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Introduction

This document presents the developed materials to be used during the training modules in the local training activities that will be organized in all regions of the Interreg Central Europe ARTISTIC EU-Project. The materials can be adapted according to the needs of each Project-Partner-Region and also to those of the initiatives and projects that will be developed. The material was created using the open content concept, in which all partners and interested individuals are allowed to copy or freely modify the content, without asking for permission. The aim, as a final result, is the valorization of Intangible Cultural Heritage (ICH) assets for local sustainable development in central European regions. This document is divided into five sections:

A) Valorization of Intangible Cultural Heritage (ICH)

B) Business Model

C) Financing Methods

D) Improvement of Communication Skills

E) Intellectual Property Rights (IPR)

References and appendixes with more information about the different issues are provided at the end of each section.

According to the UNESCO Convention for the Safeguarding of Intangible Cultural Heritage (ICH), "'intangible cultural heritage' means the practices, representations, expressions, knowledge, skills – as well as the instruments, objects, artefacts and cultural spaces associated therewith – that communities, groups and, in some cases, individuals recognize as part of their cultural heritage". Intangible Cultural Heritage, which will be referred to as ICH in this paper, is usually transmitted from generation to generation, constantly recreated by communities and groups in response to their environment, their interaction with nature and their history. ICH provides to the communities and groups a sense of identity and continuity, thus promoting respect for cultural diversity and human creativity, according to UNESCO. Far-reaching, the Convention for the Safeguarding of Intangible Cultural Heritage considers solely such intangible cultural heritage compatible with existing international human rights instruments that requires mutual respect among communities, groups and individuals, as well as sustainable development. The purposes of the Convention are:

> "(a) to safeguard the intangible cultural heritage;
>
> (b) to ensure respect for the intangible cultural heritage of the communities, groups and individuals concerned;
>
> (c) to raise awareness at the local, national and international levels of the importance of the intangible cultural heritage, and of ensuring mutual appreciation thereof;
>
> (d) to provide for international cooperation and assistance." (UNESCO 2003)

As prescribed by the UNESCO Convention, ICH is manifested in the following domains:

> "(a) oral traditions and expressions, including language as a vehicle of the intangible cultural heritage;
> (b) performing arts;
>
> (c) social practices, rituals and festive events;
>
> (d) knowledge and practices concerning nature and the universe;
>
> (e) traditional craftsmanship."

The safeguarding of ICH is the key to keeping traditional practices and knowledge alive. According to UNESCO, "'Safeguarding' means measures aimed at ensuring the viability of the intangible cultural heritage, including the identification, documentation, research,

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preservation, protection, promotion, enhancement, transmission, particularly through formal and non-formal education, as well as the revitalization of the various aspects of such heritage".[1]

'Protecting' or 'safeguarding'?

According to UNESCO (2011: 3), in order to keep intangible cultural heritage alive, it must be relevant to the community, continuously recreated and transmitted from one generation to the next. There is always a risk that certain elements of intangible cultural heritage could die out or disappear, but UNESCO stresses that safeguarding does not mean protection or conservation in the usual sense because this could cause intangible cultural heritage to become fixed or frozen, according to UNESCO (Ibid.). UNESCO explains that:

> "'Safeguarding' means ensuring the viability of the intangible cultural heritage, that is ensuring its continuous recreation and transmission. Safe guarding intangible cultural heritage is about the transferring of knowledge, skills and meaning. It focuses on the processes involved in transmitting, or communicating it from generation to generation, rather than on the production of its concrete manifestations, such as dance performances, songs, music instruments or crafts. The communities, which bear and practise intangible cultural heritage are the people best placed to identify and safeguard it." (UNESCO 2011: 3)

Nevertheless, outsiders can also help with safeguarding, and this is one of the aims of the ARTISTIC project which targets the valorization of ICH assets for local sustainable development in Central European regions. The ARTISTIC project, if put in practice well, will contribute to the safeguarding of intangible cultural heritage in the partner countries of the "EU-Interreg Central Europe" project. Above all, UNESCO (2011) warns that intangible cultural heritage should "nevertheless not always be safeguarded, nor be revitalized at any cost". UNESCO clarifies:

> "As any living body, it follows a life cycle and therefore some elements are to disappear, after having given birth to new forms of expressions. It might be so that certain forms of intangible cultural heritage are no longer considered relevant or meaningful for the community itself. As indicated in the Convention for the Safeguarding of the Intangible Cultural Heritage, only intangible cultural heritage that is recognized by the communities as theirs and that provides them with a sense of identity and continuity, is to be safeguarded. Any safeguarding measure must be developed, and applied, with the consent and involvement of the community itself. In certain cases, public intervention to safeguard a community's heritage is not even desirable, since it may distort the value such heritage has for the community itself. Moreover, safeguarding measures must always respect the customary practices governing the access to specific aspects of such heritage, which might, for instance, be the case when dealing with sacred or secret intangible cultural heritage manifestations." (UNESCO 2011: 3-4)

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[1] For more information about the UNESCO Convention for the Safeguarding of Intangible Cultural Heritage see: https://ich.unesco.org/en/convention (Retrieved February 4, 2019)

The value of intangible cultural heritage

It is of great importance for our ARTISTIC project to keep in mind that "the value of intangible cultural heritage is defined by the communities themselves" (UNESCO 2011: 4). UNESCO (Ibid.) emphasizes that the communities are the ones "who recognise these manifestations as part of their heritage and who find it valuable". UNESCO (2011: 4) adds that the social value of ICH "may, or may not, be translated into a commercial value" and it can be twofold for a specific community, namely, "the knowledge and skills that are transmitted within that community, as well as the product resulting from those knowledge and skills". For instance, the consumption of traditional pharmacopeia by the community instead of patented medicines, the commercial use of its products, such as selling tickets for a performance, trading in crafts or attracting tourists, could be examples of their direct economic value. Still, UNESCO advises that intangible cultural heritage does not only have a direct economic value resulting from the consumption of its products by the community itself or by others through trade:

> "By playing a major role in giving the community its sense of identity and continuity, it supports social cohesion, without which development is impossible. This indirect value of intangible cultural heritage results from the knowledge transmitted, often through informal channels, the impact it has in other economic sectors and from its capacity to prevent and resolve conflict, which is a principal burden for development." (UNESCO 2011: 4)

UNESCO concludes:

> "How much is lost if an annual festival that attracts people from outside the community does not take place this year? How much would be necessary to teach the community the knowledge and skills that allowed them to jointly organize the festival and perform in it? How much is lost if a traditional water or land management system for agriculture is distorted by short-term benefits-oriented market systems? The cost of depriving communities of their intangible cultural heritage is the economic damage produced when the direct or indirect economic values disappear, or the community's social cohesion and mutual understanding is under threat. The erosion or interruption of the transmission of the intangible cultural heritage might deprive the community of its social markers, lead to marginalization and misunderstanding, and cause identity fallback and conflict." (UNESCO 2011: 4)

Conditions for making Intangible Cultural Heritage (ICH) an asset for regional development

The starting position for developing a valorization strategy for ICH with a focus on sustainable financing and marketing concepts is to understand ICH in its specific regional or even local context. Moreover, the people who are the bearers of ICH must be taken prominently into account. This includes a closer look not only at isolated financing models but also at a broad variety of cultural traditions ranging from oral traditions and expressions, performing arts, social practices, rituals and festive events, knowledge and practices concerning nature and the universe to traditional craftsmanship. Each ICH is particular in respect to knowledge, mastery and expertise, which constitute the core that is to be maintained. Once the knowledge is lost,

money cannot bring it back. Financing models need to start with an analysis of sustainability issues rather than with the implementation of tools. Moreover, the project has come to speak about resourcing ICH rather than financing. The non-monetary investments into ICH by volunteering, by providing spaces and/ or material resources, by considering it in the routines of public administrational or private organisational work have turned out to be at least as important as monetary finances for the local sustainable development in CE regions.

UNESCO (n.d: 9) emphasizes that Intangible Cultural Heritage "constitutes a driving force for economic development, encompassing a diversity of productive activities, with both monetary and nonmonetary value, and contributes in particular to strengthening local economies". As a living heritage, ICH can also constitute "an important source of innovation in the face of change and help achieve inclusive economic development at the local and international levels", according to UNESCO (Ibid.).[2]

Unfortunately, there is no secret recipe or standard model which could easily be adapted for resourcing and financing ICH in every region and for every type of ICH. The conditions are specific and diverse because ICH is not a commodity like any other. ICH is highly interconnected with people and groups, embedded in historically grown social contexts and entangled with the local environmental circumstances, thus demanding specific, individually tailored financing solutions. A toolbox and a best practices collection[3] which facilitates different approaches is therefore an appropriate format. If connected to the specific regional conditions, they can help foster regional development while including ICH as an important indicator. The term toolbox is meant as a range of different valorization approaches, resourcing and financial models and marketing plans. Within the ARTISTIC project, these are: ICH valorization, business model generation, crowdfunding and other financing methods, communication skills improvement and Intellectual Property Rights (IPR).

The strategy with its diverse elements in the toolbox will be continuously developed and needs to be updated continuously when changes occur. There is no absolute version because the project in the different Central European regions will encounter further models for financing and valorizing ICH while it works with the bearers and citizens as well with financial actors. An important part of the project is the development of sustainable regional networks of different stakeholders to start exchange and learning processes. This process has just begun.

When sharing experiences, examples of both successful and failed projects are useful for learning. Therefore, the best practice research, conducted during the first phase of the project (entitled WP T1, A.T1.1), is attached to the strategy. It will give some examples for how to proceed and help collect further tools. Additionally, there is the "Register of Best Safeguarding Practices" from UNESCO.[4] The register includes programmes, projects and activities on the national, subregional and/or international levels that the UNESCO Committee considers to best reflect the principles and objectives of the "Convention for the Safeguarding of the Intangible

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[2] For more detailed information about ICH and sustainable development, see UNESCO's publication titled "Intangible Cultural Heritage and Sustainable Development" (n.d.), available at: https://ich.unesco.org/doc/src/34299-EN.pdf

[3] A best practices collection will be produced by the ICH-Desk of each region.

[4] The "UNESCO's Register of Best Safeguarding Practices" is available online at https://ich.unesco.org/en/publications-of-the-lists-00492#register-of-best-safeguarding-practices (Retrieved February 7, 2019)

Cultural Heritage". It aims at ensuring exchange and cooperation at the international level for programmes with proven success in safeguarding intangible cultural heritage.

Ethical Principles for Safeguarding Intangible Cultural Heritage

When we talk about conditions for making Intangible Cultural Heritage an asset for sustainable regional development, we also need to be aware of the ethical principles for safeguarding ICH. In 2003, in the spirit of the Convention for the Safeguarding of the Intangible Cultural Heritage and the existing international normative instruments protecting human rights and the rights of indigenous peoples, the Ethical Principles for Safeguarding Intangible Cultural Heritage were developed. These ethical principles represent "a set of overarching aspirational principles that are widely accepted as constituting good practices for governments, organizations and individuals directly or indirectly affecting intangible cultural heritage in order to ensure its viability, thereby recognizing its contribution to peace and sustainable development" (UNESCO 2003). Complementary to the 2003 Convention for the Safeguarding of the Intangible Cultural Heritage, the Operational Directives for the Implementation of the Convention and national legislative frameworks, these Ethical Principles are intended to serve as a basis for the development of specific codes of ethics and tools adapted to local and sectoral conditions.

1) Communities, groups and, where applicable, individuals should have the primary role in safeguarding their own intangible cultural heritage.

2) The right of communities, groups and, where applicable, individuals to continue the practices, representations, expressions, knowledge and skills necessary to ensure the viability of the intangible cultural heritage should be recognized and respected.

3) Mutual respect as well as respect for and mutual appreciation of intangible cultural heritage should prevail in interactions between states and between communities, groups and, where applicable, individuals.

4) All interactions with the communities, groups and, where applicable, individuals who create, safeguard, maintain and transmit intangible cultural heritage should be characterized by transparent collaboration, dialogue, negotiation and consultation, and be contingent upon their free, prior, sustained and informed consent.

5) Access of communities, groups and individuals to the instruments, objects, artefacts, cultural and natural spaces and places of memory whose existence is necessary for expressing the intangible cultural heritage should be ensured, including in situations of armed conflict. Customary practices governing access to intangible cultural heritage should be fully respected, even where these may limit broader public access.

6) Each community, group or individual should assess the value of its own intangible cultural heritage, and this intangible cultural heritage should not be subject to external judgements of value or worth.

7) The communities, groups and individuals who create intangible cultural heritage should benefit from the protection of the moral and material interests resulting from such heritage, and particularly from its use, research, documentation, promotion or adaptation by members of the communities or others.

8) The dynamic and living nature of intangible cultural heritage should be continuously respected. Authenticity and exclusivity should not constitute concerns and obstacles in the safeguarding of intangible cultural heritage.

9) Communities, groups, local, national and transnational organizations and individuals should carefully assess the direct and indirect, short-term and long-term, potential and definitive impact of any action that may affect the viability of intangible cultural heritage or the communities who practise it.

10) Communities, groups and, where applicable, individuals should play a significant role in determining what constitutes threats to their intangible cultural heritage including the decontextualization, commodification and misrepresentation of it, as well as in deciding how to prevent and mitigate such threats.

11) Cultural diversity and the identities of communities, groups and individuals should be fully respected. In the respect of values recognized by communities, groups and individuals and sensitivity to cultural norms, specific attention to gender equality, youth involvement and respect for ethnic identities should be included in the design and implementation of safeguarding measures.

12) The safeguarding of intangible cultural heritage is of general interest to humanity and should therefore be undertaken through cooperation among bilateral, sub regional, regional and international parties; nevertheless, communities, groups and, where applicable, individuals should never be alienated from their own intangible cultural heritage.

Strategies for Valorizing ICH

Acknowledging immaterial and symbolic values is an important first step for a sustainable valorization of ICH. The broader the acknowledgement is embedded in the region, the better it is for sustainable resourcing of ICH. In general, valorization of ICH may be achieved via different approaches:

Labelling and certification as ICH

An official label as ICH either through a national association or UNESCO does certainly raise awareness. However, this can occur not only by means of being named on an official list, but also by means of a regional commitment to an ICH. Once the region officially understands a practice or a craft as ICH, citizens will pay more attention to it, and the people involved with it will feel appreciated and recognized, which may lead to greater knowledge of the ICH and increased support for it. For example, a letter of intent will help in finding regional sponsors. Official labels can be used for advertising and facilitate the visibility of the ICH beyond the local context. Furthermore, the label is helpful for building communities of practice and knowledge networks.

(Re)presenting and reappraisal in museums (and other professional and public contexts)

Publicity and presentation in museums as well as increased knowledge about an ICH through research and the collection of stories and objects will raise more awareness, visibility and continuity in the community and beyond: the ICH is indeed recognized by a larger audience as something worthy of conservation. Moreover, museums do not just simply exhibit ICH, but put in larger contexts, are contact partners for research, for preserving, telling and re-writing the stories connected to ICH. This will strengthen the relevance of an ICH and maintain the knowledge for preservation.

Sustainable involvement of different stakeholders

It became obvious in the best practice research that networks with actors and stakeholders of different fields are enormously important for the valorization and safeguarding of ICH. In most cases, there is an existing basis network of people who are involved with ICH: ICH bearers, volunteers and citizens who frequently deal with an ICH or are generally interested in cultural activities. Beyond those actors, other stakeholders should be encouraged to become more actively involved: political actors and policy makers, scientists and intermediaries, financial operators and businesses. In this way, different perspectives can be captured, interest can be built up as well as relationships among different people but most important for the ICH, its practices and history can be strengthened. An identification with an ICH and all that is connected with it must be established.

Resourcing for ICH

The best practice research conducted, the presentations and discussions with the experts as well as the interviews conducted by the project partners showed clearly that non-monetary means of resourcing matter enormously. Resourcing therefore is not meant only in monetary terms. Beyond this understanding, it includes what is often called "soft factors" such as engagement, practice and creativity driven by the passion of the people involved with ICH, which are often the basis for ICH. These factors should be warranted just as much stable financing plans.

Volunteer Work

With a view to the interviews and research that have been conducted, it is quite clear that volunteer work and personal commitment are the most important factors for maintaining and valorizing ICH. Without passionately involved people, it will not be possible to preserve ICH. Therefore, a strategy must include ways to strengthen and foster the voluntary work of citizens, and find ways and support programs which can lead to more citizens being involved where needed. Some of the best practices, such as the "Schwäbisch-Alemannische Fastnacht" (Swabian-Allemanic Fastnacht),[5] can serve as examples for the inclusion of voluntary work.

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[5] Swabian-Allemanic Fastnacht is the "traditional pre-Lenten carnival in Alemannic folklore in Switzerland, southern Germany, Alsace and Vorarlberg" (see Wikipedia: Swabian-Allemannic Fastnacht, URL: https://en.wikipedia.org/wiki/Swabian-Alemannic_Fastnacht, retrieved Feb 20, 2019)

From this example, we can learn that organisational structures with strong functionaries may demotivate volunteering practices and endanger people's identification with safeguarding ICH. If voluntary programs are initiated, the time spent by citizens and actors should never be taken for granted. So-called "helper's parties" or the visibility of all people involved in the process will help to strengthen the connection to the ICH and motivate the volunteers to keep investing time in the ICH.

Time and space

Recognizing time and money is also important in another respect. The saying "time is money" does ring true, and the potential financial loss through commitment to an ICH that volunteers may experience should also be recognized. Not just for the volunteers, the provision of time and of space is extremely important. Places for celebrations or festivals, for storing costumes or other materials, for meeting and practicing ICH may incur costs. The option of being granted leave for volunteering or practicing ICH or the possibility to support ICH work to some extent during work time, for example in public administrations but also private organizations, may be important resources and also a signal of acknowledging ICH as an important issue for the municipality or the region.

Preserving and passing on know-how

It should not be forgotten that ICH stands for living traditions. The process of "doing ICH", of actually manufacturing and practicing it, is essential.

Therefore, practices and activities are important knowledge. If we forget our traditional knowledge, the ICH will die. Different forms and ways of preserving knowledge can be, as has been pointed out before, the reconditioning of the ICH in museums and research institutions. On a smaller scale, the documentation by the bearers of the ICH is important, as well as oral history, the engagement with stories being told by older generations. Passing on the knowledge includes a cross-generational approach: How can the current ICH bearers and younger audiences – potential ICH bearers themselves – be brought together so they can learn from each other? Volunteer programs can be helpful, as well as including schools and kindergarten in ICH related activities. Those important educational institutions should be integrated in ICH cooperation, and thus can be understood as resources for knowledge transfer of ICH related knowledge. In addition, interest for ICH is aroused through early childhood experiences in families, which shows that personal/family relationships play a very important role.

Mastery

Knowledge about ICH ranges from amateurs to experts, but also artists: the larger the basis of amateurs is, the greater the basis for artistic debates becomes and therefore receives more visibility, which might lead to more commercial use. On a professional level, know-how about the production and performance of ICH is often linked to specific persons. It is helpful to identify those "masters" of an ICH and include them in the regional networks. Their knowledge and mastery is often an important link. Not everyone who is aware of the importance of safeguarding and valorizing ICH is an expert of ICH.

Undoing heritage

At the same time, once a traditional knowledge is acknowledged and understood as ICH, the risk of commodification occurs. This can happen when the ICH is isolated from its original processes and used for tourist purposes only: then, the bearers of the ICH are not the beneficiaries but rather tourist associations or even companies. External marketing might involve the risk of fostering the image revaluation of a whole region or town more than the visibility or incomes of the creators or the bearers of an ICH. Commercialized products and staged rooms of production may become more dominant, which constitutes a detachment from the ICH and its community. Of course, external marketing and commercializing do not necessarily entail the risk of commodification, but the greater the gap to the bearers and creators is, the greater this risk becomes.

How to identify resources of intangible cultural heritage (ICH)?

Non-material culture is fragile and illusive. The intangible heritage of a region can be so obvious and commonplace that the inhabitants would not recognize it as something special. In other cases, only certain groups of society, such as elderly people, still practice the regional intangible heritage. There is no golden rule to identify intangible cultural heritage. However, there are different approaches which allow for the recognition of cultural expressions as manifold and versatile, as explained in the "Manual on Identifying Intangible Cultural Resources", published by the project Cultural Capital Counts.

The following research tools can help to identify intangible cultural heritage:

- Personal interview (essentially, a conversation between two people where questions are asked by the interviewer to obtain data and opinions of the interviewed person),
- Focus group interview (short FGI. In this case, a trained moderator talks to a group in order to discover their ideas, emotions and attitudes towards a certain issue),
- Participant observation (a method of data collection used in field studies by a "researcher" that can be also a member of the observed community or group. In this case the researcher participates directly in community life and observes things from the perspective of the group, learning their customs, habits and language),
- Archives and other source texts (there are certain texts or different types of register in which traces of intangible cultural heritage can be found. Some examples are hand-written songbooks of ancestors, old drawings, painting, photographs, films or handcrafts, depicting ceremonies, diaries, letters, and accounts of various events).

These research tools will help in gaining an overview of the intangible cultural heritage of a region. They can inform about what the inhabitants of a region perceive as their heritage, which elements of heritage do exist and which characteristics are attributed to it.

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Appendix A

Survey model to identify intangible cultural heritage (ICH)

The following questions are helpful to identify intangible cultural heritage (CCC n.d.: 21-22):

Traditional craftsmanship:

- Which are the most typical handicrafts produced in your region? What material are they made from?
- Is there a specific knowledge about manufacturing objects or processing natural products?
- Are there particular knowledge and practices in your region about handling natural resources (agriculture, forestry, water management, hunting, and breeding)?
- Were these skills passed from generation to generation? Did they maintain their initial origin or have they been modified?
- Is there a manual technique that represents a unique expression of local knowledge?

Performing arts, oral traditions and expressions:

- Does your region have a "Golden Age" period whose tradition is still alive today? Which one?
- Is there a symbol, a historical element for which your region is highly known outside the local territory?
- Are there forms of expression that are orally transmitted (legends, idioms, sayings)? Do they have a specific theme?
- Are there other forms of entertainment, sports, and dialects involving the local community?
- Are there musical instruments, costumes, masks used during festive events? Are they original?
- Does your region have traditional songs and dances? Are they still performed during particular events?

Social practices and rituals:

Are there rituals and social practices involving the local community or only particular groups (young people, the elderly, men or women)?

Are there specific customs linked to daily routines (e.g. recipes, healing remedies) or important stages of life (birth, marriage, initiation)?

Are there festive events linked to seasonal cycles or special periods of the year? Which are the most unique?

Which events represent the celebration of a particular social and economic situation, even of the past?

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Kit for the Convention for the Safeguarding of the Intangible Cultural Heritage

The UNESCO prepared a "Kit for the Safeguarding of the Intangible Cultural Heritage" which is available on the UNESCO homepage at https://ich.unesco.org/en/kit#6

The kit is a basic reference and pedagogical instrument "for promoting and ensuring an effective understanding of intangible cultural heritage and the 2003 Convention by governments, communities, experts, concerned UN agencies, NGOs and interested individuals" (UNESCO). It was first published in September 2009 and has been regularly updated ever since.

UNESCO conceived of it as a flexible tool, in which new brochures adapted to the local situation can be included and it is of great importance for the ARTISTIC project.

Nine brochures compose the kit and fact sheets on 12 safeguarding projects that can be downloaded under the following links:

- **What is Intangible Cultural Heritage?**: https://ich.unesco.org/en/kit#1
- **The 2003 Convention**: https://ich.unesco.org/en/kit#2
- **Implementing the 2003 Convention**: https://ich.unesco.org/en/kit#3
- **Working towards the 2003 Convention**: https://ich.unesco.org/en/kit#4
- **Questions & Answers**: https://ich.unesco.org/en/kit#5
- **Inventorying Intangible Cultural Heritage**: https://ich.unesco.org/en/kit#6
- **Intangible Cultural Heritage domains**: https://ich.unesco.org/en/kit#7
- **Intangible Cultural Heritage and Sustainable Development** (published in November 2015): https://ich.unesco.org/en/kit#8
- **Intangible Cultural Heritage and Gender** (published in November 2015): https://ich.unesco.org/en/kit#9
- **Fact sheets on Intangible Cultural Heritage**: https://ich.unesco.org/en/kit#10

B. BUSINESS MODEL

Before we start talking about financing and marketing, and providing assets for the valorization (both in terms of cultural and economic point of view) of Intangible Cultural Heritage to citizens, associations, NGOs, SMEs that deal with ICH, it is important to offer them technical skills and knowledge to start to develop or improve their cultural project, initiative or enterprise.

A good idea is not enough – it must be successfully put into practice.

Young companies often fail because of insufficient planning. Opportunities and risks of a business idea should be thoroughly considered. The more specific and detailed a business model is, the more realistic the chances of success. A well-founded business plan can improve the chances of success and better attract capital investors.

The business model is an important key document and serves, among other things:

- The assessment of the planned business activity
- The control of business processes
- As a basis for decision making for investments
- As a basis for the investment decision of banks, investment companies, business angels, crowdfunding investors or other investors.

When creating the business model, founders are forced to critically deal with their idea:

- Knowledge gaps are recognized and can be filled appropriately
- Alternatives can be worked out
- Decisions are required

The business model is the central element for mastering emerging difficulties and for making a decisive contribution to the project.

An entrepreneurial or a detailed business model

There are two methods for the generation of a business model: Simply using the business model canvas to gain the most important information about the initiative, project or business collected, or generating a detailed business plan in order to collect detailed information about the business project that is to be started. In the following sections, we will briefly introduce the business model canvas followed by the detailed business plan.

Model 1: Business model generation with the business model canvas

An accessible and internationally used way for starting an initiative, a project or a business is by generating a business model plan using a business model canvas. The business model canvas is a transnational tool that it is easy to understand and can be adapted to each initiative, project or business form. This method can be used by the ARTISTIC project to help local ICH actors to develop their ventures and work towards the valorization of ICH and regional sustainable development.

Different websites explain the business model canvas method, for instance:

"Business Model you" (http://businessmodelyou.com/)

"Strategyzer"　(https://strategyzer.com/canvas/business-model-canvas).

The website "Strategyzer"[6] offers helpful material about the business model canvas, and it provides a free online preview of the handbook "Business Model Generation".[7]

Entrepreneurship expert Steve Blank also provides accessible and easy to understand tools for startups. He recommends a methodology called the "lean start-up". It favours "experimentation over elaborated planning, customer feedback over intuition and iterative design over traditional 'big design up front' development".[8] According to Blank, the concepts of this methodology — such as "minimum viable product" and "pivoting"— "have quickly taken root in the start-up world, and business schools have already begun adapting their curricula to teach them" (Blank 2013).

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[6] Strategyzer: "Mastering Business Models": https://strategyzer.com/training/courses/mastering-business-models

[7] Preview of the handbook "Business Model Generation": https://www.strategyzer.com/books/business-model-generation

[8] For more information, see: Steve Blank: Why the lean start-up changes everything (May 2013), URL: https://hbr.org/2013/05/why-the-lean-start-up-changes-everything

An example of a business model canvas that can be very helpful for the ARTISTIC project and which can be adapted according to the different initiatives, projects and business ideas is presented in the following:[9]

Designed for:			Designed by:	

5. Resources	3. Skills	2. Values	9. Offer	7. Network
	(What can I do?)		(Who am I now?)	
	4. How to		8. Channels	
(Who will assist me?)	(How am I going to?)	(What do I NEED to do?)	(Where can I be found?)	(Who do I want to work with?)

6. Sacrifice	1. Dream
(What will my dream cost me?)	(My next big challenge?)

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[9] See also Appendix B 2 for more examples of business model canvases.

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Business model canvas concept developed by Alexander Osterwalder and Yves Pigneur:

KEY PARTNERS	KEY ACTIVITIES	VALUE PROPOSITIONS	CUSTOMER RELATIONSHIPS	CUSTOMER SEGMENTS
Who are our key partners? Who are our key suppliers? Which key resources are we acquiring from our partners? Which key activities do partners perform?	What key activities do our value propositions require? Our distribution channels? Customer relationships? Revenue streams? What key resources do our value propositions require? Our distribution channels? Customer relationships? Revenue streams?	What value do we deliver to the customer? Which one of our customers' problems are we helping to solve? What bundles of products and services are we offering to each segment? Which customer needs are we satisfying? What is the minimum viable product?	How do we get, keep, and grow customers? Which customer relationships have we established? How are they integrated with the rest of our business model? How costly are they? Through which channels do our customer segments want to be reached? How do other companies reach them now? Which one works best? Which one are more cost-efficient? How are we integrating them with customers' routines?	For whom are we creating value? Who are our most important customers? What are the customer archetypes?

COST STRUCTURE		REVENUE STREAMS	
What are the most important costs inherent to our business model? Which key resources are most expensive? Which key activities are most expensive?		For what value are our supporters/customers really willing to pay? For what do they currently pay? What is the revenue model? What are the pricing tactics?	

Canvas concept developed by Alexander Osterwalder and Yves Pigneur. More information at: www.businessmodelgeneration.com/canvas.

Model 2: Detailed business plan

Depending on the initiative, project or business idea, the canvas will not deliver all the necessary information for the supporters. Therefore, in the following we provide the methodology for the development of a business plan provided by PP "b & s Consulting and training for the rural area GmbH" from Germany:

A business plan should always be thoughtful, consistent, structured, sound plausible.

It must have:

Clarity:

- Well structured
- Focus on the essentials
- Short but complete

Objectivity:

- Not raving about your own ideas

Comprehensibility:

- Avoid technical details
- Simplification
- Can be understood also by laypeople

Uniform appearance:

- One language, one style
- Positive image
- Clear formatting, illustrations
- Numbered table of contents
- A financial section supported by tables

According to the participant manual StartUp contest, the business plan should contain at least the following modules:

Building block	Focus	Amount [*]
1. Summary	• Description of the business idea • Essential success factors • Significant risks • Aims	approx. 1
2. Corporate Form	• Legal form • Business partner structure	approx. 1
3. Product / Service	• Description of the product / service • Customer advantages / customer benefits • State of development of product and service • Innovation • Prerequisites for business operations / manufacturing requirements	approx. 4
4. Field / Market	• Field • Competition • Customer	approx. 3
5. Marketing & Distribution	• Market entry strategy • Marketing concept • Sales promotion / advertising	approx. 3
6. Management	• Professional qualifications • Field experience • Commercial know-how • Business organization	approx. 2
7. 3-Year Plan	• Investment planning • Human resource planning • Profitability forecast • Liquidity planning • Chances and risks	approx. 7
8. Capital Requirements	• Equity • Borrowed funds • Guarantees	approx. 2

[*] recommended scope in pages

1. SUMMARY

- Description of the business idea

- Essential success factors

- Significant risks

- Aims

The summary conveys the most important information about the business idea and shows crucial success factors as well as potential risks.

Good concepts are characterized by the following:

- The key success factors have been worked out
- Objectives are clearly worded
- Significant risks and possible solutions have been identified

Common mistakes are:

- The business idea is not clear
- The explanations are far too extensive and circuitous

2. LEGAL FORM

- Legal form
- Business partner structure

The company form should be suitable for the planned project

Good concepts are characterized by the following:

- Reasons for the decisions are explained
- Long-term goals of the shareholders are recognizable

Common mistakes are:

- Missing statements on shareholder structure and share capital
- Over-indebtedness problem due to startup losses in limited liability companies
- No adequate choice of legal form and capital resources

3. PRODUCT / SERVICE

- Description of the product /service
- Customer advantages /customer benefits
- State of development of product and service
- Innovation
- Prerequisites for business operations /manufacturing requirements

In describing the project, particular emphasis should be placed on how the product / service differs substantially from other offers.

Good concepts are characterized by the following:

- Functionality and customer benefits of the product / service are also comprehensible and plausible for laypeople
- Detailed, comprehensible explanations of the state of the art
- There are considerations for further development, diversification, maintenance and service offerings
- Comprehensible representation of the production costs

Common mistakes are:

- Wording that requires specialized knowledge
- No statements about offers made by competitors
- Customer benefits are not recognizable or not mentioned
- The range of services is not clearly defined
- The production costs are higher than those achievable on the market
- No information on the production costs

4. FIELD / MARKET

- Field
- Competition
- Customer

Only if the business idea succeeds in the market can the foundation be successful. Therefore, statements about field, competition and customers are important.

Good concepts are characterized by the following:

- When considering the competition, indirect competitors are also taken into consideration
- There is a detailed list of strengths and weaknesses compared to the competitors
- Clear segmentation of won target customer groups and one's own offer
- Sales targets and market shares are quantified
- Alternative solutions for weak points are shown.

Common mistakes:

- Missing or overestimated market potential
- No statement about competitors
- Competitive advantages are not recognizable
- The target groups are inappropriate or undefined
- Missing figures on market, competitors and customer potential

5. **MARKETING & DISTRIBUTION**

- Market entry strategy
- Marketing concept
- Sales promotion / advertising

In this section of the business plan, it should be shown how the market potential presented in module 4 should be developed.

Good concepts are characterized by the following:

- Timing and costing for market introduction and promotion are presented
- The sales concept is differentiated for individual products / services and target groups.

Common mistakes are:

- Product introduction and market entry strategy are not included
- Inappropriate or missing distribution channels
- Unenforceable or contradictory pricing policy
- Insufficient advertising budget
- Advertising is not target group oriented

6. MANAGEMENT

- Professional qualifications
- Field experience
- Commercial know-how
- Business organization

A business idea can only be successfully implemented if the management has the necessary know-how and sufficient knowledge and experience is available.

Good concepts are characterized by the following:

- There is a clear distribution of tasks and competences
- Weaknesses in terms of qualification and lack of know-how as well as corresponding solutions have been identified (vacancy profile, additional qualification, external consultant).

Common mistakes are:

- Commercial qualification is missing or not sufficient for the planned project
- Qualifications and experiences of the founder / founders are not suitable for the project
- CVs are not available

7. 3-YEAR PLAN

- Investment planning
- Human resource planning
- Profitability forecast
- Liquidity planning
- Chances and risks

Based on the 3-year plan, it is possible to assess whether the project is economically viable. It forms an important basis for a financing decision by investors.

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Good concepts are characterized by the following:

- Fluctuations in liquidity planning are explained

- Realistic premises for the sales development are shown

- Alternative scenarios for considering opportunities and risks are presented verbally and in numerical form

- Estimates of investments or comparative salary information have been obtained

Common mistakes are:

- Follow-up investments and increased personnel requirements in the growth phase are not sufficiently taken into account

- Non-wage labour costs are not included

- Normal market salaries are not included

- Entrepreneurial salary is not sufficiently planned

- Sales sizes and sales growth are incomprehensible or unrealistic

- VAT is not considered

- Depreciation and significant types of costs are not adequately recognized

- Delayed receipt of receivables and possible bad debts are overlooked

- The problem of over-indebtedness in the startup phase is overlooked

8. REQUIREMENTS

- Equity

- Borrowed funds

- Guarantees

Liquidity / financial planning results in capital requirements. This section of the business plan needs to show where the capital is to come from.

Good concepts are characterized by the following:

- Sufficient startup costs and reserves are taken into account

- There are specific and realistic statements about the origin of capital

Common mistakes are:

- Capital requirements only take into account investments

- The term of loans / financing is not according to the time limits

- No statements about the use of equity

- Unrealistic assessment of the capital market

References for Section B

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Appendix B 1
Sample profitability forecast

Sample profitability forecast			
	In € without sales tax		
	1st year	2nd year	3rd year
Sales			
Other income			
Total returns			
Use of goods including raw materials			
External services			
Gross profit			
Personnel costs			
Rent, lease			
Heating, energy, water			
Packaging			
Vehicle costs (fuel, repair)			
Repair			
Leasing			
Advertising			
Travel expenses, hosting costs			
Office supplies			
Postage, telephone, internet			
Magazines, literature			
Contributions, fees			
Insurance (without social insurance)			
Legal and business consulting			
Tax advice, accounting			
Taxes (car tax)			
Other costs			
Extended cash flow			
Interest and similar expenses			
Cash flow			
Depreciation			
Net income (before income tax)			

Sample liquidity planning 1st year (in €)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Deposits from:													
Sales													
Requests													
Other income													
Asset sales													
Borrowing													
Grants													
Other deposits													
Total deposits													
Payouts:													
Goods including raw materials													
External services													
Supplier liabilities													
Personnel costs													
Other expenditures													
Interest													
Repayment													
VAT balance													
Investments													
Private withdrawals													
Total payouts													
Balance deposits / withdrawals													
Bank balance at the beginning													
Balance deposits / withdrawals													
Bank balance at the end													
Existing current account credit lines													
Surplus / deficit													

Sample investment planning

1.   Financial investments

   1.1.   Buying a company

   1.2.   Participation in companies

   Subtotal financial investments

2.   Material investments

   2.1.   Land and buildings

   2.2.   Business property

   2.3.   Renovations

   2.4.   Ancillary costs of the construction project

   2.5.   Other construction measures

   Subtotal construction investment

   2.6.   Operating and office equipment

   2.7.   Machines and devices

   2.8.   Vehicles

   2.9.   Communication technology (PC, telephone, …)

   2.10.   Reserve for follow-up investments

   Subtotal material investment

3.   Intangible investments

   3.1.   Patents and licenses

   3.2.   Software

   3.3.   Research and Development

   Subtotal intangible investments

4.   Formation expenses

   4.1.   Consulting (lawyer, business, tax consultant)

   4.2.   Entry in the commercial register

4.3.   Notary

4.4.   Other start-up costs

Subtotal formation costs

5.   Other investments

5.1.   Material and goods initial equipment

5.2.   Market development costs

5.3.   Other investment needs

Subtotal of other investments

6.   Total investment

Sample Capital requirements planning

Investments	EURO
Plot / building including outdoor facilities and utilities	
Remodelling and renovation costs	
Machinery, facilities, office	
Vehicles	
One-time license or franchise fees	
Purchase price upon acquisition (full or partial)	
Contributions in kind	
Capitalized own work	
One-time costs (deposit, brokerage fees, consulting, market introduction, training, notary…)	
Warehouse for goods / materials	
Capital requirements from investments	

Working capital - pre-financing of orders (capital requirement determination from liquidity plan)	

Total capital requirement	

Sample financial planning

	EURO
Equity	
Contributions in kind / active contributions	
Venture capital	
Total self-financing	
Crowdfunding	
Public loans	
Home bank loans or other loans	
Current account credit	
Total debt financing	
Total funding	

Appendix B 2
The Business Model Canvas by Strategyzer

Source: Business Model Canvas: https://strategyzer.com/canvas/business-model-canvas

Strategyzer has developed an accessible and easy to use manual with instructions for the business model canvas available at: https://assets.strategyzer.com/assets/resources/the-business-model-canvas-instruction-manual.pdf

Open Business Model Canvas by Paul Stacey

Paul Stacey, a leading expert on education, adult learning and global change, offers an open business model canvas on his website that can also be edited using Google Docs.[10]

Open Business Model Canvas by Paul Stacey
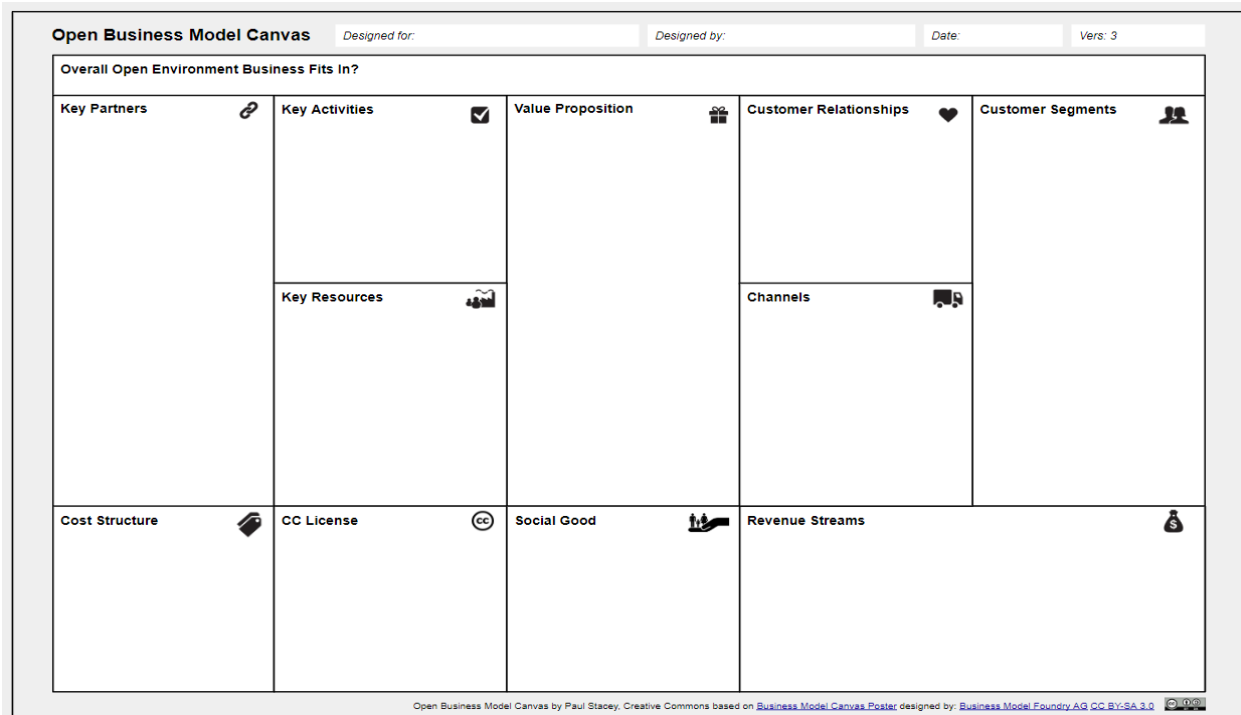
Source: Open Business Model Canvas by Paul Stacey, available at: https://paulgstacey.files.wordpress.com/2015/12/canvas.png

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Appendix B 3

Helpful Tools about Strategic Management

Strategic Management

The website Entrepreneur Europe has published Matthew McCreary's Article "The Complete, 12-Step Guide to Starting a Business. Everything you need to know about how to start a business." The article provides good advice for all who would like to start a business. See: https://www.entrepreneur.com/article/297899

Other helpful tools are:

- Roger Martin's "Playing to Win - How Strategy Really Works. A Harvard Business Review Webinar (2014)". Available online at: https://www.longview.com/files/resources/HBR_Martin_Playing+to+Win_executive-summary.pdf

- SWOT Analysis

  The SWOT analysis is a helpful method to identify and understand one's strengths and weaknesses, along with new opportunities and existing threats.

  In a business context, it helps find the right niche for entrepreneurial action. In a personal context, it helps shape a career while leveraging talents, skills and opportunities.

Strengths	Weaknesses
Opportunities	Threats

  More information at: https://swot-analyse.net/en/

- The ESIL Toolkit, developed by the organisation of the same name that aims to bring together knowledge and crowdfunding or investors to help start innovative ideas across Europe, can also be helpful for Central European partners (https://www.europeanesil.eu)

- The website "Start with Why" (https://startwithwhy.com/) by Simon Sinek, a British-American author, motivational speaker and organizational consultant, can also be a helpful tool. Sinek recommends that we should start always asking "Why". His methodology can be of great benefit for ICH local actors wanting to start a cultural project or venture.

Simon Sinek's principle of "THE GOLDEN CIRCLE"

WHAT

Every organization knows **WHAT** they do, the products they sell or the services they provide.

HOW

Some organizations know **HOW** they do the things that make them special or set them apart from competition.

WHY

Few organizations know **WHY** they do what they do. WHY is not about making money that is only a result. According to Simon Sinek, WHY is a purpose, a cause or a belief. It is the very reason an organization should exist.[11]
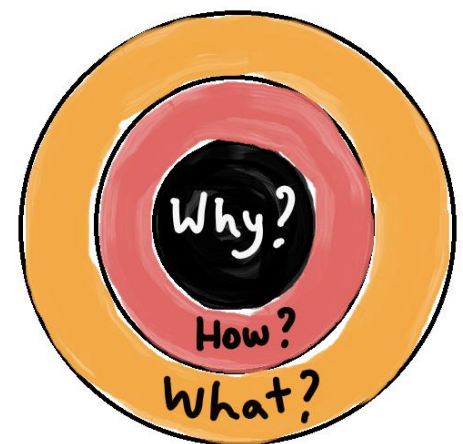
Simon Sinek also explains his principles in the video "People don't buy what you do, people buy why you do it", available at:

https://www.youtube.com/watch?v=UedER61oUy4

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[11] For more information, see Simon Sinek's Book "Start with Why: How Great Leaders Inspire Everyone to Take Action" (2011).

C. FINANCING MODELS FOR INTANGIBLE CULTURAL HERITAGE (ICH)

To aid the valorization of Intangible Cultural Heritage (ICH) assets for local sustainable development in the Central European region through the ARTISTIC project, all project partners mapped and researched existing financing models for intangible cultural heritage initiatives and projects (see Activity A.T1.1 - ICH financing benchmarks). As was already pointed out in an earlier tool titled "ICH Valorization Strategy", resourcing for ICH **goes beyond monetary means and includes important factors such as volunteering, knowledge transfer as well as time spent for ICH**. Nonetheless, the question of financing remains.

The positive effects of ICH Valorisation and Safeguarding

ICH safeguarding and valorisation have a positive impact on, above all, regional identity, people's self-esteem, individual responsibility, quality of life, attractiveness of the region, unique features and offers, entrepreneurship, innovation, regional competitiveness, appreciation of nature, ecological relief and cultural development.

According to UNESCO (n.d.: 9), intangible cultural heritage (short ICH) "constitutes a driving force for economic development, encompassing a diversity of productive activities, with both monetary and nonmonetary value, and contributes in particular to strengthening local economies". As a living heritage, ICH can also constitute an "important source of innovation in the face of change and help achieve inclusive economic development at the local and international levels", as UNESCO points out (Ibid.). The valorization of Intangible Cultural Heritage contributes to the sustainable economic and environmental development, involving the whole community. UNESCO explains:

> "Traditional craftsmanship (…) is often a main source of cash or barter income for groups, communities and individuals that would otherwise be at the margins of the economic system. It generates income not only for craftspeople and their families, but also for those involved in the transportation and sale of the craft products or the gathering or production of raw materials."
> (UNESCO n.d.: 9)

Moreover, performing arts, festive events and other expressions of intangible cultural heritage also include community members broadly in economic development, including women and young people (UNESCO n.d.: 10).

Krotscheck et al. also point out the importance of ICH for the overall economic development of European regions:

> "By embedding cultural resources into the regional economic circuit, quality of life and economic competitiveness are enhanced and the regional identity is strengthened. (…) In line with the Europe 2020 strategy, it creates business opportunities and local jobs on a solid base. The valorisation builds awareness, educates and secures & develops regional competence and resources. The overall ability of the region to develop will be improved and the viability of the region will be strengthened." (Krotscheck et al. 2014:18)

After this introduction to the tools for business model generation and management strategy in order to valorize ICH and sustainable development, we will look at funding possibilities in terms of all kinds of stakeholders, such as:

- the general public;
- local, regional, national and international governmental organizations;
- different institutions such as banks and companies (local, regional, national and international)
- crowdfunding and match-funding

Finding funding initiatives and investors

Before starting to look for funding, it is important to identify where local, regional, national or transnational support can be sourced.

Possibilities include:

- Chambers of commerce,
- Trade associations,
- Foundations,
- Local, regional and state governments (such as the Ministry for Economic Cooperation and Development).
- Attracting the attention and earning the trust of individuals and the public in general, convincing different stakeholders to become supporters and investors of the ICH initiative.

Tools and services to help ICH actors to identify public opportunities for financing:

Each ICH regional desk needs to publish a list of websites that link to public announcements/tenders, periodical newsletters, notices/tenders/initiatives, and so on.

The regionally based collection of web links and a leaflet/brochure needs to include:

- Foundations,
- Business Angels,

- Venture capitalists,
- Fundraising platforms
- Government programs.

An example of such a collection is the European ESIL website with videos about cross border investment opportunities, available at: https://www.youtube.com/channel/UC_M30-U0giGD3pj7OSYF2Ag

Corporate Social Responsibility (CRS)

Both major and minor economic groups (banks, firms, enterprises generally speaking) have adopted or are adopting corporate social responsibility policies (short CSR policies). In those approaches, a specific interest is devoted to promoting actions and initiatives that ICH initiatives can benefit from.

CSR Europe member companies include:

The Walt Disney Company, Canon, Microsoft, Ferrero, IBM, Bridgestone, Pirelli, Toyota, HP, Danone, Johnson & Johnson, L'Oréal, Honda, Samsung Electronics, Hitachi, The Coca-Cola Company, Hyundai and Volkswagen.

For more information, see the article "18 CSR Europe member companies in the top 100 most reputable companies" published by The European Business Network for Corporate Social Responsibility: https://www.csreurope.org/18-csr-europe-member-companies-top-100-most-reputable-companies#.XDdfr1yJK

The different forms of funding

There are several ways to look for financial support for ICH initiatives/projects. Some of these different financing approaches are:

Equity financing

a) Membership fees

Members of a group or association periodically (in most cases annually) pay an amount of money for financing activities and achieving common goals. Membership fees are common in associations and create equity without external help. Nevertheless, membership fees (generally between €20 and €200 per person per year) are generally only a small part of the total annual budget.

b) Providing one's own labour and material assets

In order to enable financing of ICH activities, members of the organisation provide their labour or material assets free of charge. For example, the clubhouse is built or refurbished by the members themselves. Construction or running materials (e.g. firewood, drinks, paper) are provided from 'material assets'.

The most widespread form of fundraising is the organisation of events and parties. Here, the members organise and run the event. In other words, the members do everything from drafting the concept, advertising, organising catering and highlights, serving food and drinks, up to clearing up and cashing up. The organisation keeps the income from tickets and catering minus expenses as its working budget for keeping up and developing its ICH activities.

A special type of assistance by labour for larger campaigns is also offered by the European exchange programme (mostly for young people) or WWOOFing.[12] This allows organisations and organic farms to motivate volunteer helpers from around the world to work for their objectives. Free board and lodging for helpers generally needs to be provided in return.

c) Collecting donations from households (fundraising without anything in return)

Club members go from house to house collecting donations from private individuals for purchases, investments or charitable ends. Donations are willingly made to aid organisations (e.g. fire brigade, Red Cross, Caritas). An average of €10 to €20 is donated per household.

Other associations may in part also use ball tickets or vouchers for events in symbolic return for the donation.

d) Sponsoring by companies (private sponsoring) in return for advertising or countertrades

Here, companies are asked if they are willing to partake in advertising campaigns for a specific amount of money. These range from presentations in brochures, on websites (with links), cards, commemorative publications, posters and flags up to slides or advertising banners at specific locations. In this model, the associations ensure that the advertising is distributed and displayed. Periodic advertisements or promotional subscriptions can also be sold, which are renewed and invoiced on an annual basis. By its very nature, sponsoring is particularly suited to publicity as the sponsors pursue their own interests as well.

In another type of sponsoring, trading companies receive particular discounts at events as members of the association. Another possibility would be that the trading company purchases a part of the event tickets for its members to support the project. This version is a win-win situation and corresponds to loyalty or bulk discounts in business.

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[12] WWOOFing: http://wwoof.net/

e) Organisation of win-win events – sponsoring 2.0

The 'Arte Noah' association[13] has developed an exemplary concept for sponsoring 2.0. This creates benefits for three groups by networking in the following way:

- Artists sponsor works of art and in return receive publicity and boost their image (for their help)

- Customers at the sales exhibition acquire works of art in return for individual donations

- The Arte Noah association arranges and organises the sales exhibition and uses the income from works of art and events to achieve its aims

This allows payment and counter payment for all sides involved without needing to go cap in hand for assistance.

f) Sale of products and services

In this case, financing is achieved by selling products and services for all areas where ICHs offer saleable services on the market. In the project partner region called "Vulkanland" in Austria, for instance, some examples of products and services are falconry in Riegersburg, basket weaving, the building of vaulted cellars, farmers markets, regional cuisine, and typical events for the region, choir concerts, amateur dramatic shows, garden culture, museums, natural therapies or traditional Vulkanland dress.

A special version of selling is to give out vouchers or participation certificates representing advance financing of offers aimed at the market.

g) Cooperative organisation

Creating cooperatives is another way to finance major projects or initiatives. The cooperative takes on responsibility for promoting and selling ICHs for their members or member companies. The cooperative is a tax-efficient way of forming an organisation (compared to a limited partnership, limited liability company or registered company) and allows its own members to provide sponsorship.

Subsidies

a) Finance for association work from municipalities (public purse)

Many associations relating to ICH receive annual finance from local municipalities for supporting their voluntarily activity. This generally amounts to between €1,000 and €5,000 per year.

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[13] ARTE NOAH: https://www.kunstverein-wuerzburg.de/cms/website.php

Forward projection of the municipality budget (annual estimate) guarantees secure financing for organisations that have been in operation for some time.

b) Donations in kind and support for work from municipalities

The local municipality often supports the activity of voluntary organisations with donations in kind and services. For example, building material or equipment can be made available by the municipality. Alternatively, premises, stands or land are provided for use free of charge.

In addition, the municipality also provides partial support through its employees - for example, this can be in preparing a party, disposing of rubbish after an event, setting up stands, maintaining buildings, flyers for promotion or reporting in the local paper.

c) Subsidy projects from funds or the public purse (regions, federal state, EU)

ICH providers may also apply for financing from subsidy programmes. In doing so, individual or group subsidies may be applied for raising awareness, marketing and development for ICH initiatives /projects.

To do so, the funding recipient always needs a certain proportion of equity capital, a financial reserve for interim financing, and the skill for submitting, developing and invoicing.

External financing and mixed forms

a) External capital from banks

The use of traditional external capital via banks is frequent with marketable ICHs. This involves borrowing capital for a certain term at a defined interest rate and repayment period. In times of low interest rates (currently approx. 2%) and with good collateral, this way of financing is certainly an easy option.

b) Asset pool (securitised loan)

This type of financing is suitable for major projects with a high proportion of investment. Here, investors allocate loans managed via escrow and secured by the land register. The investors receive a certain amount of interest on their capital (or a donation of material assets each year), but have no right of decision. Project sponsors can only use these loans for specific purposes defined in advance. Normally a 10% liquidity reserve guarantees the repayment of loans. The asset pool is a form of group financing.

c) Crowdfunding

Within the ARTISTIC project, crowdfunding was analysed as a potential financial model for ICH valorisation. The following detailed elaboration by PP13/ISN (Conny Weber) gives more insight into this.

Crowdfunding (since 2009) is a form of financing by a number of internet users (crowd) or involved individuals. Donations or contributions are invited via individual homepages, professional websites and special platforms. Investors are sought over the internet (or other mass media) where the minimum amount for a contribution is so small that numerous investors are needed and small amounts can be contributed for financing the selected project. Individuals interested in the selected project can take part within a set period (funding period).

This method of obtaining funding allows projects the implementation of business ideas and much more to be achieved by providing funds similar to equity (mostly in the form of profit-participation loans or dormant equity holding). The risk with crowdfunding is generally high and the micro-investors may lose their stake if the project is not successful.

d) Crowdfunding with profit-sharing or a bonus related to products (products, services, advertising)

If successful, investors receive a share in profit in the project (or enterprise) financed by them as a profit in the increased value. Profit sharing loans are generally prearranged by a specific agreement. An interest payment may also be agreed, where the focus needs to be on profit sharing.

As such, the lender has no voting right in the enterprise, bears no risk in the enterprise, and a share in the losses is excluded. These factors distinguish profit sharing crowdfunding from dormant equity holding.

In part, material assets or services from the project are offered in lieu of cash interest payments. An example would be sending product or service vouchers to those involved each year.

e) Crowdfunding as a stranded investment with one-off gifting of material assets

With some projects (for example the production of a CD of regional songs, a first edition of a book about the region, calendars), the crowd is simply rewarded with the product being developed. For example, once a sufficient amount of financing has been secured, a CD of regional songs is produced and copies are sent to all participants.

f) Crowdfunding, crowd engagement, crowd marketing

Crowdfunding often has additional benefits beyond financing:

- Crowd marketing – raising the profile of the project raises its image and reach. Along with the effect of advertising on the platform, examples of the crowd supporting the marketing initiative are networking and word-of-mouth propaganda.

- The crowd provides suggestions, new ideas and innovation for the product through the wide range of participants. The crowd links people with skills and, as such, allows crowd innovation for initiatives.

- Similar to the practice in associations, information from the crowd can lead to crowd engagement. This allows participants to take on communication and organisation services - or even the crowd working as the stakeholder being directly involved in the project.

The great challenge for the success of a crowdfunding campaign is to select committed project actors. Running a campaign means that the ICH actor has to work hard in order to cope with the campaign. Networking[14] is also important: connecting friends, colleagues, professional contacts and informal contacts to attract people that could support the project financially.

Useful links about Crowdfunding include:

- **European Crowdfunding Network** (the training videos of the European Crowdfunding Network can be reused, shared, etc.), URL: https://eurocrowd.org/

- **15 short lessons on crowdfunding**, URL: https://youtu.be/Y1Ru3nnflUA

- **7 lessons for Crowdfunding for Start-ups and SMEs**, URL: https://eurocrowd.org/2017/03/28/crowdfunding-for-startups-and-smes-lesson-1/

- **Crowdfund-Port**, URL: https://www.crowdfundport.eu

- **Network for Europe: Match-funding**, URL: http://www.networkforeurope.eu/match-funding-1

- Francesca Passeri, Head of Advocacy of the European Crowdfunding Network, presents an interesting report with the title "Triggering Participation: A collection of civic crowdfunding and match-funding experiences in EU", URL: http://eurocrowd.org/2018/07/04/cf4esif-report-triggering-participation-collection-civic-crowdfunding-match-funding-experiences-eu-published/

g) Mezzanine and hybrid capital

Mezzanine capital is a collective term for types of financing whose structure represents a mixture of equity and external capital. In the traditional forms, this provides an enterprise with economic or balance sheet equity without granting investors voting or influence rights or, as may apply, residual claims as with genuine shareholders.

- A **dormant equity holding** is, for example, a long-term type of financing (and a turnover-share model). It is subordinate in the event of liquidation, the share in losses equates to the full amount of the investment (corporate risk for the investor), and remuneration for the capital provided is based on profit. In return for providing the loan, the project sponsor shares part of the profit with the investor.

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[14] Networking is an important process in the safeguarding and valorisation of ICH and regional sustainable development. The website Entrepreneur Europe has helpful articles about different issues, for example, an article about networking strategies titled "7 Social Networking Strategies": https://www.entrepreneur.com/article/191312.

- The **forgivable loan** is a hybrid financing instrument. Hybrid financing instruments consist of a combination of equity capital, external capital or donations. The forgivable loan is a disbursed loan that is partially waived on reaching the agreed objectives.

- The **recoverable grant** is a loan that only needs to be paid back if the enterprise is successful. Where the investment does not pay off and repayment is impossible, the recoverable grant is converted to a traditional grant.

- The **convertible grant** is a loan that is converted to equity with predefined success of the enterprise.

h) Surety

The surety is a unilaterally binding contract by which the guarantor (or joint signatory) undertakes to the lender of a project sponsor (as main debtor) to vouch for the compliance of obligations of the project sponsor. The lenders cover themselves by the surety in the event of the debtor being unable to pay. The purpose of the loan secured by the investor is defined in advance.

Cultural clubs or associations are often not creditworthy. Private individuals or enterprises must therefore secure loans for projects by means of sureties.

i) Competitions as a funding source

Another way to look for funding for an ICH initiative or project is participation in competitions for entrepreneurs and startups. There are different competitions all over the world. Monthly or annual competitions run startup programmes. These programmes include opportunities to meet peers, learn from industry experts and refine business ideas, as well as win cash prizes and investment.

Useful links about such competitions include:

- Central European Startup Awards, URL: http://centraleuropeanstartupawards.com/

- EU-Startups: 10 of the best startup competitions in Europe, URL: https://www.eu-startups.com/2018/03/10-of-the-best-startup-competitions-in-europe/

- Expo Live Innovation Impact Grant Programme, URL: https://www.expo2020dubai.com/expo-live/Innovation#what-we-are-looking-for

- SWITCHMED, URL: https://www.switchmed.eu/en

- European Bank for Reconstruction and Development, URL: https://www.ebrd.com/home

Guideline for setting up processes for making ICH an asset for regional development

As stressed above, the most important factor for the sustainable valorization of ICH is the identificatory potential of ICH. This must be taken into account while setting up an individual strategy for each region and every single ICH.

The valorization approaches, resourcing, financial models and marketing plans presented above are the basis for the development of the individual strategy. They can be understood as a toolbox – not every tool will function for every ICH. In each case, it has to be assessed which models and approaches are suitable and efficient. Therefore, every ICH must be analysed individually to determine which approaches of valorization could be useful. Another important question to be kept in mind is how new trends and developments can be connected to existing ICH knowledge or about ICH valorization. To work with the mentioned toolbox, the following six-point plan has been developed.

Six-point implementation plan

1. Identification of regional ICH (see CCC Manual on Identifying Intangible Cultural Resources and section A, "Strategies for Valorizing ICH", for more details)

2. State of the Art
    a. Network: Identification of the bearers and involved people and understanding of the mindset (way of thinking) of all involved actors
    b. Financial and resourcing situation: Identification and analysis of the current financial situation, strength and basis on which the ICH relies
    c. Visibility: Examination of the knowledge of the ICH. How well is it established in the region? Do people know about it?

3. Development of an individual strategy for valorization
    a. Content-based concept
    b. Strategic collaboration
    c. Sources of acquisition/financing
    d. Methods of acquisition and marketing

4. Implementation of the strategy
    a. Exploration of the feasibility
    b. Discussion and involvement of the ICH bearers and other actors (such as volunteers)

5. Periodical evaluation and network meetings
   a. Self-reflection: Which tools are useful – and which are not?
   b. How can the financing be improved?
   c. Are all actors involved and how can the collaboration be strengthened?

6. Development of a vision beyond financing
   a. After the successful financing of the ICH, a common vision is needed in order to continue with the project. Cooperation with museums or other institutions can take the ICH to the next level.

Relevant aspects for PP/mediators when identifying an investment strategy:

- Establishing a connection between the past and the present within the framework of ICH is both an opportunity and a challenge. The ICH needs to stay relevant to people, but at the same time modification is to be critically reviewed.
- Building tolerance for change of ICH among ICH bearers is important. A mediation between generations is needed and should be covered by mediators.
- Self-reflection should be strategically included: Why should ICH be passed on to a younger generation? One reason could be the spreading of values connected to the ICH.
- Sustainability has to be striven for not only in terms of economic aspects, but can serve as a concept when all pillars – social, environmental and economic – are taken into account.
- The most important resource for ICH and its valorization is voluntary work and commitment: the willingness to give our time and energy to something we believe in.
- The best way to valorize ICH is to promote the community connected to it.
- Investors need a reason for investing in ICH: There needs to be a win-win situation for them (understanding economic motivations must be considered in the mentoring system). The challenge is to communicate an idea or strategy that demonstrates reasons and/or benefits for investing.
- Regional specificities need to be kept in mind. When discussing tools such as crowdfunding for example, it might only be possible to consider relatively wealthy regions or countries.
- Motivation and conditions of the bearers differ from place to place and from individual to individual. Flexible and pragmatic solutions are needed.
- A network among PPs and the mediators should be established: Sharing ideas, experiences and recommendations.

References for Section C

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Krotschek et al. (2014): Cultural Resources Strategy for Sustainable Regional Development - The CCC Method. Auersbach: BVR V., pp. 8-9, URL: http://www.razvoj.si/UserFiles/File/Publikacije/CRS_web.pdf (Retrieved Feb 11, 2019)

D. IMPROVEMENT OF COMMUNICATION SKILLS

Effective communication is important for any area, any company, and any entrepreneur. Skilful communication can mean the difference between your initiative, project or business succeeding or failing. Nowadays, sending regular emails and newsletters for your important supporters and investors is not enough.

Companies with effective communication strategies have 47% higher returns to shareholders, more engaged employees, and less employee turnover (Grossman 2011). According to communication expert David Grossman, billions are lost due to employee misunderstanding or error due to poor communication (Newlands 2016).

In his article "5 proven ways to improve your company's communication" (Newlands 2016), entrepreneur, business advisor and speaker Murray Newlands writes that "if you want to lead your company to success (…) your communication strategies need to be updated". He recommends five ways to level up your communication. They are:

1. **Lead by example**

Experienced entrepreneurs know that being the first to share, comment, give feedback, and answer questions is the best way to encourage employees and teammates to do the same. Being a great communicator sets the stage for everyone around. Therefore, it is important to do the best to keep an open door policy with lines of communication wide open.

2. **Keep mission and vision at the forefront.**

When the community, group, employees or supporters should focus the work on the goals and objectives of the initiative, project or business, it is important that they really know what the vision of the initiative is about. Everyone needs to be able to see and understand the overarching goals of the company in order to work effectively with each other. Therefore, it is helpful to publish the manifesto and best practices online so all can reference easily, then watch the work soar.[15]

3. **Forego unnecessary meetings and emails.**

Regular meetings can be helpful, and many times, they are still necessary, depending on the issue and the stage of the initiative or project. Still, many online tools can accomplish information dissemination without having to interrupt individual workflow for a project update. Newlands (2016) writes that while emails can be helpful for memos, they are quickly becoming outdated for the kinds of decision-making and collaborative solutions that are necessary in today's virtual global company. Therefore, he recommends enterprise social networks like Podio, ZenDesk, FreshDesk, or SalesForce Chatter. According to Newlands, they are necessary, and make short work of problem solving, project updates, and cross-departmental

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[15] See also Simon Sinek's video mentioned above on p. 38.

information sharing whether your community, group, supporters or employees are in the next room or in another country.

4. Dismantle the hierarchy

According to Newlands (2016), in business, hierarchies create communication blockages, and more and more companies and organisations are doing away with them - and for good reason. Team structures are more effective and more efficient. Less bottlenecked decision-making and accessible leadership encourage fluid communications leading to faster results and added adaptability, according to Newlands (Ibid.). This approach will lead to greater ease in the end. We cannot forget that within the ARTISTIC project on intangible cultural heritage, the ICH bearers, being a community or an individual, need to participate actively of the whole process of the ICH valorization initiative or project. According to UNESCO (2011: 5):

> "intangible cultural heritage can only be heritage when it is recognized as such by the communities, groups or individuals that create, maintain and transmit it – without their recognition, nobody else can decide for them that a given expression or practice is their heritage".

5. Make communication into a habit

Newlands (2016) recommends establishing regular communication processes that happen on a schedule: weekly conference calls, monthly online newsletters, quarterly employee or supporters' reviews, etc. Habitual communication eliminates time wasted searching for information that should be forthcoming and transparent. Defined rules help everyone relax, and work on higher priority business.

Even if the initiative, project or business has only two people, Newlands concludes that "communication skills are a vital part of any successful venture, and staying up to date with the latest communication techniques can make your company more efficient, more lucrative, and more satisfying" (Ibid.).

In which ways can investors be attracted to ICH initiatives?

After the recommendations above, this section focuses on different ways of attracting investors to ICH initiatives and projects:

Some strategies to valorise and give visibility to ICH initiatives happen through:
- the organisation of events about the project or initiatives
- the development of a leaflet,
- feeding social media (Facebook, Instagram, Twitter, LinkedIn, etc.)
- websites

- the active use of local and regional media (newspapers, magazines, newsletters, TV & radio)

- and most important for the success of an ICH initiative: networking![16]

To keep investors informed about the ICH initiative, project or business, it is helpful and important to:

- have a clear profile (the generation of a business model and strategic management will help achieve this)

- have an accurate assessment of your own possibilities

- build and keep a good relationship to the potential investor (networking is very important)

- keep the investor constantly informed

- choose appropriate funding instruments

- keep personal motivation for the issue, project, initiative

- keep continuous communication with all involved persons (such as ICH bearers, community, partners, supporters, investors)

- keep having creative ideas focussing on ICH as the heart of everything

- keep work transparent

- build a good marketing strategy: self-portrayal or portrayal of the ICH initiatives (online through social media and websites or offline through leaflets, posters, advertisement newspapers, magazines, TV and radio programmes, cultural events)

- develop a reputation model for investors, presentation of reputation effects or representation of a reputation gain.

In addition, investors also need a guide to assess ICH projects. Important guidelines include:

- Taking on social responsibility for ICH,

- Building, supporting and keeping employee motivation

- Promotion of brand awareness

- Promotion of the regional ICH

- Cultural impulses and knowledge transfer for one's own corporate culture

- Embracing cultural activities that suit the company (image, brand, target and strategy, respecting the principles of ICH)

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[16] Networking is a very important process in the safeguarding and valorisation of ICH and regional sustainable development. The website "Entrepreneur Europe" provides helpful articles about different issues, for example the article about networking strategies "7 Social Networking Strategies": https://www.entrepreneur.com/article/191312.

- The use of Corporate Cultural Responsibility (CCR) as part of Corporate Social Responsibility (CSR).

- Determining the Return of Investment (ROI) from CCR measures, such as:

    - Advertising equivalence values from (media) mentions,
    - Logo/mentions on products,
    - Contact numbers,
    - Employee and customer incentives,
    - Income from licenses,
    - Rights,
    - Participation,
    - Fair trade responsibility,
    - Interest in ICH valorization

Marketing tools / strategies for ICH initiatives[17]

Without a marketing strategy, an initiative, project or business will not get far. Therefore, it is important to take into account the different possibilities that could be pursued.

Marketing is often mixed up with advertisement; and even if good marketing has the effect of advertisement, the intention in the first place is not the same. Marketing in a wider sense must be understood as the engagement of citizens and different actors on a local level. To achieve this goal, the first questions that must be asked within the ARTISTIC project are:

- What are the needs of the local community?
- Who is part of the community?
- How can a conversation be started?
- How can you reach the target group?

The focus of a marketing campaign, however it turns out to be in detail, should be on interaction of both sides rather than on one-way-communication.

A first step should be the internal clarification about:

- what should be communicated,
- what the key message is and,
- which voice or words will reach the target group / community.

The understanding of the structure and the needs of the local community mentioned above will help in finding strategies of communication as well as influencers – another important aspect.

One of the specific characteristics of ICH is that it builds upon local structures, local historic contexts and people. Sometimes, the knowledge about this and the contemporary links are lost

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[17] The content about "marketing strategy" has been drafted with involvement of Jasmin Vogel, Head of Marketing at the centre "Dortmunder U".

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or missing. Therefore, it is important to re-establish this connection or, if it is still there, to prioritize it. Marketing is a helpful instrument for this, on the condition that it is not mixed up with advertisement. If the community and the values of ICH are emphasized, there is a good chance that a sustainable result can be achieved. It is also important to connect them to current trends, issues and news and to make them part of the trends. These strategies will stimulate ICH safeguarding and valorization.

Tools and strategies

a) "Traditional" marketing practices: Printed media, media websites and newsletters

First of all, **printed media** play an important role in terms of marketing. Cooperation with local and regional print media, for example by organizing "press trips" or regularly giving interviews, can give personal and emotional insight about the specific ICH and its practices and bearers. Print media campaigns are still very important; furthermore, they strengthen local cooperation and networking with supporters of ICH.

Local and regional **media websites**, such as city portals or portals addressed to tourists, play an important role in the context of marketing. They have become more important since many citizens no longer buy printed media. The visibility obtained through tourist portals can also reach target groups on a non-regional level.

Newsletters spread via email are used in order to directly contact (potentially) interested people and/or keep in touch with them. They are a good tool for informing citizens and tourists about events and new insights and are already used by many ICH bearers.

b) Social media marketing

The expression "Social Media" is used in different ways. This goes beyond Facebook, Twitter, LinkedIn, WhatsApp and others to include blogs, sites, forums and social networks which can include the ones listed above. The use of social media in the context of ICH is still in the early stages: The traditional marketing practices mentioned above are still considered more important, even if there is increasing knowledge about the importance and coverage of social media. An awareness about the importance of storytelling as a method is beginning to develop, and it is well suited to social media (for more information about storytelling, see section c).

Social media marketing aims to reach out to audiences or viewers via digital tools, such as blogs, social networks and so-called "Micro Blogging" such as Twitter, which only allows a very limited space for messages. Different target groups can be reached with different tools; a characteristic of social networks is the greater share of younger audiences. Therefore, the use of social networks works well to reach target groups who do not react to classical marketing campaigns such as newsletters, print media and websites.

A very important issue in the consideration of the use of social media is the necessity to continually maintain the content and keep the layout up to date. The communication (like posts and tweets) must be targeted and catchy (keeping in mind that this is a very broad term), and

understanding the community / target group of stakeholders is a basic prerequisite. Many companies, public institutions, or non-profit organisations, but also persons of interests have their own social media teams who are responsible for the maintenance of the different channels. All this, of course, costs money, which is often not available for ICH bearers and cultural projects. However, many try to use social media marketing as a sideline. This can work, but in most cases there is not enough time or knowledge to build up an effective social media campaign. In case that there is no budget for a professional social media manager, strategies could be:

- To focus on one or maybe two channels instead of trying to feed all networks half-heartedly.

- As with all other marketing activities, the key message, the target group and community must be identified and clarified.

- Networks and social media channels must be kept up to date, inputs and posts should appear on a regularly basis. This does not need to happen every day, but at least weekly.

c) Storytelling

Storytelling has become important in the context of digital as well as print marketing in the past years. The basic line is to **develop a story related to the key message and the target group**. By doing so, the connection can be established already while feeding the marketing channel. The audience is integrated in the story and relates more easily to the ICH product/event/process. Existing stories can be made visible via different voices, different persons and narratives (polyphony). The requirements for developing a storytelling are:

a) a specific strategy for the content (what is the story?)
b) an implementation of content management (workflows, storylines, production for different channels and platforms).

Guideline for developing a specific marketing strategy for local ICH

In order to develop a marketing strategy for local ICH, you should pay attention to the following recommendations:

User centred approach

- Identification of the community: ICH bearers, target group, stakeholders, influencers, persons responsible (the responsible persons should be trained in the specific marketing tools)
- Change of perspective: not only my view of things is important but also the perspective of the community
- The ICH initiative or project and the marketing strategy needs to be developed with the community rather than for the community!
- Prototyping: the development of a plan for a small-scale project / idea will help to understand the different steps. If it works, it can be used on a larger scale.

Central questions to be asked:

- What is the solution to the problem?
- Who is the voice (about this story)?
- What is the key message?
- Which challenges might exist?
- Implementation of the content and storytelling strategy
- Timeline for realisation

References for Section D

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E. INTELLECTUAL PROPERTY RIGHTS: WHAT IS THIS?

According to UNESCO, "Intellectual property rights (IPR) are a set of rights associated with creations of the human mind" (UNESCO 2015: 5).

By creating something, inventing a product, writing a program, lyrics, etc., we are also creating intellectual property, which is like any other property that can be sold, licensed, etc. Within this process, the law helps the creator to benefit economically from the creation.

According to UNESCO, (Ibid), the establishment of the World Intellectual Property Organization (WIPO) is an important milestone that "recognizes the legitimate rights of the creator to their work".[18]

Intellectual Property Rights and Intangible Cultural Heritage

When we talk about Intellectual Property Rights, which will be referred to as IPR in this paper, we need to consider many issues. Within the field of ICH, we first need to observe if the project or product we created or are creating according to our traditional knowledge or culture, as a result of our intangible cultural heritage, can or should be protected by law or how it can be classified as an intellectual property product.

According to UNESCO (2011: 8), applying intellectual property rights with the current legislative framework is not satisfactory when dealing with intangible cultural heritage. UNESCO explains:

> "Main difficulties are related to its evolving and shared nature as well as to the fact that it is often owned collectively. Indeed, as intangible cultural heritage evolves thanks to its continuous recreation by the communities and groups that bear and practise it, protecting a specific manifestation like the performance of a dance, the recorded interpretation of a song or the patented use of a medicinal plant may lead to freezing this intangible cultural heritage and hinder its natural evolution. Moreover, as the communities are the ones who create, maintain and transmit intangible cultural heritage, it is difficult to determine the collective owner of such heritage." (UNESCO 2011: 8)

Therefore, it is very important for us within the ARTISTIC project to take these recommendations from UNESCO into account when working with ICH valorization and local sustainable development in Central European Regions.

In the following, we will give a more detailed description of IPR and what it covers.

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[18] This content about IPR was created based on the UNESCO publication "Intellectual Property Rights" (2015). The original publication is available in Open Access under the Attribution-ShareAlike 3.0 IGO (CC-BY-SA 3.0 IGO) license (http://creativecommons.org/licenses/by-sa/3.0/igo/).

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What IPR covers

IPR covers many different fields, and sometimes we do even not acknowledge how manifold IPR is. Topics that are covered by IPR include:

- literary, artistic and scientific works;
- performances of performing artists, phonograms, and broadcasts;
- inventions in all fields of human endeavour;
- scientific discoveries; industrial designs;
- trademarks, service marks, and commercial names and designations;
- protection against unfair competition;
- and any other rights resulting from intellectual efforts. (UNESCO 2015: 5)

Broadly speaking, IPR covers:

Laws related to copyrights

Patents

Trademarks
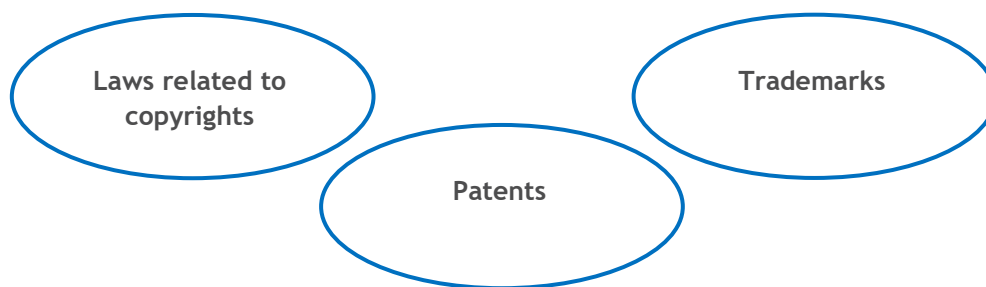
IPR and international legal instruments

While laws for these are different in different countries, they follow the international legal instruments. According to UNESCO (2015: 4), the significance of IPR for the economic growth of nations in the knowledge economy was recognized thanks to the establishment of the World Intellectual Property Organization (WIPO).

Can intellectual property be accommodated within normal property?

Compared to normal property, intellectual property is also a relationship between people. However, the difference between normal and intellectual property lies in the fact that the object is an abstract one. According to UNESCO (2015: 6), this leads to the belief that it "cannot be subject to the same rules of property".

An idea can be an example of a resource "like air or light that is not zero sum and inexhaustible in that my use of it does not take away from your use of it", according to UNESCO (2015: 6). UNESCO continues: "Neither air nor light can become personal property, which leaves ideas in a property limbo" (Ibid.). This all causes manifold discussions and debates over the existence of intellectual property and also the place it ought to occupy in society.

John Locke, an English philosopher whose argument for individual property as "natural rights" remains relevant even today when applied to intellectual property, says that "exclusive ownership of a resource is a precondition for production" (Ibid: 7). However, before ideas are elaborated by people, they are not exclusively owned which resists the cross application of these arguments to intellectual property.

UNESCO explains: "Intellectual labour, in annexing an idea, stops it from becoming a part of the intellectual commons. If this labour, armed with the property of becoming property is doing a disservice to society, then it may not be a natural right at all" (2015: 7).

Ideas as part of the intellectual commons

When belonging to a community or a group, intellectual property should be understood and seen also as a part of the intellectual commons. The concept that ideas are a part of the intellectual commons needed evidence, and, according to UNESCO, "Locke found that in scripture as Judeo-Christian philosophy clearly advocates the idea of all worldly resources being part of the commons" (UNESCO 2015: 7). Therefore, when we talk about IPR and ICH, we need to be aware of the following:

> "Since IPs are liberty intrusive privileges that do not 'allow the most extensive liberty compatible with a like liberty for all', or 'benefit the least advantaged', or are 'open to all under conditions of fair equality of opportunity', their utilitarian claims of creativity have to answer to the injustices that manifest from them before they get a carte blanche in society" (UNESCO 2015: 8).

The different types of Intellectual Property Rights

Intellectual Property Rights are of different types, namely:

- ✓ Copyrights,
- ✓ Patents
- ✓ and Trademarks.

In order to understand the different types of IPR, they are explained in the following:

Patents

UNESCO describes patents as follows: "Patents are a set of exclusive rights granted by a sovereign state to an inventor. These rights are granted for a limited period of time, usually about twenty years. The granting of these rights is in return for public disclosure of the invention" (UNESCO 2015: 10).

Criteria for Patentability

Patents protect inventions that could be either products or processes. It is necessary that inventions meet the criteria for patentability. "These criteria are the presence of a patentable subject matter, novelty, non-obviousness and utility/industrial application", according to UNESCO (2015: 10). The criterion of an inventive step is important, however mere discoveries are not patentable, and neither are algorithms (Ibid.).

Patents and the Law

National legislation also deals with patents. Besides prescribing the patentability criteria laid out before, legislations also provide the terms of:

- protection,
- the role of patent examiners,
- rights of patent holders, exceptions to patentability,
- provisions around compulsory licensing,
- conditions for licensing etc. (UNESCO 2015: 11)

Trademark

According to UNESCO (2015: 12), "a trademark is a recognizable symbol, sign, expression, design or the like which is used to identify and differentiate one product or service emanating from a particular source against one emanating from another source".

When a trademark becomes associated with an entity, it may take many forms, and can be visible on packaging, labels, advertisements, all company merchandise, etc. (Ibid.).

The trademark holder has the benefit of rights associated with trademarks. In the case of the infringement of a trademark through an action, these rights can be enforced. However, UNESCO (2015: 12) remarks that for this to occur, the trademark has to be registered, otherwise remedy may have to be sought elsewhere. For instance, it could be treated under the common law of "passing off".

According to UNESCO, the rationale of trademark law is also one of consumer protection. It prevents the public from being misled about the origin or quality of a product or service, according to UNESCO (Ibid.).

OTHER TYPES OF INTELLECTUAL PROPERTY (IP)

Trade Dress

The trade dress refers "to the visual appearance of a product". This could be, for instance, its packaging. However, in the case of architecture, UNESCO explains that it could be the design of a building. "The principle is akin to that of trademarks, in that the source or origin of the product has to be communicated to the consumers", so UNESCO (2015: 12).

Trade Secrets

In the case of "Trade Secrets", UNESCO writes:

> "When we speak of trade secrets, we speak for instance of Coca Cola's secret recipe to manufacture their popular beverage. Trade secrets, therefore, refer to information, be it a formula, a program, a method, a pattern, a process or anything of the like. The rationale of keeping the same a 'secret' is to have a competitive economic advantage over one's competitors in one's trade" (Ibid.).

Geographical Indicators

Geographical Indicators is another point to be discussed within the issue of intellectual property rights. As examples, UNESCO names champagne, Darjeeling Tea, Columbian coffee, or Swiss cheese, watches, cuckoo clocks, and chocolates.

UNESCO clarifies:

> "A geographical indication (GI) is a sign used on goods and denotes the geographical origin of the said good. The qualities of that product, the reputation and characteristics that it enjoys are attributable to the place of origin of the product, and are represented by the GI" (UNESCO 2015: 13).

A GI will often include the name of the place of the origin of the goods and its recognition is a matter of national law. According to UNESCO: "In international law, the Paris Convention for the Protection of Industrial Property 1883; the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration, 1958 most notably deal with GIs" (UNESCO 2015: 13).

Traditional Knowledge (TK)

In the case of Intangible Cultural Heritage, "traditional knowledge protection" is a very important issue. UNESCO lists the following questions to demonstrate what "Traditional Knowledge" is about:

> "Does your family have its own set of rituals and traditions that might be reflected in festivals or weddings? How about the recipe for that perfect pie that might have been passed down in your family from generation to generation, beyond anyone's memory; or those 'home remedies' for the common cold or fever? These might just be one manifestation of what we call 'traditional knowledge' (TK)." (UNESCO 2015: 13)

According to UNESCO, traditional knowledge refers to the knowledge, the skills, the know-how, the practices that are passed down from generation to generation, within a community, and are developed and sustained in that community. "This knowledge forms a part of the cultural and spiritual identity of communities and may be a part of scientific, agricultural and medical contexts, among others", explains UNESCO (Ibid.).

While innovations based on traditional knowledge are protectable under systems of patents, trademarks, copyrights, or GIs, UNESCO adds that traditional knowledge itself "does not enjoy protection under intellectual property law as it stands today" (Ibid.).

However, as UNESCO reports, issues in this area can be twofold:

> 1. "first, of developing strategies to ensure third parties do not exploit TK at the cost of communities and do not enjoy an unfair benefit as a result of IP protections on work based on TK
>
> 2. and second, of communities actively using, exploiting and benefiting economically from their TK." (UNESCO 2015: 13)

WTO and emerging IP norms

In the opinion of UNESCO, the World Trade Organization plays an important role "in the process of introduction of intellectual property norms and practices into the multilateral trading system" (UNESCO 2015: 15).

UNESCO points out:

> "The reason behind this interaction between trade and intellectual property is that with the maturation of the knowledge economy, ideas have become an important constituent of the trading process. Ideas have become the goods of today and are crucial for the initiation of industry, innovation, and entire economies." (UNESCO 2015: 15)

UNESCO adds: "The protection of intellectual property rights have (sic!) a significant impact on economies and innovation. Regimes of IPR protection therefore assume great importance in the scheme of trade" (UNESCO 2015: 15).

As prescribed by UNESCO (Ibid.), "the variation of IP norms across the world was a source of concern for the WTO and entrenched business interests as the diversity does not suit profit maximization". "Cultural diversity was something to be appreciated as long as it did not come in the way of business", UNESCO adds. Therefore, in order to maintain the standardization of IP norms, the Uruguay Round was commenced with the goal to inspire "clarity in global understanding of IP rules across jurisdictions and to be able to resolve disputes in a predictable and amicable manner" (Ibid.: 16).

Afterwards, "common international rules were negotiated and the Trade Related Intellectual Property Rights (TRIPS) Agreement started taking shape", so UNESCO (Ibid.).

The **Agreement on Trade-Related Aspects of Intellectual Property Rights** (**TRIPS**) is an international legal agreement between all the member nations of the World Trade Organization (WTO). It sets down minimum standards for the regulation by national governments of many forms of intellectual property (IP) as applied to nationals of other WTO member nations.[19] TRIPS was negotiated at the end of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) in 1994 and is administered by the WTO.

"In the course of time", according to UNESCO, "the TRIPS Agreement became one of the foundational agreements of the WTO, forming one of its 'three pillars', the other two being trade in goods and trade in services" (UNESCO 2015: 16).[20]

As reported by UNESCO, the TRIPS Agreement covers all areas of IP protection that were precluded by the "Paris and Berne Convention" and collates all "the norms in one single agreement (…) making diplomacy on IP norms an easier process" (Ibid.).

The TRIPS Agreement covers, among others, copyright, trademarks, geographical indicators, industrial designs, patents, integrated circuits layout designs, trade secrets, curbing anti-competitive licensing contracts and technology transfer. Due to its overly broad nature, TRIPS is often criticized (Ibid.).

Summing up, UNESCO writes that:

> "IPR is like any other property rights that enable the owner to economically benefit for the works. While copyright is the first kind of IPR available to human-kind, other types of IPR are related to patents and trademarks. Each of these has their specific laws in different jurisdictions." (UNESCO 2015: 17)

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[19] Wikipedia, "TRIPS Agreement", URL: https://en.wikipedia.org/wiki/TRIPS_Agreement

[20] For further information, see Wikipedia, "TRIPS Agreement", URL: https://en.wikipedia.org/wiki/TRIPS_Agreement

USEFUL VIDEOS ABOUT INTELLECTUAL PROPERTY RIGHTS ISSUES

- Copyright by WIPO, **Video**1: http://www.youtube.com/watch?v=eEB5MYcj-Ns
- Patents by WIPO, **Video2:** http://www.youtube.com/watch?v=Bb9EBtlGx7w
- Trademark by WIPO, **Video**3: http://www.youtube.com/watch?v=J-PYuZOPrzI

References for Section E and suggestions for additional reading

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