European innovation agenda-including CIP
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http://ec.europa.eu/enterprise/funding
http://www.europe-innova.org

- Innovation policy is at the core of the European policy making
- German presidency places enormous emphasis on innovation
- 18 months program of three presidencies
  - Germany,
  - Portugal
  - Slovenia
- Builds on Finnish presidency
  - Aho report
  - Integrated innovation Policy Initiative

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German Presidency places specific emphasis on innovation

- Comprehensive framework for the EuroAtlantic R&D Partnership
- Establishing comprehensive measures to speed up innovation
- Promoting partnerships and networks
- Fostering the development of innovative small and medium-sized enterprises
- Strengthening the innovation capacity of firms

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Sparks
### The networks of Europe INNOVA

<table>
<thead>
<tr>
<th>Cluster Networks</th>
<th>Financing Networks</th>
<th>Standards Networks</th>
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</thead>
<tbody>
<tr>
<td>NetBioClue (biotech)</td>
<td>AFIBIO (biotech)</td>
<td></td>
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<tr>
<td>OMNI-NET (ICT)</td>
<td>ACHIEVE (ICT)</td>
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<tr>
<td>mClusters (ICT-wireless)</td>
<td>GATE2START (ICT)</td>
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<td>NICE (ICT)</td>
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<tr>
<td>ENOC (ICT – Optics)</td>
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<tr>
<td>CENCE (energy)</td>
<td>EIFN (energy)</td>
<td>DEPUIS (eco-innovation)</td>
</tr>
<tr>
<td>CASTLE (space)</td>
<td>FinanceSpace (space)</td>
<td></td>
</tr>
<tr>
<td>INNOTEX (textile)</td>
<td>NETFINTEX (textile)</td>
<td>INNOVAFUN (furniture)</td>
</tr>
<tr>
<td>Bel_CAR (automotive)</td>
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<tr>
<td>TCAS (automotive)</td>
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<tr>
<td>ABC-Network (food)</td>
<td>ENFFI (food)</td>
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<tr>
<td></td>
<td>Injection (medical dev)</td>
<td>Bio-Health (e-Health)</td>
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<tr>
<td></td>
<td>BUILD-NOVA (building)</td>
<td>STAND-INN (building)</td>
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<tr>
<td></td>
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<td>Euromind (maritime)</td>
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<td></td>
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<td>STEPPIN (public proc.)</td>
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</table>

### The IMP3rove Self Assessment Tool

The benchmarking report provides a detailed understanding of an SME’s strengths and weaknesses.

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**Score per dimension (Example)**

- Innovation strategy
- Innovation organization & culture
- Innovation lifecycle
- Enabling factors
- Innovation Management Success

**Exemplary questions per dimension**

- Is your innovation strategy clearly linked to your business strategy?
- How would you rate your company’s readiness for innovation?
- What is the average time-to-profit for your most important products/services?
- What percentage of your innovation projects have you completed within the defined time, budget and quality?
- What is your estimation of profit share from innovations? (By innovation types)

Fostering Innovation in Services

FINAL

2007

A Report of the Expert Group on Innovation in Services
Forthcoming calls

- Europe INNOVA (KIS) April 2007 5m€
- Europe INNOVA (new PPPs) mid-2008 45m€
- PRO INNO Europe (WINNO Nets) mid-2008 19m€

Will be launched this week
Towards a European Innovation Platform for Knowledge Intensive Services

DG Enterprise and Industry

1. Innovation in services matters

In 2004, business services contributed on average to 40% of total EU-25 employment and 46% of EU-25 value added.

2. All forms of innovation should be supported, not only technological innovation

<table>
<thead>
<tr>
<th></th>
<th>Product innovation</th>
<th>Process innovation</th>
<th>Organisational innovation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>73.4</td>
<td>82</td>
<td>63.3</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>68.2</td>
<td>76.1</td>
<td>63.3</td>
</tr>
<tr>
<td>Services</td>
<td>57.1</td>
<td>79.7</td>
<td>71.5</td>
</tr>
<tr>
<td>KIBS</td>
<td>80.7</td>
<td>66.9</td>
<td>70.4</td>
</tr>
<tr>
<td>Services (excl. KIBS)</td>
<td>48.8</td>
<td>83.4</td>
<td>70.6</td>
</tr>
</tbody>
</table>

* Statistics based on CIS-4 data
3. Innovative SMEs in the service sector receive less public support for innovation than in manufacturing

Reason?
1. Less market failure for innovative service companies?
2. Innovation support policies are less adapted to the specific needs of service companies?
   - Registered IP (patents as well as trademarks) for example, are less widely used by service firms than by manufacturing firms.
     - For patents, this might be considered normal, as service firms in the strict sense 'invent' less.
     - Trademarks however should be equally relevant
   - There are clear indications that service companies and especially knowledge intensive business services have more difficulties in accessing external financing

4. Service SMEs find public support crucial to improve the quality of their innovations

- Manufacturing firms emphasize the reduced innovation costs as the main benefit needed from public support programmes

⇒ One size policy does not fit all!
Towards a European Innovation Platform for Knowledge Intensive Services (KIS)

- Exploitation of existing good practice tailored to the needs of service firms
- Young innovative service firms with high growth potential – gazelles!
- Pooled support packages – ‘one stop shops’
- Public Private Partnerships
- Closer links between research, incubation, finance, clusters

Facilitate the creation of more European innovation champions in the field of services
Foster KIS activities in highly-innovative industry sectors

Exploratory action
Call for proposals – May 2007

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**European Innovation Platform for knowledge intensive services**

*A Europe INNOVA Public Private Partnership establishing closer links between research, skills, entrepreneurship, finance and clusters*

**Main Activities**

<table>
<thead>
<tr>
<th>Networking action Sector 1</th>
<th>Networking action Sector 2</th>
<th>Networking action Sector 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assess specific research and skills needs of potential high growth KIS enterprises &amp; establish links with relevant research and business partners (e.g. voucher schemes)</td>
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</tr>
<tr>
<td>Design, test and validate improved support mechanisms for innovation intermediaries, KIS start-ups and young promising growth firms (e.g. screening &amp; selection methodologies, coaching and training measures: EATs, certification schemes, traps the training sessions)</td>
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<tr>
<td>Facilitate access to finance and networking with clusters and relevant partners</td>
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<tr>
<td>Offer info packages or tool boxes to other public and private innovation intermediaries</td>
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</tbody>
</table>

**Horizontal activities**

- Repository of technological and organisational/business model innovations in services
- Guide on the facilitation of organisational innovation in services
- Business community of potential high growth KIS enterprises
- Annual European Venture Contest and European service innovation award
- Common marketing and communication tools for the platform
**European Innovation Platform for knowledge intensive services**

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**Possible partners**

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<tbody>
<tr>
<td>Possible partners</td>
<td></td>
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</table>

- **Public organisations**: Universities, research centres, regional development agencies
- **Innovation intermediaries**: Knowledge Transfer Offices, science parks, incubators, consultants, training & coaching centres
- **Private-public entities** proving support to KIS enterprises (business organisations, chambers of commerce)
- **Financing networks** (business angels, venture capitalists)

**Exit strategy!!**