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Opetus- ja kulttuuriministeriö

Culture

# Cultural Exportation Report 2008

Publications of the Ministry of Education and Culture 2011:5

Iimi Villacis (ed.)

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Ministry of Education and Culture • Department for Cultural, Sport and Youth Policy • 2011

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## Introduction

The strategic development of cultural exports dates back to 2003 when the ministers for culture, foreign trade, as well as trade and industry of the previous Government concluded that culture could be a service export product. The work got underway when the Minister of Culture, in cooperation with the Minister for Foreign Trade and the Minister of Trade and Industry, appointed a rapporteur to draw up a proposal on promoting cultural exports.

In 2006–2007, a broad-based working group drew up Finland's Cultural Exports Promotion Programme 2007–2011, and according to the second Government Programme of Prime Minister Matti Vanhanen, 'The creative economy will be strengthened and the economic significance of culture will be increased by promoting cultural exports and entrepreneurial activity.'

One of the overarching principles of the Government Programme is increasing economic prosperity by promoting innovation and entrepreneurship. Developing cultural exports and encouraging entrepreneurship in the cultural industries are means to achieve this objective, as is indicated by the reference of the section on cultural exports in the Government Programme to increasing job opportunities and export revenues as part of the export of services.

From a cultural policy perspective, developing cultural exports can be seen as activities that support and complement traditional cultural policy. Through the state budget, the Ministry of Education and Culture invests around EUR 400 million per year in the foundation for culture and creativity. As a result of this investment, Finland has a remarkably strong cultural and artistic infrastructure and considerable expertise of an internationally high standard. At the same time, Finnish culture and its products and services are the focus of unprecedented international interest, and the international culture market is growing rapidly.

Cultural exportation is a factor that connects these two elements – our creativity and expertise as well as international interest. According to the Cultural Exports Promotion Programme, public intervention should be focused specifically on that critical point where cultural products or services come into contact with audiences. If this is successful, the result is a win-win situation where Finnish culture garners increasing international success, creates new jobs and export revenues and thus strengthens the foundation of cultural production and funding in Finland.

The Ministry of Education and Culture has invested, in particular, in developing support for spearhead cultural export projects and in strengthening the ex-

port capacity of its strategic partners, the Information Centres for Arts. The excellent cooperation with the Ministry of Employment and the Economy and the Ministry for Foreign Affairs has continued. Cultural exportation is genuinely multidisciplinary in nature and administrative structures and measures should meet the genuine needs of companies and other actors in the sector. The starting point is thus the needs of cultural export actors, not those of administration.

At the same time, however, it has become apparent that the Ministry of Education and Culture's range of measures – culture policy toolkit – should be further developed and expanded. The cultural exports preparatory committee, under the leadership of its Chairman Johan Storgård, has identified the most important areas for development. The ministries must be able to meet these needs, which were determined together with representatives of the cultural industries. This implies developing new, more advanced and more specific policy measures and thus strengthening the steering impact of resource allocation.

In this connection, the importance of the national innovation strategy should also be emphasised. It is one of the most important projects of the current Government and its effective implementation will play a key role in ensuring Finland's competitiveness. It is clear that the creative industries, as one of the major international growth sectors, will both create and require innovations in services and business. Therefore, developing cultural exports and the creative industries constitutes an important element in supporting and implementing the innovation strategy.

## **Cultural Exports Promotion Programme 2007–2011 and its implementation**

### **Finland's Cultural Exports Promotion Programme is based on the following vision (Vision 2011):**

*Cultural exports have become a recognised part of Finnish export activities. The value of cultural exports has at least tripled and the creative industries have diversified our country's business structure and boosted employment. Culture is clearly a stronger part of the image and brand of Finland than at present. The economic prosperity of individuals and groups working in the field of culture has improved as a result of export activities.*

The development programme has six development targets, which are:

1. developing business activities;
2. strengthening clusters and networks;
3. international marketing and promotion;
4. cultural export structures;
5. international cultural cooperation and exchanges
6. the operating environment for cultural exports.

Each development target is divided into more specific objectives and corresponding measures, and responsibility for their implementation has been given to the ministries involved in the programme's implementation and to the administration subject to them, or to be carried out within the framework of the Structural Fund programmes. The aim of the measures as a whole is to meet the challenges and opportunities identified together with representatives of the cultural industries.

The Powering Up Finnish Cultural Exports report, which was the proposal for Finland's Cultural Exports Promotion Programme 2007–2011, was published (also in English) at the start of 2007. In September 2007, the Ministry of Education appointed a cultural exports steering group and a preparatory group.

The following were specified as the steering group's tasks in the assignment:

1. To generally raise the status of cultural exports

so that they become export industries equal to other export industries and thereby improve the employment situation in cultural and other creative fields and the growth of the sector's national economic contribution.

2. To monitor and promote the implementation of the section on cultural exports in the Government Programme and to steer the implementation of the proposal for the national Cultural Exports Promotion Programme 2007–2011.
3. To steer and coordinate the cultural export project and entrepreneurship project for the creative industries and, where applicable, the implementation of the Employment, entrepreneurship and worklife policy programme.
4. To monitor the implementation of programmes in the Structural Fund period 2007–2013 from the perspective of developing cultural exports.
5. To monitor and steer the development of cultural export operations of the network of diplomatic missions under the administrative sector of the Ministry for Foreign Affairs and the cultural institutes supported by the Ministry of Education.
6. To monitor and steer the activities of the support network for cultural export.
7. To promote the enhancement of business skills and ability to develop international operations of companies focusing on cultural exports.
8. To monitor and steer the development of the culture satellite account and in other respects promote the production of data on cultural exports through joint efforts.
9. To monitor the work of the working group appointed to develop the taxation of copyright income and promote the implementation of its recommendations.
10. The steering group will prepare a report every year on its steering activities and monitoring findings, which will be presented at a joint export forum of the Ministry of Trade and Industry and the Ministry for Foreign Affairs.

Including the operating grants for Finland's cultural institutes abroad and the Information Centres for Arts, the entire support for cultural exports of the **Ministry of Education** total around EUR 10 million. In order to ensure the implementation of the Cultural Exports Promotion Programme and the adequate attainment of its steering effect, more advanced and more specific programme-type measures are needed, the implementation of which requires additional funding.

**The Ministry of Employment and the Economy** and the administration subject to it annually awards a total of over EUR 800 million in business support, some of which can be directed towards funding business activities in the creative industries and cultural exports. The proportion of the total funding accounted for by the creative industries is not precisely known, but, for example, 4.3%, or EUR 766,000, of the total appropriations granted for joint internationalisation projects of companies in 2007 was accounted for by cultural export companies. Through its instruments, Finnvera funded companies in the cultural sector to a total of EUR 40 million and Tekes (the Finnish Funding Agency for Technology and Innovation) around EUR 10 million. The proportion of overall funding of the creative industries and cultural export companies should be further increased in the future, because the international growth potential of the sector is especially significant.

**The Ministry for Foreign Affairs** implements the Cultural Exports Promotion Programme in cooperation with other ministries and makes use of the resources and expertise of Finland's diplomatic missions. The ministry's priority is developing Finland's country image.

### **Assessment of the implementation of the Cultural Exports Promotion Programme**

The implementation of the Cultural Exports Promotion Programme 2007–2011 is now halfway through. During the implementation, it has become apparent that the programme is serving its purpose and that cultural exports have become a natural part of the objectives of an increasing number of companies in the cultural sector.

All the available national and international knowledge bases show that developing exports is well-founded and that the objective of the Government Programme to increase the contribution of culture to the national economy requires an increase in exports.

The report commissioned by the European Commission entitled the Economy of Culture in Europe and the Creative Economy report of UNCTAD, the United Nations Conference on Trade and Develop-

ment, have demonstrated that the cultural industries are economically important and that international trade in cultural products and services has increased significantly.

In Finland, the culture satellite account, which is based on the national system of accounts and was the first to be drawn up by a member country of the OECD, shows that the share of value added of the entire national economy accounted for by the cultural industries is significant (almost 3.2% in 2006), and that there are over 100,000 people working in the sector, and that culture is the second largest object of private consumption after food.

Increasing the economic added value of the cultural industries, which represents and strengthens the creativity of all of society and fosters other positive benefits of culture, nevertheless requires that companies in the sector receive better access to the measures and resources of Finland's business service system. The main emphasis during the end phase of the Cultural Exports Promotion Programme and in the next programme is specifically on this objective. The investments will be considerable: at issue is the diversification of Finland's production and export structure. There is no doubt that the culture sector could be one of the future engines of growth, just so long as its creativity and growth potential are unlocked .

# I Foreword

On behalf of the steering group  
Stefan Wallin, Minister of Culture and Sport

already proved to be an excellent road map for improving the conditions for cultural exportation and the creative economy in general. It is also a key frame of reference in our strive to strengthen the creative economy and to increase the importance of culture to the national economy, in line with the Government Programme.

The Culture Satellite Account prepared by Statistics Finland in 2008, which was commissioned by the Ministry of Education, has considerably enhanced our understanding of the significance of culture to the national economy. The statistics introduced in the account confirmed my understanding of the cultural sector as being of considerable importance to the economy, as well as a major employer. The sector provides work for over 100,000 people. Moreover, culture constitutes the second-largest component of private consumption after food products. Private consumption amounts to approximately EUR 6 billion a year, contributing to the extremely versatile cultural production of Finland in relation to the country's size. Nevertheless, the value of cultural exports remain modest in view of the sector's other roles in the national economy.

When the data published in the year under review by UNCTAD, the United Nations Conference on Trade and Development, showing that the value of trade in cultural products and services doubled from the mid-1990s to the mid-2000s is added to this, it is easy to draw the following conclusion. Cultural exportation has a great deal of unused potential, which, if harnessed, will strengthen the economic foundations of cultural production and increase its importance to the national economy, consequently boosting Finnish culture.

The international economic crisis further supports my views. As has often been said in public, the crisis will speed up structural changes in the economy. Finland's future competitive advantage lies in services and, generally speaking, in business that requires advanced skills and creativity.

As the Government stated in its policy session, to secure future growth we must expand the foundations for growth. The potential of culture and the creative industries cannot be overlooked in this context. In addition to their economic potential, culture and the arts form the core of the nation's educational and intellectual capital, which has a significant impact on the population's well-being and competitiveness.

I wish to thank my colleagues in the cultural exportation steering group for their excellent cooperation, as well as the preparatory committee chaired by Johan Storgård, which carried out an excellent job. The committee focused on drawing up a development programme for cultural exports and on identifying new, necessary measures. Above all, the committee proved to be an unprejudiced, broad-based and competent platform—an incubator for ideas—in the strive to develop cultural exportation. We are now in a good position to continue our efforts to turn challenges into opportunities and opportunities into success stories.

**Members of the steering group**

Stefan Wallin, Minister of Culture and Sport

Mauri Pekkarinen, Minister of Economic Affairs

Paavo Väyrynen, Minister for Foreign Trade and Development

Alexander Stubb, Minister for Foreign Affairs

Tuija Brax, Minister of Justice

Velipekka Nummikoski, State Secretary

Johan Storgård, Chair of the Preparatory Committee for Cultural Exportation  
Theatre Director

### **Boldness, opportunity and vision**

Finnish culture is of high quality and versatile in nature. It builds on the constantly recurring urge to tell stories. Content forms the basis of the new creative economy and service industry. Product and service innovations based on culture, the arts, competence and technology will be the most robust growth sectors in the future. In Finland, the more than 100,000 people employed by the culture sector play a key role in developing the cultural export industry.

Thanks to private consumption and strong basic support from society, the creative economy, culture and the arts are present in every part of the country. What we need now is for our strong national arts sector to take bold steps across borders into new, international cultural markets. In accordance with the Government Programme, the Cultural Export Promotion Programme aims to raise the export status of culture to equal that of other export industries.

The preparatory committee for cultural exportation met four times in 2008. In addition, the committee arranged two cultural export group work events during the year. In addition to members of the preparatory committee, the participants in the working groups included experts and company representatives from different sectors. In the spring, the working groups dealt with topics such as cultural tourism trends and the financing and taxation of cultural exports. The groups' work will now lead to further examination of taxation practices promoting cultural exports and to the development of the Finnish system of business services in order to more effectively serve cultural exports.

The group work session held in autumn 2008 gave a strong boost to the envisaged creation of a new development organisation for cultural exports and to the assessment and implementation of major cultural events. During the year, the preparatory committee for cultural exportation has tackled a variety of issues in an open, unprejudiced manner. Cultural products and services, the 'productisation' of culture, the development of intermediary and agent activities, as well as the adaptation of financial instruments are listed more and more frequently as the prerequisites for increasing cultural exportation.

The content of this cultural exportation report only describes a fraction of what all the different participants have achieved in the sector this year. The programme has already led to the emergence of income-generating export activities, in addition to giving rise to new companies, networks and forms of cooperation. In this respect, the individual measures of and inputs into the Cultural Export Promotion Programme have yielded multiple returns in a short time. It can also boldly be stated that the programme has also changed the thinking on cultural policy: the public and private spheres have come closer together and support one another in a way that benefits the society of today and the future, which in turn strengthens the image and brand of Finland internationally.

The preparatory committee's second report and proposals for development measures continue this bold approach. The committee firmly believes that working to promote cultural exports will enable us to succeed in the international creative sector and markets as well as, or even better than, many others.

This requires that **all of the parties involved in development believe in the feasibility of the policies laid down in the Government Programme.** The preparatory committee for cultural exportation will continue its work to make the vision a reality, and will boldly continue to propose measures that are based on the sector's needs. I wish to thank all of the committee members and all other parties that have enthusiastically participated in the development work of the Cultural Export Promotion Programme.

## II Measures implemented in the Promotion Programme in 2008

The 2008 report is a follow-up to the *Onko kulttuurilla vientiä? ON!* ('Do Finnish Cultural Exports have Staying Power? YES!') report published in 2006 and the cultural exportation report 2007. While the 2007 cultural exportation report focused on describing the background to the activities, this report concentrates on the concrete measures and projects carried out in 2008. The best view of the overall state of the Cultural Export Promotion Programme will be gained by studying all three reports in relation to one another.

This report discusses the implementation of the programme's measures on the basis of the proposals made to the steering group in 2008. The steering group approved the preparatory committee's proposals at its meeting in March 2009. For each measure, the report lists the items of the committee's proposal that have been implemented, as well as those in need of

further development. Descriptions are also provided of other pertinent measures that have been implemented or taken forward.

The report is divided into six chapters, each focusing on a specific development action. Measures that come under several development actions have only been reported once under the most appropriate action. These include, for example, spearhead projects in cultural exportation and the subsidies granted to them, which are primarily related to business development but also to other targets.

The project descriptions included in this report have been written by the actors themselves. Only a few examples of the numerous spearhead projects have been cited in this report. In addition to describing their own activities, art information centres have mainly also discussed the progress of the export strategy in their own sector.



Frisson, a joint show for fashion designers arranged by Design Forum Finland, at the Palais de Tokyo in Paris on 2 June 2008.  
Photo: Leena Aro

# Development action I: Business development

## 1.1. Business competence

### Proposed measures:

In relation to the administrative sector of the Ministry of Employment and the Economy, the preparatory committee proposed in 2008 an increase in start-up funding for the creative industries and cultural export companies to support the early stages of business. The use of funding will be controlled using performance agreements so that future funding will correspond to the creative industries' and cultural export companies' share of companies overall. Performance guidance will also be given by the Ministry of Employment and the Economy and in its strategy for the creative economy.

The creative sector is characterised by self-employment. The work of artists can often be compared to entrepreneurship as well. In addition to operating as entrepreneurs, many people periodically work for others. New forms of work, temporary entrepreneurship and part-time entrepreneurship are challenging forms of employment, and the support measures and conditions for them need to be further developed and the relevant rules and regulations revised for them to function as flexible and encouraging forms of employment. The measures contained in the strategy for the

creative economy include assessing and eliminating obstacles to employment in the arts and culture sector and improving income security.

### Measures implemented:

- The coordination of the priority area on creative work (basket 1) started in the SME Foundation on 1 March 2009. Riitta Ylätaalo, leading expert, is in charge of implementation. The basket is handled by a team of 16 experts.

Self-employed people need more expert services in a rapidly changing operating environment. Entrepreneurial skills also need to be improved, especially among self-employed people and people 'forced' to work as entrepreneurs, for example, by implementing previously piloted models (refineries, MEDA education on entrepreneurship, Arts&Business /UK).

### Measures implemented:

- A total of 21 project clinics targeting new entrepreneurs were arranged in 2008, and they were attended by 235 clients.
- Other project goals include activating

companies to discuss ways to make education (basic and adult education, continuing education) correspond to the needs of working life.

The refinery model piloted in the SILE project will be made available to companies in the creative sector nationwide. Steering on the refinery services and the expert network will be undertaken at the national level. The services, however, will be regionally available to companies and will also be regionally funded in the future.

Service production is the responsibility of regional and local organisations that operate close to customers and are familiar with the sectors, and which employ regional refinery agents and private providers of expert services. The operating model requires agents to have wide-ranging skills and experience, especially in assessing the commercialisation opportunities of ideas based on creativity. It also requires an improvement in the sectoral competence of experts and consultants and the development of financing models that take into consideration the special needs of clients.

#### **Measures implemented:**

- The coordination of the priority area on creative work (basket 2) is continuing in the SME Foundation as a follow-up to the LUOTU project. Leena Hoppania, leading expert, is in charge of implementation. The basket is handled by a team of 24 experts.
- In autumn 2008, the LUOTU project invited refineries to submit competitive tenders on advisory service for companies in the creative sector. The services are offered by ten actors, four of which work nationally.

The goal was to create a certification and training model for experts in the creative sector in conjunction with the nationwide competitive tender held in 2008 for consultants in the creative sector. A similar model will be set up in business consultancy in connection with the development and productisation of refinery operations. A training programme for business advisers is under construction, and will include a section

on the creative industries that deals with problematic issues in the field, the characteristics of business development in the sector, as well as convergence aspects.

#### **Measures implemented:**

- The LUOTU project, implemented by the SME Foundation, held a competitive tender for experts familiar with the special needs of companies in the creative sector in autumn 2008. The network consists of 30 consultants. The information on the consultants has been entered in the expert register maintained by Enterprise Finland.
- A day-long training event for the expert network was arranged in October 2008.

## **1.2. Growth and internationalisation**

#### **Proposal for action:**

- The preparatory committee for cultural exportation proposed o EUR 100,000 in ESF funding in 2008 and EUR 250,000 in each subsequent year until 2011 in order to establish education on international business and leadership.
- For 2009, a total of EUR 100,000 shall be earmarked from national lottery proceeds in the Ministry of Education's main title of expenditure for the development of management, leadership and export skills in the culture sector.
- The knowledge of regional actors on the priorities of business and cultural exports in the creative sector needs to be strengthened, and regional actors will be encouraged to apply for financing from the Structural Funds from their own regions.
- Producer and management activities will be developed through the 2007–2008 programme focusing on business growth and internationalisation in the creative industries. The goal of this measure is to eliminate the relative weakness of producers and intermediaries. The proposal for project

funding is EUR 100,00 in 2008, EUR 500,000 in 2009 and an increase of EUR 200,000 in the following two years.

### **Measures implemented:**

- Projects under the ESF development programme for business growth and internationalisation in the creative industries 2007–2013 (FME, Bridge builders and Taivex training) were launched in 2008 or will be launched in early 2009. The overall cost estimate for the Finnish Music Express project is EUR 880,000. The EU and state contributions in the Bridge builders and Taivex projects are approximately EUR 1.3 million. Many of the programme's other projects also strengthen export capabilities.
- The projects that have already been or are in the process of being launched (FME, Bridge builders and Taivex training) also aim to improve training in international business and management.
- Furthermore, new forms of corporate funding to support production and management activities in the first two to three years of business operations will also be examined.

Description of the development programme for business growth and internationalisation in the creative industries 2007–2013:

The development programme for business growth and internationalisation in the creative industries 2007–2013, co-financed by the ESF, was prepared under the leadership of the Ministry of Education to meet the challenges of the Cultural Export Promotion Programme. The development programme supports joint projects that help businesses in the creative sector grow and expand internationally. The programme supports nationally important projects that improve the abilities and skills of actors, increase cooperation and produce new operating models to assist the growth and internationalisation of the creative industries. The programme promotes areas such as the development of R&D and innovation skills, business and entrepreneurial skills, as well as production and management know-how.

National ESF development programmes are broad-based development programmes based on the Ministry of Education's strategies, which are implemented through projects selected for programme funding. The total amount of financing (EU + state) is EUR 14.6 million. Municipal and private financing are also needed in addition to this. The area of implementation encompasses all of Finland, excluding the Åland Islands and Eastern Finland. In Eastern Finland, the aim is to use the region's own ESF contribution to implement activities that support projects funded under the development programme. During the programme's implementation, special attention will be given to cooperation and coordination between projects.

Three rounds of application were arranged in 2008, each of which was preceded by a call for ideas. To date, 14 projects have been selected to be financed under the programme on the basis of the application rounds. Six of the projects received funding decisions in 2008, which set the EU and state contributions at approximately EUR 4 million. The projects have proved to be useful, as they have enabled targeted funding for development activities that seek to boost growth and internationalisation in the creative industries.

Under the development programme, a joint networking event was arranged with the Ministry of Education's development programme team at the end of the call for ideas. In addition, the Ministry of Education, the State Provincial Office of Southern Finland and the Creative Industries Finland project arranged six information events on the application procedure in the programme area in 2008. The programme steering group has met four times: the first time in November 2007 and three times in 2008.

The Creative Industries Finland project, which coordinates the development programme, started running in spring 2008. It strengthens the basic knowledge, forecasting and networking of companies and other actors in the sector, provides project advice and compiles and disseminates best practices. The other projects currently underway improve companies' growth and internationalisation capabilities, for example, through customised training and mentoring.

Some of the projects specifically focus on boosting internationalisation and exports. The projects that are primarily aimed at enhancing export and internation-

alisation skills include Finnish Music Express, Film Location Finland, Bridge builders and Taivex.

Other projects receiving funding from the development programme also contribute to creating a foundation for promoting exports and internationalisation. The ART360 project, for example, improves the internationalisation skills of artists and curators, and the productisation and internationalisation of services in the visual arts. The Creada project enhances entrepreneurial skills, and thus also basic internationalisation skills, in the creative industries. Kulttuurin ketju (Culture chain) is a project that focuses on cultural tourism and its productisation and aims to support the development of cultural tourism aimed at international markets. The Produforum project enhances Nordic cooperation between producers and managers. Other projects funded by the programme include YLÖS (audience development in professional theatres), VAKA (national project for music clubs and regional tours), Kultajyvä, DIMEKE (digital media product development) and ArtHub (knowledge community for the creative industries).

Descriptions of projects specifically focused on internationalisation:

Project name: Finnish Music Express

Project implementer: Sibelius Academy

Project duration: 1 Aug 2008–31 Dec 2011

Overall cost estimate for the project: EUR 875,616

Project description: The aim of the project is to extensively develop and internationally expand the entire Finnish music sector across genres. Training and export organisations are cooperating in the project to design and implement approximately 13 training modules with varying content for actors in the music industry. In addition, the project will commission a report entitled the 'key indicators for music companies 2011'.

Project name: Film Location Finland

Project implementer: POEM Foundation

Project duration: 1 July 2008–31 December 2010

Overall cost estimate for the project: EUR 291,854

Project description: The goal is to set up a national skills, service and marketing network that serves the audiovisual sector's operating environment and markets it internationally. The resulting network will be responsible for cost-effectively marketing Finland as a production area and for helping companies and

experts to make the best possible use of audiovisual productions made in Finland. The project supports the creation of new service activities and the internationalisation of companies.

Project name: Bridge builders—training programme for agents and export professionals in the creative industries

Project implementer: Adulta Oy

Project duration: 1 Jan 2009–31 Dec 2011

Overall cost estimate for the project: EUR 1,089,511

Project description: The project will result in Finland getting a new, organised network of agents and export professionals in the creative industries, clear and common guidelines as well as a common operating culture. The project will train 60 agents/export professionals, who will set up ten new companies. The project will result in 60 new jobs. Regional workshops that aim to enhance the export skills of and cooperation between companies and developers will also be arranged. The project will devise a model for training agents, design a new training programme for export agents and professionals in the creative industries, as well as draw up general terms of delivery and other contract templates needed by agencies and export professionals. Information will be disseminated regionally, and a data bank will be published on the Creative Industries Finland website.

Project name: Taivex

Project implementer: Finnish Theatre Information Centre

Project duration: 1 April 2009–31 December 2011

Overall cost estimate for the project: EUR 687,700

Project description: A training project tailored for managers, producers, agents and freelance curators, SMEs, small publishers and gallerists in the arts sector. The project will provide export training for intermediaries in the arts sector in order to strengthen their sales, marketing and business skills, as well as their networking and ability to operate on the international scene. The project is based on the export strategies of arts information centres.

### **Other measures implemented:**

Fintra's fourth Exporting Culture training programme, supported by the Ministry of Employment and the

Economy, began in November 2007 and continued until September 2008. The 17 programme participants came from different parts of Finland. The Exporting Culture programme improves the participants' abilities to design and implement cultural exports in international markets. The programme consists of 11 days of training and is aimed at individuals who work in various duties within cultural exportation or who are interested in developing cultural exports.

The fifth Exporting Culture programme started in September 2008, also with 17 participants, and will continue until the end of May 2009. The goal for the future is to arrange these programmes once a year.

The support association for export training administered by Fintra, Vientikoulutuksen kannatusyhdistys, granted the 'Internationalisation Promoter of the Year' award to Paulina Ahokas, Director of Musex, for her invaluable contribution to cultural exportation. The award is granted annually to an individual who has promoted the exportation of Finnish know-how with distinction.

The above-mentioned ESF Bridge builders project, administered by the Ministry of Education, was launched at the end of 2008 for people aiming to become agents and export professionals in the creative industries. This national training programme is jointly implemented by Adulta, the Lahti University of Applied Sciences, the Baltic Institute of Finland, the Rovaniemi Regional Development Agency, the Turku Region Development Centre and the City of Helsinki. The project's preparations got underway in Fintra at the beginning of 2008.

### **1.3. Development of the export subsidy system for companies in the sector**

#### **Proposal for action:**

In 2008, the preparatory committee for cultural exportation proposed that Finnvera plc should take the needs of cultural export companies and companies in the creative industries into consideration when granting financing and that the opportunities to create a special loan model for the above companies should be

investigated. Different ways of financing associations should also be examined in this context. An examination should also be carried out on possible ways to set up a venture financing/venture capital/capitalisation model for the creative industries in Finland.

#### **Measures implemented:**

- Finnvera is increasing its financing, and a representative of Finnvera participates in the work related to the Ministry of Employment and the Economy's Development Strategy for the Creative Economy. The preparatory committee and Finnvera have jointly identified financing needs and models for the creative industries. In view of the sectors' business models and financing needs, capital investments would serve companies in the sector better than loan financing.

#### **Further measures:**

- The possibility to set up a special state-run private equity fund for the creative industries must be discussed when considering the establishment of an actor to develop the creative economy.

#### **Other measures implemented:**

- The Ministry of Employment and the Economy has increased its subsidies intended for the creative industries that are given to joint export projects undertaken by companies. The creative sector received 7% of all the subsidies granted, which amounts to EUR 2,006,000.

### **1.4. Promotion of international productions**

#### **Proposal for action:**

In 2008, the preparatory committee proposed that the Ministry of Education, possibly in cooperation with the Ministry of Employment and the Economy, launch an

initiative to create financing systems for international productions in the creative industries jointly with Sitra. It also proposed that EUR 500,000 be allocated in the Ministry of Education's main title of expenditure for the administrative sector's share of the cultural exportation business and development programme.

**Measures implemented:**

- No progress made.

**Proposal for action:**

Private foundations are important financiers of culture and the creative industries. They could ensure that an increasing amount of funding was allocated to cultural exportation and the private sector. The preparatory committee for cultural exportation will invite private foundations to discuss ways of promoting cultural exports.

**Measures implemented:**

- The preparatory committee arranged a discussion event on 12 November 2008 for private foundations. The event focused on enhancing information exchange between the network for cultural export and foundations.

## **1.5. Product development and innovation**

**Proposal for action:**

In 2008, the preparatory committee for cultural exportation proposed that Tekes take into consideration the needs of cultural export companies and companies in the creative industries when designing technology programmes. Cultural companies and associations will be encouraged to seek funding from the programmes and to set up joint projects. The planning of a programme aimed at the creative industries and cultural export companies will be started.

The development of products and services offered by the creative industries and their exploitation in the products and services of other sectors are challeng-

ing tasks due to the fragmented nature of the sector. Product development calls for the skills and expertise of several companies. On the other hand, major changes have affected the value chains and networks of all sectors, creating challenges not only for the creative sector but also for industry. As a result of this, new instruments must be developed for the product development system so that the current needs of companies can be met.

Sector-specific product development projects will be launched to speed up the creation of product development models. Existing financing instruments for product development are still too cumbersome for small companies. New operating models are also needed to help companies set up joint projects. Business development in the creative industries requires private equity investors to be involved in financing the companies. This development will be supported. Existing financing instruments will be revised to meet the needs of companies operating in the creative economy.

The ESF development programme for business growth and internationalisation in the creative industries 2007–2013 aims to strengthen the early phases of product development and innovation activities, especially by improving product development skills.

**Measures implemented:**

- The coordination of the priority area on new operating models (basket 3) was launched in the Technology Centre Hermia on 1 March 2009. Irmeli Lamberg, leading expert, is in charge of implementation. The basket is handled by a team of 16 experts.
- The centralisation of development work carried out by companies in the creative industries was studied in spring 2008. This led to a proposal for the establishment of a development company or a corresponding development actor, which would act as a facilitator for joint projects.
- Product development and innovation formed one of the priority areas in the autumn 2008 call for applications for the ESF development programme for business growth and internationalisation in the creative industries.

## 1.6. Culture products for tourism purposes

### Proposal for action:

In December 2008, the preparatory committee for cultural exportation approved the implementation of an action programme promoting the creation of cultural products for tourism in 2009–2013. The goal is to support and activate the productisation of cultural tourism products and services for international markets and to boost Finland's image as an interesting destination country for cultural tourism.

### Measures implemented:

- As proposed by the preparatory committee, the Ministry of Education has, since 2009, allocated an appropriation to promote the productisation of culture for tourism purposes.
- The national Kulttuurin ketju (Culture chain) project was launched in early 2009 as a part of the ESF development programme for business growth and internationalisation in the creative industries. Its goal is to produce a product development model for cultural tourism, that is, concrete tools that cultural tourism companies and other actors can use to improve product development and quality.
- As part of the national thematic development of tourism, the Finnish Tourist Board launched operations that focus on the productisation of cultural and event tourism.
- In October 2008, the Ministry for Foreign Affairs appointed a high-level delegation to lead the Finnish country brand project. The practical implementation is the responsibility of the Finland Promotion Board, under the direction of the Ministry for Foreign Affairs.
- As of summer 2009, the Visit Finland portal has also contained a new social network service for cultural tourism products and services.

## Description of the productisation of cultural tourism

Tourism to Finland from abroad has mostly exploited culture as an additional factor, as demonstrated by two studies: *Suomalaisen kulttuurin näkyminen ulkomaalaisten matkanjärjestäjien esitteissä* ('Portrayal of Finnish culture in the brochures of international tour operators') (MEK A:157 2008) and *Suomalainen kulttuuritarjonta kansainvälisille markkinoille* ('Finnish cultural offering on international markets') (MEK A:159 2008). Productisation has been small-scale in nature. Cooperation between cultural and tourism actors has not been very systematic.

According to the Anholt-GfK Roper Nation Index 2008 Report, an international country image survey, and a Finnish study, *Ulkomaalaiset matkailijat suomalaisissa kulttuurikohteissa ja -tapatumissa* ('International tourists visiting Finnish cultural attractions and events') (MEK A: 162 2008), the Finnish art and cultural offering is mainly known to tourists through design and architecture, music and the visual arts. Individual cultural attractions and events, as such, do not appear to be widely known abroad.

According to the Border Interview Survey 2008 (the Finnish Tourist Board and Statistics Finland), slightly over one-third of foreign tourists had visited at least one cultural attraction in Finland. Of those visiting Helsinki, nearly half had done so, and of those travelling to Western Finland and Lapland, 40% had been to a cultural attraction.

Cultural attractions appeared to be of greatest interest to Austrian, French, German, Italian, Spanish and Swiss visitors and visitors from non-European countries. The attraction visited was normally a museum, an exhibition or a cultural heritage site. Only a few per cent had been to an event. Finland had around 6 million international tourists in 2008, most of whom came from Russia, Sweden, Estonia, Germany and Great Britain. In total, tourists spent EUR 184 million on cultural services in 2007. Foreign tourists accounted for 34%, or EUR 62 million, of this amount. Tourism expenditure overall totalled EUR 11 billion in 2007.

## 1.7. Finpro supports internationalisation and networking

In 2008, Finpro focused in particular on developing resources and expertise in special issues related to the internationalisation of services. It participated in projects examining success factors and forms of growth and internationalisation in service concepts and especially expert services (Services Going Global, a survey of internationalisation and growth in knowledge-intensive business services). The organisation also studied different forms of service conceptualisation, such as service design, experience design and franchising.

The first franchising export ring was launched at the beginning of 2008 to export Finnish franchising concepts to international markets. Company-specific internationalisation assignments have been carried out for companies in the creative industries that are just entering international markets, as well as for companies expanding their existing operations abroad. Assignments have been undertaken, for example, in the fields of music education, marketing communication, interior design and design software.

Companies in the creative industries have taken part in many multilateral cluster projects coordinated by Finpro, such as Cleantech Finland, Sochi 2014 and Expo 2010 Shanghai. Companies in the creative industries are also important cooperation partners for Finpro. The Finpro Partner Consultants programme was launched in 2008 with the aim of building cooperation models, including in the fields of design, marketing and communications, with experts who complement Finpro's internationalisation competence.

Finpro has long worked actively to promote the internationalisation of game and digital media companies. Every year, it carries out around 100 customer assignments for companies in the field. Through the assignments, the companies' internationalisation strategy and value promises are developed, the market potential of the companies' products and services is 'test driven' and companies are helped to find potential customers and partners in international markets.

In addition to handling internationalisation projects for individual companies, Finpro has carried out research and multilateral networking projects on, for example, mobile technology and social media.

These include MyNet Social networking, a study on social media trends and the market potential in the USA; TRIP, a study on the potential of new technology in the tourism industry; and SRI Spaces and Places, a study on the convergence of the physical and virtual worlds.

Finpro and Tekes jointly implemented the *Median muuttuvat ekosysteemit* ('Changing media ecosystems') project, which examined the changing value networks of European and Asian digital media and the business opportunities that changes in the networks offer to Finnish companies. The project gave rise to several internationalisation projects for individual companies.

In addition, Finpro participated in important events and networks in the field, such as the Game Developers Conference, the Stanford European Entrepreneurship and Innovation Program, the Silicon Valley Telecom Council, the Mobile World in Barcelona, the SDForum, Dealmaker Media, and the Plug and Play Technology Center.

## 1.8. Spearhead projects in cultural exportation in 2008

The Ministry of Education subsidised spearhead projects in cultural exportation with a total of EUR 1,694,000, which was nearly EUR 1,000,000 more than in 2007. Export projects carried out by arts information centres and cultural institutes received funding totalling EUR 800,000 and those undertaken by companies, associations and groups in the sector received EUR 894,000.

In line with the general policies set by the preparatory committee for cultural exportation, the focus was on intermediaries, especially on agencies. Similar to previous years, subsidies for spearhead projects aimed to develop the structures of cultural exportation, as well as improve business models and brand strategies, and strengthen marketing, sales, productisation and international networking. When evaluating applications, special consideration was paid to the proven need and feasibility of the projects and their impact on the development of the applicants' exports.

In the following paragraphs, some of the project participants describe their spearhead projects that were carried out last year.

The **IVANA**helsinki *Suomalainen taidemuoti kansainvälisesti tunnetuksi ilmiöksi* ('Making Finnish art fashion an internationally known phenomenon') project aimed to create this type of a phenomenon and attract international media attention to it. The creation process got off to a good start, and the events organised in the project introduced the international press to new and modern Finnish art fashion skills, enabling the project participants to offer truly new content in this category.

In general, the project's definitive benefit was the genuine interest it attracted from the international media and influential actors in the sector, and as a result the major expansion in the contact network and the creation of concrete, new business opportunities.

This cultural export project has enabled the company to maintain all its existing jobs. In the long run, it will most likely also lead to the creation of new jobs. IVANA Helsinki has expanded its export activities in terms of both geography and content, and has moved from the export of tangible products to exporting expertise and design.

The absolute highlights of this cultural export project included the first 'big-time' fashion show held at the Paris Fashion Week in October 2007, which was attended by more than 500 people, with several hundred people being left without seats. The following show, held in February 2008, made history by being the first by a Scandinavian company to have been accepted on the Paris Fashion Week's official list of main shows.

The *Kristallisilmän kulttuurivientihanke* ('Crystal eye cultural export') project received subsidies in 2007 and 2008 for the purpose of arranging Eija-Liisa Ahtila's retrospective exhibition tour and for marketing and distributing the artist's new *Where is where?* installation and film in Europe and the USA.

During the subsidy period, Eija-Liisa Ahtila held retrospective exhibitions at Jeu de Paume in Paris, and at K21 in Düsseldorf. She also held several private exhibitions in other European countries, as well as in Japan, Canada and the USA. In addition, Ahtila took part in around twenty joint exhibitions around the world.

The cultural export project subsidy contributed to the organisation of the retrospective and the other exhibitions. New French- and English-language release

prints of the works screened as well as picture material for the entire exhibition catalogue were produced for Jeu de Paume and K21. Preview DVDs, presentations and a variety of printed materials of all of Ahtila's installations were also made for general use.

Eija-Liisa Ahtila's new *Where is where?* installation premiered at Jeu de Paume in France. The one-hour-long, massive, six-channel projection deals with the events of the Algerian War of Independence and was created, due to its subject matter, for the inauguration of Jeu de Paume. The work requires special presentation technology and a separately constructed screening space. The cultural export subsidy made it possible to undertake research and negotiation trips, as a result of which it has been possible to launch the international distribution of this work, which demands a great deal of resources. In addition to France, the installation has been on display in Germany, Portugal, Egypt and the USA during the subsidy period.

The *Where is where?* film, which makes unconventional use of a split screen with four simultaneous images, had its premiere a year later at the Sundance Film Festival in the USA. An international festival tour focusing on North America was launched for the film. *Where is where?* has been marketed by participating in various film events and especially via the Internet, both as an independent film and as part of a programme called Split Screen Films by Eija-Liisa Ahtila, which also includes the films *If 6 was 9* and *The Hour of Prayer*.

The goal of the cultural export project was to distribute Eija-Liisa Ahtila's work extensively all around the world, and this was achieved. The objective is to continue systematic and long-term distribution of her output and to carry out the other projects launched during this subsidy period in 2009–2011.

**Finnish contemporary art and music were presented in New York** at the ARCTIC HYSTERIA – New Art from Finland exhibition and at the Warm Up music event from 1 June to 21 September 2008.

The Artists' Association of Finland and the Finnish Fund for Art Exchange, FRAME, jointly arranged an export project for Finnish visual arts and music at the P.S.1 Contemporary Art Center, an affiliate of the New York Museum of Modern Art. The goal was to produce a wide-ranging cultural export project that

would promote awareness of Finnish art as well as of future performances and the employment of Finnish artists in the USA.

From a Finnish point of view, Arctic Hysteria was a broad-based joint project in which the Artists' Association and FRAME cooperated with and received funding from the Ministry of Education, the Ministry for Foreign Affairs, as well as from several Finnish foundations and funds. In the USA, the Consulate General of Finland in New York and the Finnish Cultural Institute in New York cooperated in the preparation and implementation of the project.

Finnish musicians performed at the Warm Up music series, which was held in conjunction with the project's main event, the Arctic Hysteria exhibition of Finnish contemporary art. In addition, furniture by Finnish designers was used in the exhibition facilities of the P.S.1 Art Center. Finnish video art was displayed in New York at the Museum of Modern Art (MoMA) in September at the Arctic Hysteria OnScreen event. A high-quality exhibition publication aimed at the US and European art sectors and audiences was produced and published as Issue 9 of the *Framework* magazine, which focused on Arctic Hysteria.

The exhibition, film screening and music events involved 74 representatives from different fields of Finnish art: 28 visual and media artists, 18 musicians, a choir of 25, as well as three architect-designers. In all, the Arctic Hysteria event drew an audience of some 80,000.

The local press reported on the exhibition during its opening week, with the *New York Times* writing an article on Arctic Hysteria entitled Cool, Hot and Finnish, With a Dose of Mythic Imagination. The *New York Sun* and *New York Post* also wrote about the project. In addition to attracting media visibility, Finnish artists received invitations to exhibitions in countries such as the USA, France, Sweden, Italy, Japan and South Korea. By the beginning of 2009, eight of the visual artists who participated in the exhibition had received 13 invitations to exhibitions around the world. The artists' output was also reviewed in the international press.

According to surveys conducted among the artists, their participation in Arctic Hysteria also appeared to influence the sales of their work in Europe. The status

of the venue and the regard for it in the international art world were key factors in raising the profile of the artists. The involvement of a prominent, foreign curator has helped Finnish artists get invitations to other international exhibitions and thus promoted their employment.

Arctic Hysteria attracted a great deal of interest in European museums, and in spring 2009 it transferred to the Ludwig Museum in Budapest, Hungary. The exhibition will be touring other parts of Europe in 2009 and 2010.

**The Tero Saarinen Company** performed more actively than ever before in 2008, both in Finland and abroad. The company's new work, *Next of Kin*, was created as an international joint production. The work was funded by the company's Finnish partners, the Lyon Biennial in France, the Joyce Theater in New York, Southbank Centre in London, as well as the city of Vilnius in Lithuania, a 2009 European Capital of Culture, and the Lithuanian Dance Information Centre.

In addition to Finland, the company performed in France, Great Britain, Lithuania, New Zealand, Australia and the USA. The *Borrowed Light* tour to Australia and New Zealand marked an important new geographical venture for the company. In addition to putting on performances, the Tero Saarinen Company, which is run by the *Into liikkeessä* (Passion in Motion) association, worked as a subcontractor for Toothpick Oy, helping to rehearse Saarinen's works for the Swedish company NorrDans and the Dutch company NDT 1.

As a result, the Tero Saarinen Company operated in nine countries, and its overall financial volume rose to nearly one million euros (EUR 999,154) in 2008. According to the preliminary statistics for the theatre sector, the company also became one of Finland's biggest dance employers, second only to the Finnish National Ballet.

The subsidy for spearhead projects in cultural exportation enabled the company to continue developing its overall brand and marketing concept. The *terosaarinen.com* website, which was released in late 2007, was expanded—especially the sections aimed at the international media and buyers. The marketing strategy, which was drawn up earlier, was also implemented by developing communications solutions for foreign stakeholders, which included Web 2.0 communities and a revised newsletter. The company also continued to invest in distribution and marketing materials.

## 1.9. Funding and cultural exportation expertise from Tekes

Tekes provides funding for challenging R&D projects aimed at international product or service businesses. Through its programmes, Tekes allocates funding to sectors that have potential for significant business operations in the future.

In the field of cultural exportation, Tekes has mainly funded games technology. It has also provided funding for the content business, such as animation, mobile content and digital music distribution. Most of the funding has been used to develop innovative products, business and service concepts and technology.

The goal of the New Media Applications theme (2007–2009) was to encourage media companies to undertake product development and to develop their business in order to innovate the media sector and enhance competitiveness. The theme has produced new market information for companies in the form of surveys and reports, the most recent of which is the Media 2009 report.

In the **FENIX – Interactive Computing** programme, games and entertainment were one of the priority areas. Game projects received funding totalling approximately EUR 8 million. Since 2007, games and entertainment have also been one of the main areas to receive funding in the **Verso – Vertical Software Solutions** programme. The programme has provided funding to some 40 game projects, with annual Tekes funding to the game industry amounting to nearly EUR 10 million. The size of projects and amount of funding has increased every year.

The Tekes **Tourism and Leisure Services** programme finances the development of innovative customer-oriented services, service innovations and business concepts for the leisure services industry, for example for cultural and event services. The programme strengthens cooperation in the sector, for example, between service, technology and cultural companies.

## 1.10. Survey of entrepreneurship in the creative industries

Diges, an association for developing the creative industries in Finland, carried out a survey in 2008, com-

missioned by the Ministry of Education, on entrepreneurial activities in the creative industries. In short, the survey indicated that the number of intermediary companies is still small, but new actors appear to be entering the field. Another positive finding was that those entering the field are mainly young actors who have already established international contacts through their studies or other international activities.

In general, the business skills of actors in the sector need to be improved. Instead of creating new structures, however, it would be important to use the existing services for the creative industries as far as possible, such as the refinery services administered by the SME Foundation and financed by the Ministry of Employment and the Economy.

Education in and awareness of the sector also need to be enhanced so that new players can be attracted from outside the traditional cultural structures. One good way of raising the profile is undoubtedly the previously mentioned Bridge builders project, which is funded by the Ministry of Education's national ESF development programme for business growth and internationalisation in the creative industries and which aims to train new people for the sector.

As for the measures proposed in the survey, it is important to bear in mind that even if the group of international intermediaries were to grow, the number would still be small, meaning that the proposed education and funding solutions would target a few dozen players at most.

Moreover, in order to increase their turnover, domestic intermediaries probably need to work with international players as well—especially if the intermediaries operate in a single field of culture. This issue must also be raised in the debate on the various forms of subsidies. The question is which should be supported: the intermediary's business or the exportation of Finnish culture? As was often pointed out in the interviews, good and high-quality culture does not sit neatly under national flags. There is worldwide demand for interesting and high-quality dance, visual arts, audiovisual products and other similar offerings, rather than for Finnish culture as such.



The Present, by Eija-Liisa Ahtila, was seen in the Tokyo street scene. Photo: Etsuro Endo

## Development action II: Strengthening clusters and networks

### 2.1. Strengthening industry-specific and cross-sectoral clusters

Increasing the exportation of know-how and the capacity of arts information centres and industry organisations

#### Proposal for action:

In 2008, the preparatory committee for cultural exportation proposed that as of 2009 EUR 700,000 be allocated from national lottery proceeds in the Ministry of Education's main title of expenditure to art information centres for distribution as support to individual companies, groups and other actors for participating in export tours, festivals and trade fairs.

#### Measures implemented:

- The Ministry of Education opened a separate application round for cultural export projects of arts information centres, in which EUR 800,000 of national lottery proceeds will be available. The arts information centres' current prerequisites for cultural exportation were examined by the Net Effect consultancy.

#### Further measures:

- The funding base of arts information centres must be more extensively secured during the preparations for the 2010 budget.

### 2.2. Implementation of export strategies in the cultural sector in 2008

The information centres for music, theatre, literature, the visual arts, dance and circus, as well as the Finnish Museums Association, the Finnish Film Foundation, Design Forum Finland, MUSEX, FAVEX and Neogames have participated as strategic partners in the Cultural Export Promotion Programme from the very beginning by drawing up and implementing the export strategies in their own sectors. Representatives of arts information centres, industry organisations in the cultural sector, as well as cultural export organisations are actively involved in the work of the preparatory committee for cultural exportation.

Arts information centres, funded by the Ministry of Education, received EUR 1,859,000 for their operations in 2008. All of the information centres also

applied for and received, to some extent, subsidies for cultural export spearhead projects. The subsidies totalled EUR 670,000.

The Ministry of Employment and the Economy finances the operations of Design Forum Finland through an annual general subsidy of EUR 685,000 in addition to the operations of Music Export Finland through an annual general subsidy of EUR 210,000. Furthermore, the Ministry supported international marketing projects carried out by Design Forum with a total of EUR 124,500, joint projects carried out by FAVEX with a total of EUR 84,500 and individual projects carried out by MUSEX with a total of EUR 550,456 in 2008.

In the following paragraphs, the arts information centres, industry organisations in the cultural sector and cultural export organisations present their activities to promote cultural export in 2008.

The main international initiative of **Design Forum Finland** in 2008 involved new types of projects that created opportunities for exporting design products and skills through extensive cooperation. Design Forum Finland carried out two major design export projects and one smaller one in 2008.

The goal of the international activities was to present the products and practices of Finnish design and industry, offer designers and companies greater international visibility in targeted media environments, as well as promote the internationalisation of the sector's companies in selected target areas. The results of the pilot projects were very promising; the projects successfully conveyed a strong message about the activities of the Finnish innovation society. The operations of companies in the sector were expanded internationally and a foundation for exporting design based on competence was created. At the same time, international and national media visibility, as well as the emergence of new forms of cooperation have continued their strong growth.

In New York, the three-year project launched in 2007 to present Finnish design in North America continued. The **HARDCORE** New Finnish Design event, which was held in May during the New York Design Week in the Meatpacking District, attracted over 5,000 visitors in three days. The major event presented 25 design projects and concepts. It

included an exhibition curated by the designer Ilkka Suppanen, and a **HARDCORE** lounge jointly created by companies. The event was the result of cooperation between Design Forum Finland, the Consulate General of Finland in New York and the Finnish Cultural Institute in New York. Local cooperation partners included the Meatpacking District Initiative and Abe NYC Inc, with the New York Magazine acting as media partner. In addition to design companies, the project involved many other actors, such as Greater Helsinki Promotion, the Helsinki City Tourist and Convention Bureau and the Finnish Tourist Board. It was supported by the Alfred Kordelin Foundation, the Ministry of Education, the Ministry for Foreign Affairs, the Ministry of Employment and the Economy and the National Council for Design.

Design Forum Finland's projects in France were part of the big 100% Finlande event. The projects, organised under the theme of Finnish design in France, brought together Finnish designers and design companies in two design exhibitions and a fashion show/showroom event. The main goals of the projects were to increase interest in Finnish design and design expertise, boost the image of Finnish design, and support the activities of Finnish design actors in France. Design Forum Finland was the main producer and coordinator of the project, which was implemented as a part of the 100% Finlande event.

At the initiative of the French Ministry of Culture, Design Forum Finland arranged the Cool Dozen+ exhibition, showcasing Finnish chair and textile design, in the Ministry's offices in Paris. The exhibition was an updated and expanded version of a previous touring exhibition. Prior to Paris, it has been held at the Rouen Film Festival. La musée des Arts décoratifs (the Paris Museum of the Decorative Arts) and Design Forum Finland jointly organised the *Design contemporain finlandais – Promenons-nous dans le bois* exhibition of contemporary Finnish design, which featured the works of over 20 designers under the theme of wood and forest. The event presented and analysed the connection between Finnish design competence and wood, nature as a source of inspiration, wood and paper fibres and technologies. During the exhibition, the museum shop ran a campaign called Finnish Design, which was arranged in collaboration with the

Design Forum, and the Finnish Institute in France displayed the work of the Design Forum Shop's designers of the month.

In addition, Design Forum Finland arranged a joint show of Finnish fashion designers at the Palais de Tokyo, the Paris museum of contemporary art. The Frisson fashion show presented the output of nine Finnish fashion designers and companies. A showroom was set up in connection with Frisson to showcase the designers' output more extensively and to provide a platform for creating new contacts and customer relationships. Frisson was primarily a PR event that was organised to raise the awareness of the French media, other influential background players and buyers of Finnish fashion. It was attended by some 300 invited guests, reporters from major French newspapers and trade magazines, as well as buyers from international department stores and boutiques.

In spring 2008, a Finnish design event was staged in Berlin as a part of the extensive HelsinKissBerlin event, which was organised in cooperation with the cities in the Helsinki region. The design event included the Fennia Prize 2007 exhibition, a design seminar and a presentation of Finnish designers produced by Ornamo and Grafia.

In addition to international projects, the design sector's export strategy was also carried out through the Design Forum's publication activities. The Finnish Design Yearbook 08–09 was published in 2008 and it received good visibility in the media. The publication was sold in Finnish bookstores and through online stores, but also in international sales channels.

The operations of **FRAME, the Finnish Fund for Art Exchange**, have expanded considerably in 16 years: in 1993, FRAME supported or helped to arrange 16 projects in seven countries, compared to the 185 projects it carried out or supported in 40 countries in 2008.

Its operations are based on an international cooperation network in the art sector.

Communication activities ranged from the production and distribution of multidisciplinary presentation materials to publishing. The English-language magazine *Framework: The Finnish Art Review* is a key information distribution channel that enjoys international respect. A visitor programme for experts

introduced 35 art professionals to Finnish art. Most of the visits led to concrete exhibition or publication projects.

In 2008, the cooperation network arranged 20 exhibitions or film screening series and 12 biennial participations, as well as organised or prepared 19 residence programmes (for 16 artists and three curators). Through its project grants, available for application three times a year, FRAME supported 100 international projects, mainly exhibitions.

The cooperation projects focused on joint projects proposed by international actors in the field that aimed to activate and maintain international interest. The most important international cooperation parties were the Museum of Modern Art and its affiliate, P.S.1 Contemporary Art Center, in New York, the White Box Art Gallery in New York, the Belgrade Cultural Centre and the Belgrade Museum of Applied Arts, the Peace Center Burg Schlaining in Austria, Instituto Camoes in Lisbon, Museo de las Cortez de Cádiz in Spain and the Ludwig Museum in Budapest.

The three-year EUR 100,000 pilot support for the Nordic Culture Point was allocated a corresponding contribution from its own funds for 2008–2010 as a part of the support given to intermediaries. Several international projects were launched within the Art Praxis curating programme in 2009, including two of FRAME's own projects and cooperation projects with the Museum of Contemporary Art Kiasma (2), the Artists' Association of Finland (1), Kunsthalle Helsinki (1), the Turku Art Museum (2) and the Rauma Art Museum (1).

The main biennials for Finnish artists were the 2008 U-Turn Quadrennial in Copenhagen, the 28th Sao Paulo Art Biennial and the 11th Cairo Biennial.

The most topical challenges came from the rapidly expanding artist-in-residence activities that enable international mobility and work. The aim has also been to create conditions for bringing international artists, curators and critics to Finland in order to develop longer-term cultural exchange. Since 2003, FRAME has awarded artists 1–12-month residencies in New York, Los Angeles, Rio de Janeiro, Sao Paulo, Sydney, Weimar, Berlin, Zagreb, Istanbul, Warsaw, Tokyo, Aomori (Japan), Amsterdam, London, Liverpool, Bristol, Gateshead, Catalonia, Strasbourg and Paris.

With respect to the use of the Suomenlinna studio and guest room facilities, FRAME drew up a plan, at the request of the Ministry of Education, titled *Suomenlinnan residenssitoiminta – selvitysraportti: Ehdotus residenssikonseptiksi sekä yhteistyö- ja rahoitusmalliksi* ('Report on the Suomenlinna residency activities: proposal for a residency concept and cooperation and funding model'), which presented a concrete model for relaunching the residency operations. The goal of the report was to create a high-quality, international production residency programme on Suomenlinna for curators and artists, which would be managed by the organisation in charge of the programme in cooperation with local actors committed to the project.

In 2008, **FILI, the Finnish Literature Exchange**, focused on supporting translators, deepening contacts with publishers and establishing more wide-ranging contacts, as well as developing participation at trade fairs. Iris Schwanck, Director of FILI, led the major 100% Finlande en France project.

FILI participated in the Moscow Non/fiction book fair as the theme country, which was held from 26 to 30 November 2008, took part in the London, Frankfurt and Gothenburg book fairs, arranged a translation seminar on literature for children and teenagers, participated under this theme in the Bologna and Tokyo book fairs, arranged a seminar for young translators in cooperation with CIMO and a seminar for drama translators in cooperation with the Finnish Theatre Information Centre. It also organised 250 events in conjunction with the 100% Finlande festival (26 March–4 July) in Paris and around France. The events were attended by some 500 artists and other actors in the cultural sector, making the festival the biggest single cultural export project.

FILI's grants supported 372 projects in all. In 2008 (the situation on 16 January 2009), a total of 199 translations of Finnish literature were published in 32 languages. Around 61% of the published titles received support from FILI (36% in 2005). FILI was involved in arranging 111 Finnish and international events, and supported the business trips of 274 authors, translators, critics, researchers and other actors in the field of literature and publishing.

FILI arranged events, meetings and expert visits in cooperation with international publishers, libraries,

cultural centres, universities, book fairs, the Ministry for Foreign Affairs and literature festivals.

FILI arranged five translator seminars, a seminar for young translators in August in Helsinki, a seminar for young German translators in Rendsburg, a seminar for translators of literature for children and teenagers, a seminar for drama translators in cooperation with the Finnish Theatre Information Centre and a seminar for Swedish translators in Stockholm. FILI had its own stand for the second time at the Tokyo book fair, the theme being literature for children and teenagers.

The activities also included the Bologna, London, Gothenburg and Frankfurt book fairs, in all of which FILI had a stand. Finland was a theme country at the Moscow Non/fiction book fair in late November. FILI produced a very extensive literary programme, including 12 seminars, three exhibitions and theatre performances. Around 50 authors and other actors in the field took part in the fair. The inputs into the Moscow book fair attracted a great deal of attention in the Russian media: they were reported on in more than 300 articles, radio and TV programmes and on-line publications.

FILI sent authors to the Leipzig, Buenos Aires and Prague book fairs. The 100% Finlande project also included a wide-ranging literary programme at various festivals and libraries, the Pompidou Centre and the national library. Many Finnish works were also published in French during the cultural season. During the year, 42 translators visited Finland on business, most of them taking part in translator seminars.

Subsidies were granted to the following spearhead projects:

*From Moomin Valley to Austrasia*, a special project focused on literature for children and teenagers, continued to attract a great deal of attention abroad. The project, especially the publication support available for children's picture books, was discussed at the Bologna and Tokyo book fairs. In addition, a seminar was arranged for translators of literature for children and teenagers.

The Finnish Comics for the World project received first-year funding from the Ministry of Education.

An exhibition and catalogue, which attracted wide attention in France and Moscow, were produced in the project. The translation of comics into other languages received more support.

The goal of the **Finnish Museums Association** is to pursue the museum sector's cultural export strategy and, in accordance with it, strengthen the museums' capacity for international operations and exportation, develop competence related to cultural exchange, as well as set up and strengthen networks that promote these aspects. The strategy was presented at the national museum event in May 2008 and sent to all professionally managed museums.

The museum sector has been regularly informed about topical issues related to the cultural export programme in the Museo magazine, Julius member newsletter and on the website of the Finnish Museums Association. The Association manages the information service for the network for cultural export on the museum sector's behalf. A kick-off event for cultural exportation will be held in April 2009 in Tampere to enable participants to network and exchange best practices. In addition, a manual for export exhibitions, the copy for which was completed in autumn 2008, will be published. The Association's secretary of museum affairs, responsible for cultural exports, took part in Fintra's training for cultural export professionals in 2008.

Key measures in 2008:

- Operating networks were created and further strengthened through participation in, for example, the activities and board work of NEMO, the Network of European Museum Organisations, as well as its annual meeting in Ljubljana, Slovenia.

- The Standard Loan Agreement for Temporary Exhibitions, edited by NEMO, was translated into Finnish and marketed. Its production was funded by the Finnish Ministry of Education, as well as the ministries of culture in the UK and the Netherlands.

- The Finno-Russian museum event was held in St. Petersburg and Isvara in September. The goal was to enhance exhibition and expert exchanges and networks between Finnish and Russian museums. Participants from the two countries numbered 100 in all. The event and cooperation projects were prepared at a joint workshop in Lappeenranta by 24 people. Ex-

pert exchange programmes were carried out between museums in Lappeenranta and St. Petersburg, among others.

- Established Nordic relations were maintained by participating in the annual meeting of Riksförbundet Sveriges museer (the Association of Swedish Museums) in Stockholm and the planning of a joint Nordic museum conference to be held in April 2009 in Malmö and Copenhagen.

- Expert contacts with Estonia were continued in the form of lectures and articles.

- The secretary of museum affairs also works as the Finnish correspondent for EMYA (the European Museum of the Year Award), distributing news on the sector from Finland and encouraging Finnish museums to take part in the EMYA competition.

- Contacts were created by taking part in The Best in Heritage event, showcasing the best practices of European museums, in Dubrovnik, Croatia, and in the internationally popular annual conference of the UK Museums Association in Liverpool.

- Support was given to the lecture trip of a Finnish lecturer on museums for an InSEA (International Society for Education through Art) meeting in Osaka, Japan.

- Finnish museums arranged around 40 exhibitions abroad in 2008 and lent individual objects and works to various exhibitions.

- The International Council of Museums (ICOM), with its nearly 30,000 members, is the biggest international organisation for museum professionals.

In 2008, around 20 Finnish members took part in the meetings of ICOM's international committees; 6 Finns sit on the boards of international committees. Finnish museums are also strongly represented in international positions of trust in the field of architecture.

**The Theatre Information Centre** (TINFO) has continued its active operations to make Finnish theatre better known, promote exports and increase international interaction in the field. It appointed a development group to outline export priorities and to design events that support international activities. In order to determine the needs and wishes of the theatre sector, TINFO arranged a seminar and consultations as well as conducted a survey at the end of the year on

international cooperation and exports in the field. Respondents were also asked what kind of support they expected the Theatre Information Centre to provide for international operations and developing exports. The analysis of the results and the measures to be carried out based on them are among the key activities for the coming year.

The Theatre Information Centre received a subsidy for implementing the theatre export strategy, which enabled it to hire a full-time export coordinator and thus improve and increase consultation in the field. A seminar on European and Nordic funding was arranged in cooperation with CIMO and the Nordic Culture Point. In addition, the Centre cooperated in European networks aiming to develop EU programmes on artist mobility and received a three-year EU subsidy under a pilot project for artist mobility.

TINFO also took part as an expert in the activities of the intergovernmental Open Method Cooperation working group. Taivex training, a joint project of arts information centres coordinated by TINFO, also received a favourable funding decision from the national ESF programme. The three-year project will develop the ability of intermediaries in the field of art (managers, producers, agents, curators etc.) to operate in the international field and to use the export programmes of arts information centres.

Several new translations and anthologies, as well as promotional material and play readings were produced in order to promote theatre and drama exports. In its export projects, TINFO has continued to cooperate with cultural institutes, embassies, cultural organisations, theatres and festivals abroad. In the field of drama exports, major cooperation partners in Finland include Nordic Drama Corner and the Finnish Dramatists' Union.

The Theatre Information Centre and FILI jointly commissioned the translation of nearly twenty plays and organised a joint educational seminar for drama translators. The number of international premieres of Finnish plays was 30 in 2008, while the number of play readings rose to 26, signalling a growth of 116%. Mika Myllyaho's *Panic* did well in Copenhagen and St. Petersburg. Bengt Ahlfors's work was performed in many Central European countries. Juha Jokela's *The Fundamentalist* received the Nordic Drama Award.

The main export projects in 2008 targeted Germany, France, Luxemburg, Russia and Spain, as well as strengthening Nordic cooperation.

A cooperation agreement with Volkstheater Rostock led to a unique initiative in the German theatre sector. Volkstheater Rostock chose Finnish Theatre as its theme for its 2008–2009 season, the motto being EinNorden (Northbound), and decided to produce seven Finnish contemporary plays during the season (by Ilpo Tuomarila, Aki Kaurismäki, Juha Jokela, Pirkko Saisio, Katja Krohn, Laura Ruohonen, Otso Kautto and Markku Hoikkala) and one opera (Saariaho's *Love from Afar*). In addition, an agreement was reached with the Rostock Philharmonic Orchestra on the inclusion of Finnish compositions and soloists in its programme for the year, and on arranging a special theatre week, Terve Rostock! (*Hello Rostock!*), in spring 2009, featuring Finnish-German seminars, play readings and theatre visits.

The long-term cooperation with Théâtre du Centaure in Luxembourg led to a series of staged readings of Finnish drama and a tour of Luxembourg, France and Belgium, which was jointly produced with the Embassy of Finland in Luxembourg. The staged readings featured Mika Myllyaho's *Panic*, Anna Krogerus' *For Sheer Love of Me* and Jari Juutinen's *I am Adolf Eichmann*. Supported by the City of Luxembourg, Jari Juutinen's *I am Adolf Eichmann* was also performed for a full month at the Avignon Festival.

The theatre input at the huge 100% Finlande event included two children's plays in Paris (Leena Krohn's *In Human Clothing* and Tove Jansson's and Anneli Mäkelä's *Invisible Child*), as well as play readings at the Théâtre Artistic Athévains and Théâtre national de l'Odéon in Paris. The works performed at the readings included two plays by Laura Ruohonen—*Queen C* and *Razorbill*, Rosa Liksom's *Family Affairs* and Juha Jokela's *Mobile Horror*. A visit, lasting nearly two-weeks, of the Quo Vadis yurt theatre at the Saint Sulpice square in Paris was produced in cooperation with the City of Helsinki Cultural Office. TINFO introduced Quo Vadis to the Panta theatre from Caen, and cooperation continued after Paris at the Helsinki Festival. French translations of Finnish plays were printed by the Lasipalatsi Media Centre in Helsinki and sold at the Saint Sulpice square and at play read-

ings in Paris and Avignon and on Centaure tours.

An agreement had been previously concluded with the Spanish publisher ADE on publishing five anthologies containing Finnish plays. Two of them were released in 2008 and included plays by Otso Kautto, Mika Myllyaho, Laura Ruohonen, Maritza Núñez, Ilpo Tuomarila, Jari Juutinen and Juha Jokela. Excerpts of the plays were performed at drama readings at the Cádiz FIT festival, where cooperation partners included both the festival and a local theatre school, as well as at SGAE plateau in Madrid, in cooperation with the Replika theatre. Mika Myllyaho and Otso Kautto directed their own plays. For both, the contact led to further agreements on producing productions and visiting as a director.

TINFO's cooperation with Russian parties grew significantly. In cooperation with Tri Quadrata, a publisher in Moscow, TINFO published an anthology of seven Finnish contemporary plays by Mika Myllyaho, Juha Jokela, Anna Krogerus, Laura Ruohonen, Bengt Ahlfors, Pirkko Saisio and Reko Lundán. The anthology was presented at the Moscow Non/Fiction book fair in November. Excerpts of the anthology's plays were read both at the Non/Fiction fair and, later in December, at the Meyerhold Centre for Russian theatre-goers. TINFO supported the production of Mika Myllyaho's *Panic*, which premiered at the Bely theatre (White theatre) at the Dostoyevsky Museum in St. Petersburg in May. A public success, *Panic* was also invited to the New Drama Festival in Moscow in September.

Contacts and networking in Russia enabled a successful application for EU project funding, in which TINFO's Seeds of Imagination project did well and received funding from the Institution Building Partnership Programme (IBPP). This enables theatre cooperation between Finland and Russia to be deepened for 18 months with partners in St. Petersburg, Moscow and Omsk.

Exports of the Spin musical continued successfully. The musical premiered at the St. Petersburg Zazerkalie theatre on 1 November 2008. New and preliminary contracts were signed with theatres in Rostock, Timisoara, Lipetski and Perm, and negotiations got also underway in Shanghai. In summer 2008, the Swedish Theatre in Helsinki set up ACE-Production,

an agency for producing and exporting the performing arts. The company works as an agent for plays and produces them in cooperation with local producers.

Nordic cooperation in the theatre sector was boosted by arranging a Nordic Showcase & Drama Forum at the Tampere Theatre Festival, which focused on the development and international mobility of Nordic drama. Cooperation partners included the Nordic Council of Ministers, as well as the Nordic Culture Point, the Tampere Theatre Festival, the Centre for Practice as Research in Theatre and the Norden Association in Finland, Pohjola-Norden. The five-day event was attended by nearly 200 theatre professionals from all the Nordic countries.

The programme for visiting experts brought critics, directors, theatre directors and festival producers from the Nordic countries, as well as from Germany, Russia, Spain, Hungary and the USA to either Tampere or Helsinki, where they were introduced to Finnish people in the field.

**Dance Info Finland** has built up the image and visibility of Finnish dance in recent years, especially by participating in fairs for the performing arts. In 2008, Dance Info Finland attended the following international fairs as an exhibitor:

- Tokyo Performing Arts Market, 5–8 March 2008
- Internationale tanzmesse nrw, Düsseldorf, 27–30 August 2008
- Performing Arts Market Seoul, 7–10 October 2008
- CINARS, Montreal, 17–23 November 2008

Awareness of Finnish dance has increased around the world. Dance Info Finland continuously receives good feedback on its marketing materials and activities from international actors. Previously established contacts were strengthened at the fairs, and many buyers expressed their interest in visiting Finland to see performances.

Dance Info Finland took part in the Tokyo Performing Arts Market for the second time. A satellite meeting for the IETM network was held in connection with the same event, and as a result the events were attended by a large number of performing arts professionals from Asia and the rest of the world.

Dance Info Finland made its second appearance at the Performing Arts Market Seoul and CINARS events. At CINARS, it arranged a joint lunch event with the Swedish LocoMotion production office and

Cirkus Cirkör, during which a presentation on Finnish dance was given to the 40 key international contacts invited to the event. The participants included producers and event organisers from North America and Europe. The Embassy of Finland in Canada was involved in the arrangements for the event.

The showcase programme at Tanzmesse nrw included three Finnish performances. In addition to the performances of Sanna Kekäläinen, Favela Vera Ortiz and Heli Meklin, Dance Info Finland's stand and the networking event arranged at tanzhaus nrw created visibility for Finnish dance.

In spring and summer 2008, Dance Info Finland participated in 100% Finlande, a season of Finnish culture in France. The cultural season was opened by a joint performance featuring the Tero Saarinen Company, Ballet de Lorraine and Opéra national de Lorraine at the Théâtre du Châtelet in Paris.

Dance Info Finland's most important input focused on the Tanssi! ('Dance!') event, which presented Finnish dance and was staged as a part of the June Events '08 festival. The June Events festival is organised by the Atelier de Paris-Carolyn Carlson, and Dance Info Finland cooperated closely with the Atelier de Paris when preparing the Tanssi! event. The Zodiak Centre for New Dance also took part in the event preparations.

Cooperation with the Japanese dance field also continued in 2008. The three-year residency project involving the Finnish Institute in Japan and the Yokohama Red Brick Warehouse culture complex was continued. The Pyhäjärvi Full Moon Dance Festival, which was involved in the first year, and the Zodiak Centre for New Dance, which joined in 2008, acted as Dance Info Finland's Finnish cooperation partners and the residency venue.

In 2008, Dance Info Finland was also involved in arranging the two first keđja meetings organised by the North European Dance Encounters network. It also prepared for the summer 2009 meeting in Finland.

The Finnish dance field carries out extensive and wide-ranging international activities and cooperation. For example, the long-term cooperation with dance professionals in the Barents region resulted in several Finnish performance visits abroad in 2008. In all, Finnish dance companies and choreographers staged 228 performances outside Finland in 2008. They were

attended by a total of 73,388 spectators.

The following companies/choreographers had the highest number of international performances:

Tero Saarinen Company, Rimpparemmi Folk Ensemble, Dance Theatre ERI, Ismo Dance Company, Tommi Kitti & Co, Eeva Muilu, Pirjo Yli-Maunula, Jyrki Karttunen and Jenni Kivelä. Many of the works co-produced by the Zodiak Centre for New Dance were also performed internationally. The performances of Tero Saarinen Company and Rimpparemmi attracted the biggest audiences.

In recent years, Finnish choreographers have worked increasingly with international groups. The following artists, for example, worked with international companies in 2008.

Tero Saarinen, Susanna Leinonen, Petri Kekoni, Jyrki Karttunen, Favela Vera Ortiz, Minna Tuovinen and Martin Heslop.

In 2008, the **Finnish Circus Information Centre** pursued its export project in line with its strategy by supporting the international promotion and tour activities of the two top contemporary circus groups and by creating opportunities for developing the international export skills of younger artists and groups.

Circus performances and the circus export project are characterised by the young age of the field and the resulting minimal core funding. Since the Finnish performance market is still developing, international tours and joint productions are necessary for the subsistence and development of top groups. One of the objectives of the circus export project is to raise the level of core funding, which could build a foundation for creating suitable performances and concepts, as well as for setting up managerial activities in the circus field.

In 2008, the main event for the circus export project was the ten-day festival of contemporary Finnish circus, Des Auteurs – des cirques – 100 % Finlande, which was arranged in conjunction with the 100% Finlande event in May at the Grande Halle of the Parc de la Villette in Paris. The festival, held in the most important venue for French contemporary circus, featured four different works by Circo Aereo and Association WHS, two of the country's leading circus groups, who gave 24 performances to nearly sold-out houses. The festival resulted in the groups getting invitations to, for example, Hong Kong, France, Italy and Spain.

Apart from the festival, the strategy was also implemented at many other levels. The guiding principle for all the operations is to enhance Finland's image as a dynamic and developing country for contemporary circus. This message has been delivered successfully. Key international actors mention Finnish contemporary circus as a good example of an artistically interesting field with institutions that are developing, which is used as a yardstick and positive point of comparison in the initiatives of other developing circus countries.

The circus export project is spearheaded by the two top groups. In 2008, Circo Aereo and Association WHS received support for developing internet and print materials to promote themselves internationally. They also received export project support for the expenses of a few strategically important visiting performances.

The Circus Information Centre is actively involved in international contemporary circus networks. The CircoStrada network's Fresh Circus symposium, which was held in Paris in autumn 2008, attracted hundreds of circus artists, producers, directors and other key actors from every European country to participate in its panels and working groups. The representative of the Finnish Circus Information Centre was one of the five event reporters and was thus able to influence the emphases and policies of the report delivered to the European Commission. Finnish representatives play an active role in the New Nordic Circus Network that was established in 2007. Among other things, the network aims to create effective Nordic markets for the mobility of contemporary circus performances and artists.

One of the main objectives of the circus export project is to open doors and create awareness among young actors in the field. In 2008, the methods used to achieve this included a visit to the important CIRCA contemporary circus festival in France, which the Circus Information Centre arranged for producers of contemporary circus groups, as well as international producer training events organised in Finland and meetings between key actors at Finnish festivals in the sector.

Networking is also required in circus exports. In 2008, the Information Centre coordinated negotiations in Finland on residency and tour projects of several European contemporary circus groups. The Circo

Centre for New Circus, the oldest Finnish production community in the sector, is participating in an EU project called the Jeunes Talents Cirque Europe, which involves 12 partner countries, and in the Circle Around project, involving six partner countries.

According to statistics, 136 international Finnish performances were staged in 14 countries, attracting 21,161 spectators in 2008.

**The Finnish Music Information Centre Fimic and Music Export Finland ry** pursue the strategy for Finnish music exports in cooperation with companies and actors in the field. In 2008, Fimic's spearhead projects for boosting cultural exports included the following:

The promotion of Finnish contemporary folk music. In April, Fimic arranged Arctic Paradise LIVE, an export event for contemporary folk music in Helsinki, in which top Finnish artists in the field introduced themselves to the international festival and event organisers and reporters that had been invited to Finland. The event functioned as a showcase and networking forum and as a trading venue for Finnish contemporary folk music. Fimic also coordinated a joint presentation of Finnish companies and actors at Womex, the most important folk and world music expo, in Seville.

The promotion of Finnish choral music and choral music publishers in international markets. As a new market area, Fimic coordinated a joint presentation of Finnish actors in the field at the Copenhagen Choral Expo, the world's biggest professional event for choral music, and published an English-language marketing brochure showcasing choral music.

The promotion of Finnish jazz in selected US markets. Fimic coordinated the joint Nordic Jazz Now project, which reached a significant number of US jazz professionals. The event's cooperation partners and networking forums included, for example, the Lincoln Center (New York) and Rochester Jazz Festival.

The electronic promotion of unreleased Finnish contemporary music, which ensures better access to the repertoire of Finnish contemporary music. The goal is to increase the use of Finnish music in the repertoires of international ensembles.

In addition to being involved in spearhead projects, Fimic works actively in the international field, repre-

senting a wide range of musical styles. Fimic's operations centre around the provision of customer services to music professionals in Finland and abroad. What this means in terms of everyday work is producing and delivering sheet music material, invoicing, responding to written and oral queries, providing consultation on repertoires, editing and updating websites, dispatching promotional packages, receiving guests and handling numerous other daily customer service tasks.

Fimic coordinates, on its own or jointly with other organisations in the field, customised export promotion services for companies. Examples of these include the following:

The Frankfurt Music Fair, in cooperation with Finnish sheet music publishers. The aim of the fair is to strengthen international contacts and the business operations of Finnish music publishers in international markets.

Finnish Music Days in Moscow, in cooperation with Sibelius Academy Continuing Education and Music Export Finland. The event strengthened our existing networks in the field of popular music in Moscow and led to the creation of a forum for Finnish professionals and successful export activities.

The Finland Fest export event in Tokyo, in cooperation with Music Export Finland. The event focused on promoting exports of Finnish popular music to Japan and included seminars, an export day and showcase performances by Finnish artists.

To promote contemporary music, Fimic operated in selected markets in 2008, including Japan, Russia and the German-speaking countries, and strengthened networks through regular communication, repertoire proposals, communication aiming at new composition commissions, as well as customised promotional mailings. Fimic gained more experience in China, one of the new growing market areas, by participating for the second time in the Shanghai Music Fair.

Last year, the operations of **Music Export Finland** encompassed 238 companies and actors in the field of music. The more than ten joint export projects arranged around the world were attended by 100 companies, in addition to which 29 actors sought sparring in refineries and over 150 companies benefited from our marketing and information campaigns. The operations overall covered around 270 actors and artists.

Finnish music is doing better than ever in international markets. According to a study on music exports, the royalties that Finnish artists receive from abroad have increased steadily throughout the 21<sup>st</sup> century. Even though the overall market value of music exports did not grow last year, Finnish artists still received more income from abroad. Royalties to Finland increased again by 28 per cent.

In addition to music exports, the international sales of musical works were promoted through two Biisilina ('Song castle') camps, which foster cooperation and contacts between songwriters, publishing companies and music buyers. Music Export Finland also tries to promote development in this creative field through business consulting and cooperation forums.

Innovation is at the heart of all efficient operations. In 2008, Music Export Finland made its first significant operational changes. Our spearhead projects no longer targeted solely professionals; instead, we also directed campaigns at the public. During the HelsinkiKissBerlin campaign, targeting what Finnish music professionals consider to be the main music export market, 55 Finnish artists performed for German audiences. The experiment was successful: 28,000 German listeners visited the campaign's MySpace site to find out about the artists and Finnish music. At the same time, new artists received a boost from the most successful performers. Marketing synergies with other sectors were also exploited, and cooperation with the Helsinki region under the Helsinki brand was successful.

Music Export Finland's main project in 2008 was the biggest ever marketing event for Finnish music in Germany. Germany and German-speaking Europe form the most important market area for Finnish music, generating 21 per cent of music export income. Further development of this market has been defined as a priority area for exports, in which Music Export Finland will emphasise consumer marketing in addition to business-to-business marketing.

Over a period of ten nights, as many as 55 Finnish artists and bands performed at eleven different clubs in Berlin. The music ranged from M.A. Numminen's (M.A.N. productions) tangos and Luomo's (Huume Recordings) electro to Diablo's (Sakara Records) metal and Negative's (Hype) glamrock. The concerts attracted more than 5,000 listeners and hundreds of

guests, with four of the performances being sold out. The marketing of the event was also on an unprecedented scale as well as effective. Several guest events were arranged both in Finland and Germany prior to the HelsinkiKissBerlin event. The event was finally launched with a campaign that included print and on-line marketing, as well as a poster and flyer campaign, which was highly visible in the Berlin street scene and made the unique look of the HelsinkiKissBerlin event familiar to Germans.

The event also received extensive media coverage in Germany: the widely circulated Berliner Zeitung, for example, wrote several Helsinki-in-Berlin themed articles in April. The MySpace and Facebook sites were an essential part of the marketing campaign. The week-long banner campaign reached over 500,000 visitors to MySpace. In addition to the Finnish music sector, the event was supported by the following sponsors: the City of Helsinki, the City of Espoo, the City of Kauniainen, the City of Vantaa and the Embassy of Finland, Berlin. Overall, the Helsinki in Berlin marketing campaign reached over two million Germans.

**The game industry** has grown rapidly in Finland. According to statistics, its employment and revenue in the sector has doubled in four years.

This has resulted from global growth in the sector, and the expertise in technology and content that has been developed in the sector in Finland, as well as the successful exploitation of new business opportunities.

Global growth is expected to continue in the game industry despite the steep economic downturn. The sector also has growth opportunities in Finland.

However, new publishing channels and the resulting new business models are forcing the Finnish game industry to meet the challenges of the new environment. In the future, Finland's relatively small but international companies will be able to operate in an environment where the IP of game developers is of increasingly high value. This, however, requires that game developers be given better chances to develop and market their own IP. The AV industry's funding model, for example, could also be adopted by the game industry.

The promotion of cultural exports, in turn, would enable the sector to meet the challenges posed by global marketing. Despite the recession and potential

risks, the sector's future also has many opportunities, which must be exploited. Past success does not of itself guarantee the future, even though it has created the foundation for future growth.

Exports in the game industry. Company revenues from abroad:

2004/EUR 32 million

2005/EUR 53.3 million

2006/no estimate

2007/EUR 66.3 million

2008/EUR 74 million

The estimates are based on the Finnish Game Companies 2006 study carried out by Neogames and on the Finnish Games Business 2008 study to be published on 11 February 2009.

The **Finnish Film Foundation's** cultural export activities primarily aim to generate the highest international visibility possible for Finnish films. The best way to achieve this goal is by being accepted for competition in major international film festivals that are held annually. This, however, is by no means achieved every year in Finland, which annually produces approximately 12–15 full-length feature films. Nevertheless, 2008 was successful in terms of festivals and commercial sales.

Full-length Finnish feature films did exceptionally well in 2008, which also proved to be a historically significant year. For the first time in 18 years, one of the world's most important film festivals in Berlin selected a Finnish film, *Black Ice*, directed by Petri Kotwica, for its competition category. The film successfully toured several film festivals during the year, and screening rights were sold to ten sales regions during the spring season. The year ended on a high note with *Niko and the Way to the Stars*, a Finnish animated film, having its commercial premiere in many European countries, such as France and Norway, before the end of the year. By the beginning of February 2009, the film had been seen by over one million people.

The focus at the Cannes Film Festival in May was on *Sauna*, a Finnish horror movie. Two Finnish production companies—Blind Spot Pictures and Bronson Club—had their own stand where they were able to present the previously released *Sauna*, as well as *Iron Sky*, which is still in its early phases of production, thanks to a cultural export subsidy from the Film Foundation. *Sauna* got its official world premiere at the Toronto Film Festival in September, and it will be

released for VOD (video-on-demand) distribution in the USA in March 2009.

Other festival successes in 2008 included two major first works: JP Valkeapää's *The Visitor*, which was screened in August at the Venice Days event of the Venice Film Festival, and Miika Soini's *Thomas*, which competed in the Zabaltegi category at the San Sebastian Film Festival in September. Mika Kaurismäki's *Three Wise Men* also continues its festival tour after its September premiere in Toronto. All of these films also received several awards in 2008 and in early 2009.

The 100% Finlande culture season presented Finnish culture in France from early April to late June. Film played a major role in the programme. France has always been an important country for Finnish short and documentary films. Nevertheless, the *Saison finlandaise* introduced the industry to new partners, with whom cooperation will continue in the future. The biggest project in the field of documentary films was the screening series of films by Markku Lehmuskallio and Anastasia Lapsui. The films were selected by the Paris-based Documentaire sur Grand Ecran, an association founded in 1990 that specifically aims to screen documentary films on large cinema screens. The association emphasises the importance of documentary film as film art rather than as television programming. Documentaire sur Grand Ecran holds regular screenings in Paris and elsewhere in France.

The warm reception given to the films convinced Parisians that the two directors' films could also be successful in Paris and smaller towns in France. *Cahiers du Cinéma*, a French film journal, published an extensive supplement on Finnish film in its April issue.

The Hiroshima International Animation Festival put together the biggest screening of Finnish films of all time in Japan, including 11 Finnish animation screenings and 155 films ranging from short ad spots to full-length animations. The event was attended by 36 Finnish animation directors and producers, as well as reporters and representatives of animation organisations. Established in 1985, the Hiroshima festival is not a screening arena for anime-style films. Instead, it has profiled itself as a presentation and competition forum for art animation. The Finnish films received an enthusiastic reception in Hiroshima, and nearly all the screenings were sold out. However, we cannot

claim that Finnish animation made a breakthrough in Japan. The Hiroshima showcase was a big step, but many more steps are still needed in the country. What was interesting was that the major screening in Hiroshima further raised interest in Finnish animation by the international art animation festival sector. The Embassy of Finland in Tokyo and the Finnish Institute in Japan were key cooperation partners in the event.

International film industry statistics:

The Finnish Film Foundation constantly updates its list of films that have been screened at different festivals. The existing statistics are based on this list.

The figures are usually rounded, since the list is by no means complete. For full-length films, the list does not include festivals that have used release prints that have not been distributed by the Film Foundation (for example, prints from the film's international sales company or local distributor). What makes the collection of documentary and short film statistics complicated is the fact that the Film Foundation is not the only Finnish actor to supply release prints (others include film schools, AV-arkki – the Distribution Centre for Finnish Media Art, as well as the creators and production companies themselves). The prints that are lent to international festivals by the National Audiovisual Archive are not included in any of the film statistics.

On the other hand, the list maintained by the Film Foundation includes events of varying levels: in addition to major international film festivals it also contains smaller festivals, other cultural events that include film, as well as individual screenings, such as those held in the Finnish Institutes.

Consequently, the Film Foundation has not considered it to be particularly informative to present accurate figures for film festival screenings. Instead, the figures indicate the general volume.

The situation will be improved in 2009 by creating more specific definitions for the statistics. This will be done by categorising events of different levels and by clearly expressing the fact that the figures cover cultural exports carried out through the Film Foundation and do not give the whole picture of film festival screenings.

In addition to festival screenings, statistics are col-

lected on international film sales. The Film Foundation does not handle sales; they are the responsibility of international sales companies. Nevertheless, at the initiative of the Finnish Film Foundation's board of directors, a working group was set up in autumn 2008 to plan the compilation of statistics. The group includes representatives from the Foundation, Favex, Statistics Finland, film producers and sales companies.

In view of these restrictions, the following figures can be given for the international year 2008 of Finnish film.

In 2008, Finnish films were included in international festival programmes around 700 times: full-length feature films 300 times in 200 festivals and documentary and short films 400 times in 200 festivals. Full-length feature films won a total of 26 international awards, documentary films 13, short films 15 and TV series one.

The biggest 2008 festival hits in full-length feature films included Petri Kotwica's *Black Ice* (32 festivals in 2008, international premiere in the competition section at the Berlin Film Festival), Juha Wuolijoki's *Christmas Story* (23 festivals in 2008) and Aleks Salmenperä's *A Man's Work* (23 festivals in 2008; 37 in 2007).

For documentary and short films, the most successful festival films included Arto Halonen's *Shadow of the Holy Book* (46 festivals in 2008, international premiere at the Amsterdam IDFA Documentary Film Festival in 2007) and Teemu Nikki's *A Mate* (8 festivals in 2008, international premiere at the Clermont-Ferrand Short Film Festival; Sundance in January 2009).

Commercial success also reached a record high in 2008. The biggest success was achieved by *Niko and the Way to the Stars*, an animation by Michael Hegner and Kari Juusonen, which was sold to more than 100 countries, as well as Juha Wuolijoki's *Christmas Story*, which was sold to nearly 100 countries.

**FAVEX—Finnish Film & Audiovisual Export** is a platform for internationalisation, and its goal is to ensure the conditions that enable audiovisual exports to grow. Favex's operations encompass full-length, short and documentary films, TV formats, TV drama, TV programmes, animations and, for example, advertisement film services. Favex has helped companies to

cost-effectively get information on the sector's international actors and sales requirements, as well as to achieve visibility and contacts.

Even though sales and networking events for AV professionals were arranged under the Favex name in 2005–2007, the operations really started in 2008. The year was one of building foundations, and involved registering the company, employing a project coordinator (Pia Naarajärvi, until June) and the first CEO (Petra Theman, as of August), formulating a strategy and expanding the network. At the same time, the organisation surveyed important events in the sector, devised cost-effective ways to find out about the international markets, participated in statistics and survey projects, developed the contact service structure offered to international actors interested in Finland, as well as carried out joint marketing projects.

The results for 2008 were positive and encouraging overall. The main projects included visits to MIPTV and MIPCOM, the world's most important television forums (held in Cannes in the spring and autumn), and to Cannes Lions, an international advertising festival for opinion leaders held in June, as well as the networking event for film production companies arranged in connection with the Berlin Film Festival in February.

Favex distributed information about Finnish output and actors in the field more extensively than the companies themselves were able to do. It also provided information about shooting locations and directed interested parties to other actors in the sector. Favex has focused in particular on developing and examining various cooperation options. In 2008, it worked in close cooperation with the Finnish Film Foundation and launched cooperation with, for example, Finanimation, cultural institutes, the Ministry for Foreign Affairs, embassies, Film Location Finland and Mediacity. The biggest project financiers include the participating companies, in addition to the Ministry of Education and the Ministry of Employment and the Economy.

International sales statistics have not been systematically compiled to date and are not comparable. Rectifying the situation will be one of Favex's biggest challenges in 2009. Since production launches and the signing of sales contracts are long-term processes

in this sector, it may take years for results to show. Many preliminary negotiations have been conducted, and options have sold well especially in the TV sector. It should be emphasised that Favex has contributed to the achievement of several high-profile international sales results, such as *The Dudesons*, *Madventures*, *Staraoke* and *Niko and the Way to the Stars*. The sector is characterised by its ability to reach an extensive contact interface, for example, when major TV channels in highly populated countries show a Finnish programme or documentary. This put millions of people around the world in contact with the Finnish AV industry in 2008.

The importance of Favex's own operations can be evaluated in the following way: in 2008, the projects provided a contact interface to approximately 13,950 international professionals in the sector. A more comprehensive service was offered to some 1,100 people. Excellent contacts were established with some 300 people, who participated in projects or left their business card for further contacts and material delivery. In all, Favex has provided Finnish companies with some 500 concrete contacts in connection with normal service operations, projects or trade fairs. The biggest advantage of the operations has also become clear: the lessons learned in international circles accumulate and provide the greatest possible benefit to all actors in the sector.

Favex is continuing its operations in a systematic way. Naturally, the prerequisites for the company and export growth are the same as for others: good products, a vision, cooperation, investments, sharing successful experiences, contacts, innovative approaches, international operations early on in the processes, the early detection of industry changes and active participation in them, as well as good luck.

### 2.3. Report on arts information centres

Commissioned by the Ministry of Education, the consultancy Net Effect wrote a report on arts information centres receiving operational funding from the Ministry and the corresponding industry organisations, with the goal being to increase export skills and abilities.

The objectives of the development project were:

- 1) to draw up a systematic estimate of the quality and results of the cultural export work carried out by arts information centres and industry organisations, and the broader impact on the information centres' own activities and the industry in general,
- 2) to examine and compile ideas on how information centres could enhance their operations and work more effectively to promote cultural exports that benefit the whole arts sector, and, related to this,
- 3) to examine new forms of practical operations, partnerships and organisation methods, as well as
- 4) to determine their cost impacts.

The project was based on the industry-specific export strategies drawn up by the information centres and industry organisations at the end of 2006, which are included as appendices to Finland's Cultural Export Promotion Programme 2007–2011.

Report summary: *Towards a more harmonised strategy and overall cultural export management*

Successful national cultural export operations are the result of collaboration between the public sector (e.g., ministries that fund operations and create international contacts, such as the Ministry of Education, the Ministry of Employment and the Economy and the Ministry for Foreign Affairs, as well as cultural institutes), industry players (companies and artists), as well as organisations that support operations (e.g., arts information centres). It is important that the available resources can be channelled to activities that have as wide an influence as possible. The effects, in turn, can be both direct and indirect, as well as sought-after or non-intended in nature.

When further developing cultural exports and assessing their results and impact, it must be borne in mind that apart from generating export income, art exports also give rise to many indirect outcomes resulting from interactive cooperation. The value of cultural exports can be seen, for example, in the fact that culture is a peaceful activity between people, which can also be used to promote peace and build bridges between nations. For many artists, the motive for going abroad is not money alone, but the wish to spread art and culture. What is transferred in cultural exportation is content and cooperation.

The figure below shows a strategy map leading to the overall impact of cultural export activities. It is a synthesis of the description of the objective trees

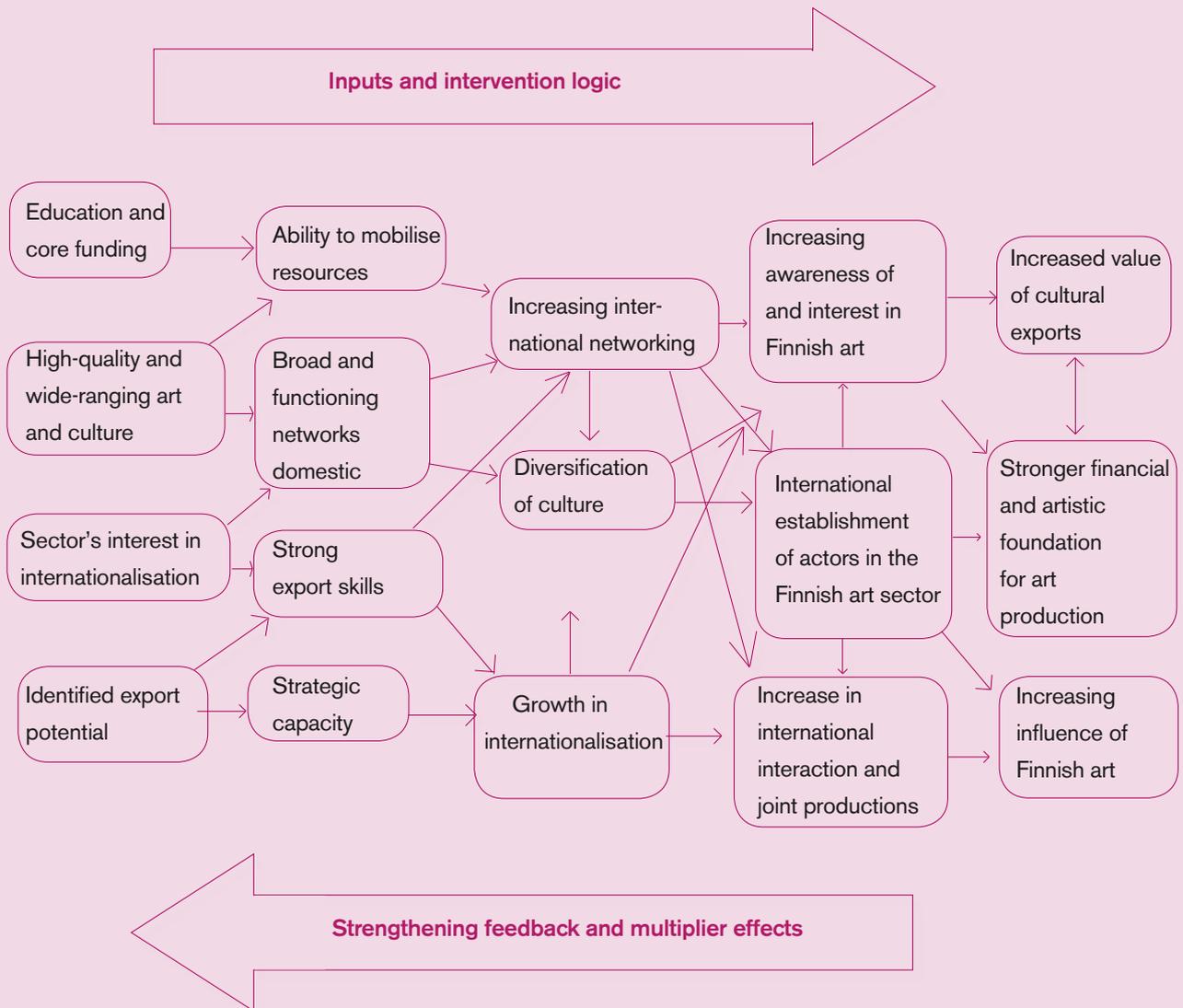


Figure 1. Strategy map for cultural export

drawn up in the information centres' separate workshops and was further refined at the final project seminar held on 27 November 2008.

The left side of the figure shows a group of enablers of cultural exportation. These include sufficient education and core funding for operations, high-quality and wide-ranging art and culture (to be exported), a vision and willingness to go international, as well as the identification of export products, export productions and interesting artists in terms of exportation. What is needed after this is the strategic capacity to identify export markets and channels, extensive networks both nationally and internationally and general export skills

and the ability to mobilise resources.

The outcome of successful inputs must be assessed in terms of increased internationalisation (e.g., networks) and cultural diversity. In the long term, this should lead to increased awareness of and interest in Finnish art, the international establishment of actors in the Finnish art sector and growth in permanent international interaction and joint productions.

This supports broader impact objectives, which are illustrated on the right side of the strategy map: increased value of cultural exports, a stronger financial and artistic foundation for art production and the increasing influence of Finnish art. The attainment of

these impact objectives will ultimately strengthen all cultural export structures. This is symbolised by the feedback link at the bottom of the figure, which goes back to the enablers.

When considering the strategic objectives of cultural exportation, it should be borne in mind that successful cultural exportation is always reciprocal and two-directional. Attracting international top artists to Finland through joint productions, vacancies and other similar enticements is equally as important as the internationalisation of Finnish artists.

Proposals for **further action** based on this work are presented in the following chapters.

### **Development proposal 1:**

Increasing core funding for arts information centres and open-mindedly looking for new sources of funding for cultural exportation

One of the main challenges at the moment is that core funding has not increased significantly in recent years. It is, however, a critical success factor for cultural exports. It enables 'after-sales marketing', maintains and strengthens existing contact networks and offers artists the support they need for productions. Because of this, the funding of cultural exports needs to be examined as a whole. Consideration must be given as to how sustainable export support can be arranged. For example, the inclusion of an overhead share should also be considered in cultural export funding. Different forms of funding are also needed for various needs (education, promotion, travel, translation support, co-operation projects etc.). Likewise, arts organisations that support exportation should take a more open-minded approach to new, alternative funding channels, for example, by increasing private funding and using international funding opportunities to a greater extent than is currently the case.

### **Development proposal 2:**

Creating shared visions and objectives among those involved in cultural exportation (information centres, cultural and academic institutes, ministries, actors within the arts)

Creating a shared vision requires all the parties to

jointly determine the strategic objectives for cultural exportation. This means that art sectors cannot immediately push their own goals through as such, but must draw up a shared cultural export road map that outlines what to export, what market area/target group to focus on and when. In the long run, the joint pooling of scarce resources will provide each participating group with more benefits than they could achieve on their own. Excellent examples of this can be found in the tourism business, for instance.

Another key measure is to develop centralised internationalisation and export guidance (incl. funding) structures in the culture sector. To cite a good example, the preparations for the Shanghai World Expo 2010 are being undertaken in cooperation with Finpro, and information is also available on the [kulttuurivienti.fi](http://kulttuurivienti.fi) website.

Examples of better coordination of operations could include synchronising cultural export event calendars and developing communication in order to secure the long-term nature of operations and funding.

### **Development proposal 3:**

Clarifying the roles and responsibilities of cultural export actors

The cultural export operating chain needs to be clarified as a whole. The roles and responsibilities of different actors, such as ministries, must be made clearer. Cooperation between arts information centres and cultural institutes is a link that should be further strengthened. Currently, the added value of cultural institutes and their benefit to cultural export operations varies widely from one institute to another. Continuous employee rotation in institutes adds to the erratic and ad hoc nature of operations. At worst, this can be seen as unpredictable fluctuations in the visibility and emphases of different art sectors.

### **Development proposal 4:**

Strengthening the foresight approach (weak signals) and increasing proactive cooperation.

Some of the important questions are what to export and to whom? Cultural exports should include more analysis and forecasting. We need to know the

needs of the receiving country. Exportation should be jointly discussed with the receiving country and the target audience. We need foresight and cultural competence so that export operations can be targeted to the right group at the right time. Some export efforts require long-term planning, which further emphasises the importance of foresight.

#### **Development proposal 5:**

Strengthening knowledge production, the foundation and scope of arts sectors (incl. international statistics)

In its current form, the compilation of arts statistics (especially international ones) is fragmented, and information centres do not get enough empirical data on growing international markets. Such data would be extremely important so that export operations can be directed to the right target countries (e.g., the growing demand for culture and art in the Far East).

#### **Development proposal 6:**

Expanding, securing and strengthening the skills base related to internationalisation through education and practical internationalisation projects; developing agency operations and educating producers

The international competence of Finnish producers is not good enough. Producers need opportunities to work abroad. Internationalisation is learned through one's own international experiences; by seeing how art is produced in other countries.

Education (of the art management kind) must be developed. New opportunities may emerge through the Aalto University.

Information centres must pay special attention to transferring network assets (existing contacts and co-operation relations) and experience-based information in their own operations.

The importance of this is often emphasised when the centres' employees change or retire.

#### **Development proposal 7:**

Determining the identity and basic duties of arts information centres, developing benchmarking and peer learning practices, possibly separating operations

The information centres have limited resources, which is why tasks need to be defined and prioritised. The centres could agree on mutual work distribution (e.g., monitoring of specific markets) and thus share their expertise in a better way.

#### **Development proposal 8:**

Strengthening the institutional status of arts information centres

The institutional status could be strengthened, for example, by developing cooperation between information centres and by increasing awareness of the centres within the various art sectors.

The personnel resources of information centres are small, so greater use of resource pooling could lead to better visibility and a stronger impact in cultural exportation. Increasing the amount of external additional resources (e.g., aid from sponsors) would be another way to boost the financial position of the centres and thus secure the continuity of the operations.

## **2.4. Joint sectoral projects to enhance export competence**

### **Proposal for action:**

In 2008, the preparatory committee for cultural exportation proposed that EUR 150,000 from national lottery proceeds in the Ministry of Education's main title of expenditure be earmarked for project preparation aid in the Budget.

### **Measures implemented:**

- The proposal will be implemented; the Ministry of Education's application round will be opened in summer 2009

### **Proposal for action:**

The preparatory committee proposed that Tekes take into consideration the needs of the creative industries and cultural export companies when granting project preparation funding.

### Measures implemented:

- No concrete new measures.

### Other measures implemented:

- Participation in the activities of the Nordic Council of Ministers' KreaNord expert group. A project proposal was made to the Council of Ministers concerning an assessment carried out in Finland of incubator operations and expert services for companies in the creative sector, and new funding models for the creative industries. The project will arrange seminars and workshops in order to exchange experiences and good operating models and to build Nordic networks.

## 2.5. Regional operations and networks

Measures taken by municipalities and regions to increase export competence

### Proposal for action:

In 2008, the preparatory committee for cultural exportation proposed that the Ministry of Employment and the Economy encourage the Centre of Excellence Programme and other programmes related to regional development to take part in financing the creative industries and cultural exportation.

### Measures implemented:

- The national RYSÄ event for developers in the creative industries in Tampere on 26–27 August 2008. The event was attended by 350 people.
- Dialogue and networking between national programmes: the main goal is to avoid overlapping operations and programmes. This took place through the mutual networking and common rules of national programmes.

### Other measures implemented:

- Dialogue and networking between regional actors: Regional actors can be divided into two groups:
  1. Strategic actors: regional financiers; Employment and Economic Development Centres, regional councils, towns and municipalities, development companies, technology centres, educational institutes
  2. Implementing actors: regional actors; project implementers, business service centres, municipalities etc. To date, regional actors have been identified and their operations have been activated.
- Regional training events for business advisers arranged in cooperation with the regional centre and regional rural section networks in 13 locations in 2008; 400 participants in all.
- A separate event was arranged for the Uusimaa Employment and Economic Development Centre on developing the creative economy.

## 2.6. Support for export network projects carried out as joint projects

### Proposal for action:

In 2008, the preparatory committee for cultural exportation proposed that export network projects jointly launched by a minimum of four participating companies, consisting of mature actors in the creative industries and cultural exportation, could receive funding from the internationalisation subsidies reserved for joint business projects.

### Measures implemented:

- A report on potential joint projects/export network projects launched by FRAME and the Museums Association is currently underway.
- Finpro plans to launch a growth programme for the creative industries, with the goal being to create export networks and achieve concrete results. The project will bring new

creative-sector companies within the sphere of joint projects.

- The Ministry of Employment and the Economy can also support export network projects in the creative industries.



The opening of the exhibition HARDCORE New Finnish design during the New York Design Week in 2008. Photo: DFF

## Development action III: International marketing and promotion

### 3.1. Developing company- and industry-specific marketing and promotion

#### Participation in export events

Information about the implementation of this measure is included in the chapter on export strategies and spearhead projects of arts information centres.

#### Proposal for action:

In 2008, the preparatory committee for cultural exportation proposed that the guidelines on granting appropriations be modified so that art galleries, for example, can receive support for joint participation in exhibitions. Moreover, the means of assisting Finnish artists, such as actors, export their expertise, and ways of supporting agencies in this field need to be studied.

#### Measures implemented:

- Implementation has not been possible.

### 3.2. Developing support structures for cultural exportation

#### Network for cultural export

The network's website and project database were launched at the beginning of 2008 at [www.kulttuurivienti.fi](http://www.kulttuurivienti.fi). In conjunction with the informative event arranged for the network for cultural export, discussions were held on the use and opportunities of the network. It was noted that the network's main task is to collect and distribute information on cultural exports and cultural export projects. Improved technological solutions provide the means for creating good and useful content for the website in cooperation with the administrators of the network and with actors in the field of arts.

The objectives for developing the network were defined in greater detail in connection with the launch of the website and project database. These include the following:

- to enhance the network's cooperation opportunities by supporting cultural export projects and effective communication.
- to improve the technological requirements for communication

- to diversify the target groups of the communication by including more actors (art universities, companies, regional actors)
- to secure the objective of wide-ranging and useful communication material, which is to serve artists, as well as art experts, users and agents (Finpro, the Finnish Tourist Board, companies)

### **3.3. Achievement of the cultural export objectives of diplomatic missions**

The cultural activities of the Ministry for Foreign Affairs were strengthened as part of the long-term development of public diplomacy of the diplomatic service. Public diplomacy is an essential part of modern diplomacy, and it is used to influence international, non-governmental target groups over the long term through communication, the media, as well as cultural and other promotional instruments. The Ministry and diplomatic missions work in close cooperation with Finnish and international partners also in the field of public diplomacy.

Culture plays an important role in the brand committee led by Jorma Ollila, Chairman of Nokia's Board of Directors, which was set up by Alexander Stubb, Minister for Foreign Affairs. The committee's work will be completed in 2010.

Finnish embassies took part in all of the spearhead projects and were also actively involved in building cultural export cooperation networks abroad. The work was carried out in close collaboration with arts information centres and the key institutes and actors in all sectors. As a part of these activities, the diplomatic service received visits from 167 leading cultural reporters and opinion-leaders from all around the world.

Guests invited by the Ministry for Foreign Affairs took part in all of the major festivals and in special events targeting foreign experts from different sectors. Special programmes were tailored to the guests' own wishes in close cooperation with the arts information centres and other key cultural institutes and actors.

The Ministry produced and distributed presentation material on Finnish cultural life and artists in the

form of printed and audiovisual products. The Virtual Finland portal, as well as the websites of Finnish embassies were also efficient tools in this respect.

Cultural activities focused on the most influential cities in Europe and Russia. Brazil, Egypt, China, India, Germany, France, Turkey, Ukraine, Russia and the USA were defined as priority countries in need of additional input in the field of public diplomacy.

Collaboration between embassies and cultural and academic institutes was developed, and the parties drew up local cooperation documents for the second time, which define their common objectives, projects and rules for cooperation. Cooperation has improved in many cities. The efficient use of resources will be further developed. Different ways to enhance cooperation between international actors focusing on Finland were studied in 2008 under the lead of the Ministry for Foreign Affairs. The work will be completed in 2009.

### **3.4. Developing the operations and cultural export know-how of cultural institutes**

#### **Proposal for action:**

In 2008, the preparatory committee proposed that EUR 400,000 be earmarked from national lottery proceeds in the Ministry of Education's main title of expenditure for the development of cultural export operating models and for cultural export projects of cultural institutes as of the beginning of 2009.

#### **Implementation of measures to date:**

- The measure has been partially implemented: decisions on distributing an appropriation of EUR 200,000 to institutes for their cultural export projects were made in April 2009.

In 2008, the Ministry of Education clarified the application guidelines for cultural institutes and wrote down the main criteria for granting subsidies to the institutes. Commitment to the long-term planning of operations and to cooperation with actors in Finland and the target country plays a major role in the criteria. The Cultural Export Promotion Programme has defined clearer objectives for the cultural activities

pursued by cultural and academic institutes.

In 2008, cultural institutes received subsidies totalling EUR 130,000 for spearhead cultural export projects. All of the institutes' projects were carried out in cooperation with Finnish and foreign cooperation partners. Nearly all the projects were undertaken in particularly close collaboration with Finnish diplomatic missions. In practice, project implementation was based on the principle of collaboration, which was initiated in 2007 with the drafting of cooperation documents between the diplomatic missions and institutes. The institutes have developed long-term and goal-oriented operations, for example, by drawing up a long-term target plan.

Key cooperation partners include arts information centres. The HARDCORE New Finnish Design event, which was jointly arranged by the Finnish Cultural Institute in New York, Design Forum Finland and the Consulate General of Finland in New York, and which brought 25 innovative Finnish design concepts and projects to the New York Design Week, is a successful example of tripartite cooperation. Further information about the project can be found on page 22.

The institutes' primary goal, in addition to actual project implementation, is to create conditions for cultural exports and to create and maintain cooperation networks between national and international actors. The institutes aim to ensure that the impacts of their operations are long-term in nature, instead of ending with the project.

In the following paragraphs, the institutes themselves describe some of their collaborative spearhead projects:

The HelsinKissBerlin festival was the most wide ranging and biggest project in terms of finance ever carried out by the **Finnish Institute in Germany**. It was also the biggest export project for Finnish music in 2008. For six weeks, the culture, art and financial world of the Helsinki region were on display in Berlin. The initiative for the project costing nearly two million euro was made by the Institute, which also took care of its management. The project's main financiers were the cities of Helsinki, Espoo, Vantaa and Kauniainen, MUSEX and the Ministry of Education's Cultural Exports Division, the Ministry for Foreign Affairs and Finnlines. The event was a great success

and gained a great deal of publicity in Berlin. The feedback was positive, with participants building up new contacts and future plans. One of the follow-up events will take place on 5 September, when Berlin presents itself in Helsinki. The Institute got valuable experience from planning and implementing a major external project. The project strengthened the Institute's profile as part of Berlin's cultural arena.

The Ministry of Education's cultural export subsidy (EUR 10,000) helped the Institute arrange performances of the *Hayflower and Quiltshoe* children's opera at the Theater an der Parkaue during the HelsinKiss-Berlin festival. Many children's theatre directors were present at the performances, and it will be interesting to see whether they include the production in their programmes.

The Institute's third spearhead project, a series on romantic music, also attracted a great deal of attention in different media. Three of the concerts were broadcast on German radio, Deutschlandradio Kultur recorded the performances by the NIX and Meta4 quartets, and Bayerischer Rundfunk recorded the NIX quartet's concert. The series was also covered in several magazine articles (*Finnish Music Quarterly*, *Rondo*, Polling's review, Timo Latonen's reviews, Greifswald's reviews).

The **Finnish Institute in Madrid** agreed on a five-year cultural exchange programme with the City of Cádiz in Andalucía. Finnish art will be presented extensively in Cádiz: Finnish artists will take part in important film, theatre, dance and other festivals in the city, and Cádiz will reserve prominent exhibition facilities for the works of Finnish artists.

The visibility of Finnish participants will also be supported, where possible, in other activities in Cádiz arranged by public or private parties, such as seminars or other university events, exhibitions held by private galleries and so on. The Finnish Institute in Madrid, in turn, will help artists, flamenco dancers and other performers from Cádiz to gain visibility in Finland. The cooperation agreement was signed in October 2007 by Teófila Martínez, the Mayor of Cádiz, and Martti Pärssinen, the Director of the Finnish Institute in Madrid. Tarja Halonen, President of the Republic of Finland, is the patron of the cultural exchange programme.

The **Finnish Cultural Institute for the Benelux** and local actors involved with Finland joined forces to arrange Gr3en Design [Reduce – Reuse – Recycle], an exhibition that showcased design based on recycled materials, and a related seminar and discussion event with the support of Design Vlaanderen and the embassies of the Hague and Brussels. The exhibition ran from 12 September to 15 November 2008 in Brussels and Rotterdam.

The event was covered widely in both print and online media.

In all, the exhibition attracted around 5,000 visitors and resulted in the designers receiving many assignments and new contacts. For example, Jukka Isotalo's Evolum received several orders, Miia Westerlund's bags and Secco's accessories remained on sale in the Netherlands, while clothes designed by Hella Hernberg were included in the Norden shop's collection in Paris. People expressed the wish for a repeat event.

To achieve visibility in the Benelux countries, the Institute cooperated with instrument makers and took part in the Brosella guitar fair on 26 October 2008. The project ultimately included four Finnish guitar makers, who are already involved in or plan to focus on exports.

At the initiative of the Finnish Cultural Institute for the Benelux, the Ministry of Employment and the Economy started supporting the export projects of instrument makers. The entrepreneurs submitted their export projects plans to the Ministry, and in December 2008 received favourable Ministry decisions for six-month export projects. Brosella was the first of these.

The fair gave the instrument makers publicity and experts an opportunity to learn more about Finnish know-how in the field. Instrument shops in the Benelux countries do not sell Finnish instruments. The joint fair performances also offered benefits of scale in terms of transporting instruments to and from Finland. The Ikaalinen school of instrument making took part in the project with the aim of establishing opportunities to make its education more international. The trip included a visit to a local instrument making school in Puurs.

The instrument makers expressed their satisfaction with the event and their cooperation with the Min-

istry. Many relevant contacts were made during the events. The value of actual instrument orders made in Brosella exceeded EUR 10,000.

The **Finnish Institute in St Petersburg** and other actors involved with Finland jointly set up a project to promote Finnish children's opera abroad. In view of the importance of children's theatre and the frequency with which it is discussed in both Finland and Russia, there is surprisingly little international interaction in the field.

The project was launched in 2008. Its main goal was to build a comprehensive network for cultural cooperation in the field of children's theatre between Finland and Russia, while also giving a wider overview of Finnish theatre and music culture and its development in Russia.

The first phase of the project consisted of compiling information and preparing a presentation package on five contemporary Finnish children's operas using Russia as the pilot country. The project has been supported by the Finnish Ministry of Education and has received assistance from the Finnish Music Information Centre FIMIC. FIMIC has included the promotion of Finnish children's opera in its own action plan for 2009.

As a result of the first phase:

- The first opera, Kirmo Lintinen's *Voi vietävä!* (*Nuts about Nosh!*) premiered at the Zazerkale music theatre in St Petersburg in February 2008. The performance will continue in the repertoire in 2009.
- The Russian-language premiere of Wessman's *Insect Opera* (*Opera bukashek*) will take place in spring 2009 at the Karelian music theatre in Petrozavodsk.
- A letter of intent was signed between the Zazerkale theatre and Mikko Nisula on a new children's opera based on Zachris Topelius's fairy tale *Tähtisilmä* ('Star Eye').
- Presentation packages were made on Finnish children's opera. The packages included a booklet and a CD with samples of every opera, as well as a short history of Finnish children's opera in Russian. All of the material has been compiled and printing will be finished in March 2009.

- The market for children's opera was analysed by collecting information about interested music theatres, their audiences and networks.
- Contacts were created with Russian organisations and with organisations assisting in networking (e.g., the Federation of Music Theatres, the Theatre Union of the Russian Federation and the non-governmental organisation of theatre employees).
- Negotiations were conducted with the children's theatre festival concerning presentations and seminars in 2009.

### 3.5. Developing export marketing and communications

#### Proposal for action:

The Ministry for Foreign Affairs, the Ministry of Employment and the Economy and the Ministry of Education should jointly ensure that Finpro's expertise and export service concept can be put to better use to survey the cultural market and promote it in potential market areas.

#### Measures implemented:

- No actual measures
- The Finnish Tourist Board's offices have been transferred under Finpro, many (12) of the Tourist Board's employees have transferred to Finpro, thus increasing its expertise; e.g., major export service projects now include cultural export as well.

#### Further measures:

- Cooperation between actors involved with Finland will be increased, cooperation between the Ministry for Foreign Affairs and Finpro will be increased, the Ministry for Foreign Affairs and Finpro are conducting discussions on how to take cultural exports and country branding into consideration in connection with Finpro's 'public free services'.

This is closely linked to the development of cooperation between diplomatic missions and Finpro's offices in order to promote export and trade.

- As part of the Government Programme, work on a report on the enhancement in cooperation between Finnish representatives abroad got underway under the leadership of Under-Secretary of State Antti Sierla. The report will be completed in 2009.
- Finpro's meeting sessions in the autumn, where service business + Tourist Board transferees could meet and discuss future opportunities.



Writer, theatre director Otso Kautto putting up a yurt. Theatre Quo Vadis performed in the yurt for two weeks at the Saint Sulpice Square in Paris during the 100% Finlande project. Photo: Minerva Kautto

## Development action IV: Improving cultural exportation structures

### 4.1. Culture Satellite Account

Statistics Finland completed the pilot account, commissioned by the Ministry of Education, in early 2008. Finland is the first OECD member state to have drawn up a Culture Satellite Account. The pilot proved that it is possible to create a culture satellite account based on the national system of accounts and that such an account can efficiently and accurately produce the most important national economic data (added value, output, employment, import and export, as well as consumption) in the cultural sectors. Thus, it has considerably improved the knowledge base in the sector and enables increasingly efficient development of knowledge-based policies.

According to the account, culture is an important sector in the national economy. In 2007, it accounted for 3.1% of the overall added value (which, in practice, equals its share of GDP). This is a larger share than that of, for example, primary production and some traditional industries, such as paper and pulp production. The culture sectors employ over 100,000 people, which was 4.25% of all the people employed in 2007. The annual output of the sectors is over EUR 10 billion, accounting for nearly 4% of the overall

economic output. The shares of added value, number of employed people and output of the whole economy in 1995–2007 are presented in Figure 2.

Moreover, culture is the second-largest component of private consumption after food products. It accounted for more than 7% of aggregate private consumption, and its value in 2007 exceeded EUR 7 billion. Figure 3 presents the share of culture in private and public consumption expenditure from 1995 to 2007.

However, the value of cultural exportation is small compared to the sector's role in the national economy as a whole. Since it is not likely that private consumption in Finland, already one of the highest in the EU, will rise notably, it is necessary to increase exportation if the importance of culture to the national economy is to be raised in line with the Government Programme.

Accounting continues to be developed, and at the end of 2008 the Ministry of Education and Statistics Finland signed an agreement, according to which Statistics Finland will develop a regional dimension, a "regional satellite", by the end of 2009, which will enable the production of basic national economic data for individual regions.

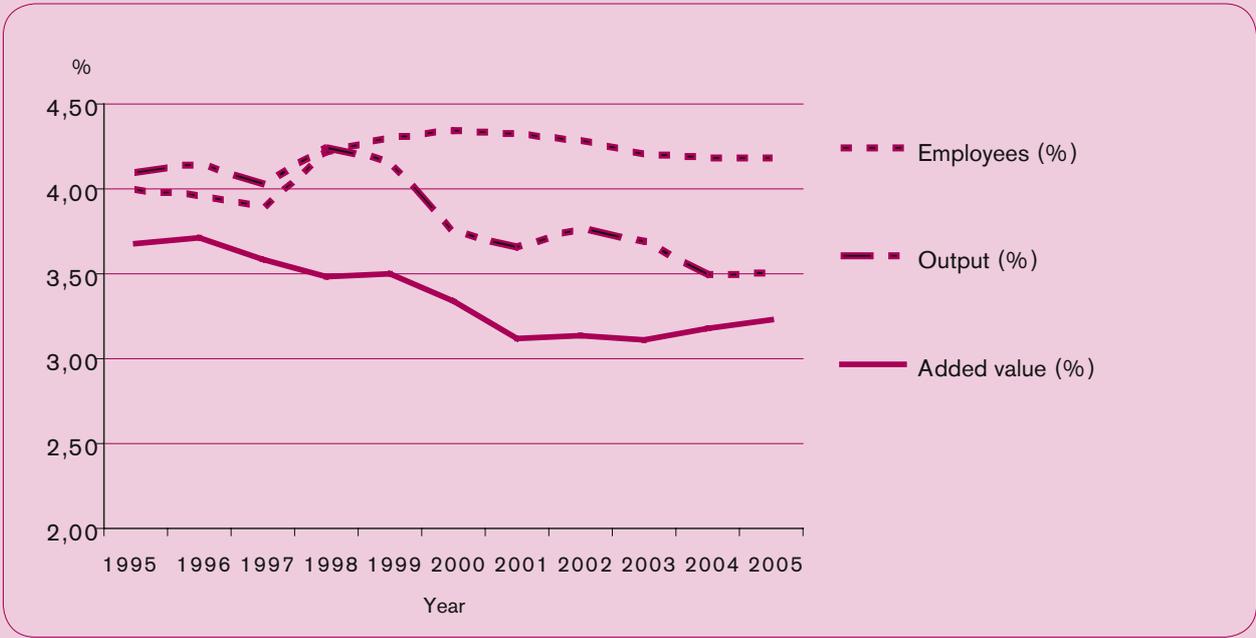


Figure 2. The share of culture in the whole economy

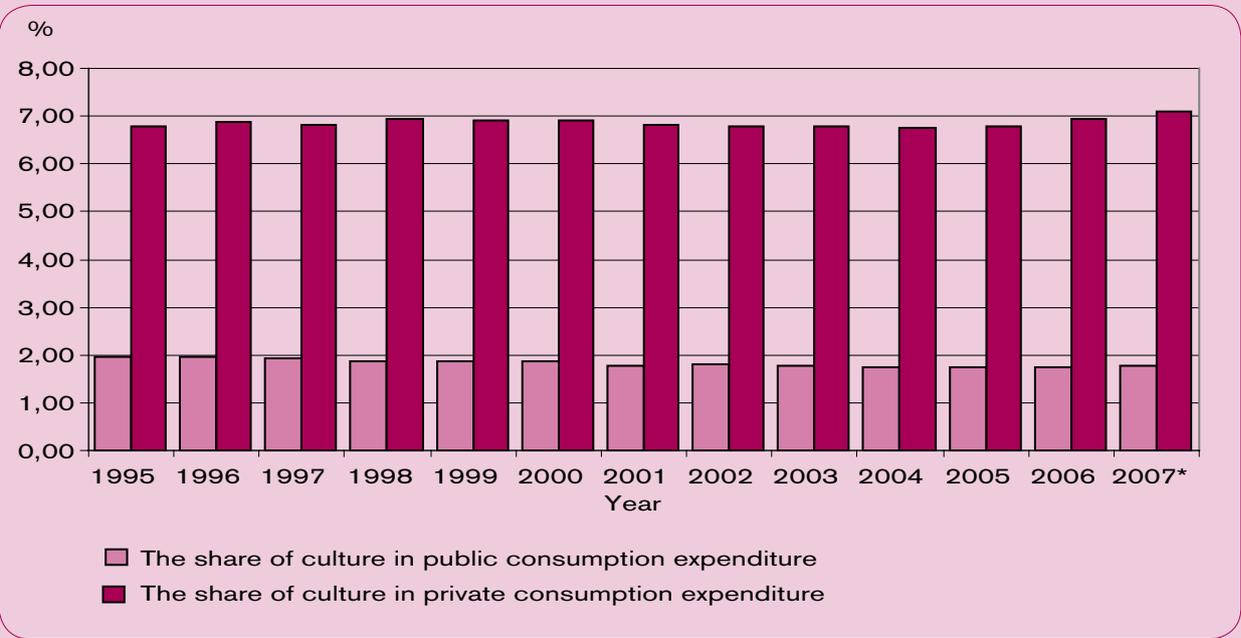


Figure 3. The share of culture in private and public consumption expenditure



The film Niko and the Way to the Stars was shown in Paris in 2008.

## Development action V: International cultural cooperation and exchange

### 5.1. Developing international cultural cooperation and exchange

#### Proposal for action:

International cultural cooperation and exchange form one of the development actions in the Finnish Cultural Export Promotion Programme 2007–2011.

#### Measures implemented:

- No increase was proposed to the appropriation in 2008, but the budget structure was changed so that subsidies for the international operations of arts information centres that receive operational funding from the Ministry of Education are granted from the same item as operational funding. This leaves more assets available for other international cooperation subsidies.

#### Proposal for action:

The Arts Council of Finland grants subsidies for foreign travel and residency activities of artists and groups.

According to the preparatory committee for cultural exportation, this is an activity that significantly supports and develops the competence and networking of artists and professionals in the culture sector and promotes cultural exportation. It does not receive subsidies from any other public source. In 2008, the preparatory committee proposed an increase of EUR 300,000 to the appropriation in 2009 and a further EUR 200,000 from 2010 onwards.

#### Measures implemented:

- The measure was adopted in connection with the budget implementation for 2009.

#### Proposal for action:

The preparatory committee proposed that embassies and institutes should be closely involved in local activities related to cultural export projects and in the implementation of the required networks and spear-head projects.

### Measures implemented:

- The proposed measure will be implemented on the basis of cooperation documents signed by the embassies and institutes.

### 5.2. Arts Council of Finland as a supporter of international exchange

In addition to granting subsidies to promote the international mobility of artists (travel grants, residency support), the Arts Council of Finland supports international residency activities in Finland, which have a considerable impact on cultural exchange. All arts councils also grant support for international projects and activities carried out abroad. In 2008, different forms of subsidies granted for international activities carried out abroad amounted to slightly over EUR 700,000, while subsidies for domestic residency activities were EUR 160,000, leading to slightly over EUR 860,000 in all. Over a fourth of the support for foreign activities targeted multi-disciplinary projects ('other' art sector) and nearly a fifth went to the visual arts.

#### Subsidies (EUR) granted by the Arts Council of Finland for international activities carried out abroad\* in 2008

€	
Travel grants	257,950
Residency and artist exchange activities	98,960
Other subsidies granted by the national art councils	202,500
International projects of regional arts councils	143,450
Total	702,860

#### Subsidies (EUR, %) for international activities carried out abroad by field of art in 2008

	€	%
Other *	192,180	27.3
Visual arts	126,730	18.0
Media art	87,420	12.4
Industrial art	63,170	9.0
Dance	60,610	8.6
Music	54,710	7.8
Performing arts	48,920	7.0
Photography	31,570	4.5
Literature	15,720	2.2
Cinema	11,030	1.6
Architecture	7,500	1.1
Circus	1,800	0.3
Critics	1,500	0.2
Total	702,860	100

\* Intersectoral, uncategorised. For example, projects involving several art sectors.

### 5.3. 100% Finlande

The biggest cultural export and exchange project supported by the state in 2008 was the season of Finnish culture in France. The Ministry of Education and the Ministry for Foreign Affairs invested nearly EUR 2 million in this project over three years.

The 100% Finlande cultural event in France, lasting from 26 March to 4 July 2008, was arranged by the Finnish Ministry of Education and the Ministry for Foreign Affairs, as well as the Embassy of Finland in France. The organisers in France included the Ministry of Foreign Affairs, the Ministry of Culture and regional cultural organisations. In France, the event was carried out by the Culturesfrance organisation. Iris Schwanck acted as the joint commissioner for France and Finland.

Project planning and coordination began on 1 June 2005.

#### Scope

- Approximately 250 events in Paris and elsewhere in France
- Around 500 artists and other cultural actors went to France
- Around 100 cultural actors and reporters came to Finland
- Dozens of cultural institutes, festivals and events in France
- Dozens of cultural institutes and other actors in Finland
- The overall budget in 2008 approximately EUR 1.5 million, of which subsidies granted by the Ministry of Education totalled EUR 1 million
- Project funding also involved a number of Finnish parties and funds: the Finnish Cultural Foundation, the Helander Foundation and Kordelin Foundation, the Wihuri Foundation and the Swedish Cultural Foundation in Finland.
- Major cooperation companies included Areva and Kone and smaller cooperation partners included Nokia and UMP Kymmene. SAS Blue1 and Veuve Clicquot Ponsardin were also involved in the cooperation.

#### Cultural export or cultural cooperation?

The 100% Finlande project gained its own identity at an early stage: a culture of young, upcoming generations that merges new technologies into productions that cut across traditional genres. The identity also included a very broad notion of culture, ranging from poetry to architecture, from tango to food culture, from the library system to Sami culture and to discussions about Europe's future and ecological issues. This identity permeated the whole cultural offering.

The opinion of the French partners on the programme was essential to the project's success, as was the ability of the French to select elements from the Finnish offering that were best suited and of greatest interest to them. The commitment of the French cultural institutes to their own Finnish programme also guaranteed French marketing efforts and visibility in the French media and among the public. In contrast, projects that did not systematically seek cooperation from the very beginning usually ran aground.

The cultural season gave Finnish actors access to a huge network of French contacts and suppliers in the culture sector. Playing a key role in their future use are the embassies in both countries, the Finnish Institute in France and arts information centres. Individual groups, culture producers and artists will also benefit from the contacts.

Finnish culture will get greater visibility in France thanks to the cooperation parties involved in the project. A few examples: The *Rose boréal* exhibition that brought together 15 young Helsinki School photographers is currently on display in Lille. The Finnish Film Foundation will continue the series of Finnish contemporary cinema in French theatres in 2009, and all Nordic countries have been invited to participate in the Salon du Livre 2011, a major project that Finland has been asked to coordinate.

The French party has indicated its interest in arranging a two-week cooperation project focusing on French culture in Finland and Helsinki in 2010. In the same year, Paris and Helsinki will carry out a cooperation project similar to the Saint Sulpice event.

One example of individual events in the 100% Finlande event is the *Printemps (im)médiat* project coordinated by the Finnish Institute in France, which

presented Finnish media art on an extensive scale in Paris in spring 2008 as a part of 100% Finlande. The project involved practically all the major representatives of the field in Finland: Avanto, Av-arkki – the Distribution Centre for Finnish Media Art, Cartes – Centre of Art and Technology Espoo, FRAME, m-cult, Muu and Pixelache. This was the first time such a large group of media art representatives cooperated on a single project. Each organisation contributed to the content and production of the project.

Printemps (im)médiat was carried out with special support granted by the Ministry of Education to the Finnish Institute in France. The implementation of the project and events also involved a large group of French organisations, such as Festival Agora, IR-CAM, Mal au Pixel, Mains d'Oeuvres, la Cantine, Point Ephémère, Ars Longa, Khiasma, La Générale en Manufacture and LightCone.

Seven events were organised in the Finnish Institute in France, two in conjunction with the Saint Sulpice square event and two outside the institute. The programmes arranged in connection with festivals were best at reaching the public. The Mal au Pixel festival, held outside the Institute, attracted attention large audience, with the number of visitors rising to several thousand.

Printemps (im)médiat was a great opportunity for Finnish organisations and artists to present themselves in France: many artists, in fact, debuted in the country.

The project created many contacts and networks.

*Christian Sundgren, Press Attaché of the **Finnish Embassy in Paris:***

*We faced something of a problem with only three months to the campaign launch, when the French party's media company suggested a campaign poster showing Paris buried under snow. We all know, of course, that the French are fascinated by winter scenery, but to market Finland, after a cold winter, with images of a snow-covered Paris!*

*That simply would not do. It took some effort, but Iris Schwanck finally got a free rein to act, and the result was a poster in which the men's choir 'Shouters' are standing on the shore of a blue-grey Baltic Sea. We couldn't have hoped for a better crowd-stopper in the Paris street scene.*

*Displayed in metro tunnels and on the sides of buses, it brought even the busiest of people to a halt.*

*Using the tango as a selling point was an audacious move, but it, too, exceeded all expectations. The embassy's French website, the event's own site and telephone contact numbers ensured the flow of information. In fact, the Pompidou Centre drew such a big audience that the organisers had to prohibit dancing. This was, of course, a letdown, but people got to do the tango the following day on an event ship on the Seine especially reserved for this purpose. Accompanied by the music of Markus Allan, the French both learned and danced quickly.*

*A young and innovative Finland was the selling point of the entire series of events. Bringing in young artists from the University of Art and Design and the Helsinki School was a great way to introduce Finland's new generation of photographers to the young French crowd. The Rose Boréal exhibition enabled 15 young Finnish photographers to present their work at the renowned Ecole Nationale Supérieure des Beaux Arts. When this wonderful exhibition, which received wide coverage in the French press, moves on to the art museum in Lille for six months, it will finally have been visited by nearly 80,000 people.*

*The extensive cultural season is nearing its end. We have reached July and the last event, which is Aki Kaurismäki's silent movie, Juha. This is a good way to pass on the baton to France on the eve of its European Presidency. Everything had been well prepared. The Paris film archive had reserved a big outdoor stage for French Kaurismäki fans.*

*We had cross-checked guest lists to ensure a big audience.*

*But the weather kept getting worse. The forecast was for rain, and it poured on the night of the movie. The performance was moved indoors. Would anyone brave the weather to come and see a Finnish silent movie at 11.30 pm... We were desperate. It was a total surprise to see the film archive facilities fill up to the very last seat. The audience of 3,000 gave a standing ovation to Aki Kaurismäki and the Anssi Tikanmäki Orchestra. This is a rare honour in France—100% Finlande to the end!*

## 5.4. Cultural exchange with Russia in 2008

In 2008, the Ministry of Education granted a total of EUR 180,000 to projects promoting cultural exports and exchange between Finland and Russia. The application round arranged in 2008 received 53 applications by the deadline, which were applying for a total of EUR 596,579 for project cooperation with Russia in the fields of art and culture.

A total of EUR 180,000 in state subsidies was granted to 26 projects through the Russia Programme in Art and Culture. Seven of the state-subsidised projects were related to festival activities in the fields of folklore, arts and crafts, dance, music and theatre. Three of the projects developed cultural exports in theatre and the visual arts. Three actors promoted visual arts exhibitions.

The projects of two actors focused on increasing awareness of popular culture and boosting tour activities between Finland and Russia. Four of the projects promoted the preservation of cultural heritage and cultural exchange. Cultural exchange projects brought new perspectives into the Russia debate and advanced the objectives of the 2008 thematic year of intercultural dialogue. Two of the projects promoted cultural cooperation in the Barents region and the activation of Northern Dimension cultural partner networks in the field of exhibition exchange.

In addition to cultural exchange, the programme supported expert exchanges in different fields. The fields of art included: architecture, landscape architecture in the Monrepos park, theatre, music pedagogy and cooperation networks of folk high schools in northwestern Russia.



Tero Saarinen Co. performed the Borrowed Light choreography on its Oceanic tour. From left: Sini Länsivuori, Tero Saarinen and Henrikki Heikkilä.  
Photo: Laurent Philippe

## Development action VI: Operational environment of cultural exportation

Development needs related to taxation were examined in connection with the group work session for the preparatory committee for cultural exportation and experts held in spring 2008. Based on this, a proposal on taxation was drawn up for the steering group.

According to the working group, the goal in Finland over the past twenty years has been to simplify and streamline taxation, which has meant, for example, minimising different types of tax deductions. However, since tax incentives have worked well in business development in other countries, it is time to examine taxation from a new perspective.

### 1. Developing the taxation of art acquisitions

Denmark reformed its taxation of art acquisitions some four years ago, which led to growth in the Danish art market. The revenues of Danish gallerists rose notably, and the economic livelihood of many individual artists stabilised. The reforms made works of art acquired for business facilities tax-deductible in a similar way to any other production equipment or machine (such as computers and furniture). The maximum deductible amount is 25%. If the value of the work is no more than EUR 1,500, it can be deducted as a one-off amount. The deduction can also be ap-

plied to works of art that are part of a building or placed in the surroundings.

### 2. Reforming copyright taxation

Developing copyright taxation can help copyrights remain in Finland. Nearly all countries have tax arrangements supporting this. Especially in the music sector, copyright taxation affects corporate taxation, since copyright income is difficult to predict. The same development will probably be seen in other fields of culture and the creative industries as well, albeit slightly later, since the music industry leads many other fields in development. If copyright taxation is not reformed, internationally successful entrepreneurs and companies may move from Finland to other countries where taxation is more encouraging.

### 3. Expanding VAT deductions on joint productions

Value-added taxation can work as an incentive to attract international joint productions to Finland, which, in turn, gives Finnish actors more international contacts, thus promoting their internationalisation and export. This is a way to improve employment in the Finnish culture sector and the creative industries. In the film industry, for example, Iceland attracts in-

ternational productions to the country by entitling international partners to a VAT refund after the production is completed.

#### **4. Expanding the entitlement to tax deduction of business and private investments**

Public basic investments in culture production will not increase markedly, which means that actors will have fewer chances to develop their operations. Companies and other actors would benefit from tax reliefs being targeted at donations and investments made by companies and private individuals. What is needed is an attitude change so that companies and individuals also take responsibility for the country's art and cultural heritage instead of this being the sole responsibility of the state. In its 2006 report on increasing donations with tax deductions (*Lahjoitukset kasvuun verovähennyksin*), the Finnish Business and Policy Fo-

rum EVA examined the expansion of tax deductibility of donations. According to it, the tax deductibility of donations needs to be changed.

#### **5. Harmonising value-added taxation at eight per cent for all cultural products and services**

In Finland, the value-added taxation of cultural products and services differs depending on the art sector. The VAT on books, for example, is 8%, while that on fine art purchased from a private gallery is 22%. This unequal treatment of different art sectors slows down growth in some fields. The VAT percentage may also differ within a sector. In visual arts, for example, a work bought directly from the artist carries a VAT of 8%, one bought from the gallery of an artists association 0% and one bought from a private gallery 22%. To develop the sector, the clearest approach would be to use a VAT of 8% for everyone.

## III Summary of the report and development actions in cultural exportation

### Summary

The bulk of the measures taken to promote cultural exportation in 2008 targeted the first development action, *Business development*, which aims to increase business competence and to strengthen growth and internationalisation, R&D and innovation activities, as well as producers and intermediaries.

According to the report, the development of business structures in the creative industries and the cooperation between administrative sectors have continued to be active. Also worth noting is the increasingly strategic approach to the development of cultural exportation shown by different industry organisations, arts information centres and Finnish cultural institutes abroad. Considerable progress in cooperation and networking was seen in every sector last year. The project descriptions included in the report clearly show the scope and importance of cooperation networks during project implementation, as well as during project monitoring and follow-up. Networking has been partly supported by the criteria for project subsidies and by closer information exchange in the network for cultural export.

Increased appropriations for cultural exportation have enabled the implementation of several ambi-

tious cultural export projects. The state and participants made a particularly large investment in France. The 100% Finlande project met the expectations of the public, participants, organisers and financiers, as shown by the report. The strong financial contribution from Finnish cities made the HelsinKissBerlin event possible and strengthened Finland's position in Germany, an extremely important country in terms of cultural exportation. Two impressive events were arranged in the USA: Finnish design was showcased in New York during the New York Design Week, while Finnish visual arts were displayed at the P.S.1. Contemporary Art Center, an affiliate of the New York Museum of Modern Art. The report also gives an overview of numerous other events important to Finnish cultural exportation that were arranged both in the above-mentioned countries and other parts of the world.

### Development actions in cultural exportation

The main development actions in the future involve developing public and private funding models,

strengthening the intermediary level, as well as increasing international cultural exchange and cooperation. In addition to well implemented projects, there is still a need to develop cultural export measures—a set of tools. The ability of the Finnish system of business services to identify business and export potential in the cultural sector and the creative industries must be further improved.

As for the development of public funding for culture and the creative industries, the focus should be on improving the country's system of business services so that those involved can better detect the potential in different sectors and that the support forms available to them can better satisfy the companies' needs. The Ministry of Education aims to meet cultural export financing needs by assessing the existing support forms and by developing new measures in line with the proposals of the preparatory committee.

The preparatory committee considers taxation measures to be the most effective way to increase private funding for culture and the creative industries and thus increase the number of jobs, business and revenues in the sectors. The main taxation-related measures include the creation of a deductibility system for art acquisitions, a partial refund system

for expenses of joint productions carried out in Finland, the expansion of the tax deductibility to donations supporting culture, and the harmonisation of value-added taxation of cultural products and services. The preparatory committee is continuing to assess the impact and feasibility of these taxation measures.

The weakness of the intermediary tier (production, distribution and agency activities) is a structural problem, which makes it more difficult for demand and supply to meet. A well-functioning, professional intermediary tier would support creative artistic work by enabling artists to concentrate on their work. Different ways to strengthen the intermediary tier will be taken into consideration, especially in the development of the system for business services.

Cultural exchange and cooperation operating on a not-for-profit basis has an important role in accumulating international experience and creating networks. Cultural exchange is a traditional form of international cooperation and plays an important part in, for example, promoting intercultural dialogue. In compliance with the preparatory committee's proposal, the Ministry of Education aims to increase appropriations available for cultural exchange and cooperation.

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