Monitoring of Selected Economic Key Data on Culture and Creative Industries 2010

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- Summary -

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1. Introduction

Culture and creative industries have gained more and more importance in the public discussion. Its growing recognition as an independent economic area enables the actors in creative and culture industries to take on a new role in the areas of cultural and economic policies. New initiatives and programmes develop on all local, national and European levels.

The 'European Competitiveness Report 2010'[1] focused for the first time on culture and creative industries and stressed its important role for future economic development.

The Competitiveness Report triggered off various activities of the DG Education and Culture[2], DG Enterprise and Industry[3], the European Council[4] and the European Parliament[5]. The newly established European Creative Industries Alliance (ECIA) is probably one of the most important strategic measures.

ECIA[6] goes back to an initiative of the Directorate General for Enterprise and Industry and is at the core of the Commission's efforts to support culture and creative industries in Europe. It is a platform for policy decision makers and stakeholders to jointly develop adequate and improved instruments for the culture and creative industries. It is meant to counterbalance the highly fragmented market segments of the culture and creative industries and stimulate new research and innovation programmes.

In continuation of the German discussion, the *Initiative Culture and Creative Industries of the German Federal Government* (managed by the Federal Ministry of Economics and Technology and the Federal Commissioner for Cultural and Media Affairs) have established a monitoring mechanism for the culture and creative industries to report on current economic key data of the culture and creative industries. The second report presented here describes the situation of culture and creative industries in Germany and provides, for the first time, an introduction to culture and creative industries in Europe.

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[1] EU Commission (2011): European Competitiveness Report 2010

[2] EU Commission (2011): *Green Paper. Unlocking the potential of cultural and creative industries*, Brussels, COM(2010)

[3] DG for Enterprise and Industry (2012): Founding of the 'European Creative Industries Alliance' (ECIA)

[4] European Council (2011): Council conclusions on the contribution of culture to the implementation of the Europe 2020 strategy

[5] European Parliament resolution on unlocking the potential of cultural and creative industries (2010/2156(INI)

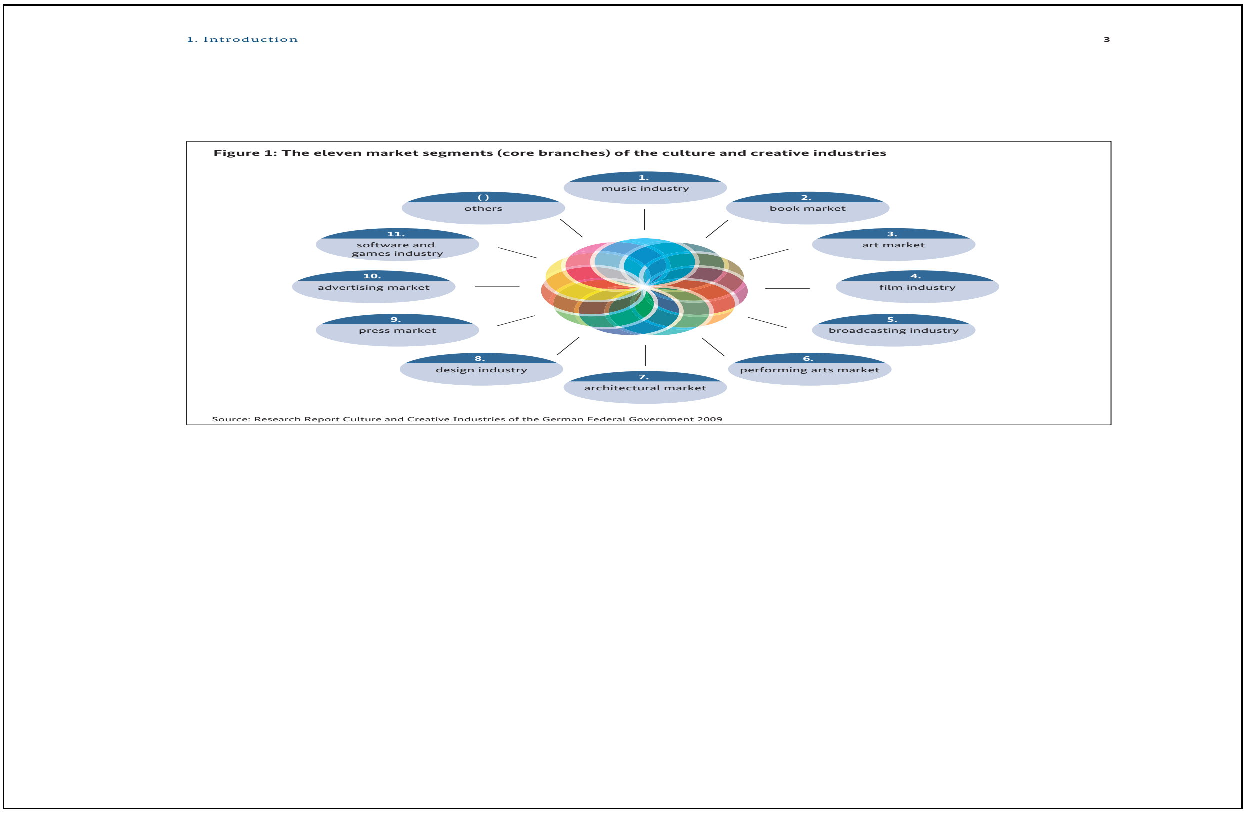
[6] https://www.howtogrow.eu/ecia/

1.1 Definition

The culture and creative industries comprise of all cultural and creative enterprises that are mainly market-oriented and deal with the creation, production, distribution and/or dissemination through the media of cultural/creative goods and services.

The economic field of the culture and creative industries comprises of the following eleven core branches or market segments: music industry, book market, art market, film industry, broadcasting industry, performing arts market, design industry, architectural market, press market, advertising market and the software and games industry (for the detailed classification of economic activities see statistical definition in the annex).

Figure 1-1:The eleven market segments (core branches) of the culture and creative industries



Source: Research Report Culture and Creative Industries of the German Federal Government 2009

The creative act ("schöpferischer Akt") is the connecting element of all cultural and creative activity. It encompasses all artistic, literary, cultural, musical, architectural or creative content, works, products, productions or services that form the relevant core of the eleven market segments.

The category "other" is accommodates and integrates new economic activities into the classification model, such as new economic branches in arts and crafts.

The German classification is compatible with the European classification of ESSnet Culture Statistics, the European Cluster Observatory and the 2009 UNESCO Framework for Cultural Statistics.

2. Economic Overview

Note: The statistical data base differs from that of the previous Monitoring Report and the Research Report on Culture and Creative Industries in some important aspects:

The replacement of the old classification WZ-2003 (Nace rev. 1) by the new WZ-2008 (Nace rev. 2) led to great changes and new classifications in some economic branches, as national activities were adapted to internationally used definitions. The printing industry, for example, now does not belong anymore to ‘paper and printing' in the productive sector, but to ‘information and communication'. At the same time, software and games publishers were assigned to the publishing industry, which is in accordance with international practice.

In connection with the new arrangement of economic activities, the statistics offices also reviewed the assignment of enterprises to the adequate economic branches. This led to sometimes drastic changes in the data on the number of enterprises or outputs. The number of film and TV production firms, for examples, was reduced from 7,200 in 2008 to 5,800 in 2009. In other economic branches, such as broadcasting and publishing, it led to a great reduction in the number of employees and other great changes in the basic data.

These two developments causes a significant disruption when comparing the years 2008 and 2009. VAT statistics were not recalculated for the year 2008 based on the new WZ-2008 classification. Employment data, however, were re-calculated according to the new WZ-2008 for the transition years 2007 and 2008. Nevertheless, as the three categories enterprises, turnover and employment are directly affected by the statistical changes 2008/2009, we will not continue the time line 2003 to 2008. Instead this new monitoring report starts with 2009 as the baseline year and the new definitions and data based on these data. The report can therefore only provide comparisons for 2009 and 2010.

A different methodology was applied for the national accounting data of the Federal Statistical Office. The Federal Statistical Office re-calculated the year 2008 based on the new

WZ-2008, making it possible to evaluate the data on gross value added for the years 2008 and 2009. The introduction of the new economic classification WZ-2008 also makes it possible to extract important groups of the culture and creative industries from the national accounting. Data on value added are now available for the publishing industry (WZ no. 58), the music, film and broadcasting industry (WZ no. 59-60), the advertising market (including market research, WZ no. 73) and for the group arts and culture (WZ no. 90-92). The latter group includes mainly performing arts and self-employed artists; however, it also includes gambling. These groups have been aggregated to come to preliminary figures on the national value added effects of the culture and creative industries.

2.1 Key Data on Culture and Creative Industries in Germany

The following empirical analyses are based on official data. In addition to the publicly available data, the Federal Statistical Office and the Federal Agency for Employment have provided special evaluations for this report.

Note on the validity of data: Data for the years 2009 and 2010 are usually final statistical data, provided they are taken from turnover tax statistics.

Statistical data for 2009 – 2010 provided by the employment statistics (employees) of the Federal Agency for Employment are so-called preliminary data. They may be revised by the Federal Agency for Employment at a later time. However, they are mostly used as final data.

Employment data (persons employed) are based on a combination of turnover tax and employment statistics and are also of preliminary character. The data on gross value added for the years 2008 to 2009 were calculated based on national accounting.

Absolute figures

In 2010, the number of enterprises in the culture and creative industries amounted to almost 240,000. They achieved an overall turnover volume of more than 137 billion Euros and provided full and part time work places for almost 720,000 employees. More than one million persons work in the culture and creative industries, if employees and self-employed persons are added together. The total contribution of the culture and creative industries towards gross value added in 2010 therefore amounts to an estimated 63.7 billion Euros.

Percentage shares

The share of the culture and creative industries in the overall number of enterprises amounts to almost 7.6%, their share in the number of employees to 2.6% and in overall employment (persons employed) to about 3.1%. The share of gross value added in the gross domestic product (GDP) amounts to 2.6% in both 2009 and 2010.

All data on employment and employees refer to the so-called core employment, encompassing jobs that are liable to social security deductions and self-employed persons or entrepreneurs that are registered with the tax authorities as actors in the culture and creative industries. Mini jobs and marginally employed persons are separately indicated or mentioned for information purposes.

The development of the culture and creative industries in the most recent years under review is positive throughout all categories.

- The number of self-employed persons and enterprises rises by 0.4% between 2009 and 2010. This means the development of enterprises has weakened significantly compared to the period 2003 – 2008.
- The economic development of the culture and creative industries currently shows increased turnovers: turnover volumes grew by 2.2% in 2010 compared to 2009. This current growth trend is caused by the overall economic recovery. However, in 2010 the overall economy grew at a rate of 7%, which is considerably higher than the growth rate of the culture and creative industries.
- In contrast to the economic development, the labour market has stagnated. The number of persons employed) decreased by 0.2% in 2010 compared to 2009.

One reason for the stagnation in the labour market lies in the weak development of enterprises. In addition, the number of employees decreased in 2009 and 2010, even though only minimally, by 0.4%. This new trend is in contrast to the positive development in the crisis year 2009, when employment in the culture and creative industries was still growing despite the general economic downturn.

These findings indicate decreasing or weakening growth dynamics of enterprises and self-employed persons, who are waiting and hoping for stronger economic development in the culture and creative industries following the crisis year of 2009. With respect to employment, the stagnation can also be seen as a stabilising factor. First data for 2011 show that employment in the culture and creative industries will probably experience a strong increase.

The key data on the culture and creative industries show that this complex of branches is characterised by a high share of small and micro sized enterprises. The turnover per enterprise amounted to 573,000 Euros in 2010, which equals just one third of the average turnover per enterprise in the overall economy.

The comparative figure of the previous year shows that the turnover value per culture and creative enterprise has increased. However, in 2010 this average increase results from the inconsiderable growth of the number of enterprises.

The overall trend towards micro enterprises in the culture and creative industries persists. This is also shown by the two other key figures on employment. Culture and creative enterprises employ 3.0 employees liable to social insurance deductions on average; this figures increases to 4.0 if self-employed persons are also included.

2.2 Contribution of the Culture and Creative Industries Towards Value Added

Note: The national accounting of the Federal Statistical Office does not account for the culture and creative industries as an independent category. As an across-the-board economic branch they are scattered through a great number of economic branches in traditional statistics. They share this aspect with other, larger complexes of branches such as information and communication technologies (ICT) and the media industry with its dendritic structure.

The new economic classification WZ-2008 makes it possible to segregate important groups of the culture and creative industries from national accounts. Data on value added for the publishing industry (WZ no. 58), the music, film and broadcasting industry (WZ no. 59-60), the advertising market (including market research, WZ no. 73) and the group of arts and culture (WZ no. 90-92) have now become available. The latter group encompasses mainly performing arts and self-employed artists; however, it also includes gambling. All the groups mentioned are aggregated here to calculate the value added of culture and creative industries in the Federal Republic of Germany.

Following this definition, the culture and creative industries produced an estimated value added of a little over 61 billion Euros[7] in 2008. This figure increases to almost 63 billion Euros in the following year. This is equal to an increase of 1.9%. The share in the gross domestic product amounts to 2.6% in 2009.

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[7] According to the National Accounting Division of the Federal Statistical Office these are preliminary data which were compiled according to the new economic classification WZ-2008 for the first time. This caution is also applicable to the comparative data on traditional branches such as automotive and machine manufacture, finance industry or chemical industry.

The positive findings for the crisis year 2009 are surprising, especially as the Monitoring Report 2009[8] had still anticipated a significant decrease. A look at the results for the selected groups may provide an attempted explanation for the increase:

- According to the new national accounting data the publishing industry achieved a gross value added of 18.3 billion Euros in 2009; this corresponds to a growth of 13%(!).
- Gross value added in the music, film and broadcasting group increased even more. Their aggregated increase amounts to almost 14% in 2009 compared to 2008.
- Arts and culture (including gambling) achieved 20.1 billion Euros, equal to an increase of 1.1% compared to 2008. Out of these, 7 billion belonged to art and culture in the proper sense.
- On the other hand, advertising and market research decreased by almost 18%. This branch is seen as an important indicator for the culture and creative industries because of its susceptibility to economic change. It has been assumed that it anticipates the development of other segments of the cultural and creative markets or that it influences them at least (especially press market, broadcasting and film industry). However, the data referred to here seem to indicate a rather big distance to other market segments.
- Part of the culture and creative industries branches (among them development and programming of internet presentations etc., architecture, engineering and design offices) are included in the groups publishing industry and advertising or are not yet included in the evaluation.

The comparison of the 2009 data on value added of the culture and creative industries according to the above definition with other important economic branches in Germany leads to astonishing results. The chemical industry[9] now stands at 32 billion Euros, manufacture of machinery at 64 billion Euros, and the finance industry at 76 billion Euros. The comparison with automotive manufacturing is particularly astounding. This branch shrunk from 72 billion Euros in 2008 to now 55 billion Euros. The Federal Statistical Office expects a significant increase to almost 68 billion Euros in 2010. For 2011 it expects a new peak of almost 75 billion Euros.

Experiences from the crisis year 2009 allow the cautious conclusion that the culture and creative industries are less exposed to economic fluctuations than traditional industries. This

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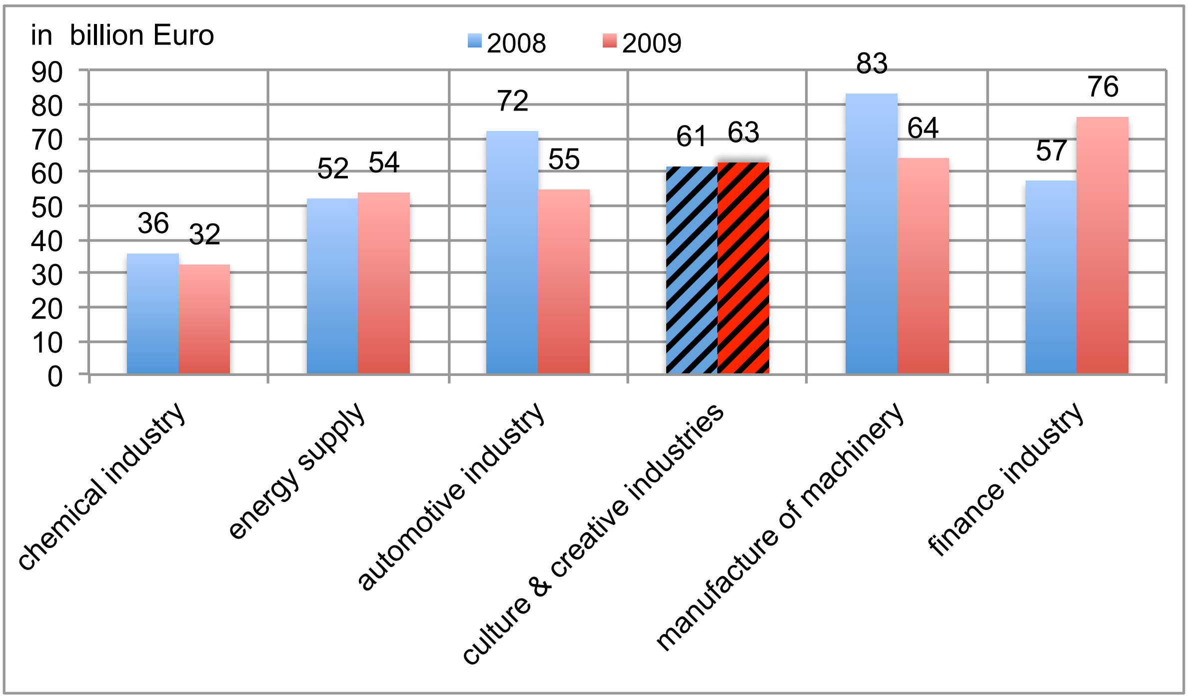
8 BMWI (Ed.): Monitoring of Selected Economic Key Data on Culture and Creative Industries 2009, Berlin 2010

9 according to the new definition excluding the pharmaceutical industry and therefore with a significantly lower volume of value added.

is probably due to their broad basis: their customers include the production and trade sector as well as private and public service providers. This helps to absorb the effects of economic crises to a certain extent. In this respect the low export orientation, which is often seen as a weakness, turns out to be a strength.

Figure 2-1: Contribution of the culture and creative industries to gross value added, comparison across branches, 2008 and 2009 (in billion Euro)



Note: Estimates for the culture and creative industries based on national accounting data, in respective prices
Source: National Accounting, detailed results 2010, updated: Sept 2011, Destatis; calculated by Michael Soendermann, Office for Culture Industries Research

The new classification leads to much improved basic data for the culture and creative industries also in the European context. An evaluation based on data material of the European statistical office Eurostat shows a leading position for Germany compared to the 10 largest member countries. With more than 60 billion Euros value added in 2009, Germany ranks before the UK, which achieved about 51 billion Euros value added according to the Eurostat data, followed by France with a value added of about 43 billion Euros. The three EU countries together achieve more than half of the total gross value added in the European Union of about 277 billion Euros.

However, the position of these three countries changes as soon as we look at the share of the culture and creative industries in the overall economy. This ranking is headed by the Netherlands with a share of 3.4% of the culture and creative industries in the gross domestic product, followed by Sweden and the UK with 3.3 % each. Germany is situated in the middle field with 2.6% (average for the EU 2.4%).

2.3 Employment in the Culture and Creative Industries Compared by Market Segments

The number of persons employed in the culture and creative industries amounted to 962,000 in 2009. Out of these 25% are self-employed, the remaining 75% or 723,000 persons were employees. The share of employment in the culture and creative industries in the overall employment reached 3.2%.

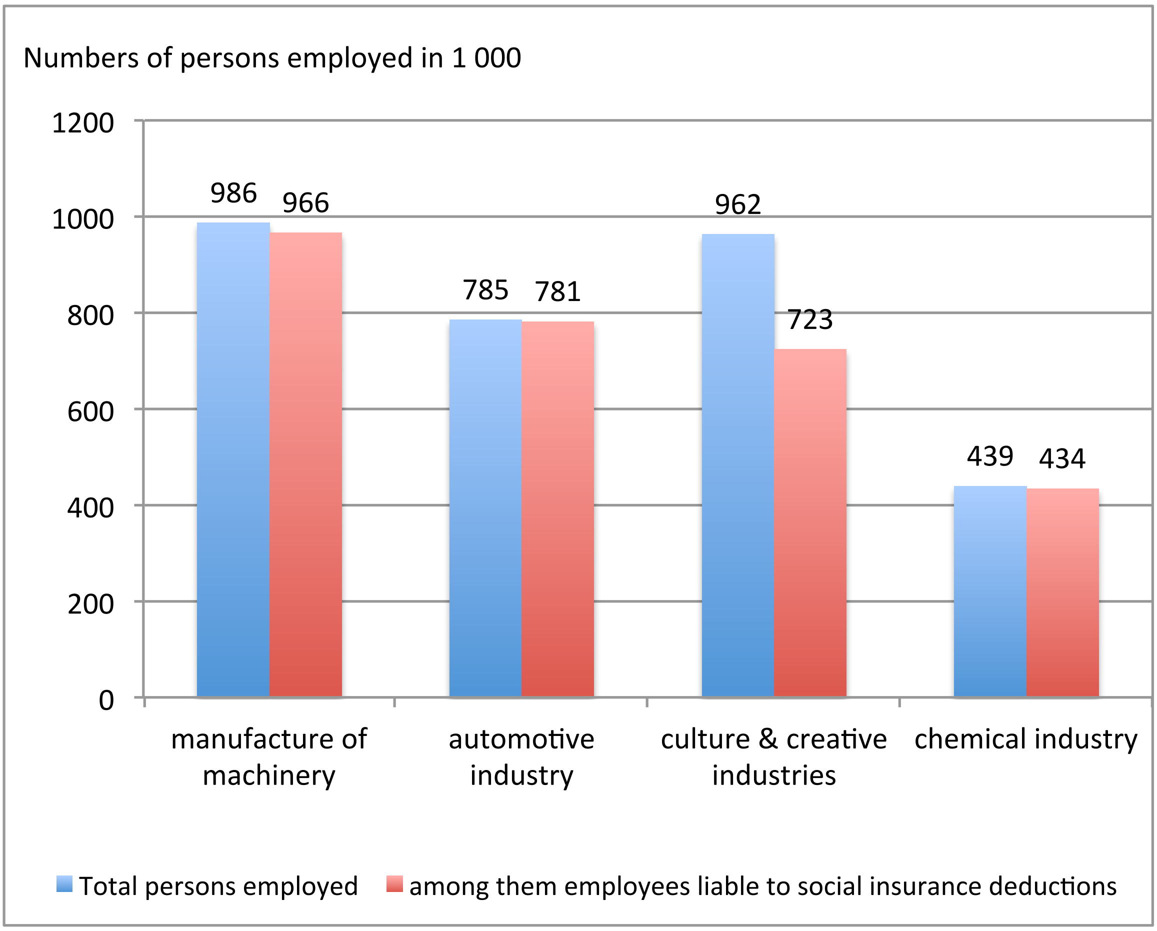
These key data cover only the core area of the culture and creative industries. Self-employed persons with less than 17,500 Euros turnover per year and marginally employed persons (a total of more than 700,000 persons) are excluded, because the culture and creative industries are to be compared to the traditional economic branches.

The traditional economic branches such as manufacture of machinery, and automotive and chemical industry are characterised by a high share of full time work places. Therefore only those employees in the culture and creative industries are included who work either fulltime or part time (usually 19 hours per week or more).

Figure 2-2 shows that, with about 723,000 employees, the employment market of the culture and creative industries is almost on the same level with the automotive industry with 781,000 employees. The other branches are either one quarter above or below the level of the culture and creative industries, such as manufacture of machinery with 966,000 employees or the chemical industry which is a little more than 25% beneath the level of the culture and creative industries.

Concerning the number of self-employed persons, the culture and creative industries, with a share of 25% of self-employment in the total number of persons employed in the sector , differ significantly from other branches. Self-employment plays a rather insignificant role in the traditional branches. About 4,000 self-employed persons in the automotive industries and 5,000 in the chemical industry amount to only a fraction of the share in the culture and creative industries, where their number amounts to 238,000 to 239,000 persons, leading to an above average share of self-employment. Only the manufacture of machinery with about 20,000 self-employed persons has a certain magnitude of self-employment.

Figure 2-2: Persons employed in the culture and creative industries compared across branches, 2009 (numbers of persons employed in 1000)



Note: Employed persons include self-employed persons according to turnover tax statistics and employees liable to social insurance deductions, excluding marginally employed persons.
Source: Turnover tax statistics, Destatis 2011; employment data, Federal Agency for Employment 2011, calculations by Michael Soendermann/Office for Culture Industries Research

Large national and international enterprises are important employers for many thousands of employees in the traditional industrial branches. The economic crisis of 2009 had particularly dire consequences for many people in these branches. According to the new data (classification WZ-2008) 813,000 employees were working in the automotive industries in 2008. Their number decreased to 781,000 in 2009, meaning that the automotive industries lost more than 30,000 jobs during this period. According to the new data, the culture and creative industries had lost employment. Between 2008 and 2009, about 8,000 employees lost their jobs in the culture and creative industries. However, in a direct comparison with the automotive industries, the culture and creative industries lost considerable fewer jobs.

The comparison of branches shows that the culture and creative industries have a comparatively great weight, but in spite of the fact, the branch is still struggling for social recognition.

3. Summary of Empirical Findings on the Culture and Creative Industries

Against expectations, the number of enterprise stagnated

Considering that the culture and creative industries suffered a lot less from the extreme economic fluctuations of the crisis year 2009, it will be interesting to see how the complex of branches developed after the crisis.

The most astounding finding concerns the development of enterprises in the culture and creative industries. Against all expectations, which were based on the rising number of micro and small enterprises over many years, the number of enterprises did not grow in 2010 but was stagnating. Instead of an expected increase of 2 to 3 percent, the number of enterprises in the culture and creative industries grew only by 0.4%.

Looking at the different economic branches, it is obvious that it was not the number of self-employed artists or micro enterprises that shrunk; it is rather the smaller commercial enterprises or BGB companies that disappeared from the market. Small music, book and press publishing houses, retail traders of cultural goods, film production and film distribution firms, and small advertising agencies and game developers have disappeared from the market in considerable numbers, at rates of 1 to more than minus 9 percent.

Increases in design offices, freelance writers, performing artists, translators, interior designer and sound studios are in contrast to this decrease. Some groups of enterprises, such as offices for industrial design, graphic design or interior design, grew above average at a rate of almost 20 to 35%. The positive trend in design is contrasted by the negative trend in advertising agencies, which shrunk by more that 5% in the same period.

Negative and positive growth effects in the various branches lead to an overall stagnation of the number of enterprises in the culture and creative industries. It remains to be seen if this trend will continue in 2011.

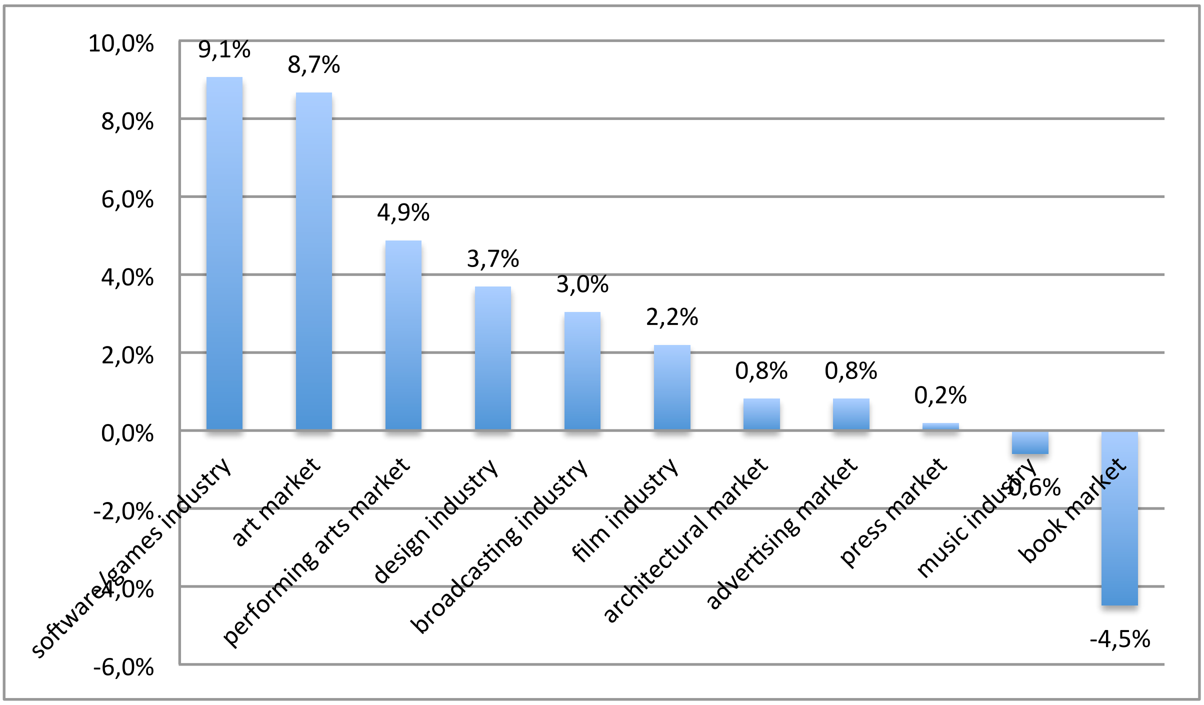
Economic growth continued as expected

The economic development of the culture and creative industries took the expected positive course in accordance with the general economic development. The turnover volume of the culture and creative industries increased by 2.2% in 2010.

However, the development opportunities of some large market segments of the culture and creative industries, such as the press market and the advertising market, could not be adequately assessed. While a minus in turnovers had been predicted for the press market, the advertising market was expected to achieve a considerable increase in turnovers in

2010. Both trends were not confirmed; both market segments of the culture and creative industries stagnated and achieved increases of less than 1%.

Figure 3-1: Development of turnover of market segments of the culture and creative industries, 2010 compared to previous year, in percent



Source: Turnover tax statistics, Destatis 2012; calculations by Michael Soendermann/Office for Culture Industries Research

Above average turnover dynamics were achieved by the market segments design industry (3.7% increase), performing arts market (4.9% increase), art market (8.7% increase) and software/games industry (9.1%).

The overall economic development is mainly influenced by the four market segments press market, software/games industry, advertising market and design industry, which together achieved about two thirds of the overall turnover. The software/games industry and the design industry are the crucial growth sectors in the economic year 2010, while the press and advertising markets have stagnated. Out of the eleven market segments, the book market is the only one with a pronounced turnover minus of 4.5%; the music industry could more or less keep its turnover level, with a slight loss of 0.6%.

Employment market: stagnant for the first time

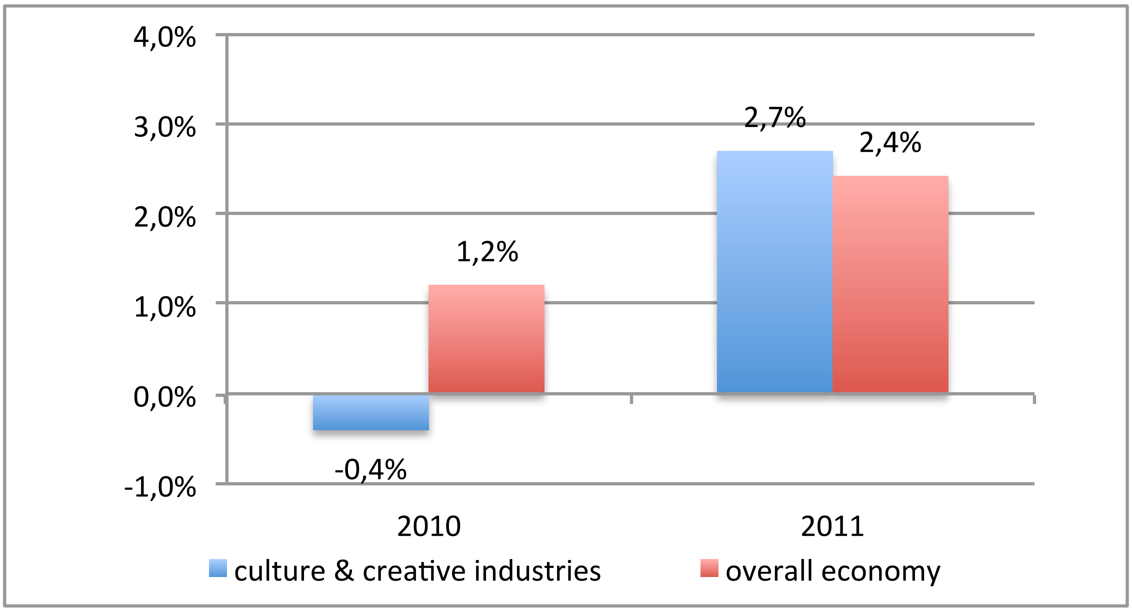
The employment market of the culture and creative industries has stopped growing for the first time in 2010. In previous years, the growth curve was characterised by the constant increase of self-employed persons. The stagnation of this development trend in 2010 had an effect also on the labour market. The labour market (minus 0.4%) could not provide new impulses toward growth, leading to the stagnation of the employment market at 0.2%.

Seven of the eleven market segments registered negative growth rates of 0.2 to 3.1%, among them again the large market segments of press and advertising, which lost about 3% of the persons employed. Among the employment markets registering positive growth rates were the software/games industry with a plus of 3.2%, the performing arts market with a plus of 2.7% and, surprisingly, the architectural market with a plus of 1.8%. The design industry registered a plus in self-employed persons and a loss in employees, resulting in a stagnating level of employment (plus 0.1%).

Positive outlook for the economic year 2011

Following the crisis year of 2009, the development in 2010 took two diverging directions. While turnovers in the culture and creative industries showed a positive trend in accordance with the general economic upswing, the number of enterprises and employment market developments could not provide fresh impulses. In some market segments, the number of enterprises decreased, in others there were new entries to the market. Overall, the number of enerprises remained constant. Turnover increases were mainly caused by the activities of medium and larger enterprises, which found their way back into the market after the crisis more quickly than others.

Figure 3-2: Development of employment liable to social insurance deductions in the culture and creative industries compared to the overall economy, 2011 compared to 2010, in %



Note: Employment = employees liable to social insurance deductions in full time and part time jobs, excluding marginal employment
Source: Employment statistics, Federal Agency for Employment 2012; calculations by Michael Soendermann/Office for Culture Industries Research

First key data for 2011 show a recovery trend for the employment market in the culture and creative industries. The number of employees liable to social insurance deductions will probably grow by 2.7% in 2011 compared to 2010. If this trend proves to be consistent, this could provide a tremendously important signal emanating from the culture and creative industries. First of all it would mean that the culture and creative industries grow faster than the overall economy, which is expected to show a growth rate of 2.4% in 2011. Secondly it could indicate that the economic situation of the enterprises in the culture and creative industries continues to stabilise, because jobs liable to social insurance deductions are usually more cost intensive than self-employed persons or contracted labour. Thirdly this trend could point towards renewed confidence in the culture and creative industries.

4. Excursus on Culture and Creative Industries in Europe

This Monitoring Report is the first to include a short analysis of the situation of the culture and creative industries in Europe, with special focus on the German contribution.

According to the Structural Business Statistics (SBS, Eurostat), the gross value added in the culture and creative industries in Europe amounted to 277 billion Euros in 2009[10]. This equals a share of 2.4% in the overall gross domestic product in the European Union. The calculation of the magnitude of the value added is based on the data provided by 23 out of the 27 member countries[11].

Following the current definition of culture and creative industries, the group of book and press publishing, including games and software publishing, contributes a total of 58 billion Euros to the value added; this equals a share of 21% in the European culture and creative industries. The film and music industry together contribute a total of 20 billion Euros, equal to a share of 7%. Broadcasting achieved a slightly higher value added of 27 billion Euros, with a share of 10%.

The architectural market achieved 22 billion Euros and a share of 8%. It should be noted that the architectural market does not include engineering, but only the economic contributions of architectural offices in Europe. The design industry and the advertising market (the latter depending largely on the design industry) together achieve a value added of 46 billion Euros and a share of 17% in the European culture and creative industries.

Artistic, cultural and creative activities provide a value added of 22 billion Euros with a share of 8%. It must be noted that gambling (!), which is included in the statistics of some member countries, is not taken account of here. Cultural trade with books, press products, music, works of art and artisanal products contributes another 18 billion Euros to value added and achieves a share of 6%.

Software, including web portals and programming of games, provides the largest contribution with a total of 64 billion Euros and a share of 23% to the European culture and creative industries. This sub-group is often seen as problematic so that narrow definitions of the culture and creative industries do not include it. Excluding the purely software-related activities of 62 billion Euros, the contribution of the European culture and creative industries towards value added amounts to 215 billion Euros in 2009.

All in all, the culture and creative industries contribute considerably to the European gross domestic product. This must be all the more appreciated as the European culture and

[10] More data on the categories enterprises, turnovers and employment broken down by market segments and countries were analyzed in the pilot study.

[11] Four countries have not yet delivered their 2009 data to Eurostat.

creative industries are far from being an optimally developed complex of branches. The pronounced fragmentation of the culture and creative industries and their market segments constitutes a structural weakness characteristic for Europe compared to other regions and, according to the opinion of many actors in the field, hampers its development. In most member countries, culture and creative industries are still mainly oriented towards their respective internal markets and develop only few services across borders or internationally. Enterprises in the USA, and increasingly also in the Asian region, are preparing to enter the European market of culture and creative industries.

Regional European markets

500 million people living in Europe are potential customers and users of the culture and creative industries; among them Germany, UK and France are the largest markets for the culture and creative industries in Europe. Germany ranks first with a value added of 62 billion Euros, followed by the UK with 51 billion Euros and France with 43 billion Euros. The three countries together constitute almost 60% of the European culture and creative industries (27 member countries).

Figure 4-1: Ranking of countries in the European culture and creative industries, value added in billion Euros, 2009

Country	Ranking	Gross Value Added Billion Euros	Share in EU in %
Germany	1	62.3	22%
United Kingdom	2	51.3	19%
France	3	43.4	16%
Italy	4	27.1	10%
Spain	5	21.9	8%
The Netherlands	6	19.2	7%
Sweden	7	9.6	3%
Denmark	8	7.2	3%
Poland	9	7.0	3%
Belgiun	10	6.4	2%
Austria	11	5.9	2%
Finland	12	5.0	2%
Other countries*	-	10.6	4%
European Union*	**-**	**277.1**	**100%**

Note: Definition according to 2009 UNESCO Framework for Cultural Statistics, ESSnet Culture Statistics 2001, European Cluster Observatory: Creative Industries 2009. *No 2009 EU data for Ireland, Greece, Czech Republic and Malta. All data are preliminary; some are estimates.
Source: Structural Business Statistics, Eurostat, national statistics offices; calculations and estimates by Michael Soendermann/Office for Culture Industries Research

Italy, Spain and the Netherlands, with value added figures of about 20 to 27 billion Euros, form the middle group of the European culture and creative industries. The strong potential of the Netherlands is remarkable; although Spain has considerably more inhabitants, the

Netherlands are almost on the same level with Spain with regard to value added. This already shows the special situation of the Netherlands, which will become still clearer in later comparisons.

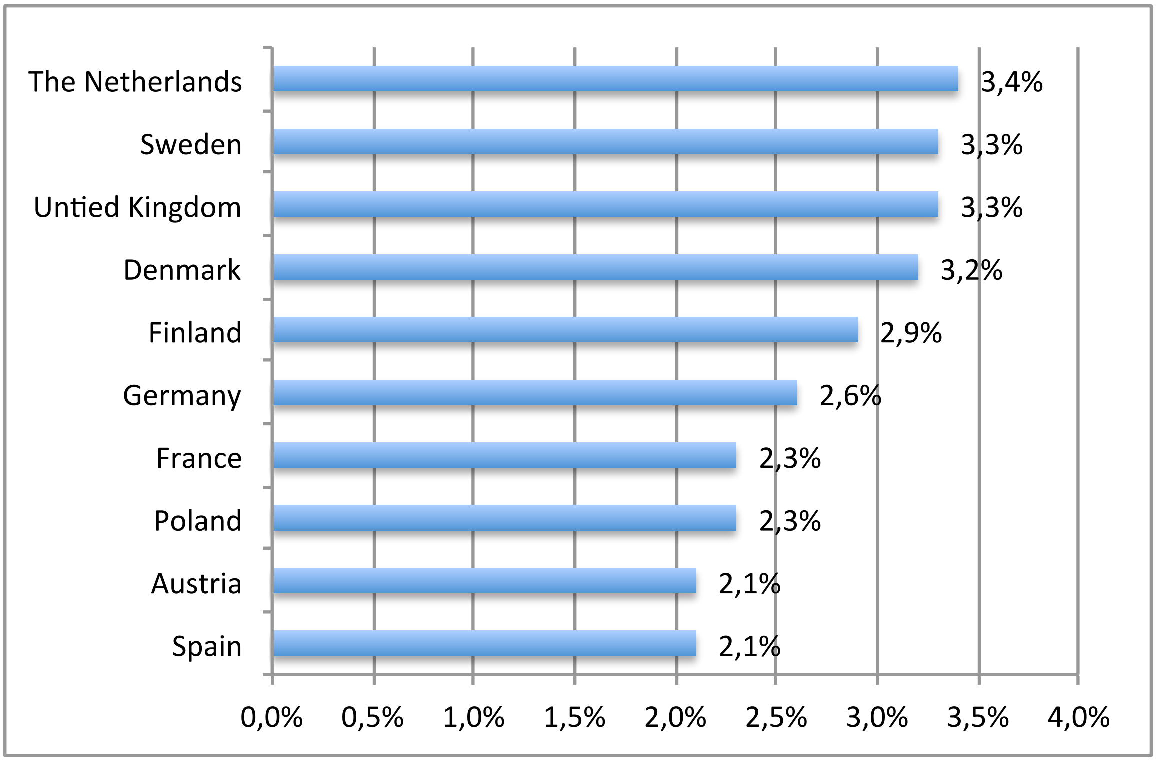
The group of smaller countries in the culture and creative industries consists of Sweden, Denmark, Poland, Belgium, Austria and Finland, which achieve value added between 5 and almost 10 billion Euros in the culture and creative industries. The other countries, which are not listed individually here, achieve about 2 billion Euros or less value added in the culture and creative industries.

The quantitative comparison of absolute values may provide some hints for potential investment opportunities to non-European companies; however, with respect to structural policies it is more important to look at the weight the culture and creative industries have within the individual countries.

The relative weight of the culture and creative industries

Figure 4-2: Ranking of countries in the European culture and creative industries, relative values, 2009

Share of culture and creative industries in gross domestic product of countries, in %



Note: Definition according to 2009 UNESCO Framework for Cultural Statistics, ESSnet Culture Statistics 2001, European Cluster Observatory: Creative Industries 2009. *No 2009 EU data for Ireland, Greece, Czech Republic and Malta. All data are preliminary; some are estimates.
Source: Structural Business Statistics, Eurostat, national statistics offices; calculations and estimates by Michael Soendermann/Office for Culture Industries Research

The Netherlands, the United Kingdom and the Scandinavian countries are on top of the list with respect to the share of their culture and creative industries in the overall economy. The Netherlands take position 1 with a share of 3.4% of the culture and creative industries in the gross domestic product, closely followed by Sweden, the United Kingdom and Denmark with 3.3% and 3.2% respectively. This is not surprising considering the fact that these countries have a strongly developed services sector. In addition, the Netherlands pursue a Europe-oriented export strategy also in their culture and creative industries. This is also true for the UK, whose strategy has been concentrating on the global market for a long time. The Scandinavian countries have a large number of small businesses with a strong potential of value added in the culture and creative industries, which all in all leads to their above-average ranking.

Germany, with a share of value added of 2.6%, and France with 2.3%, are both in the solid middle range and close to the European average of 2.4%. Germany would have to raise its potential for value added by at least 15 billion Euros in order to reach the current level of the United Kingdom of 3.3%. This potential volume is more than the entire German publishing industry, which according to current data contributes close to 12 billion Euros.

The German economy, with its manufacturing industries and high-tech branches, is the leading business location in Europe. Therefore the services sector here is not yet as important as in the Nordic countries or the Netherlands. Nevertheless, the economic crisis of 2009 clearly showed the extreme fluctuations which may occur in our national economy under the influence of changes in the global economy. The potential of the services sector, including the culture and creative industries, should therefore be high on the agenda of structural policies. Even for strong industrial nations like Germany it becomes more and more important to integrate the innovation potential of the services sector, and therefore of the culture and creative industries, into the portfolio of economic policies.

The statistical comparison of culture and creative industries across countries in Europe provides first insights into the potential of this complex of branches. The development of culture and creative industries with a strong potential for value added therefore greatly depends on a solid data base for all member countries.

5. Outlook for the Culture and Creative Industries

Besides contributing considerably to the creation of value added in Germany, the culture and creative industries also provide models for future forms of work and life. They are part of a future knowledge- and content-oriented society. The culture and creative industries show important structural characteristics that may and will find their way into other economic branches as well.

The culture and creative industries are already today characterised by models of working and doing business that will gain great importance in the future. Due to the hybrid work forms and content-oriented production of many businesses in the culture and creative industries, it is a pioneer on the way towards a knowledge-based economy in Germany.

- Some sub-sectors of the culture and creative industries have very short innovation cycles for certain products. Innovation-oriented business models, classified as belonging to the high-risk area in financial circles, need specific support. Economic policy needs special tools tailored to support their innovation potential.
- Prototypes, individual works, small scale series and immaterial products are typical products of the culture and creative industries. The mode of production and the characteristics of the products of the culture and creative industries are typical for a knowledge-based economy.
- A fast changing employment structure and constantly changing fields of work and professional skills are important characteristics of the culture and creative industries. The culture and creative industries, with their typical employment structure, can be a model for the development of the traditional branches, where phenomena such as self-employment and micro enterprises will play a more and more important role.
- Almost all enterprises in the culture and creative industries use modern technologies, especially information and communication technologies. They are not merely passive technology users, but also provide constant impulses for the producers and developers of new technologies.

Economic policy support to the culture and creative industries may develop trend-setting methods and instruments for economic support, which may also be transferred to other economic branches.

In its new vision ‘Europe 2020‘ the European Union aims at ‘intelligent, sustainable and integrative’ growth. Due to the economic importance and also due to the best practice character for future forms of work of the culture and creative industries, economic policy support to this sector, which contributes to its innovative and economic potential, can also contribute greatly to the achievement of this EU goal.

6. Annexes

6.1 Tables

Tab. 1: Key Data on Culture and Creative Industries in Germany 2009 - 2010

Category	2009	2010*	Change in % *2010/ 2009*
Number of Enterprisesin thousands (1)			
- Culture and creative industries(CCI)	238	240	*0.4%*
- Share of CCI in overall economy	*7.6%*	*7.6%*	-
Turnover in billion €			
- Culture and creative industries(CCI)	134.3	137.3	*2.2%*
- Share of CCI in overall economy	*2.7%*	*2.6%*	-
No of employees in thousands (liable to social insurance deductions) (2)			
- Culture and creative industries(CCI)	723	720*	*-0.4%*
- Share of CCI in overall economy	*2.6%*	*2.6%*	-
Number of persons employed in thousands (3)			
- Culture and creative industries(CCI)	962	960*	*-0.2%*
- Share of CCI in overall economy	*3.2%*	*3.1%*	-
No. of marginally employed persons in thousands (4)			
- Culture and creative industries(CCI)	194	205*	*5.6%*
- Share of CCI in overall economy	*4.6%*	*4.8%*	-
No. of marginally employed persons in thousands (5)			
- Culture and creative industries(CCI)	510	505*	*-1.0%*
- Share of CCI in overall economy	*7.1%*	*6.9%*	-
No. of marginally employed persons in thousands(6)			
- Culture and creative industries(CCI)	1,666	1,675*	*0.5%*
- Share of CCI in overall economy	*4.3%*	*4.3%*	-
Gross value added in billion € (7)			
- Culture and creative industries (CCI)	62,7	63,7*	*1.7%*
- Share of CCI in GDP	*2.6%*	*2.6%*	-
- Gross Domestic Product (GDP)	2,374,5	2,476,8	*4.3%*
Key data for culture and creative industries			
Turnover per enterprise in thousand €	*563*	*573*	*1.8%*
Turnover per employee in thousand €	*186*	*191*	*2.6%*
Turnover per person employed in thousand €	*140*	*143*	*2.4%*
Employees per enterprise	*3.0*	*3.0*	*-0.8%*
Persons employed per enterprise	*4.0*	*4.0*	*-0.6%*
Gross value added per person employed in thousand €	*65,2*	*66,4*	*1.9%*

Note: *Preliminary data and estimates, employees liable to social insurance deductions and employed persons in 2010 preliminary data of the Federal Agency for Employment. (1) Taxable entrepreneurs with annual turnovers of EUR 17,500 and more. (2) Employees liable to social insurance deductions working full and part ime, without marginally employed persons. (3) Employed persons include taxable enterpreneurs and employees liable to social insurance deductions. (4) In addition: marginally employed persons (free-lances, self employed persons with less than EUR 17,500 turnover per year, data based on Microcensus. (6) Employed persons include all self-employed and employed persons including marginally employed persons based on Microcensus data. (7) Gross value added in 2009 based on national accounting data; minimum data only (national accounting data, updated October 2011, WZ-selection: 58-60, 73, 90-92, excluding 62, 71, 74) BWS 2010 estimates.
Sources: Turnover tax statistics, Federal Statistical Office (Destatis) 2012; labour market statistics, Federal Agency for Employment 2011; calculations by Michael Soendermann/ Office for Culture Industries Research, Cologne

Tab. 2.1: Culture and Creative Industries in Germany

Enterprises according to market segments and classes/sub-classes 2009 - 2010

Market segment WZ-2008	Classes or sub-classes	Enterprises Total 2009	Enterprises Total 2010
1. Music industry			
90.03.1	Own-account composers, musician, arranging of music	2,656	2,643
90.01.2	Music and dance ensembles	1,828	1,661
59.20.1	Sound-recording studios and production of taped radio programming	479	539
59.20.2	Publishing of sound recordings	395	390
59.20.3	Publishing of printed music	1,200	1,149
90.04.1	*Organisation of theatre performances and concerts	1,414	1,400
90.04.2	*Operation of private opera houses, concert halls etc	228	228
90.02	*Support activities to performing arts	2,024	2,109
47.59.3	Retail sale of musical instruments and scores	2,235	2,142
47.63	*Retail sale of music and video recordings	238	282
32.20	Manufacture of musical instruments	1,165	1,180
	Market segment total	**13,862**	**13,723**
2. Book market			
90.03.2	Own-account writers	6,616	6,941
74.30.1	Translation activities	1,584	1,625
58.11	Book publishing	2,193	2,220
47.61	Retail sale of books	4,290	4,195
47.79.2	Retail sale in second-hand bookstores	479	459
18.14	Binding and related services	1,070	1,041
	Market segment total	**16,232**	**16,481**
3. Art market			
90.03.3	Own-account visual artists	8,883	8,814
47.78.3	**Retail sale of art, pictures, craftwork, (estimate)	1,797	1,712
91.02	Museum shops and art exhibitions (estimate)	890	823
47.79.1	Retail sale of antiques and antique rugs	2,193	2,115
	Market segment total	**13,763**	**13,464**
4. Film industry			
90.01.4	*Own-account stage, motion picture, radio and television artists and other performing arts activities	8,455	8,710
59.11	Motion picture, video and TV programme production activities	5,785	5,253
59.12	Motion picture, video, TV programme post-production activities	696	767
59.13	Motion picture, video and TV programme distribution activities	929	865
59.14	Motion picture projection activities	888	878
47.63	*Retail sale of music and video recordings	238	282
77.22	Renting of video tapes and disks	1,321	1,201
	Market segment total	**18,312**	**17,956**
5. Broadcasting industry			
90.03.5	*Own-account journalists and press photographers	17,500	17,401
60.10	Radio broadcasting	266	262
60.20	Television programming and broadcasting activities	87	88
	Market segment total	**17,853**	**17,751**
6. Performing arts market			
90.01.4	*Own-account stage, motion picture, radio and television artists and other performing arts activities	8,455	8,710
90.01.3	Oown-account performers and circus groups	564	573
90.01.1	Activities of theatre ensembles	126	124
90.04.1	*Organisation of theatre performances and concerts	1,414	1,400
90.04.2	*Operation of private theatre and concert halls etc	228	228
90.04.3	Operation of variety theatres and cabarets	196	178
90.02	*Support activities to performing arts	2,024	2,109
85.52	Cultural education (music, dance, visual art)	1,986	2,080
	Market segment total	**14,993**	**15,402**

7. Design industry			
74.10.1	Activities of industrial, product and fashion designers	1,606	2,164
74.10.2	Activities of graphics and communications designers	5,506	7,269
74.10.3	Activities of interior decorators	8,017	7,679
71.11.2	*Consulting architectural activities in interior design	2,675	3,185
73.11	*Advertising agencies	18,060	17,125
32.12	Manufacture of jewellery and related articles	3,777	3,706
74.20.1	Activities of photographers	8,691	8,983
	Market segment total	**48,332**	**50,111**
8. Architectural market			
71.11.1	Consulting architectural activities in building construction	28,140	27,587
71.11.2	*Consulting architectural activities in interior design	2,675	3,185
71.11.3	Consulting architectural activities in town, regional planning	4,664	4,828
71.11.4	Consulting architectural activities in landscape architecture	3,072	3,088
90.03.4	Own-account restorers	1,405	1,471
	Market segment total	**39,956**	**40,159**
9. Press market			
90.03.5	*Own-account journalists and press photographers	17,500	17,401
63.91	News agency activities	995	989
58.12	Publishing of directories and mailing lists	211	200
58.13	Publishing of newspapers	831	829
58.14	Publishing of journals and periodicals	1,848	1,782
58.19	Other publishing activities	3,396	3,144
47.62	Retail sale of newspapers and stationery in specialised stores	9,536	9,219
	Market segment total	**34,317**	**33,564**
10. Advertising market			
73.11	*Advertising agencies	36,120	34,250
73.12	Media representation	962	1,080
	Market segment total	**37,082**	**35,330**
11. Software-/games industry			
58.21	Publishing of computer games	392	354
63.12	Web portals	190	271
62.01.1	Web-page design and programming	7,457	8,256
62.01.9	Other software development	18,625	19,172
58.29	Other software publishing	354	474
	Market segment total	**27,018**	**28,527**
12. Other activities			
91.01	Library and archives activities	111	100
91.03	Operation of historical sites and buildings and similar visitor attractions	104	95
91.04	Botanical and zoological gardens and nature reserves activities	262	265
74.30.2	Interpretation activities	6,006	6,237
74.20.2	Activities of photographic laboratories	518	466
32.11+13	Striking of coins and related articles	352	343
	Market segment total	**7,353**	**7,506**
	Culture and Creative Industries with double countings	289,073	289,974
	Double sub-classes	50,594	50,440
Culture and Creative Industries (nos.1.-12) (no double countings)		**238,479**	**239,534**
Share in Overall Economy		7.6%	7.6%

Note*:* * Classes or sub-classes included in several market segments; ** Estimates or preliminary figures; differences due to rounding errors; see also notes in table 1.
Source: Turnover tax statistics, Federal Statistical Office (Destatis) 2012; calculations by Michael Soendermann/ Office for Culture Industries Research, Cologne

Tab. 2.2: Culture and Creative Industries in Germany

Turnovers by market segments and classes/sub-classes 2009 - 2010

Market segment WZ-2008	Classes or sub-classes	**Turnover** million € **2009**	million € **2010**
1. Music industry			
90.03.1	Own-account composers, musician, arranging of music	261	261
90.01.2	Music and dance ensembles	225	210
59.20.1	Sound-recording studios and production of taped radio programming	93	109
59.20.2	Publishing of sound recordings	1,215	989
59.20.3	Publishing of printed music	587	549
90.04.1	*Organisation of theatre performances and concerts	1,437	1,509
90.04.2	*Operation of private opera houses, concert halls and similar facilities	361	389
90.02	*Support activities to performing arts	379	402
47.59.3	Retail sale of musical instruments and scores	1,105	1,175
47.63	*Retail sale of music and video recordings	113	126
32.20	Manufacture of musical instruments	532	551
	Market segment total	**6,307**	**6,270**
2. Book market			
90.03.2	Own-account writers	522	552
74.30.1	Translation activities	271	274
58.11	Book publishing	9,590	8,848
47.61	Retail sale of books	3,667	3,600
47.79.2	Retail sale in second-hand bookstores	66	72
18.14	Binding and related services	732	836
	Market segment total	**14,848**	**14,182**
3. Art market			
90.03.3	Own-account visual artists	730	750
47.78.3	**Retail sale of art, pictures, craftwork, (estimate)	594	660
91.02	Museum shops and art exhibitions (estimate)	412	518
47.79.1	Retail sale of antiques and antique rugs	409	404
	Market segment total	**2,146**	**2,332**
4. Film industry			
90.01.4	*Own-account stage, motion picture, radio and television artists and other performing arts activities	720	752
59.11	Motion picture, video and TV programme production activities	4,447	4,489
59.12	Motion picture, video, TV programme post-production activities	124	153
59.13	Motion picture, video and TV programme distribution activities	1,667	1,815
59.14	Motion picture projection activities	1,315	1,276
47.63	*Retail sale of music and video recordings	113	126
77.22	Renting of video tapes and disks	348	315
	Market segment total	**8,734**	**8,925**
5. Broadcasting industry			
90.03.5	*Own-account journalists and press photographers	1,208	1,219
60.10	Radio broadcasting	1,004	965
60.20	Television programming and broadcasting activities	5,233	5,487
	Market segment total	**7,445**	**7,671**
6. Performing arts market			
90.01.4	*Own-account stage, motion picture, radio and television artists and other performing arts activities	720	752
90.01.3	Oown-account performers and circus groups	51	55
90.01.1	Activities of theatre ensembles	53	54
90.04.1	*Organisation of theatre performances and concerts	1,437	1,509
90.04.2	*Operation of private theatre and concert halls etc	361	389
90.04.3	Operation of variety theatres and cabarets	81	78
90.02	*Support activities to performing arts	379	402
85.52	Cultural education (music, dance, visual art)	235	239
	Market segment total	**3,316**	**3,478**

7. Design industry			
74.10.1	Activities of industrial, product and fashion designers	237	327
74.10.2	Activities of graphics and communications designers	495	627
74.10.3	Activities of interior decorators	1,012	981
71.11.2	*Consulting architectural activities in interior design	401	485
73.11	*Advertising agencies	12,132	12,112
32.12	Manufacture of jewellery and related articles	2,216	2,531
74.20.1	Activities of photographers	1,102	1,179
	Market segment total	**17,595**	**18,243**
8. Architectural market			
71.11.1	Consulting architectural activities in building construction	5,821	5,765
71.11.2	*Consulting architectural activities in interior design	401	485
71.11.3	Consulting architectural activities in town, regional planning	1,022	1,066
71.11.4	Consulting architectural activities in landscape architecture	571	543
90.03.4	Own-account restorers	151	171
	Market segment total	**7,967**	**8,031**
9. Press market			
90.03.5	*Own-account journalists and press photographers	1,208	1,219
63.91	News agency activities	516	513
58.12	Publishing of directories and mailing lists	1,369	1,415
58.13	Publishing of newspapers	10,930	11,183
58.14	Publishing of journals and periodicals	9,918	9,933
58.19	Other publishing activities	3,996	3,785
47.62	Retail sale of newspapers and stationery in specialised stores	3,403	3,351
	Market segment total	**31,341**	**31,398**
10. Advertising market			
73.11	*Advertising agencies	24,264	24,223
73.12	Media representation	1,244	1,491
	Market segment total	**25,508**	**25,714**
11. Software-/games industry			
58.21	Publishing of computer games	4,135	3,040
63.12	Web portals	324	477
62.01.1	Web-page design and programming	2,530	2,732
62.01.9	Other software development	17,034	19,818
58.29	Other software publishing	272	429
	Market segment total	**24,296**	**26,496**
12. Other activities			
91.01	Library and archives activities	63	66
91.03	Operation of historical sites and buildings and similar visitor attractions	39	32
91.04	Botanical and zoological gardens and nature reserves activities	244	267
74.30.2	Interpretation activities	428	462
74.20.2	Activities of photographic laboratories	567	518
32.11+13	Striking of coins and related articles	238	243
	Market segment total	**1,579**	**1,588**
	Culture and Creative Industries with double countings	151,081	154,327
	Double sub-classes	16,751	16,993
Culture and Creative Industries (nos.1.-12) (no double countings)		**134,330**	**137,333**
Share in Overall Economy		*2.7%*	*2.6%*

Note: * Classes or sub-classes included in several market segments; ** Estimates or preliminary figures; differences due to rounding errors; see also notes in table 1.
Source: Turnover tax statistics, Federal Statistical Office (Destatis) 2012; calculations by Michael Soendermann/ Office for Culture Industries Research, Cologne

Tab. 2.3: Culture and Creative Industries in Germany

Persons employed according to market segments and classes/sub-classe 2009- 2010

Market segment WZ-2008	Classes and sub-classes	Persons employed Total 2009	Total 2010
1. Music industry			
90.03.1	Own-account composers, musician, arranging of music	2,839	2,818
90.01.2	Music and dance ensembles	7,352	6,869
59.20.1	Sound-recording studios and production of taped radio programming	1,392	1,408
59.20.2	Publishing of sound recordings	2,680	2,543
59.20.3	Publishing of printed music	2,937	3,202
90.04.1	*Organisation of theatre performances and concerts	6,388	6,392
90.04.2	*Operation of private opera houses, concert halls and similar facilities	3,499	3,546
90.02	*Support activities to performing arts	5,543	5,824
47.59.3	Retail sale of musical instruments and scores	6,127	6,168
47.63	*Retail sale of music and video recordings	1,647	1,678
32.20	Manufacture of musical instruments	6,632	6,323
	Market segment total	**47,036**	**46,771**
2. Book market			
90.03.2	Own-account writers	6,967	7,296
74.30.1	Translation activities	4,704	4,711
58.11	Book publishing	26,017	24,951
47.61	Retail sale of books	28,822	28,264
47.79.2	Retail sale in second-hand bookstores	817	780
18.14	Binding and related services	12,052	11,403
	Market segment total	**79,379**	**77,405**
3. Art market			
90.03.3	Own-account visual artists	10,214	10,158
47.78.3	**Retail sale of art, pictures, craftwork, (estimate)	3,609	3,599
91.02	Museum shops and art exhibitions (estimate)	2,100	2,029
47.79.1	Retail sale of antiques and antique rugs	3,592	3,457
	Market segment total	**19,515**	**19,243**
4. Film industry			
90.01.4	*Own-account stage, motion picture, radio and TV artists and other performing arts activities	8,988	9,268
59.11	Motion picture, video and TV programme production activities	28,571	27,783
59.12	Motion picture, video, TV programme post-production activities	5,951	5,708
59.13	Motion picture, video and TV programme distribution activities	3,439	3,316
59.14	Motion picture projection activities	9,174	8,961
47.63	*Retail sale of music and video recordings	1,647	1,678
77.22	Renting of video tapes and disks	3,983	3,678
	Market segment total	**61,753**	**60,392**
5. Broadcasting industry			
90.03.5	*Own-account journalists and press photographers	18.455	18.273
60.10	Radio broadcasting	13.776	13.782
60.20	Television programming and broadcasting activities	7.307	7.388
	Market segment total	**39.537**	**39.444**
6. Performing arts market			
90.01.4	*Own-account stage, motion picture, radio and television artists and other performing arts activities	8,988	9,268
90.01.3	Oown-account performers and circus groups	1,294	1,283
90.01.1	Activities of theatre ensembles	1,243	1,331
90.04.1	*Organisation of theatre performances and concerts	6,388	6,392
90.04.2	*Operation of private theatre and concert halls etc	3,499	3,546
90.04.3	Operation of variety theatres and cabarets	932	943
90.02	*Support activities to performing arts	5,543	5,824
85.52	Cultural education (music, dance, visual art)	4,529	4,695
	Market segment total	**32,416**	**33,282**

7. Design industry			
74.10.1	Activities of industrial, product and fashion designers	3,341	4,248
74.10.2	Activities of graphics and communications designers	8,360	10,356
74.10.3	Activities of interior decorators	10,599	10,476
71.11.2	*Consulting architectural activities in interior design	4,154	4,754
73.11	*Advertising agencies	67,623	65,084
32.12	Manufacture of jewellery and related articles	14,858	13,849
74.20.1	Activities of photographers	17,166	17,518
	Market segment total	**126,101**	**126,285**
8. Architectural market			
71.11.1	Consulting architectural activities in building construction	74,905	75,523
71.11.2	*Consulting architectural activities in interior design	4,154	4,754
71.11.3	Consulting architectural activities in town, regional planning	11,405	11,653
71.11.4	Consulting architectural activities in landscape architecture	7,056	7,338
90.03.4	Own-account restorers	2,905	2,945
	Market segment total	**100,425**	**102,213**
9. Press market			
90.03.5	*Own-account journalists and press photographers	18,455	18,273
63.91	News agency activities	9,131	8,917
58.12	Publishing of directories and mailing lists	5,102	5,071
58.13	Publishing of newspapers	52,485	50,322
58.14	Publishing of journals and periodicals	43,704	41,483
58.19	Other publishing activities	11,619	11,319
47.62	Retail sale of newspapers and stationery in specialised stores	29,345	29,230
	Market segment total	**169,841**	**164,615**
10. Advertising market			
73.11	*Advertising agencies	135.245	130.168
73.12	Media representation	6.832	7.532
	Market segment total	**142.077**	**137.700**
11. Software-/games industry			
58.21	Publishing of computer games	1,194	1,520
63.12	Web portals	2,309	3,578
62.01.1	Web-page design and programming	25,588	29,573
62.01.9	Other software development	202,997	202,298
58.29	Other software publishing	12,527	15,413
	Market segment total	244,615	252,382
12. Other activities			
91.01	Library and archives activities	1,032	995
91.03	Operation of historical sites and buildings and similar visitor attractions	221	210
91.04	Botanical and zoological gardens and nature reserves activities	773	775
74.30.2	Interpretation activities	6,421	6,651
74.20.2	Activities of photographic laboratories	5,622	5,070
32.11+13	Striking of coins and related articles	1,301	1,323
	Market segment total	15,370	15,023
	Culture and Creative Industries with double countings	1,078,065	1,074,755
	Double sub-classes	116,297	114,819
Culture and Creative Industries (nos.1.-12) (no double countings)		**961,768**	**959,936**
Share in Overall Economy		*3.2%*	*3.1%*

Note*:* * Classes or sub-classes included in several market segments; ** Estimates or preliminary figures; differences due to rounding errors; see also notes in table 1.
Source: Turnover tax statistics, Federal Statistical Office (Destatis) 2012; labour market statistics, Federal Agency for Employment 2011; calculations by Michael Soendermann/ Office for Culture Industries Research, Cologne

6.2 Statistical Definition of Culture and Creative Industries in Germany

Market segment WZ-2008	Classes or sub-classes	Share in % UST	SVB
1. Music industry			
90.03.1	Own-account composers, musician, arranging of music		
90.01.2	Music and dance ensembles		
59.20.1	Sound-recording studios and production of taped radio programming		
59.20.2	Publishing of sound recordings		
59.20.3	Publishing of printed music		
90.04.1	*Organisation of theatre performances and concerts		10%
90.04.2	*Operation of private opera houses, concert halls etc		
90.02	*Support activities to performing arts		
47.59.3	Retail sale of musical instruments and scores		
47.63	*Retail sale of music and video recordings		
32.20	Manufacture of musical instruments		
	Market segment total		
2. Book market			
90.03.2	Own-account writers		
74.30.1	Translation activities		
58.11	Book publishing		
47.61	Retail sale of books		
47.79.2	Retail sale in second-hand bookstores		
18.14	Binding and related services		
	Market segment total		
3. Art market			
90.03.3	Own-account visual artists		
47.78.3	**Retail sale of art, pictures, craftwork, (estimate)	20%	20%
91.02	Museum shops and art exhibitions (estimate)		8%
47.79.1	Retail sale of antiques and antique rugs		
	Market segment total		
4. Film industry			
90.01.4	*Own-account stage, motion picture, radio and television artists and other performing arts activities		
59.11	Motion picture, video and TV programme production activities		
59.12	Motion picture, video, TV programme post-production activities		
59.13	Motion picture, video and TV programme distribution activities		
59.14	Motion picture projection activities		
47.63	*Retail sale of music and video recordings		
77.22	Renting of video tapes and disks		
	Market segment total		
5. Broadcasting industry			
90.03.5	*Own-account journalists and press photographers		
60.10	Radio broadcasting		40%
60.20	Television programming and broadcasting activities		40%
	Market segment total		
6. Performing arts market			
90.01.4	*Own-account stage, motion picture, radio and television artists and other performing arts activities		
90.01.3	Own-account performers and circus groups		
90.01.1	Activities of theatre ensembles		10%
90.04.1	*Organisation of theatre performances and concerts		
90.04.2	*Operation of private theatre and concert halls etc		10%
90.04.3	Operation of variety theatres and cabarets		

90.02	*Support activities to performing arts		
85.52	Cultural education (music, dance, visual art)		
	Market segment total		
7. Design industry			
74.10.1	Activities of industrial, product and fashion designers		
74.10.2	Activities of graphics and communications designers		
74.10.3	Activities of interior decorators		
71.11.2	*Consulting architectural activities in interior design		
73.11	*Advertising agencies	50%	50%
32.12	Manufacture of jewellery and related articles		
74.20.1	Activities of photographers		
	Market segment total		
8. Architectural market			
71.11.1	Consulting architectural activities in building construction		
71.11.2	*Consulting architectural activities in interior design		
71.11.3	Consulting architectural activities in town, regional planning		
71.11.4	Consulting architectural activities in landscape architecture		
90.03.4	Own-account restorers		
	Market segment total		
9. Press market			
90.03.5	*Own-account journalists and press photographers		
63.91	News agency activities		
58.12	Publishing of directories and mailing lists		
58.13	Publishing of newspapers		
58.14	Publishing of journals and periodicals		
58.19	Other publishing activities		
47.62	Retail sale of newspapers and stationery in specialised stores		
	Market segment total		
10. Advertising market			
73.11	*Advertising agencies		
73.12	Media representation		
	Market segment total		
11. Software-/games industry			
58.21	Publishing of computer games		
63.12	Web portals		
62.01.1	Web-page design and programming		
62.01.9	Other software development		
58.29	Other software publishing		
	Market segment total		
12. Other activities			
91.01	Library and archives activities		8%
91.03	Operation of historical sites and buildings etc		8%
91.04	Botanical and zoological gardens and nature reserves activities		8%
74.30.2	Interpretation activities		
74.20.2	Activities of photographic laboratories		
32.11+13	Striking of coins and related articles		
	Market segment total		
	Culture and Creative Industries with double countings		
	Double sub-classes		
Culture and Creative Industries (nos.1.-12) (no double countings)			

Note*:* * Classes or sub-classes included in several market segments. UST= turnover tax statistics; SVB= labour market statistics
Source: Classification of Economic Activities (WZ 2008), Federal Statistical Office (Destatis) 2012; Arbeitskreis Kulturstatistik e.V. / German Working Group on Culture Statistics, Berlin/Cologne 2012

6.3 Statistical Definition of the European Culture and Creative Industries

The definitions are based on the new European classification of economic branches NACE Rev.2. It was developed based on the related concepts of the 2009 UNESCO Framework for Cultural Statistics (FCS), ESSnet Culture Statistics and the European Cluster Observatory on culture and creative industries.

European Culture and Creative Industries Statistics - NACE Rev.2

Groups and classes	Description
	Service activities in the Culture and Creative Industries (CCI)
58.1	Publishing of books, periodicals and other publishing activities
58.2	Software publishing
59.1	Motion picture, video and television programme activities
59.2	Sound recording and music publishing activities
60.1	Radio broadcasting
60.2	Television programming and broadcasting activities
62.01	Computer programming activities
63.12	Web portals
63.91	News agency activities
71.11	Architectural activities
73.1	Advertising
74.1	Specialised design activities
74.2	Photographic activities
74.3	Translation and interpretation activities
77.22	Renting of video tapes and disks
85.52	Cultural education
90.0	Creative, arts and entertainment activities
91.0	Libraries, archives, museums and other cultural activities
	Retail sale activities in the CCI
47.59*	Proportion: retail sale of musical instruments and scores in specialised stores
47.61	Retail sale of books in specialised stores
47.62	Retail sale of newspapers and stationery in specialised stores
47.63	Retail sale of music and video recordings in specialised stores
47.78*	Proportion: retail sale art, pictures, craftwork in specialised stores
47.79*	Proportion: retail sale of antique rugs and second-hand bookstores in stores
	Arts and crafts activities in the CCI or related activities
18.14	Binding and related services
32.1	Manufacture of jewellery and related articles
32.2	Manufacture of musical instruments

Notes: NACE Rev.2 = Statistical classification of economic activities in the European Community, 2008; *proportion of the class
Source: Arbeitskreis Kulturstatistik e.V. / German Working Group on Culture Statistics, Berlin/Cologne 2012

The European definition presented here strives to reduce the complexity of the various classification systems and transorm them into a simplified form. Many 4-digit codes were transferred into 3-digit codes, enabling European countries using only 3-digit codes in their economic statistics to carry out analyses on the European level. If retail trade cannot be covered by a 4-digit code, the 3-digit code 47.6 is used instead. A further simplification aiming at a comprehensive presentation on a 3-digit level for the culture and creative industries is developed by European and national experts from various countries in 2012/2013. This will be a contribution towards the further stabilisation of the definition and statistics concept of the European culture and creative industries.