

WESTMINSTER
MEDIA FORUM

Next steps for the British fashion industry - intellectual property, manufacturing and talent 15th October 2013

CONDITIONS FOR USE OF TRANSCRIPTS:

This document is intended to provide a timely reference for interested parties who are unable to attend the event to which it refers. Some portions are based on transcripts of proceedings and others consist of text submitted by speakers or authors, and are clearly marked as such. As such, apart from where it is indicated that the text was supplied by the speaker, it has not been possible for the transcript to be checked by speakers and so this portion of the document does not represent a formal record of proceedings. Despite best endeavours by Westminster Forum Projects and its suppliers to ensure accuracy, text based on transcription may contain errors which could alter the intended meaning of any portion of the reported content. Anyone who intends to publicly use or refer to any text based on the transcript should make clear that speakers have not had the opportunity for any corrections, or check first with the speaker in question. If in doubt please contact the forum first.

Contents

<u>About this Publication</u>	3
<u>Agenda</u>	4
<u>Session Chair's opening remarks</u>	
Baroness Young of Hornsey , Chair, All-Party Parliamentary Group on Ethics and Sustainability in Fashion (<i>transcript</i>)	6
<u>The value of fashion</u>	
John Miln , Chief Executive, UK Fashion and Textile Association (UKFT) (<i>transcript</i>)	7
<u>What next for the British fashion industry?</u>	
Caroline Rush , Chief Executive, British Fashion Council (<i>transcript</i>)	10
<u>British fashion, international opportunities - making the most of the competitive edge</u>	
Sally Britton , Partner, Mishcon de Reya (<i>transcript</i>)	13
Ian Maclean , Managing Director, John Smedley (<i>transcript</i>)	15
Barbara Wilson , Fashion Sector Specialist, UK Trade & Investment (<i>transcript</i>)	17
Questions and comments from the floor with John Miln , Chief Executive, UK Fashion and Textile Association (UKFT) and Caroline Rush , Chief Executive, British Fashion Council (<i>transcript</i>)	19
<u>Session Chair's closing remarks</u>	
Baroness Young of Hornsey , Chair, All-Party Parliamentary Group on Ethics and Sustainability in Fashion (<i>transcript</i>)	28
<u>Session Chair's opening remarks</u>	
Damian Collins MP , Chair, All-Party Parliamentary Fashion and Textile Group (<i>transcript</i>)	29
<u>Talent and skills in British fashion</u>	
Kate O'Connor , Executive Director and Deputy Chief Executive Officer, Creative Skillset (<i>transcript</i>)	30
<u>Fashion talent - internships, models and diversity</u>	
Hilary Hadley , Head of Live Performance Department, Equity (<i>transcript</i>)	37
Katia Elizarova , Model, Actress & Brand Ambassador (<i>transcript</i>)	39
Karen Dennison , Principal, Fashion Retail Academy (<i>transcript</i>)	41
Ben Lyons , Co-Director, Intern Aware (<i>transcript</i>)	43
Questions and comments from the floor with Kate O'Connor , Executive Director and Deputy Chief Executive Officer, Creative Skillset (<i>transcript</i>)	44
<u>Case study - rights protection, design and fashion</u>	
Julie Deane , Founder and Owner, The Cambridge Satchel Company (<i>transcript</i>)	46
<u>IP challenges for the fashion industry</u>	
Annabelle Gauberti , Founding Partner, Crefovi	48
Dids Macdonald , Chief Executive Officer, ACID (Anti Copying in Design) (<i>transcript</i>)	50
Varinder Rehal , Senior Commercial Lawyer, Asda Group (<i>transcript</i>)	52
Questions and comments from the floor with Julie Deane , Founder and Owner, The Cambridge Satchel Company (<i>transcript</i>)	54
<u>Session Chair's and Westminster Media Forum closing remarks</u>	
Sally Britton , Partner, Mishcon de Reya (<i>transcript</i>)	59
Thomas Raynsford , Senior Producer, Westminster Media Forum (<i>transcript</i>)	60
<u>Comment</u>	
Bruce Montgomery , Professor in Design Craftsmanship, University of Northumbria	61
Dr Alistair Knox , Chairman, ASBCI	62
Julian Wilkins , Solicitor, Devereaux	63
Linda McPherson , Senior Director, Scottish Enterprise	64
<u>List of Delegates Registered for Seminar</u>	66
<u>Contributor Biographies</u>	72
<u>About the Core Sponsors of the Westminster Media Forum</u>	75

About this Publication

This publication reflects proceedings at the Westminster Media Forum Keynote Seminar: Next steps for the British fashion industry - intellectual property, manufacturing and talent held on 15th October 2013. The views expressed in the articles are those of the named authors, not those of the Forum or the sponsors, apart from their own articles.

Although Westminster Media Forum is grateful to all sponsors for the funding on which we depend, participation in events and publications is never conditional on being a sponsor. As well as funding ongoing operations, sponsorship enables the Forum to distribute complimentary copies of publications, and offer complimentary tickets for events, to Government ministers, parliamentarians and officials most involved in policy.

This publication is copyright. Its copying, in whole or in part, is not permitted without the prior written consent of the publishers. However, extracts of the text may be reproduced for academic or review purposes, subject to the conditions of use outlined in the previous page, providing they are accurate, are not used in a misleading context and the author, their organisation and the Westminster Media Forum are acknowledged. We would also appreciate being informed.

Westminster Media Forum

4 Bracknell Beeches
Old Bracknell Lane West
Bracknell
Berkshire RG12 7BW

T: 01344 864796

F: 01344 420121

publications@westminsterforumprojects.co.uk

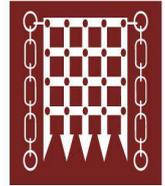
Directors

Peter van Gelder

Chris Whitehouse

Westminster Media Forum Keynote Seminar:**Next steps for the British fashion industry - intellectual property, manufacturing and talent**Timing: Morning, Tuesday, 15th October 2013

Venue: Rutherford Theatre, 76 Portland Place, London W1B 1NT

**WESTMINSTER
MEDIA FORUM**

- 8.30 - 9.00 Registration and coffee
- 9.00 - 9.05 **Session Chair's opening remarks**
Baroness Young of Hornsey, Chair, All-Party Parliamentary Group on Ethics and Sustainability in Fashion
- 9.05 - 9.15 **The value of fashion**
In the context of the CMS Select Committee inquiry - 'Support for the creative industries' - what are the emerging options for the British fashion industry to demonstrate its value to the economy as well as its contribution to culture and the UK economy?
John Miln, Chief Executive, UK Fashion and Textile Association (UKFT)
- 9.15 - 9.30 **What next for the British fashion industry?**
With British fashion highly regarded internationally but with increased and renewed competition as emerging markets begin to create their own brands and designs, how can the UK stay ahead? What steps can industry and Government take to secure continued domestic and export growth? What part can the fashion sector play within the Government's wider growth agenda?
Caroline Rush, Chief Executive, British Fashion Council
- 9.30 - 10.20 **British fashion, international opportunities - making the most of the competitive edge**
Is the British fashion industry making the most of its competitive advantages in the international fashion market? How is British fashion design perceived internationally - particularly compared with France, Italy and the US? In the context of strong sales of, particularly, luxury brands in Asia, how well placed are UK fashion houses to exploit the emerging opportunities that exist? What are the options for supporting apparel manufacturing in the UK? In the context of concerns regarding the use of sweatshop labour and poor working conditions, what are the options to derive competitive advantage for goods manufactured in the UK? With increasing standards of living driving up labour prices in India, China and other international apparel manufacturing centres, what does the UK need to do to compete for business?
Sally Britton, Partner, Mishcon de Reya
Ian Maclean, Managing Director, John Smedley
Barbara Wilson, Fashion Sector Specialist, UK Trade & Investment
Questions and comments from the floor with **John Miln**, Chief Executive, UK Fashion and Textile Association (UKFT) and **Caroline Rush**, Chief Executive, British Fashion Council
- 10.20 - 10.25 **Session Chair's closing remarks**
Baroness Young of Hornsey, Chair, All-Party Parliamentary Group on Ethics and Sustainability in Fashion
- 10.25 - 10.50 Coffee
- 10.50 - 10.55 **Session Chair's opening remarks**
Damian Collins MP, Chair, All-Party Parliamentary Fashion and Textile Group
- 10.55 - 11.05 **Talent and skills in British fashion**
What skills and talent are needed to meet the future challenges facing the UK's fashion industry, and what needs to be put into place by government, the manufacturing and education sectors and others?
Kate O'Connor, Executive Director and Deputy Chief Executive Officer, Creative Skillset
- 11.05 - 11.50 **Fashion talent - internships, models and diversity**
What are the options for the industry, Creative Skillset, and schools and colleges, to highlight the diverse career paths available within the Fashion sector? How is the industry preparing to bring through the next generation of talent - including the designers able to compete on a world stage and the entrepreneurs able to lead the sector forward? What impact is the prevalence of unpaid internships having on the cultural and ethnic diversity in the fashion industry? In the context of campaigns by Models Alliance in the US and British Vogue signing up to the10 point plan for model rights, what are the implications of unionisation for the fashion industry as well as modelling as a career?
Hilary Hadley, Head of Live Performance Department, Equity
Katia Elizarova, Model, Actress & Brand Ambassador
Karen Dennison, Principal, Fashion Retail Academy
Ben Lyons, Co-Director, Intern Aware
Questions and comments from the floor with **Kate O'Connor**, Executive Director and Deputy Chief Executive Officer, Creative Skillset
- 11.50 - 12.05 **Case study - rights protection, design and fashion**
A designer sets out the challenges facing members of the British fashion sector in maintaining and securing their rights both in the UK and internationally.
Julie Deane, Founder and Owner, The Cambridge Satchel Company
- 12.05 - 12.55 **IP challenges for the fashion industry**
How far is the importance of securing design rights and intellectual property protections understood by SMEs, start-ups and others in the fashion industry? Does the current design rights system offer designers adequate protection of their rights? What would be the likely effect of a move to the Hague System for international design registration? What impact are 'fast-fashion' outlets having on designer ability to realise the value of their designs? Do 'knock-off' products act positively for the industry - maintaining the original in aspiration status from individuals without the financial means to purchase genuine goods? What will be the impact on the fashion business of the Intellectual Property Bill's proposals to maintain unregistered design rights as well as the move to make designers 'first owners'? What are the next steps for protecting unregistered designs?
Annabelle Gauberti, Founding Partner, Crefovi
Dids Macdonald, Chief Executive Officer, ACID (Anti Copying in Design)
Varinder Rehal, Senior Commercial Lawyer, Asda Group
Questions and comments from the floor with **Julie Deane**, Founder and Owner, The Cambridge Satchel Company
- 12.55 - 13.00 **Session Chair's and Westminster Media Forum closing remarks**
Sally Britton, Partner, Mishcon de Reya
Thomas Raynsford, Senior Producer, Westminster Media Forum

Westminster Media Forum's opening remarks

Thomas Raynsford, Senior Producer

Good morning, we are about to begin, I just want to make some opening announcements.

I'm Tom Raynsford, the Senior Producer of the Westminster Media Forum.

Thank you all for coming, this is our second venture into the world of fashion, and as you can see it's actually been quite good for us, and our last one was almost a year ago to the day and the room that we were in was half as full as it is today, so thank you all for coming.

Before we begin could everyone in the audience mute your mobile phones, if you are a panellist or on the panel, if you could please turn off your mobile phones and turn off the radio on your mobile phones, just while you are on the stage.

We are recording today, and also I would like to make you aware that there will be a couple of film crews in the room. If you don't want to be filmed, let them know, they won't film you, they have been instructed to follow your wishes, but just, if you see some film crews milling around, they are actually nothing to do with us, but they are in the room.

There is a recording today, as I say, an audio recording which will be turned into the transcript. Everyone that attended is welcome to submit a 600 word article which will be formed as part of that transcript, it is delivered to everyone that attended, as well as lots of people that couldn't make it on the day. If you do want to submit an article, let me know and I will hold off on the publication of the transcript until we have your submission.

Westminster Media Forum is fortunate that we have core sponsors who allow us to get on with our work, they don't interfere in the editorial policy at all, but they do support us greatly, who are Arqiva, the BBC, BT, ISBA, KPMG and O2, as I say, make use of their services, they are very kind to us I'm sure they will be very good to you.

With that I'm going to hand over to our first half Chair, who is Lola Young.

Session Chair's opening remarks

Baroness Young of Hornsey, Chair, All-Party Parliamentary Group on Ethics and Sustainability in Fashion

Thank you very much Tom, and it's a pleasure to be at the second event. I was at the first event also, so I can see how it's grown too.

As you will see from your programme, I'm Chair of the All-Party Parliamentary Group on Ethics and Sustainability in Fashion, and whilst that isn't the focus of today's sessions, for me at least it underpins a lot of what we are going to be discussing later on.

If we think about the fashion industry, from the outside it looks... everything is in absolute great condition, we are in very rude health, lots of accolades about our innovation and creativity, very successful London Fashion Week, good sales, high prestige, France fashion, street fashion, a lot of very kind of buzzy feelings around the subject area, and so that might make us feel a little bit complacent, however, I'm sure as all of you are aware being professionals within the industry, there are a number of challenges and it certainly hasn't escaped my mind, if you like, that we are just six months on from the Rana Plaza disaster, so lots of questions still around ethics and how sustainable the industry is, they are not going to go away, and still thinking about how fast fashion works and the number of demands it makes on the industries and designers and retailers and so on, how they fit into that business model. Intellectual property is something that we'll be looking at later on, but also how do we keep ahead of the game, how do we face up to international competition? Particularly, and interestingly from my point of view, fashion weeks exploding, every time you look there seems to be another Fashion Week in a different part of the world, and certainly emerging economies and from developing countries are also looking at how to, as it were, cash in on their creative capital in the world of fashion.

So there's lots of different issues that we are going to have a look at today. We are going to start off by looking at the value of fashion, and that's very interesting to me as a kind of politician, I'm not one of those kind of Party Members who has always been in a political activity at all, I'm an Independent Cross-Bench Peer, but as somebody who is interested in politics and therefore issues like jobs, employment and the economy are very important, it's really necessary to think about what the fashion industry can do to demonstrate its value to the economy and therefore have as much political support, not interference, but political support as is possible and feasible.

So it gives me great pleasure to introduce our first guest this morning, John Miln, who is the Chief Executive of the UK Fashion and Textile Association. John, thank you.

The value of fashion

John Miln, Chief Executive, UK Fashion and Textile Association (UKFT)

Good morning ladies and gentlemen. Thank you for inviting me here today it's an honour to speak on behalf of the industry.

The UKFT is the most inclusive and influential fashion and textile network representing over 2,500 companies throughout the UK and promoting the industry here in the UK at EU level and globally. The UK Fashion and Textile Association is an independent self-funded membership organisation which encourages, supports and connects the entire UK fashion and textiles sector. We support and mentor British fashion designers selling into international markets at international fashion shows and particularly those exhibiting for the first time in their first foray into export markets. We do this as a trade challenge partner created by UK Trade & Investment. This programme is worth over 1.2m in grants each year alone and throughout every 12 month period we engage with over 500 companies in this programme covering the fashion industry in both apparel and textiles. 319,000 people work within the fashion and textiles sector in 58,000 firms worth over £11.8bn to the UK economy in gross value added.

180,000 people are involved in fashion and textiles related and manufacturing activities. Many of these are highly skilled jobs, we export over £8bn a year at wholesale, we are contributing to the UK economy financially but also in terms of profile and prestige. We therefore think we're uniquely placed to be able to comment and add value to the important subject matter before us today.

Intellectual property is a hot and relevant topic, given that counterfeiting accounts for well over 200bn Euros in losses for the world economy.

In this opening address I am focusing on the Culture, Media and Sports Select Committee Inquiry and the support for the creative industries. And indeed what might be the emerging options for the industry in the light of the work undertaken and so far published by the Committee to date.

The issues raised by the CMS Select Committee were, how best to develop the legacy from the Olympics and the Paralympics of the display of UK talent in the creative industries; the barriers to growth in the creative industries such as difficulties in accessing finance; and looking at the impact of the creative industries on the independent Hargreaves Review of the intellectual property and growth; the failure, at least as yet, to implement the Digital Economy Act which was intended to strengthen copyright enforcement; and proposals to change the copyright law without recourse to primary legislation. Further the extent to which taxation supports the growth of the creative economy and the extension of the tax relief targeted at certain sectors in the 2012 budget; ways in which to establish strong skills base to support the creative economy including the role of further and Higher Education; the importance of clusters and hubs in facilitating innovation and the growth of the creative sector; and the work finally of the Creative Industries Council and other public bodies responsible for supporting the sector. It follows therefore that the Inquiry was extremely broad in terms of the breadth of the creative industries and the breadth of the issues being considered. The following therefore emerges.

Intellectual property. In 2010 the Prime Minister announced an independent review Chaired by Ian Hargreaves of how the intellectual property framework supports growth and innovation. They found that Hargreaves was wrong in the benefits of his report claimed for his recommended changes to UK copyright law. The underlying agenda was driven at least partly by technology companies which would cause irreversible damage to the creative sector on which the UK's future prosperity will significantly depend.

Changes to copyright laws need careful consideration as the value to the economy of copyright and creativities runs to £36bn a year. Business should also use the current law to bring claims as they're a failure to enforce the existing laws against online piracy. Google ought to provide an adequate response to creative industry requests to prevent its search engine directing consumers to copyright infringing websites, there is a continuing promotion by search engines of illegal content on the internet which is inaccessible.

They further suggested that within Government there should be someone who champions intellectual property to coordinate enforcement of IP rights in the UK and overseas, and to educate consumers on the value of IP and the importance of respecting IP rights; logically the UK Intellectual Property Office should take this role.

They found that there was also scope to make maximum penalty for serious online copyright theft. Criminal offences in the online world would attract the same penalties as those provided for the physical world by the Copyright and Trademark 2000 Act.

The message here to the fashion industry is to follow up on IP infringements and help alert the Government Minister who would be responsible for such issues. Less subtly however, the issues are, given the clamour of noise from other industries with their own agendas, the fashion industry needs to be shouting louder about IP infringement. The canard that if I make 1, 2, 5 or 7 changes I can avoid an infringement claim, needs to be shot at. And finally fashion business need to invest in designer protection and not simply piggyback off the design investment of others.

In funding and finance the Committee stated that the Government should be promoting both the Enterprise Investment Scheme and the Seed Enterprise Investment Scheme. Fashion businesses should seriously consider the availability of these funding options including crowd funding, which might allow small start-ups to retain control of their IP and that this is not hampered by existing financial regulation. The message once more to the fashion industry is to consider how different forms of funding can help businesses grow, all too often fashion businesses which have the potential to contribute hugely to the UK economy do not do so as a result of lack of knowledge.

The income tax system needs to better recognise the freelance nature of employment in much of the creative sector and that tax relief to companies that encourage apprenticeships should be available.

In skills training and education, the Committee would like a broader Art curriculum as the Government are focusing on Science, Technology, Engineering and Mathematics which we would call STEM, but the Committee therefore proposed that that STEM become STEAM to include the Arts. They have recommended that school children are introduced to ideas of intellectual property and the nature of business to gain a better understanding of the importance of creativity, both to the learning process and to wider society and the economy.

The message here to the fashion industry is: go into the schools to inspire children at an early age and aspire to be the next Jenny Packham or Emma J Shipley; offer more apprenticeships, with reference to this the Committee suggested that tax reliefs would assist but again the industry but lobby for this to happen; and thirdly lobby for changes in the Visa rules to allow overseas students, many of whom uniquely trained, talented, to study and work in the UK and contribute to our fashion industry.

The UKFT is intimately involved with the Fashion and Textiles Council within Creative Skillset and is proud to have contributed to the setting up of the first ever National Group Training Association, together with success in the first round of employer ownership pilot, securing an excess of £1,500,000 for the industry.

So what do we want from policy makers? A constructive dialogue with Government and Politicians, a level economic and business playing field with Europe and internationally, a skilled and trained workforce and a sustainable economic environment for the UK together with a stable regulatory framework. That probably sounds like a checklist that most businesses and industry leaders would suggest, well we're in an industry made up of thousands of individual businesses, we want to engage and we want to communicate. But being specific, the creation of a series of investment hubs for the fashion and textile industry around the UK where designers and skilled craftsmen and women can come together, we would like to work with big society capital or social investment business to make this a reality. Tax exemptions and capital allowances for all new fashion and textile companies for the first 5 years, this would allow them to grow quickly. In the spirit of engagement and cooperation I would like to call for an annual fashion and textile industry Government Roundtable as a

backdrop to the annual Roundtable, we the UKFT, as the representatives of the industry, will produce a state of the industry report so that we can build on strengths and address weaknesses quickly, so that opportunities can be taken and not lost

To conclude, the UK fashion industry contributes billions economically and hundreds of thousands of jobs, but more importantly it contributes to the culture and fabric of society from when we get up in the morning until we go to bed at night. This is a UK industry that has global reach. I call on Government to work with the industries now in the spirit of positive engagement so that we can achieve together that we cannot separately.

I don't want to look back in 20 years and see an industry that has lost the opportunity which has been presented to it, we are not an industry that whines, we are not if and but complainers, we are creative achievers and we want to create and we want to achieve.

Thank you.

John Miln's PowerPoint presentation can be downloaded from the following link:

http://www.westminsterforumprojects.co.uk/forums/slides/John_Miln.pdf

Baroness Young of Hornsey:

John thank you very much for that which very clearly laid out the policy demands and we will do our best and although I'm not Government we will report back and hopefully we'll get some traction on some of the issues raised. I mean one of the points for me is that the different areas that you talked about where you needed initiative to be taken crossed so many different Government departments, I mean just on the sort of, you know, quick count it was about 6 different Government departments and that's what we're not really very good at. So that's something that we need to work much harder on. Caroline it's good to see you again and so I'll hand straight over to you and you're going to tell us what's next for the fashion industry, thank you.

What next for the British fashion industry?

Caroline Rush, Chief Executive, British Fashion Council

So good morning everyone, delighted to be here and it is a little bit like crystal ball gazing but hopefully we can share with you what we're up to at the moment and what the plans are for the next 3 years.

So I guess just to give you a little bit of context in terms of the British Fashion Council, we've been established for nearly 30 years now and we were established to promote designer businesses to a global audience. Day to day we work with designers themselves, we work with brands and talent who are predominantly involved in the events and showcasing events we put on, the likes of London Fashion Week. We speak to the brands that are on our key audiences' radar and our key audiences are the global retailers, of course the British retailers as well, and media.

So over the past few years is that we've added to our talent support schemes and I'd like to focus on talent for a moment.

It was in '93 when New Generation, which is a scheme that we continue to do in partnership with Topshop, was established to help a designer called Alexander McQueen then show his collection in the Ritz Hotel to the international retailers that were coming to London. And since then we've been working with similar groups of talented individuals to help them build their businesses, to help showcase to global audiences, but what we've learnt is that, particularly for high end designer businesses, we need to look at those differently, and have really focused support, because at different stage of businesses obviously you need different levels of support.

We engage more and more with consumers as our designers start to go more directly to consumer is that we felt the need to develop our consumer interaction so that we can help them develop the audiences they need to attract those kind of consumers as they make their endeavours and first steps into retail, whether it's e-tail or bricks and mortar.

We have a Colleges Council and think it's incredibly important that we continue to work with the colleges to make sure that what's taught, of course, is relevant to the industry and relevant to the future fashion brands, to make that connect with those that want to go into the industry, so that they know what to expect in terms of start-up and what opportunities are available to them.

Emerging talent, it is that our aspiration is that our young talented designers go on to be the global brands of the future, our role is to help bridge the gap, to provide support and a network as they build their businesses to scale where they take those first steps into retail as they develop this global footprint.

As you can imagine once they get to global brands, and we do have some which is fantastic and some that are moving very quickly in that direction, is that they need the support to really stand out amongst the crowd, yet be able to come together and to share the challenges of the industry and to look at how we can create interventions together so that we can move forward and build on our global positioning.

I've mentioned showcasing a couple of times, to us that means London Fashion Week. We've just come out of a very successful one with a stronger international audience than we've ever had before.

London Collections: Men which is a relatively new initiative which is aimed at showcasing the very best of British menswear brands again to a global audience.

London Showrooms some of you might not have heard of, it's been going for five years now, but we take small groups of designers out to Paris, to New York, to Los Angeles and starting to move into emerging markets. We did Hong Kong last year and we going out to São Paulo in a few weeks' time. The aim of London Showrooms is to really focus with those designer businesses on building the international audience, building strategic partnerships with retailers, getting to know the market and getting to know the media in that country.

And of course the British Fashion Awards, this is our annual event to celebrate the very best of designer fashion, it's important because it's an opportunity to really demonstrate that we are excelling in all areas of the field, not just emerging talent, but established brands, creatives, models and all aspects of the industry.

So to focus for a minute just on the importance of fashion week, and the importance of doing these events. To those that don't come to London Fashion Week, haven't been to London Fashion Week, you'd probably wonder, is it all glamour? Is there any substance to what's behind it? And I often get asked why we promote London as a fashion capital? We are the British Fashion Council after all, and why we don't promote British and Britain as the designer market? Well of course London is the global marketplace for the UK and it's important to have a strong fashion capital and fashion week that can sit alongside the likes of New York, Paris and Milan, and it has a halo effect for all businesses as you're trading internationally.

There's some of the quotes here that I'd like to just pick up on.

Bergdorf Goodman, *"London has become not-to-miss"*.

Joyce, Hong Kong, *"London Fashion Week is getting bigger and bigger"*.

Printemps, Paris, *"Amazing energy in London and young designers are turning into proper brands"*.

This is great news, for many years we were seen as, I guess, sort of the fourth rung on the fashion calendar and we're really fighting for our place because we believe we have incredible businesses here in the UK, and that we are the fashion capital for innovation, for creativity, and increasingly business, and that we should hold strong our position as one of those leading four.

And so what next? Well in January we took on a new Chair for the British Fashion Council which is a pro bono role, Natalie Massenet, who is the founder of Net-a-Porter group. Natalie and I brainstormed and put together a 3 year, five pillar action plan for what we see is an opportunity to really create a sustainable footprint for growing designer businesses going forward.

So picking up, I guess, on what John was saying is, our first pillar, investment is absolutely key. We've had a lot of activity here in the UK in the past 12 months with some of our stars of London Fashion Week being picked up by the luxury groups, but what we'd like to see is more investment coming onshore as well as offshore, and really to develop an understanding in the investment community of the opportunity in the fashion industry, but also an understanding amongst those designer businesses of the right partner for them to take on. That, of course, will mean mentoring, potential match making, and we've added a new stream to this, something that I'm not really going to go into too much detail on, but of course manufacturing and textiles. This is something that we see very much fits in John and UKFT's arena but we would like to add the voice and support for gaining a very much needed investment into this area of the industry. I know that Ian from John Smedley is going to talk to you a little bit about it shortly so I shall leave it at that.

Our 2nd pillar is Reputation. In terms of reputation, we've talked about the events that we do, about the communication, now this is an industry for us to be proud of and we employ over 800,000 people, we have a global reputation for creativity, for innovation and we contribute 21 billion to the British economy each year. It's something we should shout about, something we should be proud of and something we should get behind.

Our 3rd pillar is Digital innovation and was really no surprise, particularly having Natalie as our Chair, but the great thing about the UK, the great thing about London, is that we're not only known for incredible designer businesses but we have a global reputation for tech start-ups as well and tech start-ups in the fashion sector. So the more opportunity to champion that, celebrate that, and bring together our tech businesses with our designer businesses. We see that there's more opportunity to build on that innovation that we're known so proudly and globally for.

Our 4th pillar is Business support, we do a lot of already, but we have the ambition that we can do more and that we can share with broader audiences. We have about 90 designer businesses now in our designer support schemes, that will be going through that talent support pathway (ref to slide), but we'd like to share some of those learning's online and broaden it out with opportunities through seminars and accessibility to some of our mentors.

Industry insight of course is key and that's not only things like the Value of Fashion Report that we put together with Oxford economics, UKFT and some industry partners in 2009, which is well overdue a refresh, but also looking at industry insight into international markets and sharing that with the designer community.

Our 5th pillar is Education. Our education strategy is aimed at attracting talent, to go to your point we need to really look at engaging with the teenage audiences, attracting that talent pipeline to our industry, when we've built our reputation on innovation, creativity and young designer businesses, we need to make sure that we continue to attract that talent. We need to developing talent, I know that John touched on the work that they do with Creative Skillset, but Creative Skillset are doing an incredible job in really creating a skills and training programme for the industry as a whole and we support that. And final we need to retain talent, of course the visa system is very important, many of our designer businesses that weren't born here in the UK are having challenges now with visas to stay here to build businesses here and so we want to make sure that we're working to ensure that that doesn't affect the growing pipeline of designer businesses of the future. But we also want, to support the business training and bring together the business schools and our designer talent to make sure that we're growing strong and sustainable businesses.

So a great ambition, cute little chart, but I guess to bring it all together is that what we want to see is our fashion brands take their place alongside the global fashion brands so that the Bond Streets around the world aren't only driven by those international brands but have an equal share of British brands there as well.

I was asked to sum up what the Government can do to support. Well the main thing is to listen to our challenges, help us find ways to tackle them and help us protect our talent pipeline that for us is absolutely key. To ring-fence the existing support from Government that we get through UKTI, not just for the events that we do but for the hundreds of businesses that require support to travel and develop businesses in international markets, and in return we will deliver employment, we'll deliver global reputation and we will continue to contribute significant amounts to this country's GDP.

Thank you.

Caroline Rush's PowerPoint presentation can be downloaded from the following link:

http://www.westminsterforumprojects.co.uk/forums/slides/Caroline_Rush.pdf

Baroness Young of Hornsey:

Thank you very much and it struck me as you were speaking about the huge range of activities that you have to do with a relatively small organisation and that issue about getting Government to listen is something that I think will come up again and again particularly when fashion is, as it were, lumped in with other creative industries and I wonder about the extent to which that is helpful or not but perhaps we can come back to that.

What we're going to do now is we're going to have a panel discussion and, so Sally Britton is just going to join us on the platform and is a Partner in Mishcon de Reya and we have at the end Ian Maclean who's Managing Director with John Smedley, Barbara Wilson who's the Fashion Specialist, Fashion Sector Specialist I should say at UK Trade & Investment and of course John and Caroline who've already spoken. So Sally.

British fashion, international opportunities - making the most of the competitive edge

Sally Britton, Partner, Mishcon de Reya

Hi, I'm a Partner at Mishcon de Reya so I kind of focus on intellectual property but also working with fashion industry. Creativity is going to be at the heart of what we're talking about today and I think it's quite clear that this is actually recognised as an important contributor to the UK economy and what you see here, I don't know if many of you have seen this campaign, but this is the biggest ever integrated Government campaign to promote the UK overseas, I understand that it is coming into the UK and you'll see these adverts here as well.

It's promoting the very best of UK talent and of course it's natural that fashion is a part of that.

But clearly one of the issues and I think this will be touched upon throughout today, obviously both of the speakers John and Caroline have mentioned the issues with intellectual property. And I think one thing that's important to remember, I don't know if many of you know the that I'm showing here, is that it's not just an issue for the high end. Now we advise high end designers and high street but this is actually a fake Primark stall that emerged in Dubai, I believe, it emerged in Dubai, it's since departed but I think what it highlights is the importance of actually taking a proactive view in terms of considering rights overseas.

We're very lucky in the UK that we have a very developed IP regime that supports creativity however, there is still some territories who don't necessarily have the same protections, they have similar protections but as IP is territorial if you're entering into, China is the very obvious example, it can be very difficult to deal with say a bad faith application that's been filed. I know Caroline is working very hard with a number of young designers and =, =I think this is a very important point, with the Government to actually address those issues at an international level, but it's not just China and it's not just the high end industries.

So in relation to intellectual property a key part of that is actually education, and I think John touched upon the fact that education, there still is a widespread misunderstanding about five changes being acceptable. So not only is there the education in terms of on an international level but whilst we have a very developed IP regime here within industry and within colleges we do need to focus on education. That focus can come from private practice with initiatives that various organisations are looking at from an industry perspective but also from a Government perspective.

Something that the Governments been doing and I think we're going to have some people touching upon this today; a very positive thing Patent Box. Now I don't know how many of you in the room are aware of Patent Box, it's had a great deal of press; this became effective in April 2013. Effectively the intension here is to encourage innovation within the UK and for high value innovation to be based within the UK, both extremely positive things.

Essentially you can qualify from what could be as low as 10% corporation tax, if you commercialise patents, develop new innovative processes, and really your organisation must own or exclusively licence patents. So it's not just your organisation, there are certain abilities to use those benefits when you've got other companies within your group.

So it's something to talk to a specialist about because it's a very interesting and, I think the cost is estimated at 1 billion by the HMRC in terms of their investment in this through the loss of revenue as a result of the reduction. So I think it's something that people should consider, so for example, if you're talking about a jeans company, the moisturising jean that you've developed, and I know that Ian is going to talk about potential ways that he is able to integrate this into his business in a positive way going forward.

I think it's very important, and I know the HMRC are talking about further benefits in terms of supporting creative fashion businesses and John obviously talked about potential tax breaks for businesses starting up, and particularly when start-up businesses in the fashion arena, because the fashion arena is so international,

because of the need to protect themselves from an intellectual property point of view can be quite expensive. I think that whole kind of argument actually fits very neatly together.

So that's just one of the opportunities and an example of support from the Government in terms of the fashion industry. Something else that the HMRC, and I know something that we're talking about today, is interns. It's a challenge for the fashion industry going forward and I know there's a section I think that's mentioned about potential issues in terms of engaging overseas workers and there are various, you know, overseas, working with overseas Chinese manufacturers and the like with kind of low standards in terms of the workforce, but in the UK there's been a lot of press recently about the use of unpaid interns. That doesn't just happen in the UK it does happen overseas as well.

In terms of employment law in the UK, interns could be volunteers, they could be classed as workers, they could be classed as employees and in terms of the actual rights that they have do vary quite immensely, but it's very unlikely that actually an intern, unless they're employed for a very limited time, would be considered to be a volunteer and actually have no rights at all. And that's something that really businesses need to consider. And I know that we work with businesses to develop a strategy in relation to the use of interns and I know various businesses are also working with Caroline, with the British Fashion Council in terms of developing paid intern, and it could be that if unpaid interns are used within the business it could be that they're only used where required as part of a college course for example. So there are various strategies that can be developed.

So I know I only have five minutes at the start though there's just a kind of few kind of challenges and opportunities of UK industry, I'm looking forward to interesting discussion and thank you.

Sally Britton's PowerPoint presentation can be downloaded from the following link:

http://www.westminsterforumprojects.co.uk/forums/slides/Sally_Britton.pdf

Baroness Young of Hornsey:

Thank you Sally. And as you say you've raised a number of issues that are going to be sort of covered elsewhere as well but I'm sure there'll be some questions on some of that. Okay, thank you, Ian.

British fashion, international opportunities - making the most of the competitive edge

Ian Maclean, Managing Director, John Smedley

Thank you very much for inviting me to speak here today.

On my way walking here from my hotel, I walked past what I think was a genuine Primark store and it made me feel a little like the proverbial dodo, the last of my kind perhaps, possibly moving a little bit too slowly to dodge the bullet of progress, but I'm still here, and I've been cheered up greatly by some of the things that my colleagues have said on the panel so far this morning.

So for those of you who don't know who John Smedley is, he's not me, he's one of my predecessors, I'm a member of the family that owns the business, we are a family owned business, we have three factories in Derbyshire and Yorkshire, they date right back to the beginning of the industrial revolution, and Lola will like this next comment, that means we've survived the administrations of 60, yes that's six zero Prime Ministers. How many policy U-turns do you think that is?

We design and manufacture 100% of our knitted garments, jumpers and shirts in the UK. People like to pigeonhole us as a heritage brand as a result of the length of our lifespan, but I like to think that our garments are actually contemporary in any age, and that's why we've survived for so long.

We distinguish ourselves through style, quality and colour. We make garments of the very highest quality of their kind, and in order to do that we have to start with the very best raw materials. We primarily use Merino wool, and the very highest grade of cotton which is known in the industry as Sea Island Cotton, to make our jumpers. We make 400,000 of them a year, so we are quite a big business, and we export to over 30 countries around the world about 60 or 70% of our sales.

We employ 400 people across our three factories and many of them are highly skilled and our costs are obviously high as a business and I think it's very, very important that everything people say in this room today about skills, not just to do with design and the creative end of the business, but the manufacturing end of the business, if we are to support the creativity within the UK, that is where skills have been lost in droves as low tech manufacturing has declined so dramatically in the last 20 years. I mean today, if I need linkers, seamers, electricians, mechanics, engineers to keep my machinery going, I pretty much have to educate them myself, which is an incredible thing to say, but the costs are really borne by me.

Globalisation and a reduction in cost of textiles have affected us and we can see this in our accounts as business, since about 1995. We've suffered terribly our costs as a business have absolutely doubled in that time, it cost us in 1995 about £20 to make a garment, and today it costs about £40 to manufacture a garment in the UK, and at the same time our volumes have halved. Back in 1995 we peaked at about 800,000 garments a year, today we make 400,000, but the incredible thing is that we are still here, and the reason we are still here is for two reasons. Number one, in the 1930s my great grandfather stopped making garments for other brands and he put his own name in the back neck label of the garment, John Smedley, and what that means, quite simply, is that we can raise our prices, we are not governed by somebody else, whether it's Marks & Spencer, or Next, or whoever telling us we have to make a jumper for £10, we can raise our prices as our costs rise. That's the first thing. The second thing is that in 2000 we started our own web shop and we started to sell our garments direct to the consumer, our business before that was 100% wholesale to retailers and distributors, and today it's still about 80%, but without that extra margin capturing that extra retail margin ourselves, again we wouldn't be here today.

So what I would like to talk about is a very specific thing, just over a couple of minutes and give you a few ideas as to how I think we can help the manufacturing part of making garments here in the UK.

The price will obviously be high, our costs are high, I've told you that, but there is enough retail margin for even the smallest business to capture enough of that margin, and if they invest it cleverly to grow a business, based upon manufacturing in the UK. The game changer in this regard has been the web. The web allows us, even the smallest business, to gain a global audience for its products, if it chooses to manufacture and design them in the UK, and what comes with that is a much reduced risk in distribution. You know if you go the

traditional route of trying to find a distributor abroad or a retailer or a wholesaler abroad, the demise of one of those big customers can take your business down extremely rapidly, but the web itself reduces that risk if you can sell direct to consumer.

So how can we help this process as a group? I believe the first thing that we can do is to change our language slightly, and I've seen a small amount of evidence of this, this morning, in the way my colleagues have talked. I can wave any number of articles from the fashion and general media about the so-called British fashion industry and all they talk about is designers, designers, designers, designers. The last time I looked the British fashion industry, the output of it was garments, and garments arise from designers designing them and other people making them. If they want to encourage people to make them in the UK, I would dearly like to see us change our language and talk about designers and makers together in the UK. That's very, very important. It's a change of mind-set, it's a change of direction, and it's all inclusive and it helps those people who want to try and make things here, it gives them the incentive to do so.

The next thing we can do, which I know is almost impossible, but I'm going to mention it since there's one or two politicians here today. I'm a sad person and I've read our industrial policy of our current Government, the last time we had an industry policy I was at school, and we learnt about it in our economics class, but today apparently we do have an industrial policy, it's very sector specific and of course low tech manufacturing doesn't even register on the radar, because 30 years ago Margaret Thatcher decided it wasn't important, and it's all gone. There's very little of it left, and what can I say. But if you want to help us out, please change your orthodox thinking in relation to low tech manufacturing. Why, because it employs an awful lot of people, not just in London, not just in Derby, not just wherever the big chemical industry business is, but all over the country, potentially, potentially, if we can spread technology to help small businesses grow, and one of those technologies, and I know this is just one small thing in a whole raft of things people can talk about, but ultra high speed broadband everywhere will help very small businesses get to where they want to go, and locate themselves, not just in London, not just in Manchester, but anywhere in the country and that will help to encourage small businesses.

On an educational level, when I went to university the local authority funded me and when my children grow up and go to university, hopefully, they will pay lots and lots of fees. That's a very interesting change in education, and what it might probably do is incentivise potential students who want to go to university or college to really think about what they are going to do, and it may incentivise some of them to become web programmers, web designers or linguists in order to help facilitate our little manufacturing industry to grow back again, because those are the people that we need in order to grow web businesses, and there's not enough of them out there, definitely not enough of them. I hired a new designer for John Smedley the other day, and I had my pick of the crop from the top design colleges across the country, and there were many, many of them who applied, but can I get my hands on a web programmer for love nor money, not at the moment.

The final thing. I would like to see Government give small businesses tax incentives to export, I think that's very important, a very good incentive that works very well, and that would help people to focus their minds on exporting, because that adds value to the economy. And the very last thing is please keep garment cost sourcing from low cost labour countries in the spotlight. I has been in the spotlight, let's keep it there.

Thank you.

Ian Maclean's PowerPoint presentation can be downloaded from the following link:

http://www.westminsterforumprojects.co.uk/forums/slides/Ian_Maclean.pdf

Baroness Young of Hornsey:

Thank you very much in a sort of kind of mini Manifesto for Government and I'm glad people have stopped looking at me when they mention Government, because it's not me, but I understand that there is at least one senior DCMS official in the room hopefully, and hopefully that person will be taking these points back. I'm now going to move to our final panel speaker, Barbara Wilson. Thank you.

British fashion, international opportunities - making the most of the competitive edge

Barbara Wilson, Fashion Sector Specialist, UK Trade & Investment

Good morning everybody, it's very good to be here and we've had some really fascinating talks already today.

So, to build on what the other speakers have given you about the fashion industry, I'm going to explain what UK Trade & Investment does in helping them to export.

So, the topics I will cover are why should companies export, to which market should they export, what is UKTI and what can UKTI do to help fashion brands? And finally and Sally introduced this very kindly for me, I'll just touch on the Government's GREAT campaign.

So, if you become an exporter evidence shows that you will increase your productivity by about 30% in your first year alone, and there's also evidence that exporters have an 11% greater chance of staying in business, and the business reasons for this, you achieve greater levels of growth if you are an exporter, you spread your business risk, you achieve greater economies of scale, you have a better financial base, and you raise your profile and your advertising and markets overseas. So all very important points to consider in your export journey. And I'm hoping that Caroline is going to forgive me here for my rather old pictures of some of the London designers, so she won't look at them too closely, I hope. They are a season out of date.

So our experience shows that fashion brands and designers do best in the developed markets, those markets being Europe, a bit lesser at the moment, but generally Europe is very good, the USA and Japan, and you need a very solid base in those countries before you start to think about the BRIC countries. The BRIC countries, I think you know, are Brazil, Russia, India and China, and these countries, they provide huge opportunities, but they also offer a lot of challenges and pose certain dangers to small companies. So UKTI can help you to fill in your knowledge gap on exporting to both developed markets and BRIC countries, and we work together all the time with UK Fashion and Textiles, and British Fashion Council in helping companies to export overseas and giving them grants that will help them with the expenses of this.

So what is UK Trade & Investment, we are the Government organisation that helps companies to export overseas and also helps overseas companies to invest in the UK. We have professional advisers all over the UK in the English regions and also in 100 countries overseas. And we have a customer commitment which is to help companies both here and overseas, and we also have a coordination role across Government to establish a more systematic approach to helping companies, because Government can be quite disjointed and we are trying to do something to help with that.

So a few key facts. For every pound that UKTI spends, we get £22 back into the British economy, and UKTI's estimated total financial benefit to business across all trade services in 2011 was £6bn, and that's up from £5bn in the previous year, and this additional revenue has helped generate 126,000 jobs in the UK. And UKTI assisted 24,000 companies in a period of 12 months.

So, let me just run briefly over what UKTI can do to help you. We give strategic support and advice, we give market information and research. We assist you in identifying partners and buyers overseas. We help you to take your products to market, and UKTI also runs trade missions, both nationally and regionally to many countries overseas, and I'm sure some of the people here will have taken part in those missions.

And that leads me very nicely, again Sally introduced it for me, into the Government's GREAT Campaign, and the GREAT Campaign is the Government's most ambitious international marketing campaign ever, and the aim is to showcase the best of British in overseas markets to encourage the world to come to Britain to do business to come to colleges and to visit as tourists. And this campaign draws together UK Trade & Investment, Visit Britain and the Foreign and Commonwealth Office in using their promotional arms to deliver the programme and hopefully deliver significant and long-term increases in trade in the UK.

The GREAT Week series, this is an event platform that uses a concentrated burst of activity in major cities around the world and the objective is to promote the best of British and to draw attention and opportunity to what we can do in this country. So the aim is to deliver value and opportunities to companies participating, a GREAT series will take anything between 50 and 80 companies to a market such as China, Japan, Korea, and also by taking those companies we want to meet UKTI's targets which are to deliver value to the UK economy by promoting exports.

We also want to help the key trade investment and tourism objectives of the GREAT Campaign, so this is an all encompassing campaign, bringing people to the UK, bringing people to our universities and exporting our fashion brands, also our creative and media companies to the best markets overseas.

The GREAT Weeks that we have coming up during this financial year which feature a fashion pillar are Japan, which is the end of this month, I think we have about 50 or 60 companies coming to Japan, Hong Kong and Macao which will be in March and South Korea also which will be in March.

The GREAT Campaigns are on our website and you can also look up all other UKTI services. In each region UKTI has an office with international trade advisers who are there to help you. You can find your nearest office, you go on to the website and put in your postcode and you can then get to speak to somebody and get export advice. Also you will find a link on our website to the GREAT Campaigns, you can see another 12 or 18 month roll out of countries that we are going to, and you can log your interest on the website so that you will be kept in touch with what's happening there, or alternatively you can email me.

Thank you very much.

Barbara Wilson's PowerPoint presentation can be downloaded from the following link:

http://www.westminsterforumprojects.co.uk/forums/slides/Barbara_Wilson.pdf

Baroness Young of Hornsey:

Thank you. Sorry to interrupt you.

Questions and comments from the floor with John Miln, Chief Executive, UK Fashion and Textile Association (UKFT) and Caroline Rush, Chief Executive, British Fashion Council

Baroness Young of Hornsey:

There's never enough time to go into everything in the detail which we would like, but we do want to have an opportunity for all of you here to make comments, ask questions and policy recommendations to Government, whatever. So I'm going to open it up to the floor now. Do we have microphones for people, yes we do, thank you Amy and Tom. So if you could wait for the microphone. Actually I've got one there, is there somebody else as well. Anybody else? Can I say number two down here and one more just so that we've got a group of three questions. Thank you.

Si Beales:

From Nottingham Trent University.

Before I became a lecturer I ran a fashion label which sort of grew quite well, won the UK Fashion Export Award, but then ultimately ended. I think part of the reason for that was the difficulty in us to get low tech manufacturing in low volumes, and also to get sampling, and I actually agree with Ian, this idea that actually there's a real focus on design and creativity but not actually on how you actually get those goods to market and make them at a profit. The second point I just want to ask is there's a huge focus on London and I totally understand that's London as a market place, but there are far more, certainly university students outside of London, who are focusing on design and marketing, we have over a thousand at Nottingham Trent University, and yet we feel very marginalised by the fact that everything goes on in London, so is there a way in which British Fashion Council, UKTI, other people, can actually get out to the regions and really sort of spread the message it's not just all about design.

Baroness Young of Hornsey:

Thank you very much, thank you. I will take the second question and then we will get responses.

Jennifer Holloway:

I'm CEO of a social enterprise called Fashion Enter Limited. We've actually developed a manufacturing arm and we are making up to 7,500 garments a week. So there is, without doubt, value products that can be made within the UK. Actually I wanted to reiterate the comments with regards to Ian, I thought that was excellent, the way that you brought in the importance of manufacturing, and you're not engaging with manufacturers, I'm really sorry. I've tried to engage with UK.. actually with Barbara and that was not successful, and I think there is lots of opportunity to go forward. What is of particular concern is that you have now got Hungarian, Bulgarian owners of factories coming into the UK, because there has been a move of labour. Now we had to set up our own Stitching Academy, so again Ian, I support your comments, and actually we had to get finance from ASOS. So they invested £100,000 into the Stitching Academy and there's just not enough going on with the skills. So I would be very interested to know what the future is going to be. Thank you.

- Baroness Young of Hornsey: Right thank you very much. Two very good, very pointed questions there. Can we take the first one, and they are interlinked, of course, the issue around low tech manufacturing, the need to develop that. The issue around skills and also the London focus, so who would want to come in. Do you want to say something Ian, as you were mentioned in particular.
- Ian Maclean: 20 plus years ago a family friend of mine, Professor Peter Doyle of Warwick University, a Professor of Marketing, worked a lot with the advertising industry, I remember him telling me that consumers didn't care where the product was made from, they only cared what the label said, or what the logo said on the front of it. I think at that time, 20 years ago, and maybe even 10 years ago, that was probably right, but I think today we have an opportunity to try to talk about British made goods in the context of British design, British creativity and British manufacture, and I don't think we do that enough or loudly enough, or we don't even put one message out there clearly enough through all media channels, and I think if we started to do that, that would be a great, great help for all of us, and on the back of that, we can then push for these other things.
- Baroness Young of Hornsey: There's an interesting point, and when you were speaking it occurred to me how that term heritage can be an advantage and disadvantage, but some companies that are well known as British heritage labels are indeed made elsewhere. So the extent to which...
- Ian Maclean: That's true, but the ones that are made here, the fact that we are known as heritage brands, is bad news for me, because we are ignored, it's John Smedley, they do what they do, let's not bother to talk about them. Well that's okay, but it's not okay, you know, we provide a lot of the value added in manufacturing that gets this thing moving and creates value for the country, so it needs to be celebrated more than it currently is. I don't want to talk myself up I mean that's... why not?
- Baroness Young of Hornsey: Thank you Barbara wanted to come in now, and then shall I come to you?
- Barbara Wilson: I wasn't really going to talk about manufacturing because UKTI does get involved in that they're export driven, but there was a comment that everything is London centric and I take that point and I have tried within UKTI very hard not to have it so, but we have, for example, the GREAT Campaigns that I was talking about, we have had road shows around the country and the ones outside London, several have had to be cancelled because we had no take up of people who wanted to attend. There was so little interest from creative and media people that we couldn't go ahead with them. So that sort of puts us on a back foot that we can't run events unless we have a critical mass of people who want to attend and want to take part. But having said that, I did mention that we have offices in the London regions, we have five offices, and those offices are to help people from all over the country with their export activities. So please don't think it's only London, London is obviously bigger because it has more creative and media people, but on some of the

other sides, particularly manufacturing etc. there's quite a strong arm in the English regions.

Baroness Young of Hornsey:

Caroline.

Caroline Rush:

So on the college front is that we have a Colleges Council which comprises 32 member colleges throughout the UK and we would be very happy, I know that Nottingham Trent is part of that, to have a discussion about how we can better support in the regions the message about British creativity, innovation and sharing the activities that we do and the plans around that. I would say from the messaging about designers is that we take it on board. We were very much set up to promote the designer sector, but actually the young designer businesses that we work with all sample and manufacture in the UK and would like to be able to do more, but do have their challenges once they get to a certain scale to be able to deliver the product they want, with the skills labour that they need, at the price point that the retailers will buy it at. So to Ian's point is that there's two ways to tackle that. One is to help them go direct to the consumer quicker, which they are all starting to do, and is actually becoming easier through getting online and being able to do that, but there is a lot of work going on behind the scenes to see how we can try and tackle some of those challenges, and I don't know whether John wants to talk about the work that Lord Alliance has done, but we're working with our designer community at the moment, particularly in and around London but also with the other hubs that they use throughout the UK to see if there's anything that we could do more broadly to support that, and to support that messaging. For London Collections Men we did a history and heritage trail, which Ian will probably hate, but the idea behind that was really about putting roots down in the UK, being the home of global menswear actually, where so many of the trends started here, and actually relating it back to key instances in history, but also to the fact that there's brilliant product that's made here now, and many of our retailers, such as Marks & Spencer, I think it was just last week, were championing their Made in Britain collection and I think the more that's done through the high street retailers the more we will know what the opportunities are here and be able to get the climate.

Baroness Young of Hornsey:

Okay, thank you. John, did you want to quickly come in?

John Miln:

Yes, just quickly to say that clearly... well there's no impediment to joining the UKFT, we represent all the companies in the UK, you don't have to manufacture here, but for the avoidance of doubt I mean clearly manufacturing is in our DNA, we think that we recognise and I support everything that Ian said, I think he's encapsulated it, and given us a good series of concepts and ideas which I support wholeheartedly. I would just like to make sure everybody understands that we at the UKFT are developing a Let's Make it Here database, it's lined through to our website and it's specifically for apparel and textile manufacturing companies to be able to put their names on a database which is searchable and accessible on a global basis, because we do get a significant number of hits on that. And secondly we are working with the Alliance

project, which has its origins in Manchester and the North West, but it's actually looking to develop manufacturing and to invest in manufacturing, new manufacturing start-ups in the UK and to help support, giving the profile that we seek for our manufacturing companies.

Baroness Young of Hornsey:

Thank you. Okay, I've got one there and one there and one here. So if we could take those three please. Okay, thank you.

Ann Priest:

I'm Pro Vice-Chancellor at Nottingham Trent University. I didn't know we were coming mob handed, so I'm sorry about that. I've worked in fashion design, I've worked in manufacture and I've worked in education, and I just want to highlight John's much earlier point. If we don't make sure that young children understand what making and doing means, and understand that making and manufacturing can be cool and interesting, we can try and set up as many manufacturing units as we like, but nobody will want to work in them, and we've got to look at how we can sustain a manufacturing industry with the price that that costs, alongside the sort of retail industry and help designers afford to make in this country. It's a big, big ask to get all these things right, make sure everybody can make their little bit of money, and we can sustain and grow into the future, because if we can't get manufacturing going again, then we are lost, you know, nobody will be interested in an empty shell of a design industry that we can't make here. So back to school I think.

Baroness Young of Hornsey:

Thank you very much for that. I can't remember, another two, I think at the back there, yes thank you.

Dr. Alistair Knox:

Chairman of the ASBCI and I daren't say I also work part-time at Nottingham Trent.

I understand most of this morning's talk has been about the designer sector of the market rather than the other 95% which is perhaps more high street. The question is really more around the education and training and skills side of the issue, creative design is next to nothing unless you've got a really good understanding of technical design, and for that you need to understand product and process, perhaps a little bit like Inditex and Zara do and they retain that mix of, as Ann Priest has said, both design and manufacturing. I just wonder if the panel has any ideas on how we get back to what used to be Britain's real expertise in fashion manufacturing as well as fashion design.

Baroness Young of Hornsey:

Thank you.

Elizia Volkmann:

I'm a Fashion Editor and some of you in the industry will probably know me as the Fashion Editor from Twist.

I think one of the things over the past 6 years I've been working at Twist that I've seen some sectors of the industry kind of exploit, and that there is a real potential for growth, is that fashion manufacturing is often actually in rural areas like Derbyshire, Johnstons of Elgin is very remote, Mulberry is setting up a new factory in Somerset, and given that there's real poverty and under employment for local people in rural areas, and also a potential for a

mixture of tourism and shopping in the way that Northampton has exploited with kind of scheduled tours around the leather factories of Clarks and Church's, that there is a whole area of interdependent industries in the regions and in very, very beautiful parts of our country, that Government is ignoring, that could actually generate real growth and change people's lives for the better, and mean that people who are from rural families can stay living there and actually afford to buy homes rather than being driven into the cities and driven into further poverty.

Baroness Young of Hornsey:

Thank you very much indeed, and it's interesting that this theme of manufacturing and skills keeps coming up again and again, and indeed after coffee we do have a session on talent and skills in British fashion, so I'm sure some of these questions will be raised again then, so Kate O'Connor, you will have plenty of questions I'm sure, from Creative Skillset. Meanwhile we've got another batch of questions which are asking around this area. This need to engage young people in these skills, and I think it goes back to an earlier question as well, when all the glamour, all the interest, all the kind of media attention is on the designer, the creative, and/or the model, the supermodel or whatever, how do you then get young people to understand and engage with a whole other aspect of that industry, it's just not getting any kind of publicity?

Caroline Rush:

It's not and it's been like that for quite a few years. When I was at school, which was several years ago, I said I wanted to work in the fashion industry and I was told I could go into retail or I could be a model, and those were basically my options, I wasn't even told I could go into design at that point. And so there's a lot of work that can still be done, I think the Government can work with us through the education system to make sure that the right careers advice is getting through, but also is that through our educational pillar we are working with Google at the moment, to look at the ways that we can reach young kids through technology to help highlight some of the great careers in the industry, and maybe there's a platform there to use the designers that they know and these personalities that have been developed within the industry to talk about how they couldn't make it without an incredible pattern cutter or manufacturing that's happening in this country and to get the likes of Burberry and Mulberry to get behind that.

Baroness Young of Hornsey:

There's also this point about what can happen in rural areas where there is low employment and where people can be trained with those skills, and also the opportunities, which I thought was very interesting, our last questioner raised around sort of making, sort of optimising this sort of heritage idea, if you like, with the example of Clarks shoes and Church's shoes you gave, but it reminded me of how potteries, for example, have those tours and you go into the shop at the end and it kind of gives a whole other contribution, not only economically but culturally and socially as well.

Caroline Rush:

Well I do think it's a cultural thing that actually people should value these skills and they are not seen as a second rate job, is that if you have great skills it could be a job for life, and there's got to be a way that, as an industry, we can get behind it and help get that message

across, and again is that some of that will come down to education within schools, you know, reaching the young kids at a time when they are making those career choices to be able to do that. There was a story from one of the units that you were talking about, where they got a young group of school kids to come and have a look round the factory and thought it had gone incredibly well and when they got to sort of saying goodbye, is that they heard the school teacher saying to them, well that will teach you, if you don't get your exams that's where you will end up. So, I think the industry is trying to do that, but it needs to work right from within the education system through to obviously the activity that all of us can do to promote those opportunities.

Baroness Young of Hornsey:

John, what do you think about that?

Ian Maclean:

A couple of things...

John Miln:

Ian.

Baroness Young of Hornsey:

Sorry Ian.

Ian Maclean:

I have visited the Church's shoe factory in Northampton and that's an amazing industry in that area, there are more than a dozen, possibly 6 to 10 factories there which are growing and being very successful. What we have to remember about Church's though is it is owned by Prada, it has almost unlimited capital to invest in the business, but it is an extraordinary, extraordinary business and if anybody gets the chance to go round that factory I would highly recommend it. This isn't a love-in for Nottingham Trent, but I will say something about designers. I mentioned in my talk that I just hired a designer. We employ three designers and three or four technicians who work closely with the designers to transfer the knit patterns into machine code, and our latest designer is a graduate of Nottingham Trent, she graduated last year, and I got to visit the knitting department just last week for the very first time. I've only visited one other knitting department, that was at the RCA, but I am really, really impressed by both Nottingham Trent and the RCA at what level of detail the students go into, to understand knit and yarns and technology, and the practicalities of making a garment, I mean it's really very, very impressive and the amount of Dubied machines you have at Nottingham Trent in that one big room is incredible. And when I was looking for a designer, my brief was obviously a creative person, but a person who was technically competent as well, and I found that person ultimately in Chloe who I hired, and I think that's absolutely fantastic. So I think in the education, at least what I have seen, those kind of skills are really being brought into the students that you're developing, which is fantastic.

Baroness Young of Hornsey:

Do you want to say something?

John Miln:

I would like to thank the three questioners, I actually think to a degree the questions are actually interlinked one with another and therefore to give a broader answer to all three is that we just have to understand the culture of what we have here in the UK. I mean

the manufacturing in bulk form left many, many years ago, and clearly you and I might think or agree that we are actually in the process of bringing up a major league group of complete and utter delinquents. It's all about the image of the industry, I mean why go and get an apprenticeship when you can get more money shelf stacking at Sainsbury's? What is the industry going to do to talk about itself and how is it going to promote that and deliver the focus and attention you want? Why aren't we making, which we are and we are working, and I know Kate O'Connor is going to speak about that shortly, but we are trying to make apprenticeships and moving into creating a career in industry, financially rewarding, it delivers a good career path, and we need to communicate that better and better, and that needs to start at school level and it needs to be resident and focused in the educational system that actually taking an apprenticeship is not a dirty word. Why would you like not to take an apprenticeship, come out with a Level 4 or Level 5, which is broadly half way through a degree course, and earn money all the time, when actually you can go to university, do a 3 year course, get a PhD in ice cream making and find yourself 27 grand in debt? I mean the whole situation is just crazy, so one of the reasons we are trying to be able to develop that is to give people a sense of awareness of manufacturing in the UK, and what we can do for it. But it's also about our culture, I don't think there's any lack of people in Italy who are actually going into their textile and manufacturing and apparel businesses, it's also part of their DNA, what we need to be able to do is to work with Government, but also with industry and with all the stakeholders to recreate that sense of worth, where actually manufacturing and developing a skill and bringing a career, and you don't have to be on the shop floor, there's all sorts of different ways of getting through in engineering, in technical matters, getting into the office to do customer service, to do logistics, all of these things are opportunities for people and I wholeheartedly support every possible effort we can do to deliver that.

Baroness Young of Hornsey:

Okay, I think we've got time for one more quickish question. Okay you were quick off the mark down here, if you just wait for the microphone please. Can you just wait for the microphone please so that everybody can hear? Thank you.

Delegate:

I would like to ask the members of the panel what is their view of all these young British designers being snatched up the French luxury conglomerates, Christopher Kane, J W Anderson, I think the last one was Nicholas Kirkwood. Are you not feeling that there's a loss here as in London and all the microcosm around fashion based in the UK is nurturing those young designers, making them stars and bang they get snatched by these big groups who are actually going to reap off the profit of scaling up the brands. Don't you think that it's about time to be thinking of an alternative solution for designers?

Baroness Young of Hornsey:

Thank you. That's fine, thank you.

Caroline Rush:

I guess it's twofold, one is that we are incredibly proud of those businesses and they've demonstrated that actually some of our really creative innovative talent, building successful businesses that

people want to invest in. Yes, of course, we would love to have more British businesses and British groups investing in our British talent, and it's something that we will be looking at and hoping to encourage over the next few years, but in the meantime is that the luxury groups do provide good opportunities for those designers, they remain headquartered here, they will have the investment to grow, it will mean they will employ more people, and they will continue to be seen as British businesses even if they are part of that holding company, because this where they are based and where they are developing their DNA, and so from that point of view it's exciting and we look forward to getting behind them and seeing them grow.

Baroness Young of Hornsey:

Thank you very much Caroline. I'm just going to ask just each panel member if they've got any quick closing comments or something they want to come back to just very briefly at all. Ian.

Ian Maclean:

It's related to the last questioner. I have a dream, and my dream is that the next generation of great brands are built on British manufacturing. We know that the current crop of great brands are not built on British manufacturing, they are built on low cost manufacturing, and the very high profits from that are invested in advertising.

[Inaudible from the floor]

Ian Maclean:

Yes, yes at the highest end, you know there's the LVMH securing all those groups, but the next group is built on British manufacturing and that should be our collective aim.

Baroness Young of Hornsey:

Okay, thank you.

Sally Britton:

I mean just to build on that, I kind of talked about Pattern Box and I think that we are talking about the disconnect between creative and manufacturing. I have never had an enquiry from a client, and I work with a number of clients in the fashion industry about Pattern Box, and I would really like to kind of raise that challenge with people to try and integrate it within their strategies, you know, a bit like the Marks & Spencer initiative that you're working...

Baroness Young of Hornsey:

Thank you.

Caroline Rush:

I would say from a talent perspective, whether it's the designer end through to getting really great people into manufacturing, is that there's a job to be done as an industry to come together and encourage the very best talent to come into our industry.

Baroness Young of Hornsey:

Thank you very much. John.

John Miln:

Well it seems like Ian and I are spending a lot of time dreaming together because you know you walk into Disney World there's a big sign over the top, it says, if you can dream it you can do it. All we've got to do is to be able to connect the dots, it's as simple and easy as that. Just remember in business, in my view, it's people that make things difficult, actually business is quite simple, and we need to be

able to understand that, but then we need to be able to connect the dots in a purposeful way, and to give rise to your question, well if entrepreneurs and banks won't invest, and the French do, that's fine, but I wholeheartedly agree with Caroline, is that as long as they are headquartered here then they should be encouraged to manufacture here and employ more people and they deliver the greater value to the UK economy.

Baroness Young of Hornsey:

Okay, thank you. Barbara.

Barbara Wilson:

I agree with the other panel members, more manufacturing here would be terrific, and when I started working in the fashion industry a long time ago, I worked for Aquascutum who had five factories and the company's now... I don't know where it is quite. So that's a very sad story, but I think there's a position here for niche manufacturing, I don't think we will ever go back to the old days, but really high quality niche manufacturing would be terrific, and I'm very much into, as you know, promoting exports, so I think British designers designing clothes made in Britain, or sometimes not made in Britain, but exporting them overseas, exporting our professionalism and talent, is the way to go.

Baroness Young of Hornsey:

Thank you very much indeed.

Session Chair's closing remarks

Baroness Young of Hornsey, Chair, All-Party Parliamentary Group on Ethics and Sustainability in Fashion

So just very, very quickly, because it's very hard to sum up such a wide ranging discussion, although there are obviously certain key themes, and I think on this issue of manufacturing it's a bit more complex than we've had a chance to go into today, and I for one certainly wouldn't want to return to some of the practices that were evident in the UK manufacturing industry around making clothes in the 60s and 70s, having lived near to a whole load of what were then called sweat shops that were here, and certainly in London, and I guess elsewhere too. And there's not going to be a return to that state, so there's a level on which we need to sort of rethink what we mean by that manufacturing coming back home and what made in Britain can mean.

Personally I'm quite relaxed about British designers being feted around the world and taken on by other design houses overseas and sometimes they come back and sometimes they don't, but still it's about the brand Britain designer, which I think is really important.

And with regard to the politics of it, if you like, the Government's role, to me that's really about supporting and facilitating, but as you will be aware, you've got to have a very strong voice to make yourself heard above all the other industries and sectors that are vying for attention, particularly in these kind of austerity times. And as often happens, unfortunately the creative industries, if we want to include manufacturing and make that into a wider sort of name, will not be top of anybody's agenda. So it's really, really important to keep up, I think, that kind of lobbying, campaigning and raising the profile of the sector for Government and Parliamentarians.

So I would just like everybody to say thank you again to our panel, very interesting, very stimulating, and very generous with their responses, and thank you very much.

Session Chair's opening remarks

Damian Collins MP, Chair, All-Party Parliamentary Fashion and Textile Group

Good morning, welcome back from coffee, and welcome to the second session.

I'm Damian Collins and I'm the Chairman of the All-Party Parliamentary Group for the fashion and textiles industry. We work very closely with John Miln who you heard from earlier on, and Caroline Rush at the British Fashion Council, and I would like to congratulate the Westminster Media Forum in bringing together this excellent event, with so many people of real insight and experience across the fashion and textile industry.

If the first session was about the manufacturing process, I suppose the second session is about people, and many people would say the two are intrinsically linked in their own way, and in some ways I think we have the perfect start to follow on from the first session this morning in having Kate O'Connor from Creative Skillset to give us her insights on the sector, and then that will lead us into another panel discussion which I will be Chairing. If the members of that panel who aren't at the front, want to make their way towards the front for the end of Kate's talk.

I have to give an advance apology as well, and unfortunately I have to leave after our first panel session, so it is no reflection at all on my views of the Cambridge Satchel Company if you see me scurrying out of the room, which is a truly excellent company and deserves to have your full attention, but sadly I have to go back to the House of Commons slightly earlier than I had planned, so I will be leaving at the half way mark. But I hope you enjoy this session and I would like to ask Kate to come to the podium now. Thanks.

Talent and skills in British fashion

Kate O'Connor, Executive Director and Deputy Chief Executive Officer, Creative Skillset

Yes, good morning everyone.

The session this morning I thought was absolutely fascinating for all sorts of reasons, not least because it did finale on the issue of skills, with the majority of questions about skills and people and talent, and I think that's absolutely right. To have a session focussing on direction of the future of the industry, with a focus on manufacturing, with a focus on skills and training as two intertwined, totally linked elements. It sounds like it's common sense, but for too long we've talked about business growth and development and then skills and training and education separately, as if it was a nice thing to have, as if it was someone else's duty to look after that, as opposed to business development, business growth and industrial strategy having, at its heart, the development of people and skills.

So the session this morning was just perfectly illustrative of how we've changed the way we think about business development and skills and people. So for that reason alone I'm delighted to be here this morning and to have heard that discussion, but I'm also quite keen to give you a quick overview from the perspective of Creative Skillset about skills and talent in the fashion and textiles industry.

The sector is such a rich mix of subsectors, each with their own skill requirements, from shoes and leather goods, to technical textiles, through to fashion design, and of course, high end manufacture. It makes it almost impossible to make generalisations, given the range sectors, to talk about common issues, let alone common solutions, but that's what I'm going to attempt to do in the 5 or so minutes I've got to preface the interesting panel debate.

Now, I've got two reasons, why my job in the next 5 minutes is slightly easier than it would have been, and the two reasons are this. Common to all of those sectors that I've just very briefly mentioned, and the many more that I haven't, is the actual, or potential for growth, and we've heard about that this morning. The UK brand now absolutely does equal high quality. Our designers, our clothing and textile designers are respected worldwide, and our Made in Britain positioning means we are employing more people, utilising more skills and harvesting more talent in each of the sectors in the fashion and textiles ecology, and although all sectors face many challenges of price and competition, they need to be both innovative and productive, they need to grow UK markets, they need to export, there is that kernel, that opportunity for growth and that makes the task of talking about skills and talent much easier, because we are talking about the potential for a growing industry and supporting new jobs and skills across the board.

The second unifying factor is that we are unified on skills and talent. The industry works together and it pulls together. 3 years ago creative skillset, probably better known for working with creative media industries, started working with the fashion and textile sector. We have set up a fantastically strong Fashion and Textiles Council. It binds together representatives from across all the different sectors in the industry, it's fully supported by both UKFT and the British Fashion Council, who you heard from this morning. We have a skills strategy and we know what we need to do on issues relating to education and training and skills development. We have one voice, to reference Baroness Young this morning, and this is potentially our most strategic and our most powerful weapon in terms of addressing the skills needs.

So how does the Fashion and Textiles Council work, how do we work with the industry? We work to identify the size and shape and skill needs and forecasted skill needs of the industry. We identify trends, we identify skills gaps, shortages and blockages, and then we prioritise the kind of actions we need, as an industry, overall, to alleviate these gaps and shortages.

Now this sounds simple, or maybe it doesn't, but of course it's just a little bit more complicated than that, with over 6 main subsectors, with a workforce of over 300,000 people, approximately 60,000 businesses, a number

of specialist and trade bodies, it's really important that we capture the detail in each of those areas for all of those groups of companies in all of the regions, and all of the nations across the UK, and we can only do this if work with the partners we have in our trade bodies, and I've mentioned two, but I will mention a third, the Textiles Council also tremendously important to help drive up skills and promote excellence. And some of the issues we face are common across the industry across the sectors.

Just half of the workforce is based in the manufacturing sector overall, and of these half are aged over 45, our workforce age profile is ageing, and we are not recruiting new young people into our industries quickly enough to support growth, particularly in the manufacturing sector. And while a quarter of our workforce overall hold Level 4 qualifications, which are degree level and above, 30% of our workforce either hold Level 2 qualifications, equivalent to GCSEs, or no qualifications at all. There are challenges to do with the amount of time spent on training, and the commitment from employers to offer training. In terms of design, we have excellent design graduates, but we tend to export them. Very few design businesses in the UK reach scale, and we rely totally in our small design teams, on interns, which has had the flashlight of publicity placed upon it over recent years.

So these are just some of the issues that we are facing across the sector. So what do we need to do about that, what do our industry, through the Fashion and Textiles Council, think we should be doing about that, what is the strategy?

Well I am pleased to say we are tackling a lot of the issues brought up this morning. Firstly we've got to get careers information out to young people in schools about the range of opportunities in the fashion and textiles industries, that aren't just, to quote Caroline, about fashion design or modelling or retail, but about the making skills, management skills, business skills and of course web designers, as again was mentioned this morning, PR, marketing, there's a whole range of very different opportunities and very different careers in the Fashion and Textiles Council, we need to make that very clear.

We have also got to create very clear, very transparent routes into the industry that the Creative Skillset Fashion and Textile Council has made it's priority, bringing back apprenticeships. Apprenticeships, formal on the job training with equal parity to any other route in education is at the forefront of our strategy, and we have made these apprenticeships available for 16 year old school leavers, 18 year old school leavers, and those who may have chosen to go on to do a degree but now want to learn on the job at higher level.

So apprenticeships are absolutely the key to addressing our skill needs. But for those who wish to go onto higher education, we also need to develop greater links between our fantastic world beating, fashion design degree courses and the industry. We have to make sure that we build in the kind of skills that graduates need in addition to their great design skills, to understand the business, to understand the manufacturing process, to be equipped to come off those degree programmes with not just their portfolios, but an understanding of how they are going to make it in the industry.

So, what have we done to address these issues? And I've just picked a few, the few that probably cut across all of the sectors we are talking about. Well, actually, in a very short time, a huge amount.

We've now developed three new apprenticeships covering dozens of different pathways from sewing and pattern cutting making, to product development, high end manufacturing and sourcing. So these aren't apprenticeships at entry level for 16 year old school leavers, but now higher level apprenticeships to help develop the higher level skills we need. And knowing just how difficult small employers find it to engage with the apprenticeship system, we've established a national centre, a Group Training Association. This is based at the Huddersfield Centre of Excellence, a national centre to support small employers engage with apprenticeships, access funding and step up to offer instruction training in-house.

And in terms of the graduate 'fit for purpose' debate that always runs through any session on industry and education, we've set out a new process for accrediting and kite marking and visibly Ticking the best of our fashion design courses, led by Betty Jackson and Anne Tyrrell, two majorly committed designers in fashion and

textiles, they and a high calibre team of designers are literally looking at all of the fashion design degrees and kite marking those that best equip the students for work and a career in the industry.

We've also, this summer, launched a new internship code of practice, it was heavily supported by the British Fashion Council and we now have agreement about how to structure and importantly how to pay our interns when they graduate and are getting that valuable first level experience.

But let's not at all be too complacent, you raised many issues this morning that we do need to tackle, and they are issues that are very real and very live. We were talking this morning about skills, about the need for more investment in skills, the greater links between industry and education, and I agree with all the points that were made, but I would say that what we have to see is the skills strategy is not about someone else's problem, but a partnership between the trade bodies, the educators and trainers, the employers and the Government, and our call to arms this morning is for you all to support the strategy. We need more pre work programmes that build on the fantastic work of the ASOS sewing school, and the example set that Jenny from Fashion Enter; we need more of those programmes to prepare people for entry to work and entry to apprenticeships; our graduates need more work in developing their entrepreneurship skills and helping them scale up; our interns need more training, not just work experience.

So this week an Employer Ownership bid will be submitted to UKCES on behalf of all of the creative industries, including the fashion and textiles sector. The trade bodies and employers have put together their priorities which includes a careers campaign, it includes pre-entry training, it includes more support and more funding and more focus for apprenticeships, it includes work with the British Fashion Council to look at developing an internship programme, and it will address the issue of the need for skill in schools, fusion skills in schools as well as making skills in schools.

So we have the energy, we have the voice, we have the commitment, we have the weight of our bigger players, the BFC and the UKFT, but behind this we need the absolute conviction from everyone that in addition to the brands and the 'quality' of our industrial strategy, we need skills and talent, and we need an industrial strategy that at its heart, as I was said in my opening remarks, builds that skills and talent into the projections and plans for the future. And we need Government support and industry support to work with us to deliver.

Thank you very much.

Damian Collins MP:

Thank you very much Kate, now it leads very nicely into our panel discussion in internships, the modelling industry and diversity. I would like to introduce the members of the panel, firstly Hilary Hadley from Equity, Karen Dennison from the Fashion Retail Academy, Ben Lyons, the Co-Director of Intern Aware, and Katia Elizarova, who is a Model, Actress and Brand Ambassador. Now what I would like to ask the panel to do is to give a short response to Kate's introductory talk and set out some thoughts of their own, and then we will open up the panel for questions. But if I could turn first to Hilary.

Hilary Hadley:

My short response would be that I'm delighted to hear that the work with the British Fashion Council and interns is to be paid interns, because the problem of internship, it bedevils the fashion industry. It also bedevils the entertainment industry, so really I'm just delighted to hear that it's going to be paid interns, because that's very important to equity as a trade union.

Damian Collins MP:

Great, and Karen.

Karen Dennison:

Well we don't do internships at all, we were sort of working with some of our major companies, which we now work with 120 on how

we can actually benefit our students to get work ready. So we implicitly have work placement on every single course that we offer. It can be anything from three weeks to three months. We really encourage the students to do additional work placements in their holiday time, and anything else, we work with the British Fashion Council and our students run the fashion boutique at London Fashion Week, they take the designer garments, they merchandise it, they set up the shop, they do all the planning, and it's by working with industry that actually ensures that that student's curriculum is going to be a really, really positive one for them to be able to get a job. So we do it before they go out to work, so our students are picking up jobs immediately. On graduation in July this year, we had 77% of our students actually already got employment. We do our next census in November, if we go on last year's we should be around 80/85, and we work at that continually, and through our alumni, I think you've got to keep working with your student base, whether they've finished with you or not. We'll do upskilling for some of our alumni students as well. So I think it's about making sure that the courses that are offered have some work placement activity within them, whether it's in the workplace, or as we do a mixture of industry projects, but get industry in. We meet with industry, none of our courses are there because we have decided, as educators to put them on, they are there because industry want them. They tell us the skills gap as Kate alluded to before, and we actually then put it together.

Damian Collins MP:

Great, and Ben.

Ben Lyons:

I would like to echo the thoughts on internships. For people who don't know, Intern Aware is a campaign for fair internships. We campaign because there's a lot of people who can't afford to do internships which are based in London (and the vast majority of internships are based in the capital). In particular fashion is an industry where internships are much more likely to be unpaid so it's positive to see guidelines like those put out by Skillset, which are best practice in terms of the structuring of internships. 8 out of 10 people say they can't afford to do an unpaid internship in London. This is clearly damaging for social mobility, but this is not simply about that because there are bigger effects in terms of the long-term strength of the fashion industry if only 2 in 10 people can afford to do an internship which would help them get into the industry. If you don't pay someone you are potentially depriving yourself of a huge amount of talent which would be available to the industry. And these are often people who are often very hardworking and very talented. Sadly, we speak to people all the time who say that they had planned to work in the fashion industry from their early teens, but getting to the age of 18 or 21, they are finding actually there's another requirement which goes beyond talent, which is the requirement to work for free, and this is pricing people out. And I think the third point I would make just briefly is around the legal aspects of this, because unpaid internships are usually illegal and the Government has been doing quite a big clamp down on this. So, for example, dozens of interns at Arcadia Group received a back payment from HMRC and they work in a range of functions, including PR and marketing. This also caused reputational

damage to Arcadia, which is something to be aware of, and also actually in the last few weeks the Government has announced a scheme to name and shame companies which breach minimum wage law, so there's another kind of reputational effect there. So on internships, I would say is that they are something which can potentially be a real benefit to the fashion industry, because they allow you to attract talented, hardworking people who can bring a lot of energy and a lot of new ideas, but it's important that they are paid, both because it's morally right and it will help you to attract the best people.

Damian Collins MP:

And Katia.

Katia Elizarova:

Well there is no internships for models, paid or unpaid, and definitely there are lots of young models coming into this country, so there is no problem of attracting young people into the fashion industry, but quite often we find ourselves working for free for the first couple of years, 3 years, 4 years, so I think that should be regulated somehow.

Damian Collins MP:

I've got a question that I would like to come back to the panel on, on internships. You've all responded, I think, very well on that. Before we get into the general Q&A I just wondered if there are any other points the panel wanted to raise in response to Kate's talk. Yes.

Karen Dennison:

Can I just say we work with Arcadia and they are our greatest supporter of work placements and obviously they are unpaid because they are part of our course, but they would argue back, I would say, that they are giving somebody, and I do take your point about the social mobility of others, it does cut off for those students that haven't got the family background or financial support to do it. But students coming to the Academy, we would have, I would think, Arcadia's suppliers, 200 plus work placements every year for our 700 students, so they work very closely with us but it is integral to their course.

Ben Lyons:

I think these particular internships were not part of the course and so as far as I understand it, Arcadia have now changed their practice, but I think these particular internships weren't part of the course.

Damian Collins MP:

Actually the question I would like to ask, and probably turn to Kate, I mean you set out in your talk the code of practice, and I mean is that in some ways at the heart of the debate, because one area... it might also be restrictive to turn internships into effectively just low paid jobs, rather than what is should be probably is brief work experience which supports people on the way into work, but isn't something that should be abused to provide employers with a form of zero cost labour, and so how do we get... how do you think we have to... what's at the heart of getting the balance right between not removing opportunities for people to gain valuable work experience and encouraging employers to offer it, but making sure it's done in a way which is ethical.

Kate O'Connor:

The word balance is absolutely right I think. And firstly definitions really confuse and baffle employers sometimes, because just on the

panel we've talked about work placements and work experience and internships, as if they were all one and the same thing, when work experience is built into a course, and it's part of a study and a process of learning, then that's absolutely, I think, an essential part of that course, and I think what the Retail Academy is doing is absolutely brilliant. We don't have those kind of examples in many instances at the design end or the manufacturing sector: but that's a very different thing to interns who are now not part of any education programme, who are trying to get their first opportunity in the industry, and they get valuable internships for a period of time, but we need to break the cycle of repeated unpaid internships, which makes it impossible for some people to enter the industry. Our Creative Skillset code of practice seeks to suggest a balance between valuable experience and work, and provides employers the help they need to structure a paid internship programme, which is about training and giving people valuable experience, but also meeting, obviously, employment law and the legislation. And I think we need to do more than that, as I was saying at the end of my 5 minute session there, we've got the guidelines and we've got the sign up, but now we need to make it even easier for employers to give valuable internships and make that a really quality experience for the young people.

Damian Collins MP:

Ben what are your thoughts on how, aside for the payment, around how internship should be structured. I used to work in the advertising industry, and the industry I worked for they had a policy they wouldn't allow a work experience place to last more than 2 weeks, what they wanted was lots of people doing a bit rather than a few people being asked to work for a very long time for no payment. Do you have thoughts on the best way in which these sorts of opportunities should be structured.

Ben Lyons:

That sounds like an interesting model. There's a distinction between what might be best conceptualised as "work shadowing" which is work experience, where someone comes in for a couple of weeks, following an employer around the office and getting a feel about whether this is an industry that may be right for them. They probably are not doing a huge amount of real work that the company can benefit from, but they are getting a kind of taster. And we would see that as being quite different to an internship, and we wouldn't say that the person on a work shadowing placement needs to be paid. Conversely, an internship may last for several months and in that situation you will usually be doing real work. To take one example in the fashion industry, we spoke to a person who had been designing a hat and it went to market for hundreds of pounds at a leading outlet, and they weren't paid at all for creating it. As so they asked if they could get a free hat and they were told that they might be able to get a discount – which meant they obviously couldn't afford to purchase the work they had created because they hadn't been paid anything for several months. So it's about getting that distinction right between short-term work experience that can be unpaid and longer paid internships which should be properly structured. Within this, there should be consideration about what is this person going to get out of the experience, but also if you are paying someone, what are you going to get out of it as an employer?

Because if you are paying, you can expect them to be doing work which is useful to your company and there should also be a route where if the intern is successful and you think they would be really good for your company, of being able to be hired at the end, so it's not just a kind of rolling placement without any job prospects at the end.

Damian Collins MP:

Karen I would ask you, to what extent do you think we should look at this a national issue, and opportunities across the country. I mean the previous session, when people talked about manufacturing, they were talking about companies like Mulberry and Church's who are not based in London at all, and we should encourage people to look for high quality opportunities that exist right across the country and not just feel that unless they are working in central London they are not going to be in the position where they can get the job they want in the future.

Karen Dennison:

Well I think, you know, for lots of industries, you know, the challenge is for it not to be London centric and fashion, we do sell London as the capital of the world of fashion. So I think we've got to look at other areas within the UK where we can actually put centres, Huddersfield for one, and I think possibly Manchester, Glasgow, but I think with students, it's about... [coughing] I will come back to it later.

Damian Collins MP:

Okay. I've sort of on a sort of discussion of internships because I thought it was a good place to do it, but I know the panel had also prepared some remarks they wanted to give as well, separately, so I should have done that at the beginning, so that's my fault, but if I could ask the panel to start at the far end.

Fashion talent - internships, models and diversity

Hilary Hadley, Head of Live Performance Department, Equity

I just want to talk about models and I know that in the previous session we saw an awful lot of pictures of models and images of models, and it's often that the model is omnipresent in the fashion industry, but is also at the same time invisible, and what I mean by invisible is they are the invisible workers, and they have invisible rights. So they are a constant backdrop but actually never really seen.

So I want to talk a little bit about unionisation of models, because it's quite a shock to most people when you hear about models needing a union, you know, the fashion industry is a place of great glamour, of opportunities, fabulous clothes and parties, so why on earth would somebody working in that environment actually want to be in a trade union, it appears a shock to most people. But the truth is, like Actors, that the lives of, apart from a very, very few models, are actually not the fascinating places to work, it's hard work, it's unrewarding, and it's not particularly well paid, and they also have to cope with a raft of conditions that most other workers wouldn't have to, and that's the real truth behind modelling and the glamour.

So it's the gap between how the industry is seen, like the entertainment industry, it's seen as somewhere which is to do with pleasure and enjoyment and the desire of models to join a union is often met with great scepticism, because frankly the media tend to concentrate, ad nauseam, on the size 0 issue, that's been the one thing that has been repeatedly brought up in the press, but nobody ever really wants to talk about actually what it's like to be a model, and I'm hoping that Katia will do that, because I'm not a model I'm a union bureaucrat, so I'm talking on behalf rather than from the heart.

But I'm sure that whilst many people working in the industry understand the model is a worker, there are many who still believe they don't actually need a union. The agents themselves acting through the Association of Model Agencies sincerely believe that they do everything for the model, ensure that their welfare is utmost in the work place, and that their terms and conditions of employment are good.

Now I am sure that they genuinely try to do this for their clients and that they genuinely believe it. However, the model is paying 33-37% of all their income to the agency, now that is huge compared with a theatrical agent which 10-15%, and because the agent is taking so much money and is so intimately involved with the financial success of a model, often there's a great deal of scepticism from the models themselves, whether the agents are actually the best placed people to be protecting their rights, and again I think that's why, when the Government did their own model health inquiry in 2007, they actually said, as one of their recommendations, that models should find an independent collective voice to talk for them, so hence you get the union doing that, as I am doing here today.

So I want to just say a little about Equity's 10 Point Code. Now for those of you who have never heard about it, I'm not surprised, it's not the most earth shattering thing in the world, however it was an important thing for the union to achieve and it's 10 points for the treatment of models during photographic shoots on location and in studios, and it sets out some basic terms and conditions of how models should be treated: hours of work; breaks; refreshments provided; the fact that they shouldn't be required to do nudity or semi-nudity without written consent; they shouldn't be asked to do things that are dangerous or hazardous; that they shouldn't do anything that they and their agent hadn't been totally prepared to in advance of the shoot. Equity's 10 Point Code was extremely important for us, because although the AMA, who are very, very good at representing lots of models, don't actually represent all models. Yes many of the models in the industry have an AMA agent, but not every model working in the industry has an AMA agent, and we wanted something that would apply to all models.

Basically what we've asked the employers to do is adopt the Equity 10 Point Code and say that every time they engage a model they will do so in accordance with its terms. And we have had some success, it has been variable. We are extremely grateful to the major employers and industry figures that have led the way and signed the code; Vogue UK, Debenhams and Next have publicly demonstrated their commitment to the models they employ. Others in the industry have offered support, for example, Grazia Magazine stated that

they often provide conditions of work, at least equal but often better than those covered by the Code. Others, such as John Lewis, have quietly confirmed that they will strictly conform to the Equity Code and they fully support Equity's ambitions to treat models with the dignity and respect they deserve. Whilst some, such as Marks & Spencer have referred Equity to their use of the AMA code of conduct as evidence of their own good practice. Many, however, whilst showing initial interest haven't actually supported the code, the interest didn't materialise into either a signature or a message of support. Now why is that the case?

Well we've had to guess at the reasons, and some of the reasons, we believe, is the complexity of the corporate structure where, for example, one magazine label would like to do it, but they belong to a huge conglomerate, such as Hearst Publishing, so actually that didn't happen.

However, what we would say is that we hope that long-term that we are going to be able to get more and more people to actually sign up to it, for example Debenhams and Next starting the ball rolling, you know, we feel that really every major employer who can control the terms and conditions on which models work, should be able to sign up something which is quite an easy code for them to do so.

But is the fashion industry a better place for Equity agreeing to take models into membership and become an independent collective voice for them?

I do not overestimate the effect that Equity has had. Some would argue that we've not made a scrap of difference to the way the industry operates, and that Equity should leave well alone. Membership of Equity by models is in hundreds and not thousands, it remains very small. The high numbers of models who work in the UK, but consider their home to be elsewhere and who are simply passing through the industry are unlikely to join a union. Low membership density is traditionally associated with poor achievement, however we have made a difference, and I have to stop, but I would just say that for the fashion industry as a whole, Equity representing models has a very small economic effect, but it has a great reputational effect.

Thank you.

Damian Collins MP:

Well Katia, I think this is the perfect opportunity for you to speak, following Hilary's talk.

Fashion talent - internships, models and diversity

Katia Elizarova, Model, Actress & Brand Ambassador

I have been a model for 12 years and am immensely thankful for the success and opportunities my career has presented. Modelling has given me the chance to travel the world, read law at Queen Mary's College here in London, build support for charities, and encounter a host of immensely talented people.

Opportunities, however, are only one side of the story. Britain, despite being more progressive than most, has been slow to observe, regulate, or even intervene in the fashion world. It is essential that we create a more regulated, supportive and accountable environment in order to nurture and protect talent, and ensure the future of our industry.

The relationship problem:

There is a general malaise surrounding the relationships between talent, clients and agencies in the modelling industry. This has left models at the centre of a world where their voice can go unheard, they are spoken for by others and they can be left to face problems alone.

The confusion and imbalance in these relationships, has resulted in bizarre role reversals and working practice abuses. There have been brave attempts, such as those made by *Equity*, to level the playing-field between model and client. Similarly, many reputable agencies strive to maintain ethical working practices which sustain a healthy model-agency relationship.

The largely unmediated and unregulated relationships in the sector continue to present, however, a number of significant problems.

It is RIGHT for an agency to support those for whom they act and to empower the development both professionally and personally of the often young and impressionable individuals they represent.

It is WRONG for an agency to assume an *in loco parentis* role, give the impression that they are an 'employer' rather than 'agent', or hold too-close a relationship to a model's financial wellbeing.

Just what is 'taking care'?:

Reputable agencies, like my own, will endeavour to 'take care' of all the needs of their models. They will offer them assistance, including anything from counselling and legal support to financial planning and tax guidance, provided by 3rd parties.

However, for the unscrupulous agency 'taking care' will mean not only receiving a substantial commission on all work from a model, but also housing them in agency-owned accommodation subject to hugely inflated rents; lending them money on ill-defined terms of interest; and various other abuses.

I recently met a girl whom I shall call Lisa; a wide-eyed eyed 16 year old with a story that echoes those of so many in the modelling industry. A few months ago, she arrived in the UK with her older sister (also a model, aged 19). She was here to work for the first time. Barely speaking English she was plunged into the hectic confusion of London's fashion scene; offered little assistance with navigating this unfamiliar world. A small Victorian house, belonging to her agency, became her home. With no money in her pocket when she was brought to our shores she had no choice but to rely totally upon her agents. Her new home accommodated 11 others, each paying £400 per month for a bed in shared rooms. One girl, unfortunate enough to not get a bed of her own despite paying the set fee, is forced to share a bed with a stranger. Each month Lisa's agency makes double the rental value of the property or more from the girls it accommodates.

When seeking to discuss her earnings with the agency accountant, Lisa finds the task impossible. She cannot understand the accounting jargon, and her questions about money are often left unanswered. She discovers that late payments are common place. Deflated, forced to take loans from her agency to survive, she finds herself in a cycle of debt that means she never sees the money she earns.

It is difficult to find an appropriate degree of separation between a model and the vested interests of some agency's.

Who can keep the industry in check?:

The *Association of Modelling Agencies*, (*the AMA*) strives to create an environment in which models are treated professionally, with dignity and afforded work-life protections and support. Sadly, there is no requirement for agencies to be a part of this association and there exist few barriers to entry for those wishing to establish modelling agencies in the UK. Combine this with a grey area surrounding criminal record bureau checks for those operating modelling agencies with the potential for regular contact with minors, and it is easy to imagine the potential abuses that may arise.

It was the government that called for an independent body to be established in support of models. I fear, however, that the existence of *Equity* means that box has been ticked and government interest and support for the industry has waned.

I believe that an independent body like *Equity* is important – and I am happy to support its efforts. However, as was shown to be the case following 2007's Model Health Inquiry, genuine change in the industry does not occur without the government's direct support in ensuring that the affairs and conduct of the sector are subject to sufficient scrutiny.

I would welcome the opportunity to meet with government ministers to discuss how to best ensure the safety and security of models working in the UK, with the hope of establishing a body that is empowered to offer support, investigate issues and enforce violations of conduct and regulation.

Who else can help?:

The work of *Equity* and the *AMA* is admirable. *Equity's* 10 point code of conduct, governing the relationship between models and clients has attracted some high-profile industry names, willing to ensure proper working conditions for models. I am shocked however, at the majority who haven't stepped up to back what amounts to no more than a ratification of basic working conditions. Conditions equal to or less than those they afford their own employees. Such inaction only serves to sustain a culture of abuse, and shames those unwilling to support a safe working environment for models.

We need to look for support from other industry figures whose influence has the potential to affect greater change. A code-of-conduct must become the kite-mark, relied upon by everyone in their decision to engage those that work with models. Advertising agencies find themselves a significant player in the fortunes of the fashion and modelling world globally. If everyone from holding company bosses to creative directors, brand managers, marketing directors and media agents were to insist that they and their partners work only in accordance with a code-of-conduct supporting the fair and ethical treatment of models, I believe their support would have an accelerated impact on improving the industry. Now is the time to take that conversation to the advertising world.

A better tomorrow:

The horror stories and abuses of the modelling industry in the UK decline when focus is placed upon its issues. We must not bow out of our responsibility to modelling talent when public attention is drawn elsewhere.

Britain has the opportunity to become the shining star in developing and sustaining talent in the fashion world, creating international standards that will guide the conduct of those in the fashion industry far beyond our shores.

Our modelling talent has a direct effect on the £21bn that fashion contributes to the British economy each year, it is only right that we should safe-guard that talent through creating enforceable standards to sit alongside more voluntary codes-of-conduct that are currently on the table.

The faces of models are the front-line of the fashion industry; and we want their smiles to be real.

Damian Collins MP:

Thank you Katia for a very compelling and powerful presentation, which I think everyone enjoyed in the right way. Now, Karen, do you want to give me your presentation as well.

Fashion talent - internships, models and diversity

Karen Dennison, Principal, Fashion Retail Academy

Right, forever the teacher the PowerPoint is with me, it never leaves me.

I suppose I've come here today to give you an idea of a model that can work that gives students work experience, careers, planning, everything within one area.

Now you can see that's our Mission Statement to inspire and develop young talent for a career in the fashion retail industry, and that was written with our students. We'd had mission statements previously, but we wanted to ask what was the real reason that they came to the Academy, and they felt that that was the reason that they were with us.

We've got our vision and it's about nurturing young talent and making sure that we can widen the opportunities to everybody to go into an industry.

The retail industry, like many other industries, has worked on its connections they've been previously been able to give them work experience, or actually get them into a job, particularly in Head Office. The store environment is different, but we have courses from Level 2 up to post graduate. So a student can come to us where school hasn't been their best experience, certainly don't have Maths and English which we have to do now, as Michael Gove has implemented to all FE. Again that's a challenge in making the young ones engage in numbers, but it's easier when you can put a fashion tag around it, so that does work for.

Our values about inspiring our students, using innovation, but also given individualisation to the roles that are there within the fashion retail industry, to make sure that they understand the breadth of opportunities that are there, also making sure that they have identified their own skills to be confident to take that forward into a career.

Our priorities, and I think the model can actually go into many other sectors, it's just not unique to the Academy. You've got Sir Philip up there, when you have the buy in from lots of industry people, this is Sir Philip, Terry Green, Derek Lovelock who is CEO of the Aurora Group, when you get the buy in at that level and they are working on student presentations, they are looking at facts and figures there, obviously, never anything can be successful unless that bottom line is going to be profitable, so the students know their numbers have to be good. We can actually expand our reach with students, we are now working in schools to get schools to understand where careers can go, but you've got to go there yourself, I'm sorry I don't feel that the careers that schools get actually makes out those 16 year olds have very good choices, unless they are at a grammar school and they are going to university. Our approach is just based on careers and pathways, we are looking all the time as to where it is that student going to go when they first come with us. Their journey with us might be 4 years, they may only do the Level 2 and then go into the workplace and start to work their way up through apprenticeships on the shop floor in a variety of ways. Yes, I see... some of you have seen, yes we did have Gary Barlow, and I don't know who screamed the most, the staff or the students, but as ever where Sir Philip goes there's a little bit of glitter that comes with it, that does help and give us that success for our students.

But I would just like to conclude that I think, if you are going to do vocational education, work placement has to be in there, or it has to have a value, it's not just putting students out so possibly staff have got a break, or maybe industry taking them and they don't know what to do with them, that's when work placement actually fails. We have grown a department within the Academy, and it is their task to make sure, whoever is receiving our students, our students don't choose where they go, we place them, we work with 120 retailers. Last year we did over 900 work placements. It has to be managed well. I won't say it's 100%, but where a student phones up and says I don't like it here, I'm having to make the coffee, I'm having to photocopy, fine, but you are looking at the wider aspects of what's happening within that role, they go into a whole variety of roles, but it's making sure that you've prepared the student for it, you've prepared industry to receive them, that they've got designated mentors, they know the work that the student has to complete, and it has to be this two way

process, and I think once you grasp that it will be really successful, and that's what the Academy has been able to achieve.

Thank you.

Karen Dennison's PowerPoint presentation can be downloaded from the following link:

http://www.westminsterforumprojects.co.uk/forums/slides/Karen_Dennison.pdf

Damian Collins MP:

Thank you. Ben did you want to give your presentation or...

Ben Lyons:

I don't mind speaking very briefly because I've already had a chance to speak about internships in some detail.

Fashion talent - internships, models and diversity

Ben Lyons, Co-Director, Intern Aware

I just want to make one point, in addition to what we discussed, which is that I think paying interns shouldn't just been seen either as something you need to do because it's the law or out a corporate social responsibility requirement. I think it also should be seen as a real opportunity for the business.

You know, one of the unpaid Arcadia interns went on to work in corporate PR rather than staying in the fashion industry and I think by paying interns, there's a real chance here to attract more talent. We've been working with a lot of sector bodies for other creative industries, so for example the RIBA which represents the architecture industry just next door. They actually have a policy for a class of their membership that they will expel people who use unpaid interns, and that's not just because they think it's the wrong thing to do, but because they are really concerned about the future of their industry if they are only able to recruit from a very small number of people. Likewise in the PR industry, the PRCA have been mounting a very big campaign to ensure that PR firms pay their interns.

So if we're thinking about the long-term strength of the fashion industry, I think we should see the issue of payment of interns as an opportunity rather than a threat.

Questions and comments from the floor with Kate O'Connor, Executive Director and Deputy Chief Executive Officer, Creative Skillset

Damian Collins MP:

Thank you very much. I would like to thank all the panel for their presentations and I think we are slightly overtime, we have some time for a couple of questions, which I have got to slip out at this point, so the team will take over the Chairing of questions and answers, but thank on my part for everyone's contributions so far.

Thomas Raynsford:

If anyone did have any questions to ask the panel, if you can raise your hands and we will come flying over towards you.

Elizia Volkmann:

This is a question for Ben Lyons. Just going back to your earlier comment about the intern who designed the hat, within the journalism industry the NUJ created a programme called Pay Back which addressed the issues of student and intern workers working on publications and having their work published and not being paid for that or their time. There was a test case about publications by an intern journalist against a local newspaper. She won the test case and the programme began. Given that fashion isn't a unionised industry, I mean how can these gross breaches of IP law and basically workers' rights be addressed? You know, codes of practice just for paying people is one thing, but when you're creating a product that has royalties attached to it, you know, this needs to be addressed as well because that sort of product could be in the market for years to come and the designer will never see any payments without any actual legal recourse, which without the backing of a union or professional body, they have, probably, no money to pursue.

Ben Lyons:

Yes, that's a really important point and in fact we work with unions in other sectors like BECTU in the entertainment industry. One of the things we do as an organisation is helping interns to claim back pay. We work with a leading employment law firm and we are helping interns to take cases to secure that payment when they haven't been paid for an internship. So, for example, we helped an intern secure about £1,500 from Harrods having been an unpaid intern there, and doing real work. As you say it's a difficult situation and what we think would be most useful would be for the Government to step up its enforcement of minimum wage. So HMRC did a targeted enforcement drive in the fashion industry of 100 firms, and we think that's something that needs to become continued and expanded. I also think it's a promising sign that there's now an approach of naming and shaming companies that don't pay minimum wage because then there's a reputational risk attached to not paying your interns, particularly if you are a household name employer. So, for example, Stella McCartney was using unpaid interns in quite a big way previously, and now she pay her interns. So there are positive signs of change.

Lynsey Jones:

I'm an employment lawyer at Eversheds.

My question is, I note that you make a lot of the point that we could see increased talent in the fashion industry because of paid internships, but are you concerned that this issue about pay being

brought to the fore is actually going to decrease the number of internships that are out there, and therefore have a detrimental impact in that way?

Ben Lyons:

I don't think there will be a major reduction. When the minimum wage was brought in, in 1998, there was some opposition to it as a piece of legislation because people said it would lead to a drying up of opportunities and of work and that didn't happen. Actually there's strong evidence from America which shows that paying interns is much more likely to lead to employability, so about two-thirds of interns that are paid in America go on to get full-time work, whereas only about a third of interns who are unpaid go on to get work. So whilst there might be a slight reduction in people doing internship after internship after internship which are unpaid, what you would be more likely to see would be people doing one or two internships and that actually leading to proper work.

Karen Dennison:

And if I can just add. We've talked a lot about internships this morning so far, but in the five minute introduction I was trying to give you a flavour of all the other things that are happening to address skills and talent in the industry and I think it's quite important to make that point again, because the routes into the industry, whether that's into the design or PR, or manufacturing side of the industry, are many and varied and getting a degree and becoming an intern, paid or unpaid, is just one of those, and we need to put this in the picture of an increasing number of apprenticeship routes being opened, and also picking up on the point, the lovely example from retail. We are working with the British Fashion Council and UKFT and various other educational establishments at the moment to see how we can build in structured work experience into courses, into that formal part of learning, so it's not seen, as you do a course and then you get your experience, and then you get more experience and then maybe you will get a job, it's about actually packaging that experience and the course together, so that you emerge with a qualification and experience from your learning, or training, or degree programme. So I think we have to look at that issue, that question of if you stop unpaid internships overnight what will happen, will the whole industry grind to a halt and all our future talent stops coming through, well Ben has answered from one angle, I would say that this overall strategy, the need to have a proper strategy with multiple routes in is also the answer to that question.

Thomas Raynsford:

Any further questions or we will move on to the next panel. No, if we say thank you to our panel and if Julie Dean could please make her way to the stage. Also Damian Collins has gone for the day and he sends his apologies, but Sally Britton from our first half has kindly agreed to step in to moderate the Q&A because otherwise it's just me up here.

Sally Britton:

So I'm sure you've all heard of Julie, the next session is going to talk about a subject very close to my heart, intellectual property and Julie is going to give, as the Founder and Owner of The Cambridge Satchel Company, give us a very good account of the challenges and opportunities of a company expanding internationally, particularly in relation to intellectual property.

Case study - rights protection, design and fashion

Julie Deane, Founder and Owner, The Cambridge Satchel Company

It'll be a very good account, very good.

So I've brought my bag with me, not because I'm planning a super quick exit but this is what we do, this is one of Cambridge Satchel bags and it might look familiar because you've seen the real thing or you might have seen some of our very poor imitations. But anyway this is 100% made in the UK in Leicester at a factory which I could never have seen starting up but it sort of happened that way, but it's not 80% made somewhere else and finished off in the UK, they're 100% made in the UK and I even know the names of everybody along the production rail that makes them, so I know who to blame if there's a wonky rivet, but we never have wonky rivets.

Okay, so I think to understand our company really you have to understand a little bit about where we came from, and I have no background in fashion, I was a very geeky person, but if anyone's got a periodic table question I'd love that one, but I think it doesn't matter so much about where you come from and what your background is but if you suddenly have a real passion for something and a real vision for something you just get your head down and you find out what needs to be done and you just get on with it.

So my daughter was 8, she was being kicked on the floor and bullied at school and so, as her mum, I had to sort it out and I made a promise that she would never go back to that school and that left me with an enormous job of finding a way of making school fees, not for one child but for two children, otherwise they'd grow up hating each other, that's not very good.

So my company I started with £600, never borrowed a penny, don't really, I can't say that I had any help from grants or Government bodies along the way just because I didn't feel like I had the time to go around asking people for advice I just needed to get on with it.

So this is my company. From the very start, our first collaboration was with Comme des Garçons so the bar was set really, really high, we never ever as a company work with anyone that we're not really excited to work with. We never do a collaboration that wouldn't make us run around the office screaming, you'll never guess what's going to happen, you'll never guess who's on the phone, and that's for me a mark of a really great collaboration, and also a good collaboration shows both parents. If you sort of hold the product up you should be able to see both sides coming through, so we work with Basso and Brooke, we've also worked with Chris Benz in the States and our latest collaboration was Vivienne Westwood, yay last week, which has apparently got a 90% sell through on day one of going online, so I'm pretty pleased about that.

We've been very, very careful, as the company has grown, about our brand, it's become as much about protecting the company, protecting the name, because nobody wants to be associated with something that's a little bit shabby, so we're careful where we sell, you'll see us in these kinds of places and, Lane Crawford, and I think we've also been, when you start off with £600 you need to be really, really savvy about where you use your resources, and so I shamelessly accept the help of the blogging community which has been so important to us, and so the bloggers are my eyes and ears and that means I have more eyes and ears than anybody on the planet. So when we send out something to one of the stores I can't be absolutely everywhere but it's important to see how we're being represented around the world and so I ask the bloggers to take photos and send them back to me so I can see what our branding looks like, if they've got the company name right, if we're in a prominent place, all that kind of thing, and that really safeguards our brand and it's very important that we're presented in the right way because we do have a big backlog of places that want to stock the bags and so we're very, very careful that the people who do, do it properly.

So these are some of the awards that we've won, we've only been going for 4½ years, but hopefully this shows that if you really stand by your principles and you do what you think is right and what you're really proud of doing, then it does pay off and so I've always, well I've always as in the last 4½ years, tried to grow this brand as something that I would be genuinely proud to pass on to my children, and I don't want to be put under a

sort of a bright light by my daughter, who's got a really piercing stare, at some stage and say, why on earth did you manufacture in China and then I'm sort of quivering and saying, oh because it was a pound cheaper. So I've got to always hold myself up to think would I be a bit worried about explaining this to them if I passed it onto them, and so far absolutely not and so it just goes to show that you can win awards by trying to do things in a really scrupulous way. Not everybody is so scrupulous.

Cue my last slide.

So I was quite amazed at how a company that is relatively small, I mean we've grown hugely from £600, 4½ years ago, we now have a turnover of about £13m a year, but we're still relatively small and 2 years ago we were turning over about £2m but we had 300 fake Cambridge Satchel websites out there, and we only really became aware of the problem because some of our customers would phone up and give us order numbers that didn't match any of our order numbers. So there were sort of, there were two different types of sites out there, there were the sites that would send people really poor, bad sort of imitation bags, and there were the sites that would spring up, take people's money, disappear and then spring up again with a dash Cambridge dash Satchel, Cambridge dash Satchels, and that's been a really, really difficult one. Oh hang on I think I lied, after seeing how ethical I am I think I've got one more, there we go.

So these are just the ones that Google have delisted as being fake sites, that's just in the last 3 months. And so that's been a huge problem for us, I think that IP in general it's difficult because satchels have been around for ages, they did disappear from the face of the earth, otherwise my business would never have happened and 4½ years ago there were no other satchel manufacturers or sellers in the UK, despite some of them now having names such as *The Original Satchel Company* or the *Leather Satchel Company* or the really, really imaginative named *The Oxford Satchel Company*, they weren't actually around but you get that if you're successful and you can't be bogged down by it and I think that's the other thing that I've learned is, IP is important, you do what you can afford to do but you don't let it drag you down and you don't spend all your time staring at your computer, searching eBay trying to see who's ripping you off, trying to see who's copying you. But it's really important to try and move forward in a really, really positive kind of way so that other people, new people, want to keep working with you and all your energies don't get focused in the wrong direction.

So I'm going to leave it there and hopefully some people will have questions when I join the panel, thank you.

Julie Deane's PowerPoint presentation can be downloaded from the following link:

http://www.westminsterforumprojects.co.uk/forums/slides/Julie_Deane.pdf

Sally Britton:

Well thank you very much Julie, if the rest of the panel could join us now. So the first person we're going to hear from on the panel today is Annabelle Gauberti who's the Founding Partner of Crefovi.

IP challenges for the fashion industry

Annabelle Gauberti, Founding Partner, Crefovi

Hello everyone.

So Crefovi is a law firm which specialises in advising the creative industries. 80% of my client base works in fashion and the luxury goods sector.

So I have decided to tackle this issue of IP challenges in the fashion industry from the angle of a legal practitioner who, on a daily basis, advises clients who are fashion and luxury goods centric, so to speak.

So the first question was, what is the understanding of the importance of securing intellectual property rights for fashion SMEs and start-ups? I would say that at best this understanding is average. When fashion businesses are at the seed and start-up stages, they struggle with the understanding that they need to put some money, energy, resources into protecting the intellectual property, and sometimes they register, they trademark themselves, and I had a couple of occurrences where clients did not do it very well, they register their trademark in the wrong classes or in less classes than they should have to, so we are in the process of re-registering those trademarks. Sometimes they try to do it themselves to save costs, and it ends up not being great.

In terms of design registration I would say that at the start-up and seed stage fashion businesses don't even know what that means, a design registration and design rights, and in terms of patent applications, we are advising two clients in the fashion sector at the moment on filing some patents, one for a very, I think in the future very successful high end sportswear brand for women, and another client who is making some eyewear in Paris, and what I've noticed is that they know that they have the need to register this patent because they have created new innovation which has some commercial potential, but they really struggle with again the cost of the time and the energy to put into preparing the patent specification and application, and the wakeup call usually comes when my client starts to get the products knocked off, copied or counterfeited.

So then they call me and they say, well I've been copied, there are some counterfeited items out there, what can I do? So the first question they ask is, how do I better get protection for my intellectual property, my fashion products, and then this is where we start the process of registering, or sometimes re-registering the trademarks, I explain what a design is and we usually register some community designs. I know that there was another question out there in the schedule for this session about national UK design rights. Well my clients are not interested in only registering the design rights in the UK, they are thinking "global", they are going to sell their products on the internet, so they just want to apply for a community registered design which not much more expensive than a UK registered design anyway, and they are covered within 28 countries.

And then when they have a new innovation, invention which has commercial potential and that they are being approached by the likes of Louis Vuitton or Luxottica etc. in the trade show because they want to use the material that they've just created, then they come to the realisation that it's actually worth spending a couple of thousand pounds registering the patent of this new material for eyewear.

I've got another interesting case at the moment where basically one of my clients is getting sued because basically my client is based in the US and they don't really know what intellectual property rights are, especially in Europe, and my client, which is a fashion trends agency, is still coming to terms with the fact that in Europe the trademark and copyright of a very famous trade show in France could actually be protected and that you could actually be sued for using such trademark and copyright without the owner's consent. So, I also have some clients who are on the defence side in a litigation, and they are just coming to terms with the fact that actually there are some intellectual property rights out there and that they are highly protected in Europe.

So second question was, does the current design rights system offer designers adequate protection of their rights? What would be the likely effect of a move to the Hague System for international design registration? Well I have briefly touched on this already, so I won't repeat myself, my clients are not interested in registering

UK design rights, they want the community registered design and what is good about that is that the European Union is a member of the Hague Convention Agreement anyway, therefore whenever they have a community registered design they can apply straight away internationally to have a registered design in other countries which are also part of the Hague Agreement. The only problem is that the three countries which are the major players in the fashion industry, where the buyers are, i.e. US, Japan and China, are not part of the Hague Agreement, they are not part of this Convention, therefore very often my clients cannot protect their designs in these three critical countries. And then I think that down the line it would be very important that some harmonisation, some steering committee for harmonisation of intellectual property rights at the international level would be put in place to foster more cooperation globally to protect design rights.

Very quickly, to wrap this up, what impacts are fast fashion outlets having on the designers ability to realise the value of their designs? Do 'knock-off' products act positively for the industry, maintaining the original in aspiration status from the individuals without the financial means to purchase the genuine goods? Well I would say that obviously fast fashion outlets who are basically making the production lines of what they've seen on the runway shows, in real time, because now you can see a runway show in real time over the internet, then place your orders in your factories, in China or some place in South East Asia, and three weeks later it's actually going to be on your racks, in your fast fashion stores. Obviously this is going to be quite detrimental to a young designer who has put a lot of time and research and development costs into creating the design and who cannot recoup any investment from all this time and R&D, because the likes of Zara, Topshop etc. and H&M have actually poached his ideas and designs. So obviously the impact is very, very high.

We are very lucky as Sally has mentioned before, that in Europe we have good intellectual property protection. It's not the same in the US, in the US everything which is relating to fashion design, fashion copyrights, seems very fluffy to the US Congress and for years many lawyers and law professors in the US, and also the industry, the CFDA in the US have tried to get better protection for fashion designs in the US, but it's just getting nowhere as far I have seen. So we are really lucky that we are well protected, but nonetheless quite a lot of fast fashion brands based in Europe are still doing it, are still knocking-off. They've got some very, very strong legal teams and I would like to mention the example of Christian Louboutin who sued Zara, the fast fashion brand of Inditex based in Spain. Christian Louboutin actually lost his trademark out of suing Zara. He had registered a red sole trademark in 2000, and when Zara started to sell some €59 womens' shoes with red soles he basically just... Christian Louboutin just blew a fuse and started suing Zara, but the fact is that not only the French Court de Cassation, which is the equivalent of the Supreme Court in the UK, just found for Zara and refused to take on the claims of Louboutin that his red sole trademark had been counterfeited and copied, but Christian Louboutin also had his trademark, red sole trademark, cancelled and annulled by the Court de Cassation. So that was very detrimental to his great brand, and they really got a good lesson out of suing Zara.

So, I think it is a political choice, and whether you want to let those fast fashion brands keep on doing this or not, it is a political choice, is it good or is it not good, it depends where you are. If you are catering at the high end and luxury clients as a fashion business, of course you are not going to copy anyone because from a reputational standpoint it would be terrible, but if you are more catering low income to middle income clients, then probably you won't put a lot of energy into your R&D costs etc. and therefore you will take some inspiration from all the trade shows where all the mid-market brands go, such as Premiere Vision in Paris, Pure in London, and also you use all the same trade agencies, so everyone will basically take the same sorts of inspiration.

Thank you.

Sally Britton:

Thank you very much Annabelle. So now we have Dids Macdonald from Anti Copying in Design.

IP challenges for the fashion industry

Dids Macdonald, Chief Executive Officer, ACID (Anti Copying in Design)

Thank you very much and good morning everyone.

First of all I would like to congratulate Julie on this incredible journey for the Cambridge Satchel Company. 100% British made, protecting the brand, relying on blogger feedback, which I think is rather creative, doing business in a scrupulous way, but I am very concerned about the 300 fake websites that she has discovered.

Most people would agree that imitation is not flattery if it costs you your business. As a product designer I'm passionate about design protection because it nearly cost me mine several times, and that's why I started ACID, a campaigning and membership group, and we have approximately 1100 member companies.

We seem to live in a culture where editors are actively encouraging copying and thousands use other people's designs without permission, so it's not surprising that our purchasing decisions as consumers sometimes do not support design originators, and that design ownership remains blurred, both legally and ethically.

Currently, as many of you may be aware, the Intellectual Property Bill recently passed in the House of Lords, and it will be heard in the House of Commons imminently, and it includes rather a controversial clause, Clause 13, criminal provisions for deliberate registered design infringement, which is in line with copyright and trademark infringement. This has been a 15 year long ACID campaign to act mainly as a deterrent against copying in design, but we also believe that it should include unregistered designs. Why? Because the majority of the UK's 350 designers rely on unregistered rights. Design spend in general in the UK amounts to £33.5bn, and the British fashion design industry pays a pivotal role in growth creation, employment and innovation. One of the significant threats to job certainty is through blatant and deliberate IP infringement. The majority of the UK's designers have less than 4 employees, so it is no surprise that the cost and time to tackle infringement, and so often the scale of opponent, make it almost impossible to seek legal redress.

So whilst Government is actually encouraging design registration, which we do as an organisation, in reality registration is only as good as an enforcement framework or access to legal redress which is quick, fair and cost effective. In terms of the scale of opponent, the following are excellent examples, and I would ask you all, is this fair competition or unfair competition. The patent on the right was designed by one of our members, Rachael Taylor, there's copyright in it, she drew it herself, and on the left hand side you will see a rather similar design on a Marks & Spencer T Shirt.

Again probably you may be aware of the Tatty Devine and Claire's Accessories case, and another example of those particular products where the lookalikes appeared on the market. She actually used social media in a very positive way to get redress fairly quickly.

And you will also see on the David and Goliath image here, the sheer scale of opponent in three recent ACID member cases. In the case of Rachael Taylor against Marks & Spencer, you can see that a turnover of well under £100,000 and two employees, taking on the might of M&S was not for the faint hearted.

Each year ACID receives approximately 25,000 unregistered designs to be logged on to its design databank, and this month there will be a UK first with an IP Designs Exchange that we have created, an online safer trading platform between designers and design buyers.

Typically designs like these are logged, providing a design audit trail from the seed of an idea to marketplace. Buyers will log on and register through IP Tracker and demonstrate their support of the UK designers by signing the ACID Design Charter, after all of them have a lot for which to thank our formidable design army.

The scale of copying is rampant, there is little evidence because cases rarely get in front of a Judge, it doesn't mean that there isn't a problem. 87% of those surveyed in a recent ACID survey said that copying was blatant and deliberate.

We believe that providing industry led solutions and criminal provisions for deliberate design infringement as an ultimate sanction and deterrents will provide a more positive culture for original designs to flourish and design infringement to be considered as unethical and against corporate social responsibility.

So I would leave you with one thought, see the future, protect your designs, protect your livelihoods, support innovators and growth creators and the Intellectual Property Bill to include unregistered rights.

Thank you very much.

Sally Britton:

Thank you very much Dids. So we have our final speaker now, Varinder Rehal from Asda.

IP challenges for the fashion industry

Varinder Rehal, Senior Commercial Lawyer, Asda Group

Good afternoon all.

Intellectual property, it's quite complicated, you might think, and my view on that is yes, it can be. I work as an in-house lawyer at Asda, and specifically for George, the clothing brand, and part of my role is to inform and advise the business on intellectual property rights. I sometimes straddle, somewhat uncomfortably, between my external legal advisers like Annabelle and Sally, giving me advice in terms of what we need to register and how we should register it, but also between the other side, which is my business units that I support and the demands that they face.

So what I do really is strip it down to the basic level. The questions that I get asked on intellectual property, well they can be the basics such as what is intellectual property, you know, what is it? Do we actually have an awareness of intellectual property rights being created every time our business is doing things? And you might think that yes we do, but in my opinion, not just start-ups and SMEs, but some big, big companies don't actually realise that (a) they are creating intellectual property, and (b) the importance of securing those IP rights. Those in the fashion industry might do, but how much of us really know that much, or even basics around IP? You know, so I would always say to my business, learn about it, we can give you the information.

The IPO, the Intellectual Property Office has a website where there is some information for people and I don't know how many people actually go on that. If we just do a quick straw poll here, for example, if you just put your hands up if you could successfully navigate yourselves through the IPO website? Probably just the lawyers and the people from the IPO I imagine. You would expect for this audience for it to be a lot more, especially for people, or for companies who don't have in-house legal teams.

The other question I get asked quite a lot is, well what do "I", or what should "we" protect? And my view, being a business lawyer within the business, is you can't and you shouldn't protect everything under the sun, leaving aside the legal obstacles of trying to protect or gain protection everywhere, you simply couldn't afford it, you know, Asda is a 20bn turnover business, we couldn't afford protection everywhere, that's commercial reality.

I always say we have to adopt a risk based approach, so what we do is we have a look at, I think Dids had on her first slide something that I agree with completely, which is a business plan is not a business plan without an IP strategy, that's what I always go on about. So you need to align your IP strategy with your business plan, and in order to do that you've got to understand what your IP is, you know, what IP are you generating or what IP do you have at the moment, is it permanent IP or is it seasonal IP?

If you look at George for example, we do a lot of fast fashion, and the business will say to me, well what protection do we need, and Dids mentioned a little about registered and unregistered designs, as did Annabelle, you know my view is on some of the things that we create we don't need to register, we as a business still realise the commercial value of intellectual property without having to spend the money to actually register it. So be mindful, there are some brands which you will think are permanent, where protection or further protection is needed, but sometimes unregistered rights can help you. And also, for me, as an in-house lawyer, I've got to understand my wider business, you know, I might say to my Director, you know I need 100k to protect IP in this, this and this country, and he could turn round to me and say, well that's fine but I need 100k to build an IT platform, because if I don't have an IT platform there will be no IP in those territories.

So, you know, there's not an infinite budget, even for big businesses, let alone start-ups and SMEs, so we need to be mindful of that.

And finally on protection, I always say look ahead, but just a little bit ahead, not too far ahead. And what I mean by that is, you will have your business plans, what do you realistically expect to do in the next few years,

you know, are you going to be in a 100 countries by next year. You know, whilst protection in, I don't know, Zanzibar might be useful, are you really going to need it? So the strategy for protection has to be aligned with what your commercial interests are.

The other point I just wanted to raise today is IP law, as I said right at the beginning, is complex, there is a plethora of rights, especially in terms of designs which we talk about, you know, having four different types of design rights and then copyright, which all overlap with different criteria, different terms etc. does it really need to be that complicated? I would say it doesn't. When it gets to your brand and when you are trying to build your brand up, being forearmed or forewarned on IP issues and risks, as Annabelle mentioned, is useful, and you might need to seek specialist help, so do bear in mind that there are people out there who can help, and it's not just lawyers, you know, you don't have to spend whatever we saw on there, £200 to £400 per hour for specialist IP lawyers, I'm not trying to do ourselves out of a job, or you guys out of a job.

Just three quick takeaways from me really.

One is do your homework, understand a little bit about IP and your IP and what that means to you. Have a look at the IPO website. Following the Hargreaves Report it's been made more accessible. I think it's quite good now, but I'm a lawyer, but for you guys take a look.

Secondly, get specialist help, I'm not advocating that you just try to go on on your own, because there are some horror stories that we hear about people not doing things in the right way.

And then finally, be sensible and ensure that your external help is sensible as well, when establishing or formulating your IP strategy. It's not always about registration.

And I will finish there, I think. Thank you.

Questions and comments from the floor with Julie Deane, Founder and Owner, The Cambridge Satchel Company

Sally Britton: Well thanks very much Varinder. So now we have some time for questions, so I can see there's someone at the front.

Rebecca Kay: From DLA Piper, Intellectual Property Lawyer.
There've been various initiatives over the last few years, the Hargreaves Review, the Designs Consultation, changes to Section 52, do the two people from the brands, two very different brands, what changes would you like to see in the law and what would actually help your businesses?

Sally Britton: So Julie would you like to...?

Julie Deane: *Comments removed at the request of the speaker*

Varinder Rehal: I think from my perspective, I'm probably going to be a bit radical here and say that where you see the Hargreaves Report and there was the Gowers Review before that in 2006, they show incremental changes to IP, sometimes, you know, section 52 which you mentioned and other parts of Hargreaves which bring some areas of intellectual property in sync with other areas of intellectual property, try to harmonise it, which I think is great, but from my perspective, I still think it's too complicated. If we have different overlapping rights, which still continue, I don't think any of the proposals at the moment resolve that. I would like to see further changes which makes it easier for me to explain to my businesses, right if you have this, this is what you need to do, if you have this, this is what you need to do, and are we there yet? I think we are a million miles off at the moment.

Annabelle Gauberti: I would like to add something on this topic. As well as being a solicitor I am an "avocat" with the Paris Bar, so I can easily draw a comparison with the intellectual property rights which are available to brands based in France and something which I think is very striking is the importance of the customs and counterfeiting divisions of the French State. They are very efficient. I went on the 7th July to a seminar about counterfeiting and cyber counterfeiting of the Institut Francais de la mode. I was very surprised to see that they've got very beefy teams out there, browsing the internet and also doing some regular checks at customs points to check whether any of the names of the brands which are listed out on their... set out on their database of brands which are registered are actually basically seen in the cargos that they receive, so what they do is that the customs, they screen some of the cargoes to check whether any of the brands which seek protection through a particular scheme are actually reflected in this cargo, and if they find some items, products that bear the name of this brand, and they think that it might be a counterfeited product, they just seize it all and then they can either return it if it turns out that it's not a counterfeited product, or sometimes they can decide to burn it or destroy it. So the French have a very strong intellectual property rights arsenal, I mean tools, tools, but they also make sure that the public services are there to

support the enforcement of these intellectual property rights, and in particular through their customs and counterfeiting teams.

Sally Britton:

Thank you. Any further questions?

Delegate:

Hi there. Given that we've seen this morning that so much of the industry is based on exploitation, whether it's people or ideas, would it not be honest for the bigger brands and the bigger companies just to put their hands up and actually say, yes we do steal people's ideas, or copy them, or however we want to describe it, and there should be some kind of a levy to support smaller companies and SMEs who can't afford to take legal action?

Sally Britton:

Who would like to....?

Varinder Rehal:

I will give that one a go. I'm not sure I agree actually, I think the premise that you start from is not for big brands to say, okay we steal or we copy, I think certainly as a business for us, we want to get to the position where we are creating our own designs and our own brands and to that point, we run an intellectual property monthly training for all our designers within our business because we actually don't want to be in the position where we are saying, yes we are stealing high end fashion retail designs etc. we want to be in the position where we are saying well actually we are doing new things ourselves.

Delegate:

That's very nice of you, but is that actually true, given that the amount of designers that you have and the designs that may come through, for example, your recent legal case where you lost to Specsavers on taking their copyright?

Varinder Rehal:

Yes I think the Specsavers issue was part of a campaign that was run by our marketing and optical teams, and hey listen, where we have issues, where we have done things which are too close to the line or over the line, we will put our hands up and we will say, yes we got this wrong. But the point I'm making is that that's not we aspire to do, especially me working for George and within clothing, what we want to ensure is that our designers are independently creating their own designs.

Dids Macdonald:

Just to add to that, I think there's a huge opportunity for major brands to support British designers, I think we've got some of the best in the world, and certainly within all the realms of the fashion industry, and I think there's a great opportunity to support original design, to maybe licence and pay design fees. Designers are the zeitgeist of tomorrow and usually those are the formidable design army that comes to market through a lot of sweat equity to bring innovative and new designs to market, and I think it's about embracing and being inclusive of those, and the small players as well as the large players.

Annabelle Gauberti:

The small brands still have a way to actually act when they see that their products are being infringed and now the UK has been doing a great thing by, I think, creating this small claims path...

- Sally Britton: Yes, making it... the Patents County Court which was recently renamed, so to make it easier and more cost effective for IP infringement.
- Annabelle Gauberti: The problem is my clients come to see me and say, okay this is here a blatant case of patent or copyright or trademark infringement, what do you think I should do. I say go for it, you know, it's clearly a case of IP infringement and yes it is a big brand which is infringing you, your rights, but it's worth going for it, but a few of my clients are deciding to not go this route and to do nothing although they could have actually been helped by the Patents Court which means that they don't have to pay a lot of legal fees. But again, coming back to the point I was trying to make before, they are scared of the repercussions of actually suing a big brand because these big brands have some very savvy in-house lawyers, and the usual course of defending yourself when you are being attacked through an IP infringement claim is to say, well you don't have any IP rights anyway. We are going to ask for the cancellation and annulment of your trademark, or your patent or your design. So the young designers are really scared to actually start a claim.
- Julie Deane: *Comments removed at the request of the speaker*
- Annabelle Gauberti: Was that £70,000 in legal fees?
- Julie Deane: *Comments removed at the request of the speaker*
- Dids Macdonald: I think that mediation, interested to hear you say about mediation because I think it plays an important role and it's a very cost effective way of alternative dispute resolution. Certainly we have grass roots mediation at some of the exhibitions that we attend and support, and so far we've carried out 2,500 of them. Over 70% have not required any further legal action, and of the 30% only 4 have reached a final Court hearing. So I think within corporate social responsibility there's a huge area where declared corporate social responsibility could put mediation as a first course of action when infringement occurs.
- Sally Britton: I think that's a very positive point and I would agree with Dids. Are there any further questions in relation to... no. Well it might be a good opportunity for each of the members of this panel just to sum up their feelings on the topic, the kind of core challenges for the fashion industry.
- Varinder Rehal: There's one other point that we probably didn't mention in terms of challenges, as Sally has said. We do a lot of work on international expansion now and we talked on one of the earlier sessions around the challenges that we face in terms of intellectual property rights in other countries and I think, Sally, you may have mentioned the challenges that we have in countries such as China in relation to trademark squatters, for example. Those are the sort of challenges that we are facing continually now, because as a business we are moving into franchising and in to design products in overseas territories, so my focus over the next couple of years is trying to understand and look at the work that the British Fashion Council are

doing and to work with them, in order to try to ensure that we can get some more of a smoother process in order to make it easier for our brands to be in those countries. And just in summary, I think one of the things we haven't mentioned is just taking everything back to the basics again, is always just remember to save your design documents, save your drafts, make sure that they are dated, make sure that they are signed so that you can prove independent creation, and also when you are dealing with third parties, freelancers etc. and from a freelancer's point of view as well, make sure that those rights are encapsulated in a contract, and that contract assigns the appropriate and relevant IP rights, so that if there is a dispute it's clear who owns what rights.

Sally Britton:

There's some very good points there. Annabelle.

Annabelle Gauberti:

Just adding up on Varinder's point. When you start to have some success in the fashion world, you will be copied, you will be knocked off, it's almost evident. So some fashion designers, especially those located in jurisdictions which are not really fashion protection friendly like the US, just decide to make some very intricate and complicated designs every season, so for instance Proenza Schouler is the best example of this, they make some very complicated ready-to-wear garments so that it's very difficult for a fast fashion brand, or whoever, to copy them. However Proenza Schouler still had their bags knocked off by the likes of Target recently. So my point is, as a fashion start-up or a seed fashion business, when you are going to have some success you are going to be copied, it's almost inevitable, so although it is costly it's best to put some solid foundations to your business and to make sure that almost right away you start protecting your brand, otherwise most of the revenues that you should generate from your ideas and your knowhow are going to some competitors and some counterfeiters and people who will copy you. So if you can't afford legal advice, why don't you go to, for example, Own-it, the organisation which is part of the University of the Arts London and only provide some free IP advice, and then when you can afford a lawyer, well go to see him or her, because when you have some IP rights you can also monetise those rights, you can actually have some licensing agreements on your patents, on your trademarks, copyright, whenever you want to actually start selling some perfume or cosmetic or eyewear, you are probably going to have to find a licensee out there, so you need to make sure you've got some very strong intellectual property rights in place so that you can monetise this intellectual property, and then of course you need to be able to enforce it. So it needs to be part of your brand strategy to develop a business. Otherwise you are going to be having some raving reviews in the press, but... and I hope he is not there, like Gareth Pugh, you won't be making any money. You will have all these great ideas, but you won't be making any money and you don't want to find yourself there, so even if you are a very creative person, as a fashion start-up you do need to think about IP protection and enforcement. Best of luck.

Sally Britton:

Thank you very much Annabelle. Julie.

Julie Deane:

Comments removed at the request of the speaker

Sally Britton:

Thank you Julie. And Dids.

Dids Macdonald:

I think on a strategic level we need to look to Government support for industry engagement into IP and ethics. I think probably we all want to be part of the good party, we all want to be sustainable, we all want to be green, well what about the ethics in intellectual property and respect for intellectual property. At grass roots, I think becoming IP savvy, clarity in agreements have a proactive IP strategy, look at intellectual property as a positive force, look at designing as trading intellectual property for one's own benefit. And lastly is to keep that design audit trail from the seed of an idea all the way to market place. It's very difficult for copiers to reverse engineer in a lot of cases, and it's communicating that positive strategy through marketing material on your website and any other means that one can. The importance of design having a value, design matters from iconic to every day, and I think it's important and underpinning, certainly the fashion industry and many other sectors that we represent.

Sally Britton:

Okay thank you Dids.

Session Chair's closing remarks

Sally Britton, Partner, Mishcon de Reya

So there's been some recurring themes coming through today. Clearly having a strategic approach in terms of intellectual property and the other aspects in terms of nurturing talent, and also manufacturing within your business is clearly something that is of clear importance, and has been mentioned repeatedly throughout this morning.

Education is also something, both on an internal level, in companies such as Asda, that clearly is an important factor, within schools from both an intellectual property and skills perspective, and actually the interesting aspect in terms of interns, which we've talked about a lot today, and how actually the Fashion Retail Academy has integrated that in a strategic way, so unpaid interns, the kind of headline, is actually a very positive thing, it's about training and education.

And the final thing, that runs through all of this is really partnerships, different organisations working together, the UKTI, the BFC, and the need for the Government to underpin all of that with continuing support for these three themes, IP, manufacturing and talent.

So thank you.

Westminster Media Forum's closing remarks

Thomas Raynsford, Senior Producer

Before I let you all go I just want to say some thank yous on behalf of all of us at the Westminster Media Forum.

I want to say thank you to our three Chairs today, we had Lola Young in the first half, we had Damian Collins here for half of the second half, and then Sally very kindly stepped in as... I persuaded her as she walked into the room for the second half, so thank you very much.

I want to say thank you to our keynote speakers, John Miln, Caroline Rush, Kate O'Connor and Julie Deane, thank you all very much and thank you so much... a lot of them managed to stay right from the beginning right to the end, so thank you very much for that.

I would like to say thank you to everyone here as well, as I say this is our second event on this subject and so, I'm still learning, we are all still learning, every now and then someone says, I don't know why you've put that theme in, and often I get phone calls as well, I quite like the odd phone call from someone a month before the seminar is going, I don't know what you mean about that, but they are actually welcome. And on that subject, we have feedback forms, and if you have any thoughts about our next seminar, this seminar or subjects we might cover in the future, they are in your delegate packs, fill them in and place them on the front bench and we will all have a look at them and they are taken very, very seriously, because we think that we can always improve.

We have core sponsors of the Media Forum who are Arqiva, the BBC, BT, ISBA, KPMG and O2, please make use of their services because they are very kind to us.

With that, I can actually see sunshine outside, so I'm going to let you all go very, very quickly before it goes away.

Thank you very much.

Comment

Bruce Montgomery

Professor in Design Craftmanship

University of Northumbria

Do designers need makers if creative talent is to flourish?

World clothing imports rose last year by 17.4% to a record high of US\$431.1 billion. During the next five years to 2017, retail demand for clothing is expected to continue to grow at a fast pace in Brazil, China, India and Russia. With the British fashion industry worth £21 billion, the legacy of the Olympics, and the success of the recent BFC London fashion week, the continued reputation and success of our creative talents at home and abroad seems in good stead. Yet why do British 'designer' businesses not grow to the extent of foreign counterparts, Sir Paul Smith seems an isolated case. Government plans for education appear to be focused purely on Science and technology. STEM should be D-STEM, it is often forgotten science needs to be turned into products by designers. Yet creative talents especially new SME's need local manufacturing on the doorstep. So this brings us to British manufacturing .Why did we get rid of it all? .

Whether its rising prices in production sources off shore, carbon footprint still on the agenda or realising that the industry should have not been so hasty to off load it there has never been a better moment to support it. A consumer boom in mass produced goods has led to both a desire by some designers and consumers to look to creating more original and authentic products which incorporate both a skill and an ethical social consciousness and this requires 'makers'. So what size of manufacturing industry should the UK try to encourage, invest in and maintain. It will never be to the scale of previous generations but that's not necessary. Labour costs in the UK alone will mean it should cater for mid to luxury product. In the Westminster media forum Seminar Ian Maclean CEO of John Smedley who make beautifully crafted contemporary knitwear that is 100% Made in UK remarked the future need to be about 'Designers and Makers ' Some of his other suggestions are also needed such as SME tax incentives for SME 's, broadband in all manufacturing zones and serious Government support to encourage low tech Industry. This will not only generate revenue, but also create employment and nearly as importantly bring back the human emotion of having a skill related job, sense of pride and achievement.

The Industry must create 'Clusters and hubs' of 'makers' that can share certain resources and unify some basic costs. Where are the Business mentoring schemes that make use of retired and semi retired Industry experts? . The 'Making in progress exhibition at the V&A,' the Craft Council 'added value' exhibition and more recently 'Best of Britannia' and the 'Made North' have all excellent examples of what British manufacturing can produce. Apprenticeships and Interns then take on a different perspective, as hopefully those with knowledge would be in work and able to provide the apprentice with a path to follow. Richard Sennett in his book the craftsman talks about the need to be novice, practitioner then expert. This would allow the Industry to glamorise pattern cutting to the next generation although salary increases would be needed. If one is in charge of one's own making then even copying is less easy. To complete the vicious circle education as trade organisation Skillfast have realised is key to changing attitudes and encourage a new appreciation of a career in manufacturing. Yet how can we teach if we cannot show our young talent the full supply chain, even on a small scale? Yarns, design manufacturing, price pointing, and buying power are all areas where poor integrity can have disastrous results. It clear that other areas need attention, and Innovation and digital are on the BFC'S agenda for future support, but manufacturing on a manageable scale is still imperative .An action plan is required and follow up needed by all not just the trade bodies. There is a greater need to work less in pockets and more as part of a bigger picture. As Ian Maclean so clearly put it lets speak a new language!

Biography

Bruce Montgomery is a Professor in Design Craftmanship at the University of Northumbria and a Menswear Design Consultant .Bruce has worked at Katherine Hamnett, Luciano Soprani, Moschino and as Menswear Design Director for DAKS showing his collections on the catwalk at "Milan Menswear Fashion Week. Emeritus Chairman of the British Menswear Guild, previously Chairman of a mentoring panel for Graduate Fashion Week, an external examiner for Menswear for Central St Martins College and a board member of Skillfast-UK.

Dr Alistair Knox
Chairman
ASBCI

Though much of the seminar focused on the ethical and IP issues facing new designers, there are paramount concerns relating to the task of converting design ideas into reality. There is understandable pride in celebrating the creative talents of the UK fashion sector. This underpins London as one of the world's fashion capitals, and is a necessary ingredient for long-term success in this global industry sector. However, innovative ideas alone are not enough.

Ideas are not sustainable without the support of technical design skills built on understanding product and process technologies. Given the competitive nature of the clothing industry, this needs to be within a business context as well. Design in the fashion sector, as in other industries, requires the support of manufacturing expertise that can convert ideas into commercial reality. There are some siren voices who expect the government to "do something", but this is not their area of expertise. It is primarily up to the industry itself, as long as the government sets a supportive environment.

The required skills and production resources to help designers are in short supply. To correct the situation, it is useful to understand how it has come about, and what realistic options there may be to fix the problem. Since the decline of clothing and textiles manufacturing in the UK at the end of the 20th century, the industry has been dominated by major retailers and brands. These account for the vast majority of trade and employment in the sector. Their designers and buyers have been supported by the reservoir of skills from that era – textile technologists, clothing technologists, and sample machinists. Some of this generation have helped with the many design courses run by our colleges and universities. Others have provided expertise to set up facilities in low-cost sourcing countries as UK manufacturing closed down.

This generation of skills and experience is rapidly disappearing from the UK employment market. Colleges have been able to replace a few, but this is difficult as little world-class manufacturing is left in the UK to support any such education & training. General business skills can be covered, and are included in several excellent 'hybrid' university courses. The gap with respect to progressing designs to prototyping and quality production remains.

What can be done, and what do others do? Some countries manage to support excellent technical centres, such as IFTH in France, the Hohenstein Institute in Germany, and (TC)² in the USA. Perhaps the best model to follow, however, is that of Inditex in Spain. They are now the largest fashion company in the world, operating brands such as Zara. Despite getting much of their volume product made in the usual low-cost countries, they have retained manufacturing capacity near their head office in northern Spain.

The conventional view is that this is the secret to their famed 'quick response' capability. Local production eliminates the transport delays from South Asia and the Far East, and enables the supply of 'fast fashion' to Western markets. Less appreciated is how incredibly valuable it is for designers and product developers to have direct access to modern manufacturing methods and resources. Costs are higher, and it needs recognition that expense can be averaged over the home and overseas labour costs, to give a viable business model. The continuing success of Inditex confirms this is possible.

Perhaps some of our major retailers could consider similar strategies. The UK might regain the leadership it has lost in this area of manufacturing expertise. I believe a by-product of such initiatives would be to encourage the re-growth of the infrastructure so necessary to support the British fashion industry of the future.

Biography

Alistair is also a Senior Research Fellow at Nottingham Trent University. Currently involved with clothing sustainability research, he has previously worked on major European clothing research projects such as E-Tailor & Survive, and has been course leader for the renowned Fashion & Textile Management programme at NTU. Prior to that he worked for over 20 years with various divisions of Courtaulds.

Julian Wilkins
Solicitor
Devereaux

Attending the Westminster Media Forum - next Steps for the British Fashion Industry - intellectual property , manufacturing and talent highlighted a mixed message of caution, but also great opportunity.

UK fashion is worth annually £11 billion, employing 180,000 people with annual exports of £8 billion. Fashion tends to be associated with opulent brands and catwalk glamour, but this is only the pinnacle of what is a great industry and one that could be greater not only contributing to the UK economy but enriching us culturally as well.

UK fashion needs to nurture indigenous design, manufacture and branding. There is scope for the UK to cater for all aspects of the industry and provide a seamless one stop shop.

John Miln of the UK Fashion and Textile Association, and Ian Maclean of bespoke manufacturer John Smedley made clear more needs to be done to encourage people into the manufacturing seeing it as a vital constituent of the fashion industry. Tax breaks and other incentives would encourage manufacturing. The education system has to emphasise that manufacturing is a worthwhile career option and not a dead end option.

The protection of intellectual property (IP) rights is key to the long term viability of a business and building a brand internationally.

The Forum depicted the scope to educate those within the industry how to protect their IP rights and build a brand. The spin off of bringing IP education into the classroom will help train people to respect IP rights.

Tax incentives such as the Patent Box should be extended to protecting design rights, copyright- currently it applies to patents. Surely a designer or fashion house protecting their design rights pursuant the Hague Treaty, or their trademark under the Madrid system should have as much tax incentive as a patent holder.

Image and reputation can be deeply scared by one significant abuse or aberration -look at the BBC post Jimmy Saville. As such the representations by model Katia Elizarova and Equity representative Hilary Hadley spelt out examples of exploitation of models and the code of conduct being adopted to prevent such conduct. Equity's ten point plan should be applauded as a way of protecting models, and improving their conditions. Fashion brands should be deeply concerned how their products are represented and nothing could be worse for a brand than to be associated with exploitation- the same applies in respect of overseas manufacturing conditions. It is disturbing that the take up by the fashion industry of Equity's ten point plan has not been so far been prevalent and it begs the question- why?

The Forum suggested that the fashion industry should stick up for its entitlements. I would suggest that the UK Fashion embraces other sectors and see them as collaborators not threats. Both Ford and Nissan, for example, have design centres in London, and one of the fundamental reasons is that they wish their designers to be influenced by the fashion designers and the general fashion scene. What is worn in the streets of London may influence the look of the next Ford Fiesta. As Virginia Woolf said "They(clothes) change our view of the world and the world's view of us".

UK fashion through a blend of creativity, strong initiatives and active IP awareness and education could build on its already strong base and have a significantly stronger economic voice, or as Miuccia Prada said "Fashion is language".

Biography

Julian Wilkins is a practising Intellectual Property and media solicitor with Devereaux solicitors, as well as an accredited mediator and notary public. Julian publishes and edits Blue Pencil magazine devoted to legal and business affairs relevant to the creative industries. He is a UK contributor to the European Audiovisual Observatory.

Linda McPherson
Senior Director
Scottish Enterprise

Scotland is well known as a friendly, welcoming nation that can spin a good yarn. And our textiles industry has used these inherent traits for years, building long-standing relationships with customers and developing these relationships across the globe. Our passion for using natural fibers to 'engineer' the finest quality products such as lambswool, cashmere and tweed, and more recently craftsmanship with other natural materials such as Alpaca is gaining the sector accolades worldwide.

When a buyer engages with any of our 600 plus companies in Scotland, they see and appreciate the close relationship between our landscape and our products. They are assured by our experience, quality and the skills we offer, but also our ability to repeat this process year on year, decade on decade, and of course unlike many, century on century. Continued investment in innovation has helped our companies to modernise the manufacturing process, allowing for more flexible and bespoke production to help meet the needs of high value luxury markets.

It's this capability that puts our companies at the cutting edge of the international fashion industry – tartan and Harris Tweed is increasingly seen on international catwalks, while Scottish cashmere firms supply products to international fashion houses, including Chanel, Hermes, Gucci and Prada. Rebecca Torres, Iona Crawford, Hilary Grant and Kirsteen Stewart are just some of our award winning Scottish designers known around the world.

Our expertise in technical and performance textiles, especially for dealing with harsh weather and environments is long standing - it was Charles Macintosh who patented the invention of waterproof cloth in 1823 and the first Mackintosh rubberized raincoats were produced in Glasgow a year later. Now our companies are providing performance clothing and equipment to Olympic athletes, global adventurers and outdoor specialists around the world.

By focusing on the luxury and premium end of the market, we are finding niche markets where Scotland can compete with the best. Encouraging companies to invest in innovation and design ensures Scottish textiles and fabrics are of the highest quality for the international market while also looking for new ways for the companies to increase efficiencies, including international collaborations.

This focus has paid dividends for the industry in Scotland. Growth targets set in 2011 to achieve turnover of £850 million by 2020, have already been delivered as we recorded turnover of £950 million in 2012. As a result, the industry has set ambitious targets of achieving turnover of between £1.2 and £1.5 billion by 2020 with a commensurate increase in the value of exports sales to £375 million by 2015 and £450 million by 2020.

These latest figures recognise the importance of international trade – Scottish textile products are now sold in over 150 markets around the world. This year so far, Scottish Enterprise has supported over 40 companies to participate in leading international events such as CHIC in China. Six rail interior companies will visit Cologne to exhibit at the Railway Interior Expo in November and closer to home we have a strong presence at Decorex in London.

It's opportunities like these as well as the sector's strong heritage and world-class reputation in design and excellence that underpins the sector's ambitious growth targets.

As Scotland's main economic development agency, Scottish Enterprise is proud to support the textiles sector in Scotland to help identify and exploit the best opportunities for growth. For further information visit www.scottish-entepre.com/textiles – we would be happy to help.

Biography

Scottish Enterprise is Scotland's main economic development agency and aims to deliver a significant, lasting effect on the Scottish economy. Our role is to help identify and exploit the best opportunities for economic growth. We support ambitious Scottish companies to compete within the global marketplace and help build

Scotland's globally competitive sectors. We also work with a range of partners in the public and private sectors to attract new investment to Scotland and to help create a world-class business environment.

List of Delegates Registered for Seminar

Alice	Adamson	Bill Manager (Intellectual Property Bill)	Intellectual Property Office
Louise	Armstrong	Human Resources Generalist , UK & Ireland	Gucci
Lucy	Barraclough	Head of Design & Technology/Student Learning Entitlement for Product Design Textiles	John Cabot Academy
Si	Beales	Business Relationships Manager	Nottingham Trent University
Wayne	Benyon	Solicitor	Capital Law
Anna	Birtwistle	Associate	CM Murray
Professor Sandy	Black	Professor of Fashion & Textiles	London College of Fashion
Nicola	Briars-Coan	International Trade Adviser	UK Trade & Investment
Sally	Britton	Partner	Mishcon de Reya
Graeme	Brooker	Head of Fashion & Interiors	Middlesex University
Laurence	Brown	Principal	Laurence Brown Solicitor
Lianne	Bulger	Senior Associate	Squire Sanders
Richard	Buswell	Barrister	Hardwicke
Louise	Butler	Lawyer	Rouse
Stephen	Carter	Partner	Mewburn Ellis
Jenifer	Casey	Associate	Collyer Bristow
Joyce	Chan	Student	London College of Fashion
Connie	Churher	Web & Online Marketing Manager	Creative Skillset
Iain	Clark	Secretary	The Fashion and Design Club
Dr Graham	Clayton	Chief Executive Officer	SDC (Society of Dyers and Colourists)
Hannah	Cockayne	Legal Trainee	Maclay Murray & Spens
Damian	Collins MP	Chair, All-Party Parliamentary Fashion and Textile Group	House of Commons
Jo	Conlon	Senior Lecturer	University of Huddersfield
Simon	Crompton	Magazine Editor	Managing Intellectual Property
Simon	Crossley	Partner	Eversheds
Clare	Culliney	Programme Leader	Manchester Metropolitan University
Carlton	Daniel	Senior Associate	Squire Sanders
Christine	de Leon	Editor-in-Chief	Very Nice Threads

Julie	Deane	Founder and Owner	The Cambridge Satchel Company
Karen	Dennison	Principal	Fashion Retail Academy
Kathryn	Dooks	Employment Partner	Kemp Little
Gurpreet	Duhra	Partner	DLA Piper UK
Olivia	Eardley	Associate	Lewis Silkin
Katia	Elizarova	Model, Actress & Brand Ambassador	
Alison	Fiander	General Manager	Walpole British Luxury
Roger	Figg	International Trade Adviser	UK Trade & Investment
Melanie	Flood	Director of Communications	UK Fashion and Textile Association (UKFT)
Anastasia	Fowle	Partner	Shoosmiths
Georgia	Freeman	Student	London College of Fashion
Annabelle	Gauberti	Founding Partner	Crefovi
David	Getty	Partner	Gaby Hardwicke
Caroline	Gilbey	Academic Development Manager	Ravensbourne
Adam	Glass	Partner	Lewis Silkin
Dr Emma	Graham	Patent Attorney	Mewburn Ellis
Tim	Grice	Finance Director	ASBCI (Association of Suppliers to the British Clothing Industry)
Hilary	Hadley	Head of Live Performance Department	Equity
Shula	Hagan	Solicitor	Joelson Wilson
Azfar	Haider		
Jacki	Hall	Fashion and Creative Industries Consultant	Hall & Co
Janette	Hamer	Lawyer	Rouse
Nicola	Hamilton	Account Director	Good Relations
Sarah	Harris	Journalist	The Daily Mail
Mark	Hart	Lecturer in Fashion, Cambridge School of Art	Anglia Ruskin University
Michael	Harte	Partner	Field Fisher Waterhouse
David	Hieatt	Co-Founder	Hiut Denim Co
Kate	Hills	Editor	MakeitBritish.co.uk
Laura	Holland	Student and Vice President	London College of Fashion
Jennifer	Holloway	Director	Fashion Enter

Steven	Hope	International Trade Adviser	UK Trade & Investment
Audrey	Horton	Associate - IP Knowledge and Development	Bird & Bird
Lindsay	Jamieson	Deputy Bill Manager (Intellectual Property Bill)	Intellectual Property Office
Ceci	Joannou	Editor	Brand + Commercial
Lynsey	Jones	Senior Associate	Eversheds
Rebecca	Kay	Solicitor	DLA Piper UK
Dr Alistair	Knox	ASBCI Chairman	ASBCI (Association of Suppliers to the British Clothing Industry)
Toyin	Laketu	International Trade Adviser	UK Trade & Investment
Raymond	Lambert	Managing Director	Jeeves and Jeeves International
Maria	Lemos	Director	Rainbowwave
Abigail	Lerman	Human Resources Director	Kering
Christiana	Loizides	Associate, Brands and Fashions Group	Sheridans
Ben	Lyons	Co-Director	Intern Aware
Dids	Macdonald	Chief Executive Officer	ACID (Anti Copying in Design)
Claire	Mackey	Associate	Marks & Clerk Solicitors
Linda	Mackie	Teaching Fellow	University of Southampton
Ian	Maclean	Managing Director	John Smedley
Lisa	Mann	Student	Southampton Solent University
Lucy	Marlow	Solicitor	Thomas Eggar
Andrew	Marsden	Trade Mark Attorney	Saunders & Dolleymore
Charles	Marsden- Smedley	Chairman	John Smedley
Martin	Mason	Chief Executive Officer	Lulu Guinness Holdings
Hafsah	Masood	Barrister	3 Hare Court
Christopher	McHugh	UK Production Expert	DISC
Linda	McPherson	Senior Director - Food & Drink, Tourism & Textiles	Scottish Enterprise
Professor Angela	McRobbie	Professor of Communications	Goldsmiths, University of London
Peter	McRoberts	Partner	Payne Hicks Beach
Louise	Merrell	Solicitor	Clarkslegal
Louise	Merrell	Solicitor	Clarks Legal LLP
Blair	Metcalfe	Act Director	Ogilvy

Lee	Miller	Designer	Lee Miller
John	Miln	Chief Executive	UK Fashion and Textile Association (UKFT)
Kate	Milson	Associate	Covington & Burling
Teresa	Montero	Account Manager	UK Trade & Investment
Professor Bruce	Montgomery	Professor of Design Craftsmanship	Northumbria University
Kat	Nadj	Senior Human Resources Manager	Kering
Suzie	Norris	Student	Southampton Solent University
Emily	Norval	Fashion Writer	Drapers
Renee	Nugent	Trade Mark Attorney	Field Fisher Waterhouse
Timothy	O'Callaghan	Partner	Druces
Elaine	O'Connor	Fashion Law Consultant	Wigs and Gowns
Kate	O'Connor	Executive Director and Deputy Chief Executive Officer	Creative Skillset
Gwyn	Owens	Head, Creative Economy	Department for Culture, Media and Sport
Mauro	Paiano	Partner	Shakespeares
Steve	Palmer	Director/Solicitor	Palmer Biggs Legal
Catherine	Palmer	Legal Director	Joseph
Tania	Phipps-Rufus	Student	University of Birmingham
Jim	Pickles	International Trade Adviser	UK Trade & Investment
Kirsty	Powell	Associate Senior Lecturer	Ravensbourne
Ann	Priest	Pro Vice Chancellor and Head of College Art & Design and the Built Environment	Nottingham Trent University
Jo	Pritchard	Associate	TLT
Piyya Muhammad	Rafi-ul-shan	PhD Researcher	University of Hull
Varinder	Rehal	Senior Commercial Lawyer	Asda Group
Emily	Riddle	Associate	Baker & McKenzie
Howie	Ripley	Policy Advisor	Intellectual Property Office
David	Rogers	Sports Engineer	
Tim	Rose	Senior Associate	Wilson Gunn
Nick	Rudgard	Legal Director	Addleshaw Goddard
Caroline	Rush	Chief Executive	British Fashion Council
Dr Noam	Shemtov	Lecturer in Intellect Property & Computer Law	Queen Mary, University of London

Shaun	Sherlock	Trade Mark Attorney	Novagraaf UK
Lucy	Siegle	Reporter	The Guardian
Sandi	Simons	Partner	Harbottle & Lewis
Rose	Sinclair	Chair, Teachers Special Interest Group	The Textile Institute
Jamie	Singer	Partner	Onside Law
Taylor	Smith	Photographer	The Upcoming
Rebecca	Smith		Jones Day
Annabel	Smith	Fashion Course Leader	Harrogate College
Alice	Stagg	Associate	Wragge & Co
Natalie	Stewart	Account Manager	Good Relations
Philip	Stinson	Solicitor	Clintons
Andrew	Terry	Partner	Eversheds
Colin	Thompson	Programme Leader BA (Hons) Fashion Studies	University of Derby
Penelope	Thornton	Senior Associate	Hogan Lovells International
Nicholas	Thorpe	Partner	Field Fisher Waterhouse
Emily	Timmins	Solicitor	Michelmores
Sue	Tisdall	International Trade Adviser	UK Trade & Investment
Nick	Tsatsas	Partner	Fladgate
Frances	Turner	Senior Lecturer	Bath Spa University
Julian	Vogel	Creative Director	Modus Publicity
Elizia	Volkman	Fashion Editor	Fashion Fox
Dorota	Watson	Head of Fashion & Textiles, School of Arts & Digital Industries	University of East London
Christopher	Weaver	Assistant Solicitor	Payne Hicks Beach
Juma	Weeks	Associate	Nabarro
Robert	Wegenek	Partner	Squire Sanders
Jayne	West	Partnership Manager, Fashion & Textiles	Creative Skillset
Alex	White	Journalist	The Upcoming
Catherine	White	Section Editor	Intellectual Property Magazine
Julian	Wilkins	Director	Blue Pencil Set
Rachel	Wilkinson-Duffy	Trade Mark Practitioner	Baker & McKenzie

Dylan	Williams	Strategy Partner	Mother
Barbara	Wilson	Fashion Sector Specialist	UK Trade & Investment
Melanie	Worsdall	Associate	Nabarro
Eilidh	Young	Knowledge Transfer Associate, Institute for Capitalising on Creativity	University of St Andrews
Baroness	Young of Hornsey	Chair, All-Party Parliamentary Group on Ethics and Sustainability in Fashion	House of Lords
Shayda	Youssefian	Solicitor	Charles Russell
Sharon	Zaat	Tailor/Fit Consultant	By Suzannah

Contributor Biographies

Sally Britton, Partner, Mishcon de Reya

Sally is a Partner in Mishcon de Reya's Intellectual Property Department. Sally specialises in advising clients on IP protection and exploitation, with a focus on trademark and design filing, portfolio maintenance and management on a local and international basis and in relation to emerging and established markets. She also has significant experience of advising clients in relation to licensing, sponsorship and infringement matters. Sally works with clients across a variety of sectors, but has particular expertise in advising clients across the fashion, entertainment, sports and automotive sectors. Prior to qualifying as a lawyer Sally worked in brand management for Benckiser (Reckitt Benckiser), Heinz and Budweiser where her responsibilities included new product development, advertising, promotion, PR, packaging and sponsorship.

Damian Collins MP, Chair, All-Party Parliamentary Fashion and Textile Group

Damian was elected in May 2010 as the MP for Folkestone and Hythe. He was a former member of the House of Commons Select Committee for Culture, Media, Sport and the Olympics. He is now PPS to the Secretary of State for Northern Ireland. Damian is Chairman of the Conservative Arts and Creative Industries Network, which was launched in May 2009. The Network brings together individuals who work in the arts and creative industries with the Culture Ministerial team, MPs, and senior figures in the Conservative party involved in developing policy in this area. Damian's business career was in the advertising and communications industries, working for 10 years at the M&C Saatchi advertising agency in London and then for Lexington Communications where he was Senior Counsel. In November 2007 Damian was listed amongst the top 50 names for the future in public life in Britain in the first 'Courvosier the Future 500' published by The Observer. He is married to Sarah and they have two young children, Claudia and Hugo.

Julie Deane, Founder and Owner, The Cambridge Satchel Company

Julie Deane is a graduate and former Fellow of Gonville and Caius College, Cambridge-serving on the College Council as Registrary, the first female to be appointed to this role in the 650-year history of the college. Julie qualified as an ACA with Deloitte, working in the UK and USA. Five years ago she founded The Cambridge Satchel Company with £600, the company now has a turnover of £13m and was profiled by Google in the latest Google Chrome advert. Julie was named Entrepreneur of the Year last month in the European Business Awards, the first woman to win this accolade.

Karen Dennison, Principal, Fashion Retail Academy

Karen Dennison began her career 30 years ago in education as a part-time lecturer while running her own business, then moved in to full-time education working her way up from lecturer into education management. Karen specialised in vocational education for both FE and HE for a variety of industries. Now has Principal of the Fashion Retail Academy, Karen works very closely with the Fashion Retail industry and sponsors, Arcadia, Marks and Spencer, Next, Tesco and many other brands; ensuring the courses prepare students to enter the workplace as competent and confident as they can be.

Katia Elizarova, Model, Actress & Brand Ambassador

Russian-born Katia Elizarova is a top international model, actress and television star. As a model and brand ambassador she currently represents \$1bn US fashion house Max Studio and UK lingerie brand of the year Made By Niki as well as other leading global brands. She has also recently appeared in campaigns for Rimmel, Esprit and Triumph. Recognised for her natural golden hair and enchantingly vivacious nature Katia's career began with a cover shoot for Jalouse Magazine, and has since seen her work for the world's leading names in fashion from Commes des Garçons and Calvin Klein to Chanel, acclaimed adaptation of Chekov and Bunin stories. She has acted in television campaigns for Pepsi and Laforet as well as starred in award-winning mini-feature music videos. She currently stars in Fox's Meet the Russians which follows her life in fashion and theatre. An active campaigner and charity spokesperson, Katia is a firm believer in establishing rights for those working in the fashion industry, from models through to factory workers. She also fronts UK fashion charity movement Fashion For Good. Katia is based in London.

Annabelle Gauberti, Founding Partner, Crefovi

Annabelle Gauberti is the founding partner of the law firm Crefovi, which specialises in advising the creative industries, out of Paris and London. Having worked with creative clients for more than ten years, Annabelle is

an avid believer in the importance and value of brands and is proud to advise Crefovis' fashion and luxury goods clients on their legal needs. The work undertaken by her regularly includes advising fashion and luxury goods companies on regulatory and compliance matters, as well as intellectual property registration and protection, distributorship agreements, licensing, franchise agreements and debt or equity financing transactions.

Hilary Hadley, Head of Live Performance Department, Equity

Hilary Hadley, Head of Equity's Live Performance Department responsible for negotiating the terms of employment for actors, dancers, singers and other relevant entertainment professionals throughout the industry. In addition she has been responsible for developing services and agreements for models, following the Equity Council decision to take models into membership of the Union.

Ben Lyons, Co-Director, Intern Aware

Ben Lyons is Co-Director of Intern Aware, the campaign for fair internships. He established the campaign in 2010, after seeing friends face unemployment because they could not afford to work without pay. Intern Aware works with government, business and trade unions to make the positive case for fair internships. Ben is Sheila McKechnie's 2013 Campaigner of the Year. He graduated from St. Catherine's College, the University of Oxford, in 2011, with a B.A. in History.

Dids Macdonald, Chief Executive Officer, ACID (Anti Copying in Design)

Dids Macdonald has over 30 years' experience within the design sector, latterly as a designer-maker; she co-founded ACID (Anti Copying in Design) because her products were consistently copied. ACID began informally in 1996 and has developed into a trade organisation representing over 1,100+ design-led companies within the creative industries. ACID has been a leading voice, champion and campaigner of design law reform especially for lone, micro and SME's culminating in the Prime Minister recognising the necessity for design law reform following a recommendation by Professor Hargreaves. The Designs Consultation in 2012 preceded the IP Bill currently going through Parliament concentrating mainly on designs and patents. Dids was named by 'Managing Intellectual Property' as one of top 50 most influential global influencers shaping the future of IP. Dids is also Vice Chair of the Alliance for Intellectual Property, A member of the IPO Trade Marks and Designs Forum, a Director and Parliamentary Convenor of IPAN The Intellectual Property Awareness Network and an Assistant to the Court of the Worshipful Company of Furniture Makers.

Ian Maclean, Managing Director, John Smedley

Ian Maclean graduated from Cambridge in 1990 and joined the venture capital company 3i plc in the South East, investing in many different privately-owned companies. In 1995 he moved to the USA to join Orvis Co Inc, a multi-channel retailer of country clothing sporting goods. For the next 15 years, Ian helped to grow Orvis in the UK from £4m to £25m Sales Turnover, expanding the network of stores from 3 to 26 in that time. Having represented the majority Family owners in John Smedley as a Non-Executive Director for some years, he became Chairman in 2008. In 2010, Ian moved to become full time Managing Director of John Smedley and has overseen its growth as a brand ever since.

John Miln, Chief Executive, UK Fashion and Textile Association (UKFT)

John has spent his entire career in textiles and apparel working in global multinationals, UK branded enterprises and SMEs' in various senior executive board roles in the UK, Europe and Internationally. His experience is in general management and has covered all facets of business operations from manufacturing, sourcing and logistics to sales & marketing and finance covering both wholesaling and retailing. He has worked in, and travelled widely through, Europe, North America and the Orient, particularly China. Latterly he owned, ran and subsequently sold his own business. John has been an independent business consultant working with clients particularly through the change management process in the industry sector. He has served as a Trustee and a Chairman of Trustees of a company pension scheme. He is both a Chairman and a non executive director of various industry trade bodies and has been Deputy Chairman and Treasurer of the UK Fashion & Textiles Association-whom he consulted with on a number of governance and change management projects. He was invited to serve as the Association's CEO in October 2011 by the reconstituted Board to deliver the agreed strategy for the future of the Association.

Kate O'Connor, Executive Director and Deputy Chief Executive Officer, Creative Skillset

Kate O'Connor is Executive Director at Creative Skillset, the Creative Industries' Sector Skills Council. Kate is responsible for developing and overseeing all industry partnerships, including most recently the new Skills Investment Fund arrangements, and she oversees the research and development portfolio. Kate also leads Creative Skillset's work on education policy and in particular the strategy for industry led partnerships including accreditation and new higher education initiatives.

Varinder Rehal, Senior Commercial Lawyer, Asda Group

Varinder is a senior lawyer with substantial in-house experience in training and advising on all aspects of intellectual property, brand management, global leverage and international franchising. He was lead lawyer in the set up of the new *George International* franchise operation in territories such as the Middle East and SE Asia and has advised on a number of high value projects with an international bias. In addition to his commercial law experience, his background is in corporate law. Varinder has previously served as Legal Director of BCB Ltd (a not-for-profit construction services company) and was also a visiting lecturer at Irwin Mitchell Solicitors on the Institute of Legal Executives Course.

Caroline Rush, Chief Executive, British Fashion Council

Caroline Rush was appointed Chief Executive Officer of the British Fashion Council in April 2009. Charged with strengthening London Fashion Week, engaging the industry and creating a legacy for the organisation's 25th anniversary in 2009 she has played a key role in attracting brands such as Burberry and Pringle and British designers such as Antonio Berardi and Jonathan Saunders back to London. Her focus is to maintain and enhance the UK's reputation as being global innovators in fashion design, promote the industry to a global audience and assist designer businesses to develop and grow. 25th Anniversary legacy projects include BFC/Vogue Designer Fashion Fund, BFC/Bazaar Fashion Arts Foundation, BFC/ELLE Talent Launch Pad. She has 18 years' experience in Marketing and PR across both consumer and corporate communications in fashion, music and lifestyle sectors, managed her own business for five years, during which time she delivered strategic communications and full press office function for the British Fashion Council.

Barbara Wilson, Fashion Sector Specialist, UK Trade & Investment

Barbara Wilson is Fashion Sector Specialist at UK Trade & Investment. She has been with UKTI for 11 years and during this time her focus has been to raise the profile of fashion within the organisation and create a strong fashion team in UKTI London. Barbara speaks fluent Japanese and started her career promoting cultural exchange for the Japanese Government. She then went on to work for the Japanese department store, Mitsukoshi, and subsequently worked for Aquascutum and Selfridges, always with an emphasis on overseas sales and marketing. In October 2010 Barbara was made a Member of the British Empire in the Queen's birthday honours list for her services to export.

Baroness Young of Hornsey, Chair, All-Party Parliamentary Group on Ethics and Sustainability in Fashion

After an acting career in theatre and television, Lola Young became an arts administrator, later moving on to become professor of Cultural Studies at Middlesex University, a writer, cultural critic, public speaker and broadcaster. After a period as Project Director leading a major initiative at the Black Cultural Archives, Lola subsequently became Head of Culture at the Greater London Authority. She currently advises arts and cultural agencies and organisations on policy, diversity, leadership and strategic planning and continues to write and produce creative events such as the highly acclaimed national programme of arts and cultural programme, Freedom and Culture. Lola has sat on the Boards of several national cultural organisations including the South Bank Centre, the Royal National Theatre, the Royal Commission on Historical Manuscripts, and The National Archives. She has been involved in a number of judging panels, including Charing the Orange Prize for Literature, the Caine Prize for African Literature and the Art Fund Prize. A member of the House of Lords since 2004, Baroness Young is an Independent Cross Bench peer and has been involved in campaigns criminalising and combating modern forms of enslavement. In addition, she is a member of the House of Lords EU Select Committee and its sub-committee on External Affairs and Defence. She is a Commissioner at English Heritage and a Freeman of the Tallow Chandlers Livery Company. As an Ambassador for Cotton Made in Africa, the Ethical Fashion Forum and MADE-BY, Baroness Young established and chairs the All-Party Parliamentary Group on Ethics and Sustainability in Fashion.

About the Core Sponsors of the Westminster Media Forum

Arqiva



About Arqiva

Arqiva operates at the heart of the broadcast and mobile communications industry and is at the forefront of network solutions and services in an increasingly digital world. The company provides much of the infrastructure behind television, radio and wireless communications in the UK and has a growing presence in Ireland, mainland Europe and the USA. There are three business units:

Terrestrial Broadcast provides transmission for all UK terrestrial TV broadcasters, including the new networks being built for the Digital Switch Over. Transmission is also provided for BBC Radio and most commercial radio stations, both analogue and DAB. The company owns and operates two of the six UK digital terrestrial TV multiplexes, enabling major media companies to bring their TV and radio services to Freeview.

Satellite & Media provides global communication platforms to enterprise, government and broadcast customers around the world. It owns and operates teleports at key locations including Los Angeles, Washington, London and Paris, as well as comprehensive satellite capacity, an international terrestrial fibre network and extensive media facilities. These enable Arqiva to provide world leading organisations with a comprehensive range of services to deliver their data, broadcasts and media across the globe.

Wireless Access provides cellular, wireless broadband, voice and data solutions for the mobile communications, public safety, local government, and commercial markets. Arqiva is the largest independent provider of radio sites in the UK and Ireland. With its own spectrum, the company can provide complete mobile communications networks including backhaul links.

Arqiva has its headquarters near Winchester and other major UK offices in London, Warwick, Buckinghamshire and Yorkshire. The company is owned by a consortium of investors led by Macquarie Communications Infrastructure Group. Major customers include the BBC, ITV, Channel 4, Five, BSkyB, Classic FM, the five UK mobile operators, the RNLI and the Metropolitan Police.

British Broadcasting Corporation



The BBC exists to enrich people's lives with great programmes and services that inform, educate and entertain. Its vision is to be the most creative, trusted organisation in the world.

The BBC provides a wide range of distinctive programmes and services for everyone, free of commercial interests and political bias. They include television, radio, national, local, childrens', educational, language and other services for key groups. The BBC also runs orchestras, actively develops new talent, and supports training and production skills for the British broadcasting, music, drama and film industries.

BBC services are used by over 95% of the UK population every week and the Corporation is funded through a television licence fee.

The new Royal Charter sets out six purposes for the BBC. They are:

- Sustaining citizenship and civil society;
- Promoting education and learning;
- Stimulating creativity and cultural excellence by using the licence fee as venture capital for creativity;
- Representing the UK, its nations and regions;
- Bringing the UK to the world and the world to the UK; and
- Building digital Britain.

The sovereign body of the BBC is the BBC Trust, which guarantees the Corporation's independence and ensures that the Corporation delivers high-quality and distinctive programming which meets these purposes. The Trust also ensures that the BBC delivers public value, taking account of the potential market impact of its activities, through transparent and rigorous assessment of the Corporation's activities.

The BBC word mark and logo are trade marks of the British Broadcasting Corporation and are used under licence. BBC logo © BBC 1996

BT



An introduction to BT:

BT is one of the world's leading communications companies. We provide the essential backbone for fixed telephone services, mobile network operators and much of the UK's terrestrial TV distribution.

BT's organisation:

BT is organised into a number of separate businesses:-

- **BT Retail** – provides services to small and medium sized businesses and to residential customers. It also runs the UK's largest internet business as well as BT Vision – BT's on-demand internet television service. It provides around 19 million fixed and 5 million broadband lines.
- **BT Wholesale** - supports the UK's fixed and mobile communications industry with a range of products and managed services including, for example, major network capacity to the UK's mobile companies, the transmission capacity for much of the UK television network, and 'white label' broadband, fixed line and other services for some of the biggest names in the competitive UK market. It also manages other operators' networks on their behalf on an outsource basis.
- **BT Global Services** – provides services to large businesses, to multi-site organisations in the UK and across the world, and operates in over 170 countries worldwide.
- **Openreach** - looks after the 'first mile' of network, from the exchange through to homes and businesses. Its customers are not end users but the companies who supply their telecommunications services to them. It treats all its customers on an equal basis and thus provides the essential ingredients for the vibrant, competitive retail market in the UK. Is also the engine for BT's extensive fibre rollout programme.
- **BT Innovate and Design** - is responsible for BT's research and innovation – with BT being a top investor in R&D.

The UK and BT in context:

- The UK has the world's most competitive communications market in the world, with unrivalled broadband availability, take-up and prices.
- BT invests billions of pounds each year in infrastructure to boost productivity, create jobs, bring communities together and enrich peoples' lives.
- Telecoms prices in the UK are down in real terms by 54% since 1990.
- More than 60% of UK homes now have broadband – up from 12% in 2003 and a higher rate than Italy, Spain, Germany, France and the USA.
- We are investing £1.5bn in providing fibre-based services to up to 10m homes by 2012 (40% UK households). Assuming an acceptable environment for investment, we plan to add a further £1bn by 2015, taking coverage to around 66% of the UK.

Key policy principles:

- Competition is better than regulation for protecting the interests of customers.
- Where there is regulation, it should promote competition.
- Markets worldwide should be open, with state authorities acting to promote competition, encourage innovation and challenge vested interests.
- Financial and social stability will be underpinned by sustainable digital economies.

- Investment in the communications infrastructures of such economies requires regulatory stability, technological neutrality, and appropriate financial rewards.

ISBA – The Voice of British Advertisers



ISBA represents advertisers – companies and not-for-profit organizations of all sizes. Our members include more than 400 leading UK advertisers, whose combined spend on marketing communications exceeds £10 billion each year.

We cover all aspects of marketing communications, including regulatory and legislative affairs, all media advertising including interactive/online advertising, direct marketing, sponsorship and sales promotion.

We exist to help our members advertise as effectively, efficiently and economically as possible. But we are also advocates, voicing their collective interests and ambitions to Government, regulators, media owners, agencies and other industry bodies.

In addition ISBA provides high-quality services to its members including practical consultancy advice, updates on industry developments, a free legal helpline, best practice guidance, briefing seminars and expert training. For more about membership of ISBA please contact Jackie Marlow: jackiem@isba.org.uk

What we do:

- Lobby governments, elected representatives and regulators so that they, and the public at large, recognise the value of advertising to society, to consumers, to a diverse and well-funded media, and to UK businesses and the wider economy.
- Promote the development of effective advertising self-regulation and protect the freedom of members to responsibly communicate with consumers.
- Safeguard access to audiences for advertisers by supporting the development of a strong commercial media sector, which delivers maximum opportunity for effective commercial communications.
- Facilitate the development of a genuine media marketplace, in which there is true competition between media owners for advertiser budgets, and in which advertisers have the freedom to choose where and how to invest.

www.isba.org.uk

To talk about our work contact

Ian Twinn, Director of Public Affairs iant@isba.org.uk or

Liam Northfield, Communications manager liamn@isba.org.uk

+44 (0)20 7291 9020

KPMG



KPMG LLP, a UK limited liability partnership operates from 22 offices across the UK with over 10,000 partners and staff. KPMG is a global network of professional firms providing Audit, Tax, and Advisory services. We operate in 148 countries and have more than 113,000 professionals working in member firms around the world. The independent member firms of the KPMG network are affiliated with KPMG International, a Swiss cooperative.

Within KPMG's Information, Communications and Entertainment practice we focus on the issues faced by our media clients in this period of unprecedented change. The much heralded convergence is finally a reality, with the traditional lines between media, communications and technology companies now rapidly blurring. The

digitisation of content, the explosion in broadband capacity and take up, and the rapid fall in the cost of data storage are forcing 'old media' companies to consider their future business models and to forge unprecedented partnerships. As traditional revenue streams fragment, and historic price points become unsustainable as the perceived value of content declines, the challenge is to ensure content is available as widely as possible to maximise potential revenues.

Broadband has enabled the coming of age of the internet, with online trading, the phenomenon of social networking and the rapid migration to online of advertising spend all causing seismic shifts in the business models of many old media companies. The music industry was the first to feel the force - it is now the turn of the broadcasters, newspapers and the film industry. For all media companies, the survivors will be those with the foresight and boldness to change with the times.

KPMG has a keen understanding of these challenges, and the specific threats faced by each of the media segments – broadcasting, advertising, music, film and publishing – enabling us to provide tailored services that address our clients' needs. For example, our intellectual property, strategic and commercial intelligence and IT advisory specialists are ideally placed to help guide our clients through the challenges posed by the changes this sector faces.

Our teams of sector professionals can work with you to help you achieve your objectives and keep ahead of the game in this ever challenging environment.

KPMG International's Trademarks are the sole property of KPMG International and their use here does not imply auditing by or endorsement of KPMG International or any of its member firms

O2



O2 is a leading communications company for consumers and businesses in the UK, with 21.6 million mobile customers and over 700,000 fixed broadband customers.

The company is the leader in non-voice services, including text, media messaging, games, music and video, as well as data connections via GPRS, HSDPA, 3G and WLAN.

O2 UK is part of the Telefónica O2 Europe group which comprises integrated fixed/mobile businesses in the UK, Ireland, Germany, the Czech Republic and Slovakia - all of which use 'O2' as their consumer brand. In addition, O2 has established the Tesco Mobile joint venture business in the UK and Ireland, as well as, the Tchibo Mobilfunk joint venture in Germany. O2 is a wholly-owned subsidiary of Telefónica S.A.

In the UK, O2 is developing new business areas, including:

O2 Money – O2 Money allows people to say on top of their cash using their mobile phone as a virtual wallet.

O2 Health – O2 Health is about using ICT innovations to deliver better health services for patients and practitioners. It is already reducing the amount of time clinical staff need to spend on paperwork.

Think Big

O2 is helping to inspire young people in the UK through its **Think Big** programme. Working in partnership with The National Youth Agency and UK Youth, O2's Think Big youth programme is bringing benefits to thousands of young people in the UK. Young people can apply for help with their projects through the Think Big website, www.o2thinkbig.co.uk If their application is successful, they will get £300 to help make their project a reality. But it's not just about the money. We'll also give them training and support to make their project a success. And a dedicated social network where they can show off what they've done. If the project is successful, young people can apply for a further cash injection of £2,500 to further boost their project. By using the O2 brand – which has a strong appeal to young people - the partnership has been able to reach places that traditional schemes have not. For example, over 60 per cent of the projects we fund are with young people from lower

income groups. The programme is really helping to change young people's lives and O2 is proud to help them achieve their goals.