

PRIORITISATION PAPER

**DEVELOPMENT OF A BUSINESS PLAN FOR THE CARIBBEAN CREATIVE INDUSTRIES
MANAGEMENT UNIT (CCIMU)**

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1. Introduction

Tom Fleming Creative Consultancy, TFCC¹ is currently in the process of developing a business plan for the proposed Caribbean Creative Industries Management Unit (CCIMU) on behalf of the Caribbean Export Development Agency (CEDA) and funded by the Caribbean Development Bank (CDB). This short Paper acts as a prioritisation briefing for the CCIMU. It should be read alongside the Options Paper presented in April 2016, which includes a SWOT of the Caribbean Creative Industries. It is intended to shape discussion at the forthcoming Prioritisation Workshop in Port of Spain, Trinidad, on June 9th 2016. It introduces some priorities for the CCIMU in terms of:

- Overarching vision, mission and values of the CCIMU
- Priority areas: sectors, cross-cutting opportunities, challenges to overcome
- Priority work streams
- Governance and management model options
- Business model(s)
- Evaluation and key performance indicators.

The Prioritisation Workshop is the final consultation and engagement activity before the finalization of the business plan for the CCIMU. This will be a solutions oriented business plan for a unit which will have an emphasis on export potential, income generation, capacity building and implementation. The business plan will be accompanied by actionable strategies for the development of industry specific products and/or services, delivery plans and investment frameworks, with a view to detailing a unified approach towards finance, skills, exports and inward investment, intellectual property and digital infrastructure, generating rich upstream and downstream linkages with ancillary sectors throughout the economy.

The development of a business plan for the CCIMU can be a key catalyst in the process of building vibrant, sustainable cultural and creative economies; which are the foundation of cementing the Caribbean's image and status as one of the world's most distinctive and influential creative regions.

The overall purpose of the CCIMU will be to address the needs of the regional creative industries, while fostering creativity, developing businesses, creating opportunities and improving trade, and ensuring that the rights and obligations of stakeholders are respected and legally protected. It is vital though that the CCIMU:

- Seeks to add value and leverage existing activities and thus avoid replication and overlap
- Focuses on activities for which local (i.e. national or sub-regional) approaches have not been developed and / or for which a regional approach will be more impactful.
- Bridges gaps in the provision of services and builds lasting capacity and connectivity which will drive growth and competitiveness across the Caribbean
- Is evidence-driven from the outset and continues to develop new evidence through data collection to inform its approach and to assist prioritisation and action at a local and sub-regional level.

¹ www.tfconsultancy.co.uk

1.1 Current Stage of Research and Consultation

We are approaching the final stage in the research and consultation process, with:

- Over 120 stakeholder interviews undertaken
- In situ consultations in Jamaica, Barbados, Trinidad & Tobago, St. Lucia (with an OEC focus), and The Bahamas completed.
- Options workshop in Jamaica completed.
- Desk-based research significantly undertaken, with new documents for review being introduced through the ongoing stakeholder consultation.

We would like to take this opportunity to thank all participants involved in the consultation process to date.

1.2 Final deliverables

The scope of work is understood to cover all the activities necessary to accomplish the stated objectives of the project. The main tasks/activities are as follows:

- (a) recommend the most appropriate organisational and governance structure and staffing requirements for the Unit, taking into consideration the possible differentiated;
- (b) assess the proposed services to be offered with a view to determining which are financially viable as well as make recommendations about additional services that the CCIMU could offer and pricing strategies;
- (c) conduct market research in export markets to ascertain the level of demand for the proposed products and services offered by members of the four sub-sectors of the creative industries. Make recommendations for market opportunities in these export markets upon which the members of the CCIMU should capitalize;
- (d) identify linkages and opportunities to integrate the creative industries sector into other existing sectors;
- (e) develop an operational budget for the CCIMU for a 36-month period, and identify sources of income and funding options for the CCIMU;
- (f) develop a gender sensitive business plan for the CCIMU and submit to CDB's Operations Officer and CEDA for review. The business plan should include:
- (g) finalise business plan by incorporating feedback received from the second Stakeholders' Consultation and submit to CEDA and CDB for approval.

2. Vision, Mission and Values

The vision of the CCIMU is to:

”To be the premier provider of evidenced based services to enhance the performance and competitiveness of the Creative Industries across the Caribbean.”

The **mission** of the CCIMU (which will be refined in the forthcoming Prioritisation workshop) is to:

- To build the capacity of the Caribbean creative industries to grow and be competitive internationally – with a focus on export and investment readiness through
- Strengthen regional networks, enhance value chains and facilitate collaboration which is of a high quality and sustainable.

The **values** of the CCIMU are to:

- Play a leadership, facilitating and enabling role for the Caricom creative industries. This is independent of government and business-led
- Connect, add value and amplify existing approaches – e.g. those driven by individual countries and the various projects and programmes underway to support the creative industries
- Be sensitive to cultural distinctiveness and gender; and ensure links are fostered between not-for-profit cultural activities and commercial creative industries which do not detriment either
- Be evidence driven with a limited number of focus areas to ensure targeted delivery and the avoidance of mission creep
- To continually review and evaluate activities.

3. Priority Areas - *Sectors, cross-cutting opportunities, challenges*

With the right blend of evidence-based interventions, targeted activities, and a more coordinated support and investment landscape, the Caribbean region is well placed to develop and grow a high value and value-adding creative industries sector. With each country playing a distinctive role, the region overall has the track record – whether in music or film, fashion or festivals; and has continued potential – with a stream of talent and a very distinctive range of voices, stories and ideas. The region has been in the global premier league when it comes to generating unique cultural experiences and packaging that as a distinctive cultural offer as the ‘Caribbean Experience’. Yet for many years, the region has struggled to convert creative and cultural success (e.g. critical reception, a globally accessible vernacular and an intangible vibe) into hard economic outputs: jobs, growth and competitiveness. The CCIMU will be set up to address this and work to correcting historic market failure so that the Caribbean creative industries can be more competitive, growth-orientated and a much stronger contributor to the wider regional economy.

3.1 Priority Sectors

The Caribbean region is incredibly diverse, with each country specializing in certain creative industries sectors and the overall creative industries sector increasingly integrated and convergent. The initial Brief for the CCIMU business plan sought the prioritization of 4 sectors: Music, Animation, Fashion

and Festivals. Through the course of the research and consultation for this CCIMU, it has become apparent that while these are key sectors for the Caribbean creative industries (Festivals in fact traverses several sectors), it would be unwise to limit the focus of the CCIMU to these sectors as stand-alone propositions. This is because, firstly, in some countries, other sectors are of more significance and would thus be excluded by a limited sectoral approach; and secondly, because traditional sector boundaries are increasingly porous, with some commentators pointing to a post-sectoral creative economy.

Rather than a purely sector-based approach, an alternative model is recommended – as adopted in the recent Creative Industries Business Plan for Jamaica²: **the Creative Portfolio**. This is to emphasise the role of a set of increasingly integrated creative sub-sectors which together provide a distinctive Caribbean offer. Certain sectors (see below) will be most visible and catalytic (and thus will require more dedicated attention), but their performance is inter-linked with other sectors and it is through the collective offer – as a portfolio – that growth and competitiveness will be realised.

To assist partners in moving with speed and confidence, the business plan sets out one core proposition: ***a CCIs programme for the Caribbean Creative Portfolio which will enhance the market readiness of the sector and drive competitiveness across the economy.***

With this approach, specific priority sectors can still be developed, but they are understood as increasingly convergent and integrated:

- **Music** – including production, distribution, sales and events / festivals / carnival. This includes considerable overlap with the **performing arts** – e.g. dance and Carnival - which is intimately related to music production and consumption in the Caribbean and internationally. To this end, music needs to be conceptualised as a driver for a wider performing arts and entertainment sector.
- **Animation / Film / audio-visual / interactive media / computer gaming / digital** – including production, distribution, sales, licensing, software, festivals and events (linked to these sectors) and digital solutions for business models across the economy. This includes considerable overlap with **literature and publishing** (and vital connected skillsets such as story-boarding) – which is a vital provider of content and inspiration for film, animation and the growing market for short-form digital content. It also includes overlap with the music sector – which plays a vital role in giving Caribbean digital content a distinctive cultural offer.
- **Fashion, and contemporary design** – including design, manufacture, distribution, sales and events.
- **Festivals and events** – as cross-cutting activities working across the creative industries. Festivals (and carnivals) are vital aggregators and commissioners for different types of creative industries activities as well as for showcasing creative talent and reaching markets from the local to the global. They are also important environments for talent development, capacity building and innovation.

These are the sectors identified as either delivering most growth, having the most potential for growth, and / or can deliver the most value-added across the creative industries or to the wider economy. The methodology used for their prioritisation is based on three core factors:

✓ **High growth globally:** these are major drivers of the global creative economy, providing over 70% of the overall global market for creative goods and services.

² For the Planning Institute of Jamaica.

✓ **Major sectors locally:** these are areas which either employ lots of people (e.g. music and contemporary crafts); or are beginning to demonstrate the potential for high growth – such as through increasing levels of formalisation, evidence of successful businesses working from Caribbean countries but globally connected (e.g. in fashion), and / or benefitting from significant strategic investment and support (e.g. in film and animation).

✓ **Proven providers of spillover effects to the rest of the CCIs and wider economy.** For example, music, for which the traditional revenue model has all but disappeared, continues to shape the identity of the overall Caribbean creative industries and to provide other sectors such as fashion and film with the authenticity and energy required to differentiate in a global market place. Film is also a key contributor of spillover effects – to tourism and via the jobs it generates in services.

Overall though, **growth and competitiveness in the Caribbean creative industries are increasingly convergent propositions.** One 'sector' feeds into and off another. Cross-sector collaboration is increasingly a required practice – to take a product or service to market and to maximise its return back to the region. This can complicate the design and delivery of support and investment to the creative industries. But for the Caribbean, convergence can be an attribute that delivers comparative advantage. This is because, as a region of small nations, none of the individual creative sub-sectors have the scale or value chain structure to qualify as an 'industry'. For most sub-sectors the value chains are increasingly global and not aligned to individual nation states. This means the distinctive convergence of particular creative industries and their cross-fertilisation in the wider economy, is more seamless and normalised than larger countries where individual creative sub-sectors are larger, more formalised and thus protective of their historic boundaries.

In the Caribbean, is a fashion event not also a music event and when is it not powered by digital technology and animated by the performing and visual arts? Or in Jamaica, is film production not often influenced by the distinctive sounds and sights of Caribbean cultural life – whether through its production and presentation or the ways it is marketed and sold?

Overall, then the CCIMU will need to work across the **Caribbean Creative Portfolio**, focusing on specific parts of the value chain which are more likely to enable growth and competitiveness while recognizing the inter-connectedness of many different elements. Ongoing research and evaluation will be vital in continuing to ensure an evidence-based approach is undertaken.

3.2 Cross-cutting Opportunities

The biggest opportunity, and the hook onto which everything else can hang, is to raise the profile and gain recognition across the Caribbean for culture and creative industries as key to the economic development of the region. For the region to prosper it needs a stronger higher wage, higher skills economy that can generate sufficient employment for young people. In an increasingly globalised economy, where traditional strengths including extractive industries such as Oil and Gas are under pressure and tourism increasingly competitive (especially with 100 planes a day planned from the US to Cuba), developing a version of the creative economy which plays on Caribbean strengths, geographic position and global networks (including the diaspora) is vital. The creative industries can be at the forefront of this, with their ability to generate significant employment, provide for high skilled, highly-productive work, as well as their broader role in helping define places and countries within a global market, boost innovation and creativity in the public and private sectors and work with key growth sectors in the economy including technology, tourism and agribusiness. Main cross-cutting opportunities include:

1. Bringing the Caribbean creative portfolio together – smart brokerage between sectors, targeted support to nurture horizontal value chain development, networks and business to business activities which would encourage exchange. A coordinated approach to sector showcasing and market-making - e.g. via festivals, events and networks – to consolidate trade, knowledge exchange and innovation activities. This includes improving the outcomes of the CARIFORUM-EU Economic Partnership Agreement (EPA) to enhance internal regional collaboration and trade.

2. Bringing the Caribbean creative portfolio to market – showcasing the convergent offer, brokering international collaboration and leveraging the new market opportunities this generates – at home and in target markets globally. This includes a focus on growing the tourism market for high quality creative goods and services – so they spend more while they stay, invest on-line when they leave, and act as ambassadors and market-makers for the Caribbean creative industries. This includes improving the outcomes of the EPA to enhance external (EU) collaboration, mobility and trade.

3. Coordinating / adding value to the creative skills and business support offer – to include a lean delivery model that incentivises formalisation through access to a programme of professional and commercial development activities. This can include tailored support for IP literacy and protection (where this is absent), technology and knowledge transfer, acceleration services, mentoring and advisory services.

4. Build regional (domestic) awareness of and legitimacy for the Caribbean creative industries as a legitimate and high value / esteem sector – e.g. via a public-facing campaign that celebrates creative talent, champions role models, and leverages associations with sport

5. Generate critical mass via the coordination of festival and event programmes (including trade shows) – a festival of festivals and a consolidation of showcases and trade shows.

6. Orientate festivals and events towards the brokered management of trade relations – e.g. bringing the buyers and aggregators to the region with commercial trade a core motivator.

7. Coordinate and invigorate the public and private investment landscape - to increase deal flow to existing investment, activate opportunities dedicated creative industries fund as a large-scale demonstrator and proof of concept vehicle which will generate step change in the investment potential of the sector.

8. Smartly specialise in scalable parts of the value chain – e.g. focusing on digital businesses, animation and music / festival management. This will require long-term capacity-building and the development of a coherent labour pool capable of servicing growth potential.

3.3 Overarching Challenges

Perhaps the biggest challenge in developing the creative industries at a regional level is the **poor history of Caribbean countries working together for the greater good**. Combined with the different stages of advancement in the creative industries, strength of their support agencies and size, devising a meaningful framework for the CCIMU which will address the needs of the sector while generating buy-in from diverse stakeholders will require a combination of generosity of vision and pragmatics. There are few examples from the region – the West Indies Cricket Board (and that is continually under pressure) and to some degree the Caribbean Court of Justice are two examples of cooperative structures which are perceived to work.

Overall, the region's export performance in the creative industries is, as it always has been, under-leveraged and is predominantly characterised by an over-reliance on 'traditional products' which are declining in market share. The ongoing digital transformation of the music industry is a case in point, with the business model radically disrupted, resulting in falling sales globally and extreme vulnerability to illegal downloading, which in turn introduces a requirement to diversify income streams and a new set of interdependencies with other sectors (e.g. fashion and tourism) to generate commercial value.

Main challenges (as introduced in the preceding Options Paper) include:

- **Fragmentation** – small islands markets, coupled with challenges in working across the region. (e.g. flights too expensive, visa requirements for artists working in different islands meant to be waived but not always, mobile phone roaming expensive).
- **Under-exploited international market** – with a limited track record in monetising IP for the Caribbean GDP; and an inconsistent approach to positioning and promoting the overall Caribbean creative industries portfolio.
- **Disparity in provision of support and service across the region** – e.g. Trinidad has a progressive IP unit that actively works in schools; Bahamas doesn't have an IP framework. Barbados has a new Cultural Industries Development Agency; Jamaica has several Government departments responsible for different parts of the creative industries.
- **Generalised lack of respect for creators** – poor IP implementation from top down in terms of copyright protection and enforcement; and creative jobs are not positioned as respected career paths.
- **Creative education and skills provision is piecemeal and lacks accreditation** – with issues of consistency, quality and partnership with industry.
- **The creative industries as a whole lack formalisation** - with low levels of registration and a lack of knowledge of or ability to access IP rights and protection. Most concerning is the underdevelopment of management and entrepreneurial skills and thus a lack of capacity and expertise to link creative practice to business development.
- **Data and intelligence on sector performance is wholly inadequate.** Low levels of formalisation coupled with the lack of coordinated baseline research limit the growth and investment potential of the creative industries.
- **Low levels of access to finance, investment and investor readiness** – with issues of management and entrepreneurship on the demand side and the lack of a competitive policy framework to incentivise creative industries investments on the supply side. This is greatly reducing opportunities to access finance overall. Plus difficulties in assessing the risk profile of IP and intangible assets coupled with the under-provision of dedicated funds and support programmes are limiting access to finance
- **Low levels of sector networking, clustering and collaboration – from national to regional levels** - with micro businesses often isolated and larger firms (most of which are still MSMEs) competing for primacy when collaboration would offer greatest commercial and possibly creative returns.

- **Lack of arms-length creative intermediary bodies / agencies** – with the related challenge of building effective sector partnerships and the under-development of dedicated sector development programmes
- **Lack of strategic vision for the wider knowledge economy (of which the creative industries are an important part)** – locally and regionally, no clear road map for Caribbean economic future in a globalised world
- **No ‘Caribbean creative brand’** – Nothing packages disparate elements of culture and creativity across the Caribbean into something that can be externally understood easily accessed

However, the opportunity landscape is changing. For example, the global structure for creative goods and services seems to be in a **process of disaggregation**, with a resurgence of micro producers acting locally and working globally. Agility and flexibility are vital assets – balancing home-working while plugging into co-working spaces and creative hubs and networks to collaborate, access knowledge, skills and markets. Yet at the same time, we are seeing a process of aggregation in the ways content is distributed and monetised – as witnessed in the disproportionate power of a small number of digital platforms for music and film and the continued strength of agglomerators such as Hollywood or Bollywood. **For Caribbean creatives, the opportunity exists to actively participate as equal peers in global networks and value chains**; while the challenge, shared with MSMEs globally, is extracting sufficient commercial value when so much content is downloaded for free and when it is paid for is distributed by a small number of very large companies.

The main comfort that Caribbean creative firms can take from this slightly paradoxical shift in the production and distribution model is that global **consumption patterns are changing equally radically, which in turn is impacting on the market for the Caribbean creative industries**. In part through the rise of higher spending middle classes across the world, in part through the way digital has increased the appetite for personalised experiences, and in part a response to the perceived homogenisation of the retail and tourism offer, consumers are moving toward distinctive, high value goods and services which have a provenance and are founded on excellence and innovation.

4. Workstreams

Overarching focus areas for the CCIMU can include:

- **Building bandwidth and capacity** – Too many companies and individuals operate at a scale which is not economically viable due to the small scale of local markets, lack of knowledge and skills to upscale, lack of resources and knowledge to penetrate global markets. CCIMU can focus here on building-up MSMEs into scalable businesses through developing skills, sharing of best practice, promoting new business models, enhancing networks, building awareness, and raising the international profile.
- **Reducing friction** – Creative activity, including collaboration, touring, international partnerships, is held back by challenges including import and export regulations, IP and IP best practice, tax and visa issues and lack of international management and representatives. Help to reduce the friction is much needed – through encouraging new ways of working (for governments and creatives), developing digital platforms, raising profiles, heightening aspiration and growing expertise.
- **Building visibility** – There is a need for more ‘breakout brands’ - companies and individuals which raise the profile of Caribbean creativity across the region and globally. By supporting, celebrating and targeting, CCIMU can raise the profile of existing creatives through new platforms, use of networks, export and intra-island activity, collaborations, partnerships and more, to highlight the value of creativity as a great asset across the Caribbean
- **Mainstreaming and ‘spillover effects’** – Positioning culture and creativity as central to the knowledge economy and the future of the Caribbean’s economic prosperity. This needs to ensure that the creative industries play a role in youth employment reduction and skills development, innovation in public and private sectors, and tackling societal challenges (including health, the environment, demographic change, energy use).
- **Knowledge building and knowledge exchange** – ‘What can be counted counts’ – there is a need for the CCIMU to fill the gaps in market knowledge and intelligence about the creative industries sector and *for* the sector. Promoting efficient and coordinated data gathering from a common baseline, providing export intelligence, providing the worth and added value of the sector, sharing best practice in IP and copyright (including proactive teaching of children and young people and protection of rights).

4.1 Priority Work Streams

It is proposed that the following **8 Workstreams** be considered for the CCIMU for Years 1-3:

Workstream 1: Sector Leadership and Advocacy

CCIMU to be the core platform and 'front door' for the Caribbean creative industries. This is to act as the Caribbean creative economy champion and lead on advocating and promoting the value of the sector, ensuring it is prioritised at a regional level and national level, and unlocking resources and partnerships for the effective delivery of sector development activities. This also includes responsibility as lead partner to the EU for the effective delivery of the EPA relating to the creative industries.

Workstream 2: Data and Evidence Programme

CCIMU commission and coordinate a detailed creative industries mapping programme for the region. This should include the development of country-specific and / or sub-regional-focused baseline mapping to a shared methodology that enables intra-regional and international benchmarking. Each country should also be incentivised to establish their own creative industries strategy / business plan – which would involve a shared methodology for consultation and mapping and identify priorities for regional partnership (which could then be coordinated by CCIMU). This would enable a consistent approach across the region. In addition, a business registration and formalisation programme (see Workstream 3) would enable CCIMU to establish a regional database / directory, which would be an important tool for B2B exchange and trade activities and as a sample for ongoing surveying activities. This can, when developed, also be published on-line as a sector resource (possible for members if CCIMU adopts a members' services model).

After this regional baseline and strategic development programme is completed, CCIMU would develop a **creative economy observatory model** – providing data and intelligence on the overall profile of the sector; market trends, new business models, skills needs, and the innovation capacity of different parts of the sector. This would involve the development of an ongoing research programme and the presentation of data bulletins. It would also involve a level of knowledge leadership – e.g. building data and evidence to shape investment readiness considerations for the sector and to build relationships with potential investors.

Workstream 3: Formalisation and Awareness Raising Programme

CCIMU build a promotional and educational campaign to promote the significance of the creative industries as a high growth and value-adding sector. In partnership with different governments, trade and education bodies, this would be to position the Caribbean creative economy as a vital driver for regional competitiveness and as a critical strength linked to cultural distinctiveness. It would be central to a formalisation and registration campaign – to increase levels of registration for creative businesses across the region. This would be in tandem with local initiatives where they exist. The incentive here would be that without registration, businesses could not participate in CCIMU programmes. Registered businesses would also be added to a regional database / directory – which would be a key component of the data and evidence baseline – see Workstream 2.

The CCIMU can also lead on a programme to build management capacity in the cultural and creative industries sector – which in turn can drive formalisation and growth in the creative industries. It is proposed that a **'Creative Leadership Programme'** be established for the region - to build the capacity of managers – providing a mix of training, mentoring, international exposure and connections to networks. The idea is to raise the quality, skills and aspirations of cultural and creative managers across the region.

Workstream 4: Skills Framework Development

This is a development priority because such are the skills gaps and shortages across the Caribbean creative industries. This would see a partnership (led by CCIMU) of key regional skills providers and the University of the West Indies (UWI), guided by an international skills agency, to develop the terms of reference for a transversal creative skills framework for the Caribbean. This can be modelled on: www.ccskills.org.uk – the creative and cultural skills council for England. This Council would set skills guidelines and establish a skill accreditation framework – for specific sectors and for the whole Caribbean Creative Portfolio. It would also work with partners across the region to harmonise skills and accreditation – to improve opportunities for a larger and more agile regional labour market.

Once established the Skills Framework should lead on the development of a long-term **Caribbean Creative Skills Strategy**, which can then provide the ToR for a new **Creative Skills Fund** that allows creative businesses and providers to bid for funding to invest in bespoke and accredited skills and development packages.

Priority areas include:

- Accreditation and quality assurance across 'backstage' or 'behind camera' skills for the film, audiovisual and digital sectors
- Accreditation and quality assurance across the fashion design sector – including a focus on manufacturing
- Management, entrepreneurship and accountancy skills across the creative industries
- Promotion of skills gaps and thus employment opportunities across the creative industries
- Coordinated skills frameworks with industry – e.g. via apprenticeships and internships
- Train the trainer – establishing international standards for teaching professionals
- The growth of coordinated internship and apprenticeship activities.

This in turn will be a game-changer for inclusion, mobility, innovation, confidence and for the capacity of the Caribbean to absorb inward investment.

Workstream 5: Investment readiness / accelerator

CCIMU can lead on the partnership and capacity-building role to deliver step change in the investment readiness of the Caribbean creative industries sector. Working with existing support providers (where creative industries expertise exists), this can involve the set-up on an accelerator programme for high growth creative businesses, providing an annual hot-house and bootcamp programme to bring business to a position of investment readiness. This would operate as **large-scale demonstrator** to build investment and investor readiness and attract deal flow to existing funds (and the retail banks). At the same time, it could spearhead a partnership-driven approach to establish a mix of new dedicated funding for the Caribbean creative industries – e.g. as an overarching Caribbean Creative Industries Fund and / or via a mix of dedicated instruments – e.g. a start-up grants programme, an R&D fund for innovation, debt finance with some flexibility (e.g. to accommodate cash flow profiles of fashion and events companies), and some scope to raise further funds for equity. Key partners here would include the Caribbean Development Bank (CDB) and the World Bank, plus new / forthcoming investment and support programmes in individual countries.

CCIMU, in its leadership and development function, can also build awareness of and appetite for **business angel funding** in the creative industries – to include a focus on overseas Caribbean populations – e.g. hold a business angel dinner(s) and networks for the Caribbean creative industries. Existing business angel network(s) can be leveraged here.

Workstream 6: Digital platform / showcase

The Caribbean creative industries sector needs to more effectively coordinate the promotion, distribution and thus revenue generation of its content. One mechanism here is to set up dedicated landing sites for digital promotion and distribution. These could focus on:

- Caribbean Music
- Animation, Screen and Media
- Fashion and Design
- Events and festivals

These could operate under the umbrella of CCIMU, operating active as landing pages for Caribbean content but situated within preferred content distribution platforms. For example:

- Music content could be promoted and distributed via a curated 'Sounds of Caribbean' platform which, for example, could be optimized through an iTunes API / backend
- Caribbean Fashion and Design could be via distribution agreements with Asos (e.g. for Europe) or Etsy (for contemporary design and crafts).

These platforms would be curated to present the best of content from across these sectors; they would include features and news which engage and inspire audiences and build awareness of the wider creative offer of the Caribbean. They would be driven by expanding data – which would be driven by users interfacing with the sites and associated sites (e.g. via social media, dwell time and sales). This would then enable a level of personalisation – connecting with individual users globally, feeding news and ideas, placing products and services. The ecommerce fund would also be curated – e.g. offering featured designers, promoting different sounds and building audiences for different types of media content. It would offer favourable terms to Caribbean creative businesses (i.e. a nominal commission) and would not require exclusivity. It would also generate traffic to key tourism platforms – thus joining together agendas in export and the visitor economy.

Workstream 7: Festivals and Events Programme

A targeted approach to trade events in key markets at home and abroad. This should major on the top performing and most exciting creative firms from across the Caribbean Creative Portfolio (identified in Workstream 2 and some of which will be supported in Workstream 5). Such businesses would be supported by a targeted events strategy – taking parts of the portfolio to trade fairs and events internationally, while always promoting the whole portfolio. Plus develop a Caribbean Creative Portfolio showcase through the embassies in priority markets (US, Canada, UK, China, and for Rio 2016). Plus stage inward missions to the region –targeting investors and priority customers (who will be co-defined through Workstreams 2 and 5). Workstream 6 will also play a vital role in promoting and building markets for these businesses plus the wider sector.

Caribbean Creative Expo - to develop the capacity of the festivals sector to integrate trade and industry functions. Notably fashion and film / audiovisual are not sufficiently geared to trade (whether this be industry development, trends, or buyer-orientated). The proposed reform of Carifesta provides some opportunities for integrating trade and showcase functions. However, more straightforward would be to develop a **Caribbean Creative Expo within the region with scope for international touring** - e.g. as a **large-scale** creative festival and trade event for the region (with targeted themed activities which tour). This can be akin to the South by South West Model in Austin Texas: multi-venue, cross-sector and industry-focused while very amenable to cultural tourism. It could be staged biannually, managed by CCIMU to promote and develop trade links for the whole Caribbean creative economy. This could include dedicated actions which link to Europe and North America – to maximise penetration to these core markets.

Workstream 8: Creative Industries Cluster and Network Programme

CCIMU can support the development of capacity for key sector trade bodies which operate at a local level, while also supporting network development between such bodies at a regional level – e.g. for a Caribbean Animation Network, Caribbean Designers' Network; Caribbean Music Managers Network / Forum. *These should as much as possible be business-led – i.e. invest in a strong / emergent creative business or existing local network(s) and bodies to drive each element.*

CCIMU can also scope to establish an overarching **Caribbean Creative Industries Federation** or Network (powered by its research and outreach work) – e.g. as a regional membership / network organisation for the whole Creative Portfolio. This might involve nominal membership fees to build levels of engagement and ownership and help to resource services. The Federation/Network would lead on the representation of transversal sector development issues to the CCIMU and individual governments – e.g. access to finance, business support, data, skills etc. It would also commission new data and research where this wasn't generated to satisfaction by public bodies. It would also stage networking events, on-line activities and build B2B collaboration and trade activities.

Working with local partners, the CCIMU can also lead on **B2B events** which bring creatives together to brainstorm, shared ideas and generate new projects. These might be linked to Workstream 7 and 5.

The CCIMU can also be lead partner to the feasibility process and subsequent development of a set of creative clusters and hubs for the Caribbean (in partnership with the higher education sector and business). One such example could be an **industry standard incubation space** for the Creative Industries – as a launch pad and accelerator for the best creative talent at pre-graduation and then postgraduate level. This could involve the establishment of a **creative hub network** for the region – plugging together centres of excellence and networks of creative entrepreneurs.

5. Governance and Business Models

5.1 Governance Options

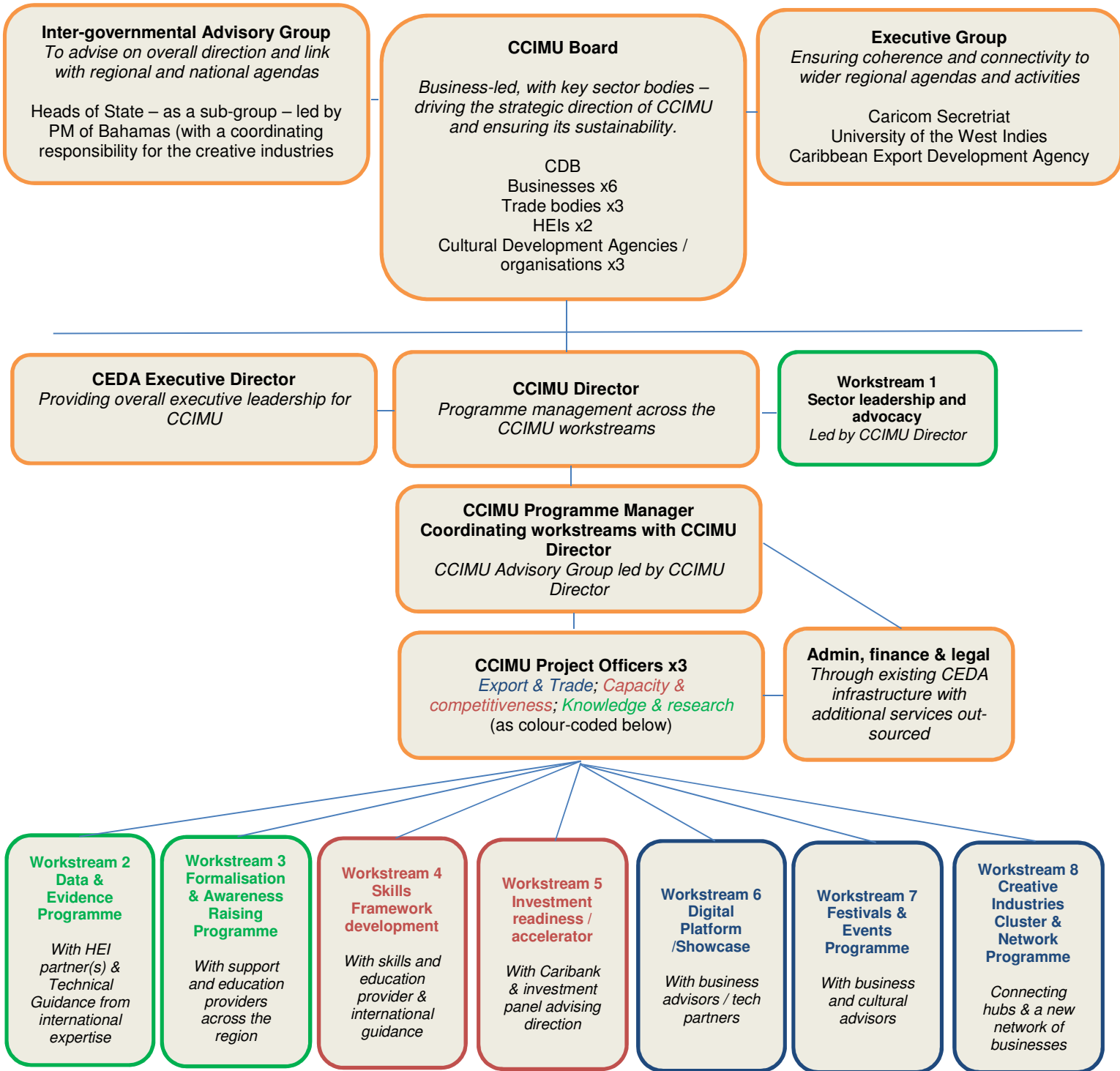
Options for the preferred governance model will depend on answers to the following core questions:

- Technical location: will the CCIMU be based as part of Caribbean Export Development Agency (CEDA) or as an associate company?
- Physical location: will the CCMU be based in Barbados (as above) or have an HQ elsewhere? Or will a distributed model work, with workstreams based in different locations?
- Strategic positioning: will the CCIMU be a wholly independent organisation or be governed by Caricom? How would it balance this with business engagement and subsidiarity issues?
- Financial positioning: how will it achieve a mix of finances through different sources – e.g. balancing core funding with project finance? How will it reach a level of sustainability by Year 4?

5.1.1 Preferred Option

Figure 1 below sets out a preferred option – this is for discussion in the Prioritisation Workshop of June 9th. It is based on the following assumptions:

- That the CCIMU is driven by a small team (of approximately 5) which sits within the CEDA – to share back office resources and complement existing export readiness activities; plus to share an existing governance framework with Caricom Secretariat
- The CCIMU will have a core team at CEDA (again to reduce overheads and enable coordination), but it will develop specific partnerships by workstream – e.g. with different regional partners co-leading with the CCIMU. This will involve a commissioning / out-sourcing model rather than a wholly centralized approach
- The CCIMU would be core financed by Caricom Governments and a partner (e.g. a bank) for Years 1-3, during which time a mixed economy model would be developed based on core funding, project funding, membership, fee-paying revenue for participation in projects, sponsorship and crowd-funding (for projects). This would require it to be a needs-led and agile partner – operating as an overall **'anchor point'** for the Caribbean creative industries.



5.2 Business Models

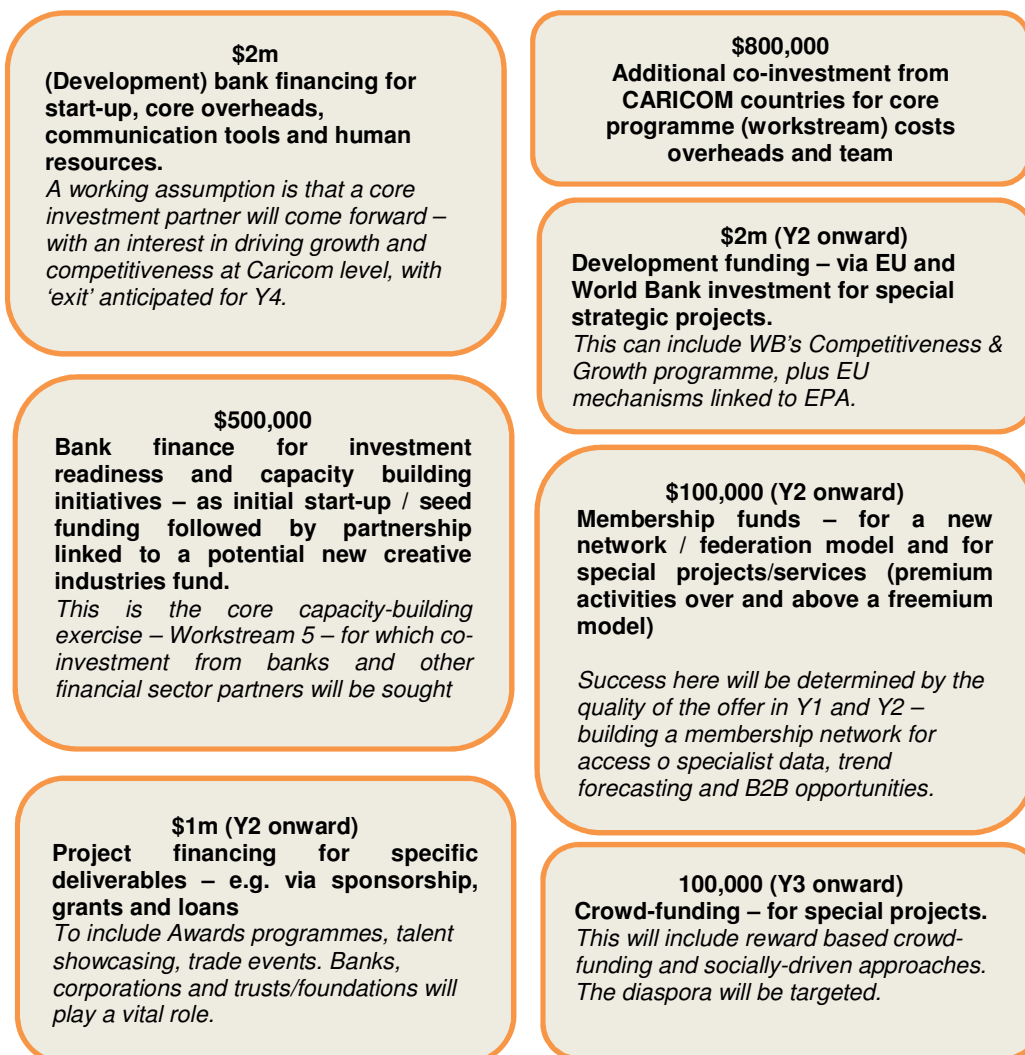
Consultees have stressed the need to focus on a sustainability model for the CCIMU through a public/private partnership approach. It is anticipated that years 1-3 are seed-funded – e.g. via a major investment partner such as a bank, with a target of **50% private sector funding by year 4**. Overall operating costs are based on an assumption that the CCIMU will have a small core team and project funding to ably deliver on each of the 8 Workstreams. for Year 1-3, outline costs are estimated³ as:

\$2m Year 1 – to cover start-up, recruitment, project development, communications and digital platform build-out, baseline research activities, initial activities for each workstream, commissioning of evaluation.

\$2m Year 2 – to cover core costs, roll-out of workstreams and major push on trade and expo activities.

\$2.5 Year 3 – to cover core costs, development of membership services, build-out of new investment and development programmes for Y4 sustainability.

The business plan will reflect this through a preferred funding mix for the CCIMU which will include:



³ The business plan will provide detailed breakdown. These outline figures are for discussion.

Private sector funding will, by Year 4, involve approximately⁴:

\$600,000 bank finance for projects with a % for overheads / management

\$400,000 sponsorship for special projects / activities

\$250,000 membership services

\$100,00 crowd-funding

\$300,000 sales – via tickets, on-line sales, consultancy services.

6. Evaluation and Sustainability

The CCIMU will be required to deliver a coherent, engaged and thorough evaluation programme. This will be budgeted for from the beginning of Year 1. Success will be defined in terms of how the evaluation delivers new knowledge and data for effective regional creative industries development; how it mobilises business engagement, deepening and extending trade and collaboration across the region; and how it generates knowledge and tools which are relevant to wider sector development (e.g. to inform more effective policy and investment on a country by country basis). **Success then** will be judged not just in terms of the robustness of the evaluation and the extent to which it generates clear evidence of strategic value. Rather it will be judged in terms of the ways the evaluation affects policy change, steering investors towards smarter approaches to creative industries development.

An independent evaluator will be commissioned to establish an overarching **evaluation framework** and **logic model** at the outset. This will consist of a meta evaluation (for whole programme of the CCIMU) and a series of micro evaluations for specific workstreams. A **Theory of Change** approach to evaluation will be adopted – i.e. one where the outcomes tested through the evaluation will inform the approach to strategic delivery and programme design / management.

The evaluation process (and wider research activities) will include partnerships with national and regional bodies; cultural organisations; creative businesses; education institutions; sector support providers; and international best practice examples.

Our overarching evaluation question is: “**What are the growth and competitiveness outcomes delivered by the CCIMU?**” This will be underpinned by a set of core questions – which will form the basis of the evaluation framework and logic model. These be developed by our evaluators will ‘drill down’ to measure outputs and outcomes such as:

- **Examples of Economic outputs:** jobs created and safeguarded, investment attracted, funding raised (from public and private sector), business start-ups, balance of payments – regionally and globally
- **Examples of Economic outcomes:** the spillover effects for the growth and competitiveness of the region, confidence and collaboration, innovation capacity, productivity and export readiness

⁴ Also to be outlined in detail through the forthcoming business plan.

- **Examples of Cultural outcomes:** improved confidence and capacity across the cultural sector, increased collaboration, improved innovation, excellence, reach and sustainability, transformed engagement levels in priority communities
- **Examples of Transversal outputs:** numbers of new commissions, projects and collaborations – local; numbers of accredited qualifications gained, scale and reach of press and social media coverage.
- **Examples of Transversal outcomes:** quality of partnerships – local, national and international; improved awareness of and commitment to culture and creative industries as a force for positive change and driver of development; evidence of improved strategic commitment and partnership.

Overall then, CCIMU will develop a long-term independent evaluation which goes far beyond the basic measurement and description of outputs and outcomes to develop a far-reaching narrative on how a dedicated regional approach to the creative industries can make a difference.

This evaluation will provide an important function in fund-raising – building the partnership and investment case. It will also help to re-shape the business model to ensure a more sustainable approach.

