

Minutes of FBÖ TransTechTrans conference

Date	05 May 2015
Begin	12.45 hrs
End	17.15 hrs
Location	Park Inn by Radisson Hotel, Lübeck, Germany
Participants	<p>Jan Alenfall, Follicum AB (Lund) Ulf G. Anderson, Medeon Science Park (Malmö) Thomas Areschoug, Invest in Skåne (Lund) Sylvie Bove, Copenhagen Capacity (Copenhagen) Thomas Frahm, Life Science Nord Management GmbH (Hamburg) Hinrich Habeck, Life Science Nord Management GmbH (Hamburg) Sabine Hackenjös, IHK zu Lübeck (Lübeck) Ulrich Hausner, Wirtschaftsförderung und Technologietransfer Schleswig-Holstein GmbH (Kiel) Dirk Hermsmeyer, IHK zu Lübeck (Lübeck) Björn P. Jacobsen, foodRegio, c/o Wirtschaftsförderung Lübeck GmbH (Lübeck) Martin Kruse, IHK zu Kiel (Kiel) Martina Kvist Reimer, Red Glead Discovery AB (Lund) Bengt Lövdén, Medeon Science Park (Malmö) Erika Medin, Invest in Skåne (Lund) Annegret Meyer-Kock, Investitionsbank Schleswig-Holstein (Kiel) Dan Peters, DanPET AB (Malmö) Daniel Rapoport, Fraunhofer EMB (Lübeck) Rüdiger Schacht, IHK zu Lübeck (Lübeck) Dagmar Schneider, nandatec GmbH (Lübeck) Stefan Sievers, IHK Flensburg (Flensburg) Bengt Stavenow, Region Skåne (Malmö) Bodo Steiner, Danfoss Center for Global Business, Univ. of Southern Denmark (Sønderborg) Kurt-Christoph von Knobelsdorff, Ministry of Economic Affairs, Employment, Transport and Technology (Kiel) Rebecca Wiemker, Ministry of Economic Affairs, Employment, Transport and Technology (Kiel) Elias Zafirakos, Biopeople (Copenhagen)</p>
Excused	<p>Merete D. Nielsen, Cluster Excellence Denmark (Copenhagen) Morten Solgaard Thomsen, Danish Agency for Science and Technology, DASTI (Min. of Higher Education & Science, Copenhagen) Nicolai Zarganis, Danish Agency for Science and Technology, DASTI (Min. of Higher Education & Science, Copenhagen)</p>

Minutes

Dirk Hermsmeyer

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General

The welcome speech by Rüdiger Schacht (IHK zu Lübeck), presentations of part 1 (“FBÖ TransTechTrans initiative: concluding the pilot phase”) and presentations of part 2 (“Cluster strategies in the region”) will be made available for download from the internet at www.fbo-corridor.eu

Summary of discussion

Part 1 – Experiences of beneficiaries with the FBÖ TransTechTrans initiative

Proposals to the initiative were mostly filed by small to very small and young (start-up) companies (with exceptions, e.g. the cooperation between Fraunhofer EMB and DELTA). Some cooperation partners already knew each other, or even already cooperated with each other, before the start of their FBÖ TTT-project, while other collaborations were started between truly new contacts. Several of these were even initiated during events organized by the funding partners behind the FBÖ initiative.

Many participants want to continue the cooperation which was encouraged by the initiative. Some are facing difficulties in financing further collaboration. An example is the cooperation between Follicum AB and the Lübeck Institute for Experimental Dermatology. Follicum AB had plans to apply for EUROSTARS funds in Sweden, but received the information that “virtual companies” are not eligible to submit applications to that programme. Follicum is rated as a “virtual company” because their R&D work is outsourced. Alternative sources of funding are presently sought.

Such “virtual companies” seem to become more and more popular (among start-ups, in Sweden). The Follicum - EUROSTARS case may therefore be of relevance to other companies as well.

nandatec GmbH feels that for a start-up GmbH in Germany it is difficult to acquire public R&D-funds, except if the start-up cooperates with larger, already established partners. Even though start-ups are formally eligible to submit proposals, chances to win public funding contracts seem to grow after about three years of existence. As an example, the KMU innovative programme (by the German Federal Ministry for Education and Science) is mentioned (see <http://www.bmbf.de/de/20635.php>). As a consequence nandatec GmbH founded with 13 other partners the BMWi ZIM - funded network NanoFunDuS to achieve public funding opportunities for further cross-border and technology transfer projects (www.nanofundus.net).

Thanks to the networking events of the FBÖ TTT – project and Biopeople DK, nandatec GmbH was able to achieve cooperation partners for two FBÖ TTT- funded projects with the Danfoss Center of Global Business (DCGB) at Syddansk Universitet in Denmark and Red Glead Discovery in Sweden. In addition nandatec GmbH followed the friendly invitation of MEDEON CEO Ulf G. Anderson to join the Nanomed North network (www.nanomednorth.com). Both projects, plus networking activities with Follicum AB are on-going. Further funding opportunities will be organized.

The Fraunhofer Research Institution for Marine Biotechnology (Fraunhofer EMB) has

participated in several cross-border networking activities in the FBÖ region. Among these are participation in conferences / events organized by the Danish Stemcell Society (DASCS), invitations to Danish speakers presenting during F-EMBs own, Lübeck events (Industrial Cell Technology Congress, Regenerative Medicine Symposium), participation in the FBÖ initiative (sending an F-EMB R&D engineer to DELTA in Hørsholm). None of these contacts have led to longer-term project cooperation yet, for various reasons (generally, a mismatch of potential partners). F-EMB is ready to become a partner in the project initiated by Follicum, which is presently seeking a funding source as alternative to EUROSTARS.

Simultaneously with cross-border activities into the FBÖ region F-EMB successfully participate in the "Zellkultur 2.0" project funded by the German Federal Ministry for Economic Affairs and Energy in the ministry's ZIM-NEMO programme. Continuous networking that goes far beyond one or two meetings between potential project partners is seen as key factor for success by F-EMB when initiating new cooperation projects. Recent F-EMB activities towards the FBÖ region are therefore not rated as failures by the institution, but as initial steps in extending their network into this direction, which will be continued in the future, possibly also including DanStem (<http://danstem.ku.dk/>).

Part 2 – Comments to the cluster strategy presentations

Region Skåne: There is no 'quick fix' in developing clusters. Cluster strategies & managements have to be persistent. This also implies that cluster strategies need to focus on a limited number of industries, dealing with collective problems of the populations in the region of interest (issue-driven approach). 'Internationalisation' can be achieved on different levels, e.g. in marketing, in research, or between public actors. While seeking advantages in the relative, cross-border proximity between partners and exploiting them may make sense on some levels, it may not do so on others. We do not necessarily share the same interest across borders. Clusters should be developed (at least) in a 'triple helix' approach, including companies / industry, research organisations and public actors. Policy should be made for small and medium enterprises (SME), and services should be offered to them. Targeted results should be new business, not only novel technological tools. The trend (in parts) is to develop 'innovation galaxies' with too many players in the field.

For Region Skåne, the STRING network (www.stringnetwork.org) is a focus for cross-border cooperation in the FBÖ region on the political level, in particular as the Swedish chairmanship in the STRING cooperation is upcoming.

Regarding the topic of 'smart sustainable cities' (as an example of an issue-driven approach), it seems logical to form a joint platform between Finland, Sweden and Germany.

Denmark: The Danish cluster strategy includes a total of 22 clusters (= innovation networks) across Denmark and across all industries / sectors. The strategy includes measurable targets, e.g. as to how many clusters shall reach the bronze, silver, or gold status issued by the European Cluster Excellence Initiative (ECEI). Lead management of the development of the cluster strategy is with the Danish Agency for Science, Technology and Innovation (DASTI) in the Ministry of Higher Education and Science. Cluster Excellence Denmark (www.clusterexcellencedenmark.dk) has been established as the national support organisation for clusters in Denmark. Cluster Excellence Denmark provides support services to Danish cluster managements, e.g. in match-making, starting cooperation projects, internationalization, etc.

A goal in Denmark is to generate 50% of the funding for clusters from the Ministry, and 50% from other sources (e.g., from industry).

Schleswig-Holstein: The topic of a cluster strategy was for a long time not dealt with actively by the Schleswig-Holstein Ministry of Economic Affairs. Nevertheless, a number of

very successful clusters exist in the state, some of which are ECEI-certified (Life Science Nord: bronze label, foodRegio: silver label). An official cluster strategy has now been prepared by the Ministry and will presumably be adopted by the SH parliament on May 12.

In Schleswig-Holstein, cooperation between private industry and universities / research institutes for technology transfer is of particular importance, because most SH-companies do not have large R&D departments.

All clusters established in SH are significantly smaller (by number of human and financial resources) than, e.g., the Danish Cleantech cluster (which has about 40 employees). Life Science Nord Management GmbH, the cluster management for the life science industry, is jointly funded by SH and Hamburg, and is among the largest cluster managements in SH (8 to 9 employees).

Clusters funded in SH according to the new strategy were identified by a consulting company employed by the SH government to develop the state's regional innovation strategy (RIS).

A goal in SH is an average funding public rate of cluster managements of 50% (75% with newly established clusters), with 50% coming from industry and other partners. Another goal is to extend funding periods from presently typically three years to five or six years in the future.

Industries not yet covered by an independent cluster management may in the future be merged with existing cluster managements. An example is the design and creative industry, whose cluster might be merged with the existing ITC cluster management.

The plan is to establish a staff position in WTSH to support all SH-clusters. This approach generally follows examples from other regions / states (e.g. Baden-Württemberg <http://www.clusterportal-bw.de/clusteragentur/>, or Denmark www.clusterexcellencedenmark.dk) even though on a smaller scale (with only one position, to be established in the near future).

Workshop: International Technology Co-operation and Clusters in the Region – Where do we go from here?

How are cluster managements financed in the sub-regions?

In Denmark, sources of funding for cluster managements vary from cluster to cluster. Biopeople, for example, offers its members a possibility of paying for their membership via cash, or via in-kind contribution: an 'ambassador' of a member company can devote 20 hrs of work time annually to participating in cluster activities. This includes participation in events organized by the cluster management. The idea behind this concept is that even small monetary amounts of membership fee may provide an obstacle, in particular for small companies which would keep them from participating in clusters and benefitting from the networking. From the point of view of cluster managements the concept ensures involvement of members in events organized by the management.

In Region Skåne membership in clusters is basically based on fees. Fees are often fixed in accordance with the number of employees in a company, and can be as high as 20,000 EUR annually for large companies. 15 to 20% of the funding for cluster managements is paid by Region Skåne.

What is it that keeps companies in a cluster?

Generally the cluster management must 'do the right things'. This includes the organisation of networking and match-making events, events that provide information relevant to the particular industry, but also advertising the region ('region branding').

SMEs participating in the conference answer that they learn from their active cluster membership 'how things work', e.g. around proposals submitted to EU funding programmes. Cluster members expect that cluster managements work as persistent facilitators who invite, again and again, to networking events. Cluster events are a means to SMEs to network without spending too much money. Opportunities for cross-cluster and cross-border networking are seen as another positive effect of participating in cluster events.

Participation in cluster activities is largely seen by cluster members as an investment into the future. It is difficult to measure 'money back', but spending time on networking may pay off 'in ten years from today'.

Experience by cluster managers shows that cluster members / companies become inactive if not continuously 'nursed'. Keeping up personal relations and communication is of highest importance to cluster managers. This will also help a cluster manager to feel interests of members changing over time (How do members develop?). In surveys carried out among cluster members, generally 80% answer that networking and the chance of finding new business partners along the value chain are the two most important reasons why they engage in cluster work.

What are the main targets in internationalization of clusters?

There is no single answer to this. The answer differs from company to company, also depending on company size.

We have to be humble when talking about specialization, and must be open to absorb new ideas. Developing a cluster top-down is probably impossible. There is no cluster that developed, e.g., SAAB, or Volvo.

Do borders matter to clusters?

In some clusters, particularly with large companies, they do not. An example is the automotive industry: large car manufacturers are used to buying from manufacturers of parts from across Europe (and beyond). But for many smaller companies, and for regions with small companies, national and even regional borders may matter a lot (e.g. in SH).

Therefore, much of what regional clusters offer to their members is proximity of service, and trust.

'Borders' may not only imply boundaries between regions, but also between industries. An example is the development of a sporting boat developed for female customers. The raw model for this development was learned from car manufacturers.

Where do we go from here in intra-regional cluster cooperation in the Fehmarnbelt-Öresund corridor?

The interest of companies is generally – and always – twofold: 1. reduce production costs and 2. increase revenue. To this end, companies do not see borders, but go to all markets and resources available. Most clusters are therefore already internationalized; cross-border contacts are already established. The question should therefore be: How do we get to the next level?

Initiatives to promote cross-border networking between cluster managements are already in place. An example is the Cluster-to-Cluster conference (2013: Copenhagen, 2014: Berlin, 2015: Copenhagen, see www.cluster-to-cluster.com). But are such instruments used efficiently?

An interesting new opportunity in the FBÖ region may be a cooperation between the SH renewable energy cluster Furgy (www.furgy.eu) and the Danish CleanTech cluster (www.cleancluster.dk).

Cluster managers see internationalization of their clusters as a must. But it is one thing to 'build bridges' in order to facilitate internationalization (i.e. to offer specific services and events). To generate traffic on these bridges (i.e. to get cluster members involved in such activities) is often 'another pair of shoes'. In cluster management work, projects are much more labor-intensive than the organization of networking meetings.

The topic of professionalization of clusters is already on the agenda, including in cluster managements in SH. Service providers on the German federal level (e.g. the 'go cluster' initiative, www.go-cluster.de) and the European level (European Cluster Excellence Initiative, ECEI, www.cluster-excellence.eu) are used. Nevertheless, a platform on the regional level (the proposed staff position to be installed at WTSH) will be helpful.

Cluster managements can provide open spaces, or places, that companies by themselves would not go to. Such events do provide open windows for new business opportunities.

Things from the FBÖ TransTechTrans initiative that should be continued shall be summarized in a 'white paper' (short message for policy makers in the sub-regions of the FBÖ corridor). The results are not necessarily limited to the life science industry, but may be applicable to other industries as well.

How is success of cluster management work measured in the three sub-regions (i.e. Skåne, DK, and SH)?

There are two measuring systems in place, one by vdi-vde/IT (see www.iit-berlin.de/en/publications/evaluation-of-clusters-networks-and-cluster-policies-2013-challenges-and-implementation/), the other by the European Secretariat for Cluster Analysis (esca, see www.cluster-analysis.org/).

One way is to simply count the number of events organized by a cluster management (easy to measure, but to a large extent meaningless), or to measure the effects of cluster services (meaningful, but difficult to measure). The recommendation is to apply one of the existing systems when benchmarking the work of cluster managements.

In case there is need for a benchmarking study on a more regional level, the DCGB (Univ. of Southern Denmark) is prepared to carry out a respective study.

However, cluster managers agree that some results of their work are not 'benchmarkable'.

Conclusions

This conference provided an opportunity for cluster strategists and cluster managers (as well as a number of selected cluster members) from the Swedish-Danish-German Fehmarnbelt-Öresund corridor to meet, and get to know cluster strategies and approaches to internationalization in the respective neighboring national sub-regions of the FBÖ corridor. The organizers of the FBÖ TransTechTrans initiative and this conference suggest that further cross-border cooperation should be pursued between cluster strategists and cluster managers.

The organizers of the FBÖ TransTechTrans initiative will prepare a 'white paper' with proposals regarding further cross-border cooperation and structural support of cross-border technology transfer.