

2 April 2013

To the NSW Creative Industries Taskforce:

CREATIVE INDUSTRIES INNOVATION CENTRE: submission regarding the NSW Creative Industries Industry Action Plan (IAP)

The Creative Industries Innovation Centre (CIIC), part of the Federal government's Enterprise Connect program and hosted at the University of Technology Sydney in Ultimo, is grateful for the opportunity to submit the following comments in response to the NSW Government Creative Industries Taskforce Draft Industry Action Plan.

The draft IAP calls for, among other things, a closer collaboration between business, government and research institutions. The CIIC backs this recommendation, as listed under Investment and Business Development. This is also the section to which the CIIC has directly addressed specific comments. However, before addressing those recommendations specifically, it is worthwhile making some general comments about the opportunity, acknowledged in the IAP, for collaboration between governments. The CIIC has been operating for almost four years from its base at the UTS in Ultimo. In that time the Centre has built up a detailed picture of the creative industries in NSW – from an individual business perspective. The Centre has also participated in, and generated a number of inter-government programs.

The Centre recommends that this intelligence and experience be harnessed, where appropriate, to support and inform the initiatives proposed in the draft Industry Action Plan. This could include joint-programs or co-operative programs managed and delivered through the CIIC. This would, of course, depend upon the availability of appropriate levels of co-operative funding and resourcing.

The diagram at the end of this submission shows the intersection between the CIIC and other government programs. The CIIC is not interested in controlling or inequitably influencing the delivery of business related services to the creative industries in NSW. Rather the CIIC is offering, subject to the availability of sufficient funding and resourcing and agreement with other government providers, to take a facilitation role. This would ensure there is no unnecessary cross over, minimal wastage of government resources due to duplication and efficient deployment of services to business and creative industries practitioners.

All government-funded programs should be collaborative and access, whenever possible, existing programs – government and non-government – to ensure efficient use of limited resources, commonality of purpose and alignment of goals.

The CIIC has been involved, often in a lead capacity, in the following programs which were or would lend themselves to multi-government involvement:

- Enterprise Connect's Design Integration Program, run through the CIIC, worked with state governments to deliver a program based around design-thinking for manufacturing businesses.
- The Interactive Skills Integration Scheme (ISIS) was an industry development project researching, modelling and showcasing strategies for integrating interactive media expertise across 'non games' industry sectors. (See a longer account of ISIS at the end of this document.)
- The Federal government's proposed Innovation Precincts program is another opportunity for government (state & federal), research and business to interact and build efficient and complementary services that do not overlap. The Innovation Precincts are only in the expression of interest stage but it is highly likely that while the initiative has a national focus, there will be a creative industries or creative industries related precinct established in Sydney by leading tertiary institutions and business.

Individual Recommendations

(NB given the CIIC's existing resources and funding, the following submissions are all predicated on there being sufficient and adequate co-operative funding. The CIIC is not in a position to undertake the initiatives proposed here on its existing resource base.)

The CIIC's specific responses to the individual recommendations in the Investment and Business Development of the Taskforce's draft IAP are:

Providing Tailored Information and Advice

10. CIIC offers its www.creativeinnovation.net.au website, which, if appropriately resourced can act as a vehicle for the dissemination of creative industries relevant information. The website has connected with the targeted audience – creative industries business practitioners – in the style and manner recommended. This relationship could be either as a casual distributor or as a formal alliance.
11. CIIC and its network of business advisers and others to provide leads on suitable high potential creative businesses.
12. CIIC and its network of business advisers and others to provide leads on suitable high potential creative businesses; as well as being a source of information or guidance for businesses on a one to one basis on export readiness and emerging broadband opportunities and new businesses models arising from the digital economy. Likewise, with appropriate support the CIIC could deliver sector specific seminars and group sessions on the same topics . This could be a project for the Precinct Initiatives mentioned elsewhere.
13. The CIIC's Biztro service – a one hour one-on-one business advice session delivered by the CIIC BAs – was developed specifically to assist businesses generating less than \$1million pa and therefore, the dollar-sized clients proposed under this recommendation. Appropriately resourced, the Biztro service could be expanded to

service more businesses. Since the launch of the service in September 2011, the Biztro has serviced approximately 150 clients in Sydney and a further 90 clients in regional NSW.

14. The CIIC is now the leading collector of business data on the creative industries. This data is drawn from all interactions with creative industries SMEs and is published in the centre's sector-based Forensic Reports and in the CIIC Story (2009-2012). A collaborative research project supported by the NSW government and UTS could leverage the existing work and knowledge base.

Partnerships for Innovation and Productivity

15. The concurrent development of Innovate NSW and the national Innovation Precincts is an opportunity for the type of inter-government co-operation and collaboration that the CIIC believes can deliver results greater than those likely to be generated by the programs individually.
16. The CIIC, located as it is at UTS in Ultimo, should be a key participant and contributor to the proposed creative industries' cluster. The Innovation Precincts mentioned above – especially were a creative industries Innovation Precinct to be established – should also be key participant in the work of the proposed industry cluster.
17. Regional NSW has been well-served by the CIIC's business advisory services. Businesses in the Illawarra and South Coast, Central Coast, Tamworth and Dubbo amongst other areas have received the Business Review service.

Biztro days which have been held as far south as Moruya, Bega and Merimbula and as far north as Byron Bay and Lismore; as well as Bathurst west of Sydney and south-west to Albury Wodonga. CIIC would be a willing contributor to the formulation of the IAP's regional innovation hubs policy.

18. CIIC would be a willing contributor to the formulation of the IAP's CRCs policy.
19. CIIC would be a willing contributor to the formulation of the IAP's Creatives in Business policy and a referrer of companies that might be suitable for inclusion in the program.

Improving Market Access

- 20-25. CIIC would be a willing contributor to the formulation of the IAP's initiatives in these areas and a referrer of companies that might be suitable for consideration and/or inclusion.

Driving Competitiveness through Design

- 26-27. One of the CIIC's mostly highly-regarded programs was the Design Integration Pilot. This pilot focussed on identifying and assisting manufacturing businesses that could benefit and prosper from utilising design-led thinking. Now building beyond pilot stage and expanding its delivery, the Design Integration Program is an ideal platform from which to launch this initiative – either jointly or in some alliance where mutual outcomes are more likely to be delivered through co-operation and collaboration. The CIIC would also be a willing contributor to the formulation of the IAP's preferred policy on design

and industry and a referrer of companies that might be suitable for inclusion in such programs. This submission also has relevance for the Manufacturing IAP. The CIIC's ISIS program is another example of the type of work that could be relevant here (detail p.6).

28. CIIC would be a willing contributor to the formulation of the IAP's Creatives in Business policy and a referrer of companies that might be suitable for inclusion in the proposed design centre.

Education and Training

This is another area in which the CIIC could play a role.

- 39-40 The CIIC has significant experience working with peak bodies and their members. Over the years the CIIC has worked with among others, FilmVic, Screen NSW, NAVA, AGDA and APRA to name a few. Some of these are peak bodies while others have deep involvement with particular industry sectors and their members. These have included dedicated Biztro days for members and Business Reviews for various members.

The CIIC also recommends creating a "Business 101" type course designed specifically for creative industries business practitioners and delivered by creative industry business experts. Such a course would be of huge benefit to the individual business owners/managers and develop the overall business skill level of the creative industries. CIIC, subject to appropriate resourcing, would be interested in developing and delivering such a course with other organisations and like-minded institutions.

Further Information:

The Creative Industries Innovation Centre (CIIC) was one of six Innovation Centres established in early 2009 as part of the Australian Government's Enterprise Connect program. Since its inception, the CIIC has also been supported by a program of services offered by the University of Technology, Sydney (UTS).

The Centre's task is to support Australia's creative enterprises, helping them to increase productivity, operational efficiency, competitiveness, and provide a platform for innovation enabling business owners and managers to build their businesses and grow their creative output. Most importantly, the creation of the CIIC plugged a gap - supporting the business of creative enterprise.

Countless businesses in the creative industries sector have acknowledged the advice they have received from the CIIC team as critical to their business improvements.

In the years since its inception the CIIC has interacted with more than 1000 creative enterprises, delivered over 400 Business Reviews, and made available tens of thousands of dollars in Tailored Advisory Services grants through Enterprise Connect.

Around 170 of CIIC's Business Review clients are in NSW (40%); with 15% of these outside of Sydney.

Since the launch of the Biztro service in September 2011, we have seen approximately 150 Biztro clients in Sydney and a further 90 clients in regional NSW.

Other key programs have included:

- Business Model Generation workshop series for 50 high potential creative enterprises;
- GENERATE program investing in Australian music enterprises;
- The Digital Marketplace program targeting Tasmanian cultural and creative enterprises;
- Design Integration Program (DIP) transforming manufacturing design businesses through design;
- Interactive Skills Integration Scheme (ISIS) supporting the integration of interactive media skills in varied industry sectors
- The CIIC's website, creativeinnovation.net.au, provides the entire creative industries cohort with online access to high-quality tools, inspiring stories and sector specific editorial

ISIS

The Interactive Skills Integration Scheme (ISIS) was an industry development project researching, modelling and showcasing strategies for integrating interactive media expertise across 'non games' industry sectors.

The program recognises the transformative effect games design mechanics and interactive media capabilities will increasingly have on all our lives. Added to this, the roll out of the National Broadband Network will see more individuals and businesses across Australia obtain high speed internet and with it the ability to engage more directly in the global digital economy.

There is an increasing level of engagement with online products and services with an increasing demand for engaging, intuitive and compelling user experience. A more sophisticated understanding of end user interface design in tandem with robust and intelligent back end systems is required for SMEs in every industry sector to expand their offerings and take advantage of new markets and commercial opportunities.

ISIS identified that key enablers in the Australian digital economy are those that have been working within a high tech environment for many years, possess an acute understanding of digitally facilitated end user engagement and represent a sector of the economy which currently lack sufficient employment opportunities.

ISIS was created to explore opportunities for highly skilled games designers and interactive media practitioners to consider redeploying their talents into 'non games' industry sectors and in doing so, helping SMEs to better situation their organisations in the context of the global digital economy.

One pilot integration was created in Victoria, NSW and Qld with interactive media companies partnering with firms in manufacturing, education and mining. Over a 6 month period, each partnership progressed through a series of steps to help them share information effectively between teams, identify a specific area of the business to explore technological innovation and create a prototype and or proof of concept. Of the three partnerships brought together through ISIS, two have formed joint ventures and all three have plans to take their new product/service to market. Commercially oriented technological innovation has been created through the ISIS project. All of the interns who participated in the project believed they were more employable as a result of their experience and more confident about building a career in the IM industry. Two of the interns were given ongoing employment in with the pilot companies.

A document has also been prepared to help other Australian companies learn from what has been discovered and encourage further innovation creation. The approach and resourced developed through ISIS could translate into an effective program to build the competitiveness of companies in the Sydney region.

