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*Enterprise by 'industrial' design: creativity and
competitiveness in the Birmingham (UK)
Jewellery Quarter*

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The Intellectual Property Rights (IPR) elements of the DIME Network currently focus on research in the area of patents, copy-rights and related rights. DIME's IPR research is at the forefront as it addresses and debates current political and controversial IPR issues that affect businesses, nations and societies today. These issues challenge state of the art thinking and the existing analytical frameworks that dominate theoretical IPR literature in the fields of economics, management, politics, law and regulation- theory.

**Enterprise by ‘Industrial’ Design:
Creativity and Competitiveness in the Birmingham (UK) Jewellery Quarter**

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Abstract

This paper explores the manufacture of jewellery in Birmingham’s established jewellery quarter. The focus is on identifying and exploring the factors that lie behind the continued existence of this industry in Birmingham. Central to the survival of the industry has been the development of product-based competitive advantage constructed around creativity, customization, design and place-based reputations. Surviving jewellery firms have moved away from competing on price towards non-price based competition. This has meant that they have withdrawn from designing jewellery for mass production and, instead, are concentrating on high value added customised jewellery. This has important implications for intellectual property rights (IPR) in this industry as expensive customised designs do not require IPR protection. There are, however, longstanding IPR issues that still need to be addressed. Traditionally, jewellery was designed and manufactured in Birmingham but finished and assayed in London. This worked against the Birmingham jewellers as the London retailers purloined the design reputations of the Birmingham firms, and German manufacturers purloined their designs. This unequal relationship continues to occur. It provides Birmingham jewellers with a short-term advantage, but a persistent long-term disadvantage – they do not build place-based reputational capacity.

The context for this paper is a concern with developing new accounts and theories that explain the role manufacturing contributes to the economies of the member states of the European Union. The focus is on the creative knowledges that manufacturing firms draw upon to ensure that they are able to compete by designing and manufacturing products in high cost locations. The paper is based on twenty-five five-to-face interviews with jewellery firms that have been undertaken over the last 12 months.

Enterprise by 'Industrial' Design: Creativity and Competitiveness in the Birmingham (UK) Jewellery Quarter

After the Assay office was opened in Birmingham in May, 1773, chiefly as the result of Boulton's exertions, the first list of articles to be marked was submitted from Soho factory and included, as reported in Art's Gazette of the time, the following rather astonishing range of products: Buckles, spoons, spurs, knife handles, candlesticks, salts, gun furniture, tea tongs, instrument cases, bottle stands, snuffers, snuffer pans, metal labels, sword hilts, buttons, punch ladles, wine strainers, shoe clasps, whip handles, epergnes, tea vases, coffee pots and lamps, tea pots, canisters, bread baskets, sugar dishes, castors, ice pails, cream jugs, cups, waiters, salvers, table crosses, sauce boats, sacramental plate, tankards, pint and half-pint cups, dishes, plates, tumblers, cheese toasters, skewers, ink stands, toilet plate, fish and pudding trowels, bells, etc' (Renshaw, 1932: 89).

Introduction

Manufacturing no longer appears to matter in developed market economies. In the United Kingdom deindustrialisation used to be extremely topical during the late 1970s and throughout the 1980s (Blackaby, 1979; Rowthorn and Wells, 1987); factories closed, manufacturing employees were made redundant and in 1983 for the first time since the Industrial Revolution, the United Kingdom's balance of payments in manufacturing plunged into deficit (Bazen and Thirwall, 1991: iv). From 1983 services, especially financial services, have played an important role in the country's balance of trade assisted until relatively recently by exports of oil and gas from the North Sea. Deindustrialisation is a complex process and one that is difficult to define. According to Blackaby (1979) 'deindustrialization has gatecrashed the literature, thereby avoiding the entrance fee of a definition'. There are many different ways of defining deindustrialisation: a long-term contraction of manufacturing; a declining share of total employment in manufacturing or an absolute decline in manufacturing employment. It is important not to confuse employment with output; manufacturing output may increase at the same time as employment declines. Much of the literature on deindustrialization focuses on employment rather than output (Bryson, 2008) and this led policy-makers and academics to under-estimate the continued importance of manufacturing in developed market economies.

During the 1980s economic debates shifted away from attempts to preserve or protect the British manufacturing base towards discussions concerning the future of work in a 'post-industrial' or service-led society. This led to an on-going debate into service work and service-led economies that led to the neglect by academic of manufacturing. Manufacturing was all but forgotten by economic geographers as the production bias in

the discipline, with a focus on transnational corporations (TNSc), was replaced with a culturally-informed consumption turn (Clarke, et al., 2003) and research into personal finance and service work. In the wider economy the oft proclaimed decline of British manufacturing failed to take into consideration that the manufacturing part of the economy was just as heterogeneous and complex as the service economy and that manufacturing still made an important contribution to the balance of trade. Early studies of the service economy had argued that services were complex, difficult to define and extremely heterogeneous (Bryson *et al*, 2004). There is a real danger that economic geographers fail to appreciate the complexity of manufacturing. During the 1960s to reduce production costs American manufacturers began to establish manufacturing facilities in cheap labour economies. British firms followed. The activities of large TNCs as they sought to exploit differential comparative advantages through the creation of a new international division of labour led to a contraction of Britain's manufacturing base. But, large firms producing mass produced products represent only one part of a country's manufacturing economy. Manufacturing still continued in developed market economies as TNCs continued to refine their experiments with exploiting differential comparative advantage. Like services, manufacturing can be undertaken by micro-firms, small and medium-sized enterprises (SMEs) as well as large transnational firms. Firms can continue to manufacture in high cost locations by exploiting productivity improvements, by producing products that must be created close to the market, by identifying and targeting niche markets or by exploiting place-based advantages (Rusten *et al.*, 2007) and various forms of intellectual property protection. Manufacturing has altered and it is timely for economic geographers to return to identifying and exploring the new economic geographies of production that have formed partly in response to deindustrialization and are in part just systematic of the inherent complexity of manufacturing production.

This article is part of a larger project that is exploring a very simple question: whatever happened to British manufacturing? (Bryson et al., 2008) To answer this question we are undertaking a series of studies of industrial sectors using the same research questions and a similar methodology. In this article, we explore place-based reputation and the survival of high value consumer products in Birmingham by identifying the processes that have led to the survival of jewellery and cutlery manufacture in Birmingham, UK. The paper is informed by fourteen in-depth interviews with jewellery design-makers and makers that were undertaken during 2007 in Birmingham's Jewellery Quarter. Five in-depth interviews were also undertaken with representatives from the institutions that support the design and manufacture of jewellery and high value consumer goods in Birmingham, for example, the School of Jewellery and the Jewellery Industry Innovation Centre. The interviews provide the context for this paper, but much of the evidence base used to construct the argument comes from the analysis of legislation and company histories.

Constructing Place-based reputational capital through storytelling

Storytelling is at the centre of all cultures. Pre-literate societies retained their histories and identities through stories that were passed down the generations. National identity is constructed around shared stories that are often associated with symbols of statehood (Morris, 2005). Stories are constructed and told and retold about places. In subsistence

economies stories are constructed around history, people and nature. The industrial revolution and the construction of an economy based upon choice and competing products also led to the attachment of stories to products. Stories were created and told by companies and eventually stories formed into brands and product associations; branding can be considered as a commercial process of storytelling. In this context, story construction can be conceptualised as part of the ‘branding’ of the economic and the development of an economy based on scripted experiences (Pine and Gilmore, 1999). Management science places considerable emphasis on the role storytelling plays in intra- and inter-organizational relationships (Boje, 1991, 1995; Boyce, 1995; Gabriel, 1991; Mahler, 1988; Rowlinson and Hassard, 1993; Rowlinson, 2002; Wilkins, 1983) and more recently some economic geographers have become interested in the creation and impact of corporate narratives on contemporary corporate structure (O’Neill, 2006).

Stories are created and retold about firms as well as places that play an important role in economic competitiveness (Bryson and Lowe, 2002). Such stories may be locally produced and projected and may come with positive or negative associations (Rusten *et al.*, 2007). Competitors, nations, places or firms, may try to construct and project negative place or product stories. It is often very difficult to identify the origins of a particular story. The development of a national media industry provides opportunities to transform local and industry-specific stories into national and international stories. Some current examples of this process, which now operates globally, are: London’s central story is one of The City and finance, Paris of fashion, and Birmingham of a wasteland of industrial dereliction. The last example provides another feature of stories in that their influence can last longer than reality. All these places have stories associated with them that are of only local importance. Stories are told about particular scales of activity - the global, national, regional and local story. Like all stories many will be concerned with the implicit or explicit creation and perpetuation of a myth. London’s ‘myth’ as a financial centre is perpetuated by global story-telling which encourages those telling and receiving the story to forget about London’s other stories – manufacturing employment, low-paid supporting service jobs, unemployment, underemployment, homelessness, social polarisation, etc.. In particular places, sufficient human, social and physical capital investment has occurred to establish reputations for particular activities and events. These activities may be the consequence of an established industry or of a small number of highly visible entrepreneurs. The creation of a localised, but national or globally visible reputation for a particular activity, driven by a network of contacts, links a particular place into the global production system, permitting the continued concentration of power, control and activity. This type of place-based branding may operate as a form of intellectual property protection as a product or a firm can become closely related to a place. The implication is that competitors may find it difficult to compete against place-based associations as they are the product of a complex and often unplanned process of storytelling. Place-based associations cannot prevent counterfeiting and piracy and may in fact encourage counterfeiting behaviour.

Branding developed into a sophisticated industry after the Second World War as the developing international economy enhanced consumer choice. Branding products through a process of storytelling was one way in which companies developed product

differentiation through the creation of ‘uniqueness drivers’ (Hooley and Saunders, 1993: 210-211). It is standard marketing practice for companies to seek to identify a product or firm’s unique selling proposition (USP). The concept of a USP was developed by Roger Reeves, former managing director of the Ted Bates Agency. Bates would stand before a client, take two quarters from his pocket and argue that ‘his job was to convince the consumer that the quarter in his right hand was worth more than the one in his left’ (Twitchell, 2004: 5). The proposition side of USP has been developed to embrace wondrous stories that are told about products that are often unrelated to the actual product.

Brands based upon often bizarre story associations are difficult to imitate and provide companies with one way of creating and protecting product and company distinctiveness. There is an important but often ignored relationship between a company’s place of origin and product associations. Sometimes this is an explicit association and sometimes implicit built upon organically developed associations between place and a host of products, for example the relationship between German engineering and quality (Godau and Polster, 2005) and Italy and design. The latter association represents ‘a single-minded and spontaneous operation of national image-building’ (Neumann, 1999: 9) or storytelling. These associations have been identified in the marketing literature (Hooley *et al.*, 1988) and also that of economic geography (Rusten *et al.*, 2007). Hooley *et al.* (1988) explore the ways in which a firm’s home country can function as an asset or a liability. They argue that Japanese firms collectively benefit from associations that had developed between quality, value for money and Japan, but that in the 1980s ‘made in Hong Kong’ or ‘made in Taiwan’ projected an image of cheap materials and poorly manufactured products. Consumer associations between products, companies, brands and place of origin should not be underestimated. Such associations develop over many years, but can also be destroyed by company or national crises that provide consumers with an alternative story. Country-based associations are difficult for companies to control and perhaps impossible to create, but conversely it is much harder for competitors to destroy or under-mine a company’s symbolic-based assets (Hooley and Saunders, 1993: 93). Technology and designs can be copied, but branding and place-based associations are difficult to imitate.

Place-based associations may be an important tool within a company’s competitiveness toolkit. Given this some firms and products have tried to protect their symbolic-based assets by treating them as a form of place-based intellectual property. In many instances, co-located firms will combine to try to protect a collective place-based asset. There are different scales of place-based association. Much of the marketing literature focuses on national-based associations (Hooley, *et al.*, 1988), but place-based symbolic assets also operate regionally and even intraregionally and may be restricted to one village, valley or even street (Rusten *et al.*, 2007). In a history of Bond Street, London, Halstead argues that the ‘name Bond Street has, indeed, come to act, like “Sterling” and “gilt-edged,” as a synonym for intrinsic worth among all civilised (1952: 11). He also makes a direct association between the street and the reputation of companies located on the street, for example he states that ‘like the name “Bond Street” itself, the name “Asprey” [the silversmiths and jewellers], for instance, is used as a synonym for productive perfection’

(1952: 43) and that a Bond Street hall-mark exists that is 'seen in *style* from the making up of a parcel to the designing of a necklace' (1952: 55).

In Britain, during the eighteenth century London developed a reputation for fashion and design associated with the tastes and fashions of the aristocracy (Sparke, 1987: 17). During this period London developed into the British Empire's financial, commercial and legal centre. The growth of consumer demand led to an intensification of the division of labour and also a greater emphasis was placed on advertising and product differentiation. London became increasingly important as a fashionable, commercial centre and the capital became the undisputed leader in the commercialization of fashion (McKendrick *et al.*, 1983). It is at this time that many of the famous and fashionable London retailers were established (Fortnum and Masons, Heals) (Sparke, 1987: 32; Barty-King, 1992: 5). It became increasingly important for designers to establish associations with London and many of the famous furniture makers and trades people established show rooms in the Capital. According to Sparke (1987: 32) during the eighteenth century it 'became common practice . . . for increasing numbers of middle-class customers to travel to London to see what was available and to make purchases'. The relationship between London and the centre of UK fashion continued throughout the nineteenth century and into the present century. In 1900, for example, Austin Reed, the gentleman's outfitters, opened his first London store. The company's first store was opened in Reading in 1853 by Thomas Read, Austin's grandfather. The decision to open a London store was made on the understanding that 'it is a generally accepted fact that the provincial hosier is a month to six weeks behind his London contemporary in showing the same goods [and that] the whole first consignment of a new production is generally taken up in the City alone, to the entire exclusion of the country trader' (Austin Reed advertisement, cited in Ritchie, 1990: 13). The implication is that a London address provides a company with access to symbolic associations that may be denied to competitors located in other places.

Geographic Indicators and Trade Descriptions

Place-based associations or geographic indicators have come to play an increasingly important role in firm- and national-based competitiveness. Producers in the European Union are concerned with the impact of low-priced imitative products, many of which are intended to compete against branded fashion-driven high value added products. The legal system and enforcement has to deal with the issue of counterfeiting and piracy, but this is a difficult and expensive activity. Difficult as many of the counterfeiters are located in countries with poorly developed intellectual property protection. There are also problems with European law which is formulated around the concept of free trade articulated in the Treaty of Rome. Counterfeiting and piracy operates to undermine the integrity of a company's brands and products by misappropriating trademarks, copyrights, and other intellectual or industrial property from their owners. The difficulty is that a company needs to be able to detect and prove that an offence has been committed. The threshold value of each offence must also be explored. It may be too expensive for a company to prosecute a firm that produces a single copy, but a copying threshold must exist beyond which copying activity become commercially significant. Copying can consist of a direct copy of an existing product and/or brand, the development of branding and products that

are close to that used by an existing firm or attempts to distort indicators of country of origin.

There is no legal requirement in the United Kingdom or European Union for goods to bear place of origin marks (Department of Trade and Industry, 2003). Assay office returns must be used with care as an article can be manufactured elsewhere and assayed in Birmingham. Section 36 of the British *Trade Descriptions Act* (1968) addresses the issue of country of origin labelling by stating that ‘goods shall be deemed to have been manufactured or produced in the country in which they last underwent a treatment or process resulting in a substantial change’. The *1972 Trades Description Act* stated that a product that was marked with a company name or trade mark must be accompanied by a prominent declaration of country of origin. This meant that a British company manufacturing goods in another country had to add a place of manufacture to their company mark. A modification to the 1972 Act was approved in 1981 (*Miscellaneous Goods Marking Order*) that specified that the country of origin must be clearly marked on all silverware and cutlery. This Order led to Britain being taken to the European Court of Justice by the European Commission. The Commission claimed that the new order breached the Treaty of Rome as it was a barrier to free trade on the grounds that it increased the cost of imports into Britain as producers now had to stamp the country of origin onto products. The United Kingdom lost this case as according to John Price, cutler and silversmith, the British government called no expert witnesses and ‘any informed member of the trade could have made it quite clear that to sell cutlery in England words like STAINLESS STEEL have to be in English . . . [and] the addition of KOREA to stainless steel was no cost at all as the mark was applied in the same single stamp’ (Price 1997: 115-116). The loss of this case meant that products manufactured in other countries could be sold in the UK under the trade logo of an established British firm. The European Commission also identified the *Trades Description Act (1972)* as a barrier to free trade and this piece of legislation was also removed. Price argues that subsequently ‘full advantage was taken by importers to present their Korean and Japanese cutlery with names from the past that had once made cutlery in Sheffield . . . Many suggesting that they still did, quoting in brochures and catalogues an exaggerated history but never telling people that the product they were now buying had nothing whatsoever to do with that past’ (Price, 1997: 116).

At the moment, no legal definition of ‘substantial change’ exists in the UK and no definition has been established by the English Courts. In this circumstance, under British law, the test of reasonableness must be applied or in other words the meaning is that which would be reasonable given the quoted words. Only one Order has been made to this Section that covers cutlery and this states that the process of silver-plating stainless steel cutlery does not constitute a ‘substantial change’. Actual assembly of an object may be considered to represent a sustainable enough change for an object to be considered to have been ‘made’ in the place of assembly. This is quite a complex area of law that applies to country of origin as well as places, for example, towns, cities and regions. Ultimately, the present legal system in the UK would require that a court decided the place of origin of the last substantial change that an artefact has undergone.

Creating High Value Consumer Products in Birmingham competitiveness

For over five hundred years jewellery and plate have been produced in Birmingham. The restoration of Charles II (1661) led to a revival in fashion-driven consumption informed by tastes that the returning monarch had acquired during his time on the Continent. At this time, buckles, clasps, chains, lockets and buttons were imported from the continent and were copied by Birmingham artisans (Roche, 1926: 7). By 1770 more than 40 manufacturers of jewellery were located in Birmingham. Between 1796 and 1830 jewellery manufacture in Birmingham was increasingly concentrated in an area of just over 100 acres to the north-west of the centre of the city (Wise, 1949: 62). Throughout the nineteenth century the Birmingham jewellery industry grew from employing 3,700 in 1825 to 14,000 in 1880 whilst employment peaked in 1911 (De Propriis and Lazeretti, 2003). By 2005, employment had fallen to 3102. Birmingham is still the centre of the British Jewellery industry. Employment in Birmingham in 2005 was 1,543 (SIC code 3622 – manufacture of jewellery and related articles not elsewhere classified) compared with Camden, the next important centre, which employed 901.

Assay office figures provide another indication of the important role Birmingham still plays in the British Jewellery industry. Under the British *Hallmark Act* (1973) every item sold as precious metal (gold, silver or platinum) must have been tested and hallmarked by an independent third-party Assay Office to guarantee that the metal is of the quality stated by the retailer. The UK is one of the few countries in the world to have introduced compulsory statutory hallmarking and this law applies to all items made of precious metals, above specified weights, sold in the UK, regardless of the place of manufacture. In 2006, the Birmingham assay office assayed 41% of all articles assayed in Britain while Sheffield assessed 28%, London 23% and Edinburgh 8% (British Hallmarking Council, 2007). It is worth noting that the Assay offices compete against themselves for hallmarking business.

Design-based competitiveness and intellectual property protection

Design has always played a significant role in the competitiveness of Birmingham's metal trades. The establishment of Birmingham-based companies producing high value consumer products was founded on expertise in metalworking combined with design expertise. Protecting designs from copying has always been difficult especially as many companies produced generic products (wedding rings, buttons) and in many cases the name of the manufacturer was obscured and replaced by that of the wholesaler or retailer. A good example of this process of anonymous manufacturing and the development of branded production is found in the case of Arthur Price of England. This company was established in Birmingham in 1902 to make spoons and forks. In 1964, the company's chief executive, John Price, visited Japan to investigate the production of table knives, forks and spoons. On his return, he decided that his firm could either add value to their products or import from overseas producers. Since 1902 the company had produced quality cutlery, but most of this had been sold anonymously and branded under the trademark of the retailers or wholesaler. Wholesalers were concerned that their retail

customers never discovered the name of the product manufacturer. During the 1920s, makers initials began to appear on cutlery but ‘wholesalers only tolerated this if given an absolute promise that the manufacturer wouldn’t go directly to a retailer’ (Price, 1997: 9). In any case most retailers were small and not interested in bulk purchase. In the 1930s only products destined for overseas markets were stamped with the Arthur Price name or with the logo ‘AP & Co.’ (Price, 1997: 11). During the post-war period department and chain stores developed and this provided the opportunity for the anonymous manufacturers to establish brands. Many manufactures missed this opportunity including Arthur Price. In 1964 John Price argued that his ‘answer [to low-cost competition] was to phase out anonymous manufacturing, build on our undoubted reputation for quality and go further up market. Somewhere in Honolulu or perhaps over the Pacific Ocean ARTHUR PRICE OF ENGLAND was born. I had never liked the ‘& Co Limited’ anyway’ (Price, 1997: 100). This move transformed the company into a known brand with a strong geographical indication that would increasingly play an important role in the company’s competitiveness. It also ensured that the reputation of the producer replaced that of the retailer and wholesaler and represented this firm’s first move away from a manufacturing-driven strategy to one that was increasingly driven by marketing and consumer behaviour.

Arthur Price’s competitiveness was initially based on quality of product and subsequently upon quality and a place-based brand. The ability to identify and exploit a niche market and to protect a product using intellectual property protection has also been a feature of Birmingham’s high value added consumer products. The relationship between London-based market makers (wholesalers and retailers) and the competitiveness of Birmingham firms should not be underestimated nor should Birmingham’s makers imaginative capacity be underestimated. In 1885, A.E. Harris & Co., a metal working company located in a small backyard workshop, produced a decorative medal in the form of a Maltese Cross with a bust of Queen Victoria embossed on an oval centre with heraldic designs in four quarters and with the a verse from the National Anthem embossed on the back. The timing was perfect as the Queen would celebrate her Golden Jubilee in 1887. The services of a London agent were obtained and the firm obtained modest orders. Towards the end of 1885, the elderly father of the firm’s founder was ‘pottering about in his garden shed’ (Russell and Benbow, n.d.: 4) and decided to alter one of these medals by cutting away the bust of the Queen and replacing it with a small retaining frame in which he inserted a photograph of a well-known actress. His son suggested that the medal should contain a photograph of the Queen. The partners decided that if properly made the altered medal could be extremely profitable. The London agents reaction to the sample was to ‘wire the partners that he could secure an initial order for the first two thousand gross’ (Russell and Benbow, n.d.: 4).

The partners realised that to maximise the returns from this medal that ‘steps must be taken to protect their new idea from imitation’. This was relatively simple as ‘the right to use photographs of Her Majesty was in the hands of Bassano of Bond Street. The firm negotiated the exclusive right for their design for the sum of £60, and of course all the prints were to be bought from Bassano. They were ultimately supplied, reduced to the required oval size, in perforated sheets like postage stamps’ (Russell and Benbow,

n.d.:4). This was an extremely popular commemorative item and the company had to introduce around the clock production to cope with the demand. This caused problems with people living close to the works and the partners had to visit each house and explain that the medallions were required for the Queen's Jubilee and 'a gold sovereign quietly rolled across the table ensured that no further complaints were made' (Russell and Benbow, n.d.: 4). The firm made £2,000 profit on the medallion and this enabled the firm to purchase larger premises.

There are three ways in which a company can compete through design. First, by developing a design and investing in the tooling required for mass production. This represents a manufacturing-led business strategy in which a concern with investing in manufacturing capacity may drive strategy. Second, a consumer-led strategy in which designs are created and marketed and the company invests the majority of its resources in design and marketing rather than in manufacturing. In this type of firm, manufacturing is outsourced to specialist suppliers often located in low-cost locations. Some companies have transformed themselves from manufacturing-led to consumer-led companies and in the process closed their manufacturing plants to concentrate their resources on design and marketing. Such companies avoid many of the problems associated with sunk costs as their manufacturing requirements can be continually renegotiated as alternative producers and locations are identified.

Third, niche production in which a firm specialises in either a single product or produces customised products. Surviving firms in Birmingham's high-value added sector have focussed on market niches that have restricted their exposure to competition from low-cost production locations. Part of this strategy has involved focussing on bespoke products. Small niche producers and larger producers have also emphasised the importance of British design. Bespoke design partially protects a firm from the negative impacts of copying as every product produced is unique. Thus, one jewellery design-maker noted that:

'Everything we make is different, so no one can really copy design, your buying our work because its art work and of the intrinsic value of what we sell. And again people now want to know where things come from, ethical issues, e.g. here gold and diamonds come from. Want a face to where things come from, not just nip into Argos to pick it up. People quite enjoy coming to us and sitting down and talking to a designer' (Interview, Design-maker, 2007).

This type of strategy is based on the premise that a company located in Britain is unable to compete with low-cost high volume producers and that place-based associations combined with bespoke products provide opportunities to create high value added products. Another jewellery design-maker noted that 'I do quite a lot of work in China and there are huge markets in China. So I mean we cannot compete on low volume but also in China there's a growing market for British designed products' (Interview, Design-maker, 2007). In this context, British design and production provides these products with a special type of place-based consumer cachet. A consumer is buying into a form of

British identity and also engaging in conspicuous consumption based around company and country branding. These producers and consumers are benefiting from associations that have been constructed through various forms of storytelling that are projected through the medium of face-to-face interaction, the Web, the written word, music, art and film and television.

Birmingham versus London: Place-based design reputations

During the eighteenth century Matthew Boulton played an important role in Birmingham's economic development. In 1761 he purchased the lease on thirteen acres at Handsworth, a mile and a half north of Birmingham. It was here that he built the famous Soho work in which he began to manufacture ornamental objects and articles that were classified under the generic label 'toys' (Renshaw, 1932: 89). These were not toys as they are known today, but trinkets, seals, tweezers and tooth pick cases, smelling bottles, snuff boxes and inkstands. Much of the output of Soho relied on fashionable consumption. Initially Boulton identified a niche market in heavily gilded ormolu ornament obtaining designs by borrowing works of art from rich clients, friends and Oxford Colleges. By 1772, the fashion for ormolu had peaked and Boulton had to identify another market.

At Soho, silver had been incorporated into many of his designs and he now intended to specialise in silver on the understanding that unlike ormolu it was never out of fashion. There were two problems. First, Boulton would be competing directly with the London silversmiths and, second, expensive silver products had to be assayed to guarantee their quality. There was no assay office in Birmingham and this meant that Boulton had to send his completed products to be assayed in London or Chester. The law protecting intellectual property was still in its infancy and design protection was difficult. If the silverware was sent to London Boulton was afraid that his rivals in London would be able to copy his designs (Roche, 1926: 10). He thus sent his products to the Chester Assay office. This was problematic as Chester was 72 miles from Birmingham along unmade and difficult roads. This meant that his silverware might be safe from copying but would be damaged or even stolen during the journey to and from Chester. Nevertheless, the absence of an assay office in Birmingham prevented Birmingham from establishing a reputation for the design and manufacture of gold and silver plate and jewellery. This had two impacts according to Roche (1926: 9): 'Besides robbing Birmingham of her due reputation, this has made it impossible to identify articles of jewellery made in Birmingham before 1773'.

In 1772 Boulton decided to petition Parliament to have an assay office opened in Birmingham. The petition argued that a local assay office would encourage local firms to grow and increase employment opportunities and it also described the difficulties, risk and expense and delay of sending goods to Chester. Promoted by Boulton's petition, the Sheffield silversmiths also petitioned Parliament for a Sheffield assay office. The London Goldsmiths' Company and private London-based gold and silversmiths traders opposed these petitions by arguing that deceit would be introduced into the trade, reputations would be ruined, that the existing provincial assay offices (Chester, Exeter and Newcastle) were badly managed, that there were insufficient skilled smiths in

Birmingham and Sheffield and that the new offices would undermine the financial security of the London silversmiths (Rouche, 1926: 9-10; Gledhill, 1988:18). It was also noted that Sheffield and Birmingham were not corporate towns and had not established companies of goldsmiths. A review committee and committee of enquiry were established. The London firms argued that Birmingham companies had been plating base metal and forging assay marks. The committee of enquiry secretly purchased 22 pieces of London assayed plate and found that the silver content of all bar one was had been diluted below the required standard (Uglow, 2002: 204). After this revelation it decided to establish assay offices in Birmingham and Sheffield. On May 27th 1773, an act was passed that authorised the establishment of assay offices in Birmingham and Sheffield to assess and mark silverware. A geographical constraint was included in this act in that all silver articles produced within a 20-mile radius of each of these towns that required to be assayed had to be sent to the local assay office. In 1824 a local act repealed the Act of 1773 and permitted the Birmingham Assay office to assay gold and also extended the area of operation to a 50-mile radius. In 1854 the exclusive right of assay within the defined area was abolished and manufacturers were now able to send their goods to be assayed at any office. This change was prompted by watch-case makers located in Coventry as they considered that their products would benefit from ‘the reputation of being made in London’ (Roche, 1926: 10). The analysis of the assay office returns is extremely problematic as it is impossible to calculate the proportion of Birmingham metal ware that was sent to London to be assayed.

The relationship between Birmingham and more fashionable places has always been contentious. Consumer demand for expensive jewellery by people living and working in the West Midlands is limited. In the UK, the primary market for high-value jewellery has always been based in London and the South East. During the eighteenth century Birmingham became associated with the production of poorly designed cheap mass-produced goods. This led to the creation of the term ‘Brummagem ware’ as a generalised description for anything that was cheap and poorly designed. The popularity of this term and its use by London-based companies was also one of the reasons behind Boulton’s decision to petition Parliament for a Birmingham assay office. Design plays an extremely important but contested role in Birmingham’s economic history. Even the inimitable Dr Johnson, the son of a Lichfield bookseller 28 miles north of Birmingham, told his biographer Boswell in 1776, ‘Sir, we [Lichfield] are a city of philosophers; we work with our heads, and make the boobies of Birmingham work for us with their hands’.

Birmingham has had great difficulties in projecting an image for well-designed high quality products and this problem can be traced back to the application of the term Brummagem ware to Birmingham designed and manufactured products. In many instances products are designed and made in Birmingham but a process of reputational dislocation occurs in which Birmingham’s place in the product is replaced with another place-based association. In 1899, Liberty of London introduced the Cymric range of silver and jewellery. It has always been difficult to identify the designers that contributed to Liberty’s wares as the firm seldom acknowledged the source of the designs (Turner, 1992: 88). There were great difficulties when Liberty entered metalwork for exhibitions held by the Arts and Crafts Society. A condition of eligibility was that the designer and

executant of each piece had to be identified. Liberty's always retained the right to modify designs before they went into production; such modifications were intended to enhance the commercial viability of a design. This meant that a Liberty design could be the product of a number of different designers and that the Liberty style and brands ultimately usurped that of the initial designer. The Cymric range was produced for Liberty's for W.H. Haseler, goldsmiths and jewellers of 8 Hylton Street, Birmingham. In September 1899 Liberty registered the L & C mark with the Birmingham Assay office. The application was made by two of the partners of the firm, J.W. Howe and W. Street, along with William Rabone Hasler, managing director of W.H.Haseler (Turner, 1992: 89). Haseler established themselves as the sole suppliers of Cymric silver and on 17 May 1901 the relationship between the two firms was formally recognised when they created a joint company under the name Liberty and Co. (Cymric) Ltd). The start up capital of £20,000 was supplied by Liberty's who in return obtained Haseler's lease on the Hylton Street factory and the plant and equipment. The initial designs for the Cymric range appear to have come from Birmingham.

Liberty's metal products were initially designed and made in Birmingham, but the Liberty London brand and the joint company obscured Birmingham's contribution. This was evidently a common experience as Wright in a general overview of the Birmingham metal trades commented that:

As workers in precious metals, Birmingham artisans and handicraftsmen have earned an excellent reputation, through frequently the credit is not claimed but is allowed to pass to others who subsequently handle their work. For instance, it is often asserted that the best and most beautiful work which appears in the West End windows as "London made" is the product of Birmingham designers and workers, and in this assertion there is more than a modicum of truth (Wright, 1913: 379).

Wright's analysis mirrors Price's account of the history of Arthur Price and the importance of anonymous manufacturer. There are negatives and positives associated with this type of place-based reputational slippage and we will deal with these in turn. First, the Trade Description Act makes it difficult to prevent consumers from assuming that production work undertaken in foreign locations is not the result of processes located in Britain. The issue is one of representation and ensuing that a company does not knowingly mislead consumer. Nevertheless, there are major difficulties in determining the place of origin of a product composed of elements and processes that have been undertaken in many different locations. A recent book on Birmingham contains an account of a walk round the Jewellery quarter. In this Ken Goodby, an engraver based in the quarter, commented that 'many of the big jewellery trade firms . . . have relocated in Taiwan, South Korea and places like that. Then the stuff is reimported, hall-marked down at the Assay Office, with the Birmingham hallmark is they want it; it's not manufactured within the trade itself' (Roach, 2005:123).

Second, place-based reputational slippage can work to the advantage of the Birmingham producer. In this case a name with limited consumer appeal or added

value can be subsumed behind an established brand. In this case, one jewellery design-maker noted that

‘it’s also a lot to do with the name on the silverware . . . You know if it’s Asprey on there your going to sell ten times more . . . The price triples . . . once you get into the big companies then your sort of laughing . . . cos the name sells the product . . .cos they think they’ve made it and they haven’t really made it’ (Interview, designer-maker, 2007).

Names matter and name-based associations add value to products. The danger in this type of relationship is that the design-maker is rendered invisible to the consumer and never manages to develop their own reputation. This means that Asprey would be able to substitute one designer with another. Perhaps, the best of all possible worlds is a design-maker with their own brand that is sold by Asprey.

Conclusion

The paper has explored some aspects of the competitiveness of producers of high value consumer products located in Birmingham over the last 100 years. The focus of the analysis has revolved around the emergence of branded production as firms shifted away from anonymous manufacture. Firms that failed to develop strong brands failed as they were unable to respond to overseas competition and also unable to develop assets related to branding and design that would represent unique selling propositions. There are three important points that come from this analysis.

First, it highlights the importance of branding as a form of company and even regional symbolic-based asset. Thus, a strong brand, ideally a strong place-based brand, provides a firm with a special form of intellectual property protection in the market place. It becomes difficult for rival firms located elsewhere to compete against place-based associations.

Second, branding is a form of storytelling and it is important that social scientists never underestimate the role storytelling plays in economic competitiveness. Storytelling can make or break a product, company and to a certain extent a region. In the Internet era storytelling is even more effective as stories can spread extremely quickly. Much more research is needed to explore the ways in which firms create, project and modify stories.

Third, economic geographers need to engage in a much more sophisticated manner with the legal system. Design- and brand-based competitiveness is protected to some extent by the legal system. In this context the Hallmarking Act and the Trade Description Act provide the context for place-based competitiveness. In the context of the European Union existing British legislation makes it impossible for companies to protect themselves against firms attempting to compete by selling products that are labelled using established place-based brand names. Perhaps a good example is the largest producer of pianos in the world, the Guangzhou Pearl River Piano Group Ltd. This firm produces a European piano under the German sounding brand name Ritmüller. For this company and

for many other companies and for nearly all consumers the names, images and stories associated with a product's packaging and advertising matters.

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