

# **Digital Businesses in the Creative Industry Sector in Lewisham**

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## EXECUTIVE SUMMARY

The objective of this report by Andrew Erskine and Tracey Gregory is to provide Lewisham Borough Council with a greater understanding of the size and range of digital and media businesses in the Borough to inform the development of policy interventions under the Council's Creative Industry Strategy (to be published in 2012) and wider plans within Economic Development and Arts Services.

The key findings of the study, which was conducted through a mix of desk research, interviews and a focus group, are that Lewisham has a flourishing digital and media sector which can form an important component of the Borough's strategy for sustainable economic growth. Quantitative analysis and mapping for this study shows that there are currently **628 digital and media businesses in the Borough**. These businesses are spread across the Borough with no real evidence of any 'clustering', outside of Deptford Creek and Faircharm Trading Estate. Key characteristics of the sector in the Lewisham include:

- **Home-based working:** Around three quarters of the digital and media businesses are based at residential addresses.
- **Software dominates:** Software businesses are the largest digital and media sub sector in Lewisham. With 295 businesses they make up nearly half the sector.
- **Small scale:** Only two businesses were identified as having more than 10 employees.
- **Markets and sectors:** The digital and media sector in Lewisham are working with clients in all sectors – from the creative industries through finance and banking to healthcare, energy, engineering and manufacturing – with a wide geographic focus.

The Borough has many strengths as a place for digital and media businesses including its great location in London and its proximity to the growing east London Tech City phenomenon and 'Silicon Roundabout'. It has a plentiful supply of young people and overall a well educated population – an above average proportion of residents are educated to NVQ4 level and above. Goldsmiths, a world-class university for the creative and digital arts has a real commitment to working with the community and the Borough is attractive to creative people due to the relative affordability of its housing stock. Deptford Creek is also widely recognised as a good location for creative activity. The vibrant creative and cultural sector that developed around Hoxton and Shoreditch was the forerunner to the digital and media sector that is now Tech City.

The study reveals that there are three main barriers to success for digital and media businesses in Lewisham.

- Firstly, **the sector is under-networked and relatively invisible**. The digital and media sector, despite being relatively strong in the Borough is not as connected as it could or should be.
- Secondly, **there is a lack of the 'right' kind of workspace for digital and media businesses at all stages of the business lifecycle**.

- Thirdly, **the Borough lacks a central Hub or meeting place for digital and media and creative freelancers.** The need for less traditional, flexible space for creatives is one that continues to grow, due to changing work practices and technology.

Underpinning these three barriers is the Borough's often poor-quality physical environment, the poor night-time economy and cultural offer and the general perception of Lewisham as a not especially creative place, although the regeneration plans for Lewisham, Catford and Deptford town centres should help to address these.

The report makes five main recommendations for ensuring the future health of the digital and media sector in the Borough. These are:

### **1) Digital hub – a central base of creatives in the Borough**

Lewisham has no single organisation, network or building around which creative digital businesses can coalesce. While this may seem superfluous when the internet provides so many opportunities for networking, creative businesses feel very strongly that the lack of anything 'offline' in the Borough is holding back the sector. A hub would act firstly to bring the sector together, but more broadly it could begin to act as a means of connecting the Borough's digital and wider creative sector more strongly to external networks and initiatives (such as Tech City) through a programme of activity.

### **2) Talent development and support – connecting to world-class academic institutions**

Having Goldsmiths in the Borough, plus the surrounding presence of University of the Arts London and Ravensbourne, means that Lewisham has some of the leading creative universities in London on its doorstep. The challenge is to translate this into something which brings a real dividend in terms of driving the digital and media economy within the Borough. This recommendation would work closely with the first recommendation around the development of a network which connects the sector and key institutions.

### **3) Putting diversity to work for the sector – providing opportunities for young people in the Borough**

Lewisham, like other inner-London Borough's, has an incredibly diverse and youthful population. Equally, with near record levels of youth unemployment, creating opportunity within a sector that appeals to young people and has a realistic chance of offering sustainable careers makes economic sense. There needs to be further development of local apprentices (working within and outside of the Borough) attending local colleges on day release, bringing their skills and knowledge back into the Borough in a virtuous circle. Equally more informal schemes need to be developed and supported, especially those aimed at younger people through working with secondary schools and their work-related learning programmes.

### **4) Events and Showcasing**

A strategy is needed to ensure that the creative economy is showcased where possible. While Lewisham is home to recognised high-quality festivals, such as Deptford X, and connected and overlapping aspects of the London Design Festival, media and digital business do not feel there is enough that showcases their expertise. With festivals

providing the perfect opportunity to build new audiences, to open up institutions and present innovative 'pop-up' work in disused spaces and buildings, they also raise the profile of an area as a place for creativity, ideas and innovation, crucial factors for attracting (and retaining) creative, digital and media businesses. The Borough's relatively poor night-time economy would benefit from more programmed activity attracting people out into the streets where they otherwise are too wary or unsure of the offer.

## **5) Workspace – building a workspace ladder**

The burgeoning success of the dispersed Tech City shows that there is the demand and need for dedicated space for digital and media businesses. While Lewisham sits outside of this development, this does not mean that it shouldn't try and build on this success within its own boundaries. With this in mind thought needs to be given to ensuring that there is a 'ladder of property' available for businesses within the Borough, for local businesses and that will attract digital and media businesses to move into the Borough. This should range from at one end simple desks with broadband (including super fast broadband) in a shared space, to grow-on space for dynamic businesses with more specific needs. Private sector led development should create a significant amount of new commercial space in the Borough over the next 5 years. The task here is to work with developers to ensure that new commercial space is suitable for the digital media sectors and contributes to the 'ladder of property'.

The **short-term priorities** should be around supporting the development of a digital, media and creative network building on the recommendations above for

- 'Digital hub for Lewisham'
- Connecting the businesses to Goldsmiths
- Programme of events
- Linking to Tech City

The first steps should be to build on the Database developed through this study, exploring the potential for creating a directory of digital and media businesses and establishing a series of regular networking events programmed and led by the businesses themselves.

# 1. Introduction

Andrew Erskine Consulting and Tracey Gregory Consultancy were commissioned by the Arts and Economic Development Services of Lewisham Council in September 2011 to carry out research into the **Digital Businesses within the Creative Industry Sector in Lewisham**.

The purpose of the study is to provide the Council with a greater understanding of the size and range of digital and media businesses in the Borough to inform the development of policy interventions under the Council's Creative Industry Strategy (to be published in 2012) and within the wider Arts and Economic Development Services.

The research has focused on:

- A **quantitative analysis** of the number and location of digital businesses. The development of the Lewisham Digital and Media Business Database is a key output of this work, and the main tool used in the analysis. 628 digital and media businesses have been identified.
- A **consultation** with a sample of businesses and organisations supporting business growth and development in the Borough, to explore perspectives on the strengths and weaknesses of the Borough as a place for digital businesses, growth plans of the businesses and opportunities for and barriers to growth.
- Identifying **innovation entrepreneurs** that the Council can continue to work with in the development and profiling of the digital and media sector.

## 1.1 Lewisham digital and media businesses in context

The digital and media sector has been the real success story of the creative industries over the past decade. Today it accounts for almost two-thirds of the total number of businesses in the creative industries, with nearly 82,000 businesses across the country providing 600,000 jobs<sup>1</sup>. In the ten years up to 2007, 250,000 of the 290,000 jobs that were created in the creative industries were in software, computer games and electronic publishing, while turnover growth across the creative sector was largely accounted for by growth in new software, computer games, TV and radio firms.

The effect of the economic downturn has been to severely dampen, but not halt this runaway success. Across the creative industries unemployment doubled, 13% of advertising firms have gone under, while programming and broadcasting have shrunk by nearly a quarter. However, some elements of the sector have proved remarkably resilient with film, TV, radio and video services 'only' seeing a 4% decline, the least of any sub-sector in the creative industries<sup>2</sup>.

Looking forward, there is every reason to be optimistic and to believe that the type of growth seen before the recession could happen again, if the right conditions for growth are in place. PricewaterhouseCoopers predict that the global entertainment and media

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<sup>1</sup> The Work Foundation, A Creative Block? The Future of the UK Creative Industries, December 2010

<sup>2</sup> The Work Foundation, A Creative Block? The Future of the UK Creative Industries, December 2010

sector will expand by 5 per cent a year between 2009 and 2014 with much of the growth driven by digital technologies<sup>3</sup>.

New technology platforms and ever more convergence, increasingly universal broadband coverage, growing consumer demand for products and content - from 3D:TV to gaming on smart phones – mean that we are living in an era of continual technology driven evolution, driving new businesses and new business models.

London is set to benefit from this growth with its high concentration of Digital Economy businesses. The importance of Tech City in East London to growth and competitiveness of London and the country has been recognised by Government<sup>4</sup>. The area has seen an increase in the number of digital businesses locating there, attracted by the reputation that being in the area brings, of being 'cutting edge' and forward looking. The 'independent' cafes, restaurants and bars are also a draw for the creative individuals setting up and employed by the companies, as is co-locating with other creative businesses in managed workspaces<sup>5</sup>.

A recent seminar by the Associate Parliamentary Design and Innovation Group highlighted four key areas that need monitoring in the future as Tech City develops which have relevance more widely for the development of the sector in London. These were to ensure that Tech City does not become a 'zone of privilege' but is open to the diverse local community; that there is sufficient flexible space for businesses to grow at affordable rents; that big and small fish are attracted (but that Corporates do not damage local identity) and lastly; that the supply of talent is maintained through working with local schools and HE.<sup>6</sup>

A study by Cities Institute *Mapping the Digital Economy in London*, confirms the 'inner east' to be an important sub cluster of the wider London digital economy cluster. The study identifies employment in the digital content industries primarily located in a west central corridor across London, with pockets of extremely high content employment in inner east and south central London. Digital content sub sector specialisms in London include Music Production in west London; TV, Radio, Film and Video in west and central London; and Publishing in north and central London and the Isle of Dogs. A small cluster of printing, pre press and reproduction is identified in the north of Lewisham<sup>7</sup> (see figure 1 below).

In the study the 'inner east' covers parts of the Boroughs of Islington, Hackney, Tower Hamlets and the City using postcodes E1, E2, E3, EC1, EC2, EC3, N1 to define the geographical area. These include the southern part of Islington stretching to Kings Cross, Clerkenwell and Farringdon in the West and over to parts of Hackney and Tower Hamlets including Hoxton, Shoreditch, the Old Street roundabout, Bethnal Green, Spitalfields/Brick Lane and on to Bow in the east. Parts of the City around Liverpool Street are also included in postcode EC2.

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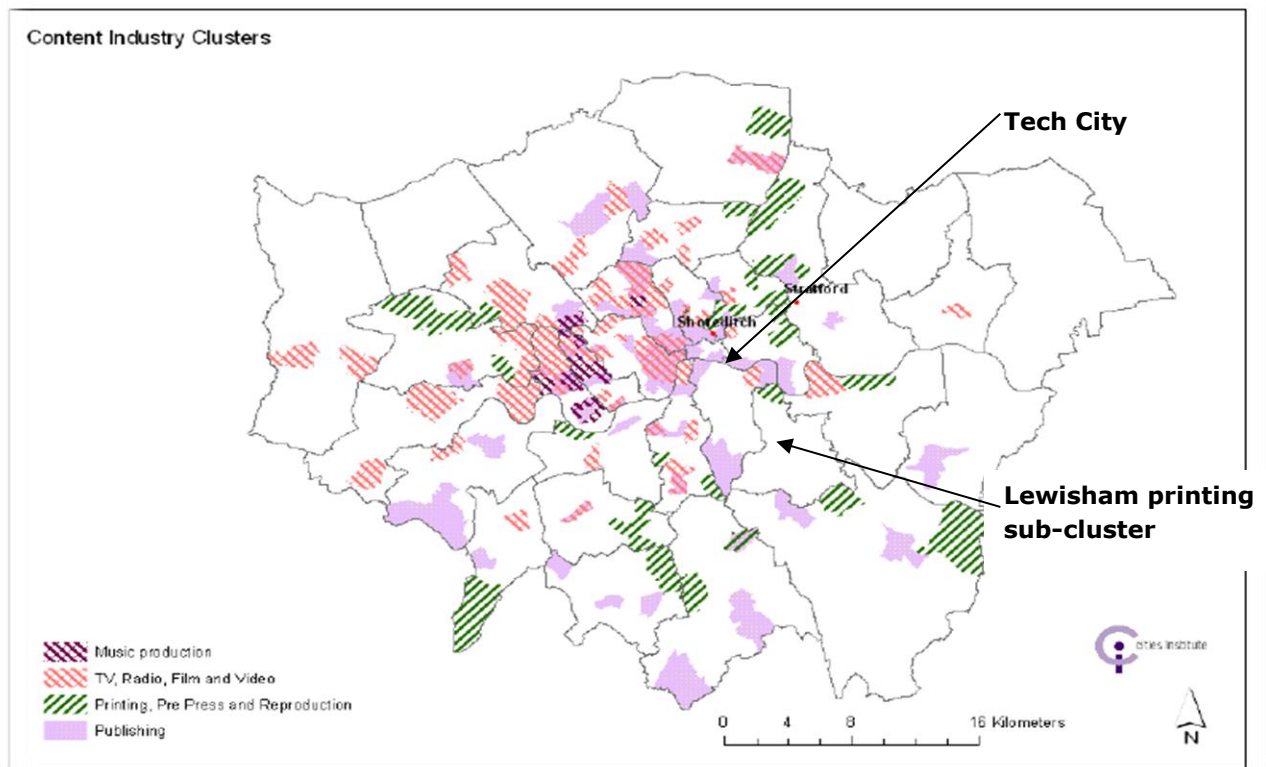
<sup>3</sup> Chris Gibbon (2010) *Tech City: Creating a new digital and media cluster in London's East End*

<sup>4</sup> The Government's Technology Strategy Board announced its £1m package of financial support for 'Shoreditch' digital companies in early 2011

<sup>5</sup> Cities Institute (2010) *Mapping the Digital Economy*

<sup>6</sup> <http://www.policyconnect.org.uk/apdig/design-and-tech-city>

<sup>7</sup> Cities Institute (2010) *Mapping the Digital Economy*(Data source BRES 2009/SIC 2007)



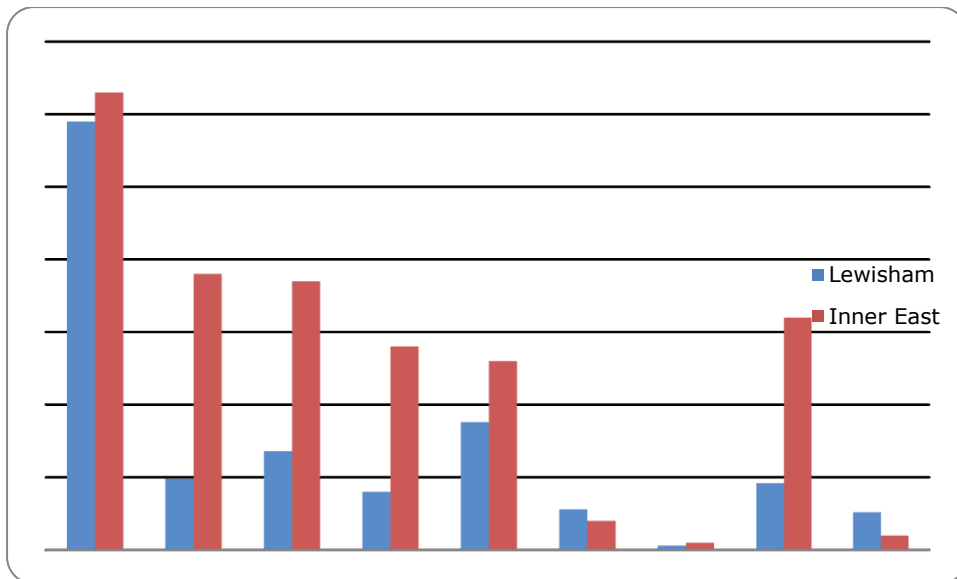
**Figure 1: Cities Institute 2011 Study showing London's Digital Economy sub-clusters (Data sources BRES 2009/SIC 2007)**

Around 1160 digital and media content businesses and 435 ICT businesses are identified as being in the 'inner east'. This compares to 628 content businesses and 304 ICT businesses in Lewisham<sup>8</sup>. Strengths in software businesses are evident in both the inner east and Lewisham, with just under 300 businesses in Lewisham and just over 300 in the inner east (see Figure 2). Film, video and TV businesses are a sector strength in Lewisham making up 18% of the digital and media content sector in the Borough. This compares to 13% in the inner east, even though there are more film, video and TV companies located in the inner east. Lewisham does not have the concentration of advertising and publishing sectors found in the inner east that stem from a historical location close to clients in the City's financial district and that have become the early adopters of digital formats through engagement with software developers. While the number of printing and publishing firms in Lewisham is relatively small, they are still some of the most significant employers in the digital and media sector.

**Figure 2: Numbers of digital and media content businesses in Lewisham and the Inner East**

<sup>8</sup> Both studies used 2003 SICs to map the digital and media sector. The Lewisham study included further searching in other SICs and additional businesses being added to the list from key contacts. Full methodology outlined in appendix 1.





The factors which make the digital media sector so dynamic and exciting are also those which make it inherently vulnerable in an ever changing and evolving global market. Internationalisation and the need for UK firms to compete against ever more sophisticated markets and top-down approaches to sector development in China, Taiwan and other emerging and growing economies will only increase. These challenges are recognised by Government and creating ever stronger links between the sector and Universities through the creation of 'Technology and Innovation Centres' is one policy response as part of the National Infrastructure Plan.

As Lewisham's Economic Assessment highlights, the Borough is well positioned "as a good location for small businesses serving the wider London market". Already established as a Borough with high levels of creative activity Lewisham has many assets on which the growth and development of the digital and media sector can build:

- **Excellent transport links to east and central London** - Rail links to London Bridge and new direct routes into East London on the East London line and the DLR into the Stratford. The north of the Borough, in particular, is likely to be an attractive location for digital and media businesses looking to capitalise on the opportunities presented through the expanding digital cluster in East London.
- **Goldsmiths** – a leading University focused on business development and driving innovation in emerging digital fields through their in-house research and development units, plans for new incubation space and 6% of students already staying in the Borough, many setting up their own creative and/or digital media practice.
- **A sizeable, if fragmented, digital and media sector, with some real leaders and innovators** in their fields regionally, nationally and internationally, connected to the wider digital and media sector and a broad cross sector client base.
- An important **mini-cluster of digital and media businesses at Faircharm Trading Estate** including three of the Borough's leading innovation entrepreneurs (profiled in this report) and more leading digital and media

businesses including many young leaders based in London Youth Support Trust workspace.

- **Good and relatively low cost housing stock**, making Lewisham an attractive place to live and locate a home based business.

## 1.2 Defining Digital and Media Business Sector

For the purpose of this study we have taken digital and media businesses to include registered companies and sole traders using digital media to create and/or distribute and market products and services.

The **digital and media** businesses have been categorised into three main groups:

- Advertising and design – including branding, digital marketing and graphic design
- Media content – including film, video, TV, radio, photography, publishing and music from creation, reproduction to distribution
- Software – including software consultancy and reproduction

Of course there is much cross over between the work of these content creating companies and the lines are becoming increasingly blurred between advertising, design and media content companies. 2003 Standard Industry Codes (SIC) have been the primary means by which the businesses have been assigned to a category (see the methodology and Appendix 1 for further details). In some instances, where no SIC was available or where research into the businesses identified different types of activity to that the SIC suggests, the business has been assigned to an appropriate digital and media category.

While the businesses in the above categories are the main focus of this study some analysis of the wider creative sector and the ICT sector has also been carried out. In clusters such as Tech City, digital and media businesses are found alongside other creative industries, indeed as we enter an increasingly digital age, many creative businesses whether they are artists, fashion designers or performing arts organisations use digital technology in the creation of their work and are certainly part of the same networks as many digital and media businesses. A vibrant creative and cultural sector such as that which developed around Hoxton and Shoreditch was the forerunner to the digital and media sector that is now Tech City.

**196 Other creative industries** – have been grouped as follows:

- Art and other design – visual art and design including textile, fashion and interior design
- Performing arts
- Other content businesses - printing and data processing<sup>9</sup>.

A third related set of businesses – **304 Other ICT businesses** – have been included as this sector formed part of the national Digital Economy study. These are predominantly manufacturing, maintenance and wholesale companies<sup>10</sup>.

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<sup>9</sup> Department for Business Innovation and Skills/ Department of Culture Media and Sport Impact Assessment of Digital Britain included printing and data processing and database activities within the digital content industries

<sup>10</sup> Businesses in the 17 2003 SIC codes used in the definition of the ICT element in the BIS/DCMS Impact Assessment of Digital Britain are included.

All the businesses in each of these three creative and digital business groupings are included in the Lewisham Digital and Media Database, a key output of this piece of work.

## 1.3 Methodology

### The quantitative analysis

The Mint UK list of businesses in Lewisham was the primary data source for this study. The list contains all companies and unincorporated businesses in the Borough categorised by 2003 Standard Industry Codes.

Businesses within each of the three core businesses data sets – Digital and media, Other creative industries and Other ICT businesses – were identified firstly using relevant 2003 SIC codes (a list of the SICs for each of three business sets is included in the full methodology in Appendix 1). To ensure all relevant digital and media businesses were drawn out and included in the Lewisham Digital and Media Database key word searches of the Mint listing were also carried out to identify additional businesses from SICs such as 7487 (Other Businesses Services) and from among 2690 businesses with no SIC code allocation in the Mint List. 20% of the businesses in the Lewisham Digital and Media Database were identified through key word searching.

Details of additional businesses and individuals operating in the digital and media sector were also provided by intermediary organisations.

### **Data health check**

As with any mapping exercise we have had to make judgements on what to include and what to exclude and there are inevitably businesses and individuals operating in the digital and media sector that have not been identified through this study.

One of the key challenges is identifying digital and media and creative business using 2003 SIC. A move to using 2007 SIC codes has helped to address some of the challenges in other recent studies<sup>11</sup>. However, 2007 codes were not available for the Mint list used for this study. Online research to check business status and operations has helped to overcome this challenge by identifying the actual function of the businesses.

The interviews with intermediary organisations identified 18 individuals and sole traders that fall below the radar of official businesses lists. There are likely to be many more individuals operating in the digital and media sector that have not been picked up through this study. Some of the organisations and individuals operating in the wider creative industries may in fact also be creating digital content. Many other businesses and individuals will not appear on official lists and may be part-time or working in the sector on an ad hoc project basis. The relative ease of access to and low cost of digital hardware and software mean that entry to the sector has been made easier and business models and ways of working less structured. For example, many of the 250,000

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<sup>11</sup> In 2010 the Department of Culture Media and Sport moved to using 2007 SIC codes in their analysis of creative industries.

apps produced for the Apple store and 100,000 for Google's Android Market in just three years have been produced by individuals not businesses<sup>12</sup>.

The Mint UK data only has very limited information on the number of employees in each business (30% of all the businesses in the Borough and less than 10% of digital and media businesses). Additional data on the number of employees was collected through the business interviews, still leaving employees figures available for just 11% of the businesses. Therefore, only a very limited analysis of the scale of employment in the digital and media sector has been possible. (This is included in section 2.4).

### The qualitative research

A **literature review** has been ongoing throughout the study and has informed both the criteria for defining the digital and media sector and provided national and regional context and comparison for the Lewisham research.

A consultation with digital and media businesses and organisations supporting business growth and development in the Borough has been carried out to explore perspectives on the strengths and weaknesses of the Borough as a place for digital businesses, growth plans of the businesses and opportunities for and barriers to growth. The consultation has been carried through a **focus group** attended by nine businesses and **telephone interviews**. 23 interviews with digital and media businesses were completed and seven interviews with representatives from intermediary organisations (A list of interviewees is included in Appendix 2).

**Five innovation entrepreneurs** have been identified through the interviews and focus group. The aim was to select businesses from a range of digital and media sub sectors and the criteria for selection was that they should be well connected with other parts of the sector, be leaders and innovators in their field and be willing ambassadors for the Lewisham digital and media sector. In our research we came across many other companies that fit within these criteria and there are likely to be many more across the Borough. As the Council works to develop the sector they will, no doubt, be seeking to work with many more digital and media businesses.

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<sup>12</sup> BOP Consulting, Future City, Consulting Inplace (201) *Tech City: Creating a New Digital and Media Cluster in London's East End*

## 2. The Digital and Media Sector in Lewisham

Based on the mapping work we have conducted for this study we have identified **628 digital and media businesses, 196 additional creative industries businesses (including 47 printing and 26 other data companies) and 304 ICT businesses in Lewisham**. The combined figure represents 9% of all businesses in Lewisham. The digital and media sector alone, 5% of businesses in the Borough<sup>13</sup>.

Lewisham digital and media businesses are spread across the Borough with little evidence of any real clustering. The sector is one of micro businesses with the vast majority employing less than five people and over three quarters operating from residential properties. While there are concentrations of businesses in areas such as Deptford, New Cross, Brockley, Lewisham, Catford and Hither Green and around workspaces such as the Faircharm Trading Estate in Deptford, our consultation with businesses has highlighted a low level of connection between businesses and little evidence of transfer of knowledge or sharing of ideas or resources. These are important factors that define a cluster and that are evident in others clusters across London and the country where creative businesses operate in such close proximity.

This is not to say that with the right interventions the development of a cluster could not be supported. The sheer number of businesses and other key assets in Lewisham, such as the university and a digital and media sector well networked outside the Borough, provide a strong starting point.

Sub sector strengths in terms of number of firms can be seen in software and also film, video and TV. This differs slightly from the 'inner East' around Tech City where a strong software presence is also evident but where other sub sector strengths are in advertising, publishing and printing. The latter two sub sectors are important for Lewisham in that the companies in these sub sectors are some of the largest digital and media employers in the Borough.

In the sections below we present the size, make-up and physical location of the digital and media sector in more detail and highlight some of the leading business innovators, in a series of case studies.

### 2.1 Digital and media businesses in Lewisham – Location

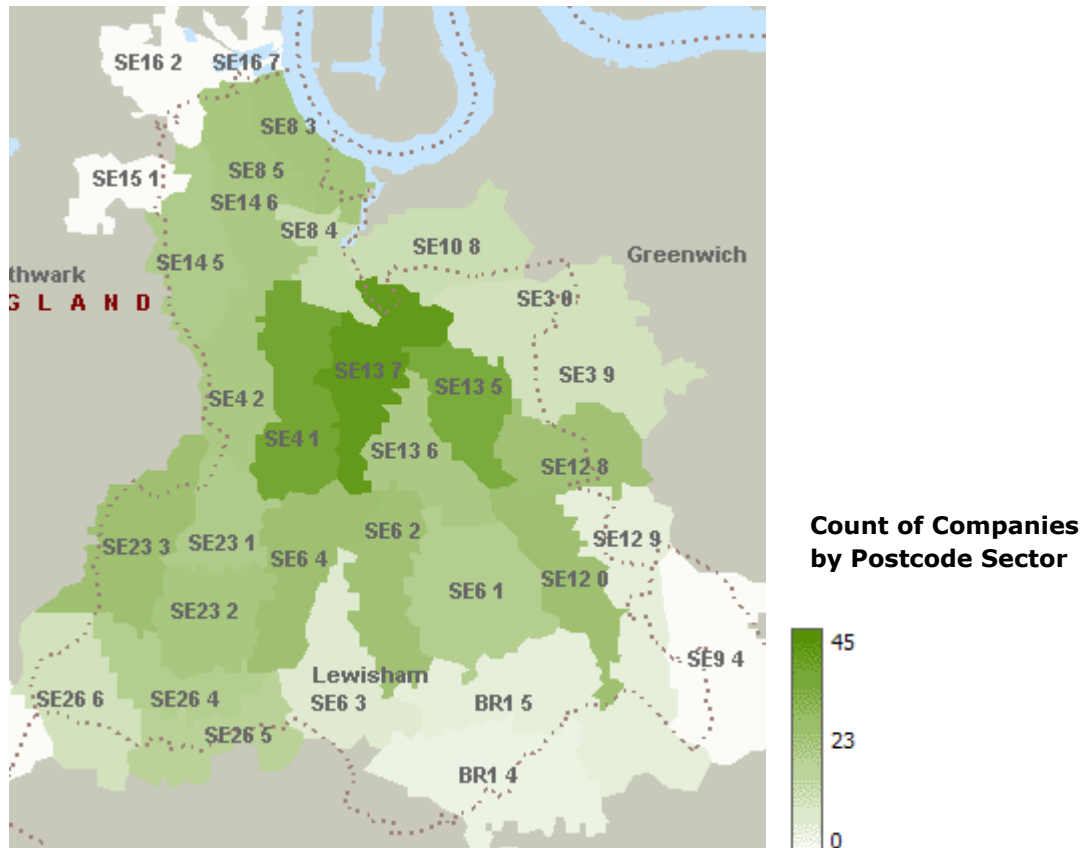
Digital and media businesses can be found in most parts of the Borough with the highest concentrations in the centre around Lewisham town centre and to the east and west of the town in the residential areas of Brockley (SE4 1) and Hither Green (SE13 5) (see figure 3). These areas have high levels of home ownership in the largely Victorian

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<sup>13</sup> While every effort has been made to identify as many businesses and individuals operating in the digital and media sector, within the resources available, it is inevitable that many more are still to be identified, as highlighted above in section 1.3. There are also, no doubt, many more wider creative sector businesses than those highlighted through this study where the resources have been focused on identifying digital and media businesses.

housing stock and have benefited from regeneration investment, not least in the transport infrastructure. There is also an emerging social infrastructure of independent cafes and restaurant. All these features make the area an attractive proposition for home workers and small businesses in the digital and media sector.

**Figure 3: Concentration of Companies by Postcode**



Source: Lewisham Digital and Media Business Database 2011

The high concentration of businesses in residential parts of the Borough highlights the 'home-office' nature of the sector in Lewisham. Around three quarters of the digital and media businesses are based at residential addresses. The majority of these are registered companies, so not the 'hidden home-workers' that are often so hard to count in creative industries mapping research. These more freelance and possibly part-time creative workers in Lewisham, are still largely operating below the radar of this study (just 6% of the contacts in the database are not registered companies).

While there is little evidence of clustering, a number of digital and media businesses are co-located in workspaces around the Borough (see figure 4 below). Three of most significant workspace concentrations of digital and media businesses are found in the north of the Borough around Deptford:

- **Faircharm Trading Estate**, Creekside in Deptford, is the most significant single cluster of digital and media business, with **14 digital and media businesses** located alongside 40 other businesses on the site and many other creative businesses and organisations both on site and in the immediately surrounding

Creekside area. These include Cockpit Studios, APT studios, Laban and Deptford Project.

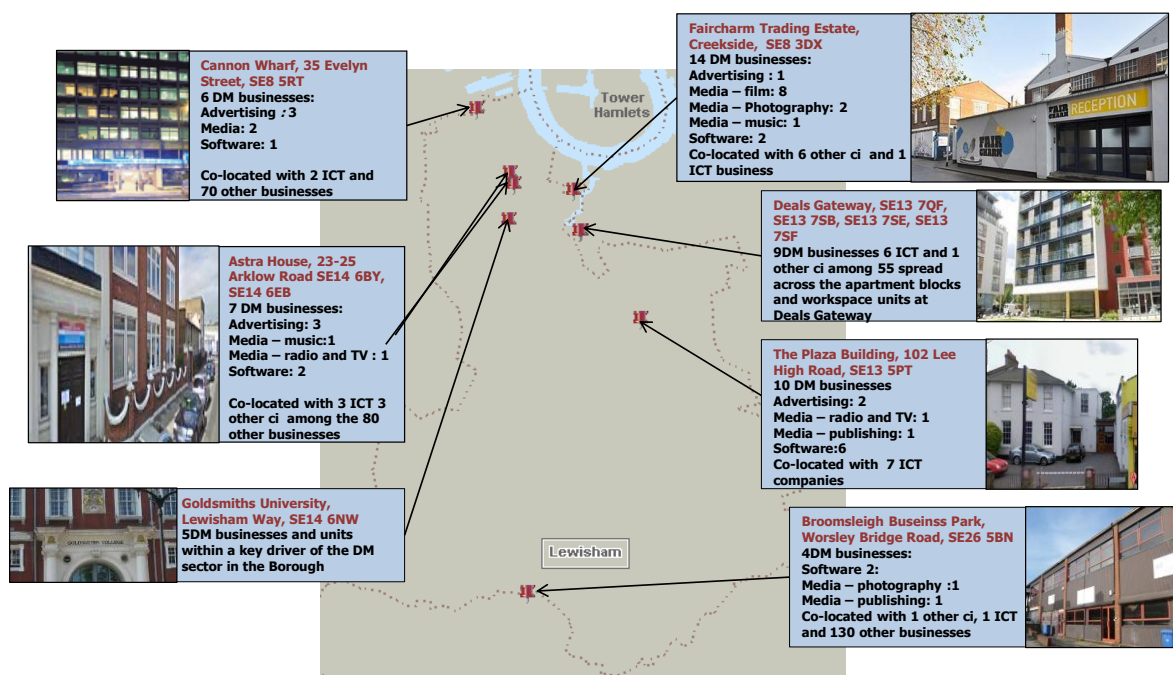
- **Six digital and media businesses** are based at **Cannon Wharf, Evelyn Street** in north-west Deptford, alongside 70 other businesses. Cannon Wharf is set to undergo redevelopment with the businesses being relocated to the new business centre close to the existing site.
- Among the 80 businesses at **Astra House, Arklow Road** just to the west of central Deptford, **seven digital and media businesses** are based.

Faircharm Trading Estate is an important digital and media cluster in the Borough and here there is evidence of the knowledge sharing and connections that define a cluster. Three of the entrepreneurial innovators highlighted in this report (see the case studies) are based at Faircharm. Many of the businesses here are linked to digital and media networks regionally, nationally and internationally. They export their products and services, and potentially the profile of the Borough, to clients around the globe.

While many of the creative businesses in the area are showcased at festivals such as Deptford X, there is little exposure for the digital and media sector. Despite the density of creative businesses, the Borough's major cultural facilities including Laban and the Albany, there is a lack of creative buzz and little evidence of connections and collaborations between businesses, beyond the Faircharm Estate and Creekside. The workspaces are mostly inward looking with a lack of open and shared spaces to support informal networking. Even at Faircharm there is little interconnecting and shared space with the industrial style of building perhaps not lending itself to networking spaces. This is compounded by the lack of bars, restaurants and places to meet in the area, places that are vital for businesses to come together with clients and other like minded businesses.

Another important mini-cluster is Goldsmiths University in New Cross. The University is a vital component of Lewisham's digital and media sector as a source of skilled labour for the sector and as a driver of knowledge development and exchange. The businesses and units based at the University, bring academics, alumni and current students together, providing work experience for students, income for the university and effective outcomes for clients on projects at the forefront of innovation in their fields. The Centre for Creative and Social Technology is based in the Department of Computing integrating computing and technology in digital practices across core Goldsmiths academic strengths and courses in media, social science, art, humanities and creative practice. This relatively new centre is a pioneer in combining disciplines and acting as a catalyst in emergent fields of digital innovation. The Prospect and Innovation Studio (PI Studio) researches innovatory practices and explores the possibilities and implications of emerging technologies and the potential of new materials. PI clients range from telecommunications companies such as Nokia to fashion companies like Fat Face. i2 Media is a spin-off company based at the university specialising in digital consumer research (see case study 5 below). These units and businesses and the work they generate are central to Goldsmiths' strategy of supporting and developing enterprise and business growth. The university's plans for new arts and digital business incubation spaces, initially in two shops and then in the Old Laban Centre in New Cross, build on the work of these units and will provide a range flexible workspace for students, alumni and others, including hot desk and incubation space and larger workspaces for businesses to grow into.

**Figure 4: Multiple businesses at a single address**



Source: Lewisham Digital and Media Business Database 2011

A small concentrations of digital and media businesses can also be found at the Plaza Building on Lee High Road, a small hub of mostly software businesses.

There are three further addresses where multiple digital and media and other businesses are registered. These are residential addresses and it appears that accountants based at the addresses are working on behalf of companies and registering them at the address. 21 digital and media businesses are registered at the three addresses and are included in the Digital and Media Database. It is currently unclear where many of these businesses operate from. Three have been confirmed as having offices outside the Borough.

## 2.2 Lewisham Digital and Media Business – the sub sectors

This section provides a profile of each of the digital and media sub sectors.

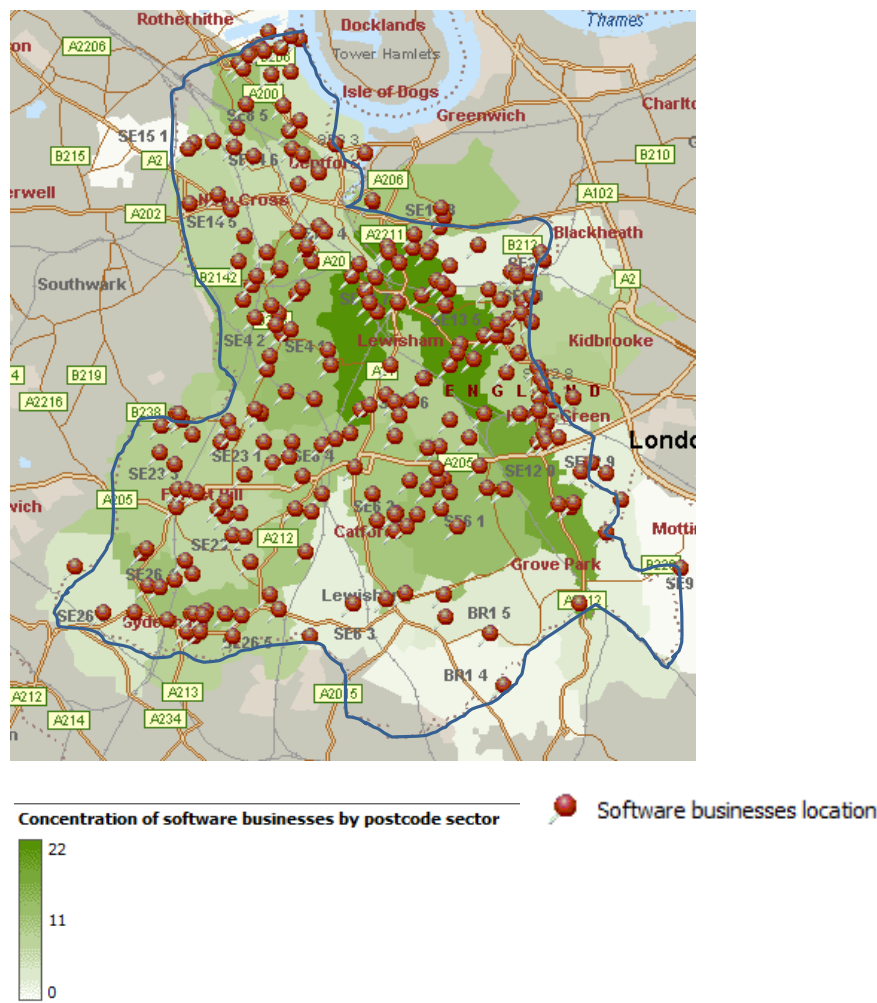
### 2.2.1 Software

Software businesses are the largest digital and media sub sector in Lewisham. With 295 businesses they make up nearly half the sector. In the 'inner east', where there is also a strong presence of software businesses, 320 were identified<sup>14</sup>.

<sup>14</sup> Cities Institute Digital Economy Mapping – Inner East digital analysis using Experian 2011 data



**Figure 5: Location of Lewisham software businesses**



Lewisham software businesses are spread across the Borough, with the highest concentrations in the centre and east of the Borough. The businesses are predominantly registered at home addresses. Three of the software businesses interviewed were software contractors working for the majority of the time at clients' premises, just using their home address in Lewisham as a company registration and administration address. These companies provide a range of IT and business management services working across the public and private sectors in banking and finance, pharmaceuticals, health and energy, with specialisms in database development and wider consultancy in supply chain management, and business process solutions. It can be assumed that a proportion of the other software businesses in the Borough will be operating in the same way.

Two of the contractors interviewed are considering developing the consultancy side of their businesses, with one already in the early stages of developing software products, so there is clearly a desire for these businesses to develop and grow.

**The largest software employer** is Timberlake Consultants, with 10 employees. Based at Broomsleigh Business Park, Worsley Bridge Road SE26, the company designs and sells statistical and econometrics software for UK and international clients. They work with academic associates to compliment the in-house teams of econometricians on specialist consultancy projects.

**A mini-cluster of six software companies** can be found at the Plaza Building at 102 Lee High Road, co-located with 7 ICT companies and advertising and publishing companies (See figure 4 above). Multiple businesses in similar fields operating side by side in a single location suggests some level of collaboration and connection. Further investigation is needed to explore the extent of the connections. One of the Borough innovation entrepreneurs is software company TI Data Solutions (see case study1).

#### **Case study 1:**

##### **T I Data Solutions**

[www.tidatasolutions.com](http://www.tidatasolutions.com)

Faircharm Trading Estate  
Creekside  
SE8 3DX



T I Data Solutions is an IT solutions company building web-enabled database systems and applications to enhance productivity and efficiency. Clients range from start-ups and small businesses to blue chip companies, government organisations and not for profit organisations. The company works across sectors including education, professional services, automobile industry, pr & marketing, entertainment, recruitment and media. Clients have included Ford, Rich Visions, London Urban Arts Academy and The Music Klub.

Director, Terry Igharoro, is a Database Architect and Business Consultant who graduated from the University of East London with a BSc (Hons) in Business Information Systems. At university Terry developed a passion for database systems and how they can be used to create and secure competitive advantages for businesses across all sectors. He set up T I Data Solutions so he could focus on solving data management problems for businesses through the provision of cost effective custom-built database systems and web applications. In 2009 Terry moved to the Faircharm Trading Estate as one of London Youth Support Trust's (LYST) clients. LYST provide subsidised office space across London and support 30 small businesses at Faircharm enabling start-ups to focus on growing their organisations in their first three years of trading.

Terry now employs three people and works with 8 associates/freelancers on a range of projects. In 2010 Terry collaborated with the Stephen Lawrence centre to deliver Black British Enterprise during Black History Month, celebrating the efforts of UK entrepreneurs. In the same year he launched Techno Gradpad an online IT graduate launch pad designed to help graduates get work experience and build a portfolio and CV that shows their skills and helps develop their careers.

In 2011, Terry was announced as Three UK's New Mobile Champion for his contribution to enabling businesses to manage their data online and become mobile. He is a member of the British Computer Society (BCS), the Institute for IT Professionals and a committee member of the London Central Branch in the capacity of Education Liaison Officer. Terry is committed to supporting the community and has been working with a number of NGO's to develop and deliver projects for the benefit of disadvantaged young people across the UK and internationally.

#### **Plans for the future**

The aim is to grow T I Data Solutions increasing the workforce and client base. One area the business is looking to develop is becoming a small business IT educator, partnering with local business advisory services and Local Authorities to deliver expert advice and strategic IT development to help businesses succeed in Lewisham and beyond.

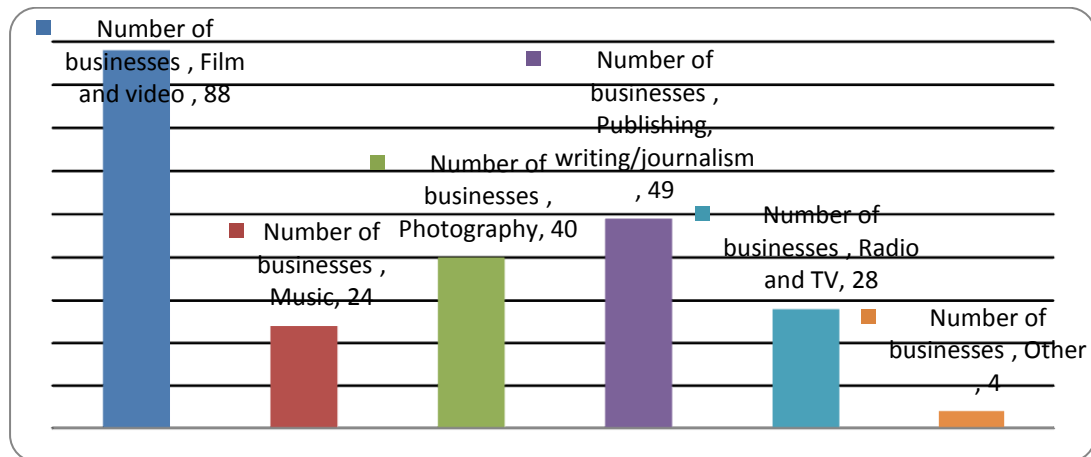
#### **Lewisham a place for business**

*"Being among creative businesses at Faircharm is brilliant; there is certainly a daily buzz with its diverse community of businesses. The low rents are positive but the downside is that the workspaces and the area generally don't present an 'executive feel'. There is nowhere of quality that you can meet clients".*

### 2.2.2 Media content

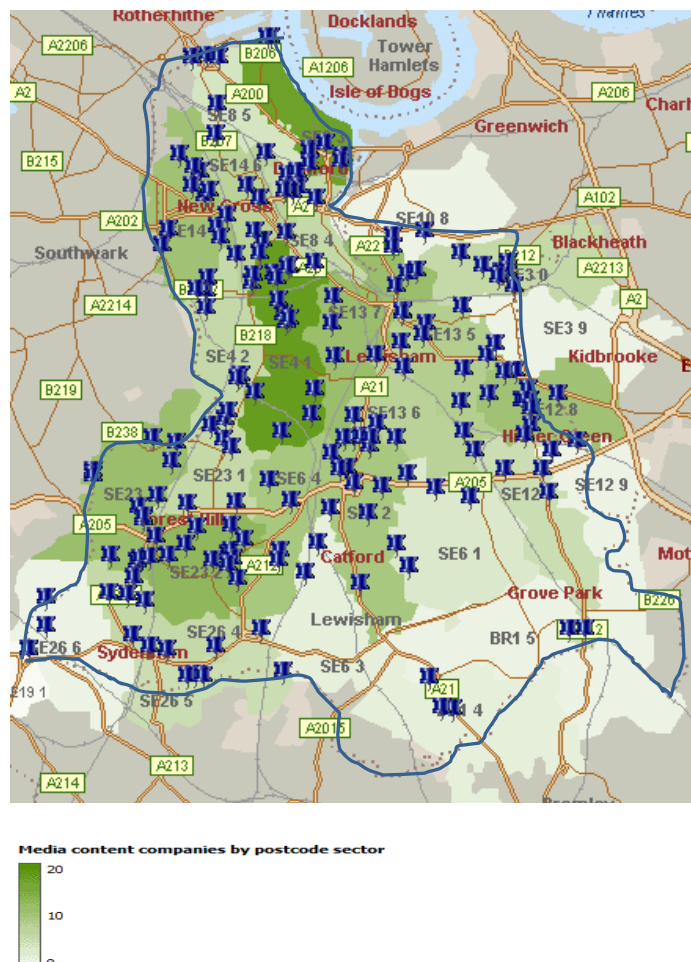
Media content is the next biggest subsector with 234 businesses and is made up as follows:

**Figure 6: Number of media content businesses**



Film and video is a strength in the Borough with 88 businesses. Many of the Radio and TV companies also working in TV production. Combined they represent over 18% of the digital and media sector.

**Figure 7: Location of Lewisham media content businesses**



The highest concentrations of media content businesses are found in Brockely (SE4 1) and Deptford (SE8 3).

Faircharm Trading Estate in Deptford is an important hub of digital and media businesses in the Borough, but particularly film, visual and interactive media businesses. The businesses here are already formed as a loose network and there is clearly a desire to formalise this important cluster of creative activity and secure its future. There is some uncertainty among the businesses as to how long the workspaces at Faircharm will be available to them and they are very keen to retain and build on what they have and develop opportunities for future collaboration. Operating nationally and internationally these companies are at the cutting edge of their fields and they are a major asset the digital and media and wider economy of the Borough.

**One of the biggest digital and media employers in the Borough, employing 18 people is Mo-Sys** a film and broadcast media technology company, based at Faircharm and one of the Borough's innovation entrepreneurs (see case study 2). While not actually creating content themselves their technology, particularly the pre visualisation green screen technology, is at the forefront of the creation of new types of content and special effects in the film industry.

**Case study 2:**

**Mo-Sys Ltd** [www.mo-sys.com](http://www.mo-sys.com)

Faircharm Trading Estate  
Creekside  
SE8 3DX



Mo-Sys design and build camera technology products for the film and broadcast industry.

The company was founded in Deptford by Michael Geissler in 2003. The owners Michael Geissler and Mark Seaton brought their skills as entrepreneur and electronics expert together with their shared love of film, and Mo-Sys was born.

Over the past 9 years the company has built a global reputation and demand for their products is growing. They employ 18 people and last year their turnover grew by 109% reaching over £1 million. The vast majority of clients are overseas, with names such as Disney, BBC, Warner Brothers and Panavision. 95% of the company's business is export, with products exported to 27 countries in 2010/11.

There are 3 main product ranges:

1. Motion control and robotics for the film industry (in 2010 Mo-sys had 17 of their remote head Lambda systems operating in Hollywood, their nearest competitor had 9).
2. TV overhead camera systems
3. Pre-visualisation green screen technology. The Mo-Sys Chameleon technology has recently been used on the film *Immortals*.

Mo-Sys work in partnership with a number of international companies on the development of their products and are continually looking for new opportunities to collaborate. The company works closely with Universities supporting the development of new talent in the field of film and TV technology. They run regular intern programmes for students from some of the world's leading university film courses. In November 2011 Ravensbourne College offered its first course in Virtual Productions to their students using Mo-Sys Chameleon technology.

#### *Plans for the future*

As location and post production budgets for smaller film and TV productions reduce the company sees huge potential for the Chameleon technology. Demand for their other products also continues and they are yet to fully break into the UK film market. The new green screen technology opens up possibilities for all types of film and video projects. The Mo-Sys vision is to build a small studio in Lewisham with the pre-visualisation technology, and space for editing and developing, that can be rented by different companies for the production of films and videos, from community films to feature films.

#### *Lewisham as a place for digital media businesses*

The small cluster of media businesses at Faircharm Trading Estate is really an important asset to the company who are very keen to retain their base in Deptford and the connections they have made with the companies around them. Other benefits of being based in Lewisham include low rents for businesses, the ease of access to central London - a single stop from London Bridge and low rents for employees relocating to Lewisham.

Another innovator in the film sector in the Borough is MR Production, a small media production company working with public and private clients to produce books, activity packs, videos, films, DVDs, CD-ROMs and material for websites. The company also collaborates with production companies, freelancers and broadcasters to make high quality documentaries and programmes (see case study 3). MR Production is a member of the Digital Production Partnership whose recent report highlighted the barriers that many small companies face in moving to fully digitalised broadcast production.

#### **Case study 3:**

**MR Production** [www.mrproduction.co.uk](http://www.mrproduction.co.uk)

Lee

SE12 9JL



MR Production is a communications company working in multiple media formats but with a focus on production, writing and film.

The company is run by Creative Director Mike Raggett and Head of Production Denise Lesley who have many years TV and multimedia experience between them.

From documentaries to English language teaching, promotional video and educational books and DVDs the company works closely with clients in publishing, broadcasting and commerce, charities and government agencies bringing together teams of creative and technical professionals that fit the brief of each project. Recent projects include:

- a web trailer for a charity art event and a subsequent fund raising DVD for the Hannah Meredith Foundation working in drug education for young people
- a DVD for the national kitchen refurbishment company Dream Doors
- a webclip for Black Circle Gallery representing Jamaican artists who are underrepresented in the established art world
- writing and supervising the design of the Annual Report of the Watford Community Sports and Education Trust
- providing production management services for a BBC Learning Zone series of short films for Media Studies GCSE and a documentary about the launch of a US fashion label in the UK
- acting as executive producer for an e-learning diploma course in maritime commerce
- producing new versions of previously filmed programmes for Macmillan Education to distribute on an English language teaching website

In the last year both Directors have been focusing on developing MR Production having both recently completed fixed term contracts with companies in the broadcast industries. The overall

balance of work has seen a shift towards more web-intended productions and more work in providing support services and writing for clients.

Most of the company's work comes through personal referral from the existing clients and from enquiries generated through their website. In terms of people they work with, a number of their suppliers and freelancers are Lewisham or Greenwich based, but they are looking to forge stronger local links finding new clients and people to work with and have embarked on a networking campaign to attract a wider range of clients and to engage more fully with the local business and cultural community. They have recently been in discussion with Virtual Business Office who may be able to provide a local solution in Ladywell to their need for additional space for some larger productions.

MR Production is a member of the Digital Production Partnership, set up by the UK's public service broadcasters to help producers and broadcasters maximise the potential benefits of digital production.

#### *Plans for the future*

MR Production feels comfortable remaining a small business with an extensive network of people they can call on they need them rather than growing through employing their own staff. *"In previous companies we have felt the financial pressure of premises and payroll act as a counterproductive force to creativity. For us small but well-connected definitely represents the future."*

One of the main challenges for the company is the likely reduction in work from government agencies. However they remain confident that they will develop new contacts with their networking and marketing campaign underway. The lack of easy access to and the expense of accessing superfast broadband is another concern as online file delivery to clients and broadcasters is becoming increasingly important. The company sees keeping abreast of ever-changing technology as vital so that they can offer the most cost-effective and appropriate solutions for clients.

#### *Lewisham as a place for digital businesses*

Good transport connections are a real plus for businesses in Lewisham giving easy access to clients across London and the South East. The pool of local creative talent is also a strong point but this is hindered by the lack of awareness and information about who the businesses are in the Borough. A directory of local creative businesses would be welcomed by MR Productions.

Some of the **largest digital and media employers** in the Borough are in the publishing sector. Media Services Zawada Ltd. is reported as employing 46 people, but presumably not at the registered address, a residential property in SE26. The company website shows they are a children's book publisher based in Poland [http://www.msz.com.pl/pdf/Katalog\\_MSZ.pdf](http://www.msz.com.pl/pdf/Katalog_MSZ.pdf) and a companies check shows they are a limited company and in 2010 the company had a net worth of just over £2 million. It has not been possible to verify these details with the company and it is recommended that in taking this work forward contact is made with Media Services as they are clearly an important digital media company with connections in the Borough.

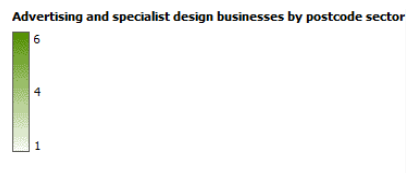
### **2.2.3 Advertising and specialist design**

There are 69 businesses in this sub sector, but as highlighted at the start of the report, there is considerable cross over between advertising, design and film, video, TV and music companies producing marketing and advertising content for businesses.

Advertising and specialist design companies can be found in the highest concentration across SE4 around Brockley.



**Figure 8: Location of Lewisham advertising and specialist design businesses**



The **second biggest employer in this sub sector is Studio Raw**, one of the five Lewisham innovators (see case study 4).

#### Case study 4

**Studio Raw** [www.studioraw.co.uk](http://www.studioraw.co.uk)

Faircharm Trading Estate  
Creekside  
SE8 3DX

**STUDIO  
RAW.**

Founded in 2003, Studio Raw, previously known as Raw Nerve is a leading UK design consultancy. The company employs 6 staff and works with freelancers on a project by project basis to develop brands, marketing materials, content management systems and social media platforms for public, private and non-profit sector clients. The company is about more than simply marketing, design and branding – ‘asking to be noticed’, it’s about creating the automatic engagement that comes from connecting the right people with the right brands and developing communities, both off- and online. Recent clients have included:

- Public sector: Quebec Government, NHS and Arts Council England
- Entertainment and lifestyle brands: Apple, Diesel, Sony Music Entertainment, FilmFlex, Endemol and Channel 4
- Festivals and exhibitions: Tent London, bTWEEN and Nokia Urban Music Festival
- SMEs and individual practitioners in the fields of design, music and art.

Locally Raw has worked with the Albany, Creative Process, Goldsmiths and Greenwich universities. They have regular interns from the Universities.

Studio Raw also co-ordinate RSVP London – a network connecting the creative community off and online. Managing the network inspired the development of the Creative Network Platform (CNP) an all-in-one online business networking tool. CNP has been adapted to create bespoke social and business networking solutions for a range of clients, including the London Design Festival <http://www.londondesignfestival.com>.

#### *Plans for the future*

The past few years have been quite tough for business but they have helped Raw work smarter and be more realistic about what can be achieved within tight budgets. They have always collaborated on projects, one of their strengths, which allows them to scale up teams when needed and generate innovative ideas. They plan to continue working in this way and remain focused on the type of projects that works best for them as company, their clients and their partners.

#### *Lewisham as a place for business*

Studio Raw (previously Raw Nerve) has been based in Deptford since they started and they want to stay in the area as it is affordable and close to central London. Raw is also part of the strong local network of creative businesses, both collaborators and clients. As Raw Director Rebecca Molina explains: “We have established a strong network here with both our peers and clients and we want to stay in the area as long as we can”.

### 2.2.4 Other digital media businesses

31 businesses are unclassified as they are operating in the digital and media sector but do not easily fit within the three main sub sectors. Other businesses are unclassified as details of the business operations are not available. This includes individuals and ‘media’ companies where it is unclear whether they are working predominantly in the advertising and specialist design or media content creation.

i2 Media, the entrepreneurial innovator and Goldsmiths University spin-off company falls within the former category (see case study 5). A research consultancy specialising in digital consumer research they do not fit within software, media content or advertising sub sectors but are leaders in digital innovation.



**Case study 5:****i2 Media Research** [www.gold.ac.uk/i2](http://www.gold.ac.uk/i2)

c/o Goldsmiths University

Lewisham Way

New Cross

SE14 6NW



i2 Media Research is a research consultancy set up in 2002 as a spin off from the Department of Psychology, Goldsmiths, University of London. The company specialises in research on the consumer psychology and experience of digital media for large corporations, the public and charity sectors. Recent projects include work for Ofcom, RNIB, BearingPoint, and the Intellectual Property Office.

i2 has four members of staff of whom one is the founder and Managing Director (Jonathan Freeman) and a Board of non-executive directors, with shareholder representation. Being based in the university enables i2 staff to work for part of their time on commercial projects and part of their time on academic research projects. The company currently works on between 6-12 projects per year, a mix of work they bid for, directly commissioned projects and one long term EC funded FP7 project. They are currently looking at a joint project with a former Goldsmiths' student.

Being based at the university, the work at i2 Media Research compliments the founder's academic research and provides students with a commercial research environment to gain work experience via internships.

*Plans for the future*

The Directors have deliberately kept the company small to keep it manageable but are looking to expand and in 2010 launched a wholly owned subsidiary company i2 Products that is producing digital media content (applications for mobile and handheld devices).

The team is also keen to explore the potential of computer gaming for enhancing participation and engagement within local communities and with local services.

*Lewisham as a place for digital business*

For i2 media a big benefit is being at the university which reflects the excitement and diversity of Lewisham as a place for conducting research.

The company feels the profile of Lewisham is changing and that its positive reputation is growing. The arrival of the London Overground has helped to make i2's premises more accessible to clients from Central London, but they feel more needs to be done to raise the profile of the Borough as a place for business and digital innovation.

## 2.3 Co-location with other parts of the digital and creative sector

In mapping the national Digital Economy the Government included **ICT (Telecommunications, the wholesaling and manufacture of computers and related technology)** alongside the content generating digital industries. In Lewisham there are 304 ICT companies.

The proliferation of the ICT companies along major arterial roads and around town centres suggests that the sector is largely made up of computer sales, repairs and maintenance businesses. There is little indication from the SIC codes what type of businesses these ICT companies are. Over two thirds of the ICT businesses are classified

as 'other computer consultancy'. Little further investigation has been carried out on businesses in the ICT sector as it was not a focus of this study.

There is a small cluster of 7 ICT businesses at the Plaza Building in Lee High Road, where they are co-located with 6 software companies and 4 other digital media businesses.

**The largest employer in the ICT sector is Bromcom** [www.bromcom.com](http://www.bromcom.com), an IT hardware and software supplier and developer for the education sector. The company employs around 50 people and operates from premises on Worsley Bridge Road SE26 and also has offices in France.

**Figure 9: Lewisham ICT businesses**

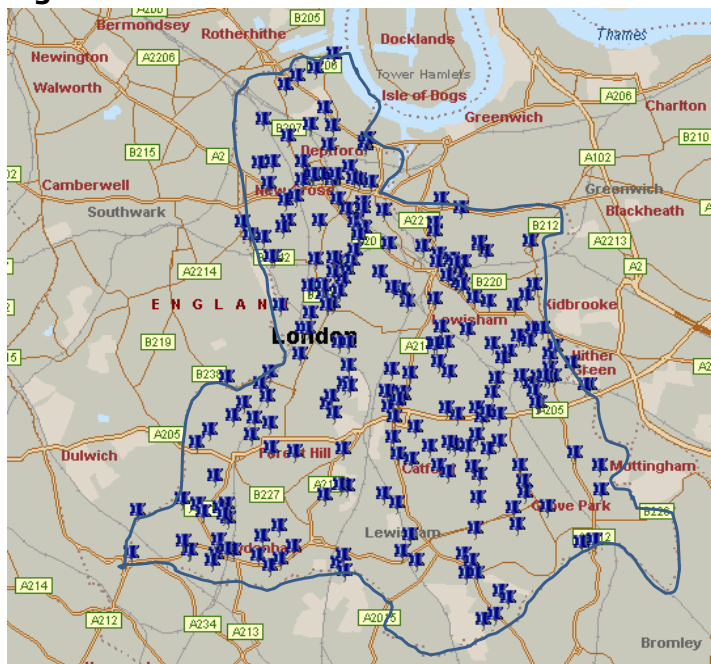
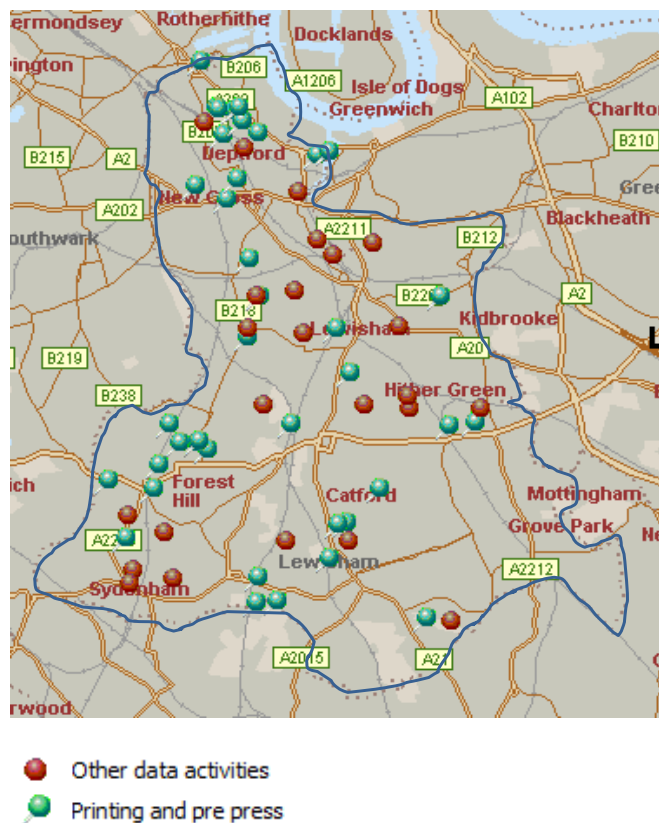


Figure 10 below shows the **location of print business and data activity businesses**, both included as digital content business in the national Digital Economy study. There are 46 print and pre press businesses and a clear agglomeration of print businesses can be seen in the north west of the Borough, the basis for this part of the Lewisham being identified as having a sub-cluster of print related businesses in the London wide digital economy study (see section 1.1). Print businesses are also found on industrial estates and workspace units in the south west of the Borough.

**The biggest print employers are The Colour House**, Arklow Trading Estate SE14 (sponsors of Design Week) and **Reflections Print Lamination**, Blackhorse Road SE8.

26 other data activity businesses are scattered around the Borough mainly in residential properties.

**Figure 10 : Other content businesses**



124 **other creative businesses – visual and performing arts, designers, events and marketing companies** have been identified across the Borough. As already highlighted many creative practitioners may be using digital technology in the creation and distribution of their work and there will certainly be many more creative businesses and practitioners than the 124 identified here. This list has been built solely from searching the Mint business list and it is widely acknowledged that many individual practitioners and arts organisations operate below the radar of official business listings.

As highlighted in section 2.1 above there is evidence of co-location of digital and media businesses with the wider creative sector, particularly around Deptford, as is the case around Tech City. Many creative businesses, whether they are artists, fashion designers or performing arts organizations, use digital technology in the creation of their work and are certainly part of the same networks as many digital and media businesses.

## **2.4 Digital and media sector employment**

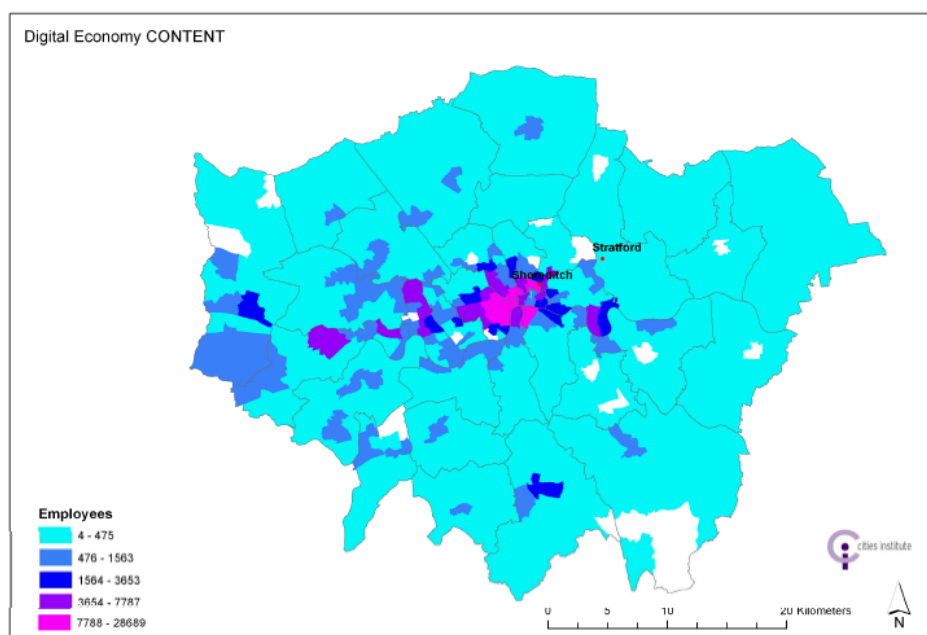
The limited availability of data on the number of people employed by the businesses in the Mint listing (figures available for just 11% of businesses in the Lewisham Digital and Media Database) means a comprehensive assessment of employment in the sector has not been possible. However, with over three quarters of the businesses operating from residential properties and over half, where figures are available, employing just one or two people, the digital and media sector in Lewisham is clearly made up predominantly of micro businesses and is not currently a significant employer.

Only two digital and media businesses have been identified as employing more than 10 people (Mo-Sys and Media Services Zawada featured in section 2.2 above), only nine as employing between six and ten people and 14 employing three to five people<sup>15</sup>.

Figures show that four printing companies employ more than 25 people each. As with elsewhere in London, publishing and printing are the largest digital and media sector employers.

The largely micro-profile is not unusual for the digital and media sector, but the lack of larger anchor businesses in the digital and wider creative sector is where the digital and media profile of Lewisham does differ from that elsewhere. In the inner east 53% of digital media businesses employ less than 10 people, but there are 52 companies that employ more than 100 people. These are predominantly in the advertising, software, publishing and printing sectors. This absence of larger digital employers in Lewisham accounts, in part, for low profile that Lewisham has as a digital and media content employer compared to other parts of London (see figure 11 below).

**Figure 11: Employment Contribution Digital Economy – content**



**Map from Cities Institute Mapping the Digital Economy 2011. Data source BRES 2009/SIC 2007**

The **ICT sector is similarly made up of micro businesses**. More than half of the businesses employ 2 people or less. Just one company employs more than 50 people – Bromcom (see section 2.3 above). Six other companies – two telecoms companies, a wholesaler of computers, a wholesaler of other machinery and two other software consultancies - employ between 10 and 15 people.

<sup>15</sup> Employment figures have been confirmed for 20% of businesses where figures are available.

### **3. Lewisham Digital and Media Businesses – Current Practice, Perceptions, Aspirations and Barriers**

This section presents the key opportunities and challenges highlighted through the consultations.

#### **3.1 Markets and clients**

There is a remarkable spread in the sectors and geographic focus of the markets that businesses operate in. The digital and media sector in Lewisham are working with clients in all sectors. Software companies in particular are working across multiple sectors providing IT and businesses development consultancy and data and software solutions. Clients for the businesses we spoke to included local authorities, central government departments, health, banking and finance, energy and automobile industries. The majority of clients were UK based with just a couple of software companies exporting products and services.

Among the film and video companies some are directly supplying the film and broadcast sector while others are using film and video as part of the products and services they are providing to other sectors. A number of companies straddle the two as producers of broadcast content as well video content for public sector and commercial clients. MR Production is one such company another is Mad Vision Films producing music videos and content for MTV as well as branded content videos for a range of commercial clients. Out Takes Ltd produce health and safety videos for the hazardous industries internationally and Pie & Mash Films work with communities on films often in Lewisham and South East London. As with many Boroughs across London, Lewisham has a number of film freelancers – an archive specialist, cameramen, producers and directors. Other media content and advertising companies interviewed – graphic, brand and web designers – also have clients from across a range of sectors.

#### **3.2 Collaborations**

Collaboration and partnership working is becoming ever more critical for small digital and media businesses. As with many creative sectors there is evidence of Lewisham digital and media businesses working with freelance creatives and associates on a project by project basis. This is particularly the case for film production companies who use their networks of contacts across London and the South East using a pool of creative talent they know well. For MR Production many of the creative people they work with on projects are based in Lewisham and Greenwich.

There is less direct evidence of collaboration supporting innovation although this does not mean it is not happening, just that those companies contacted through this study are not, on the whole, working in this way. One clear exception is Mo-Sys who collaborate with global film technology companies on the development of their products. At Goldsmiths there is considerable collaboration between the academics, alumni and business on the development of innovative products. For example, PI Studios are testing

new products and materials for large corporate clients in the technology and fashion sectors among others.

There were very limited connections between the Lewisham digital and media sector businesses and universities. Apart from Mo-Sys and their work with Ravensbourne and running internships for international students, only one other business had collaborated with a university running a one-off film project with London Metropolitan University.

### 3.3 Growth – strengths, opportunities and challenges

The digital and media businesses we spoke to broadly support the view that the digital and media sector is set to experience growth in the coming years. While a number of companies were facing difficulties and downsizing and others were worried about future work prospects, a number of Lewisham digital and media businesses had experienced growth over the last couple of years. Below we highlight the opportunities and challenges raised by the businesses.

#### *Opportunities*

**Being small and flexible is a benefit in straightened times.** Not all digital and media businesses we spoke to had been adversely affected by the economic downturn, in fact a number of the businesses had directly benefitted. One design company had expanded over the last couple of years, gaining a number of new large corporate clients who were looking to cut costs through moving away from large advertising and design agencies, and looking to smaller, often more innovative companies, to bring new ideas and a more personal approach.

**The demand for digital technology and innovation is growing across all sectors.** Many of the software companies and contractors are experiencing increasing demand for their services as the need to continually improve internal, business to business and business to customer relationship management and processes grows. The media content companies are also at the forefront in providing the latest innovations for particular sectors. An example is the pre-visualisation green screen technology development by Mo-sys for the film and broadcast industry. Companies are also adapting quickly in the use of mobile and web technology to create products and services for clients. At Goldsmiths i2 Media Research specialises in digital consumer research working for leading international brands and companies and has launched i2 products a new company specialising in the production of mobile applications.

**Digital technology helping to reach a wider market.** Online, and increasingly mobile marketing technologies, are allowing companies to reach a much wider market than was previously possible through traditional means, and often at a much lower cost. Unsurprisingly many digital and media companies are reaping the benefits, but it is a real challenge to stay ahead and compete in an increasingly crowded market place. While some companies do report business being generated through their websites, the main source of work for Lewisham businesses is still word of mouth and recommendation. A real surprise in this research was that such a large proportion of digital and media businesses in the Borough don't have a web presence. This suggests that they rely on repeat business from existing clients and recommendation.

**Digital technology is supporting the development of new products and improvements to existing products and services.** Lewisham digital and media businesses are innovating and developing new products and ways of working. A number of the software companies, having honed their skills in one sector, are branching out and developing products for a range of markets. For example, the advances in film technology have allowed Out Takes Ltd to offer a more bespoke service to their clients producing health and safety videos tailored to the needs of each client rather than the off the shelf products they developed and sold in the past. As a result of the developments the company is expanding and taking on a new filmmakers, hopefully from Goldsmiths. Mo-Sys too is looking to offer their pre-visualisation green screen technology outside the mainstream film and broadcast sector, in particular working with other film and video companies serving other sectors and organisations looking to create their own film.

### **Challenges**

**Economic downturn.** While many digital and media businesses are managing to weather the storm at present, others have been affected. One company has seen demand for its products drop as it was mainly supplying the arts and cultural sector across Europe. They will be downsizing and leaving the workspace in the Borough to rent a smaller workspace and base their office at home in an adjacent Borough.

**Digital technology changing process and production techniques.** A particular challenge for the film, video and TV sector is the change in processes for supplying and archiving of broadcast materials. Increasingly content is being delivered 'down the wire' rather than on tape, but this requires super fast broadband. These down the wire products are also being archived online so the whole process for accessing archived material will also change. Keeping abreast of the rapid change in digital technology is a challenge (as well as an opportunity) for digital and media businesses.

**Digital and media businesses need better broad band access.** At present broadband services can be intermittent in Lewisham, as elsewhere in the country. Increasingly digital and media businesses will require greater band width (access to fibre optics and cloud technology). This is particularly true for film production companies for the reasons outlined above. There is a super fast broad band cable running in and out of Lewisham town centre but access costs around £18,000 a year (per building). This lack of access and the high cost of access is a national problem that has recently been highlighted in the Digital Production Partnership report the Reluctant Revolution – *Breaking Down the Barrier to Digital Production in TV*.

**Access to finance and reducing public sector budgets.** There was some concern among businesses with clients in the public sector that reduced budgets will affect demand. One business looking to set up a Social Enterprise to support the mentoring of young people was doubtful they would secure the necessary investment. Otherwise access to finance wasn't raised as an issue for the businesses we spoke to, but the majority had not real growth plans other than through expanding their client base.

Other challenges for the businesses are highlighted below in the challenges of Lewisham as a place for digital and media businesses.



### 3.4 Lewisham a good place for business?

The businesses consulted were largely committed to Lewisham as place for their business. They were keen to contribute to and be part of the growth and development of the sector in the Borough.

#### *The main plus points of the Borough were identified as being:*

**Good transport.** The arrival of the London Overground and fast rail links and DLR to central and east London were seen as a real positive for Lewisham based businesses.

**The diversity of the Borough.** The cultural diversity of Lewisham's population and a large young population was identified as one of the key drivers of creativity in the Borough and something that should be harnessed and nurtured. Having organisations such as London Youth Support Trust and Head for Businesses in the Borough is important as they support new young and ethnic minority start up creative businesses.

#### **Investments in the Borough and an 'urban grittiness' that stimulates creativity.**

The investments in the physical regeneration and the new developments are improving the Borough's infrastructure and its profile. The 'soft' improvements and initiatives such as the farmers market on Lewisham Way are also important contributory factors in bringing the urban environment to life.

**Cheaper housing than other parts of London.** The relative affordability of Lewisham residential property is encouraging people to set up businesses at home as they can afford the space. A number of businesses also felt the lower cost of housing was attractive for their potential employees.

**Creative, digital and media businesses in the Borough.** The high number of creative and digital and media businesses and the strength of the mini cluster of businesses around Creekside is a good starting point on which to build the digital and media sector.

#### *Challenges for Lewisham as a place for digital and media businesses*

**Lack of networks.** While there are a number of business networks in the Borough many of the businesses were not aware of them or felt they were not the type of networks they were looking for.

RSVP run by Studio Raw connects Lewisham creative businesses into a wider creative network across London. Creative Process, in the past ran creative business events but these are less frequent now their focus has turned to running the London creative apprenticeship programme. The South East London Chamber of Commerce runs business networking events but these do not have a creative focus.

**Lack of awareness of who the other digital and media businesses are in the Borough.** There is clearly considerable digital and media business activity in the



Borough, but the businesses remain hidden in peoples' homes and it is hard for businesses to find out about each other.

**Lack of cultural, social and shared business spaces.** An important part of the inner east/Tech City cluster is the network of bars and restaurants where businesses meet and network formally and informally. This supporting infrastructure creates the vibrant feel that attracts digital, media and creative businesses to an area. This type of infrastructure is largely lacking in Lewisham, other than in small pockets in New Cross and Brockley. An important gap in Lewisham's cultural infrastructure for digital and media businesses is the lack of cinema.

**Feels unsafe.** The poor public realm in many places, the proliferation of betting shops and pounds shops and lack of night time activity make parts of the Borough feel unsafe.

**Poor external image.** The cumulative effect of many of the above factors mean that externally much of Lewisham is not perceived as a place for creative business, although New Cross and Creekside do have an improving profile as places for creative businesses.

**Poor quality workspace.** Not only is there a lack of shared space or space to interact with other businesses in the existing workspaces, many workspaces are of a poor quality and businesses are reluctant to invite clients to their premises. The lack of alternative space for meetings exacerbates the problem.

More than half of the businesses we spoke to were home based businesses and the main demand for workspace was for flexible space for meetings and collaborative working, as well as studio space for filming. A number of the software companies currently operating as contractors and consultants were looking to grow their businesses and were considering flexible office space where they could expand and contract bringing in associates on particular projects, rather than taking on the liability of whole offices as they start to grow.

The workspace at Faircharm is seen as an asset to the Borough. The mix of offices, studios and workshops has attracted digital, media and creative businesses providing space for filming and construction of equipment onsite alongside the cleaner desk based computer creation. Mo-Sys are keen to develop new studio space as part of their plan to expand their business.

The SWOT below summaries the opportunities and barriers to growing the digital and media sector in Lewisham

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>- 628 digital and Media Businesses</li> <li>- 305 ICT businesses</li> <li>- Locational factors – proximity to Tech City and increasingly important East London digital and media cluster</li> <li>- Central position in London – recognised as one of the world’s leading creative cities</li> <li>- Deptford Creek and Faircharm Estate – recognised for their attractiveness to and density of creative and cultural businesses</li> <li>- Borough attracts ‘creative’ individuals through relative affordability of housing</li> <li>- Presence of Goldsmiths – an internationally recognised centre for the creative industries and increasingly looking to work local businesses</li> <li>- High level of people with NVQ4 plus qualifications</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>- Only 2 digital and media businesses employ more than 10 people</li> <li>- Lack of capacity in businesses makes apprenticeship schemes and progression routes hard to get off the ground</li> <li>- Lack of a central ‘hub’, meeting place or touchdown space for creative’s</li> <li>- Poor night-time economy discourages evening creative activity and prevents Borough developing a ‘creative buzz’</li> <li>- Expensive and poor broadband for many businesses</li> <li>- Lack of networks and regular informal meetings of creatives</li> <li>- Lack of a workspace ‘ladder’ meaning it is hard for businesses to move from home, to small office to larger premises.</li> <li>- Lack of high-quality workspace for creative businesses</li> <li>- Lack of ‘visibility’ for sector in Borough</li> <li>- Lewisham ‘brand’ not viewed positively from a creative perspective</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>— New premises planned as part of new developments. Eg new creative quarter in Surrey Canal</li> <li>- Encouraging greater collaboration and partnership between CIs located in the Borough</li> <li>- Develop a network of digital and creative businesses meeting informally</li> <li>- Create stronger links with Goldsmiths, Schools and FE to develop apprenticeships and progression routes</li> <li>- Ensure that the relationship with Tech City and Ravensbourne College is two way through connecting with networks and clusters</li> <li>- Expand the creative clusters of Faircharm and Deptford Creek</li> <li>- Develop a central ‘drop-in’ digital hub for the Boroughs many home-workers</li> <li>- Connect Borough’s digital and media businesses to the festival and cultural scene</li> <li>- Stengthen supply chains with emerging hubs (Tech City) and with established centres in central London</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>- Tech City draws businesses, funding and recognition from the Borough</li> <li>- Young creative talent continues to drain from the Borough due to lack of opportunity</li> <li>- Creative Industries do not connect with the Borough’s diverse population</li> <li>- Lewisham misses out on the growth in digital and creative businesses as lack of workspace, progression routes and support mean businesses locate elsewhere</li> <li>- Lack of large businesses in the Borough mean weaker value chains and supply chains for local businesses</li> <li>- Growing strength of Tech City will inevitably encourage some firms to move out of the Borough</li> </ul>

## 4. Developing the digital and media sector

The digital and media sector represents a real opportunity for sustainable economic growth in Lewisham. With the creative industries and digital and media in particular, singled out as a key growth sector nationally, the Borough is well-positioned to build on its existing sectoral strengths (628 digital and media businesses), through providing a welcoming home for digital and media businesses from within and outside of Lewisham. The Borough already has in place many advantages as a location for start-up and growing digital and media business - including its location and excellent connections, the relative affordability of housing compared to neighbouring boroughs, the number of young people, the planned regeneration and development projects and the proximity of initiatives outside the Borough including Tech City. With youth unemployment a still growing problem, and one of the key challenges for the economy in Lewisham, as elsewhere, the sector could provide jobs, training and work experience in a sector which very much represents the future.

Lewisham does not have any medium or large scale digital and media businesses. The majority of the digital businesses in the Borough are micro-enterprises (employing less than 5 people). This piece of research should be seen as the starting point for considering the sector's needs. Currently the digital and media sector in Lewisham can be described as being 'fragile, fragmented and freelance'. Businesses are fragile because they are often founded by highly-talented and passionate individuals, but often without a great understanding of business fundamentals. They are also operating in a fast-moving and dynamic sector where it is extremely hard to predict what the next 'big thing' will be or what effect it might have on business models. Equally businesses are 'fragmented' in that our research shows them spread around the Borough, with only a few instances of clustering in specific sites (such as Faircharm). The nature of the Borough (and one of its appeals to creatives) is that its stock of housing appeals to people running home-based businesses. This supports the freelance nature of the sector which is growing because of the ever increasing proliferation of project working and the lowered barriers to entry and operating costs as hardware costs continue to come down.

### 4.1 Barriers to Success for digital and media businesses in Lewisham

Many of the barriers to success for digital and media businesses in the Borough are shared by businesses regardless of the sector they operate in. The relative lack of affordable workspace, the relative absence of a night-time economy, the geographic layout of the Borough, the need for regeneration work in many areas, brand and image issues all combine to make the Borough less attractive than it otherwise might-be from a business perspective. Specifically from the perspective of digital and media businesses our research suggests there are three main barriers to growth and development in the Borough.



**1. Under-networked and relatively invisible sector.** The digital and Media sector, despite being relatively strong in the Borough is not as connected as it could or should be. While digital businesses are perhaps less connected to a specific place with many operating globally, they are still embedded in their

location. One of the strengths of Tech City in East London is the degree to which businesses co-operate, sharing talent, resources and contacts for mutual gain.



**2. Lack of the 'right' kind of workspace.** The vast majority of digital and media businesses in the UK, which don't operate out of domestic buildings, are run in spaces provided by the commercial property market and not in specific creative workspaces. The type of workspace required by digital and media businesses (as for any business) is incredibly varied and influenced by a range of factors including location, age of businesses, sector, size and presence of other creative businesses. These needs change throughout the lifetime of a business, with expansion and contraction an ordinary part of the business cycle. Whether or not digital and media business can find suitable property in any given market varies enormously by place, with affordability of space always coming out as the prime concern of start-up or new businesses. Lewisham needs to make sure it provides start-up and flexible space, along with a range of other workspaces that businesses can grow into and that will attract businesses outside the Borough to relocate to Lewisham.



**3. Lack of a central Hub or meeting place for creative freelancers**  
The need for less traditional flexible space for creatives is one that continues to grow, due to changing work practices and technology. More than just about any other sector changing digital technology is altering the way that creative individuals and organisations work. The continued growth of freelance working and networks of creatives aligning for particular projects, means that desk renting, shared space, collaborative space and touch-down space is in growing demand. Examples of workspaces which have pioneered the development of this type of space include the **Hub in Kings Cross** and the **Creative Lounge in Sheffield** which have developed models designed to foster collaboration, networking, showcasing and flexibility in mediated and programmable spaces.

## 4.2 Recommendations for Developing the Digital and Media Sector in Lewisham

The recommendations below will help ensure that barriers to success for the sector in Lewisham are removed and that businesses within the Borough benefit from their proximity to a world class university, an increasingly important cluster in East London's Tech City and of course the surrounding presence of London, one of the World's leading creative cities.

### 1) Digital hub – a central base of creatives in the Borough

While Lewisham is marked by pockets of culture and creativity, located in specific areas such as Deptford and New Cross (and around Lewisham, and Hither Green where the highest concentrations of home based businesses can be found), it has no single organisation, network or building around which creative digital businesses can coalesce. While this may seem superfluous when the internet provides so many opportunities for networking, creative businesses feel very strongly that the lack of anything 'offline' in the Borough is holding back the sector. Businesses and creative individuals don't meet as often as they might, the ad hoc and informal which leads to so much innovation and partnership in the sector is lacking, and young talent finds it harder to get into the

sector. In the short term a 'creative hub' networking event should be established, meeting at a regular slot in a regular central location.

It would act firstly to bring the sector together, but more broadly it could begin to act as a means of connecting the Borough's digital and wider creative sector more strongly to external networks and initiatives (such as Tech City) through a programme of activity. It could be facilitated by the Council in the first instance through some administrative support but run by and for creatives using language and media they understand – sharing, borrowing from and building on the success of previous and current initiatives including the RSVP network, Creative Process and London Youth Support Trust. In the medium and long term this could be found a permanent home in a new development (or regeneration project) where it would naturally sit in an incubation or business support environment. It would be a not-for-profit organisation that would not rely on Council resources in the long-term and it would evolve organically.

There are numerous examples of networks and hubs in other locations which provide examples which could be adapted for Lewisham. Meejahub in Kent is a *'group that aims to bring creative, media professionals and artists together to exchange ideas, sources, industry news and gossip - over a drink, preferably, or via the website.'* Its well attended monthly- meetings are a way of breaking down the isolation that many home-based workers otherwise can feel. Silicon Drinkabout, based around Tech City, is a good example of how a networking group can use its members to help build the night-time economy, through working with different bars to host its weekly meet-up for start-ups.

## **2) Talent development and support – connecting to world-class academic institutions**

Having Goldsmiths in the Borough, plus the surrounding presence of University of the Arts London and Ravensbourne means that Lewisham has some of the leading creative universities in London on its doorstep. The challenge is to translate this into something which brings a real dividend in terms of driving the digital and media economy within the Borough. The key steps are to build on the good work already underway at Goldsmiths in terms of incubation and support for undergraduates, graduates and local business development, into a genuine strategy of support for the sector. The opportunities to connect to the world-class brand of Goldsmiths, the embedded learning and knowledge within the organisation and its network of connections to leading international businesses must be capitalised upon.

Equally retaining students in the Borough (6% of the 2010 cohort leaving Goldsmiths stayed to work in the Borough, with around quarter setting up as freelance creatives), through ensuring they have access to networks, premises, support and more should be pursued. In the medium to long term as graduate employment becomes even more pressing for universities, efforts must be made to develop Goldsmiths' plans to provide more space for working and showcasing talent of University students, alumni but also other local businesses.

This recommendation would work closely with the first recommendation around the development of a network. Projects such as MentorMe in Colchester – which sees local business working closely with the University and students to 'bridge the gap' between Higher Education and the workplace provide great examples of how this type of initiative

can be made to work through combining social media, traditional mentoring and real opportunities for students to connect to small but flourishing creative businesses.

### **3) Putting diversity to work for the sector – Providing opportunities for young people in the Borough**

Lewisham, like other inner-London Borough's has an incredibly diverse and youthful population. This by itself is not a particular economic advantage, but it does play to the strengths of the digital and media sector if the right progression routes and support are in place. The flourishing of digital and media developers and content makers who produce work for a particular niche within the sector is one example of this.

With near record levels of youth unemployment, creating opportunity within a sector that appeals to young people and has a realistic chance of offering sustainable careers makes economic sense. Above all perhaps, encouraging a more diverse intake in the creative industries is desirable in a sector which has historically suffered from underrepresentation from ethnically diverse groups. To this extent in the short term organisations working with young people from diverse back grounds helping them to start-up digital a media businesses, such as London Youth Support Trust, should be supported. This does not need to be through finance, but could come through ensuring that workspace providers are aware of what the Trust offers and that unused or redundant buildings owned by the Council are made available where possible.

Equally important is support to expand creative apprenticeships in the Borough. Digital Apprenticeships, run by Creative Process based in the Borough provide over 70 places across the Capital. Other creative apprenticeship providers in the Borough include Lewisham College, a founder college of the Creative and Cultural National Skills Academy, and Rolling Sound Ltd.

While it is challenging for many very small businesses to employ an apprentice, support and encouragement needs to be given to those businesses (with 3 or 4 employees) which could, with help, take on an apprentice. Equally more informal schemes need to be developed and supported, especially those aimed at younger people through working with secondary schools and their work-related learning programmes. The Creative and Media Diploma, which is open to young people across the Borough and delivered through Lewisham College, Sydenham School and Christ the King Sixth Form College, offers those who take it modular learning combined with work-related learning in creative businesses allowing individuals to develop portfolios of work<sup>16</sup>.

In the longer term there needs to be further development of local apprentices (working within and outside of the Borough) attending local colleges on day release, bringing their skills and knowledge back into the Borough in a virtuous circle.

A number of businesses do take on University interns and some are informally mentoring young filmmakers and musicians. This ad hoc support from businesses could be built upon.

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<sup>16</sup> With Diplomas now an optional part of the curriculum offer for 14-19 year olds, rather than a requirement, the increased focus on five core academic subjects and with the Cultural Education Review pending publication, it is unclear how creative and media education will be delivered in future.

#### 4) Events and Showcasing

While Lewisham is home to recognised high-quality festivals, such as Deptford X, and connected and overlapping aspects of the London Design Festival, media and digital business do not feel there is enough that showcases their expertise. With festivals providing the perfect opportunity to build new audiences, to open up institutions and present innovative 'pop-up' work in disused spaces and buildings, they also raise the profile of an area as a place for creativity, ideas and innovation, crucial factors for attracting (and retaining) creative, digital and media businesses.

A strategy is needed to ensure that the creative economy is showcased where possible. The Borough's relatively poor night-time economy would benefit from more programmed activity attracting people out into the streets where they otherwise are too wary or unsure of the offer. The lack of a cinema means that the Borough suffers from a lack of a focal point for the digital and media sector, so the work the Council is doing to encourage cinemas clubs and temporary film activity should continue. The plans at the Albany to develop the range of work that they show and their capital redevelopment that will increase their technical specification is welcome. The Albany and other cultural providers should be encouraged to work with young film-makers and digital producers.

#### 5) Workspace – building a workspace ladder

The burgeoning success of the dispersed Tech City shows that there is the demand and need for dedicated space for digital and media businesses. While Lewisham sits outside of this development, this does not mean that it shouldn't try and build on this success within its own boundaries. With this in mind thought needs to be given to ensuring that there is a 'ladder of property' available within the Borough, for local businesses and that will attract digital and media businesses to move into the Borough. This should range from at one end simple desks with broadband (including super fast broadband) in a shared space, to grow-on space for dynamic businesses with more specific needs. This means that thought needs to be given with all new developments as to how they can best contribute to the ladder. The 'ladder' needs to include Goldsmith's and other key players and is as much about planning and strategic thinking as it is about specific marketing and awareness (though this matters).

Digital and media businesses through their lives need a variety of different types of accommodation – a ladder approach across the Borough would seek to ensure that the needs of businesses at different stages are met. The 'rungs' on the ladder for digital and media businesses would include:

- **Pre- start up space:** catering for the product, service or technology development stage. This kind of pre-incubation space is provided within an HEI, existing workplace or home.
- **Incubation:** this is accommodation for the post start-up phase where the requirement for small spaces with shared services and where the quality and image of the premises is less important than the costs of occupation. A variety of types of incubator have emerged including industrial/sector, university, for profit property development, for profit investment and corporate venture.
- **Managed /Serviced Accommodation:** Where the product/service/technology is developed and the business established. The business may well be interested in

occupying its 'own flexible space' to allow the business to respond to bring in sub contractors and collaborators to work on one off projects. Typically the business is prepared to accept longer term covenants.

- **Freehold/Leasehold:** Own Front Door or Multi Occupied Building. The business wants to occupy its own long leasehold or freehold 'own front door' space and are more conscious of image. Longer-term covenants are likely to apply.
- **Business Park/Campus:** company is at a fully developed product/service or technology stage and interested in standalone facilities that project the appropriate corporate image.

While it is not realistic that all these needs could be met within Lewisham presently, it should be an ambition in the Borough to aim to provide this type of space in time and to develop relationships with partners and providers outside of the Borough.

The **short-term priorities** for developing the sector should be around supporting the development of a digital, media and creative network building on the recommendations above for:

- A 'Digital hub for Lewisham'
- Connecting the businesses to Goldsmiths
- Programme of events
- Linking to Tech City

The first steps should be to build on the Database developed through this study and explore the potential for creating a directory of digital and media businesses as well as establishing a series of regular networking events programmed and led by the businesses themselves.



## Appendix 1: Methodology

### Development of the Lewisham Digital and Media Sector Database and Analysis of the size and scope of the sector

The Mint UK list of all businesses in Lewisham was provided by Lewisham council as the starting point for quantitative analysis part of this study. Data contained in the list includes companies and non-incorporated businesses in Lewisham with address including postcodes for all businesses, 2003 four-digit SIC code for 75% of the 12,314 businesses and very limited data on employment and turnover of businesses (for around 30% of businesses).

It was agreed that the focus of the sector study should be on the 'content' businesses in the digital and media sector. It was proposed and agreed that the digital and media sector should be divided up into three sub sectors:

- Advertising and Design – including branding, digital marketing and graphic design
- Media content – including film, video, TV, radio, photography, publishing and music from creation, reproduction to distribution
- Software – including software consultancy and reproduction

The Mint UK list was then searched to draw out businesses within each of these three sub sectors. Firstly businesses within relevant SIC codes were identified:

<b>2003 SIC code (Digital and media*)</b>	<b>Description</b>	<b>Number of businesses in Lewisham</b>
<i>Advertising and Design</i>		
7440	Advertising	29
<i>Media content – publishing, writing, journalism</i>		
2211	Publishing of books	11
2212	Publishing of newspapers	2
2213	Publishing of journals and periodicals	16
2215	Other publishing	8
9240	New agency activity	3
<i>Media content - music</i>		
2214	Publishing of sound recordings	3
2231	Reproduction of sound recording	3
<i>Media content – Photographic activity</i>		
7481	Photographic activity	36
<i>Media content – film, video, TV, radio</i>		
2232	Reproduction of video recording	0

9211	Motion picture and video production	40
9212	Motion picture and video distribution	0
9213	Motion picture projection	0
9220	Radio and TV	22
<i>Software</i>		
2233	Reproduction of computer media	1
7221	Publishing of software	20
7222	Other software consultancy	250

\*2003 SIC codes used by BIS/DCMS/IPO within their definition of the Digital Content Industries in their 2010 Impact Assessment of Digital Britain. 6 SICs from the definition, those for printing activities (2221, 2222, 2224, 2225) and other data activity (7230,7240) have not been included as core content businesses but have been included as 'other creative businesses' – see table below)

Key word search and further investigation of the business operations through web searches has identified additional digital and media businesses in other SIC codes including 7414 Business and Management Consultancy Activities, 7487 Other Business Activities Not Elsewhere Classified, 9231 Artistic and Literary Creation, 9305 Other Services Not Elsewhere Classified and businesses where no SIC code had been allocated.

127 businesses, over 20% of the business in the Digital and Media Database, were identified through this key word search and additional investigation process. Searching for additional information on the businesses has also allowed for an important checking process that businesses are still live and operating in the Borough. This process identified 25 businesses that are no longer operating or that have moved out of the Borough and these have been removed from the database. Time and resource constraints have meant that it has not been possible to verify that all businesses are still operating. However, 60% have been checked. Software consultancy and photography businesses are the main sub sectors that remain to be checked.

This additional searching and checking processes provides a more realistic picture of the actual make-up of the digital and media sector than is possible through simply using business data and SICs deemed to represent the sector. It is all the more important with the widely acknowledged limitations of the 2003 SICs in identifying the creative industries and its sub sectors. Since 2010 the Department of Culture Media and Sport have moved to using 2007 SICs which more effectively capture the creative sector. Recent digital and media sector analysis studies, such as that undertaken by TBR and Tom Fleming Creative Consultancy for Hertfordshire County Council, have also used 2007 codes.

A second set of businesses - **Other creative industries** - with likely linkages to the digital and media sector have also been identified and categorised:

- Art and other design – visual art and design including textile, fashion and interior design
- Performing arts

- Other content businesses - Printing and data processing<sup>17</sup>.

Limited resources for this study and the necessary focus on the digital and media sector have meant that less in-depth searching and checking has been carried out on this data set and there are likely to be many businesses that are actually operating more directly within the digital and media sector. 2003 SIC codes included to draw out businesses in these sectors from the Mint UK list are as follows:

2003 SIC code	Description	Number of business in Lewisham
Visual arts, other design, performing arts		
9231	Artistic and literary creation	72
9232	Operation of arts facility	13
<i>Other content businesses – printing and data activities</i>		
2221	Printing of newspapers	0
2222	Printing not elsewhere classified	39
2224	Pre press activities	7
2225	Ancillary activities related to printing	2
7230	Data processing	9
7240	Database activity	17

30 businesses from SIC code 7487 (Other Business Services) and 13 from 9305 (Other Services) have also been included in the Other creative industries data set, as they are artists, interior designers, fashion designers, event producers and suppliers.

A third related set of businesses - **Other ICT businesses** – have been included. These are predominantly manufacturing, maintenance and wholesale companies and the SIC codes are those used in the definition in the Impact Assessment of Digital Britain<sup>18</sup>. They are as follows:

2003 SIC code	Definition	Number of businesses in Lewisham
3001	Manufacture of office machinery and computers	1
3002	Manufacture of computers and other information processing equipment	6
3130	Insulated wire cables	0
3210	Electronic valves and tubes and other electronic components	3
3220	Television, radio transmitters and apparatus for telephony and telegraphy	0
3230	Television and radio receivers, sound or video recording or producing apparatus and associated goods	7
3320	Instruments and appliances for measuring, checking, testing and	1

<sup>17</sup> BIS impact assessment of Digital Britain included printing and data processing and database activities within the digital content industries

<sup>18</sup> BIS/DCMS/IPO (2010) Impact Assessment for Digital Britain

	navigating and other purposes	
5143	Wholesale of electrical household appliances	6
5184	Whole sale of computers, computer peripheral equipment and software	5
5185	Wholesale of other office machinery and equipment	2
5186	Wholesale of other electronic parts and equipment	4
5187	Wholesale of other machinery for use in industry trade and navigation	4
6420	Telecommunications	23
7133	Renting of office machinery and equipment including computers	1
7210	Computer hardware consultancy	20
7250	Maintenance and repair of office, accounting and computing machinery	9
7260	Other computer related activity	212

## Appendix 2: Consultees

### Businesses consultees – 1-2-1 interviews and focus group

**Accerelli Films**, Josef Ali

**Complete Fabrication Group**, Josephine Pickett-Baker

**Cubicus Ltd**, Oscar Alexander

**Design Studio**, David Stark

**E-Smiths Ltd**

**i2 Media Research**, Jonathan Freeman

**IMP Entertainment**, Tontxi Vazquez

**Jestech Ltd**, Emmanuel Appiah

**Mad Vision Films**, Mooch Madovi

**Meconopsis Film Ltd**, Ben Bruges

**Moo Cat Media**, Karen Walsh

**Morgan Kairos Ltd**, Angela Thomas

**Mo-Sys**, Michael Geissler

**M R Productions**, Denise Lesley and Mike Raggett

**Nu Creatives**, Tim Lindsay

**Out Takes Ltd**, Laura Cade

**Pie & Mash Films**, Maria Maloney

**Pragma IT Ltd**, Richard Pickett

**Quadicorp Ltd**, Asfand Y Qazi

**Singernet Ltd**, Sue Singer

**Spotlight Media Associates Ltd**, Jessica Wilson

**Studio Raw**, Rebecca Molina

**T I Data Solutions**, Terry Igharoro

**Timberlake Consultants**, David Corbett

**Web Editors Ltd,** Pete Shaw

**Work Lab** – Department of Psychology, Goldsmiths, Professor Frank Bond

**Other consultees**

**GLE,** Tracey Kilty

**Goldsmiths University,** Business Development, Aidan Sheridan

**Goldsmiths University,** Careers Service, Vanessa Freeman

**Head for Business,** Kennie Williamson

**Lewisham Council,** Arts Service, Brigid Howarth

**Lewisham Council,** Economic Development, Paul Hadfield

**London Youth Business Support Trust,** Adenike Malcolm

**South London Business,** Alena Harvey