

PRESS RELEASE  
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## HOW THE CREATIVE INDUSTRIES CAN SURVIVE AND THRIVE POST-BREXIT - AN INTERIM REPORT OF RED-LINE ISSUES AND RECOMMENDATIONS

The Creative Industries Federation today publishes its Brexit Report, a first-look analysis of red-line issues for government as it negotiates leaving the EU.

The report includes recommendations, agreed jointly by the Federation and industry members of the Creative Industries Council, aimed at tackling short-term challenges and securing longer-term success for the fast-growing creative industries sector as the UK negotiates leaving the EU. Read it [here](#).

It is being presented to Karen Bradley, Secretary of State for Culture, Media and Sport, and Greg Clark, Secretary of State for Business, Energy and Industrial Strategy, today.

The 73-page document draws on evidence from around 500 contributors at 11 meetings held by the Federation nationwide, as well as a members' survey, to identify the opportunities as well as the dangers that policy- and deal-makers must consider in the Brexit process.

It calls for the creative industries to be put at the heart of government thinking as the country develops its new industrial strategy, forges new international trade deals and tackles the fractures in society exposed by June's EU referendum vote.

**John Kampfner, the Federation's chief executive**, said: "The challenge is to seize the opportunity sectors in the British economy and prioritise them in future trade deals and in the new industrial strategy. The creative industries are a massive opportunity for the UK government.

"This is the fastest growing sector of the UK economy\* and includes all the things that Britain is famous for - from our music to our films, television and heritage. We want to work with government to safeguard the jobs, the revenues and the prestige the creative sector offers.

“While the political circumstances are constantly changing, this report produces initial recommendations and explains how the UK’s creative sector currently engages with EU so that sensible decisions can be made.”

The Federation believes that Brexit offers the chance to tackle some existing problems. It creates an opportunity to:

- Reboot education and training to provide young people with the skills needed for great jobs in the creative sector, including many with existing skills shortages, such as animation and visual effects□
- Create a visa system fit for the 21st century - enabling access to world-class talent and recognising the importance of freelancers and that value does not always correlate with high salaries□

But there are risks both to funding and investment and to the regulatory framework that underpins the creative economy. It is vital that the government:

- Conducts an audit of existing EU funding to the UK’s creative sector (especially in the regions) to identify the streams that should be replaced by the UK as part of government public support alongside tax reliefs□
- Upholds intellectual property rights including copyright in trade deals, especially with new markets with bad infringement records, and remains proactive in negotiations on the Digital Single Market and other regulatory issues with major implications for the sector□

The consultation identified some immediate impacts including the effect of business uncertainty and the fall in sterling on planning and artists’ fees.

A range of other concerns raised include:

- The capacity to retain and recruit talent and how new visa rules will be implemented□
- Increased costs including additional administration for British artists in touring to the EU and for British venues wanting to present non-UK EU nationals□
- The impact on the finances and international standing of British higher education of a likely cut to the number of EU students and academics□

- The loss of rights protecting original designs with knock-on effects for trade showcases such as London Fashion Week □
- The UK's ability and willingness to defend UK interests in negotiations on the Digital Single Market and other areas of regulations □
- The loss of EU funding streams which have been particularly important in UK nations and regions □
- Whether the UK will proceed with hosting the European City of Culture in 2023 □

**Federation members today supported the case for action.**

**Sir John Sorrell, designer, UK business ambassador and Federation founder and chair,** said: "It has taken two decades and more to turn our creative industries from an afterthought to a key driver of wealth and global success. To imperil that would be to imperil our wider economy. That is why we need to be at the heart of the new government's industrial strategy and negotiating priorities in coming months."

**Baroness Lane-Fox, businesswoman and philanthropist,** said: "Without great data and great analysis you can't make great decisions. With so much at stake for our creative sectors in light of Brexit, we need this kind of work more than ever."

**Tom Weldon, chief executive, Penguin Random House UK,** said: "We are still a long way from knowing what Brexit actually means, and it will be a true leadership challenge for the government to reconcile the public concern that has been expressed around topics such as immigration with the ongoing needs of business."

"For UK trade publishing, the four most important priorities post-Brexit are: keeping barriers to trade with the EU to an absolute minimum; strong copyright rules to encourage investment in the UK and to protect creators; ensuring publishers and businesses have access to the people and skills they need; and minimising business uncertainty."

**Amanda Nevill, chief executive, British Film Institute,** said: "Film is a global business and the UK is a success story at its heart. We have this wonderful opportunity now to aspire to even greater heights of success, economically and creatively, if we can get the right framework for the future. In this time of change, film as one of the great arts has an important role in helping everyone engage with, imagine and shape a new future."

**Sir Nicholas Serota, director, Tate,** said: "The success of Tate in recent years has depended very much on our ability to employ people from across the EU at all levels of the Gallery. For us, this is an essential ingredient in creating one of the world's great galleries. We attract significant numbers of international visitors and a staff with different kinds of cultural and educational experience helps us to understand what engages these audiences. As the government works out arrangements for the future, we

would not want any artificial barriers erected which might make it harder for us to attract the skills that we need in order to serve our public well."

**Caroline Rush, chief executive, British Fashion Council**, said: "One of the most important aspects of EU membership for the fashion industry is the access it gives us to a unique talent pool. Although home-grown talent is always encouraged and supported, the ability for international workers to be educated in the UK and to start businesses here gives us access to skills that are scarce, or in some cases no longer available in the UK workforce. This is essential to maintaining our enviable reputation as a global fashion hub."

**Jo Dipple, chief executive, UK Music**, said: "The UK music business derives more than half its revenue from exports, to the tune of £2.2bn last year, so our future is dependent on securing favourable trading conditions with overseas territories. The government has limited time to understand business needs so it should use the Creative Industries Federation Brexit Report to inform decision-making which will affect our prospects for decades to come. So government, please read this document and make well-informed decisions on behalf of creative businesses in the UK."

**Chris Hirst, European and UK Group CEO, Havas**, said: "The UK is one of the world's leading centres of commercial creativity because it is a welcome home to the world's greatest creative talent, both the established and the new. Foreign-born talent doesn't deprive Brits of jobs, it makes British creative talent better and thus creates jobs. At the same time it helps disseminate our ideas and creative product around the world. Any restriction on this impoverishes us all - in all senses of the word. We must continue to not just be delighted at the fusion of ideas and talents we find across our great nation, but ensure that we feel and sound like a place the best want to come to."

**Richard Johnston, chief executive, Endemol Shine UK**, said: "There has never been a more critical time for the UK's creative industries to come together and to make their voice heard. This insightful report brilliantly articulates crucial considerations which need to be taken into account at the highest levels of government if the UK creative industries are going to continue to thrive."

**Dave Moutrey, director and chief executive, HOME, Manchester**, said: "If the UK government wants to ensure that the growth of our economically and culturally important creative industries sector is not damaged by Brexit and, importantly, has a good chance of thriving in the future, I would urge them to act upon this clear set of crucial joint recommendations."

**More comments are available from industry figures including** Russ Shaw, founder, Tech London Advocates, Alex Beard, chief executive, Royal Opera House, Catherine Mallyon, executive director, Royal Shakespeare Company, Deborah Bull, assistant principal (London), King's College London, Victoria Pomery, director, Turner Contemporary, Margate, Alistair Spalding, artistic director and chief executive, Sadler's Wells Theatre, Jim Eyre, director, Wilkinson Eyre (architects), Abigail Pogson, managing director, Sage Gateshead, Brett Rogers, director, The Photographers' Gallery, London, Ian Livingstone, co-founder, Games Workshop and chairman Sumo Digital, Dinah Caine, chair, Creative Skillset, Graeme Thompson, pro-vice chancellor connections and place,

University of Sunderland, Fergus Linehan, festival director and chief executive, Edinburgh International Festival. [Read more](#)

The collaboration between the Federation and CIC reflects the sector's recognition of the crucial importance of coordination and coherence over Brexit.

**Nicola Mendelsohn, VP EMEA Facebook and co-industry chair of the CIC**, said: "We have responded to the government's request for input with an exciting and ambitious agenda for growth before, during and after Brexit. We are now ready to work with our partners in government to ensure the UK realises the full benefits of its world-class creative industries as we enter this new stage in our history."

**For more information** or to arrange to speak to John Kampfner, the Federation's chief executive, or another member of the team, please call Louise Jury, director of communications and strategy, on 020 3771 0353 or email [louise@creativeindustriesfederation.com](mailto:louise@creativeindustriesfederation.com)

#### **Notes to editors:**

The Creative Industries Federation is the UK-wide membership body for the arts, creative industries and cultural education and is funded entirely by its members.

The Creative Industries Council is a joint forum between government and the creative industries and focuses on areas where there are barriers to growth. Council members are drawn from leading figures across the sector.

A list of those who attended the Federation's series of Brexit response meetings is included in the report appendix.

\* The creative industries are valued by government as worth £87.4bn GVA to the British economy. Exports of creative services from the UK totalled £19.8bn in 2014.

The creative industries have now been the fastest growing part of the economy for the period from 2008 (when current measurements began) to 2014. They grew by 8.9% in 2014, the last year of full data, which is almost double the UK economy as a whole (4.6%). Construction overtook the creative industries as the fastest growing sector of the economy in 2013 - 2014 but achieved a much lower rate of growth since 2008, at 9.7% compared to 37.5% for the creative industries.