Global platform for local Innovation,
Strategies for Regional Innovation

Geneva April 12th 2012

Prof. Imrich Chlamtac, President
Locality of Innovation

“Regional growth is strictly linked to regional innovation and regional SMEs”

“Enhancing local talents and local resources by providing the training and tools to reach out to global knowledge and resources is the only way used by innovation promoters to face global challenges”
## SMEs: where innovation happens

Over 75% of innovation comes from companies with less than 250 employees.

<table>
<thead>
<tr>
<th>Country</th>
<th>Process innovations: developed by the enterprise or group</th>
<th>Product innovations: new to market</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>With 10 to 49 employees</td>
</tr>
<tr>
<td>Belgium</td>
<td>42.2</td>
<td>42.7</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>41.3</td>
<td>40.7</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>39.0</td>
<td>40.1</td>
</tr>
<tr>
<td>Denmark</td>
<td>:</td>
<td>:</td>
</tr>
<tr>
<td>Germany</td>
<td>30.1</td>
<td>27.1</td>
</tr>
<tr>
<td>Estonia</td>
<td>40.5</td>
<td>37.9</td>
</tr>
<tr>
<td>Spain</td>
<td>50.7</td>
<td>50.6</td>
</tr>
<tr>
<td>France</td>
<td>50.8</td>
<td>50.8</td>
</tr>
<tr>
<td>Italy</td>
<td>44.9</td>
<td>44.0</td>
</tr>
<tr>
<td>Cyprus</td>
<td>50.9</td>
<td>53.5</td>
</tr>
<tr>
<td>Latvia</td>
<td>33.9</td>
<td>31.3</td>
</tr>
<tr>
<td>Lithuania</td>
<td>51.8</td>
<td>55.0</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>51.7</td>
<td>48.0</td>
</tr>
<tr>
<td>Hungary</td>
<td>24.8</td>
<td>25.0</td>
</tr>
<tr>
<td>Malta</td>
<td>47.7</td>
<td>46.9</td>
</tr>
<tr>
<td>Netherlands</td>
<td>23.4</td>
<td>22.0</td>
</tr>
<tr>
<td>Austria</td>
<td>37.6</td>
<td>34.9</td>
</tr>
<tr>
<td>Poland</td>
<td>43.7</td>
<td>45.6</td>
</tr>
<tr>
<td>Portugal</td>
<td>52.0</td>
<td>52.4</td>
</tr>
<tr>
<td>Romania</td>
<td>66.0</td>
<td>67.0</td>
</tr>
<tr>
<td>Slovenia</td>
<td>37.2</td>
<td>36.2</td>
</tr>
<tr>
<td>Slovakia</td>
<td>34.2</td>
<td>34.6</td>
</tr>
<tr>
<td>Finland</td>
<td>39.2</td>
<td>40.4</td>
</tr>
<tr>
<td>Sweden</td>
<td>33.5</td>
<td>33.1</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>:</td>
<td>:</td>
</tr>
<tr>
<td>Norway</td>
<td>27.4</td>
<td>28.0</td>
</tr>
<tr>
<td>Croatia</td>
<td>37.4</td>
<td>36.9</td>
</tr>
</tbody>
</table>

Source: Eurostat (online data code: inn_cis6_prod)
However, framework conditions for start-up and growth to the “next stage” prevent SMEs from growing to become economic drivers of wealth (even in the “startup nation” this is recognized as the major challenge).

Official start-up rates of new businesses are relatively low in Europe, given size of regional motivated talent pool, resources and scope of expertise.
### Regional expertise as incentive for glocal operation

**Activity (NACE)** | **All regions** | **Most specialised region** | **Share of the region (%)**
--- | --- | --- | ---
Mining and quarrying (B 05-09) | 0.3 | 0.6 | North-Eastern Scotland (NM5)
Mining of coal and lignite (05) | 0.0 | 0.2 | Silesia (PL22)
Extraction of crude petroleum and natural gas (06) | 0.6 | 0.1 | North-Eastern Scotland (NM5)
Mining of metal ores (07) | 0.0 | 0.0 | Ovra-Nord (SE33)
Other mining and quarrying (08) | 0.2 | 0.2 | Swietokrzyskie (PL33)
Mining support service activities (09) | 0.0 | 0.3 | North-Eastern Scotland (NM5)
Manufacturing (C 15-39) | 2.4 | 1.0 | Zapadná Slovensko (SK42)
Food (10) | 2.2 | 1.1 | Podkarpackie (PL74)
Beverages (11) | 0.6 | 0.3 | La Rioja (ES23)
Tobacco products (12) | 0.1 | 0.1 | Trier (DE32)
Textiles (13) | 0.3 | 0.5 | Prov. West-Vlaanderen (BE35)
Wearing apparel (14) | 0.2 | 0.1 | Severo-Kazakhstanski (KS23)
Leather and leather products (15) | 0.1 | 0.3 | Marche (IT35)
Wood and wood products (16) | 0.6 | 0.1 | Il-Kooz (FI13)
Paper and paper products (17) | 0.4 | 0.7 | Norra Mälardalen (SE81)
Printing and reproduction of recorded media (18) | 0.6 | 0.2 | West Yorkshire (UK4)
Cola and refined petroleum products (19) | 0.0 | 0.1 | Opole (PL25)
Chemicals and chemical products (20) | 0.6 | 0.9 | Rhein-Erft-Kreis (DE35)
Pharmaceutical products and preparations (21) | 0.2 | 0.4 | Prov. Brabant-Wallon (BE31)
Rubber and plastic products (22) | 0.2 | 1.4 | Oberfranken (DE24)
Other non-metallic mineral products (23) | 1.1 | 1.3 | Prov. Namur (BE35)
Basic metals (24) | 0.5 | 1.0 | Norra Mälardalen (SE81)
Fabricated metal products (25) | 0.8 | 0.3 | Giesswein (AT11)
Computer, electronic and optical products (26) | 0.6 | 0.7 | Pohjois-Suomen (FI14)
Electrical equipment (27) | 0.8 | 0.3 | Oberpfalz (DE33)
Other machinery and equipment (28) | 1.8 | 2.4 | Tübinger (DE4)
Motor vehicles, trailers and semi-trailers (29) | 0.9 | 1.8 | Braunschweig (DE91)
Other transport equipment (30) | 0.9 | 0.5 | Lorraine (FR04)
Furniture (31) | 0.9 | 1.0 | Warmia-Mazurskie (PL62)
Other manufacturing (32) | 0.6 | 0.5 | Bordei, Midland and Western (ES01)
Repair and installation of machinery (33) | 0.9 | 0.9 | Merano-Bolzano (IT23)
Electricity, gas, steam and air conditioning supply (D 35) | 0.8 | 0.9 | Sud West-Oberrhein (DE31)
Water supply, sewerage, waste management (E 36-39) | 0.9 | 0.0 | Východná Slovensko (SK42)
Water supply (36) | 0.2 | 0.3 | Východná Slovensko (SK42)
Waste management (38) | 0.6 | 0.5 | Prov. Luxembourg (LU34)
Freelance (39) | 0.6 | 0.0 | Valle d'Aosta (IT125)
Buildings (41-43) | 3.2 | 3.8 | Región Autónoma de Asturias (ES23)
Civil engineering (42) | 1.3 | 1.3 | Región Autónoma de Asturias (ES23)
Specialised construction activities (43) | 3.2 | 5.2 | Hedmark og Oppland (NO32)
Distributive trades (G 45-47) | 24.6 | 24.4 | Ciudad Autónoma de Melilla (ES64)
Motor trade and repair (45) | 2.9 | 2.9 | Brandenburg - Tuchelt (DE42)
Wholesale trade (46) | 7.1 | 7.1 | Oslob-Örebro (SE91)

**Activity (NACE)** | **All regions** | **Most specialised region** | **Share of the region (%)**
--- | --- | --- | ---
Retail trade (47) | 14.2 | 14.3 | Ciudad Autónoma de Melilla (ES64)
Transport and storage (H 49-53) | 7.5 | 8.3 | Åland (FI20)
Land transport and pipelines (49) | 4.2 | 4.5 | Skåne (SE02)
Water transport (50) | 0.0 | 0.4 | Åland (FI20)
Air transport (51) | 0.0 | 0.2 | Outer London (UK2)
Supporting transport activities (52) | 1.6 | 1.8 | Bremen (DE30)
Postal and courier activities (53) | 1.2 | 1.3 | Köln (DE42)
Accommodation and food service activities (I 55-56) | 7.4 | 7.8 | Algiers (AL15)
Accommodation (55) | 1.6 | 2.2 | Provincia Autonoma Bolzano/Bozen (ITD1)
Food and beverage service activities (56) | 5.5 | 5.6 | Algiers (AL15)
Information and communication (J 65-68) | 2.7 | 3.6 | Regiunea Brestului-Capitale/Brests Hoofdplaats (BE15)
Publishing activities (58) | 0.5 | 0.6 | Oslo og Akershus (NO32)
Multimedia publishing (59) | 0.1 | 0.2 | Inner London (UK3)
Programming and broadcasting (60) | 0.1 | 0.2 | Rhein-Erft-Kreis (DE35)
Telecommunications (61) | 0.5 | 0.7 | Köln (DE42)
Computer activities (62) | 1.2 | 1.6 | Utrecht (NL31)
Information service activities (63) | 0.2 | 0.3 | Bremen (DE30)
Real estate activities (L 48) | 1.8 | 1.8 | Ljubljana (SI00)
Professional, scientific and technical activities (M 69-75) | 6.9 | 7.5 | Inner London (UK3)
Legal and accounting activities (69) | 2.2 | 2.2 | Inner London (UK3)
Activities of head offices (70) | 0.0 | 1.3 | Inner London (UK3)
Architectural and engineering activities (71) | 2.0 | 2.1 | North-Eastern Scotland (NM5)
Scientific research and development (72) | 0.2 | 2.0 | Trelew (UR23)
Advertising and marketing research (73) | 0.0 | 0.7 | Inner London (UK3)
Other professional, scientific and technical activities (74) | 0.6 | 0.7 | Inner London (UK3)
Veterinary activities (75) | 0.1 | 0.2 | Cornwall and Isles of Scilly (UK50)
Administrative and support service activities (N 77-82) | 8.5 | 8.7 | Flanders (BE23)
Rental and leasing activities (77) | 0.4 | 0.5 | North-Eastern Scotland (NM5)
Employment activities (78) | 2.0 | 3.0 | Groningen (NL11)
Travel agency and related activities (79) | 0.3 | 0.4 | Illes Balears (ES53)
Security and investigation (80) | 0.8 | 0.9 | Bucuresti - Ilfov (RO32)
Service to buildings and landscape activities (81) | 2.0 | 2.7 | Berlin (DE30)
Other administrative and business activities (83) | 1.2 | 1.3 | Köln (DE42)
Repair of computers and personal household goods (S 95) | 0.3 | 0.3 | Prov. Vieux-Marche (BE24)

Most Specialized region by activity (NACE Sections and division) Eurostat 2007
Regional specialization with own barriers

Very strong, highly specialized economies e.g. automotive sector, are suffering from global crisis despite their local strength.

Specialization not leveraged as barter to building leading edge innovative enterprises.
The need for global players in regional innovation

Regardless of their specializations and excellences, regions for historical and practical reasons, fail to fully leverage on local SMEs’ strengths

SME’s fail to fully benefit from global talent and resources

Global Corporates struggle to identify and evaluate Innovation driven SMEs to accelerate their growth through M&A
SMEs need to think globally, operate globally and have global access to talent and funds

Regions need to overcome the current impasse on innovation as they have to:

- Change their mindset of their players to think globally
- Support cooperation frameworks for operating globally
- Build and participate in frameworks which bring funds together with ideas
What is the European Alliance for Innovation?

The European Alliance for Innovation is a grassroots hybrid innovation platform, which by:

- Advocating innovation action and policies in support of procedures for growth
- Providing means for active engagement, of ideas and talent scouting

Acts to:

- Improve European and Global competitiveness
- Drive ICT innovation to benefit society
Assembling a Collective Voice for European Innovation

EAI brings together key organizations involved in all stages of innovation

From education, research, industry, business, investment, government to regulatory bodies

Engaging all, from grassroots innovators to Corporates, to Government

Provides participation tools that make innovation happen globally with local resources

Provides a critical collective voice to improve innovation advocacy at a European level
Key to innovation for regions - global engagement

**Expanded Networking & Matchmaking**
EAI gives local government opportunities to connect with all innovation stakeholders, realizing innovative ways of collaborating by matching interest (thanks to unique online tools), opportunities and coordination for enhancing success in their enterprises.

**Broader and More Significant Impact**
Regional organizations and individuals are able to leverage EAI’s channels to increase their reach and impact, giving fuel to their ideas through visibility.

**Enhanced Recognition**
Through EAI’s outreach network and innovation gauging, regions garner global visibility for their work achievements and collaboration opportunities.
EAI in support of regional growth

Cultivate convergence within regions and SMEs as drivers for growth and innovation
Creating a sustainable community which is able to promote regional excellence to a global level and to streamline and enhance Europe’s innovation potential

Be the point of access for European innovation
With the primary goal of advancing European competitiveness, societal progress and marketplace opportunities, EAI’s collaborative platform forms an incubator for a systemic European innovation process, best practices and advocacy

Leadership
By engaging European leaders as individuals and institutions, EAI’s common vision drives the transition from technology and business into social growth and impact which in turns accelerates innovation
Cooperation for Innovation

**Platform for innovation**
- By gathering all relevant actors coming from all Innovation Cycle segments and fostering their mutual collaboration over the Science Innovation and Business Communities

**Platform for identification of excellence**
- By organizing “Inno-rank” innovation ranking system and implementing it through Inno-Summits and Innovation Academy

**Platform for visibility and cooperation**
- By setting up hybrid virtual real world cooperative sharing mechanisms for real time long impact knowledge sharing
Key for engagement - individuals

Crowd participation supports innovation happening through tools for:

- Crowd-dissemination
- Crowd-evaluation
- Crowd-sourcing
- Crowd-funding
- Crowd-advice
- Crowd (grassroots) innovation policies
Bringing the real and the virtual worlds together to promote regional excellence
Inno-Match: identify and promote cooperation

EAI has developed a unique matchmaking tool called “InnoMatch” which brings ideas from the virtual world to the world of implementation and business reality. Find more about Inno-Match [here](#)

How to use it? read [here](#)

**Participate**

- **My Preferred**
- **Search Opportunities**

**Propose**

- **Search Proposal Forms**

*Theme: Advocacy*

*Activity:*

Evaluate Position Paper - IBBT - EU initiative for Syndicating ICT start-ups with global potential
2012-02-07 11:07
Evaluate Position Paper - Innovation diversity - Innova SpA
2012-02-07 10:40

Select any filter and click on Apply to see results

This represents a unique matchmaking tool which allows you to connect with other innovators on activities and projects either by proposing something for other’s participation, or by offering your participation.
Inno-Rank to identify and promote excellence

• **Inno-Rank** an innovation potential tool defined, built, monitored and maintained by community, for promotion of excellence and due diligence in innovation matchmaking

• Launched by community at EFI 2011 participants it continues to dynamically reflect evolving innovation concepts
Autonomous Province of Trento: EAI case study

Trento particularities:
• 15 years investment in ICT, research and university
• Emerging image as the “European silicon valley”
• Past difficulties in capitalizing, from a business point of view, investments in research

EAI contributing to Trentino region success
• Leverage on the local researchers' community to establish a grassroots innovation movement
• Bring together local with global stakeholder to feed innovative projects
• Boost local government internationalization
  − Agreement with MATIMOP
  − EIT Lab in Trento
  − Innovation Summits, Internet as Innovation 2012