

Cool Japan Strategy

January 2012

Creative Industries Division

Ministry of Economy, Trade and Industry

The Japanese economy—status and issues:

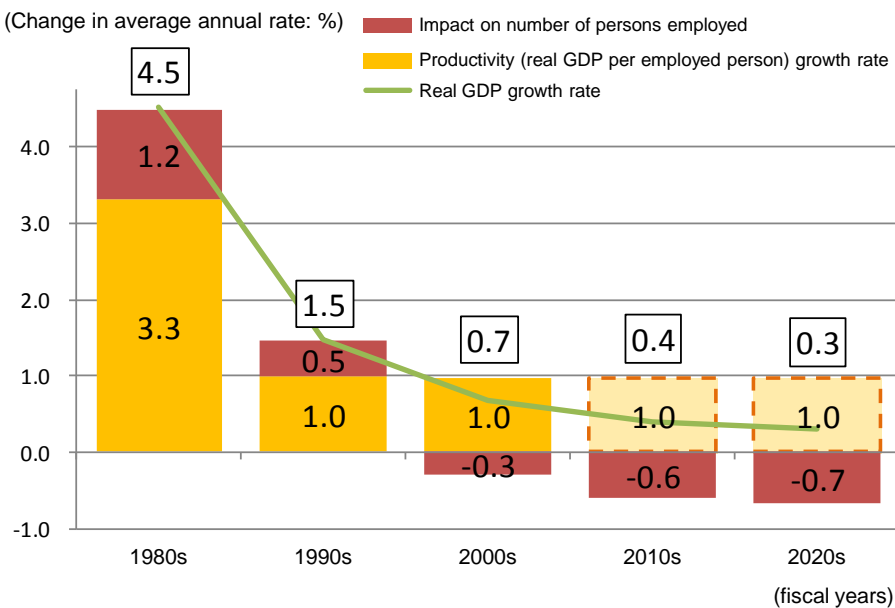
Population decline and decreased growth potential

- Japan's nominal GDP decreased by **55 trillion yen** over the three years from 2008 to 2011.
- Japan's real economic growth rate fell to **1% and below** during the 2000s. In the future, the declining population of productive age is expected to **lower growth** potential.

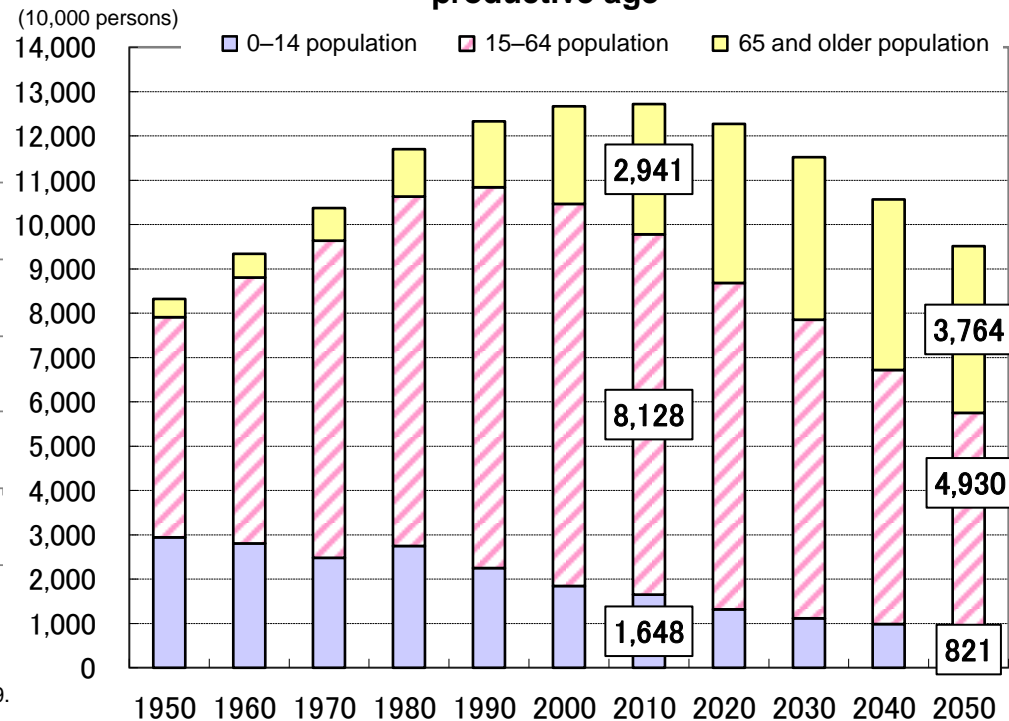
○ Nominal GDP (annualized), January–March 2008: 517 trillion yen
 ○ Nominal GDP (annualized) April–June 2011: 462 trillion yen

55 trillion yen decrease
 in nominal GDP in
 three years

Past and projected economic growth rates



Past and projected change in Japan's population of productive age



Note: Labor force participation rates by sex and age are assumed to remain level from 2009. The increase in the labor productivity rate is fixed at 1.0%.

Sources: Calculated using Cabinet Office, "System of National Accounts"; Ministry of Internal Affairs and Communications, "Labor Force Survey"; National Institute of Population and Social Security Research, "Future Population Estimates" (midrange estimates for births and deaths).

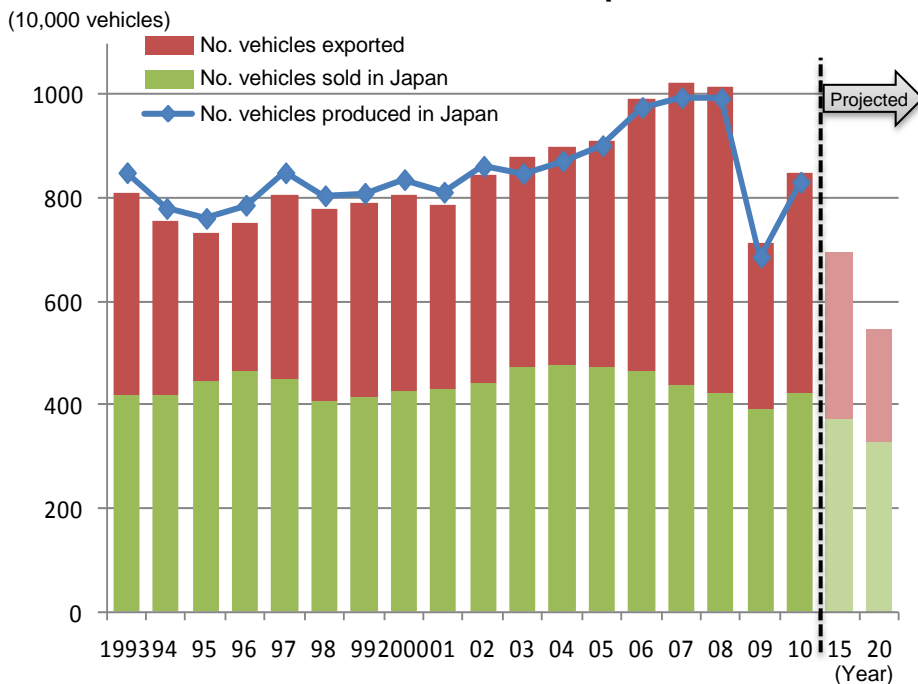
Sources: Actual values: Ministry of Internal Affairs and Communications, "Japan's Estimated Population." Future projections: National Institute of Population and Social Security Research, "Japan's Future Population Estimates (December 2006 estimates)" (midrange estimates).

The Japanese economy—status and issues:

Negative employment impacts from hollowing out

- With the rapid rise of the yen causing a sudden acceleration of the shift to overseas production, new businesses and industries in Japan may not be able to mature fast enough to keep up.
- If the domestic automobile industry is hollowed out, service industries may not be able to absorb displaced employment. This could result in the loss of 600,000 jobs.

**Past and projected change
in domestic automobile production**



Source: Japan Automobile Manufacturers Association

Note: The number of vehicles produced in Japan for 2011 and beyond assumes continuation of the average annual growth rate from 2005–2010. The number of vehicles exported for 2011 and beyond assumes a 50% decrease by 2020.

Projected employment if hollowing out occurs
(Comparison of numbers employed in 2009 and 2015)

	Ordinary scenario		If automobile industry hollows out
Manufacturing industries	-20,000	-450,000	-470,000
Service industries, etc.	+90,000	-240,000	-150,000
Increase/decrease in jobs	+70,000	-690,000	-620,000

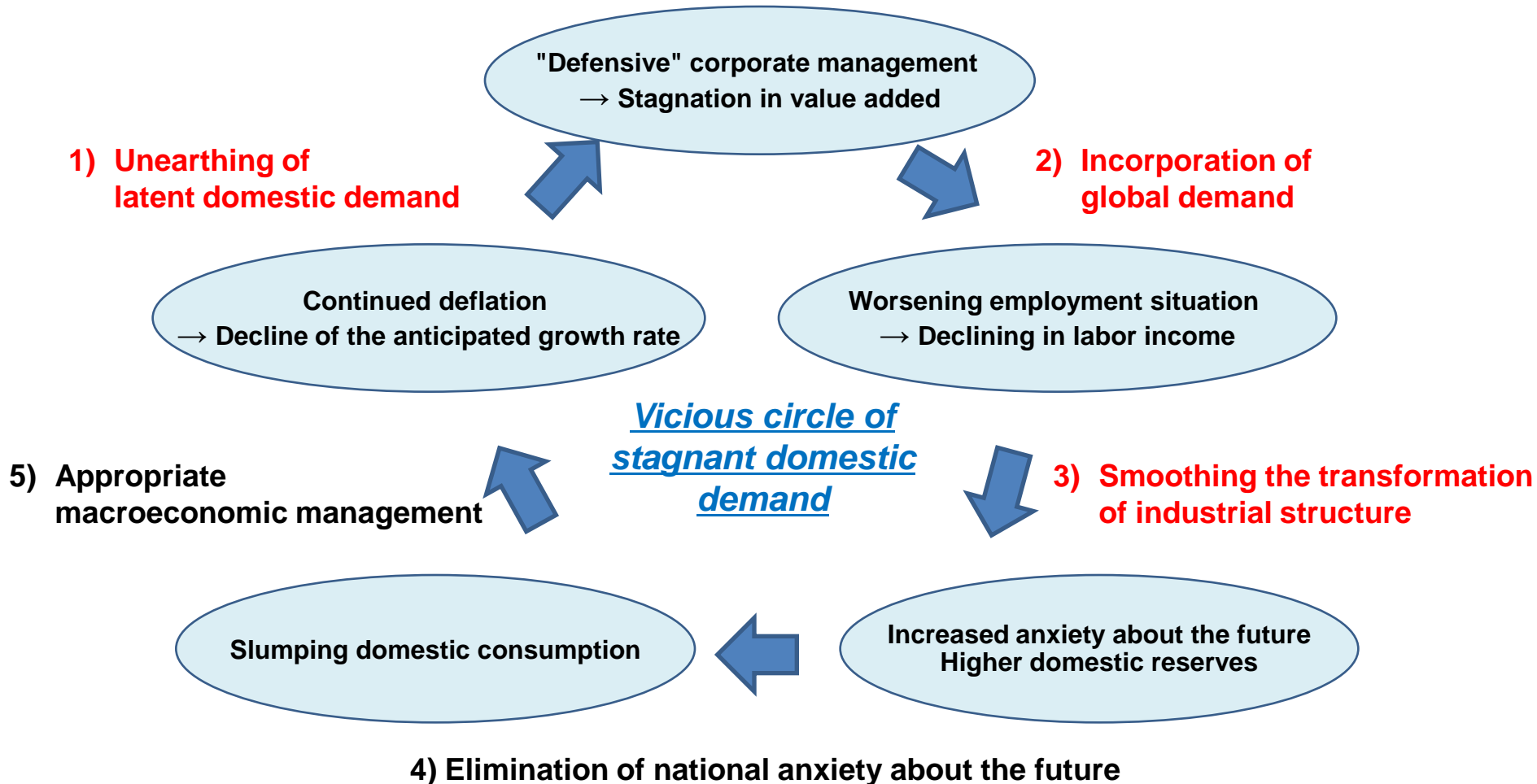
Sources: Created from Japan Automobile Manufacturers Association and Cabinet Office, "SNA Input-Output Tables" and "System of National Accounts"; Japan Institute for Labor Policy and Training (2011), "Labor Force Demand Estimates".

Note 1: The "ordinary scenario" uses estimated values from the Japan Institute for Labor Policy and Training. For "if the automobile industry hollows out," the impact on employment if domestic automobile production follows the trend shown in the table at left was estimated using the Input-Output Tables.

Note 2: Numbers of persons employed in 2009 were as follows. Manufacturing industries: 10,730,000, Service industries: 40,570,000, Other: 11,520,000, Total: 62,820,000.

Towards the future Japanese economy

- The Japanese economy has fallen into a vicious circle of stagnant domestic demand.
- Incorporation of global demand, regional economic revitalization, and transformation of industrial structure are necessary.
- This eliminates uncertainty by ensuring the employment of young people and the survival of medium and small businesses.



The world loves Cool Japan

■ In Europe, the United States, and Asia, there are many popular Japanese products and services (creative industries). In addition to anime and manga, these include food culture, express delivery services, Japanese-style inns (*ryokan*), and traditional arts and crafts.

→ Capitalizing on the popularity of "Cool Japan" can accomplish the following: 1) unearthing of domestic demand, 2) incorporation of foreign demand, and 3) transformation of industrial structure. These accomplishments can secure new income sources and jobs, leading to regional economic revitalization.

Anime and manga

- The Japan Expo, held on June 30 through July 3, 2011, in Paris, received about 200,000 visitors over those four days.
- The New York Anime Festival, held in New York City on October 8 to 10, 2010, received about 18,000 visitors.



Food culture

Ajisen Ramen



The chain serving Kumamoto-style ramen has restaurants in 63 Chinese cities.

Express delivery services

Yamato Transport Co.



Yamato Transport is expanding its express delivery services across Asia. Japanese-style services such as designated delivery time and refrigerated packages are highly regarded in China.

Japanese-style inns

Kagaya



Originating in Ishikawa Prefecture, the company has opened a Japanese-style inn (*ryokan*) in Taipei, where it implements "Japanese hospitality."

Traditional arts and crafts

Kumano makeup brushes



Kumano (Hiroshima) makeup brushes are highly regarded and have many fans in Hollywood and elsewhere overseas.

Turning Cool Japan into a revenue source

- Japan's fashion, food, and content are very popular overseas, but they are not necessarily profitable.
- Strategic expansion overseas can turn popularity into added value, making them into revenue sources.

State of fashion from Japan

Japanese fashion magazines are very popular in China.

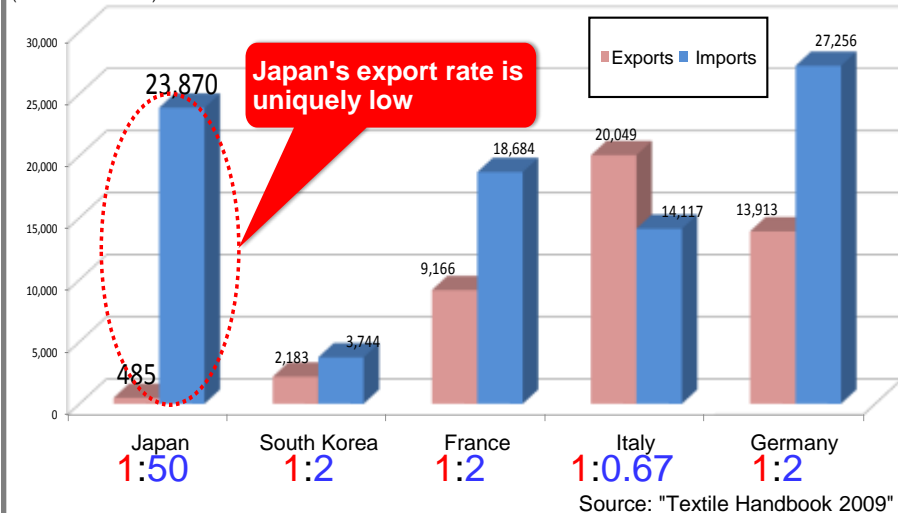
Rankings of Chinese women's fashion magazines (second half of 2009)

1	Ray Japan Chinese edition	Japan (Shufunotomo Co.)
2	VIVI	Japan (Kodansha Ltd.)
3	ef	Japan (Shufunotomo Co.)
7	GLAMOROUS	Japan (Kodansha Ltd.)
10	an-an	Japan (Magazine House)

Source: Century Chinese International Media Consultation Inc.

→ However, Japan's textile industry has a low export rate.

(Unit: million dollars)



State of Japanese restaurants

■ There are about 9,000 restaurants in the United States that advertise themselves as serving Japanese food (2.5 times as many as 10 years ago).

→ Japanese-owned restaurants account for less than 10% of the total. (They are most commonly run by immigrants from other Asian countries.)

■ There are 200–300 Japanese restaurants in Paris
→ They are polarized between Japanese owned ("upscale") and non-Japanese owned ("mass appeal") restaurants

State of development of so-called Japanese restaurants around the world

Region	No. of restaurants
North America	about 10,000
Asia	about 6,000–9,000
Europe	about 2,000
South America	about 1,500
Russia	about 500

Source: Council of Advisors for the Recommendation of Japanese Restaurants Outside Japan, Ministry of Agriculture, Forestry and Fisheries

Success stories

● Pokémon-related products have brought in worldwide revenue of about 3 trillion yen. This is about one-fourth the size of the entire domestic content market (about 12 trillion yen) in 2009.

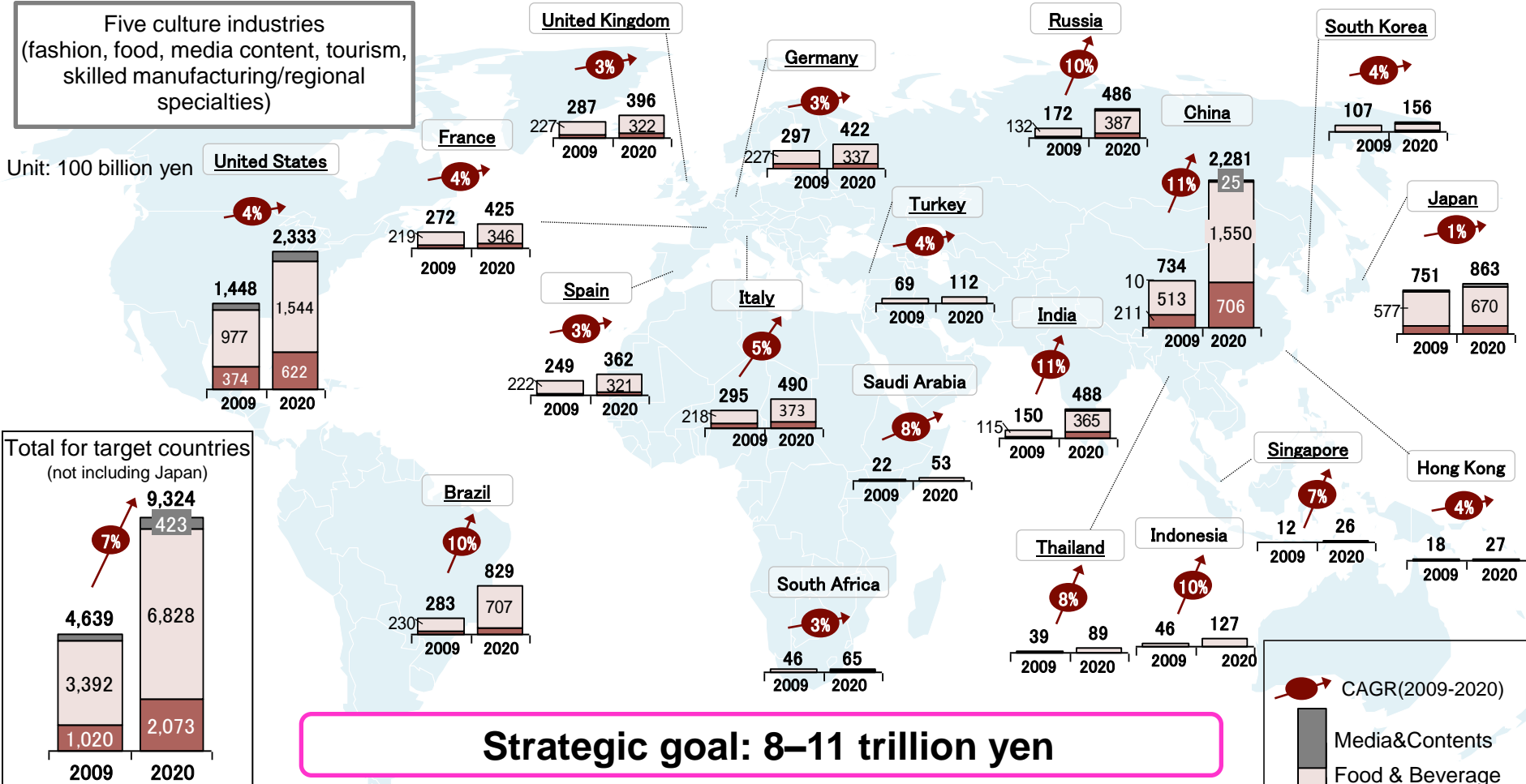
Source: "Japan and the World Content Database vol. 4 2010" (Humanmedia Inc.)

Cool Japan's potential

- The size of the world market for culture industries (1) will be more than 900 trillion yen (estimate for 2020).
- The aim is to capture 8–11 trillion yen of this.

Five culture industries
(fashion, food, media content, tourism,
skilled manufacturing/regional
specialties)

Unit: 100 billion yen



(1) Eighteen countries ("major countries") were selected by extracting countries and regions that will, as of 2020, have a GDP of at least US\$ 2 trillion (about 200 trillion yen) and those with important continental cities that will have a GDP per capita of at least US\$ 10,000 (about 100,000 yen). Current market size is calculated using statistical data from the OECD, the IMF, the World Bank, etc. Potential market size in 2020 is estimated from the correlation between nominal GDP (PPP) or nominal GDP per capita (PPP) based on each country's amount of population growth over the past 10 years and for the coming 10 years.

Note: Because the nature of the tourism category is different from the other categories, each country's market size is not included. Additionally, because the market size in the skilled manufacturing/regional specialties category is small, size goals have not been set.

Creative industries supporting Cool Japan

- Creative industries support the Cool Japan that the world loves

Examples of creative industries:

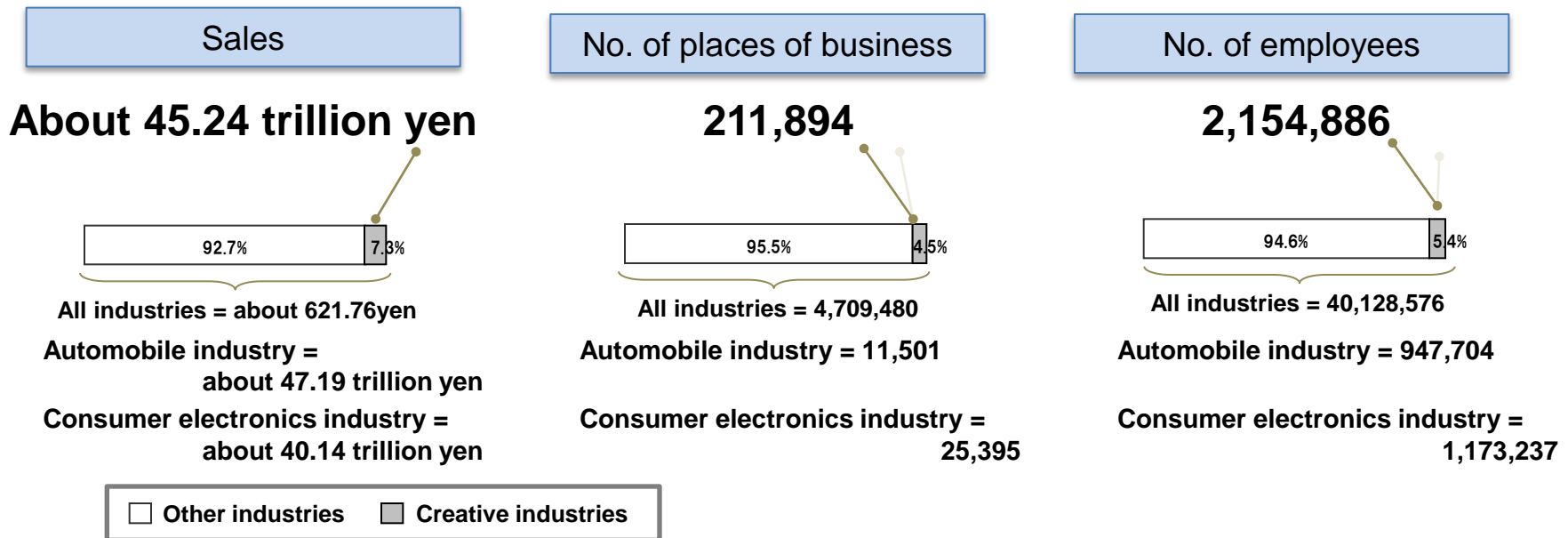
Advertising, architecture, art and antiques, crafts, design, fashion, movies and videos, video games, music, performing arts, publishing, computer software and services, radio and television, (the above definitions come from the UK) plus furniture, tableware, jewelry, stationery, food products, tourism

- Japan's creative industries account for 7% of all sales and 5% of employees.

→ Almost identical to the automobile industry's 8% of sales and the consumer electronics industry's 6% or sales.

→ If food and tourism are included, the base of the creative industries broadens even more.

<Size of the creative industries (2004)>



* Target industries (these statistics do not include the food and tourism industries)

Manufacturing industries = furniture/textiles and apparel/tableware/toys/jewelry/crafts/stationery

Service industries = Computer software and services/advertising/publishing/architectural design/radio and TV/music and video/movies /performing arts/design/art

Characteristics of creative industries

- Creative industries 1) are demand side rather than supply side industries, 2) consist of two phases, "creation" and "distribution," 3) are integrative industries that transcend industry and occupational categories, and 4) enlarge the size of the "pie" rather than fight over pieces of it.

* They differ from conventional "heavy" industries that emphasize the supply side, vertical integration, captive products, and share capture.

Demand side industries

- Rather than meeting mechanical demand, they appeal to sensibilities.
- How to create domestic and foreign demand is important.



Industries that consist of "creation" and "distribution"

- Build environments that bring out maximum creativity
 - Distribute creations to the world and reward creators with profits
- Creating such mechanisms is crucial



Integrative industries

- Players in different industries collaborate on a project basis.
- Development of sites where creators gather is important.



Industries that enlarge the pie

- One creation brings about a chain of profits.
- Creation of rules that contribute to the promotion of secondary usage is important.



Approaches must be different from those for heavy industries

The shift towards creative industries in developed countries

- Countries such as the UK and South Korea have taken major steps under political leadership towards becoming leading creative industry nations. Their ongoing initiatives are continually producing results.

UK

- In 1997, **then-Prime Minister Tony Blair** declared **“Cool Britannia.”** The following initiatives have produced results.
 - Cross-sectional initiatives through the Creative Industries Task Force
 - Enhanced creativity for industry as a whole centered on the Design Council
 - Thorough support through embassies and trade and investment offices for opening overseas markets

Results

Amount of gross value added in creative industries	1.8 times as much (1997 → 2006)
Creative industry exports	1.7 times as much (2000 → 2006)
No. of places of business in creative industries	1.4 times as much (1997 → 2008)

South Korea

- in 1997, **President Kim Dae-jung** declared himself the “cultural president.” Since then, the government and private sectors have joined to spread throughout Asia using the **Cool Korea strategy**.
 - Establishment of the Korean Institute of Design Promotion and the Creative Content Agency
 - Strategic marketing by the public and private sectors to promoted markets
 - Support for foreign market gain mainly through the Korea Trade-Investment Promotion Agency (KOTRA)
- President Lee Myung-bak established the **Presidential Council on Nation Branding** to foster culture industries at the national level.

USA

- **President Franklin Roosevelt** announced the **New Deal** in 1929. As part of it, the Works Projects Administration employed 40,000 artists through Federal Project Number One (Federal One) in 1935.

Results

- Many outstanding artists left Europe for the United States
- Culture developed in American communities
- After 1945, it was reflected in cultural and artistic industries such as Broadway musicals and Hollywood movies

Etc.

Cool Japan Strategy

- Through the Cool Japan Strategy, ensure employment by promoting overseas development by small and medium businesses and young designers, attracting tourists to Japan, and revitalizing local communities.

Japan

Construction of creative ecosystems
Promotion of creative cities, etc.

Fashion



Students learn about clothing patterns

Anime



Students study sketching

Food culture



Chefs demonstrate Japanese food

Regional specialties and design skill



Kumano brushes

Tourism



Tour guides for foreign tourists (Akihabara)

Implementation of foreign development projects
Creation of funds, etc.

Connect those in charge, the workers, creators and small and medium businesses, with world markets.

Transfer Cool Japan's popularity to export products

Outbound

Asia, Europe, USA, etc.

"Japan" is popular overseas



Parisian girls in "Goth Lolita" fashions (Japan Expo)



Janadriya festival in Saudi Arabia

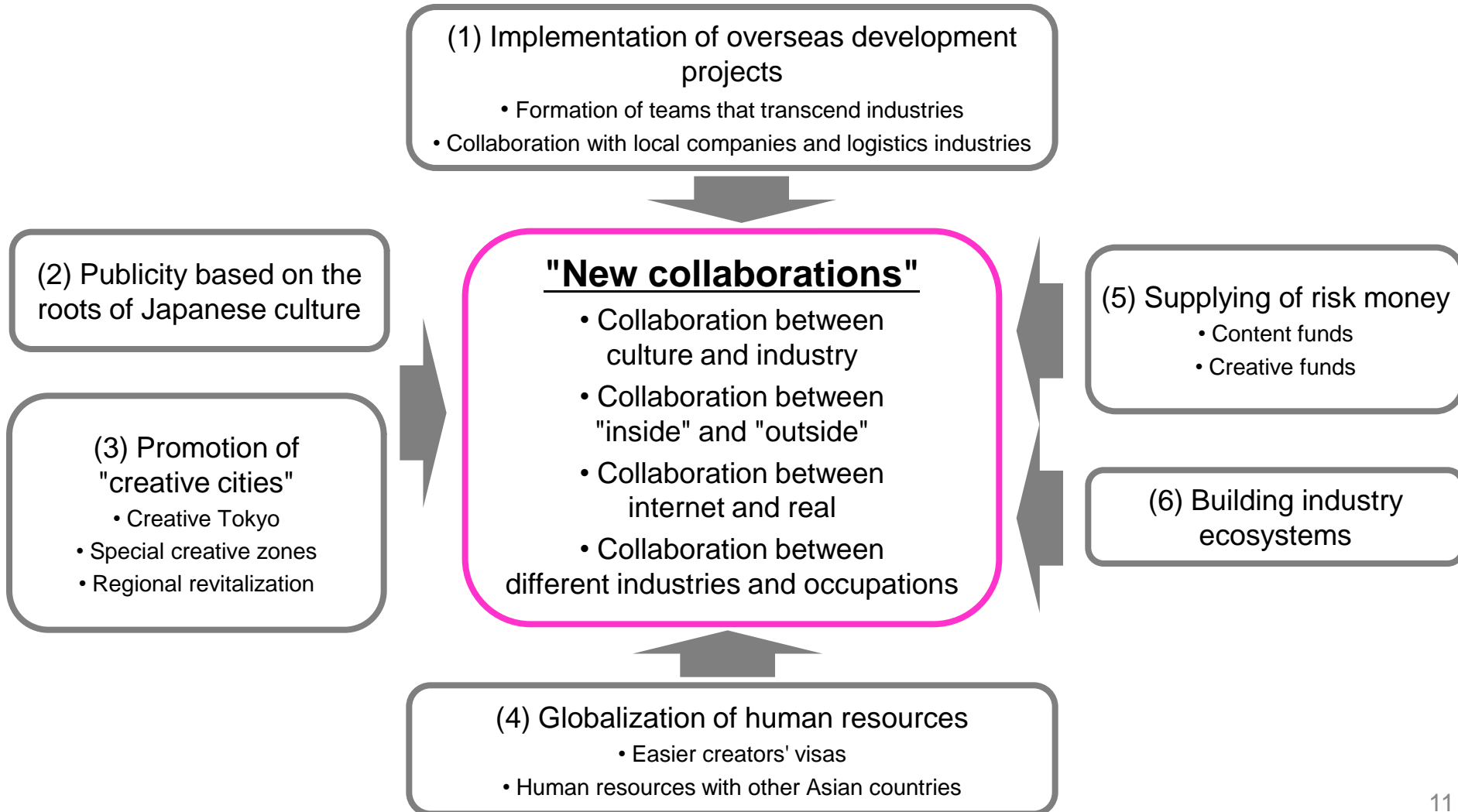
Inbound

Coming to Japan in search of the "real thing" and the "real place" (Visits by tourists and creators)

Tourism promotion
Loosening criteria for creators' visas
Etc.

Concrete initiatives: Promotion of new collaborations

- In order to develop infrastructure for the creative industries that support Cool Japan, "new collaborations" not seen in traditional "smokestack" industries must be promoted. Systemic constraints must be removed.



New collaborations 1- Overseas project 1: Overview

- Projects through which support Japan's superior products to develop overseas such as fashion, food, housing, regional products, traditional craftwork, and content are being implemented.

France (town development, regional products)

- "Branding" by communicating "town development" efforts by the disaster-affected regions based on regional natural environment, customs, aesthetics, etc.; supporting reconstruction by generating high value-added products

China (regional products, content)

- Nationwide uncovering of local products and their PR and sales through China's TV, e-commerce, etc., in collaboration with the *Anata no Machi ni Sumimasu* project (project in which television personalities live in each of Japan's 47 prefectures)

U.S.A. and France (traditional craftwork)

- Supporting overseas expansion of traditional craftwork products by partnering Japan's traditional craftwork with fine European brands; generating topical interest and selling to affluent Europeans using the "discerning eye" of well-known artists

China (housing)

- Promoting sales of near-future "lifestyle packages" based on the keyword "housing" in cooperation with housing manufacturers, interior-related businesses, manufacturers of energy-saving appliances, etc.

U.S.A. (food, daily goods)

- Selling rice cookers and sets of dishes and cooking utensils together with rice and soba, while communicating Japan's worldview (hospitality, warmth, stylishness)

South Korea (food, regional products)

- Promoting sales of foods and regional products as well as tourism to Japan by creating venues for exchange between agricultural and fishing villages in Kyushu and South Korean urban areas

Brazil (regional products)

- Developing sales channels for regional products by ascertaining Brazilian consumers' preferences by, for example, setting up satellite stores in Brazil in order to promote sales of Japanese regional products to Brazilian hotels, restaurants, etc.

Singapore (Tohoku food products)

- Building a new "Japan food brand" (including food items from Tohoku) through partnerships with restaurant businesses in Singapore and top Japanese chefs

Singapore (content)

- Promoting development of anime characters using Singapore as a base for dissemination to Southeast Asia
- Highlighting the revitalization of the Japan brand through partnerships with existing private sector events and relevant private organizations

Singapore (fashion)

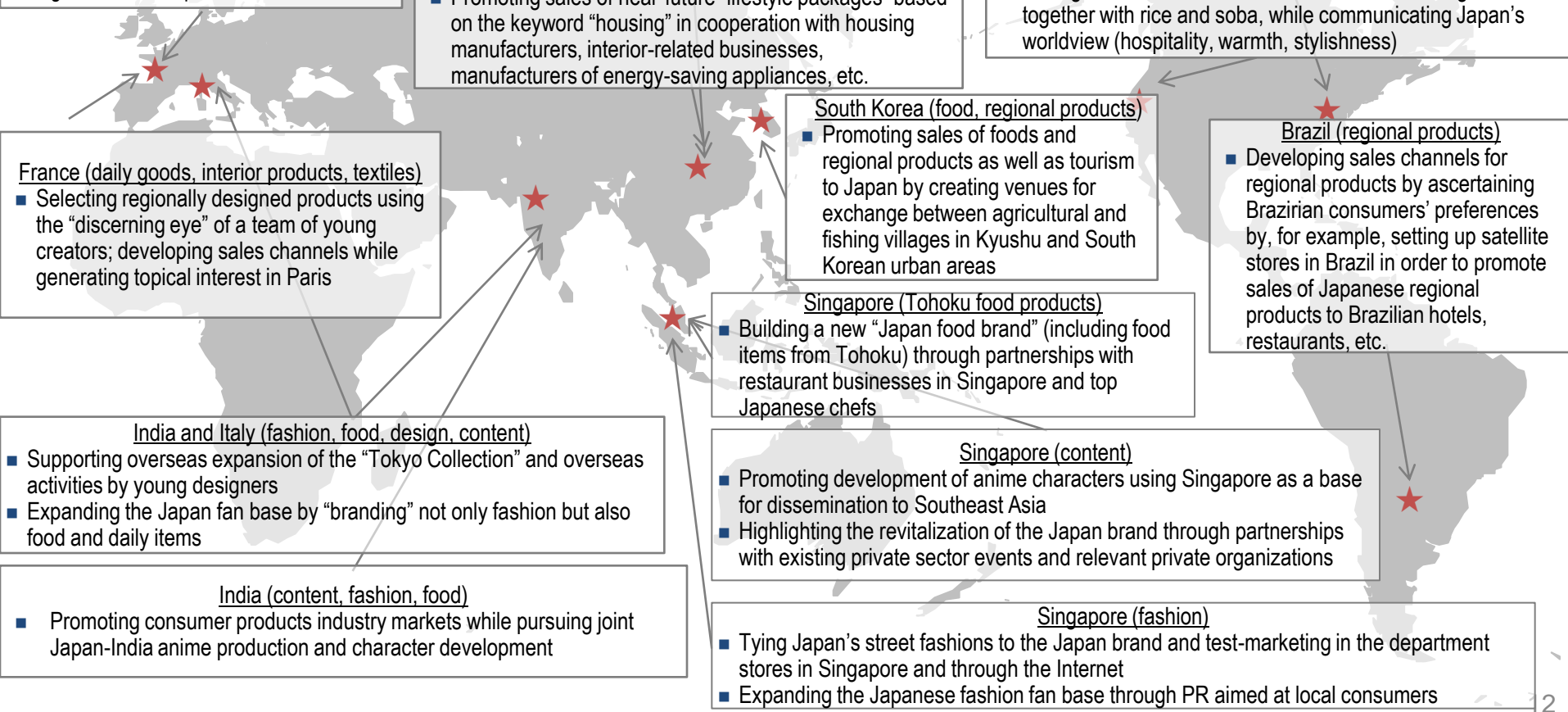
- Tying Japan's street fashions to the Japan brand and test-marketing in the department stores in Singapore and through the Internet
- Expanding the Japanese fashion fan base through PR aimed at local consumers

India and Italy (fashion, food, design, content)

- Supporting overseas expansion of the "Tokyo Collection" and overseas activities by young designers
- Expanding the Japan fan base by "branding" not only fashion but also food and daily items

India (content, fashion, food)

- Promoting consumer products industry markets while pursuing joint Japan-India anime production and character development



New collaborations 1- Overseas project 2: Case study

- While creating a marketing platform for small and medium Japanese apparel brands in Singapore, the project is working to build local consumer interest in Japanese fashion and constructing a network of local overseas Chinese retailers.



New Collaborations 1- Overseas project 3: Case study

- Connect the food industry mainly in Tohoku with restaurants in Singapore, open a pilot store, and establish a new Japanese food brand.

Lead company for producers

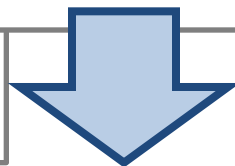


- Humming Bird International (Miyagi)
- Familiar (Miyagi)
- MyT Chibajuu (Miyagi)
- The Tono City Disaster Relief Network (Iwate)
- Aizushoku no Renaissance (Fukushima)

Japanese food pilot store



Collaboration
in product
development
& marketing



Major restaurant
operator in Singapore



- Bread Talk
Singaporean food court chain

Japanese food pilot store

[Place]

ION

→ Singapore's landmark



[Menu]

Offering a menu developed by both parties



[Event]

Spot workshops by
Japanese chefs, etc.



New collaborations 1- Overseas project 4: Case study

- For the Indian market with its great growth potential, the project is connecting the power of Japan's content and products (fashion, food, toys, stationery) with India and establishing new Japanese brands there.
- Japan and India will commemorate 60 years of diplomatic relations in 2012. As part of the commemoration, a comprehensive Cool Japan trade fair focusing on anime characters will be held.

Content companies

Major companies' content × small and medium companies' products

- Kodansha
- Toei Animation
- Pierrot Etc.



Products

- Masuyamiso
- Daisaku Shoji
- Gourmandise Etc.



Major manufacturers' products already in India × small and medium companies' content

- Thanks Lab.
- Bushiroad
- mariposa Etc.



- Kikkoman
- Showa Note
- Pigeon Etc.



Cool Japan trade fair

Content

Focus on animation, with video games, manga, music, etc.

Fashion

Japanese "kawaii" fashions

Food

Delicious Japanese food such as sushi

Stationery and toys

High-performance, high-function Japanese stationery, anime character MD products, etc.

Tourism

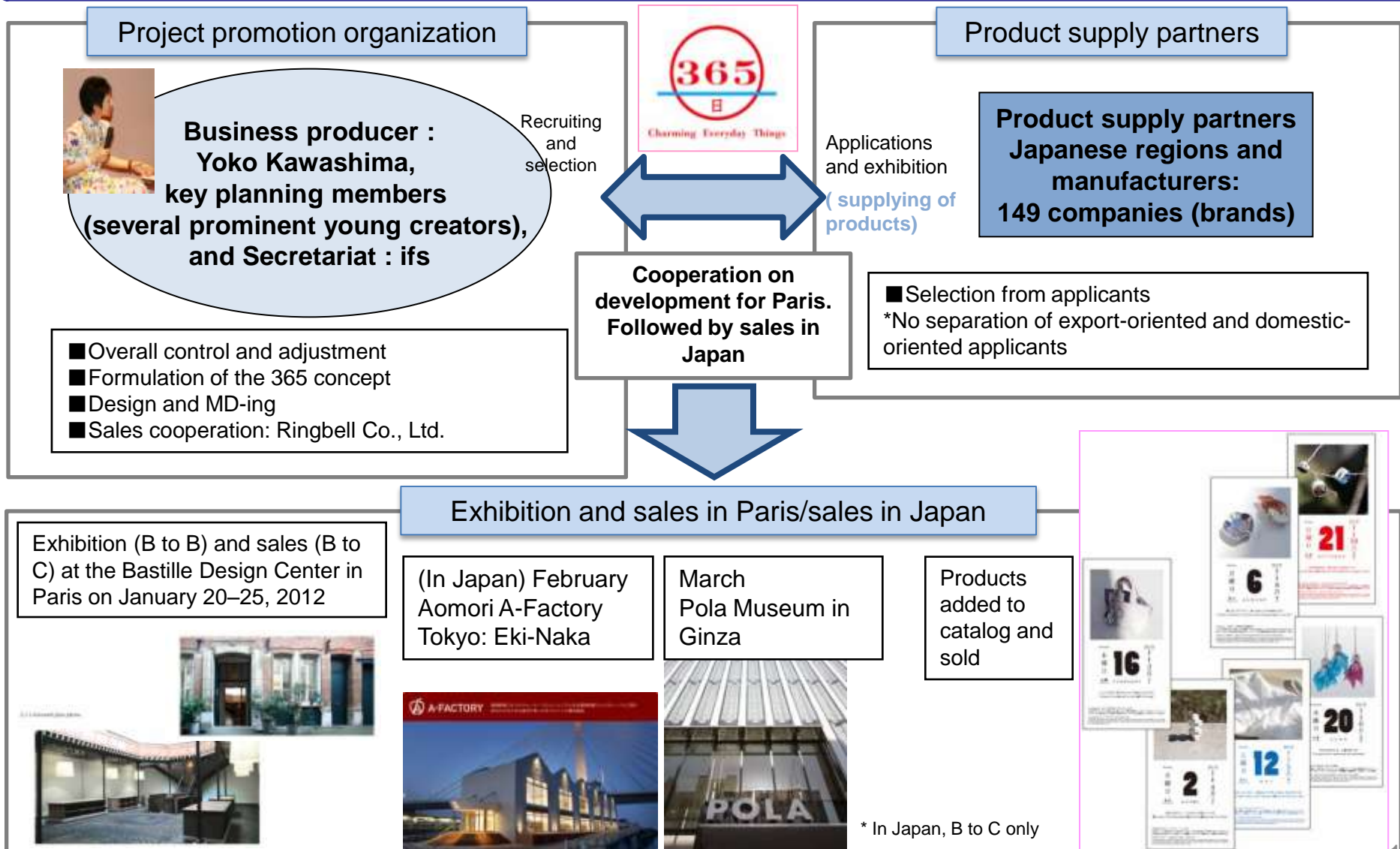
Japan Endless Discovery



To be held in March 2012 in Mumbai's largest shopping mall, **"High Street Phoenix Mumbai"**

New collaborations 1- Overseas project 5: Case study

- Design products from various areas in Japan are selected based on the judgment of teams of young creators. While the project builds interest, opens sales channels, and test markets in Paris, it will make sales in Japan as well. (365 Days Charming Everyday Things)



New collaborations 1- Overseas project 6: Case study

- In order to position and brand traditional Japanese crafts as luxury brands, this project brings together cutting-edge creators, artists, and brand curators to develop the future of crafts of unprecedented beauty, surprise, and discovery for exhibition and sale in Japan and overseas.

Craft Renaissance Project



Curation system (evaluation)

Promotion of distribution and export through expert evaluation

Brand value will be increased before distribution through expert evaluation by leading Japanese creators and persons of culture.

Exhibitions and sales in Japan and overseas

Solicitation of foreign buyers

A ripple effect will be sought by appealing directly to the wealthy, the creative class, and fashionable people mainly in Europe and the United States.

Initiations to overseas media/PR

Overseas branding

Overseas fashion leaders and journalists will be invited to exhibitions. By allowing them to experience Cool Japan, the media will raise awareness of Japanese traditional craft brands.

Discovering young talents and developing human resources

Nationwide craft artist discovery

Craftspeople from every area of Japan will be discovered through the 47 Club e-commerce website for regional specialties belonging to regional newspapers in all 47 prefectures. This will contribute to human resources development and the growth of small and medium businesses.

Promotion of development using "select shops" (high-end department stores)

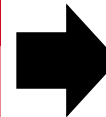
Utilization of famous select shops

Famous select shops in Japan and overseas have buying expertise and networks. Handling of traditional craft products will be aggressively promoted through their discernment and selection, appealing directly to high-end consumers in Japan and abroad.

Development of business negotiations

Opening and informing high-end markets

Using tourism as the hook, the project will transmit information on Cool Japan brands including traditional crafts, food, lodging facilities, etc., in order to open high-end markets.



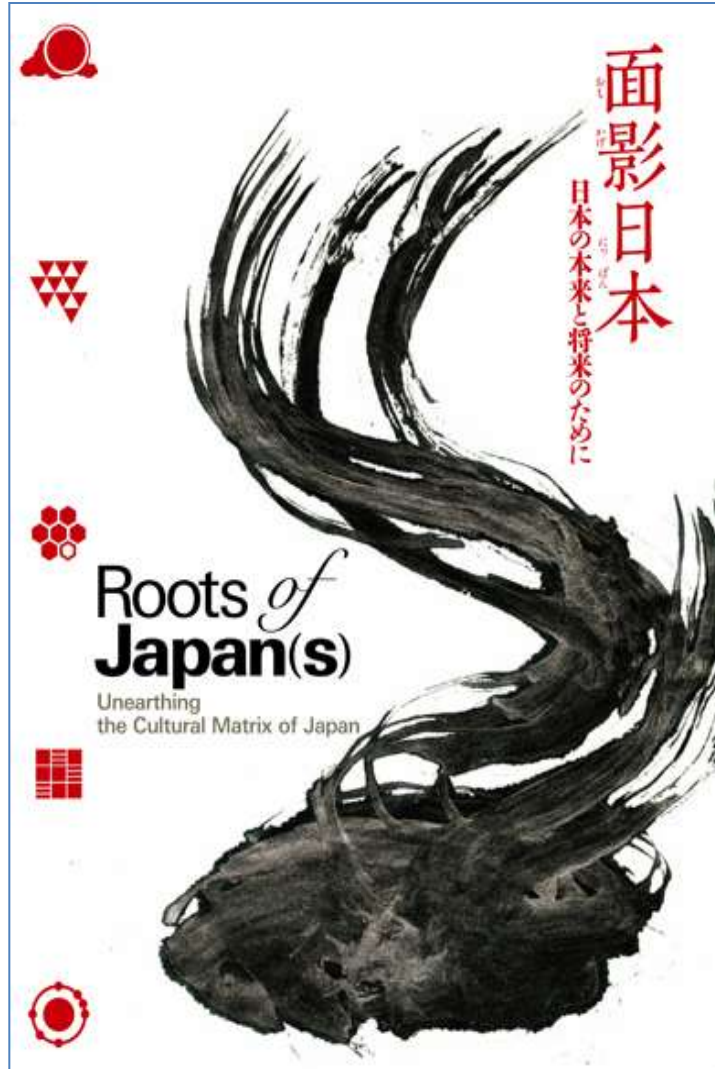
Contributing to recovery in earthquake-stricken areas and the revival of the Japan brand

Using traditional crafts as the hook, the project will present Cool Japan to the international community in order to promote cultural exports.

New Collaborations 2

- Publicity based on the roots of Japanese culture 1

- Under the initiative of Mr. Seigou Matsuoka (Director of Editorial Engineering Laboratory, Creative Editor), the “Japan Mother Program” was formed as a program to “edit knowledge” as the source of Cool Japan.



Japan Mother Program

The program aims to collect stories about the revival of our mother country Japan as the “Japan knowledge code,” “world knowledge code” and “Asian knowledge code” in order to record and distribute stories of Japan and re-edit Japan’s industry, culture and economy.

Concept Book

A Japanese-English bilingual concept book containing the essence of Japan Mother has been created and distributed.

*Mr. Seigou Matsuoka talked about this during CREATIVE TOKYO FORUM on November 4, 2011, and received a great response.

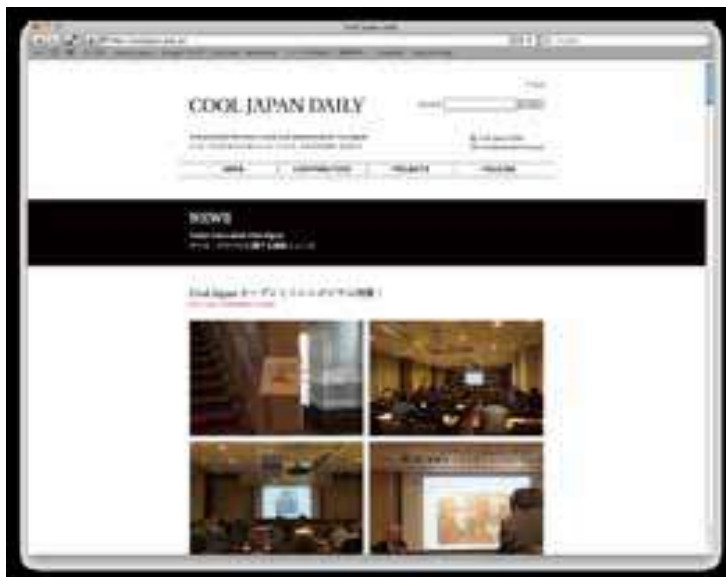
New Collaborations 2

- Publicity based on the roots of Japanese culture 2

- Mr. Naoki Ito (appointed as a Creative Director of METI's Cool Japan projects) created “Cool Japan Daily” and “Mazer,” web platforms to deliver Cool Japan-related information and encourage people to participate.
- In coordination with Japan Mother by Mr. Matsuoka, these sites aim to attract people at home and abroad.

Cool Japan Daily

A web portal to provide an overview of Cool Japan Strategy projects. In addition to the latest information, blogs written by renowned figures selected as Contributors are available.



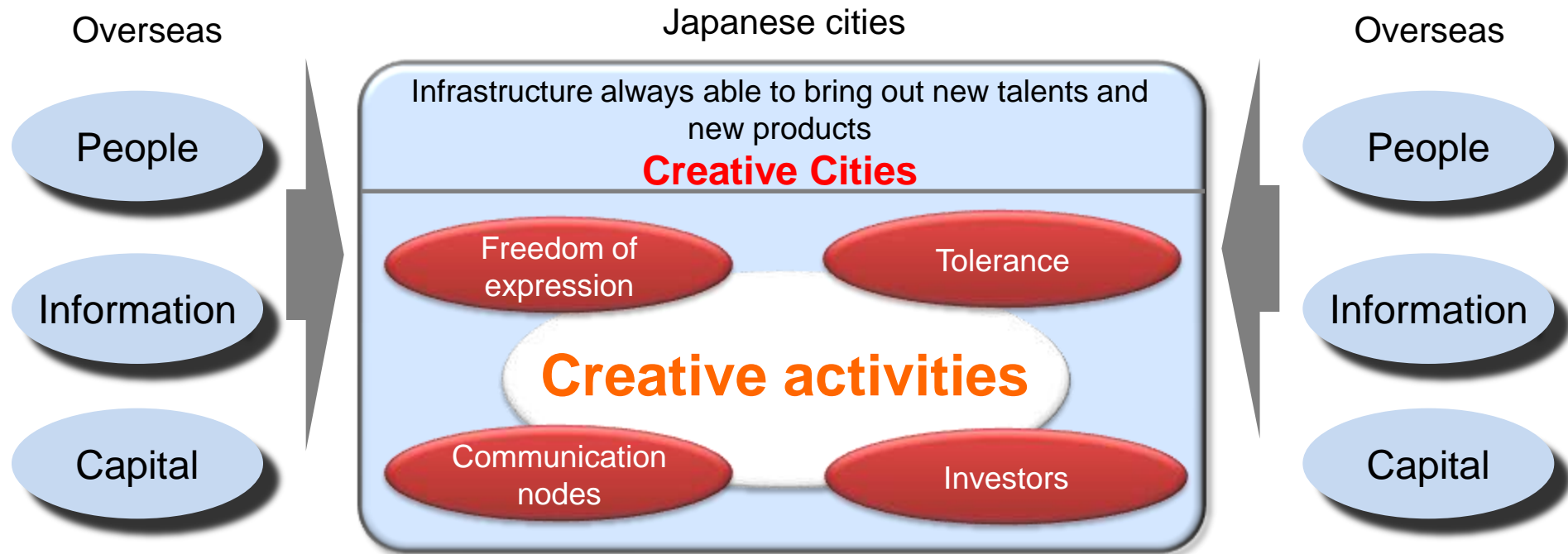
Mazer

An open platform to create new ideas through collaboration between creators active in Japan and abroad and Japanese people.



New collaborations 3- Creative cities 1: Overview

- The following elements are essential in order to constantly attract creative human resources, information, and capital: 1) freedom of expression, 2) tolerance, 3) communication nodes, and 4) investors.
- This project will establish sites (Creative Cities) where those elements are constantly and organically connected.
- In recent years, international competition among cities has been developing over this. Examples: Hong Kong, Singapore, Seoul



New collaborations 3- Creative cities 2: Creative Tokyo

The declaration "Tokyo will become the creative hub of Asia" was made (November 4, 2011). The following initiatives will be carried out.

- The world's talent will be invited, and human resources and companies that can be active on the world stage will be fostered.
- Creative Tokyo will interact and connect with other Creative Cities in Japan and abroad and establish itself as a site for international activities.



CREATIVE TOKYO FORUM



New collaborations 3- Creative cities 3: Tokyo

Along with companies that have approved the declarations, the project is promoting the following initiatives.

- Engage in citywide promotions to attract human resources, information, and capital from around the world.
- Promote new collaborations that transcend occupational boundaries, supporting the expansion of domestic demand and corporate development overseas.
- Build an environment where creative activities can be freely performed in order to boldly open the way to the future.



The above represents only some of the collaborating organizations and events

*To be completed in next year

New collaborations 3- Creative cities 4: Regional revitalization

- Edinburgh creates 34 billion yen in tourism revenue, 31.8 billion yen in economic effects, and 5,000 jobs through the Edinburgh Festival.
- Kanazawa City creates 32.8 billion yen in economic effects through the 21st Century Museum of Contemporary Art, Kanazawa. It is recognized as a UNESCO Creative City.
- Naoshima attracts 100 times its own population in tourists through its art museum and home art project.

Edinburgh

- Tourism revenue (2010): 34 billion yen
- Jobs (full-time) for 5,242 people
- Edinburgh's economic effects: 31.8 billion yen
- Increased regional pride in Scotland
- Increased creativity among children



British Council

Kanazawa City

- The 1.57 million visitors during the museum's first year are more than triple the city's population.
- Accepted as a member of the UNESCO Creative Cities Network in 2009 (Crafts category).



"Economic effects of the 21st Century Museum of Contemporary Art, Kanazawa," Kanazawa City

Naoshima

- The number of tourists increased 10-fold over 10 years, to 340,000 in 2008

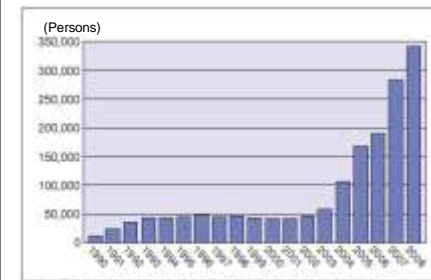


Figure 1: Survey on attitudes of visitors to Naoshima (Naoshima Tourism Association)

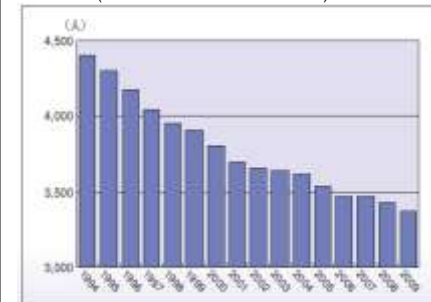


Figure 2: Naoshima population trends



"Forum Fukuoka" March 31, 2010

New collaborations 4- Risk money supply: Content funds

- Japanese content such as films, anime, TV programs, video games, books, and so on are highly regarded overseas as "Cool Japan." However, the export ratio is only 5%*. Demand from the growing nations of Asia has not been incorporated.

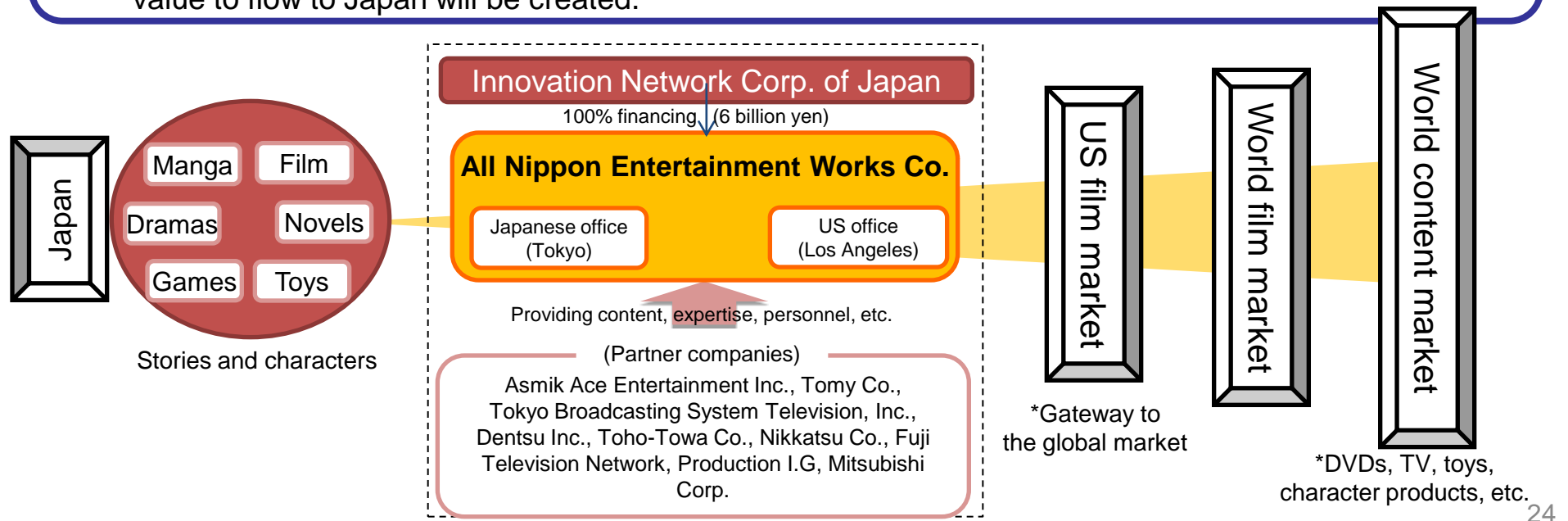
*This is only about one-third the export ratio of U.S. content industries (17.8%). Home game software accounts for more than 97% of the Japanese exports.

- The U.S. film market (Hollywood) can be used as a gateway into the global content market, including Asia.
- Innovation Network Corporation of Japan is preparing to launch a new company, [All Nippon Entertainment Works Co.](#), that it will finance entirely on its own. (It was formed on paper in the end of October.)

(Its expected role)

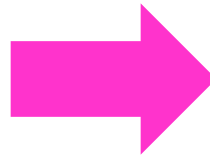
- ◆ [Obtaining film rights](#) and coordinating other content-related rights
- ◆ [From the start, large-scale planning and development with an eye to global expansion will be undertaken.](#) Proposals will be pushed through Hollywood

→ Japan's content industries will gain knowledge of international development, and a mechanism for value to flow to Japan will be created.



New collaborations 5- Globalization of human resources

- Globalization of the human resources that support the creative industries will be promoted.
- In order to welcome talent from around the world, the criteria for foreign creators to obtain visas will be relaxed.
- In cooperation with Singapore, India, Hong Kong, and other Asian nations, venues for the countries' young creators to present and perform will be provided.



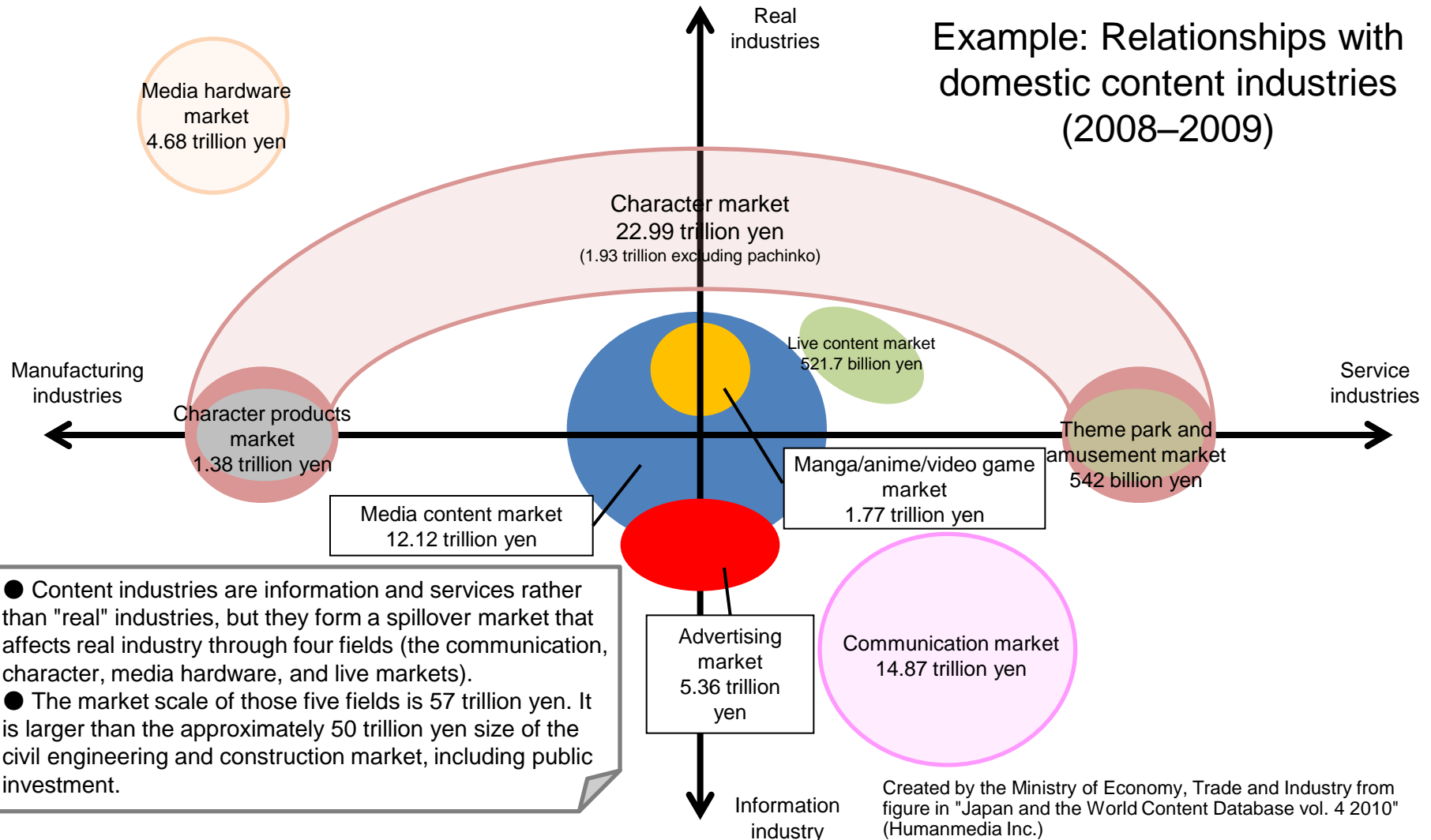
- Easier visas for creators and chefs
- Mutual exchanges among Asian creators and designers
- Establishment of an award system that will attract applications from Asia
- Cooperation with various countries' design awards
- Increase fans of Japan through collaboration with exchange student networks such as those of Ritsumeikan Asia Pacific University and Waseda University, Etc.

(For reference) "New Growth Strategy 2010" and "Policy on handling regulatory and system reform"

A system for providing visas permitting the employment of high-level foreign personnel who would be employable but cannot qualify for a visa because they do not meet academic or occupational criteria under current standards is being examined. A decision is expected during FY2011.

New collaborations 6- Industrial ecosystems: Creative industries ripple effect

- The economic effect on systems in which creative industries collaborate with other industries is large.
→ The project will work for the adoption of a system for organic collaboration among industries.



Reference documents

Concrete examples of trans-industry collaboration

IT × content × creativity: pixiv

- pixiv is Japan's largest social networking service for illustrators (both pro and amateur). It has 3.2 million members.
- The driving force behind pixiv are the "chains of creativity" created when users create accounts, share their own illustrations, evaluate those of other users, collaborate, and so on. A number of users who were popular on pixiv have gone on to make major professional debuts.
- About 10% of the 3.2 million users live overseas. They access the site from well over 100 countries.



IT × skilled manufacturing × creativity: Fablab

- FabLabs are manufacturing workshops with fabrication equipment such as cutting machines and 3D printers that are available for public use. There is a worldwide network of such sites.
- To date, there are FabLabs in more than 50 locations in over 20 countries, including developing nations. By sharing designs and knowledge around the world, everyone from children to experts can freely collaborate on skilled manufacturing.



Services × creativity: nine hours

- Based on analysis that found that customers want "capsule hotels" to be "comfortable sleeping hubs," the company invested heavily in a redesign by a designer named Shibata. The design concept is "1 hour for showering + 7 hours for sleeping + 1 hour for getting ready = 9 hours" provides a comfortable place to sleep. They are fully booked by young people and foreigners.

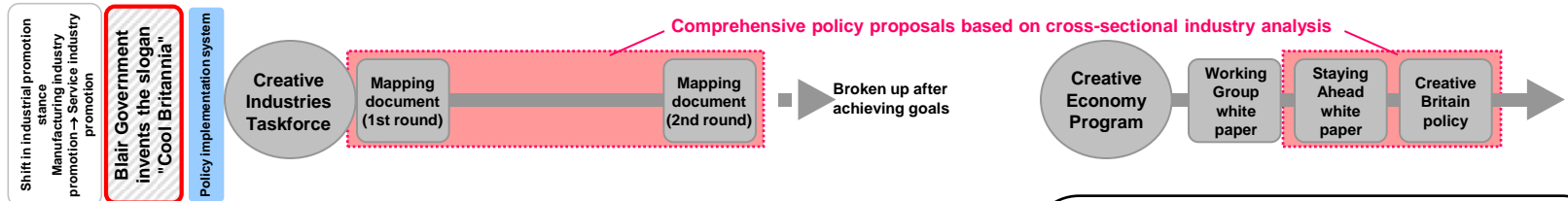


Reference materials 1: Policies to promote creative industries in the UK

- In the UK, Tony Blair declared "Cool Britannia" in 1997. Subsequently, results were achieved through
 - 1) Cross-sectional initiatives by the "Creative Taskforce"
 - 2) Enhanced overall industry creativity with the "Design Council" at the core
 - 3) Thorough support for opening overseas markets by embassies and UK Trade and Investment Team.

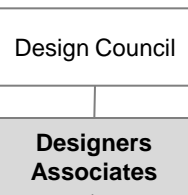
Early 1990s 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008

UK policies for the promotion of creative industries



Design Council

- Free business consulting services advising companies on what kind of innovation is possible when they utilize design



Proposing measures on current business issues and use of designers in target companies

The Design Council selects and trains business consultants with expertise in design to establish Designers Associates (about 50 registered as of now)

Target companies

Designers

To this point, companies pay no fees. If a company accepts a proposal, then it pays a fee to the designer when it commissions the project

UK Trade and Investment Team



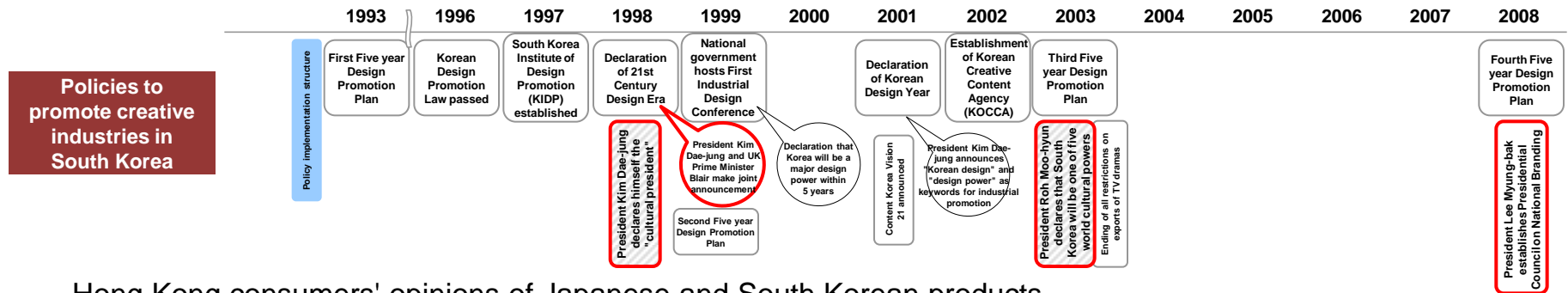
- Policies emphasized by UK Trade and Investment (UKTI)
 - Clarifying the goal of "selling design services"
 - Scope of projects includes linking them to business and providing support until returns are realized
 - Plans set for medium periods of 3–5 years

Trade and Investment Team, The UK embassy in Japan (under UKTI)

Gross value added of creative industries:	1.8 times as high	(1997: 630 billion yen; 2006: 1.15 trillion yen)
Creative industries exports:	1.7 times as high	(2000: 190 billion yen; 2006: 320 billion yen)
No. of creative industries places of business:	1.4 times as many	(1997: 112,900; 2008: 157,400)

Reference materials 2: Policies to promote creative industries in South Korea

- In South Korea, President Kim Dae-jung declared himself the "cultural president" in 1997, the year of the currency crisis. Since then, the government and private sectors have joined to spread throughout Asian markets using the Cool Korea strategy.
 - 1) Establishment of the Korean Institute of Design Promotion and the Creative Content Agency
 - 2) Strategic marketing by the public and private sectors to emerging markets
 - Creation of a Korean style boom, with integrated marketing of fashion, content, and consumer goods
 - Established brand image in the order Shanghai and Hong Kong → Vietnam and Thailand → India
 - 3) Thorough support for foreign market gain mainly through the Korea Trade-Investment Promotion Agency (KOTRA)
- President Lee Myung-bak established the Presidential Council on Nation Branding to foster culture industries at the national level.



Hong Kong consumers' opinions of Japanese and South Korean products

	Japanese products	South Korean products
Are ahead of the times	51%	57%
Have vitality and power	35%	65%

More people felt that South Korean products than Japanese products "Are ahead of the times" and "Have vitality and power"

Source: Hakuhodo, "Global Habit Survey 2006–2009"

Reference materials 3: Policies to promote creative industries in the United States

- In the United States, President Franklin Roosevelt announced the New Deal in 1929. As part of it, the Works Projects Administration employed 40,000 artists through Federal Project Number One (Federal One) in 1935. This promotional policy brought about the following results.
 - 1) Many outstanding artists left Europe and other areas for the United States
 - 2) Culture developed in American communities
 - 3) After 1945, it was reflected in cultural and artistic industries such as Broadway musicals and Hollywood movies

