

# The Jewellery Quarter Industry Cluster - halting terminal decline and providing practical support to Birmingham's original creative industry

## Survey Results September 2022

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### Abstract

This survey was commissioned to review how best to support further growth in the Birmingham Jewellery Quarter Industry Cluster through the development of a Creative Incubator and Hub. Data was collected from firms operating within this area to support the development of a 'Creative Incubator and Hub', defined as “an organization designed to accelerate the growth and success of existing and entrepreneurial companies in JQ-IC through an array of business support resources and services that could include physical and virtual space, capital, coaching and skills development, common services provision, networking connections and promotion.”

This survey builds on an earlier survey conducted in 2016 and aims to:

1. Carry out deep-dive research to map the interconnected nature of the Jewellery Quarter Industry Cluster (JQ-IC ) and the links between the companies involved. This will establish key connections, components, strengths and weaknesses in the value chain. We will look to establish any issues with skills gaps. The survey is intended to enable us to identify which parts of the cluster need strengthening whilst also identifying potential for growth, start-ups, relocation and promotion
2. Conduct a detailed options appraisal, including consultation with relevant stakeholders, to establish the best model for a JQ Creative Incubator
3. Conduct a fundraising options appraisal for the delivery of the recommended model(s)

The survey was funded by the Greater Birmingham and Solihull Local Enterprise Partnership and conducted by the Institute for Design, Economic Acceleration & Sustainability (IDEAS) at Birmingham City University, on behalf of the JQDT and the Jewellery Quarter Cultural Action Zone.



## Contents

Executive summary	3
Recommendations	4
Introduction to the Jewellery Quarter Industry Cluster and value flows	6
The Jewellery Quarter's Hidden Gems	11
SWOT Analysis	15
Summary Findings in response to Research Questions	16
References	24

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## Executive Summary

The Institute for Design, Economic Acceleration & Sustainability (IDEAS) was commissioned by the Jewellery Quarter Development Trust (JQDT) to undertake a study of Jewellery Quarter Industry Cluster (JQ-IC) operators to ascertain answers to the questions posed in the abstract.

A survey was developed and posted online via Freeonline surveys leading to over 40 responses, or around 7% of the total estimated cluster by number and around half by value, with the largest proportion of respondents coming from manufacturers, whilst also including representatives from all segments – jewellery retailers, designer makers, luxury producers and operators from the regalia, civic insignia, trophies and medals segment which has enjoyed notable high profile contracts in recent years including the medals for the 2022 Commonwealth Games, hosted so successfully earlier this year in Birmingham. However, whilst this research covered creative industries involved in jewellery production and retail, it did not cover the creative industries based in the Jewellery Quarter involved in delivering creative services or creative content production.

This research builds on the survey work undertaken in 2016 by IDEAS, with the results of both surveys illustrating a successful, interconnected and productive cluster with a global reputation, respected for excellence in the design, production and sales of low volume niche jewellery, regalia and allied trades.

The cluster draws heavily on firms in the Jewellery Quarter for the value generation process with an estimated 77% local value content from tier 1 suppliers. It is estimated that over 600 firms employing over 4,100 local people are generating revenues of over three quarters of a billion pounds in 2022. However due to fragmentation of the cluster into the various segments outlined and a culture of secrecy there is little real communication between firms and no overarching strategy focussed on the requirements for cluster growth and competitiveness.

Despite many recent successes, the industry is in a parlous state of decline due to pressures brought about through acute skills shortages, especially in practical hand and bench skills, affecting the ability of this highly interdependent cluster and the firms within it to fulfil larger orders. Apprenticeships have declined by 45% over six years, falling from 51 in 2016 to 28 trainees considered as apprentices and employed in 2022.

Reasons for the decline include:

- Acute skills shortages
- Lack of talent and weak links to educational institutions
- Inability to develop and coordinate sufficient or appropriate apprenticeship processes and delivery
- Shortages of suitable properties at reasonable rentals
- Lack of funding for start-ups and grow-on opportunities
- Fragmentation of the cluster, making it more difficult to trade
- Poorly promoted nationally & internationally as a centre of excellence
- No central voice, or overarching body with a focus on growth of this cluster
- Not recognised by the city region as world class and our original creative industry
- Invisibility of the cluster

These issues have reached a point of no return in the opinion of the respondents. Even larger firms, previously relatively well insulated from skills shortages, were acknowledging that without some

action to address these, the cluster was facing terminal decline. They recognised the need for industry-led action to specifically address skills and governance deficits amongst other needs.

The proposal to set up a Creative Incubator and Hub was seen as providing the stimulus required in facilitating greater coordination of an otherwise fragmented cluster in seeking to meet these challenges with support for this initiative having grown since the 2016 survey where 93% of respondents were in favour of this option to a near unanimous position in 2022. A membership model necessitating industry support and funding is proposed in the first instance with possible additional funding support identified through Enterprise Zone and Trailblazer sources.

## Recommendations

- 1) The Creative Incubator and Hub** is recognised as a vital resource to support wider business growth and competitiveness. It should be based at a physical location within the Jewellery Quarter, effectively forming a flagship for the cluster with a focus on growth and competitiveness and linking together JQ-IC operators with this objective in mind. However, this does not need to be a new-build and could be located in an existing building, with existing spaces identified and requiring further assessment. It could also extend into a dispersed network of activities within the JQ-IC reaching into other centres of excellence within jewellery and allied trades including training on existing machinery and digital programmes. It should provide practical skills development training through hand and bench skills courses and the coordination of apprenticeships opportunities. It should also provide low-rent and access to funding opportunities for start-ups and spin outs, further accelerating growth and employment. It could enable mentors from established businesses to be linked to start-ups. Finally, it should be responsible for developing a brand encompassing the various aspects of the business undertaken in the Jewellery Quarter and the segments that make up Birmingham's original creative industry, as well as responding positively to growing consumer concerns, such as over ethical sourcing and sustainability building on Environmental, Social & Governance (ESG) and Equality, Diversity & Inclusion (EDI) policies.
- 2) Creative Incubator and Hub organisational entity** – the JQ-IC should form a corporate entity, either Company Limited by Guarantee, Beneficial Society or Charitable Trust to run the Creative Incubator and Hub. This would deliver corporate leadership of the initiative, with business interests prioritised, ensuring a focus on growth, practical skills, funding, start-up support, governance and branding. Directors would be allocated dependent on funding into the new venture and membership funding would fit well with a company limited by guarantee, with this new corporate entity also fulfilling the requirements for any appropriate public sector funding including Enterprise Zone and apprenticeship Trailblazer funding.
- 3) Birmingham Property Services at Birmingham City Council** have a role to play in assisting the continued integrity of JQ-IC through the development of a coherent strategy targeting businesses in the Jewellery Quarter Industry Cluster given the high levels renting from the City Council and vacant stores available elsewhere in the city. This would further facilitate sustainability and growth, especially for vulnerable start-ups and early stage new ventures, essential to the dynamism and innovative capacity of this cluster.

- 4) Links to schools** need to be developed as they are currently weak. Positive initial discussions are taking place with Aston University Engineering Academy School and it is hoped these can be translated into actions that facilitate a flow of young talent into the sector. Schools such as Shireland Collegiate Academy, a Design-focused academy, could provide another option for employers looking to take on young recruits. T Levels need to be further assessed and understood as part of the progression package.
- 5) Links to Colleges, FEI, HEI and Trade Associations** will be important in enabling further business support through, for example STEAMhouse incubation and acceleration support, Goldsmiths' Centre and other college support with apprenticeship provision, workshops, specialist training and short courses. In turn this should lead to further linkages through Knowledge Transfer Partnerships, practical research and development, as well as student internships and placements. For these students, progression opportunities should also be well sign-posted into further courses at all levels of advancement.
- 6) Umbrella Branding** needs to be developed which tells a much stronger story about the JQ-IC authenticity and its various segments as outlined. This should be international in focus, taking into account broader governance implications, linking to environmental and societal impacts including more explanation of ethical sourcing and enabling greater dialogue with global luxury firms and other business clusters, local people, visitors, younger talent and students, world class skills development and career progression opportunities, product overview, design and longer-term aspirations.
- 7) Funding** initially should be raised from within the JQ-IC firms to drive a shared and business-led focus in developing the Creative Incubator and Hub. This would not be focussed on capital but rather revenue funding to support skills training in the first instance, identified as their top competitive priority by JQ-IC firms. If Enterprise Zone, Shared Prosperity Funding or Trailblazer funding can support the project to meet the aims and objectives established as priorities by the businesses in the JQ-IC, then these options should be pursued.

## Introduction to the Jewellery Quarter Industry Cluster and Value Flows

During its heyday, around 1913, over 70,000 people were employed in the Jewellery Quarter in Birmingham. By 2000 this number had reduced to around 6,000 employees (Cattell J, Hawkins B., 2000). A survey by Nielsen, et al., (2016), suggested there were then around 800 firms with 5k-7k employees located in 264 acres, although this estimate came with the proviso that the total employment and value generated across the Jewellery Quarter was by no means fully understood.

It is estimated in this survey (August 2022) that employment in the Jewellery Quarter Industry Cluster (JQ-IC) stands at around 4,000 people across 600 firms, suggesting continued decline across the whole cluster, matched with pockets of exceptional success as outlined in this paper. This decline is not new, Professor Jane Pollard observed, 'Birmingham jewellers face a stark choice between further decline, to the point of extinction in low value-added markets, or a shift into more design- and knowledge-intensive forms of production.' (Pollard J., 2004) The move to design-intensive production has continued since then but the umbrella brand encompassing the story of the JQ-IC and its many facets or segments has failed to keep pace and perhaps scarcely exists.

Nonetheless, it is stated that the JQ-IC holds Europe's largest concentration of businesses involved in the jewellery trade, and by some estimates produces as much as 40% of all the jewellery made in the UK (Made in the Jewellery Quarter, 2013). It is also home to the world's largest Assay Office, responsible for hallmarking around 12 million items a year. (Assay Office, 2016).

It remains a successful cluster, standing up well in comparison to available data for the London Jewellery Quarter, largely concentrated around 28 acres making up Hatton Garden which accounts for 25% of the UK's precious jewellery manufacturing and includes an estimated 446 firms providing employment for 2,139 people (Bagwell S, 2008).

In the Jewellery Quarter a wide range of manufacturing, designer-maker, outworker and retail businesses compete, collaborate and thrive as part of the little understood Jewellery Quarter Industry Cluster. These companies have particular capacities and capabilities in making to order, through their problem-solving, can-do manufacturing ability – a skills-set which has powered a global reputation amongst their client base for the firms involved. This reputation has been enhanced through the combination of individual competencies pooled together amongst competitors to produce heightened capabilities. Situated in close geographic proximity, a large number of businesses are gathered together operating in the B1, B18 and B19 postcodes.

The JQ-IC is a varied cluster including a wide range of outputs – medals, trophies, badges, regalia, civic insignia, uniforms and decorations, jewellery, pens and watches, presentation boxes, sculptures and artefacts amongst them. The production of these items requires an even wider range of skills from design and production, including high tech engineering and digital, CAD-CAM and CNC processes, along with the refined and honed hand craft and bench skills of the Jewellery Quarter's artisans, specialist processors, distributors, dealers and retailers.

Far from being solely a small and dwindling group, many firms are thriving and challenged by the demands of rapid growth, skills shortages, space constraints, suitable buildings for industrial activity and spatial planning issues, given the greater focus in recent years on residential development in the Quarter with 10,000 residents living there (Jones, A, 2008).

It is often assumed that the Birmingham retail jewellery trade is intimately connected to the jewellery makers and manufacturers and this survey shows that in some instances this is the case, but it is not the majority. Retailers started appearing in the quarter from the 1970s as low-cost imports began entering the country undercutting domestic manufacturers. To survive manufacturers have had to specialise, focussing on mid and upper price points, in general, although not exclusively. Whilst there are a number of retail manufacturers in the quarter, by far the largest number of retail outlets are importing jewellery with the Jewellery Quarter recognised for its 'value' offer.

Alongside traditional jewellery producers, companies make automotive parts including badges termed as 'jewels', medals, national awards and honours, civic insignia, ceremonial maces, a large range of silverware, badges, sports trophies, buttons, uniform accessories, signs, whistles, pens, interior furnishings, with their associated supply chains including bullion dealers and every stage of processing required to produce final products. One manufacturer commented, "The government regard us as a dying sector, but as a nation we've been 'doing pomp and circumstance' better than anyone else for centuries. Now the new economies are looking to us as leaders and buying from the 'best'. We should be promoting this to overseas markets but in fact we are ignoring it."

Many of these manufacturing firms, artisans, specialist makers and processors are hidden from view, whilst the jewellery shops, for which the quarter is renowned, make up the visible tip of the Jewellery Quarter Industry Cluster, conceptualised below as a diamond-shaped 'iceberg' where the jewellery retailers and some renowned designer-makers are the conspicuous element of this fascinating, highly innovative, creative and resilient industry (Illustration 1).

The governance providing quality assurance is visible in the form of the Birmingham hallmark. Birmingham City Council and the Jewellery Quarter Development Trust have planning oversight. Training and skills provision is split between a number of providers, including the School of Jewellery, part of Birmingham City University, Holts Academy, more recently known as the British Academy of Jewellery, providing diplomas, short courses, apprenticeships and based at the Birmingham Assay Office, the National Association of Jewellers (NAJ), together with links to national providers including Goldsmiths' Company & Centre and the Gemstone Institute of America, both based in London. The current provision, whilst highly esteemed, is repeatedly stated by respondents to be failing to meet core demand for hand, bench craft skills as well as some other aspects, including contemporary digital skills, management, sales/marketing skills are in short supply. JQ-IC firms want to see a greater presence by the Goldsmiths' Company & Centre in the Jewellery Quarter to help address this deficit. These concerns echo the dilemmas faced by other luxury sectors with researchers noting the need for industry to pool training needs and organize flexible "training platforms" for high-quality learning sessions on specific know-how for small and large luxury manufacturers, rather than perhaps relying on traditional educational institutions (Hlady-Rispal, Blancheton, 2020).

There is tremendous pride amongst the Jewellery Quarter maker community about their heritage, traditions and origins, along with a strong desire to see the profile of their brands and creations raised. Promoting the Jewellery Quarter for quality production at value prices, or exceptional quality and heirloom 'one-of-a-kind' items to be passed from generation to generation, with greater emphasis on merchandising, branding and presentation, to heighten the retail or customer experience, was seen as a requirement, in particular, for those firms involved in Business-to-Consumer(B2C) sales. An umbrella brand was seen as important in opening up the story of the JQ-IC and its varied segments, with infrastructure upgrades including pedestrianisation, along with far greater investment in promotion and online presence facilitating sales directly to global consumers.

The findings from this survey (2022) of the JQ-IC are compared with those from the survey conducted in 2016, enabling identification of any notable trends, with conclusions drawn regarding key areas of strength, weakness, opportunity and threat, a review of the case for a Creative Hub and Incubator, as well as how best this might support the needs of this very special creative industry cluster.

**Illustration 1: The diamond-shaped Jewellery Quarter Industry Cluster -- the majority of business value added is hidden from view**

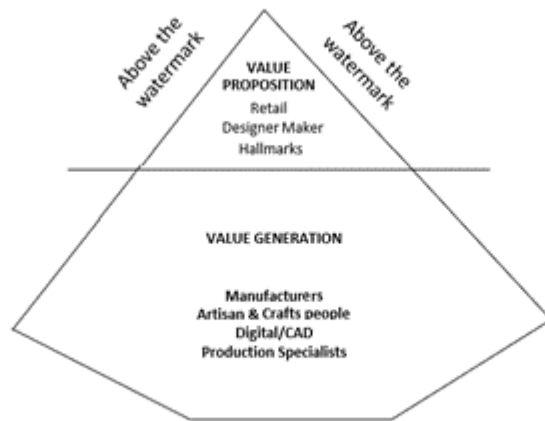


Illustration 1: of Jewellery Quarter Industry Cluster: Value generation below the tip of the diamond-shaped iceberg

**Cluster and Creative Industries Definitions**

In considering the survey questions, the definition proposed by **Michael Porter (1998)** defining a **cluster** as ‘a geographic concentration of interconnected companies, specialized suppliers, service providers, associated institutions and firms in related industries’ is considered an essential element in understanding the JQ-IC.

**Creative industries** have been defined by the UK’s Department of Culture, Media and Sport (DCMS) as “those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property” (DCMS 2021), providing a further definition adding to our understanding of activities in the cluster in incorporating the activities of the JQ-IC. In addition, many of the commodity product codes falling within the DCMS definition of Creative Industries cover products essential for jewellery and watch manufacture, gold and silversmithing, as well as sculptures and statuary pieces including antiques including Commodity CN8 Codes 71012200, 71039100, 71039900, 71131100, 71131900, 71132000, 71141100, 71141900, 71142000, 71159000, 71161000, 71162011, 71162080. Many of the products made in the JQ-IC are in turn sold by firms also classified in the Creative Industries as defined by the DCMS.

Recent research into French **luxury clusters** noted that their product complexity necessitated an extensive and deep upstream network of specialized handcraft SMEs. Luxury firms and their local SME partners can receive increasing returns from agglomeration economies by means of guaranteed input quality, regional history, and tradition in “a global picture” of local production (Hlady-Rispal, Blancheton, 2020).



An **agglomeration economy**, is defined as ‘a localized economy in which a large number of companies, services, and industries exist in close proximity to one another and benefit from the cost reductions and gains in efficiency that result from this proximity.’ (Glaeser, E.L., 2010)

### Luxury Clusters – distinct features

Recent research into luxury clusters reveals they possess some distinct features, such as requiring a great variety of high-quality resources constantly interacting and influencing each other (Hlady-Rispal, Blancheton, 2020). A review of two French luxury clusters observed that product complexity required an extensive and deep upstream network of specialized handcraft SMEs.

This research highlighted that the mechanisms and nature of value flows in luxury clusters is under-researched. The researchers identified the need to conceptualize value flows among actors more precisely, drawing on business model conceptualization and literature on clusters and luxury industry.

The business model approach chosen was adapted from the work of Christoph Zott and Raphael Amit (2010), which looks to conceptualize a firm’s business model as a system of interdependent activities transcending the focal firm and spanning its boundaries. The activity system enables the firm, in concert with its partners, to create value and also to appropriate a share of that value. These authors suggest two sets of parameters that activity systems designers need to consider: **design elements** - content, structure and governance - that describe the architecture of an activity system; and **design themes** - novelty, complementarities and efficiency - that describe the sources of the activity system’s value creation.

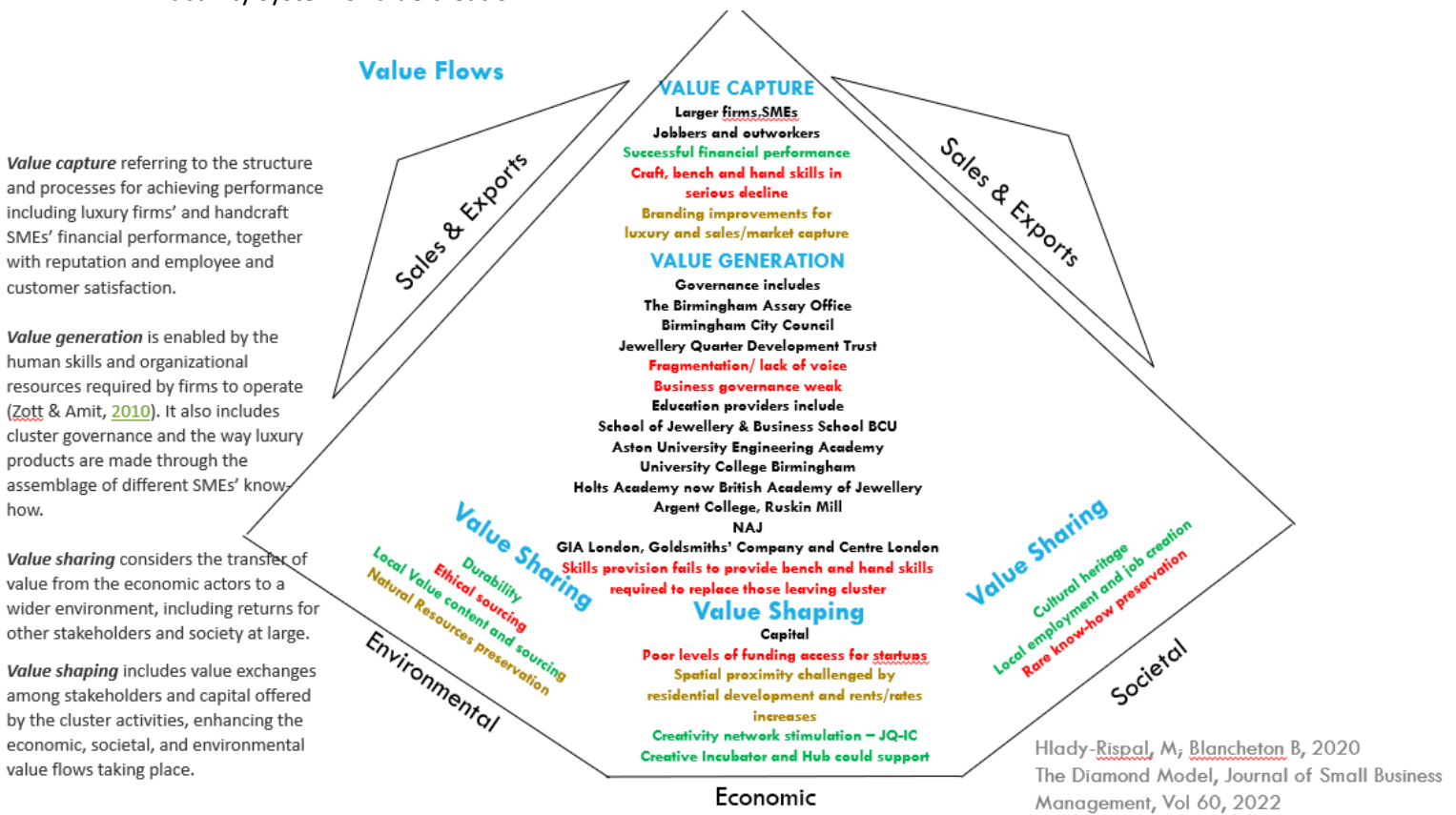


Illustration: Jewellery Quarter Industry Cluster: Red Amber Green review of Value Capture, Generation, Sharing and Shaping

**Illustration 2:** Jewellery Quarter Industry Cluster: Red Amber Green review of Value Capture, Generation, Sharing and Shaping drawing on the diamond model: a French luxury cluster model embedded in regional heritage, developed by Hlady-Rispal and Blancheton, 2020

To depict the elements of luxury cluster value flows, taking into account the collaborative processes involved, Hlady-Rispal and Blancheton propose a Diamond Model, conceptualizing the clusters' value exchange processes. This model has been adapted here to reflect in outline the position for the JQ-IC using a Red, Amber, Green (RAG) approach to highlight the strengths, weaknesses and challenges facing the cluster within the context of value capture, value generation, value sharing and value shaping as defined by the French researchers to visualise the state of the JQ-IC's integrity against each of these critical themes.

The luxury cluster research emphasised that successful organizational performance depends on the identification, processing, and communication of rare know-how with the cluster being able to identify, draw on, legitimise and promote its rare know-how, gaining worldwide recognition through labelling and institutional communication. This in turn required strong governance and cluster management. The findings of this survey (2022) suggest the JQ-IC has not been successful in communicating its rare knowhow, its ability to link and draw on leading technological applications with craft-based hand and bench skills. Given its fragmented governance arrangements, its organisational capacity and voice are fragile.

The French research indicated that developing an attractive location for small luxury craftsmen in relation to leading brands and facilitating the supply of material in small quantities at affordable prices within the cluster was an important element in delivering successful growth. This survey (2022) suggests that there are insufficient spaces at affordable rents for the crafts people required and their numbers are now in terminal decline unless urgent steps are taken.

The French experience proposed that ideally, the luxury cluster would be able to provide to a global audience, a historical and cultural narrative based on tradition, rare know-how preservation, people, and cluster development. Once again, in the context of the JQ-IC, its unique story, its roots dating back to the origins of the city of Birmingham, its authenticity spanning diverse segments and its numerous achievements, have not been communicated sufficiently.

Finally, the French research recognised the major challenges in attracting, recruiting, training, and retaining talented people and proposed that the cluster's role should be to pool training needs and organize flexible "training platforms" for high-quality learning sessions on specific know-how for small and large luxury manufacturers, rather than by creating educational institutions, as had been previously stated in cluster literature. With a Jewellery Quarter Creative Incubator and Hub in place it would be possible to develop a range of training to meet the specific needs of the JQ-IC.

These findings provide a valuable basis from which to comprehend the kind of value creation processes taking place in the JQ-IC, as illustrated above, and how this potentially influences the competitiveness and integrity of the cluster as whole.

This value flow model was not used during this survey but may prompt further research into the unique Jewellery Quarter Industry Cluster and its process of value capture, generation, shaping and sharing. It does however provide the opportunity to visualise value flows in the JQ-IC as illustrated above, Illustration 2.

Developing the Jewellery Quarter for a wider range of luxury products has been considered previously and these challenges are by no means new. In 2009 an Action Plan was developed to support the Jewellery Industry Business Support Strategy (JIBSS), through a strategy to support the jewellery industry and its traditional base in Birmingham's Jewellery Quarter. Each Action was proposed as a building block designed to provide a platform to help sustain existing businesses and support business growth. All actions were judged as having a satisfactory strategic alignment with

the then Regional Development Agency's Regional Economic Strategy and as complying with the priorities identified by the Department for Business Innovation & Skills (now known as BEIS) in the Solutions for Business programme. Public and private funding was proposed, however following the financial crisis and credit crunch, public funding contracted making delivery much more challenging (Laughlin, P., 2009).

There is emphasis on the physical development of the Jewellery Quarter through environment and infrastructure improvements, whilst also prioritising marketing, training and business support, all issues prioritised in this 2022 survey for JQDT.

## The Jewellery Quarter's hidden gems

It is difficult to fully capture the value created in the Jewellery Quarter. This is partly as the Standard Industrial Classifications (SIC) used in categorising business activities do not reflect the range of activities undertaken. Many of the businesses surveyed do not appear within traditional SIC codes used by the Office of National Statistics (ONS). One manufacturer producing chain, bangles and cufflinks stated, *"there isn't a clear category for our business. Looking at the BEIS charts we fit into three categories – findings, precious metals manufacturer and wholesale importer."*

Within the SIC codes for manufacturing there are two relating to jewellery production but many firms have commented, as above, on how the SIC codes fail to capture much of their activities along with a high percentage of the value produced within the cluster.

32120	Manufacture of jewellery and related articles
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32130	Manufacture of imitation jewellery and related articles
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This dilemma is particularly applicable to those in the JQ-IC involved in the production of medals and trophies, civic insignia and regalia, armoury and ceremonial swords. The JQ-IC has a strong interdependence on a long and largely locally based supply chain including activities such as casting, polishing, plating, tooling, press working, stamping, technical engineering, enamelling, plating, metal spinning, engraving, mounting, gold and silversmithing, antiquing, bronzing and finishing, restoring and repairing, presentation box production, rope stamping, CAD-CAM and design processes, laser cutting and CNC machining, promotion, sales, marketing and digital services. Many of these activities will be classified in unrelated industrial classifications. However, a number of these businesses are providing value into the JQ-IC, whilst also drawing on their core capabilities to provide value into other sectors – for example automotive, dental and film.

Value generation in the JQ-IC is split between different facets of the cluster with some examples of how varied these are provided through the historical context and illustrations outlined below covering medals and trophies, state, civic insignia and regalia, luxury producers, manufacturing jewellers, retail jewellers and designer makers.

## Medals and Trophies

The JQ-IC has a world leading medals and trophies manufacturing cluster. Companies involved in in 2022 include:

Firmin & Sons, established 1655 \*  
Gladman & Norman, established 1910 \*  
St Paul's Mint, established 1864  
Thomas Fattorini Ltd, established 1827 \*  
Toye Kenning Spencer, established 1685 \*  
WH Darby, established 1886

These companies have distinguished histories which whilst further enriching the Jewellery Quarter's pedigree and authenticity are too rarely referenced, with few people aware of their distinguished heritage and achievements. The firms marked with \* are Royal Warrant Holders.

**For the first time in history, all Insignia, Honours and Awards for St James's Palace are manufactured in the Jewellery Quarter in Birmingham.**

## Some historical highlights

The All England Lawn Tennis Club commissioned Birmingham silversmiths, Elkington & Co, to create their original mens' and ladies' Wimbledon trophies. The Ladies' Single Championship trophy, a silver plate, known as the Venus Rosewater Dish, was produced by Elkington in Birmingham in 1864. The Gentlemen's Singles Trophy, also crafted by Elkington, was produced in 1883 before being purchased by the All England Lawn Tennis club for 100 guineas in 1886.

Following the theft of the original FA Cup trophy from Aston Villa in 1895, when burglars broke into a shop where it was on display, the club commissioned P Vaughton and Sons to make an exact replica of the stolen trophy. Fortunately, three years previously, the company had taken a plaster cast of the trophy so that it could make a miniature for Wolverhampton Wanderers.

The Birmingham-made FA Cup remained in service until 1910, when it was presented to the President of the Football Association, Lord Kinnaird, and replaced by a separate trophy, with the 1910 Cup on display at the National Football Museum in Manchester.

The Football Association Challenge Cup, as it is known today, was designed and manufactured by Fattorini & Sons out of their Bradford facilities being hallmarked in Sheffield in 1911, with another branch of the same family, Thomas Fattorini Ltd being located in the Jewellery Quarter with this story promoted on their website.

Vaughtons had continued to produce medals for the Football League and to maintain a collection of historic athletics medals from the London 1908 Olympics.

Birmingham designer, Bernard Cuzner, created the Olympic Torch for the London 1948 Olympic Games which was made in Birmingham's Jewellery Quarter by Stanley Morris for London's the Goldsmiths' Company which has the torch in its collection today. The London 2012 Olympic Torch was wholly made in the West Midlands in an engineering feat bringing together engineering and jewellery production with the stem made by Premier Group, Coventry, top and bottom caps cast by Alucast in the Black Country, Bullfinch (Gas Burners) Ltd in Birmingham producing the burners and Thomas Fattorini Ltd in the Jewellery Quarter producing the 2012 logo for the torches.

The Lonsdale belts awarded to boxing champions are another high-profile award made in the JQ-IC. The first belts were made in the Birmingham workshop of jewellers, Mappin & Webb from 1909. Thomas Fattorini Ltd were commissioned to make the belts in sterling silver in the early 1980s and have been making them since. It involves a complex process with individual parts die stamped from silver before being machined and hand finished. These pieces are then attached to the main centre panel, including a large, hand-painted enamel portrait of Lord Lonsdale accompanied by two smaller painted panels. The enamel work is fired in an oven with different colours heated at different temperatures which requires a staged process taking several days or weeks. Finally, the craftsmen polish the metalwork and plate it in 24ct gold before attaching the red, white and blue ribbons.

Medals for the Birmingham 2022 Commonwealth Games were designed locally by three students Amber Alys, with Francesca Wilcox and Catarina Rodrigues Caeiro, from the School of Jewellery at Birmingham City University. They were manufactured in the Jewellery Quarter by Toye, Kenning and Spencer. The designers were inspired by the journey that athletes take to reach their goal of competing at the Games, creating embossed areas, symbolising an aerial map of the West Midlands' road and canal network. In addition, the students designed the ribbon and medal box with these elements also manufactured in the JQ-IC.

### **State, Civic Insignia and Regalia**

This segment of the JQ-IC includes many firms producing medals and trophies. One of these, Firmin & Sons, dates back to 1655 and manufactures and supplies military ceremonial buttons, badges, accoutrements, and uniforms including the metal cuirasses for the dress uniforms of the household cavalry. Since the 17<sup>th</sup> century the Firmin House of military tailors has been producing uniforms, including bespoke uniforms for royalty and heads of state, ceremonial uniforms incorporating anti-ballistic material as well as uniforms for bands -- military and civilian, school and marching bands.

### **Some highlights**

The Firmin Sword of Peace is presented annually to units of the British Armed Forces, within the United Kingdom and overseas. When British sword maker, Wilkinson Sword, ceased production in 2005, the manufacture of the Sword of Peace, was taken over by Firmin. This includes the annual presentation of a ceremonial sword to a unit in the Royal Navy, British Army and Royal Air Force, judged as having made the most outstanding contribution to community relations the previous year.

Almost half a million medals for the Queen's Diamond Jubilee in 2012 were made by three Jewellery Quarter businesses which collaborated to produce these on-time and to budget. Gladman and Norman were awarded a £7 million order to supply medals to the armed forces, emergency services, prison staff and others celebrating the anniversary of the Queen's 60 years on the throne. They worked with two other JQ-IC firms -- Toye, Kenning and Spencer and Thomas Fattorini Ltd – to supply 450,000 medals with all the medals, packaging and the ribbons made in the West Midlands.

Demonstrating the market appetite for the capabilities of these firms, during August-September 2016, one manufacturer serviced an order for an Eastern European Country (Turkmenistan) which required the help and resources of all their competitors taken together, with every stone setter in the city involved in setting 175,000 stones over a six week period. This pooling of resources allows the JQ-IC to take on very large orders cost effectively as long as the outworker and jobber pool remains intact.

This segment is highly regarded by clients and governments globally – as one manufacturer put it, ‘no one does pomp and ceremony quite like the British, with our democracy seen as an exemplar represented through the ‘mother of all parliaments’’. Countries worldwide agree that this historic pedigree provides a unique authenticity with strong demand from the Middle East, new Eastern democracies and from the Commonwealth.

### **Luxury Producers**

There are many smaller producers of bespoke one-off pieces of jewellery with some established brands well-known outside the JQ-IC. Charles Green, a sixth-generation family firm, established in 1824, is a well established luxury jewellery manufacturing brand, harnessing technology and engineering alongside traditional handcrafting techniques to create bespoke jewellery. Deakin & Francis, a seventh generation family business established 1786, is known for their ‘one of a kind’ luxury cufflinks and having expanded into barware, men’s bangles and bracelets, and more recently into homewares and ladies handcrafted jewellery collections. Yard O Led produces a range of mid and upper price point professional writing instruments designed and made by craftsmen and women at their workshop in the Jewellery Quarter drawing on their 200-year history of pen making.

### **Manufacturing Jewellers**

Manufacturing jewellers include Weston Beamor, established 1947, producing at some scale and offering a range of services including casting, 3D scanning and 3D printing solutions, whilst also producing bespoke jewellery. Their sister company, Domino, is a leading jewellery manufacturer of both speciality components and precious jewellery suites. The Hockley Mint, established in 1953, creates classic wedding and engagement rings as one of Europe’s largest jewellery manufacturers also producing a range of cast components, findings and precision engineered jewellery parts. There are many other manufacturing jewellers who are much smaller in scale and producing pieces to order, repairing as well as producing some new pieces for their clients.

### **Jewellery Retailers**

There are over 100 specialist retailers according to the Jewellery Quarter Directory with respected reputations and providing employment for local people. However, a significant portion of this part of the cluster sits quite separately from the manufacturing segment of the JQ-IC, purchasing the products sold in their shops from lower-cost overseas suppliers, with many of the products they sell being hallmarked in the Birmingham Assay office on arrival in the city.

### **Designer Makers**

There are around 50 Contemporary Designer Makers with many of these locating in the Jewellery Quarter as graduates of the School of Jewellery. They draw on the JQ-IC cluster for key skills and facilities but struggle to find space at low rents required, especially during the startup phase.

Producing contemporary handcrafted bespoke jewellery, these include recognised brands associated with the Jewellery Quarter, including James Newman, Victoria James, Kate Smith, Lora Leedham, Sara Preisler, Nabuko Okumuro, Gavin Mack, Daisy Grice, Norma Murrain’s Silver Fish Jewellery Company. Other luxury goods producers have emerged drawing on the hand and bench skills used in the jewellery trade, including Struthers Watchmakers, product designer, David-Louis Hendley whose ranges are used in high profile TV and film productions by hoteliers and as home furnishings, as well as Jack Row, designer and goldsmith, whose luxury pens have retailed via Harrods and the Conway Stewart brands. These entrepreneurs have launched their businesses as graduates of the School of Jewellery, Birmingham City University, where their design and maker skills have been nurtured and refined.

## Summary of JQ-IC Strengths Weaknesses Opportunities and Threats (SWOT)

After extensive interviews held with over 40 respondents during July and through to September 2022 which had followed a similar level of survey engagement with the JQ-IC firms in 2016, this SWOT analysis seeks to summarise the key areas of strength, weakness, opportunity and threat for this cluster, (Chart 1).

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>- Highly successful city centre authentic manufacturing cluster with its pedigree rooted in Birmingham City's origins growing out of the industrial revolution and Boulton, Watt and Murdock's business and innovation successes</li> <li>- JQ-IC employing 4k local people, almost twice as many as Hatton Garden Jewellery Cluster</li> <li>- Globally recognised prestigious cluster drawing on Birmingham's and Britain's heritage producing wide range of jewellery, medals, regalia, including most recently medals and baton for Commonwealth Games hosted in Birmingham 2022</li> <li>- High level of interconnectedness and local content purchased within JQ-IC, over 70% sourced from JQ Birmingham</li> <li>- Highly productive sector with revenues per head estimated at over £180k in both 2016 and 2022 surveys</li> <li>- Resilient industry with almost 80% of those surveyed over 20 years old</li> <li>- Strong investment intentions at 70% compared to business in general</li> <li>- This mature cluster continues to evolve and take market share with 14% of the sample, or 7% each had grown between 20-30% and 30-50</li> </ul>	<ul style="list-style-type: none"> <li>- insufficient visibility, understanding and promotion of the Jewellery Quarter Industry Cluster, its relevance to Birmingham's authenticity and heritage, its achievements and global stature</li> <li>- Branding and domestic reputation insufficiently developed to reflect stature of cluster</li> <li>- Insufficient specialised hand and bench skills to ensure viability and already impacting on growth and order taking</li> <li>- Apprenticeships and practical work-based learning is not meeting industry need</li> <li>- Too few young people entering industry and too few links to schools</li> <li>- Industrial premises under threat from residential development</li> <li>- Too little low-rent space for newcos and young graduate designer makers</li> <li>- Fragmented governance arrangements do not promote strong, visible voice for the cluster</li> <li>- Cluster not recognised for specialising in luxury or hand-crafted 'one of a kind' goods, with too little productive engagement with other luxury sectors in West Midlands including automotive, cultural and creative industries</li> <li>- Cluster is not embedded in regional governance including WMCA, GBSLEP, BCC or anchor institutions including universities and creative industries</li> <li>- Too little support for startups hindering acceleration and growth</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>- High growth in luxury goods markets globally continues with more women gaining economic independence, predicted to reach \$317,490million by 2028, from \$236,820million in 2021, representing at a CAGR of 4.2% between 2022-2028 (Marketwatch, 2022) and \$269bn to \$355bn 2022-2027 (EMR, 2022)</li> <li>- Links to other successful luxury, culture and craft sectors in the West Midlands enabling greater profiling and promotion of the JQ-IC</li> <li>- Development of Creative Incubator and Hub to meet urgent skills development needs of JQ-IC</li> <li>- Strategic links can help facilitate growth and sales including with the Company of Master Jewellers, CMJ and Houlden Group, providing greater access to retail buyers and into Goldsmiths and BCU/local skills providers</li> <li>- UNESCO Convention on intangible heritage could provide opportunity to further promote JQ-IC</li> </ul>	<ul style="list-style-type: none"> <li>- Lack of specialised hand and bench skills</li> <li>- Lack of industrial premises and space</li> <li>- Lack of business, management admin, tech and sales skills</li> <li>- Poor branding providing insufficient support for cluster in gaining new market share</li> <li>- Too little support for <u>startups</u> providing fresh ideas, designs and innovations</li> <li>- Ongoing governance failures and fragmentation with too little unity of voice</li> <li>- Weak links with Higher education and schools failing to providing talent pipeline to meet JQ-IC requirements</li> </ul>

Chart 1: SWOT analysis of the Jewellery Quarter Industry Cluster 2022

## Summary Findings

1. Deep dive research to establish key connections, components, strengths and weaknesses in value chain, including skills gaps and what needs strengthening and supporting

### Summary of respondents JQ-IC survey 2022 and 2016

There were over 35 respondents to the 2022 survey and 28 respondents to the 2016 survey with every participating firm listed below. The survey was geared towards gaining 'deep dive responses' rather than taking a volume approach. Whilst a couple of respondents completed the survey online themselves, over 95% were talked through the survey providing the opportunity for greater insights, illustrative anecdotes and supporting evidence regarding the state of the cluster.

#### 2. 2022 JQ-IC Survey respondents

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5. -
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7. -
8. -
9. -
10. -
11. -
12. -
13. -
14. -
15. -
16. -
17. Weston Beamor
18. Firmin & Sons Ltd
19. Thomas Fattorini Ltd
20. Deakin & Francis Ltd
21. James Newman Ltd
22. Jack Row
23. Struthers Watchmakers Ltd
24. Davran Ltd
25. Han-Goldwyn Ltd
26. LJ Millington Silversmiths
27. ART Engraving Services
28. Birmingham Assay Office
29. Cooksongold UK
30. WH Darby Ltd
31. CE Plating Ltd
32. Birmingham Case Makers Ltd
33. Fellows Auctioneers Ltd
34. Element Bespoke Jewellers
35. Morflin Precision Castings Ltd
36. A Wardle & Co (Casters) Ltd

#### 2016 JQ-IC Survey Respondents

- J Hudson & Co Ltd Acme Whistles
- Alabaster & Wilson Ltd (Ceased Trading)
- Bickerton Jewellery
- C Brandauer & Co Ltd
- Charles Green & Son Lt
- Euro Mounts & Findings LLP
- WJ Sutton Ltd
- Juniper Jewellers
- Genius of the Lamp Ltd
- Gladman & Norman Ltd
- GL Bicknall & Sons - Bicknall Jewellers Ltd
- Guildsman Jewellery Gallery LLP
- Paramount Jewellery Ltd
- Toye Kenning & Spencer Ltd
- Weston Beamor
- Firmin & Sons Ltd
- Thomas Fattorini Ltd
- Deakin & Francis Ltd
- James Newman Ltd
- Jack Row
- Struthers Watchmakers Ltd
- Davran Ltd
- Han-Goldwyn Ltd
- LJ Millington Silversmiths
- ART Engraving Services
- Birmingham Assay Office
- Cooksongold UK
- WH Darby Ltd
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37. Hockley Mint Ltd	-
38. VJQ Lifestyle Ltd	-
39. HS Walsh & Sons Ltd	-
40. Singers Rethreading Ltd	-
41. Hockley Watch Centre	-
42. Manna Jewellers Ltd	-
43. BM Finishers	-
44. Bodenham & Shorthouse	-
45. Birmingham Pewter	-
46. Frilly Industries/We are Frilly	-
47. The Goldsmiths' Centre	-
48. Greater Birmingham & Solihull LEP	-
49. School of Jewellery Birmingham City University	
50. University College Birmingham	
51. Shireland Collegiate Academy	
52. NAJ	-
53. The Hockley Flyer	
54. Co-Creative Jewellers Ltd	

#### **JQ-IC business metrics**

- The Jewellery Quarter Industry Cluster is estimated to include over 600 firms, including over 100 jewellery retailers, generating around £767million revenues and employing over 4,100 people, or almost double the employment in the Hatton Garden Jewellery Cluster estimated at around 2,000
- An estimated £415 million revenues were generated by the more than 30 firms responding to the 2022 survey, compared with £165 million revenues generated by 28 firms in 2016, in part reflecting substantial increases in the price of gold, especially impacting revenues in bullion companies
- The sample was heavily focussed on manufacturing jewellers, or suppliers into this part of the cluster, making up 52% of respondents. 30% categorised themselves as from 'other' activities including auctioneering, retail horologists, manufacturing silversmiths, platers, button, badge and uniform producers, engravers and including the Assay office providing quality certification. A further 9% were retail jewellers, with 6% representation by designer-makers and 3% education providers.
- Revenues per head were broadly in line with those in 2016 at £184k, with average revenues per head in 2022 calculated at £186k, (excluding Cooksongold in both cases) well in excess of national average revenues per head of £118k and for medium-sized business averaging £171k revenues per head
- 77% of respondents were from companies over 20 years old, with many well over 100 years old and the average age of firms responding in 2016 at 78 years old, reflecting a mature and well-established cluster contributing tax revenues, rates and successful track records as local employers
- In the past two years 17% of respondents had grown between 5-10%; 17% by 10-20%. 14% of the sample, or 7% each, had grown between 20-30% and 30-50%, showing that this mature cluster continues to evolve, innovate and take market share

- The JQ-IC shows high levels of interconnectedness with 77% of tier one suppliers based in the Jewellery Quarter representing high levels of local content, for some as much as 90%-100% dependency on local suppliers. This compared to the automotive cluster with 44% of tier one local vehicle content
- The business model of these firms requires a flexible combination of craft and technology applications with ease of access facilitating business responsiveness and in turn competitiveness
- There was a continuing decline in specialist skills as artisans, outworkers and crafts people with hand and bench skills continue to leave the Quarter, impacting the integrity of the cluster and negatively affecting opportunities for growth, for example in their ability to take on large scale new orders
- 70% of the sample are planning to invest more in the coming three years, compared to 50% investment intentions amongst the wider business community
- The JQ-IC firms are versatile with almost two thirds of respondents selling into other sectors including automotive, cited most frequently, dental, electrical, military, film, arts, culture, giftware, computer games, architectural, interiors and built environment, sports, civic, fashion, retail and hospitality industries
- Many of the firms in the JQ-IC fall within the DCMS definition of Creative Industries products with a substantial proportion of the products made sold into firms also involved in the Creative Industries strengthening the integrity of this sector in our city and region
- Some JQ-IC businesses are closely involved in luxury goods sectors. With high growth in luxury goods markets globally as more women gain economic independence, this market is predicted to reach \$317,490 million by 2028, from \$236,820 million in 2021, representing a CAGR of 4.2% between 2022-2028 and providing greater opportunities for growth amongst these cluster operators
- Two thirds of companies surveyed exported, but in general the percentage exported is low at between 5-15% of company revenues
- 45% of firms' exports have performed worse since Brexit, with 45% performing the same and 20% performing better – but all acknowledged the increased bureaucracy associated with this export trade

### **JQ-IC Property Pressures**

- Located in a designated 'urban village' of 264 acres, protecting space for industrial activities remained a critical issue for the cluster with space under constant pressure from residential development with around 10,000 residents currently living in the Jewellery Quarter. The City Council's role and that of the JQDT were considered vital in safeguarding and promoting sufficient industrial premises at appropriate rents required for the ongoing successful operations of the JQ-IC
- With 66% of firms renting as a proportion of the sample in 2022, this has increased from 2016 when 44% of the sample were renting premises. Whilst fewer companies had seen rent increases it was seen as less of a threat to their survival in 2022 compared to 2016 when 85% of firms reported rental increases as a threat to business viability. However, it was still an issue of significant concern requiring management, together with appropriate governance and planning oversight
- It was proposed that Birmingham Property Services develop a dedicated strategy and oversight in dealing with JQ-IC firms

- Businesses were split regarding their ability to re-locate out of the Quarter, with their views reflecting a similar position to 2016: almost half stated they would be able to relocate whilst the other half were physically embedded within the JQ-IC business cluster

### JQ-IC Skills Requirements

- 69% of firms were experiencing skills shortages in 2022, in line with figures being experienced by business nationally, with 5%-33% of all positions unfilled, depending on the business.
- There is an urgent need for hand and bench skills training to replace an ageing and retiring workforce, so much so that one manufacturer had stated that without this training he feared the cluster may cease to exist within 5-6 years
- Beyond hand and bench skills, a wide range of business management, commercial administration, design, sales and market appreciation skills, were in short supply
- 84% felt not enough young people were coming through into the JQ-IC for replacement purposes
- 67% of respondents did not recruit graduates from the School of Jewellery, a trend which had grown since almost all vocational and diploma courses had been cut
- Closer links to schools were seen as important with just 8% of the sample having any connection
- Building on the 2016 survey when respondents had applauded the Engineering Academy established by WMG at the University of Warwick, in 2022 they applauded the work at Aston University in setting up their Engineering Academy, with design academies such as Shireland Collegiate, being seen as possible feeder colleges into apprenticeship schemes and T Levels
- More careers advice and support in schools to raise the profile of the JQ-IC was judged essential
- Apprenticeships in the JQ-IC had declined by 45% between 2022 and 2016. Amongst the sample employing 877 people, there were **28 apprentices or trainees in 2022**, or just over 3% of all those employed, with these being outside the scope of the Apprentice Trailblazer standard and employed in 7 of the 31 firms or by 22.5% of the total sample. This was in contrast to the **51 apprentices in 2016** out of 899 employees, representing 5.6% of all staff and with training taking place amongst 70% of the sample
- The poor administration of apprenticeship schemes was noted with all current trainees falling outside the Apprentice Trailblazer standard. Firms noted the lack of clarity around decisions about when funding was available. Complaints were made about funding firms had been due not having been received, along with in-house costs of administration being too high to make these sustainable. The challenges of integrating apprentices into small teams was noted given the large numbers of SMEs within the cluster
- T-Levels, as replacements to engineering BTecs, were not widely understood with 55% of firms, mostly larger, seeing them as positive
- Some firms were trying to create collaborative practical learning platforms as a means of providing young talent with access to software and the equipment required to establish their businesses – a practice recognised as requiring greater support
- Benefits of links with higher education included access to talent, knowledge transfer partnerships and grant funding as well as online and course provision for existing staff
- New learning platforms and opportunities were being explored with the Creative Incubator and Hub seen as one such opportunity if managed and led to meet business need.

## JQ-IC Branding

- There is no recognised overarching or internationally focused branding for the JQ-IC under which the story of this successful cluster and all its facets or segments can be told. In part this is a feature of fragmented governance, reflecting the conflicts between a planning focus, the requirements of the Assay Office and of the business community which was, in itself, split into differing segments, with educational providers sitting to one side and no structures pulling all the partners together
- The failure of the governance arrangements to-date suggests the requirement for a means of providing a stronger voice for the JQ-IC. Forming a corporate entity and board which would oversee the development of the Creative Incubator and Hub and bringing together the industry cluster and segments within that is a priority. This would be business-led whilst also encompassing the Assay Office, the JQDT, the National Association of Jewellers, the education providers and the City Council, but with a focus on promoting the growth of the JQ-IC, its skills requirements, growth and entrepreneurship agendas, in turn helping to provide a greater coherence to the activities of the JQ-IC and governance oversight for the new Creative Incubator and Hub
- In terms of promoting the Jewellery Quarter, the top three priorities include promoting:
  - the authenticity of the industry cluster
  - the need to develop the Jewellery Quarter branding as an 'umbrella brand'
  - better promotion of the Jewellery Quarter as a destination for commercial opportunities
- These top three priorities for Jewellery Quarter branding were closely followed by the need for further development of a prestige online portal promoting luxury, branded jewellery and goods made in the Jewellery Quarter.
- The authenticity of the JQ-IC could be better protected – for example, some governments were signatories to the UNESCO Convention protecting intangible cultural heritage encompassing the cultural and creative skills that have defined economies. Switzerland registered watchmaking on this list but the Convention has not been signed by the UK government
- Improving visitor experience to assist in promoting the growing Jewellery Quarter luxury offer was mentioned in both 2016 and 2022 surveys and whilst the Quarter was recognised as an anchor point on the European Route of Industrial Heritage (ERIH), a tourist route of the most important industrial heritage sites in Europe, more needed to be done to promote the story of our thriving invisible JQ-IC business activity
- Safety of businesses, residents and visitors, was paramount with too many concerned that this was not being prioritised
- Locally and nationally a targeted offer, itemising products, product style groupings, emphasising hand-crafted, one-of-a-kind, luxury specialist niche production and highlighting the quarter's traditions, heritage and authenticity, combining customisation with high tech features should be promoted via an online platform
- Stronger links to sales platforms and organisations was required with greater opportunities to nurture links both domestically and internationally
- *Made in England* (2022) and *Birmingham Made* (2016) branding were seen as options to tie into in promoting the authenticity of the JQ-IC offer with *Made in the Jewellery Quarter* seen as providing a way of promoting the JQ-IC. Given the former role of the Birmingham Assay Office, whose hallmark used to denote products as being Birmingham made, this was viewed as a powerful means of conveying that so many of the products manufactured in the Quarter were the output of the Jewellery Quarter, especially as many were often highly

visible, including the Commonwealth Games medals and baton which had been viewed worldwide

- The link between quality branding and attracting top talent into what many regarded as a 'vocation' was recognised. Brands such as the V&A and the Tate were cited as well recognised in providing a great start for young people interested in pursuing a career in the creative industries
- The JQ-IC links into regional governance organisations is weak with little established dialogue with the West Midlands Combined Authority, (WMCA) and Greater Birmingham & Solihull LEP, as well as with anchor institutions including Birmingham City University's School of Jewellery.

### **Support for Start-ups**

- Overwhelmingly, by a ratio of more than 4-to-1, it was considered that there was insufficient support for start-ups
- Ease of access to start-up capital was ranked at 4.33 out of 10, with ease of access to growth capital ranked at 4.25 out of 10
- The top three priorities for start-ups were ranked as:
  - business development support
  - mentoring
  - business angel support and facilitating access to funding
- Promoting access to networks for start-ups was recognised as important by ensuring they were not isolated from other businesses and were integrated into the JQ-IC ecosystem
- The Prince's Trust support for start-ups should be drawn upon more actively to provide funding on favourable terms and given the challenges around funding equipment, innovative solutions including networked collaborations and lease or hire solutions providing access to equipment and practical training were proposed as start-ups sought to establish themselves in a tough industry during challenging times
- The School of Jewellery and Birmingham stakeholders could play a key role in assisting the JQ-IC enhance its reputation for luxury goods production by assisting with links between luxury, traditional and creative clusters in the West Midlands. For example between luxury producers as well as craft production centres in ceramics, leather and glass in Stoke, Walsall and Stourbridge respectively and beyond. Links to prestigious automotive brands were relevant, recognising Aston Martin had referred to the badges on their vehicles as 'jewels' in their marketing, as well as by assisting with greater links to other leading cultural and creative organisations in the region including the Birmingham Royal Ballet, Birmingham Repertory Theatre, the City of Birmingham Symphony Orchestra, to help raise the profile of this lesser known but highly successful JQ-IC.

**2. Conduct a detailed options appraisal, including consultation with relevant stakeholders, to establish the best model for a JQ Creative Incubator.**

**JQ Creative Incubator and Hub and services supporting growth**

- 93% of respondents to the 2016 survey had supported the formation of a Jewellery Quarter Creative Hub, by 2022 the respondents were near unanimous that this was required if the JQ-IC was to thrive and grow into the future
- Any hub had to be about more than start-ups and incubation. It needed to become a real physical hub for the JQ-IC, pulling together an otherwise fragmented cluster, providing a base for greater solidity in the governance and branding arrangements and enabling the provision of one voice with clear messaging and promotion of the story and offer. However, it did not need to be a new build, space was judged to be available in the Jewellery Quarter which could accommodate JQ-IC requirements and the model could build on links to dispersed training provision such as via student access to machinery in existing firms
- The Creative Incubator and Hub should be business-led, run as a separate entity with either charitable or beneficial society status or as a not-for-profit Company Limited by Guarantee
- When asked to rate service provision provided by the proposed JQ Creative Incubator and Hub, the top three priorities were ranked as provision of low rental specialist space for jewellers, designers and makers; skills development and retail space for luxury items. It was felt these could best be provided in a physical space in the Jewellery Quarter possibly linked into dispersed provision across the JQ
- Skills provision would include hand and bench skills development through apprenticeships and looking ahead harnessing T Levels with local schools specialising in engineering and design
- When asked to rank the most critical services supporting business growth, firms ranked access to practical skills as their top requirement, followed by more effective branding and promotion of the Jewellery Quarter in promoting the JQ-IC, together with the formation of a Jewellery Quarter Incubator and Hub
- Low-rent space would help to support start-ups and more established craft businesses which struggled to find a 'shop window' in the Quarter
- A Hub, it was felt, would enable school pupils, students, visitors and residents to observe designers, makers and producers at work, to learn more about the sector, its heritage, pedigree and economic contribution. It would help to pull together the disparate voices of the segments involved in the JQ-IC and facilitate a business-led approach
- Early discussions with Goldsmiths' Centre suggested business-led dialogue in seeking to establish a Creative Incubator and Hub, ensuring business growth, skills, funding and branding requirements, needed to be placed firmly at the centre of any such development.

### 3. Conduct a fundraising options appraisal for the delivery of the recommended model(s)

#### Funding

- 1) **Industry funding:** JQ-IC firms should provide funding into a corporate entity enabling them to lead the Creative Incubator and Hub development. This is seen as essential in order to provide industry leadership of this project. Provided it is industry-led, partnership approaches between public and private sectors are seen as adding value where they can meet agreed objectives.
- 2) **Enterprise Zone funding:** Phase 6 GBSLEP recycling fund should be assessed as it is intended to make available up to £20m of capital funding from 2024/25 onwards to support the implementation of the Strategic Economic Plan (SEP) priorities including providing stronger conditions for growth via business support amongst other objectives. Early indications from GBSLEP are that some funding from this source may be available.
- 3) **Shared Prosperity Funding** £210 million was awarded to the West Midlands earlier this year for local priorities including supporting local businesses and employment opportunities. Further discussions are required to determine if this funding is available from either WMCA or City Council to support a Creative Incubator and Hub for the JQ-IC.
- 4) **Trailblazer funding** is available for firms working together to develop and deliver apprenticeships in their specialised business areas and should be pursued
- 5) **Skills funding** provides individual funding opportunities for Level 3 skills development in a wide range of areas including engineering, digital and business management. Unclear as to specific relevance to JQ-IC
- 6) **Business start-up and grant funding** is available through a range of funds and charities including the Prince's Trust Enterprise programme, Innovate UK and Smart Grants, the Seed Enterprise Investment Scheme and Enterprise Investment Scheme, British Council grants. These would need to be pursued in collaboration with businesses operating with the Creative Hub and Incubator.

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