CREATIVE METROPOLES

THE CREATIVE SECTOR IN WARSAW

THE POTENTIAL AND DEVELOPMENT CONDITIONS

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TABLE OF CONTENTS

I. Introduction

Modern economies are developed thanks to the people's knowledge and creativity. Gathering educated and well-qualified people, characterised by creative thinking and acting, gives rise to creative capital. Creative capital is a key feature in the development potential of cities, a stimulator of changes and a factor influencing their residential and investment attractiveness. City authorities, within the framework of activities promoting development, should administer the creation of conditions necessary for the development of creative capital and its appropriate use in order to strengthen the foundations of the economic development of the city. The influence of the creative capital on the development of these fundaments is indicated in a number of studies, although precise measurement of this influence is not always possible[1]. Creative capital is mobile capital. It is concentrated in the cities which attract people with their beneficial living conditions and possibilities to achieve goals in life and career. People through whom creative capital is established, migrate. That is why the actions undertaken by city authorities should attract them to the city and persuade them to stay

There is a rich body of literature on the subject of creativity and innovation, their interrelationship, and their effects on the entrepreneurship and economic development of the cities. It is widely assumed that a creative business is undertaken within the frames of the creative (sector) industry. However, the industry (sector) is defined in several ways. Creativity is described in a similarly pluralistic way, and as a result the classification of creative professions and indications of the relationship between creativity and innovation are also multiple in character. Generally, the creative industry is said to be comprised of dynamic and mobile entrepreneurs, often organised on-line, creating original products. Creative industry definitions often result from defining certain forms of business as "creative business"

[1] See information concerning the influence of the creative sector on the economic development of the cities and regions included in the reports *Creative Industries in Berlin. Development and Potential*, Senate Department for Economics, Technology and Women's Issue; Senate Department for Urban Development, Berlin, 2008; *Creative Industries and Development*, UNCTAD, United Nations, 2004; *Americans for the Arts*, Congressional Report on the Creative Industries, Washington, D.C. 2009; H. Bakhsi, E. McVittie, J. Simmie: *Creating Innovations: Do the Creative Industries Support Innovation in the Wider Economy?*, NESTA: Making Innovation Flourish, Research Report, March 2008.

in the documents concerning development strategies or policies and as such are analysed.

If we assume that the core of the functioning of the creative sector is establishing new ideas, creativity can be defined as the ability to generate those concepts and perceived as a condition to bring about innovation. In this case, innovation is defined as ways to use these concepts, taking the form of efficient marketing strategy and the distribution of new products and services.

Warsaw is a metropolis of great creative potential. All national media are located here - television and radio stations, Internet portals and the editorial offices of most newspapers and periodicals with a national coverage. Mass media, educational institutions and post-secondary level colleges, theatres, museums, monuments, etc. and people with higher education and of high material status, make Warsaw a leading cultural centre - both in terms of potential in creating culture and the professional culture market. The offices of television, radio, Internet portals, periodicals, publishing houses, institutions preparing Polish versions of foreign educational television programmes, etc. handle most of the information that reach the country.

Warsaw draws itself on the cultural map of the world through, among others, the organisation of internationally recognised events. These events are prepared by Warsaw theatres, galleries, and museums. The Teatr Wielki -Opera Narodowa can pride itself on the richest repertoire: the Ludwig van Beethoven International Easter Festival, The International Stanisław Moniuszko Vocal Competition, Performance Art International Meetings, the International Festival of Modern Music "Warszawska Jesień", International cycles: "Great Dames of World Opera", "Great Chamber Music of the 20th Century". Other cultural institutions in Warsaw are moderately active at the international level, which includes sparse expositions or meetings of the world art representatives from various countries. The only museum internationally significant is the Warsaw Uprising Museum. Cyclical cultural events are held at venues in Warsaw, which contribute to the forming of the international image of the city. They include the Warsaw Summer Jazz Days, Jazz Jamboree, and the Frederic Chopin International

Piano Competition. The year 2010 is a unique time for Warsaw, being the Year of Chopin.

Warsaw's cultural functions are positively evolving. Warsaw offers a variety of cultural programmes and events. The world perceives Warsaw as a city of music. The “off culture” also develops here. The uniqueness of the package results from the quality and the scope of musical events (the brand of artists and the events). New investment are under way with connection to culture (such as the construction of the Kopernik Scientific Centre, and the Modern Art Museum).

The aim of this report is to depict the nature of the development of the creative sector in Warsaw. Due to the variety of definitions and classifications of activities with reference to creativity and innovation in the first part of the study, several approaches to examining the issues of the creative sector development are incorporated after presentation of research methodology. Then, the role of culture in the development of the city's economic foundations and its effect on the attractiveness of the city is presented. The next part encompasses the discussion of the results of the research carried out. The study is concluded with remarks on the support policy for the creative sector and conclusions from the works carried out.

II. Research methodology

The research was conducted in two stages. The first stage included the verification of the database of the creative-sector companies operating in Warsaw. In order to make this verification, the opinion[2] of creative sector entrepreneurs were compiled. Then, the existence of the company and its type of business was verified. The second stage included interviews with randomly-chosen creative-sector company representatives about the conditions of the functioning of their firms in Warsaw.

Stage I - Creative sector entrepreneurs' opinion

Creative entrepreneurs / companies are part of the so-called creative industry, also referred to as the creative economy, or ***the creative sector***. The last term is used for the purposes of this study.

The creative sector makes products and generates jobs through using intellectual property. Its development is often connected with the advance in *the economy based on knowledge* and *the community of knowledge*. People working in the creative sector are characterised by innovative thinking and acting and tolerance in different ways of thinking and acting.

The diversity of creative sector definitions and the factors influencing its development cause difficulties in the unequivocal determination of what is creativity and innovation, and in indicating relationships between the two. The issues of creativity, innovation and entrepreneurship intertwine and mingle. When speaking of industries or an innovative economy we often use the two terms, innovation and creativity interchangeably.

However, looking from the following perspective of:

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[2] The opinion in this case is a description of the set of businesses recognised as creative; it also indicates sections, groups, classes and subclasses according to PKD, which incorporates information on the creative entrepreneurs.

a/ formulating and implementing a support policy for the entrepreneurship and

b/ improving the efficiency of the entrepreneurship development policy
creating the foundations of the economic development of the city based on the intellectual resources owned

it seems justified to differentiate between creativity and innovation. For practical reasons, the conceptual range of the term "creative industry" is often limited to certain selected forms of activities connected with widely-understood culture, with the exclusion of, for instance, the education / science sector, the financial services or business services sector and the high technology sector (in such a case the interchangeable use of the terms "creative industry" and "industry of culture" is frequent).

For the purposes of this study, after analysing different definitions and with the consideration of its practical use, its conceptual range was limited and the creative-sector entrepreneurs in the following fields were included:

- advertising,
- design / pattern designing (including fashion designing),
- architecture,
- the art market (including restoration of works of art, and the antique market),
- handiwork and decorative arts,
- film (including video),
- photography,
- computer games,
- music, theatre, dancing (performing arts),
- electronic publishers,
- traditional publishing houses,
- software and computer services,
- traditional and electronic media (television, radio).

Taking into consideration the accessibility of data it was decided that the entrepreneurs of the following sections, groups, classes and subclasses by the PKD classification (Table 1) be covered by the research:

Section G: 47.78.Z

Section J: 58.11.Z, 58.13.Z, 58.14.Z, 58.19.Z, 58.21.Z, 59.11.Z, 59.13.Z, 59.14.Z, 59,20.Z, 60.10.Z, 60.20.Z,

Section M: 71.11.Z, 73.11.Z, 73.12.A, 73.12.B, 73.12.C, 73.12.D, 74.10.Z, 74.20.Z

Section R: 90.01.Z, 90.02.Z, 90.03.Z, 90.04.Z, 91.01.A, 91.01..B, 91.02.Z, 91.01.Z

Table 1 The business activities of entrepreneurs selected for research into the creative sector

DIVISION	GROUP	CLASS	SUBCLASS	NAME OF THE GROUPING
SECTION G		**WHOLESALE AND RETAIL TRADE; CAR REPAIR, INCLUDING MOTORCYCLES**		
47				**RETAIL TRADE, WITH THE EXCLUSION OF CAR RETAIL TRADE**
	47.7			**Retail sale of other products run in specialised outlets**

DIVISION	GROUP	CLASS	SUBCLASS	NAME OF THE GROUPING
		47.78	47.78.Z	Retail sale of **other** new products conducted in specialised outlets *This subclass includes the retail sale of:* – *photographic, optical and precision equipment,* – *souvenirs, handicrafts and religious items,* – *items dealt in by commercial art galleries* – *heating oil, gas in cylinders, coal and timber for household goods,* – *weapons and ammunition,* – *stamps and coins,* – *products other than alimentary, elsewhere unclassified, and* – *Optician's services.*
SECTION J		**INFORMATION AND COMMUNICATION**		
58				**PUBLISHERS' BUSINESS ACTIVITIES**
	58.1			**Publishing books and periodicals and other publishing activities , with the exclusion of the field of software**
		58.11	58.11.Z	Book publishing *This subclass includes the publishing of:* – *books, brochures, leaflets and similar publications, including dictionaries and encyclopaedias, in print, electronic and audio form or published on the Internet,* – *atlases, maps and charts in print or electronic form.*
		58.13	58.13.Z	Newspaper publishing *This subclass includes:* *publishing newspapers, including classified and advertising papers, issued at least 4 times a week, in print or electronic form, including the Internet.*
		58.14	58.14.Z	Publishing magazines and other periodicals *This subclass includes:* – *publishing magazines and other periodicals issued less than 4 times a week, in print or electronic form, including the Internet,* – *broadcasting radio and television programmes.*

DIVISION	GROUP	CLASS	SUBCLASS	NAME OF THE GROUPING
		58.19	58.19.Z	Other publishing activities *This subclass includes:* – *publishing, including making accessible on-line:* • *catalogues,* • *advertising material,* • *photographs, illustrations and postcards,* • *greeting cards,* • *forms,* • *posters, reproductions of works of art,* • *other printed materials* – *publishing (making accessible) statistical data and other information on-line*
	58.2			**Publishing in the area of software**
		58.21	58.21.Z	Publishing in the area of computer games *This subclass includes publishing activities in the area of computer games for all platforms.*
59				**BUSINESS ACTIVITIES CONNECTED WITH THE PRODUCTION OF FILMS, VIDEO RECORDINGS, TELEVISION PROGRAMMES, AUDIO AND MUSIC RECORDINGS**
	59.1			**Business activities connected with films, video recordings and television programmes**
		59.11	59.11.Z	The activities connected with film-making, video-recording and television programmes *This subclass includes:* *the production of cinema films, video recordings, television programmes (television series, documentaries) and television adverts.*

DIVISION	GROUP	CLASS	SUBCLASS	NAME OF THE GROUPING
		59.13	59.13.Z	The activities connected with the distribution of film, video recordings and television programmes *This subclass includes:* – *distribution of cinema films, video cassettes, DVDs and similar products to cinemas, television stations and such units,* – *acquisition of copyright to cinema films, video recordings and DVD.*
		59.14	59.14.Z	Business activities connected with screening of films *This subclass includes:* – *screening of films and video recordings in cinemas, outdoors and other sites,* – *film club activities .*
	59.2	59.20	59.20.Z	**Business activities in the scope of audio and music recordings** *This subclass includes:* – *the production of original exemplary audio recordings, on tapes,& CDs,* – *the publishing, promotion and distribution of audio recordings intended for wholesale and retail sale or directly to recipients,* – *audio recording in studios and other places, including the production of radio programmes on tapes,* – *acquiring and registering copyrights to music compositions,* – *promotion, authorisation and using those compositions in radio and television recordings, films, live performances, in print and in other media,* – *publishing of music notations,*
60				**TRANSMISSION OF GENERALLY-ACCESSIBLE AND SUBSCRIPTION PROGRAMMES**

DIVISION	GROUP	CLASS	SUBCLASS	NAME OF THE GROUPING
	60.1	60.10	60.10.Z	**Radio broadcasting** *This subclass includes:* – *radio transmission of sound signals through transmission studios and sound-programme transmission systems generally accessible or by subscription,* – *radio station activities , i.e. preparing and transmitting audio programmes for incorporated persons, and subscribers, by means of radio, cable or satellite,* – *radio transmission through the Internet (Internet radio stations)* – *transmission of data integrated with radio programmes.*
	60.2	60.20	60.20.Z	**Transmission of television programmes generally available and by subscription** *This subclass includes:* – *preparation of television programmes by transmitting specific programmes (such as films, documentaries, etc.), production of specific programmes internally (such as local news, live reporting) or their combination.* – *programming and transmission of general and specialist television programmes (sports, news reporting, etc.),* – *transmission of programmes on request.*

SECTION M		PROFESSIONAL, SCIENTIFIC AND TECHNOLOGICAL ACTIVITIES		
71				**BUSINESS ACTIVITIES IN THE AREA OF ARCHITECTURE AND ENGINEERING; TECHNICAL RESEARCH AND ANALYSES**
	71.1			**Business activities in the area of architecture and engineering and technical advice related to it**
		71.11	71.11.Z	Business activities in the area of architecture *This subclass includes preparing architectonic projects and advisory activities in the field of:* – *construction design* – *urban design and architectonic landscape design*
73				**ADVERTISING, MARKET SURVEY AND PUBLIC OPINION SURVEY**

DIVISION	GROUP	CLASS	SUBCLASS	NAME OF THE GROUPING
	73.1			**Advertising**
		73.11	73.11.Z	Advertising agencies' business activities *This subclass includes:* – *comprehensive design and implementation of advertising campaigns through:* • *designing, planning and placement of advertisements in print media, radio, television, Internet and other media,* • *designing, planning and placement of external advertisements in the form of billboards, panels, displays, balloons and airship advertising, window exhibitions, advertisements on cars and buses, etc.,* • *distribution and delivery of prospect and advertisement samples,* • *creation of stalls and other constructions and exhibition spots,* – *preparing advertising campaigns and other advertising services aiming at acquiring or retaining clients, for instance by:* • *promotion of products.* • *direct marketing,* • *delivering and publishing prospect and advertising samples and direct-mail advertising,* • *marketing consultancy*
		73.12		Business activities related to media representation
			73.12.A	Agency in the sale of time and space for advertising purposes in radio and television
			73.12.B	Agency in the sale of space for advertisements in printed media
			73.12.C	Agency in the sale of space for advertising purposes in electronic media (Internet)
			73.12.D	Agency in the sale of advertising space in other media

74				**OTHER PROFESSIONAL, SCIENTIFIC AND TECHNOLOGICAL ACTIVITIES**
	74.1	74.10	74.10.Z	**Business activities in the area of specialised design** *This subclass includes:* – *design projects for textiles, clothing, footwear, jewellery, furniture and other elements of decor, other design for personal use and household products,* – *industrial design, i.e. creating and developing projects and specifications which facilitate* the *usage, value and appearance of products, including the specification of materials, mechanisms, shape, colour and decoration of the surface of a product, taking into consideration characteristics and needs of the users, safety, demand, method of distribution, usage and maintenance,* – the *business activities of graphic designers* – the *business activities of interior designers.*
	74.2	74.20	74.20.Z	**Photography related activities** *This subclass includes:* – *photographic services including:* • *portrait photography, passport photographs, ID photographs, wedding photography, etc.,* • *commercial photography, for publishers, for the use of fashion designers, real estate agents or for the purposes of tourism,* • *aviation photography,* • *motion photography, such as: video recording of events: weddings, meetings, fashion shows, etc.,* – *photographic materials processing, such as:* • *photographic processing, photo prints, enlarging from photo negatives and film tapes accepted from a client,* • *photographic processing and photograph prints by photography laboratories,* • *photographic processing (within an hour) by express photographic-processing outlets, with the exclusion of photographic equipment shops,* • *framing slides* • *photograph copying, restoration and retouching* – *press photographers' business activities* – *microfilming of documents*

SECTION R		BUSINESS ACTIVITIES RELATED TO CULTURE, ENTERTAINMENT AND RECREATION		
90	**90.0**			**CULTURE AND ENTERTAINMENT-RELATED CREATIVE ACTIVITIES**
		90.01	90.01.Z	Business activities related to performing artistic shows *This subclass includes theatrical, opera, ballet, musical and other performances:* – *the business activities of circus groups, orchestra, musical bands* – *the business activities of individual artists, such as: actors, dancers, singers, lectors or presenters*
		90.02	90.02.Z	Business activities supporting the performance of artistic shows *This subclass includes:* – *business activities supporting theatrical, opera, ballet, musical and other performances:* • *the business activities of directors, producers, stenographers, designers and theatrical decoration creators, scene shifters, stage illumination specialists, masters of ceremony, etc.* – *the business activities of artistic performance producers, in or out of the facilities.*
		90.03	90.03.Z	creative artistic and literary business activities *This subclass includes:* – *the business activities of individual artists, such as: sculptors, painters, draughtsman, engraver, artists engaged in etching, etc.,* – *the business activities of individual writers of all fields, including literary fiction, popular science, etc.,* – *the business activities of independent journalists,* – *the renovation of artistic works, such as paintings, etc.*
		90.04	90.04.Z	Business activities of cultural facilities *This subclass includes:* – *the business activities of theatres and concert halls, galleries and showrooms, cultural centres, common rooms and other cultural facilities.*
91	**91.0**			**BUSINESS ACTIVITIES OF PUBLIC LIBRARIES, ARCHIVES, MUSEUMS, AND OTHER CULTURAL ACTIVITIES**
		91.01		Public libraries and archives' activities

			91.01.A	Public libraries' activities *This subclass includes:* – *documentary and informational activities of all sorts of libraries, reading rooms, listening and audio rooms for general public or special recipient groups, such as: students, scientists, teachers, members:* • *aggregation of resources* • *cataloguing of resources* • *lending and storing books, maps, periodicals, films, discs, tapes, artistic works, etc.,* • *looking up information from available collections, etc.,* – *storing photographs and films by public libraries and related services.*
			91.01.B	Archives' business activities *This subclass includes public archives' informational and documentary activities provided for the general public or special recipient groups, such as: students, scientists, teachers, members and the activities of Government archives:* – *aggregation of resources,* – *cataloguing of resources* – *lending and storing books, maps, periodicals, films, discs, tapes, artistic works, etc.,* – *searching for information from collections held, etc.*
		91.02	91.02.Z	Museum activities *This subclass includes the activities of all sorts of museums, such as:* – *museums of art, jewellery, furniture, costume, pottery, silverware,* – *museums of natural history, science and technology, history, including military museums and commemoration rooms,* – *other specialised museums,* – *outdoor museums*
		91.03	91.03.Z	Business activities of historical places and buildings and similar tourist attractions *This subclass includes:* – *the maintenance and preservation of historic places and buildings and monuments as well as other movable monuments.*

Stage II – the selection of companies to be examined and the quantitative analysis of companies in the creative sector

The companies in the creative sector were selected (from the GUS - Central Statistical Office - database) on the basis of the opinion. Subsequently, this base was initially verified by removing from it the following:

- companies in a state of liquidation,
- companies which did not fulfil the criteria of creative companies (pursuant to the accepted opinion; in the case of doubts the type of business was additionally verified on the basis of their entries in the KRS - National Court Register),
- companies / institutions which functioned with the aid of public authorities (institutions financially supported by the Warsaw City Hall or the Ministry of Culture),
- companies categorised as "big fish" (big record concerns, publishers, etc) – since it was assumed that the policy to support the creative sector should be mostly directed to small and medium-sized enterprises,
- companies without full contact data, which are not possible to be completed based on the information on these companies

The creative sector company database verified in such a way was then subjected to another verification by a direct phone call to the representative of the company. During the phone call the following was verified:

a/ whether the company still operates,
b/ whether the type of business registered at GUS is still valid and is a leading type of business.

Those companies whose representatives were reached, and verification of their existence done, were again verified in the event of the appearance of doubt resulting from the effects of the interviews with them. The method used in the additional verification was to check in NCR and on the Internet sites of the companies what field they operate in. In doing so the verified database of companies of the creative sector in Warsaw was built.

Stage III – research on the perception of the creative sector companies operation in Warsaw

The verified creative-sector company database was used to randomise a sample of 50 companies to be subject of qualitative research. In the second stage an in-depth interview questionnaire was prepared. Qualitative research was conducted using individual in-depth interviews (IDI); the time of the interview amounted to 1.5 hours.

III. Creativity versus innovation

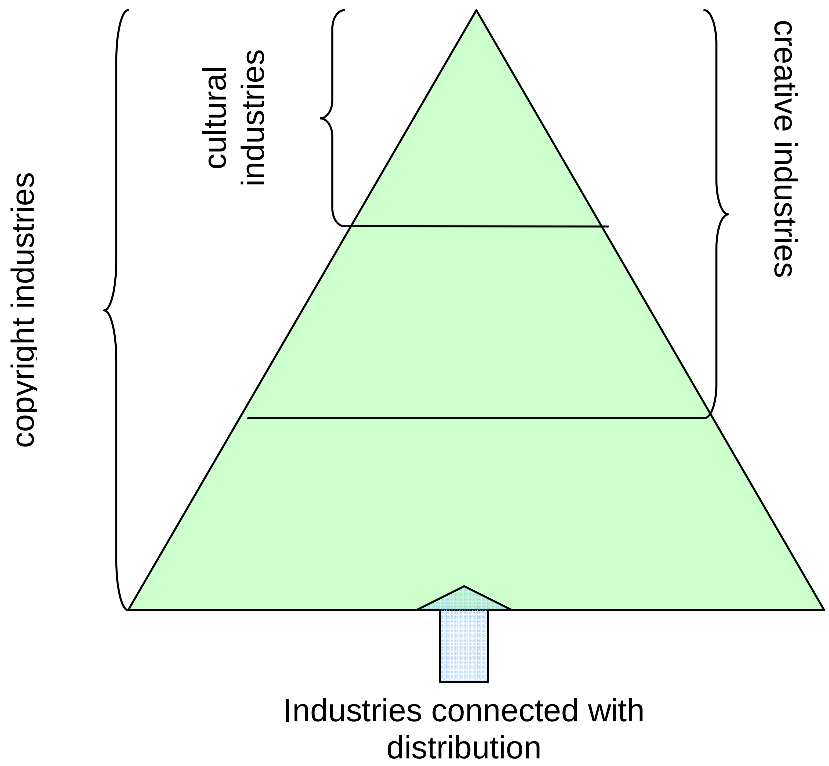
As mentioned above, the terms creativity and innovation are frequently used interchangeably. Sometimes the creative sector is perceived as the one in which (or in whose surroundings) innovations come to life or become developmental impulses for this sector, leading to the creation of new products and services[3]. The definition of innovation introduced by the European Commission states that "innovation is an implementation of new developments into economic practice: new or significantly-improved solutions in respect of a product (goods or services), a process, marketing or an organisation. An innovative solution may be the result of the research and development activities of the entrepreneur, and collaboration with other entrepreneurs and institutions or may be the result of purchasing knowledge in material or non-material form." Additionally, patented solutions should be recognised as innovative. This definition clearly suggests that the distinction between creativity and innovation is necessary, and is obviously a more soft category.

A useful approach which arranges the creative sector in order in the context of innovation is the approach used by the Commerce and Industry Ministry of Singapore (Fig. 1). According to this approach, activities in this area are treated as cultural industries, and, simultaneously, as part of creative industries and copyright industries.

Business activities connected with this area are crucial for the development of creativity. Not always do they need to be related to the above-mentioned definition of innovation and not necessarily directly. Undoubtedly, they reflect the economic performance of the city through expanding services and generating internal and external demand.

[3] H. Hollanders, A. van Cruysen, *Design, Creativity and Innovation: A Scoreboard Approach*; PRO INNO EUROPE - INNOMETRICS, February 2009

Fig. 1 Model depiction of creative industries



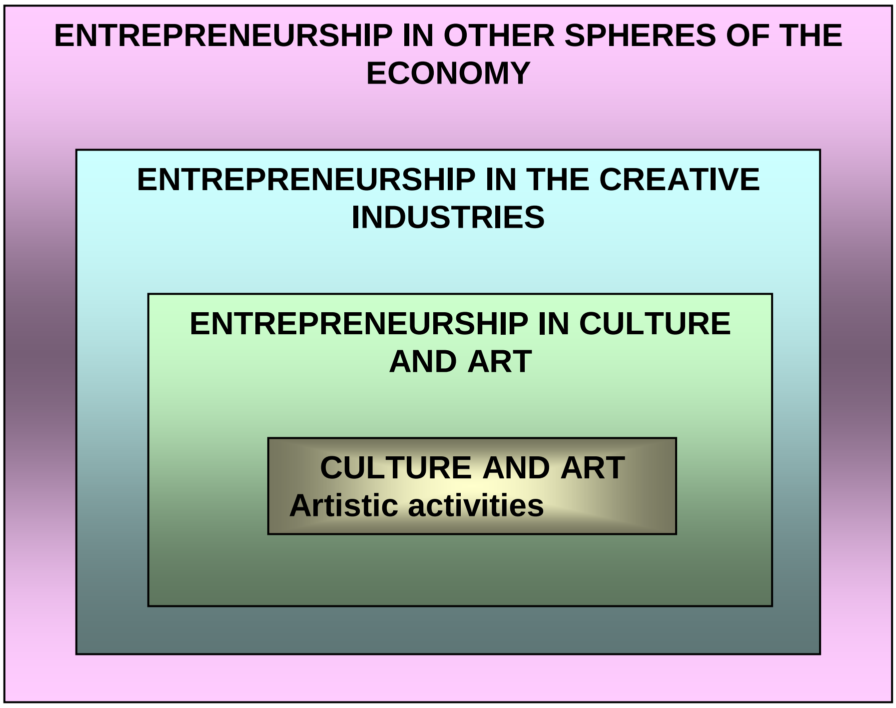
Source: own development

The opinion of the creative sector acknowledged in the research reflects the logic of the Singapore model, showing the role of the cultural activities crucial for its development.

IV. The role of culture in socio-economic development

Culture is a medium for creativity and innovation. In development management it can serve as a tool helping to achieve social coherence, transmitting values, education, and reaching a balance between tradition and innovation. Culture is a tool enabling intercultural and inter-generation dialogue, and it also strengthens integration into a multi-cultural society. Moreover, culture is a catalyst for economic growth. It can contribute to the development of cities and regions, affect their residential and investment attractiveness, facilitate the development of local and regional job markets and is significant for the development of entrepreneurship in other spheres of the city's economy (Fig. 2).

Fig. 2 Cultural activities versus creative industry, innovation and entrepreneurship - conceptualisation



Source: own development

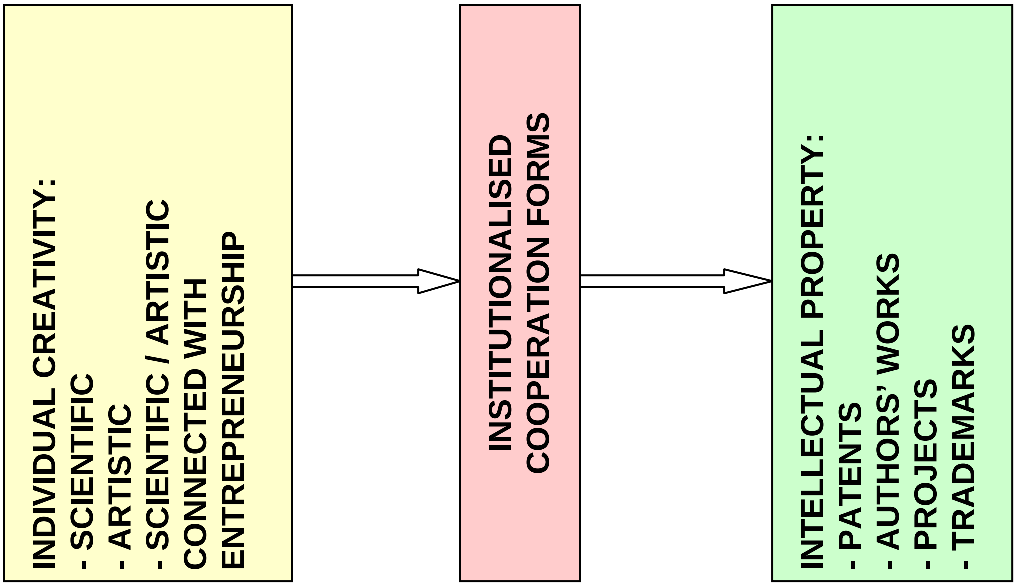
The importance and usefulness of culture in social and economic development is increasing. Expenditure on culture is more often treated as an investment and not a burden. Culture is a source of values and a stimulant to social development (for example, through activities developing creativity and the ability to think critically).

Culture alone becomes capital stimulating the development of the creative industries. The results of the event and literature research ordered by the European Commission give multiple arguments and showcases, the outcomes of which were published in the reports "The economy of culture in Europe" of 2006 and "The influence of culture on creativity" of July 2009. These reports indicate the direct and indirect factors in the creative industry's development and their influence on the realisation of objectives contained in the Lisbon Strategy. The direct factors are, most of all, growth in employment and influence on the increase in GDP. The indirect factors include the relationships between creativity and innovation, between IT and telecommunications sector, and between regional development and the attractiveness of creative sector businesses. Research on the European scale led to a statement that the transactions of the creative businesses sector in 2003 exceeded 654 billion Euros, the share of this sector in the GDP of the European Union amounted to 2.6 %, and its rate of increase was higher in than the rest of the economy. The total growth of the added value of this sector amounted to 19.7% in the years 1999-2003, and in 2004 in the creative businesses sector in Europe less than 5.8 million people worked, which constituted 3.1% of the total number of the employed. The reports show that expenditures in the area of culture should be recognised as investment; however, it is necessary to compile a coherent policy for this sector.

Cultural activities play an educational role. Contact with culture influences the way people think, and the acquired competencies, thanks to, for instance, artistic education, are used in other areas of life. Culture allows social coherence and the creation of social capital, as it helps to integrate various social groups, mobilise them to act for the general good, and incorporate them into public life. From the perspective of the mobilisation of endogenic resources, culture is very significant. It strengthens identity (local, regional and international) and a sense of membership in a specific community or circle of values. Access to culture facilitates the shaping of civic conscience and competencies necessary to participate in public life.

The effective functioning of the creative sector, which is reflected in high productivity in creating intellectual property, depends on an institutional and organisational structure allowing the generation of added value (Fig. 3). The elements of the added-value chain indicate possible areas of public intervention. They also allow the identification of critical points from the perspective of the usage of the intellectual and social capital for the development of the creative sector.

Fig. 3 The added-value chain



Source: own development

Creative sector activities can also be analysed within the framework of four intertwined components[4]. These components include creative services, creative content, creative experience, and creative originals. This approach refers to the business type and profile in the creative sector, which determine their development possibilities and indicate conditions to be fulfilled in order to facilitate the development.

Creative services are offered by companies obtaining income from dedicating their time and granting intellectual property to other companies or organisations. This type of units are, for instance, advertising agencies, architects, designers, photographers and software consultants. Companies offering creative services require the presence of qualified professionals and investment in offices and equipment matching the clients' needs.

[4] DCMS, *Culture and Creativity in 2007*, UK Government, Department of Culture, Media and Sport, London, 2007

Companies engaged in creative content, in turn, invest in the development of this content. They earn through the sale of the possibilities of using intellectual property, advertising and licensing. This group encompasses live transmissions, book and magazine publishers, films, film studios, video and computer games publishers, and individual producers, such as musicians and companies producing television programmes. Companies offering creative content mainly need access to capital necessary for the creation of a product.

Companies engaging in creative experience sell to consumers the right to experience or participate in live specific spectacles, shows, performances, and outdoor expositions. First of all, these companies need creative workers, ready to work in unusual conditions (eg. working hours, and teamwork with changeable team mates).

The *creative originals* component is evident in companies the selling material products of human activities, whose value is appraised on the basis of their perceived creative or cultural value, exclusivity and authenticity. They are, among others: fine arts, handiwork and craft. These areas constitute the purest form of creative activities. Their development requires stamina and support, mainly from the public authorities.

One of the more prominent professional groups from the creative industry appreciated by the representatives of other industries is the group of designers. Designers' business activities are directly translated and easily measurable by the commercial success of the creators of various products and services. According to BEDA data (The Bureau of European Design Associations, *European Design Report. The European Design Industry in Facts and Figures*, 2006) over 447 thousand designers in Europe generate an annual income of 36 billion Euro. The leader in terms of the number of designers (over 185 thousand) and income from the creative industry (16 700 million Euro) is Great Britain. According to BEDA estimates Poland holds around 6 thousand designers (of different specialties), and creative industry money circulation (57 million Euro) are similar to those in Estonia (40 million) and Luxemburg (36 million). The Polish creative industry generates only a small percentage of Gross Domestic Product (0.02%).Poland is second last before Greece

(0.01%). In terms of the number of designers we outstrip Luxemburg (0.9 thousand), Estonia (2 thousand) and Norway (over 2 thousand).

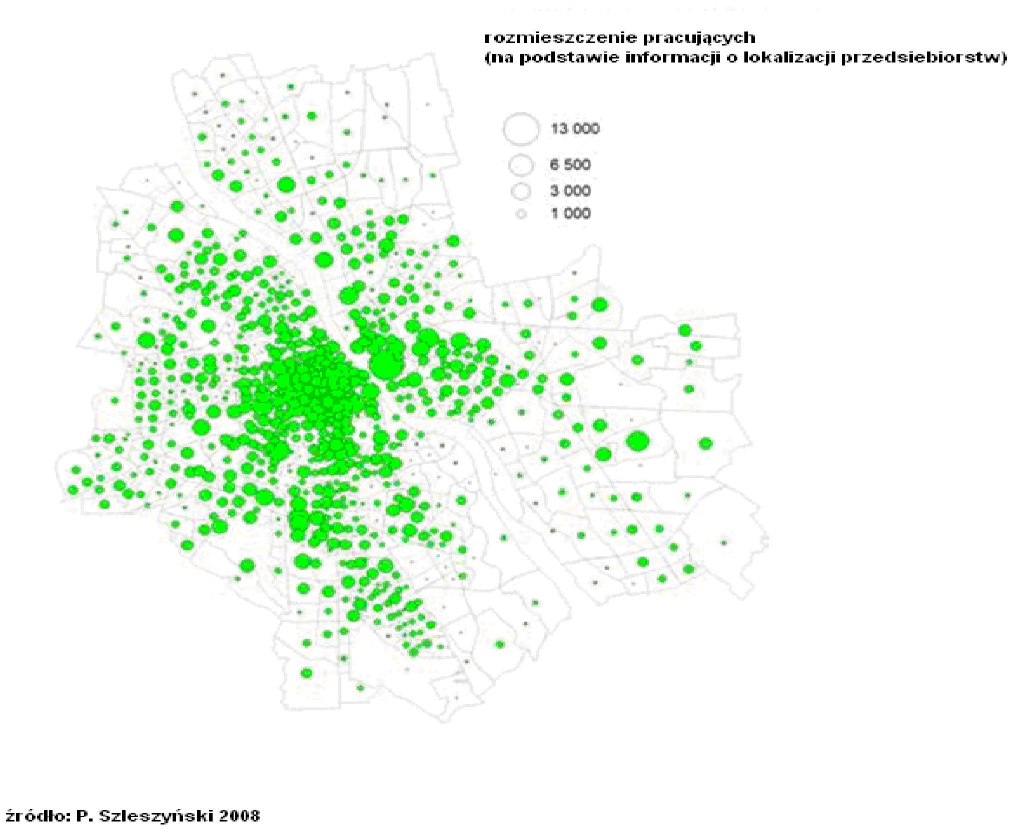
The development of the creative sector is closely related to economic growth, technological advance, and social and cultural change dynamics. The developmental potential of the sector is enormous, with the globalisation of developmental processes and the functioning of society in the world dominated by image, sound, the written word and symbols. Despite the global extent, and, in some circumstances, the mass character of the influence of the creative sector, its strength comes from the local and regional developmental conditions. The city and a region are most suitable places to implement innovation and creativity in order to develop economically. Cities have specific social, functioning and spatial arrangements, operating in the regional context. Regions, on the other hand, are big enough for synergy to happen and small enough to take into consideration the developmental plans of the creative sector and the specific character of its surroundings.

European innovation policy has been changing over time. In the 1970's it mainly focussed on research and development. In the 1980's it focussed on technology transfer. In the 1990's it was assumed that innovations are not generated or adapted in a linear process, but are the result of processes within the framework of complex systems with participating networks of partners including universities, researchers, public authorities and public and private entrepreneurs. In the sustainability policy programme for the years 2007-2013 innovation is perceived as the most significant tool for achieving sustainable development. This approach assumes the promotion of *clusters* in order to maximise the usage of the innovative potential of individual entrepreneurs. There is an increasing demand for high-quality research and development work, if prosperous entrepreneurs are to emerge in the region. Access to scientific and research institutions and specialist knowledge and abilities in the area of finances will be essential for the development of the flourishing creative sector. The requirements of this sector in respect of scientific and research institutions differs from those of more traditional industries.

V. The Creative sector in Warsaw

There are 313 thousand companies operating in Warsaw in total (GUS, 2009). Most of them are located in the city centre (Śródmieście) and districts which once were industrial (traditional). Modern Warsaw's economy is dominated by companies in the broadly-understood service sector. The distribution of economic activities is still polarised (Fig. 4).

Fig. 4 Location of the employed in Warsaw



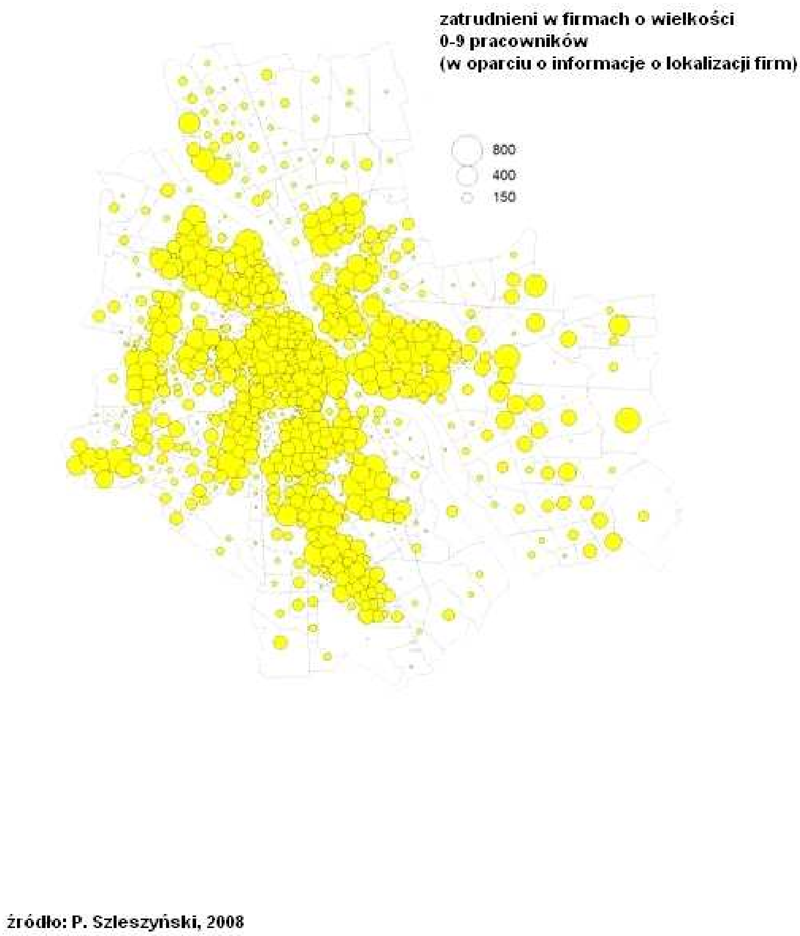
[key]:

Location of the employed (on the basis of information on the location of enterprises)

Source: P. Szleszyński 2008

The districts on the outskirts of Warsaw on the right bank of Vistula are mainly residential. Most of the institutions and companies are locates in the centre of the city, although there is an observable movement of companies and institutions to the west and south west, to the districts once dominated by industry, or never used. These processes are decreasing the scale of polarisation. The migration of companies from the centre of the city is also connected with the development of the creative sector in Warsaw. They emerge not only in the traditional locations and in the places of new investments offering office space, but also in districts which were and still are mainly residential. (Ursynów) (Fig. 5). This is because many companies have their bases in the places of residence of their owners.

Fig. 5 Location of the employed in Warsaw by size of company



[key]:

The employed in companies with more than 9 employees (on the basis of information on the location of enterprises)

Source: P. Szleszyński 2008

In accordance with the opinion of the creative sector companies, the starting point for the analyses was the GUS database of 2009 containing 35201 records (the number of the companies in the specific categories GDP is presented in Table 2).

Table 2 The number of companies in the creative sector operating in Warsaw

	PKD categories	Number	Share %
	Book publishing	1993	5.7
	Newspaper publishing	214	0.6
	Magazines and periodicals publishing	620	1.8
	Sound recording publishing	206	0.6
	Other publishing activities	404	1.1
	Retail sale of the non-alimentary products in specialised outlets, unclassified elsewhere	4801	13.6
	Cable television	20	0.1
	Editing activities in the area of software	533	1.5
	Database-related activities	569	1.6
	Construction, urban and technology-related activities	6043	17.2
	Advertising	7186	20.4
	Photography related activities	1185	3.4
	Other commercial activities, unclassified elsewhere	6201	17.6
	Production of films and video recordings	1617	4.6
	Distribution of films and video recordings	138	0.4
	Film projection	38	0.1
	Television and radio activities	608	1.7
	Economic activities of theatrical drama and puppet companies	81	0.2
	Activities of musical companies	41	0.1
	Philharmonic, orchestra and choir activities	94	0.3
	Folk song and Dance Ensembles activities	14	0.0
	Galleries and showrooms activities	70	0.2
	Cultural centre activities	76	0.2
	Artistic and literary creative activities, unclassified elsewhere	1362	3.9
	Activities of cultural facilities	76	0.2
	Other commercial activities, unclassified elsewhere	781	2.2

	Public libraries' activities	26	0.1
	Non-public libraries' activities	1	0.0
	Archive business activities	57	0.2
	Museum activities	29	0.1
	Historic preservation	117	0.3
	Total	**35201**	**100.0**

The created database was verified using methods described in part two of this study. The elimination from the database of entries where a company was subjected to liquidation, could not be classified as creative, functioned with the support of public authorities, companies which where categorised as "big fish" and those with insufficient contact data, decreased the database to 17 386 records. The next step of the analysis assumed that all those companies exist and operate in the creative sector (their location in Warsaw is presented in Table 3).

Table 3 Creative-sector companies in Warsaw

District name	Number of creative sector companies
Bemowo	258
Białołęka	354
Bielany	896
Mokotów	2950
Ochota	753
Praga Płd.	898
Praga Północ	456
Rembertów	25
Śródmieście	2541
Targówek	123
Ursus	695
Ursynów	5563
Wawer	251
Wesoła	113

Wilanów,	112
Włochy	392
Wola	520
Żoliborz	486
Warsaw in total	17,386

All the creative sector companies listed in the initially verified database were verified again: each company was phoned in order to check whether the company exists and what is its leading form of activities. The effect of this verification are shown in Table 4. Analyses conducted on the basis of available and verified information allow the assumption that Warsaw contains 6682 companies meeting the criteria of membership of the creative sector (in accordance with the assumption used in the opinion). Verification by phone was conducted in two stages within several weeks. Thus it can be assumed that the negative verifications were a result of a situation when the speaker was temporarily unavailable or an answer-phone response - those companies were classified as not operating or their activities was an additional form of income. 1540 companies were liquidated. As many as 3507 companies possessed out-of-date contact data. In the case of 1950 companies, persons answering claimed different companies or private dwellings, or the company once based there no longer operates. Unfortunately, in the group amounting to 6682 companies only representatives of 3114 were available and interested in participating in the survey. In other cases no interest was shown or despite several attempts to contact by telephone, an informant was not available.

Table 4 Outcomes of the verification of companies by telephone

Pn.	Number of creative sector companies	Verification outcome
1.	3114	Positive verification - a company's representative confirmed its existence and the type of business according to REGON number

2.	1889	Positive verification - the interlocutor confirmed the existence of the company, but there was an absence of an informant authorised to be interviewed
3.	1679	positive verification - the representative of a company confirmed its existence but refused to take part in the research
4.	1540	negative verification - a company's representative informed us of its liquidation or suspension
5.	1950	negative verification - the interlocutor informed us that: a/ this address housed a different company; b/ this was a private accommodation where no company operated any more
6.	2032	negative verification - the speaker was "temporarily unavailable" or an answer-phone responded
7.	1675	Negative verification - the company's representative confirmed its existence but the type of business according to REGON number did not agree with the criteria of the creative sector
8.	3507	out-of-date contact data from the GUS database
9.	17 386	TOTAL

The analysis of the results of the telephone conversations was the basis for the creation of the categorisation of the creative sector companies (Table 5). The main type of company's economic activities given was the base for the exclusion of an additional 566 companies. The remaining companies were categorised according to the assumed opinion, with the division of the *design* categories on design and engineering design. This division was caused by the fact that a certain number of the companies were engaged in engineering design and some in pattern designing.

Table 5 The classification of creative-sector companies operating in Warsaw

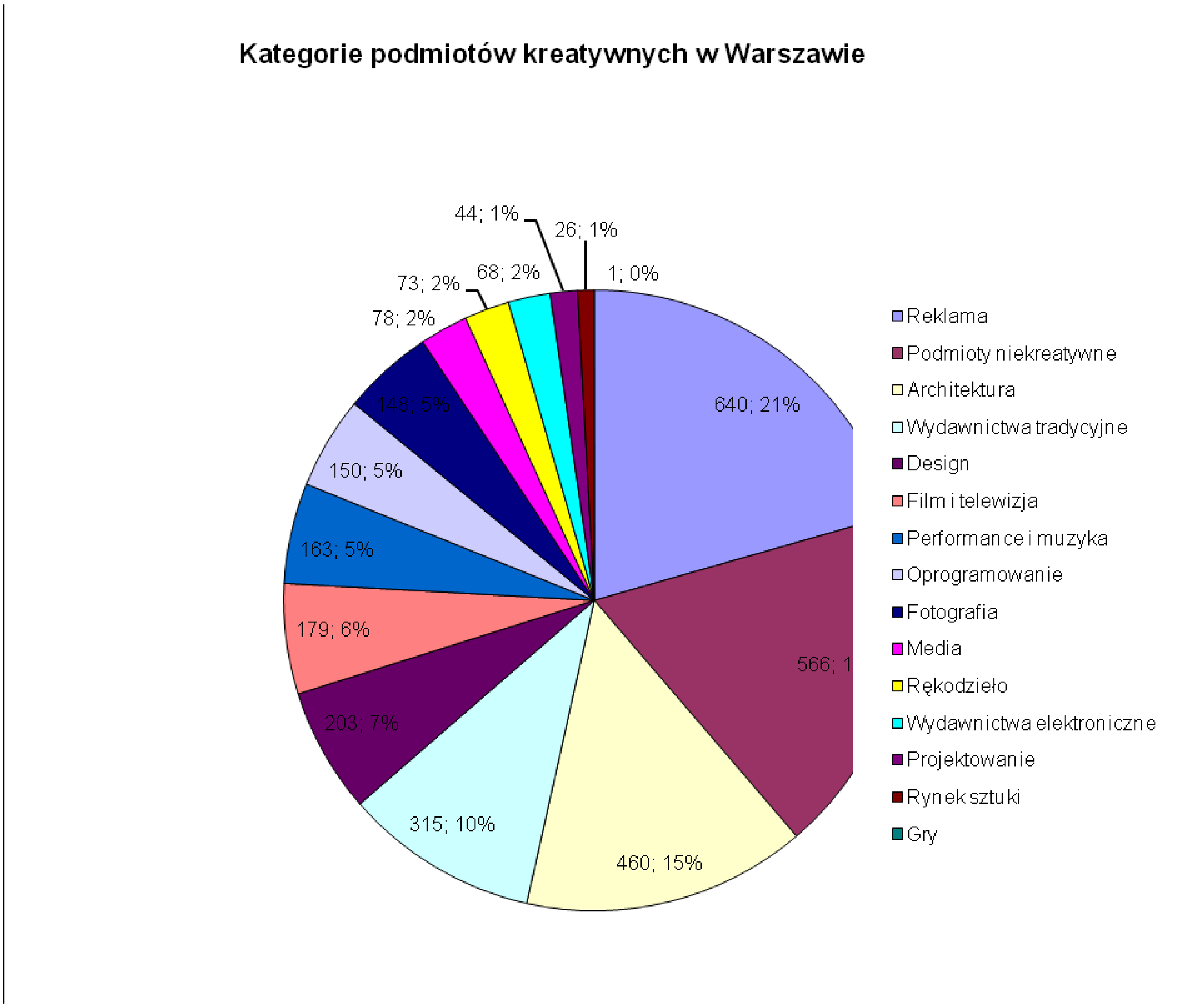
Classification	**Number of companies**
Advertising	640
Architecture	460

Traditional publishing houses	315
Design	203
Film and television	179
Performance and music	163
Software	150
Photography	148
Media	78
Handiwork	73
Electronic publishers	68
Design	44
Fine arts market	26
Computer games	1
Non-creative entities	566
Advertising	640
Architecture	460
Traditional publishing houses	315
Total	**3114**

The analyses show that the creative-sector in Warsaw is dominated by companies operating in the advertising business (21% of the companies) (Fig. 6). Next in line are architecture and traditional publishing houses. Using the contact data an analysis of the spatial distribution of the companies was conducted[5]. A useful indicator of the degree of concentration of the companies is their number per 10 thousand residents. Thus identified companies during the survey are mainly located in Śródmieście, Włochy, Wilanów, Mokotów and Żoliborz.

[5] The numbers in brackets in the legend of the cartogram are the number of districts contained in a specific class division

Fig. 6 Creative sector entities in Warsaw according to categories



[key]:

Creative sector entities in Warsaw

Advertising

Non-creative entities

Architecture

Traditional publishing

Design

Movies and television

Performance and music

Software

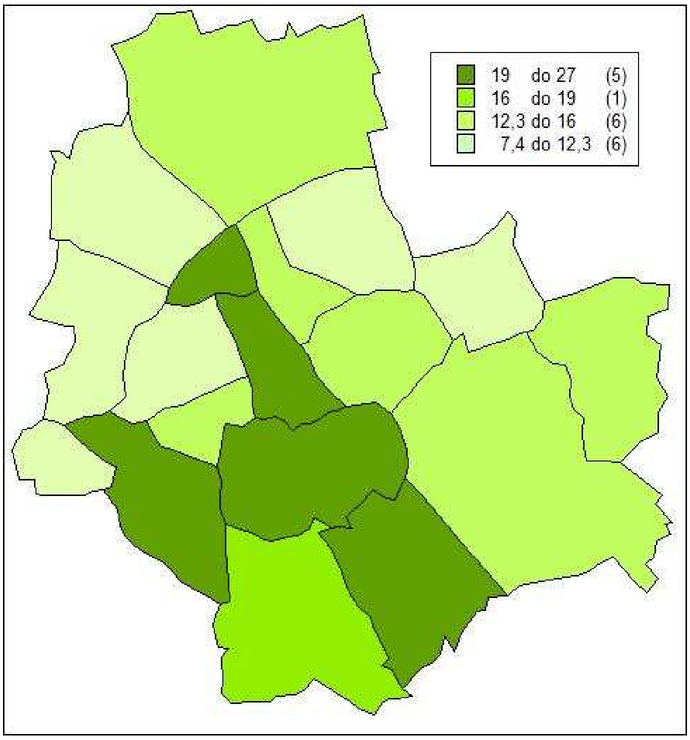
Photography

Media

Handicraft
Electronic publishing
Designing
Art market
Games
Source: own development

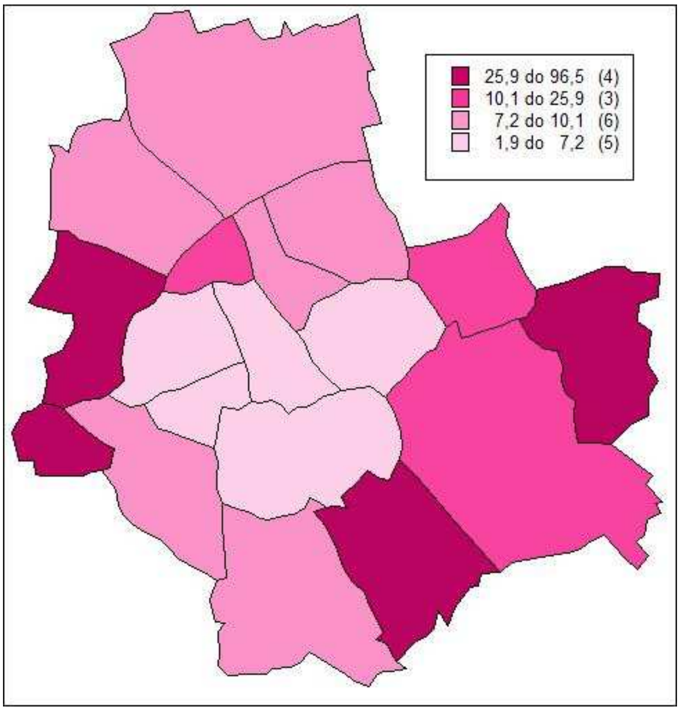
This image is of course influenced by the number of residents, as well as the socio-demographic structure of the population (Fig. 8). Demographically "older" districts appear in the lower-class divisions. The concentration of entities presented in Figure 7 seems to be diagnostic, which is confirmed by the results of further analysis.

Fig. 7 The number of creative sector entities per 10 thousand residents



Source: own development

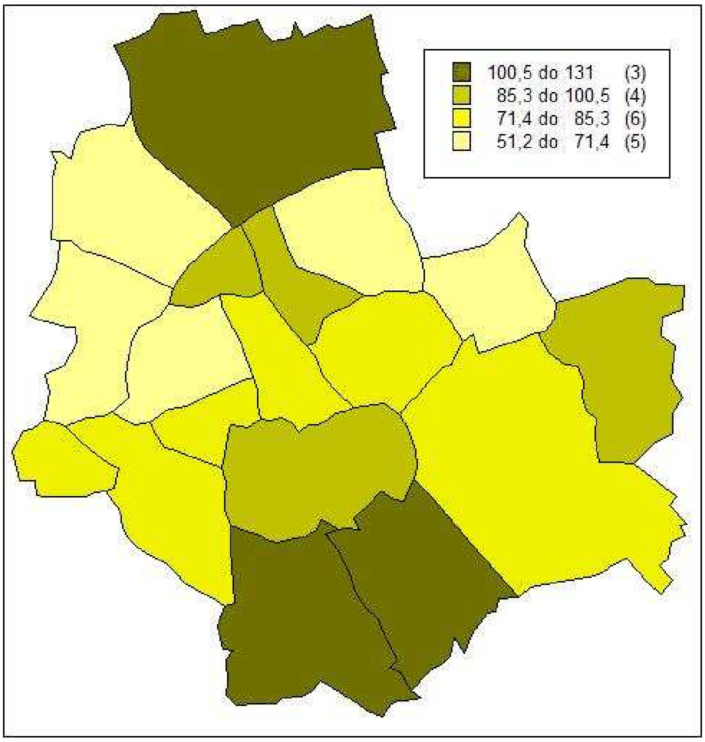
Fig. 8 The number of creative sector entities per 10 thousand employed



Source: own development

An extremely interesting image of the distribution of the creative sector companies is in the case when we take into consideration their participation in the overall number of the economic entities operating in individual districts (Fig. 9). The three districts, which are placed in the highest class division are Ursynów, Wilanów and Białołęka. This is a confirmation of the thesis that diminishing the polarisation of the distribution of economic activities in Warsaw is an effect of the development of the creative sector, and this sector is to a great extent flexible in location. However, it does not mean that the representatives do not have their preferred areas of the city where they would like to run their business, or certain specific conditions resulting from running a unique business. In this context it is noteworthy that Mokotów and Praga Północ are in the same class division.

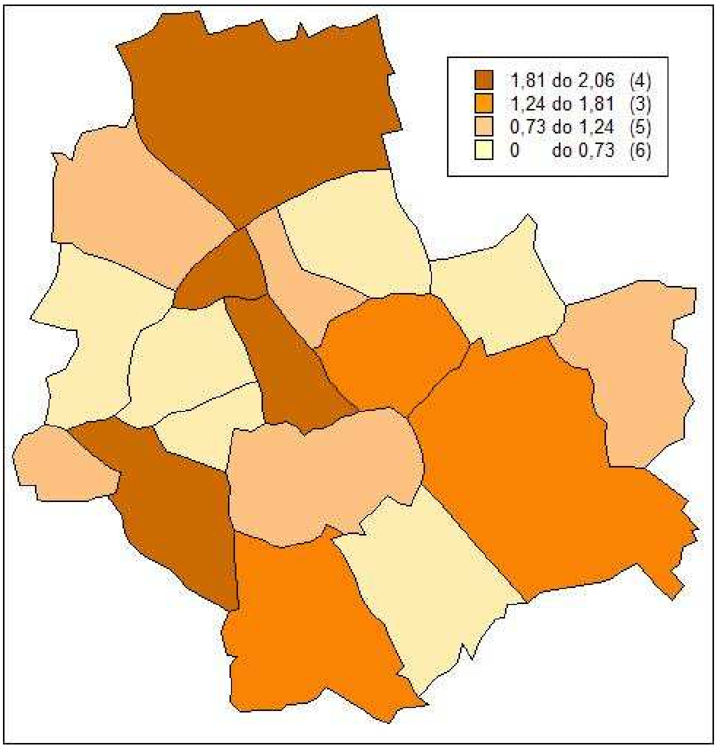
Fig. 9 The number of creative sector entities per 10 thousand economic entities



Source: own development

Companies operating in the area of design and advertising are located in different districts (Fig. 10, 12). Their concentration also differs, which may be resultant from the specific needs of those running a specific business. During the interview, within the framework of the qualitative research, those companies were sometimes defined by the respondents as "mobile" - running a business does not require an office, but is connected with collaboration with other entities, meetings, etc. A company may have its office in an owners lodgings or rented office space in a district well-connected with others.

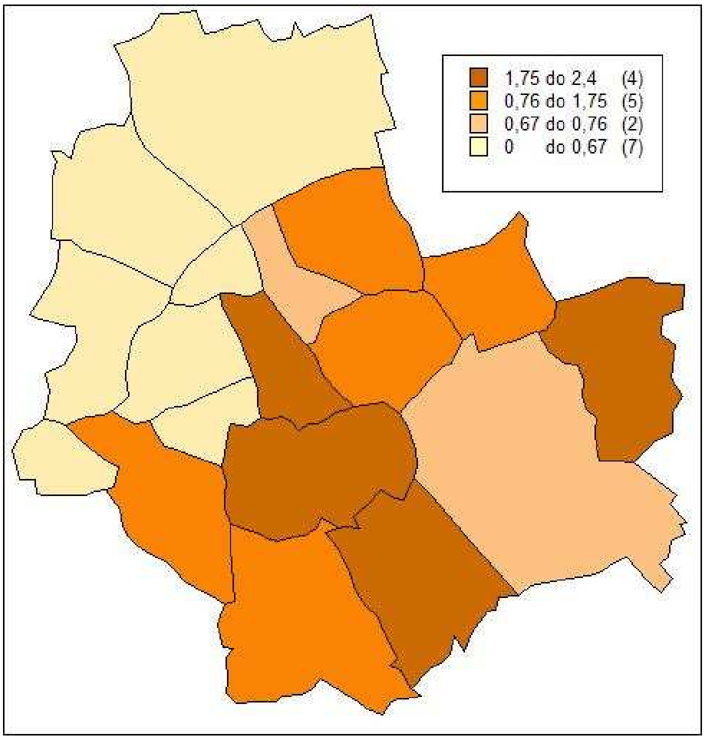
Fig. 10 The number of creative sector entities per 10 thousand residents – design



Source: own development

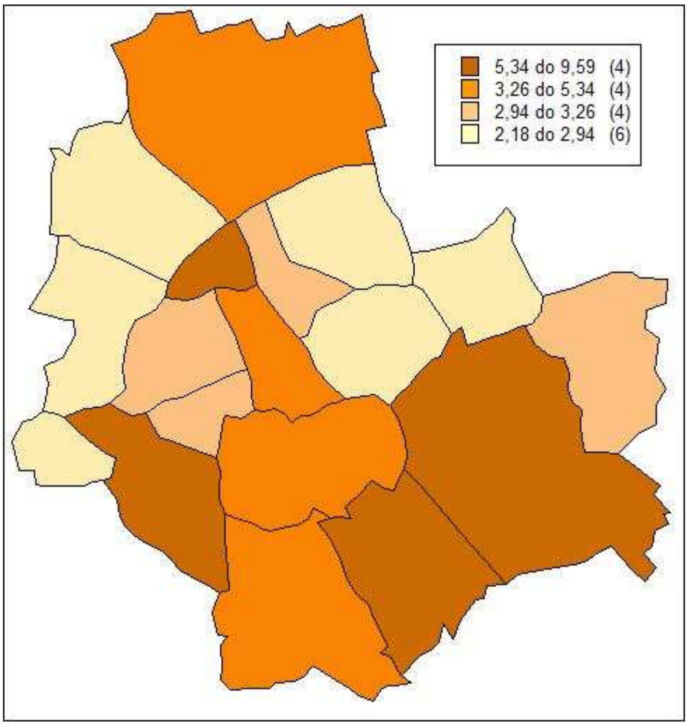
The image of the distribution of the film-making business (Fig. 11) and traditional publishing houses (Fig. 13) is more transparent. These areas require adequate accommodation conditions, although (as qualitative research shows) it cannot be dismissed that the location results in the prices of accommodation rental.

Fig. 11 The number of creative sector entities per 10 thousand residents – film



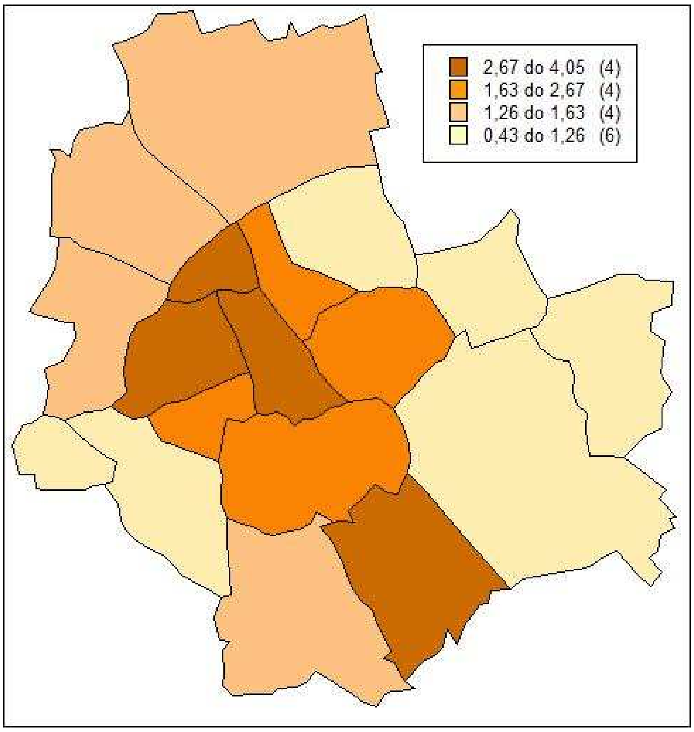
Source: own development

Fig. 12 The number of creative sector entities per 10 thousand residents – advertising



Source: own development

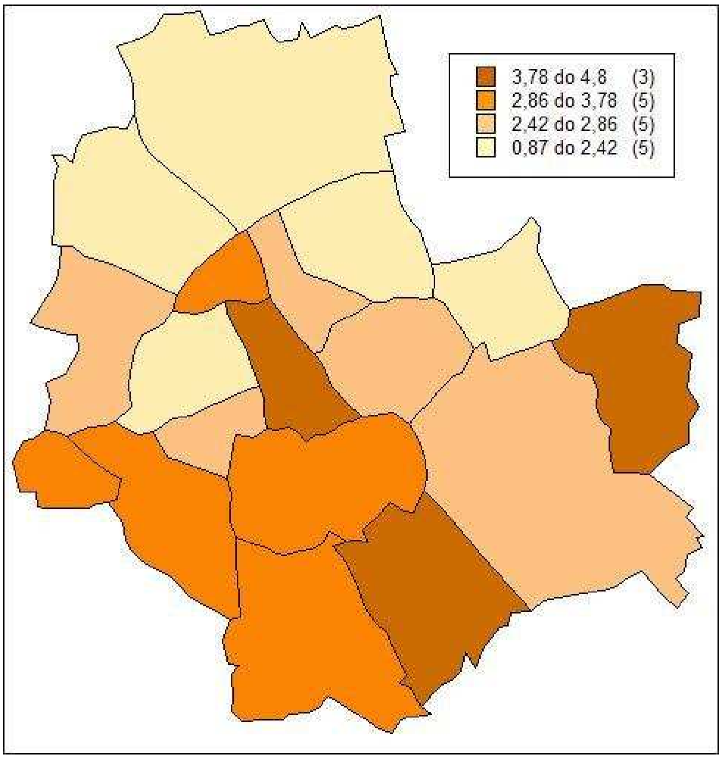
Fig. 13 The number of creative sector entities per 10 thousand residents – traditional publishing houses



Source: own development

During the qualitative research the activities in the area of architecture was acknowledged as the most creative. It is one of the dominant fields in the creative sector activities in Warsaw. In this case, the biggest number of companies is located in the Śródmieście, the south-western part of the city and Wawer (Fig. 14). This division is influenced by two factors: the overall number of companies located in a given area and the social and professional structure of the residents.

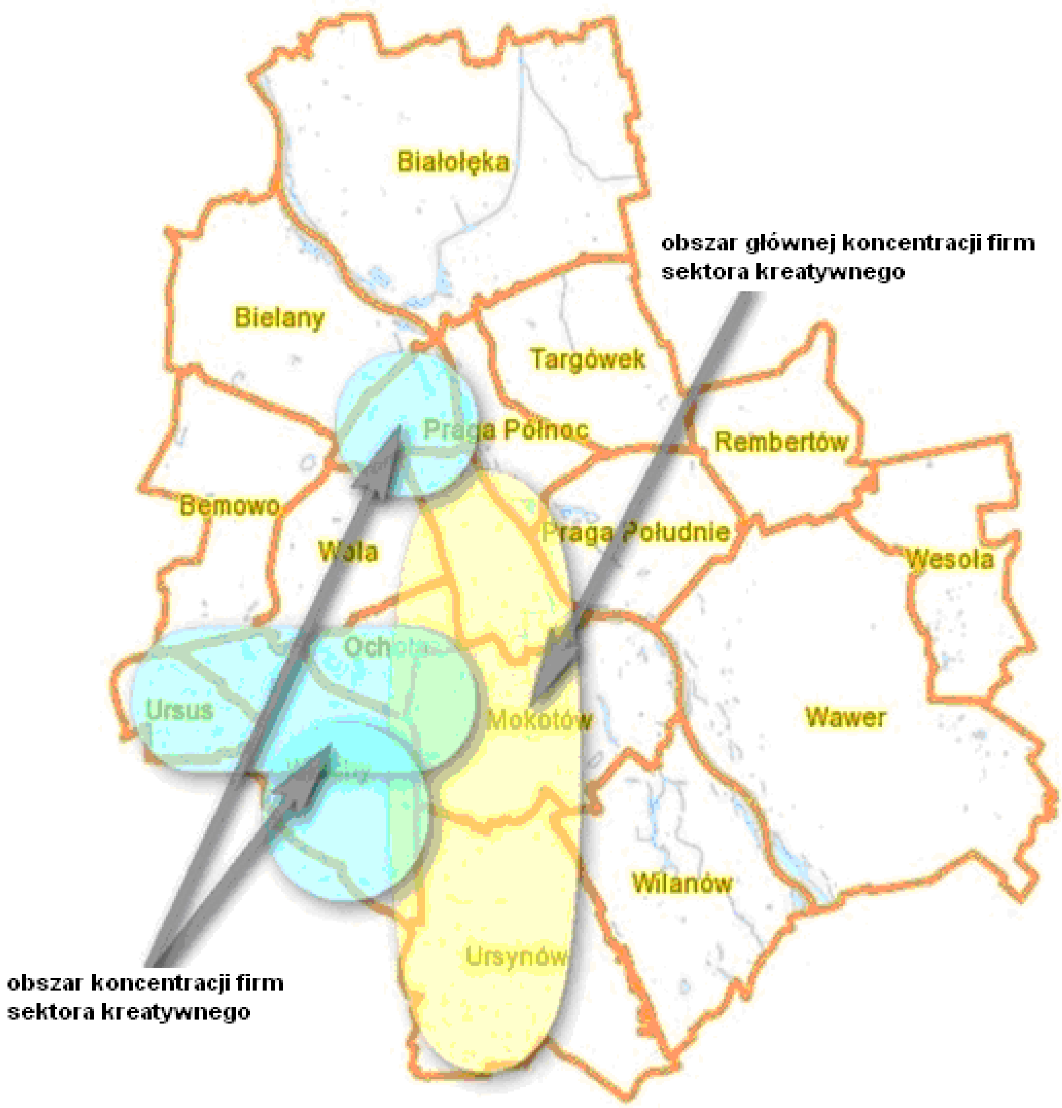
Fig. 14 The number of creative sector entities per 10 thousand residents – architecture



Source: own development

By generalising the obtained picture of the distribution of creative sector companies in Warsaw we can state that the spatial arrangement of those companies presents a certain order (Fig. 15). The centre predominates; a prominent concentration of companies can be seen in Ursynów and Mokotów; attractive in this sense are also Praga Północ and Praga Południe. This distribution should be compared with the location preferences of the company owners who participated in the qualitative survey (Fig. 16). To a large extent, this distribution overlaps the actual location of the creative entities. In the context of changes in the spatial distribution of the companies it is worth noting that Praga is an attractive location for a business.

Fig. 15 The location of the creative sector entities in Warsaw



[key]:

The main concentration area of creative sector entities

The concentration area of creative sector entities

Source: own development

Fig. 16 The locations of activities preferred by the owners of creative sector entities in Warsaw

[key]:

The evaluation of individual locations

Districts positively evaluated due to the location next to an underground line

Paid parking zone

Górny Mokotów – the location of advertising agencies, production houses

“Close” Praga attractive in terms of prices

Source: own development

The database used as a foundation for the analyses proved to be unreliable. It contained invalid and incorrect information. The reason for this is the practice of entering several types of business when registering a company. This results in positioning the company in the database as an advertising business, as well as providing dental services. The biggest problem, however, is lack of updating the database.

The attempt to verify the database proved to be a partial success. It eliminates non-existent and "inactive" companies, but due to the lack of interest of a great number of company owners it was not possible to determine what fields their companies actually operate in and to what extent they can be categorised as creative.

VI. Sector development conditions as perceived by the representatives of creative companies

The main objectives of this qualitative research was to determine:

- the specificity of the creative sector in Warsaw: what actual activities are conducted by the companies qualified as creative and positively verified in the first stage of the research,
- how long these companies have operated on the market,
- who they cooperate with,
- how Warsaw is perceived in terms of a location for business by the company owners,
- what are the experiences of the company owners connected with cooperation with City Hall,
- what are the needs and expectations of the company owners in relation to City Hall.

Company owners' perception of the creative sector

Most of the owners recognised their activities as creative (thus they are a part of the creative industry / sector) although at the beginning of the interview they declared it this way. Despite this fact, the degree of creativity is higher in case of some, and lower in case of others. Creativity, according to the respondents, can manifest itself in various fields - the project / idea, method of advertising, reaching the clients, and the selection of an idea which might interest potential clients and sell well in the market. Thus, in some trades creativity relates to both the idea and the method of its promotion, and contact with the client; while in others, creativity is reduced to bare selection of promotional methods and contact with a client.
According to the respondents, the trades with the highest degree of creativity are: architecture, photography, advertising, film-making, music business and handicrafts. The lowest degree of creativity is needed for typography, Information Technology, and publishing.

When talking about creativity, the respondents stated, inter alia, that "Creativity is the basis for all arts."

- *Creativity in architecture*

In the area of architecture, creativity manifests itself mostly in the creation of a vision of a building, envisaging the way it will blend with the existing space, as well as foreseeing all the functional aspects connected with spatial planning. In addition, a designed element constituting the whole of a bigger space (eg. a city) must agree with its character, history, and urban structure.

Architects stated that: "Creativity is the foundation of our work. We are engaged in designing, that is, creating objects which were not there, from scratch...That is what our creativity is all about. We make up two-dimensional or three-dimensional things, objects, signs.". "A concept begins with a bare patch of field and nothing else. And it depends on me. It is very burdensome, but fun at the same time ... we can do everything."

In addition, creativity depends on proposing to a client the most functional and original solutions there are, which means, among others, activities such as *"Proposal of a functional solution: how to use a given floor space to the fullest for it to be the most functional for the client." (architect), "Arranging something unique, so that a person has more than ordinary." (architect)*

Respondents of the architectonic trade also admitted that creativity in their area consists of the method of approaching a client, gaining him or her. Additionally, it shows in creating the most attractive brand which would be appealing to potential clients. One of the respondents says*: "The approach to a client is also a manifestation of creativity, so that he or she is not discouraged. And appraisal is a tough problem."* Other: *"Learning about a person, a client, about their needs, what they like, what colours." (architect)*

According to the respondents the designer profession is less creative than that of architects, as it consists of only adjusting oneself to the design by an architect of the project.

- *Creativity in photography*

According to the respondents, a high level of creativity is needed in the photography industry. Firstly, it is based on the selection of technical solutions - choosing lens and determining the method and power of lighting. In addition, the photographer is responsible for creating an idea for a picture, presenting a particular view of the world and creating its atmosphere by choosing a time of the day and the approach to the subject. *“Creativity starts from the moment you press the shutter button of the camera, filming, editing and giving to the customer, from the very beginning.", "A man who has something to say is most important in the creative sectors.”* (photography)

In addition, creativity in this industry consists of taking a picture that arouses the interest of as many people as possible and remains in their memory. *"Creativity consists of attracting as many people as possible, so that these images remain in memory as long as possible and arouse as much emotion as possible."* Creativity in the photographic industry is manifested not only by taking new pictures, but also by making prints form the negatives - setting the shades of white and black, highlighting specific elements shown in the photograph. According to the respondents, the least chance to show creativity is in photojournalism, in which there is a lot of guidance on how to take photos and present the photographed people. In this field of photography, a photograph should show the event authentically, without any comment of the photographer.

- *Creativity in the handicraft and music industries*

According to the respondents, the handicraft industry is highly creative. Similarly to the architectural industry, it is based on designing, drawing, and also implementing a project. Quoting one of the respondents: *"It is creative from the very idea that arises in the head, drawing and implementation of a project."*

The majority of respondents in the music industry admitted that creativity is not very much needed in their industry. Only the respondent with his own music band admitted that his job requires a lot of creativity - they must create their own image and create original music material, compose music and lyrics. In addition, they must design the graphical layout of the record, come up with a marketing strategy and plan an advertising campaign. "*You must be creative, otherwise your splendour will fade away, you must be recognised. (...) The members of the band must have their style, dress appropriately, and have an idea of themselves*." Other respondents from the music industry (music teachers in schools and kindergartens) emphasised that there is no place for much creativity in their industry. It consist only in listening to customers' needs and adapting one's own material to them.

- *Creativity in the film industry*

According to the respondents, a high level of creativity is required in the film industry, and it's demonstrated by inventing the general vision, the idea for a project and writing the script for it. In addition, work on the set requires a high level of commitment on the part of the camera operator, director and lighting technician, who must work out the best way to present the subject – the method of shooting, lighting on the set, etc. The respondents stated that, among other things: *"Each project requires preparing a script and programme of action. Each project is different and each project should be approached differently. Each project is prepared differently, even though similar measures are used." "My creativity (...) as the author has to be considerable, because some things and some efforts can be repeated, but actually each project is unique. And this requires us to maintain continuous intellectual activity, so that it is different, it is interesting," "Then, even if the commercial is not creative, the realisation has to be creative. It is the approach of the camera operator, the director; there are costume designers and the whole staff of people who are working on this.", "People in this industry are often given a free hand to sell their ideas on the set."*

- *Creativity in advertising*

According to the respondents, advertising is based on creation - in this case on proposing the most specific, attractive and original communication solutions that can reach potential consumers. Very often, a client does not know what kind of communication he would like to direct to his customers, so the role of the agency is to propose the best solution. The task is creative in *"... reaching, coming up with advertising solutions and communication."* One of the respondents admitted that the concept of creativity is very broad and can define the greatest artists and geniuses. Other people are mere craftsmen, reproducers, although they have their "flashes of genius." *"The greatest painters, sculptors were creative, and the rest are craftsmen, but they sometimes must have some flash of genius, in order to do something to intrigue, enchant the eye." (advertising)*

- *Creativity in the computer science industry*

Creativity in the computer science industry depends on customer's demand. If he needs innovative solutions and is not afraid to invest in them, the computer specialist has the opportunity to create a new program, to propose a unique solution. But if the customer prefers to use only proven tools with a long tradition, which are used by multiple clients, the role of the computer specialist is limited to the implementation of the ideas of other programmers.

The respondents admitted that the computer science industry in Poland lacks strong centres and is so young that it is difficult to create and develop a new brand. In addition, the respondents in Poland noticed a tendency to have greater confidence in the products of global corporations. When talking about creativity in this industry, computer specialists say that it is "*creative in respect of creating something - programming something is creating something*.", and also *"Creativity lies in the fact that we find interesting solutions, e.g. a technological novelty. (...) We use this novelty to invent a product that is interesting from the point of view of the company and brings it savings". "Although there were also opinions like this one: "There is as much creativity as allowed by the recipient of services. I would rather not emphasise creativity in this respect."*

- *Creativity in the printing and publishing branches*

The respondents working in the printing industry argued that it is not particularly creative. Creativity lies primarily in creating both graphic design and new graphical patterns, which are attractive for a potential client. However, they admit that most of the time they work within established templates.

However, in the publishing industry, the respondents think creativity comes down to making an effort to meet the needs of potential customers - to look for titles that may be interesting to them, to suggest topics of books and articles to authors. Additionally, it consists of creating a promotional campaign that is intended to encourage the purchase of the product. In this case, the approach to creativity is rendered by this quote: *"Creativity is everywhere, in every field – beginning from the creation of material (....), to providing material (packaging), then the issue of PR and advertising campaigns"*. It was also noticed that: *"We must completely re-educate our society in terms of aesthetics, we must sensitise children to art - a beautiful, illustrated book is a work of art."* A work of art is undoubtedly the result of creative activities.

The characteristics of creative companies sector

This characteristic is based on examples of the companies representing the fields included in the survey. But we must consider the fact that the names of the fields are very differently understood and interpreted by the owners of companies, who frequently abuse the concept, and so, for example, the owner of several advertising boards and pillars in Warsaw, which he rents to other companies, so they can hang their own billboards on them, claims that he works in the advertising industry.

- *Publishers*

Publishers can be divided into traditional (books) and music (records). In the case of traditional publishers, there are several tycoons on the market, but there are also lots of medium-sized, small and very small one-person publishers. Mainly the former compete with each other, the small ones rather try to work together and defend themselves against the pressure of the stronger. In the case of book publishers, they can be divided into certain specialisations, for example, literature, textbooks, dictionaries, foreign language literature, etc.

In the case of music publishers, on the one hand there are several major foreign players -- music and media concerns - and on the other, there are many small Polish companies, including “garage” publishers. The Internet has created a large area of activity - there are numerous internet publishers. Generally, the competition on this market is quite strong, but the companies are trying to find their niche (e.g., ethnic music).

The music industry is characterised by a certain unpredictability, i.e. people involved in it are unable to predict what will happen, when and what kind of new artiste will appear, which one will be worth promoting. *"You never know what will happen next year, who you will meet, who you will find, what artiste you will find, or what artiste will find you.”*

In the opinion of the respondents, publishers are not a very important economic force; they, just like the music industry, bring another value – they influence the cultural development. However, they are important to the economy of the city, because by developing its cultural potential, they increase its value, attract people who, in turn, generate actual profits, for example, tourists. As one of the respondents stated: *"In terms of revenue to the state budget it has little importance, however, it is of great cultural importance. Without us, these books wouldn’t be created, nobody would be able to acquaint with them."* (publisher)

Companies - traditional book publishers that took part in the survey - have been operating on the market for 5-18 years; none of them has ever suspended its activities during this period and none has changed their business profile. The reasons for starting business activities were different - the desire to become independent, to work "for own profit", or a bad financial situation in the current workplace and looking for alternatives. Traditional publishers are both one-person companies, which employ people they need, basing on contracts for a specific task (authors, illustrators, proofreaders) and the companies that employ workers using both employment contracts and contracts for a specific task. Some publishers operate within systems of regular cooperatives connecting various sectors, and they support each other*: "The longer you cooperate with someone, the easier it is to get a discount, people trust each other and forgive mistakes and blunders."*

The scale of companies' activities is both local - the Warsaw market – and international – selling the licences abroad, the books are published in France, Belgium, Italy, Norway, Brazil and Korea. The satisfaction levels of the respondents who run business are mixed - some people have no sense of financial stability. As one of the respondents stated: *"We managed to publish two books, which are selling in quite good numbers and are constantly on the market. But it is a continuous struggle for survival.* The s*ituation on the market is unstable. We do not know what will happen on the market within 2-3 months."*

Most of the respondent music publishers have been operating on the market for 1-4 years; none of them has ever suspended its activities during this period, but some have slightly changed their profile - for example, initially it was only recording activities in the field of ethnic music, but currently it's rather organising concerts and the musical education of children. Music publishers were born because of passion and the desire to create, realise one's own artistic intentions (all respondents are musicians by profession). Music publishers are one-person companies, which employ people they need based on contracts for a specific task (for a given project) or employ them on regular basis, for example, graphic designers, musicians, and partners in the distribution.

The companies operate primarily on a national, but also an international scale (music stores, internet shops). The satisfaction level of the respondents is measured mainly by a sense of professional satisfaction, when a person can do what he dreamed about, but not financial satisfaction. The music industry does not bring high and stable income, still it requires continuous investments.

- *Architecture, visual design, interior design*

Architecture is an industry with traditions, which is constantly developing in response to market demands (both nationwide and in Warsaw itself.) A lot of companies operate in this industry - from large architectural studios and smaller design offices, to one-person businesses. Hence, the competition is strong, but we can notice that it is being decreased by a certain specialisation.

In this industry, which is associated with great responsibility for the final result, trust and good relations between co-operators are very important. Thus, there is a network of solid relations. According to the respondents, architecture is a significant contribution to the national economy and the development of individual cities; in recent years, it has been one of the driving forces. It contributes to the development of the country - new residential or service buildings are being created; it also raises the aesthetic value of space (although the respondents have doubts related to the latter – there is still too much building/architectural chaos). Demand for services varies, as there are various investors on the operating market. *"There are investors on the market, who ”need to build a shopping centre." and there are those who want to build a detached house, every large shopping centre needs a big agency that is able to realise such commission, whereas smaller projects are for smaller companies."*

It’s interesting that the respondents themselves recognise visual design and interior design as a service industry. In case of visual design, there is a noticeable market fragmentation – there are both large companies and small players, specialising in specific projects. In the international context, this industry is consolidated mainly in Warsaw. According to the respondents, it is difficult to determine its contribution to the economy of the country or city. It seems that more and more companies are paying attention to the aesthetic correctness of their products and services - this sector is constantly developing and increasing its share in the "financial melting pot.”

In the case of interior design, activities are connected with the complex building of retail brands. Companies specialise in narrow fields. The members in this environment know each other very well, and sometimes they even cooperate with each other, mainly by exchanging information or contacts with clients. According to the respondents, this industry is important to the economy of the city and its residents – it creates space for development (new jobs for people and profits for companies.)

The respondent companies involved in architecture have been operating on the market for 2-12 years, none of them has ever suspended its activities during this period and the profile haven't changed either. The architect is a "freelance profession." Most of these people want to pursue their own aesthetic visions and therefore lean towards establishing a company (there were also cases in which the architect had trouble finding a job after parental leave and decided to create own workplace). Individualism in the field of architecture is proven by statements like: *"The spectre of the boss is so terrible for me, I cannot function in the structure.", "Sometimes I also do not want to have bosses, I think that I'm worth something."*

All respondent companies are one-person businesses. However, depending on the scale and nature of the project, the owners employ co-operators using contracts for a specific task - people dealing with electrical installation, building and fire surveyors, environmental specialists. Most of them are regular co-operators, because in the case of architectural projects, people work together even for a year or longer and confidence in the knowledge, skills and reliability is very important. Therefore, people often go back to reliable contacts.

The vast majority of companies operate on a national scale, although customers from Warsaw are in majority. Projects realised abroad are worked on less frequently: *"It's worse abroad, because there are other rights. But if there is an opportunity, why not. We could try."*

The owners of companies are not completely satisfied with the financial results of their companies (some of them emphasise that companies do not give them a sense of stability and security). At the same time, they realise that if they wanted to receive a greater profit, they would have to invest more and expand/strengthen their contacts with investors, customers, and not everyone is able to do this.

The respondent companies involved in visual design and interior design have been operating on the market for 4-12 years, none of them has ever suspended its activities during this period; profiles haven't changed substantially, but have slightly expanded, for example, from graphic design to design three-dimensional design and web pages.

Like in the case of architects, the individualism of creators is very strongly highlighted; they want to be independent in their actions - hence the idea to start own business: some do it immediately after graduation, others after gaining some experience on the market. The respondent companies employ up to three employees on a permanent basis; in the case of greater needs, they look for co-operators (but rather in a proven group). They plan further development and increasing employment. Companies are focussed on their own business, they do not get involved in the activities of the industry, or they do it to a very small extent.

These companies generally operate on the Warsaw market - the majority of their clients come from here, but projects are also realised in the whole of Poland. The satisfaction level concerning the development of companies is not completely satisfactory - the companies bring profit (variable in different periods) that cannot guarantee 100% stability. Entrepreneurs still need to put in intensive effort in order to acquire commissions and customers. The respondents stated: *“The company which would give such 100% feeling of financial stability must be bigger and already have at least three regular customers. My business is indeed profitable, I earn much more than in a similar position in a company, it is undoubtedly promising, however it is a level of activity which does not yet enable to build a beautiful house and live a very comfortable life.", "When we were beginning our business, we thought that our condition after 12 years would be after 2 years. And that after 10 years it would be something much, much better and we won’t have to slog away like a horse all the time, and the effect is moderately good."*

- *Photography*

Photography as an industry has undergone major transformation over the past few years, it has been influenced by the technological progress - the emergence of mass number of digital cameras has led to the germination of the theory that "*anyone can take photographs”*, and because anyone can take them, the overall prestige of the profession has decreased. The number of customers and photographic studios has also decreased. Currently, this market is very fragmented – there are lots of small, one/two-men companies, or so-called "freelancers", sometimes even in the gray economy. There are few larger companies - their profile is extended to other activities, for example, advertising and events or rental of studios. At the same time, increasing specialisation can be observed – wedding photography (which has the largest market share), fashion, advertising photography, etc. In this field, a group of customers is mainly built based on "recommending" to other people.

According to the respondents, photography as an industry has generally a very little contribution to the economy of the country, region or city. But advertising photography is an important tool in advertising itself and in this sense is a driving force behind sales (marketing campaigns).

Companies which were included in the survey have been operating on the market for 1-5 years, except for photographers' shops which have been operating since 1977 and since 1990. Companies have rarely suspended their activities during this period, and their profiles haven't changed either, but in some cases it has slightly expanded, for example, to other types of activities: film, corporate photographs, etc., or additional services – sound edition or film-making. Most companies were created out of passion, which at one point became the idea to start their own business – from the point at which taking private photographs met with the appreciation of the environment and specific commissions started to appear (especially with occasional photographs, for example, weddings). However, in the case of advertising/fashion photographs, people were more often educated in photography and had more professional experience, which became the basis for trying their hand at running their own business.

The vast majority of respondent companies are one-person companies. Their owners sometimes employ additional people, using contracts for a specific task, when there is a bigger commission: photographers, make-up artists, lighting technicians. They are focussed on their own business; they do not analyse the market environment. Companies operate mainly in Warsaw and Mazovia Province, although sometimes the respondents also realise commissions in other regions of Poland. Commissions are spread mainly by word of mouth - satisfied customers recommend services to others. Some respondents are not satisfied with the level of profits generated by the company, so they must seek additional activities. During the interviews some owners gave the impression that they are not very active when it comes to winning customers – they have no ideas and resources for advertising and still treat this partially as a hobby. Also, they do not have the adequate financial capacity to develop the company with new investments. But there are also those owners who have the vision of how their company should look and they try to gradually realise their objectives.

These different approaches are rendered by the quotes: *“We would have to pledge our apartment, take out a mortgage and equip it for about 300-400 thousand. And we cannot afford it. We are very afraid of this, we're old enough to be very afraid.", “Either it will change or I will suspend my business.", "There is always an dissatisfied feeling, I invest quite a lot and I’m waiting for money to save, but unfortunately it’s not the case, it’s still a phase of development.", "The fact that I operate is a certain success, but whether I do what I want? There is always a compromise between what I want and what I can. A moderate success, but with prospects for the future."*

- *Printing*

Printing is an internally diversified field. This includes, for example, the issue of books, magazines, records, posters, business cards, letterheads, invitations, but also the creation of visualisation. The market is very large – it includes both large printing houses, owned by specific publishers, and smaller ones, operating to the commission of several customers. There are also lots of small, one-man companies, specialising in small offset printing. Therefore, competition on this market is quite significant. The industry is developing all the time because new technologies are being introduced. According to the respondents, the contribution of printing to the economy is small if we take a look at the amount of generated income, but it is important, because it largely involves the issuing of books/magazines, and thus influences the development of culture.

Companies that have been operating on the market for 2-16 years took part in the survey. These companies haven’t suspended their business during this period; their profile has not changed either. The reasons for starting companies in this industry were different - some people previously worked for someone and at one point (sometimes forced because of the situation, for example, their place of work had gone bankrupt), they decided to take on the challenge, for others it was a supplement to other activities.

Part of the respondent companies are one-man business, one employs a further two employees using an employment contract, apart from the owner. Some would like to increase their staff, but it is too heavy a financial burden for them. Companies operate primarily on the local market in Warsaw. Some also realise occasional national or international commissions. Some respondents are not satisfied with their company's financial condition, worsened by the recent crisis. Companies do not give them a sense of security. Only one person admitted that financial results are fairly satisfactory and quite stable, although sometimes there is stagnation.

- *Advertising*

Recently, the advertising industry has been developing very dynamically and takes many forms. Advertising is very broadly defined – from creating the concept of advertising form to the realisation of specific advertising creations and all activities associated with it. The advertising market is very large – from big advertising agencies with foreign contributions, which serve international companies, to smaller Polish companies and one-man businesses, which receive much smaller projects. In this industry professionals often start companies, but in fact they are working for the benefit of another entity. Competition in this industry is very significant - both at the level of companies and individuals, among professionals. According to the respondents, advertising has a significant contribution to the economy of the country. Also Warsaw (where very many companies and customers are concentrated) Advertising creates demand, being aimed at increasing sales and thus profits. Advertising activities have *"quite a lot of indirect influence. A given brand is promoted, and as a result bought and gross domestic product is stimulated. I think that this field is a little underestimated, ridiculed."*

The companies that have been operating on the market for 2-13 years took part in the survey. The companies have not suspended their activities in this period, some of them having radically changed their area of activities, for example, at first it was only a printing house, then the owners reduced the scope of its activities and focussed on imports of gadgets from China – the realisation of the project to the commission of a client, and then a commission to manufacture them in a factory in China. The reasons for starting companies in this industry were different – the desire to plan work independently/to be independent: *"I like to be independent, to work when I want and how I want. If I work and have to earn for bread myself, I try harder. I do not like to have someone supervising me", "I am a visual artist by education. I do what I like doing and they pay me for it,"* the case – the property acquisition of a company that went bankrupt; the proposition of a large corporation to operate under its own banner within own business operation.

The respondent companies are both one-man companies, but if necessary they cooperate with others on the basis of a contract for a specific task, and companies employing several employees (four) on a permanent basis, also employing additional people if necessary. The companies operate mainly in the Warsaw area (most of their customers come from here), but one runs a large-scale international business. The satisfaction level concerning activities is generally good, the owners are pleased that they founded their own companies, and they look positively into the future. There are some fluctuations in income in this industry – the end of the year is the best, while January – February and holidays are the worst (which is related to planning and implementation of the advertising budgets of clients).

- *Computer Science*

Currently, the computer science industry is developing very dynamically and, according to the respondents, it can be included in the service sector. On the one hand, large international concerns and their representatives in Poland operate in this industry, on the other, a lot of small Polish companies, which are still the most active. Therefore, competition on this market is very significant, but, at the same time, there is a certain specialisation that reduces competition in a given area.

According to the respondents the contribution of computer science to the current economy is crucial; it constitutes the basis for activities of many industries and it will continuously grow. "*In Poland, large companies do not make interesting ideas, only the small ones. They try to raise funds for this purpose. (...) Smaller companies try,* *potential is in there, so they try to gain something from it. Copying of ideas is secure, it guarantees that the company will continue to exist, whereas the development and growth guarantees only that we will do something new. Something that will break through this competition that we will be really competitive.", "It's hard to imagine the efficient management of anything without the use of computer programmes, (...) it allows reduction in costs and better resource management."*

The companies that took part in the survey have been operating on the market for 2-4 years. Companies have rarely suspended their activities in this period; some of them have extended the scope of their activities.

The reasons for starting the companies in this industry were different – some began to run their own business immediately after the graduation, others first gained experience and later chose to act independently (under the influence of boredom and routine in previous work). Some of them found a permanent major customer and started to work independently – so, de facto, they run own company, but under the umbrella of another one. The respondent companies are one-man companies - very rarely do they employ additional people, using a contract for a specific task when there are bigger commissions; they tend to do the work themselves. Their names build the company's reputation. They operate throughout the whole country, although the vast majority of their customers are located in Warsaw. The satisfaction level concerning their activities is generally good, but those who have to win customers themselves sometime lacks a sense of continuity – there are periods of various levels of work intensification and thus income also varies.

- *Film production*

The industry is developing rapidly and the market is getting more and more competitive: *"It is not extremely well-developed, but there is competition – especially since Warsaw is the film world, in which there are these companies, warehouses for this equipment and there are many agents, meaning employers who give commissions."* Some companies significantly lower prices to attract customers. Most companies operating on the market are one-person businesses. If necessary, editors and lighting technicians are additionally employed using contracts for a specific task.

The television industry is focussed mainly on the production of television programmes and commercials, which are naturally more numerous, because the means for them are usually generated by large concerns. This industry is characterised by regular employers; acquisition of commissions takes place through acquaintances and contacts. According to the respondents, the economic development of the country and its economy are influenced mainly by the production of commercials, which is a marketing tool, designed to stimulate sales. Whereas the remaining projects are rather of a niche character.

The companies that took part in the survey already have some tradition - they have been on the market for over 10 years and during that period they have not suspended their activities; some of them have extended the scope of their activities, for example, initially the profile was only advertising, then documentary-fiction, most recently they have been added to by the production of films for the Internet and the distribution of films/documentary films. The reasons for starting the company were very different – some respondents wanted to continue their previous career path, but on their own terms, some had to adapt to market requirements (their contractors did not want to sign contracts for a specific task with them – they preferred to issue invoices: *"In the beginning I worked as a production manager and producer, so other companies did not want to sign contracts for a specific task with me. Instead they tried to get invoices").* For others it was a new professional experience that created more opportunities.

Companies operate throughout the whole country, although most of their clients come from Warsaw. The satisfaction level concerning activities is generally good; those who win customers on their own sometimes lack a sense of continuity – there are periods of various levels of work intensification and thus the income also varies. *“The plan assumed that the company will operate completely in two directions, meaning that one part of the company will deal with advertising activities, while the second part of the company will be dealing with features and the animated field on a larger scale. It failed, because this feature and the animated part is still a novice and is trying to be realised."*

- *Music*

The music industry is very broadly defined by the respondents – it may include, for example, sound studios, bands, artistic/events agencies that organise concerts, etc. This sector is very fragmented and dominated by small companies consisting of one person or several people at most. Given the wide diversity of the industry, it is difficult to specify the scale of competition. The specificity of this industry lies in the special role of the individual - his skills, abilities and charisma. This industry is very sensitive to events on the economic market, because it provides normal goods, which are first to be economised on times of crisis.

According to the respondents, the contribution of the music industry in the current economy is insignificant in terms of the economic aspect, but it’s very important taking into account the investment in human capital, and in its intellectual and spiritual development.

"We, the people of art, give this particular thing
that could maintain this world in some order."

Companies that have existed on the market for 5 to 17 years took part in the survey and during that period they have not suspended their activities; some of them slightly have extended the scope of their activities, for example, apart from organising concerts and "exporting" Polish artistes abroad, the YAMAHA music school was established. The reasons for starting companies were very different, for example, in the case of artistes it was the need to obtain legal entity *("If something is supported by papers, it influences the subconscious. Seriously: you must be solvent. There were situations, in which the remunerations for the concerts were not paid. (...) It is easier to recover money. You can go to court "*); others felt the urge to act "on their own": “*I was working full-time for 30 years, I am a comfort-loving man, and I’d never do if it wasn’t for the psychopathic chairman, deteriorating wages and conditions, relationships between people who had reached the bottom. And at my age I figured out that I do not deserve this.", "I worked through other agencies, when Lech Walesa was the president and said: 'Take your life in your hands and begin to work for yourself'- and I did it, the business has been swinging into action."*

All respondent companies are small and one-person, but, at the same time, in the case of specific projects they all employ additional people – sometimes even up to several dozen (mostly other musicians). The activities of companies is of international or national character, one operates more on the local market, in Warsaw.

Satisfaction from running one's own company is mostly a personal matter - the respondents can do what they like, what is their passion. However, in financial terms, some of them complain about the lack of a sense of stability and results that not fully meet their expectations.

- *Handicrafts*

Only one respondent took part in the survey who represented this industry (the production of jewellery), and from her perspective prospects in this area is characterised by great diversity and uniqueness. Handcrafts guarantee high quality and originality. The result of the work is directed to a specific customer – people who go beyond mass tastes, willing to pay a bit more. The market is dominated by small, single-person companies, so there is quite a lot of competition. As a matter of fact, making jewellery has recently become very fashionable.

According to the respondent, the contribution of this industry to the economy is insignificant, especially when work is a part of a cottage industry (no office). "*There is competition, but the girls who do it have no place to sell. But they do not create such places. They probably display their work in galleries, but they are in the centre. I am also sorry when I go and see that earrings for which I take 50 zl then cost 100 zl. It is unfair to me and the customer. "*
The company run by the respondent has been operating on the market for 15 years. In the meantime, the profile of the company has undergone changes – in the past it was hairdressing, make-up, cosmetic services; currently it's artistic jewellery. The respondent suspended the company after her son's birth, but she had to pay fees to Social Insurance Institution (ZUS) anyway, so she liquidated it for a while; then she re-opened it with a changed profile. The respondent is an artist by education and in her industry people can generally work only using fee-for-task contracts or contracts

for a specific task. That's why she started her own company. It's a one-person company and operates at local level - the owner performs work only to specific commissions, she has regular customers. She would like to display her work at fairs, but the cost of renting space at a fair in Warsaw is very high. In retrospect, the respondent assesses the idea to start her own company very positively – it brings her a great joy of creativity, as well as stable and satisfactory financial results (which allow her to consider the employment of a worker and her own gallery): *"My dream is to create a gallery in which prices will be proportional to the goods."*

The functioning of the creative sector during the economic crisis

The economic crisis we have been dealing with for more than a year, naturally has taken place, but its scale has been artificially exaggerated by the media, according to the respondents. Because of the fact that the subject has been constantly present on television, in the press and on the Internet, even the companies that were in good condition began to quickly seek savings and limit their activities (dismiss employees, lower salaries, give up promotion/advertising activities, limit cooperation with co-operators): *"Even if the companies were not affected by the economic crisis, they closely observed the expenditures that were previously made lightly. (...) the entire media campaign related to the crisis caused people to spend less money, maybe more wisely." (advertising)*

Generally, all respondent sectors were affected by the crisis to a greater or lesser degree, depending on the profile and scope of activities. However, the companies cooperating abroad/with foreign partners had bigger problems than those focussed only on the local or national market (!).

Basing on the respondents' opinions, it can be concluded that different fields felt and reacted to the crisis differently:

<u>Architecture</u>: in the year 2009, and especially at its beginning, there was stagnation in construction – new investments were withheld, and this resulted in a decrease in realisation of architectural projects.

Advertising: companies (especially foreign concerns) were seeking savings by limiting or reducing the scale of their advertising activities, which involved a decrease in the number of contracts and their format, lowering wages.

Printing: the reduction in expenditure on advertising directly influenced the condition of printing companies, dealing mainly with creative execution. Effect an apparent decrease in the number of commissions, and stagnation.

Photography: the reduction of expenditure on advertising also affected photographic companies involved in advertising/fashion photography and working for institutions. The companies focussed on commemorative photographs (weddings, christenings) were affected to a much lesser degree, or hardly at all.

Computer science: computer specialists also (although to various degrees) see the influence of the crisis on their activities: there are still commissions, but customers are more inclined do things quickly and for less money than before. *"The crisis this year, yes, especially at the beginning. (...) You can feel stagnation; the large companies have suspended budgets."*

Music: during the crisis: the resources for culture have been depleted, small companies are disappearing from the market and large concerns are restricting the scale of their projects. The respondents partially felt the crisis.

Publishers: the activities of traditional and music publishers were affected by the crisis in different ways. Only a few respondents observed a clear decrease in the number of commissions. In the case of issuing books, it’s the crisis of the industry itself; it has been going on for some time and is connected with an overall decrease in traditional reading and moving to the Internet.

Film production: the majority of TV stations are limiting production, but the respondents have not felt this directly.

Handicrafts: the crisis has had no influence on business.

However, there was the following opinion on the crisis in Poland: *"But I'm saying that in this crisis we have not been affected by the crisis, but paranoia. Certainly this last half year has been weaker than in previous years. Now we can see that there is a bigger boom and everything is straightening out. The crisis was created artificially. Many of our clients have offices in the countries in which the crisis really exists and costs have been cut without justification."*

The general assessment of Warsaw as a place for running business in the creative sector

For the majority of respondents, starting a company in Warsaw was natural and obvious. People that took part in the survey either come from Warsaw and have spent their whole lives here, or they came to the capital to study, to high school. None of the respondent company owners came to Warsaw specifically to open a company. Warsaw has no competitor among other cities in Poland: *"It's either Warsaw or emigration."*

The respondents did not consider opening businesses in other locations for two main reasons:

- because of the characteristic features of Warsaw – the capital of the country, the most important city in Poland, the centre of culture and business, a lot of things happen here. Thanks to this, it gives the most possibilities among Polish cities, and as a result it attracts ambitious people who want to succeed.
- additionally, the respondents who had been living in Warsaw for at least several years before starting the company, got to know the city and its architectural layout, as well as the way to move around it (above all, they developed strategies to move in traffic) well. They also developed contacts and acquaintances.

Most of the respondents are satisfied with running a company in Warsaw. When asked about the characteristics of this city, they enumerated more advantages than disadvantages. Despite the weaknesses of Warsaw (essentially the matter of communication problems), the respondents consider this city the best place for running their own company in Poland.

The so-called strong points of Warsaw indicated in the survey are: the largest city in Poland, the main location of most companies, no problems with finding work, the prestige of the capital, a city with "big money", the largest market – individual customers, no problems with finding subcontractors and partners, a place that gives opportunity and forces one to develop, a large number of investments, continuous expansion and modernisation of the city, the architectural development, which is especially important to architects.

Warsaw is seen as the most important city in Poland; it concentrates the business, cultural and media life of the whole country. The respondents formulated opinion that: *"In my opinion, it’s easier to start something in Warsaw.", "Warsaw's central location and easy communication with the world", "It’s a well-known fact: either you are in Warsaw or you do not exist, in the sense of the activities itself, but it does not mean that you must have an office here.", "I wouldn’t have such opportunities on my market in, let’s say, Lodz. (...) company centres, advertisers, media houses - everything is in Warsaw. When I was working in a local newspaper in Szczecin I did not have access to such budgets, knowledge, and to so many decision makers, which I have in Warsaw (...) everything happens here, Warsaw has the potential (...) looking* at the city, there is still much to do.", "*The business opportunities in Warsaw are best in Poland*.", "*Warsaw is interesting because there are many people whom you can cooperate with. Most of my clients’ offices are in Warsaw*."

The basic advantage of Warsaw is the variety of companies. This creates a friendly environment for the cooperation and development of business activities. According to the respondents, in Warsaw there are many companies whose services are needed/have to be used by, for example, accountants, lawyers, computer specialists, etc., as well as top-class professionals, for example, graphic artists, actors, on more demanding projects. Also, it is not difficult to find companies dealing with more niche services, for example, recording studios, rehearsal rooms and people working in less popular occupations, for example, make-up artists, lighting technicians camera operators and editors. Due to the large number of companies that offer their services on the Warsaw market, the owners do not have to work with specific subcontractors, but they can choose freely, depending on the satisfaction level concerning the provided services and needs.

It is also important that foreign companies or their representatives have their offices in Warsaw: *"Almost all agencies for which I work have their offices in Warsaw, making it very easy for me to work here.", "Every larger company in Poland should have an office or a branch office in Warsaw.", "It is easier, there are many companies here and it is convenient to provide services when the contractor in the same geographical location.", "Everything begins from Warsaw, 95% of companies that want to appear on the Polish market begin from Warsaw - this is a kind of oracle for the functioning of such companies.", "Warsaw is the best when it comes to finding a demand for what you can do."*

Warsaw is also a prestigious location. Facilitating contacts with customers or co-operators is not everything. "'A company from Warsaw' always looks better", "*There is no other place in Poland. (...) Wroclaw is a good city, but not like Warsaw.* (...) *Warsaw is a sticker: a band from Warsaw is perceived better than the one from other places."(*music)

Warsaw is also the residence of wealthy individual customers and also a place frequently visited by wealthy people from outside (also occasionally, as tourists). They are buying more sophisticated products and services.

According to the respondents Warsaw is a city with a very demanding job market, which creates constant challenges. Everything must be done at a very high level, as soon as possible. *"As a place to do business, it is one of the few places where a person who is not consolidated in this environment is anonymous from the outside;, when this person comes to Warsaw, he or she is able to do something here, even enter the market without acquaintances and without contacts. Of course, it would be easier. But I know from my personal experience that I was a nobody and I managed to climb to the top of the ladder.", "Everything is at the highest level, people demand the most from service companies, the shortest deadlines. And I like to develop, I don't like stagnation.", "Warsaw offers the opportunity for continuous development, you are able not to fall into decline."*

Warsaw as a city with highly-dynamic development is the ideal place to work for architects. Demand for services, though depending on the period, is huge.

Architects are optimists when it comes to the development of the market for their services*: "There are very many needs. Many things have to be built. The system spared the sealed locations, because it would have been rather difficult to build blocks there*.", *"It is so ugly, there are many places, there is a lot to do. This is an interesting place for an architect. Well, and Poland in general. It is recovering from previous poor condition. It is on the run. It's fascinating that it happens."*

According to the respondents, the weaknesses of Warsaw as a place for running a company are the following: transportation problems/public transportation, the tube is not being expanded at a satisfactory pace, permanent traffic jams, extending paid parking zones, at the same time, the lack of parking spaces downtown, high rents/costs of renting a flat, the high cost of living, the pace of urban life/way of functioning of its residents.

Some of weaknesses indicated by the respondents are the weaknesses faced by the majority of the residents or people coming to Warsaw (for example, traffic jams that cause problems with reaching a specified location on time). However, these problems are so important to the respondents, because most of them run "mobile" companies, i.e. they work in different places, and hence they are forced to move around the city. The respondents believe the city centre is the most crowded place. Therefore, they try to locate the offices of their companies in order to avoid driving through the city centre on way from/to home (the respondents would be very satisfied if they lived, for example, in Wilanów, and their company's office was located in Mokotow). In addition, the respondents complained about the quality of public transport. They would like to use the tube, considering this means of communication the best, the fastest and the most functional. Unfortunately, due to the fact that there is only one tube line in Warsaw, it is impossible to use it to get anywhere. The respondents admitted that if the tube network was more developed, they would use public transport more readily and frequently. They also had reservations about bus lanes - in their view, instead of facilitating the communication they create even more traffic jams in the city (preventing even buses from accessing bus lanes!). Time is money: *"Traffic jams. This is the time that is wasted. I wonder how high a % of Polish GDP is wasted in traffic jams. I cannot do my job in my car in a traffic jam. (...) For me it was wasted time and at that time I could have earned money and paid taxes instead*."

While talking about the location of their companies, the respondents claimed that they often were guided by parking costs and the presence of parking space. It concerned not only them or their employees, but also customers. Some respondents admitted that they changed from cars to scooters or motorcycles because of transport difficulties. If they do not have business meetings or a large number of things to transport, it is the most convenient means of transport.

The costs of renting flats or premises needed for work is another issue indicated by the respondents. If you can run a business in the house/flat and manage it in terms of mobility, that's good, but some people (e.g., musicians) are renting rooms for rehearsals and the cost is a barrier to developing business. Even though everyone admits that Warsaw is a city where living costs are high and this is understandable, some costs of running a company (such the costs of rent or of renting the rooms for rehearsals) are unjustified.

Warsaw is also perceived as a place with a unique atmosphere, where everybody are always in hurry, they are always late and compete with each other. This concerns mainly the newcomers "*who must become known, because they have nothing to go back to*." Competition is also caused by the fact that *"Warsaw is filled with all kinds of companies, you have to push through."*

The respondents were also of the opinion that Warsaw, although having enormous cultural potential, is not the kind of city where too much happens in the cultural life sphere. They also stated the participation of Warsaw residents in cultural events is not great. According to those opinions, it might seem then that Warsaw's residents are not a "model" consumer type of services and goods produced by the companies from the creative sector.

Some respondents, when asked about the degree of satisfaction with their company location in Warsaw and any possible plans of moving it to some other place, admitted they would be happy to move out of Warsaw. However, most of them never took such an option into consideration at all. If respondents wanted to move somewhere, they chose mostly the places that were close to nature – the mountains, the sea, Masuria. Most of them underlined, however, that it would be connected with changing the company activities profile. Only one person (a photographer) said, they would be able to do their current job in a random place. A couple of people might move to Cracow or Wrocław, one person would go abroad. Nonetheless, they consider such a radical change to be not a very economical one, because they would have to start everything from scratch – enter into communication and build the brand of their company. In addition, they are tied with family and social bonds in Warsaw, they are "infixed" in this community.

The experiences of company representatives from the creative sector concerning relations with the City Council

The respondents do not always know what the City Council is, what kind of institution is meant by it. Many a time, when asked about the relations with the City Council or quarter, they talked about their experiences in relation to the Job Centre or the Inland Revenue, considering the institutions to be identical. The following statements are very characteristic of them: *"We feel kind of disgusted later on, when we go to this Inland Revenue and they treat us like some kind of thieves, and we simply have a bad opinion of those institutions in general – that there are too many people employed there, and those people are not competent", "The attitude of The Inland Revenue annoys me, because they don't treat you like a human being but like NIP. Those people don't smile. You come in and you get a fine straight away"*

Contacts with the city authorities in the case of most of the respondents were limited to formalities connected with company registration – visiting different offices, filling forms in, waiting for a particular time. Additionally, in the case of a group of respondents, mainly architects, photographers, the city authorities acted as clients, ordering the performance of particular tasks. Individuals registered a business car, tried to rent or rented accommodation from the city, or they participated in training co-financed by the city authorities.

Some respondents contacted the city authorities for the purpose of gaining various licences necessary for their work. **Architects,** for the reason of gaining a licence for building as well as for the need to have an insight into spatial development plans, contacted the City Council frequently. Many a time, they complained that receiving detailed information and licences takes an extremely long time, much longer than in smaller towns. **Film producers** on the other hand ask for permits for camerawork in a particular spot in Warsaw. They admitted the City Council lacks an organ responsible for managing public space in the context of camerawork and shooting a film in public space. What is more, they complained about the fact that waiting for issuing the permits takes a very long time. As a result they hand in the documents requesting to issue the permit, but they start shooting a film without the documents in question, because they are unable to wait for them for so long. The nature of those experiences is exemplified by the following quotations: *”The Office is on the other side of a barricade in our country, i.e. you pass a project to the Office and you get a permit for building. You will always get this permit, but sometimes it is ransomed with a long wait for some reasons, not necessarily rational ones. And when you keep waiting, an investor doesn’t pay you.” “The regulations are unfortunately not very coherent much too often and sometimes a project gets stuck in the office, because there is some irrelevance in a Government officer’s interpretation.”*

It was the time when the contacts actually took place that played a vital role in evaluating them. The respondents who have recently set up their own business (the last 5 years) evaluated cooperation with the City Council positively. In their opinion, the officers on duty were kind, helpful and competent. Whereas, the people who set up their business earlier (at least 8-10 years ago) painted a stereotypical picture of the way petitioners were attended to in offices – long queues, impolite officers, whose decision depended on the mood they were in on that particular day. Opinions were divided, but generally the positive ones constituted the majority: *”I am satisfied if an officer is kind and they do not rush on and say they can’t see any petitioners at the moment”, “I don’t have too pleasant memories. Old officers keep controlling the situation and they don’t perceive their work as a kind of help for entrepreneurs, citizens, because they are for us and for our money.”, ”Very kind and with good manners, I was positively surprised with the ease and speed of setting up my own business.”, ”I had no problems with this office [in Białołęka], I was almost amazed with the service, I’m giving them a plus, as far as the office standards are concerned they are quite high.”, “This Office is well-organised, it’s pleasant to do some business there, I even got an SMS when everything was ready, I have even tried to do* *something through the Internet and honestly speaking, I was surprised with this modernity."*

As for the way of attending to petitioners by The City Council, the respondents evaluated very positively any devices enabling them to handle office matters by means of the Internet – filling in forms, setting up a business, etc. It was the young who took the option into consideration and made use of it, and computer scientists used in with respect of their field. It was they who considered the Internet service, existing for several years, for setting up your business through the Internet, to be a well-constructed and very useful tool. Moreover, they evaluated very positively the convenience connected with introducing the Internet services such as: the possibility of collecting a "number" for a queue through the Internet as well as making an appointment for a particular day and time in the Office.

Individuals reacted negatively to introducing a so called "one counter". In their opinion, it lengthened significantly the time of waiting for a response, because now it is not a petitioner but officers who pass a form and documents among one another, which only makes the process longer (an officer cares less for quick action than a citizen). Additionally, together with introducing the system, the efficient registration system of registering your business through the Internet was liquidated, which was highly criticised by one of the respondents: "*This new form, the one counter, is considered to be a disaster; it used to take you no more than one month to run around those offices, and now you can wait even for two months because it's officers who send the documents among one another."*

The evaluation of the support of creative sector activities by The City Council

A great majority of the respondents did not notice, however, any interest in companies activities on The City Council part. They were offered neither financial support nor the opportunity to participate in projects co-financed by the European Union Fund. They did not receive any information about training. In the respondents' opinion, the City Council lacks a person who would analyse the needs of companies, their activities profile and then would make a particular offer on the basis of the analysis. In the respondents' opinion, the city authorities get mobilised particularly in pre-election periods – then they pay more attention to their potential electorate and their needs. The opinions expressed were very critical: *”You seem to hear Warsaw, Warsaw… but it is nonsense. (…) I cannot think of an example when the city helped entrepreneurs in any possible way.”, “The city doesn’t encourage you at all to be here, to be registered here. It doesn’t exist in a company’s life in any way.”, ”I can observe much more help for artists in small cities.”*

As for the support given to small and medium-sized businesses it is the Job Centre and Polish Chamber of Commerce that were evaluated in a more positive way. A group of respondents benefited from the offered projects and financial support (trainings, subsidies, etc.). “*A company will benefit from the training ”Investment in creativity’, as far as EU find is concerned. However, it is hard to notice any invention on the Council’s part in this case.”*

The majority of respondents have so far neglected active searching for the support of city. The reasons for the situation have been the following:

1. Some of them highlighted the idea of a free market, and in consequence believed they had to manage on their own without the help of the authorities. Those people considered the situation where authorities do not disturb them in running their enterprise to be an ideal one: ”*Let them do their own job, let there be no wrong decisions, but stop them from helping me. I will help myself only when they stop disturbing me.”, ”Let them stop disturbing me, that will be much of a help” ”The most important is that the city doesn’t disturb in running the business.”*
2. Some do not believe the real possibility of receiving such support: ”*Somehow, I don’t believe much in such things, that is that I might get something.”, ”Perhaps if I tried myself…, but I count very little on actually getting something for free”, “I have never thought the city might help me in anything, but they don’t disturb me too much either.”, “The support is given, to different befriended companies as I can see. There is such an opinion among my colleagues, they receive some support thanks to connections .”*

3. The moment when owners needed the support most, that is when they were setting up businesses, there were no such opportunities – they were not able to benefit from Union funds. Whereas at present there is no such need, because they do not have to invest more in their own business, they own the necessary tools for running the business.

4. Some were afraid of the formalities connected with applying for Union funds, and also their resulting settlings (the settling takes place after the money has been spent – that is why there appears the anxiety that certain expenditures might be questioned, and as a consequence the money invested will not be refunded). In addition, when applying for the Union funds there is a necessity of a minimum 50% of your own investment, which a company frequently cannot afford to do. The formalities and procedures seem to be a serious barrier according to the respondents: *”There is always this psychological barrier. The procedure seems to be so complicated, difficult and distant that people get discouraged before they actually start dealing with it and I am one of them.”, ”Maybe there is such a software, but it is so confusing that there are experts needed to prepare precise business plans and the money will be somehow accessible, but again only partially, because you’re probably supposed to have 50% of your own investment.”*

5. A group of the respondents was unable to imagine at all what kind of support it might be: ”*Actually, it’s difficult to help. Because, well… you might try to get subsidies to buy some equipment (…)*. *The city won’t attract a client for me either, so truly speaking it is hard to say what it might be.”, “It’s hard for me to imagine the fields where the city would be able to help me.”*

Some of the respondents admitted that although they had not looked for information about the subject, they would like to get help from the city authorities. Though, they do not exactly know who they should address for that reason. In their opinion, there is no clear information passed to companies by information points, counsellors, brochures or e-mails. In the respondents’ opinion it is owners who, if they are interested in gaining support, have to look for any kind of information about the matter, because it does not reach them: *”I’ve been thinking recently about benefiting* *from the fund for the purpose of development, whereas I am aware of the fact that the situation is much easier for newly founded companies, so I don't know if I get any such subsidies at all .", "I would be very willing to benefit from such a support, but I have no information how to do it. On the office's website there is no information of that kind given.", "Perhaps a subvention. I don't want to make any investments at present, but if I wanted to, there could be some kind of help available. (…) In order to rent accommodation, buy some equipment.", "You only fill in forms there and pass them on. (…) there is probably no such a person who analyses applications for a company registration, so that the office has some initiative and is interested in helping somebody. The office rather waits for somebody with an initiative who will even fight for it."*

The possible support on the City Council part was associated by the respondents mostly with financial help, and also European funds. In their opinion, the city has rather more important and necessary expenses like e.g. building roads, than helping entrepreneurs, also the ones acting in a cultural field, which is always harmed in case of a budget share. For these reasons, the respondents tried to find the source of such help mostly in European funds. *"We can't see this interest; they don't have money on culture, they are very limited; you have to look after your business on your own.", "We have no chance to get any support from the office. We've got to repair roads, so no chance, no chance – you have to wait for several years."*

However, the respondents' opinions concerning a financial support on the City Council part were to a much extent divided. Some thought they deserved it because they worked in Warsaw, paid taxes, employed Warsaw residents and promoted the city. The others believed in the rules of a free market, thinking that they have to mange on their own. *"The city should appreciate the fact, (...) that more and more residents, (…) have the courage to set up their own enterprise". (a photographer)*; *"If I pay quite high taxes in Warsaw, then I think, they might become interested in me."*

A great number of the respondents were against "sharing money out", they associated the mechanism with a socialism era. Moreover, they favoured a free market; they claimed the companies had to manage themselves and rather should not take an advantage of the state support. *"Such cases ought to be considered* *individually, the way banks give a loan: when a company has the future before itself, when it's got a good business plan, so that the money simply returns itself; (...) But I would save public money in general." "The money for starting off is a great idea, it's nice, whereas I don't like a socialistic approach, I don't like it when someone helps me." "I try to avoid it, I'm not fond of any EU subsidies or any such thing, because sharing money out is a bad idea for me."*

The respondents were most enthusiastic about the idea of immaterial the support on the City Council part, e.g. while filling in applications, forms, that is helping out of the detailed formality procedures. *"European funds exist somewhere, the city didn't decide about it. If I wanted to benefit from the funds, I would be very happy if the city supported me in a formal, logistic and organisational way. "If there were some projects introduced, the ones that provide some help, not necessarily a subvention, but some kind of help like information or trainings, then I wouldn't mind if that sort of information reached me." (a computer scientist)*

The needs and expectations of a company owner

When asked about the most necessary needs, the respondents underlined the availability of financial means mostly at the moment of setting up an enterprise, the means *"for a start off".* An investment you have to make while setting up an enterprise depends on a given business specificity. Some of the respondents also noted the necessity of a financial help on other stages of running a business – for new investments, in the situations of changing a business profile, and also in unfortunate events e.g. the return of an owner after being off sick, and as a consequence suspending business operations after some time.

The respondents also need clear and easily accessible information about the possible support and subvention. Some of them confessed they would like to benefit from the help on the city authorities part, but they did not know where to look for it. In order to run their business owners need most of all the greatest possible number of orders and clients so that their company could function. In addition, in order to gain clients effectively, they have to advertise themselves. Advertising cannot be afforded by everyone, but it is definitely a necessity. The respondents also highlighted the lack of a proper information system relating to running your own enterprise. They admitted that at the moment of setting up their business they did not have or they had too little information concerning legal and bookkeeping issues connected with running the business. In their opinion, a very useful thing would be lectures and training on these aspects, also during running the business. Besides, there is a further need for the development of Internet services – e-administration. The respondents would like to have the possibility to manage as many issues as possible by means of the Internet, and they would be able to save a lot of time thanks to that option.

A group of the surveyed stated that there were many needs connected with their business, but for a company's success the most important is their own inner motivation to act - the support on the city part can only be a useful addition. Everyone must/should manage themselves, their achievements depend on their own work: *"The sector can develop without the city authorities support, when the economy gets started, then there will be the willing ones to invest in flats, office blocks and shopping centres."*

When asked about particular expectations concerning the city's support for their companies/the creative sector, the respondents mentioned taking the following actions:

1. Informative activities: The respondents would like the City Council to be the source of reliable information on the subject of running your own company, and also the specifics of Warsaw as a place of doing business. In relation to that they would like to receive some information about the demand for companies in a given branch, and with a particular specialisation from the city. In their opinion, the city authorities should do market research concerning the current demand, as well as for the purpose of predicting future market trends. On this basis, they would like to decide on the probable start of an enterprise and choice of a branch.

2. Financial support: the financial help in the form of so called "start-up package", understood as a specific sum granted for companies at the beginning of their activities, intended to satisfy the first basic expenses, e.g. purchasing some equipment. They also evaluated very favourably the idea of financial alleviations

offered at the beginning of a company activities, e.g. in the form of tax relief that concern purchasing the necessary work devices instead of paying a part of taxes, preferential rates of rent or a temporary reduction of contributions to the ZUS (the National Insurance System), delaying their payment in time. In the respondents' opinion, such help ought to be granted on the basis of presented business plans, after verifying the chances of their success and the project evaluation: *"Contributions to ZUS, etc., there ought to be such situations that when a company is being set up, some kind of payments are delayed before it becomes stronger.", "This tax relief could be not a direct one, but e.g. instead of paying taxes you could buy some equipment for the company, furnishing and machines."*

3. Financial support at further stages of a company's development: the surveyed would also like the support to be granted not only for newly set up companies, but also the ones already existing on the market. In their opinion, the money for that purpose should come from European funds. Such support ought to serve the companies that suddenly find themselves in a bad financial situation, e.g. due to a financial crisis or unfortunate events, such as the illness of a company owner. Moreover, support should be intended to expand a company's activities . *"There should appear bigger rebates for companies, especially small companies, because those companies are prone to collapse and bear the consequences of the crisis most dramatically."*

4. Logistical support: all the respondents shared an anxiety related to filling in forms, the great number of formality procedures necessary to carry out when applying for European funds. So, they expected consulting points to be created, where competent counsellors worked and helped them with filling in forms. Information should also be put on the website, or sent by e-mail, so that it is accessed easily. Information ought to be clear and written in simple and accessible language. *"Some kind of counter where I could go and get some information, where they could help me, collect my documents or give me some advice; I'm not saying it should be them and not me to do everything, but I don't have enough knowledge of the subject, because I don't need it actually, it'd be cool for someone there to manage things.", "If you're venturesome – then we give you a clue; there should be such counselling points, what the city needs, in what sub-sectors..(…) People*

have no clue what to do, they act blindly. There are many counselling companies but they charge for giving advice. The city should make direct offers, that if there is some kind of business, there is also some help, maybe they might delay some payments at the beginning."

5. Support by giving training: apart from financial support, the respondents spoke very favourably about different kinds of training co-financed by the city authorities. They should most of all provide information about the rules of running a business, legal and financial issues connected with it, and also the sources of information concerning subventions, and the websites of the institutions helping in running a business. Such information should be passed on both during training as well as put on websites or in special information brochures. It is especially important in the case of respondents who often confessed that when they set up their business they had little knowledge of running a company, accountancy issues, finances and the law. Although they gained the information over time, they still did not feel 100% certain whether they obeyed the regulations in full measure. A great number of the respondents set up their own businesses after somewhat being forced to do it and not as volunteers. In addition, the surveyed would like to participate in specialist training connected with the subject matter of their sub-sector, and also in educational projects, e.g. free English lessons. The respondents complained, however, about the great number of formal requirements necessary to meet in order to participate in training or apply for European funds. All that ought to be changed.

6. Support by placing orders – the city as client: the respondents would like the city to be an institution ordering / purchasing products and services. As they claim, the city can and should be an institution ordering from particular sub-sectors, such as architectural, photographical, musical or publishing branches. In the case of architects it might be the order to realise plans for managing public space. Moreover, the respondents underlined the fact that small architectural companies cannot afford to participate in competitions or to prepare projects when they do not have a guarantee of receiving any payment. As far as photographers are concerned, they would like the city to invest in a professional photography service for capital city events. In their opinion, the event becomes more significant due to

that fact, and also promotes Warsaw (the materials can be then used for advertising campaigns). Employing artists working in the area of Warsaw is both a source of income and promotion for them. It is also a form of psychological support –their work being appreciated in a social forum (many respondents, mainly architects and photographers underlined the fact they felt unappreciated). Moreover, cooperation with such artists gains publicity for the city and affects its image in a positive way.

7. Support through the rents / payments policy – the availability of apartments: the respondents would also like to have the possibility of renting apartments from the city at a preferential price for the purpose of running their business. The places with companies located there might become entertainment, science and also artistic development spaces for various people, including children, as well as a gallery of their creative work. One respondent tried to rent such space from the city, but unfortunately it turned out to be very difficult. The office of the quarter where she wanted to rent an apartment had very little knowledge relating to its own offered range of space – its conditions, available facilities or their legal status. *“The city authorities might rent an apartment to me on affordable conditions so that I could for example open a bookshop.”*

8. Creating a friendly atmosphere for the creative – the approach and service in the office: the respondents expect a pleasant, kind and competent service from office workers, but at the same time they have noticed changes in the way they behave – it is a higher level than several years ago. They would like the city to be more interested in them and appreciate their actions, e.g. the companies with a long-lasting tradition on the local market might be used as a “calling-card” by the city. They would like the people having a significant impact on the city development to be specially promoted, for instance by organising exhibitions of their works of art, or creating an artistic expo, where the works of different artists would be presented. This kind of undertaking would additionally be free advertising for company representatives. They would also like the city to provide free advertising on the city websites for them – it would be *“introducing the people who want to contribute to the city development .”*

The respondents from traditional and music publishing companies, and also musicians, focussed particularly on promoting culture (including high culture) among Warsaw residents. The reason is they can see a big role of the city in this. The city might promote attending exhibitions or reading. Moreover, in the City Council there should be established an information centre concerning the capital city's cultural events. Some respondents would expect the provision of subventions to culture by the city and State authorities, e.g. by abolishing VAT on books, which would reduce their price, and in consequence influence the rise of their sales and reading.

The rest of the expectations formulated by the respondents concern solving problems, which are also related, as mentioned above, to other city residents and users: communications and public transport – building and improving the quality of the already-existing roads and streets, building a bypass and more underground lines. Serious drawbacks of Warsaw, making running a business in an efficient way impossible, are traffic jams and parking problems. In the surveyed opinion, the number of parking spaces ought to grow. The situation concerns mostly the areas on the border of the charged parking zone. *"I can leave my car in a car-park and go by underground, but this one underground line means nothing.", „a significant number of residents are not the people who leave home early in the morning and spend their day in one place, but they tend to move around the city.", "I would like photo-reporters working in the city, as it is in the case in other cities, and photographers functioning in the city that is their daily workplace, to park their cars in the places provided for the purpose, but by reason of their profession not to bear additional costs. I would like them to have a subscription card that you have when you live in the charged parking zone, a business one, which I pay some money for yearly."*

The surveyed confessed their companies are of a very mobile nature, they do not have any particular residence and they often travel around the city. That is why they would like to have purchasing a car made easier for them, e.g. by introducing the possibility of deducting VAT from a business car that is not a truck.

The respondents suggested a financial solution connected with parking – the possibility of purchasing a yearly subscription card for parking all over the city. It would facilitate and reduce the cost of parking a car in the case of people who often drive a car and are forced to make use of parking places in the charged parking zone. Additionally, such a subscription card for parking should be made available for people whose company is located away from their place of living, and due to this fact these people are forced to use charged parking places regularly. They also draw attention to their company location and benefits for the city that result from the fact – they employ Warsaw residents, cooperate with the companies based here, and sometimes (as it is e.g. in the case of film producers or photographers) they also promote the city image. For that reason they would like to receive rebates for their contribution to the development of Warsaw and Mazovia e.g. from regional funds.

In addition, a couple of people mentioned the need to introduce hotspots positioned in different places and enabling electronic contact with clients, irrespective of moving around the city. Some would like to create a platform of knowledge and experience exchange among the same sub-sector representatives, making their contacts easier. Additionally, there might be established a database of companies working in a given sub-sector in a particular area. That would allow clients to look for potential contractors in a much easier way.

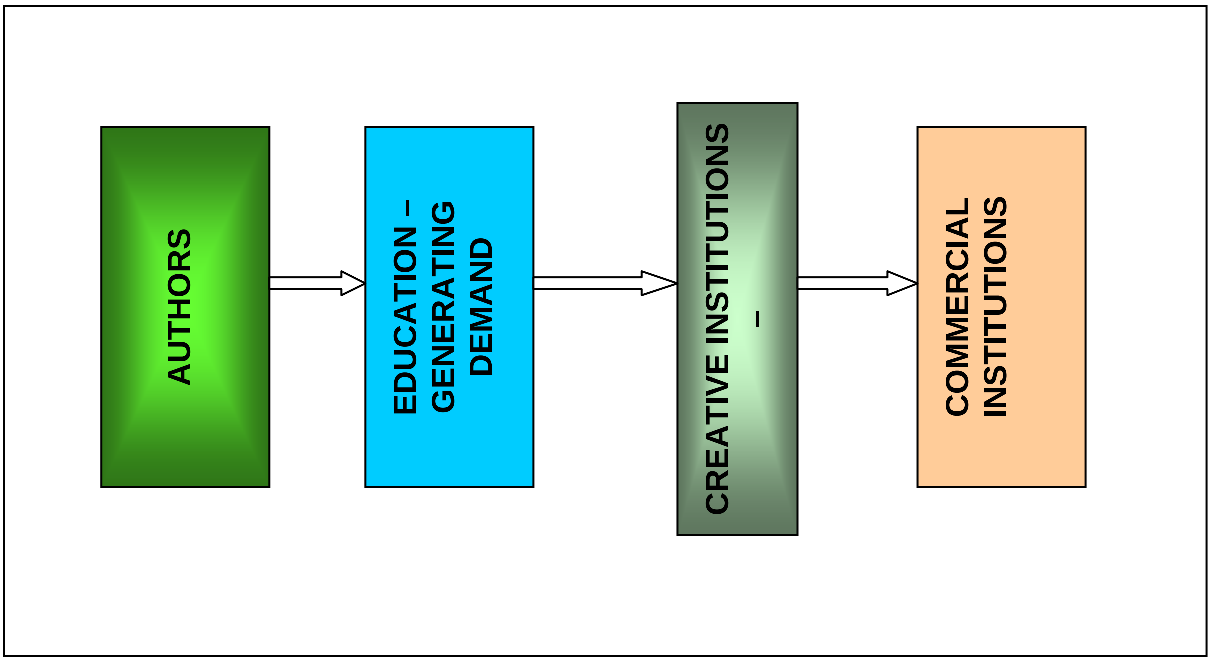
VII. Support policy for the development of the creative sector

Support policy for the development of the creative sector is of a multi-dimensional and multi-strained nature. It seems that, similarly to supporting "competitiveness", it is difficult to indicate one or a few fields that are vital for the condition of the development of the creative sector.

The evaluative survey applied relates to the activities that have a direct or indirect connection to the development of culture. And culture can be perceived as activities of a strictly economic nature. In the creative sector, goods are produced which correlate with the fact that satisfaction with their consumption is highly subjective and difficult to measure. In consequence, the culture industry has limited possibilities to research the market, which results in a high degree of uncertainty concerning the possible success in selling particular products. Besides, enterprises / companies / artists compete against one another not only in respect of limited consumer income, but also limited sources of advertising income, consumer limited leisure time, and limited availability of talented, creative and qualified staff. Creative activities are a production process which has a collective character, though work in the sector is often organised in an informal way. A more often encountered form of relations / agreements is contracts rather than a full-time job. It also needs to be remembered that a number of culture industry products have a long-term longevity and a specific way of benefiting from them, resulting from the form of copyright (i.e. long-term payments).

The key issue seems to be not supporting particular areas of the creative sector (though the necessity of this support is not being negated), but rather a system support that leads to creating a commercialisation path for a creative product (Fig. 17).

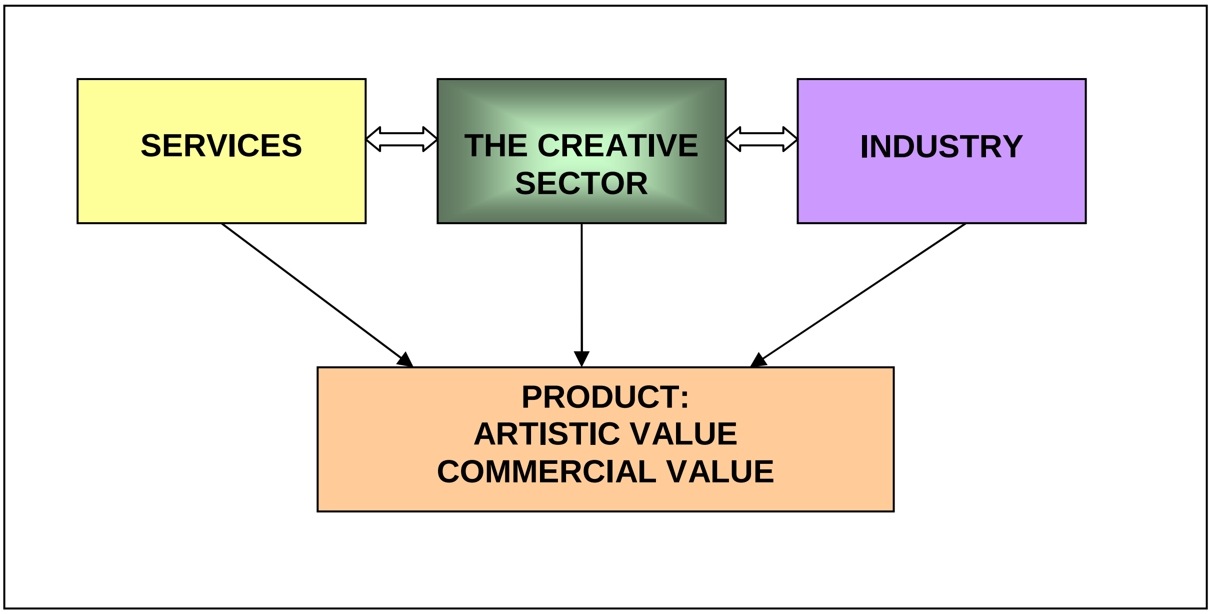
Fig. 17 The path of creative product commercialisation



Source: personal study

One of the elements of the path is to generate the demand for services and products of the creative sector. The one in question is conditioned not only by needs, but also the financial possibilities of potential clients.

Fig. 18 The creative sector as a factor in stimulating city development



Source: personal study

Creating the path of creative product commercialisation will enable to integrate the activities of the creative sector with the activities from service and industry fields (Fig. 18).

The supporting actions directed at creative sector representatives or the sector segments are realised by means of different instruments. Some of them, like e.g. statutory regulations, concern functioning the whole sector as a branch of the economy. Others are spatially-oriented, i.e. their actions are performed in a given regional and local context and they relate to companies with often unique characteristics, which is influences their needs. In the case of local and regional socio-economic relations, development plans mean particular undertakings located in given space. The effectiveness of supporting the creative sector depends then on local and regional Governments to a high degree. It is their task to decide on the instruments, their adequacy for the encountered situation, the range and degree of support.

Among the most frequent instruments applied to supporting the creative sector are the following:

- “Clusters” – encouraging the appearance of so called creative enterprise clusters. The task of the instrument is to encourage the network process – to create connections between creative sector enterprises in order to achieve a synergy effect.

- “Incubators” – creating the conditions and facilities for the creators-entrepreneurs entering the market. The task of the instrument is to provide access to a material base (offices, ateliers) as well as maintenance sources at the beginning of their activities .

- Public orders – the products and services existing on the market come from different sources – companies of different profiles, size and financial condition. If there is a possibility to make a choice in relation to orders and competitions, the solutions preferring the creative sector companies are used, especially the ones whose development an ordering person cares about and for which orders will be a vital support.

- Development agencies – creating an organisational and institutional infrastructure as part of the business environment, suitable for the specific needs of the creative sector.

- ‘’Development banks” – organisations with the brief to financially support activities in the creative sector by creating funds, making venture capital available, facilitating financial engineering (public and private sources) that is crucial for starting or continuing a business.

- Making available land, buildings and edifices for locating creative enterprises (including the provision of the technical infrastructure necessary for their functioning).

The effective application of those instruments requires formulating policies for the creative sector development and efficient coordination at the beginning. The reason is the instruments in question are not aimed at dispersed areas. Apart from that, their use influences such areas as public finances and spatial planning.

An instrument of a cross-sectional nature is programmes and projects that require their realisation by the companies of the creative sector often employed by way of competitions. Competitions are beneficial for competitiveness and they stimulate company innovation. The programmes and projects themselves trigger the creation of new institutional and organisational forms, which provide direct support to the active ones in the creative sector. A well-known example of the worldwide programme is the UNESCO Programme – City of Design (literal translation does not reflect the idea of the programme; *the City of Design* can be translated as *the Creative City*). UNESCO gives the titles of the City of Design in the following categories: literature, cinema, music, craft, design, the media arts and gastronomy. In order to gain such a title cities have to meet requirements like, among others, supporting urban projects realised in public spaces, organising fairs, events and exhibitions connected with design and creating the market for designers. Meeting these requirements needs employing at least a few of the above-mentioned instruments. The situation is similar in the case of the ‘’Berlin Zukunft” programme, which has the purpose of stimulating the development of the creative sector. The sector in question has been an important element in the Berlin economy and image for several years and as such is supported by the city authorities. The Berlin experience shows strict connections between generating, propagating and preserving cultural goods on one hand and industrial production on the other.

The above examples show that although the multitude and variety of instruments that support innovation in the creative sector is important to the sector development and its influence on other sectors of the economy, an even more important matter is to define the aims of the creative sector development policy, harmonised application of relevant instruments and consistent realisation of development undertakings, which sometimes bring results that are hard to measure and visible only in the long-term perspective.

Warsaw authorities take many actions which might be considered as supporting the development of the creative sector (the activities of the Education Office, Culture Office, European Funds Office, Service Office for Investors, Real Property Management Office and others). Similar actions are taken by quarter authorities in the framework of programmes revitalising or supporting culture (e.g. the story of a home for Sinfonia Varsovia being successfully finalised owing to the decision of the City Council about purchasing the Veterinary Institute as the orchestra’s residence, or the accumulation of artistic institutions in Praga Południe on Lubelska Street). It seems the main problem is organisational coordination, as well as setting programmes and projects in the context of a long-term spatial and economic development policy. For the effective support of the creative sector development, it is necessary to come into good relations with social partners, whose importance is invaluable.

VIII. Conclusions

The qualititative research shows that **a creative sector is a general concept,** even too general, because it includes very different sub-sectors, and their representatives do not always consider their activities to be creative. **It is then difficult to talk about the existence of a conscious creative sector in as strong meaning as it is in the case of service or production** sub-sectors, or on a more detailed level, the photography and advertising sub-sectors.

The creative sector is an abstract concept functioning rather on a meta-level than an operational one, marginally present in social discourse.

<u>The survey showed **a big discrepancy** among particular areas</u> belonging to the creative sector, and also inside them (especially in the case of the advertising, music, publishing, architecture / design sub-sectors), as far as the following are concerned:

- *A more detailed specification and conditions for running a business* – each sector has slightly different rules for functioning on the market. There are more individual sub-sectors (handicrafts, music, photography, film production, information technology) or strongly engaged in cooperating with other sub-sectors (architecture, advertising, printing, publishing houses).

- *The level of the perceived share in the economy / economics of a country or a city* – the representatives of some sub-sectors like architecture, information technology, advertising, are aware of the important meaning of their own activities for the general economic development of the country and city they work in, whereas the owners of the printing, music, publishing, film production and handicraft sub-sector companies think they contribute to general economic growth only to a slight degree. However, the music, publishing, film production and handicraft sub-sector entrepreneurs contribute to the cultural and intellectual development of the society, and to building a cultural base both nationwide and in the particular cities they work in.
- *The financial condition* – the researched companies present different financial situations. The first group (not many, about 20%) prospers quite successfully,

gaining regular, sufficient income; the second one faces problems (periodically, or during last year, about 70%) and the last one – the companies that function very badly (about 10%), which can be treated as providing only an extra financial source. They do not give the feeling of security themselves.

<u>Whereas, common features among companies are the following:</u>

- *A certain general structure of functioning on the market* – in every sub-sector there function both big, medium and small businesses, which are prevalent on the market. In the advertising, publishing (music) and information technology sub-sectors, a very important role is played by western concerns; in the remaining cases the Polish capital is dominant. Every sector bears the features of competitiveness.

- *The reasons for setting up your own company* – they are very individual, arising from the need to realise your life passions, interests and hobbies (e.g. music, photography, handicrafts, film production, architecture) or from the willingness of acting freely and becoming independent of your superior's will (sometimes you start realising it after years of working for someone and sometimes you are aware of it at the beginning of your career).

- *The way of perceiving your own company* – a great majority of company owners are focussed exclusively on their own companies and any activities concerning them; very rarely do they deeply analyse the market situation, the competition, or the contribution of their businesses to the country / city economics. The most vital thing for them is the functioning of their companies and their future, and providing stability for themselves and their family, as well as financial security (because it is the only source of income for the majority of them).

Warsaw is the best place for running a business in opinion of the surveyed , it has more advantages than disadvantages. Accumulating different sub-sectors, it offers bigger opportunities for operating and development for companies and individuals. Everyone who wants to have a "real success" ought to start in Warsaw. It is also necessary to take into account certain maintenance costs in the city.

Relations with the City Council: in the case of the majority of the surveyed companies it came down only to filling in forms during their registration and during changing a business profile. Additionally, in the case of a group of the surveyed, the City Council was sometimes an ordering institution. The city authorities did not offer any financial or technical support to any of the companies, e.g. while filling in application forms for European fund subsidies. A group of respondents evaluated so rare a frequency of visiting offices positively, reckoning that owing to the distance they can work freely, they are not limited or controlled by authorities too much. Some, however, would like to obtain support from the City Council, but they did not know where to go and look for the help in this matter. They do not truly believe in the qualifications and commitment of office workers either.

The contacts with the city authorities as such were evaluated positively by respondents – they noticed a dramatic change in the way of attending to and approaching petitioners; they especially liked the possibility of managing many issues by means of the Internet, as well as collecting an electronic number and making an appointment in the office for a definite date and time (which definitely significantly shortens the time lost in carrying out formalities).

The previous operations of the City Council in the area of supporting company owners are not easily noticeable in the social space. The lack of publicity affects the office image – in the way that *"if you do not hear about it, then it means nothing is going on."* It is then worth considering the expansion of communication level and making use of different information channels: billboards, advertising in the media, e.g. TVN Warsaw, the daily press, the Internet, which enables one to take actions of personalised nature – sending e-mails directly in the form of newsletters to company owners, free brochures in city councils, job centres, boroughs.

<u>The expectations of company owners – what must be taken into account while making plans and creating programmes for the creative sector?</u>

Financial support:

- subsidies for newly-opening companies in the form of special grants, which they might invest in the necessary equipment (computers, telephones); or financial alleviations (tax, ZUS),
- subsidies for the companies already functioning on the market for their further development, a change of profile or as a kind of help in critical situations, e.g. during a company owner's illness,
- another form of financial support could be lease of premises by the City to newly-opening companies, on preferential terms. For the majority of the entrepreneurs, the rates of rent in Warsaw are too high, which is why they operate their businesses in their place of living.

Training:

Very attractive kinds of training for company owners would be the ones focused on EU funds and also those concerning formal and legal issues, connected with running a company. Some of them confessed openly that although they were specialists in their own sub-sector, e.g. architecture or printing, they had never been trained specifically for accountancy, labour law or marketing issues. Such training would be useful both for new owners that set up their own businesses and the ones already functioning on the market (some owners have still many doubts on the matter despite many years of existing in the business).

Company information base in the area of Warsaw:

A separate unit processing information about newly-founded companies in the capital city, responsible for sending information appropriate for a company business profile concerning, e.g. possible support on the city authorities' part, informing about training.

In the light of research results and in confrontation with international experiences concerning the development of the creative sector in European Union cities, the following conclusions can be drawn:

- The creative sector is not an ordinary / traditional sector of the economy. The sector ought to be treated in the category of a sociological phenomenon, a key one for the development of cities, regions and countries. The development in question is based on innovations, so it is strictly connected with the knowledge-based economy.

- There is not one universal model of the creative industry development or a model policy of the creative industry support. Cities run their own unique policies depending on the specific local and environmental conditions. The environment constitutes the region and country, and it is understood as the following:

  i) the spatial context: the range of services, functioning in the framework of a mono- and polycentric system;

  ii) the institutional context: supporting organisations (public, private, non-governmental; offering coaching, consultations, financial support, encouraging *clusters* appearance, educating, encouraging networking operations);

  iii) the legal context: regulations concerning the creative industry's functioning, (possible exceptional regulations connected with, e.g., tax rates).

- The policy of the creative industry development must be locally rooted on the basis of endogenous resources with simultaneous internationalisation understood as creating worldwide network connections.

- The people committed to working in the creative industry often treat this activity as lifestyle. They look for some inspiring environment and space, where they can function together with other "creative ones". The environment in question ought to provide them with personal contact and cooperation opportunities.

- The majority of creative people do not have the kind of experience or knowledge that entrepreneurs have. This is their biggest risk on the road to success. For that reason they need support and coaching in this matter. To put it simpler, you might say that the traditional approach to business activities prevails among creative people. Expectations in respect of potential supporters are not too precise (except for articulating financial needs), the poor knowledge of the environment (as described above) is dominant, relations with the economic area are weak, knowledge of information technologies is not sufficient (obviously except for the sub-sector of the creative industry that deals with IT technologies).

- Supporting the development of the creative industry ought to be connected with abandoning support (sponsorship) for single projects and ventures, and with focussing on partnership and networking, obviously engaging public authorities in it.

- The basis for running creative industry policy is the knowledge of its size, location sites and business profile. It is then necessary to create databases (information corpuses) on the subject of creative company numbers, development trends and ways of functioning.

- Small and medium-sized businesses are the key ones for the creative industry development. The policy of support ought to be focussed specifically on them.

- Supporting the creative industry means most of all generating the demand for its products and services. This demand allows it to become an integral part of local, regional and national economy systems. Including the creative industry in economic relations on different levels gives it the conditions for development in the sense of income generating and partial independence of public financial sources, which are usually limited and supply the creative industry in an irregular way, following an adopted strategy of economic development and the resultant priorities, which apply to different sector policies.

- In many cases the possibilities of supporting creative sector development in the area of public orders are not made use of.

- Generating demand for creative sector products means activities involving different areas of public life. The key activities are the ones directed at the development of the economy, which is knowledge-based, because they concern the development of basic and applied research, and broadly understood education, as well as the development and introduction of new technologies. The policies and instruments of the creative sector development may profile its development in accordance with the economy's needs. At the same time, there has to exist a margin of free operations by creative sector companies, because functioning that reacts to demand may negatively influence the sector's innovativeness. The reason is that the sector's main task is generating demand and, what follows, stimulating innovation in other sectors.

- The actions directed at the sector representatives or the sector segments are realised by means of different instruments. Some of them, like e.g. statutory regulations, concern functioning of the whole sector as a branch of the economy. Others are spatially-oriented, i.e. their actions are performed in a given regional and local context and they relate to the companies with often unique characteristics, which is connected with their need. In the case of local and regional socio-economic relations, development plans mean particular undertakings localised in given space. The effectiveness of supporting innovation depends then on local and regional Governments to a high degree.

- Local Governments of cities can support creative industry by offering it proper buildings, situated in the city centre if possible, with the rent tariffs possible to accept by creators-entrepreneurs working in uncertain conditions. Creative people act and live in networks. The proper space is the basic condition of their success.

- The existing instruments of financing small and medium-sized enterprises can be better adapted to the needs of creative environments. However, a great deal of innovation is necessary to satisfy the multiple expectations of the sector. Such instruments include rewards, contests, and the instruments existing so far mainly for the research and development sector, as well as, perhaps in the future, the loans based on social guarantees.

- Another key domain for possible city help for the sector is organising an exchange platform and contacts with other creative entities, as well as clients. These might be the Internet platforms or local or foreign fairs.