The Creative Industries Sector Panel was formed in 2010 to work with the Welsh Government in assessing the health and potential of the creative industries in Wales and to advise on how to support and develop the sector.

The creative industries today are central to the lives of people and businesses around the world. New business models in creative have emerged in recent years enabling individuals and small companies to compete with the largest and the best. This is now a sector where Wales has no commercial or technological disadvantage. We are constrained only by our talent, our ambition and our determination. The Welsh Government’s priority is therefore to provide the support and guidance to ensure that no talent is unfulfilled and no marketable creative idea is wasted.

The Creative Industries Sector Team is there to ensure that the appropriate levels of business support, information and funding are available to make the task easier. The new challenges need new solutions and government has to ensure that it can match industries developing with a speed and flexibility unimaginable in the past.

Since the Panel’s inception, the Creative Industries Sector Team has helped create or safeguard over 2,900 jobs and to attract more than £105 million investment into Wales.

An early focus was to ensure that appropriate support mechanisms were put in place for the sector, with priority given to those businesses capable of exploiting digital opportunities in international markets. This led to the creation of the Digital Development Fund (DDF) to support the development and exploitation of new digital products and services. 58 projects have been supported so far. The fund has been extended to March 2016 and widened in scope to support projects not only from creative industries but also from related sectors.

The Sector Team has also made use of existing Welsh Government mechanisms such as Repayable Business Finance (RBF) and the Wales Economic Growth Fund (WEGF) to support Welsh creative businesses in a variety of creative subsectors, from music and design to fashion and textiles.

The team has also adapted these mechanisms to support film and TV productions more effectively. These include drama series *Hinterland*, children’s animation *Igam Ogam*, two series of prime-time BBC fantasy drama *Atlantis* and Dylan Thomas biopic, *A Poet in New York*.

Besides home-grown successes, we are also attracting international investment into Wales, targeting high-end TV drama, TV and film co-production, and digital media - sectors in which Wales has competitive strengths and much to gain.

International projects successfully secured since 2010 include three series of high-end TV drama *Da Vinci’s Demons* and investments in digital media jobs by OysterWorld Games, Sorenson Media and Newsquest.

In February this year, Welsh Government announced an exclusive deal with Pinewood Shepperton to create a world-class new studio, Pinewood Studio Wales. The new 180,000 sq ft facility at Wentloog, Cardiff will form part of Pinewood’s global network of film studios. Alongside this a £30m Media Investment Budget is being made available for qualifying film
and high-end television production. Qualifying productions are required to shoot 50% of
principal photography in Wales.

With this new studio and investment fund, Wales is building for the first time a critical mass
of television and film expertise with the potential to compete globally.

The west-coast of the USA remains a primary target market for both trade and investment.
Our activity in the US and elsewhere is now being supported by our collaboration with
Pinewood, who are promoting Wales and the Welsh creative industries offer through their
overseas offices.

It is also being helped by the Kickstart initiative, jointly funded by the Welsh Government,
which aims to help Welsh independent production companies to secure international
factual TV commissions in America.

The industry also continues to benefit from the work of Welsh Government’s locations
service. Wales Screen has dealt with over 950 production enquiries since 2010. Major
feature films that have chosen to shoot key sequences in Wales since 2010 include Snow
White and the Huntsman and Wrath of the Titans. Feature films with a more modest
budget such as One Chance, How I Live Now and more recently Pride have also used
locations in Wales and received assistance from Wales Screen.

Popular TV productions Doctor Who, Casualty and Stella continue to be based in South
Wales. Wales Screen has also assisted a number of productions that are based in Bristol
but choose to use locations this side of the border such as Galavant, Poldark and Wolf
Hall.

The Creative Industries Sector Team has continued to leverage support from across the
UK and Europe to benefit the sector in Wales. This has included partnerships with NESTA
and Channel 4’s Alpha Fund, each of which led to co-investment in Welsh creative
companies. The team’s MEDIA Antenna Wales service helped Welsh companies to
secure funding from the EU’s MEDIA programme which ran from 2007-2013. During that
time MEDIA Antenna Wales assisted Welsh companies in securing over €2.5m in grants.
The service has been expanded from 2014 to provide Welsh companies with support to
apply for grants from the new 2014-20 Creative Europe programme. The sector team now
operates Wales’ Creative Europe Desk, which will continue the good work of MEDIA
Antenna Wales under this new programme.

With the expansion in the sector, we have also focused on improving the pipeline of skilled
people entering the industry. The Welsh Government is currently undertaking a review of
education and training in the sector, in order to identify and address skills gaps in the
industry.

In 2013 the Creative Industries Sector Team funded a pilot scheme which saw two trainee
location managers gain extensive professional experience working on the production of
the second series of Da Vinci’s Demons. Both have now secured full time work in the
industry in Wales. A second pilot is now underway with four trainees working in a variety
of disciplines on the third series.

The creative industries are economic development priorities for governments all around
the world. This could be thought a reason for countries our size and with necessarily
limited resources to avoid the battle. Nothing could be more wrong. The creative
industries are growing everywhere. The costs of entering many markets are uniquely low. New businesses and disruptive business models are born daily. In these industries, being new and small is not incompatible with operating globally.

There is of course a downside to such vibrant and fast-moving changes. Good ideas can be overtaken by better ones. Markets quickly won can be lost just as quickly. New skills are needed all the time and sometimes more quickly than our education system and training provision can match. The risk profile of government support may be higher than we are used to. The absence of sufficient venture capital in Wales places more of the responsibility for early-stage funding on the government than in other industries. The Welsh Government has adopted new and appropriate strategies to make sure that there is a proper balance between the needs of the sector and the need to ensure proper accountability for public money.

The needs of the creative industries are understood by the Welsh Government and four years into the sector approach we now know Wales can compete.