

Innovation and Business Support

Enterprise Europe Network – world’s largest support network for SMEs with international ambitions to grow

Since its launch in 2008, the **Enterprise Europe Network (EEN)** has evolved into the **world’s largest business support network** that brings together over 600 partner organizations in 66 countries around the globe. EEN’s main focus is to help small and medium-sized enterprises (SMEs) seize opportunities for business and technology development in the EU single market and beyond. In support to this mission, the EEN partner organizations are operating on a daily basis with the largest databases with over 10,000 business and technology profiles. More than 90,000 companies annually attend B2B international events and business missions organized by the network. Thanks to the EEN services more than 11,000 companies signed partnership agreements for business, technology and project collaborations.

The Enterprise Europe Network has been providing comprehensive advisory services to client SMEs for almost a decade – long enough to prove itself as a reliable center of competence on EU matters. The main objective of these services is to strengthen the competitiveness and sustainability of

European enterprises by providing them with in-depth knowledge on project proposal development, IPR management, EU standards, international trade procedures, international business dispute settlement, etc.

Furthermore, EEN is the shortest communication channel for the European Commission to collect opinions and feedback from SMEs for better design of its prospective policies and initiatives for growth and jobs.

ARC Fund continued its engagement as coordinator of Enterprise Europe Network’s national consortium through its consulting subsidiary ARC Consulting Ltd. The Enterprise Europe Network – Bulgaria includes 12 partner organizations in Sofia, Plovdiv, Stara Zagora, Yambol, Sandanski, Vratsa, Dobrich and Ruse. The portal for the network in Bulgaria launched at www.een.bg provides business information, advice, and opportunities for international cooperation. ARC Fund also maintains its own regional EEN website at www.enterprise-europe-network.bg featuring specific information for its clients.



EEN Network in Bulgaria

Other activities in 2016 included the ongoing information and advisory support to SMEs from different industries with traditional focus on sectors for smart specialization like ICT, machine building, mechatronics and automation, food and beverages, cultural and creative industries, and so on. ARC Fund regularly delivers capacity building and technology transfer support to the business clusters in Bulgaria by

being one of the founding members of the Cluster of Mechatronics and Automation and the Association of the Business Clusters – the umbrella organization of around 20 of the largest clusters in Bulgaria.

With its expertise in project management and innovation support to companies ARC Fund also takes part in the network of Horizon 2020 National Contact Points with specific focus on support to SMEs.

Brokerage meetings, business missions and seminars

Every year ARC Fund co-organizes **business missions and technological brokerage events in various economic sectors**, e.g. ICT, mechatronics, healthcare, automotive, creative industries and smart cities. The pre-arranged B2B meetings facilitate contacts between businesses and research organizations looking for business, technology and EU funded project partnerships.

In 2016 ARC Fund was among the co-organizers of the International Brokerage Events at the Mobile World Congress (in Barcelona, March 2016) and CeBIT (in Hannover, March 2016) that are the leading international events in the mobile communications and ICT industry. Eight Bulgarian ICT companies took part in the B2B meetings and had the opportunity to visit the exhibitions at preferential conditions

(reduced participation fee, participation in parallel events, logistical assistance, etc.) as well as to carry out negotiations on-site with potential suppliers or buyers of new products and technologies.

Another global event, during which the EEN team at ARC Fund co-organized B2B meetings, was the ALIMENTARIA international fair on food and beverages in Barcelona in April where an innovative Bulgarian start-up took part in 7 targeted meetings with potential partners. Also in April one Bulgarian company from the automotive sector was supported by ARC Fund in joining the B2B meetings at the AMPA 2016 fair in Taipei, Taiwan.

In June the EEN team facilitated two leading Bulgarian companies to take part in B2B events for the niche-oriented sectors of biomedical research and gaming industry,



Brokerage event FutureMatch 2016 within the CeBIT Fair, March 14-18, Hannover, Germany

respectively. One company had 7 pre-arranged meetings at the Biomedical partnering event held in Liverpool, UK, while the second company had numerous opportunities of meeting new partners at the GamesMatch event in Cologne, Germany.

Following tradition, the EEN team at ARC Fund participated in the very successful “ICT – Go International” brokerage event in Skopje (Republic of Macedonia) organized in November by the EEN members in South East Europe. Five Bulgarian start-ups joined the event and took part in the B2B and pitching sessions.

Also in November, a company assisted by ARC Fund took part in the Smart City Expo World Congress and Brokerage event in Barcelona that gathered more than 470 participants from 38 countries around the globe on topics such as iWater, Circular Economy and Smart City. With the help of ARC Fund two companies in the creative industries were approved to take part in the Think Up Culture! HUB calls for projects where an international jury will select the best projects to be mentored and accelerated. The final will be held on January 24-26, 2017 in Palma de Mallorca, Spain.

In 2016, ARC Fund together with the Bulgarian-Kazakh Chamber of Commerce organized a company mission of Bulgarian enterprises in mechatronics, automation and machine building to Kazakhstan – a country willing to join the EEN network in the near future. B2B meetings with Kazakh companies were held in November in the cities of Almaty and Astana within the frame of the International Exhibition “Central Asia Machine World-2016.”

Around twenty Bulgarian companies have participated in brokerage meetings and business missions abroad, co-organized by the EEN team at ARC Fund, which resulted in over 100 business and technology cooperation contacts with foreign companies.

In its role as a coordinator of the national EEN consortium, ARC Fund also organized intra-consortium activities, stakeholder meetings (in the framework of the Innovation Business Club and the Association of Business Clusters), as well as information days and capacity-building seminars on access to EU funding for the 2014-2020 period (as part of the Horizon 2020 National Contact Points roadshow), innovation management, design innovation and others.

Advisory services

The EEN advisors at ARC Fund have provided support and extensive consultation on business internationalization, technology transfer and EU programs participation to 90 new organizations (in addition to already registered network clients), the majority of which being SMEs and start-ups. ARC Fund is one of the service providers appointed by the European Commission as an information and advisory node for the SME Instrument of the *Horizon 2020* program. The new SME instrument provides financial support to innovation champions whose technologies demonstrate high market

potential at a global scale. Around twenty innovative Bulgarian companies received comprehensive support in their applications to the SME instrument for phase 1 and 2.

Two ARC Fund experts were awarded licenses by the European Innovation Management Academy, equipping them to provide innovation management consulting services using the IMP³rove tool – a proven international methodology for assessing and improving the innovation management of companies.

Success stories

In 2016, the EEN experts at ARC Fund successfully mediated 15 business and research contracts between Bulgarian and foreign companies. With the advisory support of the ARC Fund team three

Bulgarian organizations joined project consortia in European programs and received funding for R&D, innovation and networking activities.

For a first time a Bulgarian company, the **BalBok Engineering JSC**, was among the finalists for the **Enterprise Europe Network Awards 2016 in the category “New Directions.”** The Award highlights best examples of positive results for SMEs who have successfully benefitted from the Network's advisory services to take their product or service into a new market. As a result of the advisory service of ARC

Fund to BalBok Engineering in 2015, the company has successfully applied to the Norway Grants and established Eco-innovative system for management of waste with unknown composition and origin in Bulgaria – a one-of-a-kind green service in the Balkan region. The promotional video made by the EASME is available at the **InnoAwards channel in YouTube.**



BalBok Engineering nomination for EEN Awards 2016

IMP³rove innovation management assessment of SMEs

The **“Innovation Support services by EEN for Enhancing the Innovation Management Capacity of Bulgarian SMEs”** project is designed to contribute to the implementation of the European policies by enhancing SMEs innovation management capacity and translating its impact into increased business and innovation performance of the SMEs growth, and quality jobs Innovations in products, processes and services, as a major tool for improving global competitiveness of European companies, require a well-targeted approach and streamlined resources.

Its **overall objective** is to enhance the innovation management capacity of, and accelerate the innovation processes in, Bulgarian SMEs thus supporting growth, jobs, competitiveness and sustainability on the EU Single market as well as entrance on third markets. The ultimate result sought in the long run is to have the companies supported under this action better prepared for the 'Access to Finance' instruments and for attracting investment in innovations.

As member of the EEN Network, ARC Fund is entitled to a number of Enhancing Innovation Management Capacities (EIMC) service packages that provide **IMP³rove innovation management assessment** free of charge for SMEs with high innovation potential.

Three out of four Bulgarian companies, who have won funding under the SME Instrument, are ARC Fund clients under the Key Account Management services. The enterprises had the opportunity to work with a reliable and internationally experienced consultant, recommended by the ARC Fund experts, on the fulfilment of their project aims. The whole process was under the mentorship and coordination of the ARC Fund.

During 2016, **20 new companies with IMP³rove assessment were added to the whole package of 33 companies** representing all economic sectors, age and size categories, toward which the ARC Fund provided the full set of services aiming to improve their innovation management practices – registering to the e-platform,

filling in the questionnaire, analysing the report, developing of an action plan and working together for its implementation. Most of these companies entered new markets and achieved sound growth, partly due to the results of the IMP³rove related interaction.

IMP³rove is a methodology for systematic assessment of all aspects and activities, related to the management of innovation products and processes in companies. The methodology was approved by the European Commission in 2006 and at present is part of the services provided by certified EEN advisers. The assessment is based on the “House of Innovation” concept of A. T. Kearney, which analyses the innovation management performance innovation strategy; innovation organization and culture; innovation life-cycle management; innovation enabling factors; and innovation results. Thanks to the unique and large IMP³rove Benchmarking Database, the innovation management assessments allow for national and international benchmarking.

A.T. Kearney House of Innovation analyses the innovation management performance, innovation strategy; innovation organization and culture; innovation life-cycle management; innovation enabling factors; and innovation results of the enterprises.

In 2016, the ARC Fund / ARC Consulting were presented as a **good practice** of European Innovation Management Academy’s “**Case Examples of IMP³rove Innovation Management Support Services for SMEs to Gain in Competitiveness**

2016.” The following activities of the ARC Fund / ARC Consulting in the field of IMP³rove assessment were pointed out:

- support to public institutions, including the Bulgarian SMEs Promotion Agency managing the National Innovation Fund, in developing adequate support to innovative Bulgarian companies;
- qualification of staff members in the IMP³rove approach;
- building a national database on innovation management capabilities in SMEs;
- implementation of an innovation award, based on the IMP³rove Assessment, given by the President to local companies or organizations for successful innovation management practices;
- participation in the International IMP³rove Roundtable to share views on developing innovation eco-systems and to discuss successful approaches to foster cohesion with innovation.

The overall assessment was that this step-wise approach in innovation management related topics, from supporting SMEs in developing their innovation management capabilities and competitiveness, to including data analyses in the national innovation index and drawing on the expertise of selecting the winners for the innovation award, was scalable in many other regions and countries. It gives the decision makers the possibility to define the most effective support services based on the experience and insights gained after each step.

IMP³rove

A.T. Kearney House of Innovation



Source: A.T. Kearney; IMP³rove Core Team, 2010
www.improve-innovation.eu; IMP³rove is a registered trademark

Efficient support services portfolios for SMEs (ESSPO)

The aim of the “Efficient support services portfolios for SMEs” (ESSPO) project is to improve the regional competitiveness policies for SMEs and their engagement with innovation activities in the regions participating in the project. Enhancement of the public services for SMEs along with improvement of the economic indicators on regional level is expected. ESSPO builds on the achievements of a successfully completed project which developed a repository of good practices and approaches for programming, implementation and monitoring of Smart Specialization Strategies.

The project is funded by the European Regional Development Fund under the INTERREG Europe Program. Nine partner organizations from Poland, France, Spain, Germany, Estonia and Bulgaria work together. Each of the organizations examines a specific instrument on national and regional level for public support on unleashing the innovation potential of SMEs:

The project is structured in two phases. In the phase 1 problem areas in the regional policies and financial instruments for enhancing the competitiveness of SMEs will be identified and specific solutions will be proposed. In phase 2 the effectiveness of the implemented measures in practice will be evaluated.

ESSPO started in January 2016 and will run to December 2020.

ESSPO project partner and leader, Poznan Science and Technology Park together with Marshal Office of the Wielkopolska Region were involved in peer review meetings organized on October 24-26 in Sofia.

The Polish partners interviewed representatives of the Bulgarian Small and Medium Enterprises Promotion Agency (the managing authority of the National Innovation Fund – NIF), experts from the Ministry of Economy responsible for the design of the National S3 strategy for Bulgaria, the Bulgarian Industrial Association as intermediary to

SMEs and representatives of Bulgarian innovative companies as beneficiaries of the NIF sessions. They also provided the hosts from ARC Fund with feedback and recommendations on the National Innovation Fund as one of the instruments to support SMEs and SMEs collaborations in the country. Focusing on the areas of smart specialization for Bulgaria, the NIF has big potential to complement Structural Funds schemes in a synergetic way. It also evolves from an instrument with national scope to an increasingly region-oriented support mechanism open both to start-ups and mature companies. Improvements are still necessary for better matching the NIF’s portfolio to companies’ needs and for identifying barriers in the innovation process that can be further tackled by the Fund’s interventions.

More about ESSPO project can be found on its Facebook page at <https://www.facebook.com/ESSPOproject> or on the Interreg Europe website at <http://www.interregeurope.eu/esspo/>



Meeting of Adam Mickiewicz University Foundation, Poznan Science and Technology Park and the Marshal Office of the Wielkopolska Region with Bulgarian companies

InnoBridge “Bridging the innovation gap through converting R&D results into commercial success in a more effective and efficient way”, INTERREG Europe program

High regional expenditure on R&D does not necessarily lead to innovation and increased regional competitiveness if the regional economy is hampered by insufficient exploitation of its own R&D results and from a lack of access to public R&D results. Increasing SMEs’ competitiveness is at the core of the InnoBridge project by improving the Innovation Bridge and related policy instruments for SMEs: “Bridging the innovation gap through converting R&D results into commercial success in a more effective and efficient way.” This enables SMEs to better realize their innovation potential and to act as a catalyst for creating more high qualified jobs and regional growth.

The partnership consists of 9 partners from 8 regions in 8 countries spread over Europe with a balance of advanced and less advanced regions.

Strong involvement of the responsible authorities for the 8 addressed policy instruments – as direct partner or as stakeholder group member – ensures the durability of the implemented improvements and the long-term impact on SMEs’ innovativeness in the partner regions.

All instruments are part of RIS3, 7 instruments are dealing with Structural

Funds. An estimated total amount of 30.4M EUR, influenced through InnoBridge implementation demonstrates the strong leverage effect for regional and European policies as added value.

The InnoBridge Concept Paper with InnoBridge methodology to be developed by the active involvement of ARC Fund, the Good Practice knowledge pool and lessons learnt, summarizes the exchange and learning process and its EU wide dissemination. The project is supported by intensive communication activities like website, newsletters, social media and 2 conferences.

In 2016 three Interregional Learning Workshops featuring Peer Reviews of the policy instruments of Lower Austria, Sofia Municipality, Alentejo region and Malopolska region were carried out. The 2nd Interregional Learning Workshop took place on September 14-16 in Sofia, co-organized by Sofia Development Association and ARC Fund, partners in InnoBridge. The event also featured a study visit to Muzeiko and the Sofia Tech Park where the start-up company Escreo, a client of ARC Fund, demonstrated its innovative products.



Interregional Learning workshop in Sofia, 14-16 September 2016