

Ing. Mirek Topolánek
The Prime Minister
Government of the Czech Republic,
Nábřeží Edvarda Beneše 4,
118 01, Prague 1

Dear Prime Minister Topolánek

It has been drawn to our attention that the Government of the Czech Republic is questioning the value of the long-standing Design Centre of the Czech Republic.

BEDA is the European body that communicates the value of design and innovation for Europe's competitiveness to Brussels. With 40 member organisations representing many tens of thousands of practicing designers and with Design Centres from across Europe, including Norway, Hungary, Belgium and the Czech Republic – we are writing to highlight that a move to dissolve the Czech Design Centre would be contrary to the trend of policy in most other European countries and particularly contrary to the trend in countries that are competitors to Europe.

Design Centres implementing forward-looking design policy

Design Centres are the main tool under industrial and economic policy by which Governments implement strategies that support the development of the local design industries and the uptake of design by SMEs. Recent research completed for the European Commission, (Manchester University, Bruce Tether and J Howells¹), shows that the design industries across Europe in size, are by their nature, small and fragmented. Nonetheless research over many years – especially within the context of the burgeoning Creative Industries sector – also shows that despite its structural characteristics, its contribution to GDP is enormous. The role of design in innovation is not to be underestimated.

This trend has also been identified in the more recent comprehensive study of the Cultural Industries across Europe in a special report for the Commission² which highlights the wealth creation potential of the Cultural economy (including design) and which concludes that, “the establishment of Europe as a creative hub is essential for the Union's competitiveness in the context of the Lisbon Agenda”. It also emphasises the important interaction between the promotion of design and innovation and the fostering of creativity.

The threat from beyond Europe's borders

Competitor countries outside Europe, particularly in Asia, are not complacent about design. Their belief in design's central role is unquestioning. They are aggressively implementing design policies with substantial direct and indirect investments. Their strategic purpose is to compete directly with Europe in innovation and creative services.

¹ Innovation in Services: Issues at Stake and Trends, 2004. J Howells and B Tether. Manchester University

² The Economy of Culture in Europe,

http://ec.europa.eu/culture/eac/sources_info/studies/economy_en.html

South Korea

The Koreans are currently implementing their third five-year programme for design. Their aggressive strategy for design reinforces the role of the Korean Institute for Design Promotion with the objectives to build up to 6 Korean global brands (in addition to Samsung and LG) and they see design as a contributor to macro-and micro economic targets including to per capita GDP. They are also building four regional Design Centres (in addition to 12 innovation centres already located in Universities across the country).

India

The Union Cabinet of India launched its first-ever design policy on 8th February 2007 with a vision to create

- a platform for ‘creative design development, design promotion and partnership across many sectors, states, regions for integrating design with traditional and technological resources
- the presentation of Indian designs and innovations on the international arena through strategic integration and co-operation with international design organisations and
- global positioning and branding of Indian designs, the raising of design education to global standards and making India a major hub for exports and outsourcing of design.

China

China too in its Eleventh Five-Year Plan seeks to promote the Creative Industries and Innovation as key strategies to compete globally. Zeng Peivan, Vice-Premier PROC at the World Economic Forum 2006 Business Summit stated that, “China wants to achieve scientific development through innovation. Innovation is the soul of a nation’s advancement and the everlasting driving power of national prosperity.”³

China’s provinces and regional Governments are building strategies to improve China’s design competence. Through many creative industry policies (as for example in Shanghai with the development of over 100 Creative Industry Parks), it is clear to see that the threat exists whereby the European creative design services will be challenged from the East in much the same way as has happened regarding the manufacturing industries. Some commentators are suggesting that the creativity gap between China and Europe will close within 3 to 5 years.

European context

In Europe, France is currently developing a policy for Industrial Design and many other European member states are continually working to increase the utilisation of design by their SME’s. In the UK, the recent review of design and innovation by Sir George Cox as commissioned by the Treasury, has resulted in an invigoration of strategies through the Design Council and the regional development agencies (RDA’s) to promote design as a strategic tool for growth.

The UK Design Council’s ten-year research programme from 1994-2003⁴ shows clearly that those companies that utilize design as a part of their strategy far outperform the companies that do not – even in bear markets.

³ World Economic Forum Business Summit 2006

⁴ The Impact of design on Stock Market Performance, an Analysis of UK quoted Companies 1994-2003 (Design Council UK)

The Design Centre of the Czech Republic

The Bureau of European Design Associations has had a strong and valuable relationship with the Czech Design Centre for many years. We know of its work in promoting the local and regional industries and the power of its design development programmes for SMEs. We know that through this Centre the Czech Republic has a strong presence and reputation within the international design community. It also has an important role in promoting the Czech Republic's capacity for design and innovation at national and international levels.

Local and regional creative and service sector companies generate wealth. They need to position themselves for improved export performance and to be able to generate better strategies and processes for growth. However, without the focus and expertise that a Design Centre brings, these companies are left without valuable resources, insights and know-how as to how to compete in global markets, to position themselves for improved export performance and to generate better strategies and processes for growth.

It is our belief that to take the step of dissolving the Czech Design Centre would be contrary to the best interests of Czech companies struggling to make use of design – especially for export markets. It would have a negative impact of the development of your local design industries within the creative sector and would furthermore weaken the vital connection between design and innovation. It would render the Czech Republic invisible on the international stage as a proponent of design.

BEDA's membership from countries of Eastern and Central Europe is growing, (Slovenia, Slovakia, Estonia, Hungary, Poland, Romania). At a time when these countries - the neighbours of the Czech Republic - are proactively positioning themselves to play an increasingly important role in Europe and beyond, it would in our view be regrettable if the Czech Republic were to take an action contrary to developments elsewhere. Not only does this risk damaging the ability of Czech companies to remain competitive, it also sends a negative signal to an expanding Europe and the wider international community about the Czech Republic's commitment to design, particularly in the light of the Czech Republic's Presidency of the EU in the first half of 2009.

We hope that this letter might have the effect to cause you to consider more carefully the implications of such a retrograde step.

Yours sincerely



Michael Thomson
President of the Bureau of European Design Associations

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ing. Martin Říman, Minister of Industry and Trade of the Czech Republic
Mr Martin Schmarcz, Press Secretary