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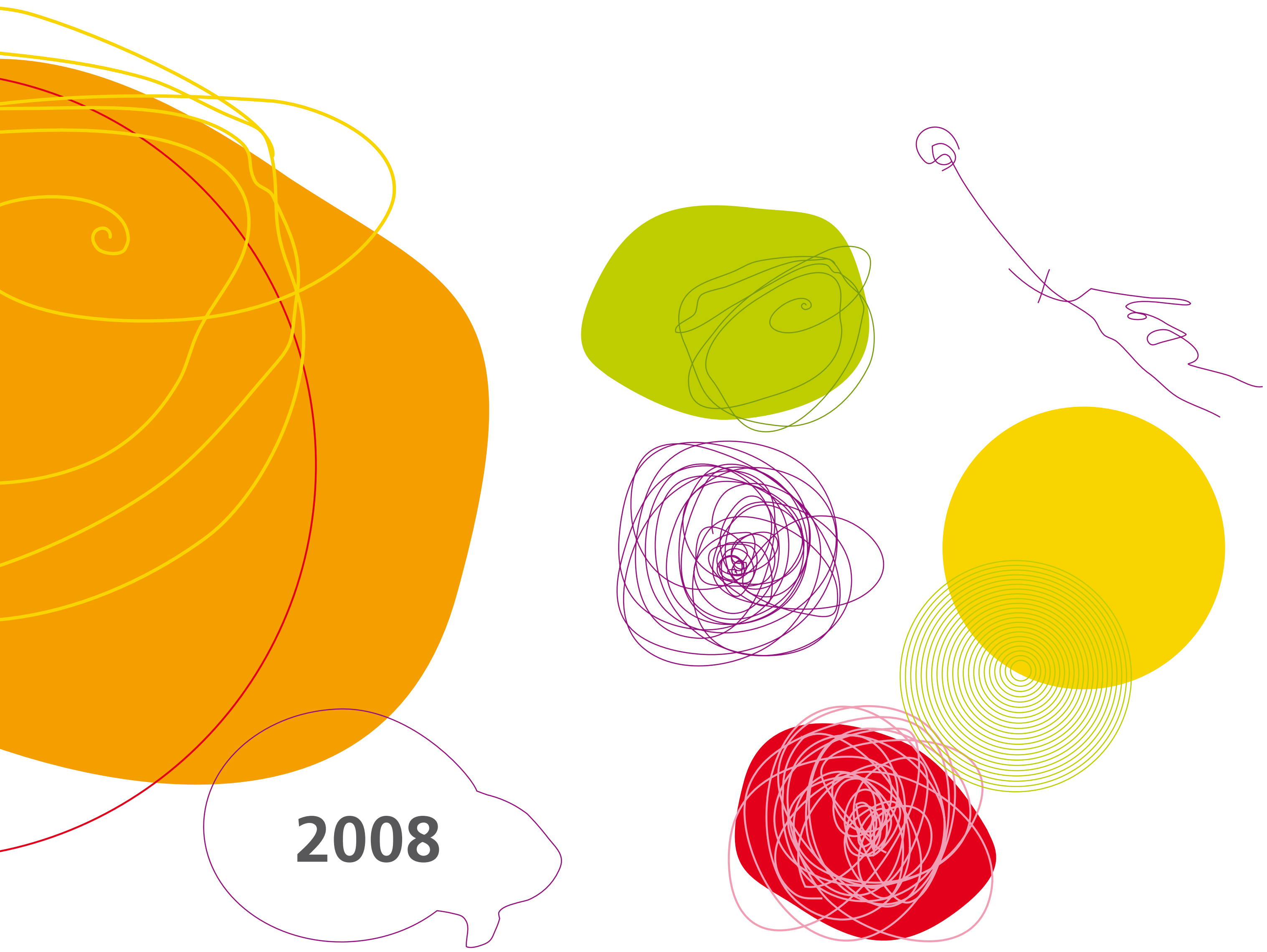

CREATIVE INDUSTRIES IN BERLIN

Development and Potential

2008

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Content

Vorwort

Berlin, nearly 20 years after reunification, is once again a respected and treasured location for the cultural and creative industries. In re-attaining this status, the city has tapped into its old strengths, some of which date back decades. At the same time, while preserving the special potentials it has engendered, in part due to the profound changes that have occurred since 1989, Berlin is poised to develop new qualities. Like other metropoles, Berlin is benefiting from the growing recognition of the economic importance of art and culture, fashion and media, communication and creativity.

Indeed, it is impossible to overlook the creative industries' strategic contribution to the innovative capability of commercial areas: where art and culture flourish, media and communications also thrive. Whether advertising, architecture, fashion and design studios or music, the creative industries feed off one another. The barriers between once separate fields are now often difficult to detect. Moving at the borders, forward-looking companies and exciting cultural projects are taking shape.

Culture and creativity are highly significant location and economic factors. The numbers of people working in this area is rising continually. Young and mostly highly qualified people from all over Europe and the world come to Berlin to embrace new perspectives and developments, enriching the city's creative potential with their ideas. Berlin relies on this stream of talent; however, the city in turn also cultivates many creative minds.

The following cultural industries report dispenses with the prejudice that culture is merely a "weak location factor", a cherry on the cake that is expendable if necessary. Culture is the basis for the development of the creative ideas that kindle all value creation and that literally provide the initial "content" for fascinating, new technological possibilities. To prosper creativity needs the city, the urban milieu. This creative industries report is the first to investigate how urban development influences the spatial unfolding of creative industries, and thereby how creative milieus reproduce themselves within the city.

Creativity needs the city – not the established and saturated city, but rather the city of niches and breaches, the dialogue of cultures, the excitement of change. Berlin affords all this, which is why it holds such fascination.

Klaus Wowereit

Mayor of Berlin

Ingeborg Junge-Reyer

Senator for
Urban Development

Harald Wolf

Senator for Economics,
Technology and Women's Issues

This report provides information on the creative industries in the federal state of Berlin and on their development since 2000. Current results of policies by the state agencies are presented, problems are analysed, best practices are illustrated and future areas of activity are specified.

In this regard, Berlin makes an important contribution to the discussion and on-going work in two European projects: CREATIVE METROPOLES and REDICT, two interregional networks funded by the European Commission.

CREATIVE METROPOLES – Public Policies and Instruments in Support of Creative Industries (INTERREG IVC) links together 11 large European cities. The core metropoles are the capitals of the Baltic nations, cities that for years have worked in close collaboration on various projects. This network is being expanded to include the cities of Amsterdam, Barcelona and Birmingham. The collective goal is the establishment of a well-functioning, focussed, flexible and efficient public support system for the creative industries in the participating cities in order to stimulate the growth and development of the creative sector.

REDICT – Regional economic development by ICT/New media clusters (FP7, Regions of Knowledge) brings together 18 partners from politics, research bodies, networks and enterprises in the six regions of Amsterdam, Berlin, Copenhagen, Dublin, Paris and Bucharest. The aim of the project is to improve the knowledge transfer and research & development activities in the field of new media in order to strengthen the innovation capacity and future competitiveness of the partnering cities.

Only since the fall of the Berlin Wall just 20 years ago can Berlin again assume the role that large cities typically play in international collaborations. The networking of Berlin with other urban and cross-regional commercial centres and the evolution of a decidedly international orientation require time. Both projects show that Berlin has since become an accepted partner in international and cross-regional cooperation.

CREATIVE METROPOLES and REDICT both address Berlin's strengths: the creative industries and digital technologies. The collaborative projects developed in Berlin by regional institutions and companies help to develop new solutions to economic and social challenges.

We are similar enough to learn from each other and we are different enough that it makes sense.

Ingrid Walther
Head of Division Communication,
Media, Creative Industries

1 Introduction

Cultural products such as concerts, books, exhibitions, newspapers, films, matches and art objects, all make up important components of people's everyday lives. As a rule, it is only somewhat relevant to the consumer whether these products are provided by a commercial enterprise, a community organisation or by a state-supported cultural service.

This report concerns itself with all culturally oriented industries and explores, as thoroughly as is possible, the entire value chain of creative efforts from production to distribution. Particular attention will be given to creators and artists. The cultural and creative industries are considered not only from the standpoint of economics, labour-market policy and cultural significance, but also from a social, infrastructural and urban development perspective.

The cultural and creative industries are distinguished by a high percentage of female employees. The present report examines in particular the standards of both gender mainstreaming and gender-equitable language. As far as is possible, this text will employ gender-neutral phrasing, dual-gender usage as well as combined-gender formulations (i.e. he/she). However, especially in chapters 2 and 3, the use of gender-equitable language might hinder the clarity and readability of the text. Therefore, when referring to personnel in these chapters, masculine- or combined-gender designations are predominantly used.

1.1 Terms and Terminology Policy

To date, there exists no authoritative definition at the European or international levels for the term "Kulturwirtschaft". The designation "kulturwirtschaft" is principally and commonly used in Germany while in the Anglo-American realm the term "creative industries" is used, for the purposes of reaching a broader cultural understanding.

In 2008, the Conference of Economic Ministers of the German Federal States incorporated official statistics to agree upon a nationally standardised and potentially Europe-wide acceptable definition of creative industries. If this term is adopted, German economic and employment statistics will become comparable for the first time. As agreed upon by the states and as applied in this report, the definition of the terms "cultural and creative industries" will correspond to the definition understood in the final report of the Committee of Enquiry "Culture in Germany" on December 11, 2007:

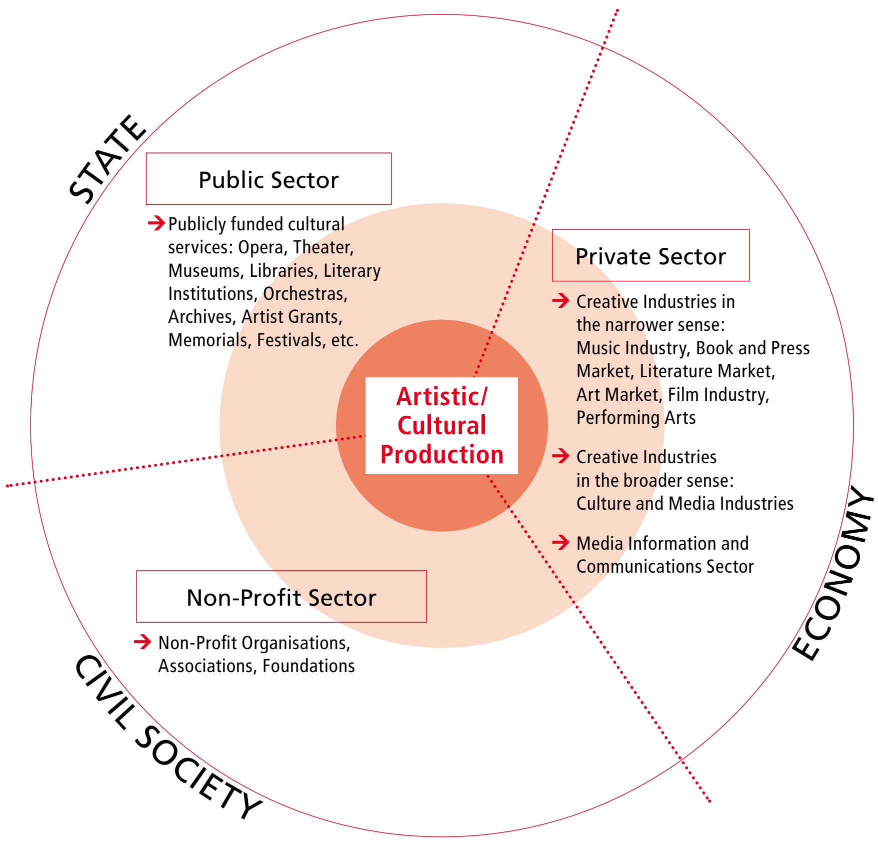
> *"The term Cultural Industries, or rather, Creative Industries, is generally and broadly applied to [...] those cultural or crea-tive enterprises ... that predominantly operate commercially and are concerned with the creation, production, distribution and/or medial circulation of cultural/creative goods and services."* (German Bundestag 2007:340 ff.).

This currently agreed-upon definition finds its source in a proposal by the Task Force for Cultural Statistics e.V. This model has since made its way into professional discourse and is compatible with the current definitions of other Euro-pean countries.

Included under the definition of „Cultural Industries" are the following core sectors: the music industry, the literary market, the art market, the film industry, radio, the performing arts, the design industry, architecture and the press. The term "Creative Industries" incorporates additional sub-segments that include the advertising industry, the software/gaming industry as well as a category denoted as "miscellaneous".

As a joint project of the Senate Department for Economics, Technology and Women's Issues and the Department of Culture, the cultural industries initiative adopts an integrated course of action. In appreciation of the initiative as well as of the commercial considerations of the cultural and creative industries, the cultural sector incorporates both publicly sup-ported cultural businesses and the sphere of non-profit, civic-oriented cultural projects. It places exchange- and value-creation relationships at the centre of its activities.

The three-sector model developed by Michael Söndermann (Task Force for Cultural Statistics e.V.) depicts the entire cultural sector as segments of a circle at whose centre stand the artists and cultural participants (Weckerle/Söndermann 2004).



Industries Milestones with Regard to Berlin	
1992	First Creative Industries Report in North Rhine-Westphalia. Since this time, there have been an entire series of state and municipal studies carried out.
2003	Appointment of the Ad hoc Consortium for Creative Industries at the Conference of Economic Ministers of the German Federal States.
2005	First Berlin Creative Industries Report
2005	German Bundestag resolution to reappoint the „Culture in Germany" enquiry commission by expanding the creative industries mandate.
2006	Berlin's admission into the UNESCO Network of Creative Cities.
2006	Creative Cities Conference, with the Department of Finance as host.
2007	Third Annual Cultural Industries Conference on the occasion Germany's presidency of the EU-Council.
2007	Final report of the „Culture in Germany" enquiry commission.
2007	"Cultural Industries Challenge" conference on the relationship between cultural politics and cultural industries in Berlin, Senate Chancellery - Cultural Issues as host.
2008	First Cultural Industries Forum of the German Federal Ministry of Economics and Technology as well as industry hearings.
2008	Agreement by the federal states on a standardised definition and classification of the term „creative industries" in the context of the Economic Ministers Conference.

Creative Industries Milestones with Regard to the EU	
1998	Draft of a document by the European Commission titled „Culture, Cultural Industries and Employment".[1]
1999	Conclusions on creative industries and employment in Europe by the council on December 17, 1999 (OJ. EU 2000/C8/07).
2001	Exploitation and Development of the Job Potenzial in the Cultural Sector in the Age of Digitalisation (MKW 2001)
2003	European Parliament resolution on cultural industries, September 4, 2003 (OJ. EU 2004/C 76 E: 459 ff.).
2006	Study: The Economy of Culture in Europe (KEA 2006).
2007	Conclusions by the council on the contribution of the cultural and creative industries to the realisation of the goals of the Lisbon Strategy, May 27, 2007 (Council doc. 9021/07).
2008	European Parliament resolution on cultural industries in Europe, April 10, 2008. (2007/2153(INI)).
2008	Formation of the Experts Task Force „Maximising the potential of cultural and creative industries, in particular that of SMEs".[2]

If one understands the paradigm in such a way that it enhances the exchange- and value-creation relationships between the spheres, the three-sector model assists in cross-departmental thinking and action. In this light, the model provides a good starting point for co-operation between the Berlin Departments of Culture and Finance. The two departments have found a common basis on which to develop and implement projects and initiatives for the cultural and creative industries.

The web communications and information platform for businesses and artists (www.creative-city-berlin.de) and the mu-seum portal, which combines e-commerce offers with qualitatively valuable information about all the Berlin museums, are examples of this cooperation. Formed at the end of 2007 under the umbrella of the initiative, the steering committee for the Communication, Media, Cultural Industries Cluster incorporates all branches of the creative industries and creates a virtual firewall between the various industries as well as between the more commercially- and culturally-oriented facets. The goal is to increase the intensity but also the quality of the exchange and cooperation between the sectors and spheres.

1.2. Creative Industries and Cultural Politics

1.2.1 Current Debates

In recent decades, public discourse on the creative industries has seen a broadening of the horizon. Only a few years ago, cultural policies, principally in Germany, targeted the primarily cultural spheres that have traditionally been supported through state grants. Although freelance or micro-enterprising creators and artists have always attracted the interest of cultural policy makers, only in recent years have this commercial dimension of cultural production and its creators been considered a responsibility of cultural policy.

1 Working paper of the Commission Department – SEK(1998)837 from 14.5.1998.

2 cf. OJ. EU 2007/C 287/01.

Important impetus for this expanded field of vision came from discussions on the cultural industry. These talks were promoted by the economic departments of several federal states – and by the Berlin economic senator – a movement that was also being played out in the European and international spheres. For a cultural policy debate that sets its sights on the interaction between a publicly supported cultural establishment and commercially employed cultural actors, Berlin, with its rich, public cultural life and its significance as a German location of creative industry, is an important culmination point.

Following the three-sector model, a key document for an integrative association with the culture sector is the "UNESCO-Convention on the Protection and Promotion of the Diversity of Cultural Expressions" that established the dual nature of cultural goods and services according to international law (BGBl. II, 6, from March 6, 2007:234 ff.). In article 4, the convention defines "cultural activities, goods and services" as follows: they are "bearers of identity, values and meaning" that are "independent of the commercial value that they potentially possess". This double character, as both merchandise and as a specific public commodity, was thus laid out. The convention was adopted by the UNESCO General Assembly in October 2005 and went into effect in March 2007. It is the first international document to recognise, as an aspect of international law, the existence of the creative industries and cultural policy/public cultural promotion as equal and com-plementary. Berlin policy will also be able to apply this legal instrument and must, for example, further develop estab-lished national structures of copyright application, but with cooperation at the European level.

As part of the global struggle to protect cultural diversity, the UNESCO initiative, begun in 2005, is also poised to estab-lish a worldwide Creative Cities Network. Berlin embraced this initiative and successfully applied that same year for rec-ognition as a "City of Design" and for membership in the network. Berlin's distinction as the first European metropolis makes newly visible the city's status as a power centre of creative industries. For the design industry, but also for the economic, cultural and urban development policy of the federal state of Berlin, a diverse set of opportunities for collaboration and exchange have emerged to prominence with the other cities in the network, including Buenos Aires, Barcelona, London, Toronto etc.

1.2.2 Cultural and Creative Industries as Engines of Growth

At the European level, the economic and cultural policy debate on the role of creative industries as a driving force of growth in Europe was given fresh impetus thanks to a study titled "The Economy of Culture in Europe", carried out by the KEA European Affairs Institute (KEA 2006)[3]. The European debate over the cultural and creative industries is linked to the European Union's renewed Lisbon Strategy. The stated goal of making the EU "the most competitive and dynamic knowledge-based economy in the world" can only be attained if it attends to all the fields of industry. Without discriminating between profit and non-profit sectors, the study emphasises the importance of culture and creativity, especially for the development of technological innovation potential. The study makes clear that the concept of innovation relates not only to technical breakthroughs, but that it also accounts for the core of all cultural occupations.

In the context of Germany's presidency of the EU Council in the first half of 2007, a representative of the League for Culture and Media acted on the conclusions endorsed by the EU council of ministers in their KEA study, which aimed its actionable recommendations at the EU and its member states.

3 The European Parliament in particular had repeatedly addressed the creative industries and the economic condition of the artist. However, no sustainable effect was achieved (cf. i.e. the resolution on the condition and role of the visual artist in the European Union from March 9, 1999 (OJ. EU C 175: 42 ff.) and the resolution on creative industries from September 4, 2003 (OJ. EU 2004/C 76 E: 459 ff.)).

The Berlin Department of Culture has supported this initiative and has complemented the German-supervised activities with many of its own proposals. The conclusions of the council on the contribution of the cultural and creative sectors to the realisation of the goals of the Lisbon Strategy (Council doc. 9021/07) were adopted on May 24-25, 2007. Among these conclusions, certain aspects found their place such as the deliberate inclusion of freelancers and the self-employed, the encouragement of training opportunities for this target group and the use of the EU Structural fund.

1.2.3 European Cultural Agenda: Culture as a Catalyst for Creativity

In its 2007 proposal for a "European agenda for culture in a globalizing world", the European Commission revisited the question of the cultural and creative industries' contribution to the Lisbon Strategy. As one of three target areas, the commission proposed the "promotion of culture as a catalyst for creativity". Under these terms, "capacity building" is to be funded through education and training, a creative partnership encouraged between the cultural sphere and other sectors (information and communication technologies, research, tourism, social partners etc.) and creativity in general promoted.

Berlin endorses the commission's intent to focus on the economic potential of culture and creativity. For this reason, Berlin has also welcomed the Council's adoption of a resolution for a European Agenda for Culture on November 16, 2007, under Portugal's presidency. Berlin will actively participate in the tasks with the strategic goal of the "promotion of culture as a catalyst for creativity". The "Work plan for Culture" (2008-2010), approved by the council on May 21, 2008, defines concrete work phases. To finalise proposals for a better "use of the potential held by the cultural and creative industries, especially the KMU", a European expert task-force was assembled in April 2008. On the task-force panel, Berlin's Department of Culture stands in as the representative for the federal German states.

The European parliament embraced the cultural industry-oriented portion of the European Agenda for Culture in a resolution adopted April 10, 2008, and has promoted specific measures to be discussed at the European level.[4]

1.2.4 Creative Industries – A Focus of the Enquiry Commission on Culture

In parallel to European developments, the German Bundestag has given significant impetus to fostering political interest in Germany's cultural and creative industries. The commission, newly appointed by a resolution on December 16, 2005, has an expanded mandate that also targets the creative industries in its explicit consideration of the social and economic conditions of the artist (German Bundestag 2007: 36 f.). The Berlin Senate also participated in the subsequent surveys and hearings. In mid-December 2007, the enquiry commission presented its findings and recommendations for the cultural and creative industries. The report makes clear that reservations concerning the conflict between creative industries and other parts of the cultural sector are losing their political significance. In the meantime, the federal government, states and communities have started considering the advice and proposals of the commission in their particular jurisdic-tions and in the context of regional affairs.

1.2.5 Berlin as a Driving Force

As a German cultural metropolis and an important centre of German cultural and creative industry, Berlin plays an impor-tant role as a driving force in the discussion of how the cultural and creative industries can be used more intensively in the development of cities and regions.

4 European Parliament resolution from April 10, 2008 on the „European agenda for culture in a globalising world" (2007/2211(INI).

Since the first Berlin report on the creative industries in 2005, the federal state has been politically engaged in this topic. For example, representatives of the federal state have taken over responsibility for the committees of the Conference of Education, Research and Cultural Affairs Ministers as well as for the Conference of Economic Ministers: Berlin is currently chairing the Task Force for Creative Industry of the Conference of Economic Ministers and is the rapporteur for creative industries on the culture commission of the Conference of Cultural Ministers.

In 2006, the federal state set new milestones with the UNESCO International Creative Cities Conference, in which crea-tive industry strategies were debated. More milestones were then created in 2007 at a conference called "The Challenge of Creative Industries – Cultural Policy Answers and Strategies", at which more than 40 participants contributed to a dis-cussion on the theme of creative industries from a cultural policy perspective.[5] An additional forum took place in 2007 at the Asia-Pacific Weeks in Berlin where an exchange with Asian countries was made possible concerning creative industries and location-specific strategies.[6] Through the cooperation of the capitals in the Baltic Sea region, the European "Creative Metropoles" project is currently under development.[7]

1.3 The Complexity of an Enabling Industry

In creative industry services, there can be a wide array of rationales of control. At the forefront of these, there is the am-bition to create cultural value and to contribute to cultural diversity. However, it can also be about predominantly making money through achievements in creative industries. Usually, there are a variety of motives that co-exist. Creative industry services exhibit a varying degree of organisational and financial structures, depending on the goals deemed most important. In the following chapter, several factors and challenges will be described to make clear that political and entrepre-neurial dealings in the creative industries exhibit a high degree of complexity requirements.

There is an extreme variation in size among creative industry services – the individual artist is as important to the sector as a publisher or television station that has a significant presence in the international market. Small enterprises as well as mid-sized and globally active companies need to take a variety of political courses of action in regard to cultural policy, financial support and regional economic policy. The majority of companies in all creative-industry market sectors are small or micro-enterprises in which one or two people are employed, including the „employer". These micro-enterprises account for around 75 percent of the total number of companies in the creative industry (Sondermann 2007). Statistics also show the following: whereas, for example, the German automobile industry contains 4,000 companies with an aver-age of 130 employees each, in 2006 there were around 23,000 companies in Berlin employing an average of no more than 7 people.[8]

Due to this increase in one-person companies and in self-employment, a trend that has been particularly strong in Berlin[9], the number of market participants has grown sharply in recent years, presenting an enormous challenge for those promoting economic development, such as consultants and networkers.

5 cf. www.kulturprojekte-berlin.de/fileadmin/user_upload/projekte/kulturpolitische-tagung/KultTagungDoku_DRUCK_01.pdf as well as the commentary of Dieter Rossmeissl (2007).

6 cf. The Asia-Pacific Weeks website at www.berlin.de/apforum/apw.

7 Berlin, Helsinki, Riga, Oslo, Barcelona and Warsaw etc. belong to this network.

8 Because statistics reflect only those business with an annual revenue of more than 17,500 euros, the num-ber of micro-entrepreneurs is most likely significantly higher than is presented here.

9 compare with details from chapter 3

New contracts or the expansion of operations often do not lead to the hiring of additional employees. Instead, this sort of growth is managed through cooperation with other companies. And although the number of employees liable for social insurance increased in Berlin between 2006 and 2007 by 5.3 percent (4,106 jobs), it must be clearly stated that an as-sessment of nationwide development trends shows that the cultural and creative industries are not going to be a driving force for the creation of "traditional" jobs.

New projects and contracts are often handled within a more-or-less loose network of small enterprises. For this reason, formal and informal networks have gained in importance. These networks must not be administered; above all, they rely on trust and the mutual recognition of competence. The particular strength of the small business is the ability to accom-modate cultural and technological trends and to react quickly and flexibly to them in the marketplace. Because a modest company size is frequently accompanied by modest financial resources, the lifespan of such a company is often shorter than in other industries.

The heterogeneous and small-scale nature of the industry hinders it from identifying, formulating and outwardly supporting common interests among companies in the creative services. In certain respects, the artistically-minded freelancer, whether a painter or an actress, will not perceive himself/herself as part of the creative industries. Accordingly, many members of the creative industry cannot find any organisations of mutual interest nor any assertive lobbies.

As a whole, the creative industry is a growth field. In addition to strong, growth-oriented sectors, there are also those sub-segments that are economically stagnating or that struggle to stay afloat because of changes in marketplace demands. Advancing digitalisation as well as new information and communications technologies, not to mention changes in recreational behaviour, are influencing companies in the cultural and creative industries. This requires a sophisticated policy readjustment to deal with the particularities of each market sector. At the same time, however, there are many problem scenarios for micro-entrepreneurs and small businesses that are similar across sectors:

- The reluctance of banks to lend money, especially small-scale loans
- Bureaucratic formalities, especially burdensome for micro-enterprises
- Considering the tight personal resources of small companies, a lack of funds to develop new outlet markets.

The complexity of cultural and economic policy challenges is significant, for example, in the music industry. Due to the increasing digitalisation of production and marketing, the music market as a whole is set to undergo an extensive transformation. Tied to this development are questions such as whether and where public resources should be applied to adjust the market and in which circumstance a shrinking number of offerings should be accepted as a natural market adjustment. The highly dynamic nature of the creative industries markets also means that political measures must be consistently scrutinised and adjusted.

1.4 Education and Training in the Creative Professions

1.4.1 Berlin Infrastructure

Creative professions are particularly subject to the influence of the accelerated development of information technology. Such changes apply immediately to those individuals involved in photography and web design, while those with jobs in the fashion industry, for example, are also affected, since the process of cutting fabric is often carried out today with the aid of computers.

It is impossible, in general, to overlook the fact that the implicit requirements have shifted and that practical knowledge expires quikkly as a result of permanent developments in software as well as in communications and networking technology. In light of the narrow timeframe of practical relevance, educational courses for creative professions must be able to integrate these developments into the curricula in timely fashion. Although the level of qualification and training of the professionals in the cultural sector is significantly higher than in other sectors, the need for further training is ongoing (Bundestag 2007: 339).

Berlin possesses an excellent network of publicly supported educational and training institutions for the creative professions, including four internationally renowned art schools, universities, technical colleges as well as 36 vocational schools that offer training in the creative professions. In addition, it hosts a wide spectrum of private training institutions, especially in the fields of music, design and the performing arts. These include, among others, the Berlin branch of ES-MOD, the ETAGE – school for performing arts e. V. an institute for artistry, acting, acrobatics and dance, and the DEKRA media academy. Taken together, these educational institutions cement Berlin's place as a centre of attraction for all young creative individuals in Germany.

Berlin's appeal also finds expression in various start-up institutions such as the BTK Academy of Design, founded in 2006 as a private, state-recognised vocational academy, and the BEST-Sabel vocational school – the cultural and creative industry location in Berlin is popular for its private educational-training providers.

Exemplary in their practical approach are the centres that have been established as centres in collaboration with various universities. One such centre is the Cooperative Jazz Centre in Berlin, JIB for short (see below), founded in 2005 through the collaborative efforts of the Hanns Eisler College of Music and the University of the Arts; it provides practical training for musical performers.

The State Ballet School of Berlin and the Berlin School for Acrobatic Arts have engaged in groundbreaking collaboration with the Ernst Busch School of Performing Arts, enabling students to train as stage performers while also receiving a general bachelor's degree.[10]

The explicit shortening of the educational period makes students internationally competitive, while the expertise and the resources of the participating institutions are put to optimal use. The Cooperative Dance Education Centre, created in 2006 at the initiative of the Senate departments responsible for culture and the universities, a collaboration of the Berlin University of the Arts and the Ernst Busch School of Performing Arts, likewise succeeds in integrating systematically education and vocation.[11] This conceptual approach and form of institutional anchoring are exemplary in Germany, which is why the endeavour is recognised as a model project nationwide. The cooperative centre is financially supported by the federal state of Berlin, the Foundation for Cultural Training and Consultation as well as by Tanzplan Deutschland, an initiative of the German Federal Cultural Foundation.

10 cf. www.ballettschule-berlin.de/
11 cf. www.udk-berlin.de/sites/tanz/content/zentrum/index_ger.html.

The above-mentioned basic education courses are good examples of practical cooperative courses of study. In light of the large number of students at the artistic universities, which often accommodate self-employment after studying, seminars on starting up one's own business are regularly offered as courses at all of the artistic universities.

Jazz Institute Berlin

The Jazz Institute Berlin (JIB)[12] emerged in 2005 through a fusion of the jazz departments of the Berlin University of the Arts and the Hanns Eisler College of Music. This bundling of capacities has enhanced the institution's drawing power on the international creative scene. The JIB strives to assist each student to find his or her own artistic identity through identification as a professional jazz musician. The JIB provides individual free spaces that allow for a brisk exchange of attitudes and ideas. In addition to essential musical knowledge of a most diverse cross-cultural variety, effective international networking above all offers students important professional points of contact. Not only do both universities gain from the Jazz Institute Berlin, but the Jazz scene and, of course, the music industry profit, too. In the winter semester, the JIB moves into its own house on Einsteinufer, which was renovated thanks to assistance from the European Union, among others. Its centrepiece is a concert hall that seats 300 guests. There is also a professional sound studio with excellent acoustics, rehearsal rooms and a café.

1.4.2 Skilled Professions in the Creative Industries

With regard to creative industries, little attention has yet to be given to the significance of operative training for the crea-tive industries sector.

Youths find jobs in media and the IT-industry attractive; but there are too few apprenticeships to meet this growing interest. Young people often only have a vague idea of what such a job would entail and regularly underestimate the highly technical aspect of professions in these industries.

The fragmentation of the creative industries, as has already been described, does make it difficult to find personable, professional and pedagogically appropriate trainers. Additionally, because each enterprise embodies a rather high degree of specialisation, only a portion of the entire knowledge and skills sets required by the state's vocational training regulations tends to be imparted. The pace of change involved in these types of modern business operations makes it difficult for such companies to guarantee the maintenance of high-quality training over the entire course of three years, as is prescribed by vocational programme regulation. Industry-wide vocational training programmes that offer a rotation plan for the trainees can be a good alternative. However, this idea is not widely disseminated in the creative industries and is not widely practiced. The training partnership model makes it easier for businesses still lacking vocational training experience to get involved. It also lowers the initial financial investment required by sharing the costs amongst the partner organisations. The Berlin Chamber of Commerce and Industry (Industrie und Handelskammer Berlin) supports businesses throughout the process of developing training partnerships. The communication of „best-practices" examples by political entities and professional organisations could help to mobilize the collective development of more such vocational training partnerships.

The College of Further Education for Communication, Information, and Media Technology (Oberstufenzentrum Kommunikations-, Informations- und Medientechnik (OSZ KIM).[13]) is exemplary in terms of its vocational training of future cultural-economy protagonists. In the area of parallel training, over the last few

12 cf. www.jazz-institut-berlin.de
13 cf. www.oszkim.de/home/

years the OSZ KIM has developed into a competence centre for the media arts professions. It currently offers 1,150 positions, 630 of which are for vocational training only and the rest are for the completion of A-levels. The quality of the training stems from the close cooperation developed between the centre and companies in the media branch and radio and television, among others. This guarantees trainees access to the most up-to-date practices and technologies. This practical orientation is supplemented by collaborations with partner-schools in other European countries, allowing trainees to become acquainted with occupational and working environment in other countries. Additionally, collective E-learning platforms allow trainees to practice new communication forms and modern learning formats. Besides receiving a theoretical grounding during their basic training, trainees also acquire decision-making competencies and knowledge of primary labour market demands. The OSZ KIM has its own events hall and studio complex. The excellent technical accoutrements of these facilities provide trainees with the chance to get hands-on experimental learning and to practice performing their future professional tasks.

1.4.3 The Changing Demands on Freelancers

As far as the content of these professional specialisations is concerned, there is an additional aspect of change occurring. The labour market is experiencing a structural transformation and demands an increased ability to perform self-marketing. The career centres (see below) that have sprung up in recent years offer a good selection of services for the students and recent graduates of universities for applied arts. There is an increased need to keep expert knowledge up-to-date, especially for freelancers involved in creative professions. The experienced, older, self-taught, and lateral en-trants active in these professions are not the target audience for the career centres, however. There are special offerings for individual groups, like the courses offered through the continuing education branch of the Occupational Union of Visual Artists (Berufsverbands Bildender Künstler (BBK)), which uses public support to disseminate information about the latest developments in technology and IT. The training centre supports artists who want to reenter the market after a lengthy professional break. The offerings for freelancers who would like to educate themselves further are indeed di-verse. However, few of these offerings are truly tailored to meet the specific needs of this target audience. Such trainings are generally quite expensive, which can be a prohibitive factor for many creative professionals. The training market is not always transparent for those seeking further education. There is need for improvement in this area. The situation is similar as regards insufficient offerings for further education when it comes to the identification and implementation of potential exploits in the cultural economy sector. It is important to strengthen the relevant stakeholders in these ways, as it is an important prerequisite for successful self-employment.

Career & Transfer Service Center of UdK Berlin (Berlin University of the Arts)

The Career & Transfer Center (CTC)[14], built in 2001, is the first career centre developed for a German college for the arts. It provides information and counselling to students and recent graduates of the Berlin University of the Arts (Universität der Künste Berlin (UdK)), the Berlin-Weißensee College of Art (Kunsthochschule Berlin-Weißensee), the Hanns Eisler College of Music (Hochschule für Musik "Hanns Eisler"), and the Ernst Busch School of Performing Arts (Hochschule für Schauspielkunst "Ernst Busch"). Students may receive counsel regarding their future job market future prospects and the path towards self-employment. The CTC also works to expand the professional competencies acquired during the student's studies to include personal, social and methodological competencies.

All of the CTC offerings are developed with the awareness that there has been a change in the circumstances of career and income for artists. Since the CTC's founding, more than 4,000 artists have participated in over 380 workshops covering the areas of marketing, financing and public support, skills portfolios, patent and trademark law, social security for professional arts and crafts workers (KSK), taxes, contracts and negotiations, presentation techniques, and so forth. The CTC offerings are co-financed with contributions from the European Social Fund (ESF).

14 Vgl. www.careercenter.udk-berlin.de

1.5 Internationality

The role of internationality becoming increasingly important when it comes to the strategic positioning of cities. Accordingly, many large European cities have had to grapple with such issues.

Berlin's position can be summarized as follows:

– Berlin seeks interaction with other metropolises and to work closely with its partner cities.
– Berlin is part of the Baltic region, which is considered particularly dynamic, and it participates in European projects.
– Berlin uses its reputation as a creative city and cultural metropolis when presenting its economic landscape internationally.

Berlin is viewed nationally and internationally as a top-class creative city and cultural metropolis. Berlin has a magnetic and inspiring effect on artists and creative people from all over the world. In this way, the cultural offerings of the city can grow and this makes Berlin increasingly interesting and multi-faceted.

According to a poll taken by the Hubculture website, Berlin is situated at the top of the ranking list of Zeitgeist-metropolises amongst the influential creatives worldwide. Globally, the city came second just behind Los Angeles in 2007 and again in 2008, making it Europe's number one city for creativity. The Zeitgeist ranking measures innovation, vicissitude, and magnetism. Berlin's winning position is founded on its cultural power and its role as the "Chieftess of the Underground". According to the authors of the website, the city's attractiveness for young people and the city's relationship with the revitalised East are having a positive effect.

An international, tolerant, and intercultural environment has evolved in Berlin, offering excellent conditions for creative and artistic work. Diverse cultures, mentalities, and lifestyles are distinct features of this city. The magnetism that attracts foreign artists to Berlin is largely based upon this internationality, as well as on its relatively low cost of living. The fact that 300 Danish artists live and work either permanently or semi-permanently in Berlin is often used as an example to demonstrate the case in point.

Study: "Berlin. Locations of Internationality"

The „Berlin, Locations of Internationality"[15] study, which was conducted for the Senate Department for Urban Development, provides an overview of the spatial allocation of facilities that have relevance for Berlin's international status. Of the close to 1,500 international venues, which include embassies, museums, cultural institutes, hotels, event halls, and so forth, ninety percent are located within the S-Bahnring (Berlin's Circle Line). The largest concentration and mixture of widely diverse internationality is found to be concentrated in the historical heart of the city between Alexanderplatz and Gendarmenmarkt. The City-West is another one of Berlin's areas where a large number of international venues are concentrated.

15 cf. www.stadtentwicklung.berlin.de/planen/basisdaten_stadtentwicklung/internationalitaet/index.shtml

This cultural diversity is a characteristic that makes Berlin unique and is also an elemental part of internally and externally aimed cultural and creative economic strategies. Migrants, transient foreign artists and even tourists, all work to create a network connecting Berlin to the wider world. Instruments that utilize and maintain this network must be developed to ensure the future of Berlin's economy and its further development as a cultural capital.

The innovative power of these groups might possibly be an even stronger element in positioning Berlin as a creative capital in a sustainable way than large, image-enhancing events.

Museums, theatres, exhibitions, concerts, musicals, and festivals are tourist attractions which draw more and more visitors to Berlin year after year. A poll conducted by the foreign-based offices of the German Tourism Board (Deutsche Zentrale für Tourismus) showed that Berlin is acknowledged as a cultural capital worldwide. Cultural themes are major elements involved in Berlin's own branding of itself. Berlin continues to develop the existing cultural-touristic offerings. Berlin's Museumsinsel (Museum Island), which is a World Heritage Site, is being restored to enhance the more than 175 high-quality museums and collections, 125 of which are the city's most significant, drawing over 12 million visitors in 2007. The image of Berlin as a cultural capital can be additionally strengthened by way of selectively marketing its attractions. This is shown by examples such as the "MoMa in Berlin" (2004) and the successful N.Y. Metropolitan's exhibition of French masters in Berlin known as "Die schönsten Franzosen kommen aus New York" (2007).
Fenster

Creative Industry as a Political Field since 2004

1.6.1 The Signal Effect of Berlin's first Creative Industries Report

The Creative Industries Initiative as well as Berlin's first Creative Industries Report of 2004 both had the expected and desired signal effect. Networks and protagonists in the creative industries have since noticed that they are receiving increased attention from the political establishment and have been using it to boost their activities. The Senate Chancellery for cultural affairs, the ministry of commerce and other business development institutions are all working closely together as part of the Creative Industries Initiative. The Investitionsbank Berlin has increased its commitment to financing this economic branch. The Berlin Partner GmbH has intensified its efforts in supporting businesses in the creative industries branch to set up shop in Berlin and in encouraging the development of new markets. The Kulturprojekte Berlin GmbH champions marketing efforts for cultural and creative ventures in Berlin by way of developing gateways and by offering various services tailored to Berlin's cultural and creative industries.

The Berlin Board, initiated by the current Mayor of Berlin, Klaus Wowereit, consists of twelve prominent figures from the sectors of business, science, urban development, and cultural life. The board develops ideas concerning the strategic development and positioning of Berlin and wants to focus on four areas, one of which is the topic of Berlin as a "creative capital". The goal is to consolidate Berlin's position as an international centre for protagonists from all areas of the creative branch.

1.6.2 The "Communication, Media, Creative Industries" Cluster

The cultural and creative industries also play a role in the "cluster" strategy of the Berlin senate. The term "cluster" stands for a tight network of producers, suppliers, educational institutions, and research organisations all along the chain of value creation. Putting this regional network idea into practice in Berlin has, in a few short years, shown it to be a successful model. This can be seen in the growth figures for the cultural and creative industries. A well-defined cluster strategy, in which all the stockholders work together, is very helpful when it comes to regionally competing for business.

The "Communication, Media, and Creative Industries" cluster, along with the health care management industry and the "Transportation and Mobility" cluster, all make up important elements of Berlin's innovation strategy. This cluster receives its technological and scientific know-how from Berlin's information/communication/media technology field of competence. This field has been advanced over the past five years as part of Berlin's coherent innovation strategy, led by the regional initiative known as Projekt Zukunft (Project Future).

In November 2007, Berlin appointed an interdepartmental and cross-sectoral steering committee for the entire "Communication, Media, and Creative Industries" cluster. The steering committee has made developing and strengthening the cluster in the entire capital city region their goal. The steering committee is led by the minister for economics, technology, and women's issues. The membership consists of the political directors of relevant ministry offices and protagonists out of the creative branches, with all bringing their particular competencies into the committee in order to further the development of the cluster.

The steering committee concerns itself with all of the various themes which are relevant to Berlin's creative economy. This includes the freelance creatives as well as the arteries for publicly-supported cultural affairs. It develops recommendations for the work of the Berlin senate and affiliated institutions. It also supports the activities of non-governmental domains as much as possible as well.

The interdisciplinary composition of the steering committee facilitates its abilities to link the various branches with one another and to encourage closer cooperation. The steering committee has a hand in helping all the relevant stockholders to participate in the development of strategies, in the development of binding agreements amongst the various agencies, and in the compilation of branch specific implementation plans. The goal of the steering committee's work is the development of a coherent political strategy that supports the creative economy. The board meets approximately four times a year. Thus far, action plans for the art market and the publishing industry have been developed, as have suggestions regarding a comprehensive qualification strategy for the entire creative industries branch. The steering committee is supported in its work by the Chamber of Commerce's Creative Industries Commission (Ausschuss Creative Industries der IHK).

1.6.3 New Initiatives for Qualification and Further Education

In light of the developments in the branch, the need for additional business and legal qualifications among those working in the cultural and creative industries, especially among authors and originators of creative works, is undisputed.[16] Berlin recognized this need at an early stage. Using funds provided by the European Fund for Regional Development (EFRE) the Career & Transfer Center for Berlin's art colleges (see section 1.4) was developed at Berlin University of the Arts, whose offering is widely held to be exemplary.

Appropriate training offerings for older artists and for those who have migrated to Berlin (for whom a need exists) are not yet sufficient. The Senate Chancellery has therefore proposed that within the framework of the comprehensive strategy for more growth and employment during the structural-funds funding period of 2007-2013 to support training projects with proportionate funding from the European Social Fund (ESF). Since the formal framework for the public support was put into place in spring 2008, non-profit agencies, private training institutes, and public universities can apply for fifty percent funding of their training offerings. The funding programme is known as the "Creative Industries Qualifications Initiative" (KuWiQ, which is short for "Qualifizierung Kulturwirtschaft"), and demand for it has already proven to be quite high.

Training involves more than simply organising appropriate courses and seminars, however. Infrastructure is needed, as are instruments for self-help in the area of trans-disciplinary continuing education, considering the trend towards independent learning. For these very reasons, a programme called „Qualification Capacities in the Creative Industries" (QiK) has been developed. It provides up to 50 percent of the costs for such undertakings using the European Fund for Regional Development contributions. The initial challenge – to lay the formal foundations – was accomplished in early August 2008.

The Central Institute for Further Education (Zentralinstitut für Weiterbildung), founded in 2007 at Berlin University of the Arts (UdK), concentrates the continuing education offerings of the UdK, as well as select offerings of the Berlin-Weißensee College of Art, the Hanns Eisler College of Music, and the Ernst Busch College of Theatre and Acting. The institute is currently conducting a systematic appraisal of the continuing education demands in the creative industries sector as mandated by the Senate Department for Economics, Technology, and Women's Issues.

The Senate believes that the improvement and diversification of trans-disciplinary qualification offerings in Berlin based on appropriate infrastructures will help creative professionals within and beyond the boundaries of Berlin to find successful access to markets. In fact, this expanded range of offerings will also function as an additional incentive for creative professionals to relocate to Berlin or, as the case may be, for them to remain here after completing their training, thus consolidating Berlin's creative milieu.

1.6.4 Marketing between Public Cultural Domain and Creative Industries

Various recent initiatives have shown that the potential for developing new offerings and the possibilities for marketing, sales, and distribution in the areas of culture and creativity are far from utilized. This has been shown to be the case with such examples as the development of a Berlin Museum portal (www.museumsportal-berlin.de), the expansion of the Literature portal (www.literaturport.de) during the Literary Colloquium (LCB) – both of which were funded by the Projekt Zukunft initiative – and the TIM/EMIKA project of the Jewish Museum. Berlin can extract a great deal more potential from the assets to be found in areas related to its cultural inheritance, its history, and the visual and performing arts. These things enhance Berlin's attractiveness.

16 This demand has since been recognised on the European level as well: cf. Point B the conclusions drawn by the counsel in relationship to the contributions of the cultural and creative sectors to the realisation of the Lisbon-Strategy (24/25 May 2007) (Ratsdok 9021/07).

1.6.5 Expanding the Portfolio for Economic Development

Since 2005, businesses, networks, and institutions involved in the cultural and creative industries have been supported by the State of Berlin through countless infrastructure measures as well as the expansion of its funding portfolio. This includes the co-financing of networks, coaching services, and capital financing equity for businesses in the creative industries branch.

In the last few years alone, almost fifty percent of Berlin's economic subsidies (this includes, among others, commercial investment subsidies and loan programmes of the Investment Bank) have been awarded to companies involved in the Cluster sectors. According to estimates from the Economic Administration Office and the Investment Bank, however, there is still a lack of financing available for businesses in the creative branch.

This is why the Senate agreed, in November 2007, to approve the plan drawn up by the Economic Administration Office to expand the funding program offered by the Berlin Investment Bank (IBB) for the creative industries branch. The goal is to improve funding management so as to be in a better position to address the complexities inherent in this branch. The new IBB micro-credit programme has been designed with the particular needs of smaller businesses in mind, which generally require smaller amounts of financing. The application process for amounts under 10,000 Euros has been made considerably easier. The loan-request processing time has also been reduced. The need to provide securities for financing requests of up to 25,000 Euros has been waived. The Programme for interim financing has been opened up to other sectors of the creative industries branch. Loans which can be used for pre-financing are being distributed so that small businesses will not become financially overburdened by large volume contracts. A risk-capital fund, the only one of its kind in Germany, was created especially for young creative businesses with high-growth potential. All of these financing instruments have been well received by the entire creative industries branch.

The Berlin Chamber of Commerce's Creative Industries Commission (Ausschuss Creative Industries der IHK Berlin) conducted an international comparative assessment of these types of economic development programmes and came to the conclusion that Berlin is competing quite well, through the use of consulting, shareholding, and monetary support.

1.6.6 Presentations and Collective Trade-Fair Stands

Local and international presentations and collective trade-fair stands have turned out to be very successful activities for the furtherance of the creative industries. By doing this, these businesses, which tend to be rather small, can enhance their domestic and international profile collectively access clientele. Simultaneously, these collective appearances enhance Berlin's image as a creative city. One example for this kind of an event that was especially successful was when a group of designers visited New York City in 2007, accompanied by the Mayor of Berlin, and exhibited their work in the Museum of Modern Art. The same can be said of the joint trade-fair stand of Berliner galleries at the Korea International Art Fair (KIAF) in Seoul the very same year.

1.6.7 Orientation and Networking Help

The large number of artists who have moved to Berlin, the intense dynamic of entrepreneurship in the cultural and creative industries branch, and the large amount of attention that Berlin is getting as a creative capital both domestically and internationally require that great amounts of effort be invested in order to assure that transparent information are available about this location and what it has to offer. For these reasons, the Senate Chancellery for Cultural Affairs and the Economic Administration Office have worked together with the Kulturprojekte GmbH in order to develop the www.Creative.City.Berlin.de website. The internet portal contains all of the information that is important for artists and businesses which are considering relocating to Berlin. The website is in both German and English and also doubles as a community portal and networking platform for the various branches.

The linking together of businesses, science, government, alliances, and interest groups is important in order to encourage collective activity of the mostly small businesses. It is also instrumental in enhancing the relationships with important political entities. Whereas the film and advertisement industries are well connected with one another, the other sectors of the creative industries branch have yet to achieve this level of integration. However, in Berlin networks of all shapes and sizes can be found for most all sectors and subject areas. Occasionally, there is even competition for public attention and funding amongst these networks.

All of these networks are being integrated into the overall strategic development and implementation of the creative industries initiatives.

1.6.8 City-Forum Berlin 2020: Talents, Technology, Tolerance

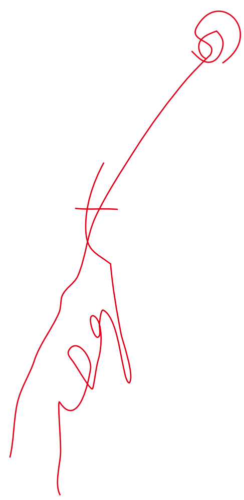
The Senate Department for Urban Development's event in February 2006[17] was looking for answers to questions such as: how can economic growth emerge from potentials, creative circles, and technologies? How can Berlin compete successfully for (young) bearers of ideas and innovations, and for international know-how? What can the political institutions do, especially the urban development authorities, in order to lay the foundations necessary for the future?

Some selected results of the city forums include:

- Innovative and creative businesses prefer locations in the city centre; as far as location is concerned, mixed, colourful, and lively inner-city districts are the focus of these businesses
- The creative classes assume the roles of the motors and pioneers in the development of urban locations; other protagonists are usually soon to follow.
- The creative classes/businesses are not the panacea for economic and social transformation processes; the creative classes cannot serve as a universal „lift" for all others.
- The spatial patterns found in the „European City" must be redesigned to better suit the needs for new working and living environments (i.e. the removal of temporal-spatial barriers between work, living, and leisure, etc.). This will be one of the future tasks for urban development.

1.6.9 City-Quarter Management and Urban-District Culture

Within the framework of city-quarter management[18], social-cultural projects play a role in the development of identity. Local artists are often supported by such projects, for example, because temporary-use buildings and spaces often become available for their use within the scope of such projects.



17 cf. www.stadtentwicklung.berlin.de/planen/forum2020/de/inter_wettbewerb.php

18 cf. www.stadtentwicklung.berlin.de/wohnen/quartiersmanagement/ and www.quartiersmanagement-berlin.de/

1.7 Creative Industries as a Challenge for Public Policy

Economic Policy

Berlin is a fantastic location for all the creative branches. One deficit, however, is the lack of well-developed structures for production and the delivery of services in some of the creative sectors, for example, the design and fashion branches. This connexion to the production sectors can often only be made through networks and cooperative relationships with surrounding regions or other domestic and international locations.

The weak domestic demand in some branches hinders the commercial use of creative ideas and forces businesses and culture-creators to find their markets beyond the boundaries of Berlin. The relatively sparsely populated regions surrounding Berlin are unable to supply much in the way of purchasing power. The sectors of art, architecture, fashion, theatre, and dance have all been able to position themselves internationally in recent years. Berlin finds itself confronted with the challenge of turning its gift as a talent factory, as a centre of creativity, into more productivity and growth. The goals must be to develop the current strength of this branch into economic effectiveness on the regional level and to secure an increase in the domestic demand for these creative industries.

A close-knit interweaving of the creative industries with the publicly funded cultural arena and the classical business economy is what is needed for its long-term financial success and development. It must be the right combination of creative core areas with production and delivery of services in related branches linked to the business sectors which demand creative solutions as customers and clients.
The economic policy makers face the following challenges: the drastic increase in small and micro enterprises within this sector has resulted in upheavals and relocations. Start-up entrepreneurs must be sufficiently assisted. The growing businesses with the most promise in job creation and economic innovation must be identified and expressly supported.

Cultural Politics

The core of the creative industries and the source of the value creation process consist of the artists and creative protagonists. As described above, they quite often tend to work in a freelance fashion as micro-enterprises or, in the case of other firms, with a mix between self-employment and part-time employment. They compose a specific „creative scene"[19] as well as a multitude of non-specific, artistic-cultural milieus of the city. Their existence is entirely constructive for the creative industry and their presence and agility is considerably attractive for further protagonists and stakeholders, both domestically and internationally.

Protagonists in the creative scene tend to possess little in the way of financial capital and as freelancers they also tend not to be able to award themselves large entrepreneurial profits. Weckerle, et. al (2008, pg. 33) write, „A symbolic amount of capital and the quite low levels of entrepreneurial profits are what allow them to move forward with such thin layers of equity. This lack of equity can be counterbalanced by way of supportive public financing programmes (capillary trade relationships between the three sector models: Work grants, transportation and upkeep expenses, grants and scholarships, commissions, creative residencies, special orders, catalogues, studios, infrastructure, training, and consultation, etc.)".

The creative industries are an important arena for Berlin's cultural policy. It has at all times, along with the art community, supported the innovative source and essence of

19 cf. the introduction of the term "creative scene" as far as a mode of protagonism is concerned in Weckerle et al. 2008.

the creative industries' abilities to pursue value-adding endeavours. Whereas questions regarding improved economic exploitation – which could lead to a long-term improvement of the social and financial situation for many artists – had received little attention, the measure of artistic excellence was the sole guideline adhered to by public funding programmes for many years. The importance of the role which artists and other creative protagonists play makes it necessary for cultural policies to adopt developmental strategies and experiment with some creative industry standpoints. The questions to be asked are: how can sustainable growth and an improved access to the marketplace for Berlin's stockholders be achieved by way of including the needs of the creative industries in the public cultural promotion strategies; and how can Berlin's creatives gain improved access to support?

Simultaneously, the publicly supported cultural infrastructures remain an important foundation for Berlin's creative industries. The public funding and support guarantees a large number of employment opportunities; not only by way of directly employing artists and creatives, but also through the indirect contracting of freelance artists and small businesses. The existence of event halls, museums, libraries, exhibition halls, festivals, and cultural events provides a basis for the employment of a multitude of the creative industries' members. In addition, they also play an important role in the city's image, on which a portion of the economic prosperity potential for the creative industries is based, not to mention in furthering increases in demand for cultural offerings.

Urban Development

The task of the still relatively "young" field of urban development is to explore the impact of local (built/spatial) conditions in terms of the cultural and creative industries concerned, and to then arrive at conclusions and to develop appropriate courses of action so as to support the businesses of the creative sector in their successful growth and development.

The local conditions for the creative economy are influenced by the city's urban developmental policies. The major factors influencing what makes Berlin attractive for the creative industries are its positive image, the high quality of life available here, and an excellent price-performance ratio, otherwise known as the low cost of living expenses.

A central goal of urban developmental intervention is to increase the attractiveness of the inner city, with its dense, diverse, and lively quarters. In this way, urban development clearly supports the businesses of the creative economy, which most definitely prefer these locations.

Moreover, urban planners have recognised the strategic role that temporary-use can play. Spatial pioneers have been able to create new developmental prospects precisely on the empty lots and difficult spaces where the implementation of classic urban developmental planning reaches its limits. For businesses and individuals of the creative economy that have yet to establish themselves, the prospect of using these temporary-use spaces and areas provides them with vastly more favourable conditions. The „Urban Pioneers" handbook, which was published by the Senate Department for Urban Development in March 2007, describes this phenomenon of temporary-use in all its various facets. It also presents a number of examples from Berlin and serves as a handbook for prospective temporary-user protagonists.

2

The economic significance of the creative industries for Berlin

2.1 Overview

For many years, culture and art have been considered to be "soft" location factors. However, in Berlin these activities are considered important "hard" economic factors that stand for growth and employment.

2.1.1 Branches of the creative industries

In addition to a providing comprehensive analysis of the structure and impact of Berlin's creative industries (CI) sector in general, it is also useful to look at the individual market sectors. This report will examine the following market sectors:

- → Print media and publishing
- → Software development/games
- → Telecommunications services (Telcos)
- → Advertising
- → Film, television and radio
- → Fine arts
- → Music industry
- → Architecture
- → Design
- → Performing arts

2.1.2 What is new in the 2008 Creative Industries Report?

The design industry sector has been added to the list of market sectors as is the case with contemporary creative industries reports in general. The architectural sector is no longer included as a sub-sector of the cultural heritage industry. Wherever possible, business revenues for the individual market sectors have been grouped according to region.[1] The employment statistics include salaried and wage-earning employees, marginally employed workers and also freelancers. Economic segments that are difficult to assess in terms of their informational value, such as wholesale and intermediate trade, have been omitted. The goal of the report is to organise and present the data in such a way as to provide a high level of comparability and validity. This Creative Industries Report additionally includes an analysis of the creative industries data in the appendix. The analysis was done in accordance with existing nationwide standards for the eleven creative industry market sectors as defined by the provisional Kulturwirtschaft AG (Creative Industries Committee) established by the Wirtschaftsministerkonferenz (Ministers Committee on Economics Affairs).

1 The revenues of the telecommunications companies and the cinemas were regionalised. The revenues of the private broadcasting corporations were added to those of the public broadcasting corporations. The theatre and orchestra revenues were all classified under the heading of public theatre.

2.1.3 Concepts

Companies

The information concerning companies, specifically tax-liable enterprises, comes from the regional authorities for statistical data and the Statistische Bundesamt (National Statistics Authority). That is where all enterprises are registered that have their headquarters in Germany and are subject to tax. An individual or organisation is considered a tax-liable business if continuing income generating activities are undertaken that yield over €17,500 annually.

Revenue

The information concerning revenue – or taxable income and sales to be exact – derives from the statistics gathered by the Statistische Bundesamt concerning taxable revenues.

Wage earners

The general wage-earners category includes those who work as wage or salary earners and freelancers who pursue gainful employment, independent of the volume of work commitment.[2] The number of wage earners is calculated using the number of those employed that are subject to social insurance contributions and those employed on a marginally employed basis as well as a factor for freelancers and independents.[3] The factor used for freelancers and independents is based on a 2006 poll conducted by the DIW (German Institute for Economic Research) of 25,000 enterprises involved in Berlin's CI sectors. This factor was verified by the 2006 micro-census. Time variables pertaining to freelancers and employees were not included because the factors for freelancers could not be calculated back to 2000 without making adjustments.

Employees

The employee population consists of those employees subject to social insurance contributions and those employed on a marginal basis.

Employees subject to social security contributions

This category includes salaried employees, waged workers and trainees who work at least 15 hours per week or who earn at least € 400 per month. These definitions and figures are based upon employment statistics supplied by the Bundesagentur für Arbeit (National Employment Agency).

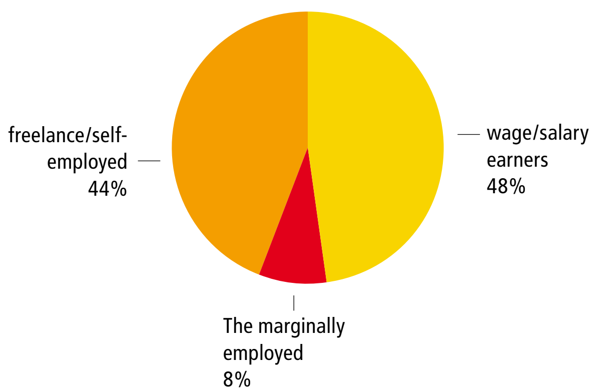
The marginally employed

A person is considered to be marginally employed if he or she normally earns less €400 a month. According to social security regulations, employees are exempt from social security taxes so long as their earnings remain below this limit. Instead of paying regular social security taxes, they are only required to pay a flat fee (which includes health insurance, income, pension and church taxes and solidarity tax). These definitions and figures are based upon employment statistics supplied by the Bundesagentur für Arbeit (National Employment Agency).

The self-employed and freelancers

Anyone who pursues entrepreneurial activities to gain a majority of their income is considered to be self-employed. According to German law (§ 18 ESTG), a freelancer is anyone who works as an independent contractor in the fields of science, art, journalism and writing, or any other related endeavours. This report focuses on the freelance activities which are undertaken within the parameters of the creative industry market sectors.

Distribution of the workforce figures for 2006



2 A one-person one-job concept is used as the basis for this; in other words, those who pursue more than one employment activity will only be counted once based upon their main form of employment.

3 The factors which have been derived for Berlin are also used on a nationwide scale. It can be assumed that the employment distributions are generally similar for other regions as well.

2.1.4 Economic indicators for the creative industries in Berlin

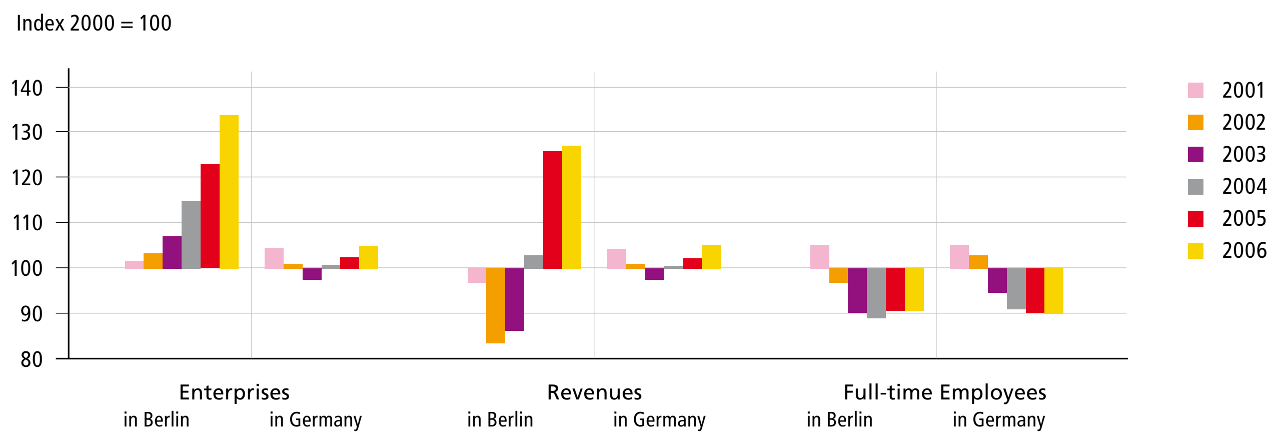
Over 22,900, mostly small to mid-sized businesses of the CI sector of the economy generated over €17.5bn in revenues during the year 2006. This accounted for over 13% of Berlin's economic performance for the year. The creative industries employ approximately 160,500 people and can thus be considered a relevant employment factor for the region. Over 10% of those employed in Berlin work in the various sectors of the creative industry. The following table shows the revenue, the number of companies, the total number of people employed, which percentages of those are fully employed and which percentages are marginally employed, both overall for the entire creative industries sector, and also for each individual sub-sector.

Creative industries 2006	Companies	Revenue	Total wage earners	Employees	Social security contributors	Marginally employed	Freelance
Print media & publishing	5,252	4,563,389	30,102	22,329	18,112	4,217	7,773
Film, television & radio	2,104	2,372,951	36,300	13,920	12,467	1,453	22,380
Art market	1,844	421,920	6,624	4,653	3,810	843	1,971
Software/games/telcos	2,894	6,746,687	28,578	22,727	21,743	984	5,851
Music industry	1,632	970,235	13,741	5,890	4,510	1,380	7,851
Advertisement	2,552	1,125,476	18,814	8,696	6,899	1,797	10,118
Architecture	2,992	539,501	7,905	4,700	4,162	538	3,205
Design	2,441	380,547	1,827	1,493	1,213	280	334
Performing arts	1,222	423,445	16,624	5,439	4,148	1290	11,185
Total	**22,934**	**17,544,150**	**160,515**	**89,847**	**77,065 48%**	**12,782 8%**	**70,668 44%**

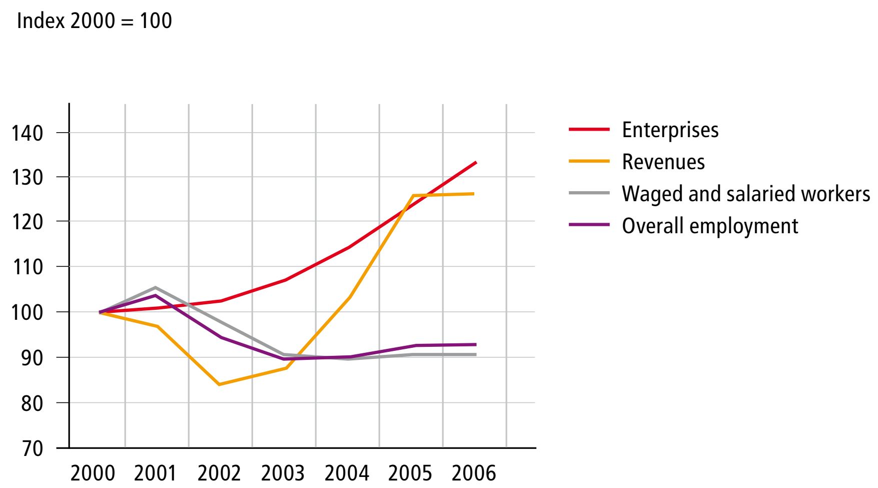
Source: Amt für Statistik Berlin-Brandenburg(Berlin-Brandenburg Statistics Authority) as well as the Bundesagentur für Arbeit (National Employment Agency), analysis done by DIW Berlin/presentation SenWTF (Senate for Economics, Technology, and Women's Issues)

Berlin's creative industries have shown considerably better growth than the national average. The following diagram shows the percentage growth for businesses, revenues, and full-time wage and salary earning employees from 2000 to 2006 with an index of 100 based on the figures for 2000. The detailed data are listed in the appendix.

Economic developments for Berlin and Germany



Overall trends in the creative industries
in Berlin 2000 to 2006



2.1.5 Development in the number of companies (reference value 4%[4])

In 2006, there were around 22,900 businesses in the CI sectors. Based on the number of enterprises, the largest sectors were the print media and publishing market (5,252 enterprises/23%), architecture (approximately 3,000 enterprises/13%) and the Software/games/telcos sectors (2,900 enterprises/13%). The smaller sub-sectors included the art market, the music industry, and the performing arts with approximately 1,200 to 1,800 enterprises. Between 2000 and 2006, the number of businesses that together make up Berlin's creative industries rose to almost 23,000. The software, games and telcos sectors (+113%/+approx. 1,540 enterprises), the print media and publishing sector (+38%/+1,440 enterprises), the design industry (+47%/+approx. 780 enterprises) and the market for the performing arts (+45%/+approx. 378 enterprises) all experienced rather dramatic growth, while the number of architects fell by 3%.

Creative industries 2006	Number of companies	Share of CI locally (Berlin) in %	Share of market nationally in %	Change since 2000 in %/absolute
Print media & publishing	5,252	22,9	8,5	+38 (1,440)
Film, television & radio	2,104	9,2	10,7	+20 (347)
Art market	1,844	8,0	4,9	+23 (343)
Software/games/telcos	2,894	12,6	6,5	+113 (1,537)
Music industry	1,632	7,1	7,9	+33 (402)
Advertising	2,552	11,1	5,7	+26 (518)
Architecture	2,992	13,0	7,3	-3 (-93)
Design	2,441	10,6	9,2	+47 (780)
Performing arts	1,222	5,3	8,7	+45 (378)
Total	**22,934**	**100**	**7,4**	**+33 (5,653)**

Source: Amt für Statistik Berlin-Brandenburg(Berlin-Brandenburg Statistics Authority) as well as the Bundesagentur für Arbeit (National Employment Agency), analysis done by DIW Berlin/presentation SenWTF (Senate for Economics, Technology, and Women's Issues)

4 In order to demonstrate the standing of Berlin's creative industries relative to the national scale, three orientating factors are used which provide a general overview of these relationships. 4% of all the enterprises which have found their way into official statistics in Germany are located in Berlin. Therefore, if 8.5% of the nation's print media and publishing enterprises and 10.7% of the film, television, and radio enterprises are located in Berlin, it follows that a higher than average number of such businesses have chosen Berlin as their location of choice.

Sales revenues by CI sectors	Revenue in € (x1000)	Share of CI locally (Berlin) in %	Share of market nationally in %	Change since 2000 in %/absolute
Print media & publishing	4,563,389	26,0	6,8	+85 (+2 Mrd,)
Film, television & radio	2,372,951	13,5	7,2	-12 (-310 Mio,)
Art market	421,920	2,4	4,3	+24 (+81 Mio,)
Software/games/telcos	6,746,687	38,5	7,2	+32 (+1,6 Mrd,)
Music industry	970,235	5,5	5,5	-2 (-24 Mio,)
Advertising	1,125,476	6,4	3,8	+22 (+200 Mio,)
Architecture	539,501	3,1	7,3	-16 (-99 Mio,)
Design	380,547	2,2	1,8	-19 (-87 Mio,)
Performing arts	423,445	2,4	8,5	+2 (+10 Mio,)
Total	**17,544,150**	**100**	**6,2**	**+25 (+3,5 Mrd,)**

Source: Amt für Statistik Berlin-Brandenburg (Berlin-Brandenburg Statistics Authority), analysis done by DIW Berlin/presentation SenWTF (Senate for Economics, Technology, and Women's Issues)

2.1.6 Development in sales figures (reference value 2.8%[5])

Berlin's creative industries enterprises generated over €17.5bn in sales revenues in 2006. The print media and publishing sector €4.5bn), the Software/Games/Telcos sectors (€6.7bn), the film, television, and radio sectors €2.4bn), and the advertising industry (€1.1bn) were those sectors in the CI industry with the largest sales volumes. From 2000 to 2006, the sales revenues for Berlin's creative industries grew 25%, or over €3.5bn. The sectors which experienced particularly marked growth included the print media and publishing sector (+€2bn), the software/games/telcos sectors (+€1.6bn), and the advertising industry (+€200M). However, the film, television and radio sectors (particularly radio), architecture and the design sector all incurred reductions in total revenues for the year.

2.1.7 Development in employment figures(reference value: 4%[6])

Approximately 160,500 people were employed in Berlin's CI sectors during 2006. The film, television, and radio sector is that with the highest rate of employment (approximately 36,000 wage earners/22.6%), followed by the print media and publishing sector (30,100/18.8%), the software development/ games sector (28,600/17.8%), the advertising industry (18,800/11%) and the performing arts (16,600 employees). Between 2000 and 2006, the number of people employed in Berlin's CIs declined by 8.4%, or 8,300 jobs. This decline in overall employment figures can be accounted for by the 8% reduction of the wage and salary earning workforce. The number of marginally employed fell by 11% over the same period. However, because of the small number of marginally employed as a percentage of the total, it had far less of an impact on the overall employment figures.

5 The reference parameter for revenue volumes is based on Berlin's portion of the statistically derived total revenue volume for all of Germany. This value is 2.8%. If this is used as a basis of reference, only the revenues accomplished by Berlin's design industry are markedly below average. A detailed analysis would show that the advertisement industry demonstrates a markedly higher than average growth dynamic. Every other sector of the creative industries in Berlin have higher than average total revenues volumes, which points to the importance of the cultural and creative industries for the economic region of Berlin.

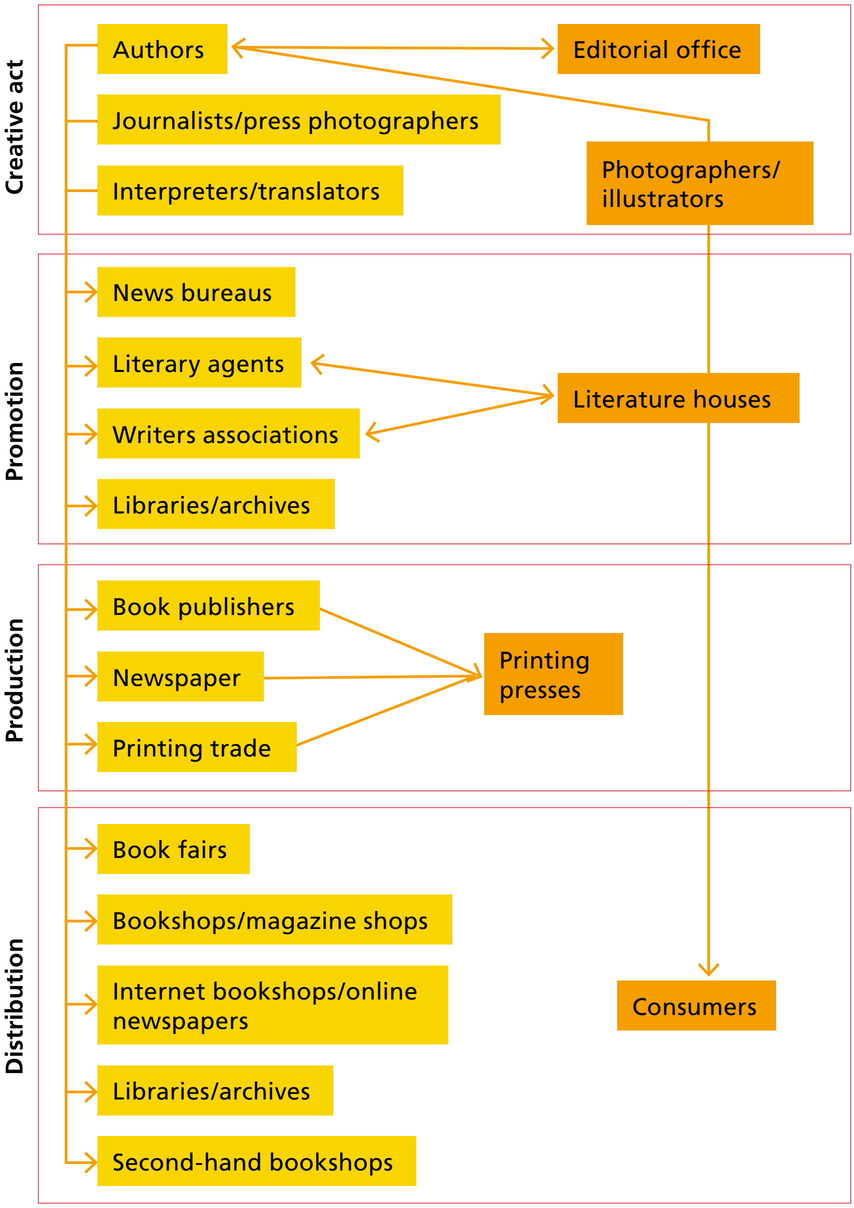
6 The reference parameters for employment statistics are defined according to Berlin's portion of Germany's entire workforce, which is 4%. Except for the design industry, the workforce factors for almost all of Berlin's creative industries sectors are higher than average.

Between 2000 and 2006, employee numbers decreased in some business fields of the CI sector, especially in the print media and publishing sector (-8,600 jobs), in architecture (-2,160 jobs), and in the design industry (-840 jobs). By contrast, since 2000 the software/games/telcos sectors has hired an additional 2,800 employees and the advertising industry created approximately 550 jobs. After job losses during the years leading up to and including 2005, the number of jobs in Berlin's CIs rose over 4% between 2006 and 2007, reaching heights near those of the employment peak of 2001. Most important here is a 5.3% increase of those employed who are subject to social insurance contributions, whereas the number of marginally employed workers fell 1.5%. This shows that, contrary to predictions for the last year, new full-time jobs were created. The sectors of advertising and software/games/telcos both experienced growth, with a 13% increase in jobs, as did the design industry with a 9% increase. The increase in the numbers of fully employed workers is even more noteworthy given the fact that the city's publicly funded cultural institutions reduced their numbers of employees due to budget cuts in the first half of the year. In 2006, approximately 48% of the workforce could be classified as fully employed, while only 8% were marginally employed, and around 44% were freelancers or self-employed. Freelancers and self-employed account for a growing proportion of Berlin's CI workforce. This trend compensates for the reductions in the other employment categories. The creative industries in Berlin are characterised by the positive employment dynamics experienced in the software/games and advertising sectors as well as in the creative cores of most all other CI market segments. For 2006 to 2007 alone, the total number of jobholders (employees, freelancers, self-employed) increased by 5,000 jobs (3%) in Berlin's CI industry. The national average increased by 1.1%.

Workforce/ employment figures	Wage earners	Share social security contributors in %	Share marginally employed in %	Share freelancers in %	Wage earners-share in CI in %	Share of jobs nationally in %
Print media & publishing	30.102	60,2	14,0	25,8	18,8	4,9
Film, television & radio	36.300	34,3	4,0	61,7	22,6	8,8
Art market	6.624	57,5	12,7	29,8	4,1	6,1
Software/games/telcos	28.578	76,1	3,4	20,5	17,8	5,6
Music industry	13.741	32,8	10,0	57,1	8,6	7,9
Advertising	18.814	37,0	9,6	53,8	11,7	4,2
Architecture	7.905	52,7	6,8	40,5	4,9	6,2
Design	1.827	66,4	15,3	18,3	1,1	1,4
Performing arts	16.624	25,0	7,8	67,3	10,4	8,5
Total	**160.515**	**48,0**	**8,0**	**44,0**	**100**	**5,9**

Quelle: Amt für Statistik Berlin-Brandenburg, Auswertung DIW Berlin/Darstellung SenWTF.

2.2 Print media & publishing



2.2.1 Economic integration within the value-creation chain

The print media & publishing industry includes the publishing market, writers and journalist, translators and interpreters, communications and news bureaus, the printing trade, libraries and archives as well as the retailing of books, magazines and newspapers.

2.2.2 Statistical outline

The following table lists the branches of industry that compose the market sector:

WZ	Industry branch
2211	Book publishers (excluding directory publishers)
2212	Newspaper publishers
2213	Magazine publishers
2215	Miscellaneous publishing
74851, 74852	Interpreters and translation firms (excluding clerical services/copy shops)
92316	Freelance writers
92401	Communications and news bureaus
92402	Freelance journalists and press photographers[1]
9251	Libraries and archives
222	Printing trade
52472	Retailing of books and trade journals
52473	Retailing of magazines and newspapers
52502	Second-hand bookshops

2.2.3 Economic indicators for print media & publishing in Berlin

The capital region has been able to enhance its status as a location for print media & publishing. Around 9% of the companies in this sector are based in Berlin (reference value: 4%). Of those employed in German print media & publishing, 5% work in Berlin (reference value: 4%). Berlin accounts for around 7% of revenue generated in Germany by the industry as a whole (reference value: 2.8%). The over 5,250 companies in the print media & publishing industry earned revenue of around € 4.6M in 2006. Of the over 30,100 individuals working in industry, 60% are subject to social security contributions, 14% are marginally employed and 26% are freelance or self-employed.

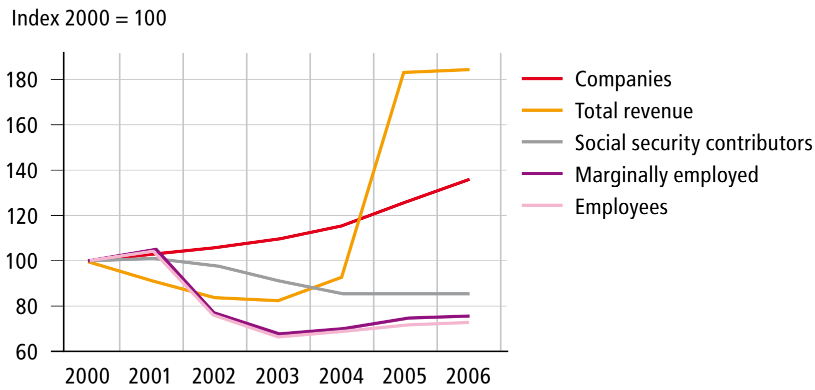
2.2.4 Development in the number of companies

Statistics show strong growth in Berlin print media & publishing. Around 9% of the companies in German print media & publishing were based in Berlin in 2006 (reference parameter: 4%). From 2000 to 2006, the number of Berlin companies grew by around.0

Print media & publishing 2006	Companies	Revenue in € (x1000)	Wage earners	Employees	Social security contributors	Marginally employed	Freelance
Book publishers (excluding directory publishers)	186	1,057,785	4,430	3,152	2,996	156	1,278
Newspaper publishers	19	2,231,773	3,162	2,250	2,164	86	912
Magazine publishers	81	118,846	2,128	1,514	1417	97	614
Miscellaneous publishing	118	61,968	3,709	2,639	337	2,302	1,070
Interpreters and translation firms	749	71,935	776	552	497	55	224
Freelance writers	719	50,072	686	37	13	24	649
Communications and news bureaus	36	22,291	1,658	1,180	1,092	88	478
Freelance journalists and press photographers	2,151	127,433	2326	230	184	46	2,096
Libraries and archives	6	1,383	1,391	1,391	1,352	39	0
Printing trade	617	463,067	6,709	6,257	5,689	568	452
Retailing of books and trade journals	243	220,376	2,018	2,018	1,719	299	0
Retailing of magazines and newspapers	270	126,938	1,042	1,042	607	435	0
Second-hand bookshops	57	9,522	67	67	45	22	0
Total	**5,252**	**4,563,389**	**30,102**	**22,329**	**18,112**	**4,217**	**7,773**

1 Radio journalists are also included in this industry sector

Development of Berlin print media & publishing
from 2000 to 2006



38% (+1,440 companies). This growth was 8% higher than at the national level.

Berlin accounted for above-average percentages of the number of German print media & publishing companies in the sub-sectors of journalists/press photographers and second-hand bookshops, each with a share of 13% (reference value: 4%), of writers with 12% as well as of interpreters/translation firms and retailing of magazines and newspapers, each with a share of around 10%. Berlin book publishers accounted for 7% of the national total of companies in this market sector.

2.2.5 Development in sales figures

Berlin print media & publishing generated about €6 bn in 2006. Compared to 2000, this marked a revenue increase of €2 bn (+85%) and exceeded national growth by a sizeable 9%.

The segments of Berlin print media & publishing that accounted for the strongest revenue were newspaper publishers (49%), book publishers (23%) and the printing trade (10%).

Triple-digit growth rates were achieved by newspaper publishers (+975%/+ €2 bn) and libraries/archives (+104%/+€704,000), followed by double-digit rates from book publishers (+67%/+€424M) and interpreters/ translation firms (+66%/+€29M). One of the reasons for the outstanding growth in newspaper publishing revenue might be the relocation to Berlin of further business activities by Axel Springer AG.

Above-average market shares of nationwide revenue figures were attained in 2006 by newspaper publishers (21%), retailers and second-hand bookshops with 13-14%, interpreters/translation firms, writers and journalist each with 11%, as well as by book publishers with 9% (reference value: 2.8%).

2.2.6 Development in employment figures

Of the 30,100 individuals in print media & publishing in 2006, 60% were subject to social security contributions, 14 were marginally employed and around 26% were freelance or self-employed. The number of those employed remained constant in 2007. Around 5% of the those employed in this industry worked in Berlin in 2006 (reference value: 4%). Above-average shares in the number of those employed nationally in print media & publishing were reached by Berlin in the sub-sectors of miscellaneous publishing (27%), news bureaus and interpreters/translation firms, each with 15%, retailing of magazines and newspapers (14%) and journalists and press photographers (9%). The female percentage of those 2006 employees subject to social security contributions and of those marginally employed was 52%. The female share in both of these employment categories has remained constant since 2000. The Berlin branch of print media & publishing with the highest share of employees was the printing trade (22%), with book publishers (14%) lagging behind in second place, followed by miscellaneous publishing activities (12%) and newspaper publishers (10%).

From 2000 to 2006, the number of those employed in print media & publishing dropped by 28% (8,500 employees) in Berlin and by 17% (96,000 employees) nationwide. The reduction in jobs was particularly acute in the sectors of miscellaneous publishing (-5,600) and the printing trade (-3,000 employees), while news bureaus (+260 employees) saw a rise in jobs.

2.2.7 Situation and outlook in print media & publishing

Book publishers

Since reunification, Berlin has been on a steady path to becoming one of the most important publishing locations in Germany. With over 10,300 first publications, Berlin is once again the number one publishing location. The Börsenverein des Deutschen Buchhandels (German Book Trade Association) manages over 300 publishers in Berlin who are busy with steady book production. The number of Berlin publishers who declare taxes, however, is significantly less at 186, indicating that many publishers in Berlin qualify as small businesses since they do not exceed the €17,500 tax threshold. A particular strength of the city's publishing industry are its science and trade publishers. Among Berlin's most renowned international science publishers is Springer Science+Business Media AG, currently ranked second in the world among STM-providers (Science, Technology, Medicine). Since acquiring the publishing houses of K.G. Saur and Max Niemeyer in 2006, Walter de Gruyter GmbH & Co. KG has become one of Europe's largest publishers in the humanities. The Cornelsen Verlagsgruppe is also a leading provider of educational media in Germany. Included among publishers of popular titles are many small independent companies whose programmes enrich the German market: Verlag Klaus Wagenbach, which calls itself an "independent publisher for untamed readers"; CH. Links GmbH, which specialises in historical and political books, such as, for example, on GDR history; and Matthes & Seitz Berlin, which was awarded the 2008 Kurt Wolff Prize. Some of the city's larger publishing groups include the long-established Ullstein Buchverlage GmbH, which returned to Berlin in 2004, and Aufbau Verlag, renowned for its days as one of former East Germany's top publishers. Another important branch of the publishing tree are publishers of comics, whose significance has increased in recent years. Most important among them are Egmont Ehapa, which has a wide range of offerings, MOSAIK Steinchen für Steinchen, which has issued the popular comic series "Abrafaxe" since its establishment in the GDR, and Repodukt, whose illustrators all stem from the independent scene.

Bookselling

Bookselling in Germany has transformed itself in recent years through a process of consolidation. Despite rising market shares for chain stores, this trend has not been the dominant one in Berlin as it has in other cities. In addition to its stores with general and scholarly selections of books, Berlin is known for its many independent and specialised bookshops, which proliferate in their frequency and in their programmatic diversity as in almost no other city. Furthermore, there are over 50 second-hand bookshops that likewise cover a broad spectrum of themes.

Authors

Berlin is the German capital of authors, a fact testified to by the membership figures of the most important writers associations—P.E.N. and the Verband Deutscher Schriftsteller (Association of German Writers). 28% of P.E.N. members live in Berlin. And around 500 members (13%) of the Verband Deutscher Schriftsteller work from Berlin. At least 10% of all authors living in Germany are situated in Berlin.

Authors from Berlin enjoy a high degree of literary recognition, both in Germany and abroad. In recent years, the Ingeborg Bachmann Prize, the Georg Büchner Prize and the Bremer Literature Prize have been awarded numerous times to Berlin writers.

Collaborative projects

In order to reach a national audience for productions from Berlin publishers and authors, the federal state of Berlin is utilising the Hauptstadtkulturfonds (Culture Capital Fund) and the Stiftung Deutsche Klassenlotterie Berlin (German Class Lottery Foundation Berlin) to promote numerous Berlin literature events, including:

– the Berliner Bücherfest (Berlin Book Festival),
– the Berlin-Brandenburgischen Buchwochen (Berlin-Brandenburg Book Weeks),
– the Internationale Literaturfestival (International Literature Festival Berlin, ilb),
– the Berlin literaturWERKstatt Poesiefestival (Berlin International Poetry Festival),
– the Berlin Märchentage (Fairy Tale Days).

A current study on the media and consumer behaviour of children between the ages of 6 and 13 (KidsVA 2008) confirms that reading is still an important recreational activity for many kids. However, exposure to electronic media is increasingly significant and half of all children regularly surf the internet. It is important for the future of the book market to interest children and teenagers further in the book medium; and bookselling makes an important contribution in this regard. For the first time in 2008, bookshops in Berlin that specially champion the promotion of reading were designated with the „Reading promotion seal of approval".

Press market[2]

The Berlin press market is among the most dense media markets in Germany. Most of the nation's 17,000 freelance and affiliated journalists work here. Berlin is also the place where the fierce struggles for media pre-eminence are played out. None of the daily newspapers has yet to be able to claim status as a capital city newspaper with supraregional significance. A total of ten daily and eight weekly newspapers with editorial headquarters in Berlin are available to the readership in the capital. The "B.Z.", "Berliner Kurier", "Berliner Zeitung", „Bild",

Courses of action discussed in industry and government circles:

→ *The Berliner Bücherfest (Berlin Book Festival) should be pursued as a public-oriented presentation of the Berlin book market.*

→ *The internet portal www.literaturport.de should be further expanded and, in particular, should better integrate the smaller publishers.*

→ *Reading promotion campaigns should be*

Best-practice example: Literaturport.de

Since 2006, the Literarische Colloquium Berlin (Berlin Literary Colloquium), an institute funded by Berlin, and the Brandenburgische Literaturbüro (Brandenburg Literature Office), have been operating the internet website „Literaturport.de", which provides extensive information on the regional literary scene. In addition to an encyclopaedia of authors featuring 4,000 entries written by the writers themselves, the website offers live recordings and introduces all the important institutions in the region. Also provided is an overview of literary history. Links to external databases allow for comprehensive research. In addition, the portal lists all current grant programmes, bid invitations and competitions – including for Austria and Switzerland. A special highlight are the „Literatouren" („Literatours"), in which renowned Berlin authors give tours of „their" Berlin using images and text. In 2008, the portal was honoured with the Grimme Online Award.

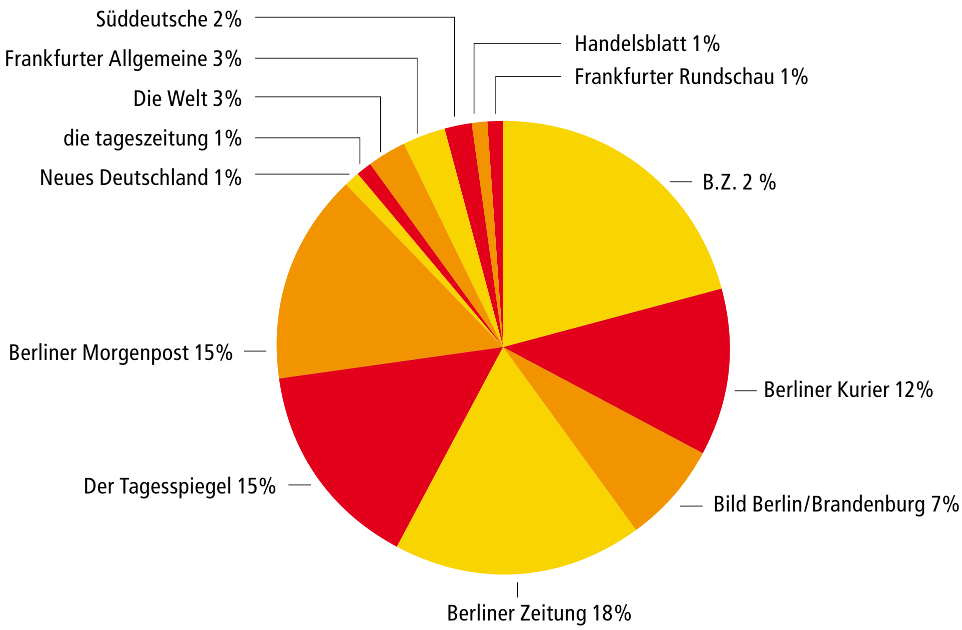
2 This description is based on information supplied by the Instituts für Medien- und Kommunikationspolitik (Institute of Media and Communications Policy).

"Der Tagesspiegel", "die tageszeitung" (taz), "Junge Welt", "Neues Deutschland" and "Die Welt"/"Berliner Morgenpost" are all published in Berlin. Berlin is also home to the following weekly papers, which all have a significant circulation: "Bild am Sonntag", "Welt am Sonntag", "Freitag", "Die Kirche – Evangelische Wochenzeitung" , "Jüdische Allgemeine", "Junge Freiheit", "Europa Ekspress" (Russian) and "Russkaja Germanija" (Russian). Berlin's town newspapers claim a strong market presence with a 90% share of the local market. Press activities in Berlin are essentially divided between five media companies. Axel Springer AG is the largest concern and is closely followed by Verlagsgruppe Georg von Holtzbrinck. The following table shows 2007 revenue totals for the large newspaper organisations:

The Berlin press market is facing great challenges. In recent years, daily newspaper circulation has been stagnating, and even regressing at times, making it clear that new formats are needed to fortify the status of 'the newspaper' as a vital medium of information. Berlin publishers are constantly expanding the editorial branches of their media offerings to the internet. The Verlagsgruppe Holtzbrinck recently acquired, among other outlets, the social network portal "StudiVZ" and began an online magazine called "zoomer.der". Likewise, Deutsche Zeitungsholding entered the internet business with its purchase of the "Netzeitung" group. In contrast, Axel Springer AG is focusing on in-house development of internet concepts.

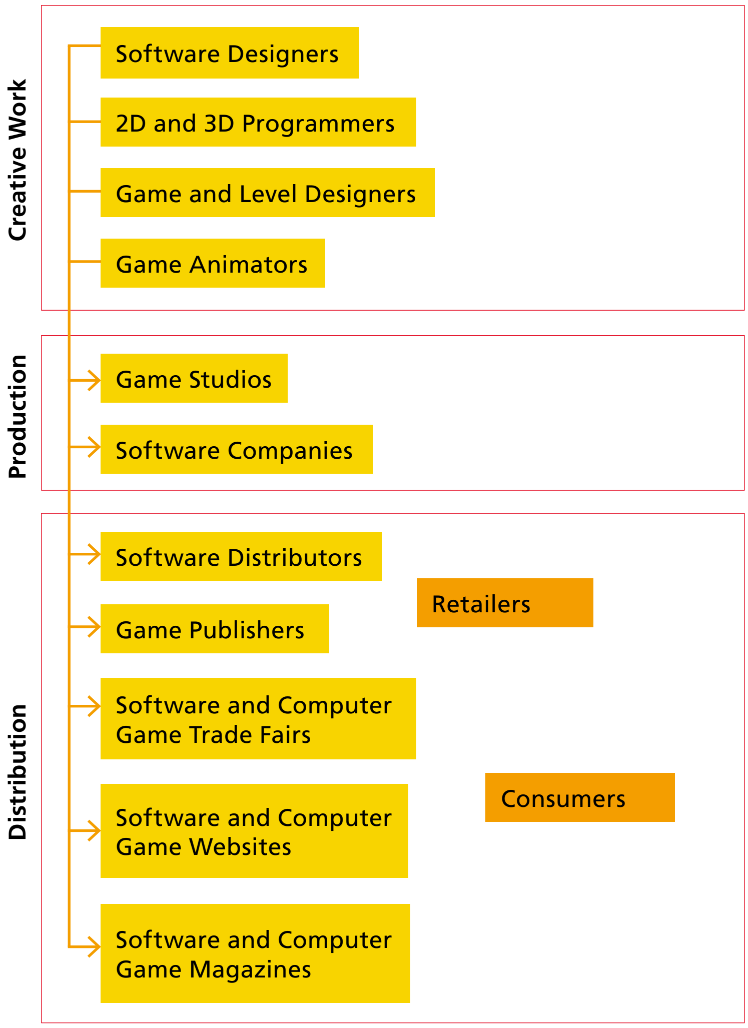
Press companies in the Berlin newspaper market	**2007 revenue in € (x1M)**	**Current ownership structures**
Axel Springer AG	2578	Axel Springer Gesellschaft für Publizistik GmbH & Co. (50%), Streubesitz (25.6%), Axel Springer AG (Eigenbesitz) (9.6%), Hellman & Friedman LL.C. (9.4%), Friede Springer (5%)
Verlagsgruppe Georg von Holtzbrinck GmbH	2489	Monika Schöller (50%), Dr. Stefan von Holtzbrinck (50%)
BV Deutsche Zeitungsholding GmbH	31,3 (1st half year)[3]	Mecom Group (100%)
die tageszeitung (taz)	22,2	taz Genossenschaft (100%)
Neues Deutschland	11,3	Die Linke. PDS (50%), Föderative Verlags-, Consulting- und Handels GmbH (50%)

Market shares of the press productions in Berlin



3 BV Deutsche Zeitungsholding GmbH did not make revenue figures available for the total 2007 business year. 33

2.3 Software/Games/Telekommunikationdienstleister



This sector encompasses the business sub-sectors of software design, data warehousing and telecommunications services as well as other data-processing services.

2.3.1 Statistical outline

The following table lists the commercial segments that belong to this market sector:

WZ	Industry Branch
722	Software companies
724	Database administration
726	Misc. data-processing services
643	Telecomm. Services

2.3.2 Economic indicators for the software, games and telecommunications sector in Berlin

Around 7% of Germany's software, games, and telecommunications companies are located in Berlin (reference value: 4%). Approximately 6% of the people employed in this sector nationwide work in Berlin (reference value: 4%). Approximately 7% of the sales revenues (reference value: 2.8%) are generated by these Berlin-based businesses. The approximately 2,900 enterprises that operate in this sector accrued a total of €6.7bn in revenues in 2006. The sector accounts for 28,600 jobs, of which 76% are held by fully employed workers (subject to social insurance contributions), 3% by the marginally employed, and 21% by freelancers or self-employed workers.

2.3.3 Development in the number of companies

Approximately 7% of Germany's software, games and telecommunications companies were based in Berlin in 2006. The number of Berlin based enterprises in this sector grew by 113% (+1,540 enterprises) until 2006, considerably more than the average for the rest of Germany (63%). These developments were noticeable largely in the software development sector and data-processing service sectors in general. The data warehousing sector and various data-processing business sectors carried an above average number of the nation's enterprises with 14% and 9% being located in Berlin respectively. The other segments of these markets each account for approximately 5% of Germany's enterprises active in these sectors.

2.3.4 Development in revenue figures

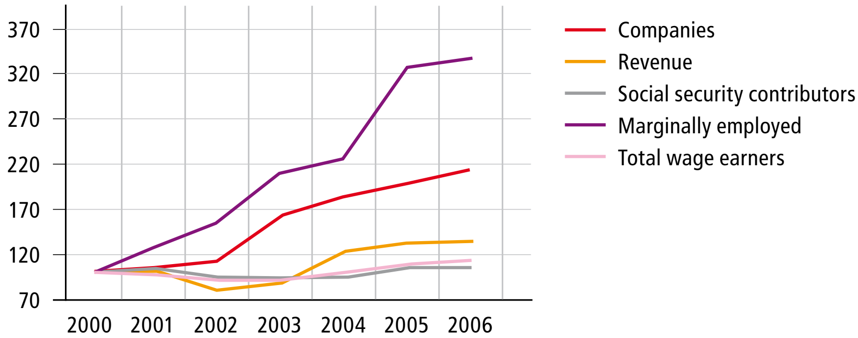
In 2006, the revenues accrued by Berlin's software, games, and telecommunications companies totalled around €6.7bn. This represents an increase of 32% (€1.6bn) since the year 2000. A large proportion of this increase was thanks to the software companies (+€450M) and other service providers (+€644M). The revenues for these sectors grew approximately 34% nationwide between 2000 and 2006. The market segments with the largest amount of sales revenues within Berlin's software, games, and telecommunications sector are the telecommunications service providers (telcos) and the software companies with 69% and 17% of total revenues respectively.

2006	Companies	Revenue in € (x1000)	Wage earners	Employees	Social security contributors	Marginally employed	Freelance
Software companies	2,105	1,131,371	21,278	15,533	14,790	743	5,745
Data warehousing	53	204,932	206	167	145	22	39
Misc. data-processing Services	670	740,752	345	279	236	43	66
Telcos	66	4,669,632	6,748	6748	6572	176	0
Total	**2,894**	**6,746,687**	**28,578**	**22,727**	**21,743**	**984**	**5,851**

Source: Amt für Statistik Berlin-Brandenburg(Berlin-Brandenburg Statistics Authority) as well as the Bundesagentur für Arbeit (National Employment Agency), analysis done by DIW Berlin/presentation SenWTF (Senate for Economics, Technology, and Women's Issues)

Development of Software in Berlin
from 2000 through 2006

Index 2000 = 100



2.3.5 Development in employment figures

The software, games, and telecommunications sector in Berlin accounts for 28,600 jobs, 76% of which are held by fully employed workers (subject to social insurance contributions), 3% by the marginally employed, and 21% by freelance or self-employed workers. The number of jobs in this sector rose 12% between 2006 and 2007; considerably more than for the rest of Germany.

In 2006 approximately 6% of Germany's sector-related workforce was located in Berlin (reference value 4%). The sub-sectors with employment rates above the national average were the telcos with 8% and the software companies with 5%.

The proportion of the sector's full-time jobs (subject to social insurance contributions) held by women in 2006 was 31%, while 49% of the marginally employed were women (no real change from 2005).

The market segments within the software, games, and telecommunications sector providing the most jobs are the software companies (75%) and the telcos (24%).

The number of people employed in the software, games, and telecommunications sector rose 14% between 2000 and 2006 (+2,800 jobs). This increase was almost exclusively due to new hires in the software companies. After reaching a peak of 22,400 jobs in 2001, the sector's employment figures dropped to 18,300 in 2003. Since then, they have continually risen, reaching a new all-time high of 25,800 in 2007.

2.3.6 Position and outlook for the software, games and telcos sector

The enterprises comprising this economic sector – a typical cross-sectional field – provide an important contribution to Berlin's financial strength. They develop the potential for innovation in business and public administration. The sector is composed of 2,900 enterprises employing approximately 28,600 people. Their annual revenues top €6.7bn. The development of games, mobile content, internet applications, or Web 2.0 offerings is difficult to represent due to the nature of the statistics for these sectors.

According to a business survey conducted in spring by Softwareinitiative Berlin Brandenburg e. V., the enterprises active in this market in the capital city region are expecting an above-average increase in sales revenues.

Every fourth business actually projects a 20% increase in sales. Some of the larger enterprises that are involved in this sector in Berlin include Deutsche Telekom AG, the Bundesdruckerei Group, IBM Deutschland, Siemens, Vodafone D2, Finanz Informatik, Jamba, SAP, AVM, PSI, Motorola, Nokia-Siemens, and Beta Systems.

Berlin's service providers and producers of games, mobile content and internet applications are more or less dependent upon customers from outside the capital city. The development of new market segments is showing improved success. The percentage of clients from outside the Berlin region has risen to over 50%. More than 30% of the enterprises projected an increase in hiring of at least 10% for 2008. The continual growth in personnel coincides with a "noticeable" lack of skilled professionals.

Berlin is one of the most important business locations for mobile content and games in Germany. The games industry is considered to be a global growth sector. PricewaterhouseCoopers anticipates that more money will have been spent in 2008 for computer and video games than for music.

Around 25% of the German games developers have their headquarters in Berlin. The games cluster did not grow out of a large distribution company as is normally the case, but instead out of the software developer scene itself. Just as in film and television, the producers are the main force in the games sector. Yager Development has the license for the development of Next Generation Games (Xbox 360). Radon Labs controls the Open-Source Game-Engine "Nebula II", which is used for game development internationally. Morgen Studios, which is active in the Casual Games division, employs around 50 people and operates, together with Kiddinx, Germany's largest web-community for children. Game development is one of the main focuses for Berlin's Fachhochschule für Wirtschaft und Technik (FHTW) (Polytechnical University for Business and Technology) and their programme offerings. The university has created a research and specialisation programme known as "Games and Interactive Media" (www.games-lab.de). Since 2001, professional game developers have been trained at Games Academy Berlin. 80% of the programme's graduates are employed in Germany's development studios. In addition, the L4 training institute and the Mediadesign Hochschule (Media Design College), both of which are private institutions, offer a two-year training course resulting in the title of 'Casual Games'. E-Sport and LAN events and championships have been put on by the Freaks4u agency since 1997.

The publisher, Frogster, focuses its business efforts on the accumulation of licences for online games and massive multi-player online-game portals. The Games Company has also been establishing itself with its portfolio of DVD-games, which even include real-time-shooters. Berlin is also home to a number of publishers specialising in educational software, including Kiddinx, Cornelsen and Tivola.

The Jamba! AG (now Fox Mobile) founded Germany's first gateway for mobile gaming. GameDuell now has over four million registered users and can be considered Germany's biggest online-game platform. This region has become the location in Germany with the most mobile entertainment sales revenues with products like the best selling Buongiorno. There is hardly one television programme that does not have its own game version; everything from the simple and free Skill-Game, all the way to the elaborate pay games for PCs and game consoles. Good examples of this kind of development in the entertainment industry are provided by the quickly growing business sectors of MTV and Jamba.

Serious Games are applications which have to do with the delivery of non-fictional content where various elements from computer games are used. The users of these games acquire knowledge by way of playful and entertaining interaction with the game. Serious Games are informative and ease procedural understanding, for example, by way of intuitive interfaces and tutorials. TimeKontor AG 2007, along with the G.A.M.E. Bundesverband (National G.A.M.E. Association), created the first network of its kind in Germany called "Serious Games Berlin". The goal of this network is to work together with businesses in order to develop applications with safety, process-oriented and health relevance. A number of projects of this kind have been successful, including a catastrophe-simulation application for the training requirements of the Berlin Police Department and one to help chronically ill patients find better ways to cope with their illness. More projects, especially in the areas of safety and eHealth, are now in the development stages.

Courses of action discussed in industry and government circles:

→ *The existing offerings for training and education must be more needs oriented in order to be able to strengthen the innovative abilities of the sector and to address the skills shortages.*

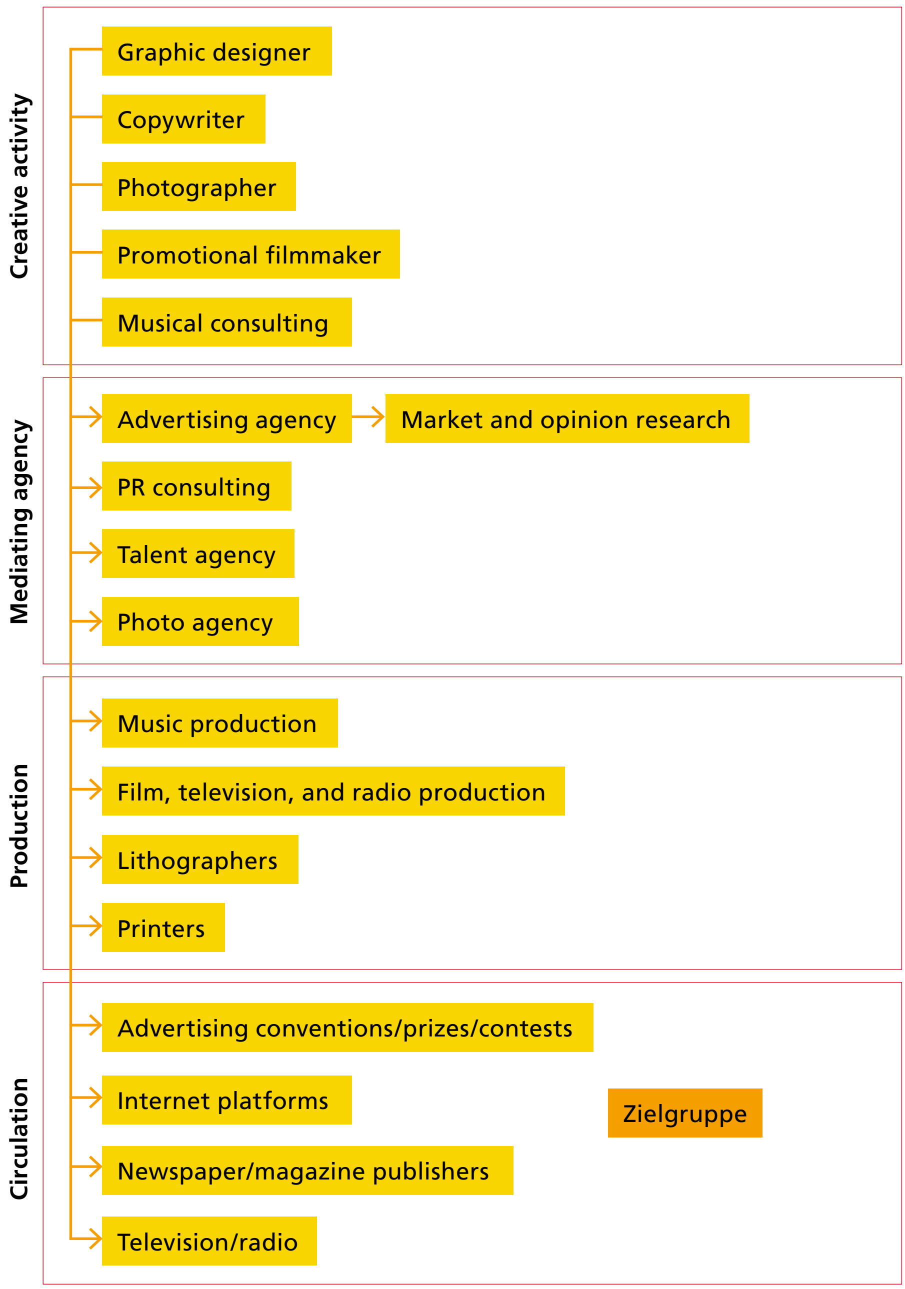
→ *An overall greater presence of German companies at international trade fairs (Asia/North America) is sensible. The work done for the Cebit in Hannover is a good example of what is needed.*

→ *The development of Matchmaking-Formats in order to facilitate the networking and contact potential for businesses in the software and games industries as well as other creative fields should be pushed further ahead.*

Best-practice example: interactive Berlin platform

The communication and information platform, "www.interactivecity-berlin.de" – which is has been put together by the Global Games Media enterprise and co-financed by the Senate for Economics, Technology, and Women's Issues – presents Berlin's significance as a business location in the games and Web 2.0 market sectors and also supports the field by hosting networking events. The platform also provides interested parties with the opportunity to develop networks and make business contacts with companies operating in peripheral or related fields such as the film, music and mobile entertainment industries. The website also posts information regarding businesses, projects, event dates and supporting institutions in the capital city. It provides a good resource for enterprises that are in the start-up phase as well as businesses that are considering relocating to Berlin.

2.4 Advertising market



2.4.1 Economic relationships within the value-creation chain

The advertising sector encompasses ad design, circulation of advertisement media, public-relations consulting, and market and opinion research.

2.4.2 Statistical outline

The following table lists the commercial segments that are regarded as belonging to the advertising sector:

WZ	Industry Branch
7440	Advertising (Design and Circulation)
74142	Public Relations Consulting
7413	Market and Opinion Research

2.4.3 Economic indicators for the advertising industry in Berlin

Around 6% of Germany's advertising related businesses are located in Berlin (reference value: 4%). Approximately 4% of the people employed in this sector nationwide work in Berlin (reference value: 4%), generating around 4% of the sales revenues (reference value: 2.8%).

The approximately 2,550 enterprises operating in this sector accrued a total of €1.1bn in revenues in 2006. The sector employs 18,810 people of whom 37% are fully employed (subject to social insurance contributions), 10% marginally employed, and 53% are freelancers or self-employed.

2.4.4 Development in the number of companies

In 2006, approximately 6% of Germany's advertising related businesses were based in Berlin. Between 2000 and 2006 the number of Berlin-based companies in this sector grew by 26% (+520 enterprises). These developments largely occurred in the ad design and circulation sectors. Berlin's market and opinion research sector represented 12% of the sector in Germany, while the PR-consulting sector reached 7%, both above the German average.

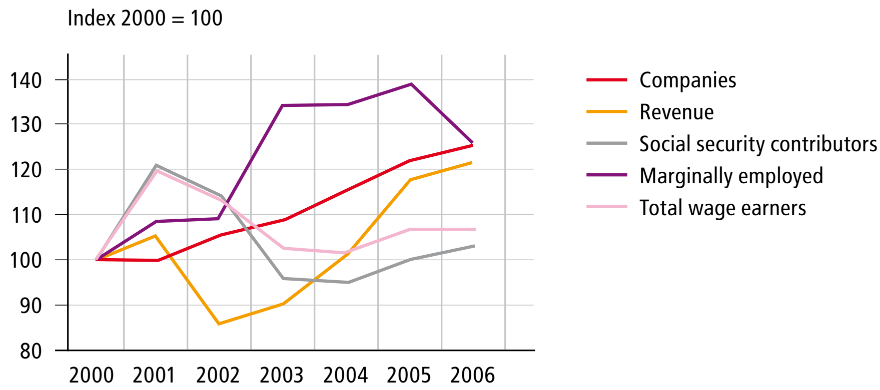
Where as the nationwide growth in the advertisement sector averaged 10% between 2000 and 2006, Berlin's advertising sector grew by 26%. Every eight new advertising businesses that start up in Germany include one that is founded in Berlin.

2.4.5 Development in revenue figures

The revenues accrued by Berlin's advertising sector in 2006 amounted to around €1.1bn. This is a €200M increase compared with 2000. Market research (+82%/+€77M) and ad design and circulation (+10%/+€83M) were especially prosperous. Whereas the revenues declined between 2000 and 2006 on a nationwide scale by approximately -1%, they increased in Berlin by around 22%. The advertising sector has developed particularly well in Berlin relative to the rest of Germany.

2006	Companies	Revenue in €(x1000)	Total wage earners	Employees	Social security contributors	Marginally employed	Freelance
Advertisement (design and circulation)	2,018	913,919	17,365	8,026	6,353	1,673	9,339
Public Relations-Consulting	165	39,958	441	204	170	34	237
Market and Opinion Research	369	171,599	1,008	466	376	90	542
Total	**2,552**	**1,125,476**	**18,814**	**8,696**	**6,899**	**1,797**	**10,118**

Developments in the Advertising Sector in Berlin
2000 through 2006



2.4.6 Development in employment figures

In 2006, around 5% of all jobs in Germany's advertising sector (reference value 4%) were to be found in Berlin's advertising industries. In this year, over 18,800 people were employed in the sector, of whom 37% were subject to social security contributions, 10% marginally employed, and around 53% freelancers and self-employed workers. By the end of 2007, the number of people employed in the sector increased by 2,500 jobs reaching a total of over 21,300 jobs.

The proportion of the sector's full-time jobs (subject to social insurance contributions) held by women in 2006 was 52%, while 54% of the marginally employed were women. Since 2005, the proportion of marginal employment positions held by women rose 2%.

The number of people employed in Berlin's advertising sector rose between 2000 and 2006 by approximately 7% (+545 jobs). Once again, development in this sector in Berlin was noticeably different by comparison with the rest of Germany, which experienced a slight reduction in employment figures (-0.2%).

2.4.7 Position and outlook for the advertising market

Advertising industry nationally and internationally

Advertising is the market segment that responds the fastest to fluctuations in the economy. Starting in 2004, the positive developments in the economy showed immediate growth tendencies. Growth occurred in the areas of newspaper, magazine, and television advertisement as well as online advertising. The PWC German Entertainment and Media Outlook 2007 to 2011 (PwC 2007) forecasted annual growth rates in excess of 4% for the coming years, despite the fact that the proportion of the GDP allocated toward advertising expenditure continues to decrease. The growth rates for the advertising industry in Germany lag behind those for the United States, Great Britain and France. The international average for annual growth rates in this sector is about 5%.

It remains to be seen what kinds of effects the current financial crisis will have. The advertising landscape has become more diverse. Businesses are spreading their advertising budgets across a wider array of media and channels. The typical advertising vehicles (newspaper/television/magazines/billboards) are being supplemented by promotional events, direct marketing, point-of-sale communication and the internet. With a growth rate of 49% between 2005 and 2006, the World-Wide-Web counts as the fastest-growing medium.

It is also expected that the highest growth rates over coming years will be in internet advertisement. This has to do with the fact that the internet's interactive forms of use facilitate a highly personalised consumer communication. Catchphrases such as "personalisation of advertisement" and "end of one-way communication" point to this trend. Lifestyle related advertisement represents an interactive and continual real-time communication with consumers over online forums, blogs and internet-based social networks. What still has not been tapped, but could potentially prove to be a new area for growth, is advertisement on mobile platforms or so-called Location Based Services.

Thanks to the digital age the advertising sector's structure has changed over the course of the last few years. Larger enterprises no longer have better prices as such, since businesses of all sizes can produced, copy and circulate content more cheaply. The trend seems to be moving away from large companies and more towards a diversified segment structure of small and highly specialised enterprises.

The Deutsche Public Relations Gesellschaft (DPRG) (German Public Relations Association) has forecast healthy growth rates for such businesses, especially in the area of "integrated communication". The PR agencies are profiting from the partial redistribution of advertising budgets in favour of communication strategies. In addition, the themes of "viral marketing" and "social communities" have become increasingly important. The "Horst Schlämmer macht den Führerschein" (Horst Schlämmer is going for his driver's licence) internet campaign, run by the DDB Group Germany, is a very good example, having won prizes in contests such as the ADC and the Eurobest. The market for outdoor advertising is also growing. The growth rate for this segment in 2007 was 14% compared with the previous year.

Courses of action discussed in industry and government circles:

→ *Support and solidify supra-regional events in Berlin like the ADC Festival. In addition, establish a multi-genre creative summit with an international focus („A Davos of Creativity").*

→ *Support advertising agencies in the development of global Think-Tanks and trend research institutes in Berlin.*

→ *Promote the development of young talent. Good examples of this include the university network known as Pink Saturday and information events like the trans-disciplinary Junior Seminars put on by the ADC.*

Best-practice example: Berlin School of Creative Leadership

The Berlin School of Creative Leadership, which was founded in 2004 by the Art Directors Club Deutschland in collaboration with the Steinbeis-Hochschule Berlin (Steinbeis College), embraces an international orientation. It offers training for leaders in the creative sectors who would like to pursue an MBA in „Creative Leadership". The graduate programme boasts prominent instructors and international locations including London, Chicago, New York, Tokyo and Berlin.

Best-practice example: join media

„join media" is an industry-wide training placement programme and is directed towards students of the media arts and communications. Placements, workshops and media events are offered by a network of top-notch enterprises such as Universal Music and UFA.

Investment in advertising in Germany

Advertising expenditures in €bn/nominal	2000	2001	2002	2003	2004	2005	2006	2007
Royalties/production of promotional materials/media costs	33,21	31,51	29,62	28,91	29,22	29,60	30,23	30,78
difference from previous year	5,6	-5,1	-5,9	-2,6	+1,1	+1,3	+2,1	+1,8

Source: Zentralverband der deutschen Werbewirtschaft e.V (Central Society for the German Advertising Industry)

2

Advertising market in Berlin

Over 2,550 agencies active in advertising and public relations work are located in Berlin. More than 15 of the largest agency networks have a branch on the Spree. This area has established itself as a business location and is host to a balanced mix of agencies as well as to a highly developed infrastructure made up of print shops, services and commercial film producers. Some of the advantages of this business location include low-wage rates and an inexpensive cost-of-living. An inspiring cultural environment is essential, especially for creative fields, and with its many galleries, museums and sub-cultural scenes, among others, Berlin certainly offers that.

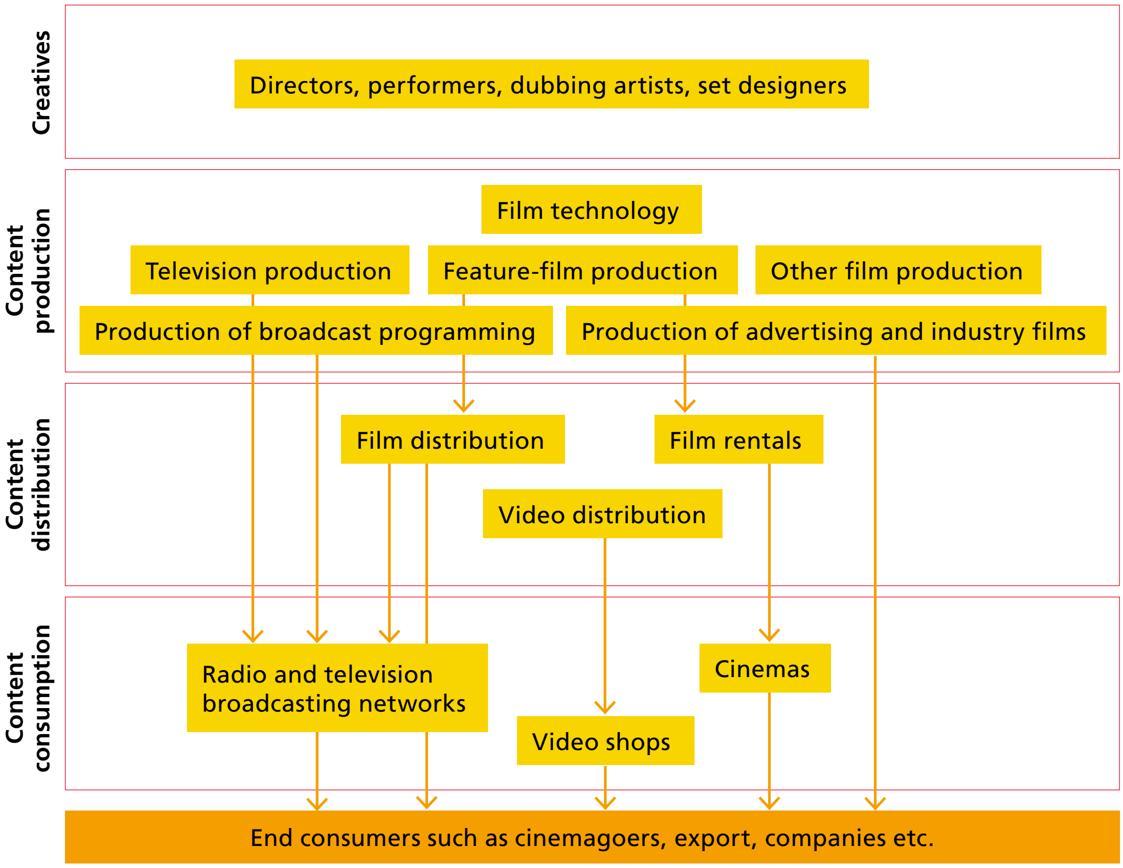
The revenues for Berlin's advertisement industry still lag behind those of the classic advertising capitals of Düsseldorf, Hamburg and Frankfurt; however, year after year these revenues grow at an above-average rate because Berlin has become synonymous with creativity. In 2007, around half of the creative prizes awarded in Germany went to enterprises based in Berlin, including Scholz & Friends, Publicis, Jung von Matt, Aimaq Rapp Stolle, We Do and others. In addition to the agencies that have headquarters located in Berlin, such as MetaDesign, Scholz & Friends, GKM, Dorland etc., network agencies such as BBDO, DDB and TBWA have opened branches in the capital. Many medium-sized enterprises have established themselves in Berlin as well including Heimat, Aimaq Rapp Stolle, TPA, Die Brandenburgs and Zum goldenen Hirschen. Generalist, all-round enterprises that provide complete company and brand strategies are being supplemented in Berlin's agency scene by a rising number of specialist enterprises like Digitalklang, which focuses on sound design.

The German capital is an important location for companies working in the field of public relations. This is the epicentre of political communication. Agencies like fischerAppelt and MEDIA CONSULTA operate successfully in this field. The most important associations and industry networks for the German advertising sector, like the Zentralverband der Deutschen Werbewirtschaft (ZAW) (Central Association of German Advertising Industries) and the Art Directors Club (ADC), are based in Berlin. In addition to the ADC Festival, the most important industry-wide gathering, which attracts 12,000 participants annually, Berlin also hosts many other relevant networks and events such as the Berliner Kommunikations-FORUM, the Marketing Club Berlin, the Werbekongress (Advertising Congress), and the Effie Award not to mention an international conference for graphic design and script called the Typo.

The strengths of Berlin's agency scene include a close proximity to digital media, a plethora of events and a tight interlacing of design and advertisement. As far as Berlin's location factors are concerned, a minus point is the relatively marginal number of regional clients.

Berlin is a hotbed of talent for the advertising industry. Numerous universities and colleges provide over 5,000 students annually with the skills and know-how needed in the advertising sector. Berlin's Universität der Künste (University of the Arts) founded a communications agency years ago with the Töchter+Söhne agency, which only employs students. A board of trustees made up of media experts supports young advertisers who have already fulfilled over 150 contracts for clients.

2.5 Film, television & radio



Economic complexities within the value-creation chain

WZ	Industry branch
9211	Film and video production
9212	Film and video distribution
92130	Cinemas
92201	Broadcasting
92202	Production of broadcast programming[1]
92317	Independent film and radio artists (proportional)
2232	Duplication of recorded image carriers (proportional)
2233	Duplication of recorded data carriers (proportional)
2465	Production of blank sound, image and data carriers (proportional)
3220	Production of broadcast, audio and video equipment

2.5.1 Statistical outline

The above table lists the branches of industry that compose the market sector.

1 Cf. Classification of industry branches, Amt für Statistik Berlin-Brandenburg (Berlin-Brandenburg Statistics Authority): This industry branch encompasses the production of radio and television programmes through private or public radio and television broadcasting companies.

2.5.2 Economic indicators for film, television & radio in Berlin

The effects of the 2001 media crisis have been mitigated as far as possible. From 2000 to 2006, the number of Berlin companies rose 20%, a figure significantly higher that the national level of 6%. Nevertheless, industry revenue shrunk during the same time period. If one were to exclude broadcasting and programme producers, the numbers would show a positive development in comparison to national figures. Berlin was able to further enhance its status as one of the most important film and broadcasting locations in Germany.

Around 11% of film, television & radio companies are based in Berlin (reference value: 4%). Berlin accounts for over 7% of national revenue (reference value: 2.8%). The over 2,100 film, television & radio companies generated around €2.4bn of revenue in 2006. The industry employs around 36,300 individuals of which 34% are subject to social security contributions, 4% are marginally employed and 62% are freelance or self-employed.

2.5.3 Development in the number of companies

Around 11% of film, television & radio companies in Germany were based in Berlin in 2006 (reference value: 4%). Many of the small and medium-sized companies are concentrated in the districts of Mitte, Pankow and Charlottenburg. The industry branches that account for the highest number of companies are film producers and film and radio artists. The number of companies in Berlin rose by around 20% from 2000 to 2006, a figure significantly higher than at the national level. Every third company in the German film, television & radio industry was founded in Berlin.

Film, television & radio 2006	Companies	Revenue in € (x1000)	Wage earners	Employees	Social security contributors	Marginally employed	Free-lance
Film and video production	1103	667,430	10,851	5,434	4,970	464	5,417
Film and video distribution	18	48,268	1,258	630	494	136	628
Cinemas	49	102,204	2,504	1254	951	303	1,250
Broadcasting	16		13,433	3185	3,141	44	10,248
Production of broadcast programming Independent film and radio artists	77	1,132,819	5,808	1377	1,327	50	4,431
Duplication of recorded image carriers	561	46,055	475	69	46	23	406
Duplication of recorded data carriers	8	3,448	115	115	112	3	0
Production of blank data carriers	3	1,490	0	0	0	0	0
Production of audio and video equipment	16	6,199	13	13	11	2	0
Production of projection and cinema equipment	19	69,004	331	331	309	22	0
Retail sales of consumer electronics	4	4,027	21	21	15	6	0
Video shops	134	253,351	900	900	787	113	0
Videotheken	99	38,656	593	593	305	288	0
Total	**2,104**	**2,372,951**	**36,300**	**13,920**	**12,467**	**1,453**	**22,380**

Source: Data from the Amt für Statistik Berlin-Brandenburg (Berlin-Brandenburg Statistics Authority) and from the Bundesagentur für Arbeit (Federal Employment Agency). Analysis by DIW (German Institute for Economic Research). Presentation by SenWTF (Senate Department for Economics, Technology and Women's Issues).

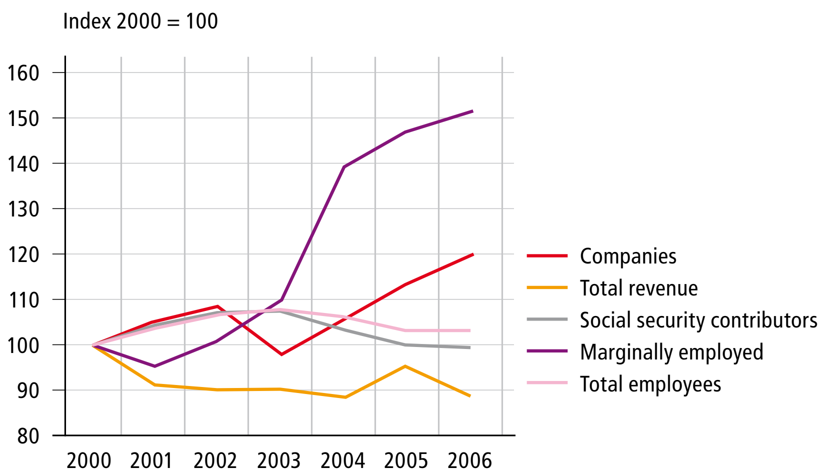
Compared to national figures, Berlin recorded above-average shares in film production firms (17%), the production of broadcast programming (14%) and in film and radio artists (usually one-person companies) with 19%.

2.5.4 Development in sales figures

Overall 2006 revenue from film, television & radio showed a decline of around €310M compared to 2000 figures (-11%). This decrease can be accounted for by sales fall-offs in broadcasting and programming production. The uptrend between 2004 and 2005 found no continuity. The Berlin revenue slump was somewhat worse than that at the national level (-7%).

The segments of the Berlin film, television & radio industry accounting for the highest shares of Berlin's total revenue were film production (28%) as well as broadcasting and producers of broadcast programming (a combined 48%).

Development of the Berlin film, television & radio industry from 2000 to 2006



The highest growth rates were recorded by producers of projection and cinema equipment (+30%), independent film and radio artists (44%) and film producers (+8%).

Above-average shares of 2006 national sales volumes (reference value: 2.8%) were reached by film producers (18%) and film and radio artists (19%)

2.5.5. Development in employment figures

Of the 36,300 individuals employed in the film, television & radio industry in 2006, 34% were subject to social security contributions, 4% were marginally employed and around 62% were freelance or self-employed. In 2007, the total number of employees decreased by around 3% to 35,200.

Around 9% of those employed nationally in the industry worked in Berlin in 2006 (reference value: 4%). Over-average shares of employees were recorded, among others, by film producers, film distributors and compact disc manufacturers, each at around 20% (reference value in each case: 4%), and by producers of broadcast programming at 16%. The female percentage of those 2006 industry employees subject to social security contributions stood at 46% while the share of women who were marginally employed was 52%. The Berlin industry branches that showed the highest number of employees were film production (4,434/39%) followed by broadcasting (3,185/23%) and broadcast programming with around 10%.

The industry continues to be characterised by a high proportion of short-term employees. The majority of wage earners has no permanent job; within film, television and radio production, employees alternate between periods of part-time work and times with no work at all. For example, a film production company will employ only two or three people while there are no films in production, and then hire up to 180 employees during the production phase of a film.

2.5.6 Situation and outlook in the film, television & radio industry

National film, television & radio industry

Germany is one of Europe's most important markets for film, television & radio (Cf. PwC 2007: 43 ff.); this applies for both production and sales. One special features of the German market is the competitive intensity among the providers of free television; this creates difficulties for pay television to gain a foothold. Later than in other parts of Europe, cable providers are also beginning to invest in the digitalisation of networks and have just recently begun to compete with telecommunications providers by promoting their "Triple Play" offers.

Despite the increased draw of German film productions, German revenue from the film, television & radio industries declined by around €2.5bn (-7%) from 2000 to 2006. After slumping sales through 2002, national revenue has been rising slightly again since 2003. Despite an ever narrower media window for films, national cinema revenue has grown around 7% since 2000 and film and radio artists have posted an increase of 14%. The home entertainment division has likewise enjoyed a turnover gain. Those especially affected by revenue setbacks from 2000 to 2006 were film producers and film distributors (modest quantities/price reduction) with each seeing a decrease of around €1.5-1.7bn.

Since 2004, the business conditions in German broadcasting have been consolidated. Revenue and employment figures again indicate respectable growth rates. According to a study commissioned by Landesmedienanstalten für die Rundfunkwirtschaft in Deutschland (ALM 2008, State Media Authorities for German Broadcasting), private television earnings increased from 1996 to 2006 by around 50% to €6bn. The fall in advertising demand through 2003 was since able to be largely made up for, even if the 2000 level has not yet been reached. 80% of private television employees nationwide in 2006 had a fixed employment contract (65% employed full-time, 11% part-time and 4% in training), another 12% were so-called "fixed freelancers" and around 8% were working as apprentices or candidates for future employment. The percentage of permanent employees in private radio was significantly lower at 60%. Compared to private television, the proportion of part-time employees in private radio was significantly higher at 14%.

In addition to the music market, the digitalisation wave has also reached the film, television & radio industry where films are being digitally broadcast, dissemination is possible over the internet and new distribution channels such as IPTV and internet television are affording producers new ways of reaching consumers and the opportunity to integrate value-creation stages into their own business model.

With digitalisation, the cinema industry is facing one of the most technically and financially complex upheavals in its history. In addition, challenges are brought forth by a change in recreational behaviour and the transformation of the advertising market. Already, however, internal factors like new end-consumer media (DVD/Video on Demand), a vast number of pirate copies and competing start times for shows have created conditions where many films enjoy only a brief run in the cinemas.

Both the Deutsche FilmförderFonds (DFFF, German Federal Film Fund) and the amendment to the Filmfördergesetzes (FFG, Film Support Law) are positive signals for the fortification of producers, distributors and cinema operators.

High investment in digital distribution channels will also lead to a growth in information and entertainment offerings in the future. IPTV and television on hand-held devices open new distribution possibilities. The border between traditional television programmes and private videos found on the internet, and also between print media, radio and television, are becoming increasingly blurred.

Film, television & radio industry in Berlin

FILM INDUSTRY IN BERLIN

The film production firms in Berlin form the creative core around which the other branches of industry configure themselves. With its 1,100 companies, Berlin stands at the peak of German film production locations while serving as the headquarters of a large number of independent producers. Important television producers include, among others, team-Worx, Ziegler Film, NFP and Novafilm while Nostro and Phönix, for example, focus on the development of comedy and sitcom formats. The cadre of Berlin film producers that includes X-Filme, Senator, Egoli & Tossell Filmproduktion, Kopp Film, Zero und Ö-Film has also been able to celebrate much public success in recent years.

Together with Babelsberg Studios, Berlin enjoys its status as a production location of in increasing popularity. Through numerous large productions such as „V for Vendetta" (D: James McTeigue), „Aeon Flux" (D: Karyn Kusama), "The Constant Gardner" (D: Fernando Meirelles), "Black Book" (D: Paul Verhoeven), "The Pianist", (D:Roman Polanski), "The International" (D: Tom Tykwer), "Mr. Nobody" (D: Jaco van Dormael), "Speed Racer" (D: Wachowski brothers), "Valkyrie" (D: Brian Singer), "The Reader" (D: Stephen Daldry) and "The Ninja Assassin Project" (Wachowski brothers), the region has made a name for itself in the international film world. This reputation stems not only from the 300 films shot here annually, but also from the rising revenues of Berlin's resident companies. This sales trend is all the more remarkable considering several television broadcast companies have reduced their contract volumes in recent years.

Berlin as a film location profits strongly from clustering – especially between producers, technical service providers and studios. Like marketing, film distribution is an important link in the value creation chain. In addition to subsidiaries of large film distributors like Sony Pictures, Tobis Filmverleih, X-Verleih, Senator Filmverleih and Delphi Filmverleih, there is a series of smaller distribution firms such as Salzgeber and Piffl that focus on arthouse productions. In the coming years, the secondary consumption of films over digital distribution channels will further increase.

Berlin possesses a unique and diverse landscape of cinemas featuring a well-balanced mixture of mainstream cinemas and art-house theatres. The creative powers in the cinema scene contribute significantly to Berlin's desirability with their ambitious programmes, festivals and events. At the same time, the movie theatres act as a venue for cultural content and provide an important contribution to medial education. In 2007, Berlin had around 100 cinemas with 285 screens and logged 9.1 million filmgoers.[2].

2 FFA- Info, 1/2008, FilmFörderanstalt (Federal Film Board), Page 3.

In light of the stress on cinemas due to digitalisation, but also in light of the diversity of Berlin's movie theatres and the high quality of film programmes, it is essential to create a strong awareness of the cinema landscape and of the uniqueness of the film experience. As a first step in this direction, the distinction of Berlin as a "City of Cinema" is being sought through UNESCO. In a joint effort, representatives of the federal state of Berlin, the media board, the cinema association and the Berlin cinemas, together with students from the Universität der Künste Berlin (Berlin University of the Arts), have filed an application that highlights all facets of Berlin's cinema landscape and proposes communication strategies and tools to support the cinema industry.

BROADCASTING INDUSTRY IN BERLIN

Private broadcasting is mainly concentrated in the federal states of Bavaria, North Rhine-Westphalia and Berlin. The region of Berlin-Brandenburg alone is the home to 17% of the employees in the industry branch. In 2006, a total of 31 television providers and 19 private radio providers broadcast their programmes in the region; this corresponded to 1/7 of the television providers and 1/10 of the radio providers in Germany.

While private television providers broadcasting regionally and nationally were occasionally in the red in recent years, private radio successfully uncoupled itself from the development of the industry nationwide. Advertising revenue continues to be the cornerstone of the business model for private broadcasting. A high share of additional income from home shopping, Call Media and internet offerings is typical for broadcast companies in Berlin.

10% of those employed in German broadcasting work in Berlin or Brandenburg. When considering just private broadcasting, the figure is as high as 15%, a percentage well above the population shares of gross domestic product for the two federal states.[3]

Rundfunk Berlin-Brandenburg (rbb)

With its seven radio programmes and one television programme, rbb represents the cultural life of Berlin-Brandenburg in all its facets. Shows including Stilbruch, Filmvorführer, KULTURTERMIN and Quergelesen create an appetite for culture among their audiences. rbb is an associate of numerous exhibitions, concerts and various other large events (i.e. Live-8-Konzert, Karneval der Kulturen, and concerts by the Berliner Philharmonic at the Waldbühne). In addition, rbb cooperates in productions for the musical, concert and comedy stages.

Young film talents are actively promoted by rbb through time slots and financial funding – e.g. its student-film series „rbb movies" in cooperation with the Deutschen Film- und Fernsehakademie Berlin (German Film and Television Academy Berlin) and the Hochschule für Film- und Fernsehen "Konrad Wolf" Potsdam Babelsberg (Film & Television Academy "Konrad Wolf").

With over 1,500 individuals and a substantial number of freelancers, rbb is one of the great employers in the region.

Medienboard Berlin Brandenburg

The mission of this two-state institution is the maintaining and strengthening of the financial, media and film-related resources from artistic, commercial and technical points of view. Its tasks include:

– the presentation of the Berlin-Brandenburg media region,

– the sponsorship of film and television productions as well as digital pilot projects,

– the sponsorship of location development projects.

The activities of the Medienboard GmbH are financed by the federal states of Berlin and Brandenburg with additional support from the television stations ProSiebenSat.1 Media, RBB and ZDF.

€29.8M of financial support was awarded in 2007 for 270 different films and location-marketing measures. This triggered an effect in the capital city region that resulted in an additional €132.8M. Beneficiaries included 100 films receiving €26.6M, 56 location-marketing measures receiving €3.2M and digital matters as well. The activities of the Medienboard contribute significantly to the positive development of the region as media centre. As one of the few film sponsorship institutions in Germany, our funds were not reduced in recent years, but rather increased further

3 Source: Wirtschaftliche Lage des Rundfunks in Deutschland (The Financial State of Broadcasting in Germany) p. 204

To the benefit of new digital offerings, special interest channels, pay-TV stations and internet television, the predominance of classical television is on the wane. In recent years, a number of special interest channels have launched in the region including TierTV, TimmTV, XXHomeTV and Haus und Garten. Special interest channels, IPTV (a general term for the digital broadband transmission of moving images in television programmes and films) and video offerings on digital channels have further increased. These offerings require low-cost trial terms and appropriate financial instruments. Berlin will provide the needed infrastructure with the construction of the digital transmission centre in Adlershof and in so doing will distinguish itself as a "Digital Valley" for these technological offerings.

Courses of action discussed in industry and government circles:

- *Strengthening independent production firms by, among other methods, narrowing the legal media window through to the station and a proportional share of the revenue for the production firm resulting from the exercising of the video and DVD rights,*
- *Securing adequate access to film support budgets for independent production firms rather than for companies attached with stations,*
- *Stronger support for movie theatres as repertory cinemas through infrastructural measures in order to preserve the diversity of the cinema landscape,*
- *Accelerating the creation of a financial model that supports all interest groups in order to disperse among market partners the costs of the digitalisation of the cinema industry,*
- *Accelerating cable and satellite digitalisation and improving the general conditions for new digital offerings.*

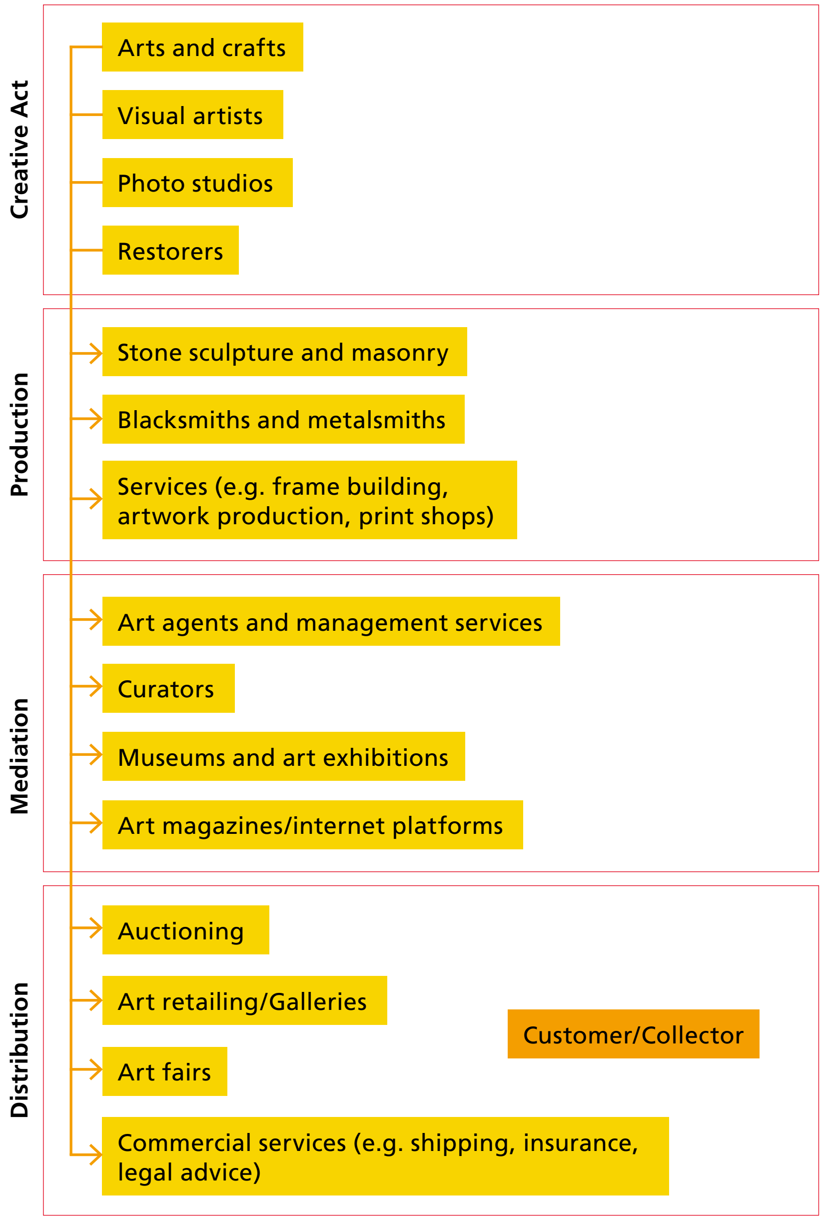
Best-practice example: Moviepilot film community

The website www.moviepilot.de offers an overview of current films now viewable in German cinemas, on TV or on DVD. Moviepilot inspires film enthusiasts by providing possibilities to review favourite films and actors, a film quiz as well as personalised film tips. DVDs can also be ordered on the website. A film community has now sprung up around the portal that boasts several thousand film buffs as users. Moviepilot is a project by Jetfilm, a company based in Berlin.

Best Practice Example: Good!Movies website

The good!movies label was founded by nine independent film distribution companies that have been bringing challenging films to the cinema for years. The founders include: Arsenal Filmverleih, Piffl Medien, Neue Visionen, Ventura Film, Kool Film, Schwarz Weiss Filmverleih, Gmfilm, Independent Partners and RealFiction. They have brought movies such as Die Frau des Leuchtturmwärters, Elling, Rythm Is It, Just a Kiss, Sein und Haben, Die große Verführung and Der Schmetterling to the big screen. With the founding of the good!movies label, they have ventured into the uncharted terrain of DVD and video.
The www.goodmovies.de website offers the possibility to order all DVDs online from there comprehensive catalogue. In addition, users can pre-order yet-to-be-released films at the subscription price.

2.6 Art Market



2.6.1 Economic integration within the value-creation chain

The art market encompasses visual artists, the retail sales of works of art (including galleries) and antiques, auctioning, arts and crafts, photo studios as well as museums and art exhibitions. Furthermore, the value-creation chain includes restorers, shipping, insurance, art agencies as well as art magazines and internet portals. The art market is centred around visual artists, a group that includes painters, sculptors and installation artists in addition to the galleries.

2.6.2 Statistical outline

The following table lists the branches of industry that compose the market sector:

WZ	Industry branch
26701	Stone sculpture and masonry
28523	Blacksmiths and metalsmiths
7481	Photo studios
92313	Independent visual artists
52482	Art retailing
52501	Retailing of antiques and antique carpets
74873	Auctioning
92521	Museums and art exhibitions

2.6.3 Economic indicators for the art market in Berlin

Roughly 5% of the companies in national art market are based in Berlin (reference value: 4%). The share of Berliners employed in the art market stands at 6% (reference value: 4%). Berlin's market share in terms of revenue stands at 4% (reference value: 2.8%). The over 1,800 companies in the art market generated around €422M of revenue in 2006. The industry employs more than 6,600 individuals of which 57% are subject to social security contributions, 13% are employed marginally and 30% are freelance or self-employed.

Art market 2006	Companies	Revenue in € (x1000)	Wage earners	Employees	Social security contributors	Marginally employed	Freelance
Stone sculpture and masonry	62	14,336	159	159	131	28	0
Blacksmiths and metalsmiths	20	25,947	88	88	71	17	0
Photo studios	439	68,205	1,457	788	581	207	669
Independent visual artists	629	55,410	1,654	352	291	61	1,302
Art retailing	420	144,014	832	832	581	251	0
Retailing of antiques and antique carpets	135	22,948	168	168	94	74	0
Auctioning	26	45,834	151	151	108	43	0
Museums and art exhibition	113	45,226	2,115	2,115	1,953	162	0
Total	**1,844**	**421,920**	**6,624**	**4,653**	**3,810**	**843**	**1,971**

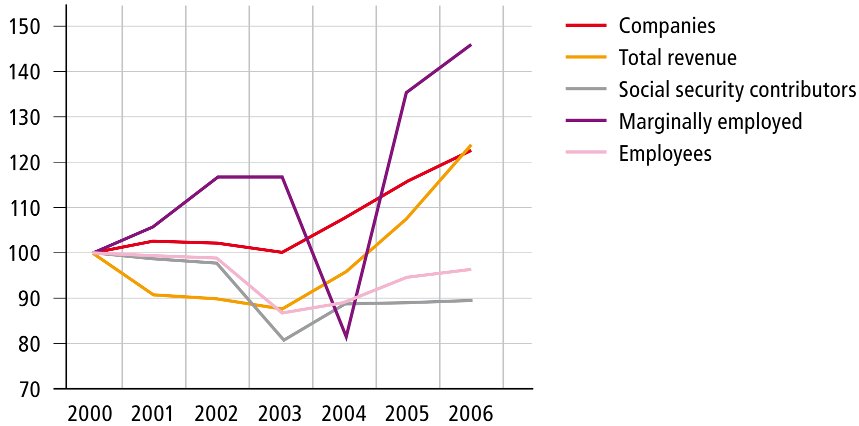
Source: Data from the Amt für Statistik Berlin-Brandenburg (Berlin-Brandenburg Statistics Authority) and from the Bundesagentur für Arbeit (Federal Employment Agency), Nuremberg. Analysis by DIW (German Institute for Economic Research). Presentation by SenWTF (Senate Department for Economics, Technology and Women's Issues).

2.6.4 Development in the number of companies

5% of companies in the German art market were based in Berlin in 2006 (reference value: 4%). From 2000 to 2006, the number of Berlin companies rose roughly 23% while the national total decreased by 9%. Compared to national totals, above-average growth in the number of companies was recorded by museums and art exhibitions (12%), artists (8%) and photo studios and antiques retailing, each at 5%.

Development of the Berlin music industry from 2000 to 2006

Index 2000 = 100



2.6.5 Development in sales figures

In 2006, sales in the Berlin art market stood around €422M. Compared to 2000, this figure rose by €81M (+24%) while sales at the national level declined by 1%.

The sectors within the Berlin art market that showed the strongest total revenue were art retailing (34%), photo studios (16%) and auctioning and museums/art exhibitions, each at 10%.

The highest growth rates were recorded by auctioning (+135%/+€26M), followed by visual artists (+43%/€17M), art retailing (12%/+€15M) and antiques (+39%/+€6M).

In Berlin, above-average shares of 2006 national revenue were reached by museums and art exhibitions (10%), visual artists (8%), antiques retailing (6%) and art retailing (5%).

2.6.6 Development in employment figures

Of the roughly 6,600 individuals gainfully employed in the art market in 2006, 57% were subject to social security contributions, 13% were employed marginally and around 30% were freelance or self-employed.

Around 6% of those working nationally in the art market were based in Berlin (reference value: 4%). Visual artists (16%), museums[1] and art exhibitions (13%) and art and antiques retailing (5-6%) reached above-average shares of national totals.

In 2006, women accounted for 60% of those employees subject to social security contributions and 68% of those marginally employed. The share of part-time jobs held by women decreased while their share of jobs subject to social security contributions rose.

The branch within the art market that boasted the highest share of employees was museums and art exhibitions (46%), followed by art retailing (18%) and photo studios (17%).

1 This employment statistic includes employees of all museums, i.e. employees of publicly funded as well as private-sector institutions.

From 2000 to 2006, the total number of those employed in the Berlin art market decreased by 3%, one reason being the reduction in photo studio jobs (320 fewer employees).[2] National employment figures shrunk by as much as 15%. New jobs were created in Berlin for visual artists (+160), in art retailing as well as in antiques (50 and 60 more jobs, respectively).

2.6.7 Situation and outlook in the art market

National and international art market[3]

The significance of the art market has increased in recent years. For the first time in 2005, auction houses sold more contemporary art than Impressionist works or works of the Classical Moderns. The global market value of the art market doubled from 2000 to 2006 to €43.3bn and thus reached highest mark to date. The U.S. and Asia recorded the highest growth rates in terms of both production and art export quota. India has the highest growth rate for exports and China has grown to become the fourth-largest art market with a world market share of 5%. Although Germany's market share within Europe grew from 3% in 2000 to 7% in 2006, Germany's share on the world market has stagnated in recent years at around 3%.

Technological developments will influence the art market's value creation chain in the future more strongly than ever before. Among these developments are the digitalisation of images, online services, internet auctioning, online catalogues, internet-assisted data and price compilations as well as advertising and marketing techniques. Since 1995, eBay has operated a platform for art-dealing that boasts 233 million users, 6.5 million hits per day and revenue from art sales of €1bn in the first quarter of 2007 alone. Further development potential exists in forms of communication as well as appraisal and protection systems that are tailored especially for the art market.

Art market in Berlin

Since the fall of the Berlin Wall, the art market in Berlin has been concentrated on contemporary art. Berlin has grown to reach the top tier of Europe's leading art locations. Contemporary art has the world's highest growth rates. Despite enjoying good progress early on and continued mass appeal, Berlin still lies far behind London and New York in terms of art revenue. However, Berlin is the most successful production location and has the largest influx of visual artists of anywhere in the world. Over half of the artists represented at the Vienna Biennial and Documenta in Kassel in 2007 came from Berlin (Hohmann/Ehlers 2007).

In a survey by DIW (German Institute for Economic Research), 60% of visual artists stated that they themselves handled their own marketing in co-operative galleries or on internet platforms, meaning that over half operate independently and thus accept a loss in sales. It is also therefore possible that the average income for artists falls into the bottom third income bracket in Berlin (see chapter 3).

With at least 420 galleries, Berlin qualifies as the most concentrated gallery location in Europe. Gallerists such as Friedrich Loock and Gerd Harry Lybke belong to the pioneers who once began out of the own apartments. Galleries like Neugerriemschneider and Klosterfelde started out doing business through international collaborations. Arndt & Partners, Contemporary Fine Arts and Max Hetzler have developed their gallery spaces almost into exhibition halls. Renowned galleries from the entire international scene today have branches in Berlin, Nordenhake and Gerhardsen among them.

In return, several Berlin galleries Collectors such as Berggruen and Scharf-Gerstenberg complement the world's diverse museum landscape. Investors like Christian Boros are developing derelict buildings into attractive locations for art – successful examples of how

2 The Künstlersozialkasse (Artist's Social Welfare Fund) claimed 8,000 visual artists in 2007. This figure also includes applied visual artists such as designers.

3 Cf. The International Art Market, A survey of Europe in a global context, compiled by The European Fine Art Foundation (TEFAF), Netherlands, 2007.

infrastructurally lacking urban areas can be newly codified and converted.

The Berlin museums can only insufficiently fulfil their important function as protagonists of the art market. "Berlin sammelt Sammler" ("Berlin collects collectors") is how Peter-Klaus Schuster summed up the brisk trade of the collector and the deficient budgets of the Berlin museums.

Under the leadership of Sabrina van der Ley, the Berlin Art Forum has transformed itself in the last eight years into one of the spectacular contemporary art fairs and in so doing has helped to establish the current reputation of the city. Additional fairs and formats have also been developed like the "Preview", the "Berliner Liste" and the "Berliner Kunstsalon" ("Berlin Art Salon"). Together with art exhibitions like the Berlin Biennial, the Gallery Weekend and the newly conceived Art Berlin Contemporary (ABC), the entire spectrum of international contemporary art is on display.

Nevertheless, many visual artists still fail to find adequate possibilities to exhibit their work. The temporary art hall "White Cube", opened at Schlossplatz in late October 2008 by Stiftung Zukunft Berlin (Foundation Future Berlin), was thus a welcome initiative. Moreover, Senate efforts will continue in 2009 towards the construction of a new civic exhibition hall for contemporary art. Many industry branches, both upstream and downstream, profit from the art market – from photo studios and print shops to transport firms and insurers. New fields of business are emerging such as art mediation and city art tours, offered by companies like Arthur-Berlin and GoArt!.

New art magazines like Monopol, Artery-Berlin and Kunst Magazin have originated in Berlin. As many as three large international art-and-gallery internet portals operate from Berlin. Already ten years ago, artnet, the largest online gallery network in the world, was founded in Berlin to help users research, buy and sell art through the internet. More than 2,000 Berlin galleries display over 100,000 works from more than 25,000 artist worldwide. The "Price Database" is the most comprehensive auction-list archive and helps identify price trends. From the old masters to contemporary art, the database contains more than 3.6 million works from over 180,000 artists.

The significance for cultural tourism of Berlin's art market and public art offerings is not yet known; however, the importance of art for city tourism is undeniable.

One key project is the museum portal initiated in 2007 by the Berlin state initiative Projekt Zukunft (Project Future), which gives an overview of the collections of around 200 Berlin museums and is currently being expanded to include Berlin galleries as well. The portal presents public and private offerings as well as both museum and art-market services while aligning itself with the overall interests of the art public. The portal is operated commercially by x:hibit GmbH, while the content is compiled by the state organisation Kulturprojekte Berlin GmbH.

Courses of action discussed in industry and government circles:

→ *Development of Berlin as a future art-dealing location, conceptual reorientation and fortification of the Art Forum through the expansion of collector programmes, international global press relations and marketing measures.*

→ *Presentation of contemporary art of the highest international level in a permanent art exhibition hall in Berlin.*

→ *Establishment of a "Visual art" fund to stimulate art purchasing through special loans (at the suggestion of the Landesverbandes Berliner Galerien (State Association of Berlin Galleries).*

→ *Improvement of the qualifications and professional status of the art-market protagonists.*

→ *Development of significant art projects in public spaces in order to capture additional target groups.*

→ *Sponsorship of collaborative projects between art, science and technology.*

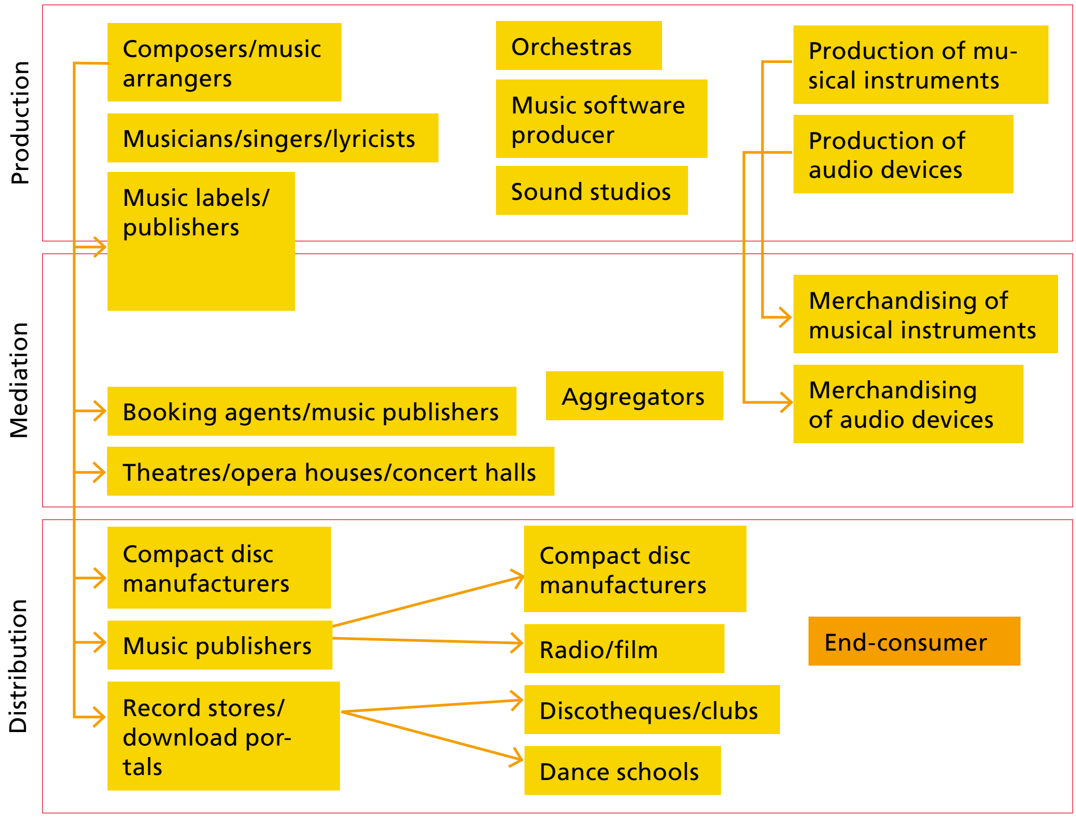
Best-practice example: Urban Screens

The "Urban Screens" project is concerned with new perspectives for art in cooperation with the economy and innovative technologies. First taking place at the end of 2008 under the name Medienfassaden-Festival (Media Facades Festival), this festival shows how "urban screens" can become a communicative element in the public space. Sample screenings were tested on five selected facades – O2-World, SAP, Wall, Ströer Megaposter and Collegium Hungaricum. Real estate and event management companies, technology and media firms as well as cultural institutions, artists, ad agencies and architectural offices took part in the project. In cooperation with the state initiative Projekt Zukunft (Project Future), a round table was formed to accompany and assist the development of interactive media in urban spaces over the coming years.

Best-practice example: Prometheus Project

Women sculptors, architects, designers and preservationists have developed a CNC machine park in cooperation with the Technische Universität (Technical University) and the Fraunhofer Institut für Produktionsanlagen und Konstruktionstechnik (Fraunhofer-Institute for Production Systems and Design Technology IPK). This machine park is unique in Europe for its capability to copy and/or reconstruct monumental architectural works by employing a contact-free optical measuring system. The company combines traditional handcraft with highly specialised software, machine and production technologies. Clients now come from all over Europe.

2.7 Music Industry



2.7.1 Economic integration within the value-added chain

The value-added chain in the music industry[1] stretches from the production of musical instruments, blank sound carriers and audio equipment, to the musical creations of composers and music producers, lyricists and musicians, to the activities of music labels and music publishers, agencies and merchandising firms and finally to the retailing of sound carriers, concert promotion and the licensing of performance venues.

1 *In reality this linear value-added chain resembles more of a web or field of value creation interrelationships. The actors are embedded in countless interwoven economic relationships with one another.*

2.7.2 Statistical outline

The following table lists the branches of industry that compose the market sector:

WZ	Industry branch
2214	Music publishing
2231	Duplication of recorded sound carriers
36300	Production of musical instruments
55403	Discotheques and clubs
92312	Orchestras/chamber ensembles/choirs
92315	Freelance composers and freelance music arrangers
92317	Freelance artists
92321	Concert promoters
92322	Opera houses/concert halls
2232	Duplication of recorded image carriers
2233	Duplication of recorded data carriers
2465	Production of blank sound, image and data carriers
3230	Production of radio, audio and video devices
52452	Consumer electronics retail
52453	Musical instruments and music supplies retail
92325	Technical assistance services for cultural events (advance sales/ticket counters)

2.7.3 Economic indicators for the music industry in Berlin

Contrary to the national trend, the music industry in Berlin developed favourably according to many performance figures as Berlin's status as a music location was able to be further improved. Around 8% of the music industry companies in Germany are based in Berlin (reference value: 4%). 8% of individuals employed in the music industry work in Berlin (reference value: 4%). The city accounts for 6% of nationwide revenue (reference value: 2.8%).

In 2006, the 1,600 Berlin companies in the music industry achieved a revenue figure of just under €1bn. The industry employs more than 13,700 individuals of which 33% are subject to social security contributions, 10% are employed marginally and 57% are freelance or self-employed.

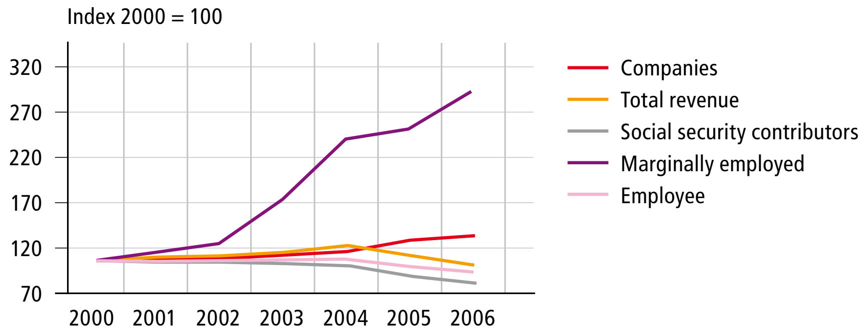
2.7.4 Development in the number of companies

In 2006, around 8% of the companies in Germany's music industry were based in Berlin (reference value: 4%). From 2000 to 2006, the number of companies grew by 33%, a number considerably higher than the national rate of +2%. Compared to nationwide figures, Berlin recorded above-average shares in ticketing (32%), musical artists (19%), concert promotion (11%) and music publishing (10%).

2.7.5 Development in sales figures

In 2006, sales in the Berlin music industry stood just below €1bn. Compared to the base year of 2000, this marked a modest 2% decline, which was on a par with the national figure. In light of the continuing decrease in revenue from sound-carrier sales over recent years due to the challenges posed by digitalisation and the increasing market power of telecommunications companies, revenue has remained relatively stable.

Development of the Berlin music industry from 2000 to 2006



The market sectors within the Berlin music industry that showed the strongest total revenue were concert halls (14%), concert promoters (9%) and music labels (9%). The highest growth rates were recorded by discotheques (151%), music publishers (+125%), producers of musical instruments (53%), orchestras (+38%), independent artists (+44%) and music labels (+19%). Above-average market shares of 2006 national revenue were reached by Berlin music producers (18%) and musical artists (19%). This picture stands in harmony with the general development of the music industry, showing growth in the performance market accompanied by a decline in the market for sound carriers.

Music industry 2006	Companies	Revenue in € (x1000)	Wage earners	Employees	Social security contributors	Marginally employed	Freelance
Music publishing	144	65,788	546	235	205	30	311
Sound-carrier duplication	27	85,858	184	79	77	2	105
Musical instrument production	43	56,244	134	134	116	18	0
Discotheques and clubs	51	18,733	425	425	123	302	0
Orchestras/chamber ensembles/ choirs	36	43,230	869	290	285	5	579
Freelance composers	230	30,463	209	19	11	8	190
Freelance musical artists	561	46,055	475	69	46	23	406
Concert promoters	67	88,948	2,263	756	314	442	1,507
Opera houses/concert halls	10	138,230	5,566	1,860	1,682	178	3,706
Duplication of recorded image carriers	8	3,448	115	115	112	3	0
Duplication of recorded data carriers	3	1,490	0	0	0	0	0
Production of blank data carriers	16	6,199	13	13	11	2	0
Production of radio and video devices	19	69,004	331	331	309	22	0
Comsumer electronics retai	134	253,351	900	900	787	113	0
Musical instruments retail	68	30,278	138	138	101	37	0
Technical assistance services	218	32,916	1,574	526	331	195	1,048
Total	**1,632**	**970,235**	**13,741**	**5,890**	**4,510**	**1,380**	**7,852**

Source: Data from the Amt für Statistik Berlin-Brandenburg (Berlin-Brandenburg Statistics Authority) and from the Bundesagentur für Arbeit (Federal Employment Agency), Analysis by DIW (German Institute for Economic Research), Presentation by SenWTF (Senate Department for Economics, Technology and Women's Issues),

2.7.6 Development in employment figures

Of the roughly 13,700 individuals gainfully employed in the music industry in 2006, 33% were subject to social security contributions, 10% were marginally employed and 57% were freelance or self-employed.

Around 8% of those working nationally in the music industry were based in Berlin (reference value: 4%). Music production, distribution and compact disc manufacturing reached above-average shares of national totals with roughly 20% of the individuals in these fields working in Berlin.

In 2006, women accounted for 40% of those employees subject to social security contributions and 44% of those marginally employed, whereas the overall share of jobs subject to social security contributions rose slightly.

The branch within the music industry that boasted the highest share of employees was concert halls (1,860/32%), followed by concert promoters (756/13%) and technical assistance services (530/9%).

The number of individuals working in the music industry decreased by around 8% from 2000 to 2006 (480 fewer people employed). This decline can be explained by the production and retail sales of consumer electronics, but also by the large number of opera/concert houses that were decommissioned.

2.7.7 Situation and outlook in the music industry

National music industry

The music industry across the world – Germany included – has been in a period of upheaval for several years. Internet usage is increasingly setting the tone as the number of downloads rose by 39% in 2007. Accordingly, data provided by the Bundesverband Musikindustrie (German Music Industry Association) show €1.6bn in revenue from sound carriers in 2007, roughly a 3% drop from the previous year. For 2011, the digital music market share of the music industry's shrinking total revenue is predicted to be over 25%. As ever, internet piracy and the only slowly rising return flow over digital distribution channels are still problematic for all music creators. Sinking profit margins coupled with rising investment costs are causing many market participants to suffer under chronic undercapitalisation. Access to the capital market is available only to a small portion of the industry because intellectual property rights and music catalogues cannot be used as collateral.

Increasing digitalisation has changed the music business. Almost all companies offer downloading for music as well as for ring-tones, videos and logos on their websites. Meanwhile, however, revenue from downloads accounts for almost a quarter of the music product revenue of small music labels. However, the loss in CD sales can still only be absorbed partially . Music companies are simultaneously working to exploit additional revenue sources while offering comprehensive contracts that include artist and concert management, licensing and merchandising. Since 2006, many companies, Universal Music among them, have been concentrating the resources of their mobile and online units in divisions of their own, from which a medium-term rise in revenue of up to 30 percent is expected.

As a result of the declining revenue for music labels from sound-carrier sales, the development of artists is no longer lastingly provided for. The development of artists has been significantly cut back. Today, as a rule, only a single album is given advance financing. If sales figures then prove below average, the contract is terminated, resulting in less diversity and a product that is more mainstream. A fund for sustained artist development would therefore be expedient. The industry is required to formulate suggestions in this regard.

Only a few artists, musical productions and trends allow for long-term marketing; the demand for music products is hardly foreseeable and is undergoing constant change: on the one hand, demand is tailoring itself ever more to the needs of the gatekeepers (the media/store chains etc.); on the other, platforms like "youtube" and "snocap" (from Napster creator Shan Fannings) offer musicians the chance to gain notice and market themselves directly, which therefore strengthens the role of the artist.

Music industry in Berlin

Current figures prove that the music industry in Berlin has received significantly fewer of the negative effects of digitalisation as compared with the national industry as a whole. Despite the relocation of Sony/BMG, Berlin was able to record a growth in companies and revenues between 2000 and 2006. Around 400 companies were newly formed and have contributed to complementing the value creation chain.

In addition to the market leader, Universal Music, companies that continue to show strong sales include Deutsche Entertainment AG (DEAG) and the piano manufacturer C. Bechstein. Alongside Budde Musikverlag, Meisel, Bosworth Music and Boosey & Hawkes, more than 70 sound studios as well as countless composers and producers are located in Berlin.

Following the merger of Universal Music Publishing and BMG Music Publishing, the publishing operations of the business have been handled through Berliner Dependance. In the past few years, numerous new businesses have been founded in Berlin that offer services including administration, the clearance of rights and accounting. For example, Sony, while still under Sony BMG, created the label segment Columbia Berlin in June 2008 for the musical genres of alternative and progressive pop. Furthermore, Berlin is the home of MTV and the Popkomm music fair. In addition, the annual Echo Awards are held in Berlin. Berlin has the most diverse concert scene in Germany and a multi-faceted club culture.

Renowned music academies and universities like the Hochschule für Musik „Hanns Eisler" (Hanns Eisler College of Music) and the Universität der Künste (Berlin University of the Arts) are located in the capital as are key organisations such as the Bundesverband Musikindustrie (German Music Industry Association) and important networks like the Club Commission, the Label Commission and the Berlin Music Commission.

The image of Berlin as the music capital is shaped by its many independent music labels, around 150 music publishers, its internationally renowned orchestras, such as the Berliner Philharmoniker (Berlin Philharmonic) and its landscape of clubs and festivals, including Musikfest, JazzFest and MaerzMusik, Classic Open Air, young.euro.classic, popdeurope, Karneval der Kulturen and Fête de la Musique. With its 250 performance venues and around 70 concert promoters, Berlin is the city in Germany with the richest concert and performance scenes, featuring a particularly strong emphasis on the various forms of classical music, but also on electronic music, hip hop and jazz.

It is not simply because of its high sales figures and its pool of qualified personnel that Berlin is an interesting location for the music industry. The close proximity of clubs and musical events allows for the real-time assimilation of music companies and trends. Exposure to the scene facilitates the discovery and marketing of new artists (Mundelius/Hertzsch 2005: 229ff). In spite of the internet, face-to-face contacts still play an elementary role in the music industry. Personal, tacit knowledge enables coded access to the scenes that are all about authenticity and street credibility (Mundelius/ Hertzsch 2005: 232).

Last but not least, the music industry in Berlin is distinguished by a well-correlated value-creation chain, a networking with other creative industries as well as by a strong international orientation. Within the framework of music industry initiatives derived by the Federal State of Berlin, companies have been supported since 2002 in infrastructural undertakings, trade-show booths here in Germany and abroad as well as through the commission of studies and surveys. In order to guarantee Berlin's competitiveness as a location for music, export activities must be supported by the state and Federal Republic more strongly than before; companies require more financial assistance for showcases, concerts, touring and promotional efforts on the international market, but also in developing more contacts abroad and in seeking consultation regarding funding instruments, applications and market potential.

Courses of action discussed in industry and government circles:

→ *Access to digital distribution channels must be kept open, especially for small businesses,*

→ *More support for artist development – if appropriate, the creation of a fund for artist development. The industry has been summoned to develop models to this end,*

→ *Development and expansion of consulting services for participants in the music industry,*

→ *Further development/creation of highly qualified educational facilities in the area of "popular music" as a point of attraction for creative offspring and a point of origin for corresponding spin-offs.*

Best-practice example:
Berlin Business Session – Listen to Berlin

As part of Popkomm 2008, a match-making forum was held in which Berlin music companies could make contact with representatives from the industry, politics, institutions and the trade press. Networks were able to present themselves, to introduce firms and projects to potential partners and to make contacts for future collaborative efforts. The Club-commission, the Berlin Music Commission, the Popkomm music fair and the state initiative Projekt Zukunft (Project Future) cooperated on this project.

2.8 Architecture industry

This market sector incorporates architecture offices for building construction/interior design, offices for regional and land use planning, offices for landscape architecture/garden planning and independent restorers.

2.8.1 Statistical outline

The following table lists the branches of industry that compose the market sector:

WZ	Industry branch
74201	Architecture offices for building construction/interior design
74202	Architecture offices for regional and land use planning
74203	Offices for landscape/garden architecture
92314	Independent restorers

2.8.2 Economic indicators for the architecture industry in Berlin

Around 7% of architects in Germany are based in Berlin (reference value: 4%). 8% of individuals employed in the architecture industry work in Berlin (reference value: 4%). The city accounts for around 6% of national revenue (reference value: 2.8%).

In 2006, the 3,000 Berlin companies in the architecture industry achieved a revenue figure of around €540M. The industry employs around 7,900 individuals of which 53% are subject to social security contributions, 7% are employed marginally and 40% are freelance or self-employed.

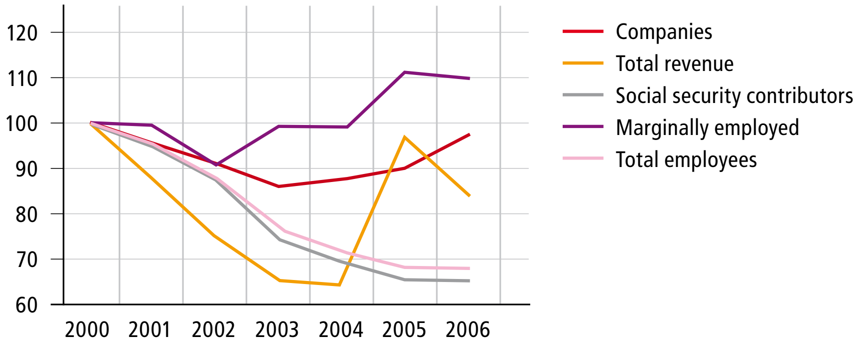
2.8.3 Development in the number of companies

The number of companies in the Berlin architecture industry fell by 3% from 2000 to 2006. A reverse trend has been observed since 2003. The national total of companies rose by 3% during the same time period. The special development in Berlin can perhaps be explained by the need to dissipate the surplus capacity that had flooded the city post-reunification. Despite its decrease in companies, Berlin accounted for above-average shares in the number of German architecture companies in the areas of building construction and interior design (7%), landscape and garden architecture (9%) and independent restorers (11%).

Architecture industry 2006	Companies	Revenue in € (x1000)	Wage earners	Employees	Social security contributors	Marginally employed	Freelance
Architecture offices for building construction/interior design	2,480	450,642	4,925	2,947	2,551	396	1,978
Architecture offices for regional and land use planning	148	44,808	2,276	1,362	1,284	78	914
Offices for landscape/garden architecture	227	31,129	430	257	214	43	173
Independent restorers	137	12,922	274	134	113	21	140
Total	**2,992**	**539,501**	**7,905**	**4,700**	**4,162**	**538**	**3,205**

Source: Data from the Amt für Statistik Berlin-Brandenburg (Berlin-Brandenburg Statistics Authority) and from the Bundesagentur für Arbeit (Federal Employment Agency), Analysis by DIW Berlin (German Institute for Economic Research Berlin), Presentation by SenWTF (Senate Department for Economics, Technology and Women's Issues),

Development of Berlin architecture industry from 2000 to 2006
Index 2000 = 100



2.8.4 Development in sales figures

Berlin architects achieved around €540M of revenue in 2006. The segment within the Berlin architecture industry that accounted for the strongest revenue was building construction and interior design with 84% of the total. From 2000 to 2006, revenue in Berlin decreased by 15.5%, a drop significantly greater than the national decline of 11.5%.

Significant revenue growth has been achieved since 2000 by restorers (+10%/+€1.2M) as well as since 2005 by regional and land use planners (+7%) and by landscape and garden architects (+5%).

Above-average market shares of national revenue were reached in 2006 by all industry branches of the market sector in showing a figure 7% above the norm (reference value: 2.8%). Berlin restorers fared particularly well in terms of revenue as they achieved a market share that was 10% higher than the national average.

2.8.5 Development in employment figures

Of the roughly 7,900 individuals employed in architecture in 2006, 53% were subject to social security contributions, 7% were marginally employed and around 40% were freelance or self-employed. This number of wage earners rose to around 8,000 by the end of 2007.

Around 7% of those employed nationally in this market sector worked in Berlin (reference value: 4%). Berlin's share of those working in offices for regional and land use planning was extraordinarily high at 20%, whereas Berlin accounted for 8% of the nation's restorers.

The female percentage of those 2006 employees subject to social security contributions was 50%. The female share of those marginally employed has remained constant since 2005 at around 60%.

The Berlin architecture branch with the highest share of employees was offices for building construction and interior design (63%), followed by offices for regional and land use planning (29%).

From 2000 to 2006, the number of employees in Berlin architecture offices fell by 32% – a development chiefly caused by a reduction in jobs in offices for building construction. Since 2004, the employment situation has stabilised. National employment figures fell by over 28% during the same time period.

2.8.6 Situation and outlook in architecture National architecture industry

In recent years, architects as an occupational group have experienced strong upheavals and recessive tendencies as a result of structural changes within the building industry. Factors include the cyclical restraint exhibited by the building industry, other occupational groups assuming tasks that traditionally have fallen to architects and the high number of recent graduates who far exceed workforce demands.

Many architects are lone warriors or work with partners, but often without employees, allowing them to assume only small and less adequate contracts. And as employees, architects earn less in comparison with other occupational groups while the everyday life of an architect has seen a rise in the requirements concerning liability and consumer protection. Fee structures have remained unchanged since 1996 and current revision proposals are not to the liking of architecture associations. It is the larger offices that have presumably most benefited in recent years from the slight upturn in revenue figures.

The architecture industry differs greatly from the other design disciplines due to its strong dependence on external factors over which it has little influence: no architect can create his or her work alone and then try to sell it. For the implementation of a design, it is necessary to have a contractor. A traditional way to win contracts is through participation in state-organised competitions. However, smaller offices often have little chance to take part in such competitions as they do not meet participation requirements (number of employees, etc.) Because there are always stories of offices that got their start with a spectacular competition success, the motivation continues unbroken. As a result of the slight rise in building volume in recent years, signs of recovery persist; the worst days seem to be over. However, the situation in many offices is still critical as many independent architects subsist on the bare minimum of work. As always, the architecture profession remains a fantasy job that blinds its newcomers to the many drawbacks of the trade.

Architecture market in Berlin

Berlin has 483 residents per architect, trailing only Hamburg (491) and barely edging out Baden-Württemberg (482) in terms of occupation density.[1] At the beginning of the 1990s, a series of new architecture offices settled in Berlin and many established architects opened branches here. Berlin's function as Germany's new capital, along with the prominence and prospect of lucrative contracts that this implied, encouraged this development. In recent years, however, several of these companies have had to relinquish their Berlin operations as a result of factors that include failed bids and the financial burdens of maintaining a competitive office.

The Berlin architecture industry is made up of several offices that boast strong revenue and a multitude of small offices that operate to some extent on the margins of profitability. The need for specialisation has given rise to experts who focus, for instance, on innovative structural engineering. On the other hand, the image that predominates among those still studying is that of the architect as generalist, who is able to solve every building or design task that may arise.

1 Data provided by www.bak.de; www.destatis.de.

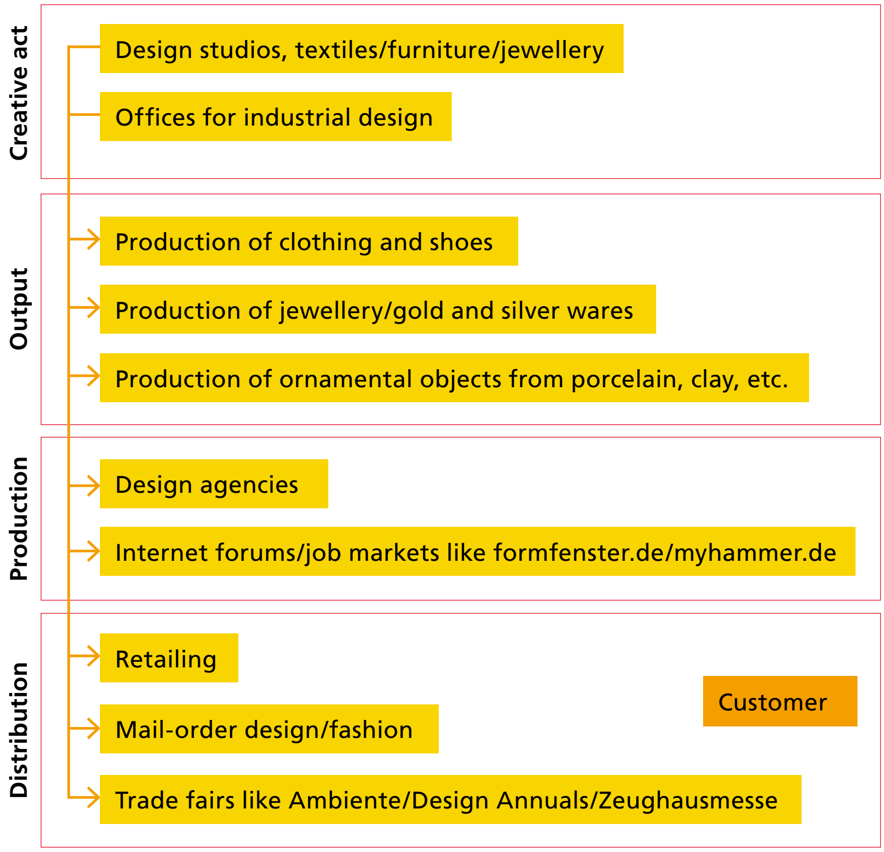
Several of Berlin's large offices belong to the guard of internationally renowned architecture firms, even if no so-called star architects are to be found among them. These firms include Staab Architekten, Léon Wohlhage, Wernik Architekten and Sauerbruch Hutton. Among the younger firms, several have taken root and are busy on the international stage. In most cases these protagonists are able to find the right balance between design, construction, a flexibility to react to the demands of the trade and maintaining a certain resonance among the media. These younger firms include Jürgen Mayer H. Architekten, Graft, Eike Becker Architekten, Grüntuch und Ernst as well as Barkow Leibinger Architekten. These offices have reputations that spread well beyond Berlin.

Meanwhile, however, there are ever more architects in Berlin who are not actively seeking contracts. A relatively new phenomenon is the formation of building groups for the creation of an individual housing space. Those wanting to build are joining together, or being asked to participate, in a building group. These individuals seek family-friendly housing accommodations near the city centre. Initiatives of this sort are currently a big issue in Berlin; however, the number of these groups is small in comparison to the amount of media attention they receive. Nonetheless, they represent a positive sign for the state of the profession.

More and more young architects in Berlin are currently leaving their profession to focus on work that spans multiple disciplines such as furniture or media design, or the design of exhibitions and trade fair booths. And it is ever more common for designers, artists, theatre groups and other socially active groups to collaborate with one another. They also act as consultants in participatory city planning measures. These actors are expanding the traditional understanding of the architectural trade; but while they seldom build, they nonetheless see themselves as belonging to the profession. Some examples are raumlabor berlin, raumtaktik, Hütten und Paläste Architekten, Urban Catalysts and complizen Planungsbuero.

There are far fewer landscape architects than construction architects in Berlin. There are several firms here that operate nationwide and abroad such as Büro Kiefer Landschaftsarchitektur Berlin and ST raum a. Like urban and regional planners, landscape and garden architects are strongly dependent on public contracts. A series of firms, therefore, subsist by providing planning and consulting services.

2.9 Design Industry (including fashion)



2.9.1 Economic integration within the value-creation chain

The newly introduced market sub-segment Design Industry incorporates the creation of clothing, shoes, jewellery and other wares from precious metals, the studios for textile, jewellery and furniture design, the offices for industrial design and mail-order trade for clothing.

2.9.2 Statistical outline

The table to the right lists the branches of industry that compose the market sector:

WZ	Industry Branch
181/182/19	Production of clothing and shoes[1]
26211 bis 26213	Production of house wares and ornamental objects from porcelain, etc.
36222	Production of jewellery from precious metals
36223	Production of goods forged from gold and silver
74874	Studios for textile, jewellery and furniture design
52612	Mail-order trade for clothing
74206	Offices for industrial design

1 The informational value of the industry branch „production of clothing and shoes" is disputed; in Berlin it is overwhelmingly defined by limited-lot production with a design emphasis.

2.9.3 Economic indicators for the design industry in Berlin

9% of the companies in the German design industry are based in Berlin (reference value: 4%). The Berlin share of those employed in the industry stands at 2% (reference value: 4%). The city's industry revenue accounts for 2% (reference value: 2.8%) of the national total. The over 2,400 companies in the Berlin design industry accrued revenue in 2006 amounting to €380M. Of the 1,827 individuals employed in the industry, 66% are subject to social security contributions, 15% are marginally employed and 19% are freelance or self-employed.

2.9.4 Development in the number of companies

Around 9% of the companies in the German design industry had their headquarters in Berlin in 2006. The number of design studios grew by around 58% from 2000 to 2006 (an increase of around 720 companies) while the number of offices specialising in industrial design increased more than 226% (102 more companies).

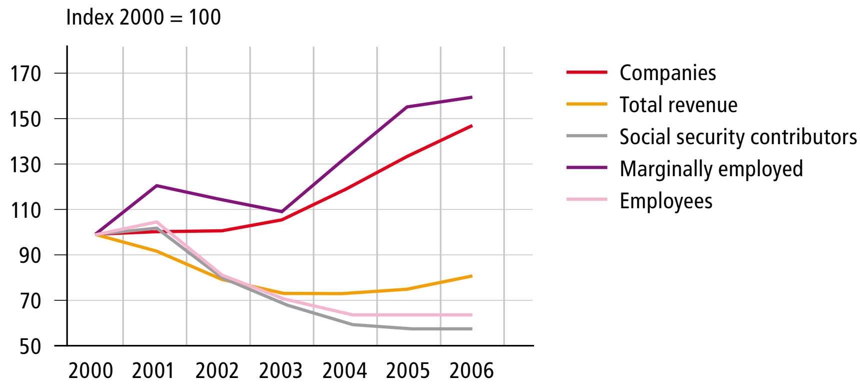
The number of Berlin studios that focussed on textile, jewellery and furniture design represented an above-average share (15%) of the national total. From 2000 to 2006, the number of Berlin companies in the design industry rose by around 47%, whereas the national growth rate was a mere 3%.

2.9.5 Development in sales figures

Total revenue for the Berlin design industry was around €380M in 2006. Compared to the base year of 2000, this figure marked a decrease of 19%/€87M (the decline at the national level was a somewhat more modest 15%); however, the data indicates a positive trend since 2004. The revenue decline in this market sub-segment stems from a decrease in sales of €136M among Berlin clothing producers. On the other hand, all other branches of the design industry saw a rise in sales, in particular the design studios, which earned €26M or 18% more in 2006 than in 2000.

Within the Berlin design industry, the highest sales figures were recorded by the design studios (47%) and clothing producers (38%). Significant growth rates were achieved by the design studios (+18%/+€26M), industrial design offices (+86%/€9M) and clothing mail-order (+138%/ +€4M). Revenue generated by Berlin's design studios showed a market share that was 11% higher (reference value: 2.8%) than the market share for design studios at the national level.

Development of the Berlin design industry from 2000 to 2006



2.9.6 Development in employment figures

Of the around 1,830 individuals employed in the design industry in 2006, 66% were subject to social security contributions, 15% were marginally employed and 19% were freelance or self-employed.

Among those in the design industry who were subject to social security contributions or marginally employed, the percentage of women has remained constant since 2005 at 68%.

The Berlin branch that has the highest percentage of employees within the design industry is clothing production (48%/a smaller figure even than in 2000) followed by textile, jewellery and furniture design studios (21%/ an increase since 2000). The number of design industry employees in Berlin decreased from 2000 to 2006 by around 36% (840 fewer employees) – the result of a decrease in clothing production jobs of 700. Design studios and mail-order hired a significant number of new employees. The total of number of individuals employed nationally in the design industry has decreased from 2000 to 2006 by around 32%.

Design Industry 2006	Companies	Revenue in € (x1000)	Wage earners	Employees	Social security contributors	Marginally employed	Freelance
Production of clothing and shoes	180	146,083	723	723	609	114	0
Production of house wares and ornamental objects from porcelain, etc.	10	13,097	178	178	177	1	0
Production of jewellery from precious metals	35	10,511	97	97	73	24	0
Production of goods forged from gold and silver	84	7,488	13	13	5	8	0
Studios for textile, jewellery and furniture design	1,965	177,309	592	320	237	83	272
Mail-order trade for clothing	20	6,898	69	69	44	25	0
Offices for industrial design	147	19,161	155	93	68	25	62
Total	**2,441**	**380,547**	**1,827**	**1,493**	**1,213**	**280**	**334**

Source: Data from the Amt für Statistik Berlin-Brandenburg (Berlin-Brandenburg Statistics Authority) and from the Bundesagentur für Arbeit (Federal Employment Agency), Analysis by DIW Berlin (German Institute for Economic Research Berlin), Presentation by SenWTF (Senate Department for Economics, Technology and Women's Issues),

2.9.7 Situation and outlook in the design industry

In Berlin, a creative scene has been established around designers, agencies, trade fairs and sales venues. Platforms such as the Mercedes Benz Fashion Week, the Premium Exhibitions trade fair and STARK in the fashion industry, the DMY International Design Festival and numerous networks among fashion and product designers are supported throughout the federal state. Products, furniture and collections are developed in Berlin; trends are set. UNESCO's 2006 designation of Berlin as a "City of Design" has sparked an atmosphere of awakening among politics and industry. Nearly every month features new shops by local designers as well as flagship stores of internationally renowned retailers.

Four art universities and numerous private institutions in Berlin offer a wide spectrum of design-oriented courses of study in which around 3,000 students are enrolled. Many alumni work as freelancers after graduation. The location offers what designers need: a creative environment, sources of inspiration and, for a large city, low-cost studios and office spaces. Berlin is a young design location, a trend-smith, that has begun to emulate other capitals of design and to create the necessary framework in order to flourish. Berlin design is an ever-more important economic factor.

Product, furniture and interior design

Among Berlin's roughly 2,000 studios for fashion, jewellery and furniture design, some 1,300 are engaged in product, furniture or interior design. The industry is defined by a scattered configuration of businesses consisting on average of between one and two persons. Included among its big names are Werner Aisslinger, Achim Heine, Vogt & Weizenegger, E27, Metrofarm, ic! Berlin, Mykita and Graft.

For over five years Berlin has been the home of the DMY International Design Festival that presents contemporary design from Germany and all over world and drew over 15,000 visitors in 2008 – a new record for this event.

In recent years, the Internationale Designzentrum Berlin (International Design Centre Berlin) has developed to become an important hub for the city.

IDZ regularly hosts exhibitions and conferences on current design themes. Within the framework of the ongoing project "IMPROVE" – a collaboration of numerous industry associations[2] and DesignersBusiness – forums, workshops and coaching are offered to strengthen the entrepreneurial skills of designers. Themes include positioning, royalties, finance, legal entities and business development.

In addition to their local events, numerous Berlin networks such as Create Berlin, berlindesign.net, IDZ and the DMY platform organise design presentations for such international venues as the Design Weeks in Hong Kong, Shanghai, Seoul and New York as well as for the world's largest design trade fair, the Salone di Mobile in Milan.

2 Allianz deutscher Designer (Alliance of German Designers, AGD), the Bund Deutscher Grafik-Designer (Association of German Graphic Designers, BDG), the Verband Deutscher Industrie Designer (Association of German Industrial Designers, VDID) and the Verband Deutscher Mode- und Textil-Designer (Association of German Fashion and Textile Designers, VDMD).

Presentations abroad as well as the annual Berlin Design Festival create notice for product and furniture design from Berlin and enable the designers to acquire contracts and gain access to international markets.

Fashion design

Berlin has a young and lively fashion scene. The city is home to around 600 fashion designers whose spectra range from high-priced couture to streetwear and from one-of-a-kind articles to ready-to-wear. Many operate their own stores or supply shops and retailers in Germany and abroad. These include the fashion labels of Michalsky, Firma, Kaviar Gauche, Sisi Wasabi, Scherer Gonzalez, Unrath & Strano, Maqua, Penkov, Pulver, Lala Berlin, Anntian, Boessert/Schorn, Esther Perbandt and Mongrels in Common. The shops are concentrated along side streets like Alte Schönhauser Straße, Kastanienallee and the neighbouring Oderberger Straße as well as around Simon-Dachstraße and Wühlischstraße. In addition to the individual shops, the fashion mall Galleries Lafayette as well as sales outlets such as Berliner Klamotten, Berlinomat, Aus Berlin and Konk offer numerous collections from Berlin designers. Others like Belleville, Best Shop, Chelsea Farmer´s Club and F95 offer a sophisticated mix of international and first-class Berlin collections. Traditional companies such as Frank Henke and Umlauf & Klein also have their headquarters in Berlin.

The bi-annual Mercedes-Benz Fashion Week Berlin is a showcase for the newest collections of established designers from the rest of Germany and the Berlin avant-garde. Fashion Week encompasses the Premium Exhibitions and STARK trade fairs, numerous off-site shows and showroom presentations such as Projekt Galerie and Apartment. Together, the events surrounding Fashion Week attract about 35,000 visitors. Another event for those interested in fashion or those visiting Berlin is the open "Showroom Mile" where Berlin-based companies assemble themselves and their wares around Unter den Linden. Its first incarnation boasted an attendance of more than 20,000 visitors, proof that "Showroom Mile" should be further expanded.

Networks such as Create Berlin, Thefashioncollectiveberlin and The Fashion Network (Berliner Klamotten) as well as the website Styleserver organise presentations locally and abroad – from Milan, Paris and Copenhagen to Athens and New York – to assist the fashion labels in taking their first steps towards conquering new markets.

Berlin's nine fashion schools provide for a constant and fresh supply of fashion studios. The density of fashion schools in Berlin is unique in Europe. At Fashion Week in January 2009, the Berlin fashion schools will show a selection from their top graduates as part of group show.

A comparison between the areas of product design and fashion shows the life cycles in fashion to be significantly shorter than those in products or furniture; the Berlin companies in both sub-sectors, however, have a pronounced appetite for factory-style production and direct marketing in their own shops.

Courses of action discussed in industry and government circles:

→ *The early sharing of information between Berlin networks on planned presentations abroad,*

→ *The creation of workshops and coaching measures for companies in the design and fashion industries in order to meet rising demand,*

→ *Securing the survival of manufacturing subcontractors in the fashion industry as well as using a model project in Berlin-Neukölln as a basis for the development of a qualification programme for tailors to become manufacturing subcontractors,*

→ *The continuation of the interdisciplinary innovation project Design Reaktor Berlin—in particular, the creation of a utilisation and transfer platform.*

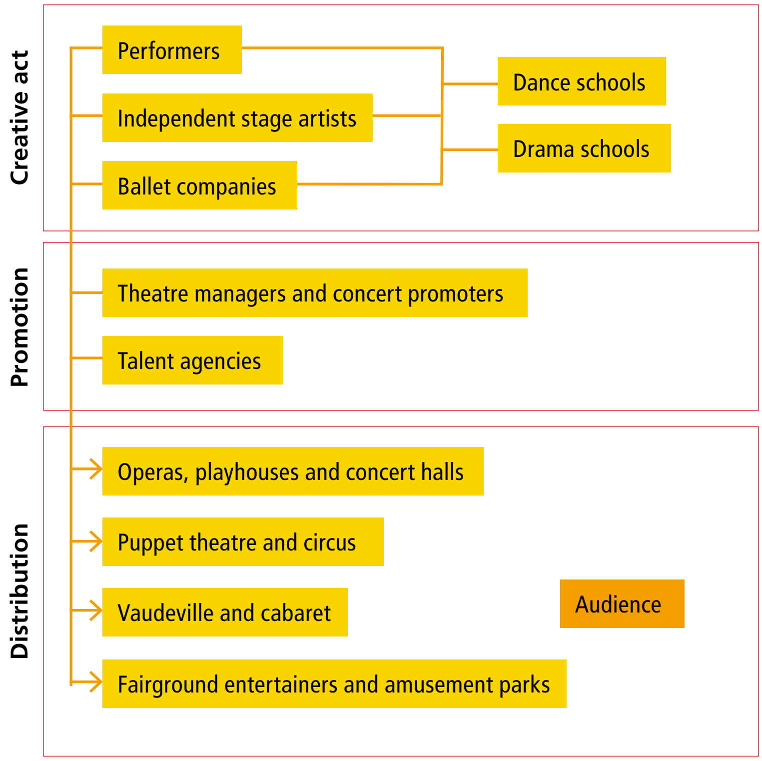
Best-practice example: Thefashioncollectiveberlin – Trade fair presentations by Berlin fashion designers

In 2007, a circle of Berlin fashion designers resolved to organise a presentation of foreign trade shows together. After showings in two consecutive years at the Copenhagen Fashion Week, a third presentation was recently accomplished under the coordination of fashion designer Carola Plöchinger and with the support of the federal state of Berlin.
Fashion Week in Paris is the most important location for fashion business in the world, as well for Berlin designers. A selection of the 15 most successful Berlin fashion labels, including Lala Berlin, Penkov, Mongrels in Common and Anntian, presented their collections as a group in October 2008 in the Jeu de Paume museum, not far from the Caroussel du Louvre, the heart of Fashion Week. The collective trade fair presentation was complemented by an exhibition, a professionally configured Lookbook, an internet website with information on the designers and their collections as well as two agencies (one of which was on location in Paris) that contribute to marketing efforts with their marketing and press contacts as well as with their knowledge of the German-speaking and international market.

Best-practice example: Design Reaktor Berlin

Design Reaktor Berlin is an interdisciplinary research project at the Universität der Künste in Berlin (Berlin University of the Arts) that began in 2007. Its goal is the creation of a cooperation platform between the university and companies for the collection of experiences about the process of innovation, but also for the innovative coupling of the skills of handcraft firms with the design expertise at the university. Over 50 Berlin companies from various trades took part in the project – from chocolatiers, taxidermists, felt makers and boat builders to companies engaged in nanotechnology – as well as over 30 instructors and 80 students. In cooperation with companies, 250 product ideas were generated, prototypes and models were built and products were evaluated for the marketability. So far five patents have been filed. The most promising products were presented at numerous trade fairs and several have been further developed and are now poised to enter the market.

2.10 Performing Arts Market



2.10.1 Economic integration within the value-creation chain

The performing arts market incorporates theatre companies, ballet companies, independent stage artists (partially), performers, theatre managers and concert promoters (partially), concert halls and playhouses (partially), vaudeville shows and cabarets, puppet theatres and circuses as well as related services like ticket agencies and ticket counters.

2.10.2 Statistical outline

The table to the right lists the branches of industry that compose the market sector:

WZ	Industry branch
92311	Theatre companies
92312	Ballet companies
92317	Independent stage artists (emphasis on theatre)
92318	Independent performers
92321	Theatre managers/concert promoters
92322	Operas/playhouses/concert halls
92323	Vaudeville/cabaret
92342	Puppet theatre/circus/carnivals
92325	Technical assistance services (advance sales/box office)
92330	Fairground entertainers/amusement parks

2.10.3 Economic indicators for the performing arts market in Berlin

Of all the companies in the German performing arts market, 9% are located in Berlin (reference value: 4%). Berlin's share of those employed nationally in the market is higher than 8% (reference value: 4%). Berlin accounts for around 9% of Germany's total revenue from the performing arts (reference value: 2.8%).

2.10.4 Development in the number of companies

Around 9% of companies in the German performing arts market were based in Berlin in 2006 (reference value: 4%). From 2000 to 2006, the number of Berlin companies rose 45% (+380 companies). This development is largely attributed to an increase in theatre companies and in those companies involved in vaudeville/cabaret. However, there was a downward trend in the number of companies associated with operas/playhouses/concert halls as well as with fairgrounds/amusement parks.

Berlin accounted for above-average shares in the number of German performing arts companies in the areas of technical assistance services (32%), independent stage artists (19%), performers (17%) as well as with theatre managers/concert promoters and operas/playhouses/concert halls, where each accounted for up to 11% of the total.

The 45% increase in the number of Berlin's performing arts companies over the period from 2000 to 2006 was more than twice as high as the national growth rate of 20%.

2.10.5 Development in sales figures

The Berlin performing arts market achieved around €423M of revenue in 2006. Compared to 2000, this marked an increase of 2% (around €10M). Above all, this is attributable to a boost in revenue from circuses (+92%/+€20M) as well as for independent stage artists (+92%/+€20M). National revenue increased by around 25% from 2000 to 2006. The segments of the Berlin performing arts that accounted for the strongest revenue were operas/playhouses/concert halls (33%/€138M) and theatre managers/concert promoters (21%/€89M).

Performing arts 2006	**Companies**	**Revenue in € (x1000)**	**Wage earners**	**Employees**	**Social security contributors**	**Marginally employed**	**Freelance**
Theatre companies	16	15,935	3,792	1,267	1,150	117	2,525
Ballet companies	24	28,820	579	194	190	4	386
Independent stage artists (emphasis on theatre)	561	46,055	475	69	46	23	406
Independent performers	89	5,243	96	7	3	4	89
Theatre managers/concert promoters	67	88,948	2,263	756	314	442	1,507
Operas/playhouses/concert halls	10	138,230	5,566	1,860	1682	178	3,706
Vaudeville/cabaret	12	2,820	248	83	69	14	165
Puppet theatre/circus/carnivals	87	41,741	1,024	342	194	148	682
Technical assistance services (advance sales/box office)	218	32,916	1,574	526	331	195	1,048
Fairground entertainers/amusement parks	57	12,597	572	191	104	87	381
Tanzschulen	82	10,140	434	145	66	79	289
Total	**1,223**	**423,445**	**16,624**	**5,439**	**4,149**	**1,290**	**11,185**

Source: Data from the Amt für Statistik Berlin-Brandenburg (Berlin-Brandenburg Statistics Authority) and from the Bundesagentur für Arbeit (Federal Employment Agency). Analysis by DIW Berlin (German Institute for Economic Research Berlin). Presentation by SenWTF (Senate Department for Economics, Technology and Women's Issues).

Development of the Berlin performing arts from 2000 to 2006

Above-average market shares were reached in 2006 by theatre companies (39%) as well as by ballet companies, independent stage artists and technical assistance services (each between 17% and 19%) and by theatre managers and concert promoters (15%).

2.10.6 Development in employment figures

Of the 16,600 individuals employed in the 2006 performing arts market, 25% were subject to social security contributions, 8% were marginally employed and around 67% were freelance or self-employed.

Around 8% of those employed nationally in this market sector worked in Berlin (reference value: 4%). Above-average shares of the number of those employed nationally in the performing arts were reached by Berlin in the areas of technical assistance services (32%), theatre managers/concert promoters (18%) as well as operas/playhouses/concert halls, theatre companies and vaudeville/cabaret, each with a 10% share.

The female percentage of those 2006 employees subject to social security contributions was 44%. The female share of those marginally employed decreased from 51% in 2005 to 47% in 2006.

The Berlin branch of the performing arts with the highest share of employees was operas/playhouses/concert halls (34%), followed by theatre companies (23%) and theatre managers/concert promoters (14%).

From 2000 to 2006, the number of employees in the Berlin performing arts rose by 4% (+200 employees) and at the national level by 6% (+3,700 employees). While theatre managers and technical assistance services employed more personnel, the number of employees in entertainment troupes and theatre companies declined significantly.

2.10.7 Situation and outlook in the performing arts

Berlin is traditionally an important location in Germany for the performing arts. Its multitude of theatres, dance companies and stages for vaudeville and cabaret enriches Berlin's image as a cultural metropolis of international radiance.

Berlin's training schools play an important role for the performing arts. Graduates of state-funded institutions like the Universität der Künste (University of the Arts), the Hochschule für Schauspielkunst "Ernst Busch" (Ernst Busch School of Dramatic Arts), the Hochschule für Musik "Hanns Eisler" (Hanns Eisler College of Music) and the Kunsthochschule Berlin (Berlin College of Art) as well as private organisations like the Theaterakademie (Theater Academy), Etage, Schauspielschule Berlin (Berlin Drama School) and the

Schauspielschule Charlottenburg (Charlottenburg Drama School) create a pool of new and young talent. It is not uncommon that new projects and business concepts emerge from this scholarly environment.

Two important protagonists in the performing arts market are, for example, the TIPI and the "Bar Jeder Vernunft" that opened in 1992 in an art-nouveau-style spiegeltent near the Kurfürstendamm and has since become a permanent fixture in Berlin's array of performance stages. Situated not far from the federal chancellery, TIPI has provided yet another performance location since 2002. Seven days a week, both venues offer line-ups that include shows, comedy, cabaret, literature and theatre. Furthermore, long-term productions like the "Blue Man Group" at nearby Theater am Potsdamer Platz are continual crowd pullers.

Performances at the "Admiralspalast", Falk Walter's resurrection of the old „Metropoltheater" on Friedrichstraße, attract around 250,000 guests annually from all over the world. Directly on the Spree, the privately run and internationally renowned "Radialsystem V" is a venue for sophisticated dance and musical acts.

Two trends in the performing arts market have been observed. Event organisers like Hexenkessel Hoftheater and Prime Time-Theater show a tendency towards specialisation that includes customised culinary offerings and child-care services. The others combine various facets like dance, theatre, music and vaudeville in diversified programmes. Overall, the majority of event organisers exhibits a wide range of market strategies.

Small theatre companies, in particular, still often work without professional marketing. There can be many reasons for this: those responsible do not recognise the existing deficit; the budgets are too small to consider these tasks; or the companies each operate in a manner that is too scattered to achieve the presumed audience potential in the particular markets. The financing of event arrangers is normally supplemented by the hiring out of spaces and event organisation. Collaborations with companies and music clubs are also common. Ever-changing consumer behaviour makes the problem of catering to new target groups the central challenge of this market sector.[1]

Courses of action discussed in industry and government circles:

→ *Continuing support for the development of artists through the corresponding funding programmes of the Department of Culture,*

→ *Creation and expansion of consulting efforts for protagonists in the performing arts so that they may become or remain financially stable,*

→ *Assistance in the creation of professional marketing structures within the institutions.*

1 Cf. Keuchel 2007.

2.11 Women in the creative industries

As work in the creative industries is often project-related, the creative industries make for an attractive occupational field for women: time flexibility in project-specific work allows women to balance career and family more easily. Accordingly, the percentage of women in the sector as a whole, as well as in the underlying market sectors, is very high in relation to other industries. In the Berlin creative industries, women make up 44% of those subject to social security contributions and 52% of the marginally employed. While the female percentage of those in Berlin who are subject to social security contributions stands only slightly above the national average of 41%, the female percentage of those who are marginally employed in Berlin is considerably less than the national figure of 61%. Compared to 2000, the female percentage of those in Berlin who are subject to social security contributions and the percentages of both men and women in Berlin who are marginally employed have each decreased slightly by 2%.

The following table shows in which employment categories and market sub-segments of the creative industries women are more strongly or weakly represented:

The art market and the design industry boast the highest percentages of female employees. Since 2000, the developments in these two market sub-segments have run a very different course: while those female employees in the art market who were subject to social security contributions showed an increase of 4%, the total of those who are marginally employed declined around 5%. In the design industry, the trend was reversed but the tendencies were less extreme. A drop of almost 1% in the number of women subject to social security contributions was accompanied by a rise of over 1% in the number of marginally employed women.

These shifts cannot be explained without more extensive research. In the software and games industry, the female percentage of those subject to social security contributions is especially low at 31%. The female percentage has sunk by around 4% since 2000. The female percentage of the marginally employed was significantly higher at 49% despite a drop of 11% since 2000. In the future, more women will be enthusiastic for sustainable

2006	Social security contributors			Marginally employed		
	Total	Women %	Men %	Total	Women %	Men %
Print media & publishing	18,112	52,2	47,8	4,217	51,8	48,2
Film, television & radio	12,467	45,7	54,3	1,453	51,7	48,3
Art market	3,810	59,6	40,4	843	68,0	32,0
Software/games/telcos	21,743	30,9	69,1	984	48,6	51,4
Music industry	4,509	39,9	60,1	1,380	43,9	56,1
Advertising	6,899	52,1	47,9	1,797	53,5	46,5
Architecture	4,162	48,1	51,9	538	58,0	42,0
Design	1,213	65,0	35,0	280	67,9	32,1
Performing arts	4,149	42,9	57,1	1,290	47,5	52,5
Total	**77.065**	**44,2**	**55,8**	**12.782**	**52,2**	**47,8**

Source: Data from the Amt für Statistik Berlin-Brandenburg (Berlin-Brandenburg Statistics Authority) and from the Bundesagentur für Arbeit (Federal Employment Agency), Nuremberg.

digital media jobs in Berlin where this sub-segment is rapidly growing. IT companies in the region already complain today of a lack of skilled labour and have joined forces in this struggle at the initiative of the inter-trade organisation SIBB e.V. A task force has set as its goal the winning over of women for IT jobs. Under the name "Top IT mit Frauen" („Top IT with Women"), events for school girls and students as well as career counselling and a mentoring programme have been carried out in cooperation with Berlin universities. The goal is to award 30% of all newly created jobs at participating companies to women. At this juncture it is important to refute the prejudices that women are not fit for technical jobs and that information technology is only concerned with computers. In a workshop with career counsellors at employment agencies, barriers were identified and strategies were developed to overcome them. As part of this initiative, female IT professionals from the region have made themselves available as positive role models and have explained in conversations, at events and also on film why they work in the IT industry and which advantages it brings.

While in other market sub-segments the female percentage of employees subject to social security contributions has hardly changed since 2000, there was a significant drop in the female percentage of those employed part-time across all other sub-segments: the figure decreased around 17% in the performing arts, around 10% in both the music industry and architecture and around 6% in film, TV and radio. Since the total of part-time employees rose during the same time period, these new jobs were occupied by men more often than not.

2.11.1 Percentages of women among those in training and study programmes

Considering the totals of those currently in training and study programmes related to the creative industries, it is expected that the discrepancy between creative and technically-oriented occupational fields will persist in the near future.

While many young women are training to become advertisers (73%), booksellers (70%) and publishers (64%), interest in the fields of event technology (15%), printing (9%), computer science (7%) and IT-system electronics (4%) is rather modest.

A glance at higher education provides a similar picture. Female students dominate the fields of media studies, art history and theory, design, performing and visual arts and the various courses of study related to by a factor of up to nine to one. In contrast, the women's share of those studying information and telecommunications technology lies under 10% while the figures for the computer sciences hover between a mere 10 and 20%.

2.11.2 Exemplary projects to increase the percentage of women in particular market sub-segments

Various Berlin universities and technical colleges offer special programs in order to strongly encourage secondary school graduates and young women to enrol in technical courses of study.

Two projects by Humboldt University are exemplary of these efforts: "Mehr Frauen in die Informatik" (More Women in IT") and "FiNCA – Frauen in den Naturwissenschaften am Campus Adlershof" (FiNCA—Women in the natural sciences at the Adlershof campus). The goal of the idea workshop „Mehr Frauen in die Informatik" is to increase the percentage of women in courses of study related to computer science. Offerings include study groups and projects with schools, visits and work placements at the Institute für Informatik (Institute of Computer Science) as well as opportunities for dialogue among schoolgirls and female students and instructors.

The "FiNCA" initiative wants to support women in all disciplines of the natural sciences and to contribute to heightening the percentage of women in these fields. Here, too, the emphasis lies on computer science and physics. The concept ranges from winning schoolgirls over to studying the natural sciences, to the establishment of a qualification programme specifically for women, and finally to the creation of a women's network as the basis for a comprehensive mentoring system that encompasses all qualification grades.

2.11.3 Special programmes to support women in individual areas of the arts

Since 1992, the Department of Culture has offered programmes specifically for women. These aim at raising the percentage of women in those areas of the arts in which they have hitherto been underrepresented and to offer them the opportunity to occupy top positions in artistic enterprises. The portfolio of support includes the awarding of grants and project funds to female artists in Berlin, to groups and to cultural initiatives spearheaded exclusively by women. For over a decade, a network of cultural-sector groups and associations of women has been growing and operating in Berlin. These provide an important contribution to the cultural offerings of Berlin. The information and networking activities in particular are not to be underrated. The range of services spans from the sharing of information concerning the support needed to found a company or to start a freelance practice, to general mentoring and coaching.

Until now, the percentage of women (56%) among applicants for individual artist funding has roughly corresponded to the women's share (54%) of the total funds awarded. This indicates a just distribution in terms of gender. Over a period of several years, a participation parity has been established in the funding of individuals. The female artist programme contributes to this result – perhaps by means of a jury that features gender parity itself – and furthermore acts as a flexible instrument to react promptly to the needs of the individual areas of the arts.

Best-practice example:
Goldrausch Project "Künstlerinnenfortbildung art IT"

The Goldrausch-Künstlerinnenprojekt (Goldrausch Female Artist Project) "art IT" was founded in 1990. The motive was that female visual artists were only marginally represented in the business of public art despite a disproportionately large presence in art training courses. The provisions of further education did not seek to create a protective niche for female artists. Rather, they are intended as a corrective to the gender-conservative structures of the art business.
The project imparts technical knowledge and promotes the goal-oriented positioning of women in the field of the visual arts. The one-year programme comprises occupational knowledge (copyright, financial management and communications expertise etc.) and strengthens necessary skills. Websites, brochures as well as a group exhibition assist in better marketing.
In terms of the "art IT" project, the goal is to identify individual perspectives on the course of one's professional career and on the freelance practice of a female visual artist. The data available on the sales and grants achieved after completion of this further education confirm the success of the measures. (www.goldrausch-kuenstlerinnen.de)

2.12 Creative Industries in the context of promoting culture

Many individual and institutional protagonists are involved in the creation of added-value within Berlin's creative industries (CI). In the following sections, the contributions and terms of action of several select groups of actors within Berlin's creative industries will be explored in greater detail. In section 2.12.1, the important role that publicly supported cultural institutions play for Berlin's CI sectors is emphasized. The public/cultural realms produce cultural goods and services and therefore can be considered as belonging to the CI market. Moreover, activities in the cultural/public domain generate demand for the CIs, making it an integral link in the CI chain of value creation. Then, in section 2.12.2, the importance of artists and innovators in the creative industries is analyzed. Starting with their intensive roles in the production of cultural content, their contribution to the development of the CI sectors in Berlin is then examined. Finally, section 2.12.3 explores the political aspects of "creative industries market development".

2.12.1 The Leverage effect of publicly-supported cultural revenues

Subsidies provided by the Federal State of Berlin flow to all areas of the cultural sector, but there are some segments with core-areas of operation that are more heavily dependent upon public funding than others. This is especially true of the performing arts.[1] Subsidies for cultural institutions can be used as an instrument to support a politically desirable distribution of cultural goods. They keep ticket prices low and thus allow a broader audience to take part in the arts. Finally, financial support for cultural institutions helps to keep the valuable realm of the arts alive and well.[2] Subsidies provided by public sources constitute the financial foundations of cultural institutions, since without them the latter would never be able provide society with the services that they do. Because cultural institutions have this basic foundation with which they can operate, they are able to bring in additional revenue from ticket sales, sales of products on the CI market, or in the form of funding from third parties. As a rule, the VAT statistics are not able to capture the economic activities of publicly funded cultural institutions, which generally do not fall under VAT regulations.

The introduction of new financial controlling practices for subsidised cultural institutions (CiK) in 2007 provided the data for the chart below depicting total revenues for publicly funded cultural institutions. This data shows that that the financial basis of public funding provided to the arts enables a momentum of sorts to be built that has far-reaching consequences for the market economy. In other words, the government funds that flow into the arts work to stimulate revenues throughout the entire creative-industries sector.

It is possible to estimate the extent of momentum produced by taking as a base the sales figures for over 50 cultural institutions (figures collected by the CiK financial controlling system). Calculations of total revenues generated by these institutions are based upon sales revenues, third-party proceeds and funding supplied by the Federal State of Berlin.[3] This results in the following figure (fig. page 77 above).

1 Baumol and Bowen (1966) describe the limited possibilities for economising service industries as a „cost disease". Service provider's costs rise disproportionately faster than other income factors over the long run, thus making services more expensive and slowing demand. With respect to cultural policy, this theory serves to substantiate the need for public subsidies in the areas of the performing arts and other segments of the arts and creative industries based upon the uno-actu-principle.

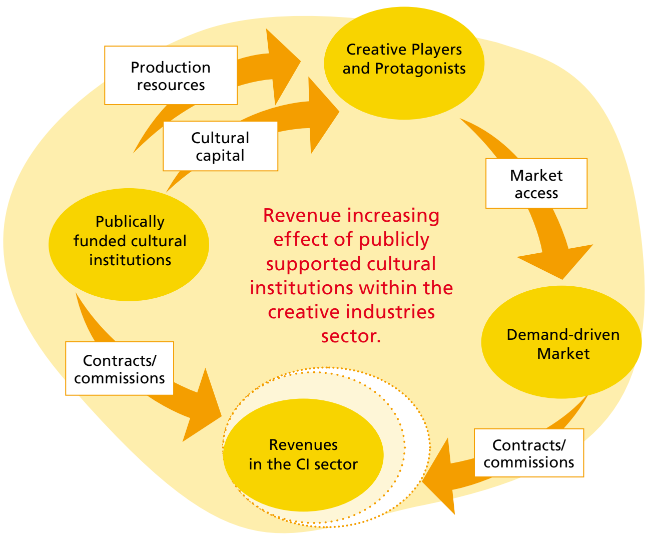
2 What can be considered valuable, for example, are cultural forms of expression based upon regional uniqueness. cf. the UNESCO-Convention concerning cultural diversity (BGBl II, 6, from March 6, 2007: 234 ff.).

3 Sales revenues as defined by the CiK-System refer to revenues gathered by way of cultural usage; in other words, ticket sales, attendance fees and the sales of passes. Revenues are also gathered by food and beverage sales, shop sales, rentals, sponsoring contracts and advertisement. Third-party proceeds include funding from other non-profit or governmental sources such as the federal government or other state governments. Funding provided by the federal state of Berlin shows up in third position overall in the figure depicting total revenue calculations.

The amount of revenue generated by publicly supported cultural institutions is twice the amount received in subsidies from the local government. Public funding from the local government generally accounts for 49% of the total revenues of cultural institutions, which are able to generate the remaining 51% – this effect can be called the “productivity“ of regional public support. The available figures for total revenues show that for every one euro of public funding spent by the federal state of Berlin on arts and culture, the return is double.[4] Projections for the accumulative annual effect of this revenue-increasing dynamic can be based upon the total of Berlin’s annual public funding to the region’s cultural institutions, which in 2006 came to €454M.[5]

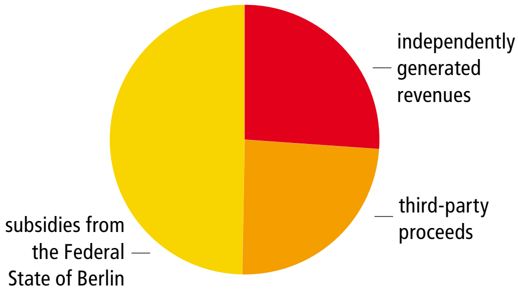
Total revenues accrued by cultural institutions that receive public funding from the Federal State of Berlin top €900M for the year 2006

This sum reveals just how much economic momentum is produced by the dynamic relationship between cultural institutions and public support. This relationship also has ramifications for the rest of the creative industries sector, as can be seen in the following diagram.



Source: our own depiction

Percentage breakdown of the total revenues generated by publicly funded cultural institutions in Berlin according to the following revenue sources:



The awarding of contracts by publicly funded cultural institutions results in a sphere of activity for freelancers. In addition to the full-time jobs created by demand in this area, a large number of contracts and service contracts also result. Companies in the CI sector benefit as well from the roles that these institutions play as contracting bodies. Every time a museum chooses to develop an audio guide, a multi-media animation or to print posters and brochures for advertising an exhibition; every time a theatre has a stage set built or a costume sewn or a library purchases books or DVDs, contracts are awarded and revenues generated throughout the CI sector.

Thanks to the cultural capital and influential reputations that well-run, publicly-supported cultural institutions can acquire, collaborating with them can provide members of the creative industries with additional benefit. If an enterprise is awarded a contract by such an institution, it is presented with a good opportunity for increased marketplace visibility as well as for increasing its market value and thereby positively influencing business prospects.

In particular, artists and creatives at the beginning of their careers are obliged to be able to present their work to the public, without there necessarily being a profitable marketing situation. The publicly supported infrastructures that provide this function in

4 This presupposes an understanding of economic principles concerning profits and revenues. According to VAT regulations, these are not officially revenues.

5 These are our calculations based on figures provided by the Statistischen Bundesamtes (National Statistics Authority) for 2006. Benefits for theatre and music, libraries, museums and other miscellaneous realms of cultural life were included. A similar sum of precisely €465M was arrived at by the Arbeitskreises Kulturstatistik e. V. (Research Group for Cultural Statistics) with regard to the amortisation of expenditures for cultural activities by the Federal State of Berlin.

Berlin include the Hebbel am Ufer and the Sophiensäle – both of which cater for members of the performing arts – as well as for art associations like the NGBK (Neue Galerie für Bildende Kunst) and the Kulturwerk des Berufsverbandes Bildender Künstler (the Occupational Union of Visual Artists' Culture Factory) – which cater for members of the visual arts sector. These infrastructures provide an occupational arena for new talent and function as important elements to faciliate CI protagonists in Berlin to enter the market.

2.12.2 Creative Protagonists

The work of creative protagonists makes up the core of all the CI's value-adding endeavours. Marketable cultural products develop as a result of their ideas and creative activities. Without the creative work done by qualified individuals there would be no cultural products. This is because creative protagonists form the first-link of the CI's value-adding chain. They produce creative content that is then utilised and distributed further down the chain of value creation. The value that single individuals create is difficult to calculate because of the vast numbers of creative players that must usually be included in the analyses of sales and revenues. This is why statistical analysis alone does not enable us to deduce very much about the core of the CI's value-adding endeavours. Further understanding concerning the value-creation endeavours in which creative protagonists are involved can be accessed only indirectly. It can be done by analysing the royalties collected by collective rights managers.

Collective rights managers are privately organised, special-interest groups that operate under the supervision of the German Patent Office (Deutsche Patent und Markenamt). They represent their member's interests and monitor their intellectual property and ancillary copyrights. In this way, they have a hand in securing a financial basis for authors of intellectual property and creators of artistic works. Four collective rights management organisations based in Germany were asked to supply statistical data: VG Bild-Kunst, VG Wort, GEMA and GVL. These collective rights management organisations manage the copyrights of members of the creative industries and thus form an integral part of the core CI's value-adding chain. The number of royalty recipients registered in Berlin was calculated as was the proportion in relation to the rest of Germany. Data was also collected that enabled us to calculate the proportion of the entire amount of royalties collected and paid to creative protagonists based in Berlin. The data collected is based solely on the year 2007.[7]

Creative Protagonists in Berlin

The collective rights management organisation (in German: Verwertungsgesellschaft or VG) known as VG Bild-Kunst concerns itself with copyright law in the visual arts domain. Its members belong to three different professional categories. The first category consists of visual artists and publishers. The second category consists of designers and photographers. The third category comprises the film and television professions. Approximately 18% of the 42,000 members of the VG Bild-Kunst collective rights management group are registered in Berlin. These artists received around 17% of the royalties collected by VG Bild-Kunst.

The collective rights management organisation known as VG Wort specialises in representing authors and publishers. Of the almost 400,000 rights-holding authors registered with VG Wort, around 9% live in Berlin and they receive approximately 25% of the total in royalties paid to VG Wort. This means that Berlin's authors take in approximately 3 times the national average. The Gesellschaft für musikalische Aufführung und mechanisches Vervielfältigungsrecht (Society for Musical Performing and Mechanical Reproduction Rights), otherwise known as GEMA, represents those involved in creating music, i.e. composers and songwriters.

7 These figures only include authors and makers of creative works that have registered themselves and their works with a corresponding collective rights management organisation.

Of all those represented by GEMA, approximately 14% of them are based in Berlin. This group of rights-holders receives 12% of all royalties collected by GEMA. The Gesellschaft zur Verwertung von Leistungsschutzrechten (Society for the Management of Ancillary Copyrights), also known simply as GVL, acts on behalf of the secondary exploitation rights of performing artists such as musicians, singers, dancers, and actors. This means the domain of live-performances has not been included in this presentation of data. 11% of the performing artists represented by GVL are based in Berlin. They received 18% of the total royalties collected in this domain.

The following overview shows the segments in which the players of Berlin's creative industries are particularly active and the areas in which they tend to collect the most royalties.

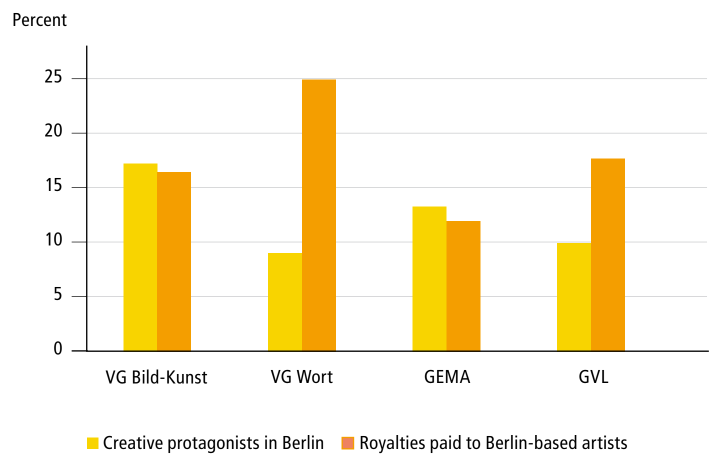
The acquired data allows a ratio to be calculated to compare copyright holding artists, authors and creators based in Berlin with those based in the rest of Germany (see chart below).

The results for the authors living in Berlin are particularly striking. They draw a significantly larger amount of royalities than the national average with a profit disbursement ratio of 260%. This is difficult to explain with the currently available data. These figures seem to show clearly that Berlin has an above-average significance for the production of intellectual works, especially in the realm of the word.[8] An examination of the other established segments of the value-creation chains in Berlin shows that the print media and publishing sector also carries above average significance. The profit ratios of 220% for Berlin's publishing houses are also more than double the national average.[9] Absolute numbers support this estimation.[10] All in all, the results are simply further evidence that Berlin really can be said to be a "city of authors".

As the GVL's numbers confirm, the performing artists and musicians based in Berlin are also more successful in terms of royalty payments as compared with their colleagues in the rest of Germany. These figures substantiate Berlin's reputation as a city of international importance in the creative industries.

The figures provided by the GEMA of the Berlin music business offer a slightly different picture. The amount of royalties collected for Berlin's musicians by the GEMA were slightly lower than the national average. According to the VG Bild-Kunst, in 2007 Berlin's visual

Percent of the shares in royalties collected by Berlin-based authors, artists and creators in 2007



Source: Our own representation based on figures supplied by the collective rights management organisations

	VG Bild-Kunst	VG Wort	GEMA	GVL
Professional category	Visual and applied artists	Authors	Songwriters and composers	Performing artists and musicians
Ratio of royalties payments Berlin	**90%**	**260%**	**90%**	**160%**

Calculated economic productivity of the creators of works based in Berlin based upon remunerated copyrights

Source: Our own calculations are based on figures supplied by the collective rights management organisations

8 It should be noted that the definition of author used by the Wort collective rights management organisation is quite broad and includes not only authors of books and other literary works, but also journalists and scientific authors.

9 This number is tied to the number of Berlin-based publishers registered with VG Wort.

10 cf. see Print Media and Publishing Chapter 2.2.

artists collected royalties on par with the national average.

These collective rights management organisations are also those with the most Berlin-based members. It is therefore possible to conclude that, of the large number of creators in the CIs living in Berlin, only a small percentage have higher than average financial success.

Berlin as business location for creative industries content production

Data provided by the collective rights management organisations offer insight not only into the financial success of Berlin's creative protagonists but also into the location factors of Berlin's creative industries. The figures show that a proportionately large number of creative protagonists live in Berlin. For every creative protagonist registered with a collective rights management organisation in Berlin there are 53 inhabitants, while the German national average is one for every 135 inhabitants. The population density of authors, artists and other creative workers is 2.5 times higher than for the rest of Germany. In a study done by the Berlin-Institut für Bevölkerung und Entwicklung (Berlin Institute for Population and Development) about the geographical distribution of creative protagonists on a region by region basis, Berlin came in at first place on the so-called Talent-Index. This index measures the number of university graduates and the number of people working in the creative and highly creative professions. Regional comparisons show that Berlin comes in at first place. This is also the case in relation to the ratio of people employed in creative professions (the so-called Bohemian-Index).[11] Further evidence of the magnetic effect that Berlin has on creative protagonists can be found in comparisons with other large German cities that have representative clusters of the creative industries. The corresponding data will be analysed in chapter 4. In summary, data shows that Berlin comes first in national comparisons of CI content production. This creative potential may well be a foundation for continued growth in Berlin's creative industries sectors. The high density of creatives in Berlin provides CI enterprises with a good foundation for further growth and also for new business relocations and start-ups in the region. Berlin's international position as a cultural capital is greatly supported by this creative potential. Authors, artists and other creators make up an important resource for developing Berlins CIs. In light of this, it is all the more important that the financial foundations and survival ability of this scene are stabilised (see chapter 3).

2.12.3 Demand for cultural/creative goods

In cultural policy terms, there is a need to develop potential for the widest possible use of and demand for high quality cultural/artistic offerings. Social dialogue and interaction with art is an essential element of cultural processes, without which cultural development stagnates. When demand for the cultural and artistic increases, socio-political aims in the domains of education, science, and social cohesion are greatly supported. Intensive uses and enjoyment of culture and art by populations are becoming increasingly important as a prerequisite and indicator for a region's long-term success (KEA 2006). This can be explained by the dynamic of social value which results when cultural/artistic offerings are capitalized upon. This economic dynamic has also been seen all over Europe.

The ensuing demand for cultural/artistic offerings of course also has positive effects on the financial position of creative protagonists. Of interest here is the fact that improvements in economic conditions for such protagonists result in further developments in cultural/artistic production and more stability. Increased demand for culture/art means that attainable increases in sales can also have positive effects, translating into economic value further down the line and creating further dimensions within the creative industries.

11 Berlin-Institut für Bevölkerung und Entwicklung (Berlin Institute for Population and Development) 2007. The survey is within the context of Richard Florida's theses and includes additional statistical principles used for creative industries reports.

Cultural policy has always been a dimension of the demand for the products and services of the creative industries. Policy needs therefore to have an increased focus on promoting demand for cultural/artistic services and products, especially in consideration of the twofold character of culture/art both as public property and as commercial commodity.

An increasingly differentiated market is a key factor for a policy strategy that aims to promote demand for culture. Untapped demand potential can be assumed to exist for various CI sub-sectors. Smaller and diverse market segments directly influenced by creative protagonist sales revenues, show an increase in demand potential due to a corresponding increase in the transparency of market offerings as well as to improvements in addressing potential customers/clients. The public administration's cultural policy already supports demand for cultural/artistic products and services and does so in many ways. The spectrum of instruments being used spans everything from the early influencing of consumerist behaviour by way of educational programmes to price subsidies, from VAT reductions to subsidised ticket sales for cultural and artistic events. Promoting demand in the above-mentioned forms supports content producers in terms of their client appeal. Such promotion can also be complemented sustainably and effectively by increased market transparency (museum and literature portals, for example).

In addition to the general market principles that are used to circulate and mediate cultural and artistic services and products, other mechanisms can also be utilised, i.e. socially organised education.[12] Formal and informal educational offerings are instrumental for determining the scope and forms of using cultural offerings. Analyses of demand behaviour in relation to culture and art show a very high correlation between education-level and participation in the arts.[13] Changes in demographic structures, the development of electronic media and continual processes of social pluralisation, are also all considered to be important factors for influencing consumer behaviour. In order to promote demand, cultural and artistic education is an essential strategy. Appropriate promotional measures can be used to encourage children, youth and adults to get involved in cultural processes not only as consumers but also as active participants. The main foundations for the active reception of culture and the development of creativity can be laid by facilitating the learning of cultural competencies. This is especially true for children.

Utilization of Culture in Berlin

Comparisons with the 2005 CI report show no significant variations in frequency of use for most segments of publicly supported art and culture. Berlin museums, however, recorded a significant increase in the number of visitors. The Institut für Museumsforschung (Institute for Museum Research) provides corresponding data on an annual basis. Their polls provide a comprehensive statistical survey of the field and show that while there were 6.5 million visitors to Berlin's museums in 1996, over 12 million were recorded as having visited them in 2006. Thus over a ten-year period, the numbers of museum visitors almost doubled. By contrast, over the same period the percentage increase of visitors to Hamburg museums was only 16%, with numbers going from 1.9 million to 2.2 million. The dramatic increase for Berlin simply demonstrates how attractive the city has become as a cultural capital, especially for tourism. The demand for cultural life and the arts points to the significance that Berlin holds as a cultural/artistic attraction for tourists. This also has profound significance for Berlin's creative industries sector (cf. Berlin City Parliament 2008).

12 About the effectiveness and ineffectiveness of specific marketplace instruments used in the development of prices for cultural/artistic goods cf. Deutscher Bundestag 2007: 286.

13 Keuchel 2005: 121 f. The income levels of those polled were not included, the significance of this being that there no correlation could be made between this data and its effects in explaining the marginal utilization of cultural offerings.

3

Income dynamics and forms of work in Berlin's cultural and creative professions[1]

3.1. Introduction

The number of fully employed people (those subject to social security regulation) in the cultural and creative industries sector has been decreasing over the years. This is somewhat true for Berlin as well. The growth dynamics that have been witnessed in Berlin's creative sectors for many years is not reflected by the employment statistics. As a result, the Senate for Economics, Technology, and Women's Issues contracted the DIW Berlin (German Institute for Economic Research in Berlin) in 2007 to perform a statistical analysis to find out just how many marginally employed, freelancers and self-employed people work in the creative sectors in addition to fully employed staff. The results of this survey – which should be repeated at regular intervals – show that the majority of those currently working in Berlin's cultural and creative industries are freelance and self-employed (53%).

This study has been supplemented by an income-structure analysis1, also conducted by DIW Berlin. It was based on data gathered in the micro-census, which includes statistical data on artists and all those working in the creative industries in general. This made it possible to verify the results of the primary survey conducted in 2007 on the number of artists and creatives working in the music, visual arts, performing arts, architecture, design, photography, software development, and PR and advertisement segments.

There has been a considerable amount of discussion between associations, politicians and researchers in relation to how the world of work has been changing and the resulting transformations in forms of employment, which are particularly obvious in Berlin. The focus has been on questions as to how those people involved in forms of employment that might be considered "precarious" are socially insured and the challenges confronting society in regards to this trend towards "new self-employment" among the cultural and creative professions. In particular, discussion has been directed at issues regarding health insurance, unemployment insurance and pensions, as well as at ideas for supporting new business start-ups and entrepreneurship. In Germany, a job situation is considered precarious if the person does not derive the majority of his or her income from work which falls under social security regulations (freelance, etc.), if he or she works on temporary contracts, or if his or her income is so low that it must be supplemented by multiple sources.

A comparison of European countries conducted by the Wissenschaftszentrum Berlin (Social Science Research Center Berlin) (Schulze Buschoff/ Protsch 2007 and Schulze/Buschoff 2007) found that Germany remains ill-prepared to deal with the new challenges arising

1 The study was authored by Dr. Marco Mundelius, DIW.

with developments related to new forms of employment.

Countries like Denmark and the Netherlands have been implementing various „flexicurity" strategies for a number of years now. According to a study done by the Wissenschaftszentrum Berlin, the German system is inadequately prepared for new forms of self-employment and other tendencies towards increased flexibility. This is due to Germany's selective layout of its various classes of social insurance and an orientation towards the Bismarkian social welfare tradition.

This is all the more noticeable because the number of people who are self-employed has been increasing in Germany for many years now. However, a European-wide comparison (2004) shows that Germany has a lower percentage of self-employed (10.4%) than in some other countries. Germany is fourth behind Sweden (24%), the UK (12.3%) and the Netherlands (10.5%).

Within Germany, Berlin is exemplary when it comes to the structural changes that the job market is undergoing. Berlin's creative industries sector is at the forefront of these developments. The long-term implications of this have yet to be understood and still require further policy discussion.

This chapter attempts to answer the question left unanswered by previous research regarding the income of those working in the CI sector. A comprehensive research design and different statistical sources were used for this report to analyse the income structures within the various sub-segments of the cultural and creative professions, how income has been developing and which factors play a determining role in these developments. In doing so, a comparison was made between Berlin and Germany as a whole and between Berlin and 6 specific regions within Germany (Hamburg, Düsseldorf, Cologne, Rhine-Main, Stuttgart and Munich). Additionally, important socio-economic relationships that had not been studied sufficiently previously were analysed in order to ascertain their relevance to income structures and to assess their influence on Berlin's creative industries.

The following questions are answered below separately:

- What do those employed in Berlin's CI sector contribute to the regional economy?
- What are the income structures of the various categories of jobholders in the different CI sub-sectors, including full-time employees and freelancers/the self-employed, and how have they changed?
- How do factors such as gender, education, work volume and flexibility influence income?
- What role does additional income from other jobs and areas of employment and other forms of supplementary income (parents, spouse, assets and investments) play?
- How does motivation influence employment and income?
- What strategies do the actors implement in order to assure their social welfare?

As the following examples show, the results of this study are partly surprising and contradictory:

- The 21,000 artists and around 80,000 creative professionals[2] based in Berlin earn approximately €2,1bn annually, which accounts for 10% of the region's economic performance. This amount is the highest of all the regions studied.

- The total net income of all the artists and creatives in Berlin has increased by two-thirds since 1998. In comparison, incomes for other occupations sank by a total of 3%. Since 1998, the per-capita income of all artists and creatives in Berlin has increased by 5%, which was very close to the 6% growth in per-capita income experienced by all other occupational groups combined.

2 For the definition of artistic and creative professions see chapter 3.2.1

- On average Berlin's artists have more income than artists nationwide and more than the artists located in the other comparative regions. Based on absolute level of income, musicians and performing artists are among the top third of Berlin's entire income earning population. Berlin's visual artists, on the other hand, are generally situated on the lower third of the income scale.

- Creative professionals in Berlin have less disposable income than their colleagues nationwide and less than their colleagues based in the other six regions of comparison. However, these differences have decreased over the last few years. Berlin's creative professionals are among the top third of Berlin's entire income-earning population, regardless of whether or not they are self-employed or are company employees.

- The differences between the artists and employed creative professionals in Berlin, however, are rather striking. Moreover, income disparities over time generally disadvantage the lower earners, even if they are not as dramatic as compared with the overall national results and with those from the six other regions. Only the category of Berlin's self-employed creatives situated in the bottom half of the income scale experienced greater growth levels than the top 50% of earners.

- Only 3% of Berlin's artists and creatives had additional income from investments or life insurance benefits. Another 3% had rental and property related income. 7% receive private subsistence support or alimony.

- In Berlin, women working in the artistic and creative professions earn less than their male colleagues; however, the difference is considerably less than the nationwide average. Salaried and wage-earning women in the artistic and creative sectors (2005) earned 90% of their male counterparts' earnings. The national average was 80%. The differences for self-employed women are even greater, with Berlin's female entrepreneurs earning 93% of their male counterparts' earnings, while the national average is only 73%.

- The large numbers of self-employed people in this sector in Berlin corresponds to a large number of temporary contracts. One-fourth of the salaried and wage-earning employees in Berlin's CI sector held temporary contracts in 2006. The nationwide average was only one-eighth.

- According to data provided by the Bundesagentur für Arbeit (National Employment Agency) for 2008, six percent of all those registered as unemployed in Berlin are artists and creative professionals. The largest group in this category consists of advertising professionals, followed by designers and performing artists.

These examples show that it is of urgent necessity to adapt Germany's social welfare system to meet these newly emergent demands. It is not within the ability of any one of Germany's federal states to be able to address this task alone. Nevertheless, it can be concluded that Berlin's policy makers need to find better ways to align the instruments and structures used to support cultural and economic development to the needs of the self-employed and their entrepreneurial pursuits.

3.2 Supporting data and approach

Income structures in the sub-segments of the creative industries have been barely studied. No regional comparisons have been done between Berlin and other competing regions. Data concerning key factors such as training or motivation are also unavailable. For these reasons, additional statistical sources were used such as the micro-census and qualitative interviews. The goal was to gather data of an empirically and statistically sound nature to enable the structures specific to the creative industries to be better understood.

The analysis was done in two steps. In the first, data from the micro-census was evaluated. In the second, guided interviews were used to support the process by shedding light on and consolidating the quantitative analysis. To start with, the sources will be briefly introduced.

3.2.1 Data from the micro-census

The micro-census is a national census which collects socially relevant statistical information. The results can be considered to be representative because the micro-census uses a statistically relevant sample size (1% of the population) and those surveyed are obliged to disclose all relevant information. The data gathered by the micro-census makes it possible to draw conclusions about those who are not normally included in the regular employment and taxation statistics. Besides those who need not pay social security taxes, this group includes the marginally employed and the self-employed who earn less than €17,500 annually.

To make the most out of the gathered data, an agreement was struck with the Forschungsdatenzentrum des Amtes für Statistik Berlin-Brandenburg (Research Data Centre of the Berlin-Brandenburg Statistics Authority) to process the entire batch of anonymised data. This made it possible to perform an income analysis of all the collected data sets by region and occupational category for the years 1998 to 2006.

The micro-census made it possible to separate out artists and creative professionals into their contemporary occupational categories. This was done on the basis of the micro-census data regarding net incomes[4] for musicians, artists, performing artists and others working in the creative industries. Data had to be collated at the level of sub-sectors because of insufficient sample sizes for various individual occupational categories. Occupational categories like those of publicists, artists, stagecrafters and audio and visual engineers, all of which typically work in multiple

4 Net incomes, or nominal incomes, as the case may be, have not been adjusted to inflations rates. Real incomes are not displayed due to the fact that the inflation rate was different for each individual.

Table 1: Statistics for the various sub-segments and their occupational categories as well as the corresponding sample sizes. Derived from the 2006 micro-census

Market segment	Occupational category	Berlin	% of those self-employed	Six regions	% of those self-employed	Nation-wide	% of those self-employed
Architecture	architects, interior designers (609)	81	53,1	289	48,1	1,020	49,4
Film, television and radio	publicists (821)***, performing artists (832)***, stagecraft, audio and image engineers (835)***, photo, film, and video lab technicians (634)	115	52,2	169	34,4	412	32,0
Advertisement	advertising professionals (703), decorators and visual merchandisers (836), decoration (airbrush) and sign painters (839))	82	37,8	415	27,7	1,280	27,9
Software	software developers (775)	92	26,1	365	11,5	1,680	12,7
Print media and publishing	publicists (821)*, interpreters (822), librarians, archivists, museum specialists (823)	249	47,4	708	38,6	2,236	38,6
Music	musicians (831) and music teachers (875)	87	62,1	237	40,9	893	47,9
Performing arts	performing artists (832)**, performers, professional athletes, artistic support (838) and stagecraft, audio and image engineers (835)**	93	59,1	244	42,6	612	32,5
Art market	visual artists (833)	34	91,2	60	93,3	288	93,8
	designers (834) and photographers (837)	189	77,8	419	56,3	1,369	57,2
all the artistic and creative professions		**1,022**	**53,1**	**2,906**	**39,1**	**9,790**	**37,4**
all professions		**11,595**	**17,1**	**58,369**	**26,3**	**319,361**	**12,3**

Source: Classifications of occupational categories done by the Statistischen Bundesamtes Micro-census 2006; calculations done by DIW Berlin

settings, have been assigned to corresponding market segments[5] (cf. Table 1). Artists and creative professionals were grouped together to evaluate the time series (cf. table 2).

According to the micro-census, a person is to be considered employed as long as he or she works at least one hour a week in his or her occupational field. To analyse income structures, the variable „amount of net income" for every household member during the last month was used. The entries follow income levels. The mean averages for the various income levels were generated by way of a statistical estimation procedure, in accordance with which they were weighted using a compensation factor for random failures. Net incomes not only include income from employment, but also include income from investments, rentals, assets and publically funded subsidies.[6] The data allows for the inclusion in the analysis of those chosen variables that influence income levels, such as organisation of work schedules,[7] education and training levels and gender specific differences.[8]

5 For example, a portion of the publicists were added to the film, television and radio sector if their declarations could be applied both to the film industry and to the television and radio segments

6 In addition to all the advantages of using a micro-census for describing the financial parameters of artists and creative professionals (large sample size, possibility of drawing conclusions about specific occupational categories and regions, inclusion of all occupational categories, including even those not required to pay social security, self-employed with low revenue volumes), the availability of data which highlights various factors influencing income), there are also disadvantages. It is not possible to define the influence of taxation (married couples belong to different tax brackets than singles) because only net incomes are declared. Fluctuations in income, which can be rather dramatic among freelancers and other self-employed people, cannot be displayed either. In this regard, see Haak & Schmid (1999) and Haak (2006).

7 This includes additional information such as actual and desired work volumes, contract parameters, procuring sideline work and other miscellaneous forms of income.

8 Age specific differences as well as factors for those with a foreign immigrant status were also included in the analysis. However, there was no significant variance observed in the results for these characteristics.

A time series (even in relation to nationwide trends) has been made possible thanks to the fact that the micro-census collates data on a per annum basis. The financial situation for artists and creative professionals in Berlin has been analysed for the years spanning 1998 to 2006. It has been compared with the average national situation and with that in six selected regions. The latter are Hamburg, Cologne, Düsseldorf, Rhine-Main, Stuttgart and Munich, chosen because they are the most significant locations in terms of the production of creative goods and services in Germany. They were also chosen because they are in direct competition with Berlin in terms of where artists and creative professionals choose to base themselves and undertake their economic activities.

3.2.2 Conversations with experts

Guided interviews were conducted with a total of eighty artists and creative professionals from each of the pre-determined market segments. The interview series focussed on self-employed professionals. In order to provide a complete picture of the diversity contained in this spectrum of professional groupings, aspects including gender, ethnicity and age were also taken into account. The interviews were conducted using according to a general outline that allowed them to be more expansive and flexible than the census questionnaire. Those interviewed had the opportunity to give detailed responses to some of their ratings and appraisals. The goal of these conversations with professionals was to collect the most varied possible spectrum of responses and corresponding explanations, and ensure that a wide range of opinions were represented in the results.

Table 2: Statistics for artists and creative professionals and corresponding sample sizes. Taken from the micro-census.

	Occupational category	Sample size Berlin	% Women	Sample size the 6 regions	% Women	Sample size nationwide	% Women
Creative profes-sionals	**Architecture:** architects, interior designers (609); **Film, television and radio:** publicists (821)***, performing artists (832)***, stagecraft, audio and image engineers (835)***, photo, film and video lab technicians (634) **Advertisement:** advertising professionals (703), decorators and visual merchandisers (836) and decoration (air-brush) and sign painters (839); **Software:** software development (775); **Print media and publishing:** publicists (821)*, interpreters (822), librarians, archivists, museum specialists (823); **Design:** designers (834) and photographers (837)	808	42,0	2,665	41,5	7,997	39,9
artists	**Music:** musicians (831) and music instructors (875); **Performing arts:** performing artists (832)**, performers, professional athletes, artistic support (838) and stagecraft, audio and image engineers (835)**; **Visual arts:** visual artists (833)	214	41,6	541	48,5	1,793	44,9
All professions		**11,595**	**48,4**	**58,369**	**46,4**	**319,361**	**46,0**

** With an emphasis on the print media and publishing sector; ** with an emphasis on theatres, operas and concert halls, *** with an emphasis on film, television and radio*
Source: Classifications of occupational categories performed in the Statistischen Bundesamtes Mikrozensus 2006; calculations done by DIW Berlin

3.3 Results

Berlin's creative industries sectors and artists were the focus of this study. The reference parameter is the total workforce. The values for the entire country and for the six selected regions have been included for comparison. A difference was made between those working as employees and those working as self-employed.[9]

3.3.1 Income and income development

According to the micro-census, the number of artists working in the sub-segments of music, the performing arts, and the visual arts in Berlin in 2006 was close to 21,000. By including the creative professions, this number reached 100,000. One out of ten jobholders in Berlin was either an artist or a creative professional.[10] This meant that Berlin had the highest number of creatives of all the compared regions. These occupational categories earned a combined total of € 21bn in 2006, which accounted for a tenth of Berlin's total income. Berlin is on the top rung for these figures as well. In none of the other regions surveyed was such a large percentage of the regional economy influenced by artists and creative professionals. Since 1998, the total net income of Berlin's creatives has increased by two-thirds. The total net income of Berlin's entire workforce sank by 3% during the same period.

The per-capita income of all artists and creative professionals in Berlin has increased by 5%, which was very close to the 6% growth in per-capita income experienced by the overall total of Berlin's occupational groups.

The proportion of self-employed within the creative industries in Berlin totalled approximately 53%.[11] The results obtained from the micro-census are supported by a study conducted by the DIW in 2007 concerning the employment structures in Berlin.[12] The percentage of self-employed in Berlin in 2007 was 15% less than the figures nationwide or in the six selected regions. In eastern Germany (including Berlin), the percentage of self-employed artists and creative professionals was above the national average and above that of the western regions, however it was still 10% less than the percentage of self-employed individuals in Berlin. All the figures in the compared regions are more or less identical with those of western Germany as a whole.

The percentage of self-employed artists in Berlin alone attained 65% (only Hamburg has a similar percentage, cf. Table 3). The percentage of elf-employed creative professionals in Berlin is around 50%. In Berlin, the artistic and creative professions have an exceptional position, comprising 17% of the entire workforce.

Table 3: Proportion of self-employed to employed personnel in Berlin as compared to other regions

	Creative professionals/ self-employed artists	Self-employed artists	Self-employed creative professionals	% of entire work-force
Berlin	**52,9**	**64,5**	**50,1**	**17,1**
Six regions	**38,6**	**50,5**	**36,4**	**13,5**
Hamburg	44,0	64,6	41,0	15,0
Düsseldorf	32,4	36,2	31,5	12,1
Cologne	39,0	51,4	36,4	13,7
Rhine-Main	40,5	47,4	39,2	14,0
Stuttgart	35,7	43,2	34,0	10,8
Munich	38,5	58,0	35,3	15,9
Western Germany	**36,6**	**50,7**	**33,7**	**12,4**
Eastern Germany*	**43,0**	**52,3**	**40,6**	**12,1**
Germany	**37,9**	**51,0**	**35,0**	**12,3**

Source: Micro-census 2006; calculations done by DIW Berlin. (including Berlin)*

9 All persons who are currently considered to be self-employed (with or without employees) or who are currently considered to be a participating member of a family business were counted as self-employed by the micro-census. Civil servants, judges, salaried or wage-earning workers and wage-earning outworkers were all counted as full-time employees. Those serving in the military and those performing civil service were not considered in the census.

10 The proportion of those working in the artistic and creative professions nationwide is „only" 3%, while one out of every twenty persons works as an artist or creative professional in the six regions studied.

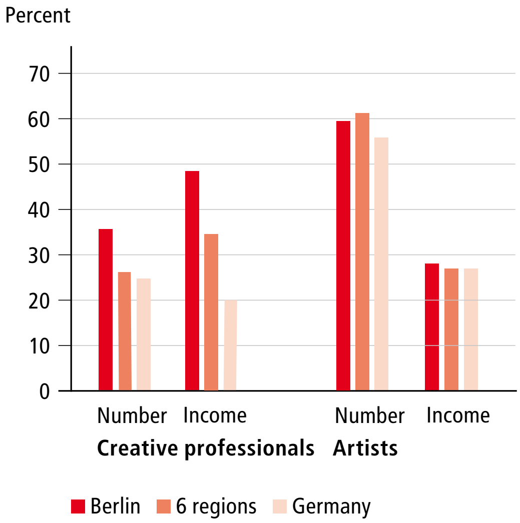
11 The higher percentage of self-employed as compared with chapter 2.1.3 (44%) is mainly a result of the use of differing definitions for those participating in creative occupations.

12 25,000 of Berlin's creative protagonists were surveyed (by post). (cf. Geppert & Mundelius 2007).

The vitality of Berlin's creative sector and the creative industries in general becomes particularly apparent in time series comparisons. The number of creative professionals in the compared regions increased by a fifth from 1998 to 2006. The median income[13] for all creative professionals combined grew by approximately a third; much more than all of the other professional categories measured by the micro-census, which averaged a combined growth in income of 5.5%. The number of artists in Germany also increased by one-third and their income increased by over 50% nationwide and by more than two thirds in the six selected regions.

These dynamics were even more pronounced in Berlin: the number of artists and creative professionals increased dramatically. Increases in full-time employment among artists (+50%) outpaced the growth of the number of self-employed artists (+33%). Of the creative professionals, however, the most growth was to be found among the self-employed: their numbers increased by two-thirds between 1998 and 2006. The number of fully-employed creative professionals only increased by an eighth.[14]

Change in the number of artists and creative professionals and in levels of weighted income between 1998 and 2006

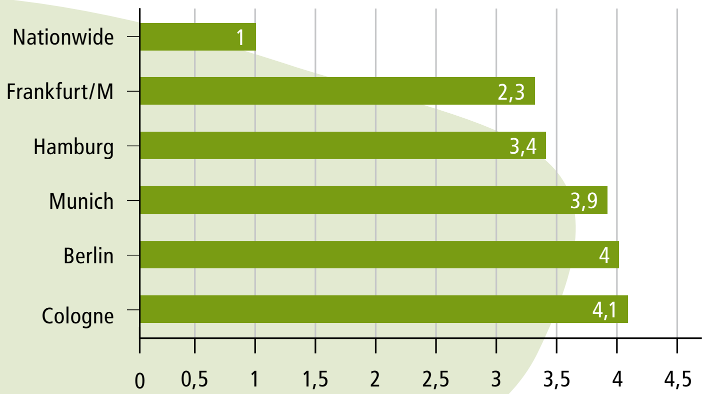


Source: Micro-census 2006; calculations done by DIW Berlin.

The net incomes of Berlin's artists increased by almost 60%[15], while those of Berlin's creative professionals increased by 50%. Among the artists, there was almost no difference between the self-employed and company employees. Among the creative professionals, income trends were more dynamic for the self-employed, who doubled their incomes, while the incomes of employed personnel only grew by a quarter.

KSK (Artists' Social Welfare Fund) membership data

Berlin's position as a base for creative artists, as highlighted by the nationwide comparison, can be illustrated with membership data provided by the Künstlersozialkasse (KSK).[16] The following graph contrasts the proportion of artists and creative professionals registered with and insured by the KSK in the cities of Cologne, Munich, Hamburg, Frankfurt and Berlin.[17] Berlin is a close second to Cologne as far as the number of KSK members is concerned, which function here as an indicator of the numbers of freelance artists and creative professionals.



The relative proportion of freelance artistic and creative professionals for the chosen cities relative to the national average.

Source: Our own calculations based on membership numbers of the Künstlersozialkasse and the population figures provided by the regional departments of statistics, reference period 2007

13 The median is the value located below (or above as the case may be) the halfway point along the line of gathered data concerning income. A median score below the mean points to the fact that the majority of incomes may fall in the lower ranges and that there are a smaller number of income scores located at the high end of the scale. A median above the mean points to the fact that there are a smaller number of people earning incomes in the lower range and that the majority of income scores are concentrated in the upper income range of the income scale.

14 Comparatively, the number of self-employed in Berlin increased by one quarter. The number of personnel shrank by a fifth.

15 This is the only value that is marginally lower than those of the six contrasted regions.

16 In contrast to the micro-census data, the KSK data is based on an objective assessment of member's affiliation with the creative professions. cf. Deutscher Bundestag 2007, pg. 235 f. For an overview of KSK members' occupational categories and the corresponding sub-segments within the creative industries cf. Bundesministerium für Arbeit und Sozialordnung (National Employment Agency and Social Organisation) 2000, pg. 14 ff.

17 Because the data was only available in that form, only the major cities within these regions were compared with one another by contrast with the proper regional comparison performed on incomes.

Table 4: Artists and creative professionals registered as unemployed in Berlin

Occupation	Occupation populatio	percentages
Advertising professionals	3,158	21,8%
Photo-lab technicians, general	83	0,6%
Computer specialists	733	5,1%
Architects, civil engineers	1,195	8,2%
Publicists	1,159	8,0%
Interpreters, translators	431	3,0%
Librarians, archivists, museum specialists	644	4,4%
Musicians	410	2,8%
Performing artists	1,645	11,3%
Visual artists	266	1,8%
Designers	1,823	12,6%
Decoration (airbrush) and sign painters	88	0,6%
Artistic and associated occupations	1,790	12,3%
Decorators and visual merchandisers	225	1,6%
Photographers	487	3,4%
Performers, professional athletes, artistic support	157	1,1%
Music instructors	203	1,4%
Total artists and creative professionals	14,497	
Total	**252,320**	**100%**

Source: © Bundesagentur für Arbeit statistics- date of reference: 21.01.2008 (DZ-AM); calculations done by DIW Berlin

According to statistics of the Bundesagentur für Arbeit for January 2008[18], 6% of those registered as unemployed in Berlin are artists and creative professionals. The largest group consists of advertising professionals, followed by designers, performing artists and the general category consisting of the artistic and associated occupations (cf. Table 4).

The developmental dynamics do not communicate anything about the level of income at this point. The average incomes earned by Berlin's artists were approximately an eighth above the German average, which was similar to the other regions studied. The creative professionals based in Berlin earned close to the national average, but less than the income averages recorded for the comparative regions.

The average net income of those surveyed in Berlin was just under €1,750 a month. The results will be examined in greater detail below. Creative professionals, regardless of whether or not they are self-employed, earned incomes ranging in the upper third of those of all occupational categories. Even company-employed artists found themselves within this income category. However, self-employed artists did not do as well: their average income ranged in the lower third of the income brackets for all earners. Time series comparisons show, however, that since 1998 the average income for this group has increased approximately three times as much as the average income for self-employed persons more generally. However, while artists have done a good job catching up, their initial starting base was very low.

These results for visual artists in Berlin are based upon a study done in 2006 by the DIW Berlin. Two separate surveys were made. One enquired into the earnings acquired annually from artistic activities; the other examined total overall earnings.[19] Approximately half of those surveyed (n=565) declared an annual income from artistic endeavours totalling less than €3,000. This amount of income is not even sufficient to insure oneself with the Künstlersozialkasse (KSK), which requires that members earn a minimum of €3,500 per year.[20] Another 35% earned less than €7,000 from artistic activities. According to the results of this survey, three-quarters of the visual artists based in Berlin earned less than the tax-free subsistence minimum of €7,356. Things do not look much different when considering overall total income for artists. The total earnings of almost 60% of those surveyed (n=598) fell below the subsistence minimum.

Increases in earnings among the self-employed creative professionals between 1998 and 2006 were not as dramatic as those accrued by artists. Their earnings nevertheless increased twice as much as the average incomes earned by the general category of self-employed and their level of average earnings was considerably higher. By 2006, their earnings were approximately 5% above the average income level of Berlin's self-employed population. The pictures that these numbers

18 Date of reference: 21.01.2008.

19 Mundelius (2006a, 2008). A total of 565 of those surveyed provided information about their total annual income derived from artistic pursuits (approx. 88%). 598 people responded (93%) with information regarding their total annual income overall.

20 More than 40% of those surveyed belonging to this income category claimed to be insured by the KSK.

paint tend to vary more when the different sectors are compared with one another: The self-employed professionals working in the film, television and radio sector earned more than average as compared with Germany as a whole and with the six other regions. In contrast, Berlin's software developers only earned three-quarters as much as the national average for this sector. Compared with their colleagues in the six other regions, they actually only earned two-thirds as much. The average income of self-employed advertising professionals based in Berlin was only 70% of the amount earned in the contrasted regions. However, as mentioned earlier, the self-employed creative professionals based in Berlin are among the top third of the city's income earners. This fact points to Berlin's overall low level of income.

The story is very different among the ranks of salaried employees. Artists who are salaried employees in Berlin had a much higher average income than their counterparts among the creative professionals. This category also did quite well on a national scale: their income was one eighth higher than the national average and than that in the other comparative regions. Salary and wage levels for performing artists and musicians fell in the top fifth of Berlin's entire income-earning workforce. This fact points to the influence that the employment practices of Berlin's publicly supported cultural institutions are having.

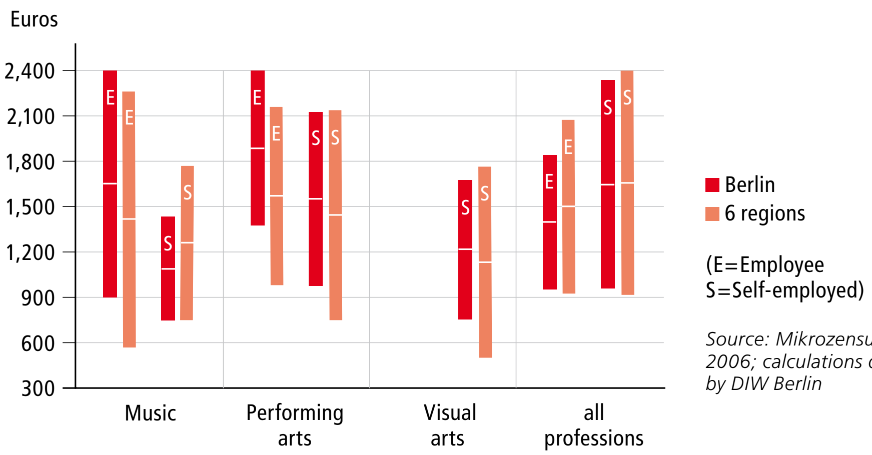
The mean average income of all creative professionals in Berlin who were salaried employees in 2006 was 8% below the German average and approximately 20% below that of the other contrasted regions. This discrepancy was particularly noticeable among architects and advertising professionals. The company employed architects working in Berlin earned only 80% of the amount earned on average nationally and only 75% of the average income earned in the 6 other economic regions. The income of advertising professionals based in Berlin was an eighth less than the national average and 30% less than the income earned by these professionals in the other contrasted regions.

One last figure again illustrates the relative strength of the creative industries in Berlin: the combined averages for the income earned by employed personnel working in Berlin's creative industries sector were an eighth higher than the average incomes earned by Berlin's salaried and wage-earning workforce.

Artist's and creatives' average earnings are presented in the two diagrams below (Fig. 2 and Fig.3) and grouped according to the various sub-sectors.

The changes that have occurred since 1998 in the distribution of income among the artists and creative professionals in Berlin were examined in a further level of analysis. The

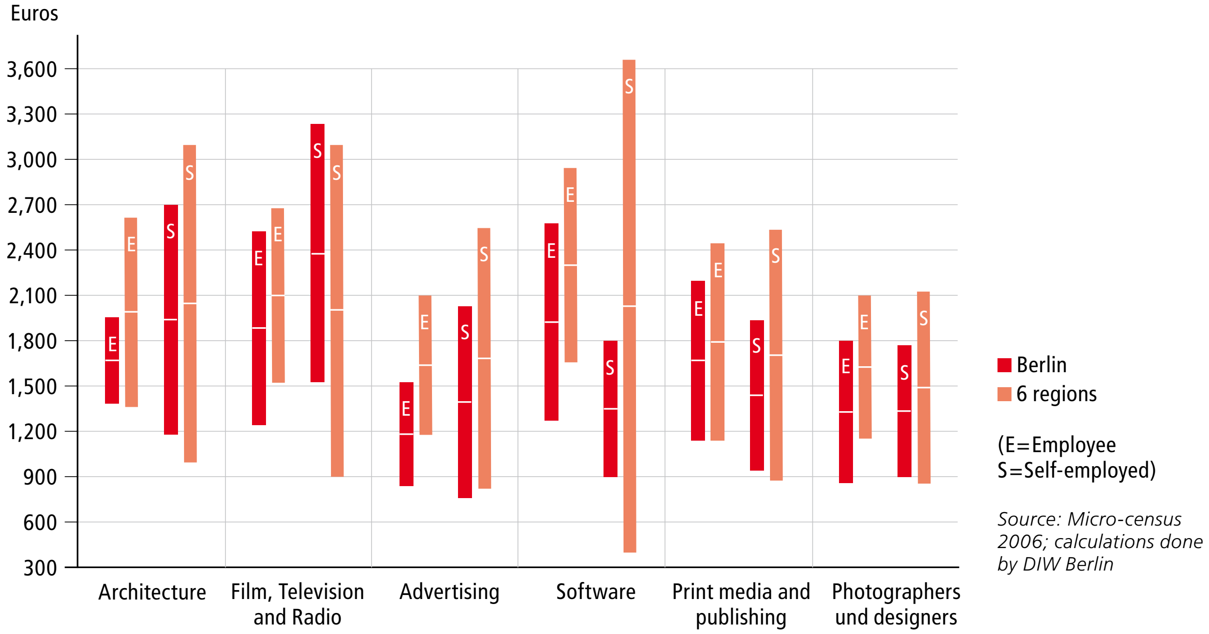
Fig. 2: Monthly net income of artists in 2006, Berlin and contrasted regions



Source: Mikrozensus 2006; calculations done by DIW Berlin

21 An equal distribution can be found only among the software developers.

Fig. 3: Monthly net incomes of artists and creative professionals 2006, Berlin and contrasted regions



Source: Micro-census 2006; calculations done by DIW Berlin

mean income and the median income were ascertained for this analysis. In 2006, the median was just over €1,300 a month, which was below the arithmetic mean of €1,750. This suggests that the majority of incomes are clustered in the lower regions of the scale.[21] The graph on page 97 shows the differences between the arithmetic mean income and the median income over time.

If the difference increases, this points to an increasing number of those with lower than average incomes. If the difference decreases, it means that incomes have climbed.

Additional forms of income

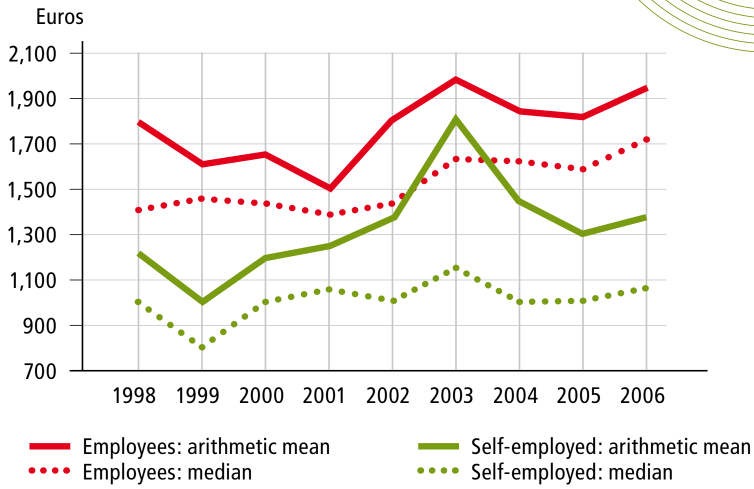
Other sources of income over and above employment income would seem to be of limited relevance. The micro-census data differentiates between income derived from interest, life-insurance benefits, property rentals, and private forms of support and alimony. Only 3% of Berlin's cultural and creative professionals received interest income or life-insurance benefits. A further 3% generated additional income from rental properties. Private financial assistance and alimonies played a more important role with 7% of Berlin's creatives deriving additional income via these channels. There were no significant differences between employed personnel and the self-employed in this respect. There were also almost no differences between men and women. The only noticeable differences were to be found in the category of alimony and private financial support: one out of ten women and one out of twenty men received this type of income.

3.3.2 Work volume and contracts

Three-quarters of those working in the CI sector in 2006 worked full-time, which is similar to the findings for the other business sectors in Berlin as well as for the other contrasted regions. Two-thirds of those surveyed worked an average number of hours. The other third of those surveyed included equal proportions of those who worked more and less than the norm. Almost half of those who were not self-employed worked on Saturdays, even if only occasionally. 85% of the self-employed worked Saturdays and almost two-thirds of them worked Saturdays on a regular basis. Even Sundays and holidays are often worked by those in Berlin's CI occupations. More than a third of the employed personnel were affected by this; a quarter on a regular basis. Once again, the self-employed worked on these days significantly more often. Three-quarters of them worked Sundays and holidays and half of them did so on a regular basis. Evening and night work also played a large role in the creative industries.

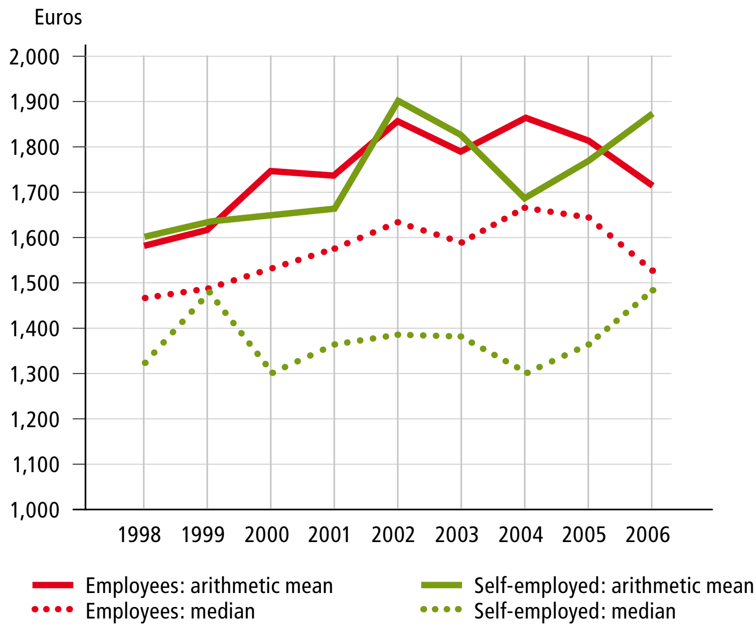
Two-thirds of employed personnel and 90% of the self-employed worked late-night hours. An eighth of employed personnel and a third of the self-employed worked nightshifts more than occasionally. It is more common for artists and other creative professionals to have irregular working hours than many of their counterparts in other sectors of the economy. Compared with 1998, the number of hours worked outside of "normal" working hours has increased dramatically. This is especially the case among the self-employed.
All of these findings are not really that surprising when it is considered what people in the artistic and creative fields actually do. Here are several comments taken from the interviews to highlight this fact: "We were working 18 to 20 hours a day at that time in order to maintain the theatre's stability in Berlin's cultural landscape. In the world of theatre, you can't keep an eye on the clock. The only time we do keep track of is in the evening shortly before 8pm when the show is scheduled to start. That is when we say, 'OK, good, it's that time'. Who keeps track of time when doing creative work, or artistic work? A sculptor hammers and hammers and at some point he says, 'hmm, I'm hungry"; "The [work]day is at least ten hours long; and after that it is time to the evening work and go to concerts, which isn't always that much fun. You've got to do work there; socialising with artists and companies. Yeah, it is easily 60 hours a week, and all that for a salary sufficient to pay for only one person; and you've got to keep a little extra in your account for the contingencies, the unforeseeable. All in all, it is just too little, way too little, for all the time and effort that one invests"; "It is the irregular working hours that defines this conglomeration of professionals with whom we work and also what enables the whole thing to function. It is no big deal to call people at night or on weekends if we need their last-minute help to get a job done".

Fig. 4: Monthly incomes for artists based in Berlin 1998 through 2006



Source: Micro-census 1998 to 2006, people in private households, retrospectively gathered income from previous year; calculations done by DIW Berlin.

Fig. 5: Monthly incomes for creative professionals based in Berlin 1998 through 2006



Source: Micro-census 1998 to 2006, people in private households, respectively gathered income from previous year; calculations done by DIW Berlin.

Another conclusion that can be drawn from the analysis of the micro-census is how some of the working conditions within the sector differ to those in other sectors and how these might anticipate a general tendency. No less than one quarter of employed professionals within Berlin's CI sector in 2006 had a temporary contract, while nationwide only one-eighth of employed personnel did. A comparison of the different types of employment contracts held by the workforce in Berlin showed this to be rather sector-specific: the proportion of temporary contracts held by those working within the creative industries sector was twice the average found in other sectors. The number of temporary contracts in the CI sector has doubled since 1998.

3.3.3 Professional qualifications and income

Labour-market studies generally note a significant relationship between education/training levels and income (Towse 1996: 310). It appears that artists are an exception to that rule. It has often been shown that, despite the fact that artists generally tend to possess a high level of education and training, they still earn less than their counterparts in other professions.[22] This examination of the creative industries sector in Berlin will now look at correlations between level of education and income.

To begin with, a few general observations are in order; the educational level attained by Berlin's professionals is higher than average; four-fifths of those working in the CI sector received their A-levels; 70% possess a university degree; there are no differences between salaried employees and those who are self-employed; and Berlin's numbers are 10% higher than those for the rest of Germany.[23]

There are direct correlations between level of education and income. This is especially true for males working as employed personnel within Berlin's CI sector. The income of those who are highly qualified (university graduates) was a fifth above the average for all salaried employees within the sector. The difference among women is 12%. The comparative figures for the rest of Germany are similar. When it comes to the self-employed, the story is somewhat different. The level of training in this category has no correlative effect upon level of income. In contrast to the national reference value (12%), the income of highly qualified, self-employed males in Berlin was only 4% above the mean. Women even had an average income 5% below that of all Berlin's self-employed (nationwide, self-employed women working in the CI sector earned 8% more).

The interviews allowed for more insight into this phenomenon, confirming a generally high level of formal education. None of those interviewed felt prepared for entering their profession. They commonly lacked the training necessary in order to actually perform the work involved. A career plan consisting of study, a semester abroad, training placements and temporary contracts that then lead to a permanent job seldom seems to work in the reality of the creative industries. Entering the market laterally in the creative sectors is just as common as it is in the technology-oriented fields. Skills and knowledge development has to be achieved on one's own steam. References, ideas and products are typically more important in judging professional competence than certificates gathered from schools and other educational institutions.[24] The sum of qualifications derived from practical experience is often a more crucial factor versus merely possessing an academic or vocational title when it comes to earning income in these sectors. The following quote from the film industry shows just how diverse edu-

22 Throsby (1996) and Towse (1992) even found a negative correlation. However, they also found that when it comes to earning income from a secondary job, a higher level of training usually leads to a higher level of earnings.

23 This is generally true for Berlin: the level of education is higher across all fields and sectors in Berlin when compared with the rest of Germany.

24 A "colourful CV" showing work performed across a broad range of fields and activities has been confirmed to be a very important criteria used for hiring among the entrepreneurs that were interviewed.

cational paths can be: “After getting my A-levels, I worked for a casting agency for two years. If I wanted to, I could have stayed there. But I wanted to study, so I first earned a Bachelor degree in Media Science before going on to get a Master degree in Audio-Visual Media from HFF in Potsdam. During that time, I worked on smaller projects and for film festivals and held a multitude of training placements with various production companies. At the moment, I only just manage to get by on what I earn from current projects. Mostly, however, I live off of what I was able to save while working for the casting agency. Without that, it just wouldn’t be enough really”. Here is an example from the music industry: “After getting my A-levels, I didn’t do much of anything for a while. For about three years, I just hung around and lived on the dole. Then I worked my way from traineeship to traineeship for about two years while sleeping on friends’ couches. Eventually, I started making my own little films and to present them. Somehow people liked them and now I make music videos and it is going almost too well”.

3.3.4 The situation for women

The proportion of women working in the creative industries sector is just under half (42%). The numbers are similar nationally and for the contrasted regions. The numbers have even remained stable across the time-series.

Income discrepancies between men and women in Germany are at times quite striking. According to a current study of women and men in Germany that work full-time in the various economic sectors, the average income for women is almost a fifth lower than that of men (Busch/Holst 2008). The income gaps in Berlin’s CI sector are not as large; indeed, the difference between female and male salaried employees is only one tenth. In 2005, women on average earned 90% of the income levels earned by men working in this sector. The creative industries are not alone; gender-specific differences in income levels among salaried employees in general in Berlin are not as large as the national average.

The income disparity between self-employed women and men working in the CI sector is even smaller. The gap in this sector stands as 7%, in contrast with the comparative figure of 27% for Germany and the other six regions.

3.3.5 Motivation in the creative industries

Do the interviews contain evidence as to what makes Berlin stand out as a special location for the creative industries? It is most certainly difficult to make generalisations. Perhaps it can be ascertained what makes Berlin special by summarising the view of the creative protagonists themselves, namely that Berlin is full of many varied people and gives them the space to live a diversity of lifestyles and that the basic economic conditions for working in the creative industries in Berlin are still advantageous. It is rather common that the decision for a career in the creative industries involves a corresponding decision to prioritise the quality of content over professional advancement. For many, it is a privilege to be able to follow one’s artistic and creative interests.

A publisher who was interviewed said, “How I live is what I want to live. I make my magazines, I write, I make books, I publish books, I publish magazines, I put on events. Yes, I am lucky to be able to do what I really want to do and I don’t do most of what I do because I have to, but because I want to do it. Few can say that for themselves and I am very grateful to be in this situation, which naturally does have a lot to do with all of the work I have done over the past twenty years, sure. And in some ways even more. Of course a lot of things become professionalized over time, so that some of the management tasks are not optional, but even those can be fun”.

The statements of a musician concerning establishing a business are similar: "Actually, it all started with a different person to the one with whom I now run the business. We used to organise concerts and parties together when we were studying. I met my current business partner through that concert organising work. Because he was already doing the booking anyway, we figured that we could actually just bring things together. Putting on shows locally on the side, and doing the booking on the other. Then all of a sudden, about 10 years ago, a need emerged for people to start organising tours for other people. The work piled up within a short period of time. That is the moment when I had to decide whether or not to finish my vocational training programme. I decided against it."

There can also be a number of dangers in engaging oneself in the CI sector. Enterprises can find themselves out on a limb if they overestimate the demand, underestimate the competition, or overestimate their own entrepreneurial abilities. Strong motivation is not enough to be able to live from creative ideas and the production of creative goods. Desire can nevertheless take you along way: "Up until now it all seems to me as if it is just amateur-tinkerer stuff, like casual workers who say that they should get together and do something big. We're not getting the dole because we are artists and now we have to try to capitalise on one of our ideas. Someone invented the Hula-Hoop one day and industries have tried to improve it and develop it, but they never managed to do so." The protagonists in the creative market find themselves in a dilemma. If the supply increases, but demand does not follow, then the danger arises that the market will attract a "Cost Disease" (Kostenkrankheit, Baumol/ Bowen 1966) and prices will plunge. In addition, the sector is under considerable pressure to keep up with change: the digital revolution bores deep into the value-creating relationships in the creative industries. Most of those who participate in this market are under enormous pressure to perform. And as freelancers they are dependent and vulnerable to manipulation (Haak/Schmid 1999: 3). Many self-employed in the creative industries find themselves dealing with identity conflicts, as they are both entrepreneurs and dependent upon others at the same time. The fact that those offering their creative goods and services do it with so much vitality and flexibility, which they must, could also be interpreted as a symptom of a market in crisis (Veihelmann 2006). There are numerous highly motivated protagonists active in this market and they underbid each other. New arrivals push their way into the market and underbid (often as trainees) the already low prices. It is almost impossible to accumulate an operating capital. Apart from those of the entrepreneurs themselves, jobs are rarely generated. Nonetheless, the work within the creative industries is still idealised by many as the career and lifestyle of choice.

3.3.6 Outlook

The German social welfare system does have its problems, especially as far as the self-employed are concerned. Freelancers are responsible for providing for their own social welfare and taking measures on their own as regards the future. Individual strategies are complex and correlate strongly with the age and the social responsibility of each person in question. Private social security is always expensive and thus often out of financial reach for people working in the creative industries. The only exceptions to this are those who are members of the Künstlersozialkasse (KSK), who, technically speaking, are classified as quasi-employees. The artistic professions are insured via the KSK. However, due to a low income (out of which only small social security contributions are paid thus resulting in marginal pension benefits later) later poverty as a senior citizen seems to be determined in advance.

These comments made by a musician in 2006 in an interview with the Berliner "Tageszeitung" (daily paper) provide us with a subjective view on these kinds of problems:[24] "It is mostly a question of health. If I never really had much money with which to insure myself in case of health problems or disability, then that would also mean that I would be quite vulnerable in an emergency. As one ages, the risk of disease also increases. At the same time, you also start to lose your ability to earn money. At some point, you are simply too old to be able to get a regular job. You can't do just any kind of work, partly due to your health, but also because of the image situation; if you are standing behind a bar at 50 years of age and you have to serve students, the situation becomes really pitiful."

These interviews, conducted within the scope of this study, show that people are worried by a lack of basic social welfare. The following statement made by a journalist conveys the fact that this does not need to be the case: "A portion of my pension fund is paid by my employers through the pension fund for freelance employees of the German Broadcasting Corporations, even if this contribution is only a small amount. The large majority of my savings, however, are composed of the payments I make myself. Over the past five years that I have been a freelance radio journalist for a regional broadcasting agency, I have been able to contribute approximately €10,000 annually to my pension fund. Before that, I was insured through the KSK".

A large number of those working in the CI sector put off social welfare concerns. The lax and somewhat fatalistic way in which some members of this sector handle this topic is alarming. "At the moment, I really can't complain at all. I am earning pretty good money, but I just don't like to think about tomorrow; and I certainly can't be bothered to think about things like retirement and such."

Aside from the nominal benefits provided by the KSK, the only alternative available to many of those surveyed will be to work beyond the age of retirement if they are to ward off poverty during old-age, especially if they have no accumulated savings. Social welfare continues to remain an unsolved problem, especially amongst the self-employed in the creative industries and maybe also soon in other sectors too.

24 Interview with Christiane Rösinger, lead singer of the band Britta, taken from the taz-series „Prekäres Leben“, which appeared in mid 2006.

4 Urban development and the cultural and creative industries

4.1 Introduction to the spatial dimension

Contemporary urban planning cannot limit itself to studying and planning the built environment. Its task is much broader and consists in working out strategies for holistic urban designs that take social, societal, economic and ecologic aspects into consideration. This can be accomplished by way of integrated and interdisciplinary approaches that are flexible enough to react to social and political trends, such as demographic change, multiculturalism and integration, economic transformation processes and even the anchoring of sustainability in local, urban dimensions. In turn, this results in different context-specific urban development plans, like an innovation and knowledge oriented urban development plan, for example, or a socially oriented urban development plan. The most well-known instrument for achieving the latter is Berlin's Quartiersmanagement (neighbourhood management).

The transformation process that Berlin is going through from being a traditional, industrial city to becoming a service oriented metropolitan region is especially extreme (cf. Berlin-Studie 2000: 75 ff., SenStadt 2006: 8 ff., more complete: EFRE 2007). This is due in part to Berlin's recent past and political divisions, but also due to the on-going and ever-increasing global competition between economic regions internationally. The so-called „soft" location factors (cf. Grabow et al. 1995), which include cultural and artistic features, are gaining ever-increasing importance in this process. Factors such as knowledge, urban talent-pools, innovative capacities, tolerance, and cultural attractiveness are all shown to be critical for metropolitan areas that want to sustain themselves successfully into the future. Another dimension that is becoming increasingly important as well is the urban culture of cooperation, which is the ability to initiate and facilitate partnerships among both private and non-profit, community stockholders (cf. Berg et al. 2003).

The concentration of creative industry (CI) protagonists (as a part of the tertiary sector) and the socio-cultural networks of a city is a major element of Berlin's competitive edge. Simultaneously, they are also constituents, cooperation partners and creators of space for urban development planning. The Senate for Urban Development has presented a strategic approach by way of their Stadtentwicklungskonzept 2020 (Urban Development Concept 2020) (SenStadt 2006). It defines various locational factors such as the creative industries and existing strategic spaces.

The creative industries reports from the various federal states and cities in Germany only tend to mention the field of urban development implicitly or very briefly (an overview is provided by ILS/STADTart 2008, among others). Even though the potentials have become increasingly recognised, comments regarding the basic question about how urban planning can address the creative sector tend to remain rather vague (STADTart 2006).

The STADTart (Ebert/Kunzmann 2007) study was the first attempt to define the different types of spaces utilised by the creative industries for Berlin. To date, there has been little reinforcing of the specific location factors that are conducive to the segments of the creative industries. These spatial dimensions (i.e. the tendency for creative industries and their sub-segments to concentrate in particular areas, location profiles, specific spatial needs for various sub-sectors and locational harmony or disharmony amongst sub-sectors, etc.), however, are particularly important for urban planning because specific strategies and concepts for supporting the creative industries could be developed in line with them.

A "creativity-oriented", urban development planning would require that a sophisticated spatial analysis of Berlin's creative industries be done with concrete planning-related questions in mind as to how "creative spaces" could be developed. Such questions include:

– What are the special characteristics of the various quarters of the city?

– What are the unused potentials (spatial and strategic)?

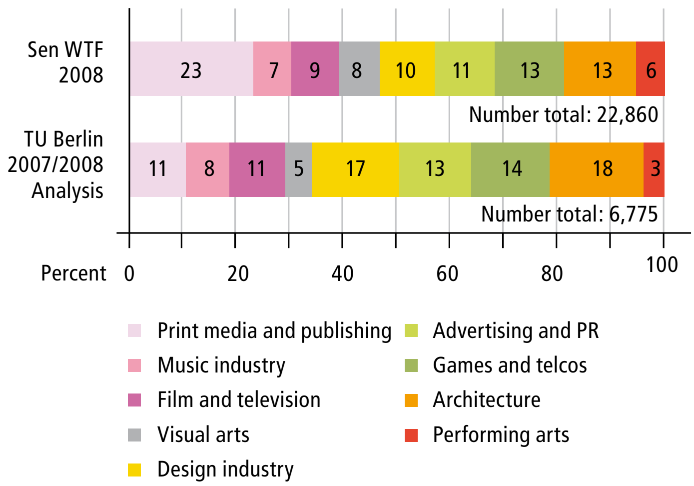
– What kind of influence does and did governmental participation have; and what kind should it and could it have in the future?

In the first instance, the following chapter describes the locational patterns for creative businesses – with the exception of freelancers and artists – and some of the interlinking and differentiating characteristics will be highlighted. In addition, urban structural typifications will be developed based on characteristic spatial patterns that deliver explanations concerning the urban distribution of creative industries. The "conurbations" that contain the pulsing "creative heart" of the city will then be discussed in detail. Many of these urban quarters have already been developed and established to a certain point, but the city map of creative adaptation processes is marked by permanent transformation. Artists & Co. are major factors in the transformation of urban quarters and change how they are perceived. The positive and negative elements of these transformational impulses will be foregrounded.

4.2 Basis of data and methods

The enterprises composing the creative industries will be the focus of this spatial analysis[1]. The IHK's (Chamber of Commerce and Industry) business databank was chosen to provide the data. This data is obtained from the Charlottenburg District Court's commercial registry.[2] These entries have been cross-referenced with Berlin's Yellow Pages and supplemented[3] by data provided by various internet portals[4] for the creative industries sector. In addition, a selection of creative segments was chosen as the focus of this analysis based upon their independence from particular locational factors.

Fig. 1: Proportions of enterprises within the creative industries statistics and the urban space analysis



Source: Depiction provided by TU Berlin based on their own survey and data from Chapter 2

A total of approximately 7,000 enterprises were included in the spatial analysis for the creative industries. The proportions, divided according to sub-sector, are mostly congruent with those of the VAT statistics, which are compiled for the creative industries by the Senate. Clear variance only exists in the print media and publishing segment. This is due to the exclusion of book and print media retailers as well as printing enterprises. The evaluation of the data basis for the creative industries realm is always a balancing act between precision and pragmatism despite the availability of underlying statistics (commercial registry) and comprehensive controls and corollaries. Enterprises consisting of one person comprise a rather large proportion of the creative industries. This is especially distinct among artists; the core of the creative industries. The category consisting of artists, who act as the authors of creative goods, assumes a hybrid position. People who are artistically engaged, such as actors/actresses, authors, etc. are not included in the chosen survey design, which is focused on enterprises rather than individuals (freelancers, etc.). These individuals are only partially and indirectly included in the survey because they may provide their creative services under the guise of a cultural institution or within a business (for example, actors/actresses through the theatres, dancers through the dance schools, authors by way of literary agents or publishers). In addition to the previously described sources of data regarding creative industries' businesses, studies done by the Senate for Urban

1 The locations of the various enterprises were collected from sources other than the official statistical sources, such as the VAT statistics, for example, because they are not available through those sources due to privacy protection laws. This basis of data differs from that found in Chapters 2 and 3 (VAT liable enterprises).

2 The IHK also maintains a databank of small enterprises, however, only names and addresses are included. This data wasn't utilised because a city-wide analysis was not possible. Information about small businesses with a base of operations was gathered through internet portals for the various sectors instead.

3 It is absolutely necessary to supplement this information in order to arrive at a more complete picture of the creative industries, considering that several market sectors are only partially listed in the commercial registry if at all. For example, architects are not required to add themselves to the commercial registry (they belong to the occupational groups which serve the common good), and in other sectors, such as the design and music industries, self-employed and small enterprises dominate. They are also not required to add themselves to the commercial register. Galleries are generally left out of official economic categorisation as well. (Detailed overview of the entire population cf. Fig. 2). Internet research was done as well. Enterprises were sought out via their web presence and their address information was brought up to date. The enterprises that have a website were included in the overall population of enterprises. According to current surveys done by the Statistische Bundesamt, the majority of businesses now possess a website (Destatis 2008).

4 For example, the designer portal from the Internationales Design Zentrum Berlin (International Design Centre Berlin), the list of architects from the Architektenkammer Berlin (Berlin Architectural Association), the web portal for Berlin's music industry known as "So klingt Berlin".

Development[5] and secondary statistics[6] were analysed and interviews with done with experts in the field.

The locations of businesses within the city are represented by dots. These do not have anything to do with characteristics of the firms such as the number of employees or revenue volumes (cf. Fig. 3). A grid of spatial units is placed over the precise locations of the enterprises in order to compare individual sub-spaces. Delineating such spatial units is always problematic. The boroughs, local districts and post-code regions are all too large for the small-scale dynamics inherent in the creative industries. Statistical areas, or zoning regions, are unable to present the interconnections adequately within the social spheres that are of interest here, mainly because they serve a different purpose. The planning departments for Berlin's Senate, local district governments, and the Berlin-Brandenburg Statistics Authority together came up with a new set of principles for spatial issues in 2006. The new system of delineating space known as Lebensweltlich orientierte Räume (LOR) (socially-subjective-oriented spaces/areas) unites social-spatial criteria with spatial orientation and serves as a basis for the planning, prognosis and observation of demographic and social developments.[7]

Fig. 2: Allocation of sub-sectors in the survey group from TU Berlin, ISR

Sub-sectors and sub-categories		Number
I. Print media and publishing		**722**
Publishers Newspaper and magazine publishers Literary agents Print and media preparation Press/media agencies	311 177 10 47 40	
II. Music industry		**536**
Music publishers Recording studios Clubs Concert and event management Stage venues	236 94 120 65 21	
III. Film, television and radio		**737**
Film production Radio and television stations Film and video distributors Film distribution Cinema	554 57 49 77	
IV. Performing arts		**217**
Stages Dance schools	137 80	
V. Art market		363
Galleries	363	
VI. Design		1,138
Fashion design Graphic and communication design Industry and product design	284 623 231	
VII. Architecture		**1,220**
Architects Urban planners and landscape designers	1,220	
VIII. Advertising and PR		**890**
Advertising, ad design, ad distribution and media circulation Public-relations consulting	760 130	
IX. Software, games and telcos		**952**
Software consulting Software development	508 444	
Total		**6,775**

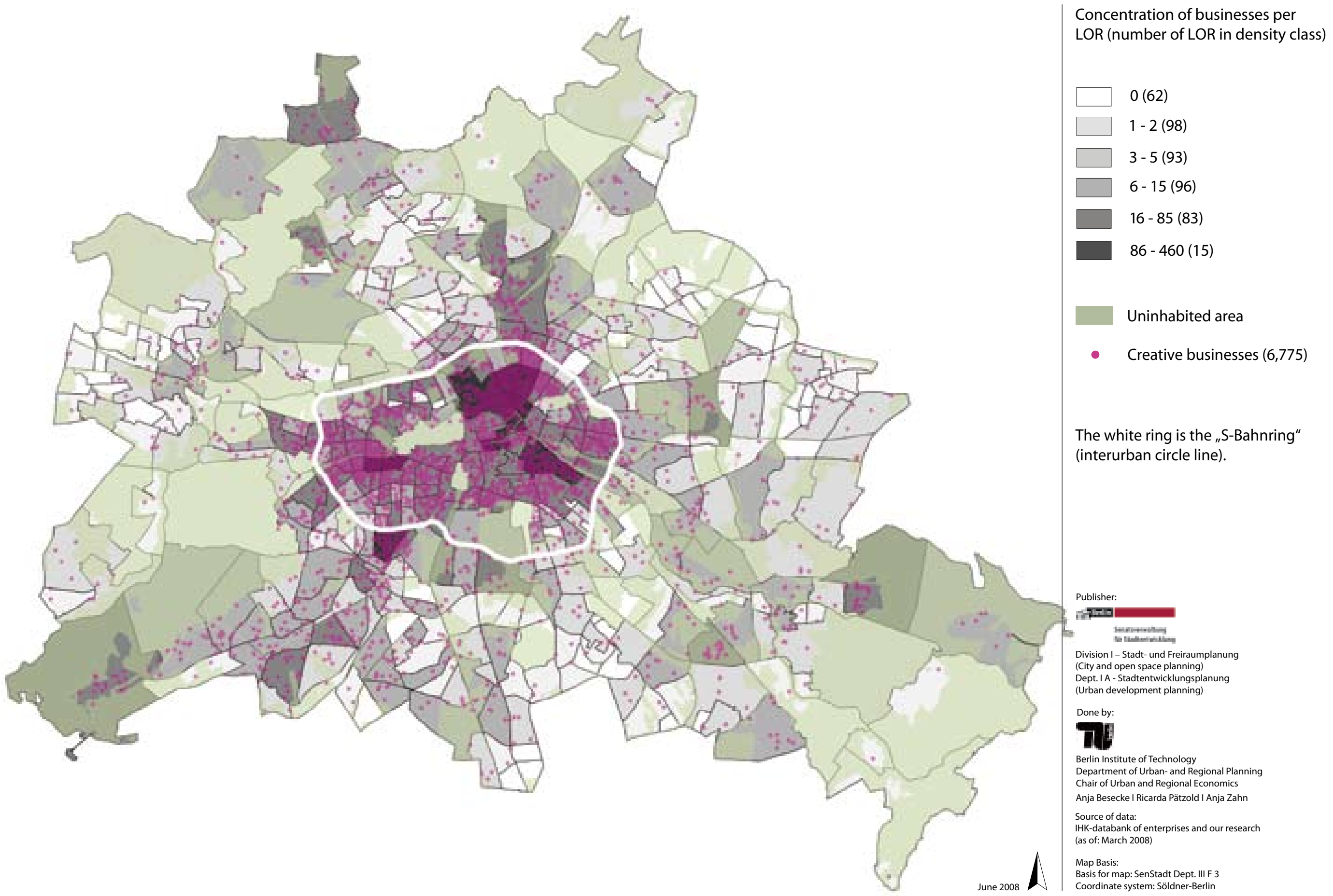
5 Digital Umweltatlas Berlin (digital environmental atlas Berlin), monitoring "social urban development" (SenStadt 2007).

6 WohnmarktReport (residential property market report)(JLL/GSW 2008), membership of the KSK (social welfare fund for artists) according to postal code. Survey of creative businesses (Orco Germany, Berlin Partner (ed.) 2008).

7 The spatial delineation guidelines for the LORs are a homogenous internal structure (uniform socio-economic structures, comparable circumstances and social-moral environments) and comparability between the districts (Bömermann 2007).

The LORs consist of three dimensions – areas that reflect probable future development trends[8] (60), district regions[9] (134) and planning areas[10] (447). The aspiration of this new system of delineating space is to account for integrated development, or the creation of unified environments as the case may be, and is meant to fulfil the need for presenting the creative industries in sensible spatial units. The evaluations presented in the following therefore refer mainly to the 447 planning spaces. Postal code areas (189) are only utilised along with secondary statistics.

Fig. 3: Complete distribution of the enterprises in the creative industries sector



8 PRG; comparable dimensions: 60 Mid-regions.

9 BZR; comparable dimensions: 195 statistical areas.

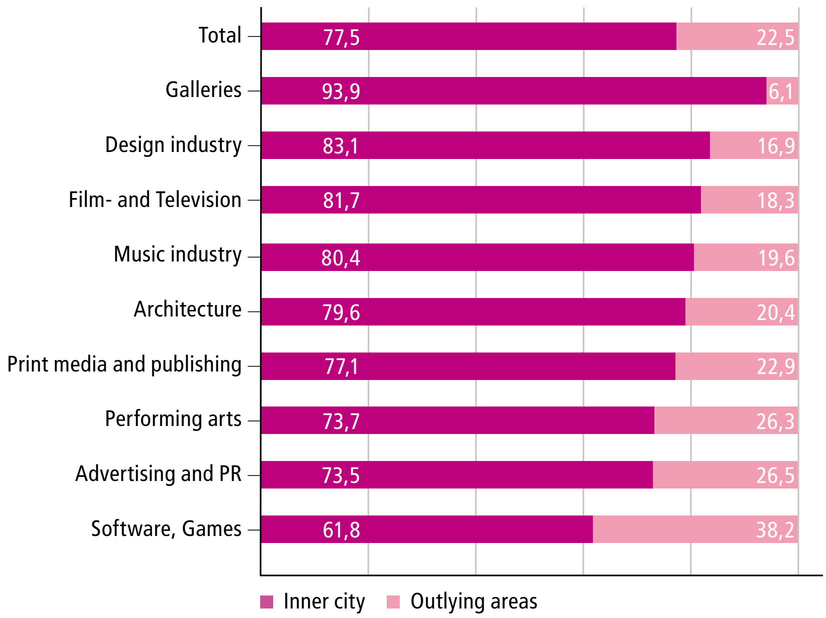
10 The planning areas (PLR; comparable dimensions: 338 zoning regions) are to become the unit of spatial measurement for monitoring social, urban development, the social structure atlas, the technical reports (for the head office and local administrations), the monitoring for education, youth, and integration and for strategic controlling "social urban development".

4.3 Locating creative enterprises

As “trendsetters and trendsurfers” (Helbrecht 1998), creative enterprises place high demands upon their city and their particular location in terms of availability of human capital, educational institutions, infrastructure and spatial design. They value Berlin’s image, of which they are part. 80% of the enterprises said that Berlin’s label as the “creative city”, “international city”, and “cultural capital” is important to them[11] (Orco Germany/Berlin Partner 2008). The image is particularly important when it comes to the question of “Berlin or somewhere else?” The question of “where in Berlin?” brings one to the question of the levers that can be used to maintain and improve the city’s appeal for creative protagonists.

4.3.1 Centrality tendencies of companies

Fig. 4: Centralisation tendencies for businesses by sector



n = 5,250 enterprises (Central 5,250,Outer 1,525)

Source: Survey and diagram TU Berlin, ISR

The analysis of the distribution of businesses throughout the city is very revealing (cf. Fig. 3). The first impression confirms the “intuition” that creative enterprises have a distinct tendency to base themselves centrally. Over two-thirds are located in the inner city.[12] The average concentration of creative enterprises within the city centre is 37 per LOR. Outside the city centre, the average is only 5 businesses per LOR (cf. Fig. 4). Approximately one-third of the LORs, whether located centrally or not, have higher concentrations than average. There are only 9 LORs in the city centre that do not contain any creative enterprises and only a single LOR that contains just one business (a sum of 7.1%). In the regions outside the city centre, 53 LORs (17.3%) contain no businesses and 51 LORs (16.7%) have only one creative industries enterprise each. The large majority of businesses are in the inner city and within this area there is a higher than average concentration within 47 of the 141 LORs. These findings confirm the assertions (Florida 2005, Hall 1998, Läpple 2005, among others) that the growth of this sector is closely related to specific urban conditions. Despite the strongly agglomerated locational patterns, Berlin’s inner city is still not a unipolar “creative centre”.

11 In contrast, other “images” are less valued: 56% consider the image of “Berlin as a tourist magnet” to be unimportant, 53% do not value “Berlin as a family-friendly city”, 47% are not that interested in Berlin as the capital city, and 33% are not impressed with Berlin as an important business centre (Orco Germany/Berlin Partner 2008).

12 The inner city is more or less delineated by the interurban circle line (S-Bahnring) (cf. Fig. 3). The city centre holds 141 LORs, the outer areas hold 306 LORs .

Berlin's history – from the late part of its birth as a metropolis, to its division, to its reunification – has greatly influenced the distribution of functions and roles throughout the city and it also determines the elements and characteristics that distinguish it from other European cities. Berlin does not have a specific city centre. Despite the increasing concentration and diversity of institutions and businesses within the historic Mitte district (Mitte is German for middle or centre), the City West area and the centres of the neo-renaissance (Wilheminian) urban expansion areas each hold their own as a counterbalance.

Another difference between inner-city and outer-city can be found in the sector-specific diversity of the various locations (cf. Fig. 5). All nine sub-sectors are found to be represented in 35 of the LORs located in the city centre. That is where 62% of the enterprises are concentrated. Another 21% of the enterprises are located within the LORs that possess 8 of the sub-sectors; and 8.7% are in those holding seven of the sub-sectors. The proportion of CI enterprises drops dramatically in the areas where there is less diversity. In contrast, the highest concentration of enterprises (14.4%) is found in areas with only four of the CI sub-sectors located within them. All in all, the distribution of enterprise density is more evenly spread across areas with intensely diverse market-sector compositions. It is rather noticeable that the areas in the outer-city that have the highest diversity are those right next to the inner-city or those which are located in the centres of that particular district (for example, Frohnau, Bölschestrasse etc.). Areas that are dominated by a particular sector usually possess some type of specific infrastructural advantages (Adlershof, Alt-Tegel) (cf. Fig. 6).

Fig. 5: The number of sub-sectors within the LOR

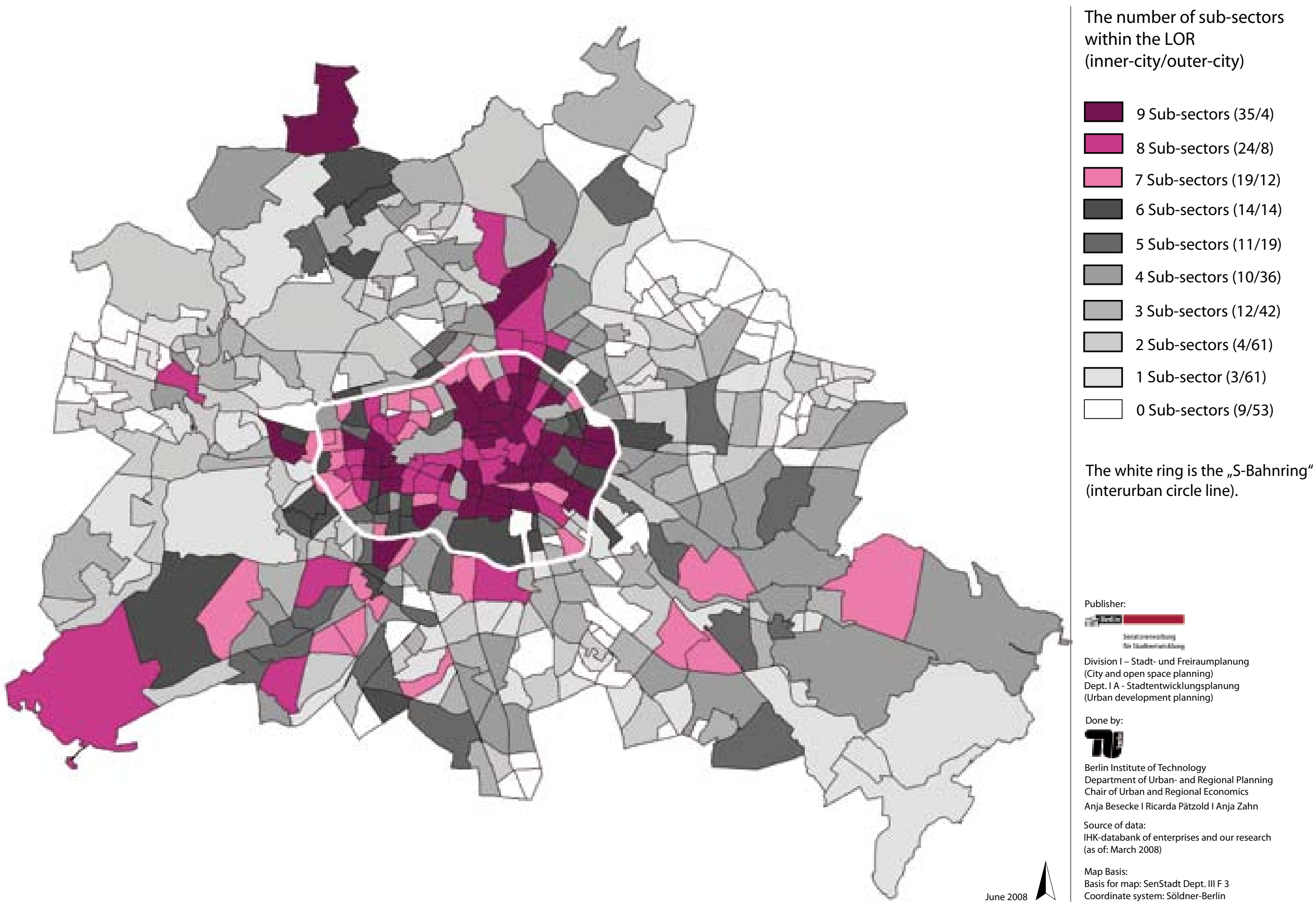
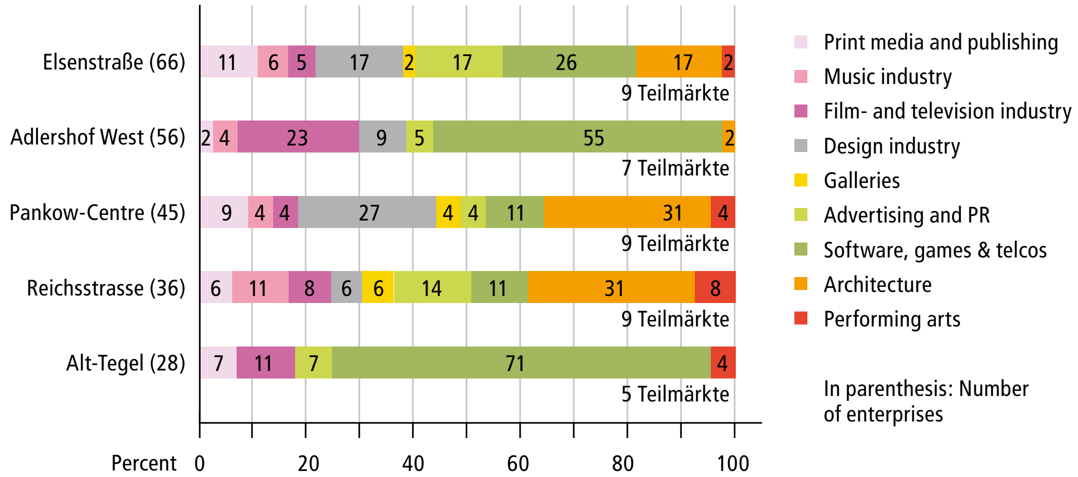


Fig. 6: Concentration of enterprises within the outer-city regions



Source: Survey and diagram TU Berlin, ISR

4.3.2 Locational patterns for the sub-sectors: similarities and differences

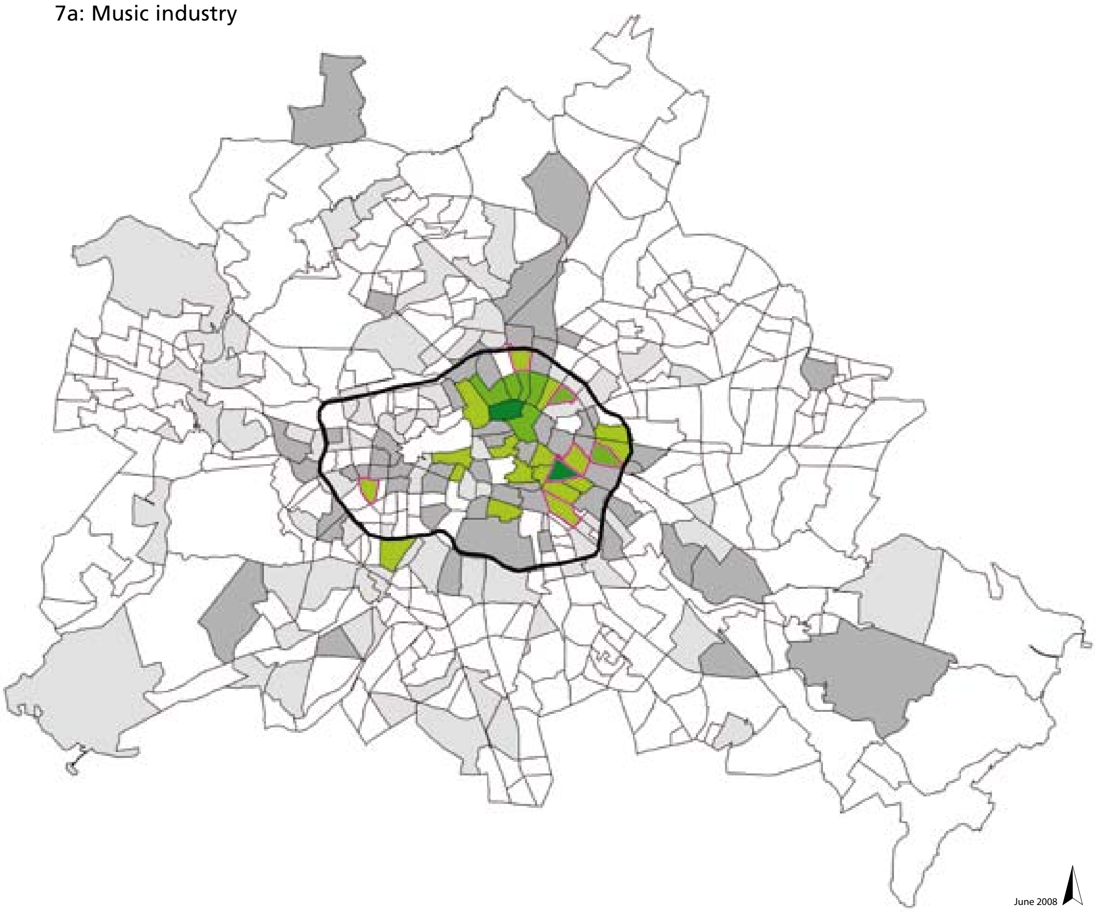
The locational patterns identified for the nine different sub-sectors do not appear to differ that much at first glance, despite the fact that the creative industries sectors (cf. Fig. 2) seem to be rather heterogeneous. As mentioned, the majority of enterprises are based in areas that possess a wide diversity of sectors (cf. Fig. 5). They display similar spatial characteristics. The differences in site selection become more pronounced in the LORs that have a low density of enterprises. However, it can no longer be asserted that these areas are strongly influenced by any sector in particular. The sub-sectors attain very different concentrations (measured as the proportion of all businesses within an LOR) in the LORs with above-average business density. The "Software" sub-sector comprises the highest concentration in Adlershof West with 55% (31 enterprises) of the business landscape there. The music industry accounts for 22% (11 enterprises) of the business landscape surrounding the Lausitzer Platz, thus representing the smallest proportion of high-density concentrations.[13]

The relative concentration of individual branches within the LORs provides a sophisticated picture of the spatial tendencies of each of the sub-sectors. This also shows whether or not the sub-sectors develop concentrations that differ from the average distribution of all sub-sectors. This does not mean that most enterprises within an LOR belong to that particular sector, but it does show that the sub-sector demonstrates a concentration that differs from the average. The relevant areas are marked in Figure 7 a-d.

13 High concentrations of other sub-sectors in the LOR: Print media and publishing sector 30% (65 enterprises) in the Charité-quarter, film and television sector 27% (11 enterprises) on Lützowplatz, design 40% (34 enterprises) on Helmholzplatz, galleries 26% (17 enterprises) on Mehringplatz, advertising and PR 24% (12 enterprises) in Halensee, architecture firms 38.8% (18 enterprises) in Schaperstrasse.

Fig. 7: Spatial distribution patterns of sub-sectors[14]

7a: Music industry



Number of enterprises in **music industry** (536) in spatial statistical units

- 0
- 1
- 2 - 5
- 6 - 10
- 11 - 20
- 21 - 30

relatively high density

Lausitzer Platz
Wriezener Bahnhof
Boxhagener Platz
Reuterkiez
Bötzowstraße
Preußenpark
Falkplatz

Publisher:

Senate Department for Urban Development

Editing:

Berlin Institute of Technology
Department of Urban- and Regional Planning
Chair of Urban and Regional Economics
Anja Besecke I Ricarda Pätzold I Anja Zahn

Datasource:
Buisiness database of the Chamber of Industry and Commerce (IHK-Berlin) and additional own researches (March 2008)

Map Basis:
SenStadt Abteilung III F 3
Koordinatensystem: Söldner-Berlin

7b: Art market and design

Number of enterprises in the **design industry** (1,138) and the **art market** (363) per LOR

- 0
- 1
- 2 - 10
- 11 - 20
- 21 - 66
- 172

high relative concentration (design industry)

Arkonaplatz
Helmholtzplatz
Winsstraße

high relative concentration (art market)

Oranienburger Str.
Invalidenstr.
Mehringplatz
Wilhelmstr.
Breitscheidplatz
Karl-Marx-Allee
Heidestr.
Savignyplatz

Publisher:

Division I – Stadt- und Freiraumplanung
(City and open space planning)
Dept. I A - Stadtentwicklungsplanung
(Urban development planning)

Done by:

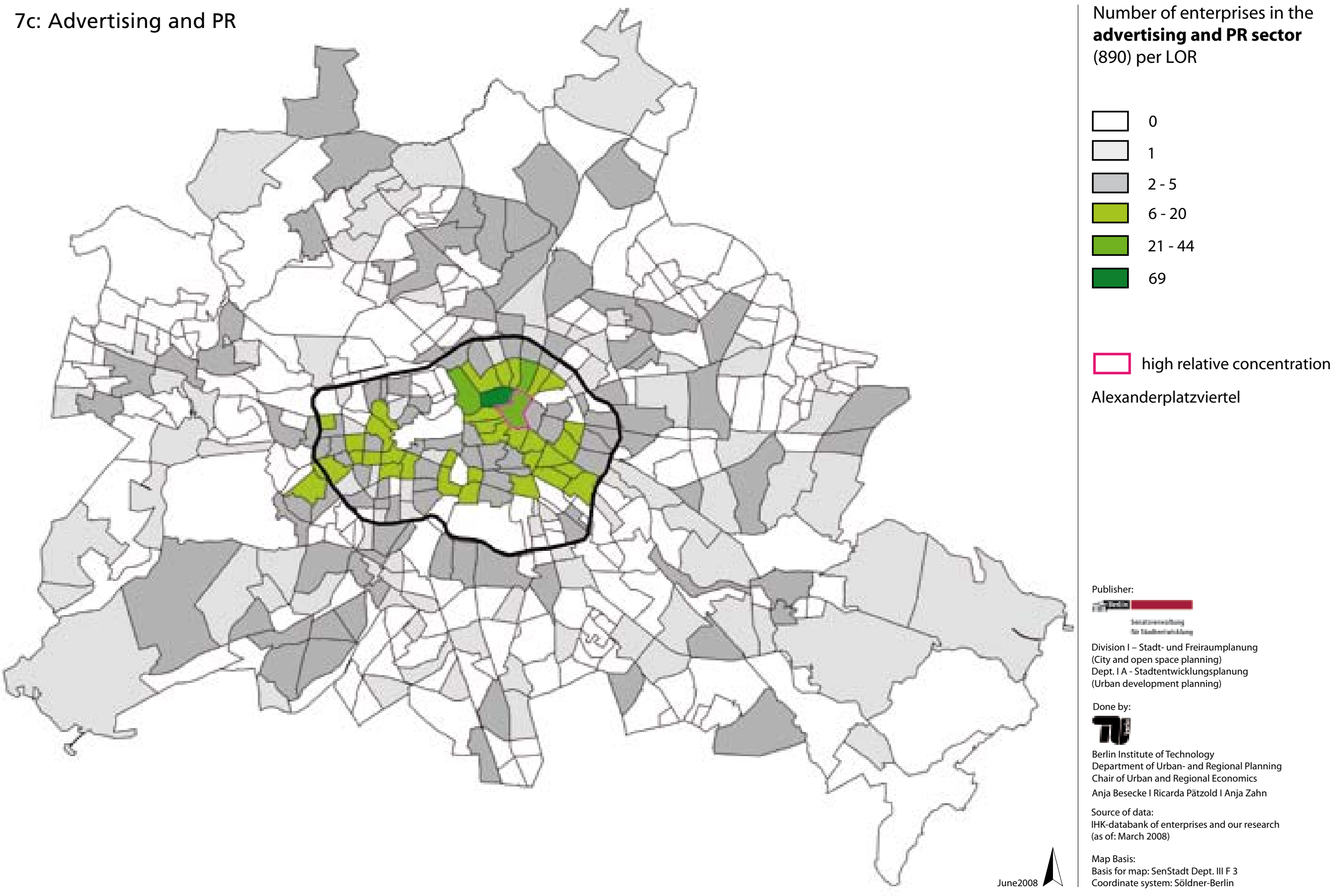
Berlin Institute of Technology
Department of Urban- and Regional Planning
Chair of Urban and Regional Economics
Anja Besecke I Ricarda Pätzold I Anja Zahn

Source of data:
IHK-databank of enterprises and our research
(as of: March 2008)

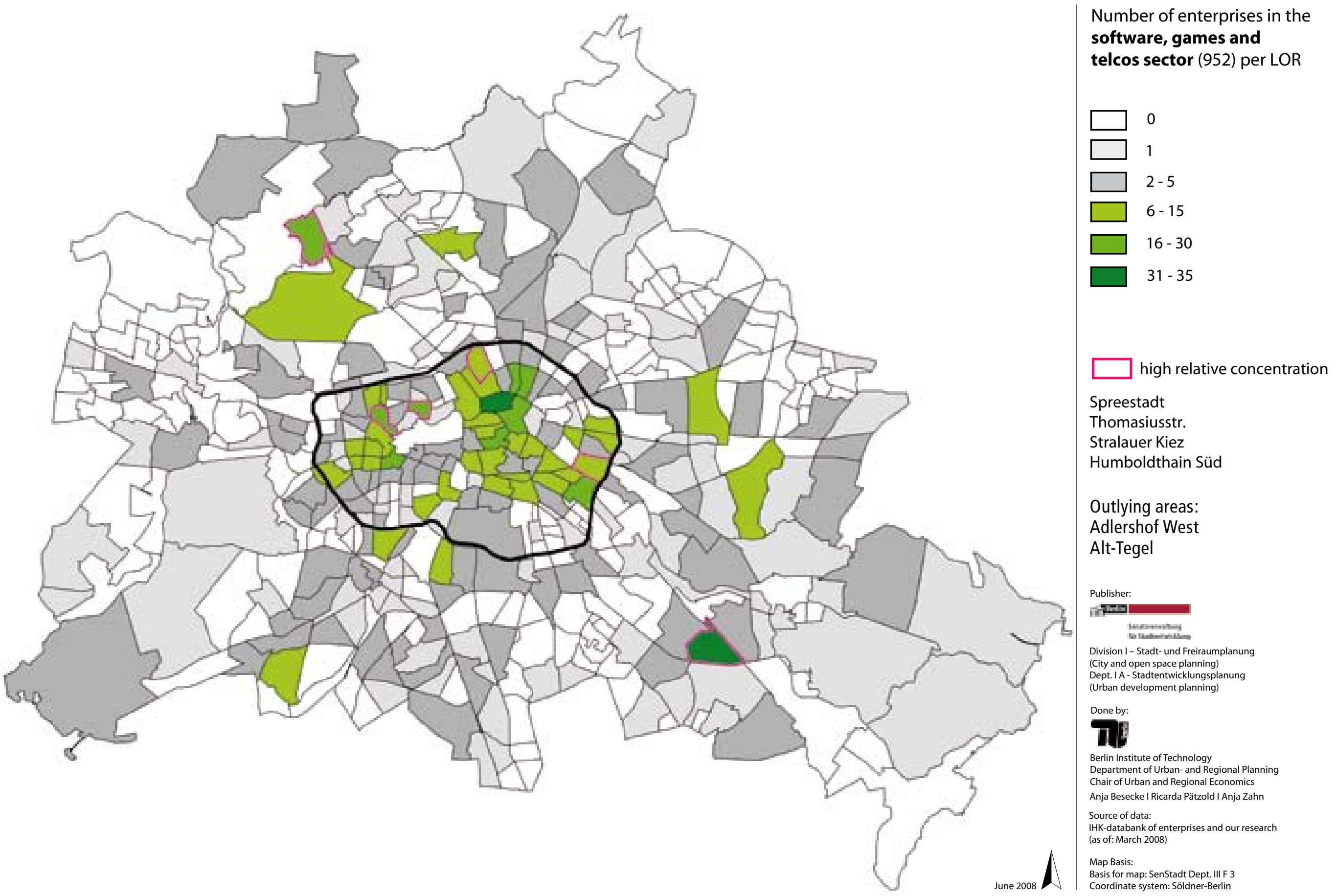
Map Basis:
Basis for map: SenStadt Dept. III F 3
Coordinate system: Söldner-Berlin

In addition to the question of just how spatially dominant individual sub-sectors are, we are also interested in their general tendency to agglomerate. The sub-sector of art galleries, which also happens to have the highest tendency towards agglomeration, shows the most pronounced propensity to concentrate within one area: 23.8% of all these businesses are in the LOR Oranienburger Strasse. This tendency to develop a central sector area is much less distinct among the other sub-sectors: the print media and publishing sector has the next highest tendency to concentrate with 11.7% (Charité-quarter), and then the advertising industry with 10.6% and the Design industry with 9.6% (both in the Oranienburger Strasse LOR). A second focal point is only clearly visible amongst the art galleries (10% in the Invalidenstrasse) and the advertising industry (7% in the Charité-quarter). The rest of the sub-sectors do not show clear spatial focal points.

7c: Advertising and PR



14 The sub-sector maps are scaled differently! The colours of the shaded areas denote how many enterprises are located within the LOR. The LORs that are encircled have a very high relative concentration of businesses. This means that a particular sector is very significantly represented compared to the total distribution. Example 1: In the LOR Oranienburger Strasse, 8.6% of all businesses are represented there. 23.8% of the businesses there belong to the art market. This means that the concentration of that sector in that area is far above the average density. The proportions of the other sub-sectors: 5.2% print media and publishing, 7% music industry, 8.3% film and television sector, 9.6% design industry, 10.6% advertising, 5.8% Software, games and telcos enterprises, 6.3% architecture. Example 2: 1.9% of all businesses are represented on Lausitzer Platz, but 5.1% of the businesses are in the music industry. The proportions of the other sub-sectors: 1.3% print media and publishing, 1.8% film and television sector, 2.5% design industry, 0.3% galleries, 1.4% advertising, 1.9% Software, Games , 1.4% architecture.



All in all, the location patterns of the individual sub-sectors show more commonalities overall than differences. Before the individual urban areas are explored in more depth, some attention shall be given to the assessment of locational factors (cf. Fig. 8). As can be expected, the level of rent – 91.8% of the businesses are leaseholders – is the most important locational factor. The differences between the sub-sectors are marginal. The one with the least concern for the level of rent is the software industry. Accessibility via public transport tends to be more important than accessibility by car and this seems to reflect the central tendency. The largest variances (35 percentage points) between the various sub-sectors were found in the factors of "scope for self-design of space" and "appealing architecture" of the building. Those in charge in architecture, the design industry, galleries and the music industry obviously place a high value on the potential to be able to give their offices a customised profile. In contrast, the software industry and the print media and publishing sector showed much less interest in such things. It is not surprising that the architecture of a building (presentability, modernity, historical value) is highly valued by architects. This is of less importance to the film and television industry, the music industry and the print media and publishing sector. Having a short commute between work and home is important to those in the design industry. This is also the sub-sector that gives the factors of availability of social infrastructure and long opening hours of local businesses the highest marks. Location-related promotional programmes such as foundation centres or cultural centres had the least amount of importance (detailed evaluation Orco Germany/Berlin Partner 2008).

4.4 Interpretation of business distribution throughout urban space

Urban inner-city districts are considered to be the fertile soils of creativity due to their functional diversity. The specific qualities of urban space and the image of the city and some of its districts are becoming increasingly more important as locational factors; they are becoming truisms within contemporary city debates. Surveys that enquire into decision making as far as choosing a location is concerned, whether from private individuals or businesses, show that the hard locational factors always take the highest priority (cf. Fig. 8). It would be too hasty, however, to conclude that such decisions are purely rational ones and that the impact of image is exaggerated. Studies show that only a small number of choices are taken into consideration throughout such decision making processes (Grabow et al. 1995: 106, Ipsen 1986). The "genius loci" plays an important role in the pre-selection phase and in the final decision-making phase. A new survey (Orco Germany/Berlin Partner 2008: 38) confirms that the geographic distributions of urban enterprises are the result of systematic searches for the right location (agreement 48%). A third of those surveyed, mentioned that other criteria used by companies to select a location were their enthusiasm to be in a particular district and tips from friends and acquaintances.

How do the enterprises within the creative industries sector judge the different urban districts? Which spatial characteristics do they rate as attractive? In general, they prefer mixed-use locations. The majority of the businesses (76%, 5,169 enterprises) are based in districts which have a high proportion of residential usage. Only 24% of the businesses

Fig. 8: Significance of individual locational factors for the sub-sectors

Source: Detailed evaluation of the survey of creative enterprises (Orco Germany/Berlin Partner (Ed.) 2008), Depiction TU Berlin, ISR

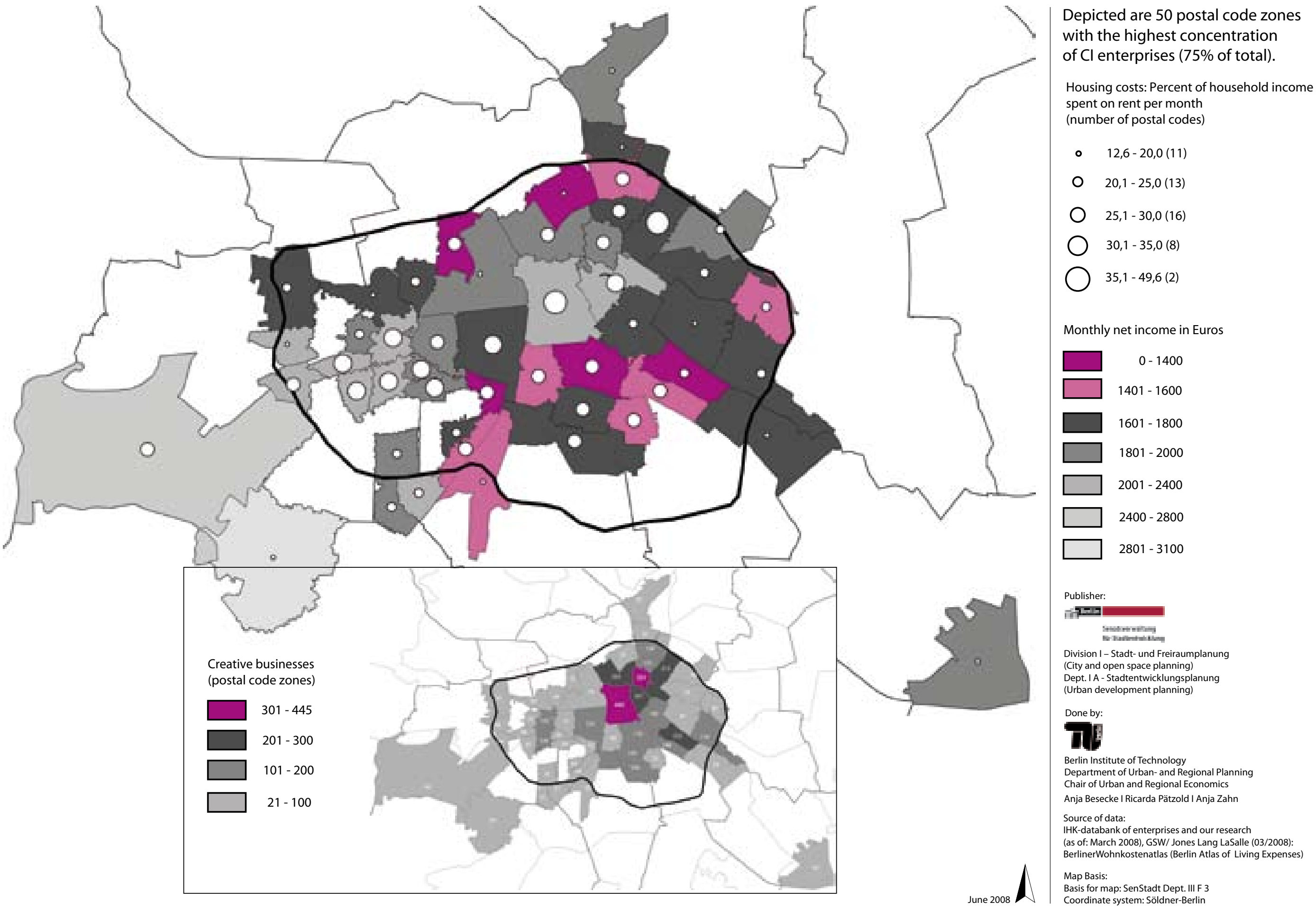
(1,616) are located in built environments that are mainly commercial in nature. We will now attempt to categorise and describe the characteristic spatial endowments of the various urban quarters.

4.4.1. Established spaces of creatives

This strong tendency to centralise, which has already been established for the entire city, can also be seen in a detailed examination: 33% of the city's creative enterprises are located within just 15 of the city's 447 LORs. This is 42% of all those based within the inner-city. The highest concentrations of creative businesses are located in areas of mid-range incomes and a high, if not very high cost of living (cf. Fig. 9). These tend to be the districts of Charlottenburg and Mitte. If one differentiates between smaller and larger businesses, the larger, more established enterprises have a strong affinity for prominent and well-known locations. This is a strong tendency and correlates with a willingness to pay higher prices for commercial properties. "Street Credibility," or the integrity of product-specific business locations, is important as an element in their marketing concepts.[15]

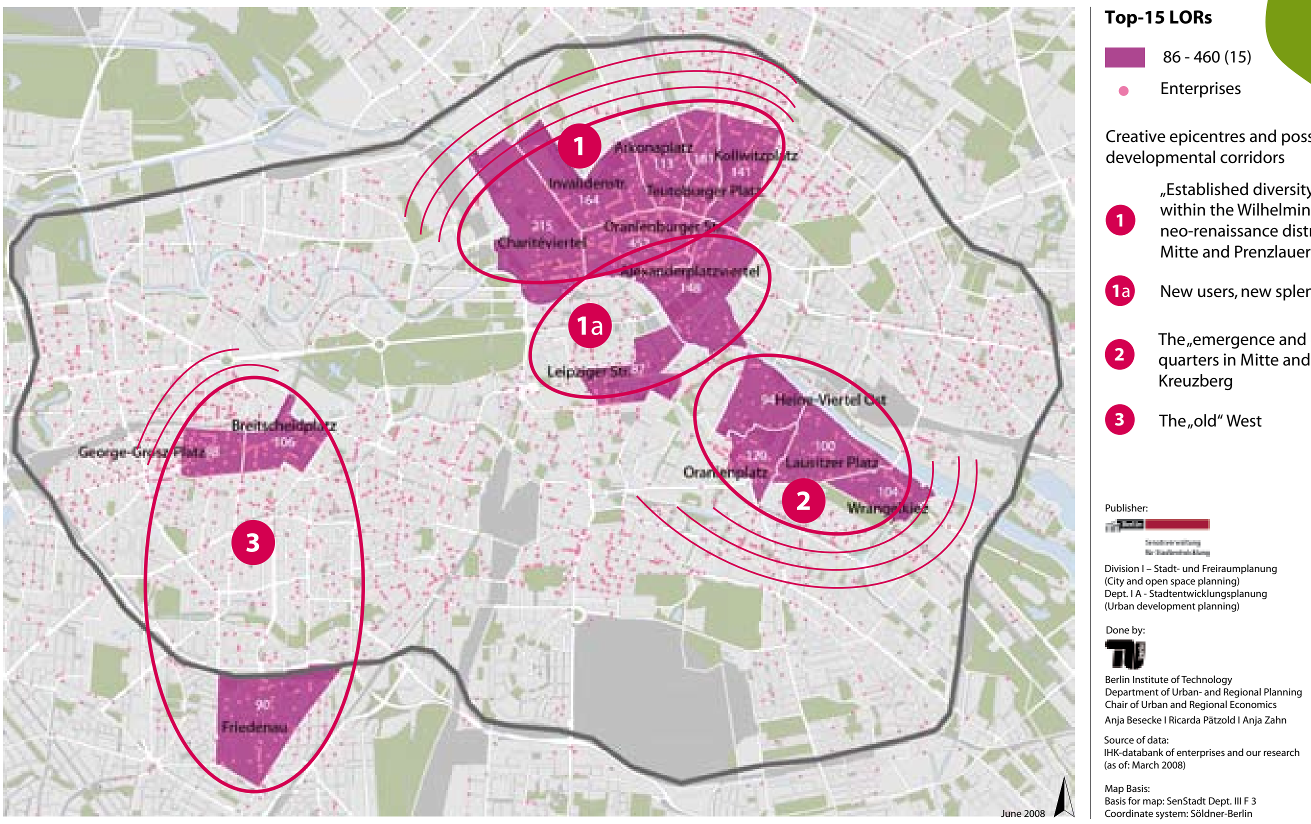
Three main areas of agglomeration stand out rather clearly by way of spatial analysis (Fig. 10). The spatial-category, "Established, urban inner-city quarters" can be used to describe areas 1 and 3.

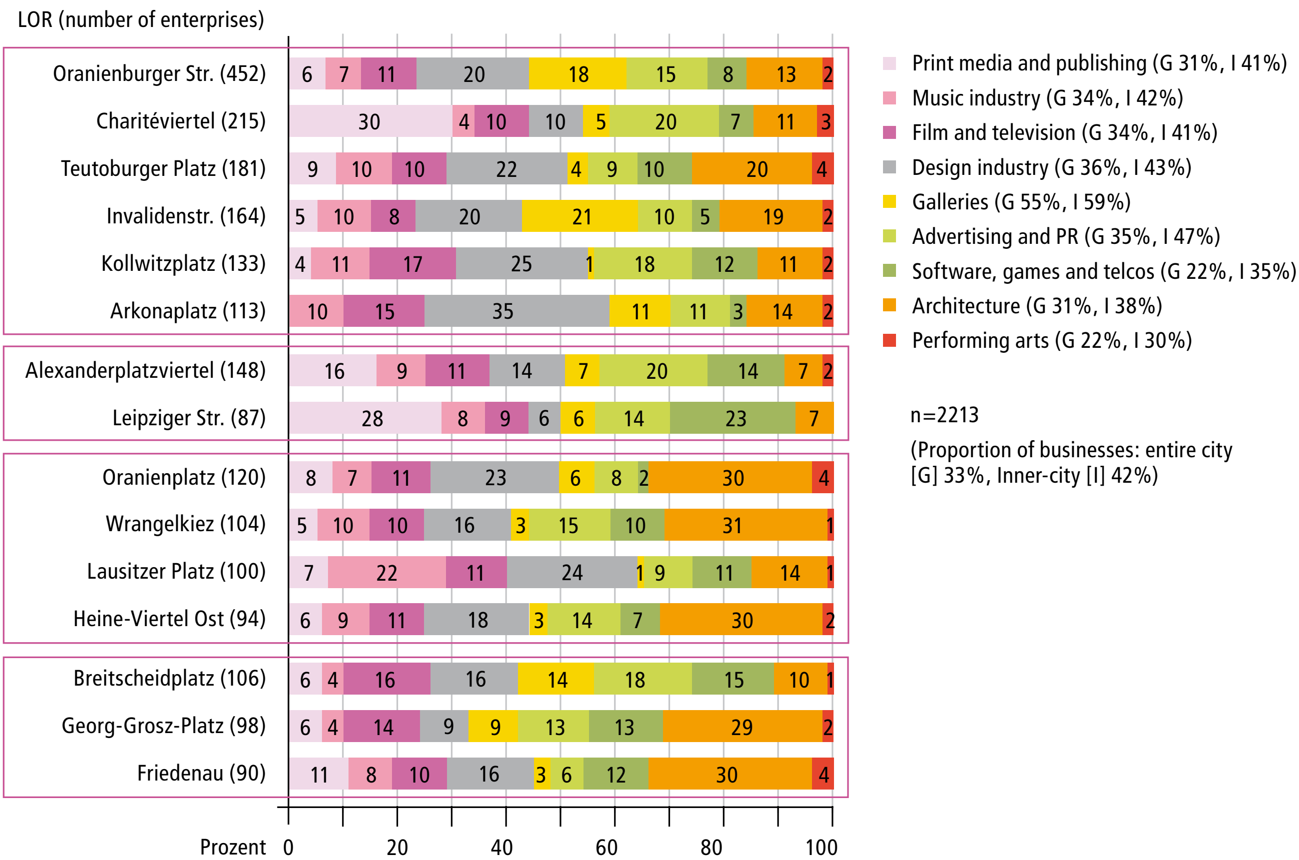
Fig. 9: Net household income, cost of living, number of creative businesses



15 Just as an advertising firm with a large number of international clients may prefer to be based in an upscale location, a "punk-music label" may prefer a location in Kreuzberg, since this would allow them to reach a particular market population. (cf. Mundelius 2008).

Fig. 10: Agglomerations for creative enterprises and top-locations for the creative industries





Source: Survey and diagram TU Berlin, ISR

These are examined in greater detail within the context of the two districts that are currently undergoing transformational processes described in chapter 4.4.2. Agglomeration number 1 is composed of the north-eastern regions of the historic district of Mitte – Oranienburger Strasse, Charité-quarter, Invalidenstrasse, Arkonaplatz, Teutoburger Platz and Kollwitzplatz. A diverse mix of sectors is to be found within each quarter, even if some sectors are more distinctly present than others within them. The fashion designers tend to dominate in the Wilhelminian residential areas, with their predominantly small commercial spaces and shops. Galleries are often located in central locations with a lot of pedestrian traffic (tourists) (see the Excursus: Spandauer Vorstadt). The print media and publishing sector as well as the advertising sector both have a strong presence in the commercially-oriented Charité-quarter. The Alexanderplatz-quarter and Leipziger Strasse can only be partially included in this agglomeration and this is why it has been labelled zone 1a. These areas differ greatly within the city's structure. Nonetheless, the location is somewhat attractive to businesses in the Leipziger Strasse because of its proximity to the area in and around Friedrichstrasse. What they do have in common is that the dominant sectors there tend to be more introverted, i.e. less dependent upon pedestrian traffic, such as the software, advertising, and print media and publishing sectors.

The situation in regards to the third agglomeration in the LORs of George-Grosz-Platz, Breitscheidplatz and Friedenau in the former west portion of Berlin is different. Although there is no direct spatial connection between these LORs, the quarters can be viewed as closely related. They are very similar to one another, both in terms of urban structure and in terms of sub-sector representation. The only major difference is that the proportion of galleries and advertising firms around Breitscheidplatz is markedly higher. These districts tend to have higher net household incomes and many of the enterprises there are well established. Of the three agglomeration zones, the "old west" is most certainly the least dynamic and most "silent".

EXCURSUS

Phoenix from the ashes: the Spandauer Vorstadt area

The area between Oranienburger Strasse, Torstrasse, Rosa-Luxemburg Strasse and Dircksenstrasse is known as the Spandauer Vorstadt.[16] The 462 businesses operating there make the district around Oranienburger Strasse by far the most significant centre of cultural and creative industry in Berlin. What factors and conditions led to such development and what kind of future can it look forward to? In 1991, the district was allocated a preservation statute (preservation of historical urban structures) before being declared an urban redevelopment area in 1993, along with the areas around Helmholzplatz and Kollwitzplatz in Prenzlauer Berg. Considerable maintenance work was required on the majority of residential buildings in the Spandauer Vorstadt at the time; there were many empty lots and wasteland areas and a large number of vacant shop premises, while residential and industrial uses also conflicted.

Those living there did not have sufficient access to everyday goods and socio-cultural facilities (schools, playgrounds etc.) were both quantitatively and qualitatively inadequate (Krajewski 2006). Before the Wall came down, the Spandauer Vorstadt did not experience anything like Prenzlauer Berg's development into a trendy neighbourhood and centre of subculture.[17] Klaus Biesenbach, founding director of the KW (KW Institute for Contemporary Art) and now curator of the New York Museum of Modern Art (MoMa) and P.S.1, described the area as almost devoid of people towards the end of the 1980s. (Biesenbach 1992). Between 1989 and 2008, the amount of galleries in Berlin more than trebled. This run-down district became Berlin's definitive gallery centre merely as a result of several "coincidences". Most of the vacant industrial spaces there then belonged to the WBM housing association. Jutta Weitz, "who had a soft spot for artists" (Rau 2006), was responsible for finding tenants for those spaces. "I wanted the sad street between the Tacheles and Eimer squat projects to come to life" (Jutta Weitz). Groups of artists around Klaus Biesenbach livened up Auguststrasse in 1992 with the "Berlin 37 Rooms" exhibition, drawing attention to the area and paving the way for the establishment of the KW Institute for Contemporary Art and the Berlin Biennale. A further flagship project, whose rental concept provided space for a young design scene, was the partly publicly-funded renovation of the Hackescher Hof complex. It attracted many visitors as a result of its tenants and its structural quality. Such diverse buildings and institutions as Tacheles, the squatted ruin of a former shopping emporium, the renovated Hackescher Hof complex and the KW stood out as beacons in their surroundings, providing important impulses for the development of the district profile. These projects belong to the "Cultural buildings as flagships" category.

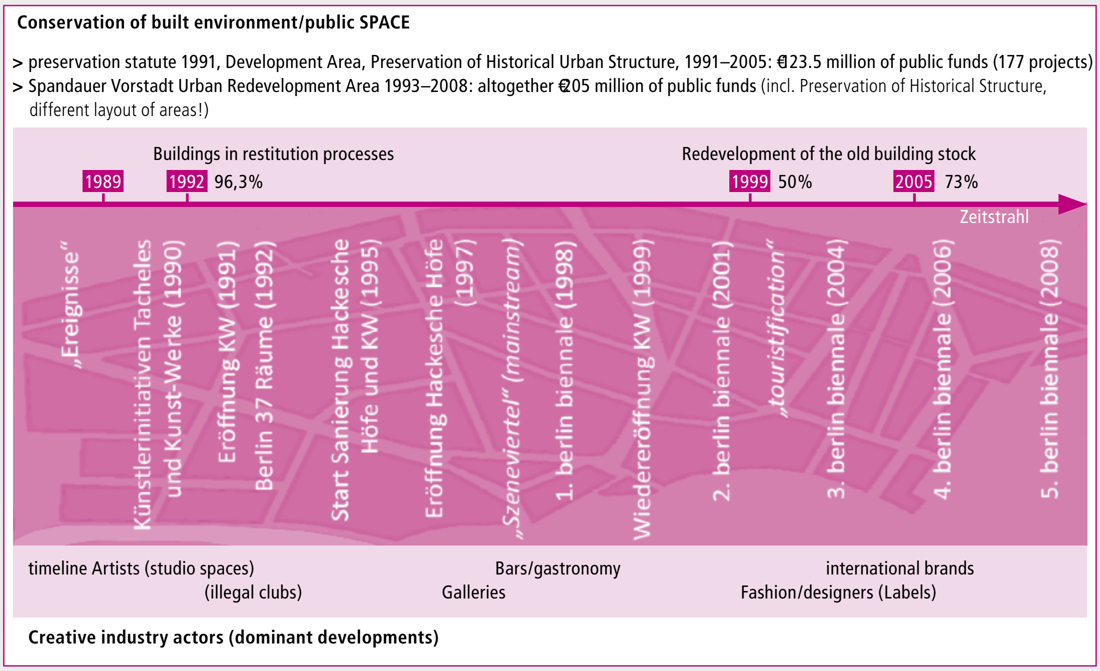
Galleries tend to attract each other more than other creative sectors; however, the result is not necessarily always cooperative collaboration! Since Berlin's art market is largely kept alive by outside buyers, location[18] is of great importance to galleries. (Rau 2006). Rumours have been circulating for the last few years that the most important gallery location is moving out of the Spandauer Vorstadt, first to Jannowitzbrücke and now to Heidestrasse. Galleries were tired of (overly) established districts and were bothered by the hype caused by new users such as fashion shops and tourists. (cf. Fig. 11). More established galleries are more likely to set up in new locations, although they do not necessarily leave their original places. One example is the "Halle am Wasser" that was estab-

16 Local contexts are all slightly different (Preservation of Historic Urban Structure, Urban Development Area, LOR)

17 The reality of the myth surrounding Prenzlauer Berg is contentious, "The misconception of Prenzlauer Berg as the Kreuzberg of East Berlin, or the Bronx of Berlin, was gratefully picked up and spread by local artists, political minorities, and trendsetters since it [...] highlighted their own uniqueness [...]." (Bernt 1998: 28). The legend was later (in the 1990s) used by commercialists, as it increased the value of their properties (Marquard 2006: 64).

18 In a survey of 250 galleries, 75% of those located in the Spandauer Vorstadt named the establishment of a gallery neighbourhood to be the most important factor in their choice of location, after which the innovative image of the area came second (Rau 2006).

Fig. 11: Development of the Spandauer Vorstadt



Source: Depiction by Ricarda Pätzold

Fig. 12: Berlin's most important gallery streets

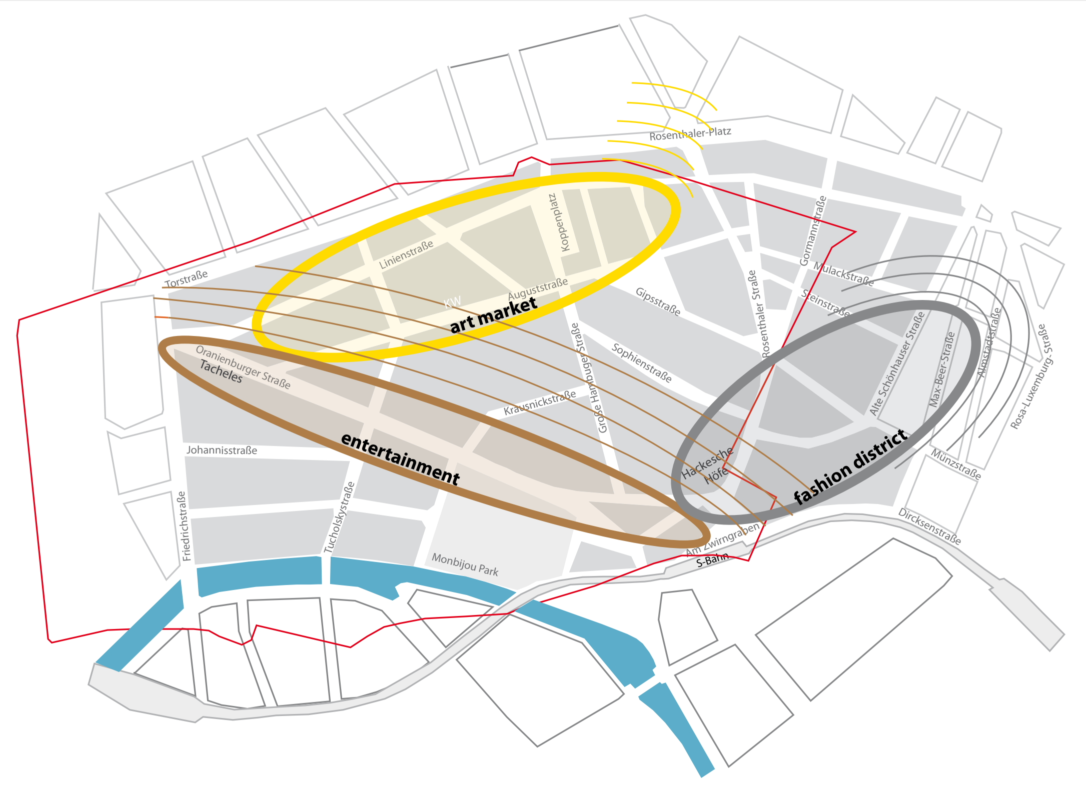
Streets	Number of Galleries		Number of Designers	
	2001	2008	2001-2008	2008
Brunnenstraße [19]	unknown	22	-	18
Auguststraße	14	21	+50%	5
Fasanenstraße	10	14	+40%	1
Linienstraße	16	16	0%	13
Sophienstraße	11	10	-9%	4
Torstraße	unknown	9	-	13
Gipsstraße	8	6	-25%	3

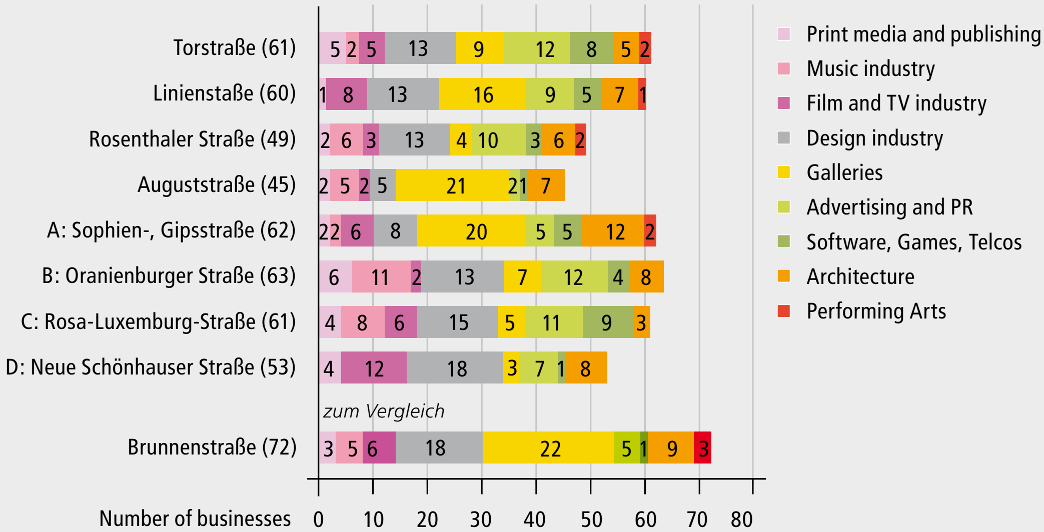
Source: Figures 2001 (Rau 2006), 2008 Survey TU Berlin, ISR (grey streets are located outside the Spandauer Vorstadt))

lished by Friedrich Look behind Hamburger Bahnhof; he had already opened his first gallery, Wohnmaschine, in his flat in Tucholskystrasse in 1988. New galleries need established districts so that they can have a share in the streams of visitors that they cannot produce themselves. Changes in such leading gallery streets show the newcomers to be Torstrasse and Brunnenstrasse (cf. Fig. 12). This seems to reflect an extension or partial move from the original premises rather than a completely new beginning. Artists and their studios as well as (illegal) clubs also provided impulses for the development of the Spandauer Vorstadt area. However, they did not attract the real estate sector. "In the initial years after the Wall came down, there were endless streams of West German and international visitors who systematically went into every back yard in East Berlin."(Biesenbach 2006). Investment and tax incentives (urban redevelopment areas), good location, the potential for new buildings (empty lots) and the urban scene coincided in the Spandauer Vorstadt. While the west of the area towards Rosenthaler Strasse became quite quickly distinguished by the art market, the development of the eastern part from Alte Schönhauser Strasse was slower. In smaller side streets (e.g. Almstadtstrasse, Max Beer Strasse), a few buildings were refurbished here and there, however, there was little commercial development. Development has taken place in that direction over the last six years, particularly in fashion design. The small-scale of the commercial units available in the Spandauer Vorstadt provided a certain amount of protection from chain stores, which require much larger shop floors. The – more financially stable – prêt-à-porter segments of a series of international brands (e.g. Boss, Lezard, Diesel, Replay) have established themselves there in the last few years.

19 All of the galleries in Brunnenstrasse are in Mitte (border Bernauer Str.). Of the designers, five companies are located in Wedding.

Fig. 13: Creative businesses in the Spandauer Vorstadt[20]





Source: Survey and presentation: TU Berlin, ISR

20 The following streets have been put into groups in the diagram: A: Sophienstrasse, Gipsstrasse, Joachimstrasse, Koppenplatz, Kleine Hamburger Str.; B: Tucholskystr., Oranienburger Str., Grosse Hamburger Str., Krausnickstr., Präsidentenstrasse; C: Rosa- Luxemburg-Str., Münzstr., Almstadtstr., Max-Beer-Str., Rochstr., Dircksenstr.; D: Neue Schönhauser Strasse, Gormannstrasse, Mulackstrasse, Alte Schönhauser Str., Steinstrasse.

The role of the catering sector should not be underestimated in all of this. Initial improvised bars were followed by high-class restaurants, which set interior design standards for several years. Large numbers of tourists arrived and the restaurants became increasingly larger. They multiplied in number and got louder and louder. A so-called "Bar B-plan" was implemented to curb the summits of wild growth, however, Oranienburger Strasse and Zwirngraben came to be increasingly more commonplace.

The Spandauer Vorstadt has changed quite radically over the last two decades. The quarter has become more appealing for new users and residents, meanwhile many of the old ones have left. Its metamorphosis is far from ending. Over the next decade, it remains to be seen if new niches for innovation and experiment open or whether what remains is a "Japanese cherry-blossom quarter" that lives off its short-lived heyday.

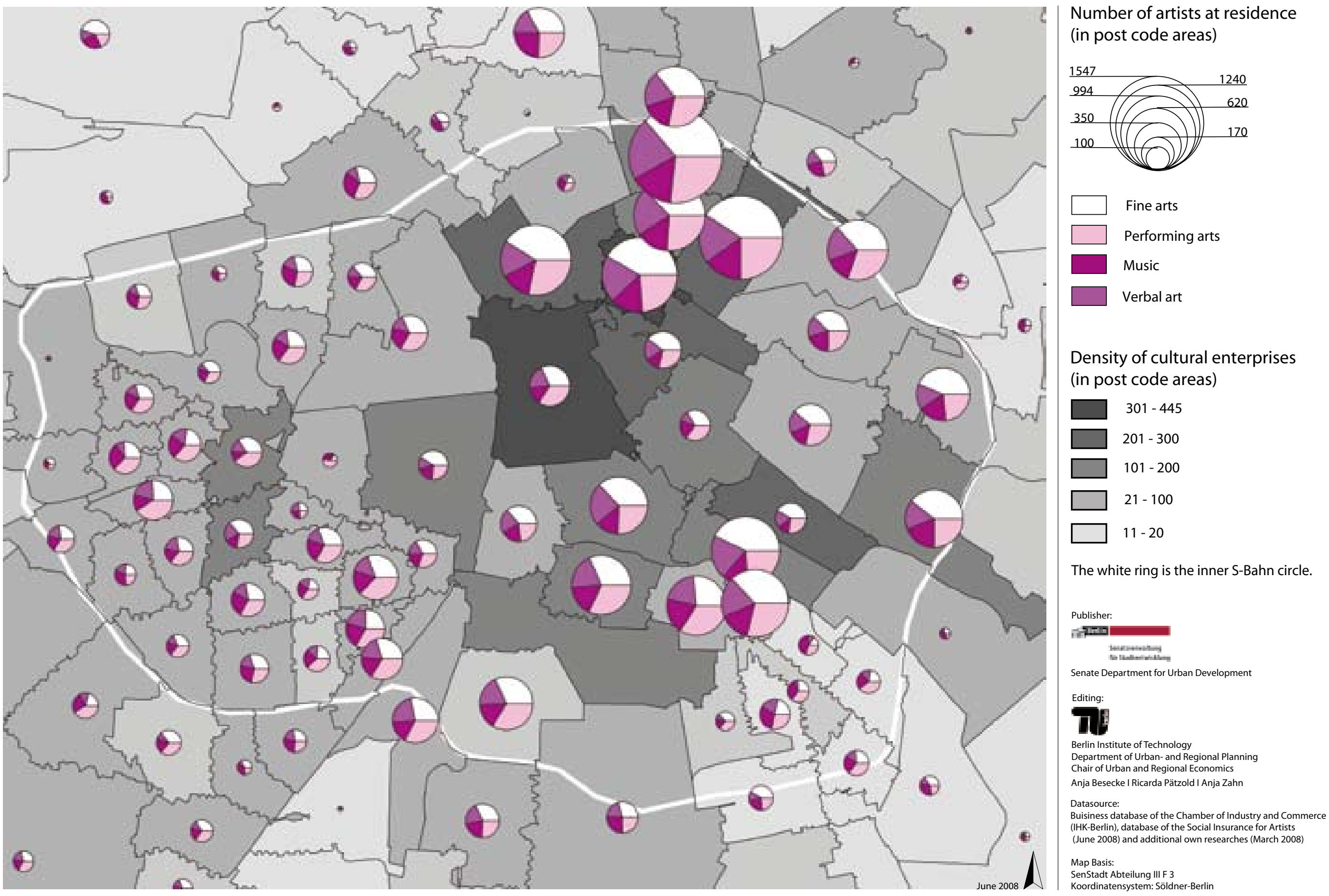
4.4.2 Searchlights on: the constant search for a new "in" district

A connection is often made between "poor" areas – such as Kreuzberg, parts of Schöneberg and Neukölln, Moabit and Wedding – and the establishment of new, creative businesses. Recent monitoring by the Soziale Stadtentwicklung (Social Urban Development) (SenStadt 2007) programme has revealed negative dynamics in the development of social structures. Their problematic nature is being acknowledged on a political level, particularly in parts of Neukölln and in Wedding and Moabit (Mitte). However, it is precisely these areas that appear to be particularly attractive to new businesses within the creative industries. Such places do not always remain insider secrets and can also transform into trendy areas. Examples of such are the Heine Quarter, Oranienplatz, Lausitzer Platz and the Wrangel neighbourhood, which is among the top 15 locations of Berlin's cultural and creative industries, featured in Fig 10. These areas are characterised by Wilhelminian building structures including many old former manufacturing premises, particularly along the River Spree and throughout the districts. The mappings taken do not provide any information on the age and level of establishment of such businesses. However, an analysis of income structures (cf. Fig. 9) reveals that there appear to be many new businesses throughout these areas. They have attracted much attention within the urban realm in the last few years (e.g. Schlesische Strasse) and are therefore prototypes of the spatial category "Up and coming inner-city neighbourhoods". In 1999, the Berlin Senate introduced Neighbourhood Management Programmes as a new political instrument to "areas with special development needs". They did this in conjunction with 15 affected locations in reaction to social problems there. At the moment there are 33 such areas in Berlin. From the point of view of their "suitability" for creative industries, 22 of those, which are located in inner-city areas of old building structure, are of interest. The general distribution of individual sectors of the creative industries in those places is only marginally different from the situation in the city as a whole. A survey of neighbourhood managers[21] revealed that in 80% of cases, the cultural industries had become established through the QM programme. Collaboration with and support of creative industry projects takes place in 87% of the surveyed districts. The sectors that receive support from Quartier Management include the fine and performing arts – the two with the highest potential for changing the image of an area – as well as designers and those involved in the film and music industries. In two-thirds of the areas, attempts are made to fill emp-

21 The survey on "The significance of the creative industries in deprived areas" was carried out in March 2008 in 34 quartier management programme areas (incl. URBAN II in Lichtenberg) using a standardised online questionnaire. 16 valid questionnaires were returned, four quartier managers stated that the topic was of no relevance to their area; these exclusively involved peripheral residential areas (pre-fab buildings or 1920s areas). More detailed interviews were held with the quartier managers of the Pankstrasse, Flughafenstrasse and Oberschöneweide areas.

ty shop space through rental deals with the owners and other strategies[22]; the “Kolonie Wedding” is one of the best known of these. The quartier managers mentioned that room to experiment, low rent prices and proximity to the city centre are the most important prerequisites for the creative industries to be able to thrive. What are the aims of quartier management in relation to the cultural and creative industries? From the perspective of a quartier manager, the cultural and creative industries are one field of action among many. The main objective of neighbourhood management is to improve the social situation for the residents of an area and to thus stabilise it. One of the most important factors mentioned in all districts was schooling. Without qualitative improvements in education, it is impossible to prevent better-educated and higher-earning families from moving away from an area, no matter how cheap rents on flats and commercial spaces are. The potentials of neighbourhood management programmes to attract creative industries should not be overestimated. Their function is to be a point of contact, to provide information about an area, to network and to be a partner in project development (e.g. Ex-Rotaprint at Pankstrasse) for those interested in setting up. Neighbourhood managers have neither the position nor the resources to carry out “location marketing” beyond that.

Fig. 14: Artists’ places of residence according to postal code



22 The success and long term effects of this strategy differs greatly from area to area. In 2002, shop premises were rented to artists in the Wrangel area; the district is now among the top 15. In the Urban II area in Lichtenberg, the effects disappear almost entirely after a project has ended.

Creative people usually become most active in district development when they both live and work in an area – improvements to an area are rarely linked to "atelier commuters"[23]. However, should creative people represent their own interests as residents, they then tend to have the willingness, resources and competences to become effectively involved in their district. According to data provided by the Artist's Social Welfare Fund (KSK), the majority of artists in Berlin live in the Prenzlauer Berg, Mitte and Kreuzberg (cf. Fig. 14) districts. The numbers drop significantly in the neighbouring districts of Wedding and Neukölln. A rapid transformation of many neighbouring areas as a result of the effects of artistic and creative activity can therefore not be assumed.

The variety of interaction that the people involved in the cultural and creative industries have with "their" districts confirms the results of a survey of businesses (Orco Germany/ Berlin Partner 2008: 70): one-fifth of businesses are active within their own environments. The most common phenomenon mentioned is collaboration within branch networks (28%). 16% mention involvement in local urban development processes (e.g. committee work) and 8.5% work in collaboration with the quartier management programmes. Their perception of the area is significantly influenced by public events: 18% of the businesses declared involvement in street festivals, 8.5% are involved in collaborative events related to the art market such as tours of galleries and ateliers.

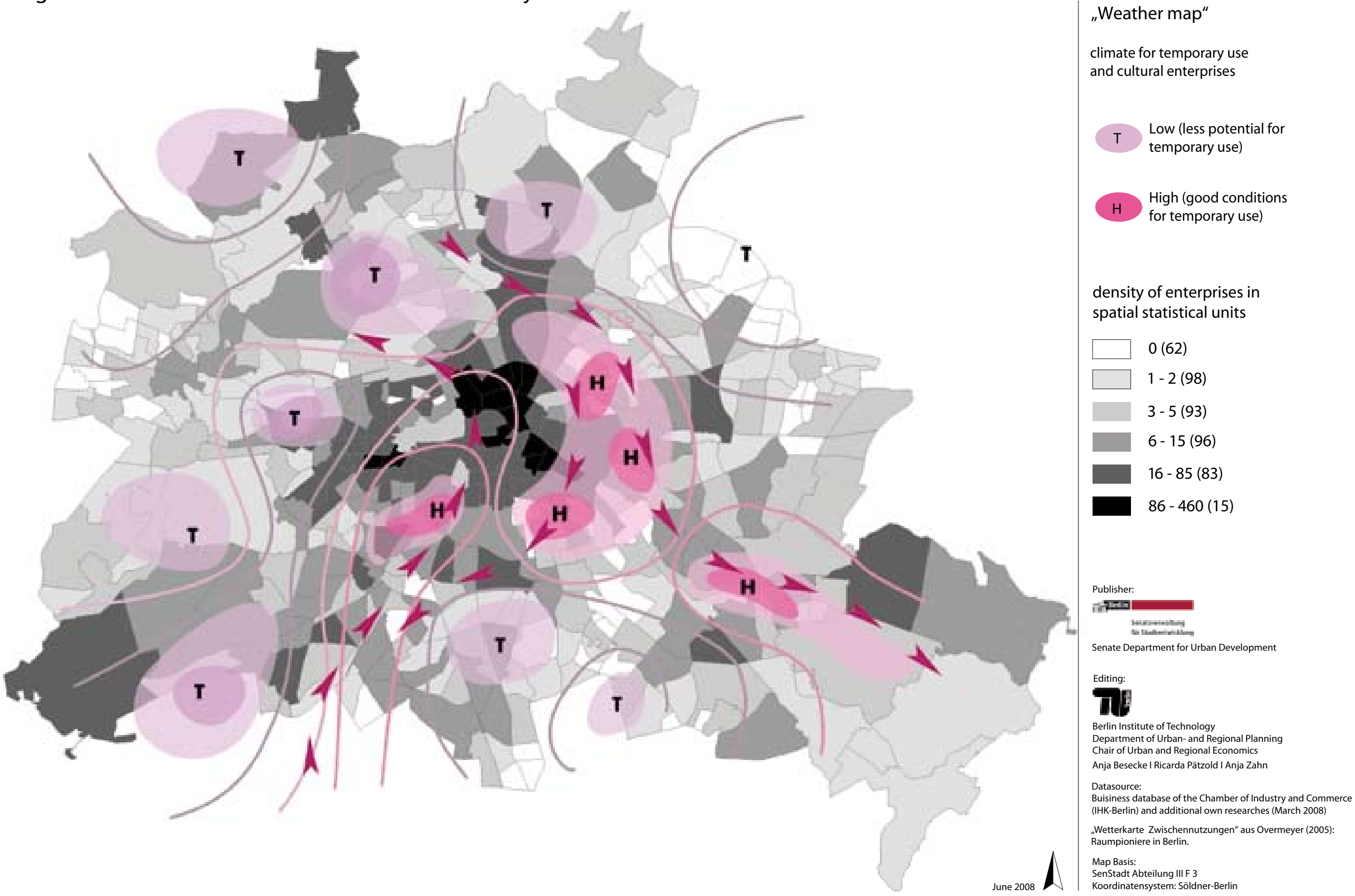
4.4.3 Pioneers change "bad places"

Urban areas vary greatly as far as the continuity of their development and the amount of disruptions in their development are concerned. While individual areas are perhaps only subject to small fluctuations, others are subject to alternations of the most diverse uses and spatial functions. Empty lots, which have lost their function as a result of economic restructuring, usually do not have a stable image and are not strongly anchored in the image of a city. There are many such spatial resources in the city of Berlin, e.g. the former railway area in Heidestrasse, the vacant Osthafen port, the former railway maintenance yards at Warschauer Strasse and the area around Wriezener Bahnhof. The Spreeraum Ost area, between Jannowitzbrücke and Elsenbrücke on both sides of the River Spree, and Tempelhof Airport are among the most spectacular areas in transformation within the city in dimension and development; they could serve as temporary-use areas for the most diverse spatial pioneers. Spatial pioneers discover spaces that are on "stand-by" and revitalise them with the resources that are available to them. Factors such as the prestigious "address", a hip image-label or the particular quality of an area are less important to them than low costs and having space for personal creativity and involvement. The spatial category "Urban Wasteland – Interim Use" offers a broad spectrum, both in terms of the characters and organisational types of spatial pioneers and in terms of the type of function. 11% of the cultural and creative industries can be attributed to this segment (Overmeyer/Renker 2005). Prominent examples include the Hexenkessel theatre with beach bar in Monbijoupark, YAAM (Young and African Art Market) at Stralauer Platz in Friedrichshain (Spreeraum Ost), "Unser Graceland" in Prenzlauer Berg, Sandsation GmbH with sand sculptures adjacent to Central Station, TIPI at the Kanzleramt in Tiergarten, the theatre tent "BKA Luftschloss" and the RAW Tempel at Revaler Viereck in Friedrichshain. Figure 15 shows a weather map of the interim use projects under way in Berlin, providing both information about uses and their migration. The map was overlapped with the locations of creative businesses – their correspondence is minimal. However, the "weather" has turned quickly in the last few years. 15 years ago, spaces with potential for creativity were located in Mitte and Prenzlauer Berg (cf. Ex-

23 A survey of the Christiana creative centre (Soldiner area) revealed that most of the entrepreneurs could identify with the building but not with the area and that they do not live in Wedding (Caro Schmidt in the context of a student presentation at the TU Berlin, ISR, Seminar Housing and Real Estate).

cursus on the "Spandauer Vorstadt" p. 117 et seq.). Grésillon has calculated estimates of the level of mobility of various artistic genres (Grésillon 2004: 211). For high cultural facilities the figure is almost zero (opera, theatre), while for off-stages it is significantly higher and for galleries, exhibition spaces and studios it is high. The most mobile include clubs, discos and bars—an observation that is surely only applicable to a limited circle of trendy locations. The high migrational tendencies of parts of the clubbing scene is often projected onto the whole cultural and creative industry and described by the terms "nomads" or "caravans". However, the self-estimation of businesses within the creative industries is completely the opposite. Only 3% consider changes within the city an incentive to leave their location, while 74% completely reject the concept. 38% have never moved within Berlin, 36% have moved once and 26% have moved several times (Orco Germany/Berlin Partner 2008: 59, 63). Few spatial pioneers consider themselves temporary users. They only accept their status for economical reasons. If a change of location is unavoidable, many strive to apply the experience gathered to expand in a new, usually permanent, location. As far as their effect is concerned, interim-use projects do not remain limited to their active phase, often acting as catalysers in the development process of a location or whole area. Interim uses can thus act as crowd attractors, while a use of higher value can be-

Fig. 15: Climate of interim use and creative industry businesses

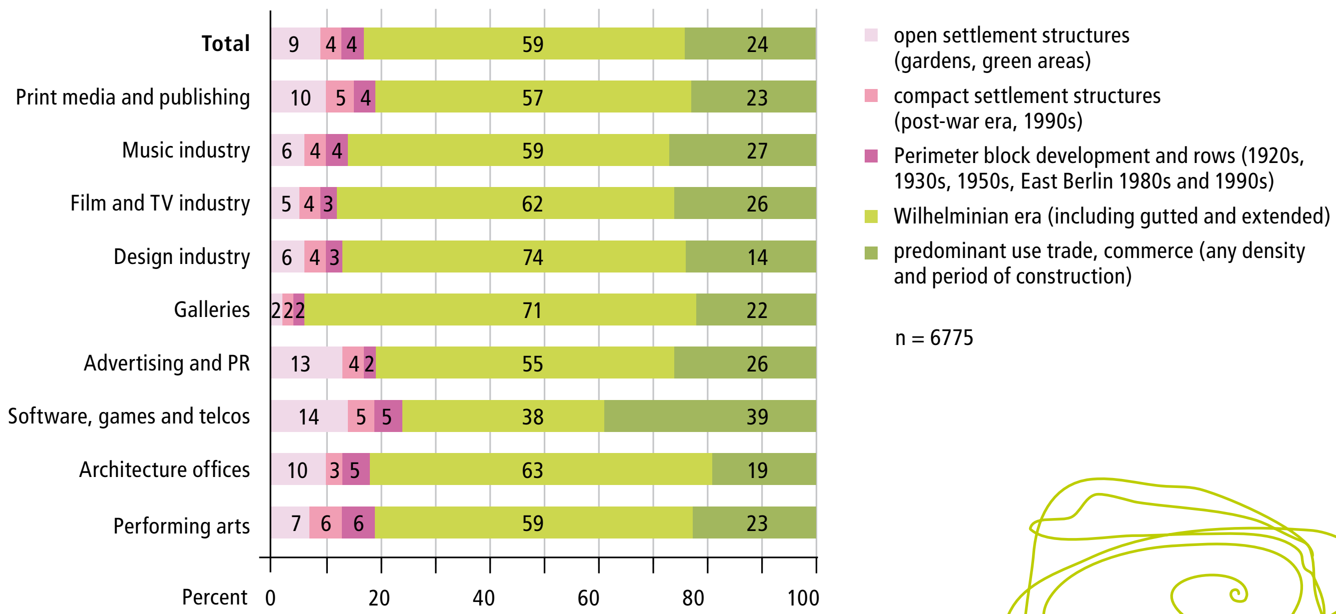


come established, ultimately providing a stable structure for the interim user. This leads to debate on location upgrading through creative, innovative interim use and the aims and roles of future investors.

4.4.4 New life in old factories

A block for block analysis can be made of the effects of urban and built structures on creative and cultural businesses using the area types defined in the city and environs information system compiled by the Senate for Urban Development. Analysed according to building structure types (cf. Fig. 16), it demonstrates a great affinity among the cultural and creative industries (60%) for areas that date back to the Wilhelminian era, confirming the assumption that locations that are urban in character are of importance within that sector. Different sectors of the market appear to have diverging locational needs as far as urban and structural conditions are concerned. Software companies are often located in commercial areas (38.8%), while the design industry is almost entirely (86.3%) located in residential areas. Galleries and fashion designers usually need walk-in customers, which they will get if they are located in ground floor shop properties in core areas of Wilhelminian districts. Areas that are rarely popular among businesses within the cultural and creative industries (on average only 3.9% or 260 businesses per building type) include those with large amounts of post-war and 1990s structures as well as perimeter block and row developments from the 1920s and 50s. Functions are usually separated in such areas, meaning that businesses can only become established in the zones planned for them. In contrast, low-density areas (single and double family houses, terraced houses and villas) seem to attract the cultural and creative industries, including software businesses (13.9%), advertising and PR (13%), business associated with books and

Fig. 16: Distribution of the companies in the market sectors according to types of urban structure [24]



Source: Presentation and analysis TU Berlin, ISR based on the digital environmental atlas of Berlin (Karte 06.07 Stadtstruktur, Ausgabe 2007)

24 The urban structures are classified by statistical blocks (Berlin 15,000) in the ecological atlas. Because the blocks, especially those in the inner city, are seldom homogenous, the predominant urban structure is used.

the press (10.4%) as well as architecture offices (9.8%).

This locational analysis of businesses also provides information on small-scale behaviour, i.e. the relationships of companies to one another. This usually takes on one of two types – either densely side-by-side along a street or block or together in buildings or building complexes. The second aspect will be examined in more detail here; its role in current debates within the real estate sector is not insignificant.[25]

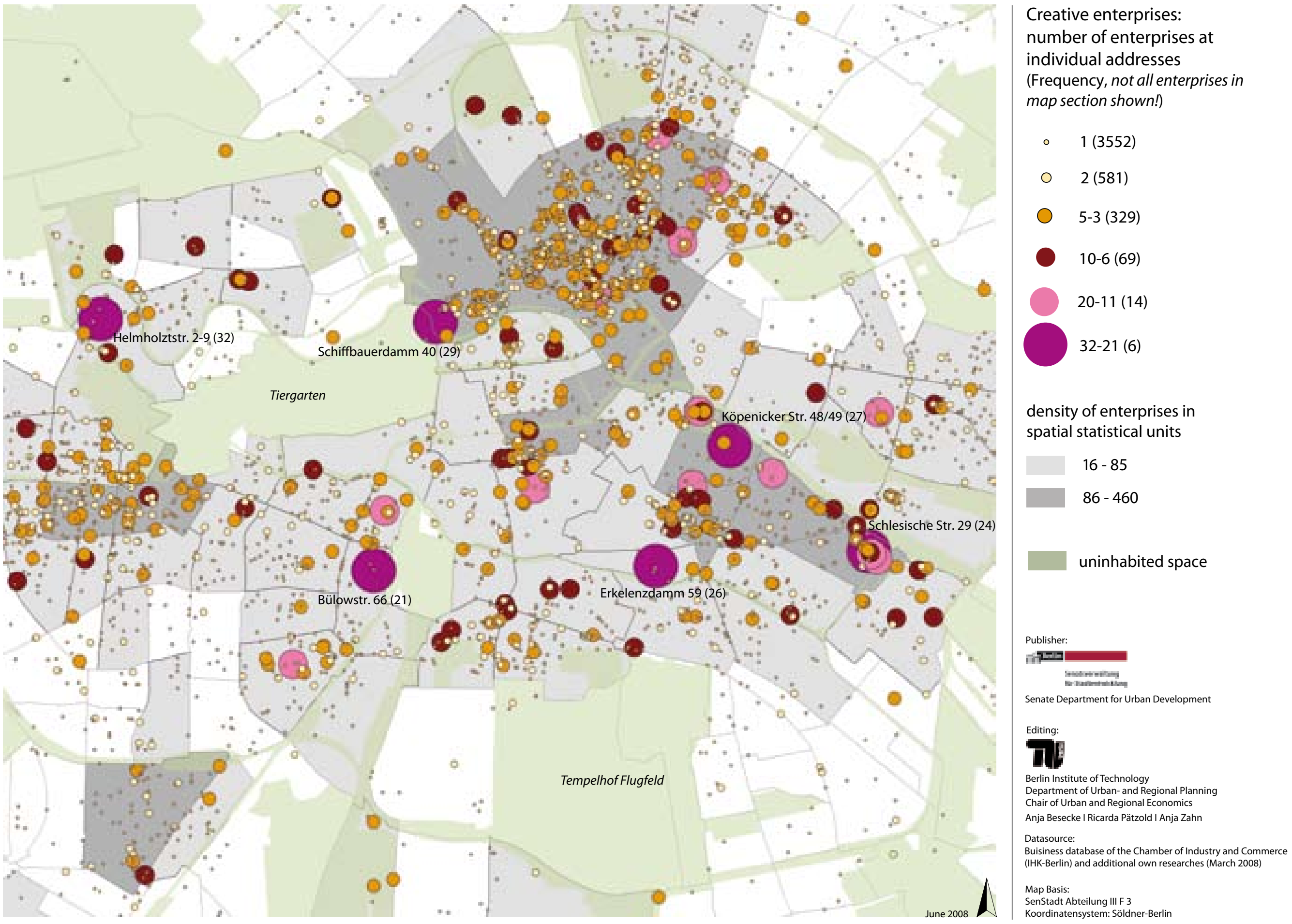
Core areas of creative business (in which between 21 and 32 businesses have been established) can thus be identified (cf. Fig. 17). The Bundespressekonferenz building is the only new structure among these, which, due to its explicit function, demonstrates homogenous user structures. The other structures are converted, usually monument-protected former manufacturing units: the manufacturing facility in Schlesische Strasse 29, located on the River Spree, was erected by Boswau & Knauer from 1907-08; address books and encyclopaedias were printed in Bülowstrasse 66 from 1889 onwards; the Elisabeth Hof at Erkelenzdamm was one of the largest industrial complexes in Kreuzberg (built 1897/98); light bulbs (Osram) were manufactured in the ORCO-GSG complex in Helmholtzstrasse 2-9. The spectrum of businesses is broad.[26]

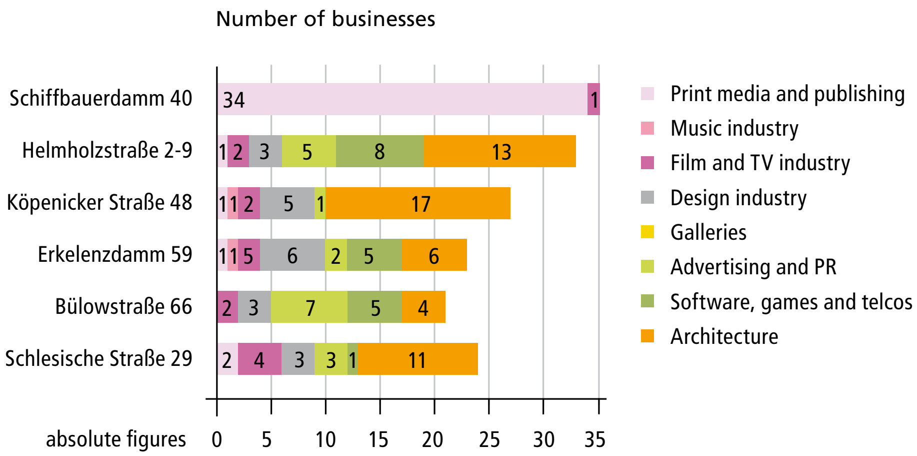
These are good examples of the real estate-oriented category, "Conversion of former commercial and industrial buildings". Why is the post-industrial economy interested in old industrial buildings? "Loft living" was popular long before the "loft working" trend began. These days, the term inflationary loft is used to describe generously sized spaces, such as originally "abandoned", vacant industrial or storage spaces. Already in the 1980s, Sharon Zukin described the rise of such lofts in New York's former industrial areas, as the flats of artists were becoming models of middle-class lifestyle (Zukin 1982). Building structures were barely touched upon in the course of such conversions. Whether for residential space or cultural production in our knowledge society, the attractions of occupying former production space are similar. The buildings were vacant so there was no competition for them and they had the potential to be changed and used as desired. Their price and structure differed significantly from standard commercial and office spaces. Although the framework of orientation for commercial rents (IHK 2008) demonstrates lower rents for factory premises than for office and commercial spaces, the process is moving in the same direction as it is for residential use. It has become fashionable to work in factory premises. Central and well-known "locations" become less and less attractive to business start-ups and other spatio-temporal organisation of work and life (Frey 2007); they are increasingly becoming image-makers and good addresses for companies to have. However, the "Conversion of Former Commercial and Industrial Buildings" category is not limited to monument-protected, sometimes very impressively renovated, premises. It can also be applied to other properties such as transport depots, transformer and electricity stations and waterworks or old factories. The Uferhallen halls, an old street-car depot, or Christiania, a former transformer station in Wedding, are examples of such.

25 For example, the planned "Centre for the Creative Industries" by Nicolas Berggruen Holdings GmbH in Kohlfurter Strasse in Kreuzberg (Künstlerhaus Bethanien) or the Josettihöfe in Rungestrasse, which consider themselves a "platform for creative work".

26 This publication on the locations of Berlin's creative industries by the Landesinitiative Projekt Zukunft (SenWTF 2007) also reflects this. The central locations are almost all former commercial premises. Galleries and the performing arts are not represented in this small extract from the analysis. Partly the structure and above all the locations of such commercial premises account for the fact that so few representatives of sectors which depend upon passers-by are present.

Fig. 17: Locations of creative enterprises in 'former factories'





Source: Survey and presentation TU Berlin, ISR

4.5 Creative industries accelerate urban transformation processes

Creative people change urban spaces. The extent to which such changes are visible or perceivable depends on how extroverted the sectors in a particular area are. Market sectors have in common their tendency to concentrate in certain spots; this even includes the software industry, which appears to have the least affinity towards clustering together. This supports the theory that an urban working world is establishing itself or being profoundly transformed within and with the creative industries. Their general preference for Wilhelminian structures points to an appreciation among them of such locational qualities as functional diversity and image, and of the intertwining of personal and professional worlds. That process is not limited to the work-economic dimension; it also effects the social, societal and structural development of an urban area.

The most creative areas of Berlin – around Oranienburger Strasse and neighbouring areas of Prenzlauer Berg (Teutoburger Platz, Kollwitzplatz etc.) – escaped the planned demolition of whole areas as a result of political change; they were declared urban redevelopment areas in the early 1990s. In times of widespread dereliction, they provided space and niches for experimental and alternative ways of life, which were occupied by creative people. However, these niches became narrower as redevelopment processes progressed. This development has been subject to criticism since the late 1990s. Social issues (homogenisation), particularly such as the displacement of socially weaker artists, are often mentioned.[27] However the figures (cf. Fig. 14) do not support such criticisms of displacement.

Such urban processes of transformation are usually explained using the theory of gentrification. This term has obviously left the ivory tower of science.[28] It describes the process of upgrading a residential area, both in the physical and social sense, encompassing such components as economic upgrading and cultural revaluation.[29] Characteristic features of potential residential areas include their proximity to the city centre, their need to be renovated and a dominance of attractive Wilhelminian buildings with impressive facades. According to Dangschat/Friedrichs (1988), a "double invasion-succession process" takes place. First, the pioneers[30] displace the original population and "urbanise" the area by bringing new facilities to it (culture, gastronomy, small trade). That makes an area attractive to gentrifiers.[31] This – and in the case of an urban redevelopment area, public investment – attracts attention from the real estate market, bringing private investment and increasing costs with it. The gentrifiers have much stronger buying power and can therefore push out the pioneers. In reality, gentrification processes are always slightly different from the described model or can – as a result of public intervention – take a different course. That's the theory; however, it should be mentioned that gentrification processes in Berlin have yet to be backed up by empiri-

27 "Areas characterised by older building structures which are in close proximity to the centres of large cities have at least two facades these days: the traditional, solidly united little-people milieu alongside the individualised, consume-oriented lives of the yuppies and dinks (double income, no kids). The former unity of living together has eroded and been individualised, whereby life in the more traditional parts feels more and more pressure to adapt." (Herlyn 1990: 153)

28 The issue is topical, and was presented, for example, in the lead story of the trendy magazine "Polylux" on 05 June 08 called the "Fuck Yuppies" – Resistance to Gentrification"; in the Süddeutsche Zeitung (newspaper) Charlotte Frank wrote on 2 June 2008 about "Displacement from the Rich Heart of the City" and the Tagesspiegel newspaper complained on 23.07.08 that "The middle classes can't afford Mitte anymore".

29 The term gentrification was first used in 1963 to describe processes going on in London's East End (Glass 1964). Dangschat and Friedrich's examination of Hamburg provided a basis for the debate in German-speaking areas (cf. Dangschat/Friedrichs 1988). Although the term gentrification has mainly negative connotations, the fact that cities which lack the potential of creative and high-income classes will have difficulties revitalising their historical quarters is also a topic of debate (cf. Weiß 2007, cf. also Falk 1994).

30 Characteristics of the pioneers: up to 35 years old, highly educated (at least A-Levels), modest income, usually without children, high willingness to take risks, often students, prefer alternative, partly self-renovated, forms of living in shared accommodation. Pioneers look for proximity to the inner-city near public and private facilities (university, cultural activities, gastronomy) and "explore" the area for their own needs. They establish a new lifestyle in an urban area and new business.

31 Characteristics of gentrifiers: 26 to 45 years old, high income, high standard of living. Are not willing to take risks, come in after pioneers have made an area attractive.

cal data. Protest against and criticism of untamed area redevelopment does not usually come from the lower classes, whose displacement already occurred at an earlier stage. Resistance commonly comes from the pioneers, deprived of the fruits of their urban labours. This leads to the question as to what extent such processes can be hindered or "frozen" at a widely acceptable level.[32] The preservation of niches for low-income creative people in established "trendy areas" is an important urban task – the city thereby secures the potential for permanent further development (cf. Fig. 14).

Companies involved in the creative industries are themselves ambiguous as to their contribution to the establishment of "trendy areas". 43% of the businesses surveyed recognise their role; however, these estimates differed greatly between various market sectors. Architectural and design practices and those involved in the music business figured slightly above the average, while the performing arts and galleries figured well above it. Similarly, designers (55%), the art market (85%) and the music industry (58%) consider their own sectors to be influential in the development of an area (detailed analysis of the survey Orco Germany/Berlin Partner 2008).

It is particularly within zones of urban transformation, which border on areas that have been more or less occupied by the creative scene, that the developments can be expected to "spill over" (cf. Fig. 10). "Each gallery, which is actually a semi-legal bar, is a symbol of this; every bar, which becomes a gallery is proof of the theory that only a few years remain before, inevitably, rents begin to soar in North Neukölln and flagship stores for haute couture collections pervade Sonnenallee" (Sundermeier 2007). The quartier managers (cf. Holm 2007) do not quite agree with these misgivings. They are of the opinion that such widespread revaluation processes are hardly likely to take place in the near future – at least not throughout the whole of Neukölln or Wedding.

Artists have established a reputation for themselves as being initiators of urban dynamics from the bottom up; however, there are other ways in which creative and cultural interventions affect the urban fabric. Interim use by creative spatial pioneers deserves special mention, in the conversion of commercial and industrial buildings and so-called flagship projects, for example, which can have a formative effect on district development – a phenomenon which is also described as the "Bilbao Effect".[33]

Many of the citizens of Berlin have an internal map of the urban areas that are characterised by the creative industries. Visitors to Berlin are also informed of them through various media. However, their image is dominated by only a few of the creative sectors which shape urban space and which depend upon passers-bye, e.g. galleries and fashion

32 "Each trendy area must have been a problem area at some stage just like a butterfly has to have been a caterpillar. Students, freaks and young left-wingers have therefore been 'pioneers of regeneration processes' in the minds of sociologists for years. So the guy who sprays 'Yuppie fuck off' on the wall is the same person who attracts the yuppies in the medium term." (Harald Martenstein in the Tagesspiegel 1.9.2007)

33 The regeneration of places through spectacular (cultural) buildings by star architects is known as the "Bilbao Effect". The term is linked to the recovery of the city of Bilbao, closely associated with the Guggenheim Museum by Frank O. Gehry, which opened in 1997. Attention from a large international audience, attractive content for tourists and local press are considered the keys to the project (new understanding of museum architecture). Many cities have attempted to copy that effect since—e.g. Kunsthaus Graz (Büro Spacelab Cook/Fournier 2003), Santiago Calatravas Ciudad de les Arts i les Ciències – C.A.C. (City of the Arts and Sciences) in Valencia (1991-2006).

designers. Changes are also taking place in the worlds of work, including, for example, the use of former store-front locations by architectural firms. The creative industries generally tend to gather in certain places; this is based on synergy effects (networking) and specific spatial features.

1. Established, urban inner-city quarters
   (e.g. Spandauer Vorstadt, Prenzlauer Berg, Savignyplatz)
2. Up and coming inner-city neighbourhoods
   (e.g. North Neukölln, Wrangel area, Soldiner area, Brunnen quarter)
3. Derelict urban areas in central locations
   (e.g. Gleisdreieck, Tempelhof Airport, Heidestrasse, Wriezener Station)
4. Conversion of former commercial and industrial buldings
   (e.g. Uferhallen, RAW-Tempel, Ex-Rotaprint)
5. Cultural buildings as flagships
   (e.g. Kunsthalle and Hamburger Bahnhof, am Humboldthafen/ Quartier Heidestrasse).

These spatial types cannot be clearly separated from one another; they overlap and intersect (Matrjoschka principle).

From a spatial point of view, these can be categorised into five types, on whose spatial development the creative industries have a more or less significant effect. All facets of the creative industries significantly define Berlin's image to the rest of the world. This variety draws energy from both invariable and variable places. It is the aim and task of urban development to support such development processes, to protect them or simply to accompany them (cf. chapter 5).

5

The most important spheres of activity for the creative industries

In this chapter, conclusions will be drawn from our assessment of the creative industries and the spheres of concern and activity for the departments of the Berlin Senate will be presented. The activities planned for the future stem partly from the findings in this study and are partly an improvement of on-going achievements within the framework of the cultural and creative industries. The spheres of activities share both the rationale of the regional authorities and that of the departmental plan, but they are also coordinated to reach a specific goal. The chapter will close with a recapitulative remark.

The facilitation arm of the Senate Chancellery – the Abteilung Kulturelle Angelegenheiten (the Department of Cultural Affairs) – and the Wirtschaftsverwaltung (Department of Finance) obey various logics of governance: the principal task of the Department of Culture is to strengthen the role of artists, creators and interpreters as the central players in the creative industries as well as to support the distribution and demand for cultural goods. The Department of Finance's task is to form instruments of financial aid in such a way that the demands of the creative industries are met. Particular focus is placed on the high-growth companies that are creating long-term employment.

The Senatsverwaltung für Stadtentwicklung (Senate Department of Urban Development) administers the task of shaping the living and working conditions of artists and creators of culture in such a way that these Berliners remain active in their domains for the long-term. Furthermore, the urban development strategies concentrate on the creation and sustainability of locations and spaces for the promotion of the creative industries.

5.1 Integration and clustering

The integration of companies, knowledge and education, publicly funded cultural institutions, policies, organisations and interest groups is essential in the fragmented realm of the creative industries. This is characterised by formal, mostly administrative networks as well as by informal webs. Networks facilitate cooperation between the participants while assisting in the exchange of knowledge and offer a platform for collective project development.

In particular, the formal networks assist in the institutional tasks and policy objectives at hand: companies and experts are linked across these networks; and the networks alleviate the burdens of coordination between the various participants.

Berlin has every right to be called a City of Networks. But in spite of all the advantages that this intensive culture of communication brings, it should not be overlooked that the businesses of the particular networks sometimes come into conflict with one another. There is in fact rather strong competition among the networks for members, financial resources and sponsorship.

It is therefore essential to maintain coordination and cooperation among the networks. This effort can only succeed with the active participation of the networks themselves.

With its Creative Industries Panel, the Industrie- und Handelskammer (Chamber of Industry and Commerce) seeks to build a bridge between the specific industries and their networks and therefore to create a collective identity that is beyond the singular interests of the specific industries. The close cooperation between the Lenkungskreis Kommunikation, Medien, Kulturwirtschaft (Communications, Media and Creative Industry Steering Committee) and the Creative Industries Panel facilitates the tasks of the individuals in both bodies.

In addition to the networks linking related industries, it is essential for there to be a strong association between district-level networks like the Medienstandort Potsdamer Straße (Potsdamer Strasse Media Sector), Helmholtzplatz and the Kiezspaziergang (Neighbourhood Excursion).

One important development to this end is the www.creative-city-berlin.deportal created by the Kultur- und Wirtschaftsverwaltung (Department of Culture and Finance). The portal is going to expanded, constantly up-dated and is set to become well-known domestically and internationally to an increasing number of creators/interpreters and companies in the creative industry sector as a result of its targeted marketing strategies. The portal will make it easier for participants in the creative industries to decide to make Berlin the centre point of their careers and lives and will help orient them once they are here. The Community-Function, up and running since the autumn 2008, is already extensively utilised. The synergetically associated portal www.interactive-city-berlin.deprovides a lively platform for the web 2.0 community and for the developer-scene in Berlin.

5.2 Sponsorship and financing

The Department of Culture concentrates on the following tasks:

Support for the creative scene through the further development of project sponsorships by the Berlin Senate

The Berlin Senate has launched a series of programmes for the sponsorship of projects and artists. These programmes allow outstanding new projects to be realised by freelance creators and interpreters who are still at the beginning of their professional careers. Support is also provided for those artists who have already established themselves. These sponsorship programmes have annual budget of around €20 M, a figure that includes the Hauptstadtkulturfonds (Capital City Culture Fund). The programmes contribute to the maintenance of Berlin's creative scene, assist in its artistic productivity and stabilise its financial existence.

Labour resources for cultural production

In addition to its support for projects, work phases and stipends, the Senate programme also includes the special task of sponsoring work locations (ateliers, studios/workshops, performance venues). This communal use of infrastructure creates a considerable synergistic effect.

In the field of dance, for example, Tanzfabrik, Dock 11, ada Studio and, to some degree, the Uferhallen are all important production locations and can also act as performance spaces. Ateliers are distributed to emerging artists at low cost by an independent sponsor (GSE). Funded institutions like the Sophiensäle and Hebbel am Ufer are important anchors for the creative scene and are exemplary of this sort of cooperation.

The structural support for such production spaces must continue to receive much attention. With the support of the Department of Culture, adequate state-owned property should continue to be developed by independent sponsors. These latter provide the core for creative production and presentation, enabling day-to-day assistance to be kept to a minimum. The funding of ateliers has proceeded by this strategy for several years. There is a requirement that the Department of Culture be notified of appropriate real estate properties before the city districts put them up for sale in the Berlin Liegenschaftsfonds (Real Estate Fund) (See chapter 5.4).

Professionalisation of labour structures/Holding competitions

The Berlin Senate has launched a labour-market support program whose goal is to stabilise and to develop durable cultural initiatives, to procure independent sponsors and participants in the creative industries, cultural organisations and institutions. The Berlin Initiative KulturArbeit (cultural work initiative) has created, in areas of sufficient public interest, 300 additional creative-sector jobs that are funded for three years and are subject to social insurance contributions. The above-mentioned individuals and organisations can propose positions in order to fortify, for example, their organisational or technological situations. The jobs can be filled by their own applicants provided that they have been unemployed for at least two years and have received one year of Hartz II unemployment payments.

The Senate Department for Economics, Technology, and Women's Issues has, in cooperation with Investitionsbank Berlin, launched a creative-sector financing package that has been well received by the industry.

It does not involve the granting of direct subsidies for the development of new content and products, as such subsidies would favour specific individual companies and risk creating unfair competition, both in Berlin and on the European market. They are therefore fundamentally incompatible with European regulations. The €200,000 of assistance over three years (the so-called "de minimis rule") is an exception. All other assistance requires a special authorisation that is not likely to be granted under commission's current guidelines.

Independently of the question of legal permission for creative-industry grants, it is doubtful whether an excessive subsidisation of development costs for new content or for new products, beyond the legitimate and culturally beneficial production assistance, would be a promising approach in terms of financial policy. More so than other means of facilitation, non-repayable subsidies have a higher risk of having a free-rider effect and can abet a subsidy-mentality that would be directly counterproductive in the creative industries. In these industries, in which the combination of outstanding technical expertise and a lack of business knowledge is the rule, start-ups and young enterprises can quickly develop unrealistic expectations regarding their financial success. The danger exists that promising start-up companies misjudge their own entrepreneurial competence as well as the market. It is also true that there is no lack of creative projects in Berlin; the most common reasons for the failure of a newly established company are a dearth of managerial expertise and insufficient sales opportunities.

In the future, however, the Senate Department for Finance, Technology and Women's Issues will support content development through the promotion of competitions and prizes, particularly in those innovative fields that are becoming successful from a cultural policy perspective. In this vein, a first competition will be held in 2009 for the development of projects concerning "Serious Games", i.e. games with an educational aspect. In 2010, the Senate Department for Finance, Technology and Women's Issues will issue an evaluation of the financial instruments for the creative industries.

5.3 International networks

a) Berlin is improving its image across international networks and is increasing its draw as an attractive location. Activities in this realm are part of a specific "location marketing for the creative scene". These networks often emerge from funded, international residencies of up-and-coming stars in the world of art. For this reason, the subsidisation of foreign exchange programmes, such as, for example, the DAAD artist programme funded by Berlin or the Literaturnetzwerk HALMA (HALMA Literature Network), take on great significance.

b) The naming of Berlin as a UNESCO City of Design has cemented Berlin's reputation as a creative city. However, the network must be more strongly fortified and marketed. The distinction has brought Berlin to the attention of numerous international delegations. The worldwide UNESCO network now consists of almost 20 cities, roughly a third each from Europe, America and Asia. These cities were singled out for exceptional achievements in the creative sector and must then acknowledge this distinction by promoting special support programmes. The "Cities of Design" network grew considerably in Autumn 2008 with the addition of numerous cities in Japan (Kobe, Nagola etc.) and South Korea (Seoul, Gwangju etc.). Several Chinese cities, e.g. Shanghai and Shenzhen, are currently applying for membership.

The network and conferences forge close connections between the cities, foster the exchange of knowledge concerning the political and economic structures of the partner cities and support an intercultural learning process that lays the basis for intensive, financially focussed cooperation among the cities.

All the "Cities of Design" have agreed to implement exchange programmes in the coming years, which means an expansion of the network at the participant level of creative industries as well.

c) It is essential for companies in the creative industries to heighten their presence in cross-regional and international markets. Purchasing power and demand for cultural products and services in Berlin does not suffice to secure the future growth of the companies. Industry-related surveys continually show that there is a great interest in collective tradeshow booths and foreign presentations. For several years, shared exhibition stands for the creative sector have been intensively promoted by the Federal State of Berlin in the framework of subsidisation programmes; foreign presentations by Berlin Partners – often with the participation of politicians – support the activities of the companies and networks.

The successful development of new markets for the creative industries requires a coordinated and strategic overall concept that will incorporate the presentations of the cultural institutions while building up the contacts of the companies as much as possible. The concept should involve a timeframe of three years in order to provide those concerned with some medium-term planning reliability.
Some internet-based forms for networking and for collecting information and contacts also ought to be utilized and supported.

5.4 Accommodation for the cultural and creative industries

a) Private commercial centres and trade parks for creative businesses are important and are of direct help to companies in their start-up phase. Shared activities foster cohesion and create synergy potential. Furthermore, having the provision of important functions that companies require, such as accounting, marketing, exhibition spaces etc., under one roof offers a unique service.

In many cases, it is a good idea to provide public funding for commercial centres and trade parks for creative entrepreneurs at the start-up phase. Specific requirements are a clear orientation of the centre for commercial enterprises and at least a local, perhaps even a cross-district clientele, which a private sponsor is unable to provide.

Public sponsorship is imperative to the initiative; however, for the purposes of implementation, the public sponsor can rely on private support so long as the interests of the sponsor are protected by a sufficient influence over the structuring arrangement.

The Senate Department for Economics, Technology, and Women's Issues examines whether already existing trade parks can in certain cases be used for creative industries.

b) Berlin Immobilienmanagement GmbH (Berlin Real Estate Management Inc.) is using standardised criteria to compile a register of all state-owned property. This register will enable efficient real-estate management and will be especially helpful in identifying vacant and partially vacant property so that it may be better used. Free spaces in state-owned buildings will be made available at low cost to artists, cultural projects and to the creative industries, among others. werden.

5.5 Sales increases

A further cultural policy strategy involves pursuing a goal to support individual artists, creators and interpreters as well as institutions and enterprises in the cultural and creative industries to expand sales. In other words, more market share for culture in Berlin. With this aim in mind, several select projects are being supported by the Senate Chancellery programme „Förderung des Innovationspotenzials in der Kultur" ("Promotion of innovation potential in culture") in the structural funds and promotion period of 2007-2013.

Systematic market research as a basis for improved cultural marketing

Together with BTM (Berlin Tourismus Marketing GmbH). The Berlin Department of Culture has initiated a unique market research project in Germany called the "Monitoring-Projekt". Its goal is to establish a system able to determine the origin, interests and behaviour of visitors to cultural institutions. The results will provide an important basis for an improved focus of the institutional offerings and for a marketing strategy to increase demand. Seven large institutions have taken part beginning in autumn 2008 (The German Historical Museum, The Jewish Museum, The Museum of Natural History, Museum Island, The Berlin Opera Foundation, Friedrichstadtpalast, and The Foundation for Prussian Palaces and Gardens); the project can be widened to include additional for-profit as well as not-for-profit institutions.

Cultural tourism campaign by Berlin Tourismus Marketing GmbH

Berlin tourists comprise a sizeable customer potential for culture. Aimed at culturally refined target groups, the BTM will be conducting an internationally focussed culture tourism campaign for a period of several years. It will present Berlin as a city of the arts, of creative people, museums and exhibitions. The campaign project is initially planned to extend over three years and will use expressive advertising motifs incorporating five core themes (Trend city, Entertainment, Opera/ Classical Music, Art and contemporary history) to convey the various aspects of Berlin's diverse cultural offerings. Adverts for cultural Berlin will be placed in high-circulation weekly and daily newspapers as well as in popular magazines. High-visibility links in frequently visited online portals will form another important component of the campaign. Additional measures will be taken in the areas of radio, internet and daily news in selected international markets. Postering as well as collaborations with the travel industry will round the campaign off. The internet portal www.fahren-nach-berlin.de offers more details on the content and offerings concerning the five advertised core themes.

Promoting marketing cooperation and activities in the creative scene

The active participants in the Berlin creative scene, the creators, interpreters, freelancers and small enterprises often become too fragmented in their attempts to achieve enduring success in the complex markets. The upshot is that marketing potentials cannot be optimally exploited. This was also the finding of a state-level enquiry commission "to develop special instruments of financial support for artists" (German Bundestag 2007: 297). In the framework of pilot projects, the Berlin Department of Culture will support the network, or collective marketing, of genre-specific cultural players (creators, interpreters and those operating as micro-entrepreneurs). The condition is that each of the genres organise themselves as networks. A multi-year pilot phase, for example, could be used to support the development and functioning of a marketing structure, providing the individual network partners with access to a considerably wider target group and techniques that are significantly more professional. If it succeeds in elevating its corresponding market potentials and in generating new revenue, this can stabilise the entrepreneur financially as well as form the basis for further cultural production.

Cultural education for children and teenagers to gain future patronage/audience

In 2008, the Federal State of Berlin established a two-year project fund, with an initial allocation of up to €2 M per year, aimed at the cultural education of children and teenagers. The fund sponsors projects of cooperation by cultural actors with children's and teenagers' education and schools. These projects aim to introduce children and teenagers to the production and reception of culture and to awaken their future interest in a cultural career. In particular, the "cultural socialisation" of children and teenagers also results in creative industry products, for example, in the areas of music, film and gaming. Because of the sizeable significance of creative industry products for this target group, the fund was also made available to participants in the creative industries..

5.6 Digitalisation

The progressive digitalisation and development of new information and communications technologies fundamentally changes the processes of production and distribution. The technological breakthrough has wide-ranging effects in the various branches of the creative industries.

With its considerable shifts, the music sector in particular has led this transition to a digital market and has contributed to a contraction of the industry. In other markets, most particularly in the publishing industry but also in the film industry, the adjustment process, which includes the digital conversion of the value creation chain, is imminent.

Digitalisation provides creative industry participants with new opportunities, but also carries some risks that are as yet incalculable. There are opportunities to be had in the changes to distribution channels, for example. New technologies make elaborate marketing organisations obsolete. Small-market operators can use these new technologies to market niche products directly and to open up new business sectors. They also create new opportunities for product marketing, and again this applies especially to small business. However, risks lie in the fact that the established business models are questionable and may even fail. Taking the experiences in the music industry as a gauge, digitalisation leads to a broader scope of offers and hence to a customer-oriented market which places different and higher requirements on marketing. Finally, in a world where digital information is ubiquitous, the problem of copyright protection steps-up to a new level and becomes more urgent.

Berlin will promote the development of new digital business models and the adjustment to online distribution in particular ways. Competition, the new instrument of financial promotion, will be utilised especially in this field.

Companies in the creative industries are particularly dependent on the broadband telecommunications infrastructure. DSL is virtually omnipresent in Berlin, and in many districts the cable grids offer the option of a broadband internet connection. However, Berlin's telecommunications infrastructure must also be geared to meet the rising demands of businesses and households. Therefore, a multi-stage plan is being developed in cooperation with the network operators to connect Berlin households to a fibre-optic cable network (Fibre to the Home).

With the development of a WLAN-network, an additional mobile communications infrastructure will be created by private initiatives via the use of municipal infrastructure.

5.7 Education and coaching

The Zentralinstitut für Weiterbildung (Central Institute of Further Education) at the Universität der Künste Berlin (Berlin University of the Arts) coordinates opportunities for further education at the art universities. An assessment was conducted to guage the opportunities and needs of further education in Berlin. The main emphasis is on the market sectors of music, art/craftwork/design, advertisement/PR and cultural heritage/architecture as well as digital media/digital film. The main target groups of the research are working men and women who have several years of professional experience in various industries and who would like to complement and refresh their knowledge, skills and expertise for their artistic, creative and professional everyday lives, and especially for the planning of their continued careers. The final results of this study are not yet available.

Further education offerings for the various market sectors must incorporate the changes in the fields of production, services and law. These programs must reflect the job-profile changes that digitalisation has caused; digital communication and presentation are considered by individuals to be an essential field of further study. Among freelancers, not to mention up-and-coming young companies in the fields of design, architecture, advertising, PR and digital media, there exists an interest in economic and legal issues that could be met through these offerings of further education and training.

Berlin provides a concentration of interdisciplinary, further education offerings. The creative industry sectors are not mutually exclusive. Indeed there is a high-level of harmonisation between the various sub-sectors: a broader view on the matter has been very productive. For example, conceptual bridges have been built to link music and architecture as well as design and architecture. The connection between media-based design and architecture is put to use by multimedia agencies and a business sector is also emerging here. Further education offerings on the topics of self-marketing and networking as well on economic and legal issues can be configured in such cases to span industries and clusters.

The study is being used to match the further education offerings with the needs of the various cultural participants and to create a networked structure of further education for the creative industries.

5.8 Platforms for design and fashion

Considering the high potential of creative individuals in Berlin's design and fashion industries, there are too few purchasers from the industry in Berlin. It is absolutely essential to strengthen the network of creative people within the industry and to create additional opportunities for financial contacts. The London Design Festival provides a good example, as it has come to be seen as an ideal network for interlinking creative people and finance.

The DMY International Design Festival in Berlin, which first took place in May 2008 with the support of the Department of Finance, provided a tremendous platform for young and creative designers as well as for those who are already established. With satellite events spread across the entire city, not to mention its special exhibitions and its open studios, DMY offers a good overview of the design scene in Berlin. International collaboration is supported through exchange projects spread throughout the year. The offer at future events must be further expanded and become more professional to ensure that the festival becomes a fixed calendar appointment for all creative industry participants interested in design.

The Berlin Fashion Week is the display window for Berlin's young fashion designers. In this case, too, it is necessary to integrate already established markets in order to attract international shoppers.

5.9 Urban development and creative spaces

The cultural and creative industries are becoming more important for Berlin's economic development as a whole. Given this effect, the question arises as to which mechanisms will allow urban development policy to steer and facilitate this process. The site, the concrete address, a very consciously selected space in the city can be a factor for the settlement of creative people.

As described in chapter 4, in Berlin a specific location model for the various branches of the creative industries has been developed. There is still a largely unutilised and significant concentration of 19th-century neighbourhoods in the inner city that are easily accessible by public transport – especially in the areas of "established diversity" (Prenzlauer Berg, Mitte), the neighbourhoods of "emergence and change" (Mitte, Kreuzberg) and the "old west" (Charlottenburg, Friedenau).

Creative spaces and creative milieus are largely self-organised; the many companies that act as trend-setters and sources of inspiration rely on "free will" – in the sense of proactivity – and defy, somewhat consciously, the classic location and urban development schemes.

It is the city that is functioning and sustainable, however, that forms the ideal breeding ground for the creative industries. The many established and classic fields of urban development policy include:

– the stabilisation of inner-city living through, for example, housing that appeals to all generations, the promotion of self-determined housing (construction groups) and ownership stimulation

– the safeguarding of local services, including the retail shops that meet one's daily needs

– the preservation of good urban infrastructure related to local public transport, regional railways, media and communications

These are implicit contributions to the supporting and strengthening of the creative industries. Where clear cross-overs exist between the work and living spheres, attractive, infrastructurally well-equipped residential areas that are accessible by public transport provide an essential contribution to the realisation of the creative potential of neighbourhoods.
Berlin's creative-industry locations can be supported through the diverse instruments and actions of urban development policy. This becomes all the more explicit as urban development policy is also economic policy. The instruments, however, are very diverse in intensity as well as in quality and composition.

5.9.1 Courses of action for various site models

In terms of urban development, five urban spatial models can be specified with various potential courses of action to benefit the creative industries:

– Established, urban, inner-city quarters
– Up and coming inner-city neighbourhoods
– Derelict urban areas/Temporary Use
– Conversion of former commercial and industrial buildings
– Cultural Flagships

Established, urban, inner-city neighbourhoods

The key locations of creative production and commercialisation, such as the 19th-century neighbourhoods of Spandauer Vorstadt, Prenzlauer Berg and Savigny Platz, are characterised by diverse utilisation and especially by their potential as living/work spaces.

These locations achieve an effect that radiates beyond Berlin and thus contributes both to creation and to city tourism.

However, these neighbourhoods can also give rise to incompatibilities of use, for example, in the type and scope of restaurant services. Urban development is required to create awareness, to maintain spaces and to foster development rather than preserve.

In this case, urban development policy can help to promote the renting of commercial premises not only to the highest bidders, but also to companies that are valuable in creating a good mix of the various sectors of the creative industry.

Up and coming inner-city neighbourhoods

Some emergent inner-city neighbourhoods that border the established urban inner-city quarters – such as northern Neukölln, the Wrangelstrasse area and Wedding – possess a high development dynamic.

In such areas, creative industry participants can play the role of discoverer, pioneer and innovator. Interactive businesses – such as galleries, design stores and street-level offices – create a visible contribution in this respect. The settlement of creative enterprises can contribute to the stabilisation of a neighbourhoods social structures.

The role of creative enterprises in the development of these neighbourhoods cannot be understated. The creative industries, however, are not specifically of use in social urban development. The key factors for neighbourhood development are living quarters, schools, kindergartens and jobs, without which stabilisation can not be achieved.

However, neighbourhood management teams can promote structures of social stabilising in neighbourhoods through the organisation and initiation of culturally significant temporary-use entities. Private and public property owners are working towards making empty shops and commercial spaces in the neighbourhood available for short periods of time as work or exhibition spaces for artists.

Such actions should be accompanied by relevant location-specific marketing in order to stimulate the neighbourhood from within, while enhancing the neighbourhood's image in the city at large.

Conversion of former commercial and industrial buildings

The creative sector often inhabits highly attractive, traditional commercial and industrial buildings and courtyards, distinguished by their prime locations and/or spacious/architectural qualities. Some well-known examples are:

- The Uferhallen in Wedding in an old tram depot
- The Postfuhramt (Central post office) in Mitte
- The Kulturbrauerei (The Culture Brewery) in Prenzlauer Berg
- Arena in Treptow in a former bus depot
- Ex-Rotaprint in Wedding in an old printing press factory
- Universal Music in the old egg cold-storage warehouse in Friedrichshain
- Christiania in an old Bewag transformer station as part of Kolonie Wedding (Wedding Colony)
- Radialsystem V in an old water works building in Friedrichshain
- Kulturfabrik (Culture Factory) Moabit in an old army butcher's shop and biscuit factory in Tiergarten
- The former Kindl brewery in Neukölln

These buildings are distinct in quality from new office buildings and commercial spaces in terms of price, the ability to create various spatial divisions, the quality of the space (ceiling height, windows), architecture (traces of history) and image. The last two factors are especially significant when it comes to so-called Loft Working spaces. The choice of a work location is also a lifestyle choice. Such choices are influenced by a combination of the social and professional proximity (potential synergies) to other tenants as well as the offerings and image of its surroundings.

A knowledge of the specific industry or network is required to be able to develop such buildings successfully for creative industry professionals. Because founders of new companies often want to be in close contact with established businesses, graduated rental conditions, minimum sizes for rental units and the uncomplicated convertibility of rental spaces are all factors that need to be considered.

Urban development planning here acts as a moderator – for example by fostering cooperation between property owners and the real-estate industry – and therefore aims at implementing municipal goals – e.g. a mix of for-profit and not-for-profit enterprises.

In collaboration with the real estate industry, the intention is to create a collection of examples where successful projects as well as available properties, not to mention their appeal for interest groups such as historic preservationists, architects, patrons and benefactors, property developers and creative/cultural entrepreneurs, are prepared and analysed.

Derelict urban areas/Temporary use

Derelict urban areas, which are often developed over a long period of time, offer opportunities for spatial pioneers. Some examples of this are:

- Wriezener Bahnhof (Wriezener train station)
- RAW-Tempel (Raw Temple Association)
- Gleisdreieck
- The temporary art halls at Schlossplatz

The type of usage is dependent upon the given micro-conditions. Large, open spaces are largely used for sports and recreational activities. Smaller, easily accessible spaces are often occupied by outdoor restaurants and bars such as the Strandbar Mitte and Oststrand am Osthafen. These crowd-pullers alter the urban pathways, integrating previously inaccessible spaces into the city.

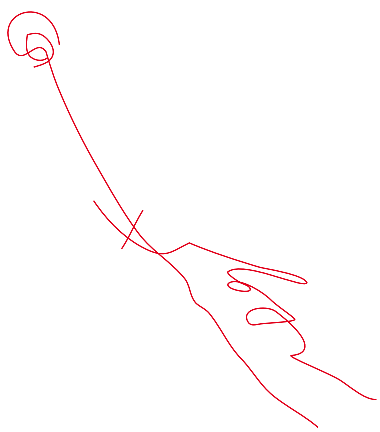
The success of spatial urban-area pioneers has thrown light on the effects (and also the conflicts) of such space-appropriation processes. Temporary-use entrepreneurs are attempting to build an existence and envisage themselves as having a future in the newly urbanised locations. This means that interim use can also create a perpetuation effect as temporary-use entrepreneurs become attached to their locations and choose to remain there as the locations become established. Urban development planning has recognised the opportunity that interim use brings to the development of derelict urban areas. In this case, urban development acts first and foremost as an enabler; it can moderate the process of location development by temporary users, property owners/investors, residents etc., as well as promote codes of practice for communication between the temporary tenants and the investors and developers.

Flagships

Ever since the success of the Guggenheim Museum in Bilbao, the use of public landmarks and cultural beacons as a flagship for the development of a city district has been a part of the strategic tool kit of urban development.

A similar development occurred with the creation of a new image for the Scheunenviertel (barn quarter) as a central gallery location. This was triggered by the renovation of the Hackesche Höfe and the opening of Kunstwerke (KW).

Furthermore, the new Berlin Centre for Contemporary Art arising from the Hamburger Bahnhof and the Kunst-Campus Heiderstraße (Heiderstraße Art Campus), in conjunction with the planned Kunstort Humboldthafen (Humboldthafen Art Location) (with another private collection museum and a new Berlin art hall), has the potential to become a beacon of culture for Berlin.



5.9.2 Special creative-industry locations

The Wilhelminian residential neighbourhoods have provided seasoned soil for the creative industries to take root and the derelict urban areas have acted as the cultural seedbeds for entrepreneurial pioneers. The following municipal locations comprise a list of city spaces where urban development processes have yet to occur, making them potential locations for the future blossoming of the creative industries. They have therefore not been included in the overall classification of the types of existing and established urban-spaces of the creative industries.

Berlin-Charlottenburg Campus

The city district surrounding the Technische Universität (TU Berlin) and the Universität der Künste (Berlin University of the Arts, UdK) has the best chance of developing into a creative focal point. More than 30,000 students and 6,000 employees work in these research institutions.

Developing close cooperation between the two important universities can result in synergies that work to invigorate the creative industries. Design, in particular, plays an increasingly important role in the development of innovative products, but the creation of business models is also a factor. Collaboration between the UdK and TU departments concerned with digital media and electronic business could lead to new insights, new products and improved methods. Cooperation between the two universities is also essential for the guidance and support of creators of new companies and spin-offs.

The district and the Berlin Senate will dedicate more attention to this region in terms of urban and economic development. Both universities have authorised the Adlershof Project GmbH to carry out a potentials analysis and to define projects that foster cooperation between the universities. The goals of the overall plan, called "Campus der Universitäten in der City West" ("University Campuses in the West of the City"), are to reorganise and further develop the region for science and research, to achieve a synergy between the potentials of culture and of the economy and to integrate the area with its adjacent districts.

Heidestraße District

In the immediate vicinity of the central railway station, a large new district of around 40 hectares in size is emerging at Heidestraße. A cultural centre has established itself here around the Museum für Gegenwart im Hamburger Bahnhof (Hamburger Bahnhof Museum for Contemporary Art), the Flick collection and a series of galleries – in particular the "Hallen am Wasser" ("Halls on the water") – making this area a fertile ground for further urban development. The goal is the development of a lively, urban district that features a diverse mix of residential, work, cultural and recreational possibilities. This arts location expects to be home to an additional collectors' museum for contemporary art as well as to the new (permanent) Berliner Kunsthalle (Berlin Art Exhibition Hall) in the vicinity of Humboldthafen, which will enable this district to develop into one of Europe's top addresses for contemporary art.

The following cultural-related urban-development measures are envisioned:

- The reorganisation of the southern end of Heidestraße (in cooperation with the development of the master plan for entire area) as an art campus for contemporary art
- The improvement of the surrounding open space with the Stadtumbau-West (Urban Renewal West) programme and the continuation of the promenade along the water
- The use of the open space between Hamburger Bahnhof and the Hallen am Wasser as a place for contemporary art events for the public
- The development of Humboldthafen as an arts location to include the collectors' museum for contemporary art and the new Berliner Kunsthalle
- The collectors' museum

Tempelhofer Feld

Pioneering use and temporary use will act as building blocks in the development of the former Tempelhof airport and airfield. In view of the size of the grounds and the moderate housing and commercial demands in the area, an integrated urban development concept is being drawn up, one that deploys pioneering and temporary use as generators and initiators of urban activities, as tools for the development of the site.

The airport building will play an important role as the Tempelhof Forum. It is becoming a new address for culture, media and the creative industries. Temporary Use is possible here as of 2009.

The Spree river banks: Friedrichshain-Kreuzberg

Since the fall of the wall, the area around the Spree in Friedrichshain-Kreuzberg has been among Berlin's most important development areas due to its many attractive residential, work and recreational possibilities. This region has become a significant location for information and communications technology and for media. But firms from the fields of environmental technology, fashion, design and entertainment have also invested here.

The development of the "Spree belt" has resulted in a diverse mix of property use. New residential and work offerings have been created, niches protected to attract tenants from the creative scene and combined living, and work spaces developed. The goal here is to enable long-term experimental uses of the area. With this in mind, the concept of Friedrichshain-Kreuzberg-on-the-Spree will be revised so that the permanent intervention locations are configured as much as possible to facilitate the area's constantly changing experimental use. Accordingly, ways of granting special-use rights for these locations are being developed to ensure that – at least for a limited time – forward-looking, publicly accessible, experimental and cultural concepts, ones that may not be financially viable in the real estate market, are implemented and given a chance to succeed. This experimental and non-commercial spirit, which characterises Kreuzberg and Friedrichshain as a whole, will remain an integral part of the Spree belt in the long term.

North Neukölln

On the one hand, the public perception of the Reuterstraße neighbourhood in North Neukölln has long been dominated by the area's negative aspects: unemployment, poverty and general neighbourhood neglect. On the other, this area is located near the city and has excellent access to public transportation. Young people are drawn to this neighbourhood because of the relatively low rents and predominantly well-equipped apartments.

Another, still developing strength of the neighbourhood is the established and burgeoning selection of theatres, galleries, clubs and bars. The neighbourhood is gaining a reputation as a home for young artists and is becoming attractive to those starting up businesses in the creative industries.

These tendencies will be promoted through a neighbourhood management scheme that includes such instruments as location marketing and the management of temporary use, especially of empty storefronts.

5.10 Outlook

The activities of the administrations participating in this report are closely intertwined. This cooperation is illustrated in the summaries below using examples of two market sectors of Berlin's guiding, supporting and sustaining activities. The collaborative work on this creative industries report has sharpened the different approaches of the Senatsverwaltung für Wirtschaft, Technologie und Frauen (Senate Department for Economics, Technology, and Women's Issues), the Senatskanzlei – Abteilung Kulturelle Angelegenheiten (Senate Department for Cultural Affairs) and the Senate Department for Urban Development, but has also revealed that constant and intensive coordination is essential.

The Lenkungskreis Kommunikation, Medien und Kulturwirtschaft (Communications, Media and Creative Industry Steering Committee) and its relevant task forces form a valuable instrument for this purpose, but do not supplant the additional project-specific collaborative work between the departments and with the industries.

As such, it can only succeed in perpetuating the positive development of the cultural and creative industries in Berlin where the "creative class" is establishing itself not only as an image factor but also as a permanent growth industry in Berlin. It is typical of Berlin that an intense and close cooperation exists between artists and creative businesses, between

Guiding, supporting, regulating and sustaining activities with the book market as an example

Education and training	Creative act/ production	Further processing/ sales/marketing	End customer
Writing-oriented courses of study and the UdK	Residence grants; travel grants	Local publications (e.g. publishing brochures)	Berliner Bücherfest (Berlin Book Festival)
Co-financing of institutions of further education (e.g. Joint-issue sponsorship)	Work grants	Joint trade-show booths (e.g. London Book Fair 2009, Frankfurt Book Fair 2009)	Seal of approval at bookstores to promote reading Berlin-Brandenburgische Buchwochen (Berlin-Brandenburg Book Weeks)
Studies on the demand for further education	Literature prizes	Microcredits	Sponsorship of literary projects
Author workshops at the Literarisches Colloquium Berlin	Translator colloquia	Berlin Creative Industries VC Fund	Sponsorship of libraries
Sponsorship of further education offerings (KuWiQ)	Sponsorship of authors through institutionally funded literature organisations	Competitions for the creative industries	Promoting reading with projects and through the institutionally funded LesArt
Extension and development of locations and offerings of further education (QiK)			Festivals (Poesiefestival, International Literature Festival, Märchentage (Fairy-Tale Days))
Kreative Coaching Center (KCC) (Creative Coaching Center)			Five institutionally funded literature organisations

Creative-City-Berlin.de

Literature portal

Seal of approval at bookstores to promote reading

Cluster management (under the auspices of the Senate Department for Economics, Technology, and Women's Issues)

Assorted funding · The governing mayor of Berlin, Senate Department for Culture · Senate Department for Economics, Technology, and Women's Issues · Other Berlin bodies (e.g. Senate Department for Education, Science and Research) state-subsidised high culture and private or non-profit stage and event venues and between the individual branches of the creative industries. Ideas flow directly from the subsiding of the boundaries between these various realms, ideas that set free the relevant societal and economic energies.

It is a task of policy to create open space for the implementation of these ideas.

Guiding, supporting, regulating and sustaining activities with the art market as an example

Education and training

- Art universities
- Colleges
- Career Center (UdK/TU ...)
- Kreativ Coaching Center (KCC) (Creative Coaching Center)
- Co-financing of institutions of further education (e.g. Joint-issue sponsorship)
- Studies on the demand for further education
- Sponsorship of further education offerings (KuWiQ)
- Further education and professionalisation (e.g. Goldrausch)
- Extension and development of locations and offerings of further education (QiK)

Creative act/ production

- Grants
- Residence grants; travel grants
- Project sponsorship
- Art prizes (e.g. Hannah-Höch Prize)
- Printing workshop and sculpting workshop at BB-KBildungswerk
- Büro für Kunst im Stadtraum (Office for Art in Urban Spaces) at BB-KKulturwerk
- Art purchases with funds from the DKLB foundation (German Class Lottery Berlin)

Further processing/ sales/marketing

- Catalogue sponsorship
- Prizes for best trade-show booth at the Berlin Art Forum
- Establishment of the Art Forum as an important art fair
- Gallery portal
- Joint trade-show booths at art fairs
- Berlin Creative Industries VC Fund
- Competitions for the creative industries
- Competitions for the creative industries
- Local publications (z. B. Berlin Calling)

End customer

- Artist guilds
- Artotheken (art-o-teques) (NBK (New Berlin Art Guild), regional libraries and ZLB (Central and Regional Library Berlin)
- Communal galleries
- Institutions of contemporary art (e.g. Kunstwerke, art exhibition halls, Künstlerhaus Bethanien)
- nstitutions of contemporary art (e.g. Kunstwerke, art exhibition halls, Künstlerhaus Bethanien)
- Project funding for exhibitions

- Visualising potential in inner-city late-19th-century neighbourhoods and unused, old commercial spaces
- Program for the securing and funding of studio supplies
- Creative-City-Berlin.de
- Microcredits
- Museum and gallery portals
- Cluster management (under the auspices of the Senate Department for Economics, Technology, and Women's Issues)

Assorted funding · The governing mayor of Berlin, Senate Department for Culture · Senate Department for Economics, Technology, and Women's Issues · Senate Department for Urban Development · Other Berlin bodies (e.g. Senate Department for Education, Science and Research)

Table 01a

Employees subject to social security contributions 2006 in Berlin

WZ 03	Commercial Sector	Proportion in in %	Outline Report 2008	Report Report 2005	according to the Financial according to the Financial
MUSIC INDUSTRY					
2214	Music publishing companies		205	205	205
2231	Record labels		77	77	
36300	Production of musical instruments		116	116	
55403	Discos, clubs, and dance venues		123	123	
92116	Sound recording studios			148	
92312	Orchestras, bands, and choirs	60	285	285	285
92315	Self-employed composers and music producers		11	11	11
92317	Self-employed stage artists (musical)	33,3	46	46	
92321	Concert promoters	50	314	314	314
92322	Operas concert halls	50	1,682	1,682	1,682
2232	Reproduction of image carrying formats	50	112	112	
2233	Reproduction of data carrying formats	50	0	0	
2465	Production of audio and video cassettes/CDs/DVDs etc.	50	11	11	
3230	Production of radio, phonographic, and video equipment	50	309	309	
52452	Retail stores for consumer electronics	50	787	787	
52453	Retail stores for musical instruments and music supplies		101	101	101
92325	Technical support for entertainment serv. (ticket sales, etc.)	50	331		331
Totals for music industry			**4,510**	**4,327**	**2,929**
PERFORMING ARTS SECTOR					
92311	Theatre companies		1,150	1,150	1,150
92312	Ballet troupes	40	190	190	
92317	Self-employed stage artists (theatre)	33,3	46	46	46
92318	Self-employed artistes		3	3	3
92321	Theatre, concert and event managers	50	314	314	314
92322	Operas, theatres and concert halls	50	1.682	1.682	1.682
92323	Vaudevilles and cabarets		69	69	69
92342	Provision of misc. cultural services (puppet theatres/ circuses/ exhibits)		194	194	194
92325	Technical support for cultural services (ticket sales, etc.)	50	331	331	331
92722	Provision of additional services for the entertainment industry			453	
92330	Carnival and fair organisers		104	104	104
92341	Dance schools		66	66	66
Totals for performing arts sector			4,149	4,602	3,959
FILM, TELEVISION & RADIO SECTOR					
9211	Film and video production		4,970	4,970	4,970
9212	Film and video distribution and rental		494	494	494
92130	Cinemas		951	951	951
92201	Radio producers		3,141	3,141	3,141
92202	Production of radio programmes		1,327	1,327	1,327
92317	Self-employed film and radio performers	33,3	46	46	46
2232	Reproduction of image carrying formats	50	112	112	
2233	Reproduction of data carrying formats	50	0	0	
2465	Production of audio and video cassettes/CDs/DVDs etc.	50	11	11	
3230	Production of radio, phonographic, and video equipment	50	309	309	
33403	Production of photo, projection, and cinematic equipment	50	15	15	
52452	ERetail stores for consumer electronics	50	787	787	
71404	Video stores		305	305	
Totals for film, television & radio sector			12,467	12,467	10,929
ART MARKET					
26701	Stone sculpturers and stone cutters		131	131	
28523	Artistic smiths and metal workers		71	71	
7481	Photography studios and laboratories		581	581	
92313	Self-employed visual artists		291	291	291
52482	Retail stores for artstic objects, pictures, stamps, and coins		581	581	581
52501	Retail stores for antiquities and antique carpets		94	94	
74873	Auction houses		108	108	
92314	Self-employed restorers and conservators				113

Employees subject to social security contributions 2006 in Berlin/*Continued from page 146*

WZ 03	Commercial Sector	Proportion in in %	Outline Report 2008	Report Report 2005	according to the Financial according to the Financial
ART MARKET *(continuance)*					
92521	Museums and art exhibitions		1,953		1,953
181/182/19	Production of clothing, leather clothing and shoes			609	
26211/26212/ 26213	Production of household items and items made of porcellan, stoneware, and clay			177	
36222	Production of jewelry out of precious metals			73	
36223	Production of silver and goldsmithed products (not including table utensils)			5	
74874	Studios for textile, jewelry, furniture and design			237	
52612	Mail order businesses for clothing			44	
Totals for art market			3,810	3,002	2,938
DESIGN INDUSTRY					
181/182/19	Production of clothing, leather clothing and shoes		609		
26211/26212/ 26213	Production of household items and items made of porcellan, stoneware, and clay		177		
36222	Production of jewelry out of precious metals		73		
36223	Production of silver and goldsmithed products (not including table utensils)		5		
74874	Studios for textile, jewelry, furniture and design		237		237
52612	Mail order businesses for clothing		44		
74206	Industrial design firms		68		68
74401	Ad design				4,300
Totals for design industry			1,213	0	4,605
ARCHITECTURE					
74201	Architectural firms for structural and interior design		2,551	2,551	2,551
74202	Architectural firms for regional and landscape planning		1,284	1,284	1,284
74203	Architectural firms for garden and landscape design		214	214	214
92314	Self-employed restorers and conservators		113	113	
92521	Museum and exhibition design			1.953	
Totals for architecture			**4,162**	**6,115**	**4,049**
PRINT MEDIA AND PUBLISHING					
22111	Book publishers (not including address book publishers)		2,996	2,996	2,996
2212	Newspapers		2,164	2,164	2,164
2213	Magazines		1,417	1,417	1,417
2215	Misc. Publishing businesses		337	337	337
74851, 74852	Interpreters and translation agencies (without clerical services Copyshops)		497	497	
92316	Self-employed authors		13	13	13
92401	Press agencies		1,092	1,092	1,092
92402	Freelance journalists and photographers		184	184	184
9251	Libraries and archives		1,352	1,352	1,352
222	Printshops		5,689	5,689	
52472	Retail stores for books and journals		1,719	1,719	1,719
52473	Retail stores for U-magazines and newspapers		607	607	
52502	Antiquarian booksellers		45	45	
71403	Lending libraries and reading circles			29	
Totals for Print media and publishing			**18,112**	**18,141**	**11,274**
SOFTWARE, MULTIMEDIA & TELECOMMUNICATIONS					
722	Software companies		14,790	14,790	14,790
724	Databanks		145	145	
726	Misc. Data processing related activities		236	236	
643	Telecommunication services		6,572	6,572	
Totals for software, multimedia & telecommunications			**21,743**	**21,743**	**14,790**
ADVERTISING					
74401	Advertising		4,300	4,300	
74402	Advertising distribution and circulation		2,053	2,053	2,053
74142	Public Relations consulting		170		
7413	Market and opinion research		376		
Totals for advertising			**6,899**	**6,353**	**2,053**
TOTALS FOR THE CREATIVE INDUSTRIES			**77,065**	**76,750**	**57,526**

Employees subject to social security contributions 2006 in Berlin

Table 01b

WZ 03	Commercial Sector	Proportion in in %	Outline Report 2008	Report Report 2005	according to the Financial according to the Financial
MUSIC INDUSTRY					
2214	Music publishing companies		144	144	144
2231	Record labels		27	27	
36300	Production of musical instruments		43	43	
55403	Discos, clubs, and dance venues		51	51	
92116	Sound recording studios			k.A.	
92312	Orchestras, bands, and choirs	60	36	36	36
92315	Self-employed composers and music producers		230	230	230
92317	Self-employed stage artists (musical)	33,3	561	561	
92321	Concert promoters	50	67	67	67
92322	Operas concert halls	50	10	10	10
2232	Reproduction of image carrying formats	50	8	8	
2233	Reproduction of data carrying formats	50	3	3	
2465	Production of audio and video cassettes/CDs/DVDs etc.	50	16	16	
3230	Production of radio, phonographic, and video equipment	50	19	19	
52452	Retail stores for consumer electronics	50	134	134	
52453	Retail stores for musical instruments and music supplies		68	68	68
92325	Technical support for entertainment serv. (ticket sales, etc.)	50	218	.	218
Totals for music industry			**1,632**	**1,414**	**773**
PERFORMING ARTS SECTOR					
92311	Theatre companies		16	16	16
92312	Ballet troupes	40	24	24	
92317	Self-employed stage artists (theatre)	33,3	561	561	561
92318	Self-employed artistes		89	89	89
92321	Theatre, concert and event managers	50	67	67	67
92322	Operas, theatres and concert halls	50	10	10	10
92323	Vaudevilles and cabarets		12	12	12
92342	Provision of misc. cultural services (puppet theatres/ circuses/ exhibits)		87	87	87
92325	Technical support for cultural services (ticket sales, etc.)	50	218	218	218
92722	Provision of additional services for the entertainment industry			185	
92330	Carnival and fair organisers		57	57	57
92341	Dance schools		82	82	82
Totals for performing arts sector			**1,222**	**1,407**	**1,198**
FILM, TELEVISION & RADIO SECTOR					
9211	Film and video production		1,103	1,103	1,103
9212	Film and video distribution and rental		18	18	18
92130	Cinemas		49	49	49
92201	Radio producers		16	16	16
92202	Production of radio programmes		77	77	77
92317	Self-employed film and radio performers	33,3	561	561	561
2232	Reproduction of image carrying formats	50	8	8	
2233	Reproduction of data carrying formats	50	3	3	
2465	Production of audio and video cassettes/CDs/DVDs etc.	50	16	16	
3230	Production of radio, phonographic, and video equipment	50	19	19	
33403	Production of photo, projection, and cinematic equipment	50	4	4	
52452	Retail stores for consumer electronics	50	134	134	
71404	Video stores		99	99	
Totals for film, television & radio sector			**2,104**	**2,104**	**1,824**
ART MARKET					
26701	Stone sculpturers and stone cutters		62	62	
28523	Artistic smiths and metal workers		20	20	
7481	Photography studios and laboratories		439	439	
92313	Self-employed visual artists		629	629	629
52482	Retail stores for artstic objects, pictures, stamps, and coins		420	420	420
52501	Retail stores for antiquities and antique carpets		135	135	
74873	Auction houses		26	26	
92314	Self-employed restorers and conservators				137

Employees subject to social security contributions 2006 in Berlin/*Continued from page 148*

WZ 03	Commercial Sector	Proportion in in %	Outline Report 2008	Report Report 2005	according to the Financial according to the Financial
ART MARKET *(continuance)*					
92521	Museums and art exhibitions		113		113
181/ 182/ 19	Production of clothing, leather clothing and shoes			180	
26211/ 26212/ 26213	Production of household items and items made of porcellan, stoneware, and clay			10	
36222	Production of jewelry out of precious metals			35	
36223	Production of silver and goldsmithed products (not including			84	
74874	Studios for textile, jewelry, furniture and design			1,965	
52612	Mail order businesses for clothing			20	
Totals for art market			**1,844**	**4,025**	**1,299**
DESIGN INDUSTRY					
181/ 182/ 19	Production of clothing, leather clothing and shoes		180		
26211/ 26212/ 26213	Production of household items and items made of porcellan, stoneware, and clay		10		
36222	Production of jewelry out of precious metals		35		
36223	Production of silver and goldsmithed products (not including table utensils)		84		
74874	Studios for textile, jewelry, furniture and design		1,965		1,965
52612	Mail order businesses for clothing		20		
74206	Industrial design firms		147		147
74401	Ad design				1.640
Totals for design industry			**2,441**	**0**	**3,752**
ARCHITECTURE					
74201	Architectural firms for structural and interior design		2,480	2,480	2,480
74202	Architectural firms for regional and landscape planning		148	148	148
74203	Architectural firms for garden and landscape design		227	227	227
92314	Self-employed restorers and conservators		137	137	
92521	Museum and exhibition design			113	
Totals for architecture			**2,992**	**3,105**	**2,855**
PRINT MEDIA AND PUBLISHING					
22111	Book publishers (not including address book publishers)		186	186	186
2212	Newspapers		19	19	19
2213	Magazines		81	81	81
2215	Misc. Publishing businesses		118	118	118
74851, 74852	Interpreters and translation agencies (without clerical services Copyshops) shops)		749	749	
92316	Self-employed authors		719	719	719
92401	Press agencies		36	36	36
92402	Freelance journalists and photographers		2,151	2,151	2,151
9251	Libraries and archives		6	6	6
222	Printshops		617	617	
52472	Retail stores for books and journals		243	243	243
52473	Retail stores for U-magazines and newspapers		270	270	
52502	Antiquarian booksellers		57	57	
71403	Lending libraries and reading circles			4	
Totals for Print media and publishing			**5,252**	**5,256**	**3,559**
SOFTWARE, MULTIMEDIA & TELECOMMUNICATIONS					
722	Software companies		2,105	2,105	2,105
724	Databanks		53	53	
726	Misc. Data processing related activities		670	670	
643	Telecommunication services		66	66	
Totals for software, multimedia & telecommunications			**2,894**	**2,894**	**2,105**
ADVERTISING					
74401	Advertising		1,640	1,640	
74402	Advertising distribution and circulation		378	378	378
74142	Public Relations consulting		165		
7413	Market and opinion research		369		
Totals for advertising			**2,552**	**2,018**	**378**
TOTALS FOR THE CREATIVE INDUSTRIES			**22,934**	**22,224**	**17,742**

Revenues 2006 in Berlin, in € (x1000)

Table 01c

WZ 03	Commercial Sector	Propor-tion in in %	Outline Report 2008	Report Report 2005	according to the Financial according to the Financial
MUSIC INDUSTRY					
2214	Music publishing companies		65,788	65,788	65,788
2231	Record labels		85,858	85,858	
36300	Production of musical instruments		56,244	56,244	
55403	Discos, clubs, and dance venues		18,733	18,733	
92116	Sound recording studios			k. A.	
92312	Orchestras, bands, and choirs	60	43,230	43,230	43,230
92315	Self-employed composers and music producers		30,463	30,463	30.463
92317	Self-employed stage artists (musical)	33,3	46,055	46,055	
92321	Concert promoters	50	88,948	88,948	88,948
92322	Operas concert halls	50	138,230	138,230	138,230
2232	Reproduction of image carrying formats	50	3,448	3,448	
2233	Reproduction of data carrying formats	50	1,490	1,490	
2465	Production of audio and video cassettes/CDs/DVDs etc.	50	6,199	6,199	
3230	Production of radio, phonographic, and video equipment	50	69,004	69,004	
52452	Retail stores for consumer electronics	50	253,351	253,351	
52453	Retail stores for musical instruments and music supplies		30,278	30,278	30,278
92325	Technical support for entertainment serv. (ticket sales, etc.)	50	32,916		32,916
Totals for music industry			**970,235**	**937,319**	**429,853**
PERFORMING ARTS SECTOR					
92311	Theatre companies		15,935	15,935	15,935
92312	Ballet troupes	40	28,820	28,820	
92317	Self-employed stage artists (theatre)	33,3	46,055	46,055	46,055
92318	Self-employed artistes		5,243	5,243	5,243
92321	Theatre, concert and event managers	50	88,948	88,948	88,948
92322	Operas, theatres and concert halls	50	138,230	138,230	138,230
92323	Vaudevilles and cabarets		2,820	2,820	2,820
92342	Provision of misc. cultural services (puppet theatres/ circuses/ exhibits)		41,741	41,741	41,741
92325	Technical support for cultural services (ticket sales, etc.)	50	32,916	32,916	32,916
92722	Provision of additional services for the entertainment industry			200,731	
92330	Carnival and fair organisers		12,597	12,597	12,597
92341	Dance schools		10,140	10,140	10,140
Totals for performing arts sector			**423,445**	**624,176**	**394,625**
FILM, TELEVISION & RADIO SECTOR					
9211	Film and video production		667,430	667,430	667,430
9212	Film and video distribution and rental		48,268	48,268	48,268
92130	Cinemas		102,204	102,204	102,204
92201	Radio producers		1,132,819	1,132,819	1,132,819
92202	Production of radio programmes	33,3	46,055	46,055	46,055
92317	Self-employed film and radio performers				
2232	Reproduction of image carrying formats	50	3,448	3,448	
2233	Reproduction of data carrying formats	50	1,490	1,490	
2465	Production of audio and video cassettes/CDs/DVDs etc.	50	6,199	6,199	
3230	Production of radio, phonographic, and video equipment	50	69,004	69,004	
33403	Production of photo, projection, and cinematic equipment	50	4,027	4,027	
52452	Retail stores for consumer electronics	50	253,351	253,351	
71404	Video stores		38,656	38,656	
Totals for film, television & radio sector			**2,372,951**	**2,372,951**	**1,996,776**
ART MARKET					
26701	Stone sculpturers and stone cutters		14,336	14,336	
28523	Artistic smiths and metal workers		25,947	25,947	
7481	Photography studios and laboratories		68,205	68,205	
92313	Self-employed visual artists		55,410	55,410	55,410
52482	Retail stores for artstic objects, pictures, stamps, and coins		144,014	144,014	144,014
52501	Retail stores for antiquities and antique carpets		22,948	22,948	
74873	Auction houses		45,834	45,834	
92314	Self-employed restorers and conservators				12,922

Revenues 2006 in Berlin, in € (x1000) *Continued from page 150*

WZ 03	Commercial Sector	Propor-tion in in %	Outline Report 2008	Report Report 2005	according to the Financial according to the Fi-nancial
ART MARKET *(continuance)*					
92521	Museums and art exhibitions		45.226		45.226
181/ 182/ 19	Production of clothing, leather clothing and shoes			146.083	
26211/ 26212/ 26213	Production of household items and items made of porcellan, stoneware, and clay			13.097	
36222	Production of jewelry out of precious metals			10.511	
36223	Production of silver and goldsmithed products (not including			7.488	
74874	Studios for textile, jewelry, furniture and design			177.309	
52612	Mail order businesses for clothing			6.898	
Totals for art market			**421.920**	**738.081**	**257.572**
DESIGN INDUSTRY					
181/ 182/ 19	Production of clothing, leather clothing and shoes		146.083		
26211/ 26212/ 26213	Production of household items and items made of porcellan, stoneware, and clay		13.097		
36222	Production of jewelry out of precious metals		10.511		
36223	Production of silver and goldsmithed products (not including table utensils)		7.488		
74874	Studios for textile, jewelry, furniture and design		177.309		177.309
52612	Mail order businesses for clothing		6.898		
74206	Industrial design firms		19.161		19.161
74401	Ad design				706.225
Totals for design industry			**380.547**	**0**	**902.695**
ARCHITECTURE					
74201	Architectural firms for structural and interior design		450.642	450.642	450.642
74202	Architectural firms for regional and landscape planning		44.808	44.808	44.808
74203	Architectural firms for garden and landscape design		31.129	31.129	31.129
92314	Self-employed restorers and conservators		12.922	12.922	
92521	Museum and exhibition design			45.226	
Totals for architecture			**539.501**	**584.727**	**526.579**
PRINT MEDIA AND PUBLISHING					
22111	Book publishers (not including address book publishers)		1.057.785	1.057.785	1.057.785
2212	Newspapers		2.231.773	2.231.773	2.231.773
2213	Magazines		118.846	118.846	118.846
2215	Misc. Publishing businesses		61.968	61.968	61.968
74851,74852	Interpreters and translation agencies (without clerical services Copyshops) shops)		71.935	71.935	
92316	Self-employed authors		50.072	50.072	50.072
92401	Press agencies		22.291	22.291	22.291
92402	Freelance journalists and photographers		127.433	127.433	127.433
9251	Libraries and archives		1.383	1.383	1.383
222	Printshops		463.067	463.067	
52472	Retail stores for books and journals		220.376	220.376	220.376
52473	Retail stores for U-magazines and newspapers		126.938	126.938	
52502	Antiquarian booksellers		9.522	9.522	
71403	Lending libraries and reading circles			1.766	
Totals for Print media and publishing			**4.563.389**	**4.565.155**	**3.891.927**
SOFTWARE, MULTIMEDIA & TELECOMMUNICATIONS					
722	Software companies		1.131.371	1.131.371	1.131.371
724	Databanks		204.932	204.932	
726	Misc. Data processing related activities		740.752	740.752	
643	Telecommunication services		4.669.632	4.669.632	
Totals for Software, multimedia & telecommunications			**6.746.687**	**6.746.687**	**1.131.371**
Advertising					
74401	Advertising		706.225	706.225	
74402	Advertising distribution and circulation		207.694	207.694	207.694
74142	Public Relations consulting		39.958		
7413	Market and opinion research		171.599		
Totals for Advertising			**1.125.476**	**913.919**	**207.694**
TOTALS FOR THE CREATIVE INDUSTRIES			**17.544.150**	**17.483.014**	**9.739.092**

Table 02

Commercial Sectors WZ 03		Employees liable to social security contributions 2006					Change 2000 to 2006		Marginally employed 2006					Change 2000 to 2006	
		Total	Men	Women	% Men	% Women	% Men	% Women	Total	Men	Women	% Men	% Women	% Men	% Women
MUSIKWIRTSCHAFT															
2214	Music publishing companies	205	85	120	41,5	58,5	-4,8	4,8	30	13	17	43,3	56,7	-3,7	3,7
2231	Record labels	77	35	42	45,5	54,5	-0,1	0,1	2	0	2	0,0	100,0	0,0	0,0
36300	Production of musical instruments	116	85	31	73,3	26,7	-4,4	4,4	18	9	9	50,0	50,0	35,7	-35,7
55403	Discos, clubs, and dance venues	123	82	41	66,7	33,3	4,3	-4,3	302	173	129	57,3	42,7	2,3	-2,3
92312	Orchestras, bands, and choirs	285	151	134	52,8	47,2	-9,0	9,0	5	3	2	55,6	44,4	5,6	-5,6
92315	Self-employed composers and music producers	11	4	7	36,4	63,6	-8,1	8,1	8	2	6	25,0	75,0	25,0	-25,0
92317	Self-employed stage artists (musical)	46	21	25	46,0	54,0	4,5	-4,5	23	8	15	35,7	64,3	17,8	-17,8
92321	Concert promoters	314	151	163	48,1	51,9	2,4	-2,4	442	298	144	67,4	32,6	11,0	-11,0
92322	Operas concert halls	1,682	1,046	636	62,2	37,8	0,1	-0,1	178	66	112	36,9	63,1	-2,4	2,4
2232	Reproduction of image carrying formats	112	58	54	51,8	48,2	3,3	-3,3	3	2	2	50,0	50,0	10,0	-10,0
2233	Reproduction of data carrying formats	0	0	0	100,0	0,0	43,8	-43,8	0	0	0	100,0	0,0	50,0	-50,0
2465	Production of audio and video cassettes/CDs/DVDs etc.	11	8	4	68,2	31,8	3,5	-3,5	2	0	2	0,0	100,0	-50,0	50,0
3230	Production of radio, phono-graphic, and video equipment	309	216	94	69,7	30,3	2,4	-2,4	22	9	14	38,6	61,4	1,1	-1,1
52452	Retail stores for consumer electronics	787	511	276	64,9	35,1	0,3	-0,3	113	67	46	59,3	40,7	6,5	-6,5
52453	Retail stores for musical instru-ments and music supplies	101	57	44	56,4	43,6	-11,2	11,2	37	26	11	70,3	29,7	51,2	-51,2
92325	Technical support for entertain-ment serv. (ticket sales, etc.)	331	201	131	60,6	39,4	3,1	-3,1	195	99	96	50,8	49,2	12,7	-12,7
Totals for music industry		**4,509**	**2,709**	**1,801**	**60,1**	**39,9**	**-1,0**	**1,0**	**1,380**	**774**	**606**	**56,1**	**43,9**	**9,9**	**-9,9**
PERFORMING ARTS SECTOR															
92311	Theatre companies	1,150	644	506	56,0	44,0	0,9	-0,9	117	42	75	35,9	64,1	3,2	-3,2
92312	Ballet troupes	190	100	90	52,8	47,2	-9,0	9,0	4	2	2	55,6	44,4	5,6	-5,6
92317	Self-employed stage artists (theatre)	46	21	25	46,0	54,0	4,5	-4,5	23	8	15	35,7	64,3	17,8	-17,8
92318	Self-employed artistes	3	2	1	66,7	33,3	16,7	-16,7	4	1	3	25,0	75,0	25,0	-25,0
92321	Theatre, concert and event managers	314	151	163	48,1	51,9	2,4	-2,4	442	298	144	67,4	32,6	11,0	-11,0
92322	Operas, theatres and concert halls	1,682	1,046	636	62,2	37,8	0,1	-0,1	178	66	112	36,9	63,1	-2,4	2,4
92323	Vaudevilles and cabarets	69	24	45	34,8	65,2	-8,6	8,6	14	2	12	14,3	85,7	-7,9	7,9
92342	Provision of misc. cultural services (puppet theatres/ circuses/ exhibits)	194	95	99	49,0	51,0	8,9	-8,9	148	67	81	45,3	54,7	5,3	-5,3
92325	Technical support for cultural services (ticket sales, etc.)	331	201	131	60,6	39,4	3,1	-3,1	195	99	96	50,8	49,2	12,7	-12,7
92330	Carnival and fair organisers	104	66	38	63,5	36,5	5,9	-5,9	87	60	27	69,0	31,0	34,1	-34,1
92341	Dance schools	66	18	48	27,3	72,7	-4,8	4,8	79	32	47	40,5	59,5	26,2	-26,2
Totals for performing arts sector		**4,149**	**2,368**	**1,781**	**57,1**	**42,9**	**0,3**	**-0,3**	**1,290**	**677**	**613**	**52,5**	**47,5**	**17,1**	**-17,1**

Commercial Sectors WZ 03 *Continued from page 152*		Employees liable to social security contributions 2006					Change 2000 to 2006		Marginally employed 2006					Change 2000 to 2006	
		Total	Men	Women	% Men	% Women	% Men	% Women	Total	Men	Women	% Men	% Women	% Men	% Women
FILM, TELEVISION & RADIO SECTOR															
9211	Film and video production	4,970	2,714	2,256	54,6	45,4	0,4	-0,4	464	226	238	48,7	51,3	6,6	-6,6
9212	Film and video distribution and rental	494	253	241	51,2	48,8	2,1	-2,1	136	62	74	45,6	54,4	-4,0	4,0
92130	Cinemas	951	499	452	52,5	47,5	4,5	-4,5	303	117	186	38,6	61,4	1,6	-1,6
92201	Radio producers	3,141	1,616	1,525	51,4	48,6	-1,2	1,2	44	21	23	47,7	52,3	8,1	-8,1
92202	Production of radio programmes	1,327	712	615	53,7	46,3	-0,1	0,1	50	21	29	42,0	58,0	5,2	-5,2
92317	Self-employed film and radio performers	46	21	25	46,0	54,0	4,5	-4,5	23	8	15	35,7	64,3	17,8	-17,8
2232	Reproduction of image carrying formats	112	58	54	51,8	48,2	3,3	-3,3	3	2	2	50,0	50,0	10,0	-10,0
2233	Reproduction of data carrying formats	0	0	0	100,0	0,0	43,8	-43,8	0	0	0	100,0	0,0	50,0	-50,0
2465	Production of audio and video cassettes/CDs/DVDs etc.	11	8	4	68,2	31,8	3,5	-3,5	2	0	2	0,0	100,0	-50,0	50,0
3230	Production of radio, phonographic, and video equipment	309	216	94	69,7	30,3	2,4	-2,4	22	9	14	38,6	61,4	1,1	-1,1
33403	Production of photo, projection, and cinematic equipment	15	10	6	63,3	36,7	2,1	-2,1	6	5	1	90,9	9,1	53,4	-53,4
52452	Retail stores for consumer electronics	787	511	276	64,9	35,1	0,3	-0,3	113	67	46	59,3	40,7	6,5	-6,5
71404	Video stores	305	159	146	52,1	47,9	3,8	-3,8	288	164	124	56,9	43,1		
Totals for film, television & radio sector		**12,467**	**6,775**	**5,692**	**54,3**	**45,7**	**0,1**	**-0,1**	**1,453**	**701**	**752**	**48,3**	**51,7**	**6,6**	**-6,6**
ADVERTISING															
7440	Advertising	6,353	3,080	3,273	48,5	51,5	0,3	-0,3	1 673	800	873	47,8	52,2	-3,4	3,4
74142	Public Relations consulting	170	57	113	33,5	66,5	-27,5	27,5	34	7	27	20,6	79,4	1,5	-1,5
7413	Market and opinion research	376	166	210	44,1	55,9	-2,2	2,2	90	28	62	31,1	68,9	-3,4	3,4
Totals for advertising		**6,899**	**3,303**	**3,596**	**47,9**	**52,1**	**-1,3**	**1,3**	**1,797**	**835**	**962**	**46,5**	**53,5**	**-3,6**	**3,6**
ART MARKET															
26701	Stone sculpturers and stone cutters	131	94	37	71,8	28,2	-2,8	2,8	28	14	14	50,0	50,0	11,5	-11,5
28523	Artistic smiths and metal workers	71	58	13	81,7	18,3	-3,4	3,4	17	11	6	64,7	35,3	-15,3	15,3
7481	Photography studios and laboratories	581	171	410	29,4	70,6	-5,9	5,9	207	40	167	19,3	80,7	-6,0	6,0
92313	Self-employed visual artists	291	136	155	46,7	53,3	-2,4	2,4	61	20	41	32,8	67,2	5,9	-5,9
52482	Retail stores for artstic objects, pictures, stamps, and coins	581	162	419	27,9	72,1	1,4	-1,4	251	71	180	28,3	71,7	6,3	-6,3
52501	Retail stores for antiquities and antique carpets	94	52	42	55,3	44,7	3,0	-3,0	74	38	36	51,4	48,6	26,4	-26,4
74873	Auction houses	108	51	57	47,2	52,8	1,1	-1,1	43	20	23	46,5	53,5	12,4	-12,4
92521	Museums and art exhibitions	1,953	816	1,137	41,8	58,2	-3,6	3,6	162	56	106	34,6	65,4	-0,9	0,9
Totals for art market		**3,810**	**1,540**	**2,270**	**40,4**	**59,6**	**-4,0**	**4,0**	**843**	**270**	**573**	**32,0**	**68,0**	**4,8**	**-4,8**

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Appendix

Commercial Sectors WZ 03 *Continued from page 153*		Employees liable to social security contributions 2006					Change 2000 to 2006		Marginally employed 2006					Change 2000 to 2006	
		Total	Men	Women	% Men	% Women	% Men	% Women	Total	Men	Women	% Men	% Women	% Men	% Women
DESIGN INDUSTRY															
181/ 182/ 193	Production of clothing, leather clothing and shoes	609	162	447	26,6	73,4	1,5	-1,5	114	30	84	26,3	73,7	7,3	-7,3
26211/ 26212/ 26213	Production of household items and items made of porcellan, stoneware, and clay	177	84	93	47,5	52,5	1,7	-1,7	1	0	1	0,0	100,0		
36222	Production of jewelry out of precious metals	73	29	44	39,7	60,3	1,8	-1,8	24	8	16	33,3	66,7	-12,5	12,5
36223	Production of silver and gold-smithed products (not including table utensils)	5	1	4	20,0	80,0	-13,3	13,3	8	3	5	37,5	62,5	-18,1	18,1
74874 (vor-her 74844)	Studios for textile, jewelry, furniture and design	237	92	145	38,8	61,2	-13,8	13,8	83	37	46	44,6	55,4	-11,0	11,0
52612	Mail order businesses for clothing	44	19	25	43,2	56,8	12,9	-12,9	25	3	22	12,0	88,0	12,0	88,0
74206	Industrial design firms	68	37	31	54,4	45,6	-7,8	7,8	25	9	16	36,0	64,0	-14,0	14,0
Totals for design industry		**1,213**	**424**	**789**	**35,0**	**65,0**	**0,7**	**-0,7**	**280**	**90**	**190**	**32,1**	**67,9**	**-1,2**	**1,2**
ARCHITECTURE															
74201	Architectural firms for structural and interior design	2,551	1,281	1,270	50,2	49,8	3,4	-3,4	396	161	235	40,7	59,3	8,4	-8,4
74202	Architectural firms for regional and landscape planning	1,284	736	548	57,3	42,7	2,7	-2,7	78	34	44	43,6	56,4	12,4	-12,4
74203	Architectural firms for garden and landscape design	214	80	134	37,4	62,6	-7,9	7,9	43	20	23	46,5	53,5	15,4	-15,4
92314	Self-employed restorers and conservators	113	64	49	56,6	43,4	-4,9	4,9	21	11	10	52,4	47,6	10,3	-10,3
Total Architekture		**4,162**	**2,161**	**2,001**	**51,9**	**48,1**	**3,0**	**-3,0**	**538**	**226**	**312**	**42,0**	**58,0**	**9,6**	**-9,6**
PRINT MEDIA AND PUBLISHING															
22111	Book publishers (not including address book publishers)	2,996	1,218	1,778	40,7	59,3	-2,5	2,5	156	53	103	34,0	66,0	13,1	-13,1
2212	Newspapers	2,164	1,080	1,084	49,9	50,1	-0,8	0,8	86	45	41	52,3	47,7	17,8	-17,8
2213	Magazines	1 417	581	836	41,0	59,0	2,5	-2,5	97	36	61	37,1	62,9	9,5	-9,5
2215	Misc. Publishing businesses	337	130	207	38,6	61,4	-3,7	3,7	2,302	1,267	1,035	55,0	45,0	3,7	-3,7
74851,74852	Interpreters and translation agencies (without clerical serv-ices Copyshops)	497	167	330	33,6	66,4	-2,0	2,0	55	26	29	47,3	52,7	10,9	-10,9
92316	Self-employed authors	13	3	10	23,1	76,9	9,7	-9,7	24	8	16	33,3	66,7	33,3	-33,3
92401	Press agencies	1,092	614	478	56,2	43,8	6,1	-6,1	88	42	46	47,7	52,3	-7,3	7,3
92402	Freelance journalists and photographers	184	76	108	41,3	58,7	14,6	-14,6	46	13	33	28,3	71,7	-0,3	0,3
9251	Libraries and archives	1,352	353	999	26,1	73,9	2,0	-2,0	39	12	27	30,8	69,2	14,1	-14,1
222	Printshops	5,689	3,668	2,021	64,5	35,5	2,5	-2,5	568	257	311	45,2	54,8	1,4	-1,4
52472	Retail stores for books and journals	1,719	539	1 180	31,4	68,6	2,4	-2,4	299	94	205	31,4	68,6	6,1	-6,1
52473	Retail stores for U-magazines and newspapers	607	215	392	35,4	64,6	1,6	-1,6	435	167	268	38,4	61,6	5,8	-5,8
52502	Antiquarian booksellers	45	18	27	40,0	60,0	7,2	-7,2	22	11	11	50,0	50,0	-10,0	10,0
Totals for Print media and publishing		**18,112**	**8,662**	**9,450**	**47,8**	**52,2**	**-0,7**	**0,7**	**4,217**	**2,031**	**2,186**	**48,2**	**51,8**	**-0,3**	**0,3**
SOFTWARE, MULTIMEDIA & INTERNET															
722	Software companies	14 790	10 551	4 239	71,3	28,7	2,2	-2,2	743	365	378	49,1	50,9	9,0	-9,0
724	Databanks	145	55	90	37,9	62,1	-15,9	15,9	22	7	15	31,8	68,2	31,8	-31,8
726	Misc. Data processing related activities	236	165	71	69,9	30,1	0,4	-0,4	43	23	20	53,5	46,5	-3,7	3,7
643	Telecommunication services	6 572	4 252	2 320	64,7	35,3	5,6	-5,6	176	111	65	63,1	36,9	29,7	-29,7
Totals for software, multimedia & internet		**21,743**	**15,023**	**6,720**	**69,1**	**30,9**	**3,7**	**-3,7**	**984**	**506**	**478**	**51,4**	**48,6**	**11,3**	**-11,3**
CI TOTAL		**77,065**	**42,965**	**34,100**	**55,8**	**44,2**	**1,5**	**-1,5**	**12,782**	**6,110**	**6,672**	**47,8**	**52,2**	**1,8**	**-1,8**

Table 03a

Employment trends in Berlin

WZ 03	Commercial Sector	Proportion in %	2000	2001	2002	2003	2004	2005	2006	2007	Change 2000 to 2007 absolute	Change 2000 to 2007 relative	Change 2006 to 2007 absolute	Change 2006 to 2007 relativ
MUSIC INDUSTRY														
2214	Music publishing companies		192	223	196	215	231	228	235	455	263	137,0	220	93,6
2231	Record labels		92	81	78	92	91	91	79	78	-14	-15,2	-1	-1,3
36300	Production of musical instruments		119	127	121	142	151	150	134	137	18	15,1	3	2,2
55403	Discos, clubs and dance venues		394	372	441	485	601	462	425	370	-24	-6,1	-55	-12,9
92312	Orchestras, bands and choirs	60	306	296	281	289	296	290	290	298	-8	-2,5	8	2,7
92315	Self-employed composers and music producers		20	19	26	12	15	17	19	15	-5	-25,0	-4	-21,1
92317	Self-employed stage artists (musical)	33,3	83	76	83	96	100	77	69	92	9	11,2	23	33,2
92321	Concert promoters	50	345	355	383	376	528	529	756	553	208	60,3	-203	-26,9
92322	Operas concert halls	50	2,069	2,130	2,052	2,071	1,970	1,981	1,860	2,021	-49	-2,3	161	8,7
2232	Reproduction of image carrying formats	50	148	145	138	111	114	116	115	124	-25	-16,6	9	7,4
2233	Reproduction of data carrying formats	50	46	71	38	35	1	1	0	0	-46	-100,0	0	0
2465	Production of audio and video cassettes/CDs/DVDs etc.	50	44	49	49	49	17	13	13	12	-32	-72,4	-1	-4,0
3230	Production of radio, phonographic and video equipment	50	640	615	609	570	555	451	331	316	-325	-50,7	-16	-4,7
52452	Retail stores for consumer electronics	50	1,267	1,255	1,126	1,156	1,123	1,043	900	927	-340	-26,8	27	2,9
52453	Retail stores for musical instruments and music supplies		194	144	138	140	136	142	138	141	-53	-27,3	3	2,2
92325	Technical support for entertainment serv. (ticket sales, etc.)	50	412	343	299	460	456	499	526	507	95	23,1	-19	-3,6
Totals for music industry			**6,369**	**6,299**	**6,055**	**6,297**	**6,383**	**6,088**	**5,890**	**6,044**	**-325**	**-5,1**	**155**	**2,6**
PERFORMING ARTS SECTOR														
92311	Theatre companies		1,423	1,425	1,388	1,415	1,248	1,298	1,267	1,327	-96	-6,7	60	4,7
92312	Ballet troupes	40	204	198	188	193	198	194	194	199	-5	-2,5	5	2,7
92317	Self-employed stage artists (theatre)	33,3	83	76	83	96	100	77	69	92	9	11,2	23	33,2
92318	Self-employed artists		3	6	3	7	4	7	7	8	5	166,7	1	14,3
92321	Theatre, concert and event managers	50	345	355	383	376	528	529	756	553	208	60,3	-203	-26,9
92322	Operas, theatres and concert halls	50	2,069	2,130	2,052	2,071	1,970	1,981	1,860	2,021	-49	-2,3	161	8,7
92323	Vaudevilles and cabarets		69	98	93	94	92	72	83	103	34	49,3	20	24,1
92342	Provision of misc. cultural services (puppet theatres/ circuses/ exhibits)		197	201	268	182	206	307	342	364	167	84,8	22	6,4
92325	Technical support for cultural services (ticket sales, etc.)	50	412	343	299	460	456	499	526	507	95	23,1	-19	-3,6
92330	Carnival and fair organisers		358	336	216	198	185	173	191	173	-185	-51,7	-18	-9,4
92341	Dance schools		74	80	92	125	123	145	145	140	66	89,2	-5	-3,4
Totals for performing arts sector			**5,237**	**5,246**	**5,063**	**5,216**	**5,109**	**5,281**	**5,439**	**5,486**	**250**	**4,8**	**47**	**0,9**

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Employment trends in Berlin

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WZ 03	Commercial Sector	Proportion in %	2000	2001	2002	2003	2004	2005	2006	2007	Change			
											2000 to 2007		2006 to 2007	
											absolute	relative	absolute	relativ
FILM, TELEVISION & RADIO SECTOR														
9211	Film and video production		3,411	4,091	4,281	4,806	4,970	5,106	5,434	5,251	1,840	53,9	-183	-3,4
9212	Film and video distribution and rental		457	488	546	624	671	594	630	676	219	47,9	46	7,3
92130	Cinemas		1,621	1,490	1,780	1,568	1,365	1,373	1,254	1,296	-325	-20,0	42	3,3
92201	Radio producers		4,435	3,994	3,963	3,606	3,309	3,166	3,185	3,035	-1,400	-31,6	-150	-4,7
92202	Production of radio programmes		1,071	1,191	1,256	1,358	1,418	1,429	1,377	1,277	206	19,2	-100	-7,3
92317	Self-employed film and radio performers	33,3	83	76	83	96	100	77	69	92	9	11,2	23	33,5
2232	Reproduction of image carrying formats	50	148	145	138	111	114	116	115	124	-25	-16,6	9	7,4
2233	Reproduction of data carrying formats	50	46	71	38	35	1	1	0	0	-46	-100,0	0	
2465	Production of audio and video cassettes/CDs/DVDs etc.	50	44	49	49	49	17	13	13	12	-32	-72,4	-1	-4,0
3230	Production of radio, phonographic, and video equipment	50	640	615	609	570	555	451	331	316	-325	-50,7	-16	-4,7
33403	Production of photo, projection, and cinematic equipment	50	38	40	36	19	21	19	21	20	-18	-48,0	-1	-4,9
52452	Retail stores for consumer electronics	50	1,267	1,255	1,126	1,156	1,123	1,043	900	927	-340	-26,8	27	3,0
71404	Video stores		296	429	490	592	638	623	593	535	239	80,7	-58	-9,8
Totals for film, television & radio sector			**13,555**	**13,933**	**14,393**	**14,589**	**14,300**	**14,009**	**13,920**	**13,559**	**4**	**0,0**	**-361**	**-2,6**
ART MARKET														
26701	Stone sculpturers and stone cutters		234	229	237	214	182	172	159	150	-84	-35,9	-9	-5,7
28523	Artistic smiths and metal workers		227	202	182	175	147	91	88	95	-132	-58,1	7	8,0
7481	Photography studios and laboratories		1,109	1,059	1,007	805	773	823	788	613	-496	-44,7	-175	-22,2
92313	Self-employed visual artists		191	240	217	218	256	301	352	170	-21	-11,0	-182	-51,7
52482	Retail stores for artstic objects, pictures, stamps, and coins		779	722	700	676	481	768	832	967	188	24,1	135	16,2
52501	Retail stores for antiquities and antique carpets		108	114	130	168	166	184	168	177	69	63,9	9	5,4
74873	Auction houses		169	144	133	134	125	160	151	159	-10	-5,9	8	5,3
92521	Museums and art exhibitions		2,002	2,085	2,135	1,737	2,129	2,062	2,115	2,193	191	9,5	78	3,7
Totals for art market			**4,819**	**4,795**	**4,741**	**4,127**	**4,259**	**4,561**	**4,653**	**4,524**	**-295**	**-6,1**	**-129**	**-2,8**
DESIGN INDUSTRY														
181/ 182/ 19	Production of clothing, leather clothing and shoes		1,423	1,405	1,032	848	739	686	723	748	-675	-47,4	25	3,5
26211/ 26212/ 26213	Production of household items and items made of porcellan, stoneware, and clay		236	227	197	184	175	175	178	170	-66	-28,0	-8	-4,5
36222	Production of jewelry out of precious metals		140	136	129	106	102	92	97	109	-31	-22,1	12	12,4
36223	Production of silver and goldsmithed products (not including table utensils)		24	19	18	10	12	13	13	10	-14	-58,3	-3	-23,1
74874	Studios for textile, jewelry, furniture and design		308	361	363	346	321	374	320	442	134	43,5	122	38,1
52612	Mail order businesses for clothing		43	50	53	47	50	56	69	69	26	60,5	0	0,0
74206	Industrial design firms		156	225	130	128	74	85	93	82	-74	-47,4	-11	-11,8
Totals for design industry			**2,330**	**2,423**	**1,922**	**1,669**	**1,473**	**1,481**	**1,493**	**1,630**	**-700**	**-30,0**	**137**	**9,2**

Employment trends in Berlin

Continued from page 156

WZ 03	Commercial Sector	Proportion in %	2000	2001	2002	2003	2004	2005	2006	2007	Change 2000 to 2007 absolute	Change 2000 to 2007 relative	Change 2006 to 2007 absolute	Change 2006 to 2007 relativ
ARCHITECTURE														
74201	Architectural firms for structural and interior design		4,588	4,190	3,708	3,186	3,013	2,920	2,947	2,939	-1,649	-35,9	-8	-0,3
74202	Architectural firms for regional and landscape planning		1,621	1,850	1,851	1,538	1,542	1,412	1,362	1,422	-199	-12,3	60	4,4
74203	Architectural firms for garden and landscape design		476	385	337	273	281	266	257	252	-224	-47,1	-5	-1,9
92314	Self-employed restorers and conservators		175	176	155	181	154	124	134	131	-44	-25,1	-3	-2,2
Totals for architecture			**6,860**	**6,601**	**6,051**	**5,178**	**4,990**	**4,722**	**4,700**	**4,744**	**-2,116**	**-30,8**	**44**	**0,9**
PRINT MEDIA AND PUBLISHING														
22111	Book publishers (not including address book publishers)		3,327	3,332	3,305	3,106	3,025	3,073	3,152	3,368	41	1,2	216	6,9
2212	Newspapers		2,254	2,322	2,296	2,171	2,140	2,188	2,250	2,555	301	13,4	305	13,6
2213	Magazines		1,638	1,819	1,727	1,628	1,602	1,537	1,514	1,523	-115	-7,0	9	0,6
2215	Misc. Publishing businesses		8,246	9,676	2,259	464	2,050	2,424	2,639	2,296	-5,950	-72,2	-343	-13,0
74851, 74852	Interpreters and translation agencies (without clerical services Copyshops)		533	562	551	522	540	555	552	419	-114	-21,4	-133	-24,1
92316	Self-employed authors		22	32	29	29	32	43	37	41	19	86,4	4	10,8
92401	Press agencies		921	1,110	1,186	1,323	1,333	1,235	1,180	1,164	243	26,4	-16	-1,4
92402	Freelance journalists and photographers		74	92	103	117	115	204	230	236	162	218,9	6	2,6
9251	Libraries and archives		1,551	1,327	1,338	1,302	1,407	1,389	1,391	1,305	-246	-15,9	-86	-6,2
222	Printshops		9,249	8,882	8,318	7,320	6,620	6,363	6,257	6,306	-2,943	-31,8	49	0,8
52472	Retail stores for books and journals		1,742	1,986	1,866	1,760	1,838	1,877	2,018	1,900	158	9,1	-118	-5,8
52473	Retail stores for U-magazines and newspapers		1,087	1,005	966	941	1,016	995	1,042	1,012	-75	-6,9	-30	-2,9
52502	Antiquarian booksellers		257	253	128	62	58	56	67	63	-194	-75,5	-4	-6,0
Totals for Print media and publishing			**30,901**	**32,398**	**24,072**	**20,745**	**21,776**	**21,939**	**22,329**	**22,188**	**-8,713**	**-28,2**	**-141**	**-0,6**
SOFTWARE, MULTIMEDIA & TELECOMMUNICATIONS														
722	Software companies		12,575	14,748	14,166	14,000	14,041	15,526	15,533	16,423	3,848	30,6	890	5,7
724	Databanks		27	75	58	42	60	139	167	236	209	774,1	69	41,3
726	Misc. Data processing related activities		89	255	133	146	156	215	279	386	297	333,7	107	38,4
643	Telecommunication services		7,221	7,345	4,755	4,145	5,601	6,165	6,748	8,702	1,481	20,5	1,954	29,0
Totals for software, multimedia & telecommunications			**19,912**	**22,423**	**19,112**	**18,333**	**19,858**	**22,045**	**22,727**	**25,747**	**5,835**	**29,3**	**3,020**	**13,3**
ADVERTISING														
7440	Advertising		7,314	8,737	8,430	7,839	7,774	8,058	8,026	9,105	1,791	24,5	1,079	13,4
74142	Public Relations consulting		588	625	469	223	185	195	204	241	-347	-59,0	37	18,1
7413	Market and opinion research		249	322	315	319	343	478	466	494	245	98,4	28	6,0
Total for Advertising			**8,151**	**9,684**	**9,214**	**8,381**	**8,302**	**8,731**	**8,696**	**9,840**	**1,689**	**20,7**	**1,144**	**13,2**
TOTALS FOR THE CREATIVE INDUSTRIES			**98,134**	**103,802**	**90,623**	**84,535**	**86,450**	**88,857**	**89,847**	**93,763**	**-4,371**	**-4,5**	**3,916**	**4,4**

Table 03b

Trends in marginal employment in Berlin

WZ 03	Commercial Sector	Proportion in %	2000	2001	2002	2003	2004	2005	2006	2007	Change 2000 to 2007 absolute	Change 2000 to 2007 relative	Change 2006 to 2007 absolute	Change 2006 to 2007 relativ
MUSIC INDUSTRY														
2214	Music publishing companies		17	20	24	30	34	31	30	41	24	141,2	11	36,7
2231	Record labels		2	0	2	4	2	5	2	5	3	150,0	3	150,0
36300	Production of musical instruments		7	9	8	8	19	20	18	21	14	200,0	3	16,7
55403	Discos, clubs and dance venues		160	176	224	278	412	311	302	236	76	47,5	-66	-21,9
92312	Orchestras, bands and choirs	60	2	5	1	2	5	2	5	7	5	200,0	2	33,3
92315	Self-employed composers and music producers		2	4	5	5	3	8	8	6	4	200,0	-2	-25,0
92317	Self-employed stage artists (musical)	33,3	13	16	17	23	22	19	23	29	17	128,2	6	27,1
92321	Concert promoters	50	31	38	38	83	249	278	442	274	243	782,3	-169	-38,1
92322	Operas concert halls	50	73	130	115	167	182	218	178	245	173	237,9	68	38,0
2232	Reproduction of image carrying formats	50	3	2	3	2	2	3	3	6	4	140,0	3	100,0
2233	Reproduction of data carrying formats	50	1	1	0	1	0	0	0	0	-1	-100,0	0	0
2465	Production of audio and video cassettes/CDs/DVDs etc.	50	1	3	2	2	4	2	2	3	2	200,0	2	100,0
3230	Production of radio, phonographic and video equipment	50	12	0	14	18	28	22	22	20	8	62,5	-3	-11,4
52452	Retail stores for consumer electronics	50	89	78	73	82	82	127	113	98	9	10,1	-15	-13,3
52453	Retail stores for musical instruments and music supplies		21	26	19	23	23	40	37	37	16	76,2	0	0,0
92325	Technical support for entertainment serv. (ticket sales, etc.)	50	46	36	40	89	89	108	195	169	123	267,4	-26	-13,3
Totals for music industry			**479**	**542**	**584**	**817**	**1,154**	**1,193**	**1,380**	**1,197**	**717**	**149,7**	**-183**	**-13,3**
PERFORMING ARTS SECTOR														
92311	Theatre companies		98	82	106	115	115	132	117	102	4	4,1	-15	-12,8
92312	Ballet troupes	40	2	3	1	1	3	2	4	5	3	200,0	1	33,3
92317	Self-employed stage artists (theatre)	33,3	13	16	17	23	22	19	23	29	17	128,2	6	27,1
92318	Self-employed artists		1	1	0	1	1	3	4	4	3	300,0	0	0,0
92321	Theatre, concert and event managers	50	31	38	38	83	249	278	442	274	243	782,3	-169	-38,1
92322	Operas, theatres and concert halls	50	73	130	115	167	182	218	178	245	173	237,9	68	38,0
92323	Vaudevilles and cabarets		9	16	5	24	24	10	14	21	12	133,3	7	50,0
92342	Provision of misc. cultural services (puppet theatres/ circuses/ exhibits)		10	16	21	40	40	129	148	128	118	1180,0	-20	-13,5
92325	Technical support for cultural services (ticket sales, etc.)	50	46	36	40	89	89	108	195	169	123	267,4	-26	-13,3
92330	Carnival and fair organisers		66	89	55	69	69	60	87	73	7	10,6	-14	-16,1
92341	Dance schools		21	27	34	57	57	81	79	67	46	219,0	-12	-15,2
Totals for performing arts sector			**369**	**453**	**431**	**670**	**851**	**1,039**	**1,290**	**1,117**	**748**	**202,6**	**-174**	**-13,4**

Trends in marginal employment in Berlin

Continued from page 158

WZ 03	Commercial Sector	Pro-portion in %	2000	2001	2002	2003	2004	2005	2006	2007	Change			
											2000 to 2007		2006 to 2007	
											absolute	relative	absolute	relativ
FILM, TELEVISION & RADIO SECTOR														
9211	Film and video production		259	226	202	253	365	427	464	486	227	87,6	22	4,7
9212	Film and video distribution and rental		115	129	114	125	160	145	136	155	40	34,8	19	14,0
92130	Cinemas		265	243	278	245	273	271	303	325	60	22,6	22	7,3
92201	Radio producers		174	59	56	51	52	48	44	43	-131	-75,3	-1	-2,3
92202	Production of radio programmes		19	32	40	32	60	62	50	66	47	247,4	16	32,0
92317	Self-employed film and radio performers	33,3	13	16	17	23	22	19	23	29	17	128,2	6	27,1
2232	Reproduction of image carrying formats	50	3	2	3	2	2	3	3	6	4	140,0	3	100,0
2233	Reproduction of data carrying formats	50	1	1	0	1	0	0	0	0	-1	-100,0	0	0
2465	Production of audio and video cassettes/CDs/DVDs etc.	50	1	3	2	2	4	2	2	3	2	200,0	2	100,0
3230	Production of radio, phono-graphic, and video equipment	50	12	0	14	18	28	22	22	20	8	62,5	-3	-11,4
33403	Production of photo, projection, and cinematic equipment	50	4	6	14	3	4	4	6	5	1	25,0	-1	-9,1
52452	Retail stores for consumer elec-tronics	50	89	78	73	82	82	127	113	98	9	10,1	-15	-13,3
71404	Video stores		k,A,	122	147	213	271	271	288	271	0	0	-17	-5,9
Totals for film, television & radio sector			**954**	**916**	**960**	**1,050**	**1,322**	**1,400**	**1,453**	**1,507**	**553**	**57,9**	**54**	**3,7**
ART MARKET														
26701	Stone sculpturers and stone cutters		26	27	38	34	34	29	28	25	-1	-3,8	-3	-10,7
28523	Artistic smiths and metal workers		5	6	8	11	11	12	17	5	0	0,0	-12	-70,6
7481	Photography studios and labo-ratories		170	164	147	109	109	151	207	145	-25	-14,7	-62	-30,0
92313	Self-employed visual artists		26	27	32	40	40	55	61	54	28	107,7	-7	-11,5
52482	Retail stores for artstic objects, pictures, stamps, and coins		209	180	199	219	270	266	251	312	103	49,3	61	24,3
52501	Retail stores for antiquities and antique carpets		20	28	41	71	66	77	74	71	51	255,0	-3	-4,1
74873	Auction houses		41	31	29	22	22	38	43	29	-12	-29,3	-14	-32,6
92521	Museums and art exhibitions		79	143	179	166	184	151	162	180	101	127,8	18	11,1
Totals for art market			**576**	**606**	**673**	**672**	**736**	**779**	**843**	**821**	**245**	**42,5**	**-22**	**-2,6**
DESIGN INDUSTRY														
181/ 182/ 19	Production of clothing, leather clothing and shoes		100	123	107	101	123	109	114	118	18	18,0	4	3,5
26211/ 26212/ 26213	Production of household items and items made of porcellan, stoneware, and clay		0	0	1	1	0	0	1	3	3	0	2	200,0
36222	Production of jewelry out of pre-cious metals		24	22	21	14	25	20	24	24	0	0,0	0	0,0
36223	Production of silver and gold-smithed products (not including table utensils)		9	7	8	3	5	7	8	6	-3	-33,3	-2	-25,0
74874	Studios for textile, jewelry, furniture and design		36	39	43	53	53	99	83	108	72	200,0	25	30,1
52612	Mail order businesses for clothing		0	3	6	3	12	18	25	28	28	0	3	12,0
74206	Industrial design firms		8	15	16	18	14	18	25	15	7	87,5	-10	-40,0
Totals for design industry			**177**	**209**	**202**	**193**	**232**	**271**	**280**	**302**	**125**	**70,6**	**22**	**7,9**

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Trends in marginal employment in Berlin

Continued from page 159

WZ 03	Commercial Sector	Pro-portion in %	2000	2001	2002	2003	2004	2005	2006	2007	Change 2000 to 2007 absolute	Change 2000 to 2007 relative	Change 2006 to 2007 absolute	Change 2006 to 2007 relative
ARCHITECTURE														
74201	Architectural firms for structural and interior design		350	348	313	350	350	395	396	376	26	7,4	-20	-5,1
74202	Architectural firms for regional and landscape planning		77	81	76	80	80	86	78	87	10	13,0	9	11,5
74203	Architectural firms for garden and landscape design		45	42	39	37	37	40	43	40	-5	-11,1	-3	-7,0
92314	Self-employed restorers and conservators		19	17	15	20	20	26	21	14	-5	-26,3	-7	-33,3
Totals for architecture			**491**	**488**	**443**	**487**	**487**	**547**	**538**	**517**	**26**	**5,3**	**-21**	**-3,9**
PRINT MEDIA AND PUBLISHING														
22111	Book publishers (not including address book publishers)		158	162	151	154	158	182	156	177	19	12,0	21	13,5
2212	Newspapers		55	50	57	58	65	37	86	118	63	114,5	32	37,2
2213	Magazines		76	88	92	73	112	101	97	106	30	39,5	9	9,3
2215	Misc. Publishing businesses		8.012	9.195	1.856	157	1.752	2.107	2.302	1.980	-6.032	-75,3	-322	-14,0
74851, 74852	Interpreters and translation agencies (without clerical services Copyshops)		22	25	26	34	34	51	55	47	25	113,6	-8	-14,5
92316	Self-employed authors		7	8	14	16	16	29	24	27	20	285,7	3	12,5
92401	Press agencies		20	32	41	30	30	48	88	45	25	125,0	-43	-48,9
92402	Freelance journalists and photographers		14	18	29	35	35	36	46	40	26	185,7	-6	-13,0
9251	Libraries and archives		12	14	23	26	26	37	39	34	22	183,3	-5	-12,8
222	Printshops		534	509	441	415	567	539	568	550	16	3,0	-18	-3,2
52472	Retail stores for books and journals		264	275	238	275	320	300	299	270	6	2,3	-29	-9,7
52473	Retail stores for U-magazines and newspapers		436	373	333	381	456	412	435	406	-30	-6,9	-29	-6,7
52502	Antiquarian booksellers		10	12	13	12	17	14	22	19	9	90,0	-3	-13,6
Totals for Print media and publishing			**9.620**	**10.761**	**3.314**	**1.666**	**3.588**	**3.893**	**4.217**	**3.819**	**-5.801**	**-60,3**	**-398**	**-9,4**
SOFTWARE, MULTIMEDIA & TELECOMMUNICATIONS														
722	Software companies		269	315	353	445	445	712	743	784	515	191,4	41	5,5
724	Databanks		1	6	3	1	1	20	22	35	34	3.400,0	13	59,1
726	Misc. Data processing related activities		7	10	19	31	31	37	43	59	52	742,9	16	37,2
643	Telecommunication services		12	29	79	130	166	175	176	201	189	1.575,0	25	14,2
Totals for software, multimedia & telecommunications			**289**	**360**	**454**	**607**	**643**	**944**	**984**	**1.079**	**790**	**273,4**	**95**	**9,7**
ADVERTISING														
7440	Advertising		1.360	1.463	1.516	1.881	1.881	1.915	1.673	2094	734	54,0	421	25,2
74142	Public Relations consulting		21	21	18	22	22	38	34	43	22	104,8	9	26,5
7413	Market and opinion research		55	70	35	27	27	43	90	96	41	74,5	6	6,7
Totals for Advertising			**1.436**	**1.554**	**1.569**	**1.930**	**1.930**	**1.996**	**1.797**	**2.233**	**797**	**55,5**	**436**	**24,3**
TOTALS FOR THE CREATIVE INDUSTRIES			**14.392**	**15.890**	**8.630**	**8.092**	**10.943**	**12.061**	**12.782**	**12.591**	**-1.801**	**-12,5**	**-191**	**-1,5**

Table 03c

Trends in employment for those liable to social security contributions in Berlin

WZ 03	Commercial Sector	Pro-portion in %	2000	2001	2002	2003	2004	2005	2006	2007	Change			
											2000 to 2007		2006 to 2007	
											absolute	relative	absolute	relative
MUSIC INDUSTRY														
2214	Music publishing companies		175	203	172	185	197	197	205	414	239	136,6	209	102,0
2231	Record labels		90	81	76	88	89	86	77	73	-17	-18,9	-4	-5,2
36300	Production of musical instruments		112	118	113	134	132	130	116	116	4	3,6	0	0,0
55403	Discos, clubs and dance venues		234	196	217	207	189	151	123	134	-100	-42,7	11	8,9
92312	Orchestras, bands and choirs	60	304	292	280	287	292	288	285	291	-13	-4,2	6	2,1
92315	Self-employed composers and music producers		18	15	21	7	12	9	11	9	-9	-50,0	-2	-18,2
92317	Self-employed stage artists (musical)	33,3	70	60	66	72	78	57	46	63	-7	-10,4	17	36,3
92321	Concert promoters	50	314	317	345	293	279	251	314	280	-35	-11,0	-35	-11,0
92322	Operas concert halls	50	1,997	2,001	1,937	1,904	1,789	1,763	1,682	1,776	-221	-11,1	94	5,6
2232	Reproduction of image carrying formats	50	146	143	135	109	112	113	112	118	-28	-19,2	6	4,9
2233	Reproduction of data carrying formats	50	45	71	38	34	1	1	0	0	-45	-100,0	0	0
2465	Production of audio and video cassettes/CDs/DVDs etc.	50	43	46	47	47	14	11	11	9	-34	-78,8	-2	-18,2
3230	Production of radio, phono-graphic and video equipment	50	628	615	595	552	527	429	309	296	-332	-52,9	-13	-4,2
52452	Retail stores for consumer electronics	50	1,178	1,177	1,053	1,074	1,041	916	787	829	-349	-29,6	42	5,3
52453	Retail stores for musical instruments and music supplies		173	118	119	117	113	102	101	104	-69	-39,9	3	3,0
92325	Technical support for entertain-ment serv. (ticket sales, etc.)	50	366	307	259	371	367	392	331	338	-28	-7,7	7	2,1
Totals for music industry			**5,890**	**5,757**	**5,471**	**5,480**	**5,229**	**4,895**	**4,510**	**4,848**	**-1,042**	**-17,7**	**338**	**7,5**
PERFORMING ARTS SECTOR														
92311	Theatre companies		1,325	1,343	1,282	1,300	1,133	1,166	1,150	1,225	-100	-7,5	75	6,5
92312	Ballet troupes	40	202	194	187	192	194	192	190	194	-8	-4,2	4	2,1
92317	Self-employed stage artists (theatre)	33,3	70	60	66	72	78	57	46	63	-7	-10,4	17	36,3
92318	Self-employed artists		2	5	3	6	3	4	3	4	2	100,0	1	33,3
92321	Theatre, concert and event managers	50	314	317	345	293	279	251	314	280	-35	-11,0	-35	-11,0
92322	Operas, theatres and concert halls	50	1,997	2,001	1,937	1,904	1,789	1,763	1,682	1,776	-221	-11,1	94	5,6
92323	Vaudevilles and cabarets		60	82	88	70	68	62	69	82	22	36,7	13	18,8
92342	Provision of misc. cultural services (puppet theatres/ circuses/ exhibits)		187	185	247	142	166	178	194	236	49	26,2	42	21,6
92325	Technical support for cultural services (ticket sales, etc.)	50	366	307	259	371	367	392	331	338	-28	-7,7	7	2,1
92330	Carnival and fair organisers		292	247	161	129	116	113	104	100	-192	-65,8	-4	-3,8
92341	Dance schools		53	53	58	68	66	64	66	73	20	37,7	7	10,6
Totals for performing arts sector			**4,868**	**4,793**	**4,632**	**4,546**	**4,258**	**4,242**	**4,149**	**4,370**	**-498**	**-10,2**	**221**	**5,3**

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Trends in employment for those liable to social security contributions in Berlin

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FILM, TELEVISION & RADIO SECTOR

WZ 03	Commercial Sector	Proportion in %	2000	2001	2002	2003	2004	2005	2006	2007	Change 2000 to 2007 absolute	Change 2000 to 2007 relative	Change 2006 to 2007 absolute	Change 2006 to 2007 relative
9211	Film and video production		3,152	3,865	4,079	4,553	4,605	4,679	4,970	4,765	1,613	51,2	-205	-4,1
9212	Film and video distribution and rental		342	359	432	499	511	449	494	521	179	52,3	27	5,5
92130	Cinemas		1,356	1,247	1,502	1,323	1,092	1,102	951	971	-385	-28,4	20	2,1
92201	Radio producers		4,261	3,935	3,907	3,555	3,257	3,118	3,141	2,992	-1,269	-29,8	-149	-4,7
92202	Production of radio programmes		1,052	1,159	1,216	1,326	1,358	1,367	1,327	1,211	159	15,1	-116	-8,7
92317	Self-employed film and radio performers	33,3	70	60	66	72	78	57	46	63	-7	-10,4	17	36,7
2232	Reproduction of image carrying formats	50	146	143	135	109	112	113	112	118	-28	-19,2	6	4,9
2233	Reproduction of data carrying formats	50	45	71	38	34	1	1	0	0	-45	-100,0	0	0
2465	Production of audio and video cassettes/CDs/DVDs etc.	50	43	46	47	47	14	11	11	9	-34	-78,8	-2	-18,2
3230	Production of radio, phono-graphic, and video equipment	50	628	615	595	552	527	429	309	296	-332	-52,9	-13	-4,2
33403	Production of photo, projection, and cinematic equipment	50	34	34	22	16	17	16	15	15	-19	-56,7	-1	-3,3
52452	Retail stores for consumer electronics	50	1,178	1,177	1,053	1,074	1,041	916	787	829	-349	-29,6	42	5,3
71404	Video stores		296	307	343	379	367	352	305	264	-32	-10,8	-41	-13,4
Totals for film, television & radio sector			**12,600**	**13,016**	**13,433**	**13,539**	**12,978**	**12,609**	**12,467**	**12,052**	-548	-4,4	-415	-3,3

ART MARKET

WZ 03	Commercial Sector	Proportion in %	2000	2001	2002	2003	2004	2005	2006	2007	Change 2000 to 2007 absolute	Change 2000 to 2007 relative	Change 2006 to 2007 absolute	Change 2006 to 2007 relative
26701	Stone sculpturers and stone cutters		208	202	199	180	148	143	131	125	-83	-39,9	-6	-4,6
28523	Artistic smiths and metal workers		222	196	174	164	136	79	71	90	-132	-59,5	19	26,8
7481	Photography studios and laboratories		939	895	860	696	664	672	581	468	-471	-50,2	-113	-19,4
92313	Self-employed visual artists		165	213	185	178	216	246	291	116	-49	-29,7	-175	-60,1
52482	Retail stores for artstic objects, pictures, stamps, and coins		570	542	501	457	476	502	581	655	85	14,9	74	12,7
52501	Retail stores for antiquities and antique carpets		88	86	89	97	100	107	94	106	18	20,5	12	12,8
74873	Auction houses		128	113	104	112	103	122	108	130	2	1,6	22	20,4
92521	Museums and art exhibitions		1,923	1,942	1,956	1,571	1,945	1,911	1,953	2,013	90	4,7	60	3,1
Totals for art market			**4,243**	**4,189**	**4,068**	**3,455**	**3,788**	**3,782**	**3,810**	**3,703**	-540	-12,7	-107	-2,8

DESIGN INDUSTRY

WZ 03	Commercial Sector	Proportion in %	2000	2001	2002	2003	2004	2005	2006	2007	Change 2000 to 2007 absolute	Change 2000 to 2007 relative	Change 2006 to 2007 absolute	Change 2006 to 2007 relative
181/ 182/ 19	Production of clothing, leather clothing and shoes		1,323	1,282	925	747	616	577	609	630	-693	-52,4	21	3,4
26211/ 26212/ 26213	Production of household items and items made of porcellan, stoneware, and clay		236	227	196	183	175	175	177	167	-69	-29,2	-10	-5,6
36222	Production of jewelry out of precious metals		116	114	108	92	77	72	73	85	-31	-26,7	12	16,4
36223	Production of silver and goldsmithed products (not including table utensils)		15	12	10	7	7	6	5	4	-11	-73,3	-1	-20,0
74874	Studios for textile, jewelry, furniture and design		272	322	320	293	268	275	237	334	62	22,8	97	40,9
52612	Mail order businesses for clothing		43	47	47	44	38	38	44	41	-2	-4,7	-3	-6,8
74206	Industrial design firms		148	210	114	110	60	67	68	67	-81	-54,7	-1	-1,5
Totals for design industry			**2,153**	**2,214**	**1,720**	**1,476**	**1,241**	**1,210**	**1,213**	**1,328**	-825	-38,3	115	9,5

Trends in employment for those liable to social security contributions in Berlin

Continued from page 162

WZ 03	Commercial Sector	Pro-portion in %	2000	2001	2002	2003	2004	2005	2006	2007	Change			
											2000 to 2007		2006 to 2007	
											absolute	relative	absolute	relative
ARCHITECTURE														
74201	Architectural firms for structural and interior design		4,238	3,842	3,395	2,836	2,663	2,525	2,551	2,563	-1,675	-39,5	12	0,5
74202	Architectural firms for regional and landscape planning		1,544	1,769	1,775	1,458	1,462	1,326	1,284	1,335	-209	-13,5	51	4,0
74203	Architectural firms for garden and landscape design		431	343	298	236	244	226	214	212	-219	-50,8	-2	-0,9
92314	Self-employed restorers and conservators		156	159	140	161	134	98	113	117	-39	-25,0	4	3,5
Totals for architecture			**6,369**	**6,113**	**5,608**	**4,691**	**4,503**	**4,175**	**4,162**	**4,227**	**-2,142**	**-33,6**	**65**	**1,6**
PRINT MEDIA AND PUBLISHING														
22111	Book publishers (not including address book publishers)		3,169	3,170	3,154	2,952	2,867	2,891	2,996	3,191	22	0,7	195	6,5
2212	Newspapers		2,199	2,272	2,239	2,113	2,075	2,151	2,164	2,437	238	10,8	273	12,6
2213	Magazines		1,562	1,731	1,635	1,555	1,490	1,436	1,417	1,417	-145	-9,3	0	0,0
2215	Misc. Publishing businesses		234	481	403	307	298	317	337	316	82	35,0	-21	-6,2
74851, 74852	Interpreters and translation agencies (without clerical services Copyshops)		511	537	525	488	506	504	497	372	-139	-27,2	-125	-25,2
92316	Self-employed authors		15	24	15	13	16	14	13	14	-1	-6,7	1	7,7
92401	Press agencies		901	1,078	1,145	1,293	1,303	1,187	1,092	1,119	218	24,2	27	2,5
92402	Freelance journalists and photographers		60	74	74	82	80	168	184	196	136	226,7	12	6,5
9251	Libraries and archives		1,539	1,313	1,315	1,276	1,381	1,352	1,352	1,271	-268	-17,4	-81	-6,0
222	Printshops		8,715	8,373	7,877	6,905	6,053	5,824	5,689	5,756	-2,959	-34,0	67	1,2
52472	Retail stores for books and journals		1,478	1,711	1,628	1,485	1,518	1,577	1,719	1,630	152	10,3	-89	-5,2
52473	Retail stores for U-magazines and newspapers		651	632	633	560	560	583	607	606	-45	-6,9	-1	-0,2
52502	Antiquarian booksellers		247	241	115	50	41	42	45	44	-203	-82,2	-1	-2,2
Totals for Print media and publishing			**21,281**	**21,637**	**20,758**	**19,079**	**18,188**	**18,046**	**18,112**	**18,369**	**-2,912**	**-13,7**	**257**	**1,4**
SOFTWARE, MULTIMEDIA & TELECOMMUNICATIONS														
722	Software companies		12,306	14,433	13,813	13,555	13,596	14,814	14,790	15,639	3,333	27,1	849	5,7
724	Databanks		26	69	55	41	59	119	145	201	175	673,1	56	38,6
726	Misc. Data processing related activities		82	245	114	115	125	178	236	327	245	298,8	91	38,6
643	Telecommunication services		7,209	7,316	4,676	4,015	5,435	5,990	6,572	8,501	1,292	17,9	1,929	29,4
Totals for software, multimedia & telecommunications			**19,623**	**22,063**	**18,658**	**17,726**	**19,215**	**21,101**	**21,743**	**24,668**	**5,045**	**25,7**	**2,925**	**13,5**
ADVERTISING														
7440	Advertising		5,954	7,274	6,914	5,958	5,893	6,143	6,353	7,011	1,057	17,8	658	10,4
74142	Public Relations consulting		567	604	451	201	163	157	170	198	-369	-65,1	28	16,5
7413	Market and opinion research		194	252	280	292	316	435	376	398	204	105,2	22	5,9
Total for Advertising			**6,715**	**8,130**	**7,645**	**6,451**	**6,372**	**6,735**	**6,899**	**7,607**	**892**	**13,3**	**708**	**10,3**
TOTALS FOR THE CREATIVE INDUSTRIES			**83,742**	**87,912**	**81,993**	**76,443**	**75,772**	**76,796**	**77,065**	**81,172**	**-2,571**	**-3,1**	**4,106**	**5,3**

Table 03d

Development of the VAT liable enterprises in Berlin

WZ 03	Commercial Sector	Proportion in %	2000	2001	2002	2003	2004	2005	2006	Change 2000 to 2007 absolute	Change 2000 to 2007 relative	Change 2006 to 2007 absolute	Change 2006 to 2007 relative
MUSIC INDUSTRY													
2214	Music publishing companies		71	62	73	89	110	121	144	73	102,8	23	19,0
2231	Record labels		15	15	17	18	22	20	27	12	80,0	7	35,0
36300	Production of musical instruments		38	35	35	35	40	37	43	5	13,2	6	16,2
55403	Discos, clubs and dance venues		37	36	32	39	35	32	51	14	37,8	19	59,4
92312	Orchestras, bands and choirs	60	32	31	30	28	29	35	36	4	13,2	1	1,7
92315	Self-employed composers and music producers		164	166	192	188	215	226	230	66	40,2	4	1,8
92317	Self-employed stage artists (musical)	33,3	390	428	440	451	492	543	561	170	43,6	18	3,3
92321	Concert promoters	50	43	43	51	56	63	59	67	24	54,7	8	13,7
92322	Operas concert halls	50	17	16	15	12	12	12	10	-7	-39,4	-2	-16,7
2232	Reproduction of image carrying formats	50	6	6	6	5	5	7	8	2	36,4	1	15,4
2233	Reproduction of data carrying formats	50	3	3	2	3	3	3	3	0	0,0	0	0,0
2465	Production of audio and video cassettes/CDs/DVDs etc.	50	10	12	12	12	14	13	16	6	60,0	3	23,1
3230	Production of radio, phonographic and video equipment	50	26	22	21	23	21	18	19	-8	-28,8	1	2,8
52452	Retail stores for consumer electronics	50	184	190	169	140	142	138	134	-51	-27,4	-5	-3,3
52453	Retail stores for musical instruments and music supplies		59	58	57	61	63	62	68	9	15,3	6	9,7
92325	Technical support for entertainment serv. (ticket sales, etc.)	50	136	140	140	153	166	190	218	82	60,3	29	15,0
Totals for music industry			**1,230**	**1,260**	**1,289**	**1,312**	**1,431**	**1,514**	**1,632**	**402**	**32,7**	**118**	**7,8**
PERFORMING ARTS SECTOR													
92311	Theatre companies		7	8	10	10	9	8	16	9	128,6	8	100,0
92312	Ballet troupes	40	21	20	20	18	19	24	24	3	13,2	0	1,7
92317	Self-employed stage artists (theatre)	33,3	390	428	440	451	492	543	561	170	43,6	18	3,3
92318	Self-employed artists		56	66	77	82	84	90	89	33	58,9	-1	-1,1
92321	Theatre, concert and event managers	50	43	43	51	56	63	59	67	24	54,7	8	13,7
92322	Operas, theatres and concert halls	50	17	16	15	12	12	12	10	-7	-39,4	-2	-16,7
92323	Vaudevilles and cabarets		2	3	3	6	3	6	12	10	500,0	6	100,0
92342	Provision of misc. cultural services (puppet theatres/ circuses/ exhibits)		38	33	28	33	41	41	87	49	128,9	46	112,2
92325	Technical support for cultural services (ticket sales, etc.)	50	136	140	140	153	166	190	218	82	60,3	29	15,0
92330	Carnival and fair organisers		69	69	66	61	59	55	57	-12	-17,4	2	3,6
92341	Dance schools		65	73	76	81	81	76	82	17	26,2	6	7,9
Totals for performing arts sector			**844**	**899**	**925**	**963**	**1,029**	**1,102**	**1,222**	**378**	**44,8**	**120**	**10,9**

Development of the VAT liable enterprises in Berlin

Continued from page 164

WZ 03	Commercial Sector	Proportion in %	2000	2001	2002	2003	2004	2005	2006	Change 2000 to 2007 absolute	Change 2000 to 2007 relative	Change 2006 to 2007 absolute	Change 2006 to 2007 relative
FILM, TELEVISION & RADIO SECTOR													
9211	Film and video production		915	956	1,039	840	930	1,012	1,103	188	20,5	91	9,0
9212	Film and video distribution and rental		8	8	9	10	10	15	18	10	125,0	3	20,0
92130	Cinemas		50	54	50	53	54	48	49	-1	-2,0	1	2,1
92201	Radio producers		14	13	15	15	14	15	16	2	14,3	1	6,7
92202	Production of radio programmes		44	44	45	52	58	64	77	33	75,0	13	20,3
92317	Self-employed film and radio performers	33,3	390	428	440	451	492	543	561	170	43,6	18	3,3
2232	Reproduction of image carrying formats	50	6	6	6	5	5	7	8	2	36,4	1	15,4
2233	Reproduction of data carrying formats	50	3	3	2	3	3	3	3	0	0,0	0	0,0
2465	Production of audio and video cassettes/CDs/DVDs etc.	50	10	12	12	12	14	13	16	6	60,0	3	23,1
3230	Production of radio, phonographic, and video equipment	50	26	22	21	23	21	18	19	-8	-28,8	1	2,8
33403	Production of photo, projection, and cinematic equipment	50	5	4	4	3	3	4	4	-1	-22,2	-1	-12,5
52452	Retail stores for consumer electronics	50	184	190	169	140	142	138	134	-51	-27,4	-5	-3,3
71404	Video stores		103	93	94	90	95	107	99	-4	-3,9	-8	-7,5
Totals for film, television & radio sector			**1,757**	**1,831**	**1,904**	**1,697**	**1,841**	**1,986**	**2,104**	**347**	**19,8**	**118**	**6,0**
ART MARKET													
26701	Stone sculpturers and stone cutters		67	70	68	75	66	64	62	-5	-7,5	-2	-3,1
28523	Artistic smiths and metal workers		29	26	24	18	20	19	20	-9	-31,0	1	5,3
7481	Photography studios and laboratories		400	421	437	373	405	433	439	39	9,8	6	1,4
92313	Self-employed visual artists		401	406	406	442	492	547	629	228	56,9	82	15,0
52482	Retail stores for artstic objects, pictures, stamps, and coins		378	383	380	358	385	410	420	42	11,1	10	2,4
52501	Retail stores for antiquities and antique carpets		139	147	137	137	143	136	135	-4	-2,9	-1	-0,7
74873	Auction houses		19	21	18	20	21	27	26	7	36,8	-1	-3,7
92521	Museums and art exhibitions		68	71	72	76	87	106	113	45	66,2	7	6,6
Totals for art market			**1,501**	**1,545**	**1,542**	**1,499**	**1,619**	**1,742**	**1,844**	**343**	**22,9**	**102**	**5,9**
DESIGN INDUSTRY													
181/ 182/ 19	Production of clothing, leather clothing and shoes		223	211	186	180	175	150	180	-43	-19,3	30	20,0
26211/ 26212/ 26213	Production of household items and items made of porcellan, stoneware, and clay		14	17	16	11	13	11	10	-4	-28,6	-1	-9,1
36222	Production of jewelry out of precious metals		30	31	32	36	33	33	35	5	16,7	2	6,1
36223	Production of silver and goldsmithed products (not including table utensils)		97	99	92	88	87	86	84	-13	-13,4	-2	-2,3
74874	Studios for textile, jewelry, furniture and design		1,246	1,264	1,300	1,364	1,578	1,818	1,965	719	57,7	147	8,1
52612	Mail order businesses for clothing		6	3	7	7	13	16	20	14	233,3	4	25,0
74206	Industrial design firms		45	51	51	55	61	82	147	102	226,7	65	79,3
Totals for design industry			**1,661**	**1,676**	**1,684**	**1,741**	**1,960**	**2,196**	**2,441**	**780**	**47,0**	**245**	**11,2**

continues on page 166 >>>

Development of the VAT liable enterprises in Berlin

Continued from page 165

WZ 03	Commercial Sector	Proportion in %	2000	2001	2002	2003	2004	2005	2006	Change 2000 to 2007 absolute	Change 2000 to 2007 relative	Change 2006 to 2007 absolute	Change 2006 to 2007 relative
ARCHITECTURE													
74201	Architectural firms for structural and interior design		2,493	2,390	2,290	2,225	2,253	2,289	2,480	-13	-0,5	191	8,3
74202	Architectural firms for regional and landscape planning		259	212	210	133	133	140	148	-111	-42,9	8	5,7
74203	Architectural firms for garden and landscape design		212	223	201	197	195	206	227	15	7,1	21	10,2
92314	Self-employed restorers and conservators		121	116	112	110	111	129	137	16	13,2	8	6,2
Totals for architecture			**3,085**	**2,941**	**2,813**	**2,665**	**2,692**	**2,764**	**2,992**	**-93**	**-3,0**	**228**	**8,2**
PRINT MEDIA AND PUBLISHING													
22111	Book publishers (not including address book publishers)		232	230	172	177	183	192	186	-46	-19,8	-6	-3,1
2212	Newspapers		17	14	16	18	18	19	19	2	11,8	0	0,0
2213	Magazines		55	62	69	70	73	78	81	26	47,3	3	3,8
2215	Misc. Publishing businesses		95	102	101	110	108	110	118	23	24,2	8	7,3
74851, 74852	Interpreters and translation agencies (without clerical services Copyshops)		500	532	587	565	600	669	749	249	49,8	80	12,0
92316	Self-employed authors		475	508	548	542	613	656	719	244	51,4	63	9,6
92401	Press agencies		49	56	52	36	37	39	36	-13	-26,5	-3	-7,7
92402	Freelance journalists and photographers		1,219	1,276	1,345	1,571	1,750	1,914	2,151	932	76,5	237	12,4
9251	Libraries and archives		5	5	4	5	5	4	6	1	20,0	2	50,0
222	Printshops		667	638	618	586	574	588	617	-50	-7,5	29	4,9
52472	Retail stores for books and journals		267	264	255	246	248	241	243	-24	-9,0	2	0,8
52473	Retail stores for U-magazines and newspapers		177	164	183	178	198	229	270	93	52,5	41	17,9
52502	Antiquarian booksellers		54	51	49	52	59	56	57	3	5,6	1	1,8
Totals for Print media and publishing			**3,812**	**3,902**	**3,999**	**4,156**	**4,466**	**4,795**	**5,252**	**1,440**	**37,8**	**457**	**9,5**
SOFTWARE, MULTIMEDIA & TELECOMMUNICATIONS													
722	Softwarehäuser		1,189	1,249	1,311	1,575	1,762	1,953	2,105	916	77,0	152	7,8
724	Datenbanken		52	63	75	53	43	51	53	1	1,9	2	3,9
726	Sonstige mit der Datenverarbeitung verbundene Tätigkeiten		73	84	115	567	600	663	670	597	817,8	7	1,1
643	Fernmeldedienste		43	55	68	61	59	65	66	23	53,5	1	1,5
Summe Software/Games/TK			**1,357**	**1,451**	**1,569**	**2,256**	**2,464**	**2,732**	**2,894**	**1,537**	**113,3**	**162**	**5,9**
WERBEMARKT													
7440	Advertising		1,814	1,799	1,843	1,806	1,860	1,961	2,018	204	11,2	57	2,9
74142	Public Relations consulting		k,A,	k,A,	38	81	108	142	165	0	0	23	16,2
7413	Market and opinion research		220	238	265	326	359	379	369	149	67,7	-10	-2,6
Total for Advertising			**2,034**	**2,037**	**2,146**	**2,213**	**2,327**	**2,482**	**2,552**	**518**	**25,5**	**70**	**2,8**
TOTALS FOR THE CREATIVE INDUSTRIES			**17,281**	**17,542**	**17,870**	**18,502**	**19,828**	**21,314**	**22,934**	**5,653**	**32,7**	**1,620**	**7,6**

Tabelle 03e

Developments in sales revenues in Berlin, in € (x1000)

WZ 03	Commercial Sector	Proportion in %	2000	2001	2002	2003	2004	2005	2006	Change			
										2000 to 2007		2006 to 2007	
										absolute	relative	absolute	relative
MUSIC INDUSTRY													
2214	Music publishing companies		29,217	41,074	42,649	42,940	146,102	105,187	65,788	36,571	125,2	-39,399	-37,5
2231	Record labels		71,976	73,417	88,339	247,977	173,474	81,540	85,858	13,882	19,3	4,318	5,3
36300	Production of musical instruments		36,856	39,180	41,506	43,970	51,886	48,423	56,244	19,388	52,6	7,821	16,2
55403	Discos, clubs, and dance venues		7,458	7,799	7,887	9,211	8,735	8,489	18,733	11,275	151,2	10,244	120,7
92312	Orchestras, bands, and choirs	60	31,315	30,374	36,753	33,586	44,414	42,297	43,230	11,915	38,0	933	2,2
92315	Self-employed composers and music producers		28,862	21,734	33,657	36,259	40,421	40,916	30,463	1,601	5,5	-10,453	-25,5
92317	Self-employed stage artists (musical)	33,3	31,901	33,822	36,168	43,231	43,825	45,744	46,055	14,154	44,4	312	0,7
92321	Concert promoters	50	114,393	138,342	70,060	67,774	62,885	76,454	88,948	-25,445	-22,2	12,495	16,3
92322	Operas concert halls	50	148,682	147,261	155,539	147,009	120,237	137,260	138,230	-10,452	-7,0	970	0,7
2232	Reproduction of image carrying formats	50	6,042	2,837	2,854	2,672	2,577	3,142	3,448	-2,594	-42,9	306	9,7
2233	Reproduction of data carrying formats	50	10,402	12,086	9,433	9,599	10,539	1,744	1,490	-8,912	-85,7	-254	-14,5
2465	Production of audio and video cassettes/ CDs/DVDs etc.	50	6,932	4,705	7,292	2,590	3,221	5,383	6,199	-733	-10,6	817	15,2
3230	Production of radio, phonographic, and video equipment	50	102,630	140,986	126,923	126,025	171,502	106,763	69,004	-33,627	-32,8	-37,759	-35,4
52452	Retail stores for consumer electronics	50	310,545	270,044	265,925	261,760	275,836	277,516	253,351	-57,194	-18,4	-24,165	-8,7
52453	Retail stores for musical instruments and music supplies		33,738	25,781	24,739	27,444	26,685	30,855	30,278	-3,459	-10,3	-577	-1,9
92325	Technical support for entertainment serv. (ticket sales, etc.)	50	23,039	15,368	14,623	14,145	17,033	21,626	32,916	9,877	42,9	11,290	52,2
Totals for music industry			**993,988**	**1,004,809**	**964,344**	**1,116,190**	**1,199,372**	**1,033,338**	**970,235**	**-23,753**	**-2,4**	**-63,103**	**-6,1**

continues on page 168 >>>

Developments in sales revenues in Berlin, in € (x1000)

Continued from page 167

WZ 03	Commercial Sector	Proportion in %	2000	2001	2002	2003	2004	2005	2006	Change			
										2000 to 2007		2006 to 2007	
										absolute	relative	absolute	relative
MARKT FÜR DARSTELLENDE KÜNSTE													
92311	Theatre companies		18,612	19,077	19,848	18,856	20,334	18,144	15,935	-2,677	-14,4	-2,209	-12,2
92312	Ballet troupes	40	20,877	20,249	24,502	22,390	29,610	28,198	28,820	7,943	38,0	622	2,2
92317	Self-employed stage artists (theatre)	33,3	31,901	33,822	36,168	43,231	43,825	45,744	46,055	14,154	44,4	312	0,7
92318	Self-employed artistes		2,873	3,104	3,869	4,289	4,898	5,296	5,243	2,370	82,5	-53	-1,0
92321	Theatre, concert and event managers	50	114,393	138,342	70,060	67,774	62,885	76,454	88,948	-25,445	-22,2	12,495	16,3
92322	Operas, theatres and concert halls	50	148,682	147,261	155,539	147,009	120,237	137,260	138,230	-10,452	-7,0	970	0,7
92323	Vaudevilles and cabarets		2,256	2,376	2,410	2,291	1,019	514	2,820	564	25,0	2,306	448,6
92342	Provision of misc. cultural services (puppet theatres/ circuses/ exhibits)		21,780	16,314	21,710	8,109	10,471	13,067	41,741	19,961	91,6	28,674	219,4
92325	Technical support for cultural services (ticket sales, etc.)	50	23,039	15,368	14,623	14,145	17,033	21,626	32,916	9,877	42,9	11,290	52,2
92330	Carnival and fair organisers		21,934	17,368	13,325	13,095	11,456	12,126	12,597	-9,337	-42,6	471	3,9
92341	Danceschools		7,015	7,267	7,415	8,061	8,934	9,005	10,140	3,125	44,5	1,135	12,6
Totals for performing arts sector			**413,361**	**420,548**	**369,468**	**349,250**	**330,701**	**367,433**	**423,445**	**10,084**	**2,4**	**56,012**	**15,2**
FILM, TELEVISION & RADIO SECTOR													
9211	Film and video production		619,039	492,416	536,756	552,382	465,987	677,073	667,430	48,391	7,8	-9,643	-1,4
9212	Film and video distribution and rental		47,495	75,297	45,176	56,820	52,390	55,861	48,268	773	1,6	-7,593	-13,6
92130	Cinemas		117,777	113,142	124,994	112,390	111,927	100,189	102,204	-15,573	-13,2	2,015	2,0
92201	Radio producers		1,393,850	1,279,459	1,228,461	1,216,730	1,181,277	1,210,728	1,132,819	-261,031	-18,7	-77,909	-6,4
92202	Production of radio programmes												
92317	Self-employed film and radio performers	33,3	31,901	33,822	36,168	43,231	43,825	45,744	46,055	14,154	44,4	312	0,7
2232	Reproduction of image carrying formats	50	6,042	2,837	2,854	2,672	2,577	3,142	3,448	-2,594	-42,9	306	9,7

Developments in sales revenues in Berlin, in € (x1000)

Continued from page 168

WZ 03	Commercial Sector	Proportion in %	2000	2001	2002	2003	2004	2005	2006	Change 2000 to 2007 absolute	Change 2000 to 2007 relative	Change 2006 to 2007 absolute	Change 2006 to 2007 relative
FILM, TELEVISION & RADIO SECTOR *(continuance)*													
2233	Reproduction of data carrying formats	50	10,402	12,086	9,433	9,599	10,539	1,744	1,490	-8,912	-85,7	-254	-14,5
2465	Production of audio and video cassettes/ CDs/DVDs etc.	50	6,932	4,705	7,292	2,590	3,221	5,383	6,199	-733	-10,6	817	15,2
3230	Production of radio, phonographic, and video equipment	50	102,630	140,986	126,923	126,025	171,502	106,763	69,004	-33,627	-32,8	-37,759	-35,4
33403	Production of photo, projection, and cinematic equipment	50	3,091	2,980	3,060	2,756	3,160	11,254	4,027	936	30,3	-7,228	-64,2
52452	Retail stores for consumer electronics	50	310,545	270,044	265,925	261,760	275,836	277,516	253,351	-57,194	-18,4	-24,165	-8,7
71404	Video stores		32,989	30,563	32,565	35,484	36,635	40,741	38,656	5,667	17,2	-2,085	-5,1
Totals for film, television & radio sector			**2,682,694**	**2,458,336**	**2,419,605**	**2,422,437**	**2,358,875**	**2,536,136**	**2,372,951**	**-309,743**	**-11,5**	**-163,186**	**-6,4**
ART MARKET													
26701	Stone sculpturers and stone cutters		20,539	18,427	16,206	17,831	14,363	12,921	14,336	-6,203	-30,2	1,415	11,0
28523	Artistic smiths and metal workers		10,415	10,592	6,816	3,049	5,351	19,915	25,947	15,532	149,1	6,032	30,3
7481	Photography studios and laboratories		73,076	52,220	50,338	45,505	62,301	65,194	68,205	-4,871	-6,7	3,011	4,6
92313	Self-employed visual artists		38,647	31,179	34,266	33,441	35,364	42,713	55,410	16,763	43,4	12,697	29,7
52482	Retail stores for artstic objects, pictures, stamps, and coins		128,784	120,463	119,650	117,128	125,031	135,465	144,014	15,230	11,8	8,549	6,3
52501	Retail stores for antiquities and antique carpets		16,510	17,003	18,392	21,984	23,805	23,056	22,948	6,437	39,0	-108	-0,5
74873	Auction houses		19,539	33,725	33,871	34,025	40,110	35,540	45,834	26,295	134,6	10,294	29,0
92521	Museums and art exhibitions		32,970	25,134	25,474	21,550	20,774	28,268	45,226	12,256	37,2	16,958	60,0
Totals for art market			**340,480**	**308,743**	**305,013**	**294,513**	**327,099**	**363,072**	**421,920**	**81,440**	**23,9**	**58,848**	**16,2**

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Developments in sales revenues in Berlin, in € (x1000)

Continued from page 169

WZ 03	Commercial Sector	Proportion in %	2000	2001	2002	2003	2004	2005	2006	Change			
										2000 to 2007		2006 to 2007	
										absolute	relative	absolute	relative
DESIGN INDUSTRY													
181/ 182/ 19	Production of clothing, leather clothing and shoes		282,112	255,034	200,038	174,321	157,113	144,029	146,083	-136,029	-48,2	2,054	1,4
26211/ 26212/ 26213	Production of household items and items made of porcellan, stoneware, and clay		6,869	13,309	12,899	10,985	13,647	11,708	13,097	6,228	90,7	1,389	11,9
36222	Production of jewelry out of precious metals		5,431	6,182	5,062	4,673	3,930	8,273	10,511	5,080	93,5	2,238	27,1
36223	Production of silver and goldsmithed products (not including table utensils)		9,699	9,588	8,253	8,301	7,161	8,938	7,488	-2,211	-22,8	-1,450	-16,2
74874	Studios for textile, jewelry, furniture and design		150,702	135,789	131,911	133,979	153,473	165,713	177,309	26,607	17,7	11,596	7,0
52612	Mail order businesses for clothing		2,905	3,483	3,491	3,136	3,300	3,996	6,898	3,994	137,5	2,902	72,6
74206	Industrial design firms		10,324	8,835	7,802	7,644	6,557	9,293	19,161	8,837	85,6	9,868	106,2
Totals for design industry			**468,042**	**432,220**	**369,456**	**343,039**	**345,181**	**351,950**	**380,547**	**-87,494**	**-18,7**	**28,597**	**8,1**
ARCHITECTURE													
74201	Architectural firms for structural and interior design		477,882	426,225	373,119	339,765	334,328	539,727	450,642	-27,240	-5,7	-89,085	-16,5
74202	Architectural firms for regional and landscape planning		114,917	93,167	70,868	44,179	40,276	41,937	44,808	-70,109	-61,0	2,871	6,8
74203	Architectural firms for garden and landscape design		33,964	31,302	28,326	27,955	28,771	29,568	31,129	-2,835	-8,3	1,561	5,3
92314	Self-employed restorers and conservators		11,715	10,779	9,446	8,849	8,230	9,131	12,922	1,207	10,3	3,791	41,5
Totals for architecture			**638,478**	**561,473**	**481,759**	**420,748**	**411,605**	**620,363**	**539,501**	**-98,977**	**-15,5**	**-80,862**	**-13,0**

Developments in sales revenues in Berlin, in € (x1000)

Continued from page 170

WZ 03	Commercial Sector	Proportion in %	2000	2001	2002	2003	2004	2005	2006	Change 2000 to 2007 absolute	Change 2000 to 2007 relative	Change 2006 to 2007 absolute	Change 2006 to 2007 relative
PRINT MEDIA AND PUBLISHING													
22111	Book publishers (not including address book publishers)		633,626	729,041	634,578	665,846	505,917	597,555	1,057,785	424,159	66,9	460,230	77,0
2212	Newspapers		207,537	215,598	204,235	197,519	193,356	2,316,268	2,231,773	2,024,236	975,4	-84,495	-3,6
2213	Magazines		105,803	88,440	72,262	71,453	75,846	493,905	118,846	13,043	12,3	-375,059	-75,9
2215	Misc. Publishing businesses		101,962	93,129	96,303	92,171	475,993	54,722	61,968	-39,994	-39,2	7,246	13,2
74851, 74852	Interpreters and translation agencies (without clerical services Copyshops)		43,356	48,505	49,391	53,487	61,407	68,080	71,935	28,579	65,9	3,855	5,7
92316	Self-employed authors		33,490	33,819	36,970	39,122	42,569	44,495	50,072	16,582	49,5	5,577	12,5
92401	Press agencies		32,798	34,390	23,120	14,006	13,264	20,966	22,291	-10,507	-32,0	1,325	6,3
92402	Freelance journalists and photographers		72,125	77,073	78,854	92,411	106,475	113,786	127,433	55,308	76,7	13,647	12,0
9251	Libraries and archives		679	609	671	718	818	864	1,383	704	103,7	519	60,1
222	Printshops		879,865	592,927	538,203	492,301	449,288	471,669	463,067	-416,798	-47,4	-8,602	-1,8
52472	Retail stores for books and journals		182,268	194,663	190,684	182,689	192,010	204,558	220,376	38,108	20,9	15,817	7,7
52473	Retail stores for U-magazines and newspapers		150,892	143,695	131,298	137,933	146,453	125,111	126,938	-23,954	-15,9	1,827	1,5
52502	Antiquarian booksellers		29,276	28,608	18,093	6,252	8,545	8,138	9,522	-19,754	-67,5	1,384	17,0
Totals for Print media and publishing			**2,473,677**	**2,280,497**	**2,074,662**	**2,045,908**	**2,271,941**	**4,520,117**	**4,563,389**	**2,089,712**	**84,5**	**43,271**	**1,0**
SOFTWARE, MULTIMEDIA & TELECOMMUNICATIONS													
722	Software companies		685,719	668,671	546,317	673,859	999,806	1,221,981	1,131,371	445,652	65,0	-90,610	-7,4
724	Databanks		214,250	299,358	286,662	30,435	67,901	89,012	204,932	-9,318	-4,3	115,920	130,2
726	Misc. Data processing related activities		96,498	106,029	175,130	284,681	302,004	289,535	740,752	644,254	667,6	451,217	155,8
643	Telecommunication services		4,101,597	4,166,275	3,068,692	3,395,766	4,774,175	5,013,076	4,669,632	568,035	13,8	-343,444	-6,9
Totals for software, multimedia & telecommunications			**5,098,064**	**5,240,333**	**4,076,801**	**4,384,741**	**6,143,886**	**6,613,604**	**6,746,687**	**1,648,623**	**32,3**	**133,083**	**2,0**
ADVERTISING													
7440	Advertising		831,098	868,752	654,206	655,845	765,858	877,463	913,919	82,821	10,0	36,456	4,2
74142	Public Relations consulting		k.A.	k.A.	13,970	10,257	16,539	29,643	39,958	0	0	10,315	34,8
7413	Market and opinion research		94,364	107,480	123,313	169,209	165,326	184,064	171,599	77,235	81,8	-12,465	-6,8
Totals for advertising			**925,462**	**976,232**	**791,489**	**835,311**	**947,723**	**1,091,170**	**1,125,476**	**200,014**	**21,6**	**34,306**	**3,1**
SUMME KULTURWIRTSCHAFT			**14,034,245**	**13,683,190**	**11,852,598**	**12,212,136**	**14,336,384**	**17,497,184**	**17,544,150**	**3,509,905**	**25,0**	**46,966**	**0,3**

Appendix

Table 04a

Federal
VAT liable enterprises

Market sector	2000	2001	2002	2003	2004	2005	2006	Change				proportion of CI 2006
								2000 to 2006		2005 to 2006		
								absolute	relative	absolute	relative	
Music industry	20,279	20,283	20,245	20,058	20,212	20,478	20,628	348	2	149	1	6,6
Performing arts sector	12,768	11,806	12,225	12,393	12,895	13,465	14,032	1,265	10	567	4	4,5
Film, television & radio sector	18,569	18,633	19,514	18,908	19,038	19,452	19,743	1,174	6	291	1	6,3
Art market	41,534	40,777	39,687	38,154	37,843	37,779	37,796	-3,738	-9	17	0	12,2
Design industry	25,607	25,630	24,310	24,044	24,743	25,701	26,473	866	3	772	3	8,5
Architecture	39,656	39,215	38,586	37,859	38,348	39,287	41,003	1,347	3	1,716	4	13,2
Print media and publishing	57,578	57,839	56,862	56,895	58,372	60,116	61,948	4,370	8	1,832	3	19,9
Software, multimedia & telecommunications	27,382	30,737	33,014	35,383	38,901	41,957	44,724	17,342	63	2,767	7	14,4
Advertising	40,601	40,755	41,450	41,604	42,924	44,064	44,683	4,082	10	619	1	14,4
TOTALS FOR THE CREATIVE INDUSTRIES	**283,974**	**285,675**	**285,893**	**285,297**	**293,276**	**302,300**	**311,030**	**27,056**	**10**	**8,730**	**3**	

Table 04b

Federal
Revenue in T Euro

Market sector	2000	2001	2002	2003	2004	2005	2006	Change				proportion of CI 2006
								2000 to 2006		2005 to 2006		
								absolute	relative	absolute	relative	
Music industry	15,941,380	15,448,166	16,193,077	15,421,600	16,150,193	17,042,659	17,508,384	1,567,003	9,8	465,725	2,7	6,1
Performing arts sector	3,980,725	4,094,799	4,191,884	4,252,006	4,342,834	4,658,851	4,972,432	991,707	24,9	313,581	6,7	1,7
Film, television & radio sector	35,534,390	35,406,926	32,811,205	32,054,029	32,418,870	33,282,635	33,029,053	-2,505,337	-7,1	-253,581	-0,8	11,6
Art market	9,903,559	9,674,479	9,298,468	8,971,712	9,139,058	9,419,283	9,781,317	-122,242	-1,2	362,034	3,8	3,4
Design industry	25,157,818	24,935,099	22,990,023	21,556,688	21,727,053	20,304,945	21,356,779	-3,801,039	-15,1	1,051,834	5,2	7,5
Architecture	8,385,163	8,384,535	7,642,292	7,164,541	6,840,373	7,051,992	7,422,822	-962,341	-11,5	370,830	5,3	2,6
Print media and publishing	74,057,120	72,584,893	69,304,580	66,251,777	65,853,172	66,748,642	67,463,473	-6,593,647	-8,9	714,830	1,1	23,7
Software, multimedia & telecommunications	70,162,414	84,354,623	87,346,069	87,818,773	91,611,690	93,246,789	94,084,348	23,921,934	34,1	837,559	0,9	33,0
Advertising	29,828,767	28,109,799	25,727,795	25,976,667	27,230,059	27,519,382	29,539,806	-288,962	-1,0	2,020,424	7,3	10,4
TOTALS FOR THE CREATIVE INDUSTRIES	**272,951,338**	**282,993,319**	**275,505,394**	**269,467,793**	**275,313,302**	**279,275,178**	**285,158,414**	**12,207,076**	**4,5**	**5,883,236**	**2,1**	

Table 04c

Federal
Employees liable to social security contributions

Market sector	2000	2001	2002	2003	2004	2005	2006	2007	Change				proportion of CI 2006
									2000 to 2007		2006 to 2007		
									absolute	relative	absolute	relative	
Music industry	91,108	94,167	92,699	89,626	82,771	79,940	78,663	78,732	-12,377	-13,6	69	0,1	5,9
Performing arts sector	50,854	49,770	50,468	50,644	49,693	50,018	49,660	50,112	-742	-1,5	452	0,9	3,7
Film, television & radio sector	144,638	151,641	151,008	145,207	140,803	136,925	135,269	137,330	-7,308	-5,1	2,061	1,5	10,1
Art market	78,973	76,859	75,358	72,046	67,939	64,683	63,590	62,554	-16,419	-20,8	-1,036	-1,6	4,7
Design industry	151,672	144,931	135,624	124,217	115,833	108,350	100,347	97,355	-54,317	-35,8	-2,992	-3,0	7,5
Architecture	90,149	86,747	82,603	74,844	68,916	64,300	61,294	60,947	-29,202	-32,4	-347	-0,6	4,6
Print media and publishing	439,216	441,047	428,418	401,754	382,057	368,707	358,514	353,414	-85,802	-19,5	-5,100	-1,4	26,7
Software, multimedia & telecommunications	304,986	361,712	362,608	338,230	331,918	347,061	373,716	401,237	96,251	31,6	27,521	7,4	27,9
Advertising	127,729	141,805	137,300	126,493	120,218	119,276	120,748	124,234	-3,495	-2,7	3,486	2,9	9,0
TOTALS FOR THE CREATIVE INDUSTRIES	**1,479,326**	**1,548,678**	**1,516,087**	**1,423,061**	**1,360,147**	**1,339,260**	**1,341,802**	**1,365,915**	**-113,411**	**-7,7**	**24,113**	**1,8**	

Table 04d

Federal
Marginal employment

Market sector	2000	2001	2002	2003	2004	2005	2006	2007	Change				proportion of CI 2006
									2000 to 2007		2006 to 2007		
									absolute	relative	absolute	relative	
Music industry	19,044	19,098	19,606	22,492	26,349	27,052	25,974	24,809	5,765	30,3	-1,165	-4,5	7,5
Performing arts sector	8,888	9,678	9,532	9,934	11,585	11,883	13,764	14,108	5,220	58,7	344	2,5	3,9
Film, television & radio sector	21,976	22,736	23,976	24,063	25,544	24,814	24,370	24,510	2,534	11,5	140	0,6	7,0
Art market	21,323	21,264	20,843	21,065	23,022	22,144	21,896	21,150	-173	-0,8	-746	-3,4	6,3
Design industry	18,404	17,935	16,979	16,390	17,285	16,119	15,951	18,237	-167	-0,9	2,286	14,3	4,6
Architecture	15,369	14,492	14,323	14,407	15,635	14,693	14,239	13,849	-1,520	-9,9	-390	-2,7	4,1
Print media and publishing	139,427	138,699	129,219	127,886	133,105	126,924	123,998	121,083	-18,344	-13,2	-2,915	-2,4	35,6
Software, multimedia & telecommunications	13,750	15,588	15,500	16,967	20,578	22,033	23,745	24,477	10,727	78,0	732	3,1	6,8
Advertising	77,918	83,475	80,704	81,276	83,126	80,050	84,572	83,131	5,213	6,7	-1,441	-1,7	24,3
TOTALS FOR THE CREATIVE INDUSTRIES	**336,099**	**342,965**	**330,682**	**334,480**	**356,229**	**345,712**	**348,509**	**345,354**	**9,256**	**2,8**	**-3,155**	**-0,9**	

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Interviewee Chapter 4

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