

**Executive Yuan 28th Science and Technology Consultant Conference**

**Discussion Topic 1: Cultural Creative Society**

**Discussion topic 1.2: Development of Cultural Creative  
Industry Market**

**Report : Council for Cultural Affairs**

**2008 / 11 /17**

# Outline

1. **preface**
2. **Current development situations of domestic and overseas cultural creative industry**
3. **Current obstacles**
4. **SWOT analysis of Taiwan's development of cultural creative industry**
5. **Development strategies**
6. **Conclusion**
7. **Discussion subjects**

# **1.Preface**

**1.1 Definition of Cultural Creative Industry**

**1.2 The Three Directional Sectors of Cultural Creative Industry**

**1.3 The type of Cultural Creative Industry**

# **1.1 Definition of Cultural Creative Industry**

**1.1.1 CCI is rooted in accumulation of own culture and creativities. It has potential to create fortune and job opportunities. It can accelerate the improvement of living environment ◦**

**1.1.2 The development of CCI can improve economic situation and cultural development. It will be a new type of life ◦**

**1.1.3 It possesses diversified, small scaled and non-centralized characters and especially emphasizes on the deep thinking on the combination of local culture and global market.**

# **1.2.The Three Directional Sectors of Cultural Creative Industry**

## **1.2.1 From government point of view**

**Culture is the key factor of a country, culture can also play an important strategy in a country's development, Culture 、 tourism and international market will be the future policy guidelines ◦**

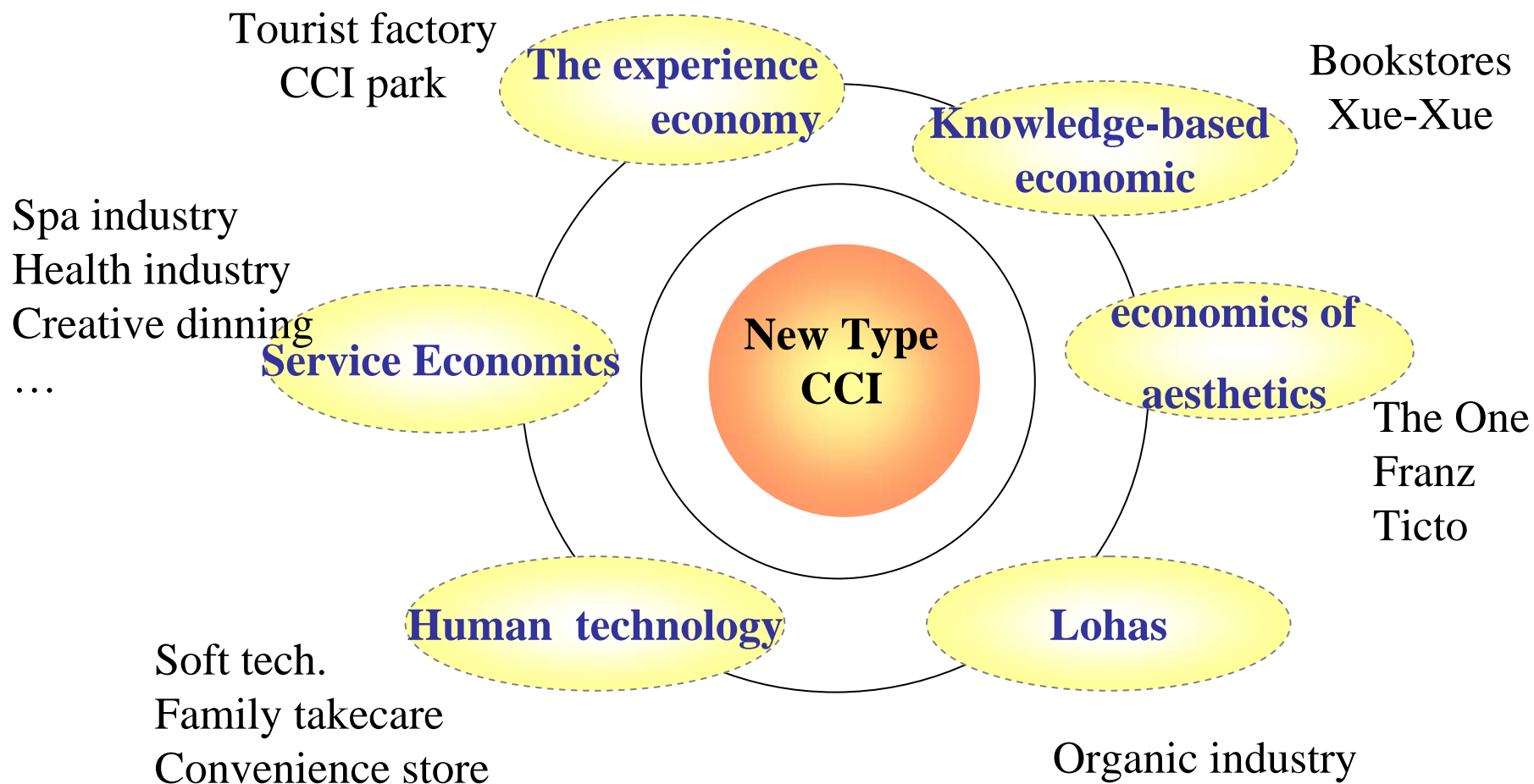
## **1.2.2 From Market and consuming point of view**

**Mass market to divide market, personal taste consuming is the future trend, products will be more unique. We will need more design ◦**

## **1.2.3 From Industry point of view**

**To integrate more digital technologies with aesthetics and design, in order to bring more new type of creative business models ◦**

# 1.3 The type of Cultural Creative Industry



## **2. Current development situations of domestic and overseas cultural creative industry**

**2.1 The development situations of overseas cultural creative industry**

**2.2 Structure of Taiwan Cultural Creative Industry**

**2.3 Taiwan Cultural Creative Development Plan (Phrase 1)**

**2.4 Taiwan Cultural Creative Development Plan (Phrase 2)**

## **2.1 The development situations of overseas cultural creative industry**

There are indeed certain things from the following highly cultural creative industrial countries that are worthwhile for us to learn and take note with:

**British** with a longest development history

**U.S.A** with a matured application of commercialization

**Japan** with a fame of being an animation kingdom

**Korea** with a haste to catch up in every aspects

**China** with a highest consuming population.

**Australia** with a highest cultural citizenship of participation

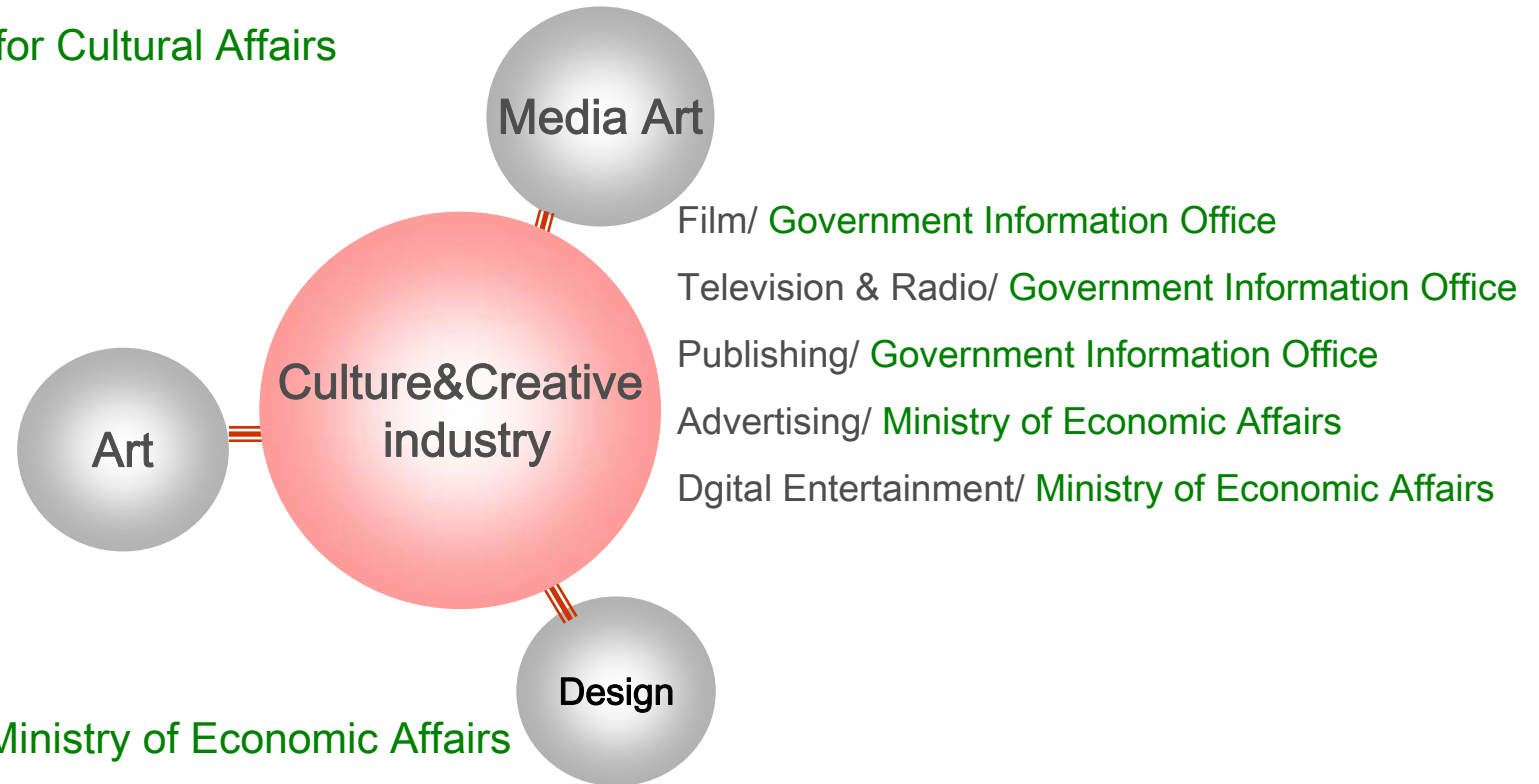
## 2.2 Structure of Taiwan Cultural Creative Industry

Visual Arts/ Council for Cultural Affairs

Music & Performing Arts/ Council for Cultural Affairs

Cultural Facility for Exhibiting and Performing/ Council for Cultural Affairs

Crafts/ Council for Cultural Affairs



Design industry/ Ministry of Economic Affairs

Designers Fashions/ Ministry of Economic Affairs

Creative Life/ Ministry of Economic Affairs

Architecture/ Ministry of the interior

## **2.3 Taiwan Cultural Creative Development Plan (Phrase 1)**

**2.3.1 Plan for preparation of CCI development (held by cross departments)**

**2.3.2 Plan for Establishment of CCI resource center (held by cross departments)**

**2.3.3 Plan for Cultural and Creative park and Craft development (Held by CCA)**

**2.3.4 Plan for Prosper Taiwan pop music and culture (2008-2011)(held by GIO)**

**2.3.5 Plan for elevate designed in Taiwan (Held by MOEA)**

**Details please Refer to attachment #1**

## 2.4. Taiwan Cultural Creative Development Plan (Phrase 2)

**Council for Culture Affairs** Plan for improve CCI environment  
Plan for craft industry development(Flagship Plan)  
Plan for promote Cultural and creative park

**Ministry of Economy Affairs** Plan for re-construct Song-shan Tabaco Factory and TDC enter STF  
Plan for promote World Congress 2011 and Year of Design  
Plan for promote design industry (Flagship Plan)  
Plan for promote Creative life

**Government Information Office** Plan for Prosper Taiwan pop music and culture ( 2008-2011 )  
Plan for establish Pop Music Center  
Plan for develop TV Opera Industry

**National Palace Museum** Plan for NPM Cultural Creative Park (Flagship Plan)

**Details please Refer to attachment #2**

## **2.5 The industry situations of Taiwan digital cultural contents**

**2.5.1 Output value :NT\$179.5 billion**

**2.5.2 Digital content industry's development rule drafts being  
sent to Legislative Yuan**

**2.5.3 Handling of leading new product counseling development**

**2.5.4 Industrial development and talented people training**

**2.5.5 Youth business start up loans, small business start up loans,  
digital content loans and other services.**

# **3. Current obstacles**

- 3.1 Government cultural creative supporting laws and regulations sector**
- 3.2 Tracking sector between art and commerce and the unconformity link of industrial chain problems**
- 3.3 The cluster effect of culture park hasn't been realized**
- 3.4 The existence problems of asynchronously international tracking.**
- 3.5 Lack of the industry researches , industry chain needed to be established**
- 3.6 The resource of digital archives hasn't been effectively used**
- 3.7 Non-effective development of digital contents**

## **3.1 Government cultural creative supporting laws and regulations sector**

**3.1.1 The related regulations of CCI at home are still not completed.**

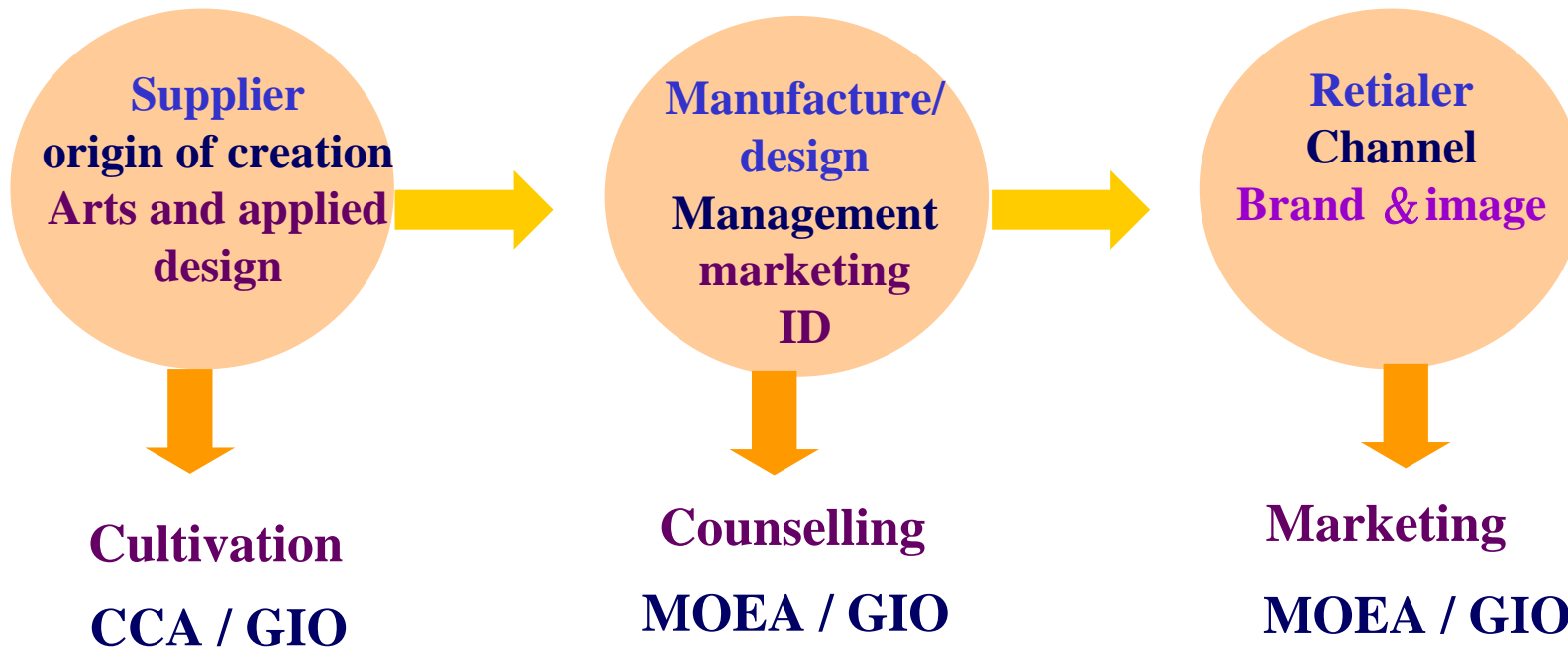
**3.1.2 The value of CCI merchandise lies in the protection of intellectual property right ; however, the related policy of intellectual property and patent are still not issued completely.**

## 3.2 Tracking sector between art and commerce and the unconformity link of industrial chain problems

3.2.1 The boundaries between art and commerce are still clear , so the power of art and culture are not easy to industrialized.

3.2.2 The coordination among the supplier , the manufacturer and the retailer can not integrate effectively , so the value chain is not easy to formed.

3.2.3 The resources of art and culture are still not fully released , so the industries can not get licensed easily.



## **3.3 The cluster effect of culture park hasn't been realized**

**3.3.1 The positioning of culture and creative park is obscure and its connection with local industrial resources is weak.**

**3.3.2 The administration of culture and creative park is lacking in the temptations of industry entry , so it is not easy to get more business.**

**3.3.3 The development of culture and creative park is lacking in the topic ,the foresightedness and the experience.**



## **3.4 The existence problems of asynchronously international tracking.**

**3.4.1 In last few year, government put more resources on improving recognition of Taiwan Culture. Therefore, she underestimate the conduct to the international culture exchange and market explore ◦**

**3.4.2 A great need in great Chinese market can be expected, we may regard the market in China as a second home market to Taiwan**

## **3.5 Lack of the industry researches , industry chain needed to be established**

**3.5.1 Lack of CCI basic information, we do not have accurate number in working population 、 company scale 、 and income ◦**

**3.5.2 Lack of appropriate counseling service to the SME, there are some gap among CCI industry chain.**

## **3.6 The resource of digital archives hasn't been effectively used**

**3.6.1 Digital archive resource hasn't been issued effectively to industry ◦**

**3.6.2 Digital archive faces licensing and channel problem ◦**

**3.6.3 Digital archive need to be promoted to industry, and bring more design resource to transfer and modernized it ◦**

## **3.7 Non-effective development of digital contents**

**3.7.1 Digital content and digital technology both are necessary for industry development. Taiwan used to be the “kingdom of animation”, however in nowadays, we have only technology value but no content value.**

**3.7.2 Some reasons make animation industry in Taiwan can't be prospered: Lack of original creative animation play scripts 、 investment 、 channel, and international market taste are the reasons ◦**

## 4. SWOT analysis of Taiwan's development of cultural creative industry

| Strengths   | Weaknesses  |
|---|---|
| <ol style="list-style-type: none"> <li>1. Social democracy, multi-dimensional culture</li> <li>2. Small and medium-sized enterprise is agile and flexible, rich in creativity</li> <li>3. Digital and creative, manpower cost is lower than developed countries</li> <li>4. Chinese “content” creations are potentially innovative</li> </ol> | <ol style="list-style-type: none"> <li>1. Government resources are dispersed</li> <li>2. Industry fundamental information is insufficient</li> <li>3. Literary arts resource commercialization is low</li> <li>4. Intellectual property rights related industry application is insufficient</li> </ol>                                |
| Opportunities   | Threats   |
| <ol style="list-style-type: none"> <li>1. Chinese market possesses superiority</li> <li>2. Electronic commerce market has a growth potential</li> <li>3. Transformation of esthetics taste of lifestyle</li> <li>4. European and US markets are lack of eastern and Chinese elements</li> </ol>   | <ol style="list-style-type: none"> <li>1. Rapid creative industry development of neighboring countries</li> <li>2. International buyers and capitals do not understand Taiwan cultural creative conditions</li> <li>3. Weakness in international expansion and market tracking</li> <li>4. Poor global economy environment</li> </ol> |

# **5. Development strategies**

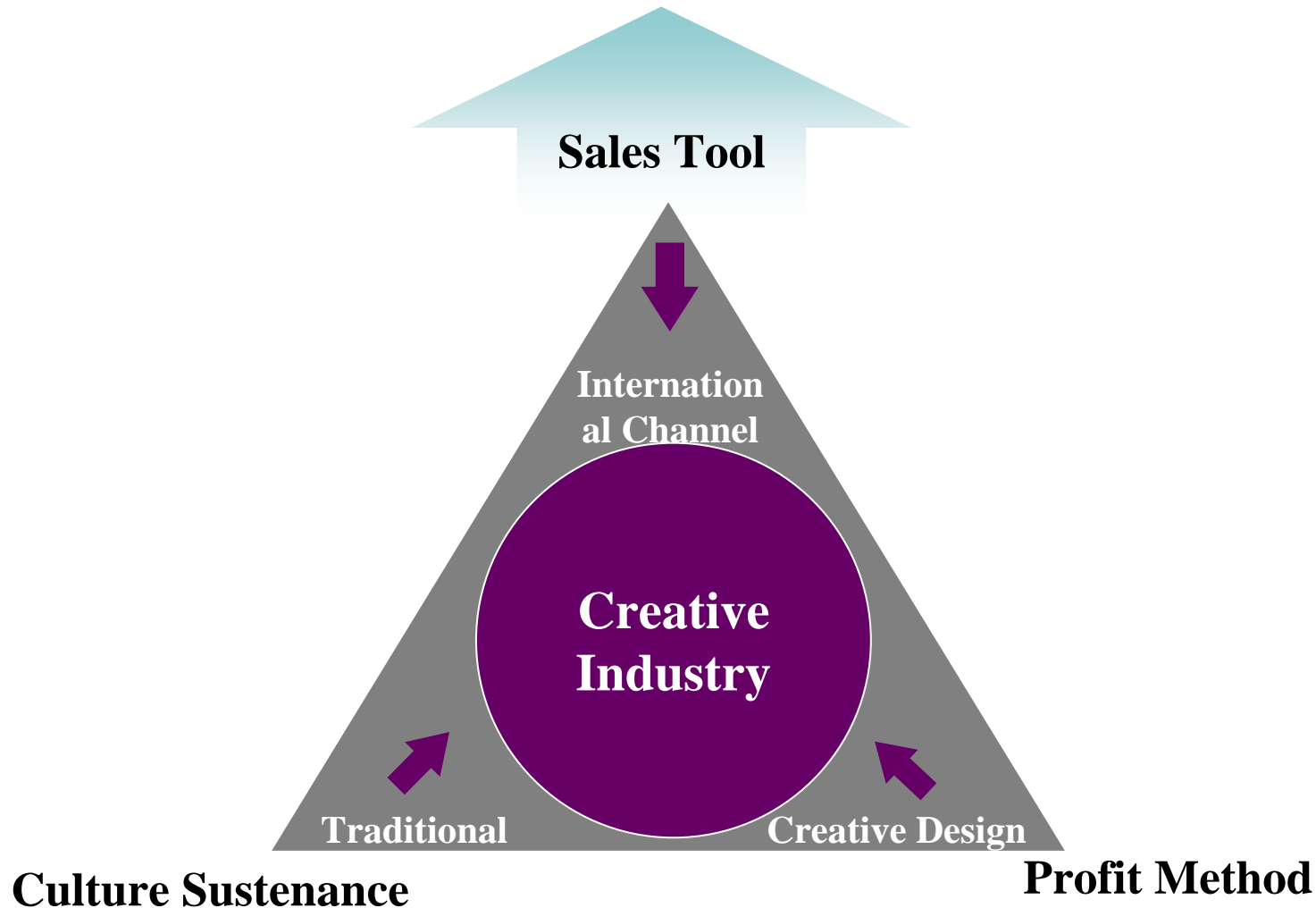
## **5.1 Prospects**

## **5.2 Development strategies**

## **5.3 Concrete action plan**

# 5.1 Prospects

## Promoting Taiwan Culture & Creative Industry Internationalization



## 5.2 Development strategies



## **5.3 Concrete action plan**

**5.3.1 Establish industrial development laws and regulations mechanism**

**5.3.2 Establish sole responsible promotion unit and network**

**5.3.3 Increase the creative park's operational efficiency**

**5.3.4 Cultural creative industry brands counseling and evaluation**

**5.3.5 International market tracking and expansion**

## 5.4.strategies and Concrete action plan

| <b>Strategies</b>                | <b>Action Plans</b>  | <b>Sub-action Plan</b>   |
|----------------------------------|--|--|
| <b>Organization coordination</b> | <b>Establish sole responsible promotion unit and network</b>           | <ol style="list-style-type: none"> <li>1. Establish a promotion organization with execution capability</li> <li>2. Organize a cultural creative industry advisory committee and industrial consultant group</li> <li>3. Manage an industrial fundamental investigation and market research plan, etc..</li> </ol>  |
| <b>Culture Park activation</b>   | <b>Increase the creative park's operational efficiency</b>             | <ol style="list-style-type: none"> <li>1. Develop key creative park; fix up development strategies of each park's characteristics</li> <li>2. Trough supporting, incubating, counseling, promoting, and marketability counseling advancement to assist long-term management of small and medium-sized enterprises, and add value to the capability of literature arts</li> </ol> |
| <b>legislation</b>               | <b>Establish industrial development laws and regulations mechanism</b> | <ol style="list-style-type: none"> <li>1. Promote the legislation of cultural creativity</li> <li>2. Provide preferential tax tariffs</li> <li>3. Establish cultural intellectual property rights appraisal mechanism</li> <li>4. Set up "Cultural and Creative Industry Development Fund"</li> </ol>  |
| <b>International Markering</b>   | <b>International market tracking and expansion</b>                     | <ol style="list-style-type: none"> <li>1. Explore international market resources</li> <li>2. Handle international trade shows and encourage participation in international trade shows, strengthen international exposure of cultural creative brands</li> <li>3. Handle creative industry well-known brands and character international marketing</li> </ol>                    |
| <b>Branding</b>                  | <b>Cultural creative industry brands counseling and evaluation</b>     | <ol style="list-style-type: none"> <li>1. Promote Taiwan cultural creative brands counseling plan</li> <li>2. Promote National Palace Museum and digital collection application of cultural brands, and commodity value added plans, etc</li> <li>3. Handle cultural creative incubation and cultivation of talented people</li> </ol>   |

## **5.4.1 Establish sole responsible promotion unit and network**

- a) Establish a promotion organization with execution capability**
- b) Organize a culture and creative industry advisory committee and industrial consultant group**
- c) Manage an industrial fundamental investigation and market research plan, etc.**

## 5.4.2 Increase the creative park's operational efficiency

- a) Develop key creative park; fix up development strategies of each park's characteristics**
- National Palace Museum (cultural incubation park)
  - Hua-shan cultural creative park (digital arts)
  - Hua-lien creative park (aboriginal culture+ecological travel)
  - Nan-tou (hand-made craft+exhibition) ◦
  - Others (verified by local features) ◦



**b) Trough supporting, incubating, counseling, promoting, and marketability counseling advancement to assist long-term management of small and medium-sized enterprises, and add value to the capability of literature arts**



## **5.4.3 Establish industrial development laws and regulations mechanism**

### **a) Promote the legislation of culture and creativity**

- Law of CCI ◦
- Provide more government budget to the industry ◦

### **b) Provide preferential tax tariffs**

- encourage more individuals and companies get more involved in the industry ◦
- provide lower tax ◦

### **c) Establish cultural intellectual property rights appraisal mechanism**

-

### **d) Set up “Culture and Creative Industry Development Fund”**

-

## **5.4.4 International market tracking and expansion**

### **a) Explore international market resources**

- Establish international market department ◦
- Keep contact with international buyers ◦
- Using website tech to provide more opportunities ◦

### **b) Handle international trade shows and encourage participation in international trade shows, strengthen international exposure of culture and creative brands**

-

### **c) Handle creative industry well-known brands and character international marketing**

## 5.4.5 Cultural creative industry brands counseling and cultivation

### a) Promote Taiwan cultural creative brands counseling plan

- Provide brand counseling program ◦
- Hold Taiwan Brand value Program ◦
- Hold 「Chinese CC Award」 and Intl. Forum ◦

### b) Promote National Palace Museum and digital collection application of cultural brands, and commodity value added plans, etc

- Establish digital creative bank ◦
- Improve Museum's marketing abilities ◦
- Integrate digital content resources ◦

### c) Handle cultural creative incubation and cultivation of talented people

- Hold CCI incubation related courses (such as management、marketing、licensing...) ◦
-

# 6. Conclusion

- 6.1** Establish a sole responsible unit to unite the cultural creative industry resources.
- 6.2** Improvise the development connotation of each creative park and generate investment attraction.
- 6.3** Set up effective and friendly industrial development environment's laws and regulations and tax systems.
- 6.4** Assist keen entrepreneurs to develop innate brands (product/image/service), and accelerate upgrading move.
- 6.5** Promote international marketing mechanism; assist entrepreneurs to create earnings and values.

# 7. Discussion subjects(1)

## 7.1 Establish sole responsible organization, counsel cultural creative industry development

- a) As there is no staff functionality's sole responsible unit in running the mechanism, it is unable to execute the essence service.
- b) For digital collection and digital content industries, some countries have already listed them as cultural creative industries. Is it necessary to integrate them in cultural creative industry category?
- c) Expand the function or tenable sole responsible unit of the current corporate organization, handle overall plan of upgrading the cultural creative industry, enhance expert consultation and counseling, expand international exhibitions and marketing, and set up cultural market broker, fund financing and legal authorization and other services.

# 7. Discussion subjects(2)

## 7.2 Construct an international marketing channel and bases of operation, assist cultural creative industry entrepreneurs to explore international market

- a) The current cultural creative industry manufactures are all belonging to small and medium-sized enterprises, whether or not the government should voluntarily, through out-stationed assistances, to help cultural creative entrepreneurs to expand businesses?
- b) Whether or not the government should shift resources on international markets and increase setting up several expansion outlets (shops) to expand sales channels?
- c) Provide more marketing resources and advertisement assistances; raise the price of commodities and expand international market sales.

Thank you !