BRITISH COUNCIL

SERVICES FOR INTERNATIONAL EDUCATION MARKETING

CONFERENCE 2015

NY, LA and the rest: mapping the creative industries in the USA… and Canada

Tamsin Thomas, British Council

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The process

Demand from the sector

Demand in the USA

Organizational alignment

Mapping the creative industries

Sector survey & round table

Nordicity research

Use in market

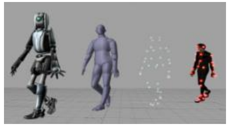
Canada

NY, LA and the rest: Mapping the Creative Industries in the USA… and Canada

Kristian Roberts
Director
Nordicity

What we were asked to do…

- Overview of the creative industries




  - National Overview(s)


  - Industry Dashboards

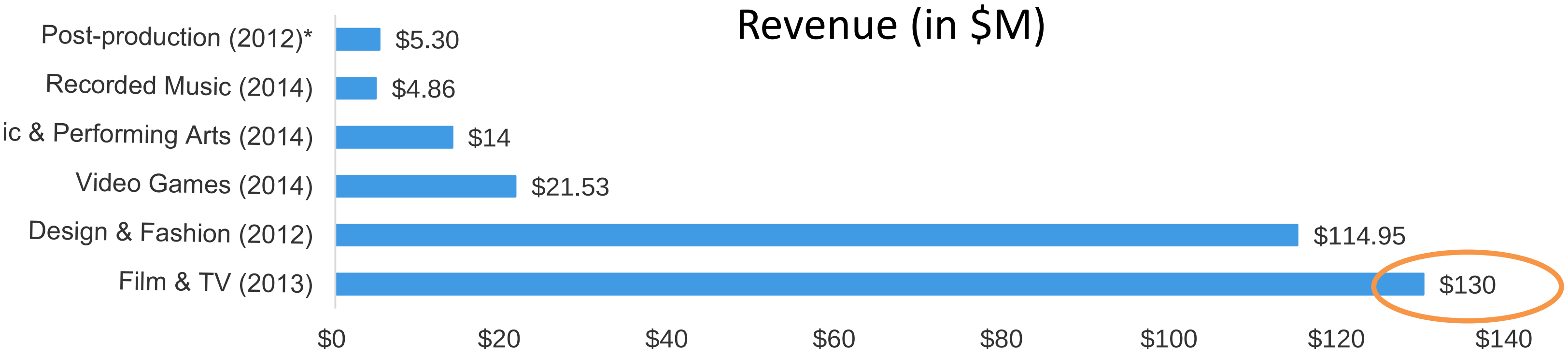
- Why is this relevant?

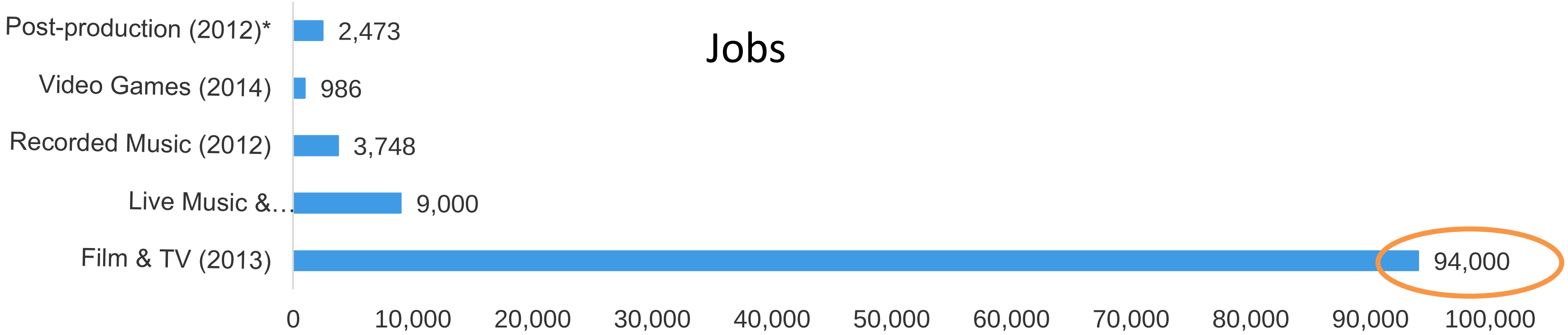
Today…

CHARTS!

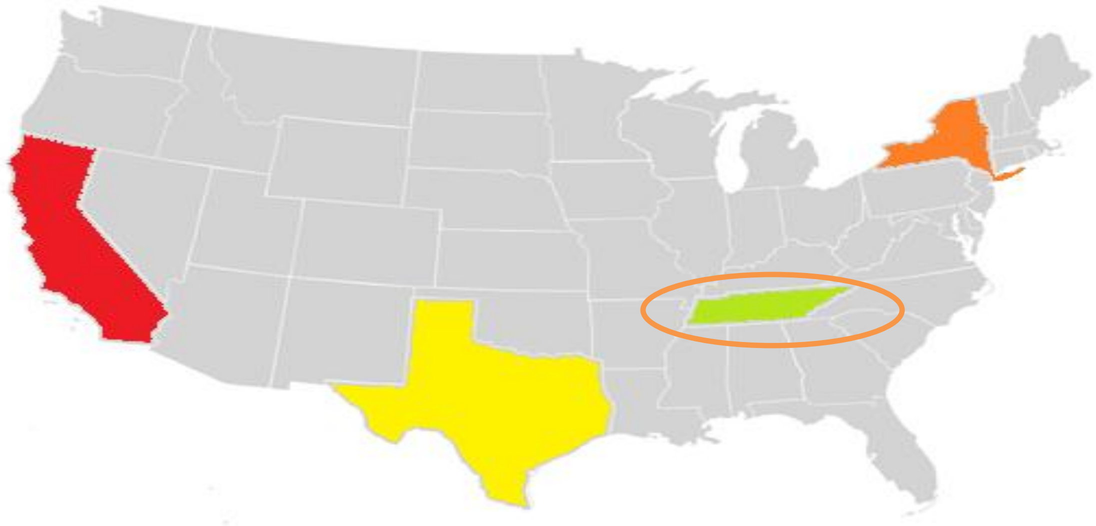
- High-level results (US only)
- A look at the Dashboards
- Questions…

US: Revenue and Employment





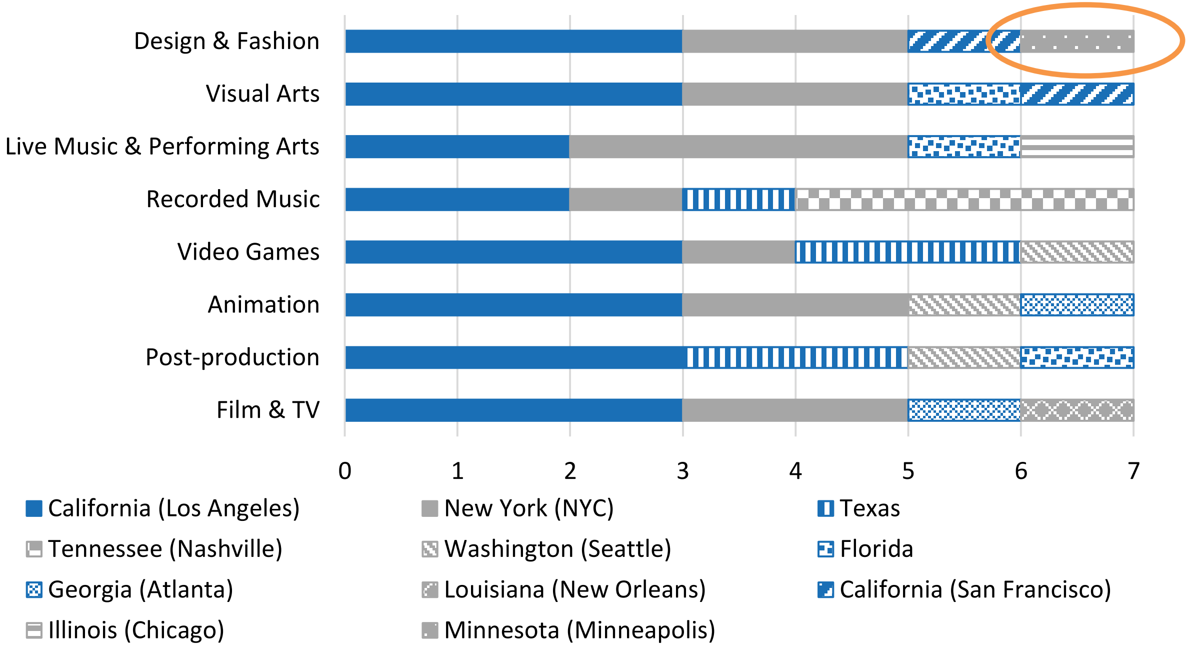
US: Top Centres of Creative Activity



Legend:

Red = #1 centre of activity; Orange = #2 centre of activity;
Yellow = #3 centre of activity; Green = #4 Centre of Activity

US: Top Centres of Creative Activity



Source: Nordicity research and analysis

What about Canada?

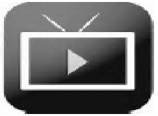
Three main cities:

Dashboards

- Quick reference sheet for each industry:
  - Basic Facts (e.g., employment, revenue/turnover, GDP/GVA, # of companies)
  - Geography
  - Regulation (if any)
  - Support Ecosystem
  - Top 3 Jurisdictions (highlights)

Film & TV (excluding post-production)

Description: The MPAA defines the industry as the production and distribution of motion pictures and television programs. However, the present analysis focuses primarily on the production side of the industry.



Basic Facts

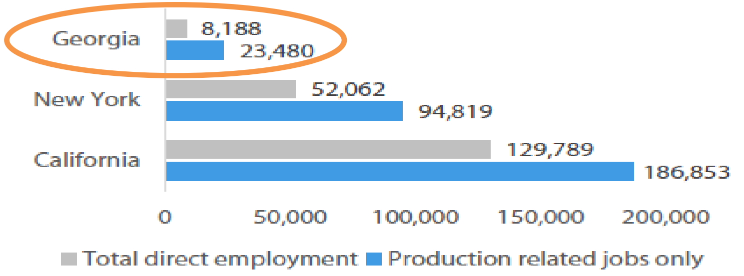
National Employment: 302,000 (2013)

National Revenue: USD $130 billion (2013)

National GDP Contribution: USD $95.9 billion

Number of Companies: 94,000 (2013)

Geography – Top 3 jurisdictions by employment (2013)



Regulation

The industry is subject to regulation through the Federal Communications Commission.

Support Ecosystem

The Motion Picture Association of America is the trade association that represents the major motion picture studios in the U.S. MPAA provides advocacy on policy and legislation impacting the Film & Television industry on behalf of its members. The independent side of the industry is represented by the Independent Film & Television Alliance who provides similar representation and support to independent film & television companies across the value chain. The top production jurisdictions all offer state-level tax credits for production and related activities.

Top 3 U.S. Jurisdictions

California (Los Angeles)	New York (New York City)	Georgia (Atlanta)
129,789 production jobs (2013) 665 film & TV productions (2013) Home to the 6 "Major" studios (e.g. Sony, Paramount, etc.)	52,062 production jobs (2013) 280 film & TV productions (2013) 30% -35% tax credits for production and post-production activities	8,188 production jobs (2013) 62 film & TV productions (2013) State offers tax credit up to 30% for production and related activities

Leading Canadian Centres

Ontario (Toronto)

- 19,910 direct FTEs employed in Film & TV production in Ontario
- 42% of the national film & TV production volume is attributable to Ontario-based producers
- Supported by the Ontario Film & Television Tax Credit

British Columbia (Vancouver)

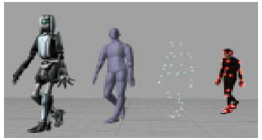
- 13,600 direct FTEs employed in Film & TV production in BC
- 16% of the national film &TV production volume is attributable to producers based in BC
- Supported by the Film Incentive BC Tax Credit

Quebec (Montreal)

- 11,410 direct FTEs employed in Film & TV production in Quebec
- 33% of the Canadian film & TV production volume is attributable to Quebec-based producers
- Supported by the Quebec Film Incentive Tax Credit

Animation & Post-Production

Description: This industry comprises animation, visuals effects, and another value-add services rendered to linear screen content creators (i.e. film and TV) and for some interactive products – like video games. Note: Jobs figures related to **animation only** unless otherwise indicated.



Basic Facts

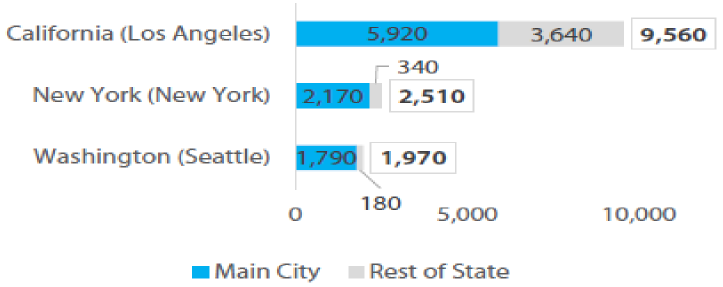
National Employment (All post-production): 30,790 (2014)

National Employment (Animators only): 29,000 (2012)

National Revenue: $5.3 billion (2012)

Number of Companies: 2,473 (2012)

Geography – Top 3 jurisdictions by employment (2012)



Support Ecosystem

Although there is no direct support offered to the animation and post-production industry in the US, post-production is supported as part of other film and TV tax credits and other, related incentive schemes (see Film and TV Dashboard).

Top 3 U.S. Jurisdictions		
California (Los Angeles)	**New York (New York)**	**Washington (Seattle)**
9,560 jobs, 68% of the national total 940 companies (in 2007) $3.5 billion in annual revenue (2007) Other large centre in San Francisco (1310 jobs)	2,510 jobs, 18% of the national total 350 companies (in 2007)	1,970 jobs, 16% of the national total Roughly 40 companies (in 2007)

Leading Canadian Centres

Ontario (Toronto)

- About 220 companies employing approximately 2200 people
- More about animation than visual effects
- Services both international production and Canadian domestic TV
- Supported by the Ontario Computer Animation and Special Effect Tax Credit (OCASE)

British Columbia (Vancouver)

- Over 1300 people employed by 105 companies
- Largely supports international projects (shot in BC)
- More focused on visual effects than animation
- Supported by the Digital Animation and Visual Effects Tax Credits (DAVE)

Quebec (Montreal)

- About 100 companies employing over 900 people

Digital Media (i.e. Video Games)

Description: This industry, broadly speaking, includes all interactive forms of media – from mobile games to online, interactive extensions of television programmes. The data presented here, however, will reflect the video games industry.

Basic Facts

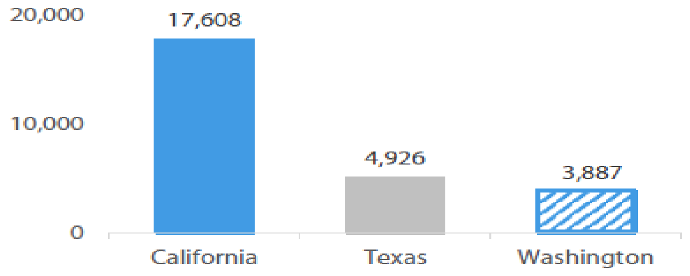
National Employment (2014): 42,500

National Revenue (2014): $21.5 billion

National GDP (2013): $6.2 billion

Number of Companies (2014): 986

Geography –Top 3 jurisdictions by employment (2013)



Regulation

The industry is subject to the ESRB voluntary rating scheme.

Tax incentives available for some jurisdictions (e.g., Texas).

Support Ecosystem

The national body, the Electronic Software Association (ESA) broadly represents video games publishers (who market games and finance their production) with advocacy and demographic studies on who plays games. Local chapters of the Independent Game Developers' Association (IGDA), in turn, comprise smaller developers who meet on issues of policy, terms of trade (with publishers) and work-place conditions.

Top 3 U.S. Jurisdictions		
California	**Texas**	**Washington**
17,600 jobs, or 41% of national total Home to some of the world's leading video games companies (e.g., Electronic Arts)	About 5,000 jobs, or 11% of the national total 5-20% tax credit (varies by size of project)	About 4,000 jobs, or about 9% of the national total Home of the leading platforms for PC games (Valve, maker of Steam)

Leading Canadian Centres

Quebec (Montreal)
- Largest video games development centre in Canada
- Over 8,750 employees in about 90 companies
- Several large, international publishers (e.g., Ubisoft, Gameloft)
- Produced over $740 million of games (by expenditure) in 2013

British Columbia (Vancouver)
- Over 5,000 employees in over 80 companies
- A few large publishers (e.g., Electronic Arts)
- Produced over $550 million of games in 2013

Toronto (Ontario)
- Home of independent game development in Canada (i.e., smaller studios)
- Roughly 2,000 people employed by 95 companies
- Produced about $135 million of games in 2013

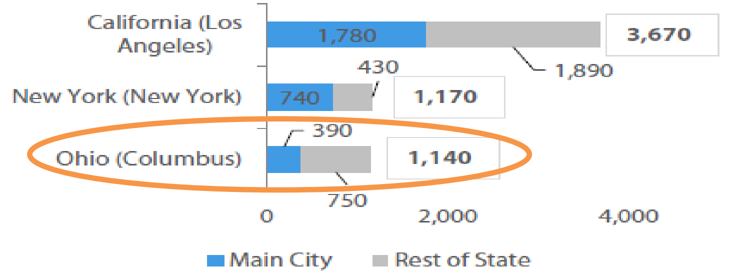
Visual Art

Description: Includes visual artists working across mediums, as well as craft artists who use materials such as glass, textiles, pottery, etc. Some employed in this sector will be art directors, archivists, curators and museum workers, as well as general arts administrators and teachers.

Basic Facts

National Employment (arts and crafts): 51,400 (2012).

Geography - top three jurisdictions by employment



Support Ecosystem

The visual arts and craft industry is supported by several national level industry associations targeting specific sub-sectors such as: art education, targeting educators, professors, researchers, scholars, administrators and museum educators (The National Art Education Association); illustrators (The Society of Illustrators); and, craft workers (The American Craft Council). These associations support members through conferences, award schemes, grants and a range of professional resources.

Top 3 U.S. Jurisdictions

California (L.A. and San Francisco)	New York (New York)	Ohio (Columbus)
3,670 jobs, 7.1% of national total Visual arts organizations comprise 10% of the state's non-profits with budgets over $10 million	1,170 jobs, 2.3% of national total New York is the city with the largest number of artists in the U.S.	1,140 jobs, 2.2% of national total

Leading Canadian Centres

Ontario (Toronto)

- Largest centre for visual arts in Canada
- Home of the Canadian Artists' Representation (CARFAC) association – currently leading a 3 year project developing a range of resources and tools to support the visual and craft based sector

British Columbia (Vancouver)

- The internationally recognized ArtStarts in Schools program provides 640,000 unique arts experiences for young people in urban, rural and remote communities across British Columbia

Quebec (Montreal)

- Half of the province's art museums are located on the island of Montreal
- The Women's Art Society of Montreal is one of the earliest organizations in the country supporting women artists

Fashion & Design

Description: This analysis of the design industry includes industrial/commercial, urban, graphic, landscape, set/exhibit design, interior design and architecture. Within the fashion industry data, jewelry is included as a sub-sector.

Basic Facts

National Employment: 486,800 (2012)

National Revenue: $114.95 billion (2012)

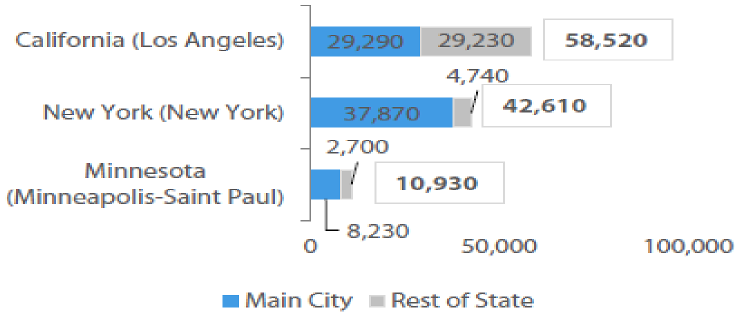
National GDP Contribution: $71.28 billion (2012)

Number of Companies: 207,169 (2015)

Regulation

The Federal Trade Commission

Geography - top three jurisdictions by employment



Support Ecosystem

The National Endowment for the Arts offers the design discipline (including fashion) support through its ART WORKS program for the development of new work, research collaborations and residencies. There are also several relevant, national industry associations such as: the American Institute of Graphic Arts, the American Institute of Architects, the Industrial Designers Society of America, the U.S. Fashion Industry Association and the American Association of Advertising.

Top 3 U.S. Jurisdictions

California (L.A. and San Francisco)	New York (New York)	Minnesota (The Twin Cities)
58,520 jobs, 12% of national total San Francisco is the nation's leading design capital There are 21 000 architects in CA	42,610 jobs, 8.8% of the national total Dominates U.S. cities in terms of concentration of fashion designers	10,930 jobs, 2.3% of the national total Highest concentration of employed graphic designers in the U.S

Leading Canadian Centres

Ontario (Toronto)

- Home to 27,970 designers (27% of all Canadian designers), Toronto has the largest design workforce in the country
- 71% of Ontario's architects, landscape architects, industrial, graphic and interior designers are located in Toronto

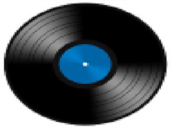
British Columbia (Vancouver)

- Boasts a small but thriving performance apparel industry, with more than three dozen businesses in operation
- Example: Lululemon Athletica made US$1.37 billion in operational revenue in 2013

Quebec (Montreal)

- Designated a UNESCO City of Design in 2006
- Montreal has 50,000 manufacturing, distribution and retail jobs in the fashion sector
- 81% of Quebec garment industry jobs are in Montreal

Recorded Music



Description: The recorded music industry includes establishments primarily involved in the production, distribution and publishing of recorded music.

Basic Facts

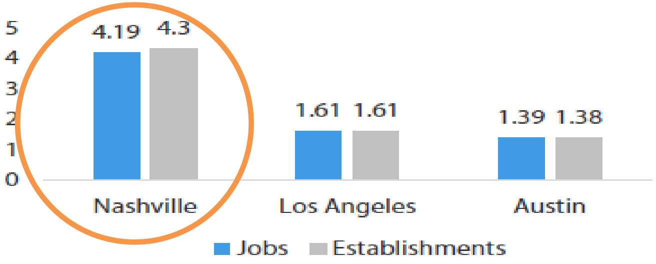
National Employment: 16,050 (2014)

National Revenue: $4.86 billion (2014)

National GDP Contribution: $16.3 billion (2012)

Number of Companies: 3,748 (2012)

Geography – Top 3 cities by job and establishment location quotient (2012, national quotient = 1.0)



Support Ecosystem

The recorded music industry in the US is primarily supported by the Recording Industry Association of America, which represents the bulk of record labels and distributors in the industry. Independent record labels are represented and supported by the American Association of Independent Music. Other support organizations serving the industry include the Music Publishers Association of the United States and the National Association of Music Merchants.

Top 3 U.S. Jurisdictions

Tennessee (Nashville)	California (Los Angeles)	Texas (Austin)
1,994 jobs, 7% of the national total (in 2007) Location Quotient >4 for both jobs and establishments	8,000, 30% of national total (in 2007)	1,588 Record Labels, Recording Studios and Music Publishers (2012) Austin also lays claim to the "Live Music Capital of the world" title

Leading Canadian Centres

Ontario (Toronto)

- Contributes $150.7 million to GDP in the Greater Toronto Area (2010)
- Generated 1,773 direct jobs in the GTA (2010)
- Accounts for 82% of the total industry revenue in Canada
- Supported by the Ontario Sound Recording Tax Credit

British Columbia (Vancouver)

- Contributes $4.8 million to BC's GDP (2010)
- 280 businesses (2014)
- Employs ~724 FTE's (2014)
- Music BC provides support, funding and advocacy for the local industry

Quebec (Montreal)

- Montreal has the third highest concentration of music industry activity among major metropolitan areas in North America
- Supported by the Quebec Sound Recording Tax Credit

Live Music & Performing Arts

Description: The performing arts industry is characterized by those industries that provide live entertainment. It includes dance, theatre, opera, musical theatre, and live music performance. For the purposes of this analysis live music performance has been grouped with performing arts in order to reflect how these industries are typically presented.

Basic Facts

National Employment: 119,560

National Revenue: $14 billion

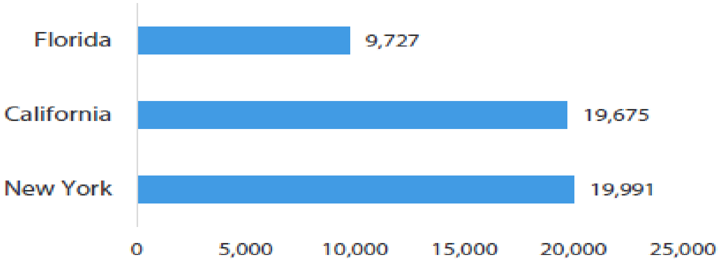
National GDP Contribution: $16.1 billion

Number of Companies: 9,000

Support Ecosystem

The performing arts industry in the US is supported by 15 organizations that comprise the [Performing Arts Alliance]. Together these organizations support and advocate on behalf of the performing arts industry as a whole and on behalf of their respective segments of the industry (e.g. Dance, Opera, Theatre, etc).

Geography – top three centres of activity by employment (2007)



Top 3 U.S. Jurisdictions

New York	California	Florida
19,991 jobs, 16% of national total (in 2007) 1,329 establishments Broadway theatre is a world leader and industry standard for commercial theatre production	19,675 jobs, 15% of national total (in 2007) 1,540 establishments	9,727 jobs, 8% of national total (in 2007) 561 establishments

Leading Canadian Centres

Ontario (Toronto)

- Toronto is home to over **200 professional performing arts organizations**, including some of Canada's top performing arts companies (i.e. [National Ballet of Canada], the [Canadian Opera Company] and the [Toronto Symphony Orchestra])
- 23,025 dancers, musicians, singers, actors and performers in Ontario (2011)
- 10,805 producers, choreographers, directors in Ontario (2011)

British Columbia (Vancouver)

- 10,195 dancers, musicians, singers, actors and performers (2011)
- 3,530 producers, choreographers, directors (2011)

Quebec (Montreal)

- 11,102 dancers, musicians, singers, actors and performers in Quebec (2011)
- 5,455 producers, choreographers, directors (2011)

Recap:

Centres outside of LA and New York, in all industries (but few touch multiple industries).

All the creative industries are important but film and TV is the largest (by far).

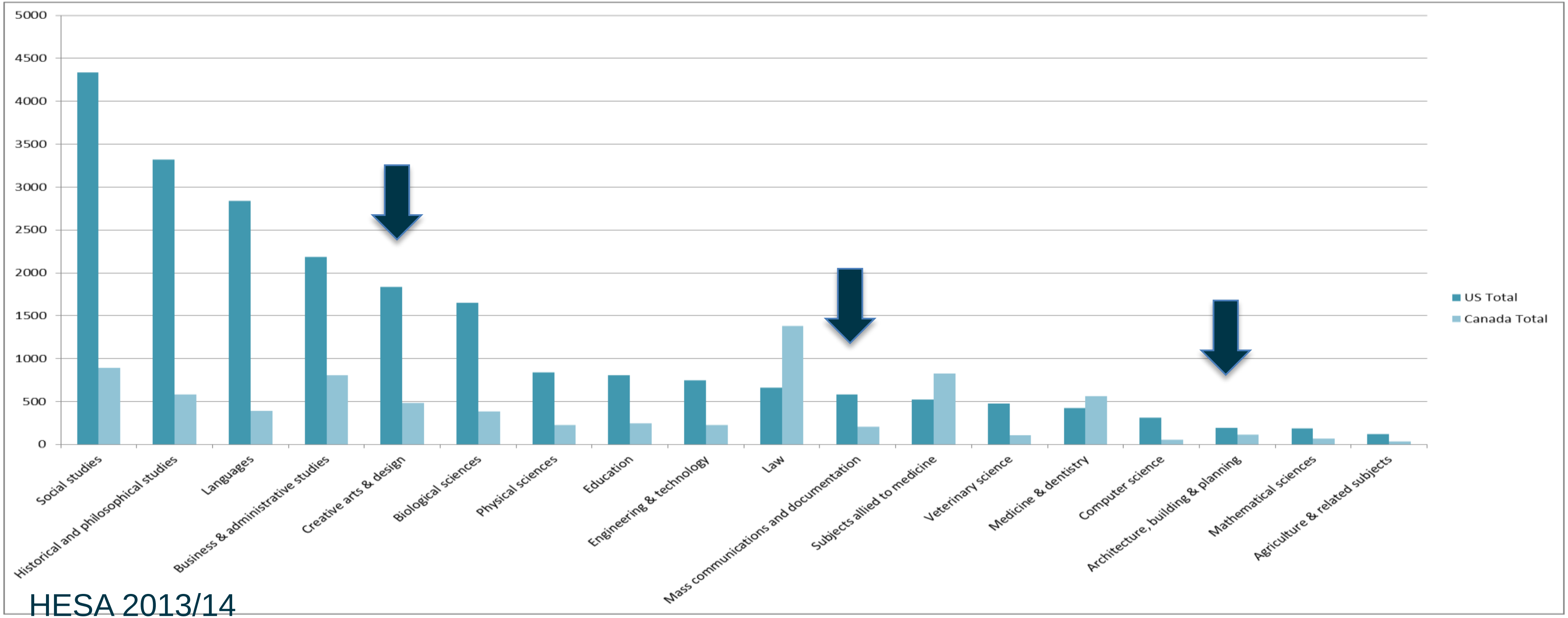
For some industries, Canadian centres are as important as the 2nd, 3rd tier US jurisdictions.

NY, LA and the rest: Mapping the Creative Industries in the USA… and Canada

Stephanie Blochinger
Education Officer
British Council USA

UK DATA BENCHMARKING

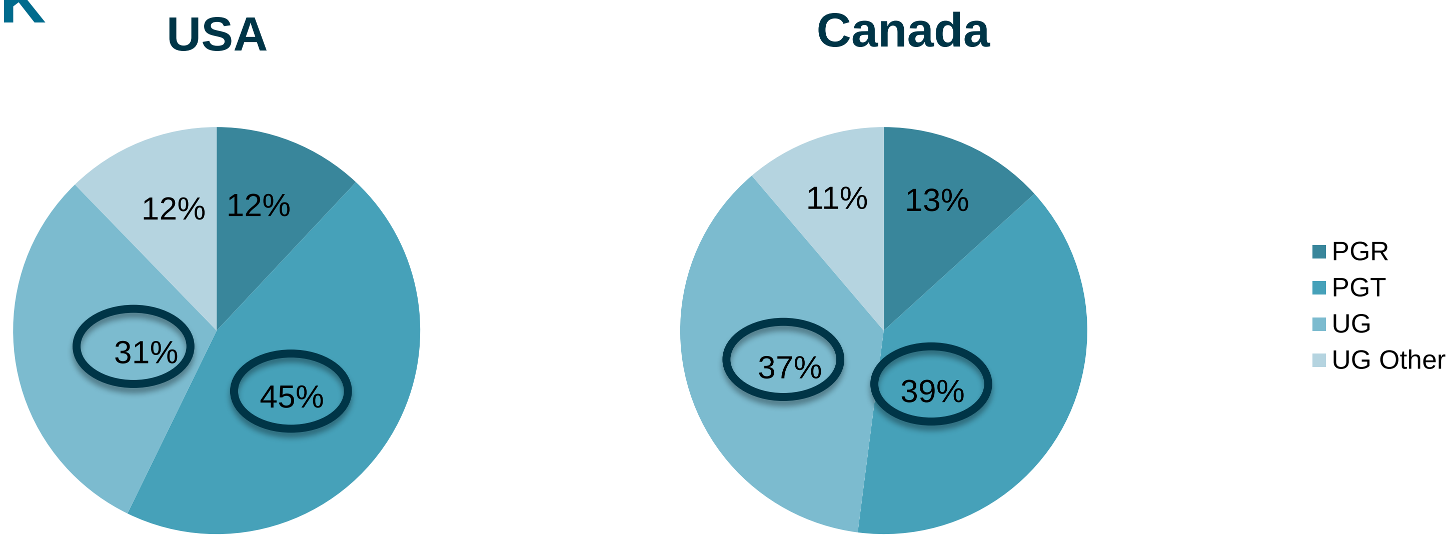
What are US and Canadian students studying in the UK



HESA 2013/14

UK DATA BENCHMARKING

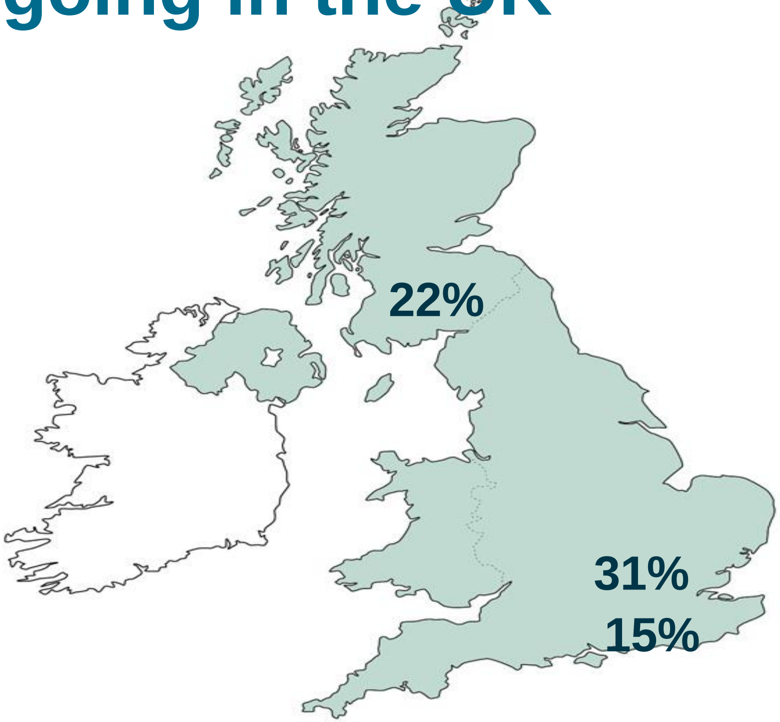
Levels of study in the creative arts and design courses in the UK



HESA 2013/14

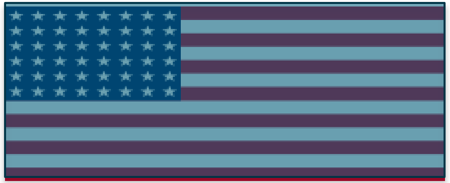
UK DATA BENCHMARKING
Where are the students going in the UK

Region of institution	Canada 2013/14	United States 2013/14
London	23%	33%
Scotland	18%	23%
South East	15%	15%
East of England	7%	6%
Yorkshire & The Humber	6%	4%
North West	5%	4%
West Midlands	7%	3%
South West	5%	3%
East Midlands	7%	2%
Wales	4%	3%
North East	4%	3%
Northern Ireland	1%	1%



HESA 2013/14

State of Arts Education



Decentralized – no federal Ministry of Education

- State holds legislative authority over education

No national curriculum

- Graduation requirements vary per state
- Private institutions are not required to follow state regulations

Decentralized – no federal Ministry of Education

- Authority over education devolved to provincial governments

No national curriculum

- Provincial curriculum
- Graduation requirements set by province

Market Challenges

VAST

MATURE

EXPENSIVE

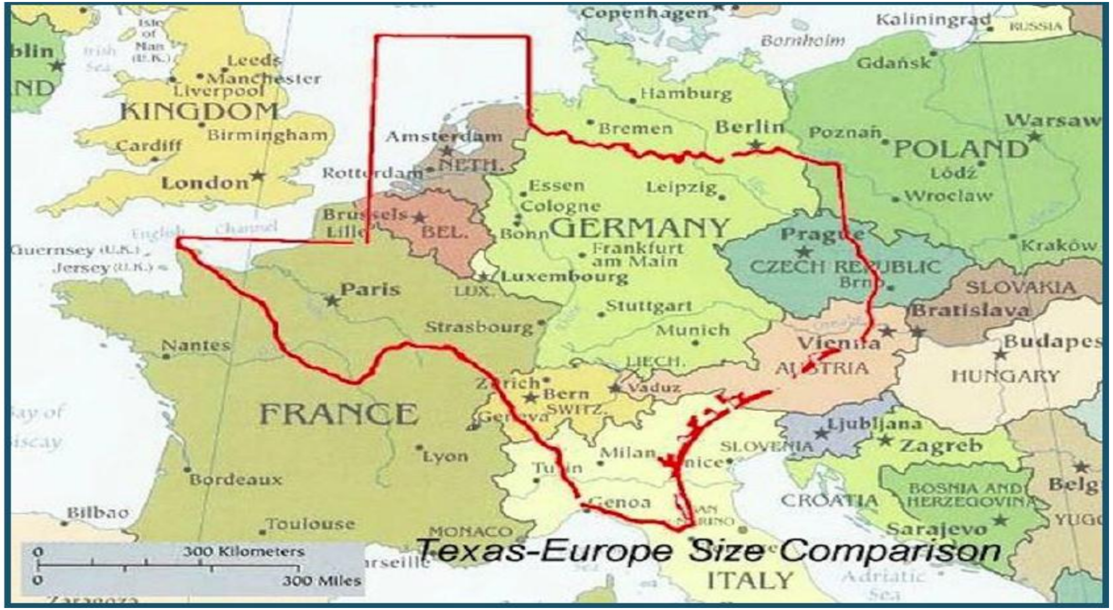
COMPETITIVE

Vast

Canada/US

13%

GLOBAL AREA



WHAT’S NEXT?

British Council plan

PRIORITIZATION OF SUBJECTS

↓

UNDERSTANDING US MARKET DEMAND

↓

MARKET RESEARCH AND INTERVIEWS

↓

FALL 2016 PROGRAMMING

QUESTIONS?

www.britishcouncil.org/siem