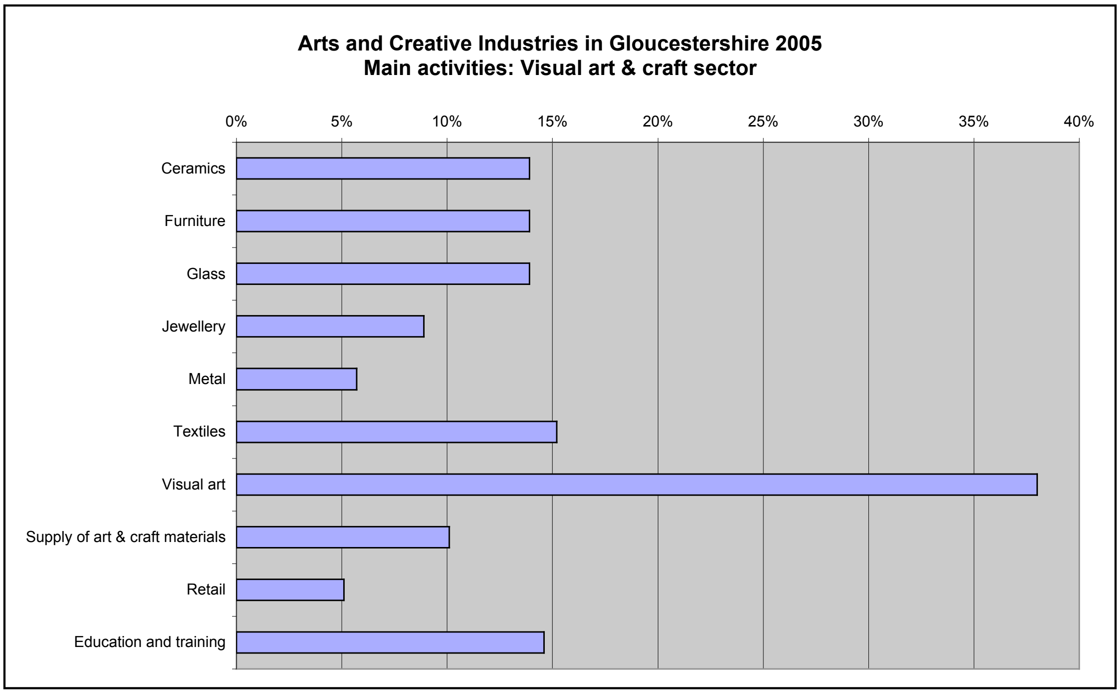
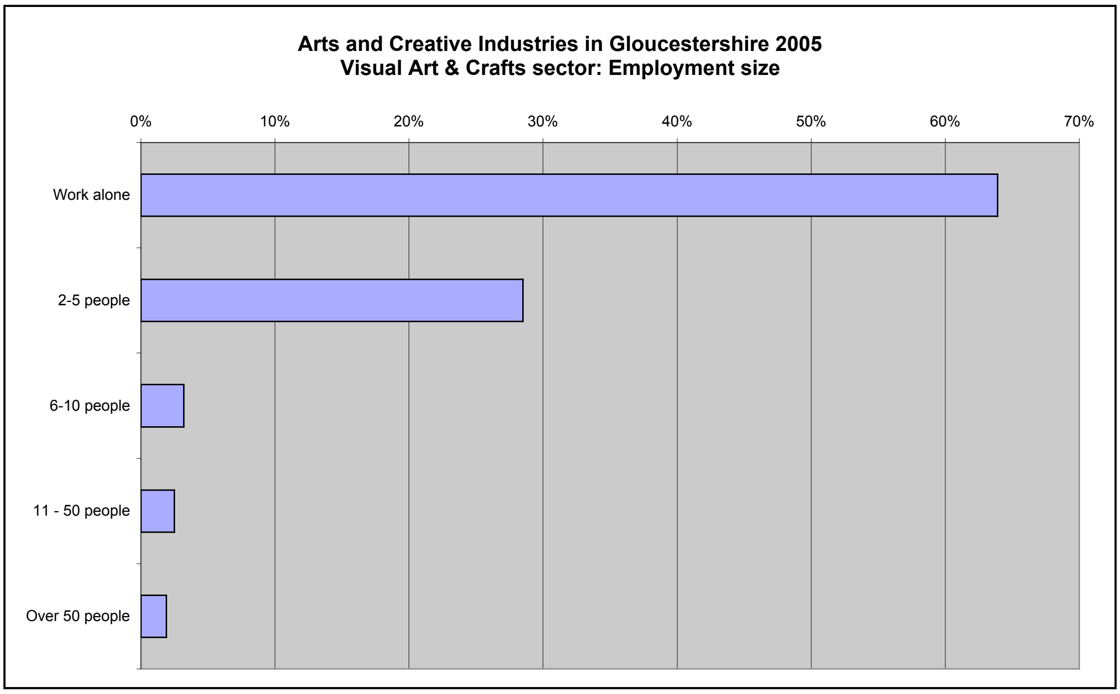


Chart 57



64% of respondents work alone and very few in groups of more than 5 people [Chart 57]. More than 70% of both business and freelance respondents report never using freelances in their work. 58% of businesses and 82% of freelances operate from home. About 10% of all these respondents own their business premises. 10% work in premises which they consider inadequate, about average of the survey as a whole. 55% of businesses and a third of freelances have access to broadband at their workplace.
In line with the predominantly small scale of enterprises, turnover levels of businesses are correspondingly low [Chart 58] with nearly 80% generating no more than £50,000. Among the respondents classifying themselves as freelances [Chart 59] more than half generate up to £5,000 from their activity. 84% of business respondents in this sector have a customer base in the consumer market, about a third in the private sector business to business market and 20% in the pubic sector. Among the freelances fewer are in the consumer market and correspondingly more in the private and public sector markets. Of those active in the consumer market, 90% sell direct to customers and about 10% to wholesale or retail. 15% of the 40 freelances have business in education.
The market for both businesses and freelances in this sector is similarly located, with the local and regional market being very significant. 21% of businesses and 15% of freelances report customers outside the UK, and 6% of business (no freelances) generate a quarter or more of their turnover from exports (including one business which attributes all its turnover to overseas business.) Half of businesses (and less than a quarter of freelances) have a website and of those about a quarter can make sales though the site (one third in the case of freelances who have a site).

Chart 58

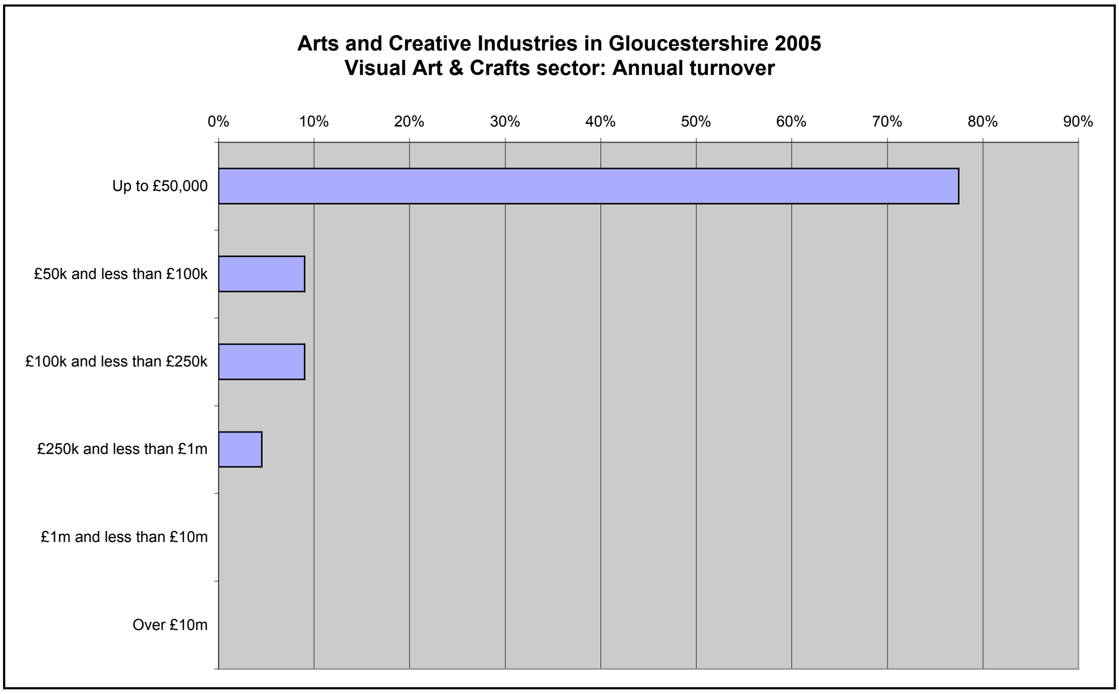
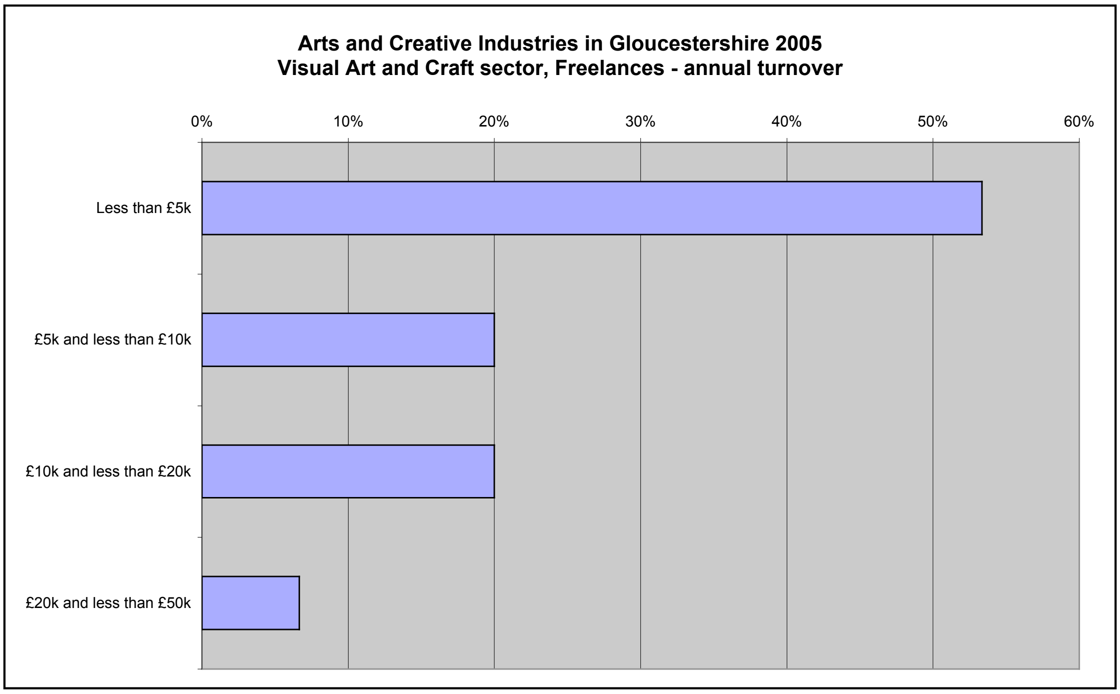


Chart 59



46% of businesses respondents and 30% of freelances expect their business to grow in the next year. 35% of businesses and a quarter of freelances report facing no barriers to growth. Among those who do, business cite most often cashflow, lack of customers or work opportunities, difficulty in reaching customers, competition and access to finance for investment. Freelances cite most often lack of, or difficulty in obtaining, customers or work opportunities, cashflow, lower than expected sales, communication problems and availability of premises.

44% of business owners and 70% of freelances are female, a higher proportion than in most sectors. 44% of businesses and 38% of freelances have growth as an objective for their operations. 15% of freelances aim to downsize or close down.

Design

There were 113 respondents to the survey from the design sector, 49% sole traders, 12% partnerships, 31% limited companies and 7% freelances. Graphic design predominates as an activity in this sector with 38% of respondents active in this field [Chart 60]. Design and brand consultancy, interior design, website and product design all feature. Employment size is small [Chart 61], 48% of respondents work alone and 16% have more than five people. 16% always use freelances, one of the higher proportions in the survey, while 40% never do.

52% of respondents in the design sector work at home, and 20% own their own business premises, one of the higher proportions in the survey. 73% of respondents have broadband access at their workplace.

Chart 60

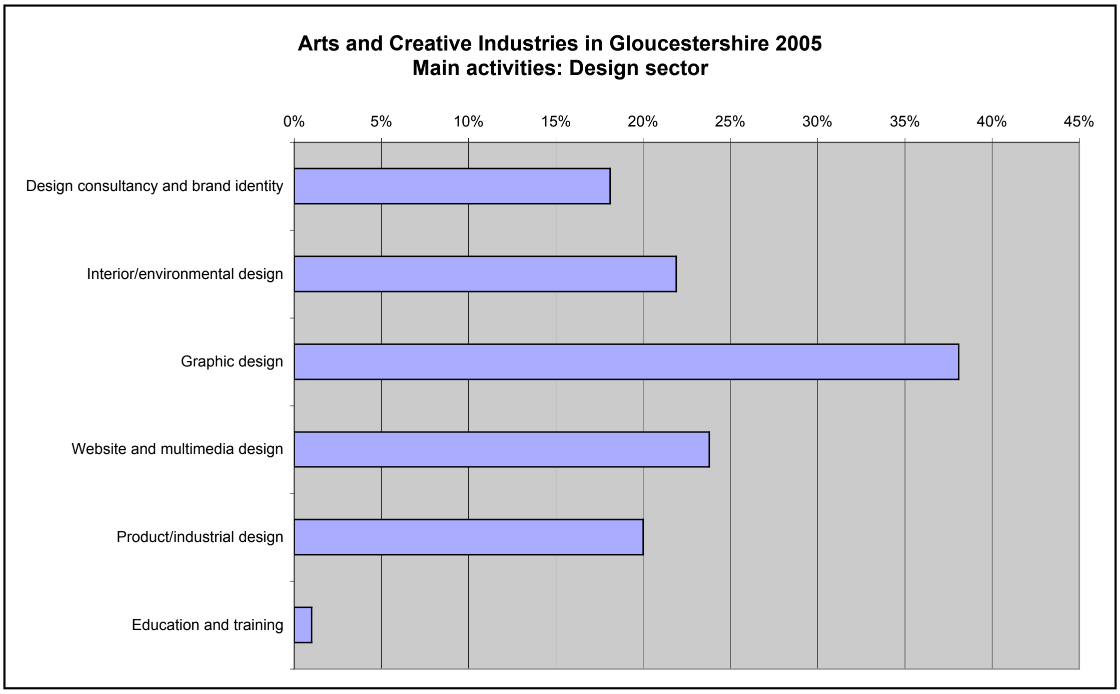
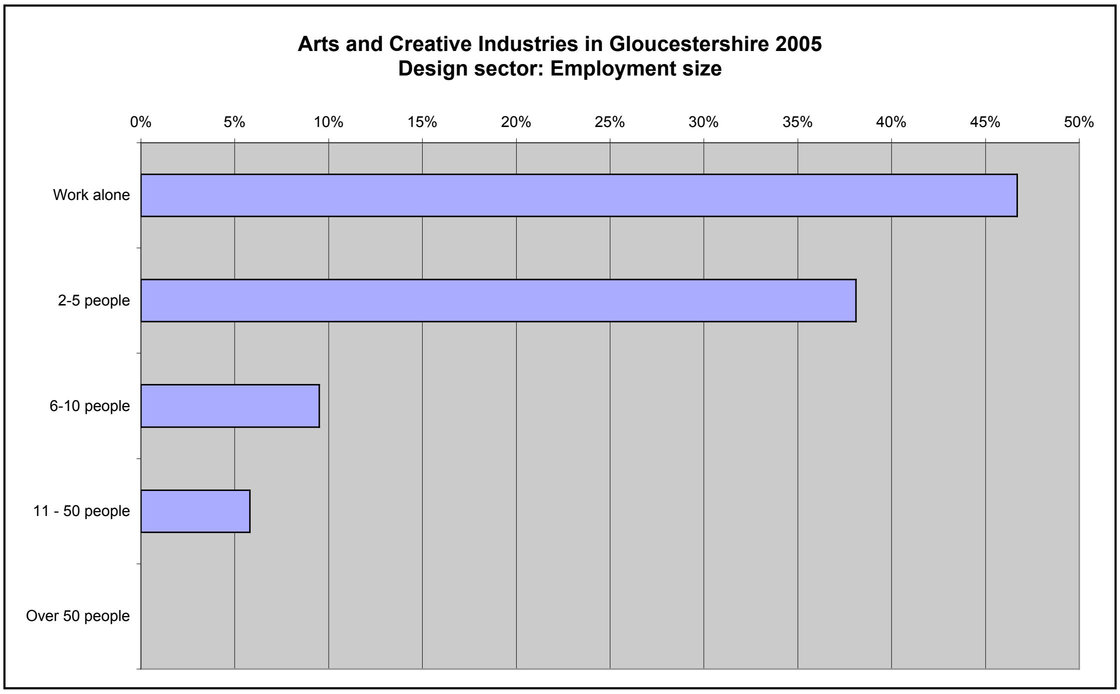
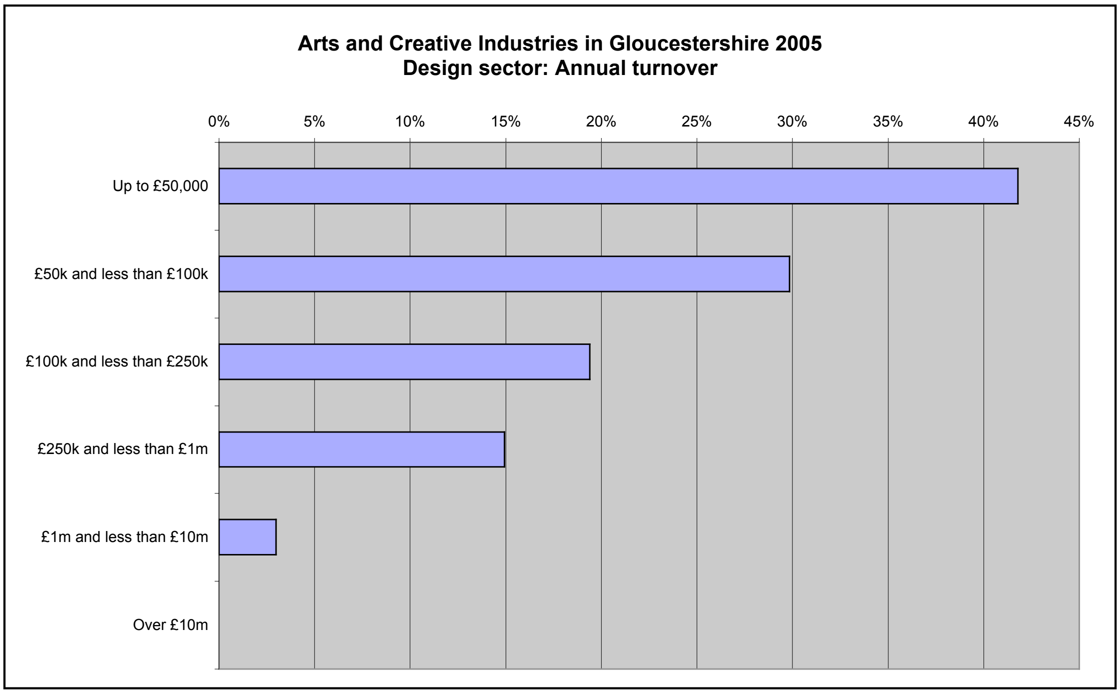


Chart 61



The pattern of turnover, while reflecting the small scale of the majority of enterprises responding, shows a higher proportion in the higher turnover bands than many sectors with a similar employment pattern, 18% of design respondents have a turnover greater than £25,000 [Chart 62].
70% of design sector respondents are active in the private sector business to business market, about half in the consumer market and about a third in the public sector.

Chart 62



60% do business in the private sector with other creative industries, and 45% with manufacturing, followed by services, technology and communications, and retail. In the public sector, local government and education predominate. Design is one of the sectors in which the local market is somewhat less a factor, and more respondents cite London and the South-east and the rest of the UK as sources of customers. 30% of design respondents report a customer base outside the UK, and 9% generate a quarter or more of their turnover from export activity. Rather surprisingly, 31% of business respondents in the design sector have no company website (all but one of the freelances do). Of those that do, 15% can make sales through their site. Two-thirds of businesses and half of freelances in the design sector expect their business to grow in the coming year. 39% of business respondents see no barriers to growth (much lower among the freelances). Those who identify barriers to their growth mention most often cashflow, lack of customers, competition, red tape, access to finance for investment and lack of management skills. 69% of business respondents have growth as an objective, one of the higher proportions among the sectors in the study.

Fashion

Respondents from the fashion sector number only 16, the smallest of all those analysed here, and so any findings from this data should be treated with considerable caution. Activities include manufacture of fashion items, cited by 70% or respondents and design, 44% [Chart 63]. Almost two-thirds are solo workers [Chart 64], half are home-based and very few make use of freelances. Rather more than in other sectors report that their premises are inadequate. 70% have broadband access. Almost all respondents have a turnover less than £50,000 [Chart 65]. Almost all this group of respondents sell directly to the consumer. Customers are located both locally and across the country, with one-third of respondents reporting customers outside the UK, though not at high levels.

Chart 63

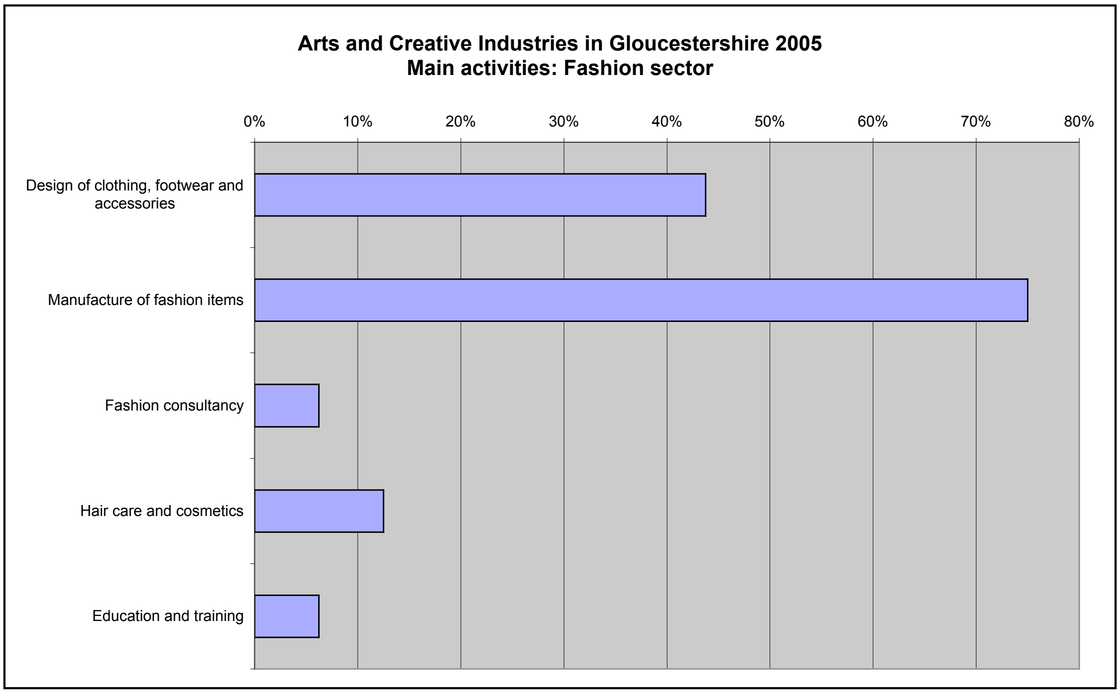
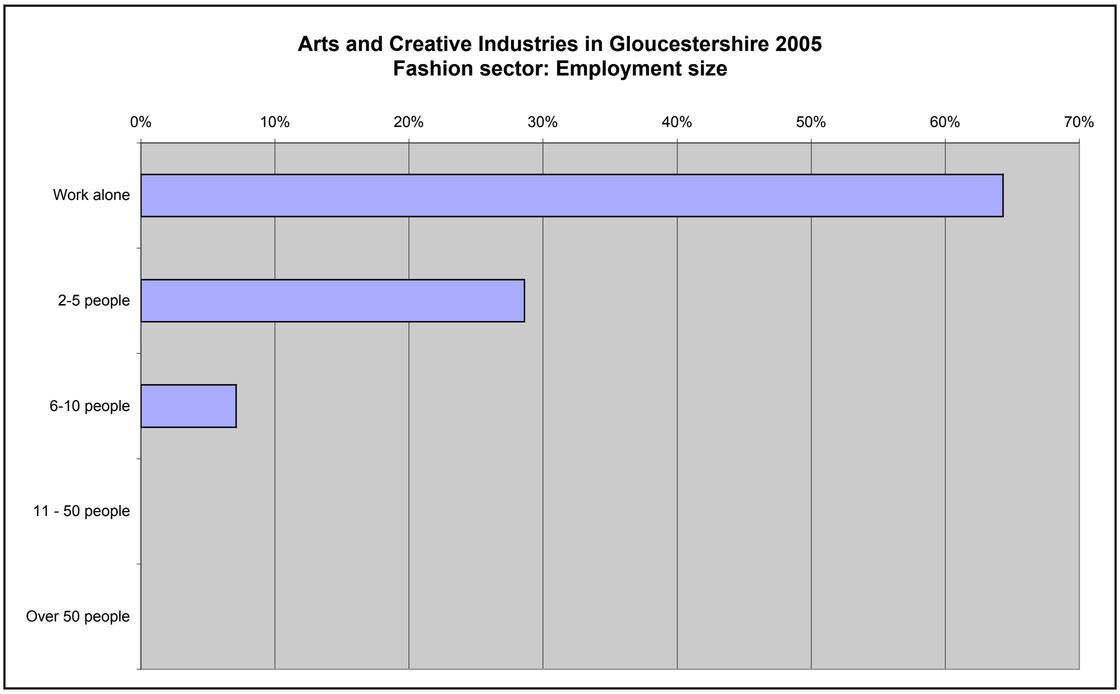
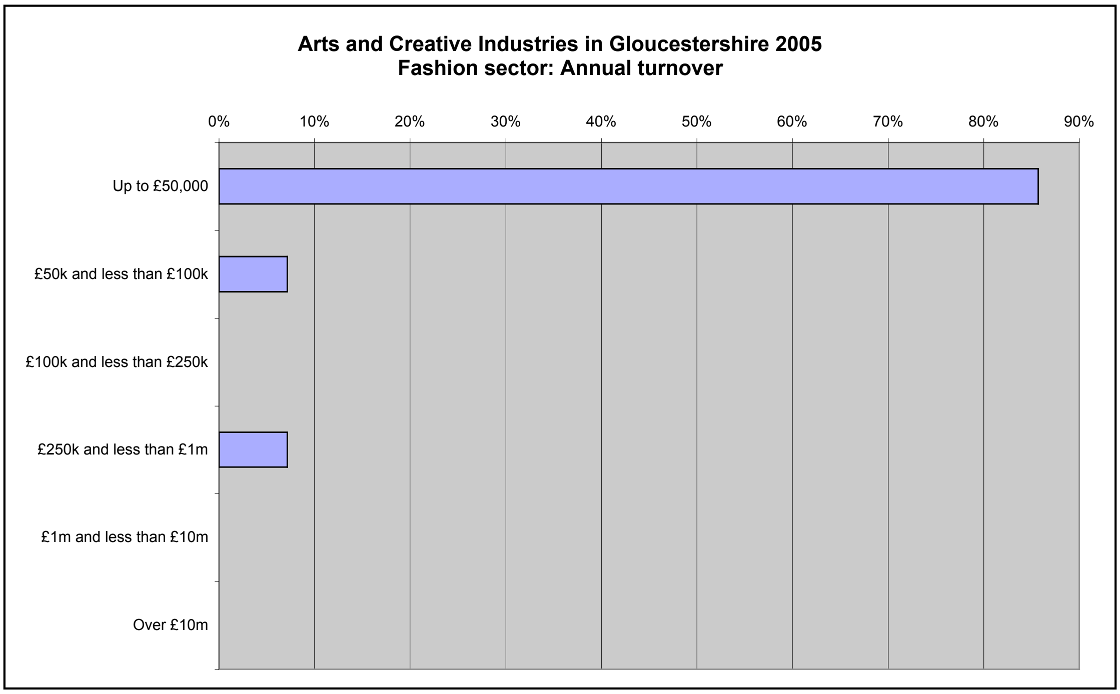


Chart 64



Half of the fashion sector respondent have a website, none can sell to customers through their site. Most respondent expect to grow their business in the next year, though a larger proportion than in other sectors expect to see decline. Less than a third of these respondents perceive no barriers to growth. Those that do cite most often cashflow difficulties, lack of (or problems reaching) customers, and access to finance for investment.

Chart 65



Audio-visual
This sector includes 90 business respondents from film, photography, video, tv and radio. Nine freelances also responded, of whom 7 are fully self-employed in the sector. The predominant activity is photography [Chart 66] and a wide range of other specialist production- and broadcast-related activity is also present. In common with most of the survey respondents, this sector shows a high proportion of solo workers, 61%, and few enterprises larger than five people [Chart 67]. Although the proportion of freelances in the survey is quite high in this sector (10%), more than half of business respondents report never using freelances, close to the mean for the survey overall. Use of freelances is higher among the small number of tv and radio respondents in this group. 60% of those who report using freelances use less than five in a year. 63%, including all the freelances, use their home as their business premises, the highest proportion in the survey. 10% own business premises and 28% rent. All but 6% find their premises adequate for their business needs. Three-quarters have broadband access at the workplace.
Reported levels of turnover are predominantly low [Chart 68], with 55% of businesses generating less than £50,000. No freelances report turnover above £50,000 and several are below £10,000.
60% of respondents in this sector are active in the consumer market, and slightly fewer in the private sector business to business market. Among the radio and tv respondents this latter is much the dominant one. The public sector is less significant, with a quarter of respondents reporting a customer base there. Most of those with customers in the consumer market make sales directly to the public, with smaller numbers selling through distributors. In the

private sector the dominant segment for these respondents is the creative industries, though all segments, services, retail, manufacturing and technology are all well represented. In the public sector, local government and health are the leading segments, followed by national government and health.

Chart 66

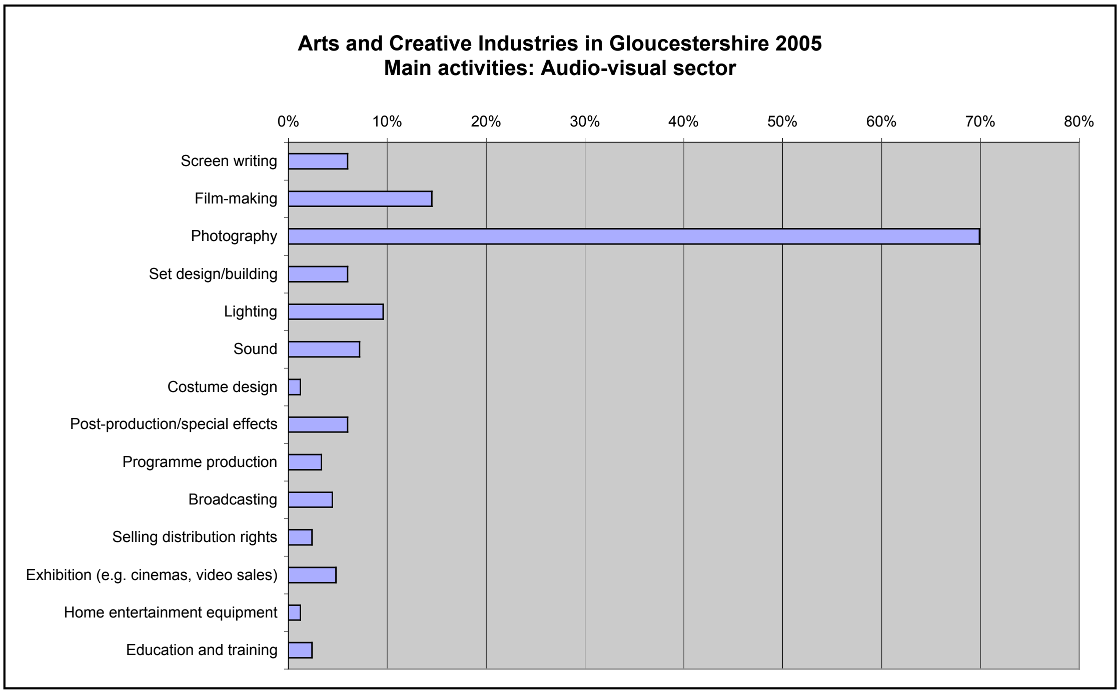
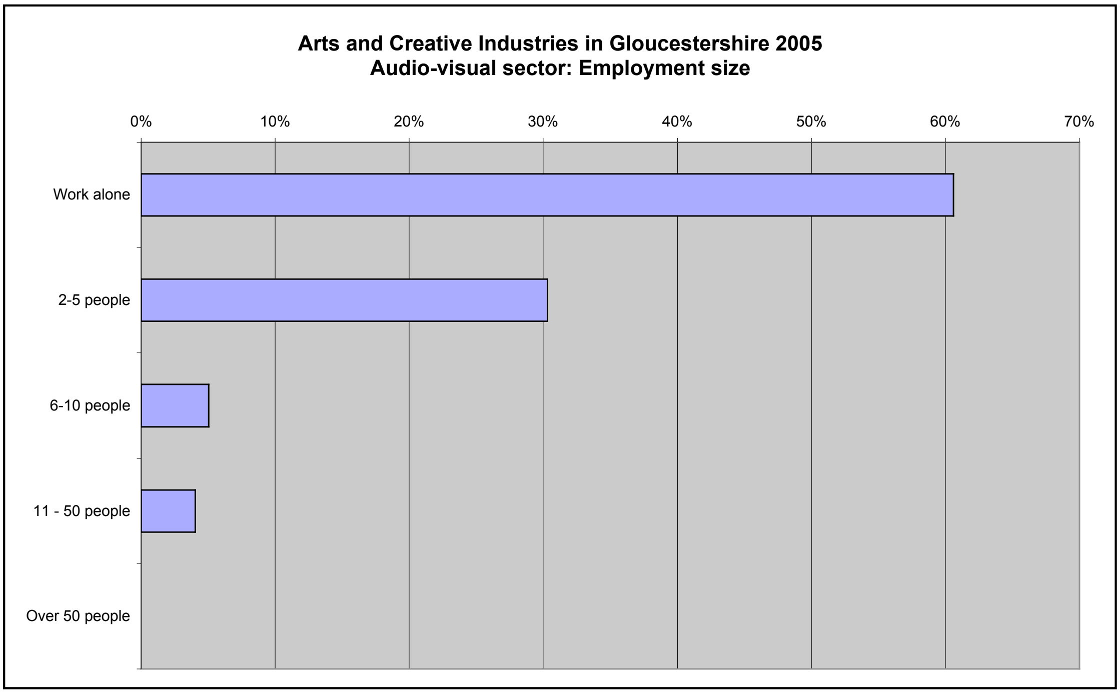
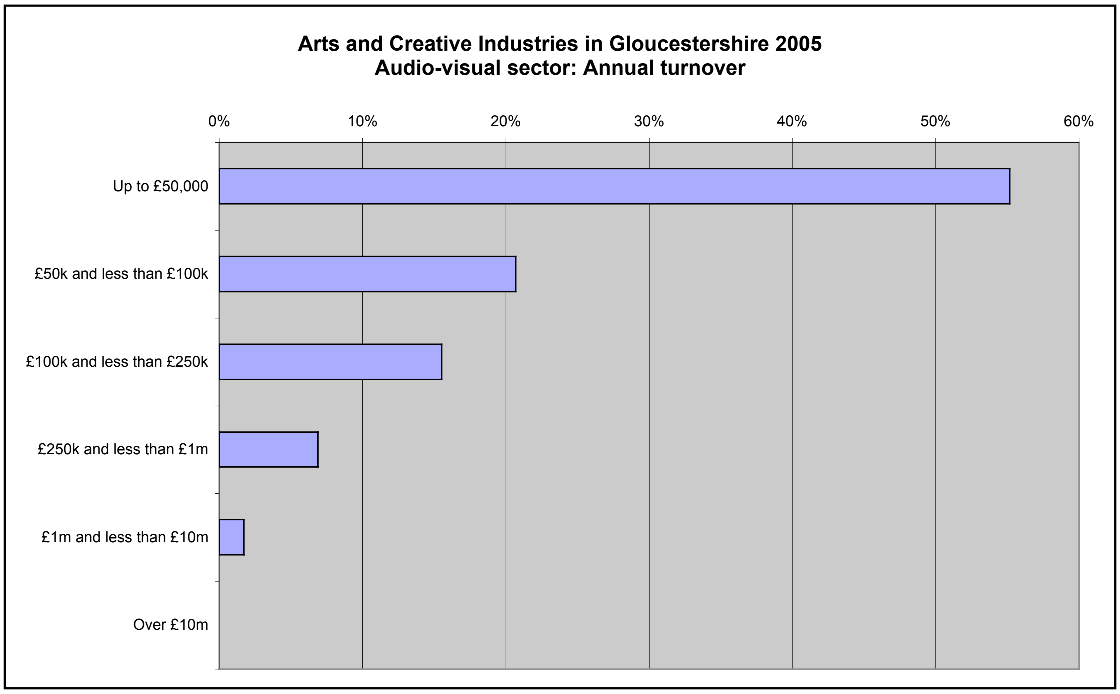


Chart 67



In line with the mean for the study the local market is strongly significant for this sector, while about 20% report having customers outside the UK, including almost all of those in radio and tv. Only 5% report generating 25% or more of their turnover from overseas sales. 30% of these respondents have no website. Of those that do, 15% have the capacity to sell through their site.

Chart 68



Nearly 60% of respondents in this sector expect their turnover to grow in the next year, and two-thirds have growth as a business objective. Two-thirds of respondents report experiencing barriers to growth, a rather higher figure than the mean for the survey. Most often cited barriers are cashflow, lack of customers and competition. Availability of skilled personnel and access to suitable training are more often cited in this sector than in most others.

Music

The music sector yielded 43 business respondents and nine freelances. Business respondents included 24 sole traders and four not-for-profit organisations. Four of the freelance respondents do not make their main income from their creative work. The range of activities of respondents [Chart 69] covers the field, with live performance, recorded music and composition most frequently cited. Half of respondents work alone [Chart 70]. In this sector the larger respondent organisations are mostly amateur or semi-professional performing groups including choirs, bands and orchestras. Despite the relatively high proportion of freelances in the survey response, more than half the business respondents never use freelances. More than half of respondents are home-based, and rather fewer own or rent premises than the mean for the survey overall. 90% find their premises adequate for their purposes. Broadband is accessible at just less than 60% of premises. Turnover for the majority of business respondents is very low [Chart 71]. In this sector the organisations with larger numbers of people involved are mostly non-commercial in nature, and do not create the corresponding turnover levels found in other sectors. Among the freelances, all but one report an annual turnover less than £10,000.

Chart 69

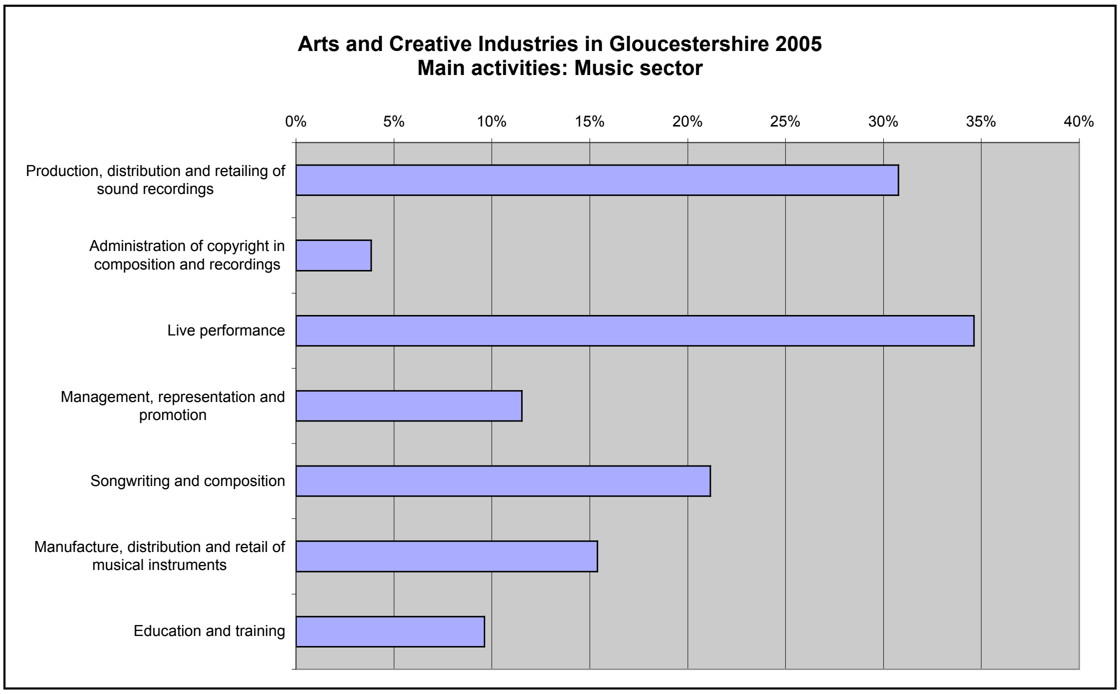
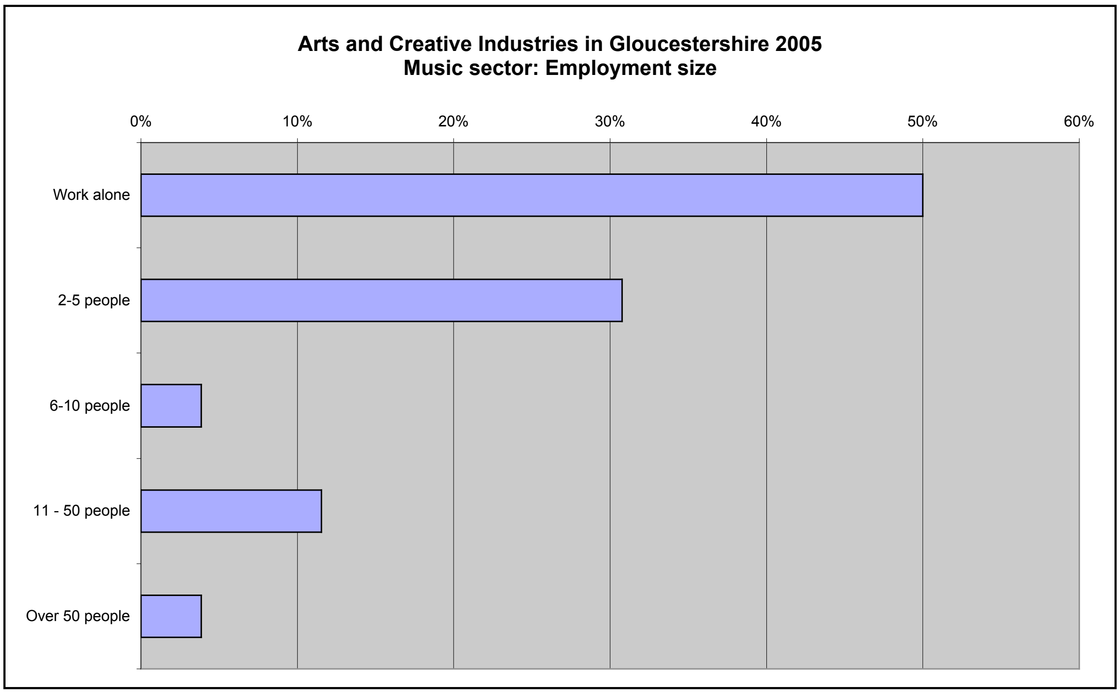


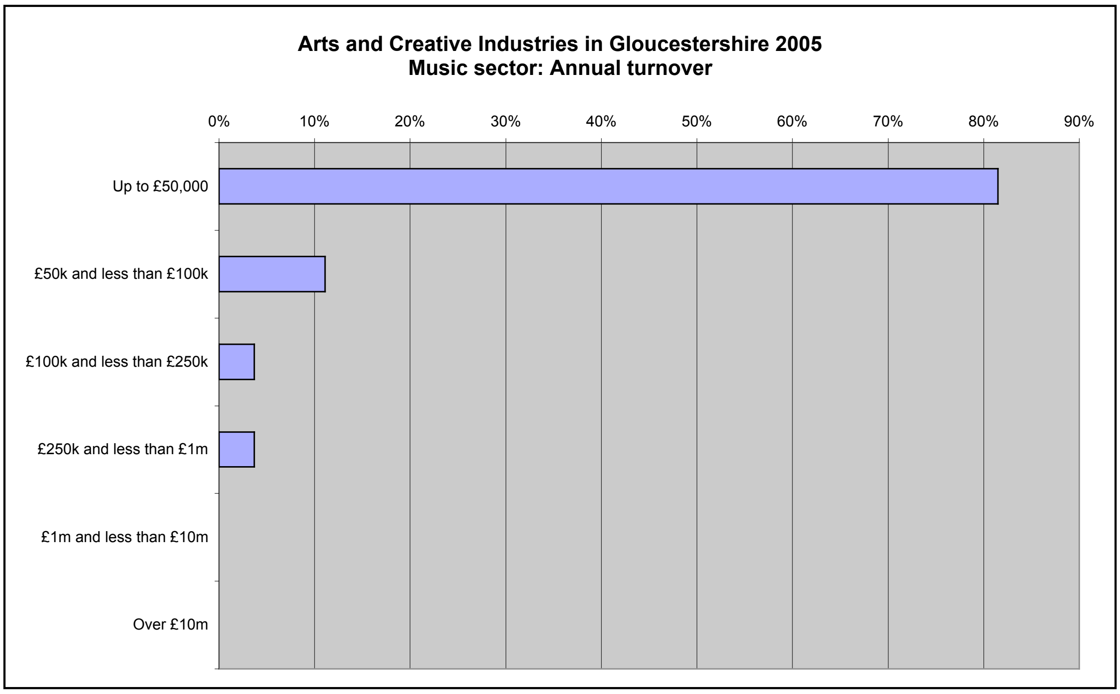
Chart 70



The majority of music respondents supply to the consumer market in the local area and region, though a significant minority have customers in the wider UK, 23%, and abroad, 19%. Two respondents report generating more than 5% of turnover from exports. About half of respondents have a website and of those about a quarter can make sales through their site.

Expectations of growth in the next year are in line with the mean of the study, something over half of respondents expecting turnover to increase. Fewer expect to increase employment than in most sectors in the survey. About half of respondents have growth as a business objective, while 5% aim to reduce or close the business. 38% see no barriers to growth, and among those who do, the most often cited are lack of customers or work opportunities, and competition (unusually cashflow does not top the list).

Chart 71



Performing arts
47 respondents from the performing arts sector include 45% sole traders and four not-for-profit organisations. Respondents cover most the range of activities [Chart 72] except artist management and representation where, unlike the music sector, the survey yielded no response. Live performance predominates with more than 70% of respondents involved. The lone worker is less predominant in the responses from this sector. A third of respondents work alone and there are larger proportions of people working in groups of up to ten than in several of the other arts sectors [Chart 73]. Turnover of staff is somewhat higher than in other arts sectors, with 11% of respondents reporting that the recruit new people two or three times a year. One third of respondents use freelances at least sometimes, and just over half never do. Of those that do, half use less than five freelances in a year. Respondents in this sector are somewhat less home-based than in music or visual arts, 41% using their home for business. The level of owned business premises is lower than the mean, and of those that rent, more rent premises without business services than in most sectors. 55% have broadband at the workplace, one of the

lowest proportions in the survey. 11% find their premises more or less inadequate.

Chart 72

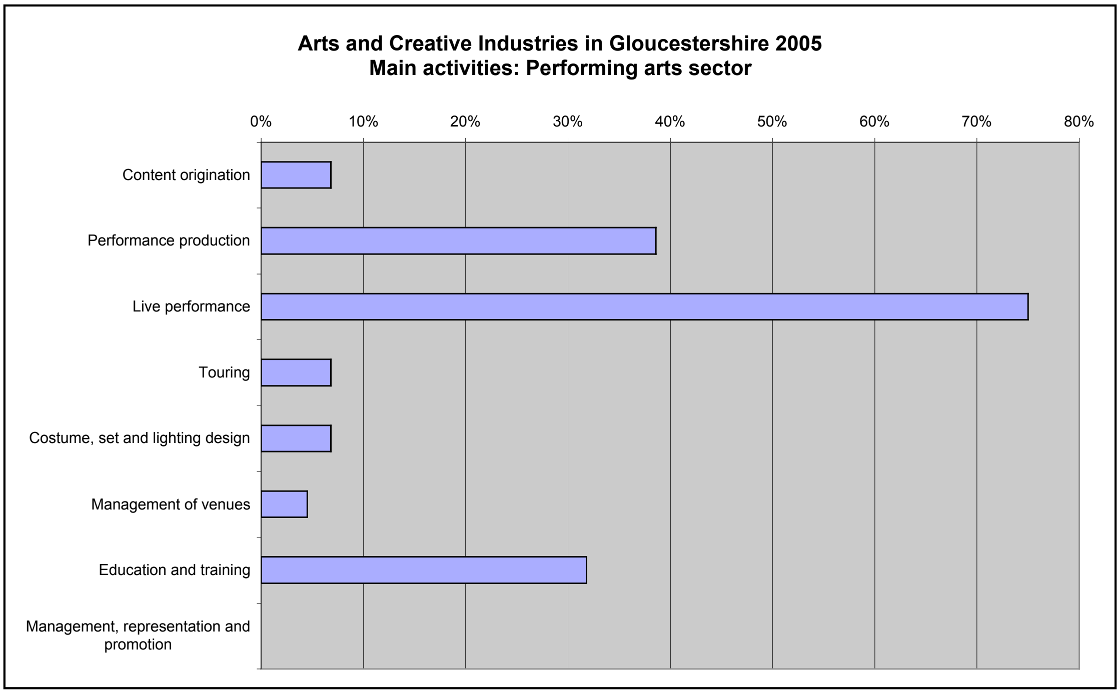
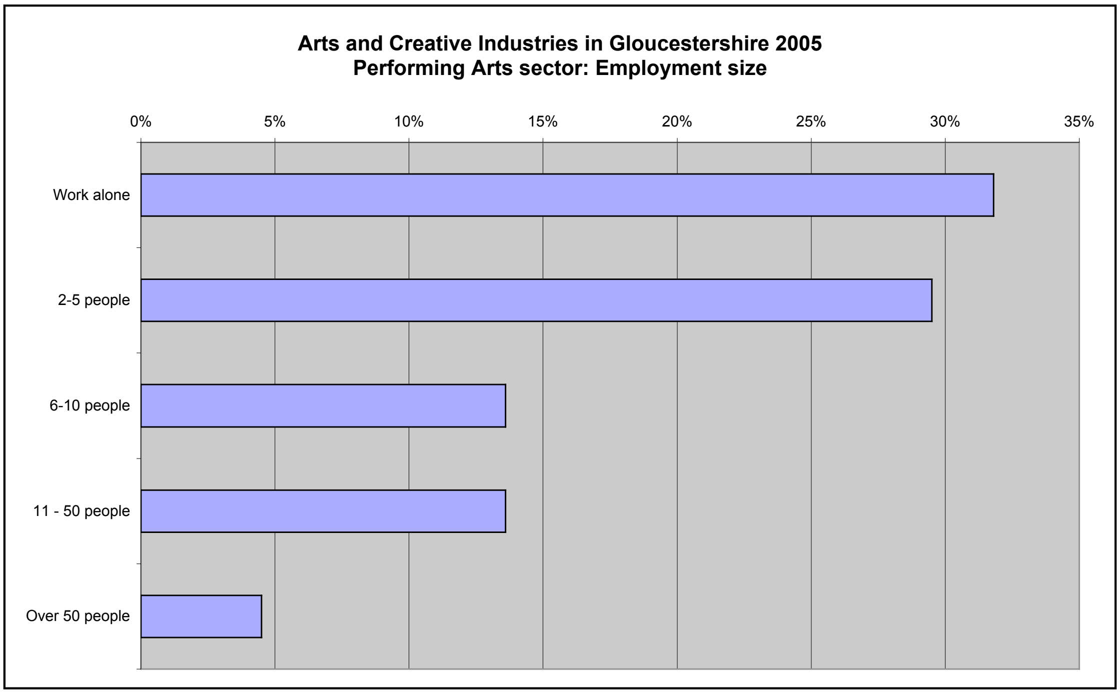


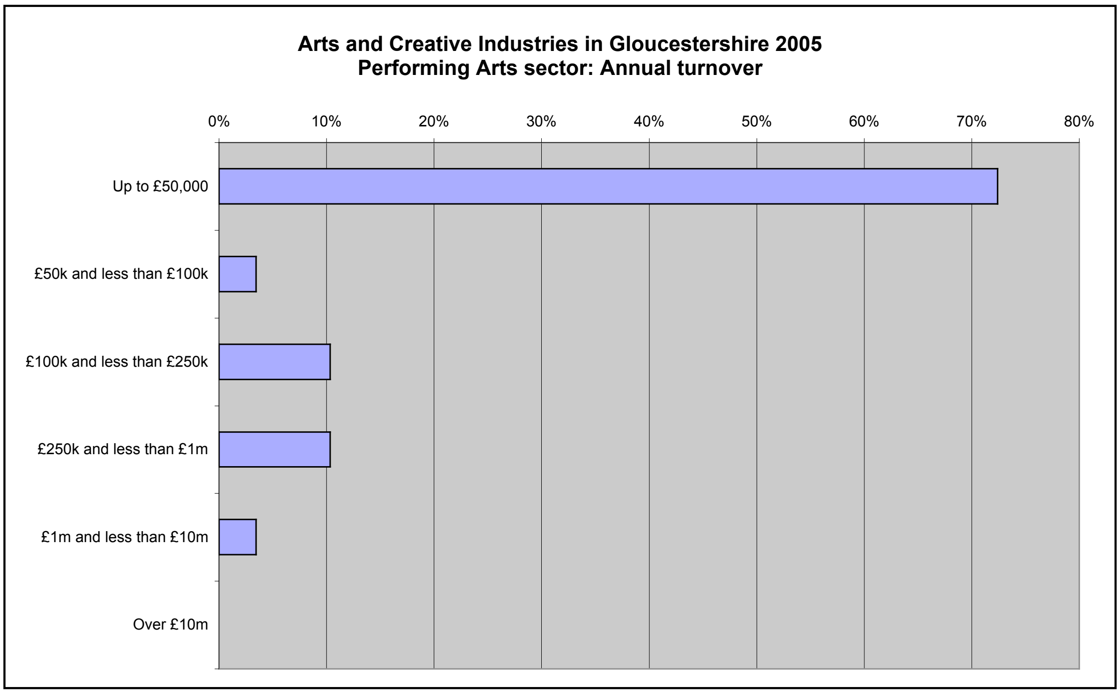
Chart 73



Turnover for 79% of respondents is under £50,000 [Chart 74] (it may be significant that respondents in this sector had the highest ‘don’t know’ rate, 25%, in answering the questions on turnover.) Among the freelances, none gave a turnover figure above £20,000.

The consumer market dominates this sector's responses (84%) and there is much less engagement with the private sector business to business market, 18%, than in any other sector. Education is the most often cited segment of the public sector market. Customers are predominantly found locally for this sector. Respondents cite the geography beyond the county as a source of customers less than any other sector and also have the second lowest rate (after architecture) of respondents having customers outside the UK. Only one respondent reports any turnover generated from exports. 41% have no company website, and of those who do, 27% can make sales directly through their site.

Chart 74



With 38% expecting turnover to increase in the coming year the performing arts respondents are the second least optimistic about turnover growth, despite having the lowest proportion of any sector reporting decreasing turnover in the last two years. Paradoxically more expect to put on staff than the mean of the survey overall. 43% have growth as an explicit business objective in the next year, the lowest in the survey (closely followed by art and antiques, and visual art and crafts.) 28% of performing arts respondents see no barriers to growth, easily the lowest proportion of any sector in the survey. Most frequently cited barriers are cashflow, access to finance for investment, difficulty in reaching and retaining customers, and access to suitable training. After the fashion sector, performing arts has the highest proportion of female business owners in the survey.

Publishing
32 respondents to the survey from the publishing sector include sole traders and partnerships, but have a higher proportion of limited companies than the mean for the study. 13% are subsidiaries of larger companies. The majority of

respondents are engaged in book publishing, and magazines and journals are also represented [Chart 75]. Few newspaper publishers responded.

Chart 75

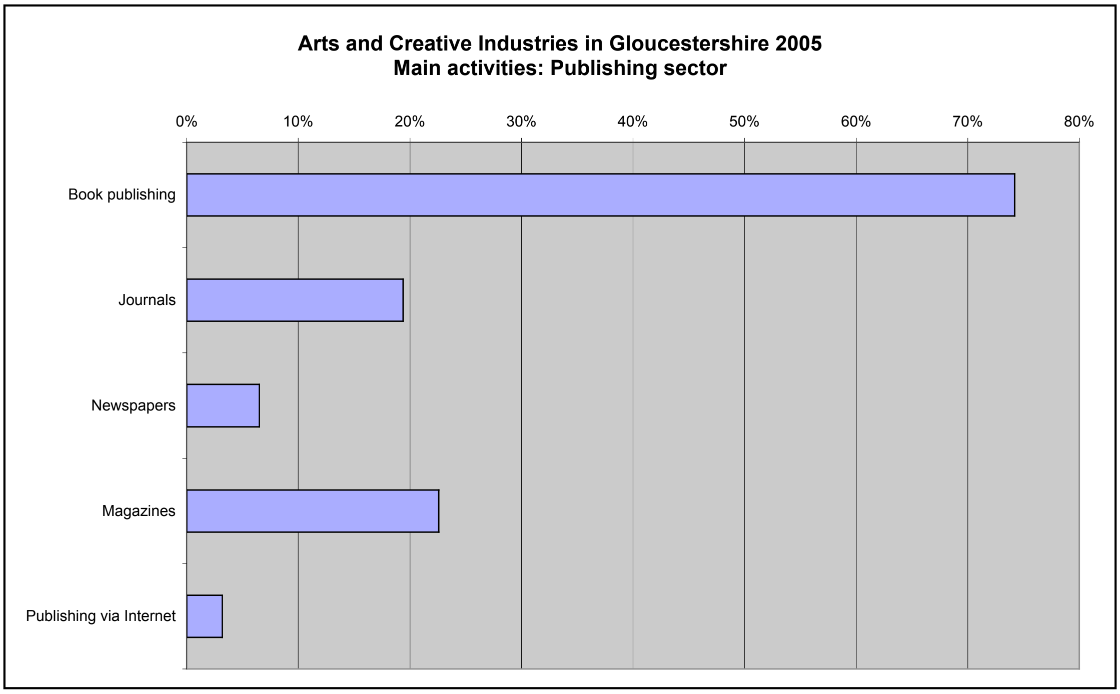
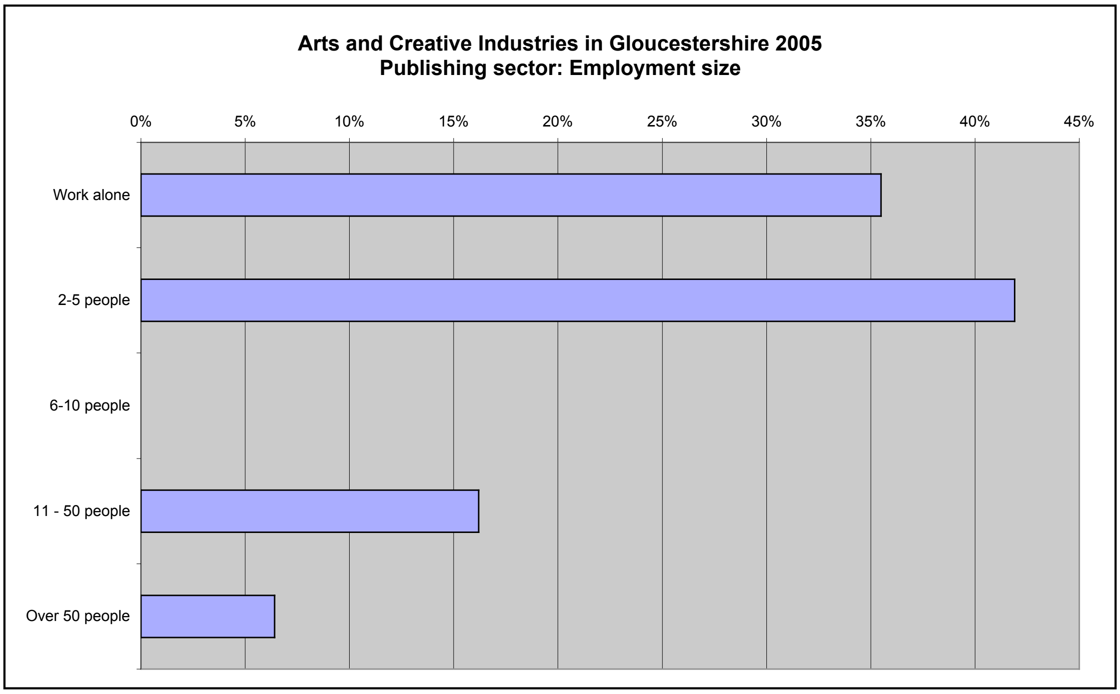
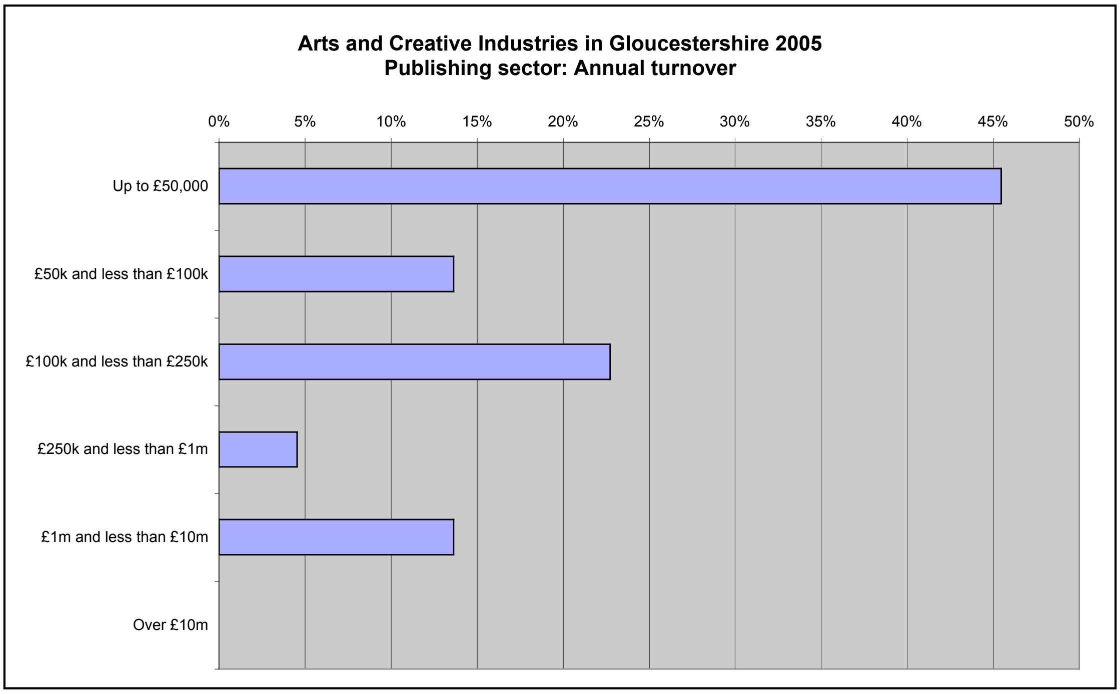


Chart 76



The publishing sector, as represented by these respondents, has a distinctive profile compared to others in the study. There is a higher proportion of larger organisations (and a distinct gap in the 6-10 employed band) [Chart 76]. It has the highest level in the survey of business respondents who always use freelances, and the third lowest (after printing and advertising) of those who never do. 59% of respondents have their business based at home, the highest level after audio-visual, and this sector has the lowest level of respondents considering their premises inadequate. 81% have broadband access

Chart 77



Though 45% of publishing respondents show an annual turnover less than £50,000, this sector also has the highest proportion of businesses in the £1m and over band of any sector in the survey [Chart 77].

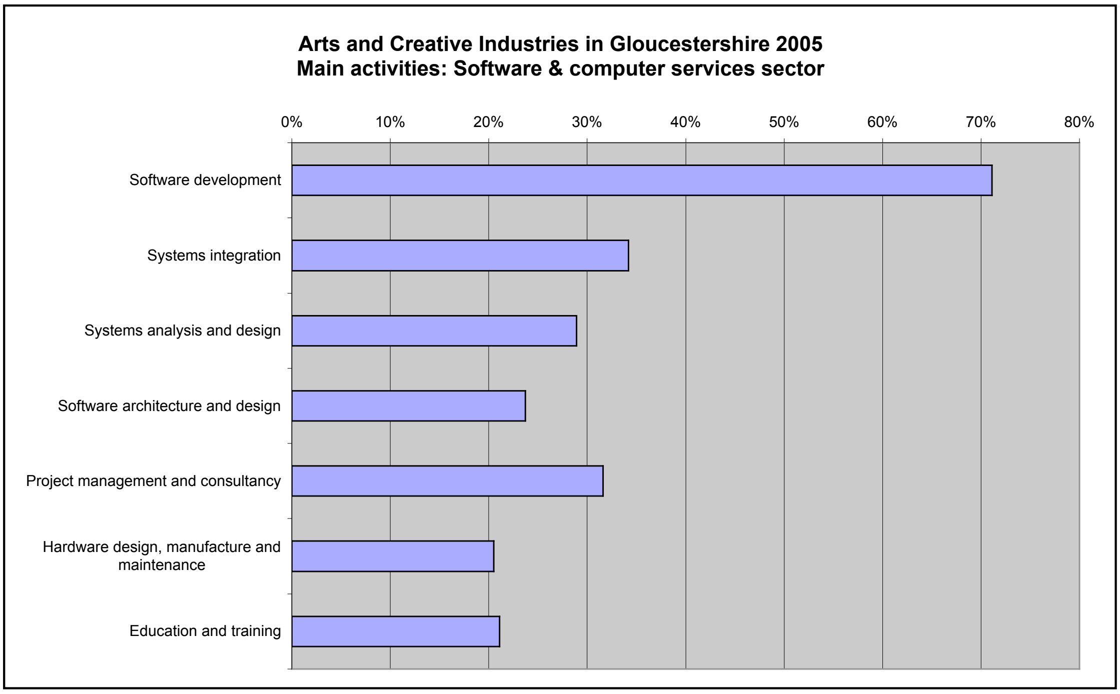
The private sector business to business market is predominant in this sector with three-quarters of respondents engaged in it. Something less than half supply the consumer market and the public sector is a source of customers for 30%. All segments of the private sector are well represented in the responses, manufacturing rather less so than creative industries, retail, services and technology. In public sector local government and education are the most often cited segments. Publishing shared with advertising the lowest proportion of respondents citing the locality as the location of customers and the highest proportion with a customer base in the rest of the UK. Publishing has one of the higher proportions of respondents with customers outside the UK (36%), and the highest proportion, 19%, of respondents deriving 25% or more of their turnover from exports. Two-thirds of respondents have a company website, and about a fifth of those who do can sell-through.

A little under 60% of these respondents expectation future growth and have growth as an objective. 47% see no barriers to growth. Among those who do, the most often cited barriers are cashflow, lack of customers or problems in reaching them, competition, and access to finance for investment. Two issues, take-up of new technology and tax problems, have a higher profile in this sector than in others.

Software and computer services

Responses from this sector total 40, of which 60% are limited companies (including one plc). 13% are subsidiaries of larger companies. When the initial database of potential contacts for the survey was pruned, the software and computer sector was pruned as far as possible to include software development as distinct from manufacture, installation and maintenance of hardware. This is reflected in the activity profile of respondents [Chart 78], with more than 70% involved in software development. Other activities are also well represented.

Chart 78



The employment profile of software respondents [Chart 79] is distinctive in that there is a much lower incidence of lone workers than in many other sectors. Software has much more in common with the other more industrial sectors of advertising and printing than with the arts sectors. The software sector respondents are characterised by small groups, and also have a higher proportion of larger companies. This sector’s respondent report increased employment in the last two years more frequently than any other sector except printing. Respondents indicate that freelances play a comparatively small role in this sector. Home-based work is a little less common among respondents in this sector (46%) but is still significant factor. Not surprisingly 95% of respondents have broadband access. 87% find their premises adequate.

The turnover profile of respondents in this sector is similarly distinctive [Chart 80]. Fewer respondents have a turnover under £50,000 than over, the reverse of many sectors in the survey, and there are significant numbers of large-scale businesses. This sector has one of the higher proportions of respondents reporting a rising turnover trend over the last two years.

Chart 79

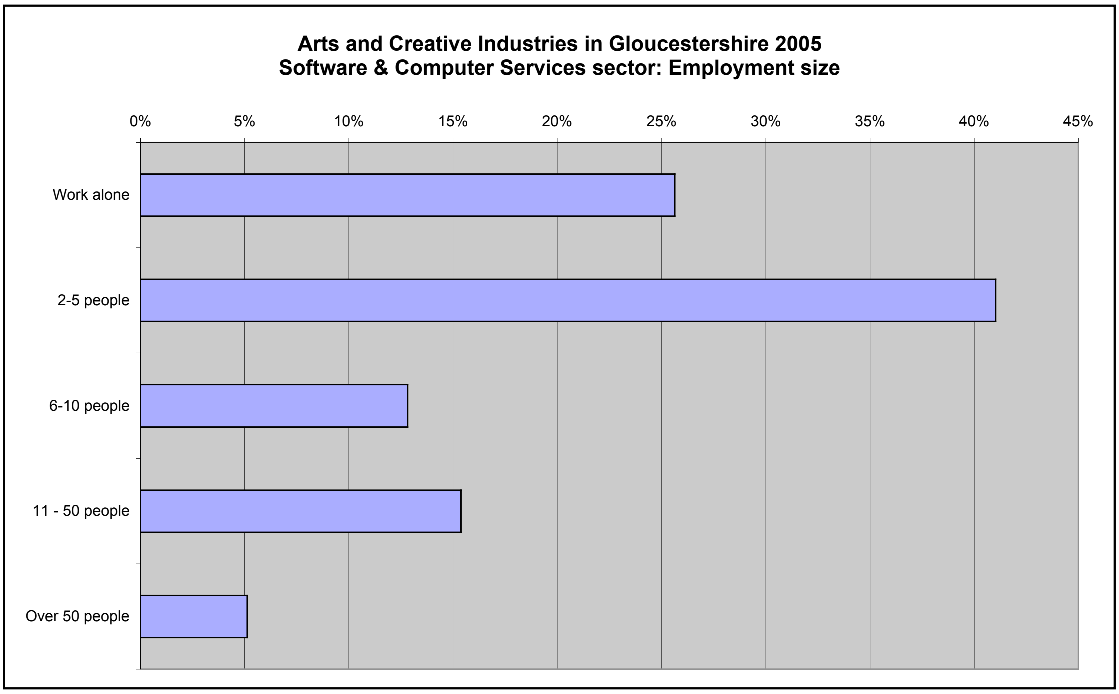
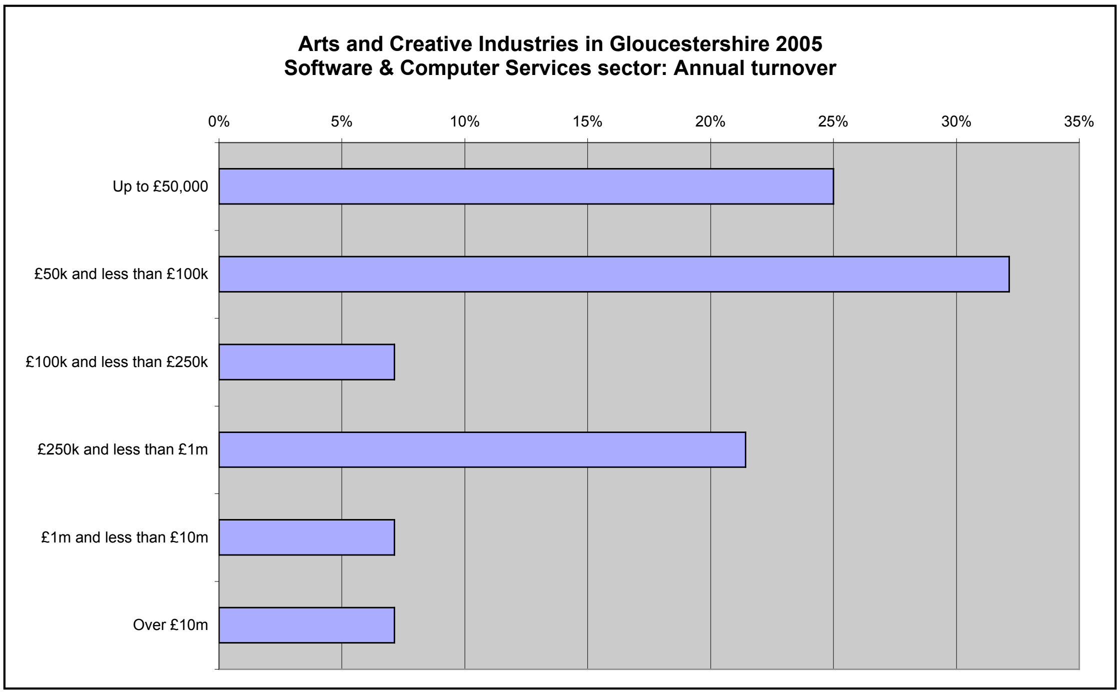


Chart 80

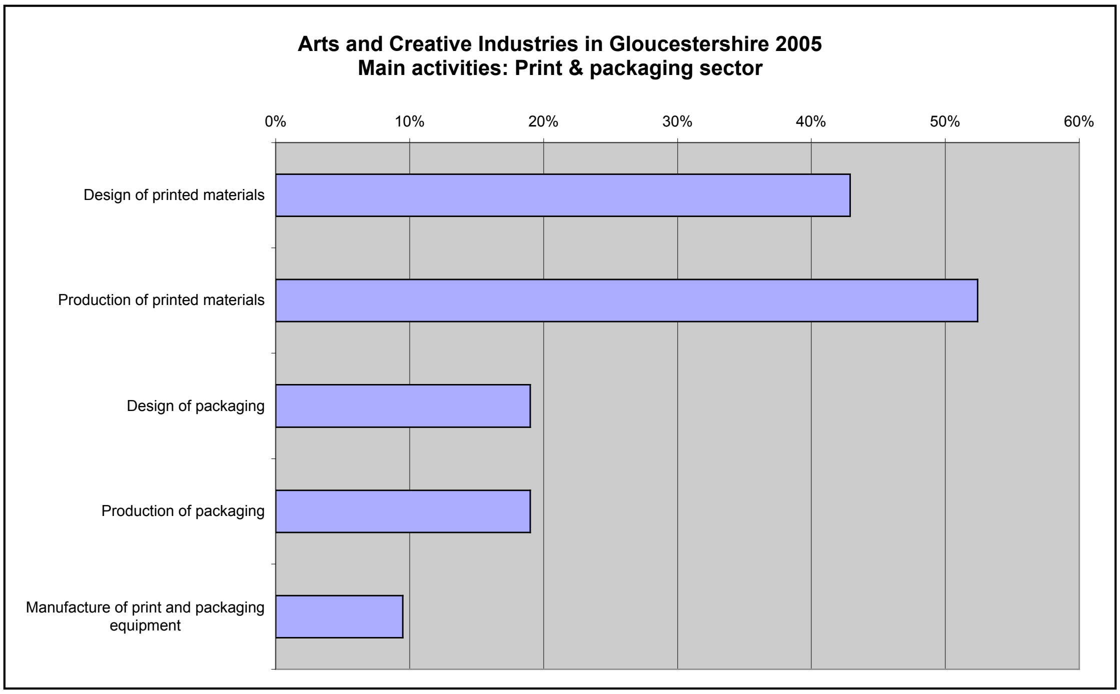


More than 70% of respondents are engaged in the private sector business to business market, in which the technology segment is dominant. 38% have customers in the public sector. Mostly local government and education, and a quarter are active in the consumer market. Customers for this group of respondents are found in the wider UK market more than in most sectors, and more than a third have a market outside the UK. 13% of respondents in this

sector report making 25% or more of turnover from exports, twice the mean for the survey as a whole. 92% of this group have a website, and one third can sell through the site to business or public customers.
68% of respondents expect turnover to grow in the coming year, and nearly 40% expect to put on staff, both rates being at the higher end in this survey. 63% have growth as a business objective. 55% perceive no barriers to growth, the highest proportion in the survey together with advertising. Where barriers are perceived, those most often cited are lack of, or difficulty in reaching, customers, competition, red tape and tax issues (cashflow in this case is not at the top of the list.)

Printing and Packaging
This category is rather peripheral to the creative industries but since much of the product of the design sector is manifested through print, the sectors are closely linked, and many print producers have internal design services which are not necessarily represented in other statistics. These data are therefore included for completeness. 21 responses from the print sector included 76% limited companies, much the highest in the survey. Chart 81 shows that more than 40% of these print sector respondents are active in design for print, and 19% in design for packaging. The industrial nature of the sector is characterised by a higher proportion of larger employers and a lower proportion of solo workers than in other sectors in the survey [Chart 82]. More of this group of respondents had increased staff in the last two years than in the other sectors. Use of freelances is more common in this sector than most, comparable with the advertising sector. A quarter of these respondents base their business at home, the lowest in the survey, and a high proportion own their own premises. Of those who rent, more rent premises without business services than in other sectors. There is a higher level of dissatisfaction with their premises than in other sectors. All but one have broadband access.

Chart 81



The alignment of this sector with manufacturing, rather than with most of the creative industries is shown in the turnover pattern [Chart 83], where a much higher proportion of respondents, 64% are in the £250,000 and over bracket than in any other sector. More than half of respondents report turnover rising year on year.

Chart 82

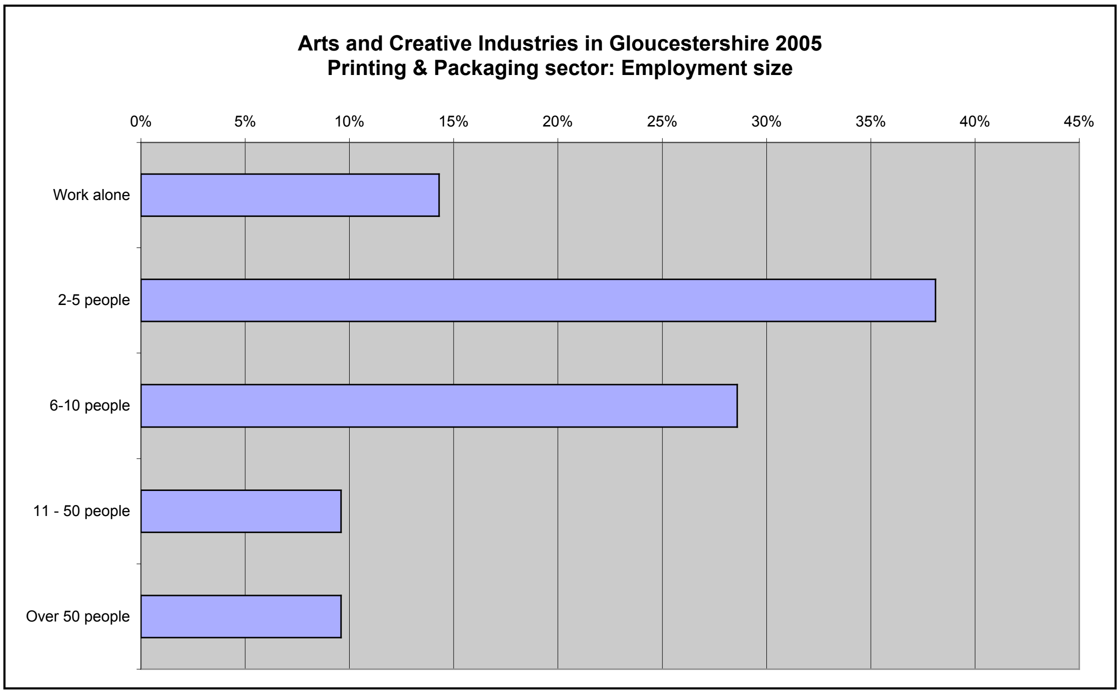
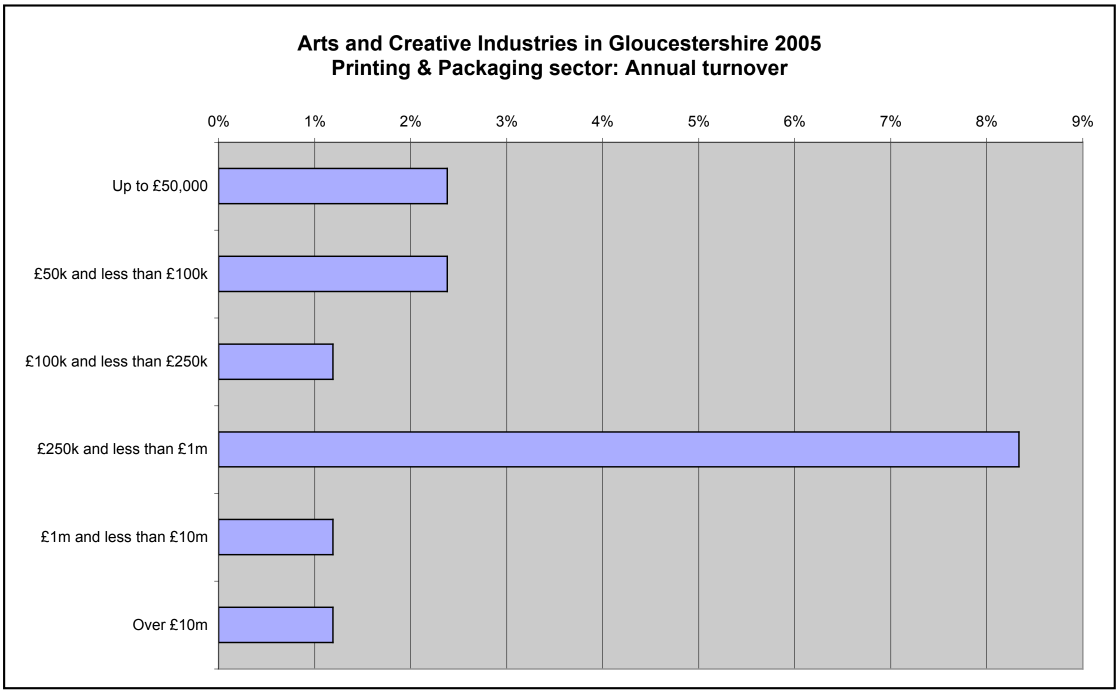


Chart 83



The sources of customers for these respondents are spread widely across all sectors of the market, consumer, private and public sectors. The only segment to be relatively less prominent is national government. There is somewhat less strong a focus on the local market than the mean for the study, and customers are found across the region and the UK, but few respondents report overseas customers. One, however, attributes all its turnover to exports. 70% have a website of which one-third can sell-through.
Three-quarters of these respondents expect to grow turnover in the coming year and more than 40% expect to increase employment, both the highest in the survey. Growth is an objective for 57% , though two-thirds perceive barriers to growth. Barriers most often cited are cashflow, competition, availability of premises, and lower than expected sales or lack of customers.

Case studies

The survey provided a great deal of analysable data, but it only tells a part of the story. In order to give a greater insight into the nature and character of the creative industries in the county, and to bring in to the review some of the significant companies which did not respond to the survey, a series of 14 detailed face-to-face interviews were carried out by Deborah Harrison. Cases for study were selected to include a wide range of sub-sectors, the geographical spread of the county and specific instances where useful lessons might be learned.

The case study interviews were recorded, transcribed and edited to a common format. The results are presented here to illustrate the range, scale, diversity and ambition of these enterprises, their operational character and the views of their principals on the future development of the creative industries in the county.

1. Loco Glass Limited

Partners - Colin Hawkins & Louise Edwards
Location -Studio 2, Brewery Arts, Brewery Court, Cirencester GL7 1JH
Tel: 0870 606 1290
Email: info@locoglass.co.uk
Website: www.locoglass.co.uk
Business - contemporary freeblown glassware
Employment - 3 full time & 2 part time employees
Turnover - NA

Established - 2000

1.1 Business Profile and History

Loco Glass was established in 1998 by creative partners Louise Edwards and Colin Hawkins. They design and produce ranges of contemporary freeblown glassware and undertake special commissions. They create innovative glassware and artworks ' with an emphasis on creative design and skilled craftsmanship'. In 1999 they were holders of the scholarship studio at Broadfield House Glass Museum, inspiring them to progress towards establishing their own studio at Brewery Arts in Cirencester. They chose the location because if offered affordable workshops, a cluster of creative enterprises and access to a wealthy market.

Louise studied at Winchester School of Art and Goldsmiths College, followed by a placement at the International Glass Centre in the West Midlands. Colin studied glass at Sunderland University and completed his training at the Royal College of Art where he benefited from contact with some of the country's most prestigious glass makers and designers. All of their pieces are hand blown using a combination of traditional and modern techniques, their contemporary designs blend modern forms with rich colour and finishes.

1.2 Employment and Training

Loco Glass employs 5 people including Louise and Colin, a full time glass worker who finishes the glassware plus a part time retail assistant. The business is thriving and orders increasing so they are looking to recruit a new talented glassmaker through the round of college degree shows.

1.3 Markets and Resources

Their primary market is selling giftware and decorative pieces including scent bottles, candle holders, vases and bowls between from £20 up to £100 to mainly female consumers. They supply ranges of studio glassware to 190 galleries across the UK, plus department stores including Harrods and Liberty's, prices range from £25 to £200. They exhibit their work at trade fairs and high profile craft exhibitions. Visitors can watch the team creating pieces at their studio and buy smaller items starting at £5 from their on-site shop.

Loco's major competitors include imported glassware from Poland and the Czech Republic, plus cheap imports from China, highly affordable and attractive to British customers. Colin would like to increase public understanding of the difference between mass produced glassware and hand made pieces, to encourage people to buy high quality well designed glassware. The market is developing and contemporary glass is becoming a good investment similar to fine art and antiques.

As their reputation has grown they are being commissioned to create more bespoke pieces for galleries and unique artworks for private clients including outdoor water features, prices range from £800 upwards. They have exhibited their innovative outdoor glass and metal sculptures at events like the International Festival of Glass 2004 held at the Ruskin Glass Centre in Stourbridge, the foremost exhibition of contemporary glass by artists working in Britain. They are interested in applying for an ACE Grant for the Arts to help them develop new sculptural glasswork for exhibition at a prestigious event like the RHS Chelsea Flower Show.

They receive the ArtMatrix and Arts Council England (ACE) bulletins which they regard as very useful information on forthcoming exhibitions and seminars, commissions and grants. They would be interested in helping develop a support network for glassmakers in the SW region and collective marketing initiatives, using Cohesion in Sunderland as a model.

1.4 Business Planning and Finance

The Prince's Trust helped Colin and Louise to launch their new business with an affordable loan of £1,500 and access to a business mentor. Business Link provided them with a small business grant to support their growth and later another grant of £500 to help them attend a trade show in Paris. Like many start-up creative enterprises access to professional business support combined with small grants helped them launch their business and survive the early years. They developed sales by exhibiting at craft trade shows to attract new buyers. These days they attend the NEC Spring Crafts Fair and Top Draw in London, investing around £2,000 per stand, in order to meet gallery owners and craft buyers and win new orders.

After five years in business Loco Glass has built an annual turnover of around £125,000. The partners are looking to grow the business and increase retail sales for 2006 and beyond. They experience an on-going need for access to advice and support in finance, grants and marketing. Currently they do not have a mentor or business advisor but would like advice and professional support in business planning and increasing retail outlets and sales. New opportunities include niche markets like outdoor sculptures, bespoke glassware and creative commissions.

Loco Glass has benefited from the support of Brewery Arts centre. The centre operates like an umbrella or incubator for creative enterprise by providing affordable workshop spaces to a cluster of 14 businesses offering weaving and textiles, felting and stained glass, wirework and jewellery. Brewery Arts also provides collective marketing for these artists and makers through their website and promotional literature. Loco Glass benefits greatly from being part of this cluster of creative enterprises. They are planning to join the Gloucestershire Crafts Guild to have access to a wider network of makers across the county.

If they expand production and sales they will need to relocate to a larger workshop and invest in extra equipment. They would seek advice and information on other commercial properties to let through Business Link and Gloucester County Council, plus internet listings. However, they appreciate being part of a creative cluster hosted by an established crafts centre where they have direct contact with the public and can raise awareness of glassmaking. They would not chose to be isolated on an industrial estate.

1.5 Community Benefit

Colin and Louise collaborated with an artist to create an exhibit for the Westonbirt Gardens Exhibition in 2005 and they would like to create a piece for the Chelsea Flower Show. They tend to create temporary outdoor exhibits rather than permanent public artworks because glassworks are vulnerable to vandalism. Private commissions for outdoor glass sculptures avoid these problems. They invite the public in to watch their glass blowing process and offer workshop sessions. They continue to provide employment opportunities to new arts graduates trained in glass making skills and part time work for their retail assistant.

1.6 Suggestions

Colin believes the Gloucestershire partnership could support the creative enterprise sector in several ways:

- Support the development of a SW Network of Glassmakers to promote and market their artworks collectively, modelled on initiatives in the NE.

- Develop an Arts and Crafts Trail or Open Studios events for Cirencester.

- Improve access to creative enterprise grants for developing new processes and products, marketing and exhibitions, training and visits.

2. Brewery Arts Cirencester

Deputy Director - Miranda Leonard
Location - Brewery Court, Cirencester, Gloucestershire GL7 1JH
Tel: 01285 657181
Email: admin@breeryarts.freeserve.co.uk
Website: www.breweryarts.org.uk
Business - contemporary arts & crafts centre, charitable trust
Employment - 7 full time employees, part time staff & volunteers
Turnover - £500,000 per annum

Established – 1979

2.1 Business Profile and History

Brewery Arts is a contemporary arts and crafts centre that operates as a charitable trust and was established in 1979. It is regularly funded by the Arts Council England as it offers a range of services to local communities including adult and children's education programmes, plus workshops and touring exhibitions. The centre combines a theatre space, gallery and shop with a cafe and a cluster of affordable workshops for artists and makers.

For many years Brewery Arts has been planning to enhance the building and has secured a capital grant from the National Lottery for £1.4 million. The plan is to redevelop the building from an old industrial building into a modernised arts centre and community arts facility. The vision is to move the shop to the ground floor, develop the education spaces, enhance the craft workshops and improve access by including a lift They have commissioned a Bristol based architect Niall Phillips, well known for Spike Island, to work on the project and consult with user groups on the conversion plans.

2.2 Employment and Training

Brewery Arts employs 7 full time staff including the Directors, plus lots of part time cafe staff, tutors and a dedicated group of volunteers. They provide work experience opportunities for arts students from Cheltenham College and other colleges in the county. The centre has hosted ALIAS seminars for artists and makers in collaboration with Stroud Valleys Artspace.

The team at the Brewery would benefit from capacity building in business planning and management. The exhibitions team are interested in curatorial training and mentoring to help them enhance their exhibitions programming.

2.3 Markets and Resources

The centre provides a popular cafe offering affordable meals which most days of the week is full of local people and visitors, particular older people. The cafe has built a loyal and regular clientele and generates good income for the centre. The shop sells high quality British arts and crafts from across the country. It offers a range of gifts and collectable pieces ranging from ceramics to glass and textiles.

The shop and cafe attract a wide range of people in to the centre to enjoy a meal or buy a gift. The gallery offers a changing programme of one-off and touring exhibitions showcasing the best of contemporary British arts and crafts. Brewery Arts has a theatre space seating around 120 people but it is closed in preparation for the building redevelopment.

The Arts and Crafts heritage of the Cotswolds and its landscape have attracted in a diverse community of talented artists and makers. A major feature of the centre is the cluster of 14 workshops and studio spaces it provides for artists and makers, showcasing their work to visitors and providing access to the wealthy Cotswold market. Brewery Arts operates like an umbrella or incubator for creative enterprise by providing affordable workshop spaces to creative enterprises including weaving and textiles, felting and stained glass, wirework and jewellery. The centre also provides collective marketing for their resident artists and makers through their website and promotional literature.

The centre markets its services through a quarterly programme of classes, workshops and exhibitions that is distributed to TICs and community venues across the Cotswolds, plus a contacts mailing list of 3,000. There is limited funds for advertising but they do produce promotional leaflets for the centre and touring exhibitions. They need extra support to deal with telephone and email enquiries.

2.4 Business Planning and Finance

Brewery Arts has an annual turnover of around £500,000, the majority is spent on staff, arts and education programming, plus maintenance costs. The centre receives regular financial support from ACE, Gloucestershire County Council and Cotswold District Council. The centre generates income from letting its 14 workshops to artists and makers, managing a shop and cafe, and offering a range of training courses to local communities. It used to generate some income from its small theatre but that is now closed.

They have secured a capital grant from the National Lottery for £1.4 million to redevelop the building from an industrial complex into a modernised crafts centre and community arts facility. However, the scale of the project and issues surrounding the funding have delayed the development plan. Other similar development projects in the region have been undertaken in phases, for example Stroud Valleys Artspace (SVA), Devon Guild and the Watershed.

The delayed development has placed parts of their programming on hold. For example, the 120 seat theatre used to offer a monthly programme of performances by touring companies like Red Shift. The theatre is no longer in use and all the programming has been given to the local college that is equipped with a modern theatre. There are plans to convert the theatre into a multi-functional education space and cinema, partly as the theatre was not profitable. These ideas are on hold because they would require additional public investment. The centre has employed a fundraiser to increase awareness of the redevelopment project and to win new support from charitable trusts and wealthy benefactors.

In preparation for the development project, Brewery Arts has commissioned a range of consultants through the Arts Council England to assist with business and project planning, market research and local consultation. Unlike similar projects, for example SVA, they have not received advice or support from Business Link, the enterprise agency or SWRDA. They are aware of the need for professional support in finance, business planning and fundraising to help them successfully navigate their way through this challenging time.

The centre benefits greatly from being a member of a range of networks including the Gloucestershire Arts Forum, ArtSpace, GLOSS, ENGAGE, ACET, VAGA and South West Arts Marketing. These networks and associations provide their Deputy Director Miranda Leonard with access to other arts professionals, ideas and contacts for new exhibitions and opportunities to attend events and seminars. The exhibitions programme receives regular ACE funding of around £60,000 a year to develop, host and tour an inspiring series of exhibitions showcasing British creative ideas and talent and develop linked educational and outreach programmes.

2.5 Community Engagement

Brewery Arts delivers an inspiring programme of arts and crafts courses and workshops for adults featuring painting, sculpture, creative writing, stained glasswork, printmaking and willow work. They also provide a vibrant education programme for children and schools featuring mask making, sculpture, pottery, jewellery and a Saturday Arts Club.

2.6 Suggestions

Miranda believes the Gloucestershire partnership could support the creative enterprise sector in several ways:

- Increase access to mentoring and CPD training in finance, business development and marketing for artists and makers. Improve access to small grants to develop new artworks, innovative techniques and processes, national and international exhibitions and trade shows for creative enterprises.

- Increase access to business advisors and mentors for all arts organisations developing capital build projects for arts facilities. Provide capacity building and training to support their management teams.

3. Bill Bird Shoes Ltd

Director - Bill Bird
Location - 49 Northwick Business Centre, Blockley, Moreton-in-Marsh GL569RF
Tel: 01386 700855
Email: info@billbird.co.uk - or - billbird.shoes@btinternet.com
Website: www.billbird.co.uk
Business - bespoke shoemaker
Employment - 4 full time employees
Turnover - £150,000 per annum

Established - 1986

3.1 Business Profile and History

Bill Bird Shoes Ltd is a small team of skilled shoemakers who produce made to measure footwear to suit individual needs, specialising in footwear for people with fitting and walking difficulties. Bill established the business in 1986 to service customers who have healthy but unusual feet or more sever medical foot problems.

Bill moved to the UK from Canada in 1967 and studied architecture at London University. He had an interest in crafts including cabinet making and in 1976 became an apprentice at John Lobb, making wooden lasts for bespoke shoes. He was fortunate to be trained by highly skilled shoemakers like Tom Steinhoven who had learnt their craft during the 1920s, the pinnacle of bespoke shoemaking. Bill combined their appreciation and skills in exquisite and creative shoe making with his interest in creating shoes that make a difference to people's lives.

In 1986 Bill relocated his new business from London to the Cotswolds where previously one month's workshop rental now paid for a whole year. Bill divided his time between working in London for Freeman Tonkin as a freelance fitter and developing his own workshop, while his family enjoyed rural community living. He was attracted to Gloucestershire because of its crafts heritage, family connections with the Stroud textile trade and good train links with London.

3.2 Employment and Training

The business now employs 4 people, Bill is the shoe fitter and last maker, Emily the pattern maker, Russell shapes the leather onto the lasts and closes the shoes, Rose finishes shoes and organises the leather buying, administration and marketing. The business also employs a freelance book keeper and a local accountant.

Bill Bird is a member of the Shoemakers Network which was launched in 1999 to provide opportunities for independent British shoemakers to come together and discuss: developing new customers; sourcing materials; developing new skills and technologies. This is a tiny sector featuring around 20 leading enterprises. The members realised their new network encompassed all the knowledge and expertise they needed to support and mentor each other. Membership costs £50 a year and includes the opportunity to attend an annual conference, new skills master classes, plus www.shoemakers.org.

A shoemaking workshop relies on a complex series of inter-linked skills to produce highly crafted products. The majority of the value of the business is embedded in highly trained skilled crafts people. When Bill's business partner left the organisation with another colleague to set up independently in London, the Network proved to be an invaluable resource. A fellow shoemaker trained both Bill and Russell in the skills that had been lost from the team.

Bill knows how long it takes to pass on craft skills and believes there needs to be public investment in work-based training for specialist shoemaking to secure the future of this important service sector and protect against loss of skills. Currently, Bill is consolidating his own 30 years experience as a shoemaker with a Certificate in Further Education at Evesham College.

3.3 Markets and Resources

Bill Bird Shoes benefits from being located in Britain where there is a culture of buying good quality shoes, he could not sell his product in Canada where shoes cost on average £20 a pair. The main customer groups are people who can afford hand made bespoke footwear, or those with fitting and walking difficulties. A pair of shoes can take up to four months to make from the initial fitting through to the finished product and cost around £600 a pair, plus £300 for the last. Most mass produced shoes last between 2 and 5 years while Bill's shoes last up to ten years, clearly a good investment.

Most of their clients find them through their website or Yellow Pages, where they are listed as bespoke and orthopaedic shoemakers. They do not need to advertise or attend trade shows as they receive medical referrals and recommendations and have a permanent waiting list of clients. They found that advertising was expensive and generated lots of enquiries with only a 1% conversion rate into active customers. The majority of their clients have already decided they want or need a pair of hand made shoes.

Bill Bird sources their calf leather from France and beech for the wooden heels from Germany. They are not able to source high quality leather or wood for their shoes in the UK. Rose has developed their marketing and packaging including branded boxes and bags, their brochure and website.

Bill Bird used to supply shoes for patients of the London Foot Hospital until it closed. It now supplies children's shoes for Great Ormond Street patients. Unlike Germany where there are over 40 specialist shoemakers, the British market for orthopaedic shoes has reduced dramatically since the NHS stopped paying for specialist shoemaking services for adults. Today 80% of the British market for shoes is dominated by mass produced cheap Chinese imports, followed by 10% of designer imports from France, Spain and Italy, leaving 10% of the market to be supplied by specialist British makers including Bill Bird Shoes.

3.4 Business Planning and Finance
Gloucestershire Business Link helped Bill to establish his new business while his bank has provided a £10,000 overdraft facility to ensure smooth cash flow.

Bill has not received any business grants or funding but would now be interested in applying for a product development grant from the Royal Society of Arts and Business or NESTA to publish a technical booklet on shoemaking.

3.5 Community Benefit
Specialist and orthopaedic shoe making provides a unique service for people in the community with medical conditions and special requirements.

3.6 Suggestions

Bill believes the Gloucestershire partnership could support the creative enterprise sector in several ways:

- Provide access to small enterprise grants for developing new shoe making processes and equipment, marketing and promotions.

- Support the development of a Shoemakers Exhibition to showcase new British designs and innovative shoe making techniques.

- Promote investment and development in work-based training for traditional shoemaking skills to be delivered in partnership with higher education colleges.

4. Christopher Clarke (Antiques) Ltd

Directors - Sean & Simon Clarke
Location - The Fosseway, Stow on the Wold, Gloucestershire GL54 1JS
Tel: 01451 830476
Email: cclarkeantiques@aol.com
Website: www.campaignfurniture.com
Business - specialist antiques dealer
Employment - 2 full time partners
Turnover - NA

Established - 1962

4.1 Business Profile and History

Christopher Clarke Antiques Ltd was established in 1962 by Christopher Clarke. This is a second generation family business inherited by his sons Sean and Simon Clarke who manage the business in partnership. They specialise in antique campaign and travel furniture made in the 18th, 19th and 20th Centuries.

Their father launched the business in Stow on the Wold after completing his apprenticeship with dealers in Birmingham and St Albans. He chose the location because it is a wealthy and beautiful area with a rich heritage and growing numbers of visitors and excellent transport links. There were few antiques shops in the area, so he invited other dealers to join him, laying the foundations for the current large cluster of antiques businesses in the Cotswolds.

Sean is the Chairman of the Cotswold Art & Antique Dealers' Association (CADA) established in 1978, which now has 45 members spread throughout the area. The Cotswolds are home to the largest cluster of serious antique dealers outside London, providing a rich hunting ground for collectors and buyers. Their interests include furniture, Arts and Crafts, oil paintings and watercolours, tapestries and samplers, clocks and silver. The aim of CADA is 'to promote its members both at home and internationally and offer high standards of goods and services'. It provides collective marketing through a website, members' directory and Cotswold antiques trail of linked exhibitions that attract international dealers and buyers.

4.2 Employment, Mentoring and Training

Sean and Simon manage the business in partnership and do not need to employ other staff. They regularly work with freelance runners who provide them with new pieces for their collection, plus local historians and restorers to identify and repair new acquisitions.

Their mother is a Director of the company and owns the building which she lets to the company at an affordable rent. Family ownership of the building makes this a successful enterprise, despite high business rates. As a family business they provide mutual support and an in-house forum for new ideas.

Sean benefited from informal mentoring from an established antiques dealer during his apprenticeship. As members of CADA and LAPADA Sean and Simon have access to wide networks of other antiques dealers with whom they exchange ideas about business development and marketing. For example, they have modelled their high quality catalogues for campaign furniture on successful publications developed by Witney Antiques.

4.3 Markets and Resources

They have developed a niche market at home and internationally by carrying a variety of unique and interesting items. Their collection includes folding candlesticks, travelling tea sets and luggage, through to folding furniture including beds and complete dining tables! Their customers range from people that want to buy small affordable gifts and conversation pieces, to serious collectors of larger campaign furniture.

They have grown strong markets for their collection in London, the USA and Australia. They have achieved this by developing a highly interactive website www.campaignfurniture.com that operates like a virtual gallery, inviting visitors to browse their whole collection. The website was created by an American agency 'Art on the Web' with experience in designing successful antiques websites, providing an opportunity to make useful links with other dealers and enter the American market. Also, they attend the Olympia antiques shows in London during June and November to meet new customers.

Every year since 2001 they have developed special collections for exhibition including 'At Ease Gentlemen', 'England Expects' featuring 18th to 20th Century naval furniture, 'An Englishman's Tent' featuring travel items, similarly 'Essential Baggage' and 'The Portable House'. They have succeeded in winning new customers for their collections by publishing magnificent catalogues full of detailed information and colour pictures. The catalogues are loaded onto their website and mailed out to regular customers and buyers. The catalogues are also distributed through their shop in Stow, antiques shows and antiquarian booksellers. They pride themselves on developing strong relationships with their customers and have a detailed contacts list of around 500 people whom they email with the details of new exhibitions and collections.

Sean and Simon source the majority of their collection in Britain, adding occasional pieces from France and the USA. Their first special exhibition in 2001 'At Ease Gentlemen' brought together over 100 antique pieces made in Britain, India and China during the 18th,19th and 20th Centuries originally for use during British military campaigns or for export to the new colonies.

As the Chairman of CADA Sean has developed strong links with Gloucestershire Tourism and has innovative ideas on ways to develop partnership working between rural tourism, the heritage and antiques sectors. For example, Spring and Autumn special tourist packages and mini-break weekends focused around heritage festivals, exhibitions and antique trails. The Cotswold economy has been affected by events like the Foot and Mouth crisis and 9/11 which both reduced visitor number to the area. There are opportunities for the creative industries sub-sectors like antiques and heritage to collaborate on developing new audiences and markets for mutual benefit.

4.4 Business Planning and Finance

Business Link provided Sean with a 'new market grant' of £1,500 to enable him to develop exhibitions like 'The Portable House' in partnership with Warwick Oakman Antiques based in Tasmania. Sean and Simon have been actively developing a new market in Australian, partly as their competitors are very focused on New York and the USA.

They are very satisfied with the range of business support services available, particularly Business Link who have operated as a useful portal for information, professional advice and business grants. Sean regards rising business rates in the Cotswold area as a potential barrier to new enterprises and business survival. Young dealers looking to move to the area may have to consider affordable options such as dealing from antiques centres or fairs where the overheads are lower. Although Ebay has opened an affordable route into the sector it does not help build an established customer base in the same way as a retail outlet does.

4.5 Community Benefit
The well established antiques sector in the Cotswolds attracts large numbers of visitors to the area throughout the year. This represents a major contribution to the local economy in terms of money spent in local shops, restaurants, hotels and B&Bs.

4.6 Suggestions
Sean believes the Gloucestershire partnership could support the creative enterprise sector in several ways:

- Support the development of a Cotswold Antiques Trail in partnership with Gloucestershire Tourism and leading hotels - encourage the Highways authorities to allow heritage signage from the Antiques Trail.

- Support partnership working and collaboration between the creative industries sub-sectors, including antiques and heritage, to develop new products and services targeting new audiences for mutual benefit.

- Promote partnership working between CADA - museums, art galleries, heritage centres, historic houses - and the tourism agencies and hotels - to develop special events and mini-break packages.

- Increase access to business grants for exhibitions, trade shows, marketing and promotions.

Forest of Dean - Case Studies

1. Reckless Designs

Director - Kevin Burke
Location - 17 Gloucester Road, Coleford GL16 8BH
Tel: 01594 810504
Email: info@recklessdesigns.com
Website: www.recklessdesigns.com
Business - hand made studio ceramics
Employment - 3 full time employees
Turnover - £355,000 per annum

Established - 1992

1.1 Business Profile and History

Reckless Designs is a highly innovative and entrepreneurial pottery operating in the Forest of Dean. The founder Kevin Burke designs and manufactures a wide range of unique hand made and hand painted ceramic products that are both decorative and functional for the table, kitchen and bathroom. Kevin creates new collections every year, his tea cups and mugs have become highly collectable. His work is very unique with a distinctive 'look' featuring a rich pallet of lustrous colours and extravagant gold decoration. The pottery produces over 500 designs in a wide range of forms and offers customers 'the colour design of your choice applied to the shape of your choice'.

Kevin established Reckless in 1992 after leaving the family business, a demolition contractors and scrap merchants. He studied the design and mass production of studio ceramics through an intensive 6 month course in Stoke on Trent including mould making, glazing and batch production. He regards Stoke on Trent alongside Cornwall as global centres of excellence in ceramics. He was been inspired by the slipcast work of Moorcroft Pottery and the slab built designs of Andy Lloyd. He launched himself as one of the first 'punk potters' creating strong designs using unusual combinations of colours with bold hand painted patterns. In addition to the well established Reckless ranges of ceramics he undertakes private commissions. Kevin bought the studio in Coleford because the Forest of Dean is a beautiful area with a large cluster of other ceramicists and artists.

1.2 Employment and Training

In 1995 Reckless Designs employed over 20 people and mass produced ceramics for a range of large commercial clients. However, in 2001 Kevin decided to down size the business as he was very busy but not making a good profit as cheap imports were undercutting the market and squeezing his margins. He was no longer enjoying the business finding managing a large operation distracted him away from creating new designs.

Kevin relaunched Reckless with a new business model, employing just 3 people full time including himself as the master potter and 2 assistants for painting and finishing his pieces. He invested £3,000 in developing a highly interactive website that functions like a virtual gallery and shop where potential buyers can browse his full range of ceramics and buy on-line.

Reckless unlike some potteries does not offer work placements to young artists or students as Kevin is very much the lead designer and does not have time these days for coaching young talent. Previously when Reckless employed a larger team they provided employment for young people with special needs from Taurus Crafts. Kevin has supported the sector as a Governor for the local college and supported the local tourism agency with creative and business ideas for creative enterprise.

1.3 Markets and Resources

Reckless operates at the upper end of the market and has exhibited at many of the leading trade shows in London, Paris, New York and Frankfurt to attract new commercial buyers. Kevin's ranges of ceramics have been sold across Europe and the USA, by Whittard, John Lewis, Habitat and Liberty in the UK, plus Bloomingdale's and Barneys in New York. Increasing competition from cheap production in Asia undercut their margins and profits, leading him to change direction and become a design house providing original designs for companies like Tesco and Whittard who mass produced the designs under licence in China, Indonesia and Malaysia. Kevin retained the copyright and negotiated a royalties deal. Once it became apparent that the quality of commercial mass production of his designs was falling and cheapening the Reckless 'look' for greater corporate profit, he stopped this line of work.

Kevin developed www.recklessdesigns.com as a highly effective and lucrative alternative to designing for commercial mass production. He redirected investment from attending trade shows into developing a multi page website that operates as a virtual gallery and on-line shop. Refocusing the business and rebuilding orders has proved to be a difficult but worthwhile challenge. Previously Kevin sold the majority of his ranges wholesale or under licence to commercial buyers like Habitat who would make large profits marking up the items at 3 times the wholesale price. Today Reckless markets the majority of its products directly to customers priced between £8 and £40 each. They also supply a network of over 30 high quality retail outlets and galleries across the UK including Jenners in Edinburgh, Selfridges in London and galleries like Snape Maltings in Suffolk and Top Draw in Cornwall. Reckless has over 400 specialist retail outlets worldwide and sells increasing amounts of products on-line to the USA and Europe.

Kevin prefers investing in his own marketing solutions and has found the website and on-line shopping to be more effective than a glossy catalogue or standard advertising. The website receives a huge number of hits and generates around 3,000 private sales each year, partly as it is well signposted by search engines. For example, innovative and popular pieces include the double handled mug and gold decorated lustre ware, both unique ranges that attract a lot of interest. Their materials cannot be sourced locally so they buy clay from Stoke on Trent and a range of luminous and transparent glazes from across the UK, France and the USA. Kevin still works with the 7 original colours he selected for his first candy stripe design for Whittards, a classic Reckless design.

1.4 Business Planning and Finance

Kevin made a strategic business decision to work smarter rather than harder by downsizing Reckless in 2001. The business turnover fell from £1,500,000 to £355,000 but is now more profitable than before achieved through focusing on costs in relation to sales and by maintaining profit margins. Kevin now has time to travel for a month each year gathering new ideas and creating new designs. During the 1990s he paid a retainer to Business Link for regular business support but was dissatisfied with their negative advice during his company restructuring. Today he relies on family members for business advice and mentoring, they manage a highly successful family business worth £24million exporting recycled metals to China.

Reckless Designs was forced to restructure to address the growth of the global economy, increasing competition from cheap imports and impact of Asian production driving down market prices and reducing profit margins. Over the last decade the UK ceramics sector has lost over 70,000 jobs. Kevin used to manage 6 dedicated retail outlets across Gloucestershire and service large contracts for mass-produced ceramics, both markets he has abandoned. Now he invests in retaining maximum profits within the business through on-line sales, private commissions and supplying specialist retail outlets.

Kevin attends the annual Potters Convention organised by the British Ceramics Society in Stoke on Trent which provides a lively forum for discussion on ways to maintain and strengthen the UK ceramics sector. He exchanges ideas with fellow entrepreneurs and ceramicists at Poole Pottery, Dartington and Saddlers. He believes there are strong niche markets in designer and studio ceramics, following the example of Clarice Cliff who applied industrial processes to produce designer pieces in the 1920s. Kevin would still like the British consumer to be able to buy good quality ceramics that are produced in an ethical way. His ambition is to work with a well established company like Wedgewood or Ainsley to create popular designs for mass production on behalf of major retailers like the supermarkets.

1.5 Community Engagement

Reckless Designs is the local pottery for Coleford and surrounding villages in the Forest of Dean area. They undertake private commissions for local people for weddings, anniversaries and funerals. The studio also provides a 'decorate your own pot' service, inviting local families and groups of young people to come and enjoy creating their own designs on a piece of their choice, fostering local talent.

Reckless unlike some potteries does not offer work placements to arts students but they have provided employment to emerging talent from the Forest and for young people with special needs from Taurus Crafts. Kevin has been a Governor for the local college and supported the local tourism agency with creative and business ideas for creative enterprise.

He would like to establish a social enterprise for ceramics production in Africa where he spends many of his Spring breaks. The project would build on his earlier initiative of importing beads from an African co-operative to provide sustainable employment for local families.

1.6 Suggestions
Kevin believes the Gloucestershire partnership could support the creative enterprise sector in several ways:

- Encourage artists and makers to develop their enterprises to meet the challenge of both local and global markets through a combination of creative innovation and risk taking, supported by investment in web-based marketing and on-line sales.

- Encourage creative enterprises to achieve sustained success by protecting creative ideas and products as major assets, maintaining high quality production and focusing on maintaining profit margins by balancing costs and sales.

- Promote the principles of community enterprise and 'fair trade' for the production of arts and crafts products in developing countries.

2. Forest of Dean Community Radio

Managers - Winifred Baker & Roger Drury
Location - The Studio, 1 Beresford Court, Cinderford GL14 2BS
Tel: 01594 820722
Email: wbaker@fodradio.org
Website: www.fodradio.org
Business - community media, not for profit company limited by guarantee
Employment - 4 employees, plus volunteers
Turnover - £150,000 per annum

Established - 1986

2.1 Business Profile and History
Forest Community Media was established in 2003 as a partnership between Forest Artworks, Forest of Dean Community Radio and Third Screen bringing together expertise in radio, film, arts and writing. Its mission is 'to provide opportunities for local communities to enrich themselves through engagement

with a range of creative media'. The Forest is a diverse rural area that experiences poor local communications and transport so this initiative seeks to link communities across the area with a unified service and voice.

Forest Artworks was established in 1986 as a community arts project to develop work across the Forest of Dean in partnership with arts and community organisations. It was supported by South West Arts and the Forest of Dean District Council to work with people of all ages and abilities using film and video, performance and circus, writing and photography to help develop new skills leading towards employment.

Forest of Dean Community Radio (FOD) was established as a new project in 1995 to provide a voice for local communities and to extend the impact of the Cinderford Carnival. It went on to develop 20 Restricted Service Licence stations broadcasting from 6 communities across the Forest. In 2002 FOD was selected by the Radio Authority as one of 15 projects out of 200 applicants to take part in the national Access Radio Pilot Scheme. It is unique being the only rural project selected and the first in the SW region. The licence enables FOD to broadcast to the whole Forest.

Third Screen provides an independent world cinema programme to a regular audience twice a month. It received funding from the Film Council to buy digital projection equipment to show short films and tour screenings to rural communities. It has commissioned short films on local identity for the 'Voices in the Forest' Festival.

2.2 Employment and Training

The Forest has a population of around 80,000 residents, 70% of them living in small villages with a degree of rural isolation, while the rest are in 4 main market towns. The area is a Forest Park combining farming and forestry alongside old mining areas that are in need of regeneration. The Forest has a large population of unskilled and manual workers, with the majority of employment being in manufacturing and service industries. A third of workers travel out of the area to work in Gloucester, Cheltenham and Bristol. The area also has a large scattered community of over 100 artists and makers represented by Forest Open Studios, Forest Artists Network and www.forest-bigartweb.net

FOD works with both young and older age groups, community groups and charities, individual enthusiasts (musical, interest based, topical), more recently, local businesses - helping each of them to produce and present their own programmes. The experience of working with local radio empowers local people and builds self esteem. It provides opportunities to learn new and transferable skills in ICT and communications, team working and creative collaboration. FOD trains local people in recording and editing their own radio programmes, helping local communities to develop media and communications skills. The project is fostering a new creative generation of writers, performers and musicians that could progress to showcase their work at screen writing, literature and music festivals in Cheltenham and Gloucester.

FOD currently employs 4 full time workers and benefits from a large network of committed volunteers. Winifred Baker is the new Business Manager responsible for developing the organisation, its products and services. She has benefited from a Business Link advisor and mentor for more than 15 years, plus support from Artsmatrix and Arts Council England. Roger Drury delivers community arts and education outreach across the Forest. He has benefited from being a member of the Community Media Association, a network of like-minded professionals. Winifred and Roger both acknowledge that during this period of rapid expansion, the whole team would benefit from capacity building, professional development and training.

2.3 Markets and Resources

Radio is universal, most of the population owns a radio even if they don't own a TV or computer, it is a very ‘user friendly’ and free medium with affordable equipment and no licence costs. As a means of directly contacting isolated and excluded communities, or talking to people in their homes, it is highly effective. Community radio stations aim to be inclusive, offering something for everyone, targeting all groups both young and old with a wide range of locally made programmes including news, features and music.

FOD as a new community radio service is working in one of the most innovative parts of the media industry. It offers media training to a broad spectrum of local people of all ages and abilities, who in turn work with the service to deliver local programming and a unified local voice for scattered rural communities across the Forest. Community radio focuses on local issues ignored by the mass media and offers a support network and forum for local concerns. For example, in rural areas during the foot and mouth crisis many communities relied on local radio for news and mutual support.

2.4 Business Planning and Finance

The project was initially funded by Adult Education and made possible by good local community support. Forest Community Media has an annual turnover of around £150,000 per annum based on funding and project grants from a range of sources including Forest of Dean District Council, Arts Councils England, Rural Development Agency, Local Network Fund and Awards for All. The team had already developed a 5 year business plan for a community radio station and grasped the opportunity of applying to be part of the community radio pilot project. Once they had secured the radio licence they required larger facilities and rented commercial offices in Cinderford. SWRDA provided £110,000 of investment under its rural regeneration agenda for new radio, recording and broadcast equipment to enable the service to go on air. The project also provides in-house training and support in all aspects of radio to local people of all ages and abilities delivered by the FOD team and volunteers.

Community radio is a new type of radio station that reconnects local people and FOD has succeeded in being awarded the first long term rural licence. Unlike conventional radio stations, community radio broadcasts for local benefit rather than profit. Community radio reflects the interests of its audience and provides a 'local voice' rather than ‘talking at’ its community.

These are not commercial stations, although they can earn some income from advertising and sponsorship. Each station offers its own unique blend of music, news and features, often linked with local filmmaking and TV.

Having won the licence FOD is now keen to progress from being a ‘community group’ to a ‘community business’ to reduce their reliance on grant funding and to become sustainable long term. However, they are finding it difficult to access the type of business support they need to establish a social enterprise. Mainstream providers like Business Link do not have in-house expertise in community enterprise, so the team need to consider other sources of advice including Gloucestershire Development Loan Fund. They need to develop their skills and capacity in finance, new business development and marketing, plus they are interested in diversifying their services to include arts and media research and consultancy, events and workshops. They have already been commissioned by the County Council to share their experience with other community radio projects by offering support and training, for example in Winchcombe, Cirencester, Stroud and Cheltenham. As they are well advanced there is potential for FOD to become a media Hub and work with partners like SVA to develop an integrated on-line media service for the whole county.

FOD is a member of the Community Media Association that includes a new network of on-air radio stations that is considering creative and programme exchanges. They are also members of the Federation of Writers and Community Publishers that promotes writing at a grassroots level and links over 90 groups. The team and volunteers at Forest Community Media, plus its community audiences also represent their own local network, ACE regards them as a 'virtual rural arts centre'.

2.5 Community Engagement

FOD is a highly effective community arts and media enterprise that offers local communities across the Forest opportunities to develop creative and communications skills and enjoy a local programme of events and entertainment. Now the five year radio licence is in place there are plans to develop 5 local media centres across the Forest of Dean to increase local access to new media services. Forest Artworks their community arts and development project working with people of all ages and abilities, offers a complementary programme of workshops, writers’ broadcasts, book publishing and arts festivals. Third Screen provides access to world cinema for local rural audiences.

2.6 Suggestions

Winifred and Roger believe the Gloucestershire partnership could support the creative enterprise sector in several ways:

- Promote FOD as a Community Media Hub for Gloucestershire - it delivers media training to communities and projects across the county - it could be supported to collaborate with SVA to develop an integrated on-line media service for the whole county.

- Develop and deliver a tailored Creative Mentoring Scheme working with established artists and creative entrepreneurs based in the Forest of Dean and Stroud - encompassing creative practice, marketing and enterprise support, with signposting towards sources of enterprise advice and CPD training.

- Encourage the community development funds to extend their support towards arts and media sector organisations operating as 'social enterprises'.

- Support the concept of community media and radio with positive advocacy combined with 3 to 5 year investment to ensure sustainable development. Increase support for rural culture and recognise its value.

3. Dean Oak Co-operative

Director - Tim Orson
Location - Castlemain, Parkend, Forest of Dean
Tel: 01594 517313
Email: coop@deanoak.net
Website: www.deanoak.net
Business - produce workable timber & woodland products, social enterprise
Employment - 70 members
Turnover - £30,000 per annum

Established - 2002

3.1 Business Profile and History

The Dean Oak Project was established in 2000 by the Forestry Commission working in partnership with the Countryside Agency. They applied a model from New Zealand where locally produced timber is supplied to local craftspeople. It provided the momentum for the development of the Dean Oak Co-operative (DOC) in 2002, a social enterprise formed by Tim Orson and a network of 70 members including furniture makers and artists, wood turners and joiners, builders and restorers based across the Forest of Dean. The co-operative supplies affordable timber to its members who in turn can market their products under the Dean Oak brand.

The enterprise's guiding principles are sustainability and inclusion, so thinnings that have been treated as waste or turned into cardboard are now made available at affordable prices to members of the co-operative. They aim to use every part of the tree by developing a range of products including charcoal and kindling, previously 60% was wastage, making local timber available for local use and benefiting the local economy. They have developed their own system for recording the source of batch of their timber, every plank has a number, promoting marketing of locally produced timber.

3.2 Employment and Training
Dean Oak operates its sawmill once a week with the support of its members to produce workable timber that can be used straight away or stored as planks for 1 to 3 years. There are more than 70 members encompassing a core group of around 12 people who are very active in developing the enterprise. There are 4 regular volunteers with one person operating the sawmill on a weekly basis.

They are working to a slow growth 10 year business plan, so currently the co-operative is not generating enough income to pay salaries as it reinvests all its income in buying timber and equipment. Their turnover has increased from £12,000 to £30,000 in the last 2 years so their ambition of achieving a sustainable enterprise is in sight. An interesting development is that when they launched the co-operative very few members had access to the internet and email but that is changing rapidly as they realise the benefits of ITC.

3.3 Markets and Resources
Dean Oak Cooperative offers furniture makers and artists, wood turners and joiners, builders and restorers, based in the Forest and beyond, the opportunity to become a member for £1. Membership provides them with access to supplies of locally sourced workable timber at affordable prices. The cooperative is able to buy timber in bulk in 20 to 40 ton lots, amounts that individual craftsmen could not afford, making local timber available to local people once again. Members will also benefit from collective marketing for their ranges of furniture, domestic ware and sculpture under the Dean Oak brand.

3.4 Business Planning and Finance
Dean Oak Co-operative has expanded rapidly since 2002 and needed more space so it moved its milling operation to a new site at the Castlemain Depot in Parkend, leased from the Forestry Commission. It has invested £20,000 in equipment and owns £30,000 in processed timber. Woodland Heritage provided a grant of £4,000 and the Alliance of Community Enterprise £3,500 to help establish their enterprise and buy equipment. They won grants on the basis that they are delivering rural regeneration and community enterprise.

The co-operative plans to expand its business by building a new kiln for drying timber, kiln dried oak is a premium product, and have plans to expand their milling operations. Establishing a social enterprise has enabled the members to access public investment and grants to acquire equipment and rent facilities on a collective basis, opening new opportunities not available or too risky for them as individuals.

The cooperative also provides member with the opportunity to establish their own timber related enterprises with access to equipment and facilities, Dean Oak branding and marketing by entering a licence agreement where a percentage of their sales are returned to the co-op. The timber industry is a highly competitive and speculative business and the members realised that putting all activities into a single co-operative was a high risk strategy. Instead they are developing the cooperative as an enterprise Hub that supports a range of micro-enterprises including charcoal, kindling and mulch. The aim it to use every part of the tree, promoting sustainable forestry practices.

A core group of members within the co-operative formed the Dean Oak Company in order to raise finance for business development and to be able to bid for oak 'thinnings' being sold by Forest Enterprise. Longer term they would like to establish a retail outlet and exhibition space, develop a strong brand for Dean Oak products and undertake collective marketing for their products at trade shows. Dean Oak has benefited from positive business support and advice from Gloucestershire First, SWRDA and English Partnerships. They are being supported to develop a 10 year business plan to accompany their application for £1.5million of investment. The core group includes a barrister who has helped them establish their social enterprise, plus a fundraiser who has helped develop funding bids.

3.5 Community Engagement

There is a large community of makers and artists working in wood across the Forest. Traditionally they have been restricted to producing products mainly for private commissions rather than investing in speculative making. Market research undertaken by the co-operative indicated that there is a wider market for their work outside the Forest, including London and Birmingham. The research highlighted that this community and their skills were mainly unknown outside Gloucestershire. Dean Oak Cooperative is putting them on the map.

Previously, individual craftsmen, artists and makers in the Forest were not able to access locally grown timber due to the large lot sizes and costs. Dean Oak Co-operative is now providing affordable supplies of timber to its network of 70 members. They also offer collective marketing opportunities under the Dean Oak brand. Their principles of sustainability and inclusion are turning a waste product into a valuable resource for the local production of timber related products and services. Dean Oak is increasing local employment and expanding the local economy for the benefit of local communities.

3.6 Suggestions

Tim believes the Gloucestershire partnership could support the creative enterprise sector in several ways:

- Increase access to social enterprise advice and community development funding or affordable finance for creative sector organisations, enabling them to tailor models to fit their local needs.

- Encourage public sector partners to support the development of community enterprise in arts and crafts through cross sector partnership working and increasing access to professional advice, capital grants and affordable premises.

- Encourage the growth of collective processing and marketing among clusters of artists and makers for mutual benefit.

Gloucester - Case Studies

1. Quattro Design (Architects)

Director - Paul Knowles
Location - Bearland Lodge, 55 Longsmith Street, Gloucester GL1 2HT
Tel: 01452 424234
Email: jane@quattro-glos.co.uk
Website: www.quattrodesign.co.uk
Business - architectural practice
Employment - 42 employees
Turnover - £1.8 million per annum

Established - 1984

1.1 Business Profile and History
Quattro Design is an architectural practice established in 1984 by a group of like-minded architects who had been working for Solon Housing Association. Initially they established the business as a co-operative formed as an industrial provident society, prior to becoming a limited company in 2001. Quattro has teams and offices in both Gloucester and Bristol, specialising in public sector development projects including health centres, schools and social housing across Bristol and Gloucestershire.

1.2 Employment and Training
The practice has an annual turnover of around £1.8 million, 70% of which is invested in salaries. They employ 42 people including 14 chartered architects, 5 administration workers, students on work placements, technical and financial staff. They have sent staff on Business Link training courses but like many other large creative enterprises they prefer to develop and deliver their own in-house mentoring and training. Difficulties in recruiting new architects with expertise in community sector projects have led them to work in partnership with organisations like Cardiff University offering annual work placements to students, many of who return to work for them later.

Quattro's founding Directors benefit from mutual mentoring and an in-house forum for new ideas and challenging issues. Senior members of their teams operate as mentors to junior staff and students on work placements. In return, they acknowledge that the practice benefits greatly from inviting trainee architects to work them in terms of new creative ideas and approaches.

The Directors have identified that the practice needs professional advice and development in the areas of finance and particularly marketing. They are seeking ways to devolve the day-to-day running of the practice to allow them to focus on developing and diversifying the business. Quattro holds corporate membership of RIBA and the Association of Environmentally Conscious Builders, both highly useful networks of fellow professionals. These network have enabled the practice to collaborate with like-minded architects.

1.3 Markets and Resources

Quattro has developed a strong reputation and niche market across Bristol and Gloucestershire in public sector and community development projects including health centres, schools and social housing. Under the Labour government practices like Quattro have benefited from massive public investment being channelled into urban and rural regeneration programmes. These include the development and enhancement of community health and education facilities, plus the expansion of social housing. Making the most of the thriving mixed economy they have also diversified into private sector housing development, for example around the Forest of Dean and Stroud areas.

They are an innovative practice that is committed to sustainable development and eco-design. For example, they are developing the first 'mutual home ownership' scheme at Cash's Green in Stroud, working with Gloucestershire Land for People. The scheme will provide affordable intermediate housing for people with incomes between £15,000 to £35,000 who will be able to buy a 'share' in a new house. This is a pioneering pilot project and the first of its kind in the country. English Partnerships are seeking other sites across the UK to replicate the model to provide affordable housing for individuals and families excluded from the rising housing market.

Other examples of exciting new buildings they have designed include a turf roof performance and education space at Bristol Zoo and an Eco-Laboratory for Newent School where they worked with children and teachers to develop the designs. They are well known for undertaking complex projects including multi-functional community facilities that incorporate workshops and office, performance and educational space, creches and cafes. They are highly skilled in working with complex partnerships from the public and community sectors and dealing with projects receiving funding from different sources.

Quattro specifies locally sourced, environmentally friendly and recycled materials wherever possible. They promote low energy solutions and FSC timber wherever the client and budget allows. These measures can add 15% to initial building costs but deliver long-term energy savings for user of the buildings. Based on their expertise they were commissioned by Gloucestershire County Council to develop a Sustainability Matrix for use with schools and community centres across the county.

1.4 Business Planning and Finance

Quattro has received no business support from mainstream providers. Instead they receive legal and financial advice from independent advisors like Elliot

Bunker in Bristol who has helped them establish the practice as a limited company and to improve their financial systems. They developed their own tailor-made computerised project management system to help them manage their workload of projects because standard products were inadequate.

Architectural practices differ from many other businesses as they undertake large amounts of work 'at risk' in terms of bidding for work, developing proposals and initial designs which can take up to 12 months to complete. Projects can take up to 3 years to complete, from initial designs through to the finished building, resulting in the need for good financial support from the banks, professional financial advice and strong systems. Quattro prefers to use independent rather than mainstream business advisors who have an understanding of their sector. Like many other creative enterprises they appreciate standard advisory and training services but find that often they do not match their precise business needs.

They are aware that they need to develop more effective strategic marketing and communications and would like to find an independent marketing advisor or agency to assist them. They need to address increased competition on their territory across Gloucestershire and the SW region, plus difficulties winning work against London based practices. They have recognised that for the business to thrive long term they need to increase their profile and awareness across the public, community and private sectors in the English and Welsh regions.

1.5 Community Benefit

Quattro's special focus and expertise, which has differentiated them from other practices, is in developing facilities for and with local communities. They believe in engaging stakeholders and end users through consultation and participation to inform the development process and help shape the form and function of the buildings. They are unusual in that they can provide in-house community facilitation expertise as part of the project. Many of their buildings not only deliver vital services to local communities but also contribute towards the local distinctiveness of villages, towns and cities across the county.

The practice has pioneered working with artists on a wide range of projects including the Cinderford Triangle in the Forest of Dean, Bristol high streets and shop fronts. Their work has informed recent initiatives like the PASW Project where for example an artist is working with an architect as part of a multi-skilled team on new designs for social housing in Barton Hill. Quattro believes in the 1% for art principle for new developments. They have developed skills and systems for working effectively with experienced artists on complex projects incorporating public artworks. They regard artists' networks, like Forest Arts Network, an invaluable resource in this work.

1.6 Suggestions

Paul believes the Gloucestershire partnership could support the creative enterprise sector in several ways:

- Promote the use of locally sourced, environmentally friendly and recycled materials plus low energy solutions for the development of high quality well designed housing, community and arts facilities.

- Increase access to strategic marketing and communications advice and support for the whole creative enterprise sector, including architecture.

- Encourage the creative industries to invite artists and makers to work as part of multi-skilled teams on new design and development projects. Promote and support the 1% for art principle for new developments. Support artists' networks across the county as invaluable resources.

2. The Citizen, Gloucestershire Newspapers Ltd

Editor - Ian Mean
Location - St John's Lane, Gloucester GL1 2AY
Tel: 01452 424442
Email: editor@gloscitizen.co.uk
Website: www.thisisgloucestershire.co.uk
Business - daily newspaper
Employment - 112 employees
Profit - £5 million per annum

Established - 1722

2.1 Business Profile and History
The Citizen newspaper was established in 1722 as a weekly journal. It is one of the oldest newspapers in the country, now published daily by Northcliff Newspapers. Ian Mean has been the editor for 3 years and under his management this daily evening newspaper has modernised its content and communications technology to meet the needs of a changing market. Ian is also a Director of Gloucester Media which publishes the Echo and Forester, a Director of Northcliffe Electronic Publishing responsible for their website and Vice Chair of the Urban Regeneration Company in Gloucester.

This newspaper is highly successful and profitable, selling around 30,000 copies every day to a loyal readership in and around the city of Gloucester. It won the Regional Newspaper of the Year Award in 2004 and 2005. Northcliffe Newspapers is one of the largest regional newspaper groups in the country managing 79 titles from Aberdeen to Truro.

2.2 Employment and Training
The Citizen employs around 112 people, including the editorial team of 49 managed directly by Ian, in addition to the advertising and sales teams, plus freelance writers and photographers. The newspaper benefits from having

access to the Northcliff Board of Directors and Chief Executive, plus its own in-house network and forum for discussion.

The Citizen functions like a family, Ian believes in mentoring and developing young talent in-house. They offer work experience placements to students and young people, providing an entry point into the media for trainee reporters. Through the Learning and Skills Council Ian is invited to present to media students at the University of Gloucester. The newspaper also offers trainees a combination of in-house training and access to professional training through National Council of Journalism courses.

The Citizen is a member of the Regional Newspaper Society and won the Regional Newspaper of the Year Award in 2004 and 2005. The Society has over 1,000 members and provides a forum for debate on topical business issues including for example the growth of the internet and role of the supermarkets. Ian is regularly invited by Business Link and Gloucestershire First to address groups of business people and publish insert briefings on themes like broadband.

2.3 Markets and Resources

The Citizen has a large and loyal local readership, 38% of them do not read another newspaper. It retails at 37p an issue, recently raised from 35p with no loss of readers. Target audiences for the newspaper are 'aspirational readers' and the 18 to 25 age group. Local communities mainly in the BC grouping form the majority of their current audience. Most evening papers have a readership aged 50+ but it is Ian's intention to widen audiences and win a younger readership. The editorial team is achieving this aim by offering a combination of local and national news and features, focusing particularly on health and wellbeing, transport, education and sports.

Ian has pioneered the development of www.thisisgloucestershire.co.uk offering on-line media to complement their evening newspapers and to attract the new 'on-line generation'. During 2005 the website received 2.4 million visits (over 50% increase on 2004) and had a registered users list of 8,670 people. Figures from 2005 revealed that over the previous six months before December around 100,000 unique visitors had used the site each month (95% increase on 2004). Market research by BMRB identified that 22 million people now have broadband or wireless connection at home and spend a quarter of their weekly media time on the internet, making it the second most commonly used medium after TV. The study found that more than half the UK population used the internet from home with 18.7 million of them buying something online during November 2005. Ian recognised the importance of embracing the internet to expand and retain their readership by enabling people to access it on-line. He also uses the internet to extend local debate into schools and communities.

These are challenging times and newspapers like The Citizen are being forced to develop a presence on the internet and to develop partnership working with commercial radio and TV stations. Ian has developed creative solutions to sector competition, looking for ways to turn it to his favour. For example, he printed an issue of The Citizen on pink paper to help promote awareness and fundraising for breast cancer charities, both Central TV and BBC Points West carried the story, helping promote the newspaper.

2.4 Business Planning and Finance

The company has an annual turnover of around £5 million, selling almost 30,000 copies of The Citizen and 23,000 of The Echo, both daily evening papers. The paper has a high circulation across Gloucester, the Forest of Dean and the Stroud Valleys, among a population of around 250,000 people, representing a large and loyal local readership. Different editions of the newspaper are printed for each of these 3 communities, contributing to its success and wide readership.

The majority of profits used to be made from selling advertising space in their newspapers rather than issue sales. Ian is developed an on-line service for recruitment, property and motor sales to replace lost advertising revenue as today these advertisers prefer to pay for space on the internet to enable them to reach larger audiences.

2.5 Community Benefit

The newspaper is highly influential in shaping local opinions and making a difference to peoples lives. It sees its role as 'a standard bearer' for local issues and runs regular debates on the website supported by the lively letters page, offering a community voice for local concerns. Ian launched the Great Gloucestershire Debate to engage local people in discussing key issues including hospitals, health, transport and local regeneration. The Debate offers local communities a regular opportunity to put forward their creative ideas and solutions to local challenges. Gloucestershire County Council used the Debate as a way of involving local people in a consultation about the local transport strategy via the internet, TV and radio and newspapers. The Debate is now being used to address a vision for local food, local procurement, obesity and children's attitudes towards food.

Gloucester has a black and ethnic minority population of around 7,000 people. The Citizen is very supportive of these communities through the Asian Mailer, an insert in the newspaper, and support for the local BME radio station. They are also very supportive of young people across the whole community, offering school leavers work experience opportunities as young reporters progressing towards professional training.

2.6 Suggestions

Ian believes the Gloucestershire partnership could support the creative enterprise sector in several ways:

- Encourage young people to enter the sector with a combination of work placements and professional training.

- Promote and expand the use of broadband and the internet to provide information and education for local communities on-line.

- Support collaboration between community and commercial media providers and the development of information services for local benefit.

3. Everyman Theatre

Deputy Director - Derek Aldridge
Location - Regent Street, Cheltenham GL50 1HQ
Tel: 01242 512515
Email: admin@everymantheatre.org.uk
Website: www.everymantheatre.org.uk
Business - live theatre, registered charity
Employment - 35 fulltime employees, 15 part time, 100 casuals, 100 freelance
Turnover - £4million approx per annum

Established - 1891

3.1 Business Profile and History

The Everyman is the largest theatre in Gloucestershire, the building is owned by Cheltenham Borough Council. It was built in 1891 by Frank Matcham, a renown Victorian theatre architect, and is of national historical and architectural significance being the oldest surviving example of his work. Between 1960 and the 1990s it was operated as a repertory theatre owned by Gloucestershire County Council. The enterprise survived financial crisis in the 1990s by stopping producing its own productions and introducing touring performances under the leadership of Philip Bernays as Chief Executive. Gloucestershire has a vibrant community of rural touring theatre companies including Stroud Theatre, Fair Game, Old Spot and Daylight Theatre for the Everyman to showcase new performances or deliver work in schools.

Everyman is a commercially successful theatre offering a mixed programme of drama, musicals, ballet, opera, dance, music and comedy. The Other Space showcases smaller contemporary works and is part of the theatre's life long learning programme. The main theatre can seat 682 for large performances, while 'The Other Space' seats 55 for smaller events and shows. The theatre also provides a cafe, bar, internet cafe, restaurant and function room.

3.2 Employment and Training

The theatre employs around 250 people including a Chief Executive leading a team including a Theatre Manager, Technical Manager, Artistic Director, Head of Sales & Marketing, Finance Manager and Catering Manager. The Everyman has a strong team of highly skilled and creative people who provide in-house training and mentoring. The theatre also employs a large number of local people running the box office, catering services, lighting and sound, plus a network of freelance arts practitioners delivering the life long learning programme.

The staff and volunteers at the Everyman function like a family or village, all inspired by the task of providing high quality theatre and entertainment for local communities. The theatre has undertaken the Investors in People process and regards itself as a customer focused organisation delivering in-house training for all its staff in customer care. The Everyman also provides drama based training for corporate organisations.

3.3 Markets and Resources

The Everyman is the main theatre for Gloucestershire and over 80% of audiences come from across the county, the rest from Worcestershire, Herefordshire and Oxfordshire. It offers a mixed programme of drama, musicals, ballet, opera, dance, music and comedy to appeal to a wide audience with varied interests. Visitors tend to drive no more than around 45 minutes to attend a performance, so people living in the southern parts of the county are more likely to travel into Bristol or Bath for entertainment. They are hoping to attract more tourists by working with the tourism sector to develop Cotswold mini break packages.

The main marketing tools are the improved programme, which is mailed to their contacts list on a quarterly basis, and the website. They undertook market research and used to results to develop a more culturally diverse theatre programme and inclusive brochure to attract wider communities. They are developing web-based marketing and on-line ticket sales, currently 15% of sales, and aim to increase this area by emailing regular customers with 'special offers' and group booking discounts. South West Arts Marketing helped them and their partners develop their Arts Ambassadors campaign to attract local people to help promote arts events in exchange for reduced price tickets. The campaign is helping them win hard to reach audiences in areas like the Forest of Dean.

Attendance at performances has been rising steadily in response to the mixed programme of drama, musicals, ballet, opera, dance, music, comedy and annual Pantomime to around 210,000 representing over 78% of capacity. The theatre also works in partnership with Cheltenham Festivals providing a venue for their literature and music events which introduces new audiences to the theatre and the area.

3.4 Business Planning and Finance

The Everyman has a turnover of around £4million per annum with profits at around £2,500. Every summer it has been investing in a capital improvements programme to enhance facilities and increase visitor comfort. They receive £580,000 funding from ACE, Gloucestershire County Council and Cheltenham Borough Council. The decrease in the Cheltenham Borough Council arts budget has not been beneficial to the theatre.

Long term they would like to be able to restore the main auditorium at a cost of £1.5million. In order to develop the business there are also plans to expand the site and its facilities at a cost of £4.5million. The redevelopment plan would allow them to establish a Gloucestershire Centre for the Arts as a new centre of excellence offering a studio theatre seating 200 and converting the existing studio into an arts cinema. However, the project would require a combination of Local Authority investment and an Arts Council England capital grant.

The Everyman benefits from being a member of the Theatrical Management Association (TMA), Independent Theatre Council, Gloucestershire Arts Framework and the Association of British Theatre Technicians. The management team attend the annual TMA and Ticket.Com conferences to stay informed about market developments and benefit from access to these networks of fellow professionals for informal advice and mentoring. The management team has also drawn on advice and support from Business Link and Gloucestershire First.

3.5 Community Engagement & Benefits

The ReachOut programme encompasses life long learning, community projects, Youth Theatre and new writing . It engaged with over 35,000 people of all ages and abilities in 2005. The programme aims to 'connect the county with creativity and to inspire individuals imagination'. It features a rural touring performance to village halls and community centres, a company of actors working in schools, new writing for performance and the Youth Theatre with over 150 members aged 7 to 19 who develop a performance for the Everyman and the Edinburgh Festival each year.

The Everyman generates a significant contribution to the local economy. Professor Shelford of the University of Sheffield undertook an economic impact assessment of the theatre in 2004 and calculated that the total economic input of the theatre to the local economy was £8,050,766. This includes turnover, overseas earnings, additional visitor spend, salaries, subsistence allowances and goods and services bought locally.

The Everyman has the ambition to develop into a Centre for the Arts for Gloucestershire, operating as a creative Hub helping to shape the sector and providing good quality arts facilities. Gloucestershire has a large community of arts practitioners and the theatre believes 'a thriving arts community in the county can only be a good thing for the Everyman'.

3.6 Suggestions

Derek believes the Gloucestershire partnership should support the creative enterprise sector in several ways:

- Support the Everyman to develop into a centre for excellence in the arts for Gloucestershire offering enhanced arts facilities to local communities and arts practitioners.

- Increase support for touring theatre projects that offer access to culture and entertainment for communities across the county with increased access to grants for new projects, creative mentoring and CPD training.

- Consider free or reduced cost city centre parking after 6pm, similar to Bath and Bristol, to encourage people to visit the theatre from across the county.

Stroud Report - Case Studies

1. Pangolin Editions

Director - Rungwe Kingdon
Location - Unit 9, Chalford Industrial Estate, Chalford, Stroud GL6 8NT
Tel: 01453 886527
Email: foundry@pangolin.editions.com
Website: www.pangolin.editions.com
Business - bronze foundry and gallery
Employment - 60, mainly full time employees
Turnover - £2 million per annum

Established - 1984

1.1 Business Profile and History

Pangolin Editions combines a leading bronze foundry and contemporary art gallery. Rungwe and his team work exclusively with around 300 professional artists, both British and international, interpreting and casting artworks in bronze, silver or stainless steel using traditional techniques. They produce a wide range of artworks in terms of style and scale, many of which have been commissioned by local authorities, architects and engineering companies. They also work with several artists' estates casting further editions.

Pangolin Gallery organises and promotes curated exhibitions of invited artists for individual and group shows. The gallery team collaborates with international arts organisations and have co-ordinated touring shows in Europe, America, China and beyond. They also work with a network of UK based organisation including the Royal Academy, Royal College, Tate Gallery, British Council and leading arts schools. Their work with the Lyn Chadwick Sculpture Park and international artists has established the profile of the foundry and gallery.

Rungwe and his wife established Pangolin Editions in 1984, after working with Lyn Chadwick, one of the best known British artists who came to prominence in the 1950s. From a young age he wanted to work with bronze and after training as a sculptor and building experience with Lyn he opened his own foundry to be able to collaborate with a wider range of artists. Rungwe established Pangolin Editions in the Stroud Valleys area partly because of the legacy of the Arts and Crafts Movement, the presence of traditional industries like the woollen mills, the beautiful rural landscapes and large community of craftsmen and leading artists.

1.2 Employment and Training

The business employs 60 people, including 3 trainees from Uganda. Their turnover is around £2 million per annum, which is low for the number of people they employ but it is highly skilled, labour intensive work. The majority of the team are craftspeople with foundry skills in wax and sand moulding, investing, patination or metalwork fabrication. The craft workers operate in small teams with many of them specialising in just one or two main disciplines within the production process.

Most of the team are local people because Rungwe prefers to train his craftsmen and woman from the beginning rather than employing qualified 'artists'. Locally there is a large pool of people with manual and craft skills and Pangolin provides them with a unique opportunity to work with international artists, to excel and achieve at an international level. They have developed an in-house 3 year training programme that promotes excellence to meet their creative and business needs. Training is tailored to suit each individual and combines mentoring, incentives, reviews and assessments, an approach designed to help them learn complex skills and techniques to a high level.

1.3 Markets and Resources

Pangolin occupies a niche market by offering artists the unique opportunity to work with a large team of skilled craftspeople, to create new artwork that can be exhibited in their curated gallery spaces. Being the biggest foundry in the UK they also tend to attract large commissions that require heavy equipment and people skilled in producing monumental artworks. For example, they were invited to cast the maquettes, bronze models and the final mould for 'Angel of the North' which was then produced in a steel factory in the North. They also collaborated with Damien Hurst to produce 'Him'.

The team at Pangolin are committed to producing high quality contemporary artworks in as faithful, interesting and dynamic ways as possible rather than quick cheap solutions. The organisation has structured its interpretation and production process to respond creatively to the artists it is working with at the time, avoiding set ways of doing things to be able to adapt to the particular needs of the sculptor and their artwork. Every commission is led by a lead interpreter who works with the artist and the foundry team, interpreting what the artist wants and managing the production schedule and costs.

The level of hand-made craftsmanship at Pangolin defies the standard models of modern manufacturing, computerised laser modelling and mass production. Being a bronze foundry they attract artists interested in working with traditional materials and techniques, including Damien Hurst who has achieved a contemporary look with traditional materials. In the 1960s bronze was replaced by plastics, glass and steel but now it is back in fashion because of its permanence and the fact it ages well.

The business has built strong relationships with suppliers, spending almost £1million each year and sourcing the majority of its materials, tools and welding gear as locally as possible. They use a limited range of materials including source bronze from a refinery in Birmingham, wood from Chalford Building Supplies or SevernPly in Stonehouse, clay from Bath, wax and rubber from London, sand from the East coast. They design and build their own specialist equipment using in-house metal cutting and welding skills. They have pioneered wax and vacuum sand casting methods and built their own kilns and vacuum equipment. Their specialist techniques and equipment are part of their business advantage so they do not market their technical innovations but have collaborated on publications and films about bronze casting.

1.4 Business Planning and Finance

A major strength of the organisation is that it is independent and able to respond to changes in the art market in line with the latest fashions and economic shifts. Business flexibility is vital because margins are tight and it is important to be able to adapt to changing market needs. The organisation is highly dependent on skilled craftspeople to the point where if they lose several team members at once it immediately reduces their level of productivity. It is a highly spontaneous and unpredictable creative enterprise, capable of experiencing unforeseen losses on some commissions followed by good profits on others, requiring flexible supportive banking services. Pangolin defies many business categories and funding criteria, making it a complex challenge for business advisors and often ineligible for awards or grants.

The foundry is the heart of the business operation and there are no plans to expand its activities as it has reached an optimum size. They are keen to keep the business manageable and maintain good working relationships with their artists. Rungwe is not interested in competing with other foundries to produce more work quicker or cheaper. The team at Pangolin prefers to work with selected artists to produce high quality and innovative artworks. Their plans for growth are built around the core business of the foundry. Pangolin is opening a new high profile gallery in London in 2008, to provide large multi functional indoor and outdoor exhibition spaces. To attract more visitors and art buyers to their galleries they are planning to enhance their website and increase their catalogue and DVD publishing activities.

1.5 Community Engagement

Rungwe has established a charitable foundation to build a new foundry in Uganda where he was born. The charity will sponsor artists' exchanges and residencies enabling African and European artists to collaborate in creating and exhibiting work. The project will produce contemporary bronze artworks using locally sourced copper for exhibition by Pangolin Gallery. Rungwe commented: *"If we are going to improve the lot of the poorest people in the world and eradicate poverty it is going to come from creative people. Art is one of the most positive things people do, it attracts positive people behind it. Artists can speak-out through their work to promote justice and improve lives."*

1.6 Suggestions
Rungwe believes the Gloucestershire partnership should support the creative enterprise sector in several ways:

- The creative industries in the Stroud valleys are highly independent so an enterprise association would be counter-productive. What is needed is an **Arts and Regeneration Officer for the area** who could facilitate and co-ordinate local opportunities, providing liaison and networking between local artists and creative enterprises. This initiative could **contribute towards developing a new cultural identity for the area supported with a regeneration programme of creative enterprise and community arts projects**.

- The Stroud valleys have been losing traditional industries like the woollen mills. It is not picturesque like the Cotswolds and experiences limitations attracting visitors. What it does have is a unique cultural ambience rooted in a large community of artists and craft-based organisations that could **provide a renewed cultural identity and encourage local community pride**. Stroud could learn from the way that St Ives has built an identity around their community of modern artists and established a creative cluster of organisations like the Tate to attract visitors to the area.

- **Seasonal bus tours** of local arts venues, studios and workshops could be provided to attract visitors outside the open studios event in June, operating from the local railway station and promoted by an **arts trail leaflet**. This type of initiative could attract more visitors and encourage them to spend money on local arts. There is a large community of artists so lets make a feature of it!

- Develop a wider **programme of artists residencies** and an artists exchange programme with leading arts enterprises to attract diverse contemporary artists into the county. **Expand arts engagement programmes** with local schools and communities in the Stroud Valleys area to increase understanding and participation in contemporary arts.

2. Hawthorn Press Limited

Director - Martin Large
Business - specialist publishing house
Location - Hawthorn House, 1 Lansdown Lane, Stroud GL5 1BJ
Tel: 01453 757040
Email: info@hawthornpress.com
Website: www.hawthornpress.com
Employment - 4 staff, 4 freelance editors, network of writers
Turnover - annual **sales £350,000**, profits of £50-70,000+ per annum

Established - 1980

2.1 Business Profile and History
Hawthorn Press is a specialist publishing house established in 1980 by Martin and Judith Large a creative entrepreneur and community activist. The Stroud Valleys area has a significant publishing sector with at least 4 other publishing houses. Hawthorn's mission is to 'contribute towards a more creative, just and peaceful world' and to publish books that 'liberate creative potential by providing tools for transforming individuals, families, businesses, schools and community life'. Their books form part of their wider learning programme which is delivered through series of workshops and talks.

Martin chose Stroud because it is a beautiful place to live with a strong creative non-conformist community. It offers a rich heritage characterised by the woollen trade, Chartism and Arts and Crafts Movement. During the 1990s cheap housing, redundant mills for workspaces and the railway linking Stroud to London attracted lost of artists and makers to the Stroud Valleys area.

2.1 Markets and Resources
As a specialist publishing house they have a developed a niche market in personal development, creativity and early years education. They sell their books both in the UK and abroad through independent books shops, their website and annual catalogue. There is a strong local market for their products as 25% of the people living in the Stroud area are artists and craftspeople. Around 40% of sales are exports to the USA, Australia and New Zealand. Hawthorn Press is committed to sustainable development and produces its products with environment friendly processes and materials wherever possible. Their main customer groups are people interested in personal development, culture and creativity, environment and spirituality. Some of their best selling titles include 'Families Festivals and Food', selling more than 180,000 copies over 20 years, plus 'Free Range Education' targeting the growing home education market. Other popular products are the adult development programmes. They have sold more than 175,000 copies of the 'Springboard: Women's Development Programme' which is printed in several languages and won a national training award.

Martin selects all the new titles to be published informed by feedback and requests from Hawthorn's customer groups. They promote and sell their books through their website and mail order catalogue, also by attending book fairs and festivals. Many of their titles are sold as the 'book of the workshop' by offering linked courses and talks, a highly successful approach. The website is effective at promoting their products but linked talks and courses generate more real sales. Each year they produce a revised catalogue that is distributed to their network of small independent bookshops and to their listing of loyal customers. As the number of small independent bookshops contracts the business is turning to specialist book sales and direct sales to fill the gaps.

2.3 Employment, Mentoring and Training
Hawthorn Press employs a core team of 4 staff, 4 freelance editors and a network of writers. The business is a member of several professional publishing associations that provide business support services to their members, including the Independent Publishers Guild and Women in Publishing. Martin has been mentored by another publisher and now provides mentoring and coaching to a fellow publisher and local creative entrepreneurs. He is planning to attend a coaching MSc course at Oxford Brookes so he can expand this area of his work, believing it can influence the long term success of artists and creative businesses. He is interested in researching and developing optimum methods for mentoring and coaching artists and creative entrepreneurs, although he was not aware of the local ArtsMatrix service or ALIAS Scheme.

Martin previously lectured in management at the University of Gloucestershire and has expertise in facilitation, business management and small business courses. He regards networking as very important and has developed a strong network of professional contacts for mutual advice and support. Martin identified the 'self help' groups developed by small businesses and the women's enterprise networks as good practice models.

2.4 Community Engagement
During 1995 Martin worked as a member of a local working group to deliver a Stroud-wide community planning conference for over 1000 participants to develop their community plan. Arts and culture were identified as a good way to regenerate the town. The event was highly effective at building connections and initiated several new community-led projects including bringing 40 performing arts groups together to develop The Space, a community performance venue. Stroud Common Wealth, a not for profit company limited by guarantee, bought the building from Gloucestershire County Council below market price. The Space has attracted performing artists to live and work in the area and delivered wider benefits including developing new audiences and performing arts education and training.

Although managing Hawthorn Press is Martin's core business, he invests time and expertise in local creative enterprise projects. In collaboration with the Social Enterprise Centre, a Stroud Commonwealth project, Martin and a local partnership are planning to expand local workspace for the arts and new enterprise. They are developing a proposal to convert a redundant mill site to provide 6000 sq ft of workspace for local arts organisations, social enterprises and charities. The site would provide a cluster of affordable workspaces. They intend to use social enterprise models to develop and support the cluster and to deliver services for people with special needs and marginal groups for example community arts projects and a Scrapstore. Martin is also helping develop the Community Farm Land Trust project to provide access to affordable farms for local communities and farmers, plus affordable housing through Gloucestershire Land for People.

2.5 Suggestions
Martin believes the Gloucestershire partnership should support the creative enterprise sector in several ways:

- There is an excellent **Arts Department in Stroud College with gifted tutors who are established artists.** We could build on the young creative talent that passes through the college by developing enterprise opportunities to retain and employ them locally. For example, there is a cluster of animators in the area, some linked to Aardman in Bristol, offering the potential to develop new film projects.

- We need to **develop affordable 'live work' spaces to retain artists and makers in the Stroud Valleys**. Many artists are migrating away because housing and workspace has become too expensive in Stroud. Tax breaks for commercial property investment are restricting sector growth by absorbing redundant industrial sites and potential workspaces.

- What we need is the development of a **Creative Quarter Strategy for the Stroud area,** we could learn from Sheffield's experience. One of the major barriers to growth is a lack of recognition of the contribution of the arts and creative enterprise to the Stroud valleys economy. The sector underpins the local economy and **generates rural tourism**.

- There is a critical mass of artists and creative entrepreneurs in the Stroud area but there has been little facilitation or community building to bring these people together. Beyond consultation what is now needed is **participative strategic planning with this community to identify the real priorities for creative development and investment.** We need an 'animator' to facilitate creative business partnerships to come together to develop the local arts infrastructure through business planning and funding bids for capital grants for building conversion projects.

- An **Arts and Regeneration Facilitator** is required to provide a partnership building and brokering service, someone with skills in facilitation and networking, marketing and fund raising, with an understanding of the local context and community. A partnership of leading arts organisations could be enabled to recruit and supervise the post, rather than it being hosted by the Council. Action research is needed that engages arts practitioners to inform arts development in the Stroud Valleys area.

- **Specialist creative enterprise support and mentoring services** need to be expanded and delivered via creative sector providers rather than Business Link. Action learning groups for arts enterprise and an integrated referrals and signposting service towards relevant sources of advice and support would be valuable.

- Although there is a large cluster of arts and culture initiatives around Stroud, there is a lack of arts outreach work for everyone in the community. For example, Cash's Green is a disadvantaged estate where there is nothing for young people. A **community arts outreach programme is needed**, informed by the work of Nailsworth Community Arts, SmartWorks and ArtShape, to engage these new audiences.

3. Ruskin Mill

Director - Aonghus Gordon
Events Co-ordinator - Sue Smee (interviewed representing RMET)
Location - Ruskin Mill, Old Bristol Road, Nailsworth, Glos GL6 0LA
Tel: 01453 837537
Website: www.rnet.co.uk
Business - centre for arts & cultural development, charitable trust
Employment - 300+
Turnover - £4-5 million

Established - 1984

3.1 Business Profile and History

Ruskin Mill was founded in 1984 by Aonghus Gordon who in 2005 received the Social Entrepreneur of the Year Award for his work in developing the Ruskin Mill Educational Trust. The Ruskin Mill building operates as a centre for the arts and cultural development under the auspices of Ruskin Mill College (RMC), run by the Trust. The inspiration for the centre comes from Aonghus's personal interest in the arts and background as a ceramicist. The mission of the educational trust to provide social, cultural and artistic educational opportunities has been shaped by the principles of John Ruskin, William Morris and Rudolf Steiner. Ruskin Mill Educational Trust (RMET) provides students with special needs opportunities to learn a range of skills with professional artists and craftspeople. Students benefit from residential placements with local families across the Stroud Valleys area, progressing to sheltered accommodation with residential care workers.

The restored mill stands in 100 acres of wooded valley and organic farmland with attached market gardens and trout fishery, enhanced with public artworks and rustic buildings. David Austin was commissioned as the principal architect for the restoration and redevelopment of the mill and its environs to provide arts and educational facilities. The development of Ruskin Mill, Horsley Mill and Fishery has respected the heritage character of the valley and its buildings while meeting practical needs. Sustainable design and construction specified local and environment friendly building materials plus low energy solutions. David won an architectural design award for his work.

3.2 Employment and Training

RMET's Ruskin Mill College is a leading employer in the Stroud Valleys bringing around £5 million into the local economy annually and employing around 300 people, mainly part time, supplemented by freelance tutors and artists in residence. They also attract volunteers from across the UK and internationally to work on their gardens, woodlands, fishery and farm. Ruskin Mill College has 2 sister colleges, The Glasshouse in Stourbridge and Freeman College in Sheffield.

Ruskin Mill College offers a unique learning experience to an annual intake of over 90 students with special learning needs aged between 16 to 24. Students take part in an programme over 3 to 4 years , which is tailored to individual needs designed to make the most of their potential. They develop practical and social skills through small groupwork in craft workshops, on the land, through drama, storytelling and music. The programme combines basic and higher education, work experience, vocational training and accredited courses. Students are able to progress to GCSE, NVQ or equivalent vocational qualifications.

Ruskin Mill's workshops, studios, gardens and woodland attract artists and rural crafts people interested in cultural renewal and life-long learning to practice at the mill and provide training in arts, rural crafts and horticulture to its students. Traditional crafts are part of the curriculum and students experience working and producing items in small commercial workshops including glassblowing, glass cutting, weaving, rug making, stained glass, woodwork, pottery, jewellery, stone carving, bronze casting, blacksmithing, photography, bike maintenance and printing. Students are offered a rich arts education including visiting artists, lectures and exhibitions and participate in local festivals and producing the Run of the Mill Magazine.

The centre at Ruskin Mill offers arts and crafts workshops and courses to local communities in partnership with the Nailsworth Community Arts Programme. They deliver a range of artistic and educational courses to local communities at the Mill and the Centre for Science and Art in Stroud, providing important educational opportunities to local people. The programme was established in 2002, is co-ordinated by volunteers and hosts over 27 local tutors practising in watercolour, print making, drawing and painting, textiles, stained glass, mixed media, performance and singing, mask making, jewellery, soap making, furniture making and ceramics.

The college is very supportive towards its students, staff and local people, promoting educational and training opportunities for everyone. The staff at Ruskin Mill College benefit from extensive local networks of other creative professionals, the Stroud Valleys area has the largest community of artists and makers outside London. They also benefit from access to Stroud Valleys ArtSpace who provide training and expertise on behalf of ArtsMatrix and the Arts Council England ALIAS Scheme. They have identified marketing resources and marketing training as an area for future development.

3.3 Markets and Resources

Ruskin Mill Educational Trust attracts young students with special needs from across the UK. The Trust promotes its services to potential students and their families, medical professionals, schools and social services through the publication of an annual college prospectus plus promotional video.

Ruskin Mill College works in partnership with the Nailsworth Community Arts programme and the Nailsworth Festival on arts events and activities. It offers a cultural events programme featuring acoustic and classical music, performance and storytelling showcasing local, national and international artists, plus a lecture programme focused on social, cultural and environmental issues. The programme attracts audiences from across the Stroud Valleys and wider Gloucestershire, with visitors from Bristol and the SW region for high profile arts events and activities. However, the events programme does not have to make a profit as it forms part of the educational programme for resident students. The main audiences for its wider educational programme of courses include its young residential students, local communities, plus people living in Bristol and across the SW region.

There is no dedicated marketing officer, this aspect is dealt with as part of Events. Sue Smee curates, co-ordinates and markets the arts events, workshops and lectures programmes. RMC recently invested £2,000 in designing and printing 5,000 copies of a new high quality quarterly programme that is already attracting more visitors. It was designed and printed locally by Chris Bailey and Severn Print. The programme is distributed to their mailing list of regular visitors and placed in TICs and community venues across Gloucestershire. Sue has been trained in computer design by SVA as the long term plan is to publish in-house. RMC has a basic website that could be enhanced to improve interactivity including on-line bookings.

3.4 Business Planning and Finance

Ruskin Mill was originally purchased by Aonghus's father Robin Gordon and the building belongs to Ruskin Mill Ltd. Since the 1980s the RMET property has been expanded with subsequent acquisitions along the valley to include woodland and farmland, creating a 100 acre estate. The Trust has provided a coherent and sustainable development plan that has conserved the heritage valley of the valley, protected the area from piecemeal commercial development and ensured public access for local people and visitors. Ruskin Mill College has received funding to enhance the college and arts centre facilities plus develop educational courses.

RMET has a Senior Management team of 4 Directors, linked to working groups representing all aspects of the organisation. The Directors have been very effective at dealing with barriers to growth and being open to opportunities for diversification, confirmed by the sustained growth of Ruskin Mill College and its diversification encompassing arts, farming, woodland and fisheries enterprises. Currently, they are seeking planning permission to develop woodchip heating and wind power projects on site.

The major source of core income for Ruskin Mill Educational Trust is generated by educational fees from the students attending the college, sponsored by the Learning and Skills Council. An important source of income for Ruskin Mill Ltd is providing educational facilities for the Trust and letting workshop and office spaces to Nailsworth Community Arts, artists and craftspeople. The resident artists and makers combine providing tuition in practical skills to the college's students with running independent creative enterprise including providing a range of products and services including: water features from FlowForms; an apothecary with fresh herbs; picture framing; rug making, felting and dyeing; stained glass. Other sources of income for RMC are the gallery which hosts curated exhibitions of high quality artworks from both local and European artists and makers, open daily from 10am to 5pm. Also, the Coffee Shop serving vegetarian lunches, coffee and cakes to people attending courses or attending events, open daily from 11am to 4pm Tuesday to Sunday, including Bank Holidays.

3.5 Community Benefit and Engagement

Ruskin Mill College is a leading employer in the Stroud Valleys area employing around 300 people, signifying a major financial contribution to the local economy that has contributed towards local regeneration. Nailsworth's enterprises and community have benefited greatly from the work of the Trust as it has attracted more artists and new visitors to the area, resulting in a thriving high street of shops and galleries, cafes and restaurants. The Mill as a cultural centre also participates in the Stroud Valleys Open Studios summer event and is a landmark on the burgeoning Stroud Valleys arts trail. It has helped to grow, promote and showcase local creative talent through exhibition opportunities in its grounds and gallery space, plus residencies and tuition opportunities through its arts and crafts training programme. It represents an important incubator for creative talent and local creative enterprise.

Early resistance from the local community towards the expansion of the organisation and its development up the valley has been addressed through local consultation. For example, in the early 1990s Aonghus worked with Martin Large and Jochen Bochemuhl to deliver a workshop for local people called 'Looking at Landscape' to help revision the Nailsworth Valley. The results informed the creation of a vibrant and contemporary arts and crafts community working in a sustainable setting of gardens, woodlands, farmland and fisheries - a modern manifestation of the local Arts and Crafts Movement.

3.6 Suggestions

Sue believes the Gloucestershire partnership could support the creative enterprise sector in several ways:

- The development of a directory listing all the courses and workshops available across the Stroud Valleys area for creative and practical skills development targeting local communities. Nothing like this currently exists to promote the wide variety of learning opportunities on offer.

- Access to marketing support and training in computer design and website skills are vitals to arts and charitable organisations to help them promote their services and products in affordable ways to new audiences.

- Increase partnership working between arts and creative organisations across the county through facilitation from an arts development worker to enable the sector to share expertise and resources more effectively.

- Community consultation on the development of new arts facilities, resources and training ensures local people are part of the process of shaping the future to meet local needs and have opportunities to participate in new developments.

4. Stroud Valleys ArtSpace

Co-ordinators - Jo Leahy & Neil Walker
Location - 4 John Street, Stroud, Gloucestershire GL5 2HA
Tel: 01453 751440
Email: sva@sva.org.uk
Website: www.sva.org.uk
Business - provision of affordable artists workspace, resources & network
Employment - 4 employees
Turnover - £130,000

Established - 1996

4.1 Business Profile and History

Stroud Valleys ArtSpace (SVA) was established by Jo Leahy and Neil Walker in 1996 as an artist-led initiative and non profit-making organisation to provide affordable artists' workspaces, a digital resource and exhibition space. They were inspired by visiting a large collective studios in Glasgow and the National Sculpture Factory in Cork, motivating them to develop shared arts facilities for Stroud. They were attracted to the area by the largest cluster of artists living and working outside London, benefiting from direct train links to the city.

Their aim is to 'raise the profile of artists and their work to achieve greater understanding and increased participation in the visual arts'. With capital funding from the Arts Council England (ACE) they are redeveloping a town centre warehouse into a multi-functional artspace to be launched during the

Autumn of 2006. It will offer enhanced artists workspaces combined with Re.source, a digital and IT resource centre. Re.projects, their new multi-functional curated artspace, is being developed to host artist residencies and showcase a contemporary arts programme of events and exhibitions created by regional, national and international artists.

4.2 Employment, Mentoring and Training
SVA has developed and co-ordinates 'SITE' a hugely successful annual visual arts festival and open studios event that showcases over 100 artists throughout the Stroud Valleys area. It generates income by inviting artists to participate in and support its activities by contributing as 'members' of SVA and participants in 'SITE'. The foundation of their organisation is the provision of support services to their network of 350 artists, musicians and performers including bulletins, seminars, events and 'go & see' visits. They also provide an international artists exchange and residency programme and operate as an agent for community education projects and public art commissions.

SVA is constituted as a charity and employs 4 salaried staff members. It does receive core funding and is considering developing a linked trading enterprise. Currently, the team delivers a training programme of seminars and workshops on behalf of ArtsMatrix and ALIAS for artists, they also host the ALIAS website which they developed for ACE. They provide in-house training in IT, design, digital communications, plus advice in marketing and sources of grants for artists groups.

The team was fortunate when it set up ten years ago to get the support of a visionary Economic Development Officer from Stroud District Council and has had access to a range of talented formal and informal mentors and coaches. As a capital client of ACE they have benefited from dedicated business support and capacity building provided by David Elford their Case Officer. He has worked with the team on a monthly basis to help them develop their business plan, organisational structure and financial management systems to enable them to manage the public funding and capital build project.

Richard Layzell, their current artist in residence commissioned to document their capital build project has helped shape aspects of their creative programme. Simon Poulter from PVA MediaLab helped them develop their digital resource and training programme and is now contributing towards their business planning. SVA also benefits from an active exchange of ideas and knowledge among its own network of artists, collaboration with other networks including Ruskin Mill, Prema, The Space, Forest Artists Network and GDAF, and links with European groups of artists.

4.3 Markets and Resources
Their main client groups are the artists including visual artists, musicians and performers, who rent studio space and participate in their Network and annual SITE Festival or are commissioned for public and community arts projects. They have succeeded in engaging new audiences from the creative sector through their programme of Network and Hub events at the Subscription Rooms in Stroud.

SVA works in partnership through the Stroud Arts Forum on joint marketing initiatives. For the SITE event they publish and distribute over 20,000 festival brochures across the SW region, Herefordshire and Oxfordshire. Their main audiences include local communities and visitors from across the SW region during the SITE Festival, plus school children and young people participating in their festival and community arts projects.

Their network and database of artists is a valuable resource enabling the team to broker public art commissions, operate as an agent for community arts projects and provide creative teams of artists for major events. Examples include, banners for the Stroud Fringe Festival, working with Gloucestershire Carers on promotional materials and creative co-ordination for Gloucester Carnival.

4.4 Business Planning and Finance

SVA has an annual turnover of around £130,000 *(not including their capital build project funded by Arts Council England SW).* The organisation receives core funding currently of £72,000 from the Arts Council and local authorities. The organisation generates income by focusing on their core business areas: letting studio and workshop spaces to artists; providing access to digital facilities; delivering training events and seminars for artists; hosting artists residencies and temporary exhibitions. In addition, SVA generates additional income from: co-ordinating the artists network membership price £15 each; SITE open studios price £75 per artist *(increased from £45 in 2005 but still affordable compared to similar events)*; 25% commission on SITE exhibitions split with the venue; ticketed events at the Subscription Rooms; digital training courses; arts advisory, consultancy and research services.

SVA has been an artist-led initiative from its inception. Neil and Jo undertook market research among the local community of artists and makers in the Stroud Valleys area to identify what services and resources were needed. The results confirmed the demand for affordable shared arts facilities, collaboration and networking. In response to their strong business case, Stroud District Council acknowledged their initiative as a regeneration project and supported their project with a Business Start Up grant of £8,000. Public investment enabled them to prepare their building for letting to artists.

Subsequently, SVA won a major capital grant from ACE to convert and redevelop their building into multi-functional arts facilities. The total cost of the project is £1.5million for a 3 phase project, so far they have raised £1.1million. In 2001 they secured £330,000 for phase 1 of the building project plus £75,000 for training and capacity building from ACE. They began building work in April 2005 and hope to complete the redevelopment by this autumn. The intention is to provide 26 studio spaces for painting and textiles, plus 6 sculpture workshops, an educational facility equipped with 6 workstations, a training room with space for 10 people, plus the SVA office.

Currently they are seeking £400,000 extra investment to convert the shop space at the front of their building into a multi-functional artspace. They contacted the local social enterprise funds but found they didn't fit their criteria or categories for a 'social enterprise', despite their initiative being shaped to deliver services that meet local needs, so they are looking elsewhere. They are applying to ACE for an additional Grant for the Arts of £90,000 over 3 years for capacity building and marketing.

They have commissioned Tony Fretton, who designed the Lisson Gallery, to design the conversion of their 7000 sq.ft town centre warehouse. The 400sqft shop space will be a multi-functional artspace that can accommodate artists' residencies, temporary exhibitions and training events. He is building flexibility into this new space to meet artists changing needs through the creation of high ceilings, removal of dividing walls and an expansive glazed frontage for optimum light and visibility. Similarly, the painting and sculpture studios will have moveable partitions and storage space for maximum flexibility. To optimise available space they decided not to develop a dedicated gallery or cafe, which have never been seen as part of their core business and would introduce unwanted commercial pressures.

4.5 Community Engagement

SVA won ACE capital funding because their project delivers wide benefits to local communities including generating local employment, delivering creative skills training, engaging artists and local people to participate in their activities. Evaluation of the SITE arts festival and open studios confirmed that the event has grown rapidly since 1996 from 40 to over 100 participating artists exhibiting in over 80 sites, attracting around 25,000 visitors from across the English regions and Europe. The festival encompasses over 40 exhibitions and events that together showcase the work of over 250 artists, SVA curates a third of these events itself and works in partnership with 20 local organisations who provide venues or sponsorship.

The organisations works in partnership with the Subscription Rooms and The Space to host music, film, poetry and performance events. They are developing new partnerships with the Textile Trust, Brunel Goods Shed and Tetbury Town Council to be able to expand the outreach of their arts programme. As part of SITE 2004 the team developed 5 sound based workshop for families and a series of 20 carnival procession workshops for local arts festivals like Gloucester and Nailsworth, targeting culturally diverse and excluded groups.

4.6 Suggestions

Jo and Neil believe the Gloucestershire partnership could support the creative enterprise sector in several ways:

- Support SVA as a Creative Enterprise Hub for Gloucestershire - it co-ordinates a network of over 350 artists, delivers ArtsMatrix seminars and workshops, hosts the ALIAS scheme website and offers an advisory service for individual artists and groups.

- Support the development of local networks and creative Hubs for music, cinema, performance and poetry - linked to a central Hub.

- Work with established artists and creative entrepreneurs based in the Stroud Valleys area to develop and deliver a tailored Creative Mentoring Scheme - encompassing creative practice, marketing and enterprise support, with signposting towards sources of enterprise advice and CPD training.

- Promote local procurement and commissioning of public artworks and community arts projects - by recognising SVA as an agency with a local network of professional artists and makers that can broker commissions and deliver high quality services.

- Encourage the community development funds to extend their support towards creative sector organisations operating as 'social enterprises'.

Conclusions and recommendations

Creative industries in Gloucestershire - towards a plan

Drawing on the research and case studies which have been carried out, together with pre-existing reports undertaken for Gloucestershire First and the Regional Cultural Consortium, this report suggests that the commissioning partners should seek to prepare and implement a plan for the development of the creative industries in Gloucestershire. Such a plan as proposed here would aim to co-ordinate support and development across the county to maximise the contribution of the creative sector to the achievement of economic growth and regeneration goals.

The creative sector is growing nationally at about three times the rate of the economy as a whole. In the South West region growth is second only to London and the South East. Gloucestershire's share of the region's creative sector is at least in proportion to its population and probably greater. **The county's creative sector makes up nearly one in ten of all VAT enterprises in the county. Nearly one in twenty of all people employed in the county work in a creative sector enterprise**. In our view, the scale, diversity and depth of the county's creative sector gives it substantial potential to contribute to local and regional economic goals, if its weaknesses and support needs can be successfully addressed. We suggest below the areas of intervention and actions which can be taken to achieve the creative sector's growth potential.

Gloucestershire's distinctiveness

Gloucestershire is recognised nationally and internationally for its community of artists, makers and creative entrepreneurs. There are particular strengths which make the county distinctive. The most prominent are **large numbers of art and craft practitioners, especially in Stroud and Forest of Dean and the scale and success of the art and antiques trade, notably in Cotswold**. The growth of **clusters of creative enterprises, particularly in the Stroud Valleys, Forest of Dean and Cotswold areas**, have drawn increasing numbers of creative people to live and work in the county, attracted by the combination of affordable living in rural surroundings amongst like-minded communities.

Historically, the Arts & Crafts movement has always been strong in Gloucestershire. Many of its luminaries, Morris, Gimson, the Barnsley brothers, Gordon Russell, CR Ashbee were attracted to live and work in the county, which has provided a home for generations of innovators and creative entrepreneurs. This inward migration of artists, craftspeople and creative practitioners continues today.

The county is characterised by a rich blend of inspiring landscapes and vibrant cultural heritage - hills and plains, mining and mills, rural fastness and urban cultural diversity, an ancient port city and a high-tech communications centre, traditional rural communities and modern cosmopolitanism. The county's characteristics make its creative industries sector distinctive. Its

diversity is reflected in the range and scope of its creative industries, which are widely distributed across the sectors.
There is innovation alongside continuity. The county has benefited from the legacy of traditional industries including the wool trade, textiles, metalworking and woodland crafts. The demise of traditional industries has left a legacy of established communities of highly skilled people, well suited to new employment with the creative industries. Post-industrial Gloucestershire saw the former infrastructure fall into disuse and buildings became available as cheap space for emergent new enterprises.
Since the 1960s the supply of affordable housing, redundant mills offering economic workspaces and the railway link to London have attracted waves of creative people into the area. New technologies, ideas and industries have flourished. The county's landscapes together with its accessibility from the capital, has attracted wealthy residents, which in turn has created a local market for high-value products.

Growth potential

The creative sector is a substantial and growing part of the county's economy, and has further growth potential, but also has weaknesses which need to be addressed if that potential is to be realised. Compared with the average for all industrial sectors, the creative sector is characterised by smaller enterprises, most of them of micro-size, and lower turnover per employee. **If the creative sector were to raise its performance in turnover per employee to the industrial average of the county, the effect would be to produce £130m additional turnover**. Employment in the creative sector in Gloucestershire has grown significantly since 1997, but more slowly than has the sector at the national level. **Had the growth in the county been equal to the national pace, there would have been an additional 1700 people employed in 2005.**

Advocacy

Work is needed to raise the profile of the creative sector among policymakers within Gloucestershire if the sector's potential to achieve economic goals is to be fully recognised. The county Local Authorities and strategic agencies in the partnership which commissioned the research have begun to work together, but advocacy is a different function from research. Utilising the product of research in making the case for aspects of development needs a co-ordinated partnership approach in which statutory agencies, business networks and practitioners' groups can share. Gloucestershire's creative businesses could be promoted through marketing initiatives, dedicated events and festivals, consolidating and building on such existing good practice as Cheltenham Festivals and Open Studios, and proposed events such as the film festival project in Cheltenham. A partnership approach to data gathering and evaluation could help build a basis for joint advocacy efforts with related sectors, particularly tourism.

A creative industries plan

A shared plan of action would assist the commissioning partners in harnessing the growth potential of the creative sector to achieve economic goals in Gloucestershire. Such a plan would need to be aligned with existing regional, county, district and local-level economic strategies, and assembled in consultation with the relevant agencies and authorities. Synergy with Local Area Agreements is very desirable. To ensure that support and development within the sector is consistent across the region, implementation of such a plan should be linked to existing regional initiatives, through a Gloucestershire Creative Industries Forum or similar initiative. The partnership which commissioned this research might form the nucleus of such a forum, if it could be extended to include participation from the industry, particularly those sectors where support and development is targeted.

The following recommendations are made to help the commissioning partners formulate and implement a plan to support the growth of the creative industries in the county.

A Gloucestershire creative industries plan should specify identified areas where intervention can be expected to make a positive difference. Nine target areas are suggested here:

1. Economic strategy
2. Business and Organisational development (including start-up support)
3. Sub-sectors and Cluster Support
4. Marketing
5. Workforce/skills development support
6. Workspace provision
7. Information and signposting
8. Networking
9. Investment

We also recommend that the commissioning partners should examine in detail the case for establishing a **dedicated Creative Industries Agency** in the county to carry out the work involved.

Potential areas for intervention

1. Economic strategy

The creative industries sector is significant in Gloucestershire and should be built into the next iteration of the Gloucestershire Economic Strategy. Economic and regeneration development agencies including local authorities should be encouraged by the findings of this and other recent research to undertake coordinated action to address the weaknesses of the sector and consolidate its strengths, in order to achieve strategic economic goals. We recommend that Gloucestershire First is best placed to co-ordinate development and implementation of a plan of this kind.

A plan for development of creative industries in Gloucestershire would aim to:

1. Support and enable the integration of the creative sector into the development of local, county and regional economic and regeneration

strategies, including Local Area Agreements, the region's Rural Regeneration Strategy and the planned Regional Urban Strategy;

2. Provide a longitudinal evidence base of the impact of the creative sector on the achievement of economic and regeneration objectives, in association with the Regional Cultural Observatory.

2 Business and organisational development

Many of the barriers to growth faced by the creative industries sector, as found in this research, are common to other sectors of small and micro-business. Efforts to draw creative enterprises and intending startups into the existing network of business support and investment readiness are a first step in a development strategy for the sector. Identifying advisors, mentors and service providers with the skills and capacity to relate to the creative sector and assist in making the links with support services can be an effective low-cost strategy. The county's ageing population is reflected in creative enterprise startups, and different solutions are required from those appropriate to graduates. The regional Creative Enterprise Gateway, to be launched in June 2006, is a new service for businesses within the creative sector offering access to a wide variety of sources of information, advice and guidance.

A plan for development of creative industries in Gloucestershire would aim to:

1. Work with Creative Enterprise gateway and other local and regional agencies at a strategic level to encourage appropriate and suitably tailored support for the creative sector and disseminate best practice;

2. Work with local and regional partners to explore new UK market opportunities and with United Kingdom Trade and Investment (UKTI) for export opportunities;

3. Support start up/new businesses through information and signposting provision, through specific strategic and research interventions, and encouragement of entrepreneurship;

4. Develop a Mentoring Scheme to provide tailored support from sector leaders and experts to assist new and emerging enterprises, including artists residencies and creative exchange programmes;

5. Support targeting of creative business graduates, FE students, Arts and Technology Schools students to promote the availability of business advice, information and signposting and provide local and regional advocacy for the sector;

6. Deliver in partnership or by commission a series of appropriate creative business support/start up events in the county, targeting in particular 'second career' seekers in the 45+ age bracket.

3 Sub-sectors and Cluster Support

Gloucestershire has a distinctive profile within the creative sector of the region. There is a case for developing support for those sub-sectors which offer the most potential for the county, which are not already catered for at regional level by the work of SWRDA and SW Screen.

A plan for development of creative industries in Gloucestershire would aim to:

1. Evaluate candidates for targeted support for key sub-sectors. Recommended candidates are visual arts & crafts, the antiques trade, and publishing;

2. Seek ways to focus sub sector support by identifying and supporting hub organisations working within creative clusters.
3. Clusters which may merit further attention are identified here as:
    a. Visual arts & crafts in Stroud District and Forest of Dean.
    b. Publishing in Stroud District and Cheltenham
    c. Film & video, advertising, design and marketing in and around Cheltenham
    d. The arts and antiques trade in Cotswold
    e. The potential geographic cluster in Gloucester linked to the Heritage Dockyard and the strategy of the Urban Regeneration Company;

4. Identify and promote selected areas as creative communities & quarters, and identify and support leading organisations which can act as creative hubs and focal points for networks. Candidate areas recommended are Cheltenham & Stroud.

4 Marketing

Difficulty with marketing, access to customers and sales issues were frequently cited as barriers to growth in the research. A prime focus of support activity should be to address the low levels of turnover in some areas of the county's creative sector through co-ordinated efforts to promote the products of county producers in higher-value markets locally, in UK and abroad. Joint marketing initiatives which already exist should be supported to enable development of high-value brands and identities. The county has a repertoire of enterprises across a wide range of the creative industries able to serve local markets. Three-quarters of businesses and 90% of freelances report making none of their turnover from exports. New initiatives should include 'trade missions' under appropriate collective quality branding linked to the county identity.

A plan for development of creative industries in Gloucestershire would aim to:

1. Support the growth of current and planned marketing enterprises and initiatives by organisations and local networks including arts trails, antiques trails, festivals;

2. Support and co-ordinate marketing efforts jointly with related sectors, particularly tourism, hospitality and the artisanal food sector;

3. Strengthen links between the creative sector and rural regeneration, rural employment and tourism

4. Co-ordinate the efforts of partners, trade organisations and UKTI in initiatives to develop exports by businesses in the creative sector;

5. Stimulate a 'buy local' campaign to encourage partners to procure creative sector services within the county.

5 Workforce/skills development

75% of business and 85% of freelances reported having undertaken no training during the past year. 21% of those who had had training reported that their specific training requirements are not met by local training provision. Time, cost, awareness of what is available and location were most often cited as the reasons for a business not taking up training.

A plan for development of creative industries in Gloucestershire would aim to:

1. Review sector skills needs and current provision through analysis of the research and continuing consultation with creative businesses;

2. Promote the sector to those at school and ensure the pathways through the FE and HE sectors exist and match the skills needs identified by the relevant Sector Skills Councils (Skillset and Creative & Cultural Skills);

3. Deliver in partnership or by commission a series of pilot projects targeting increased business management and market development skills in potential growth sectors such as visual arts, craft and new media;

4. Promote regional and local skills development opportunities, including work placements and apprenticeships with leading creative sector organisations.

6 Workspace provision

The research did not suggest that existing businesses are restricted in their growth by inadequate premises, though there is anecdotal evidence of lack of suitable ‘first stage’ premises, and the phenomenon of latent demand has been identified in studies for SWERDA. The development of appropriate incubator and start up workspace is likely to continue to be important to the continuing development of the sector. Research elsewhere has demonstrated how the business and social networks which evolve where a number of creative businesses are in proximity contribute greatly both to individual business success and to an attractiveness which draws more practitioners into a virtuous spiral of growth. Existing good practice exists in the county, for example affordable workspace in SVA, and creative business incubation at Brewery Arts. Work is under way on the regional cultural infrastructure strategy *People, Places and Spaces* co-ordinated by Culture South West.

A plan for development of creative industries in Gloucestershire would aim to:

1. Align with the regional cultural infrastructure strategy in respect of development of workspace provision in the county;

2. Work with voluntary, private and public sector agencies to encourage the development of a cultural/creative business area within each District according to Local Authority strategic aims;

3. Be a contributing partner in the development of The University of Gloucestershire Development Centre's Innovation Programme;

4. Work with the County arts organisations to secure appropriate workspace/studio/rehearsal/exhibition space provision across the County.

7 Information and signposting

Lack of knowledge of what is available was frequently cited in the research as the reason for not taking advantage of information, training, support and investment opportunities. There is at present no co-ordinated countywide information and signposting service for the whole of the creative industries sector in Gloucestershire. Provision of good quality, regularly updated, news and information provision would assist business and skills development and pre-start-up enquiries. 68% of businesses have broadband access.

A plan for development of creative industries in Gloucestershire would aim to:

1. Facilitate access to appropriate local, regional and national business and creative industry information and advice services;

2. Support provision of a regularly updated information and signposting service to the creative industries sector through a county or regional sector-specific website, such as the Creative Enterprise Gateway portal, among other communications options.

8 Networking

Strengthening networks can increase and diversify activity, reduce isolation and stimulate inter-trading and collaborative working. Only 12% of respondents to the research had had support from a network of practitioners in their field. The development of a broad creative industries network is suggested as an element of a creative industries strategy to help improve the economic performance of creative industries businesses.

A plan for development of creative industries in Gloucestershire would aim to:

1. Encourage county and regional networking in partnership with existing creative industries networks including Gloucestershire Media Group, Artsmatrix, Stroud Valleys Artspace, The University of Gloucestershire and the county's FE sector;

2. Support development of the Creative Enterprise Gateway portal to facilitate peer group on-line networking;

3. Support the formation and development of independent sector-led groupings and organisations where strategically appropriate.

9 Investment

In the research, access to finance for investment was a commonly cited barrier to growth, and only 2% of respondents across the sector reported having had loan or cash investment in the past year. It is a commonplace that creative businesses tend to have low awareness of the availability and utility of equity and loan investment. While there is evidence that a sector-specific investment fund can add value, there is also a case for action to facilitate access to mainstream investment and finance for the creative sector. The investment readiness programme run by Business Link can provide assistance to creative enterprises, particularly if facilitated by sector-specific input. The existing framework of social enterprise investment support in the county is also relevant to some areas of the creative industries.

A plan for development of creative industries in Gloucestershire would aim to:

1. Evaluate the potential benefits of the different approaches to encouraging access to investment for creative enterprises;

2. Encourage the development of investment-readiness among the creative sector by facilitating access to and take-up of existing generic investment-readiness programmes.

Creative Industries Development Agency

If a plan along the lines set out above were to be created, there would be a good deal of work required to develop it, implement its aims and achieve relevant outputs. To assist in doing so, there may be a case for creating a sector-specific agency, in an appropriate form. This kind of agency approach has been used successfully elsewhere, in some cases within the context of the Arts Council's partnership agreements with local authorities at county level. Creative Industries in Herefordshire might offer a close parallel.
As a separate proposal, therefore, we recommend the that the commissioning partners examine the case for and against the creation of a county-based Creative Industries Agency, weigh the costs and benefits, and evaluate the advantages and purposes of such an agency, which might include:

- To lead and manage the process of developing a strategic plan;
- To act as a co-ordinator and source of support for advocacy for the sector;
- To focus and co-ordinate the range of support and development activity which is being, and could be, undertaken in the county;
- To deliver aspects of business support, network management and marketing initiatives where necessary
- To focus the capacity of the creative sector to contribute to the achievement of economic and regeneration objectives;
- To disseminate research findings and intelligence among partners, and co-ordinate further research efforts by partners as necessary.

Appendix 1

Survey response

Outcome	No.
Answer machine	119
Business closed	119
Call back later to complete	1
Completed interview	946
Does not work in Creative Industry	9
Continuously engaged	1
Fax number	9
General call back	15
No answer	360
No number available	305
Not interested in survey	323
Refused	238
Refused during interview	73
Requested a different format questionnaire	137
Specific call back	101
Too busy	273
Wrong number	268
Total survey list	3297

Appendix 2

DCMS definitions

The Department of Culture Media and Sport has responsibility for the creative industries and over the period since 1997 has promoted a number of ways of describing and defining the creative industries, a notoriously slippery sector of the economy.

Most recently the DCMS statistical team have formulated a framework to enable national statistics to be used as the basis of economic estimates of the creative industries. A summary is given below. This study has utilised national statistical data from the Inter-Departmental Business Register (IDBR) along the lines set out in the framework below.

1. Assumptions for correspondence between Creative Industries and SIC Codes

Mapping document chapter	Sector	Standard Industrial Classification (SIC)	
1	Advertising	74.4	advertising
2	Architecture	74.2	architectural (+)*
3	Art/antiques trade	52.48/9	retail sale in specialised stores nec (+)
		52.5	retail sale of second/hand goods in stores (+)
4	Crafts		*majority of businesses too small to be picked in business surveys*
5	Design		*no codes match this field*
6	Designer fashion	9 subsectors	clothing manufacture (+)
		74.87	Other business activities nec (+)
7	Video, film, music & photography	22.32	reproduction of video recording (+)
		92.11	motion picture and video production
		92.12	motion picture and video distribution
		92.13	motion picture projection
		74.81	photographic activities (+)
9&10	Music and the visual and performing arts	22.14	publishing of sound recordings
		22.31	reproduction of sound recording (+)
		92.31	artistic & literary creation & interpretation
		92.32	operation of arts facilities
		92.34	other entertainment activities nec (+)
		92.72	other recreational activities nec (+)
11	Publishing	22.11	publishing of books
		22.12	publishing of newspapers
		22.13	publishing of journals & periodicals
		22.15	other publishing (+)
		92.4	news agency activities

8 & 12	Computer games, software,	22.33	reproduction of computer media (+)
		72.21	Software publishing
	electronic publishing	*72.22*	Other software consultancy and supply
13	Radio and TV	*92.2*	radio & television activities

+ denotes that a proportion of this industry group is included to estimate the creative element
* Number of architecture businesses has been calculated using code 74.20/1 from the IDBR

This framework is used in the study in the interpretation IDBR data in the first part of the report.

The second part of the study presented in this report is based on primary research and a survey of actual businesses and practitioners in the field, and so is not restricted by the limitations of the SIC classifications which are referred to in the table above. It utilises the definitional framework used in the Creative Industries Mapping Documents produced by DCMS, adapted in the light of subsequent research and local conditions.

The current DCMS definition is :
advertising, architecture, the art and antiques market, crafts, design, designer fashion, film and video, interactive leisure software, music, the performing arts, publishing, software and computer games, television and radio

Appendix 3

Sources of contacts

Brewery Arts Cirencester
Business Link Gloucestershire
Cotswold Antique Dealers Association
Crafts Council Register
Dartington Plus music database
Experian Business Data Services
Fairplay Music database
Forest Bigartweb.net
Forest of Dean Creative Partnerships database
FotoForum membership
GLOSS artists in education
Gloucester Digital Arts Forum
Gloucestershire Arts Providers Directory
Gloucestershire CC grants recipients
Gloucestershire CC public artists 1
Gloucestershire CC Theatre list
Gloucestershire Guild of Craftsmen
Gloucestershire Media Group
Gloucestershire Tourism Guide
Gloucestershire Tourism listings
JST-Leisure business database
LBM Direct Marketing database
Membership of amdram.co.uk
Membership of Brass Bands UK
MF Advertising & marketing database
South West Screen directory
Stroud District Business Directory
Stroud Valleys Artspace listings
Tewkesbury District Council business directory
Volunteers recruited via various circulars and requests for information

Appendix 4

IDBR search specification

A standardised search of the IDBR database provides a ready way of making annual baseline comparisons of some broad economic and employment indicators. To facilitate the provision of comparative data in future, the IDBR search specification used in this research to obtain the data used in the headline findings section of the report.

Count, annual turnover and employment for total enterprises,
in the following groups of SIC classifications,
and aggregate total of all listed SICs counted together
located in each of the areas defined below
for years specified

SIC classifications
SIC 2003, 4- and 5-digit codes list

1	Advertising	74.40	Advertising
2	Architecture	74.201	Architectural activities
		74.202	Urban planning and landscape architectural activities
3	Art/antiques trade	52.486	Retail sale in commercial art galleries
		52.489	Retail sale in specialised stores nec
		52.501	Retail of antiques, including antique books
4	Crafts		
5	Design	74.872	Specialist design activities
6	Designer fashion	18.10	Manufacture of leather clothes
		18.22	Manufacture of other outerwear
		18.23	Manufacture of underwear
		18.241	Manufacture of hats
		18.249	Manufacture of other wearing apparel and accessories nec
		19.30	Manufacture of footwear
7	Video, film, music & photography	22.32	Reproduction of video recording

		92.11	Motion picture and video production
		92.12	Motion picture and video distribution
		92.13	Motion picture projection
		74.812	Portrait photographic activities
		74.813	Other specialist photography
9&10	Music and the visual and performing arts	22.14	Publishing of sound recordings
		22.31	Reproduction of sound recording
		92.31	Artistic and literary creation etc
		92.32	Operation of arts facilities
		92.341	Dance halls, discotheques and dance instructor services
		92.349	Other entertainment activities NEC (inc. circus and puppet shows)
		36.30	Manufacture of musical instruments
11	Publishing	22.11	Publishing of books
		22.12	Publishing of newspapers
		22.13	Publishing of journals and periodicals
		22.15	Other publishing
		92.40	News agency activities
8 & 12	Computer games, software, electronic publishing	22.33	Reproduction of computer media
		72.21	Software publishing
		72.22	Other software consultancy and supply
13	Radio and TV	92.20	Radio and television activities
		92.721	Motion picture, television and other theatrical casting

Areas

Gloucestershire County