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REGIONAL STRATEGIES FOR INTEGRATION CREATIVE SCENE FOR MULTIFUNCTIONAL DEVELOPMENT IN RURAL AREAS

D.T2.2.2

REGION: SOUTH TRANSDANUBIA (HUNGARY)

PROJEKT PARTNER: CHAMBER OF COMMERCE AND INDUSTRY OF PÉCS-BARANYA

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Content

Executive summary

TITLE OF CHAPTER / SUB-CHAPTER		BRIEF SUMMARY OF THE CONTENT OF THE CHAPTER/SUB-CHAPTER
1.	**Introduction (1000 characters)**	The world starts the third millennium burdened with serious social, economic and environmental problems. It has become clear that climate change, pollution of the environment and the decline of raw material stocks have, combined, led to a disintegration of the dynamic natural-economic-social balance on which our existing civilisation has been built. The complexity of the crisis requires the elaboration and implementation of complex thinking models instead of traditional ones, and it appreciates creative, innovative thinking and rapid paradigm shifts. Richard Florida writes about the main character of the new, creative age, the so-called creative class in his book called the Rise of the Creative Class C (2002). The competitiveness of a region is closely linked to the creative index of the area. (Keresnyei)[1] Creative industry is increasingly important among the new industries, as a "sector that uses culture as a raw material (input) and has a cultural dimension, although the result that it produces is often functional. It includes architecture and design that integrates creative elements into broader processes, as well as sectors such as design graphics, fashion design, and advertising."[2] Creative industry has a close interface with cultural and knowledge intensive industry. These three give the structure and content of economy creative. The advance of the cultural-creative industry, also known as the creative economy, is undoubted the world. Its role varies from one continent and country to another, but it is more in the focus of attention. Its sectoral determination is still changing, as it is largely horizontal in nature, compared to the registered statistical nomenclature. Due to this fact, the statistical measurement of the sector is still occasional. Despite this, strategies and policies are built around the sector (e.g. in the European Union), which will lead to the regulation and standardisation of statistical enumeration in the not too distant future. However, it also clear now without this that the sales of creative knowledge is now the largest GDP producer, as opposed to the previously dominant physical goods producing sector. Europe's economy considerably transformed in the second half of the 20th century, this resulted in a significant amount of

[1] Keresnyei Krisztina, Egedi Tamás: A pécsi kreatív osztály helyzetének értékelése statisztikai és empirikus kutatások alapján

[2] (Zöld Könyv, Európai Bizottság 2010).

		properties remaining unused. It is a natural effort that all of those properties which fit into the expanding cultural-creative activities should get utilised again. This project includes creative industry exploitation of two regional locations. The first (pilot project) is located in the town of Komló; the aims are to improve the accessibility of the building, and its functional renovation, as well as to define opportunities for further development. The second location (Angster House) is situated in the downtown of Pécs and is currently unused, the project aims to work out the possibilities of creative industry exploitation. In both cases, regional functions should also be presented. Starting from the example of the two properties, a regional strategy will be made.
2.	**Presentation of the creative industry of the region (2000 characters)**	
2.1.	Existing traditions, living history of the region	Until the 19th century when mining appeared in the region, mainly trade and agricultural production had been significant. The city of Pécs, as the regional centre, had cultural, ecclesiastic and knowledge centre functions. In the city, handicrafts and traditional creative industries had been operating for centuries in small businesses. After the closure of the mines and the collapse of light industry in the 1990s, the region and Pécs lost their main economic foundations, and the cultural profile remained without sponsors, except for the city council. Although culture was still important (in 2010, the city bore the honourable title of the European Capital of Culture), the creative industry profile could not become a profitable, self-financing sector.
2.2.	Position of creative sectors in the region	The creative industry of the region was characterised by the following classification of activities by the Creative Industrial Cluster founded in 2007 (KIKK Egyesület, 2015), integrating the most important creative industry actors in the region. Members make the following groups: - Art and Design - Event organisation and cultural services - Marketing and Communication - Business support activity
2.3.	Description of the most important creative sectors	The evolution of the sector is determined by the following actors: 1. Businesses - Creative Industry Cluster: sectoral integrator - Harman Professional Ltd.: production of creative industry equipment (sound and light technology) - Pécs Organ Building Manufactory: maintains and develops a centuries-old international industry - Zsolnay Manufactory Ltd: Maintains and develops

		centuries-old ceramics industry • Pannon Philharmonic: an orchestra with international success • Further profiles: fashion gloves production, software development with outstanding achievements (gamification), event organisation, design graphics, PR and communication, printing, community spaces, content development 2. Academia: University of Pécs: construction art, fine arts, music, dance culture, business models, 3D visualisation 3. Civil sector: fine arts, object creation, theatre, community organisation, music, heritage culture, consulting services
2.4.	Organisational background and frameworks of the creative sector	Fundamental problems of the organisation of creative sector in South Transdanubia a. low degree of cooperation and interaction b. disorganised character of the region of South Transdanubia, lack of regional institutional system. Lack of cultural-economic cooperation. Overweight of Pécs as the centre of cultural creative industry c. low level of research and development cooperations d. low level of interdisciplinary cooperations, lack of such value chains e. ad-hoc character of trans-sectoral cooperations, total lack of Open Innovation f. underrating of the economic power of creative industry, failure to recognise the opportunities for cooperation g. economic decline of the region
2.5.	Trade system of creative industry	Among the four development models of the creative economy (welfare, competitive, growth and innovation)[3] the region is mainly characterised by the welfare model, in which the state and the municipality maintain the creative industry. Although the business or non-for-profit operational model that considers culture as a business or at least as a tool of freedom has appeared in Pécs, the centre of the region, it is not general yet. Software development clearly follows innovation model in this regard. Actors engaged in the organisation of events, marketing, design, show and popular music operate in the competitive model. They are more characterised by the use of innovation than the production of it, and their market is the public sector in many cases, despite their profit or non-for-profit business forms.

[3] Potts and Cunningham, 2010)

		Creative industry actors typically carry out sales activities themselves, there are no regional management or wholesale companies specialised on the sector, joint sales organisations, e-retailers. Internet commerce is typical to a limited extent, only, done on general sites (of broad profile). Of these, of selected importance is MESKA, which was launched for handicrafts products and has become popular among handicraftsmen producing individual works or small series. Regarding that the supply of the individual actors usually stays below the critical mass that safeguards sovereign trade and marketing visibility, and they are not connected to significant network junctions, they remain practically invisible to the target groups on the Internet.[4] Creative industry can live and slowly grows in Pécs, but is cannot be expected to show spectacular development without supporting policy and investment. As an internal source of energy, the following are available as development path: creation of the cooperative network of the actors of the sector, with the goal of innovation, market expansion and increase of efficiency, cooperation with market actors showing outstanding results in the field of innovation, and co-working of actors pursuing different activities.
3.	**The creative sector's challenges and opportunities (1000 characters)**	
3.1.	Novelties and developmental trends	The main development phenomenon of the sector is that a number of actors in the industry have been organised into clusters, due the initiative of the Pécs-Baranya Chamber of Commerce and Industry. Clusters appeared in the profiles of creative industry, handicrafts, tourism and IT software development. The initial momentum was later partially broken, the level of cooperation within the clusters and among clusters is considerably below the necessity and possibility. The problems listed in section 2.4 are the challenges. As a comprehensive challenge we can mention that the players are not aware of them (creative informatics and the Pannon Philharmonic are most familiar with their international market positions). The biggest challenge is to understand and acquire real positioning and innovative processes, trends and methodologies: the development and implementation of the methodology as this recognition process is realised. Opportunities: Effective forms of cooperation, effective marketing, application of the latest product development, visualisation and marketing tools, market-conform (competition and innovation oriented) motivation, creation of development interfaces (virtual) and development workshops and the integration of actors into these innovation areas, internationalisation.

[4] Barabási, Albert-László, *Linked: How Everything Is Connected to Everything Else*, 2002.

3.2.	Potential creative industrial locations	This study deals in details with the creative industry opportunities of two specific locations. The pilot project concerns an institution with a library and museum collection, located in the town of Komló. The building functioned as a party centre during the period of socialism. In addition to the development of content, the project will provide accessibility to ensure that cultural services are accessible to all. The town is located near Pécs, the centre of the region; it is a „second league” settlement and therefore is a network element important from regional aspect, but not a junction. Further development is possible by the building up of the attic and by spatial planning and networking functions. The so-called "second location" is the Angster House. The house is the site of the centuries-old Angster organ building family and workshop, of international significance, which is located in an exposed city-centre setting, out of use, almost in ruins. One of the goals can be to save an industrial monument closely linked to the identity of the urban population and to present the cultural heritage. The other goal is to develop an intellectual workshop that connects generations, mainly through a musical profile, from the youngest generations through young adults as effective innovators to heritage-bearing elderly people. Beyond the presentation chararcter, the site can primarily be a creative innovation workshop, taking into account the size limits. The house could play the role of the bridge in the spatial structure of the urban culture between the city centre and the Zsolnay Quarter, the main creative attraction at regional level. It is a significant perspective in this role that the building block tight opposite to it a the former puppet theatre in need of renovation, which is suitable for the development of diverse workshop activities in addition music. Collectively, they are close to the direct target group in the immediate vicinity of the spontaneously emerging youth community, and they can offer creative spaces for civilised entertainment. The city has a number of additional real estates, due to its closed down industry and declining institutional system in the 1990s, which can be developed into attractive infrastructure environment for the development of the creative economy.
3.3.	Potential new players in the creative industry	Creative industry and cultural industry meant a dominant development path in the strategic materials of the city of Pécs for a long time. As it could not break out of the "welfare model" (it was not able to become a productive, innovative and development generating sector), it is now in the background. The main reason behind the failure to chashift is the lack of interference, cooperation between informatics and traditional cultural-creative sectors. It is a fact that the world's fastest growing and now largest companies have become economic super powers on the basis of information and communication technologies as horizontal carriers, and pushed traditional manufacturing industry and tradition services sectors aside.

		The co-existence of a strong, internationally successful software development sector and a strong traditional cultural-creative sector offers the opportunity for their collaboration to generate mutual innovation processes that lead to the exponential development of both sides. (The IT sector already produces 20% annual growth.) The main players are therefore given, the scenario is provided by examples from the world, the director role should be played by someone, and this may be the Creative Industry Cluster as an initiator.
4.	**Presentation of the creative industrial sites involved in the project (1500 characters)**	The building in Komló was formerly the seat of the communist party of the town built for the development of coal mining. Currently, it accommodates the "József Attila Municipal Library and Museum of Komló Town". Its main activity is the library function. Its collections and exhibitions cover the fields of mining, natural sciences and ethnography. **The building is in the city centre, it is easily accessible.** **The chosen building was built in 1954 in socialist realist architecture style; its structure allows office and community building functions.** The building is intact, orderly and fundamentally maintained both on the outside and inside. The access to the building and the transport between the levels are difficult in the absence of elevator, because of the rows of high stairs. Internal transport is not accessible from other respects, either. In the framework of an energetic tender, the institution was modernised and awarded the title "Green Library". The development in the framework of this project focuses on the renewal of the exhibition spaces and making them accessible. The Angster House, as a second location, was the headquarters of a cultural industrial company of Pécs in the old days, Angster Organ Factory that made the name of Pécs famous. Coming from its location, it offers an ideal opportunity for connecting touristic and social functions. For the tourist function it is predestined by cultural heritage, for public life function by the neighbouring youth cultural life. By its size (it has a total of 1,400 m2 of interior) it is suitable for a first development step in the relevant community area. It would also be a bridge between the city centre and the large and extravagantly crafted Zsolnay Quarter, which is slightly distant from the downtown and is rather expensive to use.
5.	**Presentation of the regional SWOT analysis (1000 characters)**	The strengths of the region include cultural roots and cultural capital coming from the historical past of the regional centre, which are presented as vibrant and high-quality service supply. Some of the actors have been organised into a cluster, the necessary organisational basis for moving on is given. The city has a large number of real estates well utilisable in creative economy, and it is true for the whole region as well. The city has

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<td>international awareness and broad relationship system by the title of Pécs 2010 European Capital of Culture; however, it has failed so far to convert it into economic development. This is typical at both urban and creative industry levels.
In the core of deficiencies we can identify the weaknesses and individualistic perceptions of internal and external cooperations, and the lack of knowledge of world trends and their inherent dangers and opportunities. The prolonged economic crisis of the city that started in the nineties and the short-term approach coming from the daily survival constraints also draw attention away from the need for a change of attitude.
In the previous life of the city, culture and sport were generously sponsored by the mining companies and other industrial companies; also, the city had sufficient incomes for a high-quality cultural and artistic life. The loss of the income background was not followed by the need to adapt to self-sustaining market directions, the “welfare” model was preserved, from which the sector must be able to break out in order to effectively utilise its potential intellectual capital.</td>
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<td>6.</td>
<td>Vision and long-term strategic goals of creative industry in the region (500 characters)</td>
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<table>
<tr><td>Vision</td><td>In the region, the range of cultural capital and milieu and of academic resources involves creative industry, which becomes a pull sector coming from its weight, networked cooperations on innovative and IT grounds and Pécs-centred development platforms, and bases connected into a regional network. Creative industry makes a significant contribution to the increased economic weight of the region, proportionate again to its population and historical role.</td></tr>
<tr><td></td><td></td></tr>
<tr><td>1. long term (complex, general) (min. 5-10 year) goal</td><td>Consciousness reflecting the importance of creative sector should become a strategy-making factor for the main entities (university, chamber, large self-governments, churches, entrepreneurs, industrial park managers etc.).</td></tr>
<tr><td>2. long term goal</td><td>An open, interdisciplinary innovation system should be made with strong IT and creative industry focus</td></tr>
<tr><td>3. long term goal</td><td>Establishment of creative industry development, interdisciplinary, open innovation research and development centres, workshops, hubs and platforms, connected to each other and the world</td></tr>
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		1. strategic (middle term, 3-5 year time span) goal	The university should create an integrated, innovation and modernisation oriented educational, R & D and economic cooperation system: - creation of innovative, entrepreneurial view in education and research, and of cooperative, interdisciplinary thinking, operational and resource management frameworks instead of the isolation of the faculty and the disciplines - foundation of an innovation park on the basis of smart economy trends, with IT and creative industry focus, providing a platform for interdisciplinary, open innovation workshops - creation of the organisational, infrastructural, promotion and intellectual environment of internal cooperations (among faculties, majors and disciplines), demonstration of the inter-faculty cohesion role of creative industry in innovation strategy and resource allocation - establishment of strategic and operational cooperation frameworks handling regional creative industry as a sector with prospect, with the participation of the main entities
		2. strategic goal	Creation of the conditions of cooperation and joint market actions and promotion of its birth in creative sector by the vitalisation of the cluster
		3. strategic goal	Establishment of creative, open innovation workshops, platforms, incubators in the SMEs sector
		4. strategic goal	Support of successful creative industry activities and organisations, creation of a value chain of their activities, development of their horizontal and vertical relations, with the inclusion of new actors
7.	**Use of strategic objectives for the selected buildings (4000 characters)**		
7.1.	Recommendations	**Connecting the strategic further development possibilities of**	

	for the development and use of selected buildings	**the Komló library to the creative industrial environment and the market:** • Electronic libraries – lending audio books and electronically stored materials via Internet connection • Connection to large libraries, library networks, especially to the South Transdanubian Regional Knowledge Centre and Library and the library network of the University of Pécs • Digitalisation of existing library stock, or the acquisition of already digitalised versions • Cooperation with the Mining Museum of Pécs and the Central Museum of Mining – providing access to digitalised materials for those interested in the Library or the collection of local history and mining • Strengthening, extension and dynamising of the presence of the institution on the Internet and Facebook (for more information see Chapter 7.5 on Marketing strategy) **Connecting the strategic further development possibilities of Angster House to the creative industrial environment and the market:** • shift towards the creation of a value chain of creative products • cooperation with the creative actors of the region and the larger area, organisation of a network or joining existing networks • functional connection, developments harmonised in their concepts with the participation of other real estates and existing creative locations
7.2.	Summary of developments	Komló Library: • accessibility • renewal of the exhibition spaces and the library • after the closing of the project it will be possible to implement creative and social functions and platforms that create the opportunity of cooperation and development for young people and creative industrial start-ups, by the building up of the attic Angster House: • there is no development in the framework of the project, only the possibilities of development are processed • the site can make a bridge between the downtown

		youth cultural life and Zsolnay Quarter designed to be a creative centre • the development is an opportunity for progress, creative industry exploitation on another adjacent iconic building
7.3.	Financial plan for interventions	In the pilot project in Komló, a complete development, including the building up of the attic, would require a development cost of 300-500 million HUF (€ 1-1.5 million). The estimated cost of developing the second site according to the feasibility study is 500 million HUF (€ 1.5-1.6 million). Both amounts fall into the magnitude that can be obtained by EU tenders.
7.4.	The organisational frameworks of operation	The property in Komló can be operated in the current organisational form after the development, with the local municipality behind it. A management organisation for the real estate in Pécs is not yet necessary, as the property is not working. The development can be implemented by the Municipal Self-government of Pécs or by an organisation founded by it (according to existing development practice, the Pécs City Development Non-for-profit Plc.), and a consortium can also be set up by e.g. with the participation of the Pécs-Baranya Chamber of Commerce and Industry, the Diocese of Pécs and the University of Pécs. The building and the Angster heritage are closely related to the identity and cultural heritage of the population of Pécs, so it is justified and urgent to set up organisational and project frameworks that will ensure its saving. The first step is that the entities concerned declare, in the form of an agreement, their determination to save and exploit the Angster House.
7.5.	Marketing strategy and introduction to the market	**Pilot project** The main objectives of operation are as follows: • Accessibility, making the institution fully accessible • Providing operating conditions (workshop area) for creative industry in the district, especially for small artisans Market positioning: competition is not typical, the direction for the improvement of market efficiency is opening to collaborations to reach and better serve more customers Geographical area: Komló and the Komló district. Secondary environment: the network connections available on the Internet, mainly Baranya institutions, more broadly the Hungarian speaking geographical area Communication channels: mainly Internet **Second location** The main objectives of operation are as follows: • Creating another creative industry focal point in Pécs, settling down new functions, development of a regional

		creative industry network • Saving of a cultural industrial monument predestined for creative industry function, and exploitation of it in line with the needs of the time Market positioning: network sub-centre function; fulfilling the missing function unifying entertainment, culture and creation **Target groups:** children, people interested in city history, tourists, creative and innovative youngsters interested in culture **Geographical target area** (primary and secondary environment): • Primary: Pécs and Baranya • Secondary: cities of Hungary and the former Great Hungary with Angster organ, Europe **Plan for the access of the target groups (marketing channels, tools and costs** • Marketing channels: website, Facebook, Instagram; direct contact; connection to network centres; integration into the organisation of city programmes; connection to touristic products, appearance in programme brochures • Costs: wage and office expenses for one part-time staff, 4 million HUF/year
7.6.	The need for the development of the business environment	For the pilot project: • accession to the Creative Industry Cluster • an integration role at district level by building up the attic For the second location (Angster House): presenting the project to potential partners and creating a collaborative platform
7.7.	Scheduling of the development	For both projects, the nearest realistic year of the implementation of the developments following this project (the building up of the attic In Komló, the reconstruction of the Angster House in Pécs) is 2025.
8.	**Strategic foundation of the creative industry of the region (4000 characters)**	
8.1.	Organisational and operational bases	As regards strategic development of creative industry in the region, Pécs has the initial organisational foundations and the considerable magnitude of cultural industry. The basic criterion for the development of the creative economy is the existence of a creative milieu, which depends on the following factors: • flow of information • possession of knowledge and information • competence • creativity • financial foundations • highly skilled labour

		Most elements for the establishment of creative atmosphere are available. Financial foundations are weak, and the existence and operability of creative energies are controversial. Successful examples show that a highly skilled workforce can soar in adequate environmental conditions (motivation, community goals, faith in the meaning of things and potential for success, immaculate management morale, positive radiation, Innovative atmosphere). In the case of the city, positive messages and radiation, the strengthening of the community-and result-oriented management style, the academic character of research and innovation in the case of the University of Pécs, the atmosphere, the organisational and management methodology, the infrastructure and the image are to be strengthened. More emphasis is needed to be given to the perspectives of young Hungarians who are given less attention than their foreign counterparts, to their successful studies and their research and experimenter activities, preventing their early school leaving and their emigration.
8.2.	Partnership, cooperation and networking:	Global industrial and economic development trends show that there is an ever more intense interaction and cooperation among various scientific and industrial sectors (separated before in reality). This is based on accelerating development, which allows the recognition and implementation of previously unconventional or impossible solutions. Electronics and informatics play the role of connecting link among them. This can become the engine for the accelerating development of creative industry. This is the factor because of which we need communication among sectors, common thinking, brainstorming, collaborations. *The linking keywords are innovation and creativity.* In the South Transdanubian region, creative sector with a strong cultural tradition, but weakly linked to the trends of the age, is completely separate from development aspect from the rapidly evolving and internationally successful software industry. Linking these two areas can release significant development energies. Similarly, the relationship between the tourism industry and the creative industry is not ideal, either. In addition to the significant development needs of organising and promoting tourist attractions into strong tourism products, and of tourism management, tourism industry could gain a lot of energy in the framework of product development from collaboration with the creative sector that could reach a broader market and would be in an environment of inspiration. Cooperation within the creative sector is also deficient, and actors try to stay on the market in individualistic ways. Resource efficiency could be improved in terms of product development, infrastructure, acquisition of expensive skills, software procurement, technology acquisition, joint market actions, and internet sales. In order to improve the willingness to cooperate, a first step is to raise awareness about interest and benefits. In this area, it is primarily the clusters (creative industry and craft) that have some space for action.
8.2.1.	• between the creative sector and other sectors	
8.2.2.	• among the actors of creative industry	
8.2.3.	• among the actors of creative industry and their groups	

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<tr><td>8.3.</td><td>Production, sales and business environment</td><td>Cooperation with tourism is also important for the construction of the value chain. At present, tourism operates on an attraction basis and there is no meaningful visitor management even in the centre of the region. The most important step is to raise the awareness of the actors for the integration of individual supply elements into a value chain, a touristic product, and for the organisation of a visitor management that plans its supply not on the basis of the passive servicing of guests but on the basis of knowing their expectations and interests. As a result of active management, existing creative industry services have access to a larger audience, and the relationship encourages the creation of new services. There is an increased duration of stay and per capita spending, each side benefits from the change.

Among the elements of the marketing mix, the above change would enlarge and enrich the product supply. By the relationship with informatics, much more information would be available about customer needs, and the promotion of Pécs and the region would be more efficient.
Defining the city of Pécs and the region as an integrated international tourism product and destination, large international marketing channels become available.

Through the city's international relationship system, millions of potential customers can be accessed via electronic and printed devices.
The creative and intellectual style and content of the publications and the promotion deserve a special focus, and the region's creativity in this field is primarily a development opportunity.
The biggest demand for the biggest change seems to exist in the attitudes of people in the creative and tourism sectors. Attention and interests can be increased, as can be self-confidence and ambition. It is important to use techniques that are in line with the new trends, by which more and better information can be obtained about the target groups, and delivered to them. This is the sharpest competition challenge of our time.
As a summary, it is the most important to make the products and the methodology of their sale as creative as possible.
The target system that can be recommended for the sector is as follows:

<table><tr><td>MARKETING VISION</td><td>The cultural and creative industry of the region becomes one of the main trademarks of the region. The region is fixed as knowledge-oriented, cultural and innovative area in public awareness, where it is worth choosing a profession and career, starting and running a business.</td></tr><tr><td>LONG-TERM MARKETING</td><td></td></tr></table></td></tr>
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8.3.1.	The possibilities of building a creative industry focused value chain (supplier-producer-merchant chain, system, network or community)
8.3.2.	An effective marketing system for the creative sector
8.3.3.	Market trends, gaps, expected changes, risks

GOALS	
LM1 long-term marketing goal	The main entities in the region (county seats, University, Chambers, county self-governments, churches, entrepreneurs, industrial park managers etc.) handle creative industry at a strategic level and consider its development as a priority
LM2 long-term marketing goal	The open innovation system created by the implementation of the strategy will become known nationally and internationally among innovators, developers and investors
LM3 long-term marketing goal	Networked creative organisations created during the implementation of the strategy are featured as development opportunities, professional attractions for career starters, career planners, SMEs and large enterprises
MEDIUM-TERM MARKETING GOALS	
MM1 medium term marketing goal	The University develops a creative and innovative internal and external relations atmosphere, which is reflected in its image
MM2 medium term marketing goal	The collaborative thinking and practice among the actors of the creative sector will become accepted and natural
MM3 medium term marketing goal	Creative industry in the region is known for its open innovation workshops, platforms and incubators in the narrower and broader environment
MM4 medium term marketing goal	Making creative industrial activities organised into value chains and networks attractive and known, their appreciation in the business sector

HORIZONTAL MARKETING GOAL	Making creative activities, organisations, connections and joining opportunities known and attractive for young generations (students and newly graduates, career starters, start-up entrepreneurs), with career and business orientation purpose. Introduction of creative industry personal and company careers and support for career development

Proposed measures for the implementation of the strategy:

- The South Transdanubian Regional Creative Industry cluster develops a work plan to promote the implementation of the creative industrial strategic goals and marketing goals. For synergies in the division of labour, it should seek the operational involvement of the Pécs-Baranya Chamber of Commerce and Industry, the University of Pécs and other related organisations and entities
- It is of the utmost importance that the Information Management Cluster is aware of its key role in making the creative industry in the region innovative and thereby in expanding its own innovation and product range. This mission can be realised through cooperation with creative industry actors.
- It is important to disseminate the world trends of creative industry to stakeholders.
- The inventory of physical and intellectual services and the service supply spectrum available for the creative industry should be developed in order to allow the sector's enterprises to translate information relevant form them into action.
- It is necessary to extend the link system created in the REFRESH tender, in addition to the Pécs-Baranya Chamber of Commerce and Industry, to the Cluster and creative industry actors in order to make use of the mutual experience and so that the creation of the network should facilitate the development of each other’s markets.

1. Introduction

The initiative of the **Union** No 2016/2072(INI), in which it encourages the European Parliament to create an independent cultural and creative industry professional policy, emphasises the importance of the development of the digital technologies and the digital world, and the protection of the copyright. It suggests the creation of the statistical foundations of the sector, with a view to its ever more determining role in the economy.

As an internal source of energy, the following are available as a development path: creation of the cooperative network of the actors of the sector, with the goal of innovation, market expansion and increase of efficiency, cooperation with market actors showing outstanding results in the field of innovation, and co-working of actors pursuing different activities.

Creative industry actors typically do their own sales activity, there are no management or wholesale companies specialised on this sector, no common sales organisations, no electronic dealers. Internet commerce is only typical to a limited extent, done on general sites (of broad profile). Of these, of selected importance is MESKA launched for handicrafts products, which has become popular among handicraftsmen producing individual works or small series, and also with creative products.

Regarding that the supply of the individual actors usually stays below the critical quantity that safeguards sovereign trade and marketing visibility, and they are not connected to significant network junctions, they remain practically invisible to the target groups on the Internet, due to network theory reasons.[5]

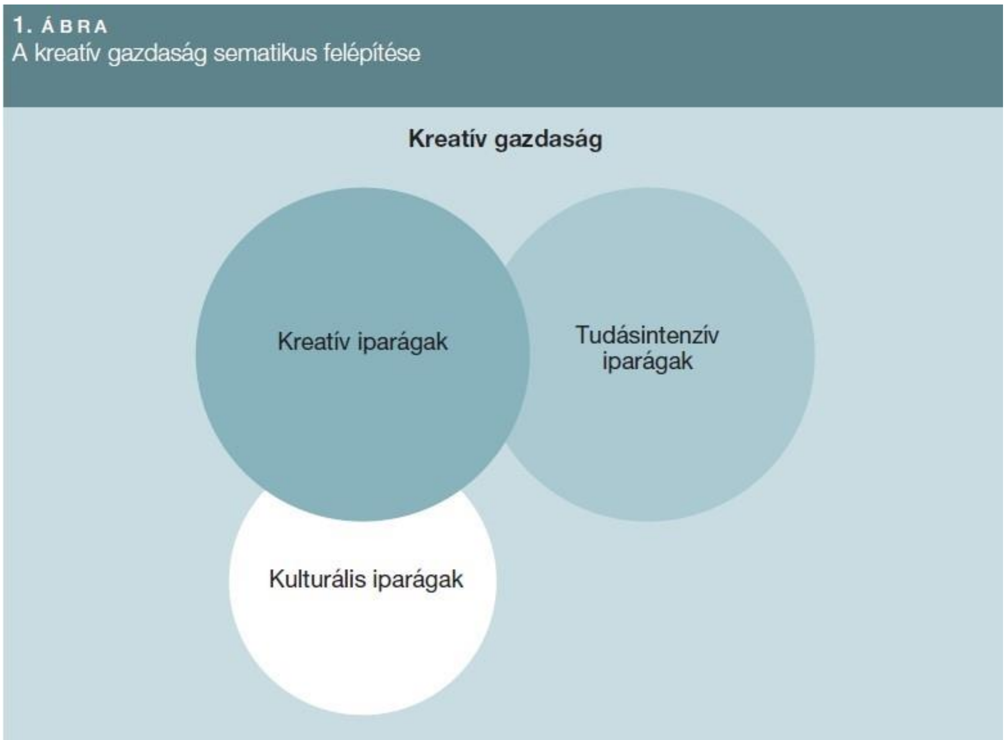
In **Komló** the building of the former party centre (Hungarian Socialist Workers Party) is standing on the edge of the main square, accommodating now the local library and museum collections, art and other exhibitions. The building plays an outstanding role in the cultural life of the town. As it has not been made accessible yet, many cannot use it, and so the full physical accessibility is necessary. The town has several institutions and non-governmental organisations classified into the cultural-creative sector; the harmonisation of their activities is the responsibility of the local self-government. Coming from its central location, the Library is destined to utilise the opportunities offered by the development trends of our time for the sake of the creative sector, and to generate cooperations among the actors.

The difficulty of the transformation of the cityscape and the functions is indicated by the fact that a few large buildings, practically in the heart of the city, have remained unutilised and they are constantly deteriorating.

[5] Barabási Albert-László: *Villanások – a jövő kiszámítható* (Nyitott Könyvműhely, 2010., ISBN 9789633100141)

Barabási Albert-László: *Behálózva – a hálózatok új tudománya* (Magyar Könyvklub, 2003., ISBN 963547895X) (ismertető)

Barabási, Albert-László, *Linked: How Everything Is Connected to Everything Else*, 2002.



1. Figure: : Schematic structure of creative economy (Source: Ságvári – Lengyel 2008:19)

A kreatív gazdaság sematikus felépítése = The schematic structure of the creative economy

Kreatív gazdaság = creative economy

Kreatív iparágak = creative sector

Kulturális iparágak = cultural sector

In Hungary too several classifications co-exist. Szabolcs Rabb[6] distinguishes 11 different groups, which are as follows: architecture; market of arts and antiques; TV, radio media market; handicraft industry, design, photography and film art; performing arts; fashion design; computer industry, virtual market; software services, web design; music; and finally advertising. He also collected the characteristic features of the products of cultural industry. He found that products made by creative industry generally have a short life span and they are instantly consumed. There is a high risk in their manufacturing, and so the possibility of failure is serious. Demand is defined by the needs of the local and regional audience, whereas supply must compete in the global arena as well. Those markets that can be related to culture are relatively instable, the would-be fashion trends are hard to predict, and seasonality is also strong.

Today the innovative CCI-s, with have large economic potential and develop in mutual relationship with ICT, are among the most dynamically developing sectors in Europe and considerably contribute to the growth of GDP, also, they have huge development potential. With the spill over effect they also stimulate other industries; they strengthen the willingness to cooperate, contribute to the shift to knowledge-based society, and make the necessity of lifelong learning a basic requirement (Green Book, 2010)[7].

[6] Rabb, Szabolcs (2012): Kreatív klaszter – creative industry fejlesztése. MTA-RKK, Klaszter konferencia.

[7] The European Commission's Green Book of 2010 on cultural and creative industries

After construction industry and catering, creative and cultural industry employs the largest workforce in Europe (Survey by the consultant company EY – formerly Ernst&Young –, 2014). According to the survey made on the assignment of GESAC, with its annual turnover of € 535.9 billion (164 thousand billion HUF), creative and cultural industry is one of the most determining actors in the European economy, with a contribution of 4.2 per cent to the gross domestic product (GDP) of the continent. According to the survey, the creative and cultural sector depends heavily upon local labour force and attracts a lot of young people: approximately 19 per cent of the employees are younger than thirty. In addition, even in the most difficult years of the economic crisis the increase in the number of people employed in this sector was 0.7 per cent – as we can read in the communiqué of Artisjus. The research analysed creative and cultural industry in a breakdown of eleven sub-sectors, namely: market of books, newspapers and magazines, music, performing arts, television, film, radio, video games and other games, visual arts, architecture and advertising

According to a survey conducted in 2014, 4.4 per cent of employees in Hungary worked in creative industry, their activity produced 3.7 per cent of the Hungarian GDP[8].

While the total amount of royalties collected by Artisjus was HUF 16,157,444 thousand in 2013, the same amount reached HUF 19.870.865 thousand by 2017[9].

The tables and charts below represent the development of creative industry in Hungary:

[8] According to the survey by Hétfa Kutatóintézet in 2014, made on the assignment of Design Terminál.

[9] Source: https://www.artisjus.hu/egyesulet/eves-beszamolok/

Table II. Developed countries: Top 20 creative goods exporters, 2015	
	(in millions of US$)
Year	2015
United States	40.504
France	34.446
Italy	26.672
United Kingdom	25.926
Germany	25.882
Switzerland	14.980
Netherlands	9.391
Poland	7.434
Belgium	7.056
Japan	6.631
Czechia	6.277
Canada	6.188
Spain	5.968
Austria	4.513
Denmark	3.202
Sweden	2.920
Portugal	1.409
Slovakia	1.356
Ireland	1.329
Hungary	1.324

Source: UNCTAD, based on official data reported to UN COMTRADE Database

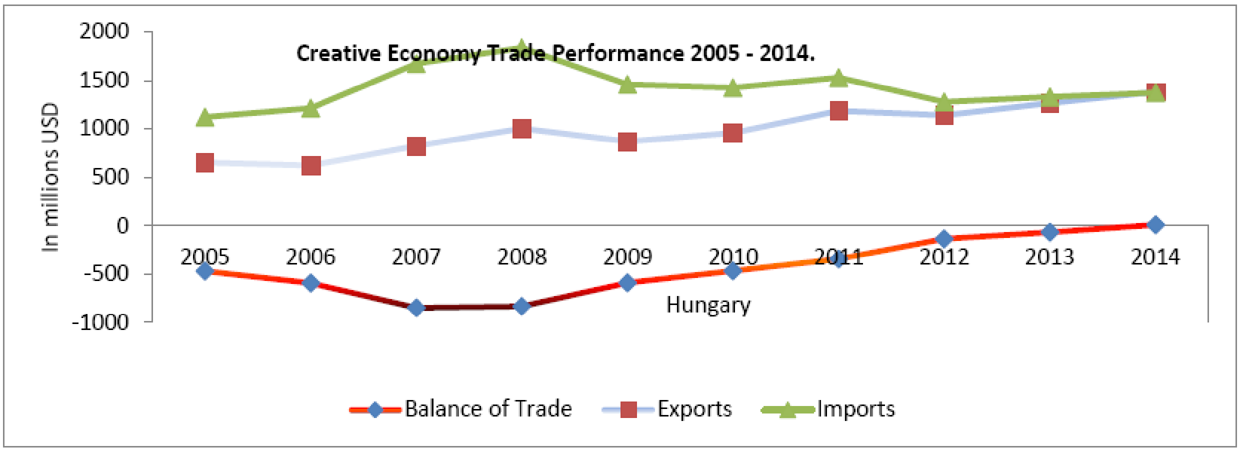
Table 1: Top 20 creative product exporters in the developed countries, in 2015[10]

COUNTRY PROFILE - Hungary										
Creative Industries Trade Performance, 2002 and 2015						Value in Million US$				
Hungary	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Exports	651.50	620.62	824.42	1.005.39	868.63	958.76	1,186.56	1,140.83	1,264.95	1,380.87
Imports	1,121.66	1,213.51	1,672.20	1,836.18	1,459.14	1,425.17	1,529.63	1,276.43	1,330.98	1,371.67
Balance of Trade	-470.16	-592.89	-847.78	-830.79	-590.51	-466.41	-343.07	-135.60	-66.03	9.20

Table 2: Commercial performance of creative industry in 2005-2014, in million USD[11]

[10] Source: Creative Economy Outlook: Trends in international trade in creative industries, 2018, unctad.org

[11] Source: Creative Economy Outlook: Trends in international trade in creative industries, 2018, unctad.org



2. Figure: : Chronological performance of creative industry in Hungary, 2005-2014[12]

Saris and Brouwer (2005) state that while formerly workers were bound to the companies through company culture, nowadays talent is more and more separated from the business sector and is looking for an environment that best guarantees its further development. The tendency of labour force following the workplaces is turned around and now it is more and more workplaces that follow talent.

In Hungary it might only be South Transdanubia where we can see a systematic coordination, for which the South Transdanubian Cultural Industry Cluster (for the time being: Creative Industry Cluster) is responsible. The centre is responsible for the creation of the cooperative network of small and medium-sized enterprises operating in the field of cultural and creative industry, and for the creation of an innovative economic milieu by the network-oriented development of the sectors.

2. Introduction to the Creative Industry of the Region

2.1. Presenting the region's traditions and living history

Historical roots and traditional industries

Summary:

Until the 19th century, when mining appeared in the region, mainly trading and agricultural production were significant. The city of Pécs was different from this, since, as a regional centre, it had a cultural leader, a diocese and a knowledge centre role as well. Crafts and traditional creative industries in the city were operating in small businesses for centuries.

The creative industry traditions have been passed to the present day by the following industries:

handicrafts - (leather industry, glassware, pottery - today ceramic industry, university training)

fashion industry - (textile industry and glove making - today glove manufacturing, few fashion design companies)

[12] Source: Creative Economy Outlook: Trends in international trade in creative industries, 2018, unctad.org

music industry - (church music, organ production, Kodály method - today organ production, Pannon Philharmonic, leading ensembles of pop music: PASO, Dead Money, Little Star, Kispál, Punnany Massif, etc.)

Film and Television - (Film Festivals, MTV Pécs District Studio, Pécs TV - Today Film Office Activities, TV Studio)

architecture, design - (interior architecture, Marcell Breauer and Bauhaus) - today architect training, architect communities

The historical traditions of South Transdanubia (NUTS3) region, bordered by Lake Balaton, the Danube and the River Drava, reach back to the Roman times. From the middle of the first century B.C., the geographical and cultural unit of the listed area was known as Pannonia, then in the second century it was divided into Pannonia Superior and Pannonia Inferior divisions. Sopianae, or Pécs today, became the capital of the territorial unit known as Valeria in the third century. The city has been holding the region's leading role ever since. The cultural significance of the Roman settlement was raised by the discovery of the painted ancient Christian burial chambers, which can be mentioned among the few historical sites where the rise above the surface of Christianity's architecture can be traced. The ancient Christian tombs were raised by UNESCO to the World Heritage List.

The cultural development of the city was significantly influenced by the establishment of the Pécs Diocese in 1009. King Stephen, by establishing the now-millennial Bishopric, designated Pécs as the castle of literacy and knowledge, determining the role of an intellectual centre for centuries in the Middle Ages. The city, which has a good relation with the Vatican, and which regularly keeps up the connection with the Italian art and culture, cultivates the memories of the poet-bishop Janus Pannonius (1434-1472) to this day.

In 1367 King Louis the Great founded the first university in Pécs. The University of Pécs, which has 650-year-old roots, is still the dominant knowledge centre in the region. According to its historically established role, the University of Kaposvár operating in the centre of the large area of Somogy County - Kaposvár - plays a major role in the field of agricultural sciences, although teacher training has been significant for decades just as the art education more recently.

In Somogy County the historical traditions strengthened mainly the agriculture, forestry, and at the shore of Lake Balaton the fishing activities. Its economic results remained isolated and have not become a part of the region's economic strength. However, the relative territorial isolation has long helped maintain the peasant culture, in which the traditions of handcrafts have remained to this day. Because of the big forests and extensive animal husbandry, the wood industry, glassware and stroller-leather works are rich in history.

The seat of the county, Kaposvár was not only a commercial but also a light industry centre. Textile industrial activity and clothes manufacturing was typical in the economy of the city right until the regime change in 1990.

The third county of the region – Tolna – was primarily characterised by agricultural production and riparian trade, also here it was handicrafts traditions that were sustained for relatively long, in the southern part of the county pottery was especially typical.

Pécs as the economic and commercial centre of the region has had a dominant role since the Roman times. The city that lies at the crossing of commercial routes has a peaceful atmosphere and pleasant climate. The fair of Pécs has centuries of traditions by now.

The first economic zones of the city were created from the 18th century, by industrial mills powered by the water of the Tettye stream abounding in water coming out from the rocks of the Mecsek Mountain (Kaposi & Vonyó, 2009). These are the foundations on which the still significant gloves manufacturing and within fashion industry the production of accessories is built.

A still existing speciality of creative industry is Zsolnay porcelain factor that went through a spectacular industrial development in the late 19th century. It was the large-scale production of industrial ceramics (drain pipes, electrical insulators and ceramic construction materials) that allowed the production of ornamental objects that resulted in artistic pieces of international recognition.

Another factory showing outstanding creative industry production was the organ factory of József Angster at the end of the 19th and the beginning of the 20th century, also shipping to international markets. The manufacturing of organs is still an existing activity in the city.

Although it is no longer typical, in the early 20th century 57% of all businesses in Pécs were textile industry companies, especially in the field of clothes manufacturing.

All this was changed, however, by the start of coal mining in the Mecsek Hills in the 19th century. The mines did not only increase the number of workers; the economic upheaval also resulted in the birth of technical intelligentsia and a well-off bourgeois class. At the time of the industrial boom there were a large number of viable businesses active in handicrafts and ornamental art that served the demand of the bourgeois class enriched by the economic activities.

Zsolnay Vilmos – a creative industry entrepreneur – did not only found his factory and settled a whole city quarter (Ledina) with his potters but also organised the National Expo in Pécs, attracting one million visitors, and founded the Chamber of Commerce and Industry.

The strengthening of the bourgeois class also resulted in the development of theatre and music life, leading to the especially high level of event organisation and performing arts.

2.2. An introduction of the cretive sectors of the region

The creative industry of the region was characterised with the classification below by the Creative Industry Cluster founded in 2007 (KIKK Egyesület, 2015), aggregating the most important creative industry actors of the region.

The individual classification of the activities was necessary so that we could order the activities of cluster members into real sets, as some of the businesses may have and do have several profiles. From the several possible breakdowns of creative industry, the Cluster mostly used the simplified definitions of DCMS.

Later the individual features of the creative industry will be demonstrated, as will the horizontal approach.

- Art and Design
    - this group involves businesses that make direct artistic/cultural/design products with industrial methods, i.e. they professionally pursue artistic or applied arts activities
- Event organisation and cultural services
    - this category consists of businesses engaged with the organisation of cultural events, museum and exhibition activities
- Marketing and Communication
    - creation of business communication tools (advertising, media contents, creative ATL and BTL) and their placement in the real and virtual space
- Business support activities
    - a group containing creative industry intermediary, policy development, research and development organisations and the financing of creative industry.

In the United Kingdom, the Department for Culture, Media and Sport defined in 2001 the sectors of the cultural creative industry, and this classification was renewed in 2014. In this classification CCI industries are as follows.

DCMS classification of the United Kingdom (2001 and 2014)	
2001	2014
Advertising	Advertising and marketing
Architecture	Architectural activities
Industrial design	Design: product, graphical or fashion
Fashion industry	Industry related to publicising activities
Book publishing	Film, TV, video, radio or photography
Film- and video industry	IT, software or computer services
Television and radio	Music
Software industry	Performing arts or visual arts
Computer and video games	Manufacturing of jewellery
Music industry	Museum, galleries and libraries
Performing arts	
Arts and antiques market	
Handicrafts industry	

Source: PhD thesis of Krisztina Keresnyei Dr. (Keresnyei, 2015)

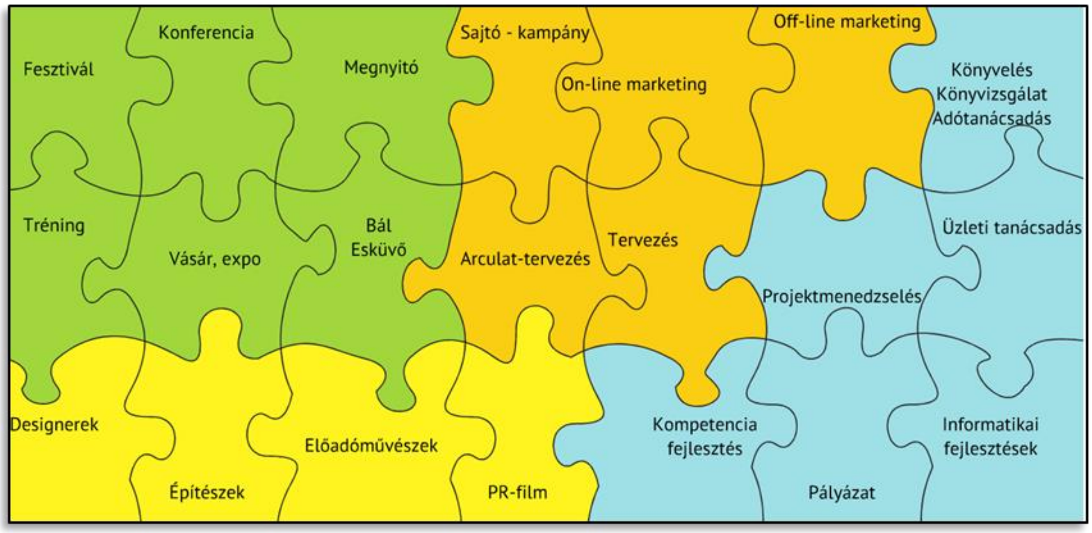
The survey of the Creative Industry Cluster showed the following situation in South Transdanubia in 2010:

Sector	Number of businesses in 2010
Performing art	183
Trade of cultural goods	122
Media, publications, press	183
Film manufacturing, film art	53
Advertising	109
Fine arts	227
IT programmes	92
Museums	103
Architecture, architectural arts	366
Planning and design	81
Musical instruments	4
Heritage management	30

The featuring of the IT companies is questionable, in the classical approach only those companies should be included in this classification that deal with the development of cultural creative content or industry support solution.

The service portfolio of the Creative Industry Cluster

Green colour in the figure marks event organisation, the orange is the colour for PR and communication, the sub-category of business support activities are marked by blue and applied arts by yellow.



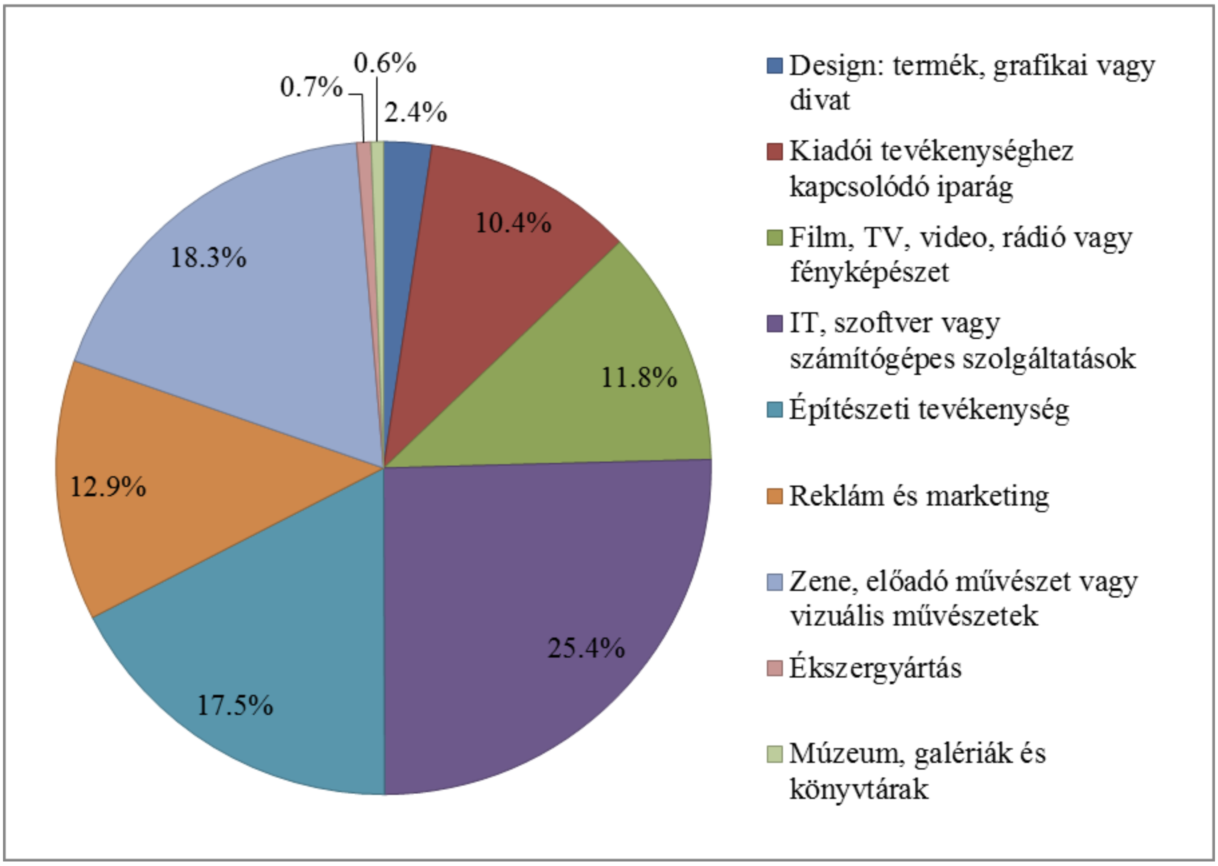
3. Figure: The service portfolio of the Creative Industry Cluster

Festival	Conference	Opening ceremony	Press campaign	Online marketing	Offline marketing	Accounting Auditing Tax consultancy
Training	Fair, expo	Ball Wedding party	Identity design	Planning	Project management	Business consultancy
Designers	Architects	Performing artists	PR film	Competence development	Tenders	Informatics developments

Edited by Szabina Bodnár, Anikó Kiss 2012

Keresnyei Krisztina (Keresnyei, 2015) made the work of converting the industry codes of DCM into TEÁOR codes (TEÁOR is the Hungarian classification of activities), so now we have got a unique creative industry sectoral code system and the data of the HCSO also become useable.

We possess the data of Baranya county for 2011 in the comparisons featured below.



4. Figure: Proportion of cultural creative industrial enterprises

The above data demonstrate the shares of creative industry businesses. Taking the already mentioned distortion of IT into consideration, the following ranking of the industries can be made.

a. IT – software development, gamification, visualisation **25.4%**
b. Music, performing arts and visual arts (where we should also the include the of sector event organisation and event technology) **18.3%**
c. Architectural design **17.5%**
d. Advertising and marketing **12.9%**
e. Film and video manufacturing industry **11.8 %**
f. (Publishing activity– this has possible dramatically declined after the bankruptcy of Alexandra)
g. Design – product, graphic, fashion **2.4 %**

The listing above contains the data from the years of the economic crisis, since then the political and economic conditions have considerably changed. Sectors most concerned are media, advertising and marketing, a strong concentration in this area has taken place, as a consequence of which the number of local media enterprises has somewhat decreased.

We have to remark that statistics based on the TEÁOR classification too are only approximately correct, as a significant part of the businesses do not specify their creative industry activity as the main activity, and before the 2008 TEÁOR system it was typically the economic activity n.e.c., i.e. not elsewhere classified.

It would be very important to identify creative businesses in the framework of a national survey.

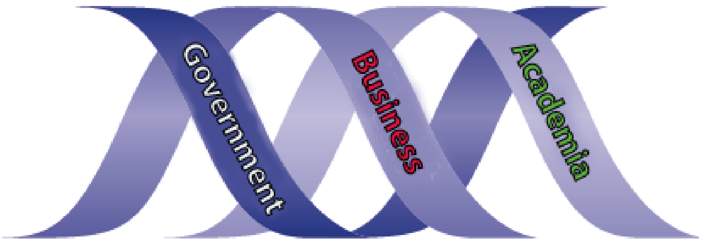
The criticism of the ranking above can be stated as a **professional opinion,** remarking that:

- IT businesses do have the largest development potential, in which it is mainly VR/AR visualisation, dashboard, and SCADA applications that can create trans-sectoral connections to mechanical engineering and other industrial activities.
- The most significant cultural sector is performing arts and event organisation, for which the following aspects should be taken into consideration:
    - performing art can also create value by becoming a tourism product and in this case we can talk about the in-situ export of the cultural product
    - performing art can do export activity by having international shows
    - event organisation is a process that has a local value chain
    - the sector has a considerable number of owners from the state/municipal circles
    - the direct profitability of performing art and event organisation is questionable with the operation of the business model typical in Hungary
- Advertising and marketing companies using applied art solutions are really strong and find a sound basis in the trainings of the University of Pécs, but their export activity and networking are weak, and they show a minimum upscaling, only.
- Film and video manufacturing was given a new momentum by the assignments of a local company and MTVA (Media Services and Support Trust Fund), but it has not been able to get a significant amount of assignments from the Budapest based film and video industry. This activity, on the other hand, is also supported by trainings at the Faculty of Engineering and Information Technology of the University of Pécs, and at the University of Kaposvár.
- The Architectural Artist major of the University of Pécs and the Breuer Marcell Doctoral School inspired the operation of a large number of highly skilled architects after the crisis. Their activity also appeared in the area of design, however, it is still very much architecture centred, with object creation significantly lagging behind, despite the existence of the training of industrial designers at the Faculty of Engineering and Information Technology of the University of Pécs and the object creation major at the Faculty of Music and Visual Arts of the UP.
- There is a palpable professional and consumer demand for the development of the design+technology direction.

2.3. An introduction of the major creative actors

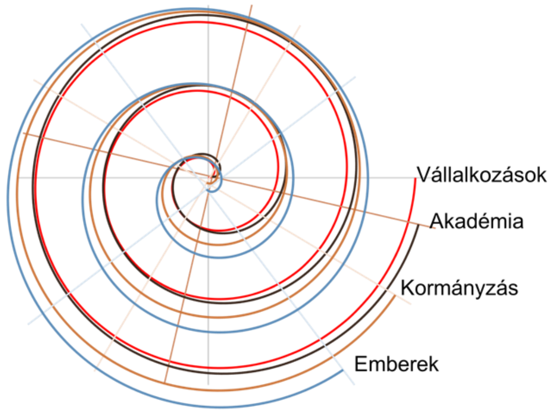
For the introduction of the actors of creative industry it is worth making a breakdown by a fourfold spiral.

In the previous approaches the principle of threefold spiral would have been acceptable, as follows:



5. Figure: Triple helix principle

Academia as a knowledge basis and training sector, **decision-making** and as a line responsible for the creation of the economic environment, while **business/industry line** would be the line of the profession and the sector, but in the case of creative industry we must not neglect the community of people as the context and relationship system of cultural and creative industry.



Source :edited by the authors

Vállalkozások: Enterprises

Akadémia: Academy

Kormányzás: Government

Emberek: People

6. Figure: Four spiral principle

The list below contains those organisations in the first place that have an impact on the creative industry of the region either because of their past (reputation), employment size, and/or innovative activity. Without aiming at completion, we demonstrate those organisations in the list that have a real potential for the development of the creative industry.

Of course, there are many other institutions and workshop that could have been included in the list, but their activity in the field of the creative industry has not been very intensive so far.

Businesses

Name	Size	Sector	Activity	weight in the sector
Creative industry Cluster	app. 400 persons	sectoral cluster	competence development, international relations, development of business model, cross-sectoral relations, project generation	10
Harman Professional Ltd.	Pécs location of a multinational corporation, 400 persons	studio technology, event technology	professional audio mixers and intelligent reflectors, projector lamps. Only manufacturing, no development	7
Pécs Organ Building Manufacture	SME, 60 persons	music industry, manufacturing of music instruments	organ building and renovation, manufacturing of space parts, unique developments, manufacture show	9
Pannon Philharmonics	Nonprofit Ltd. (SME)	music industry, performing art	classical music concerts, theatre orchestra, children's events	9

	app. 160 persons	event organisation		
Zsolnay Manufacture Ltd.	SME (app. 70 persons)	design, object creation	manufacturing of ceramic ornaments, construction ceramics, manufacture show	7
Zsolnay Heritage Management Non-for-profit Ltd.	SME app. 120	event organisation, museum and heritage management	operation of the Zsolnay Quarter and the Kodály Centre, organisation of city events, operation of world heritage sites and city museums	9
Erla Group	SME group app. 60 persons	event technology, film and video production, televisions production of shows	servicing events with audio, lighting and stage technology, production of television shows and advertising	10
Philharmonic Hungary Non-for-profit Ltd.	SME (Nonprofit) app.60 persons	music industry, event organisation	organisation of concerts at national scale, event organisation	7
Gant Ltd.	SME app. 60 persons	design, fashion	gloves manufacturing, gloves museum, manufacture show	
Partners Pécs Ltd.	SME app. 6 persons	event organisation	organisation of medical conferences	8
RG Group	SME app. 20 persons	software development, media	community media services	7
Made in Pécs	SME 6 persons	media	Made in Pécs magazine, Est Café	8
Ferling	app. 22 persons	PR and communication	Event organisation, online communication	8
Pazirik Ltd.	app. 13 persons	graphics/IT	3D visualisation, animation, museum visualisations	7
Bolko Design Ltd.	app. 11 persons	design, print	Graphical design and printing	8
Másfél stúdió Ltd.	app. 7 persons	architectural art	design, 3D visualisation	7
DekoRozmár	3 persons	design, graphics	souvenirs, decoration, graphical design	9
Létra	n. a.	community space	co-working and fablab	9
Cultural Laboratory Social Cooperative	6 persons	community space	Freeport, fablab	9
Kortárs Supply Cooperative	4 persons	Community space, local design	Csinos Bar, creative fairs, Design pharmacy	9
Kerko Media Ltd.	2 persons	content industry agency	creative contents, communication projects, practical training workshop	9

Academia

Name	sector	activity	weight in the sector

Faculty of Engineering and Information Technology, UP	technical sciences	training of construction architects, doctoral training, industrial design, television shows production	8
Faculty of Music and Visual Arts, UP	arts	object creation (ceramics, sculpture), applied arts, fine arts, 3D visualisation	7
Faculty of Business and Economics, UP	economic sciences	development of business models, start-up incubation	5
PTE ITD	interdisciplinary	applied research, innovation management	5

Governance

Name	sector	activity	weight in the sector
Pécs-Baranya Chamber Of Commerce and Industry	economic development	development of the economic environment, regulators, local and national relations, **EEN** Creative Industry Sector group	9
Municipality of the City of Pécs	local decision-making	joint programmes with the creative industry, business friendly environment for creative ones, real estate management	3
Hungarian Design Council BP.	sectoral developments	Design week, Design award system, professional trends	7

Private persons, non-governmental organisations, artists, creative people, connector people

Name	sector	activity	weight in the sector
Pécs Diocese	church heritage	heritage management, tourism	8
Irány Pécs Association	touristic services	fun tours, sales of souvenirs, museum shop	7
Pécs Ma	media	local print and online media	7
Sándor Pinczehelyi	fine arts (painter)	exhibitions, organisation of art events	8
Béla Stenczer	actor	organisation of theatre performances	6
László Bagossy	theatre director	theatre and dramaturgy training	7
Zsuzsanna Pernyéz	business coach	Green Zone, HICS, creative projects	8
Zoltán Pál	sculptor	creative projects	7
Tamás Lakner	musician	Szélkiáltó band, Bartók male choir, concerts, wine song festival	8
Slaven Vidákovics	actor, director of theatre	sustaining and management of the Croatian theatre of Pécs and the Summer Theatre of Pécs	7

Csilla Vincze	non-governmental organisations	leadership of the House of Civil Communities	7
Balázs Gróf	graphic designer	production of comics also for the international market	7
dr. György Fusz	ceramics artist, university professor	organisation of applied art trainings, sectoral organisational activity	8
Enikő Schmidt	Pécs-Baranya Chamber Of Commerce and Industry	representation of the Hungarian Group Of Creative Industry Sector in Enterprise Europe Network	8
András Lovasi	music industry	alternative music groups, Fishing on Orfű festival	10
János Keresnyei	creative industry expert	organisation of creative industry cluster, sectoral development projects	10

2.4. An organisational background and frameworks of the creative sector

Article 4 of Act VI of 2008 announces and thereby approves the convention of UNESCO approved in Paris in 2005 on the Protection and Promotion of the Diversity of Cultural Expressions. In this document the definition of cultural industry is as follows:

4. Cultural activities, goods and services

"Cultural activities, goods and services" refers to those activities, goods and services, which at the time they are considered as a specific attribute, use or purpose, embody or convey cultural expressions, irrespective of the commercial value they may have. Cultural activities may be an end in themselves, or they may contribute to the production of cultural goods and services.

5. Cultural industries

"Cultural industries" refers to industries producing and distributing cultural goods or services as defined in paragraph 4 above.

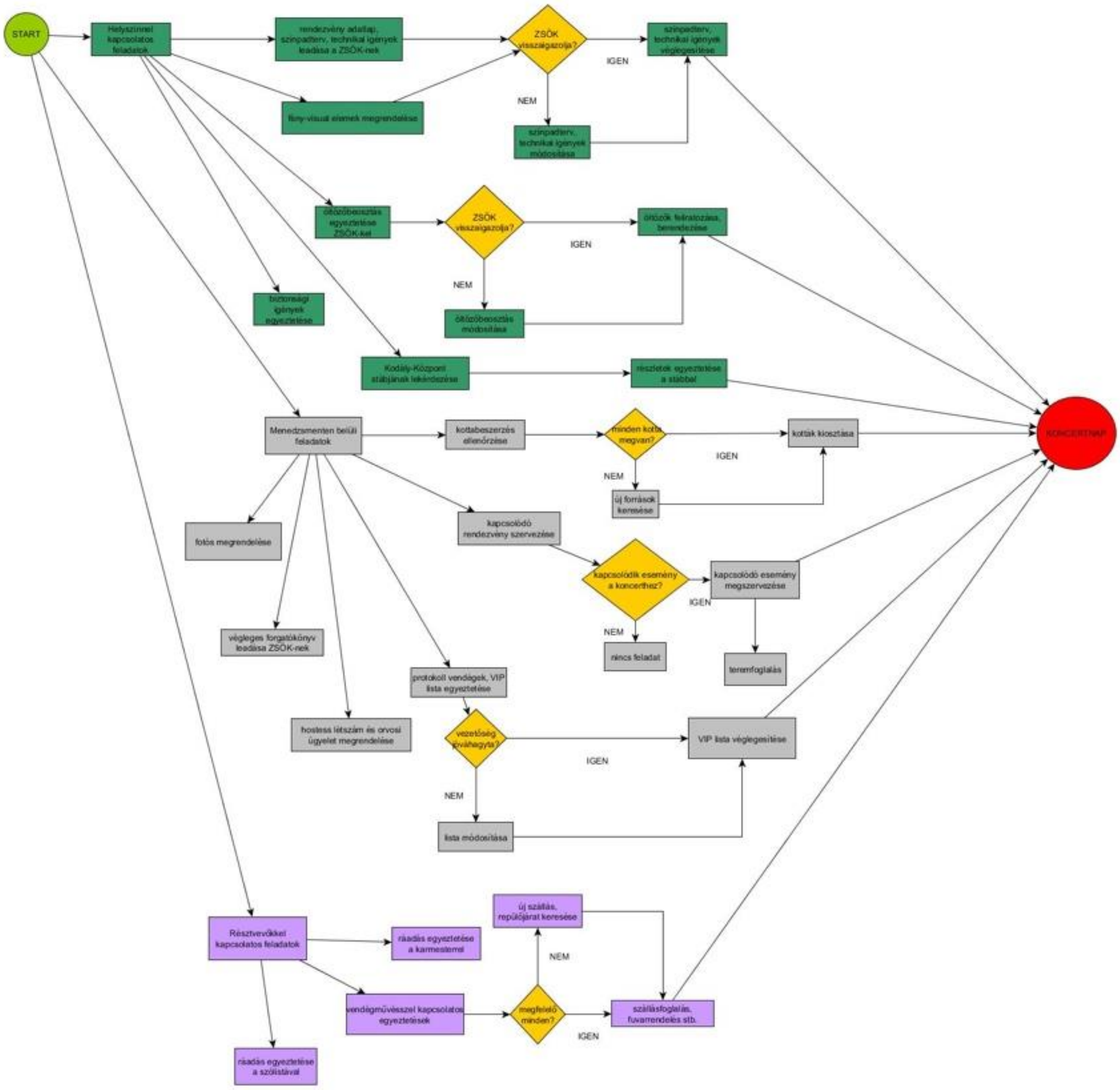
6. Cultural policies and measures

"Cultural policies and measures" refers to those policies and measures relating to culture, whether at the local, national, regional or international level that are either focused on culture as such or are designed to have a direct effect on cultural expressions of individuals, groups or societies, including on the creation, production, dissemination, distribution of and access to cultural activities, goods and services.

In the European Union's green paper on creative industry:

Creative industries are industries that use culture as an input and have a cultural dimension, although their outputs are mainly functional. They include architecture and design, which integrate creative elements into wider processes, as well as subsectors such as graphic design, fashion design or advertising.

The interpretation and the professional approach are best demonstrated by the figure below, which is the flowchart of the concert organisation activity of the Pannon Philharmonics in the Kodály Centre.

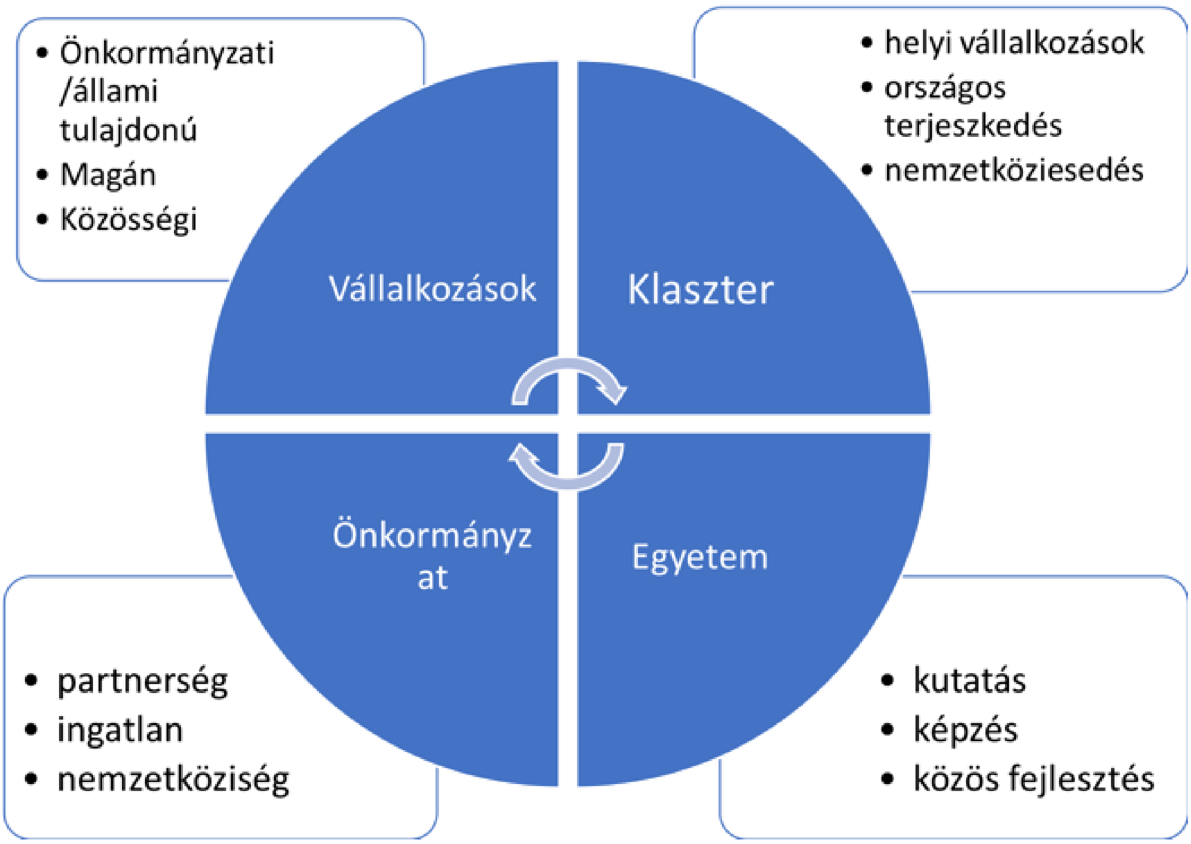


Source: (Keresnyei Z. , 2013)

7. Figure: Flow chart of the concert organizing activity of the Pannon Philharmonic Center

Helyszínnel kapcsolatos feladatok	Tasks related to the venue
Rendezvény adatlap, színpadterv, technikai igények kiadása a ZSÖK-nek	Datasheet of the event, stage design, informing ZSÖK about technical demands
ZSÖK visszaigazolja?	Confirmation by ZSÖK?
Színpadterv, technikai igények véglegesítése	Finalisation of stage design and technical demands
Fény-visual elemek megrendelése	Ordering of lighting and visual elements
Színpadterv, technikai igények módosítása	Amendment of stage design and technical demands
Öltözőbeosztás egyeztetése ZSÖK-kel	Consultation of allocation of dressing rooms with ZSÖK
Öltözők feliratozása, berendezése	Labelling and equipment of dressing rooms
Biztonsági igények egyeztetése	Consultation of security needs
Öltözőbeosztás módosítása	Amendment of allocation of dressing rooms
Kodály központ stábjának lekérdezése	Acquisition of the cast of Kodály Centre

Részletek egyeztetése a stábbal	Negotiation of details with the crew
Menedzsmenten belüli feladatok	Management related tasks
Kottabeszerzés ellenőrzése	Control of the purchase of music scores
Minden kotta megvan?	Are all music scores available?
Kották kiosztása	Distribution of scores
Új források keresése	Search for new resources
Fotós megrendelése	Assignment of photographer
Kapcsolódó rendezvény szervezése	Organisation of related event
Kapcsolódik esemény a koncerthez?	Is any event related to the concert?
Kapcsolódó esemény szervezése	Organisation of related programme
Végleges forgatókönyv leadás ZSÖK-nek	Submission of final scenario to ZSÖK
Protokoll vendégek, VIP lista egyeztetése	Consultation of special invited guests and VIP list
Nincs feladat	No task
Teremfoglalás	Booking of room
Hostess létszám és orvosi ügyelet megrendelése	Ordering hostesses and medical service
Vezetőség jóváhagyta?	Approved by the management?
VIP lista véglegesítése	Finalisation of VIP list
Lista módosítása	Amendment of list
Résztvevőkkel kapcsolatos feladatok	Tasks related to participants
Ráadás egyeztetése a karmesterrel	Consultation of encore with the maestro
Új szállás, repülőjárat keresése	Search for new accommodation and flight
Ráadás egyeztetése a szólistával	Consultation of encore with the soloist
Vendégművésszel kapcsolatos egyeztetések	Consultations concerning guest artists
Megfelelő minden?	Is everything correct?
Szállásfoglalás, fuvarrendelés stb.	Booking of accommodation, transfer etc.
Koncertnap	Concert day



8. Figure: Structure and theoretical functions of the creative industry of the region

Municipal/sate owned Private Community	local businesses expansion on the national market internationalisation
partnership real estate international character	research training joint development

Businesses

Cluster

Municipality

University

Basic problems of the organisation of the creative sector in South Transdanubia

h. low level of cooperation and mutual impacts among the elements of the fourfold spiral mentioned in the previous chapter
i. unorganised character of the region of South Transdanubia, the lack of regional institutional system. The lack of cultural and economic cooperation. The overweight of Pécs as a centre of cultural creative industry
j. low level of research and development cooperations
k. low level of interdisciplinary cooperation, lack of such value chains
l. ad-hoc character of trans-sectoral cooperations, the complete lack of Open Innovation
m. underrating of the economic power of creative industry, failure to recognise the cooperation possibilities
n. economic decline of the region

Value chains implemented within the creative industry are short and rarely complete – an exception from this is event organisation, an activity traditionally successful in Pécs.

Visibility, level of organisation

The Creative Industry Cluster was founded on a bottom-up initiative in 2007, using the opportunity offered by the Baross Gábor Innovation Tender. The operation of the cluster has turned to self-sustaining by now, which is rare everywhere in Europe, however, the professional activity pursued for the achievement of self-sustaining leaves little resources left for cluster management.

The cluster is more recognised internationally than in Hungary, this is primarily due to the successful EU Interreg and Erasmus tenders and unfortunately not so much to the international commercial activity of the cluster.

Budapest, due to film industry, design and fashion businesses spinning out of creative industry trainings and of course also to the large number of cultural organisations is the most significant creative industry venue, however, apart from the Budapest Design Week there is absolutely no bottom-up creative industry professional organisational activity detectable in the capital city. The Hungarian Fashion and Design Agency, operating within the Hungarian Tourism Agency, was founded by the government.

The Creative Industry Cluster is member of the Hungarian Cluster Association, an organisation consisting of sectoral clusters, with the aim of influencing sectoral policy.

The Cluster is also a member in the Balkan-Black Sea Cluster Network in which connection is sought and created to more than one hundred clusters. These relationships usually appear in international tendering cooperations.

Employment

There are still some data by which the size of the creative economy can be demonstrated at least in Baranya County. Krisztina Keresnyei (Keresnyei, 2015) made calculations in her doctoral thesis on the basis of TEÁOR numbers and the possible sectoral codes, as a result of which **Baranya County has position 11 as regards the number of employees in creative industry**, whereas its position in the knowledge intensive sector is 7. – i.e. we cannot talk at all about a leading role even among the countryside locations. Being one of the most backward regions of Hungary, the situation cannot be better in the other counties, either.

	Number of employees			Proportion of employees		
	Creative industries	Knowledge intensive industries	Creative economy	Creative industries	Knowledge intensive industries	Creative economy
Budapest	109,556	251,214	360,770	9.4	21.6	31.0
Baranya	8,323 (11.)	15,999 (7.)	24,322 (7.)	7.5 (10.)	14.5 (4.)	22.0 (5.)

Source: Department of National Accounts, HCSO (Keresnyei, 2015)

The data – although not the trend – may be distorted by the change of creative industry employment with the appearance of the taxation systems called EVA (Simplified Entrepreneurial Tax) and KATA (Small Taxpayers' Itemised Lump Sum Tax), when the creative, becoming self-employed, are subcontractors.

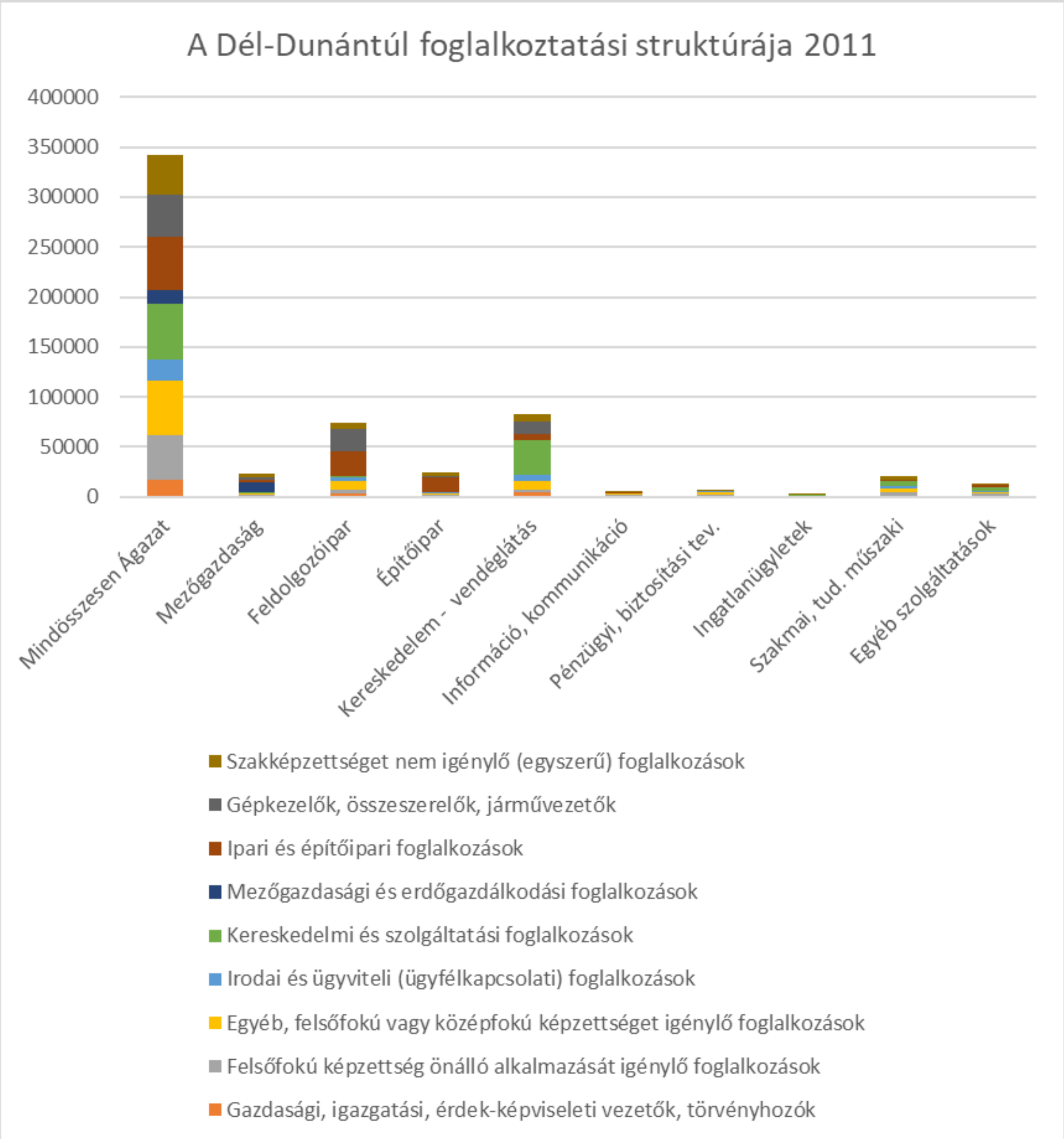
The employment structure of the industry is characterised by

a. employment in state- or municipality-maintained cultural organisations;

b. employment statuses in businesses;

c. university employment; and

d. self-employment as individual entrepreneur.



9. Figure: Structure of employment in the South Transdanubian Region, 2011

Mindösszesen ágazat: Sector total

Mezőgazdaság: Agruculture

Feldolgozóipar: Manufacturing

Építőipar: Construction

Kereskedelem – vendéglátás: Trade - catering

Információ, kommunikáció: Information, communication

Pénzügyi, biztosítási tevékenység: Financial, insurance

Ingatlanügyletek: Real estate transactions

Szakmai, tudományos műszaki: Professional, scientific, technical

Egyéb szolgáltatások: Other services

Szakképzettséget nem igénylő (egyszerű) foglalkozások = Unskilled (simple) occupations

gépkezelők, összeszerelők, járművezetők = machine operators, assemblers, drivers

ipari és építőipari foglalkozások = industrial and construction occupations

mezőgazdasági és erdőgazdálkodási foglalkozások = agricultural and forestry occupations

irodai és ügyviteli (ügyfélkapcsolati) foglalkozások = office and administrative (customer relations) occupations

egyéb, felsőfokú vagy középfokú képzettséget igénylő foglalkozások = other occupations requiring higher or secondary education.

felsőfokú képzettség önálló alkalmazását igénylő foglakozások = felsőfokú képzettség önálló alkalmazását igénylő foglakozások

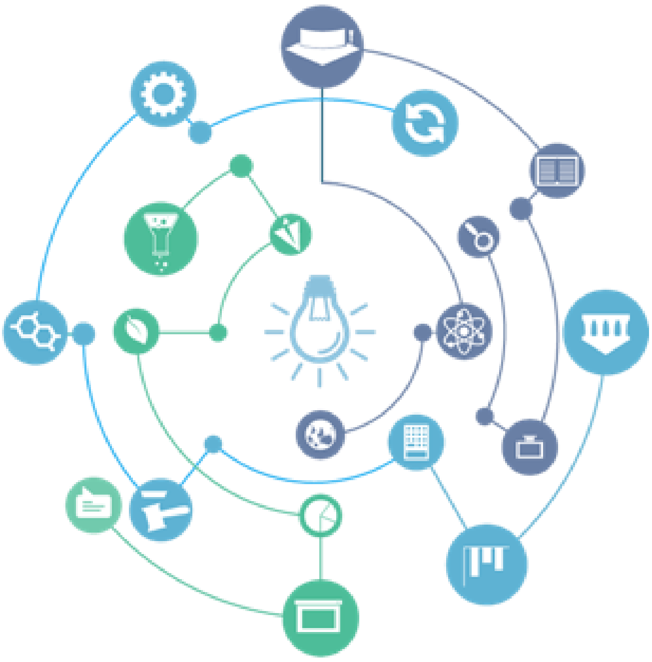
gazdasági, igazgatási, érdek-képviseleti vezetők, törvényhozók = economic, administrative, interest representation leaders, legislators

This is interesting because it is creative industry and IT employment where the most drastic transformation could be seen in recent years. Self-employment and remote working are especially favoured by creative businesses because orders are becoming more and more complicated and require an ever-increasing level of knowledge. It is hard for a business to employ an adequately trained labour force for these challenges, so experts with individual skills are employed for the specific tasks.

Due to the increased bandwidth of internet and the dynamic technological change, remote working and part-time employment are becoming more and more popular. Another factor contributing to this is the new employment of the generation socialised to the internet (Z – Millennial and Alfa generations). According to forecasts (Mahrinah von Schegel), by 2025, of all jobs in the world 40%-45% will be “fulfilled” by freelancers (self-employed). (Carmy, 2019). In this economic structure, the change of traditional employment and company structure is expected especially in creative industry.

One solution for the problem is the appearance of the system of co-working (community office), which is rapidly spreading also in Europe, following the example imported from America.

In Pécs it was the Creative Industry Cluster to open the first co-working office, followed by others soon (Kóger, 2019). A specific phenomenon is the birth of the Partisan Office which started as co-working of architects organised by architects, but they soon realised it was better for them to continue as a working community, as the essence of co-working is the blending of professions and direct spontaneous sharing of knowledge (Korb, 2013).

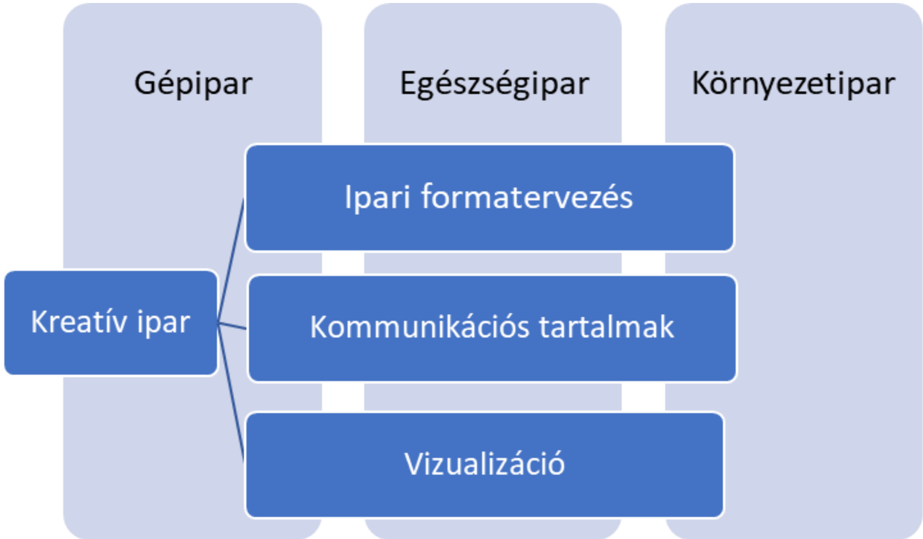


Source: clusterchico.eu

10. Figure: co-working

The point in the creative industry structure is **networking**. The Cluster is the adequate organisation for creative industry because the extremely fragmented structure and the small but quite influential organisations best meet the laws of networking (Hakansson & Snehota, 1989).

2.5. The trading and commercial system of creative industry



11. Figure: Trade and production system for the creative industry

Gépipar = Mechanical engineering

Egészségipar = Health industry

Környezetipar = Environmental industry

Kreatív ipar = Creative industry
Iprai formatervezés = Industrial design
Kommunikációs tartalmak = Communication contents
Vizualizáció = Visualisation

The figure above demonstrates that creative industry – very similarly to IT – is a horizontal sector, i.e. (in case of industries typical of the region) almost all positions of the industries with vertical value chain (system of suppliers) are connected in some way to creative industry at least in the field of design, communication or sectoral/non-sectoral visualisation.

Accordingly, creative industry value chain should be analysed both in itself and in its application.

If we look at creative industry activity in itself, we can measure the potential of the businesses operating in the region for the coverage of a complete value chain. The value chain of the event organisation sector of the Creative Industry Cluster was analysed by Szabina Bodnár and Anikó Kiss in their National Student Conference paper in 2012. Data of course are from cluster members, only, but the competency coverage as demonstrated below can be seen on the basis of real values.

SERVICES	location, venue of the event	Rent of devices (stage, tent)	Catering	Decoration, scenery	Documentation (photo, video)	Audio and lighting technique	Hostess	Translation, interpretation	Mediation of artists	Installations	Clothing	Cutlery	Coverage of the respective event (in %)
Total number of members providing it	4	1	0	2	3	1	1	0	4	3	0	1	
Festivals	1	1	0		3	1	1	0	4	3			78%
Conferences	4	1	0	2	3	1	1	0	4			1	80%
Opening organisation		1	0	2	3	1	1	0	4				75%
Training organisation	4	1	0		3	1			4				83%
Fair, expo	3	1			3	1	1	0	4	3			87.5%
Ball, wedding party	4	1	0	1	3	1	1	0	4		0	1	81%

Edited by Szabina Bodnár, Anikó Kiss 2012

12. Figure: value chain of the event organisation branch in the creative industry cluster

Of course, neither the actors of the value chains themselves nor the decision-makers recognise that creative industry too should be treated in a **value chain centred approach**.

The most valuable value chains would be those that would impact the other three branches of the fourfold spiral, but the desirable thing would be the creation of trans-sectoral value chains.

If we want to examine the cultural creative industry of the region in the light of the four development models described by Potts and Cunningham (Potts & Cunningham, 2010), the most suitable would be the Welfare and he Competing models on the basis of the following versions.

The four models of creative industries

1. the Welfare model
2. the Competition model
3. the Growth model
4. the Innovation model

(Potts & Cunningham, 2010)

In the WELFARE model the traditional approach is used, when the support of the state/municipality keeps creative industry alive. The market is unable to finance the actors of the artistic pieces in a sustainable way, and so the state/municipality must provide supports for the provision of the population with cultural goods. These supports cannot even be considered as investments; in accordance with the general view creative industry consumes more than it produces. In this model the direct impacts of creative industry are not seen as value, cultural consumption is just the icing on the economic cake, creative industry is considered as the drain of the economy with a negative balance.

In the COMPETITION model creative industry does not have a selected role; it is only one of the sectors. In this model this sector does not contribute to innovation, the businesses working in it can hardly get by or survive. The sector is not given state/municipality investments, either; it must practically rely on its market potential, only. Although the sector is growing because of its popularity, it cannot be expected to drive prosperity in the region.

In the GROWTH model creative industry is the fastest growing industry, with an ability to positively influence the growth of other industries, similarly to the industrial growth in the sixties or the boom of the IT sector in the eighties and nineties. Special growth is visible not only in added value and employment but also in the new types of employment and new business ideas. All this can only be achieved if given by a significant support impetus by development policy. This model considers creative industry an Olympian that is worth the support (Potts & Cunningham, 2010, old.: 9).

In the INNOVATION model creative industry is part of the circulation of innovation. This phenomenon can be so natural that creative industry as such is not even specified, it is seen as innovation ecosystem. In this model creative industry is part of the new economic model that can also be called creative economy in other words.

A simple introduction to the models is already enough to get an image of the creative industry of the region on the basis of the available information, but calculations of the models should also be made, not so much for the clarification of the given situation but for the measurement of the success of the future strategy.

Focusing on Pécs in the region we can definitely say that the creative industry of the region could be described by the **Welfare model**. The incoming state/municipal supports appear as institution financing, even though most of the institutions work in the form of businesses. The non-for-profit businesses are the buyers of the network of suppliers that gets by on the market, although only at a self-sustenance level.

This is also typical of Pécs, but in this city now we have a – quite thin – layer that can get along also in the market competition. In the Competition model there is no state support for them – this is true even for the Creative Industry Cluster itself – and their buyers are not supported cultural non-for-profit businesses, either. Creative industry survives and slowly grows in Pécs, but it cannot be expected to show a dynamic development without supportive policy and investments.

Creative industry operators typically carry out sales activities themselves, there are no specialized management or wholesaler companies, joint selling organizations, e-retailers. Internet commerce is based on a modest range of general (wide profile) websites. Among them, the MESKA, which has been launched for handicraft products, has become popular among the unique and small series of craft and creative products. Since the offer of individual actors is generally below the critical quantity that provides for independent trade and marketing visibility and is not linked to major network nodes, the Internet is for network-theoretical reasons remain virtually invisible to the target groups.

3. Challenges and opportunities of the creative sector

3.1. Innovations and development tendencies

Networking

A success story of networking in the South Transdanubian region is the establishment of the Creative Industry Cluster and its operation, despite the inconsistent intensity of this operation (interestingly, it is lower in the economic boom). Nevertheless, it is a proof for the success of the networked operation.

The Cluster is a higher level of simple networking, if we accept that the Cluster can be distinguished from network by the existence of joint products.

Now the foundation of the operation of clusters is the value chain concept – the elaboration of this in the region is still to be done –, this seems to be the most easily implementable process for the sake of successful networking.

Networking is also a matter of dimensions. In the local–regional dimension the restraints of network paradoxes are much more serious than when we evaluate the achievements of a network bigger in territorial scale. Just for this reason, the enlargement of the Creative Industry Cluster into a national one seems to be a feasible solution that would not decrease at all the importance of the businesses operating in the region, in fact, would open them up and drive towards new market-based cooperations.

If we are looking for networking possibilities not only in territorial dimension, we have to make our search along the horizontal functions of creative industry. Due to design, new value chains can be developed in creative industry by IT developments and also by mechanical engineering developments related to Industry 4.0.

3.2. Potential creative industry locations

It is an international experience that creative industry actors and such enterprises are keen on re-using locations already abandoned by traditional industries. Creative businesses usually utilise high value-added activities and less typically live from the locations of the venues – except for commercial activities, of course. A beautiful model and a useful benchmark of the utilisation of brownfield estates is the Interreg CE Creative Cities programme (http://creativecitiesproject.comune.genova.it/en/index.shtml) where studies were made in the cities of Genoa, Gdansk, Leipzig, Ljubljana and Pécs about the utilisation of the real estates in brownfields of the cities, with the assistance of the creative industry clusters.

Unfortunately, the plan of Zsolnay Cultural Quarter had long been made by that time, in the framework the ECoC in the unutilised territories of the former Zsolnay Factory in the form of brownfield investments.

The concept was very brave and progressive, but the implementation was trapped by the traditionally rigid thinking in monuments and the old-fashioned approach of construction industry.

Although the implementation of the buildings and the court was excellent, their maintenance costs so much that creative businesses, usually in a shortage of capital, cannot afford them. For those creative businesses that could afford locating here, the environment is too organised and moderate, better for a tourism attraction than for a creative industry location. A transitory phase is the Institute of Music and Institute of Design of the Faculty of Music and Visual Arts, UP where actual creative work is done.

The buildings were simply over-constructed; the environment is so sterile that it does not allow experimental activities of creative work. For this reason, only those activities can survive in the long run in this environment that operate in organised and regulated productive frameworks, producing small volumes of shipments, and do not make a mess around themselves.

It is still true that monuments and brownfield estates are favourable for the creative industry – there are many international examples for this –, but creative industry actors must be involved in the establishment of these, and the circumstances and business model of utilisation must be created with the consideration of their opinions and ideas.

Near Pécs and Komló there are several abandoned mining properties, which have not been re-used, even though public funding has preserved the buildings in which the original plans and construction of an industrial monument. They were protected by industrial heritage, but the towns losing their industry were not able to exploit them for touristic and cultural-creative industries. For similar reasons, the entire regional economy has remained a capital and a low level of development, including the creative industry. The exploitation is also hindered by many of them located in areas outside the settlements and their availability is cumbersome. Within towns, there are several real estates that can be adapted to creative industries, the lack of exploitation is partly due to the capital poverty and partly from the lack of project ideas. The development of real estate and developments does not favour re-utilization. For external investors, the region that is lagging in development is unattractive and can therefore enforce their need for a green field, which meets today's requirements, with infrastructure and preferably rental halls. As a result, the old property is in many cases waiting to be demolished or for local government developments that serve community purposes. Urban strategy materials include the measurement of brown-field properties, the most suitable properties for specific development purposes.

Town of Pécs also has its own downtown areas in the narrower sense, such as the building of the former Bóbita puppet theatre (Mária U.), the Terrarium building (Munkácsy M. U.). In the eastern suburbs of the former so called Újhegy area, where the Organamanufaktura works, there are several properties to be exploited. In the outskirts of several mining areas with industrial monuments it would be possible to place more significant product production (István Akna, Széchenyi Akna, Széchenyi Aknai Hospital Building, Vasasbánya). The environment of Stephen and Széchenyi mines would also be suitable for tourist and/or exclusive residential functions, which could be associated with creative industrial functions. Their exploitation is hindered by the lack of intention, purpose and resources. In Komló the main square's delimiter is the building of the former party centre, which now hosts the city Library and museum collections, art and other exhibitions. The building plays a prominent role in the cultural life of the city. The building has not been accessible for many of the habitants, so it requires carrying out accessibility. The city has more multi-cultural-creative institutions operated by civil organisations which are coordinated by the municipality. In its central position, the library is predestined to exploit the creative sector's development trends and to generate collaborations between the actors.

The difficulty of transforming the cityscape and its features is that some large buildings, practically located in the city centre, remain unused and deteriorate in their state. In the heart of the city,
A degraded aesthetic state but physically stable building, Kossuth Bathhouse, an old office building and and Zobák mines' buildings on the outskirts of the town area spoil the city scape.

The exploitation of the Kossuth mining buildings could be linked to the functions and themes of the library and local history exhibition in the framework of this project, mainly in the small business incubator market-in the form of creative industrial workshops. The recovery is delayed due to the properties of the city in relation to their oversized scale, but it is still necessary to look for opportunities for exploitation

The creative industry businesses operating in South Transdanubia are short of capital, and so they cannot be expected to financially contribute to the renovations.

3.3. Potential new actors of creative industry

As we have already mentioned, creative industry is able and willing to cooperate with many different kinds of sectors, not only through a design but also through the utilisation of artistic vision.

The organised framework of this in Europe is the Digital Innovation Hub system. These are open innovation ecosystems that link academic knowledge and research skills created at universities with the ideas and development concepts of industrial and creative industry actors. With the assistance of successful technology transfer and the most up-to-date technologies, at these locations spin-off projects are generated that have high added value and potential for rapid development.

On the basis of the information above, the possible new creative industry actors will be trans-sectoral businesses established with the cooperation of health industry, IT and mechanical engineering.

4. An introduction to the creative locations involved in the project

The study of the Hungarian Project Partner includes two creative scenes. The first one as a pilot project is in Baranya County, the city of Komló. The second scene takes place in Pécs, the county town of Baranya. The distance between them is 20 km; a century-long historical period of them has been bound by the coal-mining past and tradition.

PILOT PROJECT

INTRODUCTION

The Komló building used to function as the headquarters of the city's communist party. The city had been built up in favour of expanding the local coal mining capacities. The coal mines were shut down and the company legally liquidated in the first half of the nineties of the past century, simultaneously with the change of the political regime. This time the dedicated building provided place for the new parties of the forming multi-party system first, later, parallel with the declining needs of the parties it turned to receive cultural-creative functions. In our days it operates as "**Komló Város Önkormányzat József Attila Városi Könyvtár és Muzeális Gyűjtemény" ("Komló Town Local Government's József Attila City Library and Museum Collection"). Library is the main function. Its collections, exhibitions spread to the area of mining, natural science and ethnography.**

The building stands in the city centre. It is an easily recognisable, detached, imposing architecture in the meeting point of the roads that lead to the city centre. From longer distances it is reachable by bus, car and train, within the city of course by bicycle or on foot as well.

Komló city used to be a small village originally. It began to grow in the 20th century, especially in the time of the socialist heavy industry era by means of coal mining; it reached a city status in 1951. It can be approached on road from three directions, but the railway is available as well, the logistic position may be regarded as commonly advantageous.

The structure of the city has been determined by the relief of the land and the mining past. The structure of the typical industrial city has been characterised by the spots of strongly steeped, wooded areas, industrial plants built

to the valleys and residential areas on flat slopes, interfering each other. Since the termination of coal mining the city turned to a fairly good position in environmental aspects.

The aesthetic picture of the city has been featured by socialist architecture style and precast panel-houses, however it raises a fresh impression, due to much green surface. Komló and its surrounding have been well supplied by cultural heritage, such as traditions, artisan knowledge; on this base a target of the city governance is to develop the creative sector.

The dedicated building was built in 1954; its block has been characterised by the typical socialist realism architecture of the fifties. Main features are: reinforced concrete frame, high levels, horizontal, symmetric order of the building masses. It stands on a very lightly sloping, almost flat place. The structure reflects the original commanding and administrative office function, therefore offices, storage rooms for archives, smaller boardrooms and larger, more imposing conference-rooms may be found. The building has got a basement level, first level, second level and an attic level which has not been utilised so far. The utilised total level area is 2,000 m^2, the dimension of the ground is 3,500 m^2. The surroundings have been ordinated; the building is facing the main street-main square. The site is situated in a traffic cross point.

The building has been basically in an ordered and maintained shape both from outside an inside. Reaching the building and moving inside may mean difficulties for someone due to high staircases and the lack of lifts. The inside traffic has not been accessible for handicapped people in any means at all. The building has been updated energetically; the operating institution has deserved the “Green Library” title, which is rather unique in Hungary.

A portal, own-use offices and a library for adults take place on the first floor, and there are some additional offices to let. A museum of local history, a natural history collection and store rooms are on the second floor. A library for children, store rooms belonging to the adult library and the museum occupies the basement level, where the furniture is rather degraded. The book stock needs discarding, the furniture claims maintenance thoroughly and should be reorganised.

COMPARING THE BUILDING TO THE PLANNED FUNCTIONS

Based on the location, building structure, inner partition, the functions possible to install in the building are the following:

Commerce (Internet based, wholesale, broker, agent)	Culture and public education
Financial services	Health care
Residential function	Economic-industrial activities (small scale, artisan)
Administration (offices, intellectual services)	Warehouse (small scale)

IDENTIFYING THE ROUGH FUNCTION – ACCOMMODATION VERSIONS

SECOND FLOOR AND ATTIC

Local history and tradition-history centre: exhibitions for mining, social and ethnographical history and tradition, creative products with traditional roots, display area for workshops, centre of museum pedagogy.

Centre of creative science and knowledge: a scene of introducing creative actors, museum pedagogy and awareness-raising presentations, programmes, events, based on the library and natural science collections

First floor: The present library and archive remain here. New functions: catering to supply the visitors, workers (buffet, coffee, garden box); offices of creative industry and community sphere

Basement: small artisan industry (basically cultural, creative industry with moderate room needs and low noise-output, i.e. graphic planning studio, illustrators etc.). The function of children's library and playhouse may stay here and may be extended with a part of the natural science collection, interesting for children.

COSTS OF CHANGES

The changes that may be carried out after the present project is estimated to cost around 250 thousand HUF/m^2 (app. 77 €/m^2) regarding the parts to be restructured, including the completion and installation of the attic that is empty now, and obtaining new furniture. Further expenditures may be planning, technical and project management, application elaborating. Accounting with the total area and all the new creative functions to settle here, in total around 300-500 M HUF (0.9-1.5 M €) amount is needed for the restructuring and completion, depending on the certain content of the plans.

FACILITY TEST AND DEVELOPMENT

In the frame of this project we rethink the whole structure and functions of the building; it leads to the possibility of new combination of using it. The main obstacle of an optimal exploitation had been the lack of accessibility during the last 20 years. The possibilities and operation of the institutions working here had been limited by this infrastructural situation. The local government – after the change of the political regime, having lost the coalmining bases – had to a poor financial situation, so the implementation of a complete accessibility was not possible, the building did not meet the legal claims from this point of view. However, the claim of equal access for people or a complex or at least proportional implementation of accessibility used to be a preliminary claim of almost every application for funds. (That means that such kinds of costs were not eligible.)

In our present project it is a good option to realise the accessibility besides the renovation of the exhibition area, so it opens a door before the further development of the organisations operating here, such as institutions, public services, creative actors who move in, will be enabled.

As parts of the project a toilette for disabled people, a lift and a special staircase securing accessibility to the main entrance are carried out. The lift helps to reach the basement, the first and the second levels on the left side of the house. A new elevator is to be built to compensate the level difference inside, influencing the basement, the first and the third level. This is important for moving the products and materials of artisan works and exhibitions. Accessible toilette will be implemented on every level, furthermore the exhibition area will be reconstructed; equipment needed to the main activities is on the buying list as well.

Risk management

The pilot project bears very low risks due to small scale structuring activities, more-less outside effect-free situation and skilled management.

The second project is theoretical in this phase of the work, it needs no risk management.

SECOND SCENE

INTRODUCTION

WHY THE ANGSTER-HOUSE?

Pécs, in the form of the Zsolnay quarter, already possesses a creative centre of regional importance, which, due to the separation from the university quarter and the historical urban core area, had not been able to meet this role in the possible and necessary rate. The city itself possesses more mining assets, which, as industrial monuments, could become objects of such a function, but, unfortunately, they are far from the city and not advantageous to meet such criteria. There is no need for a new regional creative centre in general, but, step by step, it is important to enforce the existing one to fulfil the optimal criteria. Stations erected between the two pillars of the core downtown and the Zsolnay district will build a bridge. The assets of the former Angster Organ Factory and the belonging apartment block, as a basic organ factory of Eastern Europe till the first part of the last century, is situated just between the two areas. It has been out of use for long, its state is becoming worse and worse, claims an urgent saving action.

In opposite with the house, another culture-historical building, the former home of Pécs Bóbita Puppet Theatre is standing. In the next street, the walking street of the downtown, some steps from here, fresh cultural life of young people is sparkling. Refunctioning the two old buildings with creative functions would reinforce the weight of the eastern part of the downtown; it would increase the attraction and eliminate the distance of the Zsolnay district as the creative centre. Among the two old buildings the Angster object, due to its structure and cultural-industrial past, better meets the criteria of our project as a new creative centre, that is why it was chosen.

FACTORY HISTORY

The factory had been operating between 1867 and 1951, when it was nationalised, and the organ production was discontinued on ideological-political grounds.

*"**The name of the factory was a brand. They built 1307 organs to churches of small villages and cathedrals as well.** Cathedrals of Pécs, Kassa, Kalocsa, and Szeged, or before renovation the St. István Basilica in Budapest and after its first reconstruction during a half century the concert organ of the Hungarian National Music Academy hold their name."*

The property consists of a residential house and a factory building; all together it takes around 1,400 m^2 inner room. The factory stands on the yard, it has three levels and the attic, the residential house consists of a ground level and the attic. The state of the building, especially the factory, has been degraded, it should be saved urgently.

COMPARING THE BUILDING VS. THE PLANNED FUNCTIONS

Pécs city has connected to the international highway network through M6/M60 highways; the extension towards Croatia soon will improve this situation. The connection on railway is favourable as well. Pécs has a local airport, too, but it does not make orderly public transport in our days. The Angster house is situated in the historical downtown, it is a monument itself. The area is traffic-reduced; however the next car-traffic reach-points are available within a 5-10-minute walk.

Due to the monument and cultural heritage state, museum and collection functions are evident which provide a basic visitor number on the normal days. As the financial possibilities of Pécs town – following from the lost of its original industry – are strongly limited, the new building functions should result in a non-profit operation, excluding a need for aid of the local government. In this aspect we must target an interactive, tradition and modernity-combining, imposing and influencing introduction of the Angster organ and family. There are artists and organ-sound physicists among the descendants of the Angster family who are able and willing to play a determining role in the planning and organisation the implementation. Even the present proposal has been elaborated through conversations and workshops held together already.

PROPOSALS:

Angster museum: An "organ-church" where the organ is a temple-like architecture itself; it is transparent, can be walked-through, appropriate for concerting and practicing; the organ-room is suitable for providing several and changeable kinds organ sounds, or play music interactively, depending on the walk-steps of the visitors. Original small organ, harmonium is exhibited. Introduction of the factory and the family. Sound-physics of the organ, starting from organ and leading to electronic midis of our days.

Installation of memories collected and reserved by the family members, with documents and relics.

Design-week – design year centre: A festive-centre, organised-office for cultural and creative events, exhibitions that may develop and extend the creative sector.

Small artisan industry: artisans linking to the main subject directly or indirectly, education, services, i.e. musical instrument making or maintaining, interactive workshops, small scale wood, stone and metal industry (i.e. jewellery), making design-products

Show-art studios of painters: the may be arranged in the attic of the factory.

Office and public functions: the industrial actors, traders, service-providers linking to the creative actors working here may support the development and network of the sector.

IDENTIFYING THE ROUGH FUNCTION – ACCOMMODATION VERSIONS

The museum and exhibition rooms, show-studios may find a place in the factory building. The family-history and restaurant functions, offices better fit the previous family house. The family history introduction and the restaurant functions may overlap each other to increase the taste of both the history and the food; providing foods, introducing habits, traditions of that age.

FACILITY TEST AND DEVELOPMENT

The facilities need a total reconstruction practically. Due to the beneficial location a lively turnover in people and money is realistic, even if the functions will be attractive, and the linking part of the creative sector settles to the place. The approach is downtown type. Parking is possible on the existing paid parking areas. The total cost of the reconstruction and development of the new functions is estimated around 500 Million HUF (around 1.5M €). It may be possibly even (much) more depending on a later, deeper facility test and certain plans.

5. Regional SWOT analysis

Strengths	Weaknesses
• creative industry organisations • international quality • full sector vertical trainings (music, dance) • university trainings and workshops • high level of knowledge and artistic creativity • living cultural and historical traditions • presence of a few stronger businesses • Design Pécs • experiences of networking, previous cluster projects • excellent infrastructure • Urban environment that is attractive for the general public • PÉCS's international awareness of tourism and the award of European Capital of Culture in 2010	• lack of language skills • lack of international experiences • fragmented production • small businesses short of capital • lack of value chains • daily problems, lack of strategic thinking • low level of innovation willingness • lack of resources • weakness of the sector • low level of cooperation the local government and local professional programs • lac of awareness regarding the creative industry and policy • internal handling of cultural heritage • lack of supporting the reach of international markets • Budapest-centralism of authorities and professional organisations • restrictions of state aid regarding the creative industry • total absence of innovation cooperations • lack of trans-sectoral R+D • lack of innovation and incubation management programs • lack of international visibility of the region • Pécs acts as an attractive „party town" for university students instead of innovation and science
Opportunities	**Threats**
• longest professional experience in the organisation of the sector • international visibility of creative industry • European Union's regional and Erasmus cooperations • EEN CCI sector group, Pécs-Baranya Chamber of Commerce and Industry • World heritage site • venues of national level events (Pécs National Theatre Meeting, Light Festival)	• lagging region, lack of economic development • low level of municipal cooperations and local professional programmes • lack of creative industry consciousness and policy • closed management of cultural heritage • lack of support for entering international markets • Budapest centred attitude of authorities and sectoral organisations • exclusion of creative industry from state

• Episcopacy and ecclesiastic influence • University environment • Relatively good IT development environment • Modernisation of traditional sectors is strengthening • IT's explosive development pulls the creative sector, expanding creativity • Exploiting Crowd-financing and complex funding opportunities • The creative industry's weight globally grows, attracting more attention and capital • Wide-ranging, weakly used institutional, entrepreneurial and personal international relations system	resources • total lack of innovation cooperations • lack of trans-sectoral R & D • lack of innovation management and incubation programmes • the region does not have an international visibility • outmigration of talents • Weakening of the attractiveness and image of the university, stagnation of its link to the economy • Attraction of the city of Pécs weakens • The "party town" image can become a hotbed of the "party-university" image

6. Vision and strategic goals of regional creative industry

<table>
<tr><td colspan="2" rowspan="2">SWOT strategies</td><td colspan="2">Analysis of internal factors</td></tr>
<tr><td>Strengths (S)</td><td>Weaknesses (W)</td></tr>
<tr><td>Analysis of external factors</td><td>Opportunities (O)</td><td>S-O strategies
organisation of the full value chain of certain products
research and development of new innovative products
organisation of the venue of open innovation and of the incubation
strengthening of EU cooperations, organisation of international trainings
promotion of cooperations and joint developments within IT sector and between IT- “non-IT” actors
searching the opportunities of connections among the sectors
searching the connection points between the university and the creative sector
increase of the economic and innovation sensibility of university lecturers and their interests in the issue</td><td>W-O strategies
training young experts speaking languages into the sector
getting state support for their employment
creation of financing tools (bank loan, state subsidy) for creative enterprises
creation of the platform of trans-sectoral cooperations
contacting innovative businesses from elsewhere, promotion of development partnership with the locals
the profile of the innovation basis to be created with government support should be made with the consideration of smart economy and creative industry trends</td></tr>
</table>

	Threats (T)	S-T strategies • initiation of independent presence at international forums • demonstration of our values to the Hungarian professional audience • doing PR activity among the businesses about the advantages of cooperations • initiation of national and international creative industry programmes by ourselves • organisation of stable value chains, searching cooperations for the missing links	W-T strategies • organisation of innovation hub (by the example of e.g. DEMOLA[13]) • strengthening of networking, expansion of the cluster to national level • strengthening the cluster's workshop/incubator functions • organisation of events for the decision-makers, in order to demonstrate the achievements of the creative industry • demonstration of success stories, in order to give a future vision to talents • for the strengthening of the recognition and fame of the university, invitation of renowned professors and researchers, and setting up of interdisciplinary research workshops • invitation of international talents to the region and organisation of cooperations

Vision	In the region, the range of cultural capital and milieu and of academic resources involve creative industry, which becomes a pull sector, networked cooperations on innovative and IT grounds and Pécs-centred development platforms, and bases connected into a regional network. Creative industry makes a significant contribution to the increased economic weight of the region, proportionate again to its population and historical role.
4. long term (complex, general) (min. 5-10	Consciousness reflecting the importance of creative sector should become a strategy-making factor for the main entities (university, chamber, large self-

[13] Its Hungarian partner is Technopolitan

year) goal	governments, churches, entrepreneurs, industrial park managers etc.).
5. long term goal	An open, interdisciplinary innovation system should be made with strong IT and creative industry focus
6. long term goal	Establishment of creative industry development, interdisciplinary, open innovation research and development centres, workshops, hubs and platforms, connected to each other and the world
5. strategic (middle term, 3-5 year time span) goal	The university should create an integrated, innovation and modernisation oriented educational, R & D and economic cooperation system: - creation of innovation, entrepreneurial view in education and research, and of cooperative, interdisciplinary thinking, operational and resource management frameworks as opposed to the isolation of the faculty and the discipline - foundation of an innovation park on the basis of smart economy trends, with IT and creative industry focus, providing a platform for interdisciplinary, open innovation workshops - creation of the organisational, infrastructural, promotion and intellectual environment of internal cooperations (among faculties, majors, disciplines), demonstration of the inter-faculty cohesion role of creative industry in innovation strategy and resource allocation - establishment of strategic and operational cooperation frameworks handling regional creative industry as a sector with prospect, with the participation of the main entities
6. strategic goal	Creation of the conditions of cooperation and joint market action and promotion of its birth in creative sector by the vitalisation of the cluster
7. strategic goal	Establishment of creative, open innovation workshops, platforms, incubators in the SMEs sector
8. strategic goal	Support of successful creative industry activities and organisations, creation of a value chain of their activities, development of their horizontal and vertical relations, with the inclusion of new actors

Table 12: Vision and strategic goals of regional creative industry

7. Use of the selected buildings in accordance with the strategic goals

7.1. Development and utilisation proposals for the selected locations

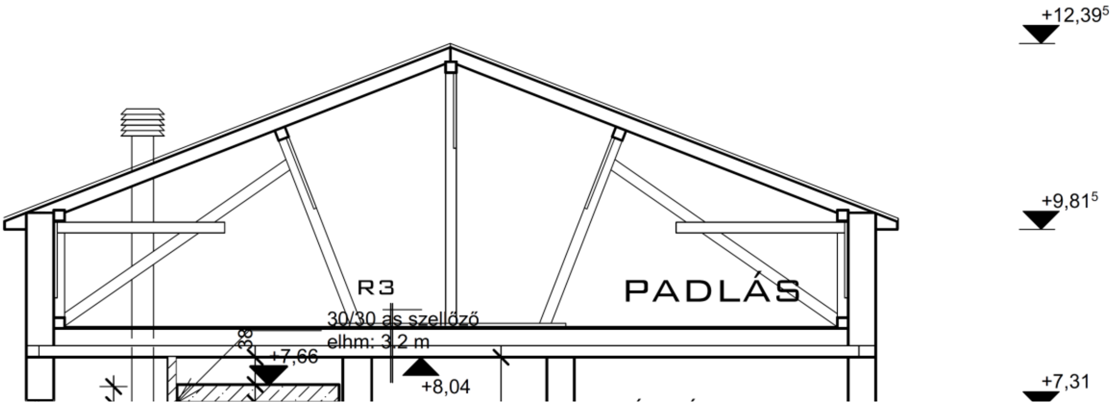
7.1.1. Komló library

The built-up spaces of the Komló library are practically all taken by the existing functions and the one planned in the project. A free space that can be newly utilised is the attic that is not built up for the time being. The disadvantage of this solution is that the costs of public utilities, insulation and construction will be born by the future functions, it is an advantage, on the other hand, that building up can be freely adjusted to the utilisation goals, there are no demolition and transformation costs incurred, despite the fact that it is an old building. The static condition of the roof structure needs no intervention, so the costs of utilisation will be only the further construction of the present situation. For the same reason, the fundamental change of the attic would not return, either, for the sake of e.g. increasing the utilisable inner space. Such an intervention would alter the present optimum proportions and style of the building, so it should be avoided, and consequently it is the unchanged utilisation of the existing attic base structure that should be considered. The plan of the building does not contain the assessment and utilisation plan of the attic, and so we do not have exact data, we can only estimate the surface that is utilisable.

Planned functions for the building					
Cellar		**Ground floor**		**Upper floor**	
Function	**Area (m^2)**	**Function**	**Area (m^2)**	**Function**	**Area (m^2)**
Book depository, Demonstration storage	126.55	Commercial/Banking function	224.74	Education/Museum pedagogy	115.98
Collection and Library of Natural Sciences	99.54	Offices	67.02	Local History and Mining Museum	207.59
Book binding workshop, creative industry workshop (eg. graphic design)	91.11	Library	231.1	Exhibition space	116.83
Playhouse	61.62	Information space	78.77	Mixed (education, programme space)	61.87
Natural Science Museum	97.7	Catering function	72.59		
Children's library	132.53	Offices of non-governmental services, creative industry	60.26		
Storage/Depository	25				
Total	***634.05***		***734.48***		***502.27***

Table 13: Present Functions in the building of the Komló library

The area built up on the upper floor is 502 m^2. The base area of the attic is the same as that of the upper floor. Taking into consideration that the plain of the sloping roof starting at the height of 1.61 metres has a heeling angle of 23°, and that 70% of the attic will be built up (approximately 58% can be found above the 2,8 metres clear height), the gross area that can be built up is approximately 350m^2. Considering the space occupied by the pillar structure of the roof, the actually utilisable surface area is approximately 250-300m^2.



13. Figure: Section of the attic

In the present project the functions planned for the basement, the ground floor and the upper floor are fully compatible with the creative industry strategic goals, so their reconsideration and amendment in this approach is irrelevant.

In the would-be building up of the attic it is worth thinking in a function or functions that meet(s) the strategic goals, on the one hand, and will have a synergy with the use of the already built-up levels, on the other hand.

As regards the opportunities defined when assessing the suitability of the building, the following are worth mentioning as functions that meet the strategic goals of creative industry:

Functions adjusted to the building	Functions adjusted to the strategic goals
Commercial function	The attic is unsuitable for general commercial activity with large turnover of goods and persons (food, FMCG products etc.). Maybe auxiliary catering connected to exhibition and library function or creative workshop (tea house, coffee shop, buffet), second hand book market is possible.
Financial services function	No fit
Residential function	No fit
Administrative functions (office house)	Civil centre of creative industry character, club, cluster centre, development workshop, artists' workshop, IT workshop, hub can be placed here

Cultural and public education functions	Fit: studio, playhouse for children, club activity, rehearsal room, exhibition space, educational space
Health function	No fit. Except: knowledge dissemination centre of health preservation, prevention, nature and environment protection, NGO, clubs
Economic (industry) function	Creative industry activity fits
Storage function	No fit

Table 12: Development possibilities of the object, its connection to creative industry environment and the market

- Electronic libraries – lending audio books and electronically stored materials via Internet connection
- Connection to large libraries, library networks, especially to the South Transdanubian Regional Knowledge Centre and Library and the library network of the University of Pécs
- Digitalisation of existing library stock, or the acquisition of already digitalised versions
- Cooperation with the Mining Museum of Pécs and the Central Museum of Mining -providing access to digitalised materials for those interested in the Library or the collection of local history and mining
- Strengthening, extension and dynamising of the presence of the institution on the Internet and Facebook (for more information see Chapter 7.5 on Marketing strategy)

7.1.2. Angster House

The harmony between the functions of Angster House planned in the feasibility study and the strategic goals are demonstrated by the table below:

Functions adjusted to the building	**Functions adjusted to the strategic goals**
Angster organ museum	fit
Angster family memorial exhibition	fit
Design week / year centre	fit
Handicrafts industry (with exhibition character)	fit
Showroom studios of painters	fit
Catering unit	fit
Office, community (creative industry) function	fit

Table 12: The adjustment of the functions of Angster House planned in the feasibility study with the strategic goals

According to the strategic aspects, no amendment is required for what is specified in Chapter 3.2.1 of the Feasibility study and in Chapter 4 of this study as a summary thereof. In order to have better fit for the strategic goals, progress is possible especially in the following directions:

- shift towards the creation of a value chain of creative products
- cooperation with the creative actors of the region and the larger area, organisation of a network or joining existing networks
- functional connection, developments harmonised in their concepts with the participation of the following real estates and existing creative locations:
    - former Bóbita puppet theatre (located opposite to the Angster House, right next to it)
    - Nearby cultural pubs of Király Street (Nappali, Szabadkikötő)
    - Institutions operating in the Zsolnay Quarter
    - Knowledge Centre and Regional Library
    - Pannon Philharmonic
    - Kodály Centre
    - Faculty of Music and Arts of the University of Pécs
    - Non-governmental artistic and creative organisations.

Establishment of a creative value chain

Potential value chain connections of the activities planned in the Angster House are feasible in the following directions:

- Organ manufacturing
    - Pécs Organ Manufactory – the Manufactory should be presented as the organic successor of the Angster Factory, they promote each other
    - Connections between organs and wood working – utilisation of the wooden waste of organ manufacturing as by-products in creative industry – organ manufacturing and producers of creative wooden products
    - Utilisation of discarded organs in creative industry (recycling as a music instrument or as raw material - pipes, artistic wooden creations, keyboards, control devices) (one will find a large number of potential forms of use on the Internet)
- Science and technology in organ manufacturing (physics of sounds, acoustics, digital and IT solutions, music instruments)
- Organ museum
- Connection of organ to other music instruments
- Organ in literature on music, connection and creative connecting of organ to contemporary music
- Music and children – creative music workshops for children – a “plethora” of music instruments – demonstration, trying – music “recruitment”

- Connection of the Angster House, creative sector and the University of Pécs – living connection of product design and market; organ tutoring and research on acoustics (local plant of Harman and Angster – sound physics and space acoustics researches by Judit Angster, and modern technologies)
- Music lecturing and practice rooms, and place for stage rehearsals for young generations (old Bóbita) – youth centre of classical, folk and popular music
- The integration of the Angster House to the system of knowledge dissemination and tourism
    - Making it part of the city sightseeing programmes
    - Knowledge dissemination programmes for school children – Angster organ museum, encounter with the demonstration interactive organ to be created in the former factory building, factory visit to the organ manufacture, looking at the showroom workshops of creative products. Securing the sustainability of cultural heritage among children. IT and music instruments – creative games with music instruments and music, demonstration of freely downloadable educational applications, assessment and discovery of the fields of interest and talents – recommendations for workshops
    - International network of cities with Angster organs - getting in touch with the actors of music and creative industry – a network of cathedrals and small churches – organisation of joint organ renovation programme and joint cultural programmes and meetings
    - The role of organ in the propaganda of Pécs – organ as an image-making tool
- Connection of the Angster House and the Knowledge Centre – access to digital music materials
- Connection of the Angster House and the Pannon Philharmonic
- The Angster House and creative industry – connection to the Creative industry Cluster – showroom workshops and shops, ateliers, club of creative actors;
- Networking of young classical and popular music artists and composers – common works
- Connection of wood sculpture and organ manufacturing
- Wood and making music instruments – protected and endangered tree species as raw materials.
- Organisation of an innovation-centred hub dealing with the topics above, for professionals, innovators an artist with open thinking
- Sales opportunities of creative products

7.2. A summary of developments

The Hungarian partner's study includes two creative venues. The first one, the pilot development is located in the city centre of Komló, Baranya County. The second project can be found in the historical city centre of Pécs, Baranya County. The two cities are located 30 kilometres from each other; their history is connected by the coal mining traditions.

PILOT PROJECT

PRESENTATION OF THE SITE

The building in Komló was formerly the seat of the Communist Party of the city built for the development of coal mining. Coal mining was finished at the beginning of the 90s, at the same time as the change of the political regime, and then the building initially housed the new parties of the emerging multiparty system; subsequently, parallel to the declining demand for space by them, a cultural-creative function became dominant. Currently, it **accommodates the "József Attila Municipal Library and Museum of Komló Municipality". Its main activity is the library function. Its collections and exhibitions cover the fields of mining, natural sciences and ethnography.**

The building can be found in the city centre. It is a well-recognisable, free-standing, imposing structure in the intersection of the roads leading to the city. It can be reached from a distance by bus, car and train, within the city on foot or by bicycle.

The selected building was built in 1954 and its mass, similarly to the other city central buildings, is determined by the socialist realist architecture typical of Hungary in the fifties. Its characteristic features are reinforced concrete supporting structure, slabs, high ceiling height, horizontal and symmetrical mass arrangement. It is in a slightly sloping area. Its structure typically reflects its management-office functions, which is why office spaces, storage spaces for filing of documents, smaller and more impressive, larger meeting rooms are housed in the building. It has a basement, a ground floor, an upper floor and an attic level, the useful/used base area of the building is approximately 2,000 m^2, with plot size close to 3,500 m^2.The surrounding area is tidy, the façade faces the main street and main square. It is located in the transport hub.

The building is intact, orderly and fundamentally maintained both on the outside and inside. The access to the building and the transport between the levels are difficult in the absence of elevator, because of the rows of high stairs. Internal transport is not accessible from other respects, either. In the framework of an energetic tender, the institution was awarded the title "Green Library".

On the ground floor there is a reception, offices and an adult library, and there are offices to rent. Upstairs there is a museum of local history, a collection of natural sciences and storerooms. The cellar is largely occupied by the warehouses of the children's library, the library and the museum, and the furniture is quite outdated. The stock of the library needs weeding and the furniture needs a complete refurbishment and reorganisation from a point of interior design.

A COMPARISON OF THE ENDOWMENTS OF THE BUILDING WITH THE PLANNED MAIN FUNCTION

Due to the location, structure and internal division of the building, the following functions may be allocated as realistic alternatives:

Commercial function	Cultural and public education functions
Financial-services function	Health function
Residential function	Economic (industrial) function
Administrative functions (office building)	Warehouse

Table 16: Possible functions on the basis of location, structure and internal division of the building

A DRAFT DEMONSTRATION OF THE PLACEMENT OPTIONS

The building can be made suitable for the following functions:

UPPER FLOOR AND ATTIC:

Local History and Tradition Centre: exhibition space of mining, social history and ethnographic traditions, creative products based on traditions, the demonstration place of workshops, centre of museum pedagogy.

Creative Science Centre: based on a library of natural science collection, the organisation of presentations, programmes and events on museum pedagogy, attitude shaping; the creation of a venue suitable for the introduction of creative actors.

GROUND FLOOR:

Library and archive remain at the current location.

New functions: catering unit (buffet, café, garden); office spaces related to creative industry (graphic designer studio, illustrators, etc.); office, community office function.

BASEMENT:

Small-scale handicrafts industry: handicrafts industry with basically no large demand for machines, with "low noise" level, and cultural links to books. Children's library and playhouse function would remain, supplemented with the part of the natural history collection that is more interesting for children.

COSTS:

During the transformation of the building, the parts affected by further transformations (following this project) can be calculated on the average at 250 thousand HUF/m^2 construction costs, including the building up of the attic and the installed furniture. Additional incremental costs are generated by general planning fees, technical inspection fees, project management charges, tendering costs, tender writing costs. Considering the entire area and the development of complex creative functions, it would be necessary to have a development cost of around 300-500 HUF million, depending on the content of the plans.

PRESENTATION OF THE DEVELOPMENT PROPOSAL

In the context of this project, it is possible to achieve the renewal of the exhibition space, as well as accessibility, so that the further development of the building and the organisations, institutions, public services, and the creative industry actors setting into it will be ensured. The construction features of the building allow the settling of creative actors, and there is no need for internal reconstruction.

In the framework of the investment, an accessible lavatory, an elevator and an accessible staircase at the main entrance are designed for accessibility. The elevator touches the left HUF wing of the building and connects the basement with the ground floor and the first floor. The interior is fitted with a new accessible lift. This is also important for transporting handicrafts and exhibition materials. At all levels, new accessible toilets will be added for disabled visitors and the exhibition space will be modernised, in connection with this the acquisition of equipment will also be done.

SECOND LOCATION

PRESENTATION OF THE SITE

WHY THE ANGSTER HOUSE?

Pécs already has a creative centre of regional importance in the form of the Zsolnay Quarter, which, due to its separation from the university quarter and the historical city core, has not yet been able to complete itself to the extent necessary. The city has several coal mining properties which would be suitable as industrial monuments, but they are situated far from the town, they cannot be made suitable for the creative centre function. A new regional centre is therefore not needed, but it is necessary to strengthen the fulfilment of this function step by step. This is promoted by intermediate stations that make a bridge between the two attraction centres. In the area between the Zsolnay Quarter and the city centre, the former Angster organ factory and residential house is located, which was the dominant plant in Eastern Europe until the first half of the last century. It has been out of use for a long time, the state of the invaluable cultural value is continuously deteriorating, and it is in need of urgent intervention.

Opposite to the building there is a building also with a cultural past, but not an industrial function: the former building of the Bóbita Puppet Theatre of Pécs. A lively youth cultural life is just a few steps away on the pedestrian street, the neighbouring street of the city. Equipping the Angster factory and the Bóbita buildings with new cultural, creative features would strengthen the weight and attractiveness of the east segment of the downtown area and would mean an approximation to the Zsolnay district as a creative centre. The structure and industrial history of Zsolnay better meet to the criteria that can make it a creative hub, this is it was chosen from the two buildings.

FACTORY HISTORY

The factory operated between 1867 and 1951, when it was nationalised, and the production of organs was stopped for ideological reasons.

"The company's name was a brand. In 84 years, 1,307 organs were made for small village churches and cathedrals alike. The company logo can be seen on the domes of Pécs, Košice, Kalocsa and Szeged, or the St. Stephen's Basilica in Budapest, and also the concert organ of the Academy of Music for about half a century after its first reconstruction."14

The property complex consists of a residential house and a factory building in the yard, with a total inner space of approximately 1,400 m^2. The factory in the yard consists of three levels and the attic, the apartment house has one level and the attic. The technical condition of buildings, especially the factory building, is extremely degraded, the intervention cannot be postponed.

THE ENDOWMENTS OF THE BUILDING AND THE POSSIBLE FUNCTIONS

The city of Pécs has been connected to the international motorway network since the M6/M60 motorways were built, and the continuation of M6 to Croatia will further improve this situation. The city's rail access is also favourable. There is also an airport, but regular passenger flights are currently not operating. Within the city, the Angster House is located in the historic centre of the city, it is a monument itself. It is located in a traffic-calming zone, but the closest car endpoints are a few hundred metres away. Similarly, the main square is at a distance of 5-10 minute walk.

In the right of monument status and cultural heritage, it is necessary and convenient to create museums and collection functions, which will ensure the basic number of visitors on weekdays as well. Considering that the material situation of Pécs having lost its industry, similarly to that of Komló, is unfavourable, the function planning should strive for operation in a non-profit way after the development. To this end, it is necessary to strive for an interactive, spectacular and high-impact organ and family history exhibition,

[14] Wallinger Endre: Requiem egy orgonagyárért (A requiem for an organ factory)

combining tradition with modernity. Among the descendants of the family there are artists and sound physicists specialised on organs, with recognition in Europe who can play an effective role in planning and organising the partnership of implementation. Our present proposals were also formed during talks with them in the form of workshops, and by correspondence.

RECOMMENDATIONS:

Angster Museum: an "organ church" where the organ itself is the temple; "transparent", can be visited, organ and space suitable for concerts and practice, which interactively responds to the movement of visitors with a variety of music. Presentation of original small organ, harmonium. History of production and the factory, family history. The sound physics of the organ, the history of technology from organ to midi.

A memorial exhibition with original documents and objects kept by the family.

Design Week/Design Year Centre: Festival Centre, organising office with appropriate infrastructure to strengthen and complement the creative industrial functions.

Small-scale handicrafts industry: handicrafts, education, services related to the main topic, such as making and repair of music instruments, interactive workshop, metalworking related to carpentry (small handicrafts products), metalworking (e.g. jewellery), making design objects.

Showroom ateliers of painters: they can be constructed in the attic of the factory building.

Catering function: restaurant, snack bar, café, which can be located in one of the wings of the apartment building, possibly by the attachment of part of the attic.

Office, community office function: in order to assist the complex presence of connected creative industry actors, dealers, service providers to facilitate the establishment of an integrated, networked operation.

A DRFAFT PRESENTATION OF THE PLACEMENT OPTIONS

The museum presentation spaces, showroom workshops, design centre are housed in the former factory building (workshop). Family history and catering functions and offices would be placed in the residential building. Hospitality and family history can also overlap in space, designed in original milieu and with dishes of the times, in the form of hospitality flavoured with habits, to increase attractiveness and to strengthen the unique character.

ASSESSMENT OF THE CONDITION OF THE PROPERTY AND DEVELOPMENT OPPORTUNITIES

The buildings are in need of a practically complete reconstruction. Their advantageous location allows a high volume of visitors if the functions become attractive and the related part of the creative sector is established in the property. Its access is of an inner-city nature. Parking can be arranged in the existing, mainly paid parking spaces, parking lots. The cost of reconstruction and new functions is estimated at approximately 500 million HUF, which may be (significantly) more if the more exact conditions are revealed by a subsequent detailed assessment of the physical state of the buildings.

7.3. Financial plans of the investment

COSTS OF THE PILOT PROJECT:

During the **transformation of the building**, the parts affected by further transformation (following this project) can be calculated on average at 250 thousand HUF/m^2 construction costs, including the building up of the attic and the installation of furniture. Additional incremental costs are generated by planning fees, technical inspection fees, project management charges, tendering costs, tender writing costs. Considering the entire area and the development of complex creative functions, the development cost would be around 300-500 million HUF, depending on the content of the plans.

The additional cost of **operation**, as a consequence of this development, is practically determined by the operation of the elevator to be installed. The operating costs of the elevator are basically determined by the maintenance and safety costs, complemented by the energy consumption. In public buildings, the energy consumption of the elevator is 2% of the total energy cost, which is a negligible magnitude. The building in the project has a total of three storeys, the decisive majority of healthy visitors will continue to use the main staircase, the original purpose of the elevator is accessibility, and therefore its energy cost will not be significant. The costs of maintenance, safety and control are 2-300 thousand HUF (~ 700-1,000 €) annually, which is a small proportion of the costs of the institution, given that the majority of the costs are staff costs (skilled staff, cleaning). The costs are paid by the operating basic institution from its own budget, the coverage of which is provided by the Municipality of Komló within the limits of its own budget.

If the attic is built up, the costs of operation will increase considerably. With a maximum area expansion of 300 m^2, the annual operating cost will increase by approximately 4 million HUF, calculating with 1,100 HUF/month/m^2. The area is expected to have a total cost of up to 15 Million HUF (taking into account the expected wage increases for approximately 5 years and non-wage costs for staff), calculating with 3 persons. In a five-year perspective, the institution's costs (without amortisation) will be increased by about 19-20 million HUF by the building up of the attic.

OPERATING COSTS OF THE SECOND SITE (ANGSTER HOUSE)

The buildings are in need of a practically complete reconstruction. Their advantageous location allows a high volume of visitors if the functions become attractive and the related part of the creative sector is established in the property. Access to it is of an inner-city nature. Parking can be arranged in the existing, mainly paid parking spaces, parking lots. The cost of reconstruction and new functions is estimated at approximately 500 million HUF, which may be (significantly) more if the more exact conditions are revealed by a subsequent detailed assessment of the physical state of the buildings.

The house is currently abandoned, with no operating costs. Following the implementation of a combination of proposed development and operational options, 1,414.28 m^2 built-up area will be used. Calculating with today's real estate operation costs, annual operating costs will be 19 million HUF. Considering 5-6 years of use that is expected to pass until actual utilisation can start, the cost may reach 23-25 million HUF annually. This does not include costs for activities or functions that are connected to the activities implemented. It is assumed that the maintenance costs of the building will be born primarily by the owner, the asset management organisation of the city of Pécs, but this expenditure will pay off in the context of rents and entrance fees. At the same time, it is important to emphasise that the organisation of public and development activities by the creative industry entails costs which the majority of those concerned cannot cover from their own budgets (excluding the IT sector). On the basis of deficiencies of their positive cooperation experience, it is appropriate to ensure that incubation, information, organising work will be needed in order for the cooperation frameworks to develop within the house and to achieve a cooperation that provides self-sustaining operation besides the moderating activity of the Regional Creative Industry Cluster. Direct city support for operations can only be expected with limitations, because of the constraints on the city budget, but if functions are implemented in the context of the evolving operation the direct benefit of which to the city is tangible and necessary, in the context of a task contract (e.g. youth and educational functions), it is possible to provide part of the monthly regular revenue flows (25 to 50%), which are funded by tenderable resources and tourist entrance fees, and the rents paid by merchants and the catering unit.

7.4. Organisational frameworks of operation

ACTORS AND STAKEHOLDERS OF THE INVESTMENT

PILOT PROJECT

Project actors:

- Municipality of Komló
- József Attila Municipal Library and Museum Collection

NGOs operating in the building:

- Pensioners' Bibliophilic Association
- New Day Club
- Local Civic and Beautification Society of Komló

Cost-bearing organisation involved in the investment: Municipality of Komló

The investment directly supports the operation of the following organisation: József Attila Municipal Library and Museum Collection

Social groups concerned by the development:

- Disabled, visually impaired
- Primary school pupils
- Pensioners
- Inhabitants committed to the city's development and history
- Library visitors, literary-loving population
- Traditionalists, actors and enthusiasts of folk arts, folk crafts and craftsmanship
- Visitors of the town

Development does not require the creation of new organisational unit either after the development in the framework of this project or possible subsequent building up of the attic. The investments are implemented by an organisational unit of the Municipality of Komló (Technical Department) and operated by another organisation, the József Attila Municipal Library and Museum Collection.

SECOND LOCATION

Project actors:

- Municipality of the City of Pécs

- Pécs Property Management Plc.

The Angster House is owned by the Municipality of the City of Pécs. Property management is carried out by the Pécs Property Management Plc. The institution is responsible for the operation and exploitation of the assets entrusted to its management. The Angster house is not suitable for rent in its present condition, it is for sale. Because of the technical condition of the buildings, the property is not counted as a valuable asset, but the plot on which it stands would become a valuable construction site if the buildings were demolished. The monument protection status protects the building, but, based on experiences of other buildings (mining industry monuments), the protected status can cease to exist if the building is declared as dangerous to life injury, and the risk of its demolition is real.

The property manager itself has not developed a project and not initiated a tender for the rescue of the property group and its exploitation for public use, so it is a concern that the current asset classification of the property threatens its consistency and survival.

If an application is made, the submitting and potential beneficiary may be the Municipality of the City of Pécs or an organisation established by it (according to existing development practice, the City Development Non-for-profit Plc. of Pécs), but a consortium can also be set up, by the participation of e.g. the Pécs-Baranya Chamber of Commerce and Industry, the Diocese of Pécs and the University of Pécs. The building and the Angster heritage are closely related to the identity and cultural heritage of the inhabitants of Pécs, so it is justified and urgent to set up organisational and project frameworks that will ensure its rescue. The first step is that the entities concerned should declare their determination in the framework of an agreement for the rescue of the Angster house and its exploitation for public use.

7.5. Marketing strategy and its market application

PILOT PROJECT

Main objectives of operation

The main objectives of the development in the project are as follows:

- Accessibility, making the institution fully accessible
- Providing operating conditions (workshop area) for the creative industry in the district, especially for small artisans
- Target groups:
    - elderly people, those with breathing difficulties (there is a high proportion of seniors among the participants of clubs in the institution; many of them used to work in mines and struggle with breathing difficulties)
    - women on maternity leave with prams and babies
    - disabled
    - handicraftsmen

Market positioning, description of the competitors

- It is the largest library and public knowledge institution in the district, with no territorial competition. The county's rural libraries are networked

- The development potential of the library is not so much the defeat of competitors, it is rather cooperation and further opening (with good cooperation experience in several areas) towards other actors in the creative sector, establishment and reinforcement of networked relations of the actors, creation of an attraction centre

Geographical area

- The primary geographical environment of the activity is Komló and the Komló district, as regards services. Secondary environment: the dominant area is Pécs and Baranya County for the development of the institution's library, IT and creative industrial networks. In terms of Internet connections, the World Wide Web is not geographically determined, but in terms of linguistic determinations, the institutional and creative industrial environment of Hungary represents potential interfaces.

Plan for the access of the target groups (marketing channels, tools and costs)

- Development of a single, more dynamic institutional and service website (currently separate sub-institutional sites of "Green Library" and Komló Local History and Natural Sciences Collection operate)
- In addition to Facebook, appearance on Instagram preferred by young people
- In the local communication channels, the institution's appearance is reflected in appropriate, up-to-date news.
- A more informative, more detailed, more relevant, more appealing presentation of the information available on the websites, a more alive and dynamic website
- Display of creative industrial character, presentation of the connection of creative industry to websites, institutions, the creative industry cluster in content and mentality
- Presentation and promotion of the creative industry players in the region (district, geographical area) and Pécs-Baranya, and provision of an interactive interface allowing their active networking
- Mutual presentation of the local creative industry and its actors, organisations, workshops, mutual awareness raising of media reports on the website(s), display of links
- Relations with the cultural and creative actors in the twin cities, mutual promotion and the provision of contact opportunities among the actors
- Collaborating with youth institutions and other cultural and creative social organisations
- Links of NGOs operating in institutions to related organisations
- For more dynamic marketing, a 4-hour communication, contact-development, marketing staff will be needed. It will be especially topical when the attic is built up and filled with functions. Expected cost, including Internet and advertising costs is 3.5-4.0 million HUF/year, depending on the intensity of the promotion.

SECOND VENUE

Main objectives of operation

- Creating another creative industry focal point in Pécs, settling down new functions, development of a regional creative industry network
- Saving of a cultural industrial monument predestined for a creative industry function, and exploitation of it in line with the needs of the time

Market positioning, description of the competitors

By virtue of the size of the Angster House, it cannot claim the number one regional centre status. This is not necessary, anyway, as the Zsolnay Quarter is located within walking distance, which is an industrial history monument of national significance, a touristic, artistic and cultural organising centre for the city and the region of Pécs. Its size and its aesthetic and functional environment developed in the framework of the Pécs 2010 European Capital of Culture (ECoC) programme make it a considerable creative environment by international standards. All in all, it is predestined to play a leading role in the cultural and creative industry of Pécs and in the region, but not as a competition, rather as a centre of network cooperations.

Functions designed for the Angster House are not competitors to the city's creative actors; they complement and expand them. Its planned public education (mainly music pedagogy and artistic) functions complement the supply of the city, opening up new opportunities for filling up the former Bóbita Puppet Theatre building in its immediate vicinity with new functions, mainly artistic and creative activities with large number of visitors that require a stage and theatre hall. Its office capacity is also significant, and the image of the building, which is linked to the past, makes it attractive to the creative, artistic and cultural sphere.

Based on the dimensions and musical nature of the Angster House, the House can offer children the possibility of "a taste" of music and creative activities. In terms of creative activities, it can complement the supply of the Zsolnay Quarter, where children have the opportunity to try creative activities in a limited number in certain venues.

In the Zsolnay Quarter, the spaces designed with high demands and expensive investments are too exclusive and expensive for "everyday" creative activities. The Angster House and the former Bóbita are located in the immediate vicinity of the Kohó (“The Foundry”), a place aggregating the cultural catering facilities of the young people and the Regional Creative Industry Cluster workshop, slightly detached from the masses of tourist of the busy city centre. Youth music, visual arts, handicrafts workshops, cultural-creative and innovation-related projects, hubs, clubs, practice rooms, workshops can be set up in these buildings for young people who are still students or already working, keen on music, visual arts, literary, informatics, linguistic, technical and medical areas – preferably in a high quality but also in a form inexpensive to run and usable also on weekdays.

In this respect, neither the university infrastructures nor those of the city are competitors, as

A YOUTH PLATFORM WITH THIS ROLE THAT CAN LINK ENTERTAINMENT, CULTURE AND CREATION, DOES NOT WORK IN EITHER THE CITY OR THE REGION.

It may be an advantage that, while artificially formed cultural centres are not working properly, **this area is the result of spontaneous development in the community space of civilised young University students.**

It is important that the university and city recognise the importance of this and lead the process of implementation. It is essential that the functions in our study are "immersed" among stakeholders in the specific design process, gathering the needs and information that will make the objects alive when they are implemented.

A description of the target groups, the market segments to be integrated, including service providers and dealers related to the creative sector

Target groups

- Kindergarten and elementary school age children

- People interested in city history and music
- City visitors, tourists
- Professionals, handicraftsmen, artists working in the creative industry
- University students and young professionals with cultural demands
- People interested in innovation

It is concluded from the list that the project should generally address and integrate a broader target group of **creative, innovative young people with a cultural interest** in the context of the project.

Arguments:

- One of the main features of the time is that, as a result of technological trends, the creative and the purely consuming social layer are more and more separated. The need for knowledge in the creation of new communication technology trends is increasing exponentially, thus increasing the need for a workforce with a high level of knowledge.
- Despite the further deepening of specialisation in each discipline, the need for interdisciplinary knowledge is a growing trend, which is a hotbed for innovation. The most widespread carriers of this are cultural foundations, giving flexibility to the shifts of professions induced by rapid technological obsolescence.
- The new product culture creates new cultural needs of consumers. Traditional values seen as eternal are becoming obsolete sooner.
- Young people who are sensitive to new cultures and media do not visit traditional frameworks (e.g. classical music concerts). Their attraction should start at young age and the permanent values should be creatively linked to the modern ones.

Market segments to be integrated

- Creative industry actors (institutions, companies, persons), especially the South Transdanubian Regional Creative Industry Cluster and its membership
- A network that can be organised around the organ
- Active creative industry centres, selected players
- Music Art (Pannon Philharmonic)
- Civil arts and creative organisations
- Informatics
- Sound physics, sound technology
- Knowledge centres
- Elementary schools and kindergartens

Geographic target area (primary and secondary environment)

- Primary: Pécs and Baranya
- Secondary: cities of Hungary and the former Great Hungary with Angster organ, Europe (companies involved in organ research, renovation, manufacturing)

Plan for the access of the target groups (marketing channels, tools and costs)

- Marketing channels: website, Facebook, Instagram; direct contact; connection to network centres; integration into the organisation of city programmes; connection to touristic products, publication of programme brochures
- Costs: wage and office expenses for one part-time staff, 4 Million HUF/year

7.6. The need for the development of the business environment

PILOT PROJECT

In the case of the **pilot project**, an obvious possibility for the network connection is offered by the fact that the József Attila Municipal Library and Museum Collection, as an institution, joins the Cultural Creative Industry Cluster and exploits the opportunities for information and professional development in the network. This can accelerate the project of building up the attic and filling it up new functions, while also facilitating the promotion of awareness and the replenishment of actors. The institution itself is able to play an integration role for the whole of the Komló district by making further improvements to the attic, where it can receive new creative industry actors and social organisations, or stimulate cooperation of creative actors working in existing infrastructure.

In the case of the **pilot project**, the institution development should aim at the extension or development of the activities presented in point 7.1.1 (development opportunities). The necessary staff expansion is one new status without the building up of the attic, in which the marketing, PR, relationship development tasks can be fulfilled.

Angster House

As regards of the **Angster house**, there is not yet a functioning organisation that could be connected to networks, thus presenting this study for the network participants is necessary, raising awareness of the importance of the project. Within the framework of the cluster, a workshop activity for the preparation of implementation should also be organised. The importance of the project should be communicated to the Pécs-Baranya Chamber of Commerce and Industry (already done), the University of Pécs and the Diocese, and built on this creative strategic basis a programme should be made for the implementation of the strategy, an important starting point of which can be the Angster House, as a manageable sized, creative industry organiser and a project of paramount importance for urban identity. Taking into account the fact that a youth community space is emerging in the environment, the needs of the profile of the relevant sites and the visitor audience should be sought, taking into account the interfaces. The former Bóbita building offers a further step forward in community development.

7.7. Scheduling of the developments

Pilot project

	2019	2020	2021	2022	2023	2024	2025
Accessibility	x						
Marketing + PR development		x	x				
Building up of attic, lobby		x					

Building up of attic, study			x				
Building up of attic, tender				x			
Implementation					x	x	
Installation, settling down of actors						x	x

Table 17: scheduling of the of the pilot project

Angster House

	2019.	2020.	2021.	2022.	2023	2024	2025.
Organisation of consortium	x	x					
Feasibility study			x				
Tender, resource acquisition				x			
Implementation					x	x	
Installation, settling down of actors						x	x

Table 18: scheduling of the development of the Angster House

8. Foundation of the strategy of regional creative industry

8.1. Organisational and operational bases

Starting from Chapter 2.4 (An organisational background and frameworks of the sector), progressive recommendations, solutions, organisational amendments and supplementations concerning the organisation of the sector are listed here, taking into consideration the objectives specified and the knowledge and experiences collected in the work process.

Researches on the creative industry see the importance of the sector in the first place in the fact that creative environment, "creative milieu" plays a decisive role in development; without it the scale of the economy, production mode or specialisation is not able to stimulate dynamism.

The foundation stones of the creative milieu according to Törnquist[15] are as follows:

- flow of information
- possession of knowledge and information
- competence
- creativity.

According to Andersson, factors important, in addition to the ones mentioned above, are as follows: firm financial foundations, imbalance between needs and opportunities, a diverse socio-economic

[15] Kovács Zoltán, Egedíy tamás, Szabó Balázs: Geographical aspects of creative economy in Hungary, Space and Society,2011/1., 44. p.

environment, good transport and communication opportunities and structural instability (for the future), which enables a synergic development.

Besides the above, Malecki stresses the presence of highly skilled labour force (which essentially covers the high level of information provision), and the presence of metropolitan agglomeration.

In the case of Pécs and South Transdanubia, Pécs possesses the majority of the criteria ("critical mass", uncertain present and future economic environment, skilled labour, good information provision and ever improving transport opportunities, strong orientation on cultural economy). In terms of capitalisation, it suffers from serious shortcomings and the local inspiring environment seems contradictory, although it is diverse. Efforts to preserve the cultural image are made sometimes beyond the strength of the centre of the region having lost its economy, but the weakness of the economic environment will set back innovation and development not only in terms of capitalisation but also market inspiration. In terms of city governance and the academic spirit too an openness to the world can be seen, a moderate volume of progress along with its development, a kind of introspection and an "upward" approach, looking towards the governance sphere, a "request for help". There is no doubt that legitimate needs for central support can be raised by the management of the county, the university and the county seat, but the lack of cleat-cut arguments, goal-oriented, strategic-based, ROI-minded action results in a subordinate role and suboptimal efficiency of resource management. This applies not only to development resources coming from outside, but also to the exploitation of internal resources, including creative energies. The modest commitment of the brave independent scientific, cultural and economic paths leads to moderate accomplishments of the most powerful layer whose activities are closely linked to these spheres. The international success of the IT industry and the Pannon Philharmonic demonstrates the reserves that obviously exist in other areas as regards potential capabilities. The industrial park, which has been unused for twenty years, is the mirror not primarily of the weak geographic and economic situation, but a reflection of the inspiration level of the environment, as this is treated as a priority capital allocation factor by investors.

As regards the development of organisational and operational conditions, there is therefore a clear possibility of breakout in the direction that draws attention to the challenges of the open world and the reserves lying in internal energies.

The University of Pécs plays a decisive role in terms of the foundations. As regards our topic, the shift or completion of the strategic direction is required in the following areas:

- Strengthening of the research university character and obtaining this title. A strategic definition of the university as a research and development base, strengthening the image of research and development, strengthening knowledge capital by bringing renowned researchers to the city. This requires the reallocation of resources.
- Within the research and development directions, the dissolution of the dominance of the field of medicine by the development of other disciplines (not by reducing medical researches), the promotion and stimulation of the content of the cooperation of faculties, institutes, departments, scientific disciplines, focusing on innovations. Redirecting the internal competitive spirit from the competition among institutions and personalities to R & D fields built on internal and external cooperation, on the basis of topics and effectiveness.
- Establishment of an integrated research and development and incubation base, suitable for diverse collaborations and the launch of start-ups with the involvement of economic actors
- Elaboration and implementation of an independent cultural-creative sector strategy and development programme in order to keep up with world trends, INDUSTRY 4.0, with particular reference to the Internet of Things (IoT), Artificial Intelligence (AI), internet economy, digital finance technologies (Fintech), and in general the software development sector and the soft areas

(building and other artistic branches, design, virtual arts and services etc.) and connection of these to external network junctions, the inspiring potential of digital technologies in all areas.

- A network theory situation analysis of the university's and development of its relationship network
- Creating attractive learning, scholarships, development, laboratory, publication and career opportunities for students and young workers. Drawing the attention of young generations, especially the local and domestic youth, to opportunities; development and application of incentive tools.
- To sum it up: creation of a university environment that inspires, offers plenty of opportunities to meet the challenges of world trends for lecturers, researchers, students and non-university professionals.

The only operating integration space for creative industry is the creative industry cluster for the time being. The dynamism of the cluster that lasted for years has weekend in recent years. The reason for this is mainly the weakening of willingness to cooperate, the vanishing of faith in the effectiveness of cooperations, behind which we can mention the previously mentioned general lack of urban-environmental inspiration, a mood of stagnation, and individualism.

8.2. Partnership, cooperation and networking

8.2.1. Cooperation and interaction between the creative sector and other sectors

Global industrial and economic development trends show that there is an ever more intense interaction and cooperation among various scientific and industrial sectors (separated before in reality). This is based on accelerating development, which allows the recognition and implementation of previously unconventional or impossible solutions. Electronics and informatics play the role of connecting link among them. This can become the engine for the accelerating development of creative industry. This is the factor because of which we need communication among sectors, common thinking, brainstorming, collaborations. *The linking keywords are innovation and creativity.*

Innovations and development tendencies

Networking

The establishment and operation of the Creative Industry Cluster can be taken as a success story of networking in South Transdanubia, even despite the inconsistent intensity of this operation (interestingly, it is lower in the economic boom). Nevertheless, it is a proof for the success of the networked operation.

The Cluster is a higher level of simple networking, if we accept that a cluster can be distinguished from a network by the existence of joint products.

Now the basis of the operation of clusters is the value chain concept – the elaboration of this in the region is still to be done –, this seems to be the most easily implementable process for a successful networking.

Networking is also a matter of dimensions. In the local-regional dimension the restraints of network paradoxes are much more serious than when we evaluate the achievements of a network bigger in territorial scale. Just for this reason, enlargement of the Creative Industry Cluster into a national one seems to be a feasible solution that would not decrease at all the importance of the businesses operating in the region; in fact, it would open them up and drive them towards new market-based cooperations.

If we are looking for networking possibilities not only in territorial dimension, we have to make our search along the horizontal functions of creative industry. Design allows new value chains to be developed in creative industry by IT developments and also by mechanical engineering developments related to Industry 4.0.

In the region it can be clearly seen only in a few cases that creative actors have recognised the opportunities and impacts mediated by globalisation and new trends in science and technology, and the organisation of the economy.

It is the creative (development type) IT industry that develops best from an organisational-cooperation point of view, a sector not or only very loosely linked to creative sector (by 20% per year in Baranya). The basis for this is that companies starting on the knowledge of English language coming from the strong cultural background of Pécs, with international relations are not afraid of competition; they are able to show spectacular achievements on the basis of their rapidly expanding market. Their development does not require foreign capital investment, they can mobilise local resources in a concentrated way and make use of the activity in an unrestricted geographical area, coming from the characteristics of their activity. Collaboration among them is strong, formed into cluster in the early stages of their development, already. The cluster is one of the most powerful ones among the clusters joining the Pécs-Baranya Chamber of Commerce and Industry. Their cooperative strength and awareness are characterised by their ability to make joint sacrifices for common goals: they operate their own programming training in order to ensure labour supply, as an alternative to university training that is not able to keep up with their development. They literally operate on the world market and achieve better and better results. Some members are also linked to the Creative Industry Cluster as well, but they are typically members in their own professional cluster. This is fully understandable and feasible, but it would be advantageous for the development of the region if other clusters were able to address them and involve them in their innovation processes. This fusion could significantly improve the speed of development in related creative and other sectors.

In contrast, the latitude of cultural service providers is narrower, and their operational culture reflects the individual character of artistic work; opportunities for their cooperation are narrower and its advantages are more difficult to anticipate. On the other hand, the undiminished development of networks on the World Wide Web and the sales on the Internet requires the ability of international visibility and marketability on the World Wide Web. The knowledge and capital needs of this exceed the intellectual and financial strength of one single actor, in particular of micro-enterprises. Their uniqueness, which they strive for, is sufficient for an actor to arrange for a sheer self-sustenance, but too little for development and the construction of companies. In many cases, there is not even a demand for the expansion of their business opportunities by painstaking work, but it can be predicted that traditional market activity may gradually fade out and lose its visibility.

For all these reasons, it is important to generate the following processes:

- Raising awareness of the inevitable necessity and opportunities of selling on the World Wide Web
- Raising awareness of the importance of cooperation in the following aspects:
    - Sharing of market development, knowledge enlargement and technological development costs by those performing similar activities, concentration of resources
    - As regards those pursuing different activities, achievement of value chains, new types of products, services, different look matching the growing demands of the market, for developing new inspirations, innovation opportunities
    - Connecting to network junctions with greater intellectual and market potential (major intellectual clusters, incubators, hubs, databases, sales channels) for staying on the market and expansion, access to information and knowledge, concentrated

resources and a large number of target groups. This, in many cases, acts as an inspiration, creates a driving force, competitive spirit and enhances self-confidence

- Construction and conscious organisation of value chains.

From the point of view of innovativeness and prosperity, it is important for the cluster that seems to be static in comparison to the development of the world as regards its membership, cooperative features and the success of the actors, to open up to the world in terms of geographic areas, cooperative characteristics and market. In this regard, connection is possible locally to the successful actors of the region and the entities with broad cooperation network (IT cluster and some of its successful actors, such as Games for Business, UP, Pécs-Baranya Chamber of Commerce and Industry, Pannon Philharmonic, international relations of the city of Pécs, South Transdanubian Regional Library and Knowledge Centre etc.) as information, contact and competence centres. In particular, the use of business support organisations and services matching the activity may be fruitful, besides the need to strive for a self-developing, mutually supportive operational model within the cluster.

Furthermore, construction and expansion of services which are mostly related only to service providers engaged with the production and marketing of goods and services in the narrower sense (suppliers of materials and services, financers, salespersons) is needed. ***According to the latest market trends, an ancillary service should be provided with a product to make it marketable***, which means that, in addition to arts, crafts and the traditional forms of cultural services, auxiliary services raising awareness, memorising, return and advertising impact must be created and offered, which is an innovative, value-making process in itself that can also be retroactive to product development.

In many cases, tourism can be a natural partnership for the cultural-creative sector.

Some of the world's current trends today can have a major impact on creative and cultural industries in the future. The development of robotics, highly diversified networks, artificial intelligence, materials sciences, health sciences etc. result, besides the continued specialisation of disciplines, in more and more innovation and new research directions created by the interconnection of disciplines. It is expected that the labour structure of the world, including Hungary, will fundamentally transform. As one of the characteristics of this, millions of traditional jobs in the country will disappear, and new ones will be created in other professional fields and with demand for a substantially higher level of intelligence. This raises extremely high demands against educational and labour subsystems, on the one hand, and regenerates the expectations against the schooling level and social skills of people and societal groups, on the other hand. In a decade it is expected that the market expectations of the workforce may increase with a qualification level in general. Similarly, services fertilised through IT based innovation (the development of which is of creative industry character in itself to a large extent) imposes a substantially altered level of requirement against civic competences (we are already subjects of this process).

To describe this with one word: **cultural-based societal development will be needed** to manage the radical change, in which the creative industry, including cultural industry, can have a significantly greater role to play than today: in addition to the school system and the state institutional system, cultural-creative sector will be responsible for familiarising society with new types of culture, raising interest turning in new directions and the provision of services that help the stakeholders manage cultural changes and educate new generation of labour force with broad cultural foundations, capable of flexible shifts. This challenge can exponentially increase the responsibility of the creative sectors with regard to improving their self-adaptability and the passing on of this ability to society. (Creative industry has in a short period become a concrete social and economic development actor from an actor satisfying intellectual needs.)

Cultural industry has played a major role in the economic strategic orientation of the city for two decades, as a development goal, but during the implementation the targets have not been translated into concrete actions, the cultural industry has not become a major income-generating factor. **The correct conclusion in the current situation cannot be that cultural industry does not generate income and therefore cannot play a strategic role; it is to examine its operational model and reset it towards income-generating directions also fertilising innovation of other sectors, in line with the dominant trends of the present world. (Also, the education and training system needs to be adapted to the new strategic objectives.)**

8.2.2. Cooperations within the creative sector and among the actors of the sector and their groups

Clusters were established in the region with the participation of horizontally related firms, i.e. similarly as in the case of associations, those who were close to one another, who were in the same market, contacted each other. In addition to the horizontal organisation, clusters performing horizontally overlapping activities have also been created, as a significant proportion of actors in the creative industry are also working on the tourism market, members of the handicrafts cluster also work for tourism, and handicrafts and the creative sector overlap anyway. It follows that the fruit of the cooperation of members within the cluster can be derived mainly from the exploitation of common experiences, a more rational resource utilisation and a horizontal division of labour. As a consequence of the coordinate relations of the clusters, the cooperation between tourism and the creative cluster, as well as between creative and handicrafts clusters, is at least partly horizontal.

Cooperation with tourism is already a value-chain creation and if, in addition to the sales of existing products, joint product development for tourism purposes is also done, we can even talk about a vertical cooperation.

Similarly, a link to the information economy can lead not only to advertising and a larger volume of sales, but also new types of product and service development for participants on both sides.

Possible steps within the creative industry sector:

- In the form of workshops with the participation of the membership of the creative industry cluster (such as events, team building, gamification, brainstorming etc.), the discovery of cooperation opportunities for the expansion and enhancement of resource efficiency, raising interest and motivation.
- Working out and indicators measuring cluster performance and quality, and elaboration of programmes and measures for improvement.
- The aim of the development is to organise and develop values produced by the actors (products, services) into value chains
    - To develop and enhance cooperations among clusters in order to create value chains, achieve more efficient information management and marketing, more efficient sales and generation of innovation. Intensive cooperation between the following clusters is necessary:
        - Creative Industry Cluster
        - Information Management Innovation Cluster
        - BaranyaLand Tourism Cluster

- Creative Handicrafts and Local Product Cluster

8.3. Manufacturing of products, sales and business environment

8.3.1. Creative industry focused value chains (supplier-factory-merchant chain/ system/network/community

One of the objectives of the creative industry cluster is to organise and enrich the value chains. This task is not generally manageable; its implementation requires specific collaboration, supply, sales etc. information. To do this, a first step would be to map the collaborative network (assessment of input-output model) of creative industry and the actors related to creative industry. This strategic framework did not give an opportunity for this work of impulsive magnitude. The problem was not primarily due to the scarcity of time and financial frameworks but mainly the lack of cooperative willingness among stakeholders in the sector. Neither a workshop nor a questionnaire survey was enough to raise interest, so this study focuses mainly on the information available in the cluster management and in part on the thorough local skills of the study participants in the field of spatial and urban development, and partly on the use of secondary sources.

The vast majority of cluster members carry out ***intellectual creative and cultural service activities***. These activities are not characterised by a wide range of supplied background products and services. In order to enhance their visibility and the marketability of their services, relations with the city and county event organisation and tourism sector are dominant. In terms of event organisation and visibility, the role of the Zsolnay Heritage Management Plc., Irány Pécs and the Pécs Point Information Centre have prominent roles, focusing on sights, basic services (accommodation, transport, Pécs Card), city walks and the shows of the planetarium. In terms of tourism sales, city visitor management should place cultural and creative products of the city and surroundings as part of tourism services, but the websites of the city's tourism organisations offer a negligible amount of information on programme opportunities, including the programmes of the creative industry, only fragments of which are featured. Basically, Pécs, as a tourist product, is still undeveloped, the city's attractions are not sorted into products and product packages for the sake of marketability and longer stay, it is basically up to the tourists what they will find and see in addition to the main attractions that are parts of one-day visits. In addition to the minimalist presentation and promotion of urban attractions, it is less striking but at least as important that neither the immediate neighbourhood nor the county and the touristic supply of the region appears on any website, so the integration of tourism in the region is completely absent.

In terms of the value chain, it seems therefore essential that the Creative Industry Cluster will initiate the elaboration and organisation of tourism products, which, going beyond the boundaries of Pécs, have a rich and marketable offer of the county, and show international visibility. During the development of the products, creative industry actors themselves are expected to recognise what additional services would be needed to adapt to the needs of tourism, alongside their main products. Good examples for this can be given by countries with expertise in cultural tourism where the intertwining of tourism, culture and hospitality has innovative impacts, leading to the birth of new products and services at a higher (artistic) level (e.g. Austria, Belgium, France). In fact, the commonality of the effects itself, e.g. the cultural industry and agriculture, horticulture and landscape culture, is becoming a tourist attraction and product, which is ultimately fixed in visitors as a cultural memory.

Another step forward can also be the organisation of ***visitor management in the city***, which, instead of the current passive service ("come and visit us") addresses visitors with an active offer of services.

From the aspect of the manufacturers of ***handicrafts products*** too tourism could be an important element in the construction of the value chain. Reality is that, in the absence of territorial integration, handicraftsmen living scattered in the county and the region, in many cases in rural areas, exhibit their products in events that are actually fairs, and at festivals (in Pécs, Mohács, Villány, Orfű etc.), where there is a concentration of the potential customers, or, in the absence of local purchasing power and organisation, sell their products in Budapest. The Creative Handicrafts and Local Products Cluster has established its own brand called Made, but both the small number of cluster members and the narrow range of their products suggest that this Cluster does not represent the total cross-section of the sector.

It seems to be a basic task for the creation of the value chain that the Creative Industry Cluster, which has a significantly larger weight than the Creative Handicrafts and Local Products Cluster, should initiate the organisation of touristic products, featuring the broad supply of the county beyond the boundaries of Pécs, including creative industry actors, in a marketable and internationally visible way.

Another step forward can also be the organisation of ***visitor management in the city***, which, instead of the current passive service ("come and visit us") addresses visitors with an active offer of services, in the framework of which a supply of services integrating creative actors of the city into the system of tourism can be created.

8.3.2. An effective marketing system of the creative sector

In the development of the marketing concept, the 7-element marketing mix is the starting point in which, besides the traditional 4 p elements (product, price, place – sales channels and promotion – sales incentives), concepts also included are physical environment – the environment, process – the process of manufacturing and people – the people involved in processes.

14. Figure: The marketing mix of seven elements16

A brief evaluation of the mix elements and predictable tasks are included in the table:

MIX element	Feature	Marketing task, purpose
Product	The power of the region's economy, except for some elements, is weak in the "upbringing" and sustenance of the creative industry. Pécs stands out territorially, from sectoral aspects creative informatics, music art and architecture do. Underdevelopment is	Extending the product concept, expanding it with services, building a value chain, and cooperation of companies that make up the value chain for the development of products and services. In the field of marketing also cooperation, unified marketing of creative

[16] https://marketing21.hu/2017/01/15/marketing-mix-4p-es-7p/

	especially visible in turning high-culture into a product	industry is needed, it is essential to build creative industry products into tourism products and market complex products as opposed to the current atomised ones
Price	The price level of the creative industry in the region does not differ from the general price characteristics. It has no negative impact either on the region's popularity or product value/price.	Care must be taken to ensure that the price-to-value ratio is favourable to the customer
Place	A significant problem in this regard is that some products are "invisible" or not sufficiently visible in the potentially available market, which is a problem even for selected products. (For example, young people have no access to high-art products, and the geographic scope of the effect of the channels used is limited.)	In addition to the usual urban and printed tools, local digital media, Internet trading channels should be consciously built out. It is worth linking services to a regional marketing product (brand) and media (e.g. local tourism promotion, regular electronic and printed publications of creative industry)
Promotion	Creative industry products are hardly known even within the easily accessible geographic area. Creative industry actors do not know each other's products or activities properly, which is one obstacle to cooperation.	In addition to direct advertising, regular news reports, information and awareness raising may be more effective, based on the nature of the products. The promotion must also be intelligent, suggesting a high level of quality of the products (like e.g. in the advertising materials of the Pannon Philharmonic)
People	The basic problem is the low level of motivation of actors in the sector and of their willingness to cooperate. There are many dedicated actors and dedicated, loyal local consumers, but their circle is limited.	Strengthening PR within the industry is an important factor in promoting self-confidence and market development motivation and ambition. Similarly, the construction of the product chains and the promotion of the recognition of

		cooperation needs are a priority. It is necessary to involve young people in the area both as value creators and consumers. (Inexpensive, convenient, entertaining products, with low-value for self-development, are common. In some sectors, e.g. in classical music, the consumer layer is ageing, with no consumer group to follow them.) It is necessary to find content and methodological elements that fit the interests of young people and their consumer habits.
Process	Actors in high-quality creative industrial products (e.g. architecture, classical music, creative informatics, visual arts) take part in university trainings, organisations work professionally, the process of creating their services is of high quality	The professionalism of the creation of activities and services is to be demonstrated, as a strong promotional element.
Physical evidence (environmental elements)	In terms of the above elements, creative industry in the region is presented in the expected quality	The ***creativity*** of environmental elements needs to be improved - appearance, advertising should also be creative, innovative, and should contain a reference to content

Table 19: Characteristics of the marketing mix

Objectives of the strategy

MARKETING VISION	**The cultural and creative industry of the region becomes one of the main trademarks of the region. The region is fixed as knowledge-oriented, cultural and innovative area in public awareness, where it is worth choosing a profession and career, starting and running a business.**
LONG-TERM MARKETING GOALS	
LM1 long-term marketing goal	The main entities in the region (county seats, University, Chambers, county self-governments, churches, entrepreneurs, industrial park managers etc.) handle creative industry at a strategic level and consider its development as a priority
LM2 long-term marketing goal	The open innovation system created by the implementation of the strategy will become known nationally and internationally among innovators, developers and investors
LM3 long-term marketing goal	Networked creative organisations created during the implementation of the strategy are featured as development opportunities, professional attractions for career starters, career planners, SMEs and large enterprises
MEDIUM-TERM MARKETING GOALS	
MM1 middle-term marketing goal	The University develops a creative and innovative internal and external relations atmosphere, which is reflected in its image
MM2 middle-term marketing goal	The collaborative thinking and practice among the actors of the creative sector will become accepted and natural
MM3 middle-term marketing goal	Creative industry in the region is known for its open innovation workshops, platforms and incubators in the narrower and broader environment
MM4 middle-term marketing goal	Making creative industrial activities organised into value chains and networks attractive and known, their appreciation in the business sector
HORIZONTAL MARKETING GOAL	Making creative activities, organisations, connections and joining opportunities known and attractive among young generations (students and newly graduates, career starters, start-up entrepreneurs), with career and business orientation purpose. Introduction of creative industry personal and company careers and support for career development

Table 20: The system of marketing strategic goals

8.3.3. Market trends, gaps, expected changes, market risks and reactions to them

The advance of the cultural-creative industry, also known as the creative economy, is evident in the world. Its role varies from one continent and country to another, but it is more and more in the centre of attention. Its sectoral determination is still changing, as it is largely horizontal in character, compared to the registered statistical nomenclatures. Therefore, the vast majority of available studies refer to the lack of data. Despite this, strategies and policies are built around the sector (e.g. in the European Union), which will lead to the regulation and standardisation of statistical enumeration in the not too distant future.

Some of the main trends in the sector are described below:[17]

1. Content marketing

   Regularity, continuity – but real information, unique; using SEO (tags), paid ads in blogs and social media. Mediation of perspectives, theories and ideas – relevant information in the target group's interests

2. Attention-grabbing video content

   Video messages are also subject to the relevant content mediation principle. Messages should respond to people's estimated values, thoughts, feelings, and lifestyle. The aim is to achieve a real relationship, a loyalty that leads to the return on investment

3. Using drones for photos, data analysis and interactive experiences

   The combined use of drones and artificial intelligence (AI) can significantly support marketing, and is also suitable for the organisation of campaigns, rewarding participants of events and actions, the analysis the collected data and taking photos.[18]

4. Cloud computing significantly increases the possibility of data collection.

5. Personalisation – Personal Marketing

   The differentiation of available information allows marketing with almost personal addressing – in the field of content service, marketing is moving to this direction.

6. Data and AI

   The increased mass of data and artificial intelligence make planning (design) easier by far. The efficiency of the designers has also increased, after the time spent on repetitive routine tasks is reduced. Thus, in this regard, the possibility of content development is improved, since artificial intelligence is not a substitute for thinking but it makes implementation considerably easier.

7. Using voice in marketing – by application of voice assistants.

   The application of voice assistants is already a part of everyday life, an effective means of personality, a more realistic virtual link

[17] The list was made on the basis of http://elysianstaffing.com/top-creative-industry-trends-right-now/ and https://www.mediabuzz.com.sg/research-analysis-and-trends-mar-2019/creative-trends-for-marketers-in-2019

[18] These techniques may also lead to 'The Craft of Intelligence' or spy techniques, may hurt personality rights, too; these aspects must be respected when applied.

8. Competitiveness driven by product design

The mass of information available to companies and the flexibility of asset technology allow companies to make products that can meet the demands of ever narrower specific target groups. Service providers that are behind this trend lose their customers because the tolerance of customers concerning the product is continuously shrinking.

The trends that are typical of the main markets must also be adapted to in the domestic market. The market behaves globally even if local creative actors sell on the local market, as virtually everyone is involved today through social media and Internet trade. Rural areas are not exception from this, either, because experiences among rural people, where there is little mobility in the absence of shops, services and transport links, show that shopping on the internet is popular, obvious and a blessing.

Not all trends affect all providers in the same way, but even micro-enterprises are not excluded from taking all trend elements into account. The cost-effectiveness of the use of some elements is considerably greater if the necessary knowledge and toolkit is acquired by joining stronger companies, hubs, clusters, incubators, or in associations. However, most of the methods mentioned in trends are relevant and applicable even for individual entrepreneurs. The acquisition of knowledge is, however, a time-consuming and money-intensive process, which can also be facilitated by the local access to a broader base (e.g. chamber, cluster-level, university etc.). Most of the knowledge is available via the Internet through online learning as well.

A new virtual incubator, called "VINTER" ("Virtual Incubation Space"), is being developed as a novel service, with the definite aim of supporting the local SME sector by using virtual instruments to support and strengthen its market viability.

On the basis of the above, the following measures may be proposed:

- The South Transdanubian Regional Creative Industry Cluster should develop a work plan to elaborate and implement the creative industry strategic goals and marketing objectives. In order to achieve synergies in the division of labour, the operational involvement of the Pécs-Baranya Chamber of Commerce and Industry, the University of Pécs and other related organisations and entities (with appropriate capacities, resources, own goals related to marketing strategic objectives and broad-ranging relationship networks) should be achieved.
    - The Cluster should strive for broad awareness of the creative industry strategic objectives among relevant service providers and product manufacturers
    - The Cluster should build out living, operational relationship with the related clusters (Creative Industry Cluster, Information Management Innovation Cluster, BaranyaLand Tourism Cluster, Creative Handicrafts and Local Product Cluster).
    - It is necessary to update the website of the Cluster and to upload the related information to it, following the main trends.
    - The information Management Cluster has a prominent role, as information service plays the role of innovative driver in all creative industry trends. In terms of the nature of its activities, we are talking about creative industry in the narrowest sense (although it is not classically cultural driven like the majority of cluster players are), which is horizontally interwoven across the whole creative economy. Raising awareness of its role in creative industry is essential, as its cooperation with creative actors is expected to lead to a productive, mutual innovation value creation process.
    - It is necessary to inform the creative industry actors about the local impacts of world trends and the need for network cooperation, in addition to strategic goals.

(In this the Pécs-Baranya Chamber of Commerce and Industry and the University of Pécs can play an important role, by events and information sessions.)

- The inventory of physical and intellectual services and the supply spectrum of the creative industry should be developed in order to allow the sector's enterprises to translate their information into action. This is also necessary to create a value chain.
- It is necessary to extend the relationship system established in the REFRESH tender, in addition to the Pécs-Baranya Chamber of Commerce and Industry, to the Cluster and creative industry actors in order to make use of the mutual experiences and so that the establishment of the network can facilitate the development of each other's markets. (Because of the unique nature of the products and services, they do not compete with each other, but offer an enlargement of supply for each other. They strengthen the market presence of the sector and increase the size of the market.)

List of figures