



Pilot Action Plan

Draft project

Implementing region: *Region of Prague*

Network of intermediaries

Executive Summary

Main objective	To change the intermediation system from competitive to co-operative.
Main activities	<ul style="list-style-type: none"> • Co-ordinate activities of the intermediaries • Initiating market research regarding intermediary services • Promoting professional education, training courses, professional standards and communication among S&T intermediaries • Developing new services according to findings of the market research • Communicating the needs and goals of S&T sphere with regional authorities
Expected results and outcomes	<ul style="list-style-type: none"> • Increased co-operation throughout the intermediation system • Increased availability of services, broader offer of services, new specialized services • Matching demand and offer of services • Innovation website – to present the services of intermediaries
Direct and indirect beneficiaries	<p>Direct: intermediaries</p> <p>Indirect: clients of intermediaries - SMEs, universities, research centres etc.</p>
Implementing organisation	To be selected from among partners
Partner(s)	<p>Technology and Innovation Centre, Czech Technical University Prague</p> <p>Technological Centre of the Academy of Sciences CR</p> <p>Chamber of Commerce in Prague Region</p> <p>Association of Innovative Entrepreneurship CR</p> <p>Cheval Ltd., Consulting Company for Innovations</p> <p>Centre for Science, Technology, Society Studies at IP AS CR</p>
Duration	12 months
Estimated budget	€ 170,000

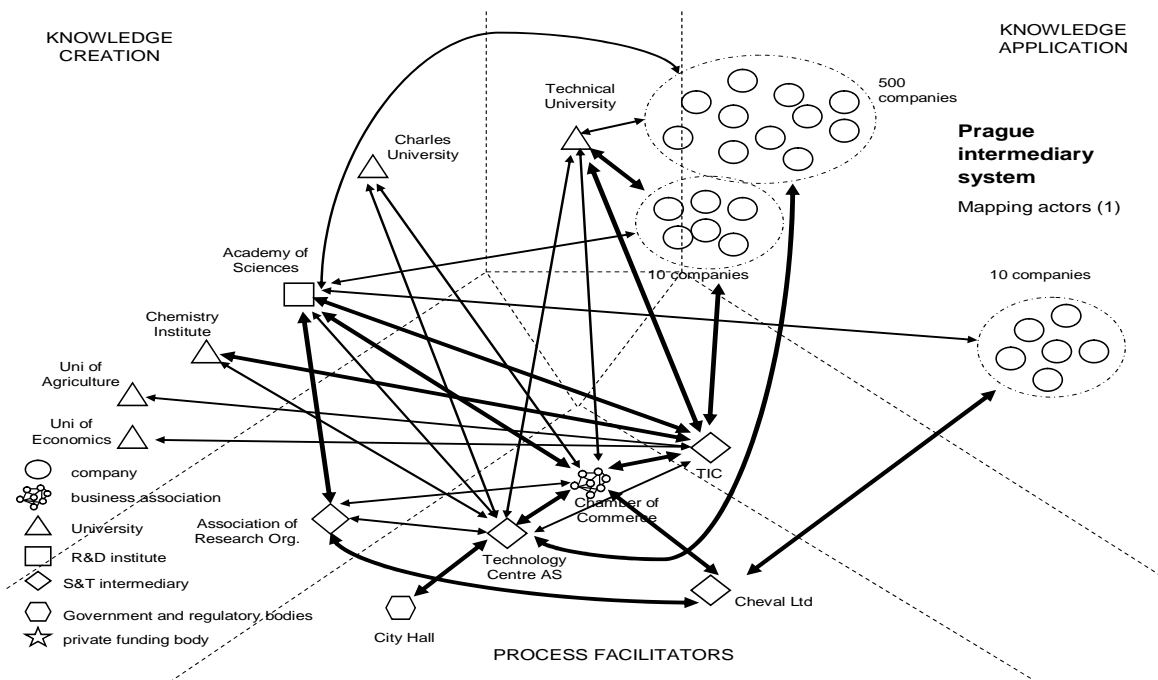
1. Problem identification

1.1. Introduction

The Summary Report identified that the intermediation system in Prague (see the Figure) is not diversified enough and is not distributed evenly. Furthermore, all intermediaries offer a rather complex set of services and specific sector-oriented services are marginal. The reason behind it is a limited demand for services caused by insufficient market survey activities and by the fact that the use of intermediaries' services is still not a usual practice among their potential clients. This is partly due to a lack of information about the offer of the intermediaries. Another problem is a weak support from the side of City Administration that does not have an organizational unit (and a contact point) specially focused on the area of S&T and innovation. However, the city offers financial support through its operational programmes for EU Structural Funds and has a Regional Innovation Strategy prepared as a tool for further development in this field.

It has also been found that SMEs interviewed during the SUPER-SME project lack several types of services, particularly in the area of intellectual property rights, licensing, support for start-up and spin-offs. This problem and the other ones described before can be in individual cases overcome by increasing the professionalism of intermediaries which are active in the Prague region and by making the flow of information between S&T intermediaries and SMEs more complex.

Figure: Regional S&T actors



1.2. Pilot project focus

Networking activities of intermediaries were identified as one of the areas where improvement is necessary and may bring significant benefits. This conclusion was formulated by both the Focus Panel participants and in the Summary Report.

The main pilot action focus will not be connected to specific sectors. Rather it is the range of services and co-ordinated approach that is to be the goal. The idea is also to perform a market research to map the demand for the services of the intermediaries and to adapt the offer according to the findings.

The pilot action will concern mainly the intermediaries who will co-ordinate their activities. By co-ordination they will be able to share and complement the activities so that duplicities are removed (where useful) and missing services (or higher capacities of existing services) become available. Input from participants during specification of the respective services will be crucial for future success of the pilot action.

Possible participants:

Technology and Innovation Centre, Czech Technical University Prague (TIC)

Technological Centre of the Academy of Sciences CR (TC ASCR)

Prague Chamber of Commerce

Association of Innovative Entrepreneurship CR (AIE)

Cheval Ltd., Consulting Company for Innovations

Centre for Science, Technology, Society Studies at IP AS CR

Regional Development Agency Prague (to be established by 2008)

Strategic relevance of the pilot action can be found in the possibility to create a new link between the S&T and innovation sphere and the regional political representation, which can then be used in formulating the long-term goals for this sphere, e.g. updating the Regional Innovation Strategy. And also, its use can be found with respect to the Prague SF operational programmes.

The Focus Panel has agreed on the importance of co-ordinated approach and the study visits have shown it in practice in the hosting regions of Metz and/or Barcelona.

2. Pilot action specification

2.1. Objective and purpose

Suggested pilot action addresses co-ordination of regional intermediaries both in mutual relationships and towards other regional actors and their common approach to the development of the S&T intermediation. The main strategic goal is to change the intermediation system from competitive to co-operative.

Specific objectives:

- Co-ordinate activities of the intermediaries;

- Promote continuing education, training courses, professional standards and co-operative communication among S&T intermediaries in Prague;
- Initiate market research regarding intermediary services and ensuring data availability;
- Develop new services according to findings of the market research;
- Communicate the needs and goals of S&T sphere with regional authorities; Represent S&T sphere in the Regional Council for Innovations foreseen in the Regional Innovation Strategy for Prague once it is established;
- Develop a concept of Business Intelligence;

2.2. Approach: tools and methods

The key method for the success is networking. The network created at the beginning will then be open to new members subject to certain conditions. Members must clearly present their role as an intermediary, i.e. information flow, consultancies, project implementation, contacts and transfers between research and business sphere. Members could be specialized technology transfer organizations, non-technological intermediaries, BICs, interface units at universities etc.

The co-ordinated approach will allow each of the participants (members) to focus on those services they consider most effective on their part. This is likely to lead to a broader offer of services and increase the quality of the services provided. For example, it could include new sector-specific services. Also, the intermediaries will be able to take a common approach regarding promotion of their activities and thus attracting more clients. This can be done using a new single communication point/source, e.g. a website which will present an analysis and a competent assessment of available services, educational activities, contacts etc. For this purpose, it could use a concept of regional innovation website for Prague prepared as a part of the IMIS project by IntelSpace S.A. Following this project a Business Intelligence project is planned the expected output of which would be a manual for SMEs.

Examples of networking activities were found in the Lorraine region: Pole of competitiveness MIPI and Pole of competitiveness Great East–Fibers. These poles operate more like sector clusters and are examples of networking activities for which Prague has a majority of necessary elements (i.e. types of institutions). Linking them in collaborative dynamics, especially around innovative projects aimed towards market applications would support development of the whole S&T system and may increase SF absorption rate of the region.

2.3. Target groups and beneficiaries

The intermediaries are considered direct beneficiaries. Their potential clients, e.g. SMEs, universities, research centres will be indirect beneficiaries who will gain access to more and better services to enable them to fulfil their goals in the sphere of S&T and innovations. Co-ordinated information flow from intermediaries to clients should secure a better satisfaction of their needs.

2.4. Implementing body and partnership

The network of intermediaries would have “founding” members and then other members with and obligation to pay a regular membership fee that will serve as a financial source to cover part of association activities. A general condition of the membership will be proven and established contacts (i.e., information flow, consultancies, project implementation, and transfers) between the research base and the business sphere.

Leading implementing body: to be selected by network participants

Network founding members:

- Technology and Innovation Centre, Czech Technical University Prague (TIC)
- Technological Centre of the Academy of Sciences CR (TC ASCR)
- Prague Chamber of Commerce
- Association of Innovative Entrepreneurship CR (AIE CR)
- Cheval Ltd., Consulting Company for Innovations
- Centre for Science, Technology, Society Studies at IP AS CR
- Regional Development Agency Prague (to be established by 2008)

2.5. Policy context

Co-operation between private and public sector in S&T and innovations is still underdeveloped in the Czech Republic as a whole. However, this situation gradually improves since introduction of operational programmes for EU Structural Funds. They offered support for projects aimed at cluster activities, horizontal mobility, development of human resources, technology transfer activities, start-ups and spin-offs. These are tools considered efficient also for the development of regional S&T intermediation systems.

As a successful example of intermediation activities in other regions/cities of the Czech Republic the regions of South-West Bohemia and South Moravia can be named. There, intermediation services are concentrated in one or two organizations (Innovation Centres) with political and financial support from the side of regional authorities. The innovation centres actively co-operate with local universities and industry.

The proposed action is to be a first step in setting-up a similar structure in the Prague region in order to co-ordinate the approach of intermediaries. That would create synergies between their individual activities. In this way, they may be better able to use the support that is available for the above-mentioned activities from EU SF programmes.

2.6. Monitoring and evaluation system

Success of the pilot action will be evaluated using the following indicators. Indicators 1), 2) and 3) will be measured during the implementation of Activity 6 (See chapter 3).

Outputs:

- 1) Number of clients using intermediation services (by type of client and service)
Measurement: records of provided services
Target: 50-120 (depends on number of network members throughout the project's duration)

Results:

- 2) Number of co-operation projects between private (SMEs) and public (universities, research institutes) organizations prepared with the assistance of the intermediaries.
Measurement: records of projects on preparation of which intermediaries assisted
Target: 5-10 (depends on number of network members throughout the project's duration)

Outcomes:

- 3) Number of intermediation services offered (increase in number of services)
Measurement: combined number of newly offered services by all network members at the end of the project (duplicities not counted; services specific for certain sectors are counted separately)
Target: 3-8 (depends on number of network members throughout the project's duration)
- 4) Participation on initiation of establishment of the Regional Council of Innovations AND/OR active co-operation with the Regional Development Agency planned to be established by the end of 2008

3. Duration and detailed action plan

The project *Network of intermediaries* will comprise the following activities:

- 1) *Establishing the Network, preparing common agreement and basic contract, kick-off meeting.* Responsible bodies: all partners. The partners will prepare a formal contract document that will form a basis for further co-operation. This would be officially confirmed at a kick-off meeting.
- 2) *Market research of demand for intermediary services.* Responsible bodies: Co-ordinator, subcontractor. Upon an agreement on what outputs the market survey should bring the co-ordinator will hire a subcontractor to perform the survey. This survey will serve as a basis for future adaptation of offered services and for preparation of new services to be offered (see Activity 6).
- 3) *Analysis of legal, administrative and other barriers for intermediaries.* Responsible body: selected partner. The partner should carry out an analysis – e.g. by way of literature and analyses research – to determine the obstacles that undermine the efficiency of activities of intermediaries. The findings will be used together with market research survey to adapt the offer of services.
- 4) *1st Workshop for intermediaries.* Responsible bodies: all partners with a leading role of the co-ordinator. This workshop will allow all partners the share recent findings concerning the state of the intermediation system and to co-ordinate their respective roles in the network. Also, the aim would be to prepare the set-up for the following workshop with SMEs.
- 5) *2nd Workshop with SMEs.* Responsible bodies: all partners with a leading role of the co-ordinator. Based on the outcomes of the previous workshop and the surveys performed,

network partners will present their findings to SMEs together with a portfolio of services offered (both existing and new ones designed according to the surveys findings). The new innovation website will be also presented as an information source for potential clients. Therefore, the workshop will be an important publicity and awareness rising event.

6) *Co-ordinating and providing new innovated intermediary services for SMEs.* Responsible bodies: all partners. Each partner will begin to provide services from the new portfolio as specified during previous phases of the project. An important part of this activity will be a continuous publicity of the network's activities to attract SMEs and other potential clients.

7) *Assessment of results of and demand for new innovated intermediary services.* Responsible body: co-ordinator. After 5-6 months of experience with the newly designed portfolio of services an analysis will be carried out to assess the efficiency of the new regime. This will be an important feedback procedure to possibly adapt the offer of services to suit the needs of SMEs even better in the future.

8) *Developing a concept of Business Intelligence Project.* Responsible bodies: co-ordinator and selected partners. Interested partners with sufficient expertise will elaborate a draft Business Intelligence project to be later submitted as project application for EU Structural Funds programme.

9) *Dissemination of the results and communication of the good practice.* Responsible bodies: all partners. During the second half of the project, all partners – each one by means at its disposal – will participate in dissemination activities described in chapter 6. Also, the network should approach regional authorities with suggestions regarding their needs and how the authorities could support them. At the end of the project a Prague regional development agency should be established that could become an important partner or even a network member.

The above-mentioned activities in presented order form a logical chain that would lead to fulfilment of the pilot action's main objective. Their timetable is presented in Table 1 below. The overall time frame is 12 months.

Table 1. Pilot action “Network of intermediaries” organisation

Year 1	Month												
Activity	1	2	3	4	5	6	7	8	9	10	11	12	Implementing body
Activity 1: Establishing the Network, preparing common agreement and basic contract, kick-off meeting													All partners
Activity 2: Market research of demand for intermediary services													Co-ordinator, Subcontractor 1
Activity 3: Analysis of legal, administrative and other barriers for intermediaries													Selected partner
Activity 4: 1 st Workshop for intermediaries													All partners
Activity 5: 2 nd Workshop with SMEs													All partners and selected SMEs
Activity 6: Co-ordinating and providing new innovated intermediary services for SMEs													All partners
Activity 7: Assessment of results of and demand for new innovated intermediary services													Co-ordinator
Activity 8: Developing a concept of Business Intelligence Project													Co-ordinator and selected partners
Activity 9: Dissemination of the results; communication of the “good practice “													All partners

Comment: The pilot project should be followed by Business Intelligence Project.

4. Management and human resources

All potential participants of the network have good experience with intermediary services and are able to implement their key technical and managerial skills required for successful completion of the pilot action.

It is rational to estimate the human resources needed to implement the pilot project should be 48 man/months, i.e. 4 employees in FTE.

5. Budget and sustainability

5.1. Budget¹ (in thousands EUR)

	Human Resources	Equipment & Supplies	Subcontract	Travel	Other (office etc.)	Overhead
Activity 1: Establishing the Network, preparing common agreement and basic contract, kick-off meeting	10	5		2	1	2
Activity 2: Market research of demand for intermediary services	15		20	1	1	3
Activity 3: Analysis of legal, administrative and other barriers for intermediaries	10			1	1	2
Activity 4: 1 st Workshop for intermediaries	10			1	1	2
Activity 5: 2 nd Workshop with SMEs	10			1	1	2
Activity 6: Co-ordinating and providing new innovated intermediary services for SMEs	15	5		1	1	3
Activity 7: Assessment of results of and demand for new innovated intermediary services	10			1	1	2
Activity 8: Developing a concept of Business Intelligence Project	10			1	1	2
Activity 9: Dissemination the results; communication of the “good practice “	10			1	2	2
SUB-TOTAL	100	10	20	10	10	20
					TOTAL	170

¹ Note: The cost estimations cover only a part of expenditures related to individual activities; the rest of project expenditures will be financed from other sources (institutional resources of partners, contracts with SMEs, revenues from services etc.).

5.2. Sources of funding

Possible sources of funding:

- Operational Programme Prague Competitiveness
- Operational Programme Prague Adaptability
- Revenues from services provided by intermediaries
- Network membership fee

6. Dissemination

For the purposes of dissemination, the following tools and activities could be used:

- Website presentation and links at other relevant websites;
- Monitoring and statistics of the project website: intermediary users/visitors, SME users/visitors, pages consulted and downloads of project reports; articles on other websites;
- Press articles and regional radio/TV interviews in Prague region and in Central Bohemia region (neighbouring region);
- Articles in specialised magazines and/or economic journals (at least one article published in a peer-reviewed scientific journal);
- Number of presentations about the project results at conferences and workshops external to the project;
- Interim and final results of the project;
- Additional ad hoc activities involving project partners including participation at regional and international policy and academic workshops and conferences, drafting of articles on the project results for publication in specialised magazines, etc.;
- National conference organised with wider national publicity.

7. Sustainability and follow on

In case of the project's success, majority of activities should continue indefinitely. Especially the established co-operation relations and new services and activities should be further developed.

Interested network members will ensure institutional sustainability. New members could contribute to the development of the network. Financial sustainability could be ensured from the newly raised income from services of the intermediaries. Also, the members of the network could, where necessary, redirect part of their expenditures to activities related to the network. Until 2013 subsequent EU SF project(s) may be prepared to further develop activities of the network depending on the achievements and experience gained during the implementation of this pilot action. (Example: project related to Business Intelligence)

Further in the future after the end of programming period 2007-2013, Prague will no longer be eligible for assistance from Structural funds. Therefore it can be expected that new national and/or regional support programmes may be drafted for the area of S&T and innovations. Also, the role of the City of Prague will become more significant with the establishment of its Regional Development Agency planned by the end of 2008.

With the increased demand for intermediation services raised during the project implementation a need for qualified human resources may arise. This will require network members to continuously focus on education of their staff and hire new personnel with specialized expertise.

The network can later enlarge to Central Bohemia region to cover metropolitan area of Prague and surrounding area. This area is naturally interconnected on economic and social levels. However, that will require a co-operation between Prague and Central Bohemia region both on the political level and on the level of regional development agencies and other actors that support regional development.

Prague, October 31, 2007

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