



LONDON'S 'FLAT WHITE' ECONOMY TAKES SHAPE

Economist Douglas McWilliams' 2015 book *The Flat White Economy: How the Digital Economy Is Transforming London and Other Cities of the Future* explains how entrepreneurs are contributing to the city's financial recovery. Is this new breed of worker — created by the merge of the digital and creative sectors — going to carry the UK through Brexit and beyond? We looked at recent statistics:

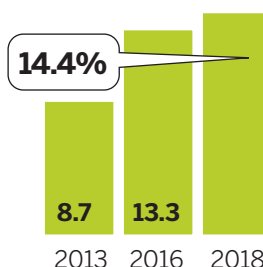
HOW FLAT WHITE GOT ITS NAME

The term was coined from a fashionable high-tech worker drink: espresso with steamed milk and little foam.



DIGITAL OVERTAKES INDUSTRIAL SECTOR

McWilliams boldly predicted by 2025 the flat white economy would grow to be the largest business sector in the UK. In April, it did overtake industry. Its percentage of Gross Value Added (GVA) in 2013, 2016 and 2018:



SOURCE: Centre for Economics and Business Research (CEBR)

LONDON COWORKING SPACES EXPANDING

Flexible workspaces where companies share space are transforming "business as usual." Their goal: Save money and offer environments that encourage innovation via cross pollination. In London, they now make up seven percent of the commercial real estate market. A sampling of the larger ones:

- 1 Barley Mow Centre
- 2 Brickfields
- 3 Cargo Works
- 4 China Works
- 5 Clerkenwell Workshops
- 6 Edinburgh House
- 7 Fleet Street
- 8 The Frames
- 9 Kennington Park
- 10 Metal Box Factory
- 11 Parkhall Business Centre
- 12 Pill Box
- 13 Quality Court
- 14 ScreenWorks
- 15 The Leather Market
- 16 The Light Box
- 17 The Light Bulb
- 18 The Print Rooms
- 19 The Record Hall
- 20 Wenlock Studios



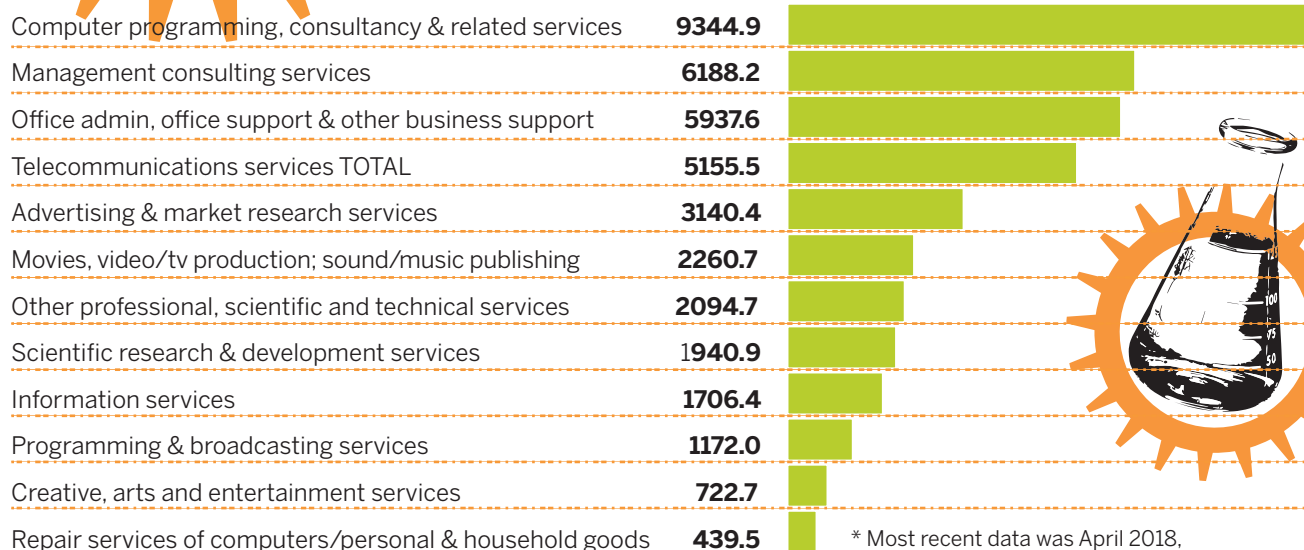
SOURCES: Google maps, Workspace, Allwork



“ Even last year, when GDP growth had slowed to 1.4 percent, the [digital] sector still grew *three times as fast*...” ”

WHAT CAREERS MAKE UP THE FLAT WHITE SECTOR?

Not all of the jobs involve high-tech entrepreneurs white-boarding ideas in renovated lofts. The flat white grand their value in millions of pounds as of Aug. '19:



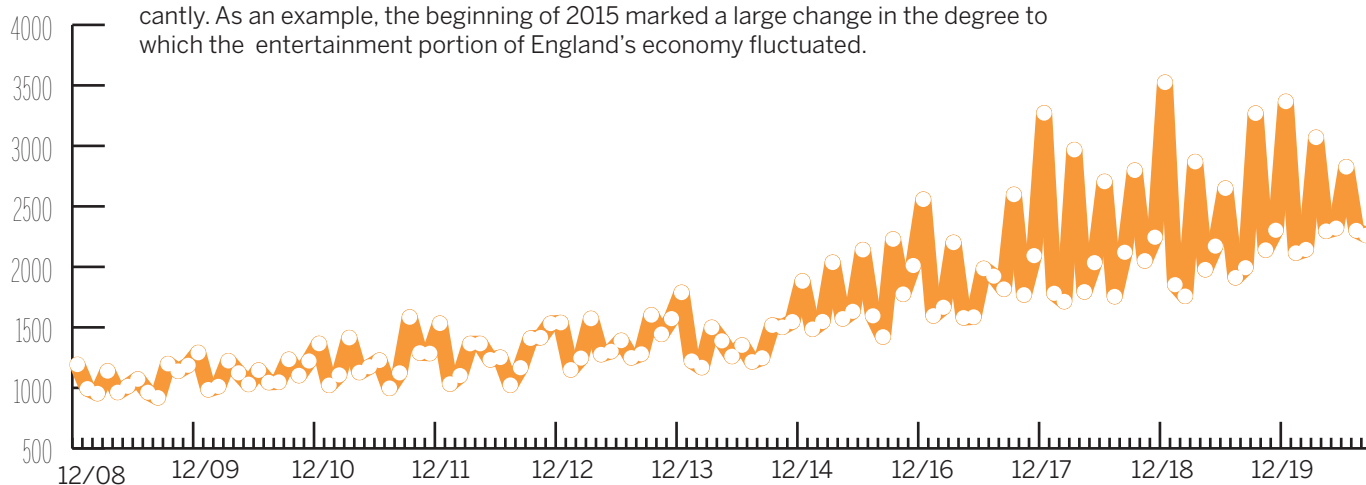
* Most recent data was April 2018,
SOURCE: Office for National Statistics



A CLOSER LOOK: MUSIC, MOVIES AND VIDEO SHOWING MORE FLUCTUATION

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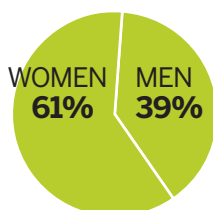
Although the overall digital economy is growing, individual subsectors can vary significantly. As an example, the beginning of 2015 marked a large change in the degree to which the entertainment portion of England's economy fluctuated.



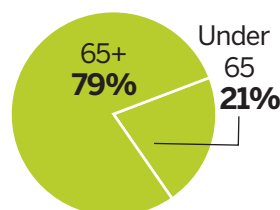
NET [IL]ITERACY

England's reliance on digital goods is one of the reasons given for the flat white economy's success. However, even in 2019 a digital divide in the UK persists:

DESCRIBED AS HAVING "0 DIGITAL SKILLS"



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