



PRO INNO EUROPE

INNO

LEARNING PLATFORM

**Good practice Identification –
Advice for transferability
Clusters
The Incubator for Innovative
Projects « Parc du Pontet »
An operation of the Communauté
du Pays d’Aix**

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PRO INNO
EUROPE

Table of Contents

CHAPTER I: Good practice identification	2
1 General description of the good practice	2
2 Please describe the selected good practice in terms of:	2
2.1 Uniqueness:.....	2
2.2 Relevance:.....	3
2.3 Effectiveness:	3
2.4 User satisfaction:.....	3
2.5 Recognition:.....	4
2.6 Context dependency:.....	4
2.7 Replication:	4
CHAPTER II: Advice for transferability	6
3 Introduction to the proposed action	6
3.1 What are the main actions to be promoted to meet the objective?.....	6
3.2 What is the problem for which the cited measure is trying to provide an answer?.....	6
3.3 What is the general status of the recognition in the market of the necessity to invest in the proposed policy theme?	6
3.4 How is the main policy theme communicated in the market/which guidance material is already available?.....	6
3.5 What is the expected outcome of the proposed actions?.....	7
4 The innovation policy measure and its context	7
4.1 National and regional governance: please provide a description of the modalities of implementation of the proposed actions. Examples of elements to be taken into account are the role of the institute, the nature and characteristics of that institute that are important for a successful implementation of the good practice.....	7
4.2 National and regional economic structure of the region where the practice has been developed. We are looking for the main factors for success for implementing the suggested measure.	8
4.3 The policy measure itself: what was it all about? Who were the actors involved, what actions have been undertaken and which result and impact has been achieved?.....	8
5 The adaptability and transferability of the proposal	9
5.1 Why is it worthwhile to invest in the proposed action/tool? Did the feasibility study and good practice identification demonstrate substantial added value?	9
5.2 If there is to be decided to invest in the proposed action/tool, what are the main factors to pay specific attention to?	9
5.3 What is the expected impact of implementing the proposed action/tool?.....	10
5.4 Based on the insights gained in the feasibility studies and good practice identification, what is the judgement/advice on the support that already has been created by stakeholders?	10
5.5 What is the advice on how to disseminate the action/tool?	10

CHAPTER I: Good practice identification

1 General description of the good practice

Opened on the 28th March 2006, the Parc du Pontet incubator has given itself the objective of supporting 75 companies over 5 years. Between 500 and 1000 jobs are to be created in the region. The incubator is located on reconverted industrial basin and so therefore benefits from subsidies, there are 3 other reasons to explain its success:

1) The attractiveness of the new novelty organisation: the new buildings boast a capacity of 1635 m² including more than 935 put aside for 37 offices. 2) Their reduced size (17m²) is totally adapted to the needs to the young creators and project carriers. 3) The partnerships with research centres and industrials located on the mining basin of Gardanne and Rosset. Their proximity allows the founding of the first mesh of an international network and finally the accompaniment of the project carrier and close relations.

2 Please describe the selected good practice¹ in terms of:

2.1 Uniqueness:

Measure Name:		Incubator for Innovative Projects	
General description/rationale:			
<p>What is at stake</p> <ul style="list-style-type: none"> • Employment • Financial supports: PAD, PROXI PACA • Work in collaboration with the poles (SCS, OPTITEC) • Research: Microelectronic center of Provence Georges Charpak, universities <p>The Incubator focus on the following sectors :</p> <ul style="list-style-type: none"> • Technologic innovation in sciences • Information technology • Microelectronics • Nanotechnologies • Industrial subcontracting 			
Innovative characteristics as regards:			
Methodology	Organization	Function	Results
<p>The objective is to foster innovation and company creation. To be part of the incubator, companies needs to be :</p> <ul style="list-style-type: none"> • a member of a competitiveness pole on the CPA territory • Development of an excellence project • Growing potential • Creating employment • Enterprises < 2 years 	<ul style="list-style-type: none"> • 37 offices, 2 meeting rooms on 935 m² • Global surface 1635 m² • Accommodation for 23 months • 2 offices for the direction • 1 office for external consultants in support for enterprises 	<p>Services provided in the incubator :</p> <ul style="list-style-type: none"> • Headquarters center • Offices (furnished or not) • Switchboard, fax, letters, copies • Meeting rooms • Relax room • Books, magazines • Security system 	<p>4 companies selected to the OSEO national innovation contest</p>

¹A technique or methodology that has proven to reliably lead to the result that has been aimed for; An activity or procedure that has produced outstanding results in another situation and could be adapted to improve effectiveness, efficiency, ecology, and/or innovativeness in another situation.

2.2 Relevance:

Problem	Solution that was provided
Link clusters and infrastructure	The incubator is based in the surrounding of the cluster territory and has close links with all members of the pole. Therefore, it offers space for the incubation of new ideas and technologies directly linked to the cluster thematic.
Foster company development	Offer preferential rates to the companies linked to the cluster in order to support the growth of the employment within the region.
Ensure seed funding to new research and technological projects	Financial supports from PAD or PROXI PACA provides a way to leverage private money and funding. The quality of the project is also guaranteed by the links with the cluster.

2.3 Effectiveness:

Quantitative impact on the territory:

- 10 companies and projects per year
- 50 jobs creation per year and 1000 jobs created on 5 years
- Have the incubator facilities full after 2 years of running

Qualitative impacts:

- All projects should remain in the incubator for a maximum of 2 years
- Have a certain number of project linked with the pole SCS (9 projects are currently partner with big companies and labs from the cluster and 3 of them are leader and have received from the national fund dedicated to support the pole de compétitivité “FUI”
- Ensure that the project remains on the territory after their life in the incubator, especially through the supply of other buildings especially dedicated to this type of growing companies

2.4 User satisfaction:

User group	Primary target group (yes/no)	Feedback provided	Explanation for feedback
Companies	Yes	Provide to the territory a specific offer in terms of “real estate” dedicated to very small companies	Fill the gap between the need of Small companies and offer in terms of real estate (40 m ² for launching their activities compared to usual supply of 80m ²)
Local community and Decision makers	No	Employment development within the territory. Employment for Forum	Link employment supply with local demand
Institutions which support and funds innovation development (OSEO)	No	A place with qualitative Project with a great potential of development	

Industries from the territory	No	Potential partners and emergence of new technology	(subcontracting relation)
Members of the clusters (SCS – Optitech – Risk – etc.)	No	Partners to launch new project and technology watch and foresight	Real partners
Academic partners	No	5 schools with great cooperation (EMSNSE, IAE, Euromed, ENSAM etc)	7 internships and 2 employments. Design of specific training between schools.
Bank – Insurance	No	Better mortgage opportunities	Bank and insurance companies provide preferential rates. Less risk averse

2.5 Recognition:

- TII : new system of funding of the incubator based on valorisation of research
- OSEO : 3 companies received a label for the national innovation (250K€)
- Regional recognition Price telecom Valley and 3 companies have received the Cap innovation 2007 Price

2.6 Context dependency:

Key success factors:

- Lack of real estate for small fast growing companies and support the development of new ideas and technologies in the cluster. This gap has therefore provided a tangible supply in terms of infrastructure for this type of companies.
- High level of networking and the links with the existing local economy and stakeholders. The links with a network of 8 innovative clusters such as the Secured Communicating System clusters or the environmental risk offer an innovative landscape suitable for the success of such initiative.
- Important linkages between the various initiatives such as the technological platform CIMPACA and the presence in the selection committee of the companies within the incubator of one of the director of the ICT cluster SCS.

Financing:

Human resources:	100 K€
Training and seminars:	5 K€
Promotion:	10K€
Building maintenance:	15 K€

Total = 130 K€

2.7 Replication:

Main factors to pay specific attention to for investing in Incubation

Specific attention should be paid to the links of the incubator with the local stakeholders. In this example, the main factor of success is the links that were tied between the 8 clusters based in PACA region and especially the Secured communication Solutions. The director of SCS seats on the board of

the incubator and provide guidance and vision in the selection of the project. Where as the director of incubator participate in the project selection committee of the SCS cluster. Moreover, the incubator also provides links to local funding and business angels willing to invest in innovative projects and companies.

Major relevant outcomes (achieved or expected) from the implementation of Incubation

- The major relevant outcomes are the 95 new jobs created since the start of the incubator and the possibility offered to entrepreneur to anchor their business within the region.
- Regional innovation awards have acknowledged the success of the incubator in terms of project selection and project follow-up.
- The links with the cluster has given the incubator a real visibility and the rate of occupancy of 100 % was reached within a year.

Added value for investing in Incubation

Incubation is one very important aspect of economic development in the region since it provides to newly created companies attractive infrastructure and a large network with regional stakeholders. However, it is one part of the infrastructure requested for companies to grow in terms of infrastructure. Other location and infrastructure supply should be offered to new businesses, such as science and business parks in order to ensure the future growth of regional cluster. Cluster growth and infrastructure (incubation) is one key issue to be solved.

CHAPTER II: Advice for transferability

3 Introduction to the proposed action

3.1 What are the main actions to be promoted to meet the objective?

The objective is to promote trans-national cluster programme cooperation in Europe and the transformation of regional clusters into world-class hubs. Three key actions have been identified and differentiated: Horizontal (Strand 1) and Vertical (Strand 2) Actions; and a Parallel Action (Europe Innova).

- Strand 1: European Cluster Alliance “Plus” (ECA+)
- Strand 2: Trans-national Cluster Cooperation (Thematic InnoNet type projects)
- Europe Innova: Delivery of the European Cluster Observatory

These three initiatives will ensure current investments and networks are developed and value is added where it is most effective and that expansion and growth takes place in priority policy areas (lead markets etc) where it will create value and synergies with other EU activities.

3.2 What is the problem for which the cited measure is trying to provide an answer?

In general:

- Low levels of cluster cooperation, due in part to differing cultural backgrounds;
- Cluster policies are being developed in a number of policy and programme areas creating potential confusion, fragmentation and lack of critical mass;
- The importance of cluster policy in national or regional economic planning is not given equal weight by member states;
- Clusters are perceived as fashionable and as a panacea for economic problems;
- Ensuring businesses and the relevant industry associations participate in the cluster process.

Incubation:

- Link clusters and infrastructure;
- Foster company development;
- Ensure seed funding to new research and technological projects;

3.3 What is the general status of the recognition in the market of the necessity to invest in the proposed policy theme?

The key messages that have emerged from the European Cluster Memorandum preparation and consultation process have highlighted the urgency for Europe to create world leading clusters supporting European lead markets through improved cooperation and the need to reduce policy fragmentation and duplication of actions, networks etc at a National and Regional level.

3.4 How is the main policy theme communicated in the market/which guidance material is already available?

There are already existing initiatives such as the four cluster focussed INNONETS. They can play a part in resolving issues affecting the growth and performance of emerging and established clusters. The INNO-Nets work together through the **European Cluster Alliance, (ECA)** an umbrella initiative

that links 59 regional partners from 22 member states, and pursues a coordinated agenda that includes studies of cluster policy, objectives resources and impact. The results of cooperation activities will create benchmarks for policy development, implementation and performance that would provide a platform for regions that have yet to formulate a structured policy for promoting and strengthening cluster performance and transnational contacts.

3.5 What is the expected outcome of the proposed actions?

Strand 1 European Cluster Alliance: ECA+

The substantial level support proposed for the European Cluster Alliance “ECA+” approach would deliver a clear message to regional cluster organisations and other cluster actors concerning the strategic importance attached to the Pro Inno cluster initiative. Clusters and cluster activity across the EU would be linked by a coherent policy that would focus the collective strategic energy on the marshalling and deployment of the best assets and competencies to deliver the aims and aspirations of the European

Cluster Memorandum. Expected outcome:

- Support for EU Cluster agenda implementation 2008 +.
- Think tank.
- Facilitation of new InnoNets.
- Enhance cluster policy learning and dissemination of cluster policy good practice.
- Concrete InnoNet projects.
- World class clusters: Improving support for cluster frameworks, sustainability and cooperation.
- International linkages.

Strand 2 INNO Nets Cluster Policy Cooperation (eg: Environment and Energy focus)

Cluster policy cooperation to ensure cluster excellence and enhanced competitiveness. For example the alignment of the trans-national cooperation priority areas with the four strategic priorities of the European Action Plan for the environment (which embraces energy) is an advantageous approach to transforming the policy of the programme into action. Expected outcome:

- 40+ trans-national cluster policy cooperation's;
- Internationalisation of clusters.
- Elimination of policy fragmentation.
- Concrete, value added solutions to identified issues.
- Strengthening links with other DG programmes.
- Benchmarking good practice and the enhancement of the knowledge base.

4 The innovation policy measure and its context

4.1 National and regional governance: please provide a description of the modalities of implementation of the proposed actions. Examples of elements to be taken into account are the role of the institute, the nature and characteristics of that institute that are important for a successful implementation of the good practice.

Strand 1 ECA+: The existing work in this area will ensure that there is a very short launch phase. The high level of activity in the field of cluster policy will also ensure that the implementation of the platform is both supported and secures a high level of usage by cluster actors. Support via the Cluster Observatory and key political support through the Cluster Memorandum will furthermore enhance the impact and promotion of the ECA+

Strand 2 Cooperation Projects		
Nr	Step Name	Short description
1	Planning	<ol style="list-style-type: none"> 1. Network coordinators nominate a project manager, agree work programme, schedule and assign tasks 2. Identifying and agreeing on the environment issues to be targeted 3. Methodology for narrowing the field of 2110 clusters 4. Candidate clusters in each network identified, compared and matched for reciprocal or complementary attributes 5. Candidate clusters approached and key stakeholders consulted/introduced 6. Programme plan – action plan final draft
2	Communicating	<ol style="list-style-type: none"> 1. Workshop for all stakeholders. Programme introduced and elaborated, governance and failsafe explained, collaboration partnerships proposed either firm or in principle pending further negotiations. 2. Action plan confirmed 3. Facilitation of individual cluster-to-cluster negotiations 4. Commissioning of projects
3	Action	<ol style="list-style-type: none"> 1. 10+ projects being implemented – say 10 or 12 regions per InnoNet. 2. Monitoring and evaluation 3. End of programme workshop/conference

4.2 National and regional economic structure of the region where the practice has been developed. We are looking for the main factors for success for implementing the suggested measure.

The economic environment in the Aix-en-Provence area is characterised by its dense economic sector comprising major businesses and large numbers of high-performance small to medium-sized companies operating in state-of-the-art sectors, which together make up the “Centres of Excellence” (including microelectronics, information and communication technologies and the environment).

Key success factors of the good practice:

- Lack of real estate for small fast growing companies and support the development of new ideas and technologies in the cluster. This gap has therefore provided a tangible supply in terms of infrastructure for this type of companies.
- High level of networking and the links with the existing local economy and stakeholders. The links with a network of 8 innovative clusters such as the Secured Communicating System clusters or the environmental risk offer an innovative landscape suitable for the success of such initiative.
- Important linkages between the various initiatives such as the technological platform CIMPACA and the presence in the selection committee of the companies within the incubator of one of the director of the ICT cluster SCS.
- Clear selection guidelines in line with cluster profile which ensures transparency
- Cluster manager competences (HR)

4.3 The policy measure itself: what was it all about? Who were the actors involved, what actions have been undertaken and which result and impact has been achieved?

The incubator for innovative projects set-up by the “Communauté du pays d’Aix-en-Provence” is directly linked to the support of a number of regional clusters recently acknowledged by the French ministry as pole of competitiveness. These clusters and especially the worldwide one, based in the PACA region, on the Secured Communicating Solutions will foster the development of new

innovative projects and technologies. It is therefore important for the regional/local decision makers as well as the stakeholders of the cluster to be able to find a suitable place where all high-added value projects will be incubated and further developed. The success and the uniqueness of this incubator as you will see throughout this document mainly relies on its capacity to strengthen the links between the clusters and to offer a number of services/tools to accompany the development of the best-in class projects.

Cluster support needs to take account of the wider opportunities provided by the range of actors involved in clusters (companies, R&D facilities, territorial actors, etc.). Focussed incubators are a way of creating the conditions for new companies to emerge locally and allow clusters to put roots into regions by regenerating the company base. Public sector actors are essential ingredients to provide financial support for building and animation to ensure that all the actors on the ground collaborate together. This investment is “returned” through job creation and R&D investment in the region. Even if incubators are not new policy or infrastructure instrument, targeted incubation support for clusters, as illustrated in this project, can be replicated elsewhere and can play an important role in the process of cluster growth.

Results: - 18 companies created in 18 months,
- Creation of 95 jobs,
- 4 companies selected to the OESO national innovation contest,
- Private and public investment in the companies of 4.5 M€
- 3 companies leading cluster projects funded by the national fund for innovation

5 The adaptability and transferability of the proposal

5.1 Why is it worthwhile to invest in the proposed action/tool? Did the feasibility study and good practice identification demonstrate substantial added value?

The incubator is directly linked to the support of a number of regional clusters recently acknowledged by the French ministry as pole of competitiveness. These clusters will foster the development of new innovative projects and technologies.

Cluster support leads to wider opportunities provided by the range of actors involved in clusters (companies, R&D facilities, territorial actors, etc.). There will be job creation and R&D investment.

Incubation is one very important aspect of economic development in the region since it provides to newly created companies attractive infrastructure and a large network with regional stakeholders. However, it is one part of the infrastructure requested for companies to grow in terms of infrastructure. Other location and infrastructure supply should be offered to new businesses, such as science and business parks in order to ensure the future growth of regional cluster. Cluster growth and infrastructure (incubation) is one key issue to be solved.

5.2 If there is to be decided to invest in the proposed action/tool, what are the main factors to pay specific attention to?

Specific attention should be paid to the links of the incubator with the local stakeholders. In this example, the main factor of success is the links that were tied between the 8 clusters based in PACA region and especially the Secured communication Solutions. The director of SCS seats on the board of the incubator and provide guidance and vision in the selection of the project. Where as the director of incubator participate in the project selection committee of the SCS cluster.

The incubator also provides links to local funding and business angels willing to invest in innovative projects and companies.

5.3 What is the expected impact of implementing the proposed action/tool?

The success and the uniqueness of this incubator relies on its capacity to strengthen the links between the clusters and to offer a number of services/tools to accompany the development of the best-in class projects. The initiative links clusters and infrastructure, fosters company development and ensures seed funding to new research and technological projects.

It will also create employment opportunities and R&D investment for the region.

The major relevant outcomes are the 95 new jobs created since the start of the incubator and the possibility offered to entrepreneur to anchor their business within the region.

Regional innovation awards have acknowledged the success of the incubator in terms of project selection and project follow-up.

The links with the cluster has given the incubator a real visibility and the rate of occupancy of 100 % was reached within a year.

5.4 Based on the insights gained in the feasibility studies and good practice identification, what is the judgement/advice on the support that already has been created by stakeholders?

The companies also acknowledged the success of using a Public and Private partnership to ensure the management of the incubator and the follow-up of the various project.

5.5 What is the advice on how to disseminate the action/tool?

Although a lot is already said about clustering, this remains a difficult aspect to deal with. As such support for clustering is needed. The above mentioned project creates job opportunities and it raises R&D investments. It also provides to newly created companies attractive infrastructure and a large network with regional stakeholders. It is important to pay attention to the links of the incubator with the local stakeholders when the project will be replicated to other regions.