



CLUSTERS CORD

connecting small to feel big

NEWSLETTER no. 2



**CENTRAL
EUROPE**
COOPERATING FOR SUCCESS.



EUROPEAN UNION
EUROPEAN REGIONAL
DEVELOPMENT FUND

In economic and innovation policy the term cluster is usually used to explain geographical concentrations of economic and innovation activities. According to conventional wisdom clusters support economic development through the specialization of regions in activities within which companies gain higher productivity through accessing external economies of scale or other comparative advantages. During the past 15 years clusters and innovative (competence) networks have gained more and more importance as an element of economic development and innovation strategies of the European Union and its Member States.

(NGP Cluster Excellence Project)

Concept of the project

Clusters CORD is an interregional project, which aims for the improvement of the regional capacity in the management and development of clusters. To be a sustainable aim this means an exchange of experience, good practices and a development of direct cooperation among the existing actors. The regions, where clusters are a relatively new instrument, can learn from the experienced partners in this field.

Clusters from the same thematic fields but different geographical origin get together through the creation of three so-called „meta-clusters“. Ten key industries have been already pre-identified:

- Mobility & Logistics
- Professional Services
- ICT
- Automotive & Aeronautics Tourism
- Health Science
- Energy & Environment
- Production Technologies
- Wood Industries
- Food Processing

The project foresees to start with the benchmarking activities of regional clusters and regional cluster policies of participating actors that will lead to identification of the best practices. The outcomes of this activity will be summed up in the benchmarking study. In order to reach the main goal – to establish 3 meta-clusters and to support the cooperation between clusters – the project will bring together clusters managers, cluster representatives, as well as relevant decision makers exchanging about the creation of new services and methods as well as potential synergies. In workshops and conferences in the different partner regions stakeholders, experts and companies from fully grown or developing clusters can discuss, exchange views and learn from each other. This should help to bring the member states and Europe more together. As a result of cooperation agreements between the clusters should be signed, guaranteeing future joint activities and their institutionalization.

Project partners of the project are:

- **Lead Partner – Regional Development Agency of Usti Region, PLC (Czech Republic)**
- Stuttgart Region Economic Development Corporation (WRS) – (Germany)
- Regional Development agency of Piestany (Slovakia)
- Regional Development Agency Celje l.t.d. (Slovenia)
- Regional Development Agency Bielsko-Biala (Poland)
- Upper Austrian Chamber of Commerce (Austria)
- Milano Metropoli Development Agency (Italy)
- Mid-Pannon Regional Development Co. (Hungary)
- “ARLEG” S.A. Regional Development Agency (Poland)
- Centre for research, innovation and regional development (Czech Republic)



CENTRAL EUROPE PROGRAMME

CENTRAL EUROPE is a European Union programme that encourages cooperation among the countries of Central Europe to improve innovation, accessibility and the environment and to enhance the competitiveness and attractiveness of their cities and regions.

CENTRAL EUROPE invests €231 million to provide funding to transnational cooperation projects involving public and private organizations from Austria, the Czech Republic, Germany, Hungary, Italy, Poland, the Slovak Republic and Slovenia.

The programme is financed by the European Regional Development Fund and runs from 2007 to 2013. Interested partnerships are invited to propose their projects following public calls for proposals, which will be widely publicized.

Facilitation of innovation across Central Europe is one of the key priorities of the CENTRAL EUROPE Programme. Supporting the establishment and development of transnational clusters in key competence areas is being considered as relevant for enhancing the framework conditions for innovation and support for transnational cooperation between cluster organizations and cluster initiatives is a vital element of the European Commission's broad-based innovation strategy.

More information can be found on <http://www.central2013.eu/index.php>

INTRODUCTION OF PARTNERS



WP₃ leader

Mid-Pannon Regional Development Company



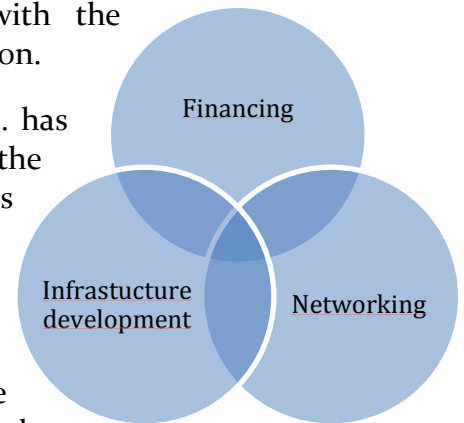
Mr Csaba Sebestyén

CEO

Project Clusters-
CordSC Member,
Internal expert

The Mid-Pannon Regional Development Company (Közép-Pannon Regionális Fejlesztési Zrt.) is a core institution of economic development in the Central-Transdanubia Region. The form of the company is share holding company, which has been working since 1994. The current capital is 6.3 mEUR, it has been increased by 4 mEUR since the foundation. On the top of the proprietary circle is a holding governed by the state (with a share of 90,8 %) This owner has been accompanied with the municipalities of three county seats of the region.

Considering its function, the Mid-Pannon Co. has intermediary role between the public and the private sector. The specialty of the situation is that the private company is governed by public law - it was established under the Company Act of Hungary.



The Mid-Pannon emphasizes the development role and the moderate profit as well. Main fields of activities are to finance the small and medium enterprises, to develop supporting infrastructure and to develop of transnational networks. About the financing the small and medium enterprises it is true that there is no sector preference. Forty-seven companies have received 4,1 mEUR funding since 1994, the size of the portfolio is 3,1 mEUR in 21 companies currently. On the field of infrastructure development we can say that the Mid-Pannon is the owner of one incubator house with size of 6000 square meters, and it has twenty-seven tenants. With the help of the municipalities the company intends to create 3 industrial parks and one incubator house also. All of its activities are done by co-operating closely as a member of a regional network. Its members are enterprises, municipalities, development organizations, financial institutions, corporate- and professional authorities. The Mid-Pannon mission is to maintain the sustainable development of the regional economy, to watch the current market circumstances and to carry out necessary intervention or to make suggestions to do that.



Mr Tamás Kovács

Senior advisor

Project Clusters-Cord
WP₃ Leader, Local
Project Manager,
Deputy SC Member,
Internal expert

In the past decade, the Mid-Pannon has been entirely committed to the project-based regional development that is in line with the European basic principles. During this period the company has enlarged and strengthened its network with the organizations of regional development. The network has reached national and by now even international standards that is visible in a great

number of project-grounded co-operations based on international partnership and supported by sources of professional policy. Following a successful preparation work in 2009, the organization is at the moment participating in 7 international co-operations. The professional reputation and goodwill value of the company are shown by its role as consortium leader in two international projects, beside the communication tasks, and in five instances it undertook the leadership of one professional work package.

The Company is one of the Workpackage Leaders of the project Clusters-Cord. Regarding to this role, we can highlight the fact that the Mid-Pannon Co. is very proud of that kind of the effective, efficient and practice-oriented cooperation was presented by the Partnership in the fields of collection and detailed description of basic features, needs, interests and services at regional level in each Clusters-Cord regions, hereby laying the foundations of common cluster-strategies in CE Area.

 <p>Mrs Józsefné Bencze Leader of the Secretariat</p> <p>Project Clusters-Cord Local Central Project Administration</p>	 <p>Mr Zoltán Csabina Strategically director</p> <p>Project Clusters-Cord Local Communication Manager, Internal expert</p>	 <p>Mrs Miklósné Bakó Manager of Accountancy</p> <p>Project Clusters-Cord Local Financial Manager</p>	 <p>Mr Zoltán Trenka Financial Manager</p> <p>Project Clusters-Cord Local Project Coordinator, Internal Expert</p>	 <p>Mrs Éva Hajnáczy Financial Manager</p> <p>Project Clusters-Cord Local Financial Assistant, Internal expert</p>
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OPEN TO COOPERATION...

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**Wirtschaftsförderung
Region Stuttgart**

PP2

Stuttgart Region Economic Development Corporation (WRS)

The Stuttgart Region Economic Development Corporation (WRS) provides companies and investors with ideas and active support necessary to stay ahead of the competition.

With our expertise, resources and personal commitment, we make a real difference to enterprises and investors that are either already based in the region or wish to locate here.



Above-average growth rates, an ideal mix of global players and medium-sized companies, close cooperation between industry, education and research – these are the main factors on which the Stuttgart Region's enduring economic success is based. Add to these the excellent quality of life, and it is easy to understand why many investors consider the region to be one of the best places in Europe to set up business.



To make sure that the region maintains its leading position in the long term, the Stuttgart Region Economic Development Corporation identifies future trends at the earliest possible stage and responds to them with its services in a flexible way.

Activities

- **Contact partner for economic issues**

The Stuttgart Region Economic Development Corporation (WRS) is the central contact for companies, research institutes and investors in the Stuttgart Region located at the heart of the State of Baden-Württemberg.

- **Support for new investors**

The WRS attracts companies interested in locating to the Stuttgart Region and supports them throughout all investment phases.

- **Support for existing investors**

One core task is to convince companies already located in the region of the benefits the region has to offer and to support them with their projects.

➤ **Establishing contacts**

The WRS can put you in touch with companies already located in the region, with research institutes and other service providers in the area of economic development and tourism.

➤ **Business sites and real estate brokering**

The staff of the WRS helps companies interested in locating to the region to find suitable real estate and business sites and provide expert advice on locating to the Stuttgart economic region.

➤ **Networks and innovation potential**

One key aspect is the creation and promotion of regional networks and industry clusters to make even better use of innovation and growth potentials.

➤ **Fostering international contacts**

The European Office in Brussels supports the work of the WRS on the international stage, maintaining links to European and international networks.

➤ **Marketing the region**

In order to successfully promote the Stuttgart Region, the WRS uses a selected range of communication instruments: from professional public relations to the attendance at trade fairs

European Office



The Stuttgart Region House near the parliament buildings in Brussels acts as a lobby group with respect to the decision-makers in the EU institutions, giving interested parties from the Stuttgart Region easy access to European issues, projects and contact persons, and serves as a marketing instrument for the Stuttgart Region.

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IMPORTANT EVENTS

BENCHMARKING CONFERENCE

Transnational cooperation project **Clusters & Cooperation for Regional Development in Central Europe** will be at its best in **Milan on 24th - 25th of October**, when the international benchmarking conference will take place.

Ten partners and several cluster managers from 10 different European regions in the Central Europe area will meet to learn and share experience on regional SMEs clustering. Hosting partner will be Milano Metropoli Development Agency, the Italian partner of the European network.

- The event will be a must for all EU practitioners and policy makers operating in the field of regional cluster support and management.
- In-depth thoughts and concrete examples from central European regions will be presented and discussed.
- At the heart of the event there will be the summarization of the benchmarking study, the first relevant milestone of the project.

In the study a systematic comparison process of involved regions has been made, where the current situation in each region has been digested regional initiatives have been studied and lessons to be learnt have been summarized.

The study gives a detailed description on basic features, needs, interests and services and foundation of common cluster strategies in the first issue. Relevant national and regional policy initiatives are also summarized to get inputs for policy recommendations.

Cluster policies and practices will be discussed in relation to five industry sectors:

- food
- energy / environment
- tourism
- production technologies
- ICT

The 2-day event will include five sessions:

1. Introductory Speeches
2. Good practice session (including a round table with 5 cluster managers)
3. Policy session with both regional and international decision makers and experts
4. Working groups (only for C-Cord partners and invited stakeholders)
5. Study visits to Lombard SMEs clusters

Don't miss the opportunity to benefit from the conference!

The full programme and detailed info will follow over the next weeks on www.clusterscord.eu

Contact:

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OUTPUTS OF THE PROJECT

WP3 Benchmarking Study

The project Clusters-Cord offers a possibility of the collaboration for cluster organisations and their members, enabling them to get easily in contact, to find cooperation partners, to get to know best practices and to benchmark their performance. The activity WP3.2 has aimed at giving a benchmarking on the current processes of the clusterization in each partner regions.

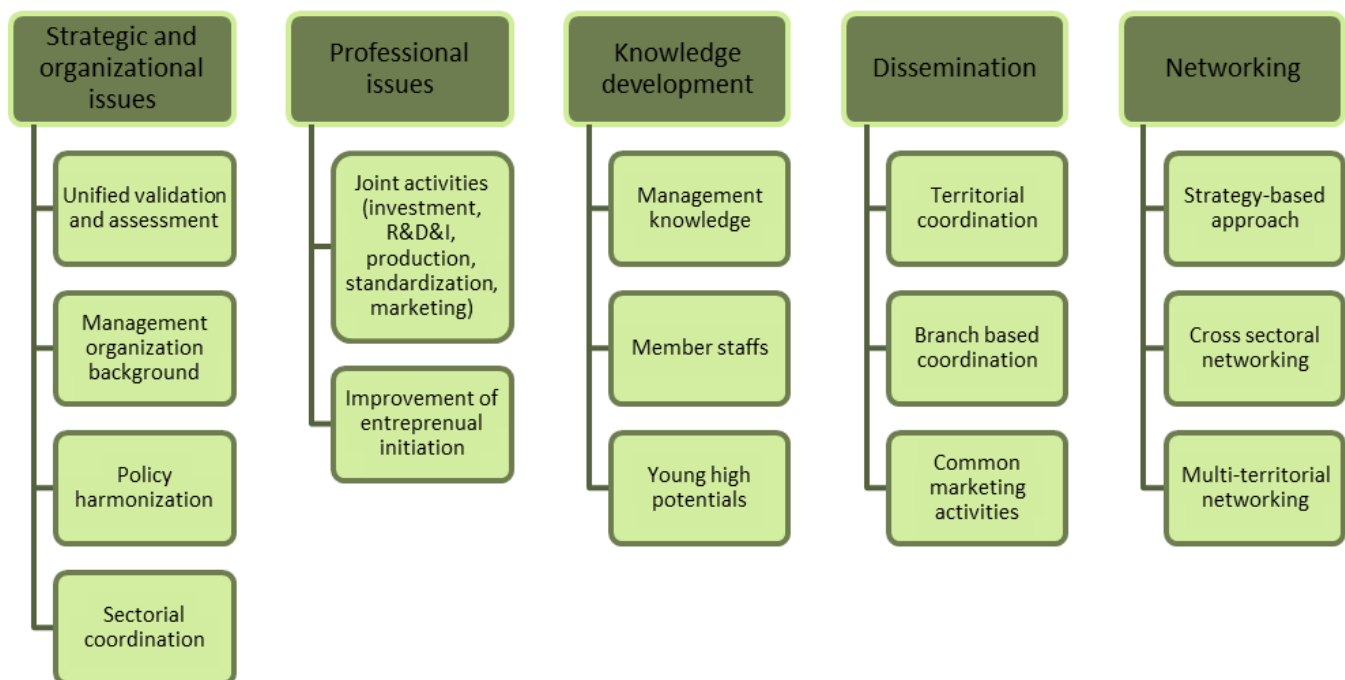
As a result of the Workpackage 3, the WP3.2 Benchmarking Study, has elaborated by the cooperation of the Partnership with the coordination of WP3 Leader Mid-Pannon RD Co., gives a detailed description on basic features, needs, interests and services and foundation of common cluster strategies in the first issue. In case of second one relevant national and regional policy initiatives are summarized to get a basic input for policy recommendations. Finally the most efficient and effective ways of Best Practices implementation as well as potential transferring opportunities are given.

The complexity of the examination gives a surplus value to this study in comparison with the other official document.

Strategic, policy oriented proposals

By overviewing the results, the policy issues can be classified in five main dimensions. They are strategic and organizational, professional, knowledge development, dissemination and networking issues. All of them can be divided into initiatives as follows:

Policy related issues



Strategic and organizational issues should have the basis for successful cluster implementation and increasing the effects of these co-operations. From this perspective, competitive market support and demanding customers for driving innovation, a strong presence in the premium and high performance sectors, gaining external economies and improving the flexibility of the given sector might be a goal or a result of successful operation. To increase the strategic and organizational efficiency, the following initiatives have to be taken into account:

1. Most of the Central-European countries have no proper and formal validation rules for clusters with different development level. The development of an international validation standard and methodology should be useful for supporting transnational cluster networking. Additionally, the efficiency of the operation should be developed and implemented by using joint measures. Both aspects should have been integrated to national and transnational support strategies that mean a continuous policy harmonization as well.
2. As a result of the benchmarking, the cluster management organizations are very diverse from institutional, financial, skill and experience aspects. The experiences show that in some cases the quality from these aspects makes some operational problems. This problem could be solved by strict criteria at applications on the one hand, and continuous knowledge development of the management organizations on the other.
3. Finally, from strategy development perspectives, most of the countries have sectorial preferences for cluster development in the applications. In parallel with keeping these preferences, sectorial interoperability and cross-sectorial networking should be integrated to development strategies as an advantage.

From the view of **professional issues**, cluster initiatives should have stress on concrete joint activities that could support market-oriented production. Common investments, R&D and innovation as well as production should be supported from policy side. **Knowledge development** and its continuity can be a core supporting issue of competitive clustering. The Partnership proposes to support it from policy side from three dimensions. They are

- the continuous skill development and trainings for the management organization,
- the opportunity for common skill development of the experts within the member companies (especially for small-scale companies)
- and finally the knowledge support of enterprises for increasing ability of initiation.

Dissemination and cluster marketing have important role in competitiveness growing. They can be effectively supported by policy initiatives, as well. From this dimension, supporting joint territorial marketing should be valuable, combined with borderless branch-based coordination. Additionally, different cluster in the same sector should implement common marketing and marketing development activities. All of these initiatives should have integrated to regional policy as well as application development.

Finally, the planned development of **networking** should be supported by the regional and national development policies. The most important aspect of this dimension is to apply a complex, strategy-based approach that means the consideration of all types of networking. It could help to find the right type of networking initiative in each case. As mentioned above effective networking support needs cross-sectorial approach, so development policy initiatives should pay growing attention to combine core branches. Finally, as a core goal of this project, supporting multi-territorial co-operations should have integrated to different regional policies in similar ways.

NEWS FROM PARTNERS

PP7 – Upper Austrian Chamber of Commerce / Lebensmittel-Cluster

- Participated at the economic congress Dreh.Momente hold in Steyr on Thursday 5th of May 2011. As a lot of different industrial sectors linked to Clusters Cord main topics (e.g. Food, Health, Mobility, as well as Logistics) were represented on that congress, PP7 took this occasion to promote Clusters Cord on that important economic congress.
- To create awareness about the importance of transnational collaboration among clusters the project Clusters Cord activities were presented on May 16th 2011 at the training seminar "Health Claims regulation"



PP3 - The Mid-Pannon Regional Development Company



➤ The closing conference of the project “Enhancement of the CTD-RIA” was one of the most effective events in the field of innovation-oriented network-based economy development in Central-Transdanubian Region. The more than 50 participants had a possibility to get to know details on the Hungarian Innovation Policy, regional initiatives and highlighted stories from the practice. The Mid-Pannon Co. is very proud of the successful reception of the introduction of project Clusters-Cord at the conference. Mr Tamás Kovács, on behalf of the Mid-Pannon Co., shared his views on aims and activities of the project, as well as the results gained by the Partnership.

- Under the aegis of the Hungarian EU Council Presidency the conference ‘Week of Innovative Regions in Europe 2011 (WIRE2011)’, was organized jointly with the European Commission on 7-9 June 2011 in Debrecen, Hungary, dedicated to possible synergies between research infrastructures and cluster policy. The conference – considering the document of ‘EUROPE 2020, a strategy for a smart, sustainable and inclusive development strategy’ and the ‘Innovation Union Flagship Initiative’ - focused on questions related to knowledge, innovation and competitiveness in economy with respect to research infrastructure investments, clusters and their effects on how they can support smart growth in the regions. During the Conference there was a dynamic exhibition organized for regions, clusters and initiatives. Participating in the exhibition gave an excellent opportunity for regions and clusters to present their good practices and showcase their organisations and services. That was a reason why one of the highlighted regional partners of the Mid-Pannon Co., namely the CTD Regional Innovation Agency, presented the project Clusters-Cord, as a part of its exhibition area, for more than 550 conference-visitors.