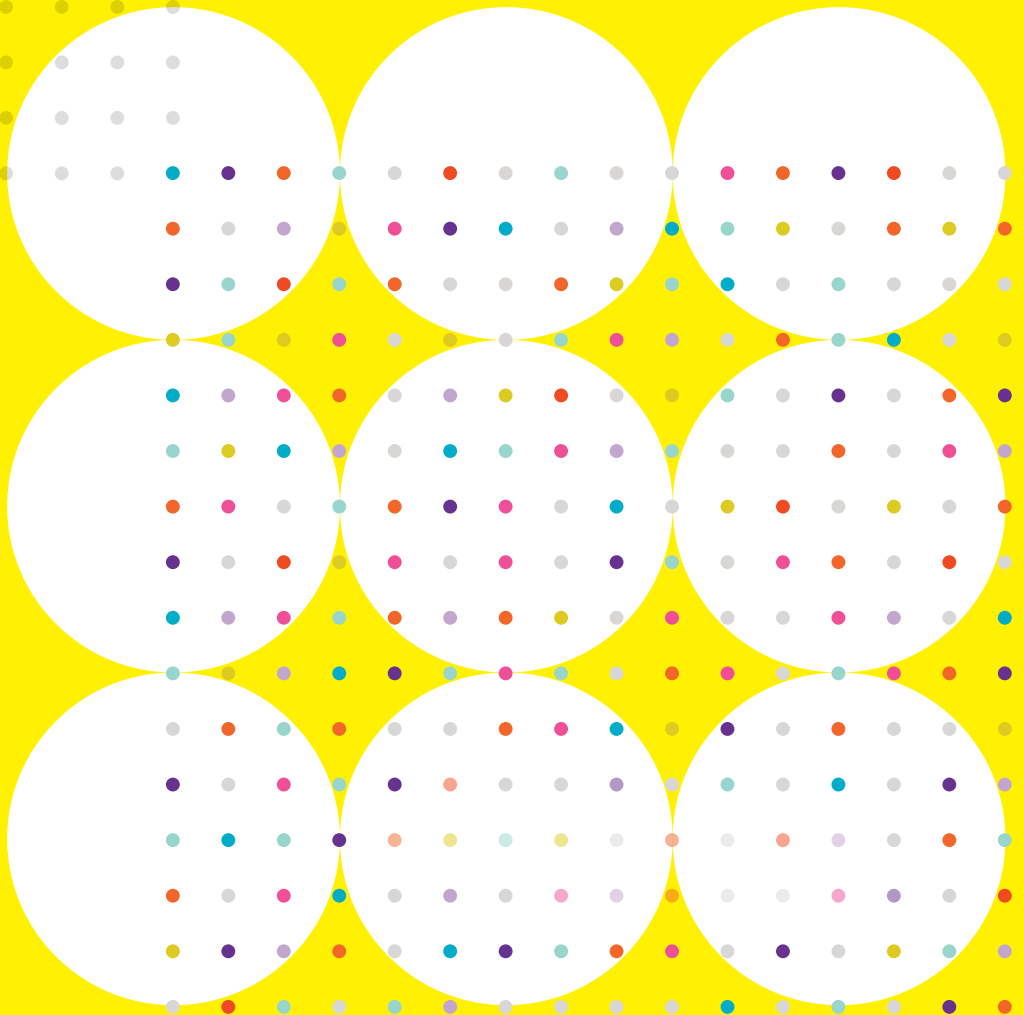
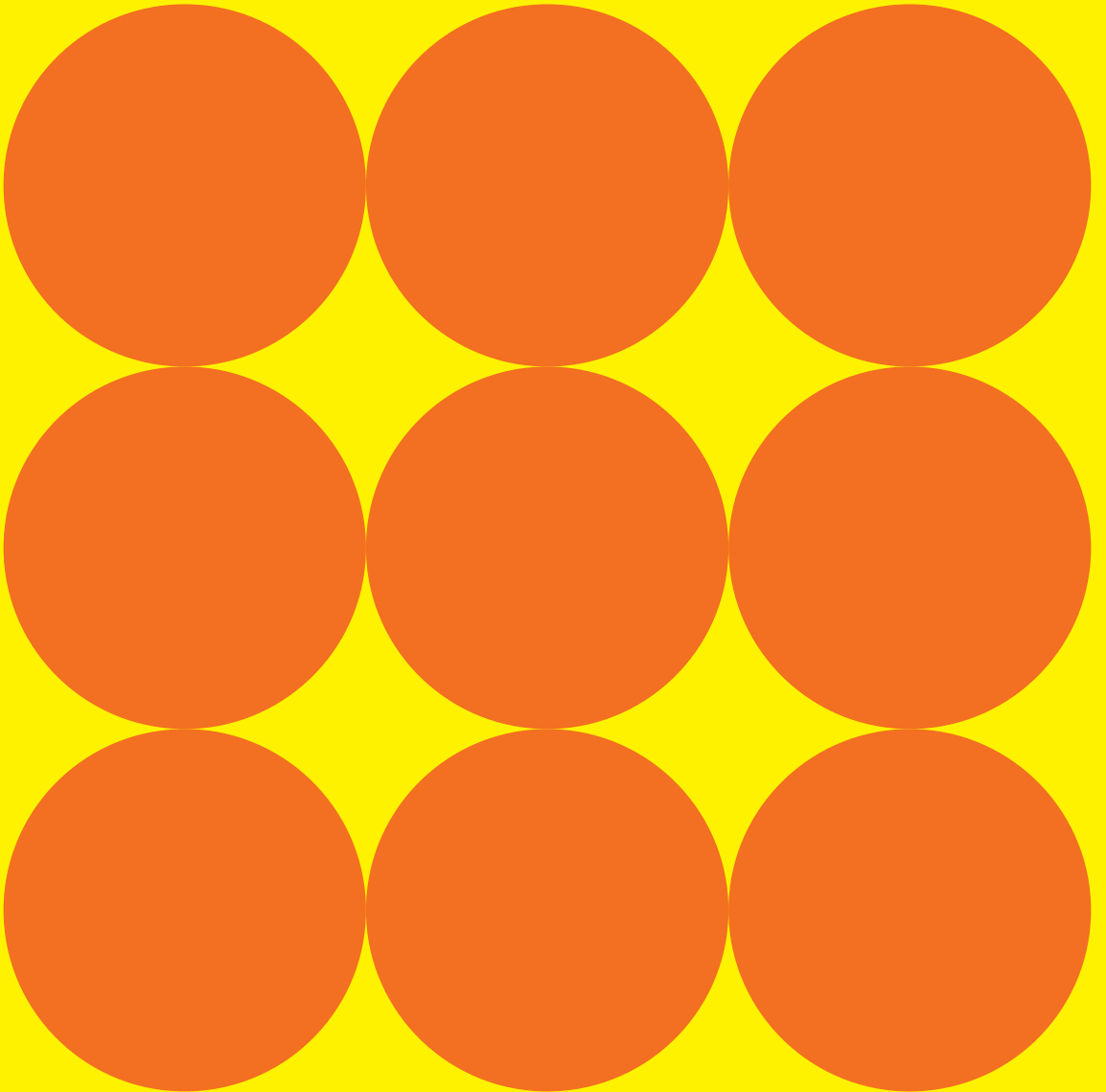




Brokering Creative Advantage Better Business Support

From Innovation Vouchers
to Creative Knowledge Transfer





The Creative State North West

Final Report & Policy Recommendations

by Mary McAuliffe

4CNW EC Pilot Business Innovation Support Programme 2012-2013

Prepared for Sligo County Council on behalf of the Creative State North West



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the competitiveness of European enterprises

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Creating Better Business Advantage - A Priority for All

For Government

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In Government, our priority for 2011-16 is to get the economy moving, to restore confidence and to maximise the potential for job creation. We are intent on providing the right enablers for entrepreneurs to deliver consumer-driven innovative products and services as well as developing new business models, organisational structures and innovative skills which are vital for our country.

By improving the business environment for indigenous enterprise - especially micro and small to medium enterprises - all businesses in Ireland will benefit - and our local communities will thrive.

The **4CNW Business Innovation Support Programme**, backed by the European Commission and delivered by Sligo County Council, has made an important contribution - helping to create the right conditions for growth. The pilot has shone a light on the important links between creativity and innovation and highlighted the need to diversify the range of business supports offered by enterprise agencies.

4CNW provides an evidence base that demonstrates the diverse ways in which the creative industries have added value to help SME's identify new market opportunities. Creative services can act as a catalyst for fresh thinking and in helping grow indigenous business and create jobs.

Brokering Creative Advantage Better Business Support is the final report of the 4CNW pilot.

In the report, the lessons learned are summarised; a strategy to move the programme to the next stage is presented, and micro and SME's tell their own stories of how the programme supported their objectives. The 4CNW model offers a practical approach to unlock the potential of the creative and cultural industries to accelerate economic growth and prosperity.

Tús iontach maith; ar aghaidh leis an obair!



John Perry TD
Minister for Small Business

Creating Better Business Advantage - A Priority for All

For Europe

The capacity of the creative and cultural industries to create new high quality jobs has been recognised by the EU and led to the establishment of the European Creative Industries Alliance (ECIA) in 2012.

Creative enterprises are highly innovative with the potential to be at the forefront of a new entrepreneurial culture in Europe. Their wealth-generating capabilities don't stop at the boundaries of their own sector or countries but spill over to other industries.

Beyond their direct contribution to GDP, the creative industries are important drivers of economic and social innovation in many other sectors, including tourism. Creative industries can play a similar transversal role in the economy to ICT. In addition, cultural and creative contents have a crucial role in the implementation of the information society.

The European Commission's Green Paper *Unlocking the Potential of the Creative and Cultural Industries* 2010 acknowledged that the creative sector needs to be supported in order to fully achieve its potential as a creator of high quality jobs and a driver of cross-sector growth.

ECIA is currently engaged in this work and will produce a roadmap to signpost a way forward in 2014, together with the publication of its final report incorporating policy recommendations to the European Commission.

Sligo's 4CNW Business Innovation Support Programme has played an exemplary role in the wider ECIA initiative. The pilot, one of ECIA's eight concrete actions, has been very effective in communicating to SME's in wider industry sectors the added value to be gained in collaborating with a creative service provider to stimulate fresh thinking and promote business growth. In particular, the programme has been successful in demonstrating through its Brokered Matchmaking Service how to build mutual trust and understanding for effective cross-sectoral innovation.

Brokering Creative Advantage Better Business Support is an important report as it captures the learning and sets out the challenges ahead and proposes ideas and options for future action.



Rasmus Winstedt Tscherning

CEO Centre for Cultural Experience CKO Copenhagen
Chairman European Creative Industries Alliance ECIA

Creating Better Business Advantage - A Priority for All

For the Creative State Northwest

Creative talent and cultural diversity are valued components of Sligo life.

Over the years, Sligo County Council has invested heavily in the development of cultural programmes and infrastructure to enhance the quality of life of Sligo people and its citizens.

The arts are seen as a core function of the Council's work and regarded as central to the economic, cultural and social growth of the city and county as a gateway to the Northwest of Ireland.

Sligo Arts Service has invested more than €8.5m in the arts in the past decade, €4.5m of which was awarded to local artists and organisations in the form of bursaries and grants. Our commitment however is not simply in financial investment but in the strategic thinking and collaborative approaches which underpin a policy of public service arts.

A significant population of practicing artists coupled with a reputation for excellence among Sligo's other cultural organisations - including The Model, Hawk's Well Theatre, Blue Raincoat Theatre Company, Sligo Youth Theatre, The Coleman Centre and The Yeats Society - ensures that Sligo's arts ecology is diverse, sustainable and vibrant. Every facet is rooted into the local cultural DNA.

4CNW builds on this strategic and structured approach to realising Sligo's full cultural potential. In leading the 4CNW Business Innovation Support Programme bid, the Council was conscious of the need to secure investment to experiment with new approaches and look for new solutions to encourage competition, increase productivity and support new jobs and sustainable businesses.

4CNW provided an experimentation support mechanism and has demonstrated the distinctive role local creative enterprises can play in community development by promoting a sense of place and enhancing the region's attractiveness as a place in which to live and to do business.

The pilot project illustrates the importance of providing SME's in other industry sectors with creative supports, particularly at an early stage, because of the added value they can bring to help businesses develop new products, services and business models.

The completion of the pilot coincides with the emergence of an important new phase in local government reform in Ireland which will see the role of local authorities in economic development and their enterprise functions strengthened and enhanced. Under the Government's *Putting People First* policy, Local Enterprise Offices (LEO's) will be established in 2014 within local authorities.

In this context, 4CNW offers a practical business development programme that can help local authorities play to their cultural and economic strengths. The Talent /Innovation Voucher Scheme, tested in the Northwest in 2012-13 offers Local Authority Business Development Units and LEO's an effective business tool, capable of harnessing local cultural assets for economic and social development and job creation.

The programme can be used as a model to stimulate and encourage cross-sector growth, turning new ideas into products and services through creative input and boosting local and regional competitiveness in the global marketplace.

In the Northwest, 4CNW has supported micro and SME's to think creatively about ways to address business challenges and options to deliver their goals through partnership with a creative supplier. It has supported creative micro enterprises to become more entrepreneurial and professional in marketing their skills to other industry sectors and has built their capacity for effective cross-sector collaboration. In addition, it provides a new model to promote cross border business links and access to new market intelligence. At the same time the voucher has helped local micro and small to medium enterprises become more international in their outlook.

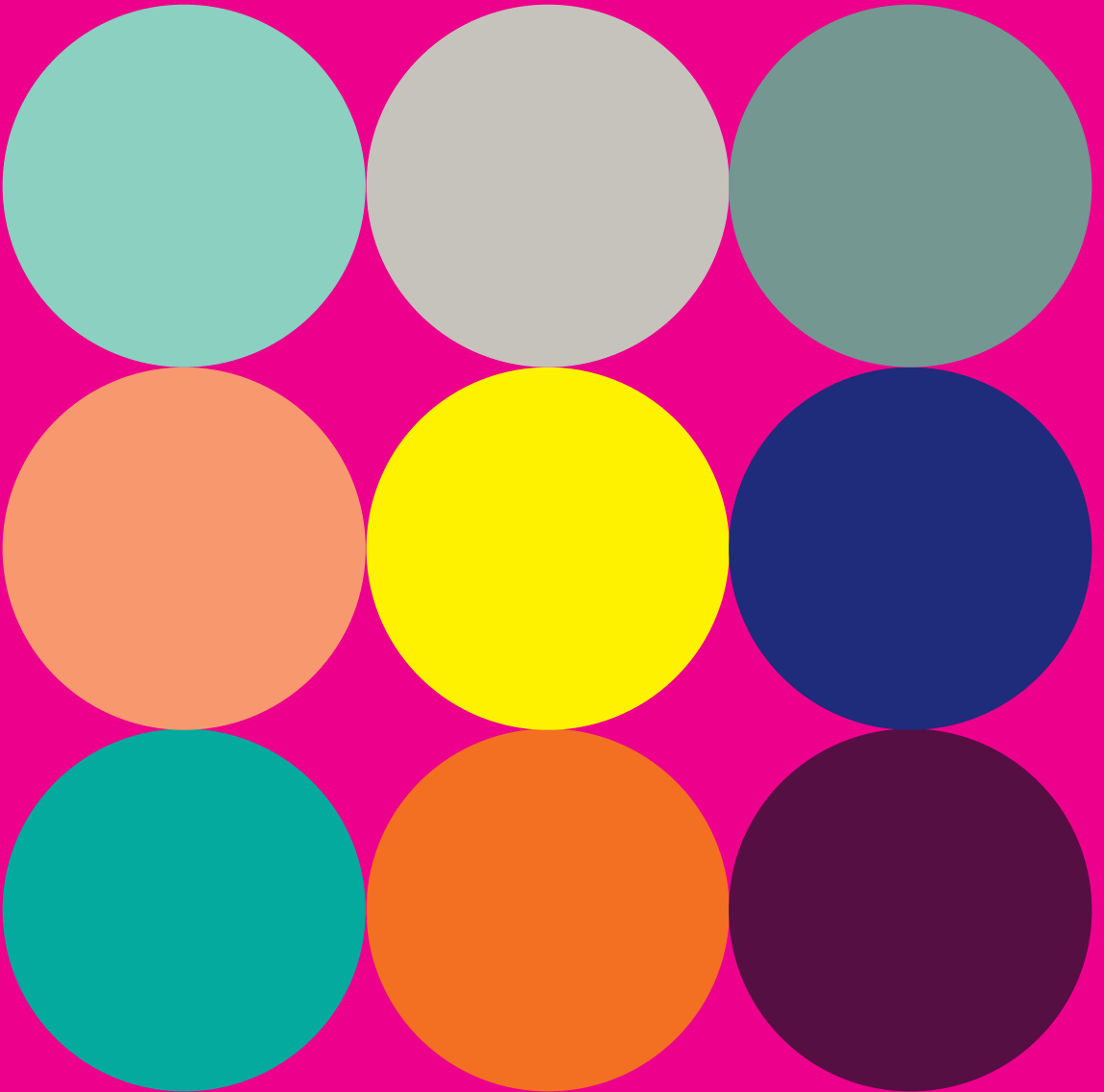
These are significant and very worthwhile outcomes.

On behalf of Sligo County Council, I commend the dedication and commitment of Mary McAuliffe, Aisling Smyth and Devona Finnegan - the Project Team assigned to direct and manage the pilot - on a job well done. I also extend huge thanks to members of the Creative State North West Partnership Steering Group for their valued input and contribution - John Reilly, Hugh Mc Conville, Ian Brannigan, Paul Keys; and, former Partnership members Hubert Kearns, Bernie Butler and Damien Devaney, together with all the stakeholders who helped make the programme a reality through their engagement and participation.

A handwritten signature in black ink that reads "Dorothy Clarke". The signature is fluid and cursive, with a large initial 'D' and 'C'.

Dorothy Clarke Director of Service
Sligo County Council

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Preamble

Creativity in Creating Employment

At the very outset of the pilot 4CNW Business Innovation Support Programme, we asked some core questions:

Can Public Authorities stimulate job creation by enabling interaction between regional business communities and locally-based creative industries?

Can financial assistance in the form of talent vouchers prove a worthwhile attraction?

Can the harnessing of creativity help boost regional competitiveness?

Can creative suppliers become more accessible and relevant to local enterprises?

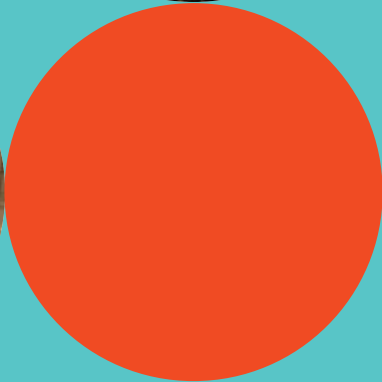
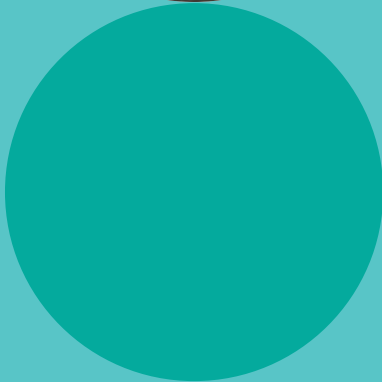
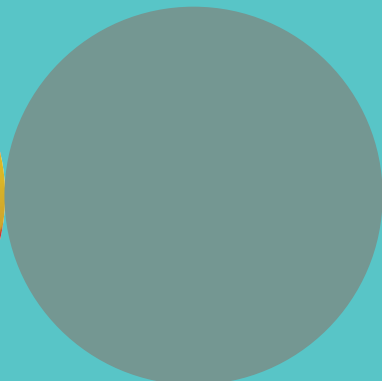
Can a brokered match-making service help enterprises define their creative needs?

Can cross-sectoral collaboration lead to the creation of better business advantage?

Brokering Creative Advantage is the final report on the outcomes of the pilot 4CNW Programme, carried out by Sligo County Council during 2012 and 2013. It summarises the benefits and impact of the project and captures the lessons learned, key issues and challenges that have arisen, and proposes a framework and recommendations for future action.

The Independent Evaluation and this follow-up significant report strongly suggests there is merit in the continuation of the process of bringing together the skills of both the business and the creative sectors in the periphery regions and in elevating the process from a regional to a national level.

The brokering of creativity clearly creates better business advantage.

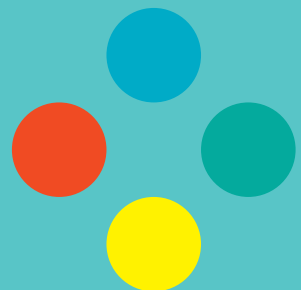
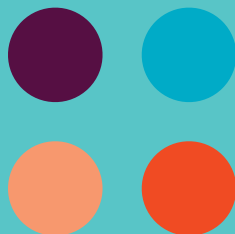
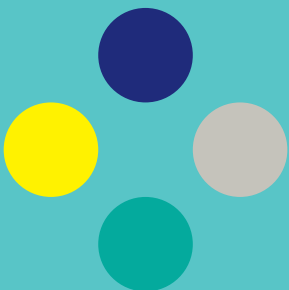
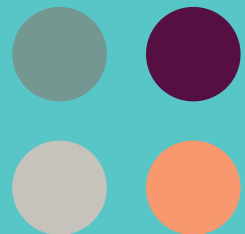
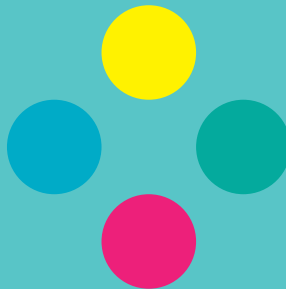
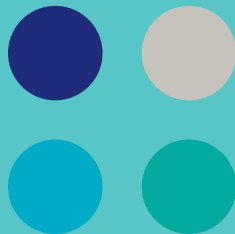


Part 1

Brokering Creative Advantage

Better Business Support





Section 1

Evolution of Project 4CNW

In Part 1 the origins of The Creative State North West Business Innovation Support Programme are traced, outlining its specific regional and cross-sectoral focus. The European dimension is highlighted and the positive impacts achieved by uniting the business community and the creative industries are detailed.

Sowing the Seeds

Sligo County Council joined forces with local authority partners from the North West of Ireland (Donegal, Leitrim, Mayo and Roscommon) and the Western Development Commission (WDC). Together, they entered a successful bid to the European Commission under an open call to establish the European Creative Industries Alliance (ECIA) in 2011.

The pilot 4CNW Business Innovation Support Programme was the focus of the bid submission and the first step on a productive journey.

Taking Aim

A key aim of the 4CNW programme was to demonstrate how public authorities could increase business innovation take-up and support enterprise through a unique service innovation that linked creative micro-enterprises with businesses in the wider economy. The objectives were to improve competitiveness, job creation and growth across Europe's Northern periphery, by experimenting with new types of business support focused on innovation vouchers.

The programme targeted companies from four high growth industry sectors: life sciences, tourism, technology and agrifood, leveraging the fact that 8 out of 10 of the world's leading companies in these sectors are based in Ireland.

4CNW built on existing corporate and community strengths in Sligo through positive and productive interaction with locally-based creative industries.

The Pilot Programme was a vital cog in the Creative Sligo Strategy and Action Plan 2010-12 and part of the evolution of public sector policy in Sligo supporting the cultural and creative industries since 2007.

Taking the Lead

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Sligo County Council acted as the lead agency in the development and implementation of 4CNW.

In 2009 the Council found itself addressing the fallout from the downturn in economic activity. Each local authority developed a common focused approach to economic development which linked in with the needs of businesses in the region.

Since 2008, Sligo County Council had been looking at ways to deliver business supports that took account of the type of business and skills available in the region.

In Sligo, the creative industries were operating successfully at grassroots level (*WDC analysis in 2009 found that 4.2% of people were employed in the sector in Sligo at that time relative to a national average of 3% Indecon, 2009*) and the Council was keen to explore how this could result in business advantage for the area.

Fostering Creativity in Sligo

The Local Authorities policy shift towards fostering creativity, innovative and collaborative activities in Sligo was underpinned by two key studies;

- Cultural Planning Residency, Noema Research¹ (2008)
- Greenfort Cultural Mapping Study, MCO Projects² (2009)

These studies highlighted the multifaceted benefits of the creative and cultural industries in generating employment and promoting economic development, retaining creative and talented people, promoting sustainable tourism, social cohesion and community development. They also provided an opportunity to tap into the hopes and challenges impacting on the creative and cultural sector in Sligo. Both studies confirmed the richness of Sligo's cultural assets, but pointed out that they were an under-utilised resource.

Ideas and opportunities to better connect Sligo nationally and internationally were identified and a vision proposed for sustainable economic development with the Greenfort area of the city being identified as a creative focal point.

¹ A Cultural Planning Framework for the Greenfort and Sligo, L Ghilardi (2008)

² A Research Study for the Greenfort Area Sligo, MCO Projects (2009)

Building the Business Case

At regional and European levels the business case for investment in the Creative Industries was obvious;

In 2009, the Western Development Commission published the Creative West report which provided the first profile of the cultural and creative sector in the Western Region of Ireland. Creative West identified that in 2008 there were 4,779 creative businesses generating an annual turnover of €534m in the West of Ireland.

In 2010, The European Commission in the European Competitiveness Report found in a survey of EU Member States that 97% of respondents thought the creative industries were important or very important in supporting innovative activities, encouraging economic growth and creating new jobs.

Creative industries accounted for 3.3% of total EU GDP and 3% of employment - they are among the most dynamic sectors in the EU.

In 2011, as a follow up to the Creative West report, new research from the WDC and National University of Ireland/Galway (NUIG) found that investment in the creative economy had the potential to impact on job creation, forecasting up to 17,000 new employment opportunities in the Western region of Ireland by 2020, as well as 5% additional exports with a value of €100m and a platform to leverage private sector investment with spill-over impact.

The underlying challenge facing public authorities was how to make a real difference to cultural entrepreneurship on the ground. New ways of collaborating across creative, private, public and community sectors had to be developed, as well as new programmes designed and tailored to meet the needs of the creative and cultural industries.

“This process carried out by 4CNW of finding potential talent made it easier for us to select the right match for our business and our product development.”

Rory O' Looghlin Design Principal, Loughlin

A Time & Place for Initiative

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The Creative Sligo Initiative - An Integrated Policy Framework for Strategic Action 2010-12

Creating the right conditions for Cultural Entrepreneurship

Based on the significant research and ground work the economic opportunity was clear.

Sligo County Council used its leadership role to tackle local creative enterprise issues and to shape future direction. The County Development Board (CDB) structure was critical; enabling the Council to affect a wider added value element and providing a forum to agree shared vision.

In 2009, Sligo CDB reviewed its strategy for Integrated, Economic, Social and Cultural Development and adopted the Creative Sligo Initiative (CSI). A key aim for the CDB was to use its central role to help create the right conditions for sustaining Sligo as a creative environment and support those engaged in enterprise and cultural entrepreneurship. Many initiatives were underway, but there was a keen interest in developing a more integrated cohesive approach to action.

The focus was to harness local assets and resources to stimulate and sustain employment and to identify new opportunities for Sligo through a process that involved;

- Mapping activities and sharing data on local assets to identify potential**
- Using the data to generate ideas for new products and services; and**
- Supporting an appropriate implementation plan with potential partners at regional, national and European levels**

It was time to turn thoughts and words into strategy and actions.

The Creative Sligo Strategy & Action Plan 2010-12

The Creative Sligo Strategy and Action Plan 2010-12 provided a flexible framework for the Creative Sligo Initiative (CSI) to support integrated actions across three strategic themes³;

- Promoting culture and creativity as an expression of contemporary Sligo and raising visibility of creative activities at national and international level
- Co-ordinating opportunities for cross-sectoral collaboration between creative, private and public sectors focussing on the creative industries and cultural tourism
- Supporting the translation of ideas into new products and services through investment in experimentation and enabling access to financial supports along with tailored programmes



The Action Plan for 2010-12 focused on 10 demonstration projects which provided a practical approach to interagency collaboration and shared services on programmes that offered the potential for social, economic and cultural benefits.

³ Sligo CDB Creative Sligo Strategy & Action Plan 2010-12, MCO Projects (2010)

Overcoming Implementation Challenges

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To overcome key implementation challenges, the Board established the Creative Sligo Public Private Partnership delivery mechanism and Sligo County Council assigned an Executive Project Team.

The Partnership mechanism provided a focussed approach to agree shared goals and avoid duplication of activity - the key to ensuring an open, flexible communications process.

Members were drawn from local government, regional development, business, enterprise, innovation and the creative community. The over-arching goal was to contribute to the development of wider innovation abilities in the Northwest of Ireland.

Focus on the Longer Term

Longer-term planning by the Partnership focused on opportunities that fitted with national and European policy including;

- Enabling the development of a creative cluster within Sligo
- Inter-regional action proposed within the Creative West recommendations
- Cross border cooperation for a more prosperous and sustainable region
- Building links with other clusters nationally and internationally
- Innovation in services delivery in relation to niche cultural tourism
- Developing culture and creativity through lifelong learning
- Promoting festivals and events
- Integrating sustainable energy management through public private partnerships and linking supply with demand at local level

The Benefits of a Strategic Approach

A significant benefit of the Creative Sligo Initiative was that it provided an integrated policy framework and proactive strategy for the development of an EU funding bid as set out in the EC Policy: *Unlocking the Potential of the Creative and Cultural Industries, 2010*.

This policy aimed to “develop and test better practice on how to support service innovation in creative industries” and “how to bring creativity more effectively to other sectors.”

Crossing Borders to Connect Transnationally

Inside the Creative State North West 2012-13

The Creative Sligo Initiative had a regional, national and transnational focus. This broader vision led directly to The Creative State North West - a public identity reflecting the wider geographical scope of the initiative.

To compete and succeed in the global marketplace it was clear that local businesses needed support to become more outward looking and to help them internationalise their ways of thinking and working. Markets no longer respect county, city, regional or national boundaries.

Local authorities have the ability to create appropriate linkages to bordering counties, regions and indeed international linkages. In the 4CNW bid process, Sligo County Council used these connections to provide value for enterprise development on the ground.

“We feel 4CNW has got us to the next level of our Growmatic project as intended and will be a significant part of our work in 2014... we would recommend 4CNW to other businesses as it has worked very well for us”

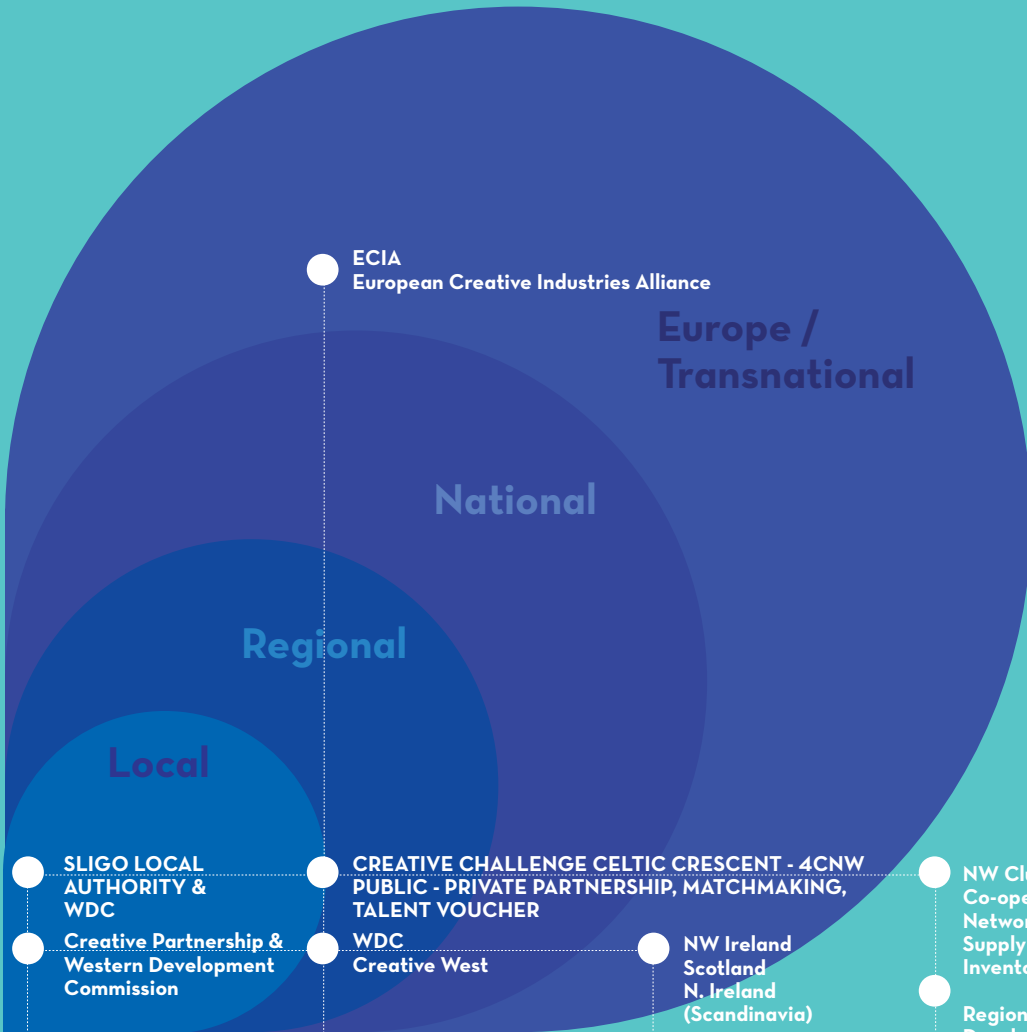
Andrew Davidson Director, Quickcrop

Going Beyond the Local

The need for effective coordination between different levels of policy administration and stakeholder engagement at national, transnational and European levels was recognised by the Partnership as key to success.

The bordering regions of *Scotland and Northern Ireland* were ideal transnational partners who offered regions with similar socio-economic profiles, strong creative clusters, low cultural barriers for exchange and a history of cross border collaboration. Both countries used innovation vouchers that 4CNW could build on in a targeted, effective and open manner as proposed by the Riga Declaration. The declaration recognised that while voucher schemes encompass regional and national level programmes, the establishment of a collaboration framework to facilitate interaction between these programmes would be beneficial. The establishment of a knowledge brokerage mechanism was proposed as a way of effectively making excellence available to SME's on the ground.

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ECIA
European Creative Industries Alliance

Europe /
Transnational

National

Regional

Local

SLIGO LOCAL
AUTHORITY &
WDC

Creative Partnership &
Western Development
Commission

Local Cross Sector
CSI Public-Private
Partnership;
Creative West Test-bed

REGIONAL
STAKEHOLDERS &
NETWORKS

CREATIVE CHALLENGE CELTIC CRESCENT - 4CNW
PUBLIC - PRIVATE PARTNERSHIP, MATCHMAKING,
TALENT VOUCHER

WDC
Creative West

Regional Creative West
2020 Vision Industry

INTER-REGIONAL
STAKEHOLDERS &
NETWORKS

NW Ireland
Scotland
N. Ireland
(Scandinavia)

• Transnational Industries
• Agencies
• Creative Edge
EU Project Partners

TRANSNATIONAL
STAKEHOLDERS &
NETWORKS

NW Clusters
Co-operative
Network
Supply & Demand
Inventory

Regional Strategic
Development
Sligo
Mayo
Donegal
Leitrim
Roscommon

National Policy
& Strategy
Creative Industries
Alliance

Transnational &
European
4CNW &
Creative Edge
Ireland
Scotland
N. Ireland
(Scandinavia)

“We would highly recommend 4CNW to other start ups as it gets you thinking in a completely different way. We were very happy with the process”

Jason Devaney Director, Farmflo

Building the Bid

The 4CNW bid was developed as a strategic programme to help overcome the identified barriers of a peripheral location in Europe; to add value to the existence of successful technology/industry sectors within the region and to focus on the untapped potential of the 'disconnected' creative talent within Northwest Ireland, Northern Ireland and Scotland.

The programme complimented and added value to the existing cross-sectoral Creative Sligo Initiative Public Private Partnership (€1.3m) as well as leveraging the transnational Creative Edge Interreg project (€1.2m) promoted by NUIG and the WDC with partners within the same regions .

Achieving Success

The successful bid secured investment to test new types of business support focused on innovation vouchers and - through integration with the broader Creative Sligo Initiative - the potential to provide a new model of inclusive service innovation in rural regions of national and European significance.



Section 2

Europe 2020 - Ten Year Growth Strategy

'Europe's 2020 strategy for smart, sustainable and inclusive growth is focused on stimulating and optimising Europe's economy as well as the wellbeing of its citizens not only now, but also in the future. Considering this major task that the EU has set for itself, Europe is constantly on the lookout for new opportunities and industries that can contribute to reaching its future goals. Much of this future depends on how effectively businesses innovate in the face of major challenges...'

ECIA Midterm Report, February 2013

Europe 2020 - European Union Ten Year Growth Strategy

There are more than 20 million small and medium enterprises (SME's) in the EU, representing 99% of businesses. These are a key driver for economic growth, innovation, employment and social integration. European policy aims to promote successful entrepreneurship and improve the business environment for SME's to allow them to reach their full potential.

The fast-changing nature of commerce and rapidly rising new economies have created new structural and competitive challenges for established and developed economies such as Europe.

The ongoing economic crisis - coupled with changes in the business environment such as recession, climate concerns, new social media, consumer empowerment, new wave technology and globalisation - continue to drive massive shifts in business needs and practices. These shifts have accelerated the need to look for new innovation models that offer potential for the future.

Within the overall context of enterprise policy at EU and national levels, there is a growing recognition of the role that creative industries and services can play in enhancing competitiveness and innovation. Even at a time of economic crisis the creative industries are growing. In addition, the creative and cultural industries represent highly innovative companies with great economic potential. In the collaborative world influenced by new technology, they are the expressive and collaborative consumers who make the most use of social media and the hubs who connect consumers with one another.

Creativity and the Emerging Mobile Economy

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New wave technology is facilitating the widespread dissemination of information, ideas and public opinion that enables consumers to collaborate for value creation⁴. As a result of these growing trends in society, consumers are not only looking for products and services that satisfy their needs, but also searching for experiences. In this market, creativity and culture play a key role.

Supplying 'meaning' is today's key value proposition.

As Europe moves from the knowledge economy to the creative economy, it is widely recognised that a workforce with creative competencies will have an increasing impact on value creation in society. The better integration of different disciplines can lead to the transformation of existing sectors and the rise of new sectors.

Maintaining European Competitiveness

To retain competitive advantage, Europe needs the right enabling conditions to support creativity, innovation, entrepreneurship and fresh thinking. The creative industries have been identified by the EU as offering real solutions to the challenges posed by Europe 2020 and they played a key role in some of its flagship initiatives - such as the Innovation Union, the Digital Agenda, tackling climate change, the agenda for new skills and jobs and an industrial policy for the globalisation era.

The European Creative Industries Alliance (ECIA) was established by the EC to help unlock the potential of Europe's creative industries as a creator of high quality jobs and a driver of cross-sector growth. The Alliance promotes the more effective use of different forms of knowledge throughout the economy to support the emergence of new value chains that combine knowledge and creativity with modern technology, in particular ICT for innovation⁵.

“I'd have no hesitation in recommending 4CNW because with the right creative (and guidance is required) you can achieve more than you can imagine - even with strictly limited resources.”

Chris Gregory Director, Coolgenics

⁴ Marketing 3.0, Philip Kotler (2010)

⁵ ECIA Midterm Report (Feb 2014)

Section 3

Promoting Creativity, Creating Opportunity

4CNW - Part of the Action

The 4CNW Business Innovation Support Programme promoted creativity as an important set of capabilities that enables innovation to happen. It responded to the needs of SME's to have access to a diverse range of resources and capabilities in order to bring new products and services to market.

The pilot tested better business support focused on innovation vouchers but pioneered a new approach that went beyond the usual scope of innovation vouchers i.e. partnerships with Universities and Institutes of Technology for research activities. In the 4CNW voucher scheme, SME's were permitted to partner with a private-sector creative service provider who provided knowledge-intensive services for their business. The scheme offered a way to connect creative competencies with innovation services which in turn offers the potential to create and protect jobs, boost regional growth and competitiveness by building creative competencies in the wider economy.

“I would certainly recommend the 4CNW programme to other businesses, purely based on the process - and more importantly for us, the outcomes arising from the programme.”

Hector McLeod Deputy CEO, Hebridean Chocolates

Innovation Voucher Pilot Programme 2012-13

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In designing the pilot, cognisance was taken of the fact that creative businesses in this corner of Europe's Northern Periphery tend to be very small and typically display limited collaboration with complementary service providers when it comes to pitching for business. The goal was to make creative professionals and micro businesses more visible and accessible, as well as assisting them build entrepreneurial skills and capacity.

A Dual Solution Approach

The 4CNW Pilot Project combined two solutions, designed to complement each other and ramp up the inherent values of the programme.

Firstly, allocate Talent Vouchers. The allocation of talent vouchers worth up to €5,000 to small and micro enterprises allow businesses the resources to employ a creative professional to work with them to solve an identified 'creative challenge' within their business.

Secondly, create a 'Creative Directory.' The creation of a new 'Creative Directory' web app which currently has 190 accredited creative suppliers profiled. This online directory promotes creative professionals and micro enterprises in Ireland Northwest, Northern Ireland and Scotland.

The concept of 'Brokered Matchmaking'

A core objective of the 4CNW Programme was to enable knowledge and experience exchange between creative businesses and the wider business environment using brokered matchmaking to encourage better practice in demand-led innovation.

Issuing the 'creative challenge'

The core objective was achieved through the competitive selection of 'business challenges' and implemented through the 4CNW Talent Voucher fund of €100,000.

Companies were targeted from four high growth industry sectors: Life Sciences, Tourism, Technology and Agri-food and encouraged to engage in practical

collaboration with creative professionals. The selection of the most appropriate creative professional was facilitated by regional brokers; the Creative State for Ireland Northwest; Northern Ireland Business Innovation Centre (NORIBIC) for Northern Ireland and Cultural Enterprise Office (CEO) for Scotland.

Picking Winners

Following an independent assessment and selection process, successful applicants were offered a 4CNW Talent Voucher worth between €1,000 and €5,000 to help engage creative techniques and technologies supplied by creative professionals.

The voucher scheme operated on a matched funding basis and covered 50% of the overall costs of approved projects. Companies were given two months to deliver their 'creative challenge' project collaborations in 2012 and three months in 2013.

Creating brokered advantage overseas

In 2013, the programme was rolled out transnationally in Ireland Northwest, Northern Ireland and Scotland. The transnational round built upon lessons learned in the 2012 test which was rolled out in Ireland Northwest.

The two year success story

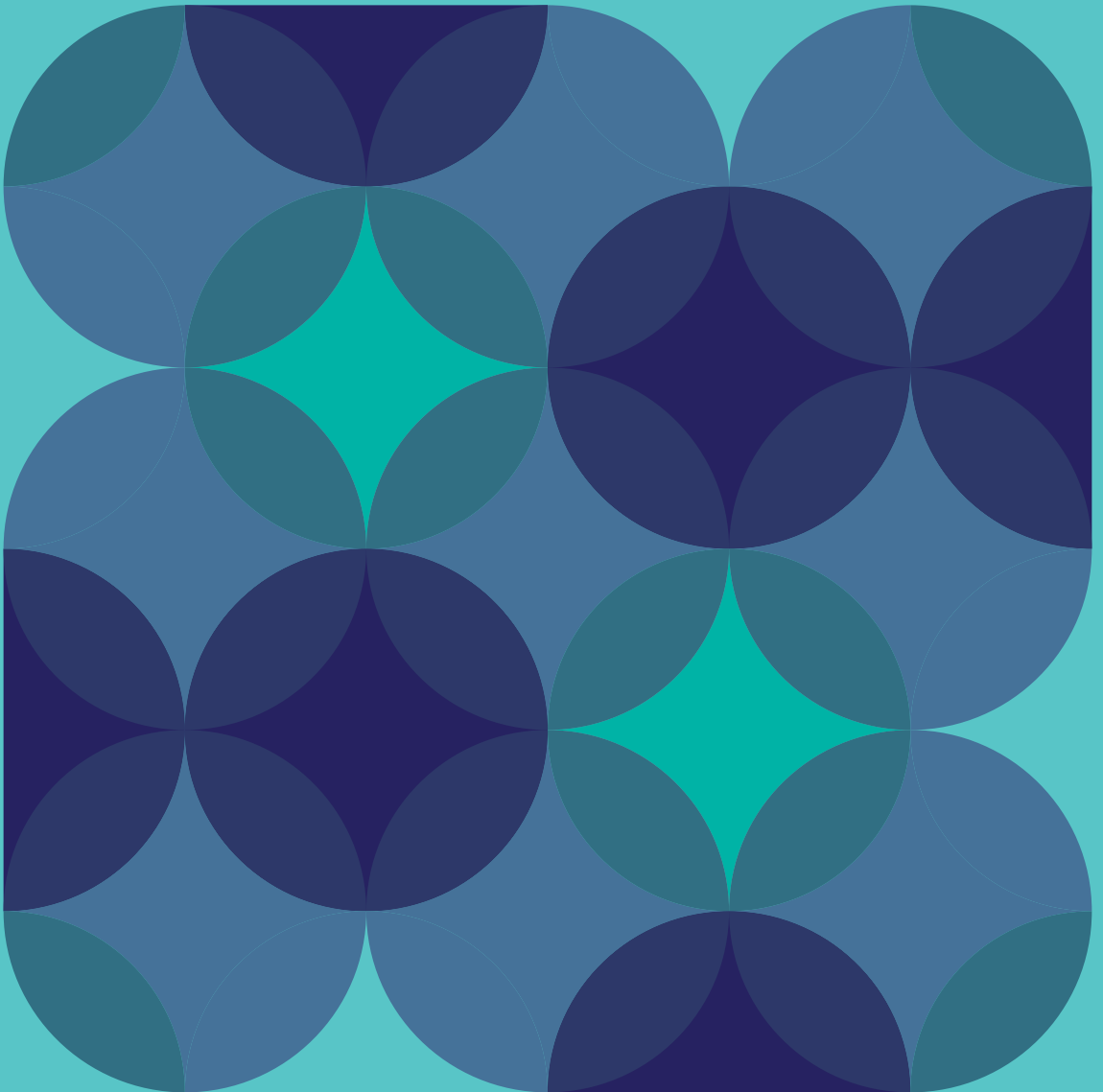
Over the past two years, the pilot has exceeded targets set in January 2012 and supported twenty collaborations between creative micro businesses and SME's. It has succeeded in exposing businesses to the advantage of recruiting creative services to help them achieve a competitive edge, as well as highlighting significant potential through collaborating with creative professionals in areas such as marketing, digital and new technologies and service delivery.

The successful implementation of the 4CNW programme has contributed to the wider goal of positioning the Northwest Region of Ireland as a thought-leader for promoting the more effective use of creativity for innovation in the economy. It raised awareness of the importance of creative knowledge transfer in the wider ecosystem of innovation and successfully drove new linkages between the creative sector and four key industry sectors; *life sciences, technology, tourism and agrifood* offering businesses the opportunity to create competitive advantage at a reduced cost.

“I would recommend this process to any business. Getting a list of capable creative suppliers was a godsend as it is very difficult thing to judge...”

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Brian Caliendo Proprietor, Liber Bookshop



Section 4

4CNW - Working with European Partners

The European Creative Industries Alliance Aim, Context & Expected Outcomes

The 4CNW Business Innovation Support Programme forms part of the wider European Creative Industries Alliance (ECIA).

The Alliance was established in 2012 as a part of the “Innovation Union” flagship and the “Industrial Policy” flagship initiatives by the European Commission’s Enterprise and Industry Directorate-General under the Competitiveness and Innovation Programme (CIP) which runs from 2012 until 2014. ECIA represents one of the first concrete measures at European level in promoting creative industries and the wider use of creativity by other business partners. The overall aim is to shape a Europe that actively supports creative industries as a social, cultural and economic driver.

Building on Bedrock

ECIA builds on earlier work such as the European Commission’s 2010 Green Paper *“Unlocking the potential of Cultural and Creative Industries”* and its recent 2012 follow-up White Paper Communication *“Promoting Cultural and Creative Sectors for growth and jobs in the EU”* and on the experience and results of actions under Europe INNOVA and PRO INNO Europe⁶.

It follows up recommendations from the Expert Panel on Service Innovation in the EU and the recently published EC Smart Guide to Service Innovation. It builds on studies and working groups launched by the Directorate-Generals for Enterprise and Industry as well as Education & Culture.

Among the expected outcomes will be a practical masterplan and roadmap for future policy action in support of the creative industries and policy recommendations regarding innovation voucher schemes, peer review, cluster co-operation and access to finance.

⁶ ECIA Midterm Report (Feb 2014)

How 4CNW dovetails with ECIA

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The **European Creative Industries Alliance** is an integrated policy initiative that *combines policy learning with eight concrete actions* on innovation vouchers, better access to finance and cluster excellence and cooperation. It is an open platform that brings together policy-makers and business support practitioners from 28 partner organisations and 12 countries.

The *Policy Learning Platform* of the European Creative Industries Alliance is a partnership that brings together 27 regional and national policy-makers to learn, engage and develop “better policies” to support creative industries and spill-overs into other industries. It was set up to provide advice to both the European Commission and creative regions in the European Union on how to capitalise on the creative industries through policy.

ECIA supports *four Concrete Actions* focused on *innovation vouchers* co-ordinated by the Province of Milan, Italy. These projects - 4CNW Ireland Northwest; VINCI Austria; FADINS Barcelona; and INNOVA CREATIVITY Spain - were implemented in 2012-13. Each concrete action has a representative on the Policy Learning Platform to ensure that the lessons learned feed directly into ECIA policy discussions.

Through its actions, the goal of the Alliance is to identify the challenges that need to be addressed and to point to possible solutions that can be tested which will contribute to Europe’s 2020 strategy.

Voucher Variants

There are essentially two categories into which ECIA innovation voucher concrete actions fall -

Type A and Type B voucher programmes

Type A vouchers allow creative and cultural industries to buy/use services from other industries⁷. They trade their voucher for services such as innovation management support, financial advice and legal help.

Type B vouchers are allocated to companies in different industries in order to buy and use services from the creative industries. In this instance, creative businesses are service providers and indirect beneficiaries.

4CNW tested a *Type B* voucher programme.

⁷ Innovation Vouchers as a Tool for Innovation Policy, M Coletti (2014)

Section 5

Better Business Support - Innovation Vouchers

Innovation Vouchers are one of the most direct forms of business support provided by public authorities. Voucher schemes are increasingly popular business innovation tools because of their operational simplicity. Many European examples demonstrate their effectiveness in terms of increased innovation activities by beneficiary firms and strengthened ties with knowledge providers⁸.

In Section Five, the purpose and impact of innovation vouchers in public policies is summarised.

The Creative Credits innovation voucher scheme is introduced as the first scheme to acknowledge the innovation potential offered by creative enterprises; and,

To conclude, the methodology underpinning the 4CNW innovation voucher scheme design is presented.

⁸ Innovation Vouchers as a Tool for Innovation Policy, M Coletti (2014)

Innovation Vouchers Purpose and Impact

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In order to procure certain predefined external knowledge services a business can be awarded an innovation voucher worth from €5,000 up to a maximum of €20,000. Voucher awards should deliver additionality both in terms of SME output and behaviour.

Public authorities use them to build relationships between SME's and suppliers which can lead to long-term knowledge partnerships. By incentivising collaboration, vouchers can enable SME's to rethink their service models and develop new approaches to engage with business partners and customers.

Vouchers are user-driven - beneficiaries decide how the voucher should be used. Together with project loans and research grants, innovation vouchers are generally seen as supply-side policy tools⁹. They can subsidise the purchase of collaborative research by SME's mainly from SME's.

They are particularly suited to micro and smaller enterprises in need of support to overcome challenges such as having the time, skills and resources to search for and identify relevant suppliers. However, in view of the small amount of money often associated with voucher awards they are usually effective as triggers only and other types of support are required to sustain innovation.

The Creative Credits Innovation Voucher Scheme

The methodology used in designing the 4CNW voucher scheme built on learning from the successful NESTA Creative Credits Innovation Voucher Scheme (UK).

Creative Credits was a pilot launched in September 2009 by NESTA in the Manchester City Region to encourage innovation in SME's. The scheme lasted for one year during which 150 SME's received credits worth £4,000 to purchase services from creative businesses¹⁰.

The scheme was experimental and significant. It was the first to address creative businesses by acknowledging their innovation potential. Creative companies became the suppliers of services rather than beneficiaries.

⁹ Smart Guide to Service Innovation, EC (2012)

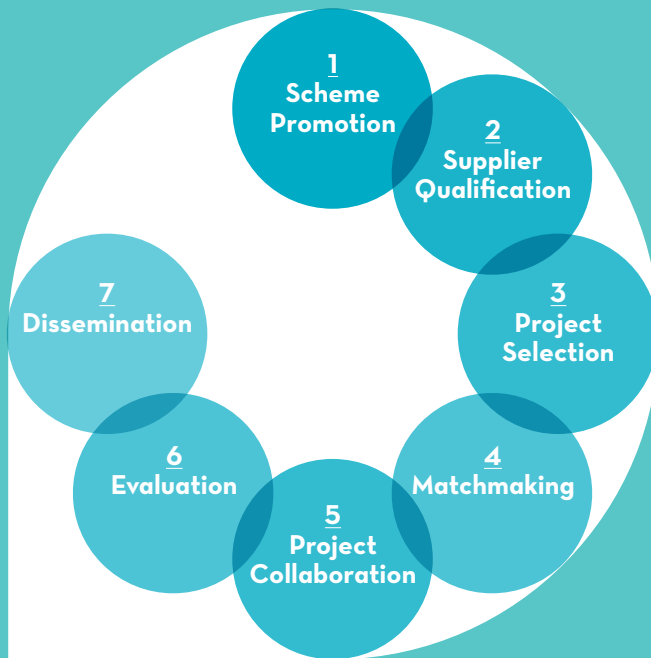
¹⁰ Innovation Vouchers as Tools for Innovation Policy, M Coletti (2014)

4CNW Business Innovation Support Programme - an Integrated Holistic Approach

The 4CNW Talent Voucher Scheme was a core and integrated feature of the pilot Business Innovation Support Programme. The voucher scheme had a fund of €100,000 which facilitated SME's from the *agri-food, life-science, technology and tourism* sectors to purchase creative services from an accredited list of suppliers.

The seven stages in the operational cycle of the voucher scheme are illustrated in the diagram below.

The Innovation Voucher operational cycle



4CNW Scheme Design and Defining Features

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The 4CNW scheme adopted an holistic approach in which the voucher was viewed as one element of a wider programme designed to tackle an identified market failure of creative innovation take-up by SME's. The scheme combined the voucher with mentoring, coaching and a brokered/matchmaking process to increase the impact in both target groups and to build their capacity to take risks, experiment, innovate and collaborate effectively.

By combining different instruments, the 4CNW programme aimed to build a better infrastructure and to put in place new supports for SME's and creative enterprises.



This approach differed from the design of the Creative Credits scheme and other innovation voucher schemes. For example, Creative Credits allocated vouchers on a random basis and the scheme employed a low level of active brokerage. Other schemes have allocated vouchers to companies on a first come first served basis.

To illustrate how the holistic approach adopted by 4CNW worked in practice the examples which follow - Promotion and Marketing; Application, Selection and Assessment; and, Brokering Creative Advantage - are taken from different stages in the operational cycle of the talent voucher scheme.

4CNW Opportunity

Promotion and Marketing

Promotion and marketing drives included targeted Discovery Events which became forums for SME's and creative businesses to gather information about

the voucher scheme, network and share ideas. Open Calls for Talent Vouchers and the Creative Directory were launched at these events. This gave prospective applicants an opportunity to engage with members of the 4CNW Project Team and to meet their regional Broker. Live case study presentations provided target groups with first-hand accounts of the value the talent voucher could offer to help their business grow and compete in new markets.

Content and presentations were available on the Creative State North West YouTube channel which posted thirty two videos.

Discovery Events proved to be an important instrument in raising awareness of the opportunities and benefits to be gained for businesses from cross-sectoral collaboration.

Application, Selection and Assessment

In respect of applications for Talent Vouchers and the Creative Directory the process was designed to attract a large number based on an open, light touch process with a quick turn around and a transparent assessment process. A second important function enabled the promoters to gather up-to-date information about the size, skills and needs of SME's and creative micro enterprises within the region.

Talent Voucher beneficiaries from each region were selected via a two stage assessment process. Stage one involved assessment by a regional panel and stage two by a transnational panel. In order to select creative enterprises for the Directory, a transnational peer review panel was established to make recommendations.

This approach ensured that project strategy could mirror best-practice and the most-up-to-date thinking. Membership reflected the best creative and business development expertise available and ensured the programme sought to address the most pertinent creative needs of business in each region.

The panel structure facilitated engagement with a wide range of regional, national and transnational stakeholders who subsequently acted as Champions when it came to disseminate the work, impacts and potential role of 4CNW as a model to drive innovation in the wider enterprise ecosystem.

Brokering Creative Advantage - finding the right match

A distinguishing element of the 4CNW business model was the high level of brokered matchmaking.

This “high level” of brokerage built upon the lessons learned in the evaluation of NESTA’s Creative Credits Innovation Voucher Scheme which showed that its “low level” or almost self-service brokered matchmaking model underestimated the importance of getting the matches right between SME’s and Creative Services providers. Without adequate brokering support, relationships break down, both parties are dissatisfied and there are many lost business opportunities.

Learning from this, 4CNW worked to ensure that the Brokered Matchmaking Service it offered was relevant to the needs of businesses from both target groups, and that the service provided added value to their project collaborations by improving mutual understanding between them.

Providing the Right Supports

A knowledge brokerage mechanism was established to make excellence available to SME’s on the ground. The 4CNW *Regional Broker Network* provided a collaborative framework to facilitate interaction between the voucher programme and cross border partners in Northern Ireland and Scotland.



Regional Brokers provided specialist knowledge and personalised advice to voucher beneficiaries focused on defining their creative business need and supporting them to develop a clear brief for prospective suppliers. Beneficiaries were guided through a process which provided them with the knowledge and understanding they needed to select the best match and built their confidence for effective collaboration to achieve their business objectives.

Brokers also supported creative suppliers with advice and back-up on the development of their proposals and pitches to voucher beneficiaries. If called upon, they advised suppliers on the information to include in their proposal and with their pitching skills. They also advised on matters such as intellectual property and contracts.

Testing the Waters

Different approaches were tested in the 4CNW Matchmaking Process, for example in Ireland Northwest (2012) a Matchmaking Event was held at which all prospective suppliers pitched to voucher beneficiaries. By contrast, in the transnational round (2013) there was no singular event but rather a Matchmaking process was implemented which drew heavily on the Creative Directory and new technology to facilitate transnational pitches to beneficiaries by prospective creative suppliers.

Testing different approaches has been very useful in providing deeper insight into the dynamics that lead to successful partnerships between Talent Voucher beneficiaries and their creative suppliers; specifically in informing how progress could be made to enable greater levels of co-operation and collaboration as illustrated below;

Four Phases of Co-ordination

Phase 1	Networking	Meet, Talk and Tell (each other what they are doing).
Phase 2	Co-ordination	Meet, talk and tell and consider others before they plan/act i.e. be aware of mutual complementarity.
Phase 3	Co-operation	Meet, talk and tell and consider others and jointly plan and see potential for partnership approach.
Phase 4	Collaboration	Meet, talk and tell, consider others, jointly plan and see potential for partnership approach and develop partnership projects with shared vision, risks, responsibilities and structures.

In effect the four phases in the table above cover the 4CNW process. The Discovery Events provided opportunities for target groups to network and share ideas, while the Brokered Matchmaking Service helped to build mutual understanding between the different sectors for effective collaboration.

Achieving the Best Results

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The implementation of the 4CNW Brokered Matchmaking Service was very attractive both to Talent Voucher beneficiaries (146 applications) and creative suppliers (336 applications).

Businesses expressed satisfaction that the business objectives they had set for their project had been met, and in many cases felt that the value provided by their creative suppliers went well beyond their expectations. A number of beneficiaries selected suppliers from outside their own geographic region and there were no instances of partnerships breaking down as a result of poor communication or unmet expectations. The primary issue raised was the need for a longer lead-in time for project implementation and to allow time for forward planning.

Beneficiaries emerged from their projects with a much better understanding of the creative process and the added value it can bring to their business. Both parties committed to communicate openly and regularly which ensured that projects were entered into and delivered in a spirit of genuine partnership and collaboration.



Section 6

Learning the Lessons Well

The 4CNW pilot project set out to test the effectiveness of a number of new approaches.

The programme was highly experimental in its design, delivery and structure.

Enhancing competitiveness

The learning acquired indicates that creativity as a tool for innovation is under-utilised as a source of competitive advantage.

- The voucher scheme was effective in steering the economy towards the use of creative knowledge and has provided a new model to build entrepreneurship in the creative sector. By tackling this diverse sector from the supply side of the market 4CNW showed that voucher schemes can also support creatives to enhance their own competitiveness.

High levels of demand from all sectors

- The level of demand from businesses for the talent voucher fund and interest shown in the programme was very high. This indicates a huge level of latent demand for creative input and services within the business sector. This key learning point demonstrates that businesses are actively seeking new and innovative solutions to grow and sustain their businesses. Voucher schemes with small intervention aids can release a large response and investment in time and money from participants and stimulate a latent market.
- The level of demand from creative companies to get involved and promote their services was also very high. This learning point demonstrates that there are a significant number of creative enterprises located in rural areas offering a wide range of creative services and expertise. Many of these businesses are seeking new markets and client opportunities and welcome initiatives like 4CNW that can help open new markets and provide opportunities for further business-business collaboration. Again a small level of support and intervention has shown the extent to which new markets can be stimulated.

Retain Brokered Matchmaking

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The Brokered Matchmaking process was a key enabler in creating the right conditions for successful collaborations and positive cross-sectoral experiences.

- The “Brokerage” process added value to project collaborations by building mutual understanding between different sectors and in the provision of specialist knowledge and personalised advice to voucher beneficiaries and creative suppliers. The service was seen as beneficial from both a creative supplier and business point of view as it addressed challenges that were specific and unique to each company.
- The 4CNW pilot tested a new approach to matching and selecting suitable creative input to meet a business challenge. This “Matchmaking” process, while slower and more demanding in terms of staff time and resources, did prove effective in facilitating successful collaborations and in shifting mindsets among both target groups.

The key learning point is that **brokered matchmaking needs to be retained** particularly for more complex creative challenges, while a more streamlined version can be used for more straightforward challenges.

An appetite for information

In particular the pilot through its various awareness raising and promotional activities has shown the appetite for information and the need for capacity building in relation to:

- informing and educating the business sector of the impacts and benefits of creative input and how to procure it
- informing and educating the creative sector in ways to expand their market reach and position their products and services to potential clients

The key learning point is that any **successor programme needs a very powerful capacity building programme for both the business and creative sectors to stimulate innovation from a demand and supply-led perspective.**

Pivotal role for enterprise agencies

4CNW has demonstrated that intermediary enterprise agencies - together with sector specific development agencies and representative bodies - have a pivotal role to play in promoting and advocating the importance of creative knowledge for business.

The pilot shows there is currently a poor understanding of the scope and value of creative services among micro and small to medium enterprises and that businesses are unlikely to extend outside established disciplines *without external stimulation*. In addition, a more comprehensive understanding of the full scope of creative services available to business is required. The narrow approach adopted by SME's who engage creative services *requires intervention*.

The learning here is the need for enterprise agencies to diversify the range of supports offered to SME's with much greater provision for creative service supports for business. Intermediary organisations could play a much more developmental proactive role, driving creative knowledge transfer in the wider enterprise ecosystem.

Link activity to strategy

- A key lesson concerning the framework conditions is that a creative voucher scheme should always be linked to a proactive strategy for the creative industries.

“The 4CNW project delivered beyond what we had expected... we have added enormous value... made better use of time ... and identified an entirely new process”

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Helen Keys Director, Irony Metalworks

The full evaluation report is available at www.sligococo.ie/creativestate/evaluation and on www.creativestatenorthwest.com



Section 7

Independent Evaluation - Participant Feedback

The Proof of Sligo's Success

The independent evaluation of the 4CNW pilot, commissioned by Sligo County Council and implemented by First Western, carried out beneficiary and supplier surveys. Participant feedback is summarised below.

Summary of Feedback from Talent Voucher Beneficiaries

- Discovery Events are a vital tool that encouraged potential beneficiaries to participate further
- 46.2% of the businesses had never used creative services before the 4CNW programme
- 84.6% of businesses stated they would hire other Creative Services as a result of participation
- 63.6% confirmed that brokered matchmaking provided an appropriate range of Creative suppliers to choose from
- 100% would be prepared to take part in the matchmaking process again
- 83.3% of businesses believe that the online Creative Directory will be an effective method to identify and employ creative services for their business
- 58.3% of businesses feel that the productivity of their business has increased as a result of participation on the 4CNW programme
- 50% stated that participation in the 4CNW programme helped to increase their knowledge of the importance of using creative input in business

Summary of Feedback from Creative Suppliers

- 75% believe their participation on the programme helped raise awareness of their business and distinguish their service from other competitors
- 46.4% of the creatives attended the regional Discovery Events in 2012 and 2013
- 81.5% of responders would be prepared to partake in the brokered matchmaking again
- 100% of creatives found the brokered matchmaking to be a good method for pitching their services and securing new work
- 50% of creatives have participated in new business networks since participating in the 4CNW programme
- 87.5% believe that participation on the programme opened up new potential markets and customers for them
- 100% of responders have visited the 4CNW's social media platforms



Part 2

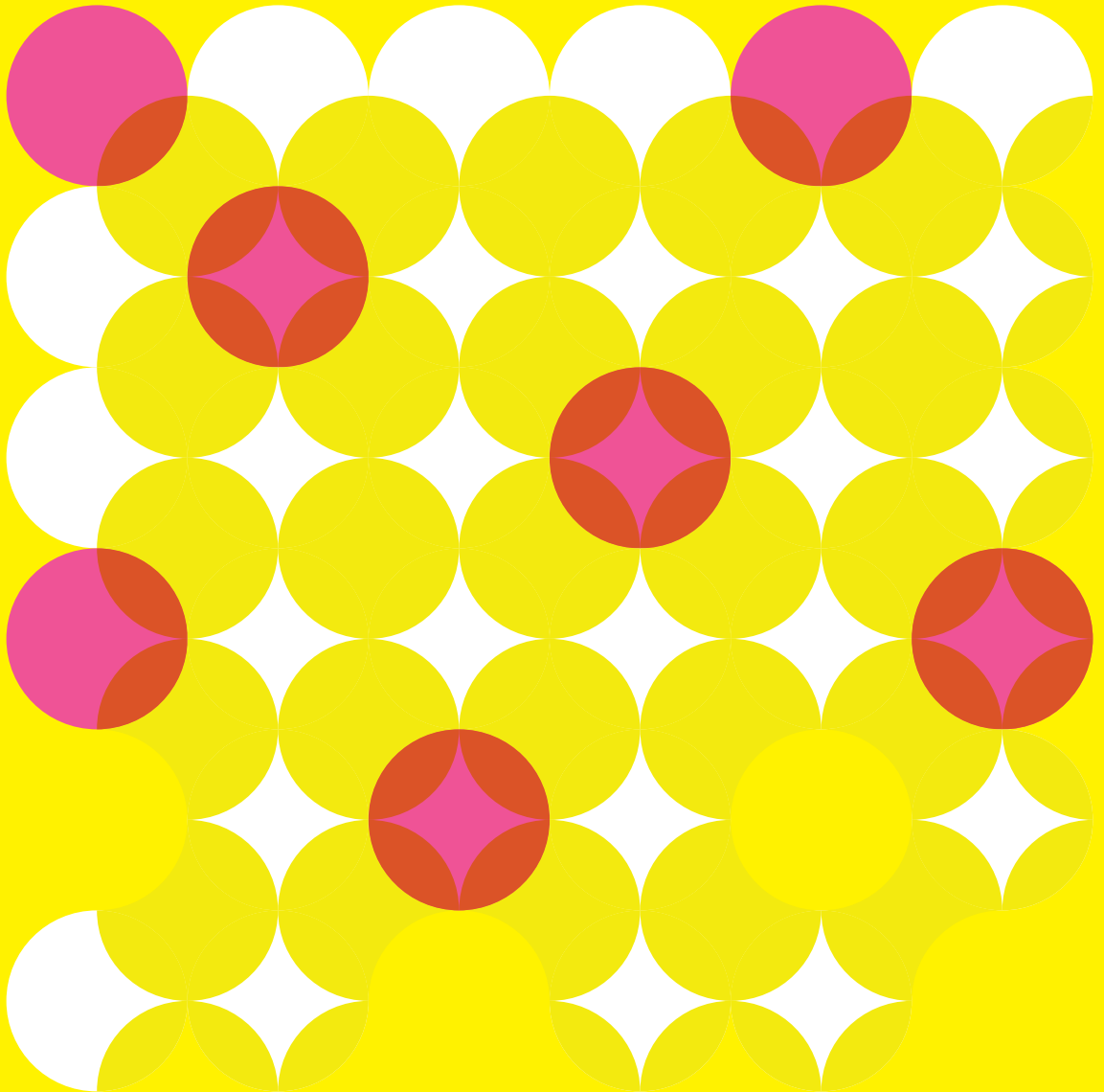
4CNW Case Studies & Perspectives



Case Studies

Hebridean Chocolates
Ireland West Airport Knock
Liber Bookshop
Duncryne
Yeats Society Sligo
Troll Inc
Aurivo

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Hebridean Chocolates
47 Westview Terrace, Stornoway, Isle of Lewis,
Scotland, UK, HS1 2ND

Hebridean Chocolates is a community owned social enterprise based in Stornoway on the Isle of Lewis in the Outer Hebrides. The company has been trading since April 2009. Its core values are around its people and the community it serves. Hebridean Chocolates was established in direct response to a need to provide activity and employment for those who had difficulty accessing the job market. Many of the firm's employees are under 25 and many have learning and other disabilities. For many of their staff, Hebridean Chocolates was their first experience of the labour market. Hebridean Chocolates have a loyal workforce with many having grown up with the business and all of them are completely committed to making Hebridean Chocolates a huge success.

In March 2011 Hebridean Chocolates was named Scottish Social Enterprise Start Up of the Year.

The company makes chocolate bars, gift boxes, truffle bags and other chocolate items. The products are positioned in the speciality sector and reflect strongly the values of the Hebridean Islands - the caring values and unspoilt natural beauty of the islands and the island spirit. Up until 2012, the company marketed and sold its products on the Hebridean Islands, mainly catering for the tourist market. Owing to their initial local success, the company decided to expand and develop new markets on mainland Scotland and the UK. This decision was the motivation for the company to explore its market and branding proposition and hence their participation in the 4CNW Programme.

Hebridean Chocolates realised that it needed to rebrand its products in order to appeal to new markets and customers. It needed a brand that reflected the values and ethos of the company and its people and ensure that this was applied consistently across all communications - caring values, unspoilt natural beauty, and the island spirit. Creative input was therefore required for market appropriate branding, particularly product packaging and point of sale material, and in developing new products. They also required input into art direction and retail design.



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This brand needed a more professional look, which still conveyed their community spirit and working environment, to target further domestic and international business contracts.

Hebridean Chocolates was informed of the 4CNW Programme by the local enterprise company. They were very interested in taking part because they believed it would be a good fit for their particular creative project. It gave them insight into the range of creative services they could access and opportunities to engage and view a number of propositions to meet their creative needs.

A €3,000 talent voucher was awarded through 4CNW. Hebridean Chocolates found the administration of the programme very good and experienced no problems. Hebridean Chocolates report that their experience of the programme and in particular the brokered match making was very positive, they were given a shortlist of four companies and received a creative pitch from each one. Communications from the 4CNW team was excellent throughout the project. The quality of each of the pitches was high and allowed them to pick the creative supplier they felt most suitable to their needs. Umbilical, a creative agency that specialises in food and drink branding, packaging, marketing and design based in Northern Ireland was selected.

Umbilical undertook to redesign their packaging and advertising material. A creative briefing document was prepared in consultation with Umbilical.

Overall the company is highly satisfied with their participation in the programme. Participation in the 4CNW programme has resulted in a total revamp of their packaging and advertising material. It has helped to increase their knowledge as to the importance of creative input into their business. The new packaging and designs are not yet launched in the market place, but Hebridean Chocolates are very positive about the impact once they go live in terms of generating new interest and profile for the company and its products and making them more attractive to customers in new and existing markets.

Hebridean Chocolates participation in the programme has helped to raise the awareness of their business and helped to distinguish their business from competitors. It also increased their knowledge of the range of skills creatives can bring to help businesses like Hebridean Chocolates to grow.

Ireland West Airport, Knock **Charlestown, Co. Mayo, Ireland**

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IWA Knock is the fourth largest airport in Ireland, serving 25 international destinations and 685,000 passengers. In 2013, the airport served destinations in the UK and mainland Europe with the potential to attract 270,000 tourists and a spend of c €90m to the West and North West Region.

The Airport's 4CNW Challenge called on Creative Suppliers to develop innovative, cost effective ways to promote the airport's tourism routes into the region through use of the arts. While the routes through the airport reach countries with a total population of 350 million, the cost of promoting in these destinations is commercially prohibitive. Culture and technology were combined to communicate the authentic offer of the North West Region, with a particular focus on County Leitrim. The aim was to attract new visitors from French, German and US markets.

The challenge was to connect to an overseas audience (potential tourists) through live streaming a traditional music event and to set up an innovative social media campaign to promote the event. It was important to both the Creative Suppliers & IWA Knock that the event was an authentic representation of the cultural activities in the region, so high profile musicians such as Donal Lunny and Charlie McGettigan played alongside local musicians who feature in regular pub music sessions across County Leitrim.

A dedicated website - Ireland West Trad - was set up in October 2012 which also engaged viewers with what the region has to offer both in terms of access and tourism products. On November 20th 2012, Ireland West Trad web streamed the first live event from The Dock in County Leitrim. 4CNW granted a voucher of €5,000 and matched IWA Knock with two creative suppliers, a live streaming company called Live Trad and a Creative Producer, Tara McGowan to produce the event and find innovative ways to engage an online audience.

Using the skills of all involved, and recruiting additional tourism promotion partners, the results were outstanding for such a short period of time.

Over 6 weeks: Mid October to 30th November 2012:

- A new Facebook page attracted 4,350 likes over 20 countries, official reach 17,800 in the final week
- There were 480 engaged weekly users (likes, comments, shares)
- Promotions with Tourism partners on Facebook & E-Newsletters resulted in 9,257 views
- The newly established Ireland West Trad Website attracted 10,090 views and 4,500 sign ups to a newsletter
- The Live Stream Event attracted approximately 5,000 people tuning in live from 25 countries
- Total Reach 1,700,000 people

The project has already resulted in a 10% increase in bookings via Lufthansa through IWA Knock, in the main target market of Germany, and plans are underway to continue this innovative collaboration creating more events and harnessing this engagement to drive online bookings for IWA Knock.



Liber

O'Connell Street, Sligo, Ireland

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Liber Bookshop is an independent family business run by Ailbhe and Brian Caliendo in the centre of Sligo town. Liber stock a wide range of local interest titles: from cooking, foraging for seaweed, to Yeats. The business is heavily involved in supporting local authors and events. The bookshop has been in existence for the last 15 years, and they also operate a music shop called Third Wave on the same premises.

As part of a larger rebranding project for the entire business, Liber needed to build a new website to showcase their unique brand and local products and help to attract more customers. Their existing website was no longer fit for purpose. They wanted to be able to sell books and Yeats related material to customers at home and abroad. A new e-commerce focussed website would give them the platform needed to expand into new international markets. They entered the 4CNW programme seeking the rebranding of the business and online and design works as the core of their creative challenge. They needed to rebuild their online presence and build a new responsive website. The site also needed to feature an online shop where Liber sells its speciality items and Yeats related material. They also required a redevelopment of their logo.

The company learned about the 4CNW programme through word of mouth. They found the application process simple and easy. Although they did not attend any of the Discovery events, they found that there was ample information available from the programme about its activities and supports. 4CNW provided them with four excellent creative candidates to choose from. They selected Judo Design, a graphic design service based in County Sligo which is run by Paul O'Connor. Paul has over 20 years experience in identity design, design strategy, design for print (brochure, books, display items etc), website design and construction and also design for new digital media (user interface design).



Liber worked closely with Judo Design to get the finished product they required. The website went live on 26th September 2013. The impacts (as yet) are hard to quantify as the website and rebranding is still in its infancy but Liber have no doubt it will have a long term benefit to their business in terms of increased sales and profitability.

The new website now allows customers to browse and reserve books, CDs, DVD's and Vinyl products online. Customers can set up an account, log in and buy products through the website. The site also features staff picks, and work from local Sligo artists and writers. It also has useful links to cultural events taking place around Sligo. The site www.liber.ie is now fully responsive, bright and very easy to navigate around.

Duncryne

91 Hyndland Street, Hyndland, Glasgow G11 5PU, Scotland, UK

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Duncryne is the owner and sole supplier of Econicboards which are high quality versatile building boards. The company is based in Glasgow and Shanghai. The Econic range of fire resistant boards can be used for a variety of uses such as backer boards, render boards, decorative panels, wall systems and as timber and SFS sheathing boards. Duncryne's focus is to provide the construction and engineering sectors with superior performing building boards at a competitive price. With a workforce of 10 employees, the company targets the following markets - Residential, Student Accommodation, Education, Healthcare, Hotel & Leisure, Custodial and Institutional, Traditional Construction - Steel and Concrete Frame, Timber Frame, Off Site Manufacture and Modular Construction.

The Econicboards product is multi-use and saleable to multi markets. The company needed to find the best way of getting their product features and benefits across to many different potential customer groups (residential, trade, building suppliers etc.). They needed assistance to develop and implement a strategy to allow them to more effectively target these individual customer groups or segments. A principle part of this strategy was to revolve around its web presence and the presentation of their products and features and how it works through this medium. The company had an existing website - however it was not fit for purpose and they needed to build a new responsive site with a number of new features to better present and market their product.

Duncryne was made aware of the 4CNW Programme through the Scottish Enterprise/Business Gateway board. They were awarded a €5,000 talent voucher. The expertise of two creative companies was required to fulfil their challenge and CGH Creative and E-Business Promotion were selected. E-Business Promotion is an Edinburgh based web design and internet marketing company committed to providing businesses with professional and affordable websites and marketing services. CGH Creative is also based in Scotland.

The talent voucher helped Duncryne to build a new interactive website. The website can now showcase examples of their product - how it is used, its applications and benefits. It shows photographs of completed work and has interactive videos displaying the benefits and uses of their product across many different applications in the construction industry. The website also showcases case studies of their previous work and links to the company's social media platforms. It is fully responsive to all devices and offers potential customers further information on their previous clients, their certification and the opportunity to sign up to the company's mailing list.

The 4CNW Programme helped establish the various social media platforms for the company which include a Facebook, Twitter, LinkedIn, and Google+ pages. They also have a YouTube channel to display their products and provide their customers with relevant information. The addition of these pages provided an array of platforms for the company to interact with their clients and accurately target potential leads.

The website went live on 20th August 2013 and the company has already noticed increased hits and visits.

The Yeats Society

Hyde Bridge, Sligo, Ireland

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Founded in 1957, the Yeats Society endeavours to contribute to the many cultural activities in Sligo, providing space for book launches, poetry readings, lectures and public meetings. The society runs the Yeats International Summer School, which is in its 55th year. The Yeats International Summer School brings students and professors from every country and continent of the world to Sligo for a two week cultural and literary experience. The Society also provides Yeats and His Circle - an audio visual exhibition on the life of William Butler Yeats and his contemporaries and the Yeats Library which includes over 3,000 titles and 54 years of audiovisual archive which is available to scholars for research purposes. The Yeats Art Gallery is open to the public all year round for local, national and international exhibitions. The society also offers a weekly Yeats Poetry Circle from September to May and monthly Poet's Parlour which fosters an appreciation of poetry, especially Irish poetry.

The Yeats Society was seeking to upgrade its online presence. The objective was to totally rebrand the Yeats Society website and brand design. Their existing website needed a major revamp and upgrading to align it with modern web presentation. The projects also involved the building of an online content calendar of events for the next 12 months and the alignment of all the Society's social media pages with their website.

The Society found the process of engagement with the 4CNW Programme a very positive and rewarding experience. The depth of creative talent available through the programme presented many avenues and insights as to how the rebranding and new website could be developed and structured. The overall process of selecting a creative supplier was excellent as it gave a high level of information via the matchmaking and pitching process and allowed each proposal and experience of the supplier to be scoped out in depth. A talent voucher award of €3,000 was made to the Yeats Society. They selected in Tandem, a creative designer from Co. Leitrim.

The website redevelopment has led to the Yeats Society having a new website which is responsive to all devices, i.e. mobiles, tablets and laptops. They feel the programme yielded exceptionally good results for them and gave access to expertise in a very cost efficient manner that would be hard to find without the support of the Programme. Their site now contains a calendar of forthcoming events, information about booking places in the forthcoming summer school, as well as numerous podcasts and photo galleries. Additionally the creative company in Tandem also provided a template for power point presentations.

Troll Inc **Derry, Northern Ireland**

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Troll Inc is a developer of games for the online and mobile industries based in Derry, Northern Ireland. Troll Inc was established at the end of 2010. They develop and market games for iOS, Android, Windows Phone, PC, Mac, Browser and Wii U. and in particular focus on the emerging mobile markets and the smartphone and tablet markets.

Troll Inc had developed marketing plans and strategies but they were seeking help to develop a creative marketing strategy that would allow them to stand out from the thousands of other developers already in the market and also allow them to innovate their business model. This was a particularly difficult creative challenge; to develop a stand out strategy from the thousands of similar companies worldwide, many of whom have huge marketing and development resources.

The challenge entailed helping Troll Inc to create and improve their marketing and digital presence in new and unconventional ways and to exploit the potential of new media. With the award of a €3,000 talent voucher, I Ad Man was selected. Troll and I Ad Man agreed a final work brief and project timelines. Importantly I Ad Man was able to provide Troll Inc with useful tools for marketing and the metrics of game development.

Troll Inc was informed about the 4CNW programme through NORBIC. They decided to participate in the 4CNW Programme because they continually had issues with marketing and with their ability to get their product out into the wider marketplace. They attended the 4CNW information event in Derry and received good information on how the programme could be of benefit to them. They are a young company and already aware of the potential that working with creatives could have for their business. Their participation in the programme highlighted the importance of marketing for their business.

They found the match making process slow and hoped initially that it would move quicker and given the complex nature of their challenge had problems getting matched with right creative. The first shortlist supplied by NORBIC didn't have any suitable candidates. They emailed some creatives on the shortlist who failed to respond to their invitation to pitch. They believe that the matchmaking process could be improved if

companies had more control over the process. The creative selected for the project was Damien Donnelly of I Ad Man. I Ad Man is a creative company based in Derry which provides difference-making attitude and behaviour change expertise, quality strategic thinking and planning, insights and ideas generation, and account direction to business organisations and communications specialists. Damien developed a marketing template for the current games and future games released by Troll Inc. Before he pitched to Troll Inc, Damien developed a detailed document outlining how his creative input could help meet their creative challenge.

Their participation in the programme has introduced them to new methods for achieving better results from their marketing and sales. Creative input has improved their marketing elements. Overall, their experience of the 4CNW programme has been positive, and they worked well with their creative. They now have a template to use for marketing going forward with defined targets and dates to increase their social media presence. Their participation in the programme has led Troll Inc to release a quarterly newsletter and to maintain an enhanced YouTube presence.



Aurivo

Tubbercurry, Co. Sligo, Ireland

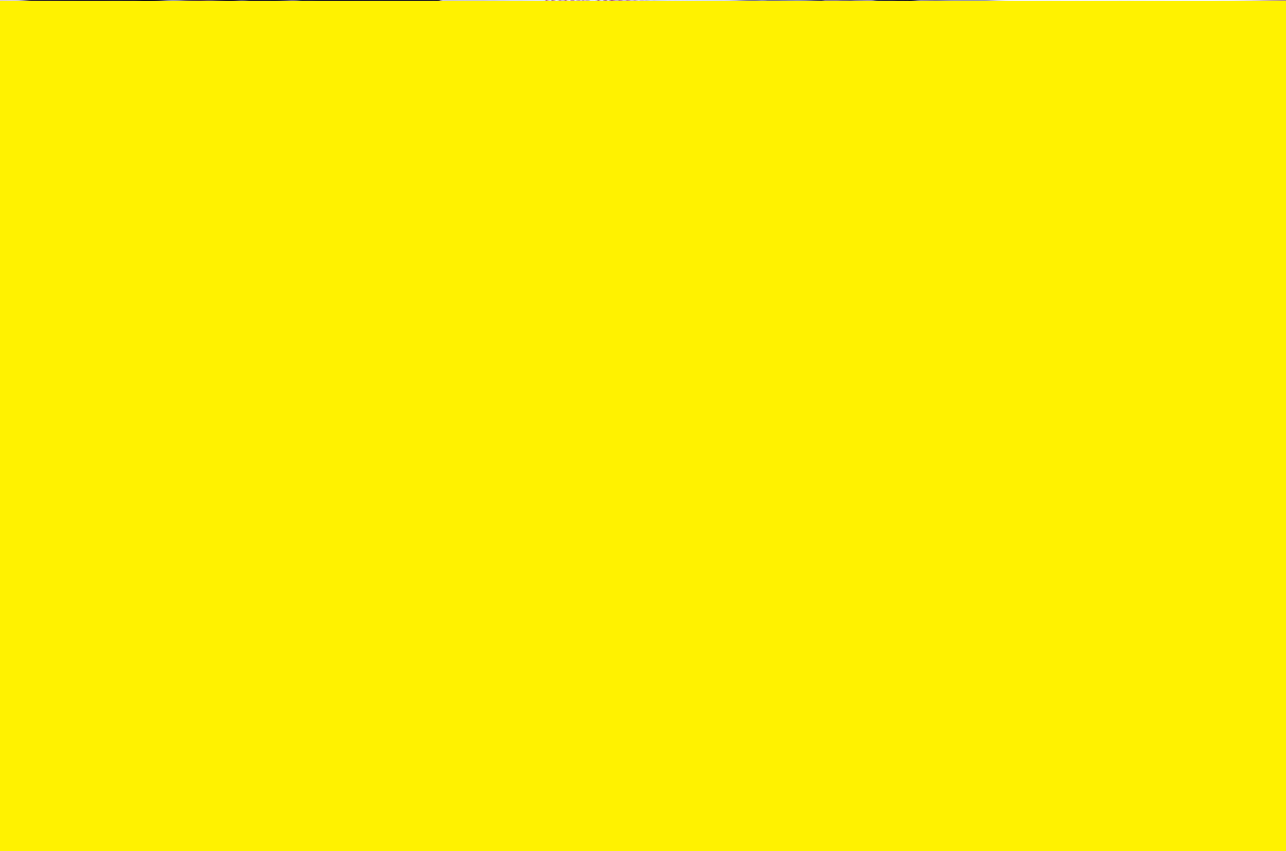
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Aurivo is one of Ireland's largest multipurpose co-operatives with business in Consumer Foods, Dairy Ingredients, Retail Stores, Animal Feeds and Livestock Trading. Aurivo Consumer Foods produces a variety of award winning food ranges including Connacht Gold butter and milk, Donegal Creameries and the co-op acquired the Organic for Us milk brand in 2012.

Organic for Us is farmed from An Grianan, Ireland's largest organic farm - which means non GM feed and naturally grown grass rich in essential vitamins and minerals. The 800-acre farm at Speenogue, Burt in County Donegal is below sea level and is a truly magical place with wildlife conservation areas feeding into the natural eco system of the farm. The milk tastes great too, with Organic for Us whole milk having won three consecutive Blás na hÉireann awards. Organic for Us is truly natural and has a superb story to tell.

In applying for the Creative State North West project, Aurivo had a number of objectives it wanted to achieve for the brand;

Build Organic for Us awareness, credibility and curiosity through creative communication and bring the brand alive by telling people who we are and what we're all about. Aurivo wanted to encapsulate the passion for organic farming and the pride in the organic milk produced at An Grianan, and to highlight the organic farming system as a method that goes back to the way our grandfathers farmed - no chemicals, fertilisers or pesticides used. By recycling everything back into the land, only natural resources are used. A further objective was to profile Organic for Us as the preferred brand of Baristas by sharing the benefits of using Organic for Us milk to make the best coffee in an engaging and interactive way.



Aurivo applied to be considered for the 4CNW programme because it offered an ideal opportunity to receive talented creative input in a cost effective manner.

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The initial meeting with the 4CNW team to discuss the creative challenge proved to be very useful, after which the original brief was amended and updated to incorporate suggestions and recommendations.

Participation in the programme increased the team's commitment to the importance of creative input into their business. Through their participation in the brokered matchmaking element of the programme they were able to see the diverse nature of companies working in the area of brand management, video and digital productions and the scope of unique ideas for their creative challenge. The process introduced Aurivo to a number of creative companies with whom they had no previous experience of working.

Aurivo was delighted with their choice of creative - Journeyfor from Northern Ireland. Journeyfor delivered on the creative challenge by producing two exceptional videos and five animations showcasing how Organic for Us milk is produced, how organic is different, the farmers behind the brand and how the products are seen and used by experts in the food industry. Aurivo has since commissioned Journeyfor to produce another animation for one of their other consumer food brands.

Aurivo found the deadlines for the programme to be a little short, simply because of the collaboration needed with Journeyfor, and the number of projects being produced as part of the programme.

Aurivo are delighted with the results of the programme and believe that it has delivered real results. The videos and animations were engaging content to support a new online digital strategy, which has given them the opportunity to publicise the organic brand. Their Facebook likes have increase by 500% (1,600 approx) and they now have an active and successful social media platform to showcase their brand, including a Twitter page with over 600 followers.

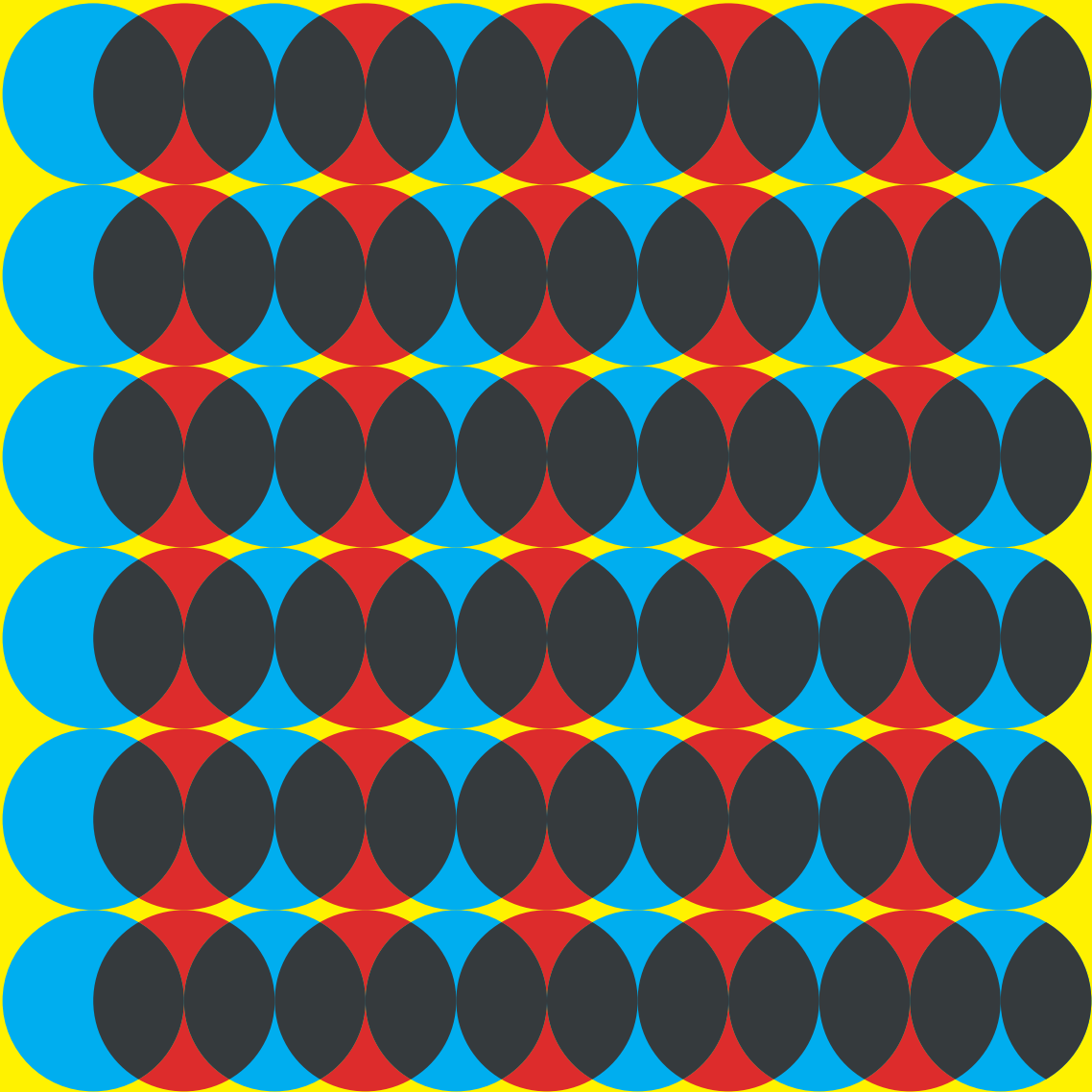
This extra exposure has directly contributed to new sales leads in the Dublin area and in Donegal.



Creative Perspectives

Umbilical
inTandem Design
CGH Creative
Journeyfor

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Umbilical

No 17 Dargan Crescent, Belfast BT3 9RP, Northern Ireland

Umbilical is a creative agency that specialises in food and drink branding, packaging, marketing and design, based in Belfast, Northern Ireland. Umbilical applied to be considered because they believed that the programme was ideally suited to them as they already worked in these regions and it suited their target area. Umbilical believed they had something different to add to the Creative Directory as they are dedicated to the food and drink sector. They work specifically with brands in retail. Umbilical didn't attend any of the events, because they were not aware of them and only found out about them after they happened. They would have participated in the Discovery Events had they known about them.

Umbilical believe that the programme will have an impact on their business, when public profile of the work they have completed with Hebridean Chocolates goes live in the market place. They have high hopes it will open doors for themselves and their client.

Umbilical are happy with the directory details they have provided and with the search features of the directory. 'The Directory allows us enough space to capture the essential company information and highlight our unique specialist food and drink creative services. This also allows the client to consider what skills the company needs to have'.

Umbilical were unsure of the format of the matchmaking process at first, but believed it worked relatively well. However they feel matchmaking can be improved by ensuring that both sides are more aware of the timing of the stages within the process, including pitch decisions, contract deadlines, completion dates and draw-down procedure. They also believe that more guidance to pitch format and what should go into the pitch could be provided. However it is acknowledged that these are small issues and does not take away from the overall value, impact and benefit of the programme to creative suppliers.

Overall their experience of the programme has been very positive. They enjoyed the opportunity to work on the interesting and challenging Hebridean Chocolates project - such an opportunity would never have come to them without 4CNW. The 4CNW team (Louise and Carol) were very responsive. They feel passionately about the programme and really hope it grows.

in Tandem Design **48 The Acres, Dromahair, Co. Leitrim**

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in Tandem specialise in custom-designed websites and online branding. They offer search-engine-optimised web design, so that their customers can take ownership of their online presence through a customised content management system.

in Tandem were selected to work with the Yeats Society and the Yeats International Summer School to develop their new online presence as part of the 4CNW Creative Challenge programme.

The new website is fully responsive for optimised viewing on all mobile devices. They also created a new, modern logo to form the foundation of the new look and provided the client with an online content strategy and content calendar. From the discovery event they were concerned about the high levels of administration in the programme. They also found the briefing document to be too rigid for creative industries.

in Tandem believes the format of the matchmaking process needs adjusting. In order to get a full understanding of the brief, they needed to meet with the client to understand exactly what final outputs were expected. The company believes that the matchmaking format however was the feature which won them the job with the Yeats Society. This allowed them to showcase their work and expertise and provide initial advice and guidance to the client. This shows the value of the matchmaking process in terms of refining and defining a creative brief and streamlining the selection of the creative supplier so the best candidate is chosen.

As regards the Creative Directory, in Tandem reports that 'it is excellent to be part of a creative directory' and have been impressed by the range of businesses featured on it. However it would be great 'if as a creative supplier we had access to our own profile and could manage this content by adding a portfolio of images to showcase our work and keep the content up to date'. in Tandem is positive about how the programme will benefit their business and believes that the visibility of in Tandem has increased due to their participation in the programme.

CGH Creative

Linlithian, West Lothian, EH49 6AQ, Scotland

CGH Creative was launched over three years ago and works with companies and organisations in a range of diverse sectors including life sciences, technology and communications, industrial organisations and the whisky spirits industry.

CGH Creative was informed about the programme through the Cultural Enterprise Office in Scotland. Through their participation they have successfully tendered for two projects to date. The first being an identity programme for a new science organisation - Coolgenics Limited. The other project involved website, video and presentation templates for Duncryne Econic Performance Boards. CGH Creative redesigned the website for Econic, delivering a new responsive site with a better approach to communicating with the businesses clients. Both companies were seeking increased visibility and profile on the internet.

CGH were invited to deliver presentations to both companies based on a brief supplied outlining the client's requirements. They analysed the brief from the client and drew conclusions and presented a proposal to the client at a prearranged meeting. 'The documentation and presentation standards required to win the new clients was of the highest standards'.

'It was due to this quality of planning that we were successful in winning the new 4CNW projects. Research involved over a week's work, developing their understanding of the brief and developing a detailed costing of the challenge. I was delighted with the engagement - it was refreshing to present to clients who really wanted to see your work.'

CGH Creative were very happy with the administration of the project and the 4CNW's team's role in the programme. Their participation in the programme has had a very positive effect on their business, and has brought about greater depth and credibility for CGH Creative. Their inclusion on the Creative Directory allows them to 'start a positive conversation with a range of new and existing clients'. Both clients were very happy with their work.

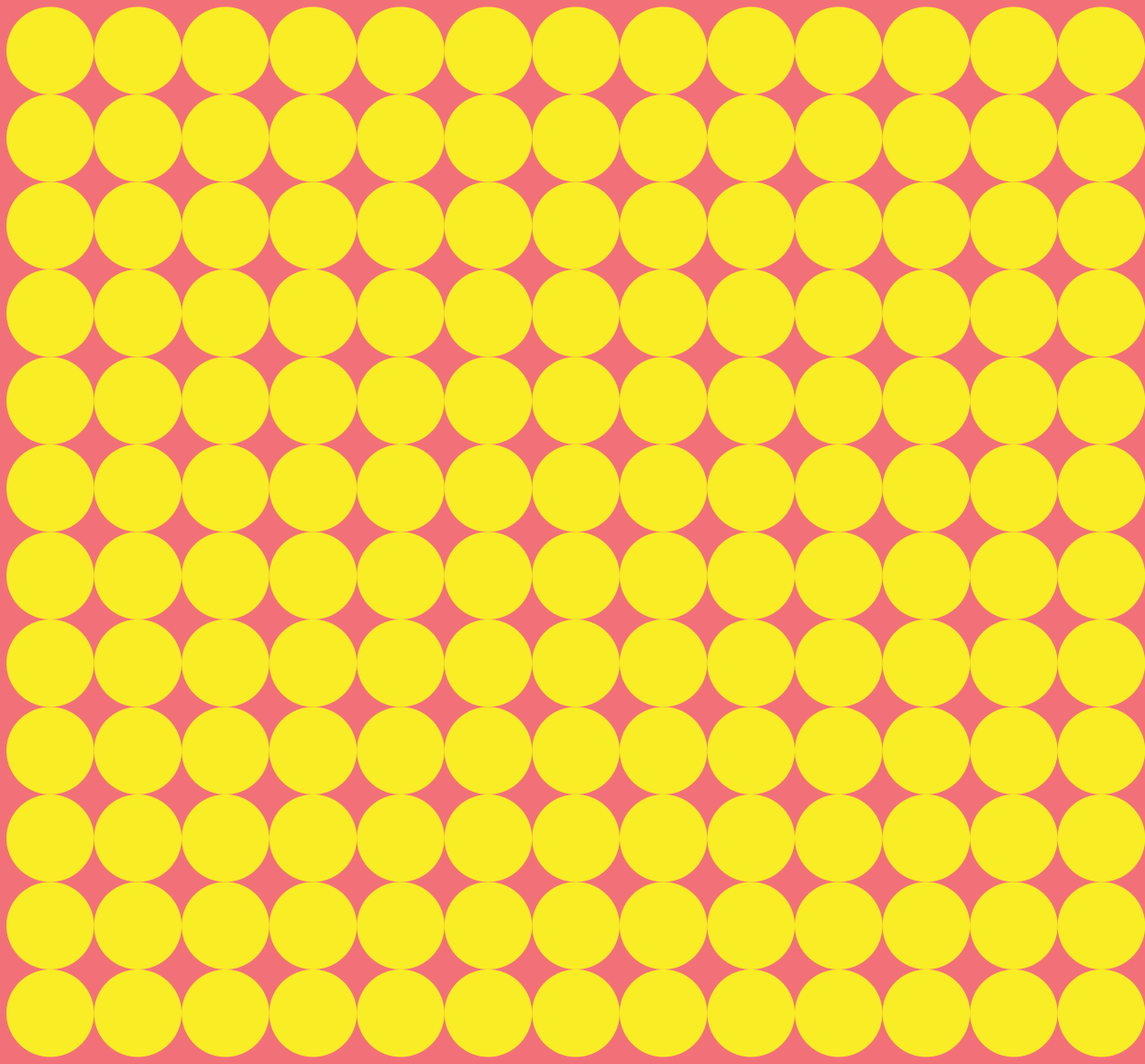
Journeyfor
Scottish Provident Building, 7 Donegal Square West,
Belfast BT1 6JH, Northern Ireland

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Journeyfor is based in Belfast Northern Ireland and specialises in branding, strategic film, web development and social innovation. Journeyfor applied to the 4CNW programme because they saw it as an opportunity to expand their portfolio across Ireland. They attended the discovery session in Derry. The event had great information regarding the purpose of the programme and how to get involved. Their participation in the programme has helped to raise awareness of their business and distinguish their service from their competitors and allowed them to access new clients. They found the matchmaking process to be good, and well run; however they felt communication from the 4CNW team could have been more regular.

Journeyfor were awarded the brief to work with the Aurivo Organic brand development. This brief sought to reposition the organic produce. In order to win the business Journeyfor developed short sound bites for their campaign and they did a brand workshop which they have honed over the years. In implementing the project they met all stakeholders from the farmer to the representatives from Aurivo in Donegal to define what they all wanted from the project. They believe it was the workshop sessions which won them the business. Journeyfor made two videos and five animations showcasing the benefits of the Organic for Us brand. Aurivo have now commissioned Journeyfor to do another job for them in the coming months.

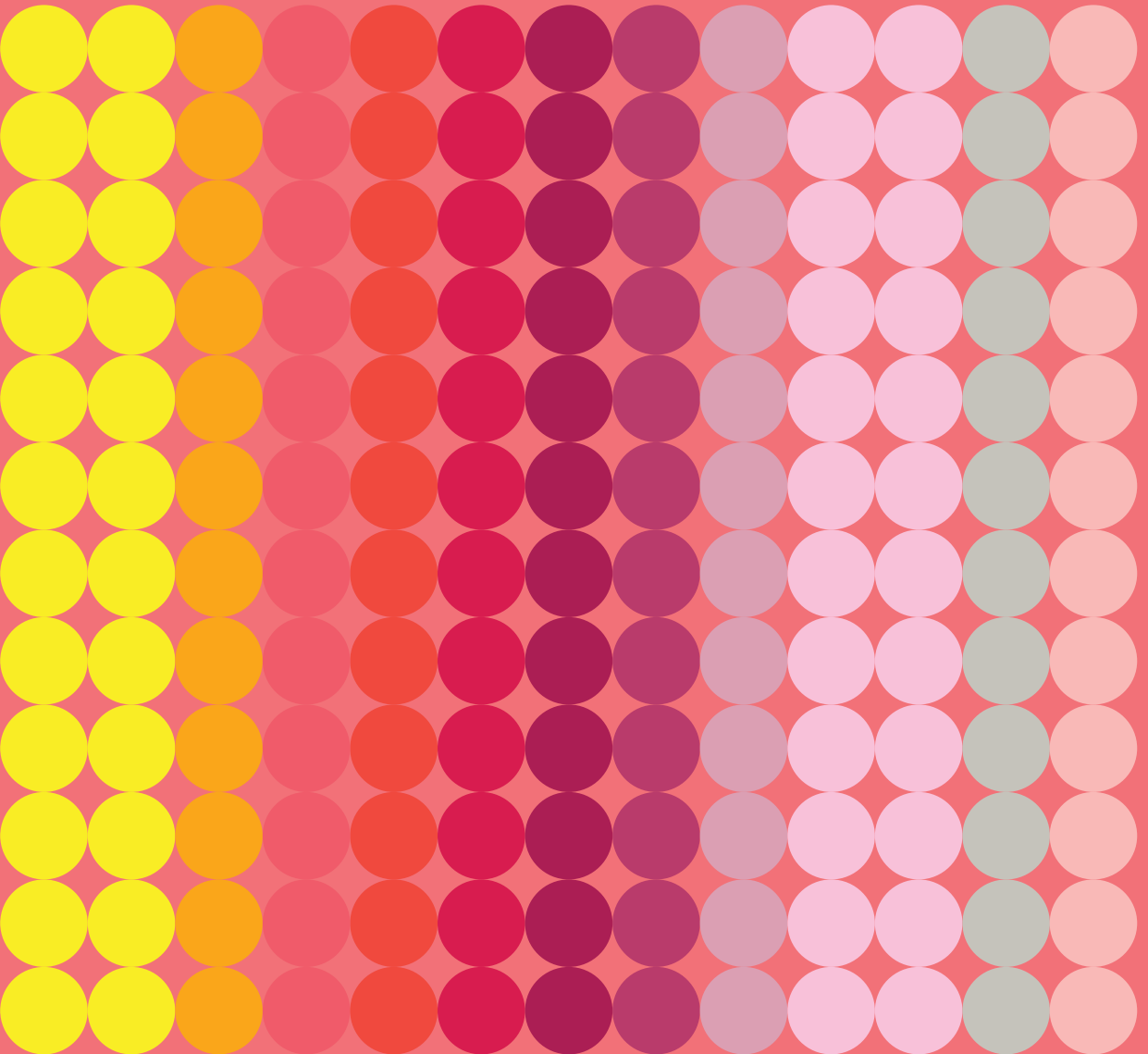
Their participation in the programme has had a positive effect on their business; it has allowed them to flex their ability within animation. Working with a well-known brand like Aurivo has allowed their animations to be seen by large numbers of people. It is hoped this will be of great long-term benefit to Journeyfor.

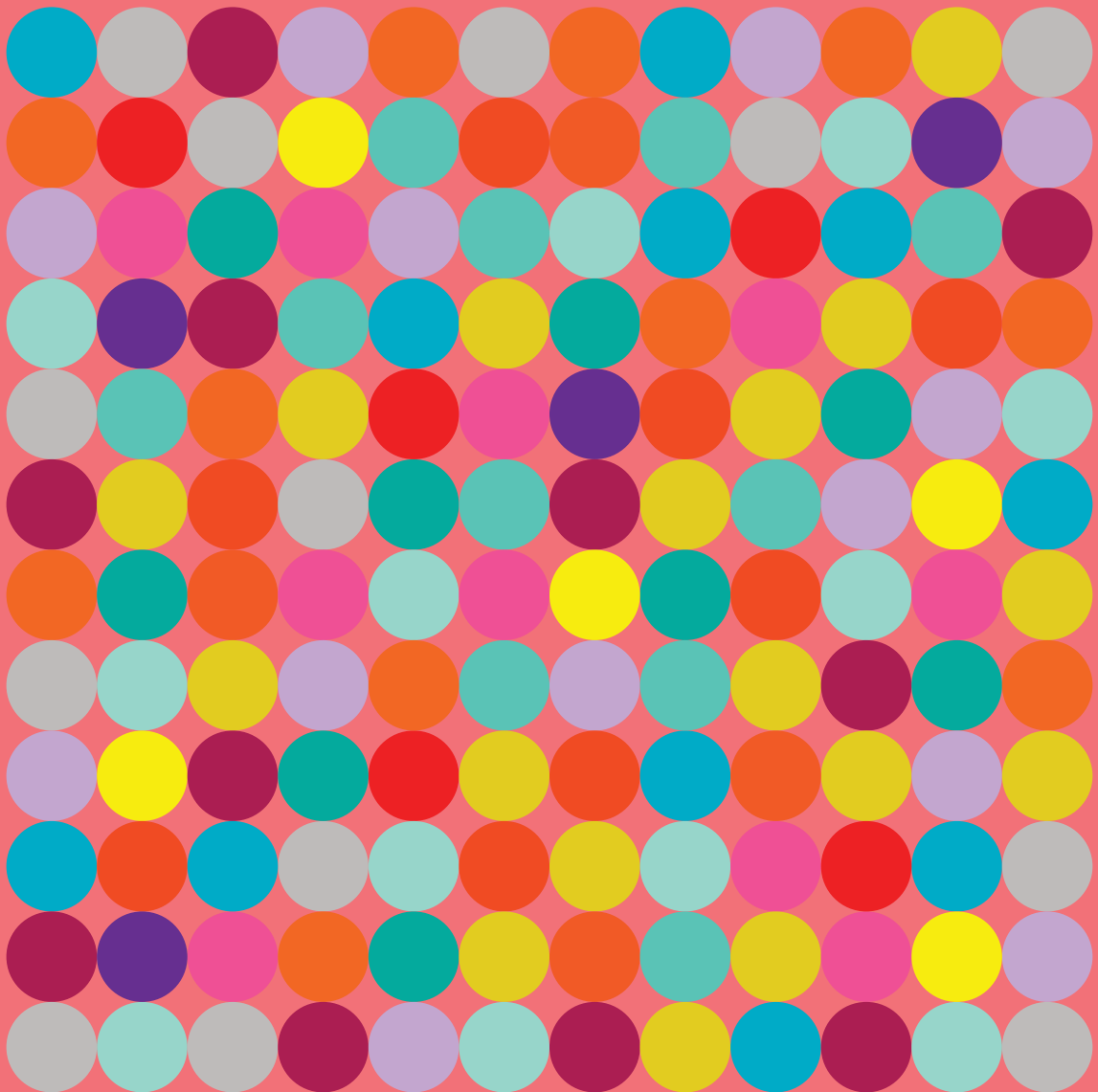


Part 3

A Framework for Future Action & Policy Recommendations

Summary of key challenges
and a look to the future





Section 1

Facing Future Challenges

So far so good, but key questions remain.

What is the best route to the future?

Can we plot a pathway by applying present learnings and interrogating the evidence provided by the independent evaluation of the pilot project?

What are the challenges and issues that need to be tackled in moving forward?

In order to build on and consolidate the achievements of the 4CNW pilot phase there are a number of important challenges for public and private stakeholders to overcome.

Key Challenges and Issues

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- **Direct grant-based schemes such as innovation vouchers can encourage SME's to take risks and offer a financial incentive to discover the opportunities which external know-how can bring - in this instance creative knowledge and skills. But increased awareness is vital. SME's must know of the availability of creative services and the depth of the services on offer.**

The challenge is to move beyond awareness-raising to mindset change. A deeper acceptance is needed that talent supports such as those developed under 4CNW become an integral part of the entire business support ecosystem to expand risk and adopt experimental-based approaches towards innovation in business.

- **Businesses need access to the best knowledge to maximise the impact of the voucher and its benefits for the business and the wider economy.**

The challenge is coordinating and making access available to all the necessary information to help businesses make an informed choice as to the best solution for their particular business need, and;

To facilitate access to a broader pool of qualified suppliers (may involve attracting them from other regions) and to build trust and confidence between them so that they can collaborate effectively with a partner from another geographic region.

- **Due to the small amount of funding, innovation vouchers are generally just triggers for collaborations. Other complimentary measures are necessary to sustain innovation.**

The future challenge of innovation vouchers is to develop new ways to build on the initial creative collaboration that the voucher triggered and move towards more sustainable impact in terms of partnerships and contracts.

- **Many creative businesses work in isolation and the majority tend not to avail of mainstream enterprise business support programmes. These programmes could help them grow their businesses and market their skills to other sectors more effectively.**

The challenge is to encourage greater participation by creative micro enterprises in the wider enterprise ecosystem and encourage them to avail of the business supports on offer.

- The pilot demonstrates that creative enterprises selected as suppliers are often those already operating successfully in the market place. In most cases they are the creatives with experience of collaborating with SME's in other sectors.

The challenge is to find ways to support early stage creative businesses and to develop their entrepreneurial capacity to perhaps find their first client and build a career path with bespoke business supports.

- Good institutional coordination and cooperation is essential to run successful voucher schemes. It is not possible to deliver cross-sectoral voucher schemes that add value without the involvement of a wide range of public and private partners and stakeholders.

There are two core challenges here;

i) at national level to bring relevant bodies from the creative, enterprise, public and private sectors together, and;

ii) at local level it is for public and private partnerships to deliver across different geographic areas, as it adds another layer of complexity to these schemes, in particular transnational programmes.

Delivering in tough times

In a contracting public sector environment, the focus is to maintain the delivery and quality of core services. This raises the issue of providing funding and allocating scarce resources to deliver developmental, experimental programmes which are designed to add value across sectors. For many organisations this issue will require serious consideration.

“The matchmaking was a brilliant process. The 4CNW team have the knowledge of the range of available creatives. It was a great way for the company to meet a shortlist of creatives.”

Sharon Eastwood Director, Woodrow

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Section 2

The Road Ahead

Can the significant success of the 4CNW Pilot Programme be scaled up to replicate its operation and deliver similar or improved levels of success?

Does 4CNW hold the key to successor programmes at regional, national and transnational levels?

If the answer is 'yes', then what are the extra parameters needed to move onto the next stage - a significant ramping-up of the programme?

Here is our considered and evidence-based **4CNW Proposed Exit Strategy**.

The road ahead starts here.

A strategy to mainstream 4CNW as a national programme

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The 4CNW Business Innovation Support Programme highlights the latent demand that exists from businesses in the wider economy to access creative services. The pilot demonstrated the large untapped potential of creative competencies which will require programmes like 4CNW to steer the economy towards the use of this knowledge.

The independent evaluator found strong merit in the development of a 4CNW successor programme which would have a national reach to promote creativity as a tool for innovation.

In the pilot phase 4CNW was confined to SME's in the Northwest of Ireland (Sligo, Leitrim, Donegal, Mayo and Roscommon), Northern Ireland and Scotland.

The demand from SME's (146) and creative enterprises (336) demonstrates that there is room for a specific business support programme focused on innovation vouchers to engage creative services with businesses.

The evaluator recommended a successor programme *will require a lead partner with a national remit.*

Stakeholder Engagement

In 2013, as lead partner with a local remit Sligo County Council engaged with the Minister for Small Business and officials in the Department of Jobs, Enterprise and Innovation in order to define and position the 4CNW programme. They also consulted extensively with a number of national government departments and key enterprise and cultural agencies. The purpose was to highlight the potential and to disseminate the work, impacts and role of 4CNW and initiatives of its type as a driver for business innovation and change.

Acting Strategically

The proposed strategy for mainstreaming 4CNW, which has been refined in detailed discussion, can be summarised as:

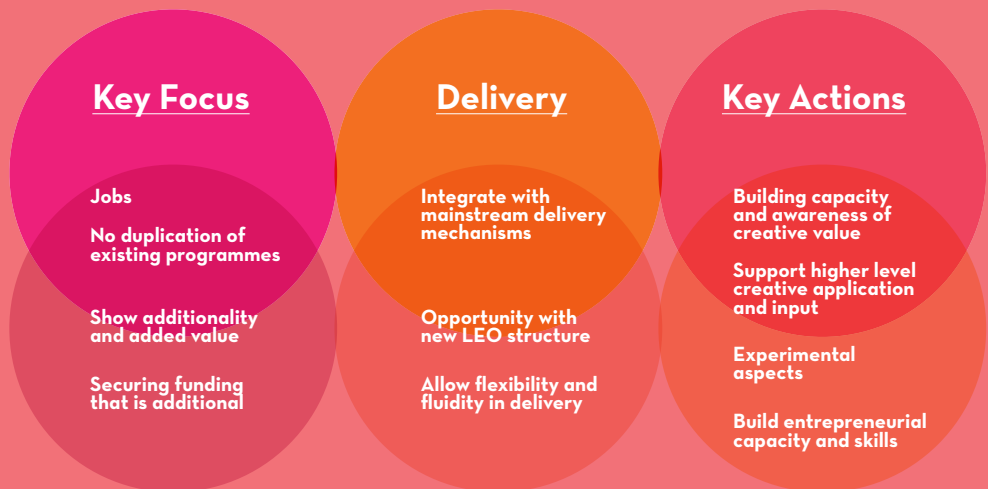
- A 4CNW successor programme should focus on promoting cross-sector innovation, adding value to business through creative input and not in any way duplicate existing services or supports

- The programme should have a strong focus on job creation
- It should maintain and promote business growth and development by opening new markets for creative businesses and build the capacity of other business sectors to grow and become more internationally focussed
- Awareness raising and capacity building campaigns should be prioritised to demonstrate the benefits and impacts that the application of creative services can bring to businesses
- Brokered Matchmaking should be retained and developed as it builds capacity among target groups to engage in effective and fruitful project collaborations

A New Programme Structure to Maximise Impact

To achieve maximum impact a new business support programme focused on the provision of creative services to SME's is recommended by the evaluator. This should have unique standout in the wider national enterprise ecosystem.

The diagram illustrates what the **key focus** of the new programme should be and indicates how it could be delivered though integration with mainstream national enterprise **delivery** mechanisms. The **key actions** needed to drive innovation in SME's through creative input are also highlighted.

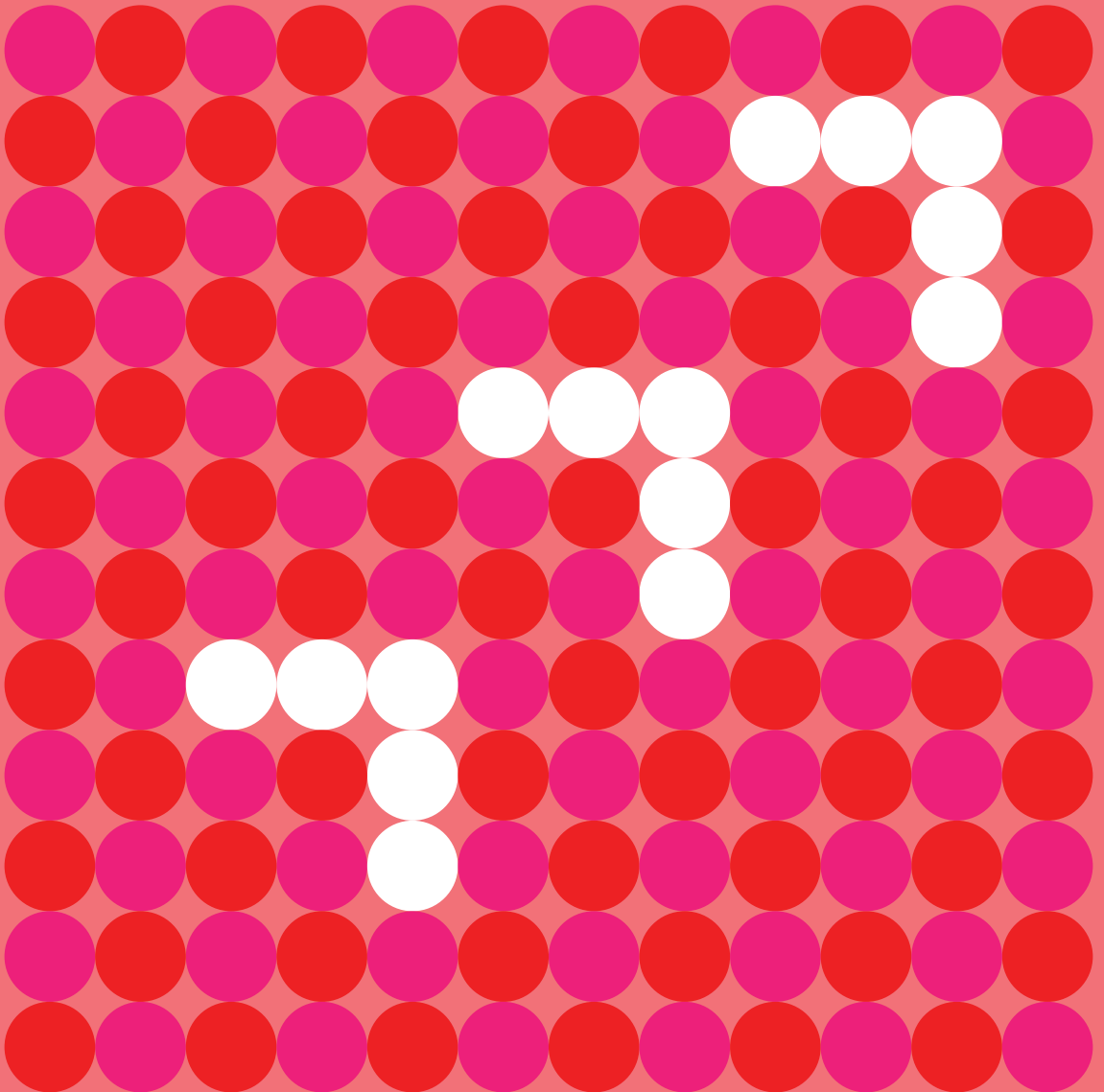


A detailed rationale follows, along with proposals in respect of the points cited in each of the three pillars.

“4CNW helped us to isolate and focus on an area we were weak in and helped us to understand things better and develop a plan of action to improve ourselves... it helped us to think outside the box”

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Jim Murray CEO, Troll Inc



The Enterprise Case

At present Enterprise Policy across Europe is simple, it's all about jobs.

In Ireland, the key policy is the annual **Action Plan for Jobs** compiled by the Department of Jobs, Enterprise and Innovation.

4CNW links into the action plan's main objectives and offers potential to impact under the following headings:

- *Building Competitive Advantage*
- *Assisting Indigenous Business Growth*
- *Driving Entrepreneurship and Start-Up Companies*
- *Sectoral Opportunities*

The holistic, bespoke business supports offered by 4CNW provided a more co-ordinated and targeted response towards stimulating new markets, enhancing competitiveness and innovation and cultivating cross industry understanding.

Mainstreaming 4CNW actions offers real potential to have significant impact in support of enterprise and job creation. The specific actions needed for Ireland's economy to benefit are as follows;

- *National roll-out of a Cross- Sectoral Innovation Voucher Scheme*
- *Building awareness among business of the benefits of engaging creative services*
- *Building capacity among business to identify and develop a creative input plan*
- *Support for CI's to raise awareness of future trends helping SME's stay ahead of the curve*

“Yes I would definitely recommend this programme as it provided much needed financial support at a critical time for my business, helping with innovation and contracting a suitable product designer.”

Elaine Mc Keown Proprietor, EMK Marketing

Building Competitive Advantage

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Scaling up 4CNW for national roll-out could help indigenous micro and small to medium enterprises become more sustainable and innovative through for example, more effective online trading which could help Irish businesses to grow and become more international in their focus.

The pilot provided support for SME's to access visual communication services which drew on local culture (video production and streaming) for online storytelling.

The talent voucher combined with the matchmaking service enabled these businesses to access the creative know-how to heighten their online visibility and give them unique standout in new markets.

How 4CNW helped Voya to become a pre-eminent Organic Beauty Brand in the global marketplace

Mark Walton and his wife Kira, launched the VOYA organic beauty brand in 2007 as a spin-out from the Walton family's famous VOYA seaweed baths based in Strandhill, County Sligo. VOYA is now recognised as the pre-eminent organic spa brand globally and was identified by Condé Nast as one of the key trends of 2012. Notwithstanding the economic difficulties that persist here at home, the company has developed and launched over 100 new products and skin therapies with turnover for the business doubling in each of the last three years, reaching €1.5 million in 2011. VOYA recently opened its flagship retail store in Selfridges of Oxford Street, London. The company currently exports to over 30 countries globally, including North America, UK, and myriad countries within the Middle East, Far East, and Continental Europe.

VOYA's 4CNW Creative Challenge called for a creative to communicate the brand ethos and the unique harvesting process to three key sectors - Hotel Amenity, Spa and Retail and to audiences across the globe.

Film Maker and Director of Photography Peter Martin replied by creating a series of evocative vignettes tailored to the needs of prospective audiences. From the outset Peter says there's been "a great working relationship with the company". This strong relationship is evident in the resulting work which illustrates the unique organic materials and harvesting techniques that create VOYA's beauty products. Peter's work has helped Voya to communicate effectively with target sectors and to maintain quality through instructional and training film material for the growing number of luxury spas worldwide, including The Hilton Hotel Group and The Ritz Carlton, now using VOYA products.

Building Export Capability

The National Action Plan for Jobs places a heavy focus on building the export capability of Irish businesses, creating a better environment for foreign direct investment and on building a better ICT sector.

Introducing business support programmes like 4CNW could play a unique role in enabling a better environment and creating the right conditions for this to happen, for example in developing an export-led creative sector.

The bespoke business supports developed through the 4CNW pilot can help indigenous creative enterprises to become more focused on international markets, aware of new business opportunities, and visible to win work overseas. In the pilot phase this was achieved by helping creative businesses partner with each other to get new business. The Creative Directory facilitated and encouraged this type of collaboration. Future programmes could work with a wider cohort of creatives, specifically those from high growth sectors such as animation, design, gaming and digital.

Supporting Start Ups

4CNW actions have helped to address the challenge of support for a particularly sensitive group of firms-start-up and early-stage innovative companies with high-growth international potential.

Many of these businesses operate in areas where there are unproven markets or technology or established applications for their products and services. Their value proposition can, therefore, be difficult to quantify and they find it difficult to get their business off the ground and achieve market penetration.

The market development approach and the environment of cross- industry understanding cultivated by 4CNW helped to reduce the market risks that affect these firms. For example, 4CNW Discovery Events increased the likelihood that businesses from different sectors would understand the value they can obtain from creative input and thereby increased the likelihood of them employing such services.

Creative Industries - driving disruptive reform

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The pilot is a particularly good fit with the Government's high impact strategy on Disruptive Reforms, which is set out in the Action Plan for Jobs, 2013. Disruptive reforms are high impact cross-cutting initiatives that can make a real difference to enterprise and jobs in a short space of time.

Promoting creative services to SME's in the wider economy will support enterprise, foster innovation and growth and create jobs. 4CNW programme actions have successfully assisted businesses to increase their level of innovation and competitiveness by employing creative skills to develop new, experience based value propositions for consumers and stakeholders. In addition, Talent Voucher collaborations have helped to generate new revenue streams for creative service suppliers.

4CNW measures also offer potential to achieve targets for specific disruptive actions set in the Action Plan for Jobs, for example "get two thousand small businesses trading online".

4CNW successfully supported SME's to develop an enhanced online presence.

For many businesses the prospect of online trading can be challenging even though its importance and value for their growth is acknowledged. Providing access to creative knowledge and skills can add real value to encourage and support SME's to establish an online presence. Feedback from businesses indicates that having access to a combination of creative and technology skills is a powerful and beneficial one for SME's to get their business trading online.

"We are extremely happy with the quality of the work and value for money generated... our creative supplier went above and beyond to ensure the project was a success."

Lydia Rodgers Marketing Manager, Aurivo

How 4CNW helped Quickcrop solve a technology design challenge

Quickcrop is an online retailer operating in the Irish and UK markets through its websites quickcrop.ie and quickcrop.co.uk. The websites supply a range of equipment to allow novice gardeners to grow their own vegetables successfully. An important part of the company's offering is their database of free help and advice to ensure customers are brought through the growing process in a clear and accessible way. Central to this database is their '**Growmatic**' tool which sends a customer timely tips on the vegetables they are growing at the relevant time of the year. The company decided to develop their '**Growmatic**' system to increase functionality and to optimise it for mobile devices.

Quickcrop's 4CNW challenge sought creative knowledge and input to help design the wireframe for an innovative new software solution for the home vegetable grower. **Growmatic** was to become an online tool that allows the novice grower to plan and manage a new vegetable garden, as well as interact with other growers to share and gain vegetable growing knowledge. The objective was to improve search engine ranking through content and links generated by the tool. **The software design** was key to providing a unique selling point and to effective customer interface.

GCD, a creative enterprise based in Northern Ireland, was selected by Quickcrop to collaborate on their challenge. 4CNW met the expectations of the company and their objective to get them to the next level of their Growmatic project and it will be a significant part of their focus in 2014.

Integration with National Enterprise Delivery Mechanisms

Putting People First - Setting the Scene for Change

Putting People First, published by the Department of Environment, Community and Local Government in 2012 is a key policy with relevance for the integration of the creative and cultural industries in local, regional and national policies. It sets out the reform agenda for Local Government which sees its role strengthened and refocused towards economic, social and community development. Local Authorities will have responsibility for key economic development functions, operating Local Enterprise Offices (LEO's) and Business Development Units, sustaining and creating jobs through their direct links to enterprise and local knowledge.

The cross-cutting, multifunctional, proactive environment brought about by these policy changes will play a pivotal enabling role in creating the right conditions to support indigenous micro and SME's over the next decade.

Making Creative Industries core to economic strategy

The opportunity now presents to make the creative industries a strategic priority in local authority economic development plans and regional smart specialisation strategies. A policy shift of this nature will make a significant contribution to the economy by:

- stimulating the revitalisation of areas in decline and creating new sustainable jobs
- promoting the attractiveness of towns, cities and regions through the promotion of contemporary culture and cultural heritage
- developing infrastructural and other services in support of sustainable tourism
- exploiting the ability of CCI's to model or amplify the social and cultural trends and increase consumer demand

Local Enterprise Offices - the right fit

Action 173 of the 2013 Action Plan for Jobs stipulates the Government's intention to establish a national network of Local Enterprise Offices (LEO's) that will provide support to micro and small to medium enterprises through Local Authorities, and establish a Centre of Excellence within Enterprise Ireland that will be a key integrating resource for the network.

4CNW was uniquely operative within county structures and fits well with the Government's plans for the roll out of Local Enterprise Offices (LEO's). The establishment of the network presents an opportunity to step up the 4CNW programme for national implementation with LEO's as the mainstream enterprise delivery mechanism.

The LEO network which becomes operational in 2014 will have the expertise and capacity to deliver new tailored programmes (like the 4CNW Innovation/Talent Voucher Scheme) in a cost-effective manner. Their location within the multifunctional local authority environment means that policy silos between culture, innovation, research, development, education and local development policies could be broken down - a key requirement to unleash innovation potential for local economies.

LEO's will have the capacity to deliver a range of customised supports to creative industries by addressing issues which currently act as barriers to their growth and development. LEO's can provide this function because they will be established as a One Stop Shop for the provision of information and advice for all types of micro business and SME support. This may take the form of generalised advice in the areas of business planning, financial advice, management and accounting as well as access to training and mentoring.

“Our experience of the programme has been very positive. We engaged in a full design project with Hebridean Chocolates... an opportunity like this would never have come our way without the 4CNW programme. We feel passionately about the programme and really hope it grows”

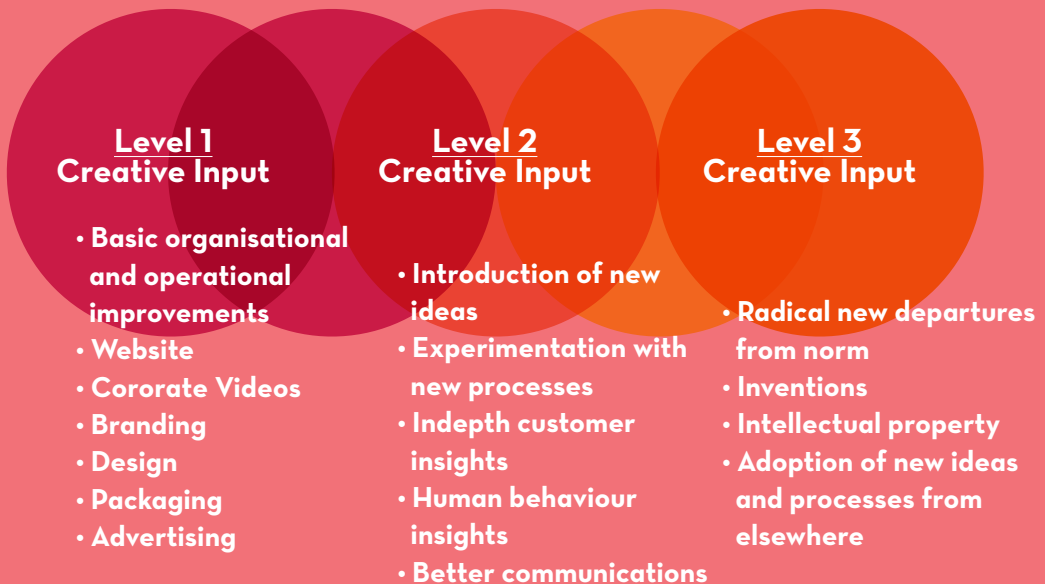
Alison Scott Adams Business Development Manager, Umbilical

Key Programme Actions Creativity to Drive Innovation

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There is a real need for a future national programme to maintain the experimental aspects of the 4CNW programme and to encourage a higher level of creative input to drive innovation in the wider economy.

- **Business supports involving creative skills and input should be developed and their risk and experimental-based approach towards innovation in business expanded. Specifically it is recommended that programme activities move towards supporting Level 2 Creative Challenges and eventually towards Level 3 type Challenges, illustrated in the table below.**
- **In future programmes, a longer time period for completion of creative challenges should be allowed along with a longer preparatory period if required for businesses and creative suppliers to match with each other**
- **Pre-recruitment supports could be introduced to help SME's understand the full scope of creative services available and how they can be applied to support their business to innovate products and services, and enhance their competitive positioning**



‘Creative Island’

Forecasting the Future

The creative sector already plays an active role in the Irish economy and has a higher proportion of activity than the EU average. The sector contributed 2.8% to the Gross Domestic Product of Ireland in 2011, slightly above the European average of 2.6%. The number of people employed directly in the creative sector in Ireland in 2011 also underpins how important this sector is in the Irish economy. The numbers of people directly employed in the sector stands at 48,038.¹¹ This figure rises to 76,862 when indirect and induced jobs are added.

The Irish Government’s 2012 Action Plan for Jobs highlighted the importance of the creative sector in providing high quality employment throughout the country.

There is great potential for Ireland to expand the numbers of people working in creative sector in the coming years. The WDC in its Creative West Economic Impact Assessment 2011 forecast that with appropriate investment the creative economy could deliver a further 17,000 new employment opportunities by 2020 in the Western region of Ireland and €100m in additional sales through export.

In its 2014 Communication ‘For a European Industrial Renaissance’¹², the European Commission highlights creative industries as a leading sector to take the EU out of economic crisis. This reflects an increased focus on the industrial benefits of creative industries as well as the cultural and social benefits which have long been recognised.

For Ireland to fully realise the potential of the creative economy, a proactive approach by the State that prioritises creative industries will be needed. This should target investment in their development through financial incentive schemes and cover promotion at home and abroad to unlock their potential as a creator of high quality jobs and a driver of cross-sector growth.

¹¹ Assessment of the Economic Impact of the Arts in Ireland, Indecon (2012)

¹² For a European Industrial Renaissance, EU COM (2014)

Create Cross-Sectoral Opportunities

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Beyond their direct contribution to GDP, the creative industries are important drivers of innovation in other growing sectors, including ICT, healthcare, education, urban and rural development.

In order to stimulate cross-innovation and economic spill over between the creative industries and the wider economy there is a need to incentivise risk and experimental behavior based on creative approaches to innovation in business. This can be achieved through the widespread adoption of a cross-innovation voucher scheme.

The 4CNW pilot has delivered an evidence base that substantiates the distinctive, cross-cutting and transversal role the creative and cultural industries can play in stimulating demand for innovation services from SME's in the wider economy.

Innovation voucher schemes such as 4CNW are an effective way to promote and encourage cross-sectoral partnerships and help indigenous micro and small to medium enterprises to develop new products and services and initiate new growth models to drive regional competitiveness.

“4CNW added two new clients to CGH Creative during 2012-13. This has added approximately 20% additional revenue to our company and has allowed us to bring together a cluster of creative service companies to deliver appropriate services to new clients.”

Chris Hamilton Creative Director, CGH Creative

Issues for Policy Development

In order to leverage best effect for the Irish economy, it is essential that future voucher schemes are linked to a broader national strategy for the creative industries to overcome the fragmentation that currently exists on the ground.

At national, regional and county levels there are currently several active agencies and discrete programmes which focus on the creative and cultural industries - but the absence of a coordinating strategic framework at national level for agencies to share learning, pool knowledge and resources is acting as a barrier to address the following issues;

- developing the entrepreneurial potential of the creative sector; and,
- missed opportunities for cross-sectoral innovation

There is also considerable fragmentation within the creative industries. Creative sub-sectors have strong individual institutions, but not a lot of strategic collaboration takes place between them. A possible reason for this is that many creative sectors supplement their activities with public funds and compete with one another for that funding; as such they are not inclined to pull in one direction.

This fragmentation becomes an issue for policy making as many challenges - such as the promotion of cross- sectoral innovation, business support and access to finance - could be addressed more efficiently through holistic strategies.

If greater provision could be made in public policy to increase cross- sector collaboration at an institutional level, it might lead to greater collaboration between sectoral clusters, as well at the business to business level, and thereby facilitate crosscutting innovations and new growth models.

Meeting the Needs of Europe 2020

4CNW - the benefits

The 4CNW Business Innovation Support programme has added value to the wider ECIA initiative and the Europe 2020 agenda by strengthening capacity in Europe's Northern Periphery for innovation through the linking of;

- Creative industries with business
- Creative industries with each other; and,
- Creative industries with appropriate public bodies across the participating regions of Ireland Northwest, Northern Ireland and Scotland

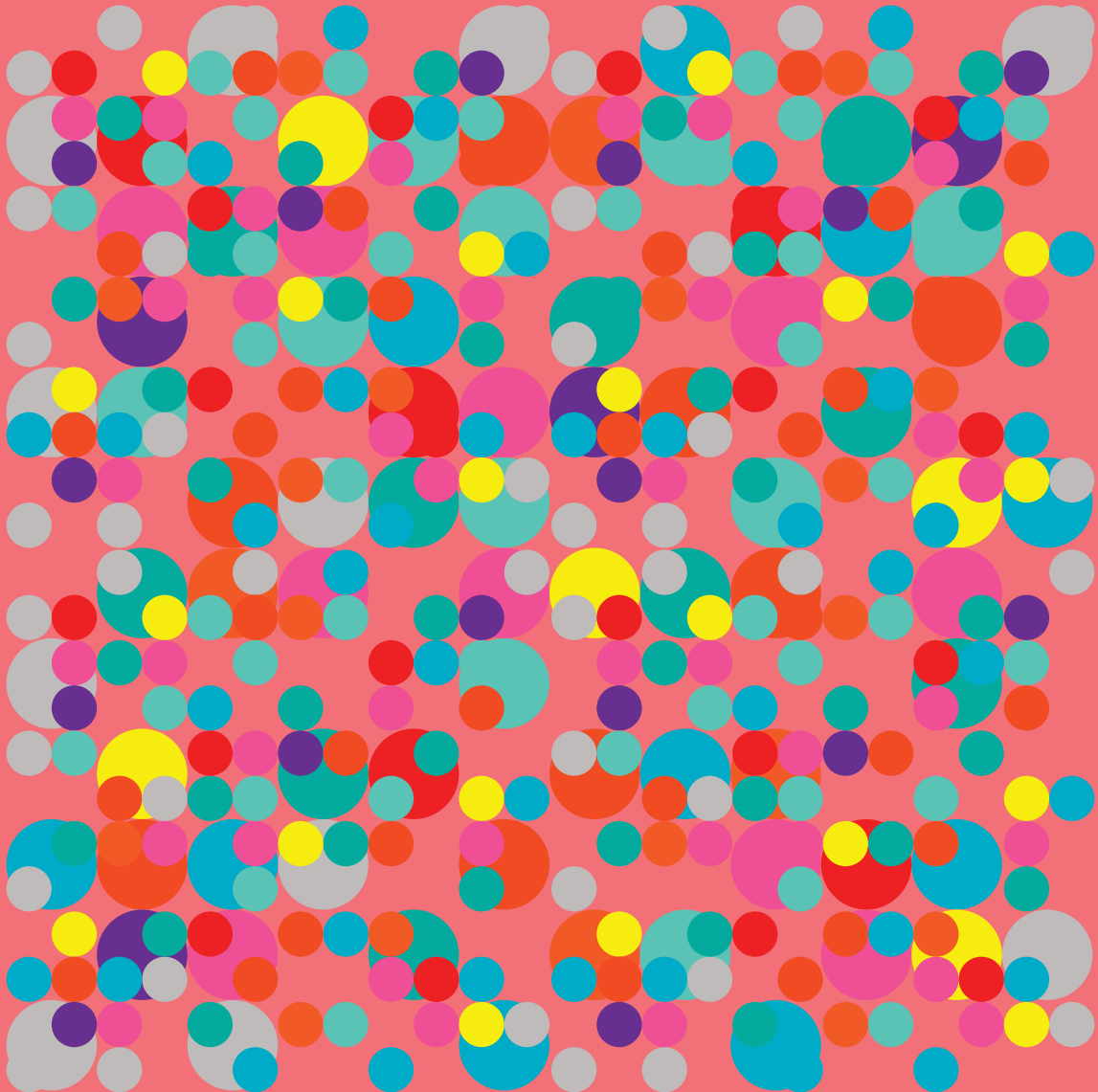
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“The assistance provided by 4CNW was very helpful, not just in the production of the brief, but also during the entire process.”

Rory O'Loughlin Design Principal, Loughlin

In particular, 4CNW has demonstrated the skill of local authorities in the development of a more innovative and creative Europe, through the successful delivery of the following SMART objectives;

- 4CNW facilitated 26 creative micro-businesses to successfully solve innovation or creative challenges for 20 businesses (2012-13). A fund of €100,000 was available to fund vouchers that matched creative talent with business needs and an additional €100,000 was leveraged from voucher beneficiaries**
- 300 creative professionals and micro-businesses were engaged at events by June 2013. 190 quality-assured suppliers were enlisted to the transnational Creative Directory which will enable more effective future collaboration. The mapping has increased their access to the European marketplace**
- 4CNW delivered a successful cross border brokered matchmaking service in cooperation with appropriate public bodies from Northern Ireland and Scotland. The bespoke service was delivered to 38 SME's and 78 creative suppliers from across the participating regions. The service tested the targetted and open approach proposed in the Riga Declaration and provides a practical model for other EU member states**
- 4CNW raised awareness of the importance of creative knowledge transfer in the wider ecosystem of innovation and successfully drove new linkages between the creative sector and four key industry sectors; life sciences, technology, tourism and agrifood offering businesses the opportunity to create competitive advantage at a reduced cost**
- The Creative State North West has demonstrated a new model of inclusive service innovation in rural regions with the potential for national and European significance**



Section 3

From Innovation Vouchers to Creative Knowledge Transfer

The importance of the creative and cultural industries as an accelerator for innovation in the wider economy has been highlighted throughout this report. For this opportunity to be realised, cross-sector innovation needs to become an objective in its own right that can be proactively pursued through concrete policy measures.

The 4CNW pilot has shown that innovation voucher schemes which promote the use of creative services in business are an excellent starting point to stimulate and encourage interdisciplinary projects and cross-sectoral collaboration, but due to their limited size and scale vouchers are effective primarily as financial incentives and need to be complimented by other measures.

Actions which go beyond the individual company level will be vital to integrate creative knowledge and skills throughout the enterprise ecosystem so that more complex creative collaborations can be undertaken to drive new growth models for regional economies.

As the Smart Guide to Service Innovation¹³ points out, ‘realising the transformative power of service innovation cannot stop at the enterprise or company level. An intervention such as a voucher may raise the competitiveness of an individual company, save jobs or create new ones - but can rarely provide solutions or create new industries at the scale required’.

This is largely new and unexplored territory. Hence new policy tools will be need to be designed to create new incentives for businesses to experiment and expand their interest in cross innovation opportunities, both within the creative industries and within the wider economy.

Overcoming sectoral silos will be key to the development of new measures to widen the impact of the creative industries in regional economies with the capacity to deliver more strategic outcomes.

¹³ Smart Guide to Service Innovation, EC (2012)

Bridging Sectoral Boundaries

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Developing new approaches that build bridging links between the creative and cultural industries and other policy areas is a fundamental business need, but there is currently no obvious organisational structure to coordinate, enable and facilitate such partnerships and connections.

In Ireland for example, there are numerous agencies working with enterprises of different scale and type at all levels. At county level, these range from local development companies through to Local Enterprise Offices (formerly City & County Enterprise Boards) and Vocational Education Committees. At regional level there are Institutions of Higher Education, Business Innovation Centres, and Western Task force type agencies, Board Bia and Failte Ireland¹⁴. At national level, there are agencies such as Enterprise Ireland, InterTrade Ireland and the IDA.

On the cultural side, key agencies include the Arts Council, Crafts Council and Heritage Council each of whom plays an important role in the development of cultural policy and strategy, as well as organisations such as, the Irish Film Board, Visual Arts Ireland, Music Network and Create who deliver sector-specific programmes and supports.

All such groupings provide key supports and are a critical piece of the enabling infrastructure for their clients to grow and prosper. They provide direct economic support and interaction in the area of finance, grants, training, mentoring and advice - but they each offer this to their own unique sectors at a level which has been pre-determined by their central departments.

¹⁴ Economic Development the Way Forward for Local Authorities & CDB's (2010)

Servicing the needs of SME's

The needs of enterprise are complex and multidimensional and the manner in which cultural and economic development agencies are structured do not always lend themselves to dealing in a flexible manner with their needs.

None of the existing agencies work across the entire breadth of business sector types.

This has resulted in a loss of opportunity for collaboration between businesses themselves, between agencies and businesses - in particular:

- Loss of the 'bigger picture scenario' where opportunities could potentially be developed and supported - the complex linkages between industries are often missed**
- Loss of opportunities to develop more interconnection between sectors**
- Loss of opportunities to explore sub supply opportunities**
- Loss of opportunities to link up supports between firms of different sizes and different markets**
- Loss of opportunities to address gaps at local and national level**

Unlocking the Transformative Power of Service Innovation

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In its Guidebook series *The Smart Guide to Service Innovation (2012)*, the European Commission Directorate General for Industry and Enterprise highlights the importance of service innovation to address the challenges of Europe 2020 and to achieve sustainable growth and jobs across Europe.

In particular, attention is drawn to the transformative power of services innovation¹⁵, which is understood as the process when services “disrupt traditional channels to market, business processes and models to enhance significantly customer experience in a way which impacts on the value chain as a whole.”

Regional economies can unlock the transformative power of service innovation, through the promotion of cross-sectoral collaboration by providing incentives for people with different talents and competences to work together.

Cross-sector collaborations offers SME’s the opportunity to stimulate growth in new markets and create employment. Through such partnerships, regions can promote new knowledge combinations, support the development of new sectors and strengthen their wealth generating potential.

How 4CNW helped Knock Airport exploit cross-sector collaboration

4CNW actions demonstrate that cross-sector collaborations added value for SME’s and helped them to identify hidden customer needs through co-production with a creative supplier. Talent Voucher collaborations led to innovative business processes that captured value for businesses in the target sectors.

Ireland West Airport Knock aptly illustrates how such collaboration can greatly enhance brand positioning in a highly competitive marketplace.

¹⁵ *The Smart Guide to Service Innovation*, EC (2012)

Ireland West Airport Knock is an airport serving 25 international destinations and carried 710,000 passengers in 2012. It is served by Europe's top airlines: Ryanair, Lufthansa, Flybe, Aer Lingus and Aer Arann. The Airport's 4CNW Innovation Challenge called on creatives to develop a cost effective way of promoting the airport's tourism routes into the region through the use of the arts. While the routes through the airport reach countries with a total population of 350 million, the cost of promoting in these destinations is commercially prohibitive. The challenge was to specifically target the attention of 25,000 overseas viewers /potential tourists for a live traditional music event in a manner which would engage them with what the region offers by way of access and tourism products.

Michéal O'Domhnaill, sport broadcaster on TG4 and corporate video producer, joined forces with Tara McGowan, creative producer, to answer this very exciting and innovative challenge. Together they created a dedicated website [Ireland West Trad](#) and on November 20th 2012, web streamed their first live event from The Dock Theatre in Carrick On Shannon, Co. Leitrim. It was important to both the creatives & IWA Knock that the event was an authentic representation of the cultural activities in the region. High profile musicians such as Donal Lunny & Charlie McGettigan played alongside local musicians who feature in regular pub music sessions across the county.

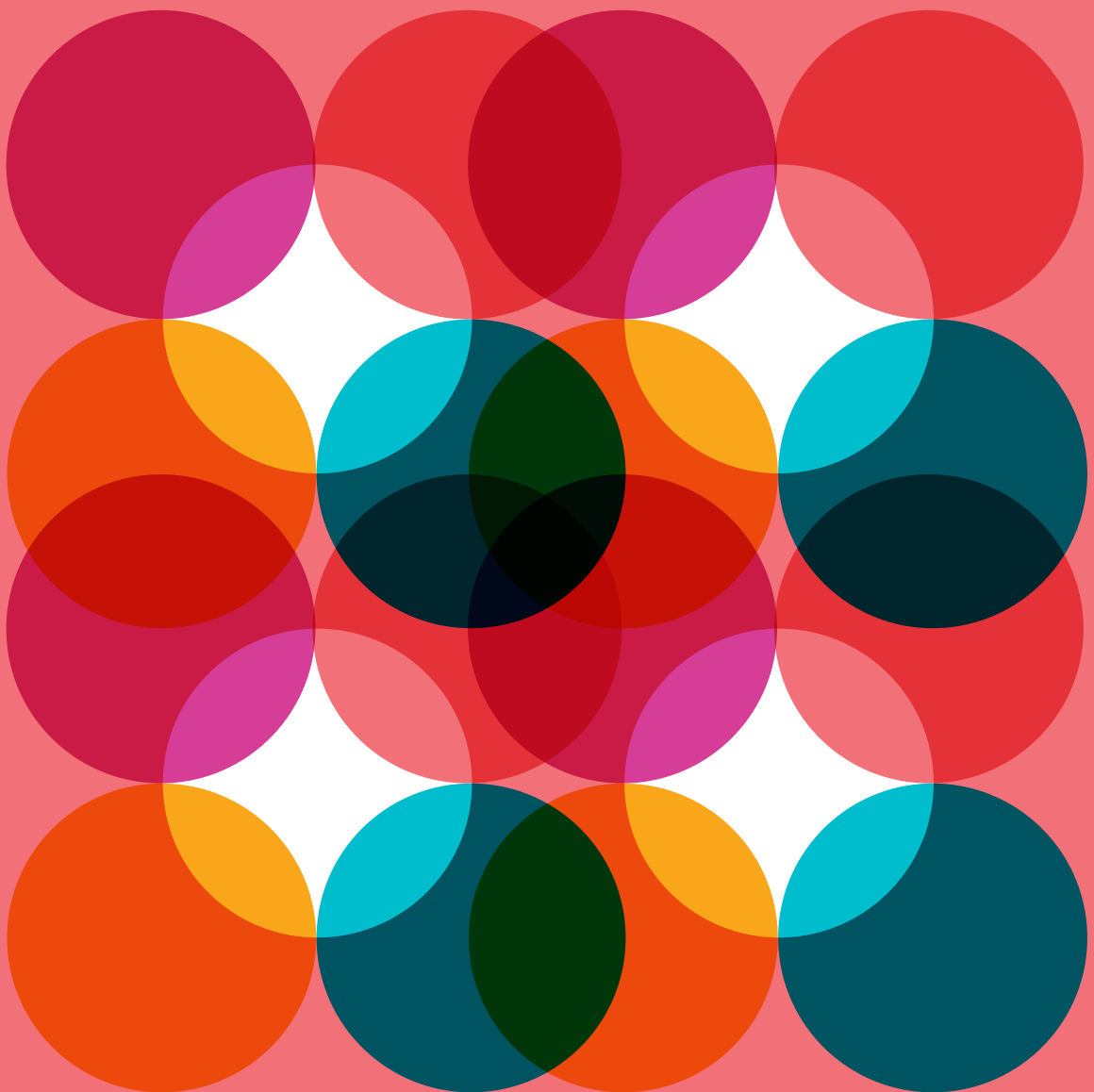
The event's dedicated website and social media campaign promoted the region's cultural offering in targeted European destinations such as the UK, Italy and Germany. Audiences not only were able to view the performance, but to interact with the show, exchange messages, and learn about upcoming tourism events and flight access. The event and surrounding social media campaign surpassed all expectations with a total reach of 1.7m and a 10% increase in bookings by Lufthansa by December 2012. The group plan to run a further eight live events in 2013 to build upon this momentum.

Significantly, this type of cross-sectoral project which involved partnership between transport, arts, technology and tourism sectors would not have been funded through existing enterprise programmes.

Backing a Vision for Change

Ongoing investment and support for continued experimentation and investigation at a public policy level will be necessary to break down barriers to cross-sectoral innovation.

In the current straightened times, the EC demonstrator model offers a way to consolidate and build on the 4CNW pilot phase. It simultaneously offers the means to tackle some of the structural and strategic issues outlined, as scarce resources are focussed on a few areas that promise to maintain or develop competitive advantage for peripheral regional economies.



Section 4

Ideas & Options

A Creative Industries Demonstrator Proposal

A systematic approach

At the cornerstone of a new systematic needs driven approach, outlined in the Commission's *Smart Guide to Service Innovation*, the demonstrator is designed to foster economic growth by addressing a specific problem or societal challenge through service innovation¹⁶. Under the recently launched Horizon 2020 programme 2014-2020, the European Commission will support a small number of large scale demonstrator actions.

Large Scale Demonstrator Projects

In large scale demonstrator projects, the EC provides support to incentivise development and test new approaches so as to stimulate innovation at regional level. The large scale refers to the roll-out of a staged process of experimentation and implementation, aimed at addressing specific challenges and encouraging institutional change. Demonstrators move from the small scale prototypes of pilot projects to large scale near-market projects in which a range of solutions can be tested under real- life conditions to tackle a specific need or problem or to support a vision for change for the better.

A Creative Industries Demonstrator for **Europe's Northern Periphery** **Why it's a good idea**

A Creative Industries Demonstrator for Europe's Northern Periphery would support the development of new measures to promote cross-innovation and widen the impact of the creative industries as a driver of innovation in the wider economy. It would provide the necessary financial support and the appropriate timeframe and environment to continue investigating and testing new service systems, with a specific focus on the transfer of creative knowledge and skills to the wider business and enterprise ecosystem.

¹⁶ Smart Guide to Service Innovation, EC (2012)

The demonstrator would make it possible to tackle the challenge of providing new types of business support to a particularly sensitive group of firms: start-up and early-stage innovative companies with high-growth international potential. In Europe's Northern Periphery many of these operate in areas where there are unproven markets or technology or established applications for their products and services. Their value proposition can, therefore, be difficult to quantify and they find it difficult to get their business off the ground and achieve market penetration.

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The market development approach and the environment of cross-industry understanding cultivated in the 4CNW pilot helped to reduce the market risks that affect these firms. For example, the provision of the 4CNW Discovery Events increased the likelihood that businesses from other sectors understand the value that they can obtain from the application of creative services and hence increase their likelihood of employing such services.

The rationale for developing and expanding 4CNW actions to address the "market failure" when it comes to the application of creative input to industry is clear. The pilot phase showed that what is needed is a specific capacity-building mechanism to grow the knowledge and awareness within industry as to the value of creative services and couple this with incentives to allow the value of such services to be showcased and demonstrated.

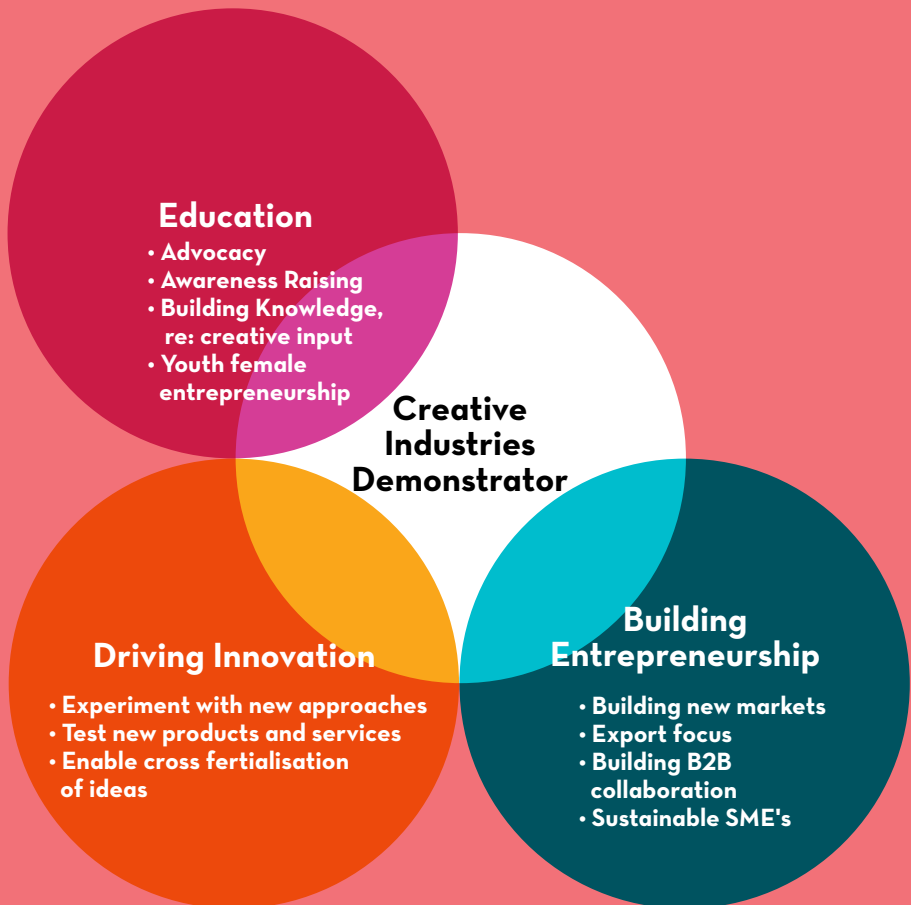
The holistic, bespoke business supports offered by 4CNW provided a more coordinated and targeted response towards stimulating new markets, enhancing competitiveness and innovation showing that together the benefits realised are greater than the sum of the parts that exist independently. This is in contrast to other types of business support which are more familiar to businesses such as capital investment grants.

The transnational dimension of the 4CNW programme played a very important role in achieving its objectives. The demonstrator process would facilitate cross-border work on joint activities to continue with regional and trans-regional partners, avoiding duplication of effort and resources. This in turn would enable experimentation with larger service system solutions.

A New Service Systems Enabler

There is evident need for the added value offered by Creative Industries to be made apparent to the broader business community and there is also a requirement to upskill the creative industries to enable them to undertake more complex challenges.

The Creative Industries Demonstrator could be structured around three core pillars as illustrated in the diagram.



The Demonstrator could provide essential support to scale-up and de-risk the development of the next phase of concrete action; encouraging engagement with new stakeholders and users across Europe. It could facilitate the identification of clusters of expertise and opportunities for new transnational partnerships, as well as providing a new more flexible mechanism to link public and private actors and build bridging links between the creative and cultural industries and other policy areas.

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Marketing, dissemination and policy learning are integral features of the demonstrator model which could raise international awareness and local and public recognition of the important links between creativity and innovation. This major initiative could widen and test the veracity of new programme actions helping to overcome the disadvantage of peripheral regions to generate new service systems and growth models.

A Creative Industries Innovation Hub

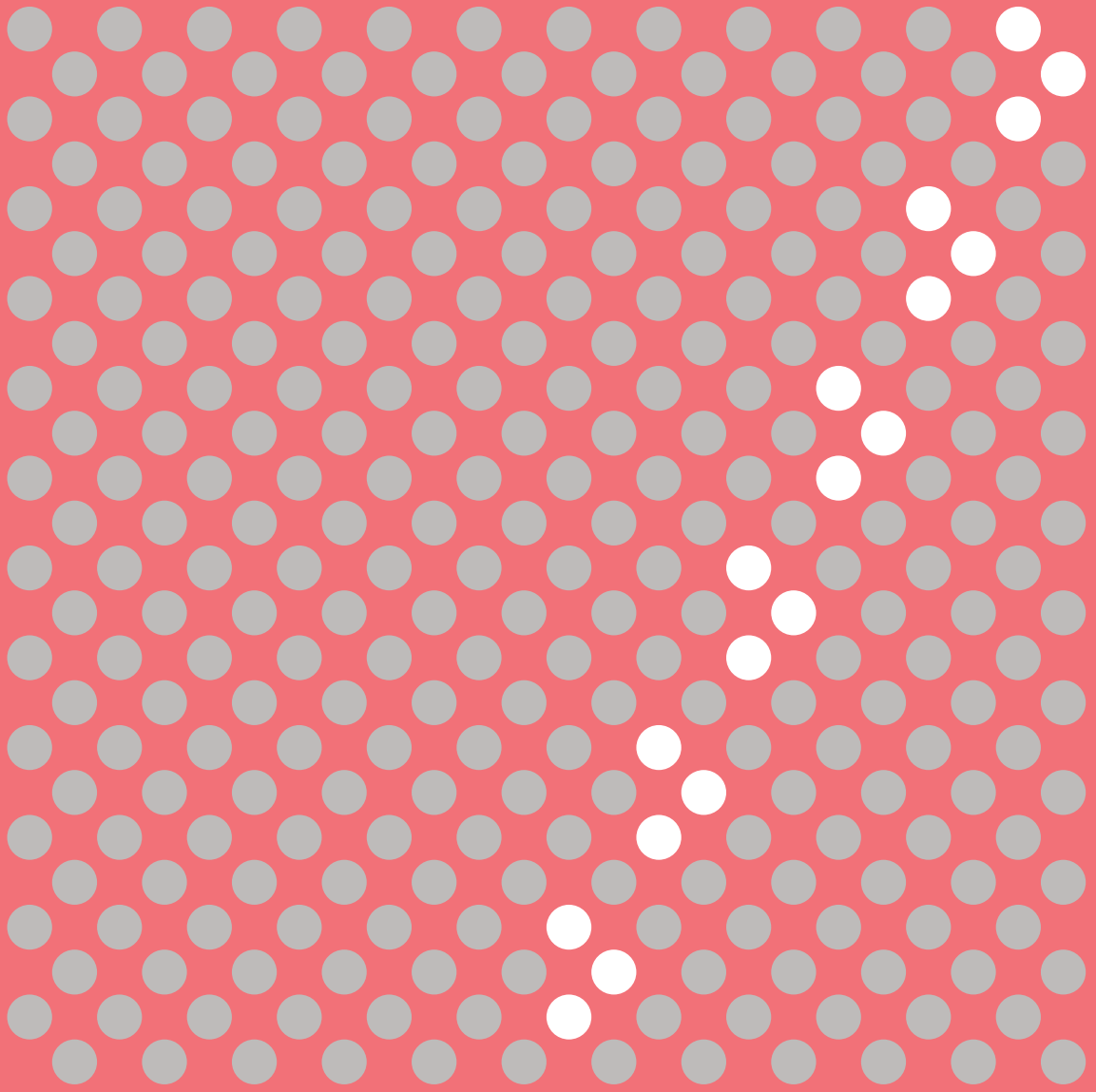
A Northern Periphery Creative Industries Demonstrator could lay the foundations for the establishment of a world-renowned creative industries hub designed to deliver excellence to business through the exchange and experience of creative knowledge and skills.

Establish a world renowned Creative Industries Innovation Hub

Ireland is home to a cluster of some of the largest most dynamic technology firms in the world which include Google, Twitter, Facebook, LinkedIn and Dropbox - all of whom have their European Headquarters in Ireland. Building on the learning and experience from the Sligo backed pilot 4CNW Innovation Programme, Ireland could use the Demonstrator approach to scale up for the next phase of development and work towards the establishment of a world-renowned Creative Industries Innovation Hub to drive collaboration between the creative, technology and enterprise sectors leading to the development and commercialisation of new creative technologies, products and services.

“4CNW challenged us to think creatively about our online needs. This led to a new approach to online marketing and the rebranding of the organisation.”

Ian Kennedy Development Manager, Yeats Society Sligo



Section 5

Review & Policy Recommendations

Overall Review

The independent evaluation of the 4CNW programme demonstrated a huge latent capacity for the application of creative services and inputs across business sectors. The pilot highlighted a lack of capacity among SME's to define their creative needs and a lack of awareness of the depth of creative talent available in their local region. It highlights a need for capacity-building mechanisms to grow the knowledge and awareness within industry as to the value of creative services.

The operation of the pilot confirms that there is huge untapped potential within the creative industries in the project regions to expand and grow their businesses. The programme did allow the creative sector access to new potential clients and an opportunity to showcase their services that would not be available elsewhere. The application of the talent voucher fund proved an effective way to highlight the value of creative services to SME's in the wider economy. It created new avenues to markets and clients for creative industries while developing new solutions for participating businesses.

4CNW in effect highlighted market failure issues and demonstrated successful methods to address them via its programme actions. The holistic, bespoke business supports offered by 4CNW are welcomed as a good support and intervention measure by both the business sector and creative sector. Programme actions provided a co-ordinated and targeted response, towards stimulating new markets, enhancing competitiveness and innovation among many micro and small to medium firms across a range of enterprise sectors.

The evidence suggests that programme interventions like 4CNW will be required to steer the economy towards the use of creative knowledge. Enterprise development agencies and innovation service providers need to diversify the range of business supports they offer SME's, making much greater provision for the inclusion of creative services. The brokered matchmaking process was seen as very beneficial from both a creative supplier and business point of view.

Overall the talent voucher programme is a good incentive to get businesses to tackle creative issues and stimulate new business thinking. The programme allowed businesses to see and discover a wider range of creative talent available to them. It allowed them access and knowledge not only to the range of creative services that are available, but showed examples of how using such services can help their business and its sustainability.

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4CNW has shown the merits of what creative input can give to business in terms of value, changed thinking, opening mind-sets towards implementing new approaches to problems and thereby enhancing capacity, competitiveness and innovation in industry. Therefore there is strong merit in the continuation and expansion of 4CNW actions. 4CNW fits well within EU and Irish enterprise policy, especially in relation to driving the innovation agenda and development of entrepreneurship skills.

Policy Recommendations

The policy recommendations below are addressed to regional, national and European policy makers and all stakeholders interested in promoting structural change, modernising industrial and enterprise policy and in particular to decision makers in the field of creative and cultural industries. The recommendations are intended to illustrate how strategic support across different scales can offer SME's a favourable environment and support them to better capitalise on the creative industries. They are designed to enable businesses remain competitive in global value chains that include both manufacturing and services.

In respect of the learning and the challenges highlighted in this report, it is possible to identify recommendations to develop policy efforts that will contribute to maximising the positive effects of the creative and cultural industries in moving towards the creative economy.

Europe

European Commission

The European Commission enabled Sligo County Council to test new approaches to business support, which drew on creative competencies to foster better business advantage in Europe's Northern Periphery region. In the current economic climate, where funding and resources are scarce, an experimental programme such as 4CNW would not have been possible if not for the financial backing provided by the Commission and the wider ECIA policy development framework.

Going forward, it is vital that public and private authorities across member states continue with transnational, experimental processes and that they are helped to develop new structures to drive the transversal role of the creative industries as an accelerator of innovation in the wider economy.

The following recommendations directed to the **European Commission** are designed to facilitate and support this work;

- Support a Northern Periphery Creative Industries Demonstrator to encourage cross-sector growth partnerships focused on the transfer of creative knowledge and skills to the wider economy. This will enable the development of new service systems and solutions to boost innovation in peripheral regional economies
- Invest in the development of enabling processes that build mutual understanding between different sectors, such as Brokerage and Matchmaking services in order to support more complex collaborations which focus on the cross-fertilisation of ideas into new products and services
- Continue to support transnational platforms, real and virtual, which facilitate learning and knowledge exchange between policy makers and practitioners from different sectors and member states. These platforms should connect members to project actions with which they can interact and potentially benefit from

Ireland

National Level

4CNW has shown that vouchers are an effective business tool to stimulate cross-innovation which offer SME's and early-stage businesses a financial incentive to innovate their products and services and to grow their business through creative input.

Policy action and intervention is needed at national level to harness the full benefits of the creative industries for the Irish economy. Institutional cooperation and coordination is a clear need, both in public-public and in public-private partnerships to promote opportunities for cross-sector growth and to develop links between enterprise, innovation, arts and cultural bodies and agencies.

The Creative Industries Demonstrator proposed in this report offers a way to maintain the process of experimentation and implementation that will be needed to design and develop new programmes and instruments to integrate creative knowledge and skills in the wider economy.

The recommendations are designed to harness the wealth generating potential of the creative and cultural industries throughout the Irish economy. If implemented, they will support the Government to deliver on its job creation targets as set out in the annual Action Plan for Jobs and its economic development priority to promote the development of the knowledge economy and innovation and to get the economy moving.

The following recommendations are directed to;

The Department of Jobs, Enterprise & Innovation

- Adopt the widespread roll-out of a Cross-Sectoral Innovation Voucher Scheme to stimulate demand for creative services in micro and small to medium enterprises and build entrepreneurialism in the creative sector. This will strengthen micro and small to medium enterprises and creative micro businesses and foster new relationships between them**
- Establish an expert Creative Industries Steering Group to facilitate institutional cooperation and coordination in support of the creative industries and to promote cross-sectoral innovation. A core function of the group would be to advise and propose implementation measures**

to progress key actions from the 4CNW evaluation in consultation with key national agencies and representative bodies across all relevant sectors

- Invest in the development of a Creative Industries Strategy to improve the framework conditions for the creative and cultural industries and to ensure that the voucher forms part of a proactive, systematic, policy-driven approach to growth. This will ensure the best leverage effect for creative enterprises and the Irish economy
- Include Creative Industries as a Disruptive Reform in the Action Plan for Jobs to promote cross-sectoral innovation as an objective in its own right that can be proactively pursued through concrete policy measures. Take a lead on the proposed Northern Periphery Creative Industries Demonstrator to continue the process of experimentation and implementation

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National & Regional Agencies - Policy and Development

4CNW has demonstrated that intermediary enterprise agencies - together with sector-specific development agencies and representative bodies - have a pivotal role to play in promoting and advocating the importance of creative knowledge for business. In the implementation of the pilot phase this was largely confined to co-operating on marketing and promotional drives focused on Open Calls for the voucher fund and the Creative Directory. Enterprise and business development agencies could play a much more developmental proactive role, driving creative knowledge transfer in the wider enterprise ecosystem.

The recommendations to National Agencies are intended to support such action;

- Stimulate new markets and enhance SME competitiveness by promoting creativity as an accelerator of innovation in the wider economy and by cultivating cross-industry partnerships
- Diversify the business supports offered to SME's making much greater provision for creative service supports
- Engage with the Creative Industries Demonstrator Proposal to facilitate continued experimentation and investigation into new types of business support for start-up and early-stage innovative companies with high-growth international potential

Local Level

Local Authorities

Under legislation introduced by the Irish Government in 2014, Local Authorities will now have responsibility for key economic development functions, operating Local Enterprise Offices and Business Development Units, sustaining and creating jobs through their direct links to enterprise and local knowledge and driving growth and competitiveness at local level through their leadership role in partnership with other agencies. This will widen the reach and coordination role of local authorities and provide them with an enhanced role in economic development and enterprise.

Under the revised functions, local authorities will be responsible for the development of regional spatial economic strategies and the preparation of economic development plans to proactively direct support towards enterprise and economic development.

It is recommended that Local Authorities;

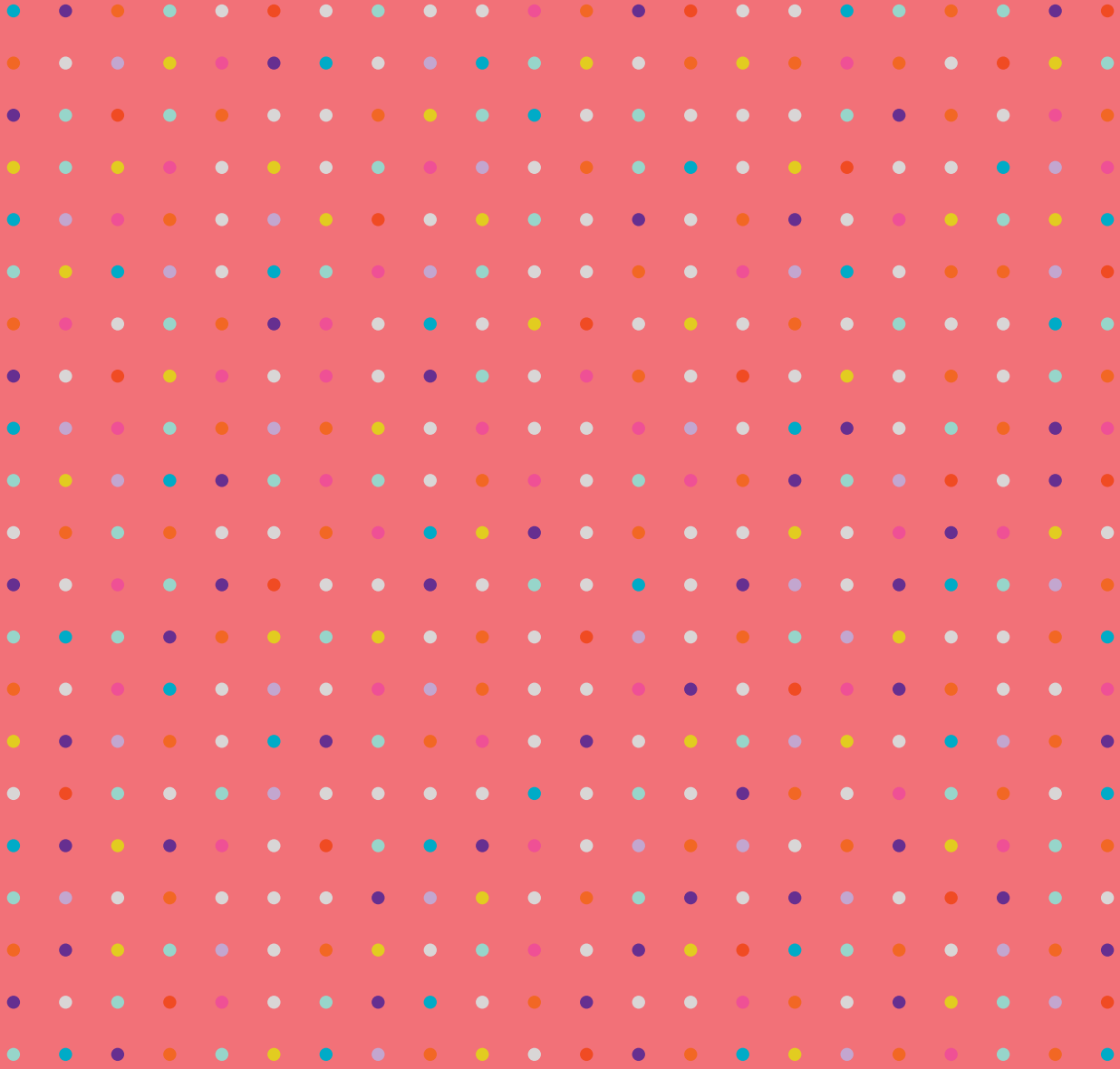
- **Support the widespread roll-out of a cross-sectoral Innovation Voucher Scheme as a tool to facilitate experimentation in micro and small to medium enterprises and to build entrepreneurial capacity in the creative industries at county level**
- **Use the establishment of the LEO's to encourage a change in public administration culture that promotes joined-up approaches**
- **Foster greater levels of co-operation and collaboration with an emphasis on interdepartmental linkages between culture, enterprise and planning departments**
- **Make specific provision for the creative and cultural industries in regional spatial economic strategies and economic development plans to grow and develop this dynamic sector for local economies**
- **Adopt creativity as a cross-cutting theme in city and county development plans, in a similar way to the role ICT currently plays**

“This 4CNW project gave us the confidence and focus to develop the web and social media element of our business. It helped us to identify new markets and work more closely with other related businesses in the area. We have measurable results already and we have a lot more work to do.”

Brian Caliendo Proprietor, Liber Bookshop

We agree. Everyone has lots more work to do. Let's do it.

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- Local Authorities: Donegal Leitrim, Mayo and Roscommon
- Western Development Commission, Ireland
- Border Midland and Western Regional Authority, Ireland
- Northern Ireland Broker: NORIBIC
- Scotland Broker: Cultural Enterprise Office CEO
- Sligo County Enterprise Board
- Sligo Leader Partnership Company
- Business Innovation Centre Sligo Institute Technology
- The Digital Hub, Dublin
- The Crafts Council of Ireland
- The Arts Council of Ireland
- CREATE National Arts Development Agency
- NUIG Whitaker Centre
- The Nerve Centre, Derry NI
- Digital Circle, Belfast, NI
- NESTA, UK
- Aston Business School, UK
- Department of Culture, Arts & Leisure; DCAL, NI
- Scottish Enterprise
- Invest Northern Ireland
- Scottish Interface
- Creative Scotland
- Arts Council of NI

National Enterprise Development Agencies:

- Enterprise Ireland
- InterTrade Ireland
- National Network of City & County Enterprise Boards

Irish Government Departments:

- Department of Jobs, Enterprise & Innovation
- Department of Environment, Community & Local Government
- Department of Transport, Tourism and Sport
- Department of Agriculture, Food and the Marine
- Department of Arts, Heritage & the Gaeltacht
- Irish Regions Office, Brussels

ECIA Platform Members:

- The Province of Milan, Coordinators of ECIA Innovation Voucher Concrete Actions
- ECIA Innovation Vouchers Concrete Actions: VINCI (Austria) FADINS (Barcelona) Innova Creativity (Bilbao)

European Commission:

- Directorate General Enterprise and Industry Unit 5

Remembering the late John Coll, 1961-2013

Sligo County Council wants to acknowledge the contribution of the late John Coll 1961-2013. John represented Mayo County Council as the Director of Community Enterprise and Integrated Planning on the 4CNW Expert Panel. He gave generously of his time and considerable knowledge to the programme and is fondly remembered by all who worked with him.

Ar dheis Dé go raibh a anam dilís

Report prepared by:

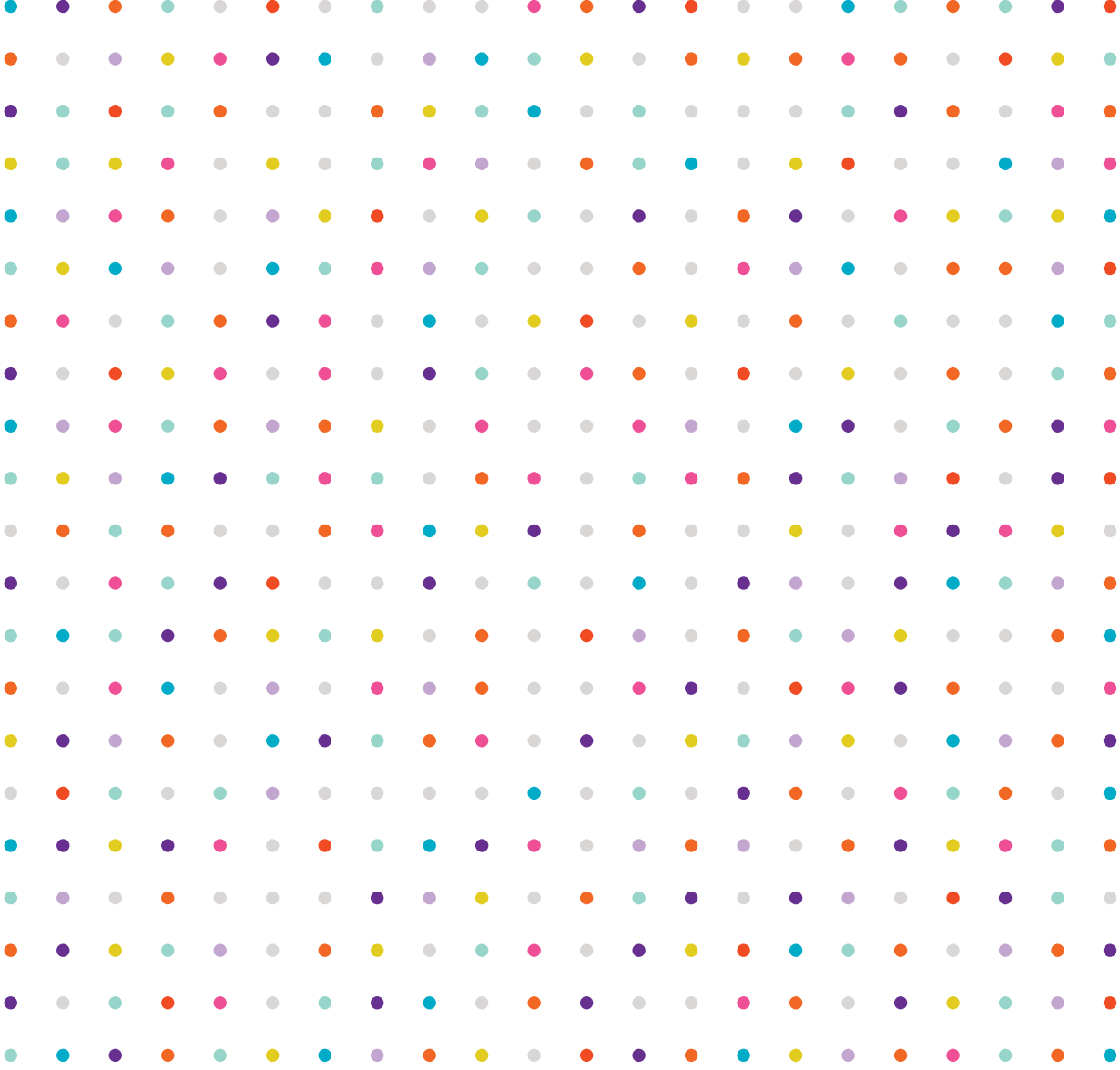
Mary McAuliffe | Programme Director

Creative State North West

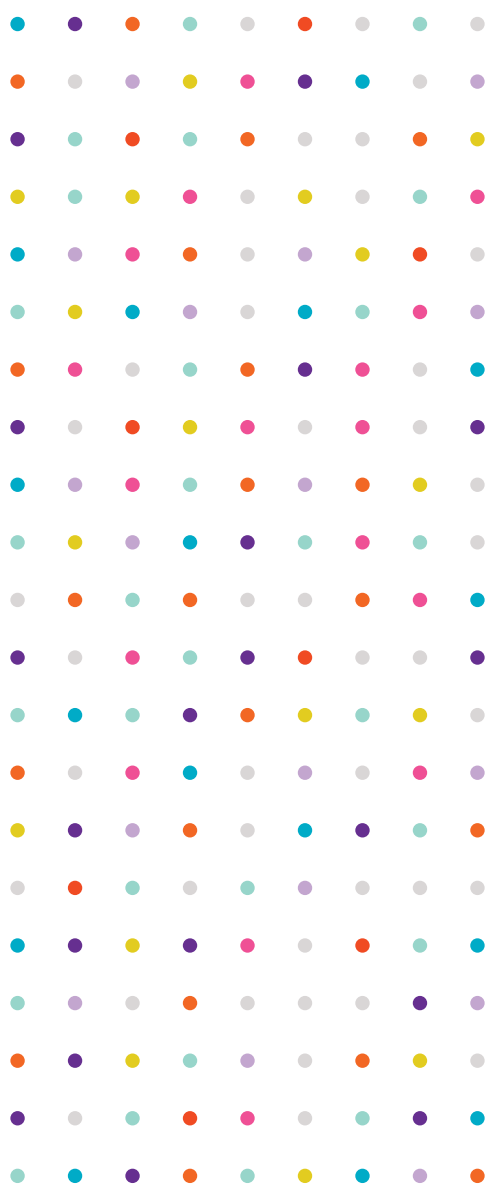
Sligo County Council, City Hall, Quay Street, Sligo.

March 2014

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Glossary of terms



4CNW

Creative Challenge Celtic Crescent North West

EU

European Union

EC

European Commission

ECIA

European Creative Industries Alliance

CCI's

Creative and Cultural Industries

CI's

Creative Industries

CDB

County Development Board

CSI

Creative Sligo Initiative

WDC

Western Development Commission

NUIG

National University Ireland - Galway

SME's

Small and Medium Enterprises

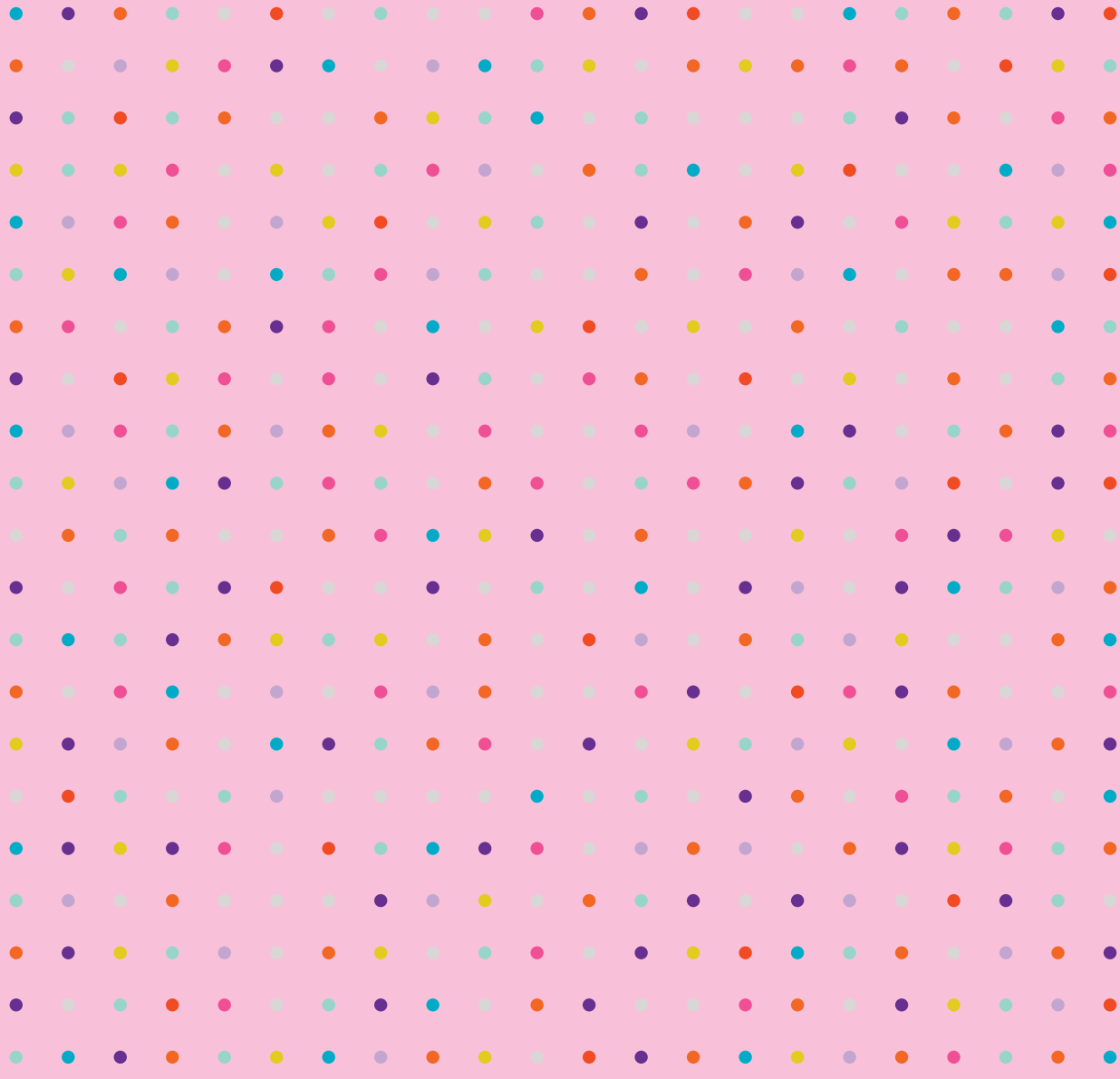
ICT

Information Communications Technology

SMART Objectives

- Specific
- Measurable
- Attainable
- Realistic
- Timely

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Colophon

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County Hall

Riverside

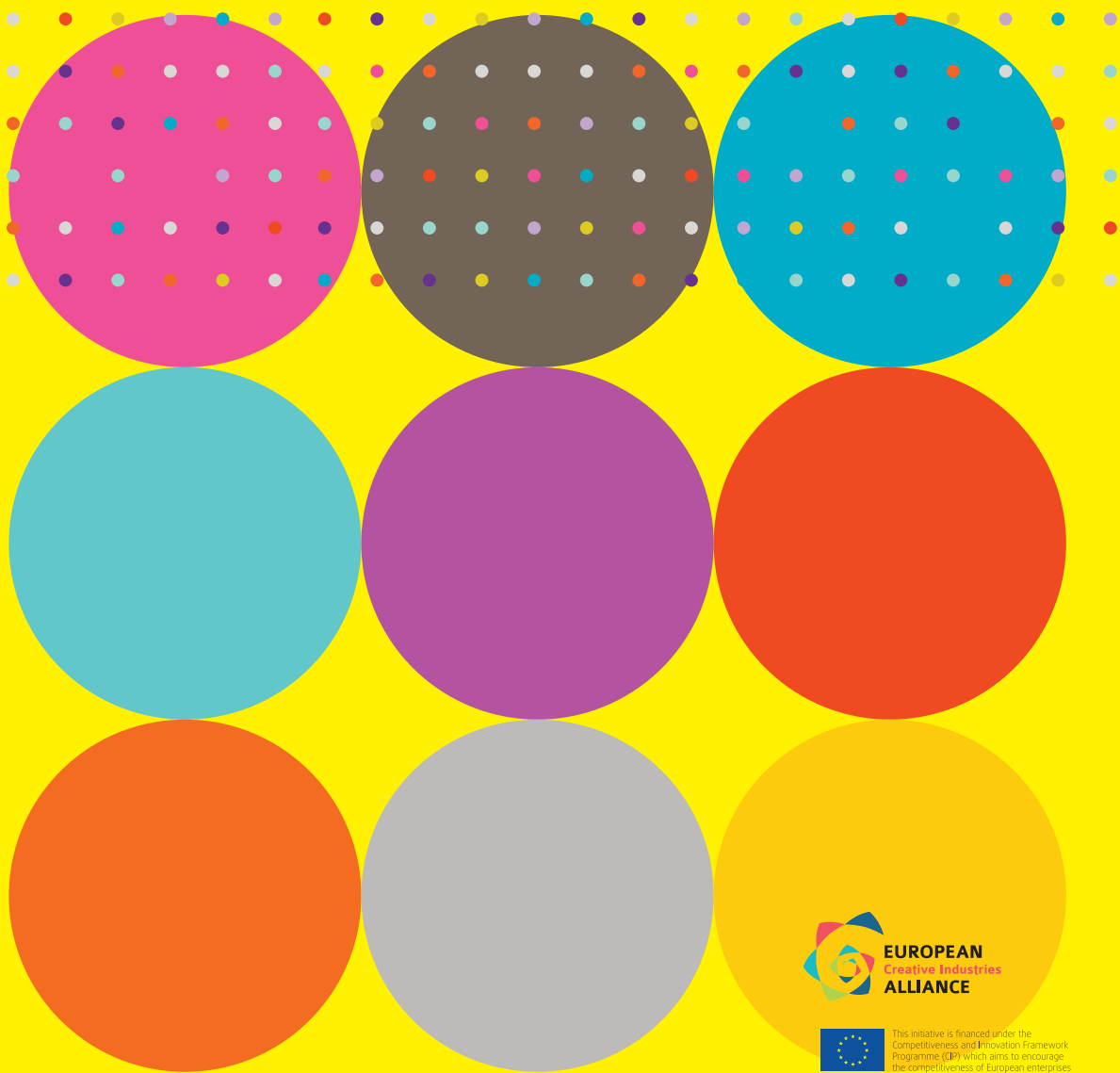
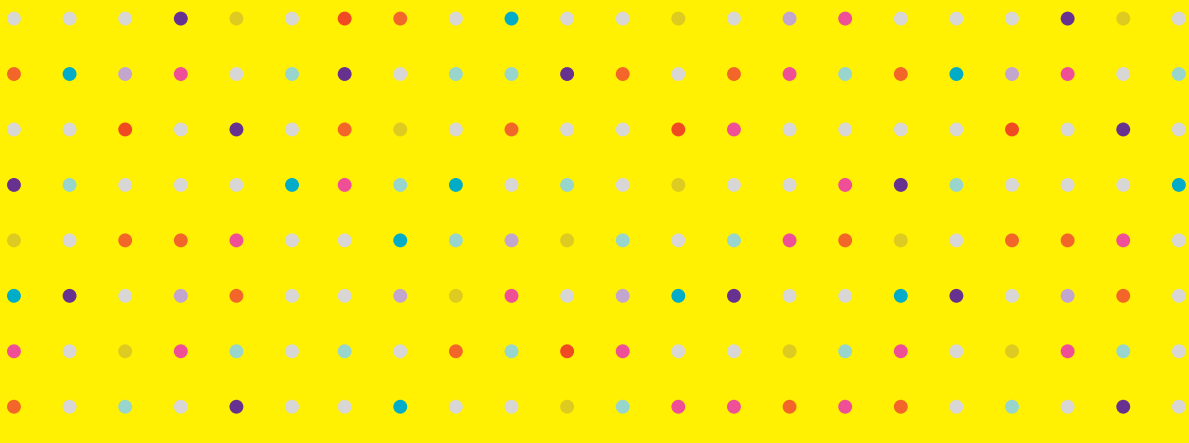
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