



The 29th STAG Board Meeting

Topic 3: The Cultural and Creative Industries

Discussion 2: The Digital Content and Design

Industry Development Flagship Plans

**Reporting agency: Industrial Development
Bureau, Ministry of Economic Affairs**

November 3, 2009



- Background
- Current Status of Development
- Development Strategy
- Results of Promotion
- Conclusions
- Discussion



Background (1/4) – Industry Scope (Definitions)

International example (U.K.)

Scope covered by the "Creative Industries"

- ◆ Radio and TV
- ◆ Film industry
- ◆ Fashion design
- ◆ Publishing
- ◆ Interactive leisure software
- ◆ Music
- ◆ Architecture
- ◆ Software and computer services
- ◆ Design
- ◆ Advertising
- ◆ Performing arts
- ◆ Art and antiques
- ◆ Handicrafts

Source: Department for Culture, Media and Sport (DCMS), U.K. (2009)

DCMS, UK (2009)

Taiwan (previously)

Cultural and Creative Industries

- ◆ Visual arts
- ◆ Music and performing arts
- ◆ Art exhibition and performing arts facilities
- ◆ Handicrafts
- ◆ Film industry
- ◆ Radio and TV
- ◆ Publishing
- ◆ Advertising
- ◆ Design
- ◆ Branded fashion design
- ◆ Creative lifestyles
- ◆ Architectural design
- ◆ Digital leisure and entertainment

Digital Content Industry

- ◆ Digital gaming
- ◆ Computer animation
- ◆ E-Learning
- ◆ Digital publishing and collection
- ◆ Digital multimedia
- ◆ Mobile applications
- ◆ Content software
- ◆ Web services

Taiwan (now)

Cultural and Creative Industries

Arts industry

Council for Cultural Affairs

Media industry

Government Information Office

Design industry

Ministry of Economic Affairs

Digital content industry

Ministry of Economic Affairs



On May 31, 2002, the Executive Yuan approved the Challenge 2008 National Development Plan. The Digital Content Industry was positioned as one of the “Two Trillion, Twin Star” industries. The Design Services Industry was positioned as one of the “Cultural and Creative Industries.”

The Executive Yuan approved the Plan to Strengthen Promotion of Digital Content Industry Development:
 First Stage (2002 – 2006)
 Second Stage (2007 – 2011)

The Executive Yuan approved:
 The Design Industry Takeoff Plan (2004 – 2007)
 The Design Industry Growth Plan (2008 – 2011)

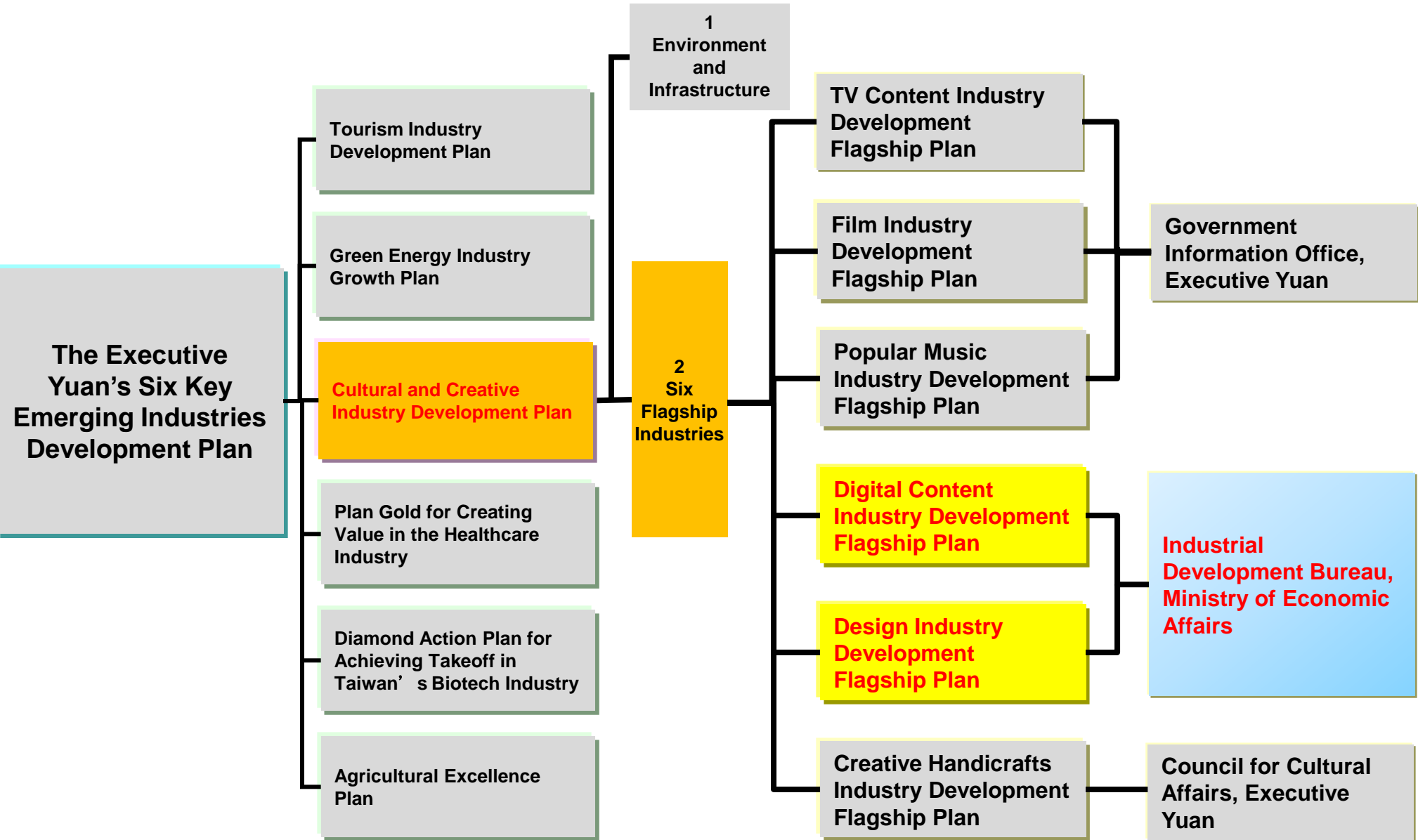
On May 14, 2009, the Executive Yuan approved the “Creative Taiwan Plan” for the development of the Cultural and Creative Industries. The Digital Content and Design Industry was designated as one of the Key Industries whose development would be prioritized in the Six Flagship Plans.

Digital Content Industry Development Flagship Plan

Design Industry Development Flagship Plan



Background (3/4) – Flagship Plan Positioning



Digital Content Industry

Main Sub-industries

- Digital gaming
- Computer animation
- E-Learning
- Digital multimedia applications
- Digital publishing and collections

Related Industries

- Mobile applications
- Content software
- Web services

Content

Adding Value

Hardware + Software + Content + System platforms

ICT

Design Industry

Main Sub-industries

- Product design
- Visual presentation design
- Packaging design

Related Industries

- Service design
- Activity design
- Spatial design

Products and Services

Adding Value

Hardware + Software + User Friendly

Design, Aesthetics



Paper books → E-Books



Films and TV → Digital video



Classroom learning → E-Learning

Meeting users' needs

Enhancing value-added

Innovative business models

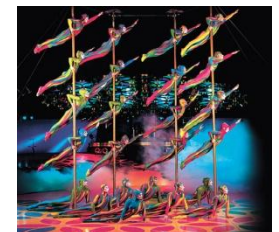
Promoting industrial upgrading



Food products → High-quality gifts



Ordinary circus → Cirque du Soleil



Traditional lighting → Fashionable lighting

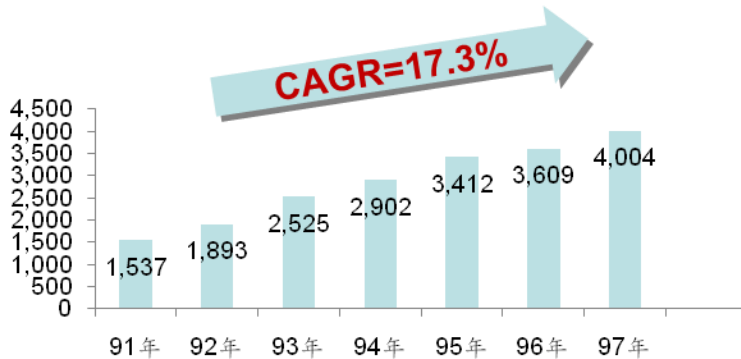
1. The Digital Content Industry - 1.1 Promotional Results

Annual Production Value

Since active promotion of the development of the digital content industry began, the industry's annual production value has risen from NT\$153.7 billion in 2002 to NT\$400.4 billion in 2008, representing a compound annual growth rate (CAGR) of 17.3%.

Annual production value of the Taiwanese digital content industry (2002 – 2008)

Unit: NT\$ billions



Source: Digital Content Industry Promotion Office (Sept. 2009)

Export Sales

The digital content industry's annual exports rose from NT\$10 billion in 2002 to NT\$30 billion in 2008.

Promoting Investment and International Collaboration

Over the period 2003 – 2008, new investment in the digital content industry totaled NT\$76,941 million, with international collaboration projects worth NT\$11.8 billion.

Item/Year	2003	2004	2005	2006	2007	2008	2003 – 2008
Investment (NT\$ billions)	87	115	131	143	141	150	769
International collaboration (NT\$ billions)	8	10	29	26	25	20	118

Unit: NT\$ billions

Source: Digital Content Industry Promotion Office (Sept. 2009)

No. of companies and employees

The number of companies in the digital content industry has risen from 1,500 to 3,500, while the number of people working in the industry has increased from 30,000 to 70,000.

1.2 International Awards and Trans-national Collaboration

International Awards



- Computer animation: Adventures in the National Palace Museum won an award for best animated film at the Tokyo International Animation Fair; Fire Ball: Journey to the West – the Secret Behind the Fiery Mountains won the Best Animation Award in the Asia Pacific Film Festival; A Fish with a Smile won an award for best short film at the Berlin International Film Festival. These are just a few of the awards that Taiwanese computer animation has won.
- E-Learning: Taiwanese e-learning application won several of the prestigious Brandon Hall Excellence in Learning Awards over the period 2005 – 2008; Taiwan also secured the 2008 IMS Leadership Award, and won 1 gold medal and 5 bronze medals at the 2009 Horizon Interactive Awards.
- Digital gaming: The game Iron Phoenix won the Most Innovative Game award at the E3 show in the U.S.

Trans-national Collaboration

- Taiwanese company XPEC and leading U.S. game company Activision Blizzard collaborated on the development of the game Kung Fu Panda for the Wii game platform; more than one million copies of this game have been sold worldwide.
- SOFA Studio's MuMuHug 3D animated TV series has been successfully marketed in 54 countries.
- Softstar Entertainment's Free online game has been licensed to 12 countries in Southeast Asia and Europe.
- Chinese Gamer's Legend of Huang Yi online game has been licensed to Japan, Thailand, Vietnam, Singapore and Malaysia.
- CGCG was commissioned to make the Star Wars: The Clone Wars 3D movie for George Lucas.
- Gamania collaborated with Taffy on Hero: 108.
- UserJoy's Heroes of the Three Kingdoms online game has been licensed to China's The9 Limited for NT\$150 million, as well as being licensed in various other overseas markets.





1.3 The Digital Content Industry Continues to Grow Despite the Global Economic Downturn

---Digital Content Firms Have an Increasingly Substantial Presence in the Taiwanese Stockmarket---

Around 45 Taiwanese digital content firms have secured stock market or OTC listing; their combined market value is around NT\$120 billion.

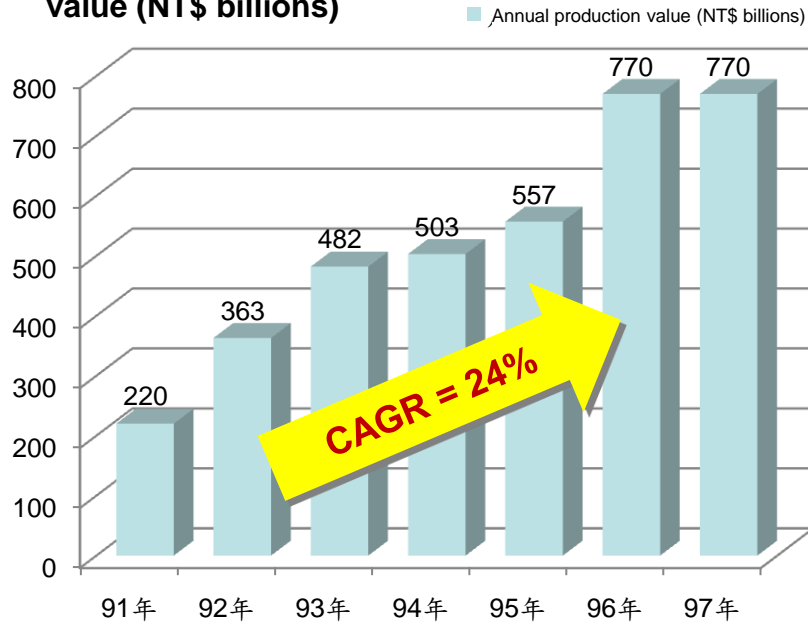


- (Chinese Gamer: market value of NT\$32 billion)
- (Soft World: market value of NT\$20 billion)
- (International Games System: market value of NT\$15 billion)
- (CyberLink: market value of NT\$15 billion)
- (Gamania: market value of NT\$8 billion)
- (UserJoy: market value of NT\$7 billion)
- (Interserv: market value of NT\$3 billion)
- (PChome: market value of NT\$2 billion)
- (Fullerton: market value of NT\$2 billion)
- (Hyweb: market value of NT\$1 billion)



2. The Design Industry –
2.1 Promotional Results

Annual production value (NT\$ billions)



Annual Production Value

Since active promotion of the development of the design industry began, the industry's annual production value has risen from NT\$22 billion in 2002 to NT\$77 billion in 2008, representing a compound annual growth rate (CAGR) of 24%.

No. of Companies and Employees

The number of companies in the design industry has risen from 1,600 to 2,400, while the number of people working in the industry has increased from 12,000 to 24,000.

Export Sales

The design industry's annual exports have risen from NT\$10 billion to NT\$40 billion.

Item/Year	2002	2003	2004	2005	2006	2007	2008	CAGR
Annual production value (NT\$ billions)	220	363	482	503	557	770	770	24%
No. of employees (persons)	12,500	13,506	17,159	19,939	23,184	24,178	24,420	12%
No. of enterprises (firms)	1,624	1,826	1,925	2,096	2,239	2,362	2,386	6%



Note: Date for 2008 are estimates; allowing for the impact of the global financial crisis, it has been assumed that growth will be flat.

Source: Ministry of Finance Tax Data Center original VAT data; Taiwan Region Occupational Salary Survey



2.2 Global Recognition of the Quality of Taiwanese Design – International Awards

Over the period 2003 – 2009, Taiwanese designs have won a total of 811 awards (including 21 gold medals and first prizes) at major international design competitions (iF, reddot, GD, IDEA)

International design award	Year	2003	2004	2005	2006	2007	2008	2009	Total
iF (Germany) (the "Design Oscars")		5	14	37 (1 gold medal)	72 (3 gold medals)	56 (1 gold medal)	103 (2 gold medals)	66 (1 gold medal)	353
reddot (Germany) (design awards)		0	2	20 (1 first prize)	37 (2 first prizes)	45 (1 first prize)	62 (5 first prizes)	71 (3 first prizes)	237
IDEA (U.S.A.) (industrial design awards)		0	1	5	1 (1 gold medal)	4	5	2	18
G-Mark (Japan) (product design awards)		11	36	38	38	28	31	21	203
Total		16	53	100	148	133	201	160	811



2.3 Design Products Developed with the Support of Government Agencies

Council for Hakka Affairs, Executive Yuan – Tung Tree Blossom Products

- ◆ A series of over 200 products using Tung Tree Blossom as the design motif has been developed, resulting in production value of NT\$1 billion



National Palace Museum – “Old is New”

- ◆ A series of over 100 innovative National Palace Museum “Old is New” gift products has been developed, resulting in production value of NT\$500 million



Council of Indigenous Peoples, Executive Yuan – Indigenous Handicraft Products

- ◆ A series of 50 handicraft products has been developed, resulting in production value of NT\$250 million



National Taiwan Craft Research Institute, Council for Cultural Affairs – Fashionable Handicraft Products

- ◆ A series of 70 Taiwan-themed handicraft products has been developed, resulting in production value of NT\$350 million



2.4 Products Developed through Inter-disciplinary Design Collaboration

- Design collaboration involving public research institutes
- Universal design, colors and materials, and user-centered design research and applications
- Establishment of open laboratories and the Taiwan Design Elements Database (which includes 38,186 items of data and over 500 materials, and has been accessed by 12,000 firms)

Taiwan-themed design development

Design elements developed by the National Palace Museum, National Taiwan Craft Research Institute, Council for Hakka Affairs and Council of Indigenous Peoples

1. Cultural experts and historians
2. Design teams
3. Taiwan Design Center



National Palace Museum celadons

Desktop holder set

Bamboo seat
(chosen by the French media as one of the 23 most inspiring designs)



Chung-Shan Institute of Science & Technology, Industrial Technology Research Institute



1. Design teams
2. Taiwan Design Center

Inter-disciplinary collaboration has produced 30 design concepts and products, and has facilitated participation in international design awards



Musical Balls (developed using sensory technology): winner of a design award at iF 2009

Inter-organization design collaboration



2.5 Taiwanese Design Wins International Recognition

(1) Taiwan Design Expo

1. The Taiwan Design Expo has been held on **8 occasions**, and now ranks alongside Germany's iF and redden and Japan's International Design Competition Osaka **as one of the world's top four conceptual design competitions**
2. **Every year, the Taiwan Design Expo attracts over 2,000 entries from 40+ countries**



(2) Young Designers' Exhibition

1. **The Young Designers' Exhibition is entering its 28th year. In 2009, 111 domestic and overseas design departments and institutes took part, with a total of 2,257 booths, making this the world's largest design department joint graduation show.**
2. **In 2007, the International Council of Societies of Industrial Design (ICSID) chose the Young Designers' Exhibition as one of the activities at which ICSID's 50th anniversary would be celebrated.**



2.6 Promoting “Design for All” – the Taiwan Design Fair

- 1) Now entering its seventh year, the Taiwan Design Fair has, in successive years, been held in collaboration with Taipei City Government, Ilan County Government, Kaohsiung County Government, Tainan County Government and Taichung City Government; the aim of the Fair is to enhance the aesthetic sensibility of Taiwan’s citizens.
- 2) The Taiwan Design Fair is Asia’s largest innovative design platform; in the seven years in which the Fair has been held, it has attracted a cumulative total of 2 million visitors.

Year	Theme	Venue	No. of visitors
2003	Life aesthetics	Huashan Art District, Taipei City	80,000
2004	Food and fashion aesthetics	Yilan Sports Park	160,000
2005	Home aesthetics	Weiwuying, Kaohsiung	330,000
2006	Life aesthetics	Soulangh Cultural Park, Tainan	390,000
2007	Happy lifestyles	Soulangh Cultural Park, Tainan	220,000
2008	Ideal lifestyles	Soulangh Cultural Park, Tainan	380,000
2009	Essence	Taichung Creative and Cultural Park	440,000





Strengths

- Taiwan's wealth of collections and other cultural assets relating to Chinese culture can be used to develop unique, differentiated products.
- The advanced technology and impressive manufacturing capabilities of Taiwan's manufacturing sector can be leveraged to support innovation in the digital content and design industries.
- High-level manpower costs are lower in Taiwan than in Europe or North America.
- Taiwan is the most liberalized, democratic country within the ethnic Chinese group of countries.

Weaknesses

- Taiwan has a relatively small domestic market, and Taiwanese firms need to do more to internationalize themselves.
- Taiwan suffers from relatively weak software, content and ergonomic design capabilities.
- While Taiwan has abundant technical talent, there is a shortage of international marketing, financial and legal affairs specialists, along with the talent needed to undertake inter-disciplinary integration.

Opportunities

- Taiwan enjoys significant advantages with respect to other ethnic Chinese countries in terms of culture, language and geographical location, facilitating the development of the emerging China market.
- The worldwide Chinese culture boom is creating new opportunities for Taiwan's digital content and design industries in the global market.
- As Taiwan no longer enjoys a significant cost advantage in manufacturing, Taiwanese business enterprises are gradually starting to realize the important role that design and digital content can play in boosting product value-added.
- The cultural openness that characterizes Taiwan can support the growth of ethnic Chinese global brands and drive the development of the ethnic Chinese cultural and creative industries.
- Over the last few years, the number of major international awards won by Taiwanese designers has grown steadily, helping to boost Taiwan's visibility within the global market.

Threats

- China's protectionism has led to the creation of barriers to market entry.
- The advantage that both China and India possess in terms of low-cost competition represents a latent threat to Taiwan.
- By comparison with other countries, Taiwan has allocated relatively few resources to researching the China market, which is not conducive to successful development of this market.



Taiwan has a relatively small domestic market, and Taiwanese firms need to do more to internationalize themselves

Taiwan's domestic market is small, and the level of internationalization achieved by Taiwanese digital content and design firms is still relatively low. The challenge is how to leverage the existing competitive advantage of Taiwan's ICT industry and its global presence, while also making effective use of Taiwan's rich culture and local resources, and integrating these with the digital content and design industries to develop new distribution channels and market opportunities.

China's protectionism has led to the creation of barriers to market entry

Protectionism is running rampant in China; Taiwanese digital content firms seeking to develop the China market find themselves hobbled by a restrictive legal and regulatory environment, obstacles to market entry, restrictions on inward investment, and the problems caused by China's different standards and testing and certification requirements. Achieving more effective cross-strait collaboration between Taiwan and China is a key priority.

The rise of the emerging markets has made the promotion of regional collaboration more important than ever

China is the world's largest emerging market, and the market with the greatest growth potential. If Taiwanese design firms are to develop the wider ethnic Chinese market successfully, more effort will be needed to collect information on urban culture and design in China, including consumer behavior trends, social issues, emerging cultural elements, etc.

An acute shortage of specialist talent has prevented these industries from realizing their full potential

Following rapid industrial development, Taiwan's industries are now faced with the need to internationalize their operations; however, this is rendered difficult because of a shortage of human talent in specialist technical fields and in the areas of international marketing, operational management, finance and legal affairs. There is also a problem with universities turning out graduates who lack the skills that industry needs. More effort is needed in the area of manpower cultivation to support industrial development.



1. The Digital Content Industry - 1.1 Vision and Goals

Vision: To Make Taiwan a World Leader in Entertainment and Creative Multimedia Applications, and a Model of Successful Digital Economy Development

(1) Production value: Achieve annual production value of NT\$780 billion by 2013

(2) Investment: Stimulate investing totaling NT\$100 billion

(3) International collaboration: Promote international collaboration projects worth NT\$14 billion

(4) Industrial innovation: Stimulate the development of 200 innovative industrial products, creating production value of NT\$10 billion

(5) Developing international markets: Cultivate at least 5 world-class firms with annual sales revenue in excess of NT\$2 billion, and develop at least 10 world-class products

(6) Manpower cultivation: Cultivate at least 8,000 specialists in relevant fields

Objectives

Timeframe:
2009 – 2013



1.2 Development Strategy

1

Software-hardware integration to achieve scale growth

- Promote large-scale investment and innovation to add value
- Expand the industries' scale and build up the value chain



Annual production value – NT\$780 billion

New investment – NT\$100 billion

Goals for 2013

Manpower cultivation – 8,000 people

3

International marketing and promotion of cross-strait industrial exchange

- Developing international markets and boosting exports
- Promoting cross-strait collaboration and establishing common standards



2

Diversification and promotion of investment in the cultural and creative industries

- Providing incentives for diversified R&D in the digital content and cultural and creative industries
- Promoting cross-industry investment and alliances



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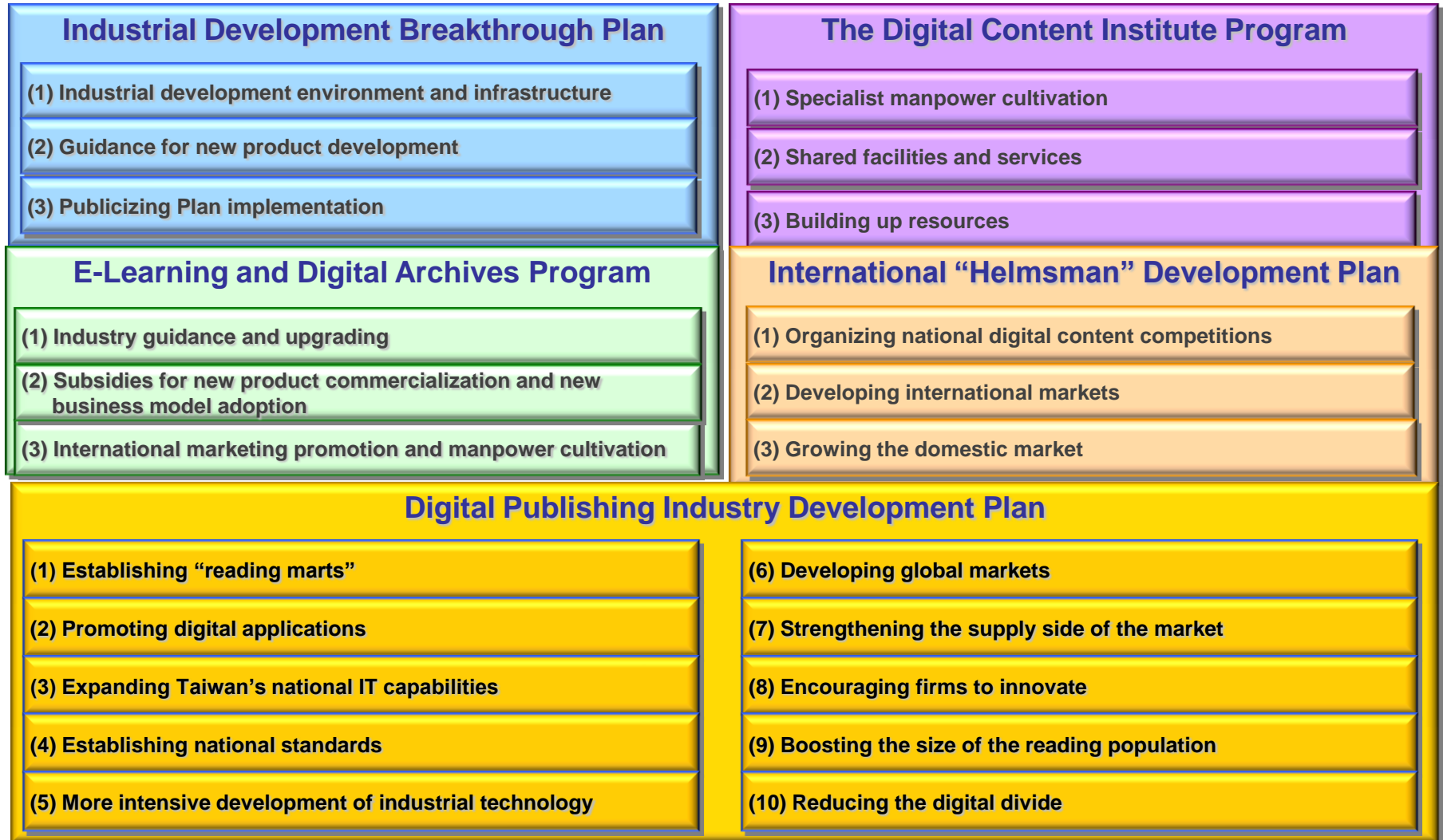
Integrating the capabilities of the university sector and research institutes, and expanding specialist manpower cultivation capabilities

- Promoting university and research institute integration and reducing the divide between academia and industry
- Expanding manpower cultivation capabilities to meet industry's needs





1.3 Key Plans and Promotional Measures





1.4 Funding and Budgets

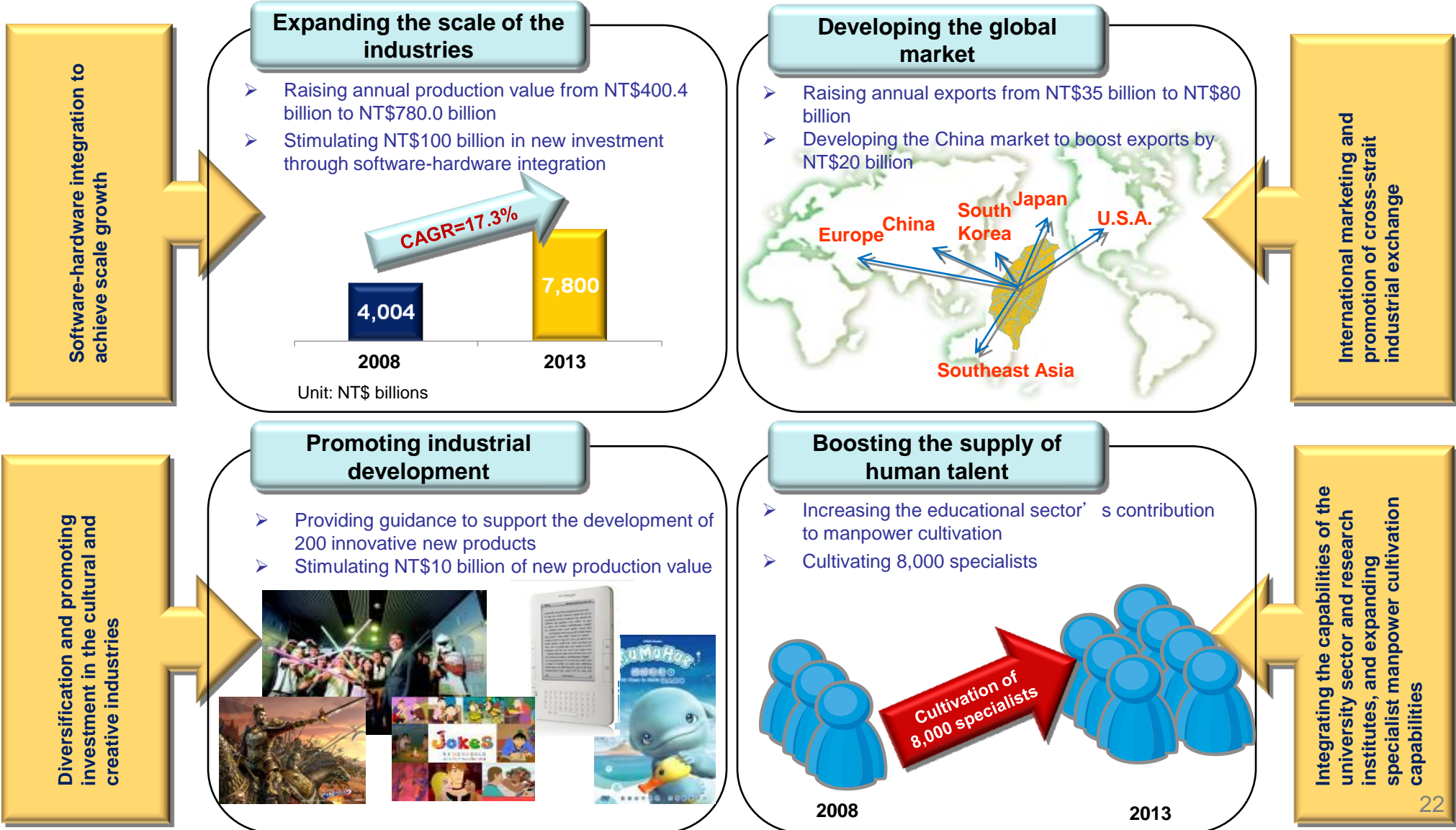
A. Total funding for digital content development plans – including the Industrial Development Breakthrough Plan, the Digital Content Institute Program, the International “Helmsman” Development Plan, the E-Learning and Digital Archives Program and the Digital Publishing Industry Development Plan – comes to approximately NT\$4,485 million.

B. Funding allocation is as follows:

Unit: NT\$ thousands

Plan Name \ Year	2009	2009	2011	2012	2013	Funding Source
Industrial Development Breakthrough Plan	314,124	340,988	340,988	340,988	340,988	The government's science and technology development programs
Digital Content Institute Program	99,600	99,600	99,600	99,600	99,600	
International “Helmsman” Development Plan	77,584	77,027	77,027	77,027	77,027	
E-Learning and Digital Archives Program	262,031	265,544	265,544	265,544	265,544	
Digital Publishing Industry Development Plan	To be met out of funding for the other four plans		200,000	200,000	200,000	
Total	753,339	783,159	983,159	983,159	983,159	

1.5 Anticipated Benefits





2. The Design Industry - 2.1 Vision and Goals

Vision: Building Taiwan into an Asia Pacific “Knowledge Logistics” and Creative Design Powerhouse

Objectives

Timeframe:
2009 – 2013

- (1) Increasing the annual sales volume of the domestic design services industry to NT\$100 billion by 2013, and boosting the industry competitiveness and expanding its market share.
- (2) Generating NT\$900 million of investment in product design, creating NT\$90 billion in production value, and stimulating industrial innovation and industry upgrading.
- (3) Developing the Songshan Tobacco Plant Culture Park into a facility for cultural and creative work, exhibition and product sales and hands-on experience activities, thereby stimulating the development of an industrial cluster and transforming the Park into a major center for Taiwanese design, arts and cultural and creative development.
- (4) Raising the number of Taiwanese designs and products that have **won major international design awards (i.e. Germany’s iF and reddot, the U.S.A.’s IDEA and Japan’s G-Mark) to over 800**, and leveraging this international recognition to achieve rapid brand development and develop new distribution channels.
- (5) Holding of a **global design symposium in Taiwan in 2011**, together with a year of related activities; it is anticipated that **approximately 3,000 domestic and foreign designers** and design experts (from **around 60 countries**) will attend the symposium, which will make a significant contribution towards boosting the international image of Taiwanese design. The total number of domestic participants in the symposium and related activities will be **around 4 million**; these activities will help to stimulate greater interest in design aesthetics among the population as a whole.



2.2 Development Strategy and Promotional Measures

Design Industry Development Flagship Plan

Development Strategy

1. Strengthening the capabilities of the design industry and boosting the annual sales volume of the design services industry
2. Leveraging design resources to provide guidance to business enterprises to help them raise the value-added of their products
3. Creating design industry parks to achieve an industry cluster effect
4. Promoting a “Design-for-All” movement to cultivate design aesthetics in the population as a whole
5. Enhancing the image of Taiwanese design, and using design to market Taiwan

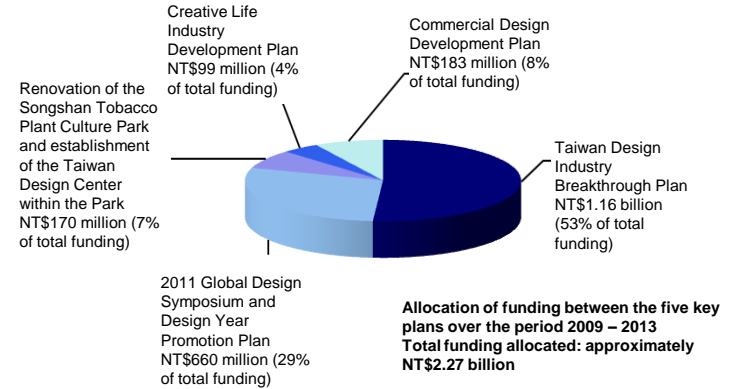
Key Plans	Promotional Measures
Taiwan Design Industry Breakthrough Plan	<ul style="list-style-type: none"> (1) Helping Taiwan's traditional industries to leverage design to boost their value-added (2) Helping the hi-tech sector to develop global design logistics (3) Helping the design services industry to develop new markets (4) Promoting design research and the development of innovative applications (5) Strengthening the cultivation of design talent
2011 Global Design Symposium and Design Year Program	<ul style="list-style-type: none"> (1) Establishing a Design Year promotion mechanism to plan the work required in preparation for the Design year (2) Formulating a Design Roadmap for Taiwan to stimulate the creation of a year-long program of design-related activities (3) Developing Design Year branding to strengthen publicity of the event both in Taiwan and overseas
Renovation of the Songshan Tobacco Plant Culture Park and relocation of the Taiwan Design Center in the Park	<ul style="list-style-type: none"> (1) Undertaking interior design and renovation work to create a venue that combines a strong cultural ethos with pronounced design aesthetics (2) Relocating the Taiwan Design Center in the Songshan Tobacco Plant Culture Park and beginning operations (soft launch)
Creative Life Industry Development Plan	<ul style="list-style-type: none"> (1) Selecting the “Creative Life” businesses to be promoted (2) Promoting customer experience guidance (3) Promoting creative life industry marketing (4) Strengthening the mechanisms for collaboration and exchange within the creative life industry
Commercial Design Development Plan	<ul style="list-style-type: none"> (1) Enhancing business service design mechanisms (2) Cultivating inter-disciplinary innovation management talent (3) Promoting international exchange activities



2.3 Funding and Budgets

A. Total funding for the five key design industry development plans comes to approximately NT\$2.2 billion

B. Funding allocation is as follows:

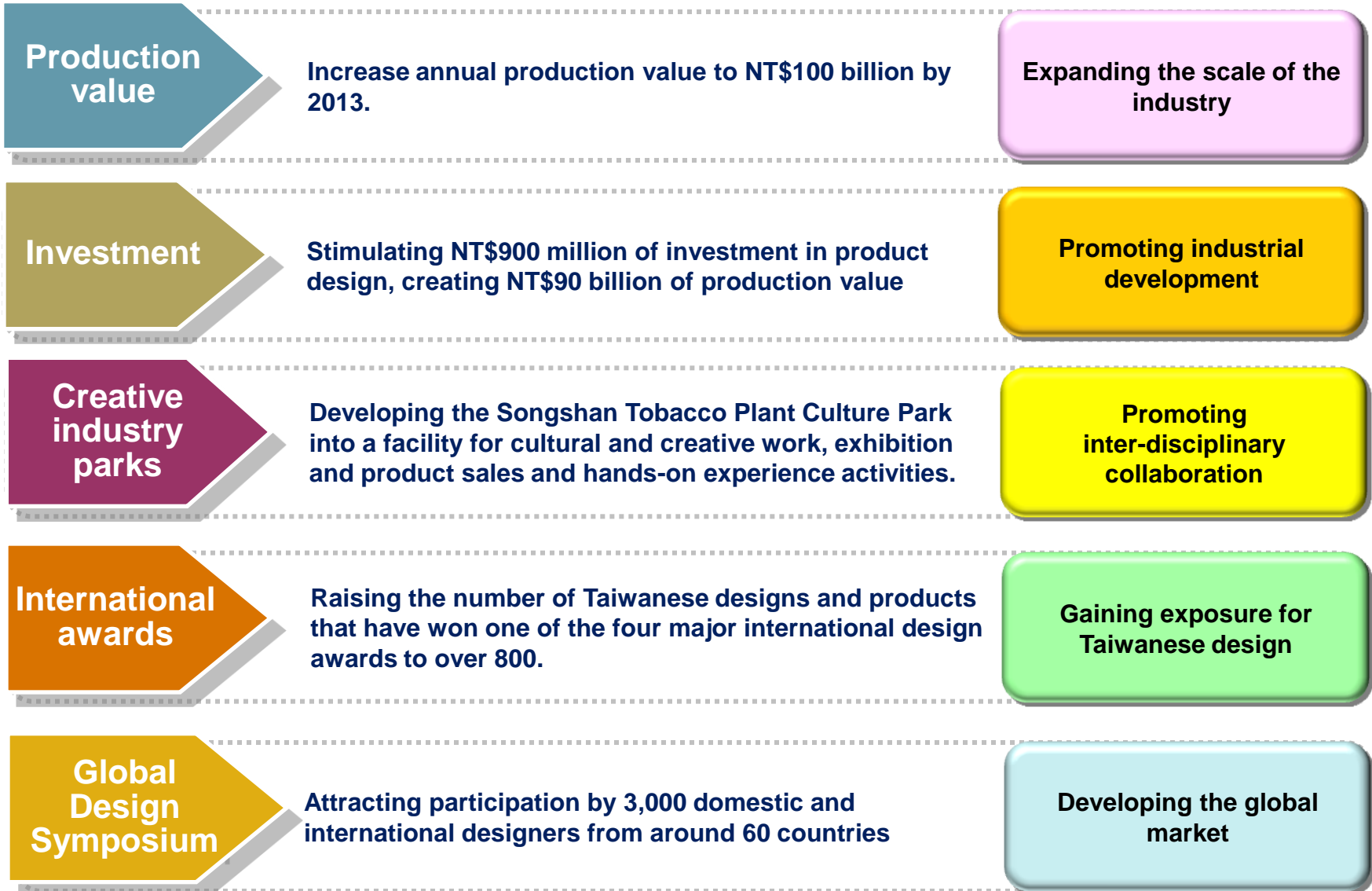


Unit: NT\$ thousand

Plan \ Year	2009	2010	2011	2012	2013	Sub-total	Funding Source
Taiwan Design Industry Breakthrough Plan	173,900	185,000	203,000	300,000	300,000	1,161,900	Technology Development Program funding
2011 Global Design Symposium and Design Year Promotion Plan	58,965	87,000	510,000	-	-	655,965	Technology Development Program funding
Renovation of the Songshan Tobacco Plant Culture Park and relocation of the Taiwan Design Center in the Park	-	170,000	-	-	-	170,000	Public construction funding
Creative Life Industry Development Plan	19,700	19,700	20,000	20,000	20,000	99,400	Technology Development Program funding
Commercial Design Development Plan	28,000	27,128	28,000	50,000	50,000	183,128	Social development funding
Total	280,565	488,828	761,000	370,000	370,000	2,270,393	



2.4 Anticipated Benefits





Software-Hardware Integration and Operation Innovation



1. In July 2009, the government announced that the scope of the M-Taiwan Application Promotion Plan would be expanded to cover innovative e-book application services, and that digital publishing firms, software firms, IT hardware manufacturers and WiMAX network operations would be encouraged to submit joint proposals.
2. Implementation of the Smart Lifestyles Application Promotion Plan is scheduled to begin in 2010; this will involve promoting the development of creative, city-wide e-reading applications and the adoption of innovative new business models that integrate e-books with digital collection projects, etc.

International Marketing and Cross-strait Exchange

1. On July 1 – 4, 2009, the 2009 Cross-strait Chinese-language IT Standards Forum was held in Urumqi, Xinjiang; the Forum provided a venue for the discussion of issues relating to the development of common standards for Chinese-language e-books.
2. The government intends to formulate a Digital Content Industry Cross-strait Bridge Plan. It is anticipated that a meeting will be held in May 2010 to discuss the question of market entry with respect to cross-strait digital content industry development.

Innovative R&D and Cross-industry Alliances



1. A Digital Content Industry Development Subsidies Plan has been formulated in line with the special characteristics and needs of the digital content industry (the Plan emphasizes the need to ensure that those projects that are granted subsidies are genuinely innovative and market-oriented; it also makes it easier for smaller firms to secure financing, and provides for the inclusion of arts experts in the subsidy approval committees).
2. The government will began accept applications for subsidies under the Plan on August 7, 2009. So far, 90 subsidy applications have been received, many of which involve successful integration of ICT companies and digital content applications. The total planned investment in these projects comes to NT\$2.4 billion.

University and Research Institute Integration and Manpower Cultivation



1. It is anticipated that, from 2010 onwards, the Digital Content Institute will be collaborating with Taiwanese universities, leveraging universities' facilities and resources and working closely with industry to cultivate the specialist talent that the digital content industry needs.
2. The integration process will combine academic institutions' resources with the Digital Content Institute's operational experience to reduce manpower cultivation costs and boost the number of digital content specialists cultivated from 4,500 to 8,000.



2011 IDA Congress and Design Year Promotion Plan

1. On August 9, 2009, the Taiwan Design Center signed a formal agreement with the **International Design Alliance (IDA)** in Montreal.
2. A delegation from the IDA, including ICSID Chairman Dr. Mark Breitenberg and reddot President Mr. Peter Zec, visited Taiwan on August 26, 2009 to attend a **press conference organized jointly by the Ministry of Economic Affairs and Taipei City Government** to announce the plans for Taiwan to host the IDA Congress.
3. The visual design and promotional short films for the 2011 events have already been completed, and a major promotional campaign is being undertaken at **important international exhibitions and trade shows**.



International Marketing and Cross-strait Exchange

1. The government is providing support to help Taiwanese designers win the four leading international design awards. In 2009, the cumulative total of awards received was 139.
2. A total of 27 Taiwanese firms attended the Maison & Objet home furnishings exhibition in Paris September 4 – 8, 2009. A total of 5,000 international buyers visited these firms'™ booths at the show, resulting in orders worth around NT\$280 million.
3. A group of 11 Taiwanese firms attended the Milan Furniture Exhibition April 22 ~27, 2009. The Exhibition was attended by 40,000 people. Taiwanese firms attending the Exhibition secured business opportunities worth around NT\$60 million.
4. 28 Taiwanese firms attended the Nanjing Trade Fair in China held September 17 ~20, 2009. The fair received 260,000 visitors.

Promoting “Design-for-All”

1. In accordance with instructions from President Ma, the National Design Award has been renamed the Golden Pin Design Award (with the aim of giving the Award a more international feel). On August 11, 2009, a **“Golden Pin Design Award – Developing New International Opportunities”** press conference was held to mark this change.
2. The 2009 Taiwan Design Fair held October 2 ~18, 2009 attracted a total of 445,840 visitors. The Golden Pin Award and Taiwan International Design Competition (both of which were held to coincide with the Fair) received 6,048 entries from 30 different countries.
3. Participants of the 2009 Young Designers Exhibition, held May 14 ~17, 2009, included representatives of 111 university design departments from all over the world. The Exhibition attracted 95,000 visitors.



The Songshan Tobacco Plant Culture Park



世紀交鋒 台灣設計寫歷史
The Edges of Taiwan Design History



On August 26, 2009, the Ministry of Economic Affairs signed an agreement with Taipei City Government and the Taiwan Design Center to collaborate on the planning and establishment of the Songshan Tobacco Plant Culture Park, with the aim of developing the Park as a center for cultural and creative industry creation, product sales, and hands-on experience activities, so as to stimulate the industry cluster effect. The Park will also be one of the main venues for the 2011 IDA Congress, which will be held in Taipei.



- 1. Since 2002, Taiwan has been working actively to develop the digital content industry and the design industry. The annual production value of the digital content industry has grown from NT\$153.7 billion in 2002 to NT\$400.4 billion in 2008, representing a compound annual growth rate (CAGR) of 17.3%. Despite the impact of the recent global economic downturn, the sales revenue achieved by the online gaming and e-learning segments of the digital content industry (segments which have benefited from the trend for people to spend more of their leisure time at home in response to the economic downturn) has actually continued to grow, rising by 30% in the past year. The annual production value of the design industry has grown from NT\$22 billion in 2002 to NT\$77 billion in 2008, representing a CAGR of 24%. As of 2009, Taiwan had won a cumulative total of 811 major international design awards, including 21 gold medals and first prizes; Taiwan has also secured the right to host the 2011 IDA Congress.**
- 2. Currently, the development of Taiwan's digital content industry and design industry is still heavily oriented towards the domestic market. Given the small size of the Taiwanese market, both industries will need to speed up their development of overseas market if they are to continue to grow in the future.**
- 3. Looking ahead to the future, Taiwan will need to focus on building up its creative capabilities, making effective use of the advantages conferred by its predominantly ethnic Chinese culture and geographical location within Asia, while also leveraging the strength of Taiwan's ICT sector, working to help traditional industries transform themselves through innovation, and cultivating international talent, so that first-class Taiwanese products and services can be marketed all over the world.**



- 1. How can Taiwan transform its Chinese culture related collection assets into innovative application elements for the digital content and design industries?**
- 2. How can Taiwan leverage its strength in information and communications technology (ICT) hardware manufacturing to strengthen the digital content and design industries in those areas where they are currently weak (i.e. software, content, and human resources)?**
- 3. How can Taiwan make effective use of international collaboration and exchange to make the digital content and design industries truly world-class?**
- 4. How can the division of labor and coordination of resources between government agencies be improved to effectively promote the development of the digital content industry and design industry?**