

Innovation support through Horizon2020 and Enterprise Europe Network

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why do you innovate?

Common answers....

competition

new technology available

to increase efficiency

it generates market value

...there is a call for proposal

our market demands it

changes in legislation

changing consumer needs

these are all valid reasons to innovate but they share two dangerous traits:



They are re-active and external

- re-active innovation means you are running to keep up with change
- externally driven innovation means the outside world dictates where you go

Adopting a pro-active and internally driven innovation

Innovation distinguishes between a leader and a follower.

Steve Jobs



The instrument is structured in three phases, with the aim of transforming **disruptive ideas** into concrete, innovative solutions with a European and global impact.

SMEs are recommended to apply for Phase 1, but may also apply directly for subsequent phases:



Concept & Feasibility Assessment Idea to concept (6 months)

The SME will draft an initial business proposal.

The European Union will provide €50 000 In funding and business coaching.

PHASE2

Demonstration, Market Replication, R&D Concept to Market-Maturity (1-2 years)

The SME will further develop its proposal through innovation activities, and draft a more developed business plan.

The EU may contribute between

EO.5 million and E2.5 million*

and provide business coaching.

PHASE3

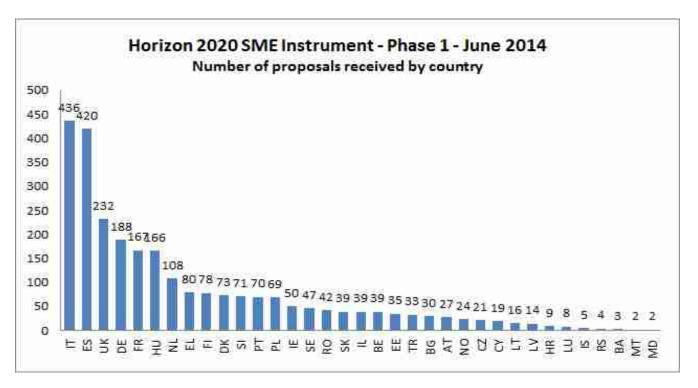
Commercialisation Prepare for Market Launch

The SME will receive extensive support to help polish its concept into a marketable product, and have access to networking opportunities.

The EU will not provide funding in this phase.

Horizon 2020 funds high-potential innovation through a dedicated **SME instrument**, which offers seamless business innovation support under:

- the section Societal Challenges
- the specific part <u>Leadership in Enabling and Industrial Technologies (LEITs)</u>.



Out of the 2 666 proposals submitted at first cut off, 317 (11,9%) got a score above the threshold.

Did other 2349 (88,1%) proposals wander off the subject ???

6 main reasons of non-selected proposals

- 1. Too much focused on the project and not enough on the business opportunity
- Not convincing when describing the company (you have to explain why your company will succeed and not your competitor);
- 3. Not providing enough information on competing solutions;
- 4. Having a too low level of innovation, planning to develop a product that already exists on the market;
- 5. Proposing just an idea without any concept for its commercialisation;
- 6. Just trying their luck (the SME Instrument is not a lottery!)

Innovation management System (IMS).

From CEN/TS 16555-1:2013

Definition of Innovation

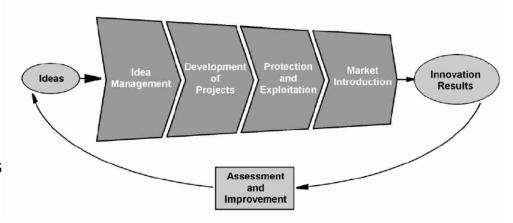
Implementation of a new or significantly improved product (good or service), or process, new marketing method, or new organizational method in business practices, workplace organization or external relations.

Definition of Innovation Management System (IMS)

Set of interrelated or interacting elements of an organization to establish innovation policies and objectives as well as processes to achieve those objectives.

Innovation Management process blocks, CEN TS 16555-1:2013

- All company's innovation processes from initial idea to business result on the market
 - Idea Management
 - Development of projects
 - Protection and Exploitation
 - Market Introduction
 - Innovation Results
 - Assessment and Improvements



 leadership, management skills and other enabling factors like branding strategy, deep knowledge of the market and competitors and the ability to cooperate with third partners like R&D partners, clients and suppliers

Indicators for the assessment of innovation process results

Financial:

- profit growth rate,
- revenue growth rate,
- costs savings,
- growth in operational margin,
- return on innovation investment R.O.I.

Non-financial:

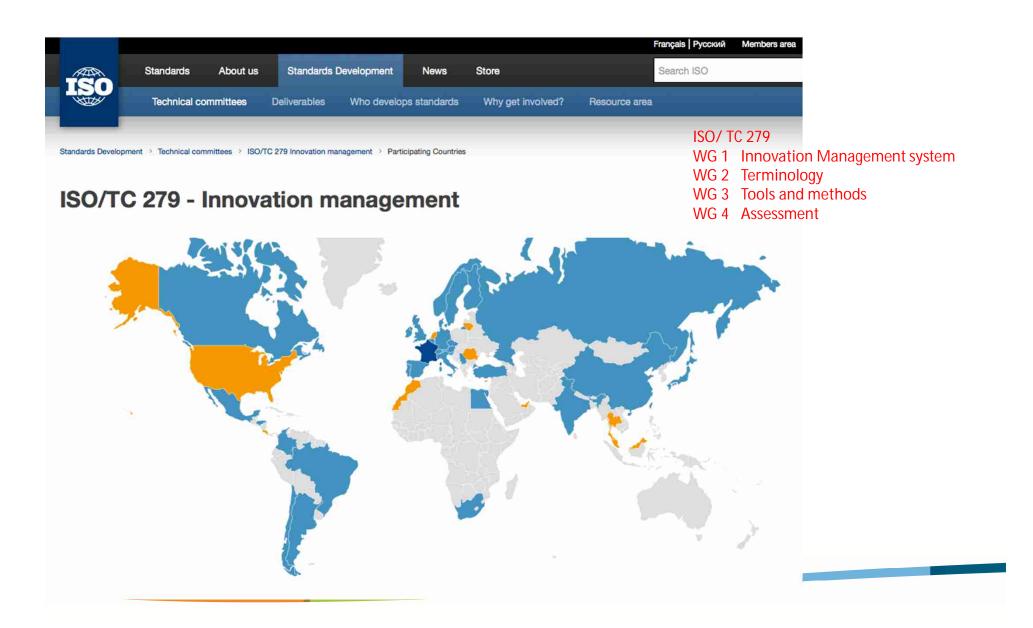
- # ideas put in the innovation process,
- market share,
- efficiency of the process,
- brand awareness and reputation,
- # employees as a results from innovation,
- Intangible assets (IP, Human Resources, knowhow, relationships partners),
- ecological and social sustainability as a results from innovation

Innovation Management Capacity

It means SMEs grow based on a solid strategy and driven by:

- vision on their own organisation,
- > their market
- ➤ their customers and a deep understanding of the value they can offer

Like QMS also IMS can represent a differentiation element and it could become part of the BRAND



Technology innovation VS Value innovation

- "One of the hardest truths for any technologist to hear is that success or failure in business is rarely determined by the quality of the technology."
- Good technology, good quality, and good engineers must be TRASLATED if it it to have any value in the marketplace at all.
- Value innovation, not technology innovation, is what launches commercially compelling new markets.

Evaluation criteria for SME Instrument H2020

IMPACT

- Convincing description that there will be a market for the innovation.
- Targeted users are well described.
- Good understanding of market conditions, growth rate, competitive solutions and key stakeholders, or includes a plan for achieving this.
- Realistic description how the innovation has the potential to boost the growth of the applying company.
- Demonstration of alignment with the overall company strategy; commercial and management experience; requirements for commercial exploitation.
- Initial commercialisation plan is outlined and explains how it will be further developed
- Clear European dimension
- Realistic description of status and strategy of knowledge protection.

Evaluation criteria for SME Instrument H2020

EXCELLENCE

- Innovation aims at exploring new market opportunities addressing EU/global challenges
- Realistic description of the current stage of development; added value of innovation; understanding of competing solutions.
- Good comparison with known commercial solutions or includes plans for achieving this information.
- Approach and activities to be developed are consistent with the expected impact of the project.
- Expected performances of the innovation are convincing and have a relevant commercial potential; potentially better than alternatives.
- Good understanding of both risks and opportunities related to a successful market introduction of the innovation, both from a technical, commercial point of view.

Evaluation criteria for SME Instrument H2020

IMPLEMENTATION

- The proposal demonstrates that the project has the relevant resources (personal, facilities, networks, etc.) to develop its activities in the most suitable conditions.
- If relevant, describes in a realistic way how key stakeholders / partners / subcontractors could be involved.
- The proposal includes a realistic time frame and a comprehensive description of work.
- The team has relevant technical/scientific knowledge/management experience, including a good understanding of the relevant market aspects for the particular innovation. If relevant the proposal includes a plan to acquire missing competences.







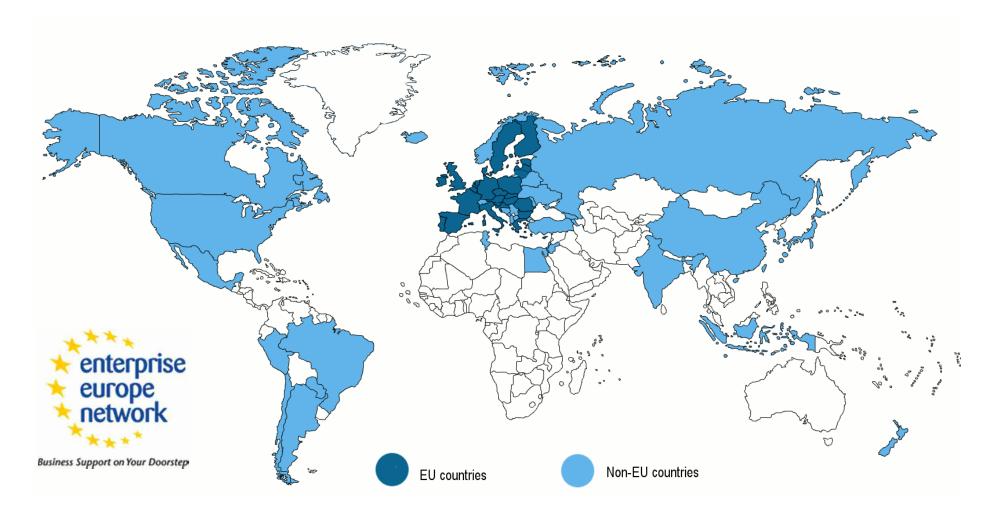
Enterprise Europe Network advice and services...

EIMC Services: Enterprise Europe Network's Innovation experts provide innovative and ambitious companies with high potential to generate growth and jobs with dedicated assessment services for Enanching their Innovation Management Capacity.



Seal of Excellence: high quality proposals in Horizon 2020 from innovative SMEs will have additional chances to be funded





- More than 3000 Brokers and Advisors on technology transfer and business
- **600** organisation
- 63 countries covered

Enterprise Europe Network

2008-2014

has helped more than

2.6 million SMEs

TO INNOVATE AND GROW INTERNATIONALLY



85%

"satisfied" and "very satisfied" clients



246,000

SMEs participating in Network events every year



technology audits and business reviews every year



targeted business connections every year



120,000

questions from SMEs answered every year





Thanks for your attention

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