The creative production and consumption milieu

Creative City Challenge
Framework Report 6.1

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1 Introduction

1.1 The Creative City Challenge project

The importance of innovation and creativity for the competitiveness of the European economy can hardly be underestimated. The Lisbon agenda, which aims at making the European Union the most competitive and dynamic knowledge-based economy in the world by 2010, recognises innovation as a key driver of the economic performance of cities and city-regions in the current post-industrial economy. The European Year of Creativity and Innovation has reconfirmed the need for Europe to strengthen its capacity for creativity and innovation, in order to be able to cope with the challenges of globalisation.

To enhance their innovative capacity, many cities strive to place the ‘creative city’ concept on their policy agenda. Current policies focus on improving entrepreneurship in creative industries, on building networks of entrepreneurs or providing space for such activities, and on developing creative zones, incubator spaces or hotspots. Still lacking however, is an integrated evidence-based strategy for cities to strengthen their innovative capacity that also explicitly takes into account the interactions between these local policies and the goals set in Lisbon and Gothenburg.

The INTERREG IVB project Creative City Challenge (CCC) aims to build and implement such a strategy by means of a methodology of pilot projects developed and carried out by, and in, cities across the North Sea Region (Figure 1). These pilots will take the triple helix of ‘organisational capacity’ of government, knowledge institutions and private businesses as a starting point, thus contributing to a strong programme of transnational interchange of learning, materials and best practice. Disseminating the outcomes of the project will unlock a formidable potential in improving the innovative capacity and competitiveness of cities in the EU, and the North Sea Region in particular.

1.2 Objectives of the Framework Report

The current Framework Report is the result of Activity 6.1 of Work Package 6 on Research-based Strategy Development. It is carried out in close relation to Activity 6.2, which entails a SWOT analysis, and the two Baseline Reports written in the framework of Activity 5.1 (Smit, 2010a/b). The main objectives of the Framework Report are:

- to provide a knowledge base for the ‘academic check’ and other activities within (particularly) WP6;
- to position the various elements of the project (work packages, but also activities within these WPs and concrete pilot projects) in relation to each other, strengthening the coherence of the project;
- to position the various parts of the project within the creative city debate;
- to provide means for the operationalisation of WP3-5.

The report is based primarily on literature review, but literature review itself is not its purpose. Rather, it builds on the many extensive reviews of the creative economy that already exist, to provide a concise overview of various aspects of the creative economy, as well as the factors that define their development. It does so in close relation to the structure of the Creative City Challenge project and to the various activities planned within the framework of this project. Hence, the Framework Report not only explains the project’s knowledge base, structure and coherence, but also gives ‘outsiders’ an extensive overview of the project.
Figure 1: The North Sea Region and the cities and regions involved in the CCC partnership.


1.3 Structure of the report

The report is structured logically according to the various components of the creative production and consumption milieu. Chapter 2 first briefly discusses the relevance of the creative economy, its definition and its general characteristics. After that, it provides a framework of analysis that structures the analyses carried out within the project – particularly within WP6 – as well as the report itself.

Chapter 3 then focuses in creative entrepreneurship (roughly corresponding to WP3 of the CCC project), Chapter 4 discusses the role of networking and cooperation for creative businesses development (WP4), and Chapter 5 and 6 the development of creative clusters, zones and cities (WP5). Finally, Chapter 7 syntheses the knowledge base described in the previous chapters, linking it explicitly to the project structure of the CCC project.

The qualities of the creative production and consumption milieu that are being discussed will be illustrated by means of a series of examples. These have been taken from cities participating in the CCC project as well as from other cities. Some overlap with existing overviews of pilot projects in other deliverables of the project, in particular WFB (2010), could not be avoided.
2 Role and importance of creative industries in urban development

2.1 Introduction

Much importance is being attached to the creative industries due to the claim that it is a growing economic domain with a valuable contribution to local and regional economy, and with significant potential to create jobs. Around the turn of the century, it was observed in many countries that growth rates of the value of output or the number of jobs were larger in this industry than in the economy as a whole. This was mainly due to a very rapid growth of the number of starting firms, seen by many as a sign of vitality of local or regional economies. By now, it has become clear that creative sectors are also susceptible to economic downturn or market saturation. There are indeed signs that growth of the creative industry is slowing, and that some sectors are even in decline (cf. Higher Education Academy et al., 2007:25). Nevertheless, there are still good reasons to consider the creative industries to have a long-term value for economic performance and competitiveness of cities and urban regions, as many of the processes behind the rise of the creative industries appear to be structural.

2.2 Long-term value of the creative economy

The creative economy has been considered a hype in recent years, but research findings indicate that it also has a lasting value for local urban policy. However, in practice many aspects of what the creative economy means for cities remain black boxes, particularly with respect to the role of amenities and ‘intangibles’ such as authenticity, tolerance, identity etc. At the same time both the creative economy and the overarching processes behind it point at an increasing economic importance of exactly these elements.

The origin of the economy relates to some overarching processes of societal change that are beyond its emergence, and that are structural rather than momentary: economic (globalisation, service economy) as well as political (vanishing national borders), technological (ICT and transport), and socio-cultural (consumption) in nature. Three elements in particular are important with regard to the emergence of the creative city thesis (cf. Henry, 2007; Fernández-Maldonado and Romein, 2008; Trip and Romein, 2009):

1. competitive high-cost urban economies cannot compete on mass products, production of which is constantly being relocated to low-costs environments. Whereas this process used to involve only the production of goods, it increasingly also entails the production of services;

2. consumer markets in advanced economies have shifted from supply to demand driven, from a manufacturing-based economy to one that is essentially consumption-based. A highly volatile ‘experience economy’ has emerged, in which the ‘aesthetic reflexivity’ of consumers has become essential in structuring the demand for products and services. As a result, the consumption of symbolic values, experiences, diversity and authenticity of goods and services, but also urban spaces and atmospheres, has become very important;

3. more recent, the sustainability of cities has become a prevalent focus. This entails environmental sustainability, induced by issues such as decreasing biodiversity, public health and climate change. However, it also means cities must become sustainable in an economic and social sense. The intertwinement of economic and sustainability objectives in the EU’s Lisbon and
Gothenburg agendas (cf. CEC, 2005) and the Leipzig Charter clearly illustrates, and partly reinforces, this development. This implies that social cohesion, cultural identity, regeneration and re-imaging of cities are becoming increasingly important objectives (Brown, 2007:134).

As a result, the post-industrial urban economy must focus increasingly on symbolic values. Cities therefore depend on a shift of their production structures towards knowledge-intensive and creative design activities, and a stronger focus on urban quality and quality of life. The creative economy underscores this deep seated transformation. Hence, a capacity for rapid and permanent innovation and the engagement of people in creative activities have become crucial. Rather than being complementary, innovation and creativity now constitute the main activity of a broad range of industries. As Henry (2007:199) states, the creative economy “… can help to renew the mainstream economy through increasing the core value-adding factors of innovation and design”. Moreover, it may be a catalysing sector or ‘honey pot’ which attracts other sectors along with a high qualified workforce (Henry, op.cit:198, 207; Flemming, 2007:108).

2.3 Definition, peculiarities and size of the creative economy

The creative industries are marked by a high number of microenterprises, freelancers and start-up companies. According to recent studies, it is estimated that in the EU member states about 6.4 million people are working in the creative sector; most of them in 1.4. million microenterprises or as freelancers. One should be aware however, that such estimations should be ‘handled with care’; they are often based on data that are to a considerable extent incompatible due to the use of different concepts, definitions, and typologies of creative activities.

It is generally assumed that the earliest definition of the creative industries is the one by the British Department for Media, Culture and Sport. In its 1998 Creative Industries Mapping Document, DCMS (1998:3) defined these as “… those activities which have their origin in individual creativity, skill and talent and which have the opportunity for wealth and job creation through the generation of intellectual inputs and economic performances. In general however, there exists a considerable variety of definitions, even within countries, without a single one prevailing.

In spite of the existence of definitions of the creative segment of the urban economy, this is in some way similar to other segments. The successes or bottlenecks for further growth of creative industries can indeed be determined by the same indicators as for other industries, including numbers of start-up firms or new jobs, contribution to GNP or GRP, access to necessary production factors like investment capital and qualified workers, or size and stability of markets. Nevertheless, creative industries take a variety of specific economic forms and structures that are in many cases substantially different to those prevalent in other industries. In general, there is consensus of opinion that creative industries distinguish themselves by the following features (cf. CURDS, 2001; Henry, 2007; Pratt, 2004; Rutten et al., 2005; Higher Education Academy et al., 2007):

- a bifurcated size distribution of firms, composed of large numbers of small and micro-businesses (in particular in original content creation) and small numbers of very large organisations (particularly in finance, re-production, marketing, and distribution and sales);
- a working environment that is characterised by rapid technological and social changes, extreme competition, and transient relationships with customers;
mixed economies; some firms and branches are wholly commercial, but others also depend on other sources of investment capital and revenues, including subsidies, grants and voluntary activities;

- a demand-driven activity system that requires rapidly changing activities and products, due to rapidly changing tastes and fashions;

- a great significance of ‘money for time’ type of revenue generation and ‘time limited projects’, in particular in content creation, and consequently a strong tradition of portfolio working.

These features entail that a considerable share of the microenterprises consists of self-employed, freelancers (Henry, 2007:203, 206) and flexible entrepreneurs or dual job holders (Taylor, 2007:189; Brown, 2007:132; Higher Education Academy et al., 2007:23). The project mode of working implies that these enterprises can swell temporarily to a much larger size by taking on freelancers to achieve and execute a specific project. In some creative branches, microenterprises in original content creation face a subordinate economic position in a buyers market that is dominated by much larger firms in finance, exploitation and distribution of their creations. Rutten et al. (2005) for instance sketch the low proportions of total revenues in the value chain of audiovisual industry in the Netherlands that are received by the producers.

The above common features of creative industries are, off course, generalisations that cover a considerable diversity within this industry: each branch or creative form has its particular characteristics. This diversity is being characterised for simplicity by, again, a considerable diversity of typologies that all consist of several groups of more or less similar activities. The grouping together of activities in typologies of the creative industry is most often based on a mapping of these activities onto NACE or SIC codes.¹ The DCMS 1998 Mapping Document for instance identifies 13 different types of creative industries, including advertising, architecture, design, music, performing arts, and software and computer services. Only occasionally, other typologies of creative activities that are not based on mapping onto NACE codes are being used, such as these by stage of growth and maturity of firms (Pestarak, 2007), by stage in the value chain and by business model (NESTA, 2006, in: Oakley and Sperry, 2008). Many typologies, particularly those based on NACE or SIC codes, are not based on comprehensive empirical research on creative industries, and take the particular features of these industries into account only implicitly. Together with the lack of a prevailing definition, this makes it rather impossible to correctly assess what activities are part or no part of the creative industry, and the industry’s size and development over time.

A main problem with regard to the mapping of creative activities onto NACE codes is that these codes reflect the ‘traditional’ economic organisation, composed of agriculture, manufacturing, construction, retail, producer and public services etc. This makes many creative activities hard to classify, even while the European NACE classification has been adjusted (NACE Rev.2 replaced NACE Rev. 1.1 on 1 January 2008) to better suit the growth of the creative industries.

There is another, more fundamental problem related to most standard statistics, however. These tend to be structured according the core business of firms. This means creative workers in ‘traditional’ business are not taken into account. This may exclude a considerable number of creative workers, working for instance in the design or marketing departments of large manufacturing firms. On the other hand, not all employees in the creative industries are actually involved in creative production (Rutten et al., 2005). In particular Markusen (2004) therefore suggests to focus on occupations, rather than business classifications. As Markusen (2006) show, such a method may provide a richer

¹ Respectively the EU classification Nomenclature statistique des activités économiques dans la Communauté européenne and the worldwide Standard Industrial Classification. The classification systems largely correspond.
understanding of the regional creative economy, and a very different estimation of its size. Nevertheless, this is still not a common approach.

Table 1 presents an indicative overview of concentration of employment in the creative industries in a number of cities. Due to the abovementioned data problems, a number of definitions and sources have been applied, which is likely to cause part of the differences between such cities as Vienna and New York. National differences in definition are compensated for by considering the location quotient, which shows the size of a city’s creative economy compared to the national average. It is clear that considerable differences exists between cities with regard to the relative size of the creative economy, and that not every city is a ‘creative city’ to the same extent. The cities listed in Table 1 all rank above the national average in their country, however.

Table 1: Employment concentration in creative industries by city, by national definition.

<table>
<thead>
<tr>
<th>city</th>
<th>employment in creative industries as percentage of total employment</th>
<th>city location quotient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Copenhagen</td>
<td>16.0</td>
<td>1.7</td>
</tr>
<tr>
<td>Vienna</td>
<td>14.0</td>
<td>2.8</td>
</tr>
<tr>
<td>New York</td>
<td>8.1</td>
<td>3.7</td>
</tr>
<tr>
<td>Berlin</td>
<td>8.0</td>
<td>2.7</td>
</tr>
<tr>
<td>London</td>
<td>8.0</td>
<td>1.6</td>
</tr>
<tr>
<td>Rio de Janeiro</td>
<td>7.0</td>
<td>3.0</td>
</tr>
<tr>
<td>Glasgow</td>
<td>7.0</td>
<td>1.2</td>
</tr>
<tr>
<td>Amsterdam</td>
<td>6.9</td>
<td>2.3</td>
</tr>
<tr>
<td>Paris</td>
<td>6.3</td>
<td>1.8</td>
</tr>
<tr>
<td>Barcelona</td>
<td>5.5-8.0</td>
<td>2.6</td>
</tr>
<tr>
<td>Auckland</td>
<td>5.1</td>
<td>2.1</td>
</tr>
<tr>
<td>Montreal</td>
<td>5.1</td>
<td>1.7</td>
</tr>
<tr>
<td>Toronto</td>
<td>4.4</td>
<td>1.4</td>
</tr>
<tr>
<td>Manchester</td>
<td>3.5</td>
<td>1.4</td>
</tr>
<tr>
<td>Rotterdam</td>
<td>3.2</td>
<td>1.1</td>
</tr>
<tr>
<td>Dublin</td>
<td>3.1</td>
<td>1.5</td>
</tr>
</tbody>
</table>

Note: 1) various sources, definitions and years; 2) location quotient = percentage of city/percentage of national employment in creative sectors.

Also for the cities in the North Sea Region, involved in the CCC project, various of creative industries definitions are likely to apply, resulting in a seemingly wide variety of creative industries size. The creative economy in these cities will be discussed in length in the SWOT Report 6.2.

2.4 Creative production and consumption milieus

Two perspectives on the creative economy prevail both in scientific literature and policy practice:

1. a production milieu or business oriented approach, which focuses on the role of creative industries as generators of innovation. This perspective considers the creative industries as a ‘normal’ economic sector, although with some rather specific characteristics: small, but crucial for the innovativeness of the urban economy, and to a large extent based on small firms and face-to-face

2. a consumption milieu or people oriented approach, which emphasizes the role of cities in attracting creative talent. This perspective is somewhat more controversial, as it starts from the assumption that ‘jobs follow people’, or ‘labour follows capital’, which is opposite to the traditional view. Thus, cities should be attractive to creative talent, and businesses will follow. Most renown advocate of the people approach is Richard Florida (2002; 2005a/b), who based his (broader) creative class concept largely on the ‘jobs follow people’ assumption. Related to this is also the work of Jane Jacobs (1961; 1969) and for instance Clark (2004), who focuses on the role of urban amenities in economic development.

While both perspectives are largely separated in literature and policy, it can be contended that they are complementary and that a well performing creative industry needs both a creative production and consumption milieu (Trip and Romein, 2009). Creative industries cannot flourish in an ‘creativity-unfriendly’ urban environment that puts off creative entrepreneurs and employees, or even consumers for their creative products. Nevertheless, in practice creative city policy tend to focus mostly on the production milieu, while policies with regard to the consumption milieu, such as amenities, quality of life or housing, have a more general focus on urban development.

2.5 Framework of analysis

Urban space is neither an empty medium nor a neutral category in which ‘things’ are localised and activities take place. Instead, it is both an expression of social identities and relationships and a medium that (re)produces these identities and relationships. Three different types of space have ‘disentangled’ from the delimited city in the course of time: the social space, the symbolic space, and the physical space (Asbeek Brusse et al., 2002). Social space involves the spatial embeddedness of functional relationships: i.e. how space is being used for these relationships in order to keep activity systems – including the creative economy – vital and dynamic. Symbolic space represents the perception of identity of places and the feelings that perception creates with the users of places. Finally, the physical space includes both the spatial morphology and the pattern of localisation of urban functions in this morphology, i.e. their presence and spatial distribution across the built-up environment of premises and venues. These types of space are dynamic; they change under the influence of societal processes, although each according to its own particular pattern. A main form of their change is an increasing multi-layeredness, in particular of the social space. Furthermore, these spaces’ dynamics are interrelated; i.e. they mutually impact upon one another.

Each of the three types of space has qualities that contribute more or less to a creative production and/or consumption milieu. Typically, these two milieus intertwine to a great extent in the creative city. Connected to their increasing multi-layeredness, these different spatial qualities are appreciated by creative entrepreneurs or other types of workers on different geographical scales, in particular the city-region, city or district within the city. Furthermore, characteristics of the people involved are vital as well, not only for how they assess and appreciate the spatial qualities of spaces, but also because of their entrepreneurial qualities. Table 2 presents an overview of the wide range of factors that are or may be relevant for the WPs of the CCC project. It is based on a synthesis of various sources and lines of thought from this and other projects. WP3 (entrepreneurship and skills development) mainly involves factors related to people, while WP 4 (networks and dialogue) and WP 5 (creative clusters, hotspots) chiefly involve social, spatial and symbolic place qualities.

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### Table 2: Factors for growth and development of the creative production (P) and consumption (C) milieu, in relation to CCC work packages.

<table>
<thead>
<tr>
<th>WP</th>
<th>Entrepreneurship</th>
<th>Qualities of people, entrepreneurs</th>
<th>Social place quality</th>
<th>Physical/spatial place quality</th>
<th>Symbolic place quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>WP3</td>
<td>number of students in ‘creative’ studies (P)</td>
<td>cooperation between higher education institutions and creative sector (P)</td>
<td>‘creative’ training, education and research infrastructure (P)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>near graduates with ambitions to start a business (P)</td>
<td>creative business start-ups (P)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>mix of ‘passion’ and ‘economic drive’ (P)</td>
<td>management skills and capabilities (P)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WP4</td>
<td>capability to connect to internal and external relation networks with creative industries (P)</td>
<td>accessibility and openness of relation networks with creative industries (P)</td>
<td>concentrations of businesses, creative and other (P)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>24/7 meeting places; ‘third places’ (P)</td>
<td>diverse labour pool (P)</td>
<td>educational and research infrastructure (P)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>diversity of jobs (C)</td>
<td>liveliness, ‘street life’ (P/C)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WP5</td>
<td>diverse population (C)</td>
<td>concentrations of businesses, creative and other (P)</td>
<td>authentic cultural heritage (P/C)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>liveliness, ‘street life’ (P/C)</td>
<td>supply/prices of working spaces (P)</td>
<td>‘narrative’/‘DNA’ of a city (P/C)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>tolerance to social diversity and other cultures (P/C)</td>
<td>idem housing (C)</td>
<td>sense of solidarity, community (P/C)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>architectural quality (P/C)</td>
<td>amenities for households (C)</td>
<td>‘creative’ image (P/C)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>availability of combined living/working dwellings (P/C)</td>
<td>diversity and density of built environment(P/C)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>presence of business amenities (P/C)</td>
<td>architectural quality (P/C)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2.6 The limits of creative city policy

The remainder of this report discusses the qualities of creative entrepreneurs and the qualities of creative production and consumption milieus. Two things must be kept in mind all times, however, that pose certain limits to the potential of creative city policy.

First, it is essential to take into account that creative businesses and entrepreneurs are no homogeneous group. There is no such thing as ‘the’ creative economy. Creative businesses, like all businesses, differ in scope, scale and stage of development. While many may favour the typical...
creative milieu evoked by gurus and in textbooks, others might not. Old buildings, street life and a salad bowl of subcultures may appeal to the more ‘artistic’ branches of the creative industries, it is not necessarily the ideal location for larger and more technological firms. Likewise, creative workers and entrepreneurs of various age and in various stages of their life, with children or without, all have different preferences regarding housing, amenities and working spaces (cf. Kotkin, 2000; Florida, 2008). Some indeed want to live between the pub and the multicultural market, but others prefer parks and good schools for their children when it concerns their daily residential environment. Creative city policy therefore should address a range of location and housing preferences.

Second, not all factors that contribute to an attractive creative production and consumption milieu are equally susceptible of local policy. In particular ‘intangible’ elements such as tolerance, authenticity or liveliness can hardly be planned or planned for; but where they happen to exist, they are often part of a subtle balance, which policy interventions may effectively destroy. Any creative city policy should therefore take into account the limits to planning power and capability, and leave sufficient room for bottom-up initiatives and unplanned developments.
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3 Entrepreneurship and skills development

3.1 Introduction
The first important dimension for growth and development of the urban creative economy is the quality of entrepreneurship in creative activities. Adequate technical and specialist skills and capabilities are vital for creative entrepreneurs to achieve the innovations for sustainable growth and development of their firms. In general, Work Package 3 (WP3) of the CCC project targets on support and development of creative entrepreneurs’ skills. It consists of a cross-national research programme to assess and identify the key business skills barriers and enablers that may result into the creation of tools, in particular learning materials and mentoring networks for skills development.

As Table 2 illustrates, the significance of entrepreneurship in the development of a city’s or region’s creative economy is being determined first and foremost by the number of potential new entrepreneurs in creative activities. The larger the number of students in creative studies, like arts, media, design and architecture, the larger this potential number. Their number is, however, a rather invalid indicator for successful entrepreneurship. The step forward from being a student to a successful creative entrepreneur requires some necessary intermediate conditions: he or she must have the ambition to start a business when close to graduation, actually start one, have the right mix of talent and passion for producing creative goods or services as well as the economic drive that is necessary to make these commercially successful, and finally have the required management skills for the latter.

The below sections subsequently discuss some main barriers to growth of creative enterprises insofar these are connected to entrepreneurial skills, and present some tools to strengthen these skills. Important for obtaining the required talent, passion, drive and skills are the quality of the locally present infrastructure of higher education, research and practice and theory, including apprenticeship and mentorship.

3.2 Barriers to growth of creative enterprises
The large proportions of microenterprises and freelancers in creative industries is partly but not wholly explained by a recent starting date. As mentioned in Chapter 2, a subordinate position of microenterprises in the bifurcated organization structure of several creative branches has restrained their growth. Moreover, there appears a considerable extent of restraint by traditional branches and financial institutions to enter into businesslike relations with young and small creative enterprises due to a lack of trust and supposed high levels of risks. These enterprises’ pay off capacity is indeed often unsteady due to their temporary project dependent mode of revenue generation. Both funders and formally structured firms in traditional branches are suspicious of the reliability of these small enterprises as business partners because of both the on average long lag times between idea creation and delivery and the large extent of their dependence on ‘people as assets’. Overall however, there appears simply a lack of understanding by both funders and many traditional enterprises of how creative businesses work (Caves, 2000; Henry, 2007; Ó Cinnéide & Henry, 2007; Flemming, 2007; Brown, 2007; Pestrak, 2007).

The financial barriers to growth for creative enterprises are not only a matter of reluctance and lack of understanding by funders, but also of discouraging attitudes of these entrepreneurs and a lack of understanding of how funders work. In a more general sense, they suffer from two deficiencies: a lack
of ambition to grow beyond the current scale and a lack of management skills to navigate a company to growth. Viability and growth potential of a creative enterprise requires that an initial creative idea must be turned into a commercial product that can be marketed. Creative entrepreneurs should not "passionate and playful [...] initiators who can bring about the creation of newness, novel products and processes or technologies, [but also be] able to extend these skills or ways to working to corporate venturing for profit". However, many creative entrepreneurs – particularly but not exclusively in arts - consider the stages of creation and commercialization hard to reconcile and tend to attach much importance to the first while disregarding the latter, and therewith the ambition to growth, for fear of damaging their creative integrity (see e.g. Rutten et al., 2005; Pestrak, 2007; Rae, 2007; Flemming, 2007; Higher Education Academy et al., 2007; Jacobs, 2009). One of the characteristics of creative industries according to Caves (2000) is that workers in these industries care so much about originality of their goods and integrity of their style of working and living that they are willing to settle for lower wages than offered by 'humdrum' jobs.

According to a recent report on the role of higher education in promoting creative entrepreneurship in the UK, the fear for damaging creative integrity is also being explained by robust and widely held conventional stereotypes of entrepreneurs and entrepreneurship in art, design and media academies (Higher Education Academy et al., 2007). The academic community tends to place a higher value on cultural and creative originality than on commercial success. These stereotypes are often inappropriate role models for students, suggesting that entrepreneurship is something beyond their reach and not relevant, or even detrimental to their activities. The report concludes that “students and graduates in art, design and media are uncomfortable with the term entrepreneur” (Higher Education Academy et al., op. cit.:67). Dany Jacobs – reader at the lectorate (faculty) of Arts, Culture & Economy of the ArtEZ Institute of the Arts in Arnhem, the Netherlands – observes that many creative people in both arts and technology disregard the steps to commercialize their creations.

On the other hand however, “[these students and graduates] also ascribe characteristics to entrepreneurs that they value in themselves” and “a significantly higher number of them [compared
with students in non-creative subjects] aim to start their own business or operate as professional freelancers” (Higher Education Academy et al., 2007:67). An evaluation of bottlenecks for the development of some main creative industries in the Netherlands by Rutten et al. (2005:3) also concludes that “the rejection of commercialization for fear of losing artistic integrity or aesthetic quality is no longer at stake by the large majority of workers” [our translation]. But whatever the current commercial attitude of creative students and entrepreneurs is, establishing a non-conventional image of entrepreneurship requires permanent attention by institutes for higher education (e.g. Brown, 2007; Taylor, 2007; Jacobs, 2009). For, the bifurcated structure of many creative sectors makes starting its own business or operating as a freelancer often a mere necessity, in spite of high risks and unstable income, rather than a privileged opportunity.

For practical skills training to be effective, various gaps between the two worlds of entrepreneurs and training institutions need to be bridged. First and foremost; employers and practitioners need to commit to training and development and it has to be clear what qualifications they need. The flipside of this coin is that it is known which training modules are available and accessible for them. Evident as these observations may appear, the Creative Blueprint Summary for Scotland (Creative & Cultural Skills, 2008:5) identifies both as a main challenge to address. Furthermore, a main challenge to address by knowledge communities and higher education institutes in creative disciplines is to enlarge the availability of adequate teaching methods and materials for immediate practical use. These materials are produced in lesser quantity than academic research output because these appears to be held in lower esteem and are less remunerative in the prevailing assessment and finance model of the academic community. Moreover, there is a ‘cultural discontinuity’ (Rae, 2007) between the formal educational system that is predicated on formal goals, targets and standards while education for creative activities should emphasize experiment and discovery. Finally, the scarcity of adequate teaching materials for creative entrepreneurship can be explained by a commercial argument: creative firms form an unappealing market for commercial training institutes because of their extraordinary diversity cum small size and limited cash flows.

3.3 Tools to strengthen entrepreneurship

Focusing on management skills and capabilities, Pestrak (2007:111-2) summarizes four different types of deficiencies, challenges in his words, that need to be addressed: strategic thinking, i.e. making the choices about the direction the firm should go and what needs to be done to get there;

**YES!Delft Creative**

An example of an initiative joint government-university initiative is a feasibility study for the foundation of a creative incubator in the Dutch secondary city of Delft for a selected group of near graduates of its University of Technology (TUD). The study was carried out at the TUD but co-financed by the municipality. This incubator is provisionally labelled YES!Delft Creative, after the example YES!Delft: an incubator for graduates of faculties of ‘hard sciences’ that was started up in 2005. Selected participants in YES!Delft stay there and receive support for three years. Thus far, more than half of those who completed this term has indicated to prefer continuing their business in Delft, and the municipality has kept in touch with them in order to facilitate their stay in the city. YES!Delft has been rather successful: about 150 jobs in new businesses. This success has raised the question whether a second incubator, for graduates of the creative faculties of the TUD, in particular Architecture and Industrial Design, was feasible. One of the prime issues of the feasibility study is the procedure to select participants to the possible future creative incubator with regard to issues like innovativeness and market potential of their ideas.

Source: Sleebos (2009a); see also e.g. Montgomery (2007), Bergek & Norrman (2008).
leadership, i.e. the ability to define and implement the organizational structure and culture that make the assistants ‘do what they not necessarily want to do’; financial control, i.e. financial planning, budgeting, accounting and control per se; and management systems implementation. Further, for each of these, he proposes a few tools for improvement. On the whole, knowledge transfer and practical skills training play a major role in supplying these tools to entrepreneurs or entrepreneurs-to-be.

Both preceding and simultaneously to knowledge transfer and skills training, institutes for higher education in creative activities should establish a non-conventional image of entrepreneurship throughout the entire curriculum. This should be supplemented by practical skills training modules that are topic-specific and short-term by nature. These modules can be supplied to different groups of students, but are most effective if supplied to a selected group of students that are about to graduate and have well developed ideas and motivations to start a business. Practical training can take different forms, varying from plain teaching-based courses or work-based tutorials to active involvement of students in communities of practice. Personal contact with mentors in the protected environments of these communities enables students not only to experiment with new ideas and to ‘learning by doing’, but also to reflect on what they are actually doing. Mentors can inspire and motivate students, as well as educate them in the demands by these particular communities to starting entrepreneurs. Moreover, there is also the issue of practical skill training to entrepreneurs beyond start-up for sustained growth and accessing larger markets. For these new entrepreneurs, context-specific workshops and courses can be developed and supplied to them in their working environment (Brown, 2007; Higher Education Academy et al., 2007).

An example of a rather comprehensive tool is the Enterprise Resource Toolkit for self-tuition produced by the National Endowment for Science, Technology and the Arts (NESTA) in the UK. NESTA placed this toolkit that contains tested material for teaching enterprise skills on the Internet, free of charge, at the disposal of creative individuals who are thinking about setting up a business (NESTA, 2010). The core of the Toolkit consists of three ‘books’ that guide these entrepreneurs from the very start of a business (‘getting off the ground’) through the stage of what is needed to make it work (‘choosing your path’) towards a sustainable business (‘in it for the long haul’).
3.4 Incubator spaces

Overall, there is an important role to play for cooperation and collaborations in the triple helix of local (or regional) government, businesses and knowledge institutions for effective development of creative entrepreneurship. A frequently occurring manifestation of this cooperation is the incubator or breeding space for starting entrepreneurs. Although an incubator is not uncommonly considered a multi-tenant building that houses creative enterprises – as a matter of fact it often is such a building – it can also be conceived as a program to support starting entrepreneurs. As a program, it usually includes forms of knowledge transfer, in particular to upgrade the necessary management capabilities these starters need. It should be mentioned here that the knowledge obtained from formal modules is supplemented by the mutual sharing of tacit knowledge among the tenants in these buildings. Basically, most initiatives to start up and elaborate incubators are by governments or knowledge institutes, either on their own or in collaboration.
4 Networks and dialogue

4.1 Introduction

Networks of various kinds play a major role in the development of creative industries. This variety concerns first and foremost the types of interaction between the networked partners. These can be ‘material’ forward and backward linkages in value chains of creative production, but also socially determined relations of knowledge or information exchange, for instance about new technologies, rapidly changing markets etc. Further, the variety of kinds of networks involves the different types of partners that are involved. Quite a few scholars place emphasis on networks of only creative enterprises or entrepreneurs, but the importance that others attach to cooperation within the triple helix concept also refers to networks of these enterprises with a diversity of partners in ‘non-creative’ lines of business, higher education or departments of local government. Finally, networks differ in degree of formality or level of acquaintance of the participants. Triple helix based networks are quite often rather formal and produce officially documented dialogues, while others are much more informal and casual.

In the CCC project, Work Package 4, entitled Networks, Dialogue and Business Cooperation, aims at developing and implementing successful instruments to support networks of linkages between creative businesses and with traditional industries, knowledge institutions and public organisations. This is being sought after by means of a transnational exchange of knowledge and experiences derived from implementation and evaluation of pilot projects in all participating cities in the CCC project.

The first of the below sections discuss the significance of qualities of space of cities or city districts for the development of networks of creative entrepreneurs. As Table 2 shows, the qualities of places that matter most for network development are the physical (or spatial) and the social one. Further, the chapter comments on some variable characteristics of networks as such: the diversity of participants that determines their complex structure, their scale and their strength.

4.2 The qualities of space

The opportunities for building up or further advancement of networks of linkages between creative businesses in an urban area depend first and foremost on the degree of concentration of these businesses in this area. Creative enterprises tend to concentrate in specific urban spaces, in particular in the centres and adjacent old neighbourhoods of larger cities (e.g. Kloosterman, 2004; Manshanden and Jonkhoff, 2005; Markusen et al., 2008). Consequently, developing creative clusters has become a popular idea in urban policy making. Cluster theory in general defines economic clusters primarily by localisation economies which ease the entering of firms in certain industries into forward and backward linkages that spur up these industries’ value chain and, therewith, the regional economy. This approach considers cluster development to be based on savings on business-to-business transaction costs.

Many linkages between creative businesses can be well maintained by advanced ICTs over long distances and there is, in principle, little need for geographical clustering to save on transaction costs. Nevertheless, these businesses tend to concentrate remarkably often in the most expensive urban districts. Creative cluster development should therefore be analysed through a broader lens than only that of localisation economies. To start with, development due to localisation economies is a self-
reinforcing process: urban districts were many creative businesses have settled get a creative image that in its turn attracts other firms. An example is the development of a cultural industry cluster in the old buildings of the former NSDM shipyard in Amsterdam north of the river IJ (Ketelaars, 2009). Further, urbanisation economies like the availability of a large and diverse labour pool and the presence of a knowledge infrastructure would also contribute to the role of networks in the economic performance of the creative industry (Kloosterman, 2008; Scott, 2000, 2007), although it is stressed that the mere presence of labour and higher education and research institutes is a necessary but not a sufficient prerequisite.

Pratt (1997, 2004) argues that the creative industry cluster should be viewed as an exceptional type of cluster development due to the significant role that is being played by untraded and non-trade dependencies. Untraded dependencies are social values like acquaintance and trust as well as cultural values that influence business-to-business transactions, non-trade dependencies “the broad ‘buzz’ and experience of being ‘in the loop’ that often accompany untraded dependencies and their tendency to be rooted in place” (Pratt, 2004:8). From the point of view of place qualities, these dependencies imply that creative clusters development is explained by place qualities that promote social interaction. Often mentioned examples are a lively public space and street life and the presence of ‘third places’ as informal, non-regulated meeting spaces and gathering places of creative people, either entrepreneurs, freelancers or students. The extent to which entrepreneurs can take advantage for their business of meeting one another at such spaces depends on the one hand on the social and cultural openness of the local creative community and existing creative networks, and on the other hand on their actual social position in this community. Creative industry clusters may also originate from the social environment of the laboratories and instruction rooms of higher education institutes.

Reeperbahn Campus and Festival

On the pretext of ‘Creative industries meeting northern Europe’ the Reeperbahn Campus provides Hamburg with an annual ‘meeting point’, in September, for representatives of the creative industry. Further, it acts as an international communication platform. The Campus is an important component of Hamburg’s creative strategy; although organised by a private company (Ltd.), it is being supported by various public and semi-public institutions of both the Free State and the city of Hamburg. Its main focus is on IT and telecommunication, game industry, advertising, film production, design, but first and foremost on music industry. The Campus consists of a busy programme of workshops, dialogues, panel discussions and presentations that are relevant for creative industries in a few days time. In 2009 these were 27 special events in three days, visited by over 1000 creative professionals and journalists on topics like ‘new hope for the content of entertainment industry’ and ‘financial issues of tomorrow’s pop stars’. To foster the exchange of ideas and to promote discussions, unusual locations are chosen and media get-together events such as a thematic breakfast are being organised.

The major eye-catcher of the Campus is the international Reeperbahn Festival that is being held simultaneously. During its three days, some 150 to 200 bands ‘rock the former red-light district’ at over 20 stages in music clubs on and around the Reeperbahn for a much larger audience than only professionals in creative industries. The location of the Festival is branded by referring to the Reeperbahn as Germany’s largest and most compact club scene where, among other things, The Beatles started their world career. Within only three years time, since its first launch in 2006, the Festival has established a reputation as important international stage for newcomer bands. Several record companies as well as the European Broadcasting Union (EBU) and the Kiez Kongress, a conference for trainees of the event industry, now harness it as a forum. The line up of the Festival is already being contracted by international music export bureaus to go on tour, even to the USA. In January 2010, the kick-off of the tour was celebrated for the second time at the annual EuroSonic music festival in Groningen.

Sources: WFB (2010), relevant websites.
What is more, these networks are more open – socially and culturally – to newcomers who share a background as alumni of these institutes with those who are already ‘in’ than to others.

4.3 From value chains to networks

The effectiveness of creative industry clusters is often being represented by value chain models that consist of a few stages. A trendsetter is the one by Pratt (1997, 2004) that entails original content creation; manufacturing of proto-types; mass reproduction and distribution to end-user markets; and exchange and retail. The currently most frequently used model in the Netherlands includes – by and large – these same stages, supplemented with consumption as a fifth one. According to Rutten et al. (2004), this fifth link involves industrial branches that produce devices to enable consumption such as consumer electronics. As a simplification of reality, this model is not equally suitable to describe the value chain of all creative industries. It is for instance less suitable for forms of cultural industry that are produced on stage, like operas, instead of being mass-reproduced and retailed.

Value chain models tend to map the activities that make up the chain onto NACE codes of economic branches. Creative clusters however, are not necessarily represented by linked NACE codes of creative branches. Instead, they should be defined by linkages between creative departments or individuals in different firms which belong to industrial branches that may as such be traditional. Moreover, creative clusters also include supporting activities like knowledge transfer by higher education institutes, and practical skills training or research-based advice by consultancy firms. Practically, creative clusters can include many different types of participants who maintain more different patterns of relationships than straightforward value chain models represent. These models neglect the existence of more complex diachronic, synchronic and recursive interrelationships between all kinds of participants in creative production.

In a paragraph that is entitled ‘Cluster as production chain or knowledge pool?’, CURDS (2001) refers to the idea of a knowledge community as developed by Henry and Pinch (2000). Henry and Pinch present a case-study of ‘Motor Sport Valley’, a geographically concentrated regional node of knowledge based production of racing cars that is centred on Oxfordshire and stretches into East Anglia and Surrey and demonstrate the importance of processes of knowledge generation,
dissemination and circulation in this production. They define a knowledge community as a “group of people (principally designers, managers and engineers), often in separate organizations but united by a common sets of norms, values and understandings, who help to define the knowledge and production trajectories of the economic sector to which they belong” (CURDS, 2001:10). CURDS has transposed the idea of knowledge community into a schematic, but nevertheless very complex networked model of interrelations in creative industries, the creative knowledge pool.

At the centre of the knowledge pool are creative individuals and firms, and at its margins a diversity of activities that support creative industries. The former are mainly engaged in original content creation and the latter in activities like education and training, retail and specialized supportive services. Their location at the margin represents that most firms and organization that supply these service only fit partly in the knowledge pool of creative industry. Notably, ‘audience’ is also located at the margin of the model; its critical engagement as consumers helps to shape the evolution of the cluster. This is another, more convincing impact of consumption on creative industry development than the fabrication of electronic devices that is mentioned by Rutten et al. (2004). In between centre and margins of the scheme are associations and others types of collectives for mutual support that cooperate more directly with creative firms and individuals. This way of looking at clusters challenges the methods that depend on available standard NACE data.

**Figure 2**: The creative knowledge pool.
4.4 Scale and strength of networks

The networked knowledge pool is not connected to a particular geographical scale by definition. In practice however, many appear locally or regionally embedded, at best with only a few links on the global scale. Two examples are found in the Dutch region of the Randstad: audiovisual industry of television and film in its Northern Wing, particular the axis of the cities Hilversum – Amsterdam – Aalsmeer (Rutten et al., 2004, 2005), and architecture in the neighbouring cities of Rotterdam and Delft in its Southern Wing. The presence of the large Faculty of Architecture of the Delft University of Technology plays a significant role in this latter networked knowledge pool (Romein and Trip, 2009).

Quite a few scholars however, focus on the lower level of urban districts and emphasise the crucial role of face-to-face interactions for the development and growth of the creative industry. In her monograph on ‘how fashion, art and music drive New York City’, this is elaborated by Elizabeth Currid (2007) in chapters and paragraphs with telling titles like ‘The Economics of a Dance Floor’ and ‘The Importance of Nightlife’. The dance floor is a ‘third place’, a concept introduced by the sociologist Ray Oldenburg (1989). In contrast to the first place (home) and the second place (work), third places are for instance beer gardens, pubs, main streets, coffeehouses and book shops where people meet. But whereas Oldenburg considers third places primarily anchors of local community life that foster community vitality, Florida (2002) and Currid (op. cit.) emphasize their importance as places for creative people both to extend and exploit their networks.

It is usually being considered that the stronger the ties in networks, the more information and knowledge is being exchanged between their ‘members’, and the more they contribute to a flourishing creative industry. Strong ties usually develop within small, well defined groups of people that know each other very well and share a common mental frame. A common mental frame can, however, oppose rather than stimulate the new ways of thinking that are needed for innovations. Since the

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**Klub Analog / Klub Dialog, Bremen**

The platform Klub Analog started in February 2009 with the aim to set up a cross-sectoral networking instrument of the eleven core branches of the culture and creative industries in Bremen and its region. It was initiated by a consortium of representatives of a consultancy agency on strategy development and project management for culture and media industry, an event organizing agency, and the centre for cultural and creative manifestations ELZ, a former power plant. Regular exchange of ideas and information took place by means of presentations by core branches and panel discussions with well known actors of the culture and creative industries in Bremen. Cooperation between creative firms, between creative branches and with so-called traditional industries and funders were among the main subjects of debate. The name Klub Analog refers to the importance of actual meetings in the analogue world at times of digital networks and virtual teams. Altogether, eleven meetings with over 2,000 visitors and 200 subsidizers were held in Klub Elf2 in ELZ right next to the Bremen University of the Arts.

Due to the large response of Klub Analog, the platform is being continued in March 2010 as Klub Dialog. At the first meeting, the concept of Klub Dialog will be discussed and the book ‘Klub Analog’ will be presented. This book, edited by the cluster manager of the Klub Analog platform, is a voyage through the Bremen cultural and creative economy. Planned activities to intensify the dialogue both within the creative industry and with traditional industries are for example ‘house calls’ to survey the state-of-affairs of creative industry, a monthly table for regulars in a pub for all persons interested, and ‘Meet and Eat’. Meet and Eat meetings will take place five times in 2010 with 11 people out of 11 creative industry branches in the centre for design Wilhelm Wagenfeld Haus and is free of charge. The people, directors or managers as well as ‘common employees’ in order to avoid a closed-shop feeling, will be selected and invited by the Klub Dialog team. In addition, journalists or/and PR managers will be invited to report on the meetings.

Sources: WFB (2010), relevant websites.
frequently cited paper *The Strength of Weak Ties* by Granovetter (1973), it is quite frequently observed by both Granovetter and others (e.g. Florida, 2002; Currid, 2007) that weak ties are often more important than strong ties. Florida (2002:276) describes this conclusion as follows: "[…] research on social networks has shown that weak ties are the key mechanism for mobilizing resources, ideas and information, whether for finding a job, solving a problem, launching a new product or establishing a new enterprise". Hence, arguments that consider face-to-face contacts based on proximity essential for cumulative learning and, hence, for innovations (e.g. Kloosterman, 2004) are not always as valid as is being suggested; such contacts can also hasten the development of an ‘old boys network’ with a shared mental frame that hampers innovations. This implies that the development of networks should not be too much preordained, i.e. they should be open to people who test and if necessary even subvert their conventions.
5 Creative clusters and hotspots, buildings and neighbourhoods

5.1 Introduction

Work Package 5 of the Creative City Challenge project involves the development of creative clusters, hotspots, and zones. This entails all three types of place qualities – physical, social and symbolic – rather than the qualities of people, except for those cases in which the presence of people itself constitutes a specific place quality, such as for instance liveness. However, although WP5 mainly focuses on the intra-urban scale, it also addresses the urban or regional scale of ‘creative city’.

The spatial aspect of the creative neighbourhood or city therefore involves a variety of spatial scales, and on each scale the set of relevant factors may be different (Trip, 2007a). For instance, the qualities of working spaces, and the design of public space are more relevant on lower scales, while factors such as tolerance and cultural amenities may rather be considered on a higher scale. Therefore, the discussion on this issue is split in two. The current chapter discusses creative clusters on the level of individual buildings and creative neighbourhood development – and everything in between – while Chapter 6 deals with the creative city on an urban scale.

The below sections subsequently discuss the social qualities of creative neighbourhoods and zone (predominantly a diversity of people), their spatial and physical qualities (the availability of working and living spaces and amenities) and their symbolic qualities (the way places are experienced).

5.2 Diversity of people

The exchange of knowledge is of great significance for success of creative production processes. Long-distance contacts may be vital for this, especially when it concerns highly specialized and catalogued knowledge (cf. Granovetter, 1973; Bathelt et al., 2004). In many creative value chains, however, success depends, more strongly on unexpected encounters and spontaneous exchange of tacit knowledge, ideas and inspiration. Such exchanges occur not only between businesses or individuals within the same business. Many innovations are based on new, unexpected combinations of existing ideas from different sectors (cf. Jacobs, 1969), or, as Hall (1998:19) says ‘the ability to transfer ideas from one circuit into another’. This requires that there are ‘many such circuits’, hence social and economical diversity.

On a daily base, a large part of this interaction takes place by local, personal contacts. What Storper and Venables (2002:4) call ‘buzz’ comprises it all: “… the heart of the matter lies in the various effects of face-to-face contact, which we will refer to collectively as the ‘buzz’ of the city. This is not a new idea, but it seems possible today to specify what it is about face-to-face contact that creates buzz, and why buzz should be an economically-important enough force to contribute significantly to the agglomeration of economic activity and persons in an age where both physical transportation costs and the costs and ability to transmit information have declined so significantly’. Even if it basically involves a type of informal networking, ‘buzz’ therefore has a strong spatial component since it is tied to a specific community of creative professionals – entrepreneurs and employees – and the paces where they meet each other informally, in ‘third places’ such as cafés, restaurants and cultural venues. The encounters we discuss here are coincidental by nature, but the probabilities that these occur can be enlarged by the presence of such places.
However, apart from professionals being involved in ‘buzz’, the creative production and consumption milieu requires the presence of people on a more general level. A diversity of people means liveliness, and a diversity of ideas, influences and sources of inspiration, even if not all these people are involved in the creative economy themselves.

Such diversity requires tolerance to social and cultural differences. This entails minorities and subcultures being emancipated and being able to fully participate in society, rather than merely being tolerated. One important aspect of this is the social climate, which is relevant mostly on city level and hence will be discussed in Chapter 6. Nonetheless, at least two forms of tolerance are highly relevant also on smaller scale levels.

First, there is the question to which extent various groups are being tolerated in public space. In particular private control, which is common for instance in the UK and the US, is often assumed to hamper the accessibility of public space for groups considered less desirable from a commercial point of view, or that are expected to cause trouble of any kind: teenagers, skaters, homeless, beggars and street musicians, or people suspected to belong to such groups (cf. Zukin, 1995:28-34). Exclusion of certain groups is not necessarily due to formal rules, however. Nor is it necessarily based on deliberate intentions. Specific social groups or subcultures may dominate public space – a park, square or neighbourhood – to such an extent that they effectively ban other groups from their presumed ‘turf’. This relates to the second aspect relevant here, the social climate on a neighbourhood level. In many cities, creative industries and in particular young creative talent show a preference for relatively inexpensive 19th century neighbourhoods around the city centre. Before this process sets in, these neighbourhoods may be decayed, poor and unsafe. For instance in the large cities in the Netherlands, the older neighbourhoods around the inner cities are largely populated by immigrant and low income groups whose values and attitudes may be quite incompatible with that of the ‘creative class’, let alone artists, bohemians or alone gays. Socio-economic inequality may increase this, as it tend to increase polarization between groups.

Last but not least, liveliness and street life are important factors of the creative urban milieu. Jane Jacobs (1961) already stressed that a vital neighbourhood has to be a lively neighbourhood. Even if a large diversity of people exists, one should be able to meet them. In terms of a creative production and consumption milieu, this implies more than busy streets. It also means there must be opportunities – places or events – where creative entrepreneurs have a reasonable change of meeting relevant people such as other creative minds, potential costumers or creative graduates. Particularly in smaller cities, this issue is relevant mainly on a city level. In larger neighbourhoods, with a more extensive creative community, it may also be a point of attention for neighbourhood development.

5.3 The built environment: housing, working space, and amenities

Numerous spatial and physical place qualities may contribute to a creative production and consumption milieu. Some are relevant primarily on an urban scale and will be discussed in Chapter 6. Most, however, have at least some importance on the scale of a neighbourhood or building.

Creative city ‘gurus’ such as Richard Florida provide remarkably little insight in the implications of their ideas for concrete spatial development (cf. Peck, 2005:745). It mostly boils down to what has already been said by Jane Jacobs (1961), and which has since then been repeated (if not necessarily put in practice) by an increasing number of urban planners and developers. Jacobs stated that vital neighbourhoods need liveliness and a diversity of small and large, old and new buildings, to

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2 The spatial qualities of creative milieus are extensively discussed in the Baseline Report 5.1.1 (Smit, 2010a).
Heart’s blood for the Bahnhofsviertel

Since its time of origin the historical ‘Bahnhofsviertel’ of Oldenburg has been an important quarter for industries, gastronomies, services and habitation side by side. Currently the main focus shifts to services, culture- and creative entrepreneurship. The mixture of red-light milieus, banks and culture gives this quarter its distinctive character. This area is also characterized by brownfields and vacancy.

April 2008 the council of Oldenburg decided on the guidelines for the redevelopment of the Bahnhofsviertel, aiming at repairing this quarter in order to enhancing the attractiveness for investors, and making the Bahnhofsviertel a creative, lively and exciting cynosure beyond its own boundaries caused by its variety activities. The Kulturetage Oldenburg is actively involved in the process, with the intention to look after the peoples interests in this quarter, and give them a creative expression concerning their interests, wishes and visions.

The plans for the Bahnhofsviertel include a cultural axis, a public pedestrian link through the quarter linking the different cultural amenities and connecting the quarter to a planned high-quality living district at the city harbour. In addition, Quarter Square will constitute a public place for event venues and as meeting point, for people to linger and communicate. Both are being designed by the urban planners is shaped by a lively, people-oriented development which leaves its marks in the further implementation of the official planning. Also, a high-quality living district will be developed on a fallow in the east part of the Bahnhofsviertel.

Kulturetage intends to leave the development of this area not merely to planners and redevelopment experts, but to support people-oriented, creative impulses for shaping the future by setting creative and temporary interventions in the quarter. The documentation of this process is a central challenge because most documentation so far has been created for the archives, rather than for everyday life. The documentation will be created in order to be useful and inspiring for other initiatives, urban planners and urban restructuring forums.

Source: Kulturetage (2010).

accommodate the variety of functions. She also emphasised the importance of ‘small blocks’, which provide a larger variety of routes and, hence, more encounters. Jacobs has indeed been an explicit source of inspiration for Florida. Nevertheless, however important Jacobs’ ideas still may be, she did (or could) not focus specifically on the creative production and consumption milieu. More recent, the practical implications of Florida’s ideas for spatial development on a neighbourhood scale have been recently analyzed by for instance Landry (2000), Richards (2007) and Trip (2007b). Some more specific points of attention may be mentioned, therefore.

A first factor to take into account is the location pattern of relevant businesses. These may be creative businesses, but may as well be firms in other sectors that have business relations with creative firms. In particular the concept of clusters often is considered to apply to the creative industries also. According to Pratt (2004), creative clusters are often considered subset of economic clusters. The development of economic clusters are considered to be based on the tendency to minimize business-to-business transaction costs, but in the case of creative clusters for instance trust, social networks and tacit knowledge that is tied to specific places may also play an important role (Pratt, op. cit.). The creative knowledge pool that is explained in Chapter 4 makes clear that creative production milieus are more complex than just co-location of creative industries, and more complex than clusters theory assumes. This knowledge pool also includes businesses, creative individuals, venues, research, education and training institutions, local authorities, various business associations and support services, audiences etc. As successful creative neighbourhoods show it is not necessary to concentrate all these facilities in one spot, but sufficient of them should be present in the neighbourhood.
The lay out of the city itself is another important spatial quality of the creative city. A vivid creative urban milieu is most likely to exist in a dense, diverse built environment, as can be found in many historical inner cities. A textbook case is Amsterdam, which has on extensive, densely built inner city that is considered almost one large creative zone. On a smaller scale, the historical inner city of Delft in the Netherlands also proves to be very important for local creative industries; as a location for creative firms, but also as a place to meet relations from outside the city. The latter is also true for creative entrepreneurs who themselves are located outside the inner city (Romein and Trip, 2009).

The same is true in Amsterdam: the proximity and connection of a neighbourhood to the inner city partly determines its potential attractiveness for the creative industries.

Architectural quality is another important spatial quality, but a rather subjective one as well. As far as it implies beauty, it is in the eye of the beholder. Moreover, high-quality architecture, from a professional point of view, does not necessarily appeal to a general audience. The designs of internationally renown architects not necessarily result in an attractive urban environment for creative industries. Rather, creative entrepreneurs appreciate a certain distinctiveness and authenticity of architecture. This is often found in, again, historic inner cities, but not only there. Very different ‘creative’ neighbourhoods such as Greenwich Village in New York, Merchant City in Glasgow or the Speicherkwartier in Hamburg all have in common some kind of characteristic architecture. The Easter Docklands area in Amsterdam is another example, a newly developed neighbourhood which is inspired on the inner city in terms of scale and lay out. Creative entrepreneurs here not just ‘like’ the architecture and lay out of the area; they also consider it to add to the identity of their firm, for instance when they receive business relations (Smit, 2008). There are indications that for some creative talents other factors, such as a certain ‘roughness’, and the possibility to experiment, are equally important (Trip and Romein, 2009; cf. Lloyd, 2005). This partly explains the preference of some creative entrepreneurs for old industrial buildings, warehouses or other utilitarian buildings. So, the appreciation of architecture goes further than the ‘looks’ of it; it is closely related to the symbolic values discussed in Section 5.4.

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3 Interview with Jos Gadet and Koos van Zanen, Municipality of Amsterdam, 10 March 2009.
A factor that may considerably affect the growth and location of creative industries in a city is the supply and affordability of working spaces. The creative industries consist for a large part of small firms, spin-offs or start-ups, or more or less experimental or artistic activities that are, in an economic sense, rather marginal. Such activities need ample inexpensive working spaces. Some also need rather specific types of space, for instance in terms of size or daylight access. Moreover, the neighbourhoods favoured by creative talent are the same ones that tend to be liable to a process of gentrification, partly caused by the influx of that same creative talent as pioneers. Eventually these may gentrify and become too expensive for young artists and starting entrepreneurs, however. According to Ruyters (2005:81), “the artist is the first victim of the success of the creative city [our translation]”, but it is often a matter of time before real estate prices become too high also for many other types of creative entrepreneurs. Even creative incubators may suffer from this, as increasing real estate prices make it more attractive to convert the buildings into offices or apartments.

In relation to this, the supply and affordability of housing for creative workers is an important factor too. As with working spaces, housing preferences of creative talent also tend to be focused on specific neighbourhoods, which in turn become more and more expensive due to gentrification. Evidence from Amsterdam, a city where the creative economy is large but very much tied to specific neighbourhoods, shows that when housing prices become too high creative talent moves to more affordable creative milieus in other cities, rather than to less attractive neighbourhoods of Amsterdam itself.4

Real estate and housing policies should therefore focus on providing affordable working and residential spaces that meet the specific demands of the various creative industries involved. These working and residential spaces should be embedded in a creative urban milieu, and they should constitute more than just a short-time solution. This may demand for non-conventional approaches, for instance in the combination of working and living. Since many creative entrepreneurs start their businesses at home, and since working, living and recreation in the creative economy are very much intertwined, the availability of combined dwellings for living and working may be an important factor.

4 Interview with Mariëtte van Baaren, Municipality of Amsterdam, 15 April 2009.
Many incubator buildings also provide accommodation where artists or entrepreneurs can live. The ‘Palace’, a converted chemistry lab in Groningen, is an example of this. However, also in more conventional residential areas such combined dwellings may be constructed, by adding a dedicated working space – such as an office space or atelier – to otherwise fairly standard housing.

Another category of physical place qualities concerns the range and level of amenities available. This entails amenities for creative firms, but also for individuals and households. Florida (2002) emphasises a range of amenities that appeal to his ‘creative class’, such as cultural and musical facilities – which should not be restricted to ‘high culture’ – specialized shops and catering facilities, recreation areas and bike tracks. Clark (2004) explains economic development of cities by analysing a set of amenities, ranging from operas and lakes to Starbucks coffee bars (see Section 5.4).

The presence of business amenities is particularly important for the creative industries, since it consist to a large extent of small or very small forms that cannot sustain a high level of facilities by themselves. Incubator buildings may include meeting rooms, ateliers or exhibition rooms that creative entrepreneurs can use for free or for a small fee. They may also provide common secretarial support and communication services. However, other buildings may also provide certain amenities for creative entrepreneurs. In the Eastern Docklands in Amsterdam, a neighbourhood that particularly rich in creative entrepreneurs, meeting and exhibition spaces are provided by the Lloyd Hotel, a favourite meeting place of ‘creatives’.

Household amenities are a second category of amenities that are relevant to people working in the creative industries. In this, they are not different from other people: all want shops, parks, sporting facilities, health care, schools and kindergarten nearby, according to their personal needs, family situation and stage of life. However, since working and living are intertwined in the creative economy – and because many creative entrepreneurs work at home – these type of amenities are to some extent also part of the creative production milieu.

Finally, there are the amenities that are considered to be part of the creative ‘lifestyle’, and on which Florida (2002) and Clark (2004) base much of their theories. ‘Third places’ are very important in this respect: public and semi-public places where ‘creatives’ can meet each other informally, whether for business or not, or where they have a large change of unplanned encounters with each other.

5.4 Experiencing the meaning of places^5

The intangibles that constitute an important element of the creative production and consumption milieu may partly be included in the symbolic qualities of places. Symbolic qualities such as design, authenticity and experience are important aspects of the products and services provided by the creative industries. However, creative workers and entrepreneurs themselves are also highly sensitive when it concerns symbolic qualities of places as well as products and services. Hence, it is important to take into account the symbolic qualities of cities, neighbourhoods, streets and buildings.

Symbolic qualities concern the way a neighbourhood, building or city is experienced as being ‘authentic’ and ‘meaningful’, which has a lot to do with what we may call the ‘DNA’ or the ‘narrative’ of the place. This is often connected to the particular historic development of a place, and the way this is still tangible. This explains for instance the importance of cultural and industrial heritage in which the previous functions of places and buildings is still visible and tangible, such as old factories, warehouses, shipyards, mills or schools. However, the area’s ‘narrative’ may also be visible in, for

^5 This section is partly based on an interview with Prof. Peter Nas, Leiden University (the Netherlands), 6 October 2009.
instance, the layout of canals and harbours, as is the case an some former port areas that have been converted (e.g. the NDSM wharf in Amsterdam, Hafen City in Hamburg, Überseestadt in Bremen). Although these areas may be very different from the typical ‘creative’ dense and lively inner city neighbourhoods, they may still be quite interesting for creative entrepreneurs who appreciate space and authenticity.

One step further is the concept of ‘scenes’, as elaborated by Clark (Silver et al., 2006; 2007). Scenes theory addresses how a concrete cluster of amenities – whether located in a specific neighbourhood or not – has a meaning or value to a specific group of people according to their shared sensibilities, determined by personality and group characteristics. It is this value that defines the scene, rather than the co-location of the amenities it includes. Three general dimensions together legitimate the existence of a scene: a) authenticity affirms the identity of the visitors of a scene, b) legitimacy represents the ‘right way to live’, c) theatricality gives occasion to see and to be seen by like-minded people. Scenes are not necessarily related to the creative economy, but many are. The concentration of a bohemian lifestyle in a Chicago neighbourhood (Lloyd, 2005) or the strong relation between some cities and particular musical styles (Kloosterman, 2005) are examples.

The concept of scenes focuses exactly on those ‘intangibles’ that have been proven essential components of the creative city, but are difficult to grasp; and, as Silver et al. (2007) show, the scenes concept provides a far better explanation for economic development than the ‘counting’ of separate amenities. However, these characteristics also make the concept quite complex and difficult to apply in concrete policy. One of the rare municipal documents that comes close is the ‘Atlas of cultural ecology’ (Dudok et al., 2004) published by the municipality of Rotterdam, but even this commendable report is mostly an inventory rather than an analysis or policy document.

Finally, connected to the way a place is experienced is its image. A place may have a more or less ‘creative’ image, according to the location of creative activities and other place qualities. The emergence of a creative image is a self-reinforcing process since it attracts new creative activities. In order to speed up this process, branding and city marketing have become important policy issues (cf. Kavaratzes and Ashworth, 2005; see Section 6.4). There is a tendency, however, for branding to manufacture ‘hyper realities’ or selective realities that do not correspond to the actual qualities of the area. Such top-down manufactured pictures run the risk to be unmasked by creative people as being phony or too rosy, or simply not according to their preferences. In Rotterdam, a city that largely lacks traditional creative neighbourhoods, many creative entrepreneurs are attracted to “… its port area, the ‘rhythm of the river’, and the anonymity in its open spaces […] Notably, local policy-makers who want to make Rotterdam a city of culture want to get rid of this port city image, while the kind of people they like to settle in the city are attracted by it. Many architects and designers have a studio or workshop in an ‘old building’ in a peripheral port area; they have no need for meeting one another very frequently” (Van Ulzen, 2007:10-11). The open and unfinished nature of buildings and spaces, and the opportunities these offer for experiments appear more important for some creative entrepreneurs than third places, cosy street life, or pedestrian-friendliness.

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6 The branding of neighbourhoods as ‘creative’, an issue which is closely related to the symbolic qualities of places, is discussed more extensively in the Baseline Report 5.1.2 (Smit, 2010b).
6 The creative city

6.1 Introduction

The CCC project is structured around a series of local and regional pilot projects, mostly—as far as they have a clear spatial dimension—on the scale of individual buildings or neighbourhoods. Nevertheless, these projects must be embedded in an urban climate that is favourable for creative industries in order to have a fair chance of success. Moreover, several factors that constitute the creative production and consumption milieu are relevant primarily on the scale of the city or even city-region. Whereas Chapter 5 discussed place qualities on an intra-urban scale, this chapter therefore focuses on those on the urban or regional level. Here also, social, spatial and symbolic place qualities may be distinguished. In fact, it will become clear that qualities on various scale levels are closely related.

The next sections discuss the social qualities of the creative city (its social climate and the extent to which social and cultural differences are being tolerated), its spatial and physical qualities (such as the functioning of housing and real estate markets and the range of amenities that is available) and its symbolic quality (particularly its image as a creative city).

6.2 Social climate: diversity, tolerance and liveliness

As mentioned in Chapter 4, a creative production and consumption milieu requires a diversity of people and cultures, which in their turn requires tolerance to social and cultural differences. This goes beyond the social climate in individual neighbourhoods. Prevailing values and attitudes and social tolerance and openness towards different people and cultures are all important qualities of the creative city. Florida (2005:53) states, in contrast to Glaeser et al. (2001) and Clark (2004), that diversity and tolerance are actually more important than amenities. In his view, tolerance is not just absence of discrimination, but ‘proactive inclusion’ (Florida, 2005:39). He pays special attention to the size of the gay, foreign-born and bohemian populations as indicator of a place’s diversity of thought, openness and social tolerance (Florida and Gates, 2004:213). Florida has often been criticized for this, especially for his focus on the position of gays. However, regardless of the accuracy of his gay index, his intentions on this point have often been misunderstood. Rather than necessarily being creative themselves, gays are the creative city’s ‘canaries in the coalmine’: their position is an indicator of social tolerance. In a more general context, Landry (2000:111) also stresses the importance of external contacts and immigrants for bringing new ideas, skills and talents, and hence of an environment that is receptive to them.

Like Florida, Hall (2000) comments that creativity generates technological innovation and, thus, economically significant new industrial lines of production. Further, his observation that immigration is of great importance for creativity-based urban performance also corresponds to Florida’s thesis. But whereas Florida emphasises a social climate of tolerance and openness for creative talent as a main quality of place for cities to be successful, Hall concludes from a long-term historical comparison of cities that success depends on uneasy relationships and sometimes fierce tensions between indigenous conservative and migration-related radical values and forces.

Although diversity is an essential element of the creative urban milieu, therefore, it may also have adverse effects. Thomas and Darnton (2006:165) discuss the economic effects of various types of diversity. They find no unambiguous economic effect of the presences of a large gay community,
although the effect on specific neighbourhoods may be positive. The economic effects of Bohemians and immigrants generally are positive. In contrast, “… inattention to issues of racial segregation and isolation is a sure path to the negative effects of persistent economic sinks” (Thomas and Darnton, op. cit.:165). However, Thomas and Darnton carried out their analysis in Michigan. It seems plausible that in a European context the results would have been more diffuse, since racial and immigrant differences are to a large extent intertwined.

Hence, local policy makers should foster social and cultural diversity, but also be alert to the risks of too much socio-economic inequality. As Thomas and Darnton conclude (op. cit.:165-6), in the creative city “… it is indeed important to attract highly educated and creatively talented people to metropolitan areas and to be tolerant in many different ways to encourage free thought, but it is also important to recognize that existing social inequalities must be addressed in a more effective manner than in the past”. They quote Scott, who states that “… large cities today may well harbor unprecedented creative capabilities, but they are also places where striking social, cultural, and economic inequalities prevail, and there can be no truly final achievement of the creative city where these stubborn problems remain” (Scott, 2006:15). Landry, who connects the need for creativity to governance of cities rather than to economic activities, stresses the importance of ‘creativity for the city’ to bridge that gap (Landry, 2006).

The problem pointed at above is the more acute as the creative economy itself - taken in the broader, Floridian sense - may actually lead to an increase of socio-economic inequality, between those that are able to profit from the creative and knowledge economy, and those that are ‘left behind’. Florida has been severely criticised for ignoring this negative aspect of the creative economy. Especially many left-wing critics see the creative economy as an elitist concept, something that would exacerbate socio-economic inequality (Peck, 2005:758). This ignores the fact that Florida envisaged creativity, the ‘great leveller’, as less exclusive than categories such as knowledge or education (Florida, 2005a:4-5); nevertheless, it is a concern that was also expressed by Florida himself (2005b:185 ff.).

Besides specific diversity, the overall social climate on an urban – and even national – scale is an important factor of a creative production and consumption milieu. A climate of crime-fighting and zero tolerance, or even xenophobia, as is currently emerging in the Netherlands, may in the longer term reduce the countries attractiveness for the creative industries. Particularly in Rotterdam, public debate has put a focus on cultural difference, increasing feelings of unsafety and polarisation between groups. In Amsterdam, known as a particularly mellow place until recently, another example can be found. A series of violent incidents targeted at the city’s gay community has tarnished the city’s reputation of tolerance. In general, more rigid immigration control leads to a reduced inflow of young artists and knowledge workers and has detrimental consequences for cities who need these people (Florida, 2005b).

Finally, liveliness and street life are relevant also on an urban scale. A lively inner city is an important asset of many cities, which may also be important for creative entrepreneurs that are themselves located in other parts of the city: as a place to recreate, to meet colleagues, business relations and other people, and to visit cultural events and enjoy city life. Cities may increase liveliness and street life – and image – by organising festivals or events. These may be organised annual, biannual, or only once. Events may be cultural, musical but also, for instance, culinary, and examples may be found in every city: the International Film Festival and the North Sea Jazz Festival in Rotterdam, the Göteborg International Film Festival, the Reeperbahn Festival in Hamburg, Noorderslag/Eurosonic in Groningen, the Evolution Festival in Newcastle, the Dundee Flower and Food Festival, the Festival d’ Avignon, and so forth.
In the context of creative city development, a regular frequency seems preferable. Furthermore, it is relatively ineffective, or even prejudicial, to focus on a series of isolated big ticket events. Instead, cities should try to connect their events calendar to local cultural assets, creative industries and heritage, and focus not exclusively on either ‘high culture’ or mass events that are not embedded in local society. More informal street festivals, popular music or youth culture events may be equally important for a creative consumption milieu. If they are a podium and meeting place for local creative industries, such events may also contribute to the creative production milieu.

6.3 Real estate, housing markets and amenities on an urban scale

Various spatial and physical place qualities are relevant also on an urban scale. As for the location pattern of creative industries and other relevant functions, it is clear that these may be considered on a neighbourhood level – as creative clusters, neighbourhoods or zones – but also on higher scale levels. Even in case of a strong concentration of creative industries, business relations on a regional, national or international scale may be essential, for specialized services or with costumers. Bathelt et al. (2004) describe the role of such ‘global pipelines’ in knowledge creation, but practice shows it is also a factor in the creative industries (Florida, 2005b; Romein and Trip, 2009). Accessibility of the city – by car, train and even plain - is therefore important also for the creative industries.

The supply of affordable and suitable housing and working space is an important issue for the creative industries, and even an actual or potential bottleneck for further growth. The way local housing and real estate markets function is very relevant, therefore, from the perspective of creative city development. The demands of the creative sector – a diversity of housing types, but specifically inexpensive housing, cheap and spacious working spaces in old buildings, etc. – may conflict with the short-term economic interests of local policies. This is especially the case when real estate prices are increasing, which they often are in the neighbourhoods in which many ‘creatives’ live and work due to gentrification or mere scarcity. It may become attractive, then, to convert old buildings into office space.

Sage Gateshead

The Sage Gateshead is a venue for musical education, performance and conferences, built in Gateshead near Newcastle, on the banks of the river Tyne. The building, a true landmark, has been designed by Foster and Partners, and opened in 2004. It is part of the Gateshead Quays redevelopment, which includes various cultural venues and the landmark Gateshead Millennium Bridge.

The Sage Gateshead contains three performing spaces, of which the largest includes almost 1,700 seats. It provides a stage for classical music, but also for numerous modern and regional styles. Furthermore, it accommodates practice spaces for both professionals and amateur musicians and music students. The building is open to the public during the day, enabling people to follow the rehearsals or workshops, browse through the extensive music and CD library, or visit one of the eight catering facilities.

The Sage Gateshead, and the idea behind it, resembles the Clyde Auditorium or ‘Armadillo’ in Glasgow. Like the Sage, this is an iconic music venue (3,000 seats), also designed by Foster, and completed in 1997. The Clyde Auditorium is part of the development along the river Clyde, which included several other cultural venues, BBC Scotland, and – like in Gateshead – a design bridge.

In both cases, a cultural venue has made an icon of a large redevelopment area, and even of a city. It provides a contribution to a lively local and regional cultural life, but by means of its striking architecture it also serves the image of the city as a place of culture and innovation – addressing social, spatial as well as symbolic place qualities on various spatial scales.

Source: relevant websites.
or apartments, rather than to turn them into creative incubators, which may even need public subsidy to function. Policy should ensure, therefore, that a sufficient diversity of housing and work spaces remains available.

Another issue that is relevant on the scale of the city as a whole is the level, diversity and quality of amenities. Household amenities and amenities that support creative businesses are quite relevant on a neighbourhood level (see Section 5.3). A range of amenities that are supposed to specifically appeal to creative people are more relevant on an urban or even regional scale, however. Moreover, many people live, work, play and shop in different cities within extensive urban regions such as the Randstad, the Ruhr area, or the region around Lille and Kortrijk. Accordingly, some amenities should be taken into account on a regional or metropolitan scale.

‘Third places’ may be found on all scales, but are also of particular importance for the city as whole if they serve more than the local neighbourhood. Other amenities are more relevant on higher scales simply because they need a large service area to be viable. Cultural and musical amenities are important, also – again – as places where people meet each other. As Florida (2000:29; 44) stresses, ‘big ticket’ events are insufficient (see Section 6.2 above). Having the Concertgebouw Orchestra certainly is a great asset, but in terms of an creative consumption milieu it may be equally important to have a regular street music festival. The attractiveness of a city in the creative economy strongly depends on such elements that exist aside of a city’s ‘high culture’ facilities, but are most important contributors to street life, liveliness and diversity.

### 6.4 Image

The symbolic qualities of cities are comparable to that of a neighbourhood: ‘DNA’, ‘narrative’, heritage and image. They are likely to be less specific, however, since the ‘narrative’ of a port city or a city characterized by a specific type of manufacturing is likely to become most tangible in the neighbourhoods and buildings that accommodated these activities.

The image of a city might be very strong and the subject of intensive city marketing campaigns. Old manufacturing cities developing the creative part of their economies often have to struggle against an image of being grey, poor and shabby. The opposite may be true also, when cities benefit from a reputation of art, creativity and openness that may not entirely correspond to reality any more.

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### ‘Ugly spots’ project, Kortrijk

Within the framework of the ‘ugly spots’ project, the municipalities of the Kortrijk region and their inhabitants will be asked - by means of a broad communication campaign - to select the ugliest places in the region. After a selection by a jury, these places will be linked to a team of architects, designers and artists. These will elaborate a creative design for the selected ‘ugly spots’. This experiment should illustrate how creative public space development can act as a lever to attract private investors and creative industries.

Eventually, the ‘ugly spots’ project should increase the support among both the public sector and the inhabitants for the creativity and design vision. It should create enthusiasm for the creative economy and the design industry beyond the city level, by introducing a platform involving all municipalities of the Kortrijk region. Also, it should create a stronger awareness among public authorities of the exemplary role of the public sector in the field of creative economy by investing in creative space.

Source: project internal information from Intercommunale Leiedal, Kortrijk.
In this respect, it is relevant to distinguish between an internal image (an area’s image among its present inhabitants and users) and the external image (its image among people and organisations from outside the area) (Vanolo, 2008:371). With regard to branding and city marketing the external image is most important. If the aim is to establish some sense of community or identity, related to the areas authenticity and ‘narrative’, the internal image is important as well.

One thing that may add to a city’s image as a ‘creative city’, however, is the visibility of its creativity and creative industries. Whereas industrial heritage may show the part of an area’s ‘narrative’ that relates to its historical development, its status as a location of creativity could be expressed by the creative industry’s products. Glasgow derives part of its creative image from the works of Charles Rennie Mackintosh, Barcelona from that of Gaudi, Amsterdam from the ‘old masters’ of Dutch painting. Other cities are strongly related to specific styles of popular music, for instance in flamenco (the Spanish region of Andalucia) or classical music (Salzburg and Vienna). Likewise, contemporary creativity should be represented by contemporary symbols (Trip and Romein, 2009). Works of art, architecture, events and venues may all add to this, as long as they are related to what is actually happening in the city (cf. Vanolo, 2008:371).

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**Sensing the future of Hedehusene**

In the railway town of Hedehusene in the municipality of Høje-Taastrup a project has been carried out to map a number of specific physical and symbolic qualities of the area. ‘Sensing the future of Hedehusene’ has been organized by Softhook Design in collaboration with the municipality. The project examines the way the town and the environment are being perceived both mentally and physically. Inhabitants of Hedehusene have been invited to draw a mental map of the area, showing the location of emotionally and environmentally important issues. In addition to this, a survey was carried out to show how people experience and feel about the town, and a system of sensors registered noise and pollution on various locations in Hedehusene. The results were discussed on weekly meetings.

‘Sensing the future of Hedehusene’ is part of a three year city project headed by the Copenhagen International Theatre, intended to strengthen innovation in light, sound and new media, and to promote the regions of Copenhagen en Seeland as a centre for growth and experiences.

7 Synthesis

7.1 Reflections on the CCC project

As mentioned in Chapter 1, the Creative City Challenge project aims to build and implement an integrated evidence-based strategy for cities in the North Sea Region to strengthen their innovative capacity. It focuses on the creative economy as a main source of innovation and urban economic development, and on the urban production and consumption milieu in which such an economy is most likely to develop. The current Framework Report discusses the characteristics and cohesion of such a milieu. A main task is now to develop an operational strategy for local policy practice built on the conceptual insights reflected in the preceding chapters.

In this respect, it is important to point specifically at two main strengths of the CCC project:

1. an explicitly comprehensive and integrated approach. The CCC project is one of the few to take into account both the creative production and consumption milieu. Consequently, the project focuses on the intertwining of social, physical and symbolic qualities of places at various levels of scale, as well as the role of the quality of human resources (entrepreneurship) in creative industries. However, these different qualities may be distinguished, but they can hardly be separated. They are put into practice in the Work Packages 3, 4 and 5 of the project, but as the qualities themselves, these WPs cannot be considered apart from each other. What is more, in spite of their different perspective, none of them can be said to focus on one type of quality only. This is even more true for WP6, which partly has the task of explicating the abovementioned comprehensive approach. This is one of the explicit objectives of the current Framework Report, Activity 1 of WP6;

2. a strong foundation on the ‘triple helix’ of organisational capacity of local and regional governments, knowledge institutions and private businesses. The first two participate in the project directly, as partners, while creative entrepreneurs are involved in many of the local pilot projects that make up the core of the CCC project. These pilots will take the triple helix as a starting point, thus contributing to a strong programme of transnational interchange of learning, materials and best practice.

The remaining sections of this chapter briefly discuss the way from the knowledge base reflected in this Framework Report to the abovementioned practical policy strategy. First, Section 7.2 summarizes some guiding principles for local creative city policy. After that, Section 7.3 proposes a three step model to bridge the gap between conceptual insights and policy practice.

7.2 Guiding principles for local creative city policy

A key element of the methodology of the project is the ‘transnational learning from pilot projects’. The success of this fully depends on the capability of project partners to derive lessons from pilot projects in other cities and translate them to their own local context. Nevertheless, based on existing insights some general, guiding principles of local creative city policy may be formulated:

1. the creative city should be taken as a whole, rather than as separate production and consumption milieus. Development of the creative industries requires both, the more so because entrepreneurs in these industries consider working, living and recreation as strongly intertwined;
2. creative city policy should be integral. The qualities of production and consumption milieus are connected to the dynamics of the three types of space qualities, each of which includes numerous layers of processes and interactions. To address this multi-layeredness, it is not sufficient to bundle and rename a number of existing initiatives. Creative city policy should involve – and be a basic characteristic of – all relevant policy fields;

3. creative city policy should have a clear focus. Which types of creative businesses and entrepreneurs, in which sectors, does it aim at? For, different types of creative industries require or prefer different production and consumption milieus;

4. policy and planning should be open and flexible. Bottom-up initiatives should be given a chance, as well as spontaneous evolvement of interesting places, if only for temporary uses. In this respect, Louekari (2006) emphasises the importance of ‘weak planning’ with a high degree of self-regulation in order to regenerate rundown urban districts and sites in gradual stages which each may offer a good milieu for temporary use by specific creative businesses.;

5. policy should build ‘organically’ on a city’s existing qualities. Brown & Meczynski (2009:250) comment that a “… likely means of success is to build on what is already there, enhancing the distinctiveness and unique qualities of the existing urban environment.” It is rarely effective to start from a tabula rasa, or to duplicate successful practices from other cities without sufficient attention to their embeddedness in the local production and consumption milieu.

7.3 Bridging the gap between theory and practice: a three step model

To bridge the gap between theory and practice, a three step model will be applied in WP6 of the CCC project. The three steps can be summarized as follows:

1. elaboration of a framework of analysis, indicating and structuring the main qualities that define the creative production and consumption milieu. This framework is based on an extensive literature review and constitutes the theoretical foundation of the model. It is shown in Table 2 (Section 2.5) of the current Framework Report;

2. operationalisation of the framework of analysis, and subsequent SWOT analysis. These activities bridge the gap from theory to practice. They are part of Activity 2 of WP6. The framework of analysis is translated into a set of qualitative and quantitative indicators that constitute a base for the collection of data for the SWOT analysis. Subsequently a SWOT analysis is carried out, resulting in an overview of strengths, weaknesses, opportunities and threats with respect to the creative economy in the cities participating in the CCC project;

3. confrontation matrix. In the second part of Activity 6.2, the detected strengths, weaknesses, opportunities and threats are confronted. This results in a systematic identification of options for policy intervention.

These three steps together provide insight in the local situation with respect to the creative economy in the individual partner cities – in other words, the local context of present and future local actions. Since these local contexts are likely to differ widely, it is not as such the intention to draw direct comparisons on the basis of this analysis. Rather, the abovementioned activities provide a base for other activities of WP6 which will address the transnational dimension of the CCC project quite explicitly, and will mutually connect local pilot studies and conceptual insight.

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7 The model has been applied in an analysis of the creative economy of Delft by Romein and Trip (2009). A methodological outline has been presented at the conference ‘Creative industries and creative communities’, Stoke on Trent, 11 November 2009.
This concerns, most of all, Activity 6.5 aimed at ‘Transnational Learning’. This concerns exactly the abovementioned question how participating cities can benefit from pilot projects in other cities, taking into account the embeddedness of activities in their specific local context. Its aim is to generate discussion and knowledge exchange within the project, directed by questions that arise from the project. Simultaneously, Activity 6.4 involves a targeted analysis of the role of urban quality and urban climate in the local economy. This will link the conceptual background and the insight in the local creative economy in the participating cities, derived from Activities 6.1 (this Framework Report) and 6.2 respectively.
References


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Creative City Challenge partnership

**Germany**
Hamburg University of Applied Sciences (Lead Partner)
Wirtschaftsförderung Bremen - WFB (former Bremer Investitions-Gesellschaft mbH - BIG)
Stadt Oldenburg
Kulturetage GmbHg

**Netherlands**
Gemeente Groningen
Delft University of Technology

**Belgium**
Intercommunale Leiedal
HOWEST University College

**Denmark**
Høje-Taastrup Kommune

**United Kingdom**
Dundee College
Newcastle City Council

**Sweden**
TILLT Culture & Working Life in West Sweden
Creative City Challenge work packages

**WP1  Project management**
1.1 Project management plan
1.2 Partner reporting and monitoring strategy
1.3 Monitoring and control

**WP2  Publicity and communication**
2.1 Website
2.2 Transnational dissemination
2.3 Cross-sectoral engagement
2.4 Internal communication strategy

**WP3  Entrepreneurship and skills development**
3.1 Assess and identify key business barriers and enablers to entrepreneurship
3.2 Development of learning materials
3.3 E-learning environment
3.4 Pilot delivery of enterprise skills development programme
3.5 Transnational mentoring programmes
3.6 Transnational programme of Masterclasses

**WP4  Networks, dialogue and business cooperation**
4.1 Inventory of existing instruments enabling cross linkages
4.2 Development and implementation of ‘open’ and one-to-one networking and cooperation instruments
4.3 NSR-Connect
4.4 INNOWITZ
4.5 NSR Creativity Award
4.6 Transnational travelling exhibition

**WP5  Creative clusters**
5.1 Baseline reports: identifying factors and spatial dimensions of innovation; identifying factors for effective branding
5.2 Live-work environments for creative industries
5.3 Area involvement of triple helix
5.4 Urban creative zones and open innovation systems
5.5 Programme for students/talent: transnational interchange

**WP6  Research-based strategy development**
6.1 Framework report
6.2 SWOT analysis
6.3 Academic check
6.4 Transnational learning
6.5 Targeted study on urban quality and climate in urban competitiveness
6.6 Integration of results