



**Ex-Post Evaluation - INTERREG III 2000-2006**

**PROGRAMME: INTERREG III A Ireland-Northern  
Ireland**

**MIDAS**

**Project Good Practice Study**

## **Project study: MIDAS**

### **1. General information**

**Keywords:** Creative industries, Clusters

**Region:** UK-IRL – East Border region

**Programme/strand:** INTERREG III Strand A

**Duration:** 3/2004-12/2006

**Funding:** The project had a total budget of €2.3 million, of which approximately €1.7 million (75%) was funded by INTERREG and the remaining 25% by the International Fund for Ireland (IFI) and several private sector organisations.

**Lead partner:**

Dundalk Institute of Technology, Dublin Rd., Dundalk, Louth, Ireland

### **2. Project Aim**

The aim of this project was to promote cross-border economic development and competitive advantage by promoting a cluster of creative and digital media companies, as well as individual entrepreneurs, in the East Border Region of Ireland-Northern Ireland. This cluster was focused on five sectors: interactive leisure software (computer games), film & broadcast, design, animation and music technology.

### **3. Project Description**

The specific aims of the project were to promote new cross-border business-to-business linkages among creative & digital media companies, and to increase opportunities for technology transfer, innovation and new product development for participating SMEs. This included encouraging R&D projects between businesses and local and regional government bodies. It sought to achieve this through the development of cross-border and joint marketing initiatives and the promotion of export-led growth for the creative & digital media SMEs in the East Border Region of Ireland.

The project funded the development of both “hard” physical infrastructure and “soft” support activities. Firstly, it set out to establishment a state-of the art Bright Room High Definition Post Production Facility (Bright Room) at the Dundalk Technology Institute to be used by firms and researchers for the production of products and services in the fields of animation, interactive leisure software and games, film and video, design and music technology. Secondly, it planned to carry out extensive research into the digital content sector on the island of Ireland, to identify existing market sectors and new opportunities, and offer guidance to SMEs in the development of their company strategies. Thirdly, it sought to organise enterprise development and cooperation promotion activities (R&D support, technology transfer, business support, sales and marketing activities, workshops, cross-border and international trade events) including 20 existing SMEs and 11 start-ups from both sides of the border.

### **4. Political and Strategic Context**

Unavoidably, the most important feature characterising the cross-border region of Ireland and Northern Ireland is the political conflict that has for many years divided the

border regions which, in most other terms, share very similar characteristics and face similar challenges of economic disadvantage compared with Ireland and the UK, as a result of its rural and peripheral character. Partly as a result of political conflict, in the past the implementation of INTERREG I and II programmes were essentially parallel programmes with limited cross-border linkages. However, in the third programming period, supported by developments following the Good Friday agreement, the use of cross-border structures at all levels of INTERREG implementation increased steadily.

The Midas project fitted well with the national strategic framework for economic development of the cross-border region, and with Northern Ireland-Ireland INTERREG programme, whose overall objective was to stimulate economic and social cohesion through initiatives such as those encouraging a dynamic, environmentally and economically sustainable enterprise culture.

The starting point was a feasibility study conducted for DKIT, which examined the potential for the establishment of a cluster in the digital media sector, an area in which it had already developed significant research and teaching activities and built up expertise. The study had flagged up the potential for economic development in the creative sector, identifying more than 60 existing SMEs from both sides of the border working in the sector. On the basis of the study's conclusions and recommendations, DKIT made contact with the University of Ulster, with whom it had previously cooperated, and a private Belfast-based firm, Dream Ireland, to further develop the idea and identify possible funding sources.

## **5. Project Implementation**

At the outset of project implementation, the partners' pre-existing feasibility study provided a valuable starting point for developing a common project strategy and a plan for coordinating implementation on each side of the border, based on the joint organisation of physical and virtual clustering activities (cross-border trade events, cross-border and international networking events, joint marketing ventures) involving equal numbers of SMEs from each side of the border. The coordination of the cluster development actions involved monthly meetings bringing together all partners, which focused on promoting networking between entrepreneurs and SMEs. The East Border Region lead partner provided useful advice throughout the project's delivery, addressing administrative and other bottlenecks as they arose.

## **6. Project Results**

Over 30 new and existing firms from both sides of the border were linked through over 620 one-to-one network linkages, leading to various types of cooperation and product development. Some 14 new products were developed and participating firms reported an average 35% increase in export sales. Moreover, 55 new and mainly high-skilled jobs were created.

A long lasting impact is the creation of Midas MultiMedia Limited Ltd, a company formed by eight of the SMEs that participated in the project. It now operates as a shared services organisation or umbrella body that brings all members together. It aggregates their resources and skills and allows them to bid for contracts that would be too large for any single business to handle, thus giving them the opportunity to penetrate domestic and international markets. By 2009, it had secured a number of contracts from large and small public and private organisations (e.g. BBC, Microsoft, Tourism Ireland, RTE, Bandbridge District Council).

The Bright Room state-of-the art facility developed in the Dundalk Institute of Technology has served the creative industry sector on both sides of the border by giving the region a strong competitive advantage, leading to five possible inward investment opportunities for the East Border region that are currently under investigation.

The project participants signalled that the experience had resulted in considerable learning about the process of developing clusters in the digital media sector. As such, the project has triggered further cooperation initiatives among the main project promoters in terms of academic research. This cooperation has led to the submission of a new joint tender for support by the INTERREG IVA programme for a follow-up project in the field of digital media.

## **7. Conclusions**

The Midas project is a good example of a genuinely cross-border project that has made an important contribution to the long-term competitive advantage of the East Border region of Ireland and its neighbouring region in Northern Ireland. Its success can be attributed to all partners adopting an integrated and focused approach to regional economic development, managing to combine the development of key "hard" infrastructures and "soft" networking (cooperation promotion and marketing activities) within the project, with the establishment of solid administrative mechanisms for project cooperation in the future. Cross-border clusters in the creative industry sector are one area of economic activity with significant potential for further job creation.