

## Creative Regions: Regional Analysis on Future Trends for Digital Creative Industries in Rhône-Alpes / France

No. 2 of 4 reports

Baden-Wuerttemberg – Rhône-Alpes – Regione Piemonte – West Midlands

Report prepared by Imaginove



Study prepared for EU-Project CReATE



The creative industries are a key sector in the Europe of tomorrow. They are developing and evolving rapidly. A crucial driving force for this development is ICT technologies. Using innovative IT solutions in growing areas of the creative sector – such as advertising, digital media, games and interactive design – opens up manifold competitive advantages for research, development and business.

Since March 2008, the CReATE project consortium has been developing strategies to improve cooperation at both regional and European levels to enhance the innovative capabilities of small- and medium-sized companies from the creative sector. The CReATE consortium is led by MFG Baden-Wuerttemberg and comprises besides the Steinbeis-Europa-Zentrum (SEZ) from Stuttgart European partners from Piemonte (CSP, PTO, Regione Piemonte), Rhône-Alpes (Imaginove) and West Midlands (AWM).

**Regional Analysis and Definition of Regional Research Priorities**  
**Interim report on regional analysis**  
**Rhône-Alpes**

Deliverable 2.1

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This report can be downloaded for free from the CReATE project website [www.lets-create.eu](http://www.lets-create.eu).

**CReATE** – Creating a Joint Research Agenda for Promoting ICT-Innovations in Creative Industries across Europe  
EU-Project, FP7- Regions-2007-1

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**CReATE**

**Creating a Joint Research Agenda for Promoting IT-innovation  
in Creative Industries across Europe**

Support Action

Analysis, mentoring and integration of research actors

Work Package 2:

Regional Analysis and Definition of Regional Research Priorities

**Deliverable 2.1:  
Interim report on regional analysis**

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**IMAGINOVE**

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Dissemination Level		
<b>PU</b>	Public	X
<b>PP</b>	Restricted to other programme participants (including the Commission Services)	
<b>RE</b>	Restricted to a group specified by the consortium (including the Commission Services)	
<b>CO</b>	Confidential, only for members of the consortium (including the Commission Services)	

## 1. Regional Knowledge Base on ICT for Creative Industries

The regional knowledge database was elaborated when the non-profitable organisation Lyon Game (focused on video games companies) submitted in February 2005 a proposal to be a pole of competitiveness with French Ministry of Industry. Rhône-Alpes Regional Board helped us to build this cartography by commanding consultant agency called Cluster Competitiveness <http://www.competitiveness.com/> which has highlighted main stakeholders of Digital Leisure in our region and their stakes. After this study, the pole obtained the support of French government (“pole de compétitivité”) but also of the Region (“Cluster”) and the cluster/pole of competitiveness “Digital Leisure” became “IMAGINOVE” in January 2007.

When we started CReATE project, we had to do again this work so as to analyse precisely our industries (video games, audiovisual, cinema, interactive multimedia) in our region so in March 2008 we did again statistics of our regional companies (revenues, employment) by phoning our members (210 companies) and by interpolating of the global numbers of companies implies in Moving Image (Video Games, Cinema, Audiovisual and Interactive multimedia) in Rhône-Alpes region (about 650 firms).

Conclusion is those firms generate 1,13 billion € of revenues and represent 12 700 of employments.

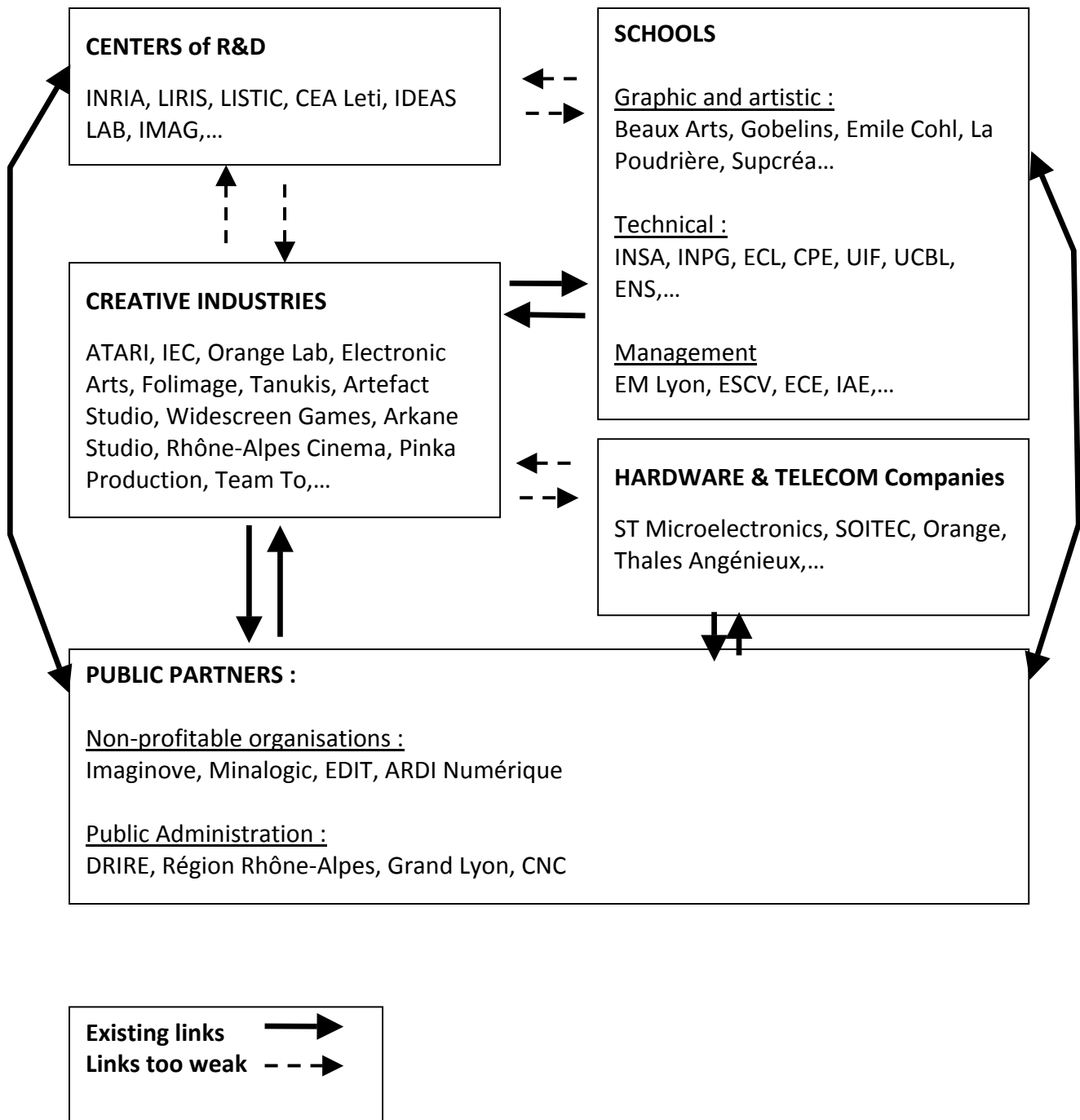
### 1.1 Key cluster stakeholders relevant for the CReATE activities

*List of key stakeholders relevant for the Create activities :*

N	PLAYER, ORGANISATION, ENTERPRISE NAME	SHORT DESCRIPTION	WHY STAKEHOLDER	WHICH TYPE (Research, Enterprise, PA, Development Agency, Training, Event, Other)	WEB	Public, Private, No-Profit
1	<b>CITIA</b>	Cultural Public establishment which represents animation and interactive multimedia actors in Savoie and Haute Savoie. It is also the organisator of the MIFA and FIFA in Annecy, and one of the founders of Imaginove	CITIA has a network of SMEs schools and research labs knowing very well needs and capacities, strengths and weaknesses of the regional system with regard to ICT-innovation in moving image industries	Cultural Public establishment	<a href="http://www.citia.info/">www.citia.info/</a>	No-profit
2	<b>Rhône-Alpes REGION</b>	A scientific and technological park supported by local and regional institutions and European Union	Thomas COTTINET, Head of Research, cluster and industry policy, has launched the dynamics of the cluster of digital leisure in Rhône-Alpes.	PA	<a href="http://www.rhonealpes.fr/">http://www.rhonealpes.fr/</a>	Public
3	<b>ARDI Numerique</b>	ARDI Numérique is an agency supported by the Rhône-Alpes Region and is in charge of the map-making of all the Digital companies and research labs in our region.	An active agency doing research, dissemination, production and events in digital domain but also in video games domain. They work for Imaginove on some technological project set-up.	Development Agency	<a href="http://www.numerica.org/">www.numerica.org/</a>	No-Profit
4	<b>Lyon Game</b>	Lyon Game is one of the founders of Imaginove. It is a non-profitable organisation with 40 video games members	Lyon Game is our partner in the animation of the sector of video games	Non-profitable organisation	<a href="http://www.lyongame.com/">http://www.lyongame.com/</a>	No-profit
5	<b>G147</b>	G147 is a non-profitable organisation which brings together companies from animation and multimedia in Savoie and Haute Savoie	G147 is our partner in the animation of the sector of animation and multimedia	Non-profitable organisation	<a href="http://www.g147.com/">www.g147.com/</a>	No-profit
6	<b>Pinka Studio</b>	Pinka Studio is a 3D animation studio	Pinka is one of the leader in the 3D animation	Enterprise	<a href="http://www.pinka.com/">www.pinka.com/</a>	Private
7	<b>Eden Games</b>	Eden Games is a developer studio of ATARI.	Eden Games is a leading studio in video games, it is also well renowned with high technological tools de produce video games	Enterprise	<a href="http://www.edengames.com/">www.edengames.com/</a>	Private
8	<b>Rhône-Alpes Cinema</b>	Rhône-Alpes Cinema is the biggest cinema studio in Rhône-Alpes	RAC is setting studios in a new area in the heart of Lyon called PIXEL	Enterprise	<a href="http://www.rac.com/">www.rac.com/</a>	Private
9	<b>INRIA</b>	INRIA is a research lab focused on imagery and automatism	INRIA participates to many R&D projects with companies in cinema, video games and audiovisual industries	Research	<a href="http://www.inria.fr/">www.inria.fr/</a>	Public
10	<b>LIRIS</b>	The LIRIS is a research lab focused on imagery	LIRIS participates to many R&D projects with companies in video games and audiovisual industries	Research	<a href="http://liris.cnrs.fr/">liris.cnrs.fr/</a>	Public

	PLAYER, ORGANISATION, ENTERPRISE NAME	SHORT DESCRIPTION	WHY STAKEHOLDER	WHICH TYPE (Research, Enterprise, PA, Development Agency, Training, Event, Other)	WEB	Public, Private, No-Profit
11	MOVEA	Start-up from CEA. Focused on HMI for video games and other interfaces with captors	Has bought Gyration (precursor of Wii Mote)	Enterprise	<a href="http://www.movea.com">www.movea.com</a>	Private
12	THALES ANGENIEUX	Subsidiary of Thales, focused on camera objectives	A well renowned firm, cinema camera builder	Enterprise	<a href="http://www.thalesangenieux.com">www.thalesangenieux.com</a>	Private
13	BINOCLÉ	Focused on 3D RELIEF; has built stereoscopic cameras with Thomson and Thales	A well renowned firm, cinema camera builder	Enterprise	<a href="http://www.binocele.com">www.binocele.com</a>	Private
14	IMMERSIVE SOLUTIONS	Serious Games company. Applications on immersive solutions for selling sits on sport events for example	Recently set up in Lyon so as to develop serious games activities	Enterprise	<a href="http://www.immersion.com">www.immersion.com</a>	Private
15	UMANLAB	This lab is working on Human Sciences, specifically on uses and adaptation of technologies.		Research	<a href="http://www.umanlab.com">http://www.umanlab.com</a>	Public
16	CEA LETI – IDEAS LAB	Research lab working on creativity and usages		Research	<a href="http://www.leti.cea.fr">http://www.leti.cea.fr</a>	Public
17	ATARI	One of world leader video games publisher		Enterprise	<a href="http://www.atari.com">www.atari.com</a>	Private
18	UBISOFT	One of world leader video games publisher. A subsidy is set up in Annecy : Ubi Simulation		Enterprise	<a href="http://www.ubi.com">http://www.ubi.com</a>	Private
19	WIDESCREEN GAMES	One of the biggest independent video games studio		Enterprise	<a href="http://www.widescreen.com">www.widescreen.com</a>	Private
20	POINT CUBE	Serious games Company		Enterprise	<a href="http://www.pointcube.com">www.pointcube.com</a>	Private
21	Maison de l'Architecture	Non-profitable organisation which promote and broadcast information about architecture		Non profitable organisation	<a href="http://www.maisonde.la.com">http://www.maisonde.la.com</a>	No-Profit
22	Centre du Design Rhone-ALpes	Agency supported by the Rhône-Alpes Region and is in charge of the map-making of all the Design companies and research labs in our region.	An active agency doing research, dissemination, production and events in design domain (architecture, industrial design,...).	Development Agency	<a href="http://www.centredu-design.com">http://www.centredu-design.com</a>	Public
23	PROJECT IMAGES	Audiovisual Producer	Well renowned in France for many TV series	Enterprise	<a href="http://www.projectimages.com">www.projectimages.com</a>	Private

**1.2 Cluster map with key stakeholder groups**



### 1.3 Key figures of the Creative Industries and ICT Research

<b>Creative Industries</b>	
<b>No. of firms</b> If possible according to CReATE-subsectors:	30
▪ Music, Radio and Audio	300
▪ Film, television and Video	120
▪ Animation and computer games (entertainment software)	?
▪ Writing, publishing and print media	150
▪ Advertising, graphic design and marketing	100
▪ Architecture, visual arts and design	
<b>No. employees</b> (If possible according to CReATE-subsectors)	10000 and 2700
<b>No. of freelancers</b> (if available)	freelancers
<b>Turnover</b> (If possible according to CReATE-subsectors)	1,13 billion €
<b>No. of educational training institutions in creative industries</b>	28
No. of students graduating p.a. ( <b>BA, MA, PHD</b> ) in creative industries	About 1000
<b>ICT Research</b>	
No. of research institutes/labs ( <b>incl. research groups at universities</b> )	23
<b>Number of educational training institutions in ICT</b>	50

(numbers relate to 2008)

### 1.4 Regional needs, capacities and related policies and supporting measures

- **Fields of excellence:**

Video games companies are particularly relevant with setting in of big firms like Atari, EA and many SMEs.

Today, serious games companies are particularly relevant too. Market of serious games is growing exponentially and Imaginove accompany these companies with workshops between them and clients, en event called Serious Games Session [www.sgseurope.fr/](http://www.sgseurope.fr/) and subsidies for R&D.

- **Fields of aspiration:**

Serious games companies have a turnover which is growing exponentially like the market idem for video games companies, because of dematerialization which will impacts considerably the revenues of the contents creator companies, which could distributes themselves.

- **Future prospects:**

Cinema and animation producers, which are not enough numerous in our region.

- **Regional policies and support measures:**

Tax credit for video game industry (20% of subsidies for video games production), access to subsidies for R&D (pole of competitiveness funds called FUI).

<http://www.competitivite.gouv.fr/spip.php?rubrique63=&lang=en> )

Several contest funded by Region and DRIRE called “Imaginove Commercial” and “Imaginove International” which have rewarded about 100 companies in 3 years, for their innovation in economic model and their prospection to new international markets.

Subsidies to training workshop, called “Imaginove Competences” which are like master class, and bring together salaries of the companies from sector of video games, animation and cinema on a training of technical skills (graphic, animation,...) or general skills (English, management,...)

### 1.5 Strengths, Weaknesses, Opportunities and Challenges (Threats)

	Positive Factors	Negative Factors
<b>Internal Factors</b>	<p><b>STRENGTHS</b></p> <ul style="list-style-type: none"> <li>• A strong area for video games industries and animation, well renowned internationally,</li> <li>• and which also develop activities on other industry : Serious Games</li> <li>• A wide political supports on moving images industries in each level</li> <li>• A cross media strategy to gather all the image industries (cinema/audiovisual, video games and serious games)</li> <li>• The number of academic labs and schools dedicated to our activities</li> </ul>	<p><b>WEAKNESSES</b></p> <ul style="list-style-type: none"> <li>• Creative industries in our region are generally under capitalized and depended often on public funds and supports</li> <li>• Very small companies where number of employments grows and reduces abruptly at each project</li> <li>• For video games, these small enterprises depend a lot of big firms on North American (Electronic Arts, Microsoft...) and on Asia (Playstation, Nintendo)</li> <li>• The talents are attracted by the foreign firms (London, Montreal, San F) .... and by Paris for audiovisual and cinema talents</li> </ul>
<b>External Factors</b>	<p><b>OPPORTUNITIES</b></p> <ul style="list-style-type: none"> <li>• Dematerialization -&gt; contents creator can sell themselves their products on the Web, so directly to the consumers (VOD, Social Network, GOD)</li> <li>• Nomadic use -&gt; mobile phones is a new platform for content creators : I phone model</li> <li>• New consumers : girls, adults, seniors</li> </ul>	<p><b>CHALLENGES (THREATS)</b></p> <ul style="list-style-type: none"> <li>• Dematerialization, by allowing a direct access to the market will drive to an explosion of offers and a lack of visibility</li> <li>• New uses and users = new contents ?</li> </ul>

## 2. Regional Research Priority Areas in the field of ICT for Creative Industries

During two years, a person from Imaginove has met all the laboratories in our region so as to cartography skills which could have an impact on companies research needs. This cartography is today expanded to a national level with other pole of competitiveness like Cap Digital [www.capdigital.com/](http://www.capdigital.com/) and Images and Network [www.images-et-reseaux.com/](http://www.images-et-reseaux.com/)

### 2.1 Identified trends and drivers of future development potentially influencing the Creative Industries

#### ➤ *Social*

- More and more people are in capacity to use electronic and computer devices
- Social network becomes more and more important in relationships

#### ➤ *Technological*

- Web and mobile access for every one soon, an access with a higher and higher broadband, an access which covers more and more territories...: Creative industries can now sell contents directly to consumer allowing a direct access to the market. It will of course increase their margin but it will also drive them all to an explosion of offers and a lack of visibility !
- Open Source facilities, like underlined in the PTO background paper, will of course facilitating contents production for all

#### ➤ *Economic*

- Market in all creative industries (not for printed books) continues to grow
- Also, rising fuel prices are affecting the industry as well, and people buy more and more digitally

#### ➤ *Environmental*

- Higher fuel costs, of course, reduce the income available for entertainment and media, affecting all segments. In some cases, however, consumers must leave their homes to purchase products, and the cost of gasoline for trips made by auto adds to the overall cost of the product

#### ➤ *Political*

- Video Games is became a "cultural product" -> many funds at a European and national levels are now accessible for game developers
- Serious Games begins to have political gratitude -> efficiency has been proven for learning and many applications have been implemented in public universities

#### ➤ *Value-Based factors and issues.*

- **Creative industries have generally good perception from people, in terms of value-based approach. Serious Games is a good example for that : how teaching young student who didn't want to learn on a book ? One answer begins to be with new technological tools, from video games industries like 3D images, sounds,... immersive environments bring also a lot to design and architectural industries, which can "send" their concepts so much more easily. The value of technologies used by creative industries is growing more and more in the mind of consumers.**
- **A Creative territory attracts high level people and companies at a international level**

## **2.2 Identified tangible and promising application areas (derived from the most relevant trends and drivers)**

*[List and short description of potential impacts; please keep in mind the different fields of impact such as future market perspectives, business models (products, services), innovation and value creation processes, requirements with regard to human resources (qualifications, skills etc.)]*

These trends and drivers **are specific to Imaginove's industries**: video games, cinema, audiovisual and interactive multimedia

**Market perspectives:** Market of creative industries is in constant evolution. Not only because it is growing, but also because it reaches a wider panel of population, for example. Developments on Nintendo Wii and DS are good example of new targets of clients, with contents adapted not only to "hardcore gamers" but also to all the family (physical maintain in old people's homes, training foreign language, learning to cook, training cerebral activity...). Another important factor is that we will see arrive in the market young people who always been in contact with computer since their birth...

**Business models (products, services):** the digital consumption of contents is revolutionizing business models of creative industries, they can sell now directly to consumer, and then their products and services could be modified (for example evolutionary and episodic contents). The mobile consumption is also a revolution for audiovisual and video games industries which can use this new platform of distribution, but what kind of content for that kind of devices? Do we consume a game or a video content in the same way with a mobile device or with our TV or computer? Absolutely not!

**Innovation and value creation processes:** Market concerned by creative industries has the particularity to always require technological innovation in the content/service they buy. For example, video games industry is always in a run after innovation, to make the most impressive game ever seen...and a year after its sale, it becomes old-fashioned!

**Requirements with regard to human resources (qualifications, skills etc.):** Dematerialization changes clients of creative industries and they have to integrated new skills in their team like

marketing, community manager, network programmers, ergonomists, educationalists... Mobile phone opportunities are also requiring specific skills from telecom industry.

#### **Most important trends identified (relevant for Creative Industries)**

- Social networks become more and more relevant : Facebook, My Space, You Tube, ... and develop user-generated contents but who is going to pay ?
- Web access for more and more people : 20 millions french people connected in high broadband (ADSL) and develop news services as IPTV, VOD, triple play services, etc
- Contents for nomadic use is increasing quickly : I phone, TV on mobile, DSi, ... and have a strong impact on the economic models
- Diversification of clients targets for creative industries : girls and seniors for video games for example, animation in commercial, serious games, ...

#### **Most important application areas identified (relevant for Creative Industries) :**

Productivity tools, Quality of contents, Interactivity (enhanced HMI), Interoperability (produce a content for many devices)

## REGIONAL WORKSHOPS FOR REGIONAL ANALYSIS

### 2 workshops with 10 - 15 participants, using focus group approach

- **February the 5th (WS1) – Economic vision : what are the trends/drivers of tomorrow ICT ?**
  - Founder : CITIA
  - Industrial : Atari, Widescreen games, Tanukis, Daesign, E-Magineurs, Monalisa
  - Research : INRIA, LIRIS
  - Policy : Greater Lyon, Rhône-Alpes Region, DRIRE (French Ministry of Economy in region)
  
- **February, the 19th (WS2) – Technological vision : How could we answer to this needs ?**
  - Research labs members  
Bernard Peroche (LIRIS), Jean-Luc Martinez (ENSAM), Lionel Reveret (INRIA), Guy Parmentier (ESC Chambéry)
  - Research and industrial agencies  
Yves Ledru (Directeur Cluster de recherche ISLE), Nicolas Penet (INSAVALOR), Valérie Miebach (INPI), Marie-Christine Délias (Oséo Innovation)
  - Imaginove and founders  
Patrick Eveno (CITIA), Marie-Laure Dambreville (DRIRE)

## 2.2 Agreed regional research priority areas

**Regional Matrix** (please note the specific colours of the columns to refer to the CReATE model)

Research Priority Area	relation to ...					Relevance for the region	Need for external partners? <i>please specify</i>	time-horizon <sup>*)</sup>	specific regional stakeholders interested in
	application areas <i>(derived from global trends &amp; drivers)</i>	global trends & drivers	regional CI's needs & potential	regional ICT-RTDI capacities	regional policies				
<b>Productivity Tools</b>	<b>Produce a video game or an animation movie at a lower cost, without delocalization</b>	Tools for procedural generation of contents/ animation, spatial sounds	Potential of procedural tools in our region <b>Needs of User Generated Contents Tools</b>		R&D financial support (in the frame of cluster and pole of competitiveness)	very high	Yes (procedural generation of contents <b>and User Generated Contents Tools</b> )	Short terms	Video games and animation studios industries
<b>Interactivity</b>	<b>Produce new immersive and ergonomic HMI or video games, serious games, design and architectural sectors</b>	Virtual reality for simulation and industrial design  Serious Games and Learning tools (what visual experience for a good pedagogical experience)  Ergonomics specifications for several kinds of users, and new wave of more elderly people for example.	Potential in test platform (Ideas Lab <a href="http://www.ideaslab.vic.edu.au/Projects/">http://www.ideaslab.vic.edu.au/Projects/</a> , Multicom <a href="http://multicom.ima.g.fr/UserLab/index.php">http://multicom.ima.g.fr/UserLab/index.php</a> ) Potential in movements acquisition pad (CEA-MOVEA <a href="http://www.movea.com/">http://www.movea.com/</a> )	High technological pool in micro and nano technology in Grenoble (Minalogic <a href="http://www.minalogic.org/en/index.htm">http://www.minalogic.org/en/index.htm</a> )	R&D financial support (in the frame of cluster and pole of competitiveness)	high	Yes  Yes <b>Needs of Multi thread development skills (video games)</b>	Short terms	Video games, Serious games, audiovisual/cinema, web agencies, design and architectural companies
<b>Quality</b>	<b>Produce high quality contents</b>	Consumers want more and more quality in products : they become quickly obsolete,.	Potential in real time global illumination (video games industry) Potential in						Video games, Serious games, audiovisual/cinema, web agencies, design

		Contents have to be adapted constantly to every new platform on the market, while using its maximum potential	capturing, and post producing relief image for cinema  <b>Needs of Multi thread development skills (video games)</b>						and architectural companies
<b>Web Production + distribution and consumption</b>	- production of contents (video games, animation movie) in a multi localization platform - distribution of contents (video games, audiovisual) directly to consumer via the Web - consumption of MMO video games with good networks interactions	Compression – decompression technologies (ex : Onlive) Streaming technologies / Managinig a number of connections in the same time (servers farming efficiency) Security on data Interaction between online users	<b>Needs distributed, open production facilities</b> <b>Needs network physical interaction tools</b>	Telecom industries ?	Deployment of optical fibre in Rhône-Alpes region R&D financial support (in the frame of cluster and pole of competitiveness)	high	Yes <b>Distributed, open production facilities</b>  <b>Network physical interaction tools</b>	Short term	Video games, Serious games, audiovisual
<b>Interoperability (Produce a content for any devices)</b>	<b>Creative industries want to produce a content without taking into account of hardware specifications</b>	- Interoperability - Which content for a connected nomadic use? - Which content for a little screen, low power...?	Potential in transposing size with Saint Etienne university <a href="http://portail.univ-st-etienne.fr/">http://portail.univ-st-etienne.fr/</a> <b>Needs in automatically transposing size tools for any hardware specifications</b>	Hardware industries	R&D financial support (in the frame of cluster and pole of competitiveness)	high	Yes <b>automatically transposing size tools for any hardware specifications</b>	short-term	Video games, Serious games, audiovisual/cinema, web agencies

\*) time horizon: short term: < 2 years; medium term: 2-5 years; long term: > 5 years