

The Role of Denpasar Government in Supporting the Resources of Endek Fabric Creative Industry

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Abstract. This purpose of this research paper is to describe the role of the Denpasar City Government in supporting the resources of endek fabric creative industry. The Denpasar Government has done a number of policies/activities in supporting the resources of endek fabric creative industry. As a result, the Denpasar Government earned with Upakarti and Innovative Government Award nomination in 2012. Furthermore, one of their attempts was submitted in UNPSA Competition. Nevertheless, endek fabric industry still face several problems, namely the lack of weavers and the crisis of competitiveness of the endek fabric. This research utilizes several concepts, such as the role of the government in the Triple Helix Model, the resource endowment in regional development, and creative industry. The approach of the study is the qualitative approach that utilize in-depth interviews and literature study. The result is that the Denpasar City Government plays the role as the regulator by formulating the Denpasar Local Regulation No. 6/2012 as a cornerstone of the endek industry development. Furthermore, the Denpasar City Government provided weaving tools and conducted eight activities/policies, such as training and exhibitions; suggestion for using endek products; holding Denpasar Festival and trade mission; promoting Endek Ambassador pageant; building Imperium Kumbasari and Denpasar Design Center; establishing Denpasar's Endek, Bordir, and Songket Association. The Denpasar City Government has provided the interaction space between university and business interaction spaces. On the other hand, the Denpasar City Government still cannot overcome the crisis faced by the weavers.

Keywords: government roles, resources of creative industry, endek fabric

Abstrak. Penelitian ini bertujuan untuk mendeskripsikan peran Pemerintah Kota (Pemkot) Denpasar di dalam mendukung sumber daya industri kreatif kain tenun ikat endek (kain endek). Pemkot Denpasar telah melakukan kebijakan/kegiatan untuk mengembangkan industri kain endek yang mana hal ini membuat Pemkot Denpasar diganjar penghargaan Upakarti dan juga memperoleh nominasi Innovative Government Award 2012 berikut diajukan dalam pemilihan United Nations Public Service Awards (UNPSA). Kendati demikian, industri kain endek masih mengalami krisis penenun dan daya saing industri ini juga rendah. Teori yang digunakan adalah peran pemerintah dalam model Triple Helix, dukungan sumber daya dalam pembangunan ekonomi regional, dan industri kreatif. Pendekatan penelitian ini adalah pendekatan kualitatif dengan teknik pengumpulan data wawancara mendalam dan studi literatur. Hasil penelitian ini adalah Pemkot Denpasar berperan di dalam membuat kebijakan Peraturan Daerah Kota Denpasar No. 6 Tahun 2012 sebagai landasan pengembangan industri endek. Selain itu, Pemkot Denpasar membantu permodalan UKM/IKM endek dalam bentuk peralatan serta melakukan delapan kegiatan yakni pelatihan dan pameran, himbauan untuk menggunakan produk kain endek, pelaksanaan Denpasar Festival dan Misi Dagang, Pemilihan Duta Endek, pendirian Denpasar Design Center, Imperium Kumbasari, dan Asosiasi Endek, Bordir, dan Songket Kota Denpasar sehingga memberikan ruang kepada universitas dan dunia usaha untuk berinteraksi. Kegiatan/kebijakan tersebut telah dapat mendukung sumber daya industri kain endek, tetapi belum dapat menanggulangi krisis penenun.

Kata kunci: peran pemerintah, sumber daya industri kreatif, kain endek

INTRODUCTION

The development of textile industry of Bali saw a significant improvement in the past few years. This is evidenced by the number of textile and textile products (TPT) export earnings on the island. In 2011, the TPT exports increased by 14.10 percent to a total of US\$125.54 million, which means it contributed 27.68 percent to the total export earnings of Bali (Bisnis Bali, 2013). One of the major factors that influenced this increase was the small-scale weaving industry in Bali. This is evidenced by the foreign exchange that was received from the weaving sector, which increased from US\$8 million to at least US\$10 million per month (Bisnis Bali, 2013).

Denpasar is one of the major cities in Indonesia that has much potential to develop their industries. This is evidenced by the distribution of the population of Denpasar based on the employment absorption rate in Denpasar back in 2008. The following graphic 1 illustrates the distribution of the Denpasar population based on the employment absorption rate of Denpasar in 2008.

Based on the figure 1 above, we could see that industries is the third-largest field that absorb the employment in Denpasar (12.46 percent) after trades, hospitality, and food and beverage (39.16 percent) and services (26.51 percent). This indicates that industries could strengthen the people economy in Denpasar. In addition, according to the Regional Regulation No. 6, 2012, the Denpasar

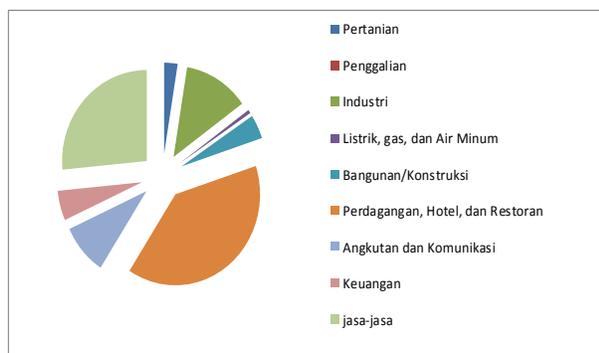


Figure 1. The Distribution of the Denpasar Population based on the Employment Absorption Rate of Denpasar in 2008

Source: I Wayan Geriya, et al, 2010

Government also has 70,175 business units (99.1 percent), with the absorption power of the micro-scale business that reach 190,000 people, widespread market potential, and the contribution towards Gross Domestic Product of 33.5 percent.

Parallel with the vision of Denpasar City, which is “The Creative Denpasar with Cultural Insights in Balance towards Harmony”, the Denpasar Government revived the endek fabric industry as one of the creative industry products in the fashion sector. This action was based on the fact that endek fabric is one of the flagship products in Bali, particularly in Denpasar. The process of endek fabric, types of products, and style that illustrated the Bali culture has made endek fabric the superior local product on the island.

Endek fabric is a handmade product that has eleven stages in the making process. The process begins with the maker spreading a set of thread in a special tool and ends with binding the thread based on pattern that has been made previously (Dwi As Setianingsih, 2013). This making process is a meditative process that was performed a long time ago and has become a work of art with high economic value. In addition, according to Mrs Tjok Istri Ratna Cora S, an academician from the Indonesian Art Institute (ISI) in Denpasar, the symbolic value of endek fabric has made this type of fabric a haute couture or high end fashion product. Haute couture is a handmade product that can be sold in a large quantity. Therefore, through the development of the endek fabric industry, the Denpasar Government is establishing the culture of Bali as well as strengthening the community-based economy sector.

The endek fabric industry was first developed back in the 1970s and reached its heyday in 1980s. Denpasar, especially the Kumbasari Market, was the trade center of endek fabric in Bali. However, the endek fabric industry began to flop following the passing of the founders of endek fabric industry in Denpasar, Mr and Mrs Ngurah Tanaya. Thereafter, only a handful of artisans in this industry survived in spite of this ordeal. The decline of the endek fabric industry was triggered by several factors. Among these factors were both the creativity and the innovation of the design of the endek

fabric. The design of the endek fabric was merely adjusted to the taste of the Bali people so that when compared with the material from other provinces, the endek fabric was not superior (Bali Post, 2006).

Based on the problems faced in the endek fabric industry, the previous administration of the Denpasar Government attempted to develop this industry but these efforts were focused on training and exhibition alone. One of the workshops was supported by noted fashion designer, Samuel Wattimena, who acted as a speaker. The aim of this workshop was to broaden the knowledge of the endek fabric craftsmen in order to increase both the diversification and the creativity of the product (Bali Post, 2006). However, these efforts were inadequate in solving the problems faced in the endek fabric industry. The development of the endek fabric creative industry was not promoted properly, while, at the same time, the endek fabric productivity was not professionally managed. In addition, the knowledge of the artisans within the industry was unsatisfactory and, subsequently, these artisans were lacking in creativity (entrepreneurship.wirausahaanews.com, 2013). In addition, the view within the society that endek fabric could only be used as material for worship or formal attire also put the development of endek fabric industry on hold. In the past, the majority of people who could afford endek fabric came from upper middle class. According to a weaver who has been working in the industry since 1978, the prices for yarn or thread soared in 1985-86. As a result, the industry produced endek fabric in a limited amount that only certain people could afford. Subsequently, people viewed endek fabric as luxury goods that only a certain class of people could wear and as material for worship or formal attire.

Based on this situation, the Denpasar Chapter of the National Handicraft Council (Dekranasda) conducted a series of activities and policies in order to develop the resources of the endek fabric creative industry. These activities/policies made Denpasar one of the cities that was nominated for the Innovative Government Award from the Home Affairs Ministry in 2012. The nomination for the Innovative Government Award was a result from the selection of 108 local governments that were deemed to conduct innovative actions (Indonesia’s Administrative and Bureaucratic Reform Ministry, 2012: 40). The Denpasar Mayor at the time also received the Upakarti Award, an award given by the government for individuals who have supported the national industry, in 2012. In addition, the development of e-commerce as part of the efforts to develop the market share of endek fabric industry in Denpasar was also proposed in the United Nations Public Service Award in 2014.

Currently, the endek fabric industry in Denpasar is still facing several problems, including the lack of endek fabric weavers and the lack of competitiveness of endek fabric in comparison to troso fabric from Jepara, Central Java. According to a data from the Denpasar Chapter of Trade and Industry Agency (2014), there were 14 endek fabric industries and 150 endek fabric

craftsmen in Denpasar (Ayu Sulistyowati, 2012). However, the market demand of endek fabric surpassed the actual production capability. The lack of weavers led to the hindrance of order fulfillment. In addition, the lack of endek fabric weavers also led to the offering of a product that has similarities with endek fabric market, which is troso fabric from Jepara. Furthermore, troso fabric also dominated the market in Bali albeit endek fabric is one of the flagship products on the island. The situation was also addressed by Mrs Tjok Oka Istri Ratna Cora, who said that when the “pockets” of productions could be established anywhere, the products from outside Bali could definitely dominate the market. As a result, there was an identity crisis on the ownership of the flagship product in the region, which is endek fabric. The endek fabric industry also experienced lack of competitiveness in comparison to troso fabric. This was due to the fact that the price of troso fabric was cheaper in addition to its brighter color in comparison to endek fabric (Kompas, 2014). This was the result of the presence of textile industry around the troso industry, which supported the survival of the troso industry. This was in accordance with the statement from Rochman Achwan, who said that:

“Based on the aspects of structural basis and industrial culture, the troso industry was more dynamic. The regions in which the troso industry was established were surrounded by various textile factories, which means the landscape was broader and the actors could support each other.” (2013:85).

Based on the background of the problem, the researcher was keen to investigate the role of the Denpasar Government in order to support the resources of the endek fabric creative industry. In this study, the principal problem was formulated in a research question: how the role of the Denpasar Government is supporting the resources of the endek fabric creative industry?

The aim of this study was to describe the role of the Denpasar Government that has been conducted in order to support the resources of the endek fabric creative industry. In conducting this study, the researcher used the qualitative approach. In accordance with the approach, the researcher used the concept of creative industry, the role of the government in the Triple Helix Model, and the support from the resources in the development of the regional economy as the general guide in analyzing existing facts.

The concept of creative industry began from the concept of creative economy. Mauled Moelyono (2010:219) stated that creative economy was the form of the effort to find a sustainable development model as an economic environment that is both competitive and possessing renewable resources reserves through the exploitation of creativity. The direction of the development of the creative economy was stressed on the industries what were based on (1) creative cultural industry; (2) creative industry; or (3) copyrights industry. Based on the direction of the development, we could understand that the creative industry was the

implementation of the creative economy. According to a research conducted by Ian Miles and Lawrence Green (2008:5), “the creative industries are experiencing important changes that require and create opportunities for innovation.” Based on the result of this study, the changes within the creative industry generated and needed opportunities to create innovation. This means that the development of creative industry could be accelerated by developing the innovation that occurred within the industry.

The most important factor that should not be overlook in order to create the innovation is the interaction between university, industry, and the government in the economic activities. This is in accordance with the opinion from Henry Etzkowitz, who said that “the interaction among university, industry, and government is the key to innovation and growth in a knowledge-based economy” (Henry Etzkowitz, 2008:1). The interaction also created growth in the knowledge-based economy. The interaction between these three actors is often called Triple Helix Model. The Triple Helix model is a platform for “institution formation,” the creation of new organizational formats to promote innovation, as a synthesis of elements of the Triple Helix. The Triple Helix captures this transformation of roles and relationships as intertwined spirals with different relations to each other (Henry Etzkowitz, 2007:8). Based on the definition, we could understand that Triple Helix model is the platform in order to from a new institution or organization that could enhance innovation as a result from the Triple Helix model. Triple Helix also illustrated the presence of the transformation of role and relations between these three actors because of the different relations on each actors. University, industry, and the government still played their respective roles in this model, but on several cases, each actors could play the roles that were conducted by other actors. The university could play the role that, in general, is conducted by the industry by encouraging the development of new industries from the research that was conducted by the university and industry could also provide workshops and share its knowledge and experience through in joint ventures. The government played the role in policy-making and could play the role to provide the capital to newly established companies that could give a long-term impact. The financial assistance presented by the government is expected to cast long-term impact to the country by means of the increase of income taxes and job growth.

The relation between these three actors is often encouraged by the presence of programs or policies from the government. This is in accordance with the statement from Henry Etzkowitz, who said that The growth of partnerships among small firms, between large and small firms, between large firms, and between firms of any size and university and government laboratories, often encouraged by government policies and programs, is increasingly common as an impetus to innovation (Henry Etzkowitz, 2007:71). In addition, the government also played an important role in forming the space of interaction between industry

and university. When the industry collaborated with the university in terms of the development and the standardization of new products, the government played a role in encouraging the occurrence of the interaction. The Triple Helix model appeared because of the overall coordination with the role of the government as the source of idea or limited initiative. Through this condition, the government takes an initiative without consulting with other actors but, in reality, this could influence the other two actors and pointing to the activity that will be taken. Even if the important activity were successfully implemented, the result will not going to be the best since the idea would be sourced from one actor only, which is the central government. The best result could only be achieved from the involvement of the central government as well as local governments in addition to universities and industries in developing and implementing an idea. In the regional level, the best results could be achieved by improving the relations of both industries and universities through the role of the government that is both suitable and balanced so that it could create and implement policy initiatives.

The development of an industry that is supported by the availability of the resources may assist regional leaders to achieve their goals. The elements of the resources that were needed in the economic development of a region (Blakely and Bradshaw, 2002) include: (1) Material. This element consists of the overall physical resources, which include the natural resources as well as the infrastructure or man-made facilities such as roads, electric power distribution system, and buildings; (2) Manpower. Manpower explains the human resources needed to produce and market the products and services offered for purchase; (3) Market. This element explains the location in which the demand for the products or services appeared; (4) Management. An effective management could be the catalyst in the industry development. An effective management could be established by the coordination between the government and the industry as well as other stakeholders. The local community must also be involved in the industry development; (5). Money. Funding could directly influence both the establishment and the development of an industry in a region.

RESEARCH METHODS

This research paper used the qualitative approach that applied the concept of creative industry, the role of the government in the Triple Helix model, and the support of the resources in the regional development as general guide. In terms of the type of the research, this study is classified as descriptive research based on the purpose, pure research based on the benefits, cross-sectional research (March-May 2014) based on the timeline, and this research used the qualitative data collection techniques through in-depth interviews and literature study.

In-depth interviews were conducted to those actors who directly involved and familiar with the activities

that related to the role of the Denpasar Government in supporting the resources of the endek fabric industry. This study used the taxonomic data analysis techniques in which the focus of this research paper is on the domain of the role of the Denpasar Government in supporting the resources of the endek fabric creative industry.

RESULT AND DISCUSSION

One of the roles of the government in supporting the resources of the creative industry is the role of policy-making. In the context of the development of the endek fabric industry in Denpasar, the Denpasar Government created a policy in the form of Denpasar City Local Regulation No 6/2012 on the Mid-Term Regional Development Plan (RPJMD) of Denpasar City on 2010-2015 (in the following paragraphs will be referred as Perda No. 6/2012) to support the resources of the endek fabric industry so that it could encourage innovation within the industry. The policy from the Denpasar Government was based on a policy that encourage the development of the creative industry on national scale, which is the Presidential Regulation No. 32/2011 on the Master Plan for Acceleration and Expansion of Indonesian Economic Development 2011-2025 (in the following paragraphs will be referred as Perpres No. 32/2011) and Presidential Instruction No 6/2009 on the Development of Creative Economy (in the following paragraphs will be referred as Inpres No 6/2009). Perpres No. 32/2011 stated that, in order to reach the 2025 vision, the economic activity that is taken should be based on the innovation in which the government is one of the actors involved. One of the means to reach this vision is the culture-based creative industry. One of the actors involved here is the local governments. According to Inpres No. 6/2009, the local governments have 16 responsibilities in the creative industry development strategy. Furthermore, in order to strengthen the regional innovation system, especially in order to develop creative industry, the central government created a regulation through the Join Regulation between the Research and Technology Minister and the Home Affairs Minister No 3/2012 and No 36/2012 on the Strengthening of the Regional Innovation System. This policy regulates the strengthening of the regional innovation system through the Mid-term Regional Development Plan. On the other hand, the national policy that regulate the industry is the Law No 3/2014 on Industry. According to the Law, the development of the industry resources cover the development of human resources; the utilization of the natural resources; the development and the utilization of the industrial technology; the development and the utilization of creativity and innovation; and the provision of financing sources.

The regulation from the central government was included in a local law that regulate the role of the Denpasar Government in supporting the resources of the endek fabric industry resources, which is the Denpasar Local Regulation No 6/2012. This local regulation stated that in order to accelerate the growth

as well as strengthening the economic security of the society through society-based economic system, the Denpasar Government could develop a creative city based on flagship cultural products. One of these flagship cultural products is the endek fabric industry. This local regulation also stated that the Denpasar Government, especially the Trade and Industry Agency, could conduct 62 main activities that cover the following programs: (1) creative individuals with creative mindset and “moodset”; (2) an industry that excels in the domestic market, with the dominant role of the local entrepreneurs; (3) technology that supports the creation as well as affordable to the society; (4) the effective utilization of the domestic materials in the economic sector; (5) society that respect the Intellectual Property Rights and consume local creative products; (6) the achievement of a high-level of trust from the financing institutions toward the industry in the creative economy sector as an attractive industry. Through this policy, the development of the endek fabric industry is not only centered on the government, but also on the businesses and academicians.

In order to form creative individuals and creative mindsets, the Local Regulation No 6/2012 provides a space to the government to become the bridge between the academicians and the business actors of the endek fabric industry in developing the workshops and trainings that are focused on the development of creative economy, especially creative industry. This indicates that academicians and business actors could improve their capability in creating innovation within the endek fabric industry through collaboration in workshops and trainings. In addition, the government also has the space to encourage the business actors in establishing informal educational institutions so that the knowledge on the development of endek fabric industry will not solely depend on academicians but also private sector. This indicate that knowledge transfer is not only done by academicians, but also by business actors. In addition to establishing informal institutions, the government could also encourage the business actors within the creative industry to participate in the international activities; to obtain facilitation in running their business; and providing activities in which creative individuals could display their work. This indicates that the private actors could obtain the assistance from the government in running their business and participating in both local and international activities in order to broaden their market. The government could also become the bridge between successful business actors and new and lack-of-experience business actors, both domestic and abroad. This indicates that the business actors within the endek fabric industry could collaborate with other business actors both domestic and international to develop their creative ideas.

In developing a superior industry in both domestic and international market with the dominant role of the local entrepreneurs, the Local Regulation No 6/2012 regulated that the government could provide incentives in the policies of distribution, exports and imports, and subsidies toward the endek fabric industry; stimulating

the supporting industries of the endek fabric industry as well as other activities that could improve and develop an industry that excel in national and international market; enforcing the law toward smuggling, piracy, and intellectual property rights violation; as well as creating a creative industry business environment that could be accessed fairly and equitably. In addition to the government, the local regulation also provided the space for the academicians in supporting the government to conduct market research, developing creative product design center, and conducting research on the technological development of the endek fabric industry. In addition, the private sector could also broaden the distribution range, promotion, creative products, and get involved in the socialization on market, design, research results, and the development of the technology in relation to the development of the endek fabric industry.

In the context of the development and the implementation of the technology that support the creation as well as products that are affordable to the society, the Local Regulation No 6/2012 stated that the government played the role as both the facilitator and the actor in terms of collaboration between the industry, government research institution, and university. The government also encouraged the government research institutions in playing a direct role in the development of endek fabric industry. As a stimulator, the government played a role in improving the quantity and the quality of educational institutions, information technology workshops, as well as communications of creative economy, especially endek fabric industry; forming partnerships with countries with advanced creative technology so that it could facilitate endek fabric industry in terms of production and marketing the products; and improving the collaboration between educational institutions in conducting technology research and development. In addition, the government also played a role in developing and managing the certifications of technology in the creative economy field, especially the endek fabric industry, improving the import policy on the supporting technology of creative industry, providing socialization of the regulation on information and communication technology in relation to the creative industry and providing technology investment assistance as well as technology infrastructure in accordance with existing regulations. Academicians also played important role in assisting the government to develop the utilization of technology through collaboration that was conducted with the government research agencies and industries as well as developing the management of technology certification. In addition, academicians are also involved in the business incubator; played a role in the improvement of quality and quantity of educational institutions, information technology workshops, and communications in the endek fabric creative industry; conducting technology research and development in the endek fabric creative industry. In addition to the academicians and the government, the local regulation also provided a space to the business actors within the

endek fabric creative industry to be involved in the utilization of technology; to directly participate in the technology incubator and the collaboration with other countries in the utilization of creative technology; as well as receiving incentives to develop technology needed in accordance with existing regulations.

In terms of the effective utilization of the domestic material for the industry in the creative economy field, the Local Regulation No 6/2012 provided a space to the government to conduct technology trainings that utilize appropriate material and offering positive impact toward environment; joining developed countries in order to develop the processing technology of raw materials and endek fabric industry; and providing incentives in relation to the industrial material processing technology. The government also played a role as a stimulator of the endek fabric industry in collaboration with other industries in determining alternative materials as well as encouraging research that is focusing on the development of alternative materials and biodiversity that has the potential to be patented. The government also played a role as a coordinator in terms of strengthening the collaboration between industries, educational institutions, government research institutions in terms of collaboration on the research on the utilization of materials from renewable natural resources. In addition, the government also played the role in coordinating the supervision of the utilization natural resources, law enforcement toward the smuggling and the thievery of biological commodity that is the main material for endek fabric industry. The government also played a role in propagating the utilization of endek fabric products that is focused on the utilization of renewable resources that both economical and environmental-friendly. In terms of policy-making, the government played a role in creating biological commodity trade policies that the endek fabric industry need and evaluating the biological commodity export policies that the endek fabric industry need. This regulation also provided a space for the academicians to provide assistance when evaluating the policies and conducting research on renewable and environmental-friendly natural resources materials, the development of alternative material that with local characteristics, biodiversity that has the potential to be patented in relation to the material for endek fabric. The regulation also stated that the private sector played a role in the implementation of this program. This was apparent from the opportunities of involvements in terms of intensification of the utilization of alternative materials, the utilization of the processing technology of materials natural resources; and other activities that could increase the utilization of domestic materials. In addition, the business actors of the endek fabric industry could also form a collaboration with developed countries in creating the processing technology of the materials, collaborating with government institutions or other business industries in order to utilize alternative materials, and collaborating with the government and other parties to conduct a supervision toward the

utilization, smuggling, and thievery of the biological commodity that became the main material for the endek fabric industry. Furthermore, the private sector could also receive support from the government for the processing technology of materials.

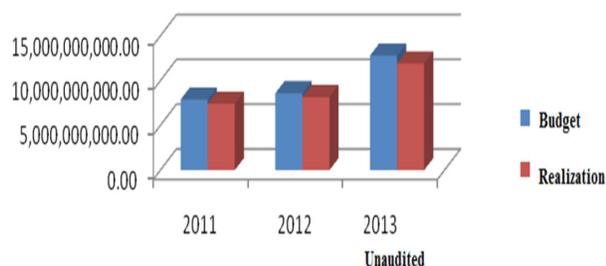
In a bid to increase the consumption of local products and to socialize the Intellectual Property Rights, locally known as HKI, the Local Regulation No 6/2012 provided a space for the government to encourage the growth of endek fabric industry by conducting various campaigns on the importance of creativity and HKI as excellent assets to compete in the market; the importance of the eradication of the piracy of creative products; the importance of the appreciation toward the cultural diversity in society so that it become the source of inspiration for the endek fabric industry; the utilization of creative products that have higher value both in terms of price and cultural value in the products. In addition, the government also played a role in both encouraging and facilitating the activities that related to the formulation and the implementation of HKI policies; the promotion of both Denpasar and Bali; the establishment of the associations that could develop creative products and the encouragement toward the society to play an active role in the creative community; and providing space for stakeholders to exchange ideas on the development of creative economy. In the regulation, there was also a space for the academicians to play an active role in order to increase the consumption of local products and to socialize HKI. Academicians could explain the importance of both creativity and HKI as the main assets in the development of endek fabric industry. In addition, academicians could also assist the industry in integrating its creativity with the diversity of local culture in the society and the demand from both national and international market. Besides academicians, the private sector was also provided space to create endek fabric products that have creativity value, answering market demand, and could promote Denpasar and Bali. The business actors of the endek fabric industry were also the party who could maintain the originality of their products, creating one type of HKI to protect their business, and getting involved in creative leagues, associations, or communities to increase the exchange of knowledge between business actors and other stakeholders.

In terms of the financing of the development of creative economy, the local regulation no. 6/2012 provided a space for the government to play the role as both the facilitator and the provider of financial sources for the endek fabric industry through the establishment of financing scheme that is suitable for the endek fabric industry; the government could also develop financial institutions around the weaving centers; prioritizing the assistance toward endek industries that experience halt; and bridging the financial institutions and the endek fabric industry business actors. According to the local regulation, we could understand that the endek fabric industry also received facilitation in

order to finance the development of the industry both from financial institutions or other forms as provided by the government.

The roles of the government, which listed on the Local Regulation No 6/2012, were realized in the following role of the government, which is providing capital to the endek fabric industry. The Denpasar City Government, through the Denpasar Chapter of Trade and Industry Agency, provided an assistance in the form of 24 weaving tools that consist of “cagcag” device (a local type of loom) and non-machine weaving equipment from 2011 to 2013 (Trade and Industry Agency, 2014). In addition, in terms of capital assistance, the Denpasar Chapter of Unions and Medium-sized Business Agency, facilitated endek fabric industry in order to receive loans from private banks. Besides providing capital assistance, the government also played a role in the establishment of programs that could boost the interaction between the industry and university. In the context of the development of endek fabric industry, the Denpasar Chapter of Trade and Industry Agency is the Regional Task Force with the biggest involvement. In order to perform its role in implementing the programs on the development of endek fabric industry, the Denpasar Chapter of Trade and Industry was supported by the availability of sufficient financial sources. This was obvious from the comparison between the budget and the realization of the Denpasar Regional Budget for the Denpasar Chapter of Trade and Industry from 2011 to 2013 as illustrated by the graphic 1 below.

Based on the graphic 1 below, we could see that, in 2011, the budget for the year was Rp 7,893,356,811.00, while the realization was Rp 7,419,762,406.00. This indicates that the budget was sufficient in financing the activities of the Trade and Industry Agency in 2011. The same thing occurred for both 2012 and 2013. In the 2011-2015 period, the Denpasar City Government budgeted Rp. 158.45 billion to the Denpasar Chapter of Trade and Industry Agency in a bid to develop the economy of the society through populist economy system. One of the forms of this attempt was the development of endek fabric industry. The magnitude was the third-largest magnitude in realizing the fifth mission of the Denpasar City Administration, after the Public Work Agency and Transportation Agency.



Graphic 1. The Comparison of the Budget and Realization of the Denpasar Regional Budget 2011-2013 for the Trade and Industry Agency
Source: Denpasar City Government, 2014

This indicates that the development of endek fabric industry was one of the priorities of the Denpasar City Government.

The numbers of the budget received by the Denpasar Chapter of Trade and Industry Agency and the implementation of various activities and policies that could support the resources of endek fabric industry could not be separated from the political support from regional leaders and the members of the Regional Council in determining the budget. According to an opinion from the Head of the Denpasar Chapter of Handicraft Council, the support from the District Head was due to the fact that new ideas applied in every activities/policies received warm welcome from the society, especially the endek fabric medium-sized businesses and medium-sized industries. In addition, the support from the members of the Regional Council also facilitated the executives in implementing the activities/policies on the development of endek fabric industry. This support was obvious from the fact that not one single program on the development of endek fabric industry was rejected by the Regional Council. According to an opinion from one of the members of the Denpasar Regional Council, this occurred as long as the programs were in accordance with the interests of the community.

In supporting the resources of the endek fabric industry, the Denpasar City Government implemented several activities and policies. Before conducting these activities/policies, the Denpasar City Government conducted the planning process. Starting from the mid-term regional development program (RPJMD), these programs were later realized on the strategic plan of the Denpasar Chapter of Trade and Industry Agency. The programs on the strategic plan and the RPJMD was further realized in the form of City Working Plan (RKPD) of the Denpasar Chapter of Trade and Industry Agency. The Denpasar Regional Development Plan was arranged based on the Denpasar Regional Development Planning Forums (Musrenbangda). The 2014 RKPD was discussed on the 2013 Musrenbangda and involving several parties from the whole regional working units (SKPD), Regional Council, development experts groups, and expert staff of the Denpasar City. In addition, the Musrenbangda also invited universities, budget team (both executive and legislative), NGOs, professional organizations, business world, the Development Planning Board (Bappeda) and the Central Statistics Agency of the Bali Province. According to the plan, the Denpasar City Government has conducted eight activities namely (1) The Industrial Training and engaging the endek fabric medium-sized businesses/medium-sized industries in the national and international exhibitions; (2) The implementation of the Trade Mission; (3) The Endek Ambassador pageant; (4) The establishment of the Denpasar Design Center; (5) The implementation of the Denpasar Festival; (6) The appeal to the society to wear endek clothing; (7) The establishment of the Imperium Kumbasari; (8) The establishment of the

Denpasar Songket, Bordir, and Endek Association (ASBEST) to support the resources of the endek fabric industry.

Firstly, the Denpasar City Administration provided the training that was not only focused on the improvement of the weaving ability, but also on the improvement of the entrepreneurial capability and the development of the business and industry. According to one of the employees of the Denpasar Chapter of the Trade and Industry Agency, the Denpasar City Government provided the trainings on trading branding design and product promotion to the craftsmen. This was conducted by the government in a bid to encourage the capability of both the craftsmen and the businesses in developing the market share of endek fabric. In the training, the Denpasar City Administration also drew together the newly established medium-sized businesses and medium-sized industries with the experienced medium-sized businesses. This was obvious from the owner of Puteri Ayu, who became one of the interviewees in the training on the art of weaving technique, the early introduction on the stamping of weaving manpower, and dyeing technique. In addition, the Denpasar City Government also drew together the academicians and the medium-sized industries and medium-sized business. According to Mrs Tjok, in one of the sessions, Mrs Tjok explained the history of endek fabric, including the decoration, and how to read the demand from the market. This was done so that both the medium-sized businesses and medium-sized industries could minimize the trial and error. Furthermore, this was conducted so that craftsmen could understand the method to creative endek fabric decoration that become the signature of Bali culture and thus it would have higher value in comparison to other traditional fabric. This seminar was not only for medium-sized business/medium-sized industries, but also to the finalists of the Endek Ambassador pageant. This was done to open the mind of the younger generation that the endek fabric industry has the potential to be developed. In addition, the Denpasar Government also facilitated the endek fabric medium-sized business/medium-sized industry to participate national and international exhibitions. According to a data from the Denpasar Chapter of Trade and Industry Agency, the national exhibitions in which the endek fabric medium-sized industries/medium-sized businesses participated included the Inacraft Exhibition, the Indonesia Trade Expo Exhibition, the K-UKM Expo Exhibition, Adi Wastra Nusantara, The Gelar Produk Koperasi dan UKM Exhibition in Batam, the fashion and craft exhibition at the Jakarta Convention Center, the exhibition of flagship and unique local products, the Small Medium of Economic Cooperative (SMESCO) exhibition, and other exhibitions. In addition to the national-scale exhibitions, the Denpasar City Government also participated in the international exhibitions such as in Melbourne, Australia. When it comes to the participation in these exhibitions, there was a sharing responsibility in terms of financing between the medium-sized businesses/medium-sized businesses and the government. This indicates that the

Denpasar City Government did not only provide both the information and the access for these businesses to participate in the exhibition, but also provide the financial assistance needed to participate in the first place. Through these exhibitions, the endek fabric medium-sized businesses/medium-sized industries could discover both the national and international trends as well as broaden their market scope.

Secondly, the Denpasar City Government also called on the use of endek products in the Denpasar City. This was an attempt to broaden the market share of endek fabric. This policy ranges from the urge on wearing endek uniform for the civil servants on Thursday and endek casual wear on Friday. The difference of this policy, in comparison with other local governments, is that the call was not only focused on the civil servants, but also on the stakeholders of the Denpasar City Government, namely Bank Indonesia and the headmasters of every school in Denpasar. In addition, the call was not only focused on the clothing, but also on other endek products, including souvenirs and packages. According to the Head of the Denpasar Chapter of Handicraft Council, the government directly asked the Bank Indonesia management to instruct the banks in Denpasar that endek clothing was to be one of the working attire. In additions, these banks were also instructed to provide endek souvenirs to their guests. Among banks of which the management already instructed endek clothing as working attire include BPD Bali, Bank Mandiri, Bank BRI, Bank BNI, Bank Pundi, and Bank Permata. This has proven that there was a systematic approach from the Denpasar City Government so that banks could also play an active role in the development of the endek fabric industry. However, in reality, not every banks were willing to follow this instruction to wear endek clothing because of the presence of internal regulations that prohibit them to do so.

Furthermore, the systematic attempt was also implemented on every formal school, especially high schools in Denpasar. Donning endek clothing was not only focused on the teaching and learning activities, but also on external activities. This has the positive impact on the improvement of the market share as well as the knowledge of the market toward endek fabric as the flagship product of Bali. According to the headmaster of SMA 5 Denpasar, when participating on training outside Bali, the other communities admired endek clothing and several of them even ordered the attire. The call out on the formal schools put the headmasters as the main driving force in conserving endek clothing. The headmasters are willing to be involved thanks to the appreciation from the Denpasar City Government toward the schools that has helped in conserving the endek clothing. This appreciation comes in the form of recognition at formal events. The call was not only focused on clothing, but also on the use of endek decoration on the publications of Denpasar City Government. This was applied by the Denpasar Design Center.

The impact of the call as well as other innovative activities is the increase of the demand toward endek fabric. This was addressed by Mrs Desy, the owner of one of the medium-sized businesses, who stated that in the beginning, the endek fabric was not demanded by many people, but since the call and other activities that were done by Denpasar City Government, the endek fabric sales began to improve. Before the policies/activities of the government, Mrs Desy only provided one box of endek fabric, but after these programs/innovative activities, Mrs Desy provided up to six boxes of decorative endek fabric and two boxes of plain endek fabric. This was due to an increase in demand from the society. Furthermore, the impact of the suggestion could also be seen in the innovation of endek product. Endek was not only used as formal attire, but also on other products such as packaging, casual wear, and wedges. With the suggestion, the Denpasar City Government changed the perspective of the society that endek fabric could only be used for ritual purposes but instead could also be worn for other types of wear or other ready-to-use products.

Thirdly, the Denpasar City Government also implemented the Denpasar Festival from 2008. Through the Denpasar Festival, the government attempted to improve and to discover the creativity of flagship local products in Denpasar City, especially endek fabric. In supporting the endek industry, the Denpasar City Government organized events in which endek was one of the products that was displayed. This was done in order to communicate to the society that endek product was not only focused on clothing, but also other products. In addition, the Denpasar Festival also encouraged the creativity and both the love and the pride on wearing endek clothing with the contest of endek clothing between bank employees, hospital employees, and tour guides. The love toward endek products was invested by obliging the whole contestants to come from the employees of the related institutions to that when they came to participate, they felt the pride of wearing the local flagship products. The Denpasar City Government also organized the packaging contest in a bid to improve the creativity in the creation of endek packages. This contest was organized so that it could be applied by banks or other companies when providing souvenirs. In addition, the Denpasar Festival also organized fashion show that was in collaboration with national fashion designers. This action was taken in a bid to increase the value of endek as one of the local products that could become the material of fashionable clothing as well as helping the local designers to be inspired. This indicated that there was a learning process and the improvement of the "name" of endek in the national market through Denpasar Festival. In organizing the fashion show, the Denpasar City Government did only asked for the participation of the wives of the leaders of the provincial apparatus working unit (SKPD) and the finalists of Endek Ambassador pageant, but also invited the international students of the Indonesian Art Institute in Denpasar. This was an attempt to improve the image

of endek to the international community. Based on the explanation above, we could see that Denpasar Festival formed an interaction between local, national, and international actors to develop the endek industry.

Medium-sized businesses and medium-sized industries were willing to be involved in the Denpasar Festival because of the positive experience when participating in the Denpasar Festival. According to Mrs Desy, the Denpasar Festival offered the improvement in terms of income because the buyers who came to the Denpasar Festival became the customers of Mrs Desy. Furthermore, the medium-sized businesses and medium-sized industries were also involved in the fashion show because there were benefits that they received after the Denpasar Festival. According to the Head of the Denpasar Chapter of the Handicraft Council, when they first organized fashion on the street (one of the fashion shows at the Denpasar Festival), the government experienced difficulties in finding medium-sized industries or medium-sized businesses that are willing to become partners in supplying endek clothing. As the time went by, this situation changed for the better thanks to the benefits that were felt. However, the registration process in order to participate at the endek exhibition at the Denpasar Festival was still using conventional system. As a result, there was a decline in terms of participation level of the medium-sized businesses/medium-sized industries. According to one of the owners of the medium-sized businesses, through the conventional system, these medium-sized business would only spend more time and cost. This would not be happen if the registration system utilized the information technology.

The Denpasar Festival could changed the view within the society on the use of endek clothing, which in the past was strictly for ritual purposes, to become ready-to-wear clothing or ready-to-use products. In addition, the Denpasar Festival also improved the interests of the society toward endek. According to Mrs Laxmy, one of the employees of the Denpasar Chapter of Trade and Industry Agency, the increase in the sales turnover occurred from 2010-2012, even though in 2013 the sales turnover was decreased by 20 percent. This was due to the changes on the endek exhibition. This indicates that something that, in the past, already generated the best results should be maintained or improved, not changed. The Denpasar Festival could also increase the number of the parties who are willing to dig the creativity of endek clothing. This was apparent from the increasing number of the participants of clothing contest between banks. The clothing contest could also uplift the potential that the craftsmen possessed as well as endek product innovation. This could be seen from the appearance of endek products creation that fused endek with other traditional fabric from Bali such as bordir and songket.

The planning of the Denpasar Festival was conducted through focus group discussions in which the creative individuals in Denpasar; experts; cultural heads, headmen, and sub-district heads' the police, and media workers were involved. This was done so

that the implementation of the activities would be in line with the expectations from the stakeholders. The collaboration between these parties could also support the presence of an effective management in the development of endek fabric industry.

Fourthly, the Denpasar City Government also organized the Endek Ambassador Pageant in order to broaden the market scope of the endek fabric industry, especially toward younger generation and encourage the creation of new manpower in the development of endek fabric industry. The distinction between Endek Ambassador with other pageants was that, through the Endek Ambassador pageant, the Denpasar City Government attempted to alter the mindset of the younger generation to not only wear endek on formal occasions, but also on daily basis. Furthermore, through the Endek Ambassador Pageant, the government also attempted to shape young entrepreneurs who would develop the business of ready-to-use products with endek fabric as the main material. The Denpasar City Government collaborated with the younger generation (finalists of Endek Ambassador pageant) in organizing the Endek Ambassador pageant so that the finalists of the 2012 Endek Ambassador did not only participate, but also responsible in the 2013 Endek Ambassador Pageant especially in formulating the first written test and providing insights to the City Government on the selection process of Endek Ambassador. The result of the collaboration between the Denpasar City Government and the finalists of the Endek Ambassador was that, in the selection of the Endek Ambassador in 2012 there was not designing test, but in the 2013 selection the designing test was created. As a result, the finalists of the Endek Ambassador that were chosen are the younger generation with the potential to become young designers so that they could develop the endek fabric when or after becoming Endek Ambassador. In 2013, the finalists were judged as individuals (not as duos) so that the selection of the two Endek Ambassadors did not have to be from the same high-schools or universities. This was so that the selected Endek Ambassadors would be the individuals who have the commitment and the potential to develop endek industry. The finalists of Endek Ambassador also helped to promote endek in the national level through exhibitions and fashion shows and in the international level through their involvement at the Asia-Pacific Economic Cooperation (APEC) activities. In order to provide sufficient information to the society, the finalists of the Endek Ambassador followed a series of training, including design training and training on endek decoration. These trainings were supported by an academician, Soli Muchdison, who explained the shaping of the fabric decoration, as well as weaving centers that have the experience in the development of endek in Denpasar. In addition, the Denpasar City Government also organized entrepreneurial training so that the finalists of the Endek Ambassador would be familiar with the business development in the textile sector by utilizing excellent local products. This indicates that the Denpasar City Government

encouraged younger generation to be directly involved in the development of the endek industry. The collaboration with the younger generation could be achieved because the younger generation could feel the improvement on their insights.

After becoming a finalist of the Endek Ambassador, one of the finalists of the Endek Ambassador perceived endek not only as formal attire, but also as other types of clothing. This was proven when one of the finalists of the Endek Ambassador developed a business venture that fuse endek and jeans in making clothes. Four finalists of the Endek Ambassador have become young entrepreneurs to develop endek industry. Besides trainings, this was also encouraged by the presence of awards as a form of recognition toward the products of the finalists of Endek Ambassador through the appreciation event during the Denpasar Anniversary. This generated pride within the heart of the finalists of Endek Ambassador.

Schools were among the main actors that were asked to participate in the selection of Endek Ambassador. Schools played an important role because schools were in the front-line in the attempt to select the students who have the potential to become Endek Ambassador. According to the Headmaster of the SMAN 5 Denpasar, the schools were willing to participate because there were individual benefits that the students would receive in the context of self-improvement so that it encouraged the realization of the purpose of the school as educational institution. Furthermore, the indirect appreciation that was received by the school when its students became one of the Endek Ambassador also improved the collaboration between schools and the government. The selection of Endek Ambassador also involved one of the members of textile team, Mr Tude Togog, who has been in the endek industry for such a long time, to become on the parties who determine the Endek Ambassador. This indicates that the selection of the Endek Ambassador involved certain experts so that the purpose of the selection of the Endek Ambassador could be achieved.

Fifthly, Denpasar City Government also established the Denpasar Design Center. The Denpasar Design Center (DDC) was one of the new service products offered by the Denpasar City Government. The Denpasar City Government officially launched DDC on March 21, 2014. DDC was a one-stop service agency that was established by the Denpasar City Government in catering to middle-sized business or middle-sized industries, especially endek middle-sized business and middle-sized industries. Currently, the DDC provided its service in the form of packaging, consulting with the professionals, as well as e-commerce. In the beginning, the packaging service and e-commerce were offered separately. The packaging service catered from 2012 at the Sanggraha Krya Asta Tohpati, while the e-commerce began to provide service in 2007 on Jalan Melati No. 31 in Denpasar. After the establishment of the DDC, these two types of service was fused into one place on Melati No. 31 in Denpasar. This would make it easier for the society to access the service offered by

the Denpasar City Government because it was a one-stop service center.

Through the packaging service, the Denpasar City Government tried to improve the commercial value of a product and attempted to broaden the market scope because packaging contains promotional value. Through the packaging service, the Denpasar City Government could also lower the cost of packaging that the medium-sized businesses and medium-sized industries should bear. The DDC coordinator stated that the Denpasar City Government subsidized the printing costs as well as the human resources who were tasked to print. In addition, these medium-sized businesses also received suggestions on what types of packaging they should make. The presence of the packaging service, or locally known as Rumah Kemasan or House of Packaging, was a result from the partnership between the Industrial Ministry and the Denpasar City Government in providing printing machine. The Denpasar City Government invited the officials of the Industrial Ministry during the inauguration of the DDC. This could maintain the trust from the Industrial Ministry so that the partnership could be maintained as well.

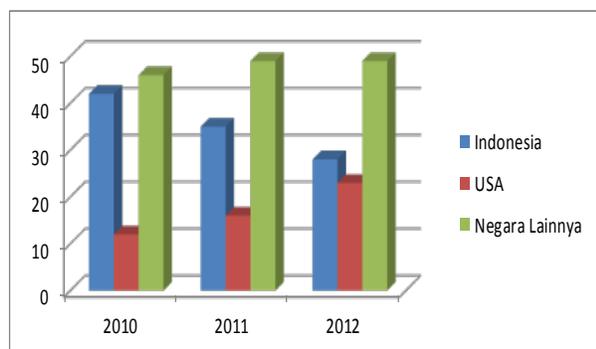
The House of Packaging has catered to 40 medium-sized industries or medium-sized businesses (DDC, 2014). Out of the 40 medium sized industries/businesses, at least three medium sized industries/businesses were from the endek industry. The House of Packaging also educated the medium-sized businesses because packaging was one of the major marketing strategies. This was felt by one of the medium-sized businesses that stated that, after the packaging, the interests of the buyers toward its product was increased. Furthermore, the medium-sized industries/business were willing to be involved in the House of Packaging because of the availability of the supporting communication device. According to one of the owners of the medium-sized businesses, his medium-sized business created its package at the House of Packaging after receiving information from a BlackBerry chat group that was formed by the Denpasar Chapter of Trade and Industry Agency. This indicates that a decent communication between the government and the medium-sized businesses/industries could increase the interaction among them so that it could develop the endek industry. However, these medium-sized businesses were unsatisfied with the service provided because the packaging that they received were not as beneficial as their expectations. This was due to the fact that the owners of the medium-sized businesses asked for the packaging to be done in short notice, while the human resources of the House of Packaging were limited. This negative experience led to the owners of the medium-sized businesses to be unwilling to continue making packages at the House of Packaging.

Furthermore, the DDC also offered e-commerce, which was a form of the utilization of new technology by the public sector in the application of trade and industry information system that was based on website and geographic information system. The e-commerce of the Denpasar City also introduced to the society,

especially the medium-sized industries/businesses, the importance of information technology to advance their business and to educate the society, especially medium-sized industries/businesses to become alert toward the changing of information in the world through the Internet. This was obvious on the beginning stages of the implementation of e-commerce. The Denpasar City Government organized a training on Content Management System (CMS) web e-commerce, the data collection on the capability of mastery of information technology in the business management for medium-sized businesses/industries, as well as e-commerce seminar on the utilization of the Internet. The other parties that were asked to collaborate by the Denpasar City Government to develop e-commerce including the Information Management and Computer Institute (STMIK) STIKOM Bali, the Indonesian Computer Software Association (Aspiluki), and telecommunication companies Indosat and PT Telkom Indonesia. STMIK STIKOM played a role in facilitating the training on the information technology for marketing for the craftsmen. This collaboration was occurred because of the participation of the STMIK STIKOM academicians could realize one if the Three Missions of Universities, which is community service. According to the statement, we could understand that through the establishment of e-commerce, as mentioned by Mrs Evi as a representative of STIKOM Bali, that it could indirectly improve the welfare of the society. This indicated that the cooperation was emerged because of shared vision between the Denpasar City Government and Mrs Evi in developing the welfare of the society through the development of the endek fabric industry.

The Denpasar City Government, in collaboration with ASPILUKI, also played a role to facilitate both the craftsmen and the government to provide sophisticated software so that with the software, the craftsmen could easily provide information to the government particularly in terms of data update. Bamboo Media was the organization that help providing the design that was displayed on the website of the Denpasar City Government so that it could help marketing the products of the medium-sized businesses/industries, while PT Telkom Indonesia and Indosat were the two companies that help in providing both the mobile phone and the Internet networks. The involvement of the Indosat has accelerated the Internet access as well as easing the maintenance of the network through the co-location system. This indicated that the party that has the role on every elements of activities was not only the government, but also other private parties and educational institutions (academicians). The involvement of various parties encourage the emergence of an effective management in developing the endek fabric industry.

E-commerce involved 563 medium-sized industries/businesses where 15 industries/businesses were in the development of the endek industry in Denpasar. E-commerce not only served medium-sized businesses/industries from Denpasar, but also medium-sized businesses/industries from other districts in Bali. The



Graphic 2. . The Denpasar City's E-Commerce Visits in 2010-2012 (percentage)

Source: Collected by the Researcher, 2014

e-commerce of the Denpasar City was not only visited by the Indonesians, but also by the people from other countries. The establishment of e-commerce could provide the information toward the public on the profiles of the businessmen or craftsmen, industrial products, and trade commodities as well as broaden the market share of the industrial products. This was obvious from the number of e-commerce visits in 2010-2012.

Based on the graphic 2 above, we could see that the e-commerce in Denpasar City was not only visited by the Indonesians, but also people from other countries. From 2010 to 2012, the e-commerce in Denpasar City was visited more by people from other countries, especially the United States of America (USA). Besides USA, other countries of which the citizens visit to the e-commerce of Denpasar City include Germany, Japan, Malaysia, Canada, Russia, India, the Netherlands, Australia, Mexico, and other countries. This indicated that with the presence of e-commerce, the endek medium-sized businesses/industries have the opportunities to promote and market the endek fabric to the international audience and thus broaden their market.

The medium-sized businesses/industries were willing to be involved in the e-commerce because in the beginning there was a socialization to the scheme. However, there were new medium-sized businesses who were lacking the information on the e-commerce service. This was apparent from the newly established medium-sized businesses that did not know about how to utilize the e-commerce service. According to Mrs Lusi, the owner of one of the medium-sized businesses, we could understand the endek products of Mrs Lusi were included in the e-commerce, but Mrs Lusi could not maximize this opportunity because she lacked the knowledge. This occurred because there was no coordination between the e-commerce management and Mrs Lusi. As a result, the price that was included in the e-commerce scheme were not matched with the price of the products sold by Mrs Lusi. In essence, the Denpasar City Government had the initiative to include the data of the products of Mrs Lusi to the e-commerce scheme, but due to the lack of socialization and coordination to Mrs Lusi, this opportunity was yet to be fully capitalized.

Furthermore, the Denpasar City Government provided consultations with professionals who were consisted of textile, intellectual property rights (HKI), and packaging consultants. In terms of textile consultations, the Denpasar City Government cooperated with the lecturers of the Fashion Department of the Indonesian Arts Institute (ISI) in Denpasar. The textile consultants were tasked as the actors who provided consultations on the world's trend in the textile development in terms of color and design so that medium-sized industries and medium-sized business especially endek industry, did not conduct a trial-and-error attempt without clear and basic understandings. The information about the trends of color and decoration, in the future, would be continuously provided by textile consultants based on the research that were conducted before so that trial-and-error methods could be reduced. This could also facilitate medium-sized businesses/industries to discover the market segmentation that they want to aim in the following years and help the medium-sized industries to understand that each colors and decorations should be based on definite reasons. Currently, both the textile and HKI consultations were still on the stage of spreading the information to the public. However, several medium-sized businesses/industries already contacted these textile consultants through e-mail or direct meetings in order to obtain the information on what colors that should be produced in the following years. This was because this type of service was still new.

The Denpasar City Government also provided HKI consultations. This service was in collaboration with the retired civil servants who previously worked at the Bali Province Chapter of Trade and Industry Agency and often tasked to participate in workshops on the intellectual property rights at the Law and Human Rights Ministry. The service that was provided included the information on how to obtain HKI. To this date, the service that is provided is not yet reached a point where the financing in obtaining HKI is facilitated. The HKI consultations were provided as a form of appreciation and encouragement from the Denpasar City Government toward the creativity of the medium-sized industries/medium-sized businesses. In addition, this was also the response from the government toward the concerns from the business people on piracy. The ownerships of the intellectual property rights certification could provide economic value toward the owners of the copyrights and thus the creativity of the business people were indirectly appreciated and protected so that the business people would not hesitate to develop their creativity. According to a consultant of the HKI service, even though the DDC was still focusing on the promotional stage of this service, the service of HKI consultation has served five people and one of them was an endek craftsman from the Klungkung Regency. The craftsman asked the consultants about brand rights. However, the Denpasar City Government should pay more attention in the encouragement of the HKI ownerships in terms of the real benefits. One of the medium-sized businesses owned brand rights, yet the economic benefit could not be enjoyed. This could lower the intention from other medium-sized businesses/industries in obtaining HKI.

The Denpasar City Government also provided the consultations on packaging that were in collaboration with the ownerships of the medium-sized businesses that active in the packaging sector and have the educational background of interior design. The packaging consultants provided information on packaging material that is compatible with the products; packaging device and machine and packaging material; consultations on packaging rules in accordance with the regulations; licensing and certification consultations on permits from The Food and Drug Monitoring Agency (BPOM) or also known as MD and P-IRT registration numbers; barcode, and halal certificates. The packaging consultants were also indirectly helping the medium-sized industries/businesses to realize that packaging was one of the most important factors in marketing their products. The packaging consultants have been provided from the establishment of the House of Packaging. The packaging consultants provided 72 consultants as of April 25, 2014 (according to a data collected by the researcher, 2014). The service that was provided took the form of information on packaging designs, examples of packaging that the House of Packaging previously created, and materials used to creating packages.

Sixth, the Denpasar City Government implemented the Trade Mission in order to provide a space for the medium-sized businesses/industries in Denpasar to learn and form a sustainable partnership with the medium-sized businesses/industries from other regions. Through the Trade Mission, several endek medium-sized businesses/industries were invited to the regions outside Bali in order to widen their market scope as well as enriching their knowledge on management, materials, or technology that could become the complement or substitution from the previous ones. The Trade Mission was conducted in the national scale so that the medium-sized businesses/industries of the Denpasar City Government could introduce endek and the medium-sized businesses/industries from the other regions could broaden their knowledge on both the uniqueness and the qualities of endek fabric so that it could provide medium-sized businesses/industries with the opportunities to collaborate and creating products innovation.

The implementation of the Trade Mission was different from the involvement of the endek medium-sized businesses/industries in the exhibitions that were conducted in other regions because this activity was more focused on the sustainable cooperation between the industrial actors both from home and destination regions as well as learning process received by the craftsmen, especially endek craftsmen in order to develop the endek industry in Denpasar. The implementation of the trade mission indicated that the Denpasar City Government did not work alone in the development of the industry in the region, but also need significant role from other local governments. A number of endek middle-sized businesses/industries were willing to participate because there was an information about the benefits of the activity. This was evidenced by the fact that the middle-sized businesses/industries that were involved were gathered in a forum before the implementation of the trade mission.

In the forum, the committee explained the relevant issues of the trade mission, the difference between the trade mission and other activities, benefits, as well as reaffirming its readiness. According to an employee of the Trade and Industry Agency, this was done so that the public could understand both the intention and the purpose of the Trade Mission.

The Trade Mission created both the cooperation and learning process for other middle-sized businesses/industries, but for the endek middle-sized businesses that have participated in the Trade Mission, these benefits were yet to be perceived. According one of the owners of endek middle-sized businesses, the Trade Mission could broaden their insights as well as income through the sales when the trade mission took place, but they have yet to perceive the benefits of sustainable cooperation. Furthermore, the endek middle-sized business owner also said that the traders who came to the trade mission were irrelevant to his business. This prompted the hesitation toward the effectiveness of the implementation of the Trade Mission so that it could lessen the interests from the middle-sized businesses to get involved.

Seventh, the Denpasar City Government, especially the Head of the Denpasar Chapter of Handicraft Council, initiated the establishment of the Denpasar's Songket, Bordir and Endek Association (ASBEST). The association acted as the partner of the Denpasar City Government in developing the endek fabric industry. Through ASBEST, the Denpasar City Government encouraged the craftsmen to not only become craftsmen or businessmen, but also becoming designers so that there was a change of perspective that craftsmen could not only create or sale endek fabric in accordance with the demand from the customers, but were also capable in designing the pattern or design from the products they wanted to sale based on the global trend. This was realized by providing the trainings that were suitable with the competence that was needed by the members to become designers. One of the forms of this attempt was the training on innovative combining between endek fabric and other types of fabric so therefore increasing the creativity and broadening the market scope of endek fabric. Furthermore, the members of ASBEST were also invited for a comparative study to the workplace of Deden Siswanto in Bandung, West Java in order to enrich the knowledge of the members of ASBEST in creating endek refined products innovation. The association could become the bridge between the craftsmen and the Denpasar City Government so that each activities conducted by the Denpasar City Government would be suitable with the needs of the craftsmen and the communications between these two actors could run well when the activities of the Denpasar City Government were implemented. This was done by the meetings between the members of ASBEST and the Head of the Denpasar Chapter of Handicraft Council and the presence BlackBerry chat group. The availability of communications device could ease the medium-sized businesses/industries in presenting their opinions about the development of endek industry. ASBEST could alter the way of

the service provided to the medium-sized businesses/industries that participated in the activities of the Denpasar City Government. In the beginning, the activities of the Denpasar City Government was participated by the medium-sized businesses/industries that were pointed by the government through shifts or medium-sized businesses/industries who came to the agency to find the information. After the establishment of ASBEST, the information could be received by UKM/IKM through ASBEST so that the public could be more involved in the implementation of the endek fabric industry development activities.

During the implementation of the activities related to the endek fabric industry development, the sharing of responsibilities occurred between the government and the ASBEST's medium-sized businesses/industries that were involved in financing and providing tools that were needed. This indicates that the government eased the financing that the members of ASBEST should spend. This was one of the factors that could encourage endek medium-sized businesses/industries to be involved in ASBEST. Furthermore, other supporting factor was the Head of the Handicraft Council, as the element that was close to the government, who also provided suggestions on the problems faced by ASBEST. This occurred when ASBEST faced difficulties in holding endek clothing competition. However, the grouping within ASBEST could lessen the interests of other medium-sized businesses/industries to be involved in ASBEST. According to one of the owners of the medium-sized businesses, the grouping made her feel uneasy to participate in ASBEST. Furthermore, she also stated that the activities that were conducted were more focused on the interests of the management and not all members received the information on the implementation of the activities of ASBEST. The follow-up process on the suggestions and criticism in ASBEST could also influence the involvement of the members within ASBEST. According to one of the owners of medium-sized businesses, the communication process between the members and the ASBEST management occurred in BlackBerry chat group, but the follow-up process after both the suggestions and criticism were addressed in the chat group was not known by the medium-sized business owners. This could lessen the interests of the members of the ASBEST in addressing their opinions, which in the end could affect the effectiveness of the establishment of ASBEST by the Denpasar City Government and could decrease the interaction between endek medium-sized businesses/industries and the government.

In essence, ASBEST consists of the owners of the weaving centers that should be able to erase any kind of dominance in the decision-making process. In addition, according to Mrs Meuthia G. Rochman, ASBEST also has the solidarity to develop the endek fabric industry. This was the positive side of ASBEST because all members were equal. However, most of the activities were initiated by the Denpasar City Government. This could make the thought of the medium-sized businesses/industries that were members of ASBEST was gravitated to the activities of the government instead of mulling about the actions of ASBEST in order to discover solutions of the

problems faced by medium-sized businesses/industries especially endek medium-sized businesses/industries in developing the endek fabric industry. This was proven by a statement from ASBEST Head, who said that ASBEST was yet to conduct activities or forums that touched on problems faced by the endek fabric industry, one of the problems is the crisis of weavers. The establishment of ASBEST could also reach the goals of education, motivation, and social through intensive educational activities toward craftsmen with experts, motivating the society to continuously use endek products through the products creative development generated by ASBEST members, and conducting social aid program to one of the special schools in Denpasar.

Eight, the Denpasar City Government also established Imperium Kumbasari. Imperium Kumbasari was the place that was provided by the Denpasar City Government for the purpose of promoting, informing, and marketing creative products, namely endek, bordir, and songket so that customers could understand the characteristics of the flagship products of Denpasar, especially endek fabric. This was suitable with an opinion that was addressed by Mrs Meuthia G Rochman, who said that the house of promotion was necessary so that the products of creative industry could identify themselves and not mixed with other products. Imperium Kumbasari was launched on October 24, 2012 and located on the fifth floor of the Kumbasari Market or locally known as Pasar Kumbasari. In the early stages of its establishment, the Imperium Kumbasari was filled with ten members of Denpasar's ASBEST and eight members of the Association of Indonesian Fashion Designers (APPMI). This indicated that the presence of Imperium Kumbasari could become a meeting place for the medium-sized businesses/industries with different levels of experience. This could encourage the learning process between these medium-sized businesses.

The cooperation between the Denpasar City Government and the APPMI was formed because the was a good relation between these two actors. The wife of the Mayor was one of the advisers to APPMI so therefore it created a sense of trust from APPMI to Denpasar City Government. Furthermore, the Denpasar City Government also facilitated the APPMI to cooperate with the Textile Team that was established by the Denpasar City Government. The Textile Team was a group of people that was established by the Denpasar Chapter of Trade and Industry Agency to review what are the aspects that could be developed in the context of textile products in Denpasar City, one of them is endek fabric. The Textile Team consists of seven people including the former head of the Denpasar Chapter of Trade and Industry Agency, the Head of the Denpasar Chapter of Trade and Industry Agency, an academician from the Udayana University, a consultant who specialize in the business of traditional fabric in Bali, a Denpasar craftsman, and other experts whose expertise compatible with the textile world. The cooperation with the textile team of which the members have various educational backgrounds and experience with the APPMI could create new ideas in developing endek industry. In a bid to encourage innovative ideas

from the textile team, the Denpasar City Government also facilitated a comparative study to Palembang, South Sumatra. This was also one of the form of incentives provided by the Denpasar City Government so that the cooperation could be sustainable. This indicated that the Denpasar City Government was the actor who could draw together other actors with excellent knowledge and experience in the endek industry as well as facilitating them in improving their capability so that they could create new innovation in the development of endek fabric industry.

The establishment of Imperium Kumbasari engaged the Denpasar Chapter of Regional Handicraft Council and the Commercial Market Company in Denpasar in providing the location for the Imperium Kumbasari. In addition, the Imperium Kumbasari was also run by a manager whose task includes managing, administering, and utilizing the benefits of the Imperium Kumbasari.

The implementation of the Imperium Kumbasari was also supported by Bank Mandiri as a private company in terms of the booth supply and the payment for the manager in the early development. This cooperation came from the decent communication between Denpasar Mayor and the management of Bank Mandiri in Denpasar before the establishment of Imperium Kumbasari. Furthermore, as a form of appreciation from the Denpasar City Government to the contribution of Bank Mandiri, the Denpasar City Government also provided a space for the Bank Mandiri to put its logo at the Imperium Kumbasari. This illustrated that both decent and appropriate communication as well as appreciation to the party that was invited to cooperate could encourage external parties to cooperate with the Denpasar City Government so that the Imperium Kumbasari could be established.

In the beginning, the provision of sales clerks was financed by medium-sized businesses/industries that open their branches at the Imperium Kumbasari. As a result, there was a price increase that the medium-sized businesses/industries must offer to the customers. Based on this, the Head of ASBEST stated that the Denpasar City Government took an initiative to pay the funding of the sales clerks after renovation. Furthermore, the Denpasar City Government installed elevators so that the public could easily go shopping at the Imperium Kumbasari. The decision was part of the evaluation that was previously conducted. The location of Imperium Kumbasari was inconvenient so that the customers complained and subsequently the elevators were installed. The establishment of Imperium Kumbasari could provide an opportunity for the endek medium-sized business/industries in Denpasar to promote their products. This was obvious when the official guests came to Bali, these guests were invited to Imperium Kumbasari. However, the changes in terms income of the medium-sized businesses/industries that fill the Imperium Kumbasari were not large.

The benefits of the presence of the Imperium Kumbasari could not be maximized because the public experienced trouble in accessing the Imperium Kumbasari. The majority of the customers of the Imperium Kumbasari came from middle-upper class.

As a result, the access to Imperium Kumbasari should facilitate the middle-upper class so that they could flock to Imperium Kumbasari. According to Mrs Meuthia G. Rochman, the house of promotion that was established should be able to reach out to the customers in accordance with the characteristics of the customers. This indicated that when the products that were sold was aimed for middle-upper class, the house of promotion (Imperium Kumbasari) should have both the access and condition that in favor of the middle-upper class to go shopping at Imperium Kumbasari. This was not supported by the condition of the first floor of Pasar Kumbasari. The condition of the first floor of Pasar Kumbasari tend to be cramped for two cars. According to the Head of ASBEST, after 12 o'clock, customers who drive their cars to Pasar Kumbasari experienced trouble to exit the first floor of Pasar Kumbasari. The difficulty in existing the first floor was because the vegetable sellers who did their business with their vehicles already arrived. Therefore, customers found it hard to secure parking spots. In addition to the difficulties in securing parking spots, the location of the first floor of the Kumbasari Market was also near fish market so that there was an annoying smell. Previously, the Denpasar Government revitalized the parking spots, but the problems still occurred. The difficulties in accessing the Imperium Kumbasari prompted a resistance from the middle-upper class to go shopping at Imperium Kumbasari. This could reduce the effectiveness of Imperium Kumbasari as one of the places to promote endek fabric and decrease the enthusiasm from the medium-sized businesses/industries to exhibit their endek products at the Imperium Kumbasari.

The implementation of the activities/policies on the development of endek industry was also supported by the important actors from the public. In order to maintain the involvement, the Denpasar City Government provided an award for those who were actively assist the Denpasar City Government. The award was presented at the Art Center, one of the places that became the center of art activities in Bali. This indirectly encouraged parties that were invited to cooperate to maintain their contribution toward the activities of the government because the recognition from the government through the award was essential in forming partnerships with external parties. The award could improve the good "reputation" of the party who were asked to collaborate. The presentation of the award in the form of good "reputation" was one of the important actions of the government so that both the private sector and the society would be willing to get involved in the development of the endek industry so that it could encourage the innovation in the sector of creative industry.

The cooperation from various parties in the innovative activities/policies of the Denpasar City Government was also supported by the role of mass media in publishing these activities. According to an employee in the economy department of the Regional Secretariat of Denpasar, the implementation of the Denpasar Festival was supported by printed media, especially newspapers,

in terms of publication. This encouraged medium-sized businesses/industries and the members of the society who were willing to participate (cooperate) in Denpasar Festival because the information was accessible. Not only Denpasar Festival, the successful attempt from the Denpasar City Government to encourage the public was also thanks to the involvement of the printing media, especially magazines.

In order to overcome the crisis that was faced by the weavers, the Denpasar City Government assessed the Vocational High Schools, locally known as SMKs, of which design was the major so that it could include endek weaving technique as part of the extracurricular activity. According to the Denpasar Chapter of the Handicraft Council, the provision of tools was also directed to the schools, which was expected to provide the knowledge on endek weaving technique. In the context of the utilization of yarn as the material of endek fabric that was produced in Bali, the Denpasar City Government also implemented workshops, but this attempt was yet to be further implemented. This was due to the fact that the weather and the environment in Bali, especially Denpasar, was not facilitating the attempt. Furthermore, the Denpasar City Government was yet to further encourage the craftsmen to utilize the coloring material that was made from natural resources as the alternative material for the coloring of endek fabric. This was due to the fact that each craftsmen in Denpasar City have their own characteristics.

The presence of the direct role from the level of leadership to staff was one of the supporting factors in the implementation of activities/policies. In the level of leadership, both the Mayor and his wife were committed in the development of endek industry. This was apparent from the evaluation that was implemented periodically by the Mayor. According to the coordinator of DDC, the Mayor always supervised the development of the services provided, including the services provided by the DDC. Besides supervision, the Mayor also encouraged the improvement of the services provided on daily basis. The commitment was also shown by the leaders from their personal lifestyle by donning endek clothing for daily wear so that the civil servants and the society participated in the activities/policies on the development of the endek fabric industry. Furthermore the wife of the Mayor who was also the Head of the Denpasar Chapter of the Handicraft Council also used the social media to promote the endek clothing to the public. This was done because the wife of the Mayor realized that if the public was not given examples on wearing endek clothing on daily basis, the purpose of the promotion of endek products would not be achieved. Based on that, we could understand that decent examples from the leadership level could encourage the staff to maximize their work.

In a bid to inspire the vision, the Mayor involved every regional working units (SKPDs) to support the activities that could support the endek fabric industry. This was not only done by the Mayor as the wife of the Mayor also encouraged the SKPDs to encourage the realization of the vision of the Mayor in the

development of endek fabric industry. Furthermore, in an attempt to get the stakeholders to involve in the activity, the wife of the Mayor was also willing to meet with the leaders or important actors of the stakeholders. This was evidenced by the attempt of the wife of the Mayor to visit the management of Bank Indonesia to help promoting the appeal of the banks in Denpasar to wear endek attire and products. In addition to the partnership with Bank Indonesia, the Denpasar City Government through the wife of the Mayor also collaborated with Didiet Maulana, one of the nation's fashion designers whose focus was on the development of the woven ikat fabric. This was done because, according to the wife of the Mayor, the collaboration with the right person, who shared the same vision, and the totality of the principle in the implementation of an activity so that it was not merely theory but also practice, and provide direct benefits to the society were essential. Furthermore, the collaboration with the important actors also went well because of the personal approach between the leaders and the parties who were invited to collaborate. Another beneficial effect from the personal approach that was taken by the leaders of the Denpasar City Government was cost reduction. This was obvious from the involvement of Didiet Maulana, who charged for his service lower than his usual rate for the project. This was the result from the efforts from the wife of the Mayor who suggested that the endek was on the verge of crisis and the Denpasar City Government wanted to invite the main actors of the development of ikat woven to also revive endek. Furthermore, the commitment to suggest the appliance of endek was also apparent from the involvement of the leaders on the community activities that preserving endek was one of the agenda.

The leaders of the Denpasar City Government were also bold in terms of encouraging the implementation activities that never been done previously. This was apparent from the establishment of e-commerce. In essence, e-commerce was common in the business world, but it was exceptional when the e-commerce was established by the government and the public could access the service without charges. Based on the condition of the technological development, the utilization of information technology was one of the important aspects in the development of endek industry. The utilization of new technology would definitely trigger changes in the working way of the employees of the Trade and Industry Agency that there was the potential of resistance of failure. However, the risk was taken by the Mayor because, to him, the public sector must adept in facilitating medium-sized businesses/industries, particularly endek medium-sized businesses/industries, to be able to utilize the market potential from the most recent development in technology.

The change that prompted the resistance was managed by concrete solution. This was apparent when the local government suggested endek clothing as one of the school uniforms. Endek clothing was relatively costly. This might create the resistance from the students because it should be noted that they were yet to have income. This was managed by the wife

of the Mayor who provided a solution: when making endek uniform, it did not mean that the whole fabric was endek but instead could be modified so that the endek fabric would be merely part of the uniform and thus affordable for the students.

These activities were also possible because of the culture of organization that was bold and unafraid of failure. This was apparent from the HKI service. According to one of the HKI consultants, in general, the HKI consultations covered guidance consulting, promotion, and advocacy where each of these services were handled by different people. The role of these three different services would be possible for delays when only one person covered all of them. The lack of human resources occurred because the service was only established on March 21, 2014. However, the situation did not prompt the Denpasar City Government to stop providing HKI consulting. Currently, in a bid to make improvements, the HKI consultants were focusing on the socialization, promotion, and training for the tutors in 2014 and would improve the structural condition in 2015. In order to reduce the possibility of failure, the Denpasar Chapter of Trade and Industry Agency periodically evaluated and subsequently improved the conditions based on the evaluations. In general, the Denpasar Chapter of Trade and Industry Agency evaluated the service in every week. The weekly evaluation was conducted in order to discover the obstacles of the service process that was offered in each fields at the Denpasar Chapter of Trade and Industry Agency so that the improvements could be made.

New activities would be risky when they were implemented in the beginning. This was apparent from the formation of DDC. The formation of DDC could trigger the shifts of civil servants. According to the coordinator of DDC, these shifts did not make the civil servants resist the formation of DDC because of the role of the leaders who reassured that every shifts would give additional value to the civil servants. In addition, the risk was also present when e-commerce was first introduced to the public. In the beginning, the obstacles in the utilization of e-commerce occurred because of the age factor of the craftsmen. This obstacle prompted the Denpasar City Government to provide better service so that the craftsmen could properly utilize e-commerce. According to one of the employees of the Denpasar Chapter of Trade and Industry Agency, one of the efforts of the Denpasar City Government was to create an e-mail account that could be applied for the benefits of the craftsmen in doing the e-commerce system and facilitate them in other technicalities. Based on the explanation, we could see that the risk appeared whenever a new action was taken. However, the role of the leaders as well as concrete solutions could prevent the risk to become bigger problems.

When problems occurred during the implementation of the activities, the actors within the Denpasar City Government cooperated with each other in order to solve these problems. This was apparent during the service of the House of Packaging. According to the coordinator of DDC, when problems occurred during the service of House of Packaging on the development of innovation

of packages, the House of Packaging was assisted by both the creative team and the textile team formed by the Denpasar Chapter of Trade and Agency, in addition to packaging consultants. This indicated that when one of the services provided experienced difficulties, the solutions were not merely came from one actor, but also involving cooperation between the parties within the Denpasar Chapter of Trade and Agency. This was the fruit of communication between these actors. Besides the horizontal communication between these actors, the effective vertical communications could also solve these problems. According to one of the employees of the Denpasar Chapter of the Trade and Agency, when discovering problems during the weekly evaluation that involved the participation of the Agency Head and Department Head, the Agency Head was not hesitated to directly discuss the problems with Section Head.

The role of the Agency Head also triggered the implementation of the activities of the development of endek industry. According to an employee of the Denpasar Chapter of Trade and Industry Agency, the Agency Head often conducted field visits. As a result, the leaders would discover the condition in the fields so that it could prompt innovative ideas that could address to the problems occurred in the fields. In addition, the Agency Head also positively responded to new ideas in the development of endek industry. According to an employee with the Denpasar Chapter of Trade and Industry, when a member of staff gave a creative idea, the Agency Head provided an opportunity for the idea to be developed and, later, implemented. The Agency Head also provided an opportunity for the medium-sized business/industries to address their problems so that the Agency Head could provide both information and access for the medium-sized business/industries to participate in the activities that were organized by the Denpasar City Government. According to one owner of medium-sized business, the communication provided him the opportunity to be involved in the Denpasar Festival. The Agency Head also committed to the newly established endek medium-sized business/industries. This was apparent from the implementation of woven training organized at the Gallery Tenun Ananda. The Gallery Tenun Ananda is a woven center that was just established in the beginning of 2014. These activities in which the newly established medium-sized business/industries participated could push the enthusiasm of the new medium-sized business/industries in developing their business/industries. This also proved that the government paid attention to the development of new medium-sized business/industries.

The implementation of the activities on the development of endek industry was also supported by the cooperation between the departments at the Denpasar Chapter of Trade and Industry Agency. The culture of cooperation between the departments at the Trade and Industry Agency was supported because when one department organized an activity, the other departments would have their representatives participated in the activity. This was apparent during the Trade Mission. According to the Head of Cooperation and Protection, when the Cooperation and Protection

Department conducted the trade mission, the Trade and Industry Department sent their representative so that the department could be familiar with the activities conducted by the Cooperation and Protection Department. The knowledge could trigger the other departments to provide suggestions to the implementation of the activities of the Cooperation and Protection Department and vice versa. This positively affected new ideas that could appear from other departments in the framework of evaluating existing activities.

The implementation of the activities on the development of endek industry was supported by the cooperation within each sectors. This occurred because of the capability of the leaders to organize the division of work. The division of responsibility that was clear between the leaders and staff influenced the implementation of activities. According to one of the employees of the Denpasar Chapter of Trade and Industry Agency, the leaders played bigger role in mulling concept or ideas, providing deadlines on each operational tasks given to the staff, and the follow-up. Furthermore, the cooperation within each sectors was also maintained because of the presence of decent communication, particularly when facing problems. When one of the employees of the Denpasar Chapter of Trade and Industry Agency, Mrs Laxmy, experienced difficulties, she addressed the problem at her department so that the solution that was provided would be based on various perspectives.

The cooperation in the Trade and Industry Agency was also supported by the capability of the employees of the Trade and Industry Agency in understanding their environment. This capability came from the encouragement from the Denpasar City Government to improve the knowledge of the employees. Among others, this was apparent from the opportunity to learn at the House of Change that was received by the creative industry development team (the creative team). The creative team was one of the teams formed at the Denpasar Chapter of Trade and Industry Agency to develop creative ideas in the development of creative industry, particularly endek. According to a statement from the Head of Creative Team, who was also the Head of the Cooperation and Protection Department, the creative team was facilitated to learn at the House of Change. When studying at the House of Change, the creative team was taught that the activities that they should conduct should not be "business as usual." This was one of the factors that encourage the civil servants within the creative team to be more innovative in planning their program and did not conduct usual programs in the development of endek fabric industry. In addition, new ideas occurred because of the variety of the educational background among employees. The members of the creative team came from different educational backgrounds, namely economy, literature, engineering, tourism, and information technology. The diversity of backgrounds could provide an opportunity of the occurrence of various perspectives in creating activities. In addition, the activities that were implemented by the Denpasar City Government was also the result of benchmarking on the activities

conducted by other local governments. According to Mrs Laxmy, several activities on the development of endek fabric industry were inspired by the activities that were conducted by the Solo City Government. In addition, the DDC was also the result of the study that the Denpasar City Government conducted at the Jakarta Design Center. For the establishment of House of Packaging, the Denpasar City Government studied to Bandung and Semarang.

The factor of the individuals who have the experience on the fields that were related to the activities on the development of creative industry was one of the triggers for the implementation of new ideas. According to Mrs Laxmy, as one of the actors who were involved in the selection of the Endek Ambassador and other activities on the development of endek, came with creative ideas thanks to her experience with artist Guruh Soekarno Putra. With the experience, Mrs Laxmy understood the steps when organizing activities such as the Endek Ambassador pageant. In addition, Mrs Laxmy also learned from the actors who were invited to cooperate such as event organizers, researchers from universities who previously conducted studies in Denpasar, and actors from the region. Furthermore, Mrs Laxmy also came with innovative idea because Mrs Laxmy utilized the information technology (Internet) so that it could enrich her insights in coming up with new ideas in conducting innovative activities to develop the endek fabric industry.

In addition, the mindset of the employees also influenced the implementation of the activities on the development of endek industry. According to Mrs Laxmy, the implementation of new activities triggered negative opinions from some people. However, these opinions were taken as suggestions so therefore they could improve the Endek Ambassador pageant and other activities in which the Endek Ambassador would be involved. In order to come with even better results, Mrs Laxmy also invited an independent team to transform new ideas into concrete solutions. In addition, one of the values of the Denpasar City Government was "service in an obligation" as included in the Sewaka Dharma concept that has been understood by civil servants. Sewaka Dharma is the motto of the Denpasar City Government in providing assistance to the public. Sewaka Dharma has five values, which are subuddhi, susatya, sudharma, sukarya, and subhakti. The five concepts essentially taught the civil servants to provide services that are friendly, polite, not harming the feelings of the customers, discipline, accountable, providing the quality as promised, mentally stronger when facing customers with problems, and spiritually aware. Sewaka Dharma also taught that every civil servants of the Denpasar City Government must have the capability in the implementation of his tasks and obligations. These values encouraged the employees of the Denpasar Chapter of Trade and Industry Agency to perform their best in the activities on the development of endek fabric industry.

Based on the results of the study, the researcher suggest several recommendations. Firstly, in order to encourage innovation for the endek fabric industry, the Denpasar City Government should take several actions,

namely: a) Cooperating with the central government and other local governments in Bali to accelerate the procurement of a communal intellectual property rights so that should in the future endek fabric were produced by other regions or even other countries, endek fabric would have been recognized as one of the flagship products of Bali; b) Cooperating with the institutions of which the focus were the technology or other universities of which the focus were on the development of technology in order to produce the technology that would accelerate the making process of endek fabric, but still would not erase the symbolic values during the making process itself; c) Cooperating with all vocational high schools in Bali, especially Denpasar in order to list the endek weaving technique as one of the subjects so that the younger generation could discover the potential of endek fabric industry; d) Cooperating with the private sector (medium-sized industries) or public in general whose focus was on the development of endek fabric industry in order to conduct the coaching on weaving toward younger generation and subsequently created an informal institution that could generate the sustainability of the endek fabric weaving industry.

The second recommendation that the researcher would like to address was in relation to the improvement of the effectiveness of the activities/policies of the government. In this context, the Denpasar City Government should take several actions, namely: a) Involving some groups (for instance, designers) who have the connection with endek fabric industry when conducting trade mission so that endek medium-sized businesses/industries would be encouraged to be involved in trade mission; b) Detailed and sustainable evaluations after the implementation of trade mission so that the Denpasar City Government could comprehensively understand the effectiveness of the implementation of trade mission. In addition to the trade mission, a comprehensive evaluation for the Denpasar Festival should also be done through the calculation of the quantity of the products that have been sold. This should be done so that the Denpasar City Government could see the disadvantages and the advantages of the activities so that it could improve the achievements in the following year; c) Conducting socialization to the newly established medium-sized businesses/industries so that they could fully utilize the e-commerce service. Furthermore, the socialization on the benefits that these businesses/industries would get when obtaining copyrights as well as providing concrete examples on the benefits is also important; d) Facilitating the registration for the exhibitions in the Denpasar Festival so that it will not only utilize conventional method, but also utilize the technology information (Internet) so that it could improve the interests of the medium-sized businesses/industries to participate; e) Selecting the location of Imperium Kumbasari that is compatible with the market target, which is the middle-upper class; f) Becoming the mediator within ASBEST so that the communications between the management and the members could be maintained and each groups could be unified. In addition, the government

could also become the stimulator in the forums within ASBEST in order to face the strategic challenges faced by the endek fabric industry; g) Improving the service of the House of Packaging so that the packages would be ready-to-use and providing direct response should there be any complaint from the medium-sized businesses/industries.

CONCLUSION

The Denpasar City Government played a role in terms of policy-making in the form of Denpasar Local Regulation No 6/2102. Furthermore, the Denpasar City Government facilitated the endek medium-sized businesses/industries in the form of eight activities, which include training and participating in exhibitions, the suggestion for using endek fabric products, the implementation of Denpasar Festival and Trade Mission, the Endek Ambassador pageant, the establishment of Denpasar Design Center, Imperium Kumbasari, and the Denpasar's Endek, Bordir, and Songket Association so therefore allowing the universities and businesses to interact with each other. These activities/policies has helped supporting the resources of the endek fabric industry, but it is yet handling the crisis faced by the weavers.

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