



INNOVATIVE CULTURAL
AND CREATIVE CLUSTERS
IN THE MEDITERRANEAN AREA

GUIDELINES FOR CCIs INTERNATIONALIZATION THROUGH “ERASMUS FOR YOUNG ENTREPRENEURS” PROGRAM

Basilicata Region

In cooperation with
Sviluppo Basilicata spa, Consorzio Materahub,
industrie culturali e creative

Project co-financed by the European
Regional Development Fund

1/06/2018

INTRODUCTION

The WP 4.3 of the Chimera project aims at implementing services to support the internationalization of CCI as well as encouraging networking and exchanges among companies within emerging cultural and creative industries clusters in the partner countries.

To achieve these objectives, the project partners will exploit the opportunities offered by the "Erasmus for Young Entrepreneurs" (EYE) program, promoted by the European Commission to support mobility and effective exchanges among new and experienced entrepreneurs operating in the 28 EU countries.

The EYE program represents a benefit for the Chimera project, because it allows to reinforce networking among the creative enterprises involved in the project and to stimulate the collaboration among the evolving Cluster of the European CCIs. The EYE program promotes exchanges in different sectors and market areas and registers a high percentage of successful cases in the creativity and cultural sectors. Moreover, by promoting the EYE program, the emerging Clusters can offer further reasons to potential businesses and local stakeholders to join in their networks.

The EYE program target both new and aspiring entrepreneurs who have not started their business project adventure officially yet. In the Chimera project, the aspiring entrepreneurs will not be involved and only already existing companies will be targeted alongside expert entrepreneurs who will host the new entrepreneurs.

The research of new entrepreneurs with less than three years of experience in the sector and the hosting organisations will be carried out within the following sectors:

1. design,
2. audiovisual,
3. software & videogames,
4. music & media,
5. heritage & Books.

Access to the EYE program will be facilitated for the companies involved in the Chimera project since some of the project partners and sub-contractors are already recognised as Intermediate Bodies by the European Commission.

The Chimera project partners will be given a series of specific roles to facilitate the recruitment and exchange among the creative companies involved in the project. This guide includes a detailed description of these roles, the main actions that all partners will carry out and how they will support new and experienced entrepreneurs to access the program.

THE EUROPEAN EXCHANGE PROGRAMME FOR ENTREPRENEURS

Erasmus for Young Entrepreneurs is a cross-border exchange programme which gives new or aspiring entrepreneurs the chance to learn from experienced entrepreneurs running small businesses in other Participating Countries.

The exchange of experience takes place during a stay with the experienced entrepreneur, which helps the new entrepreneur acquire the skills needed to run a small firm. The host benefits from fresh perspectives on his/her business and gets the opportunities to cooperate with foreign partners or learn about new markets.

Erasmus for Young Entrepreneurs helps provide aspiring European entrepreneurs with the skills necessary to start and/or successfully run a small business in Europe. New entrepreneurs gather and exchange knowledge and business ideas with an experienced entrepreneur, with whom they stay and collaborate for a period of 1 to 6 months.

The stay is partly financed by the European Commission.

CHIMERA AND EYE

In order to promote mobility and internationalization of companies belonging to the Clusters and the regions of Chimera project, to favour networking for the CCI sector at European level, the partnership will build a mobility scheme on the most famous and longlasting example of European exchange program for entrepreneurs. The partnership agrees that building on the already existing program will, where there are organizations focused on cooperation for CCIs, will be the best way to connect two European programs (COSME and Interreg MED) avoiding to dedicate resources where something is already existing and well functioning since 2009.

Chimera partners have therefore decided to build this guideline to commonly agree on the best procedures to guide Clusters' companies into the EYE program.

The very first step, for those partners who are not directly involved in the EYE program, is to find an Intermediary Organization of the program to work with in order to facilitate the procedures that companies have to put in place for:

- information gathering
- evaluation of the companies to see if they are in line with program requirements
- application procedures
- management of the cooperation
- focus on how to structure the cooperation in order to generate value
- follow-up and monitoring of the results of the cooperation

The EYE program will become an integrated asset for all Clusters that Chimera partnership will support and for the companies belonging to them and interested in accessing international market with a support made available by European Commission.

BENEFITS

As a new entrepreneur, you will benefit from on-the-job training in a small or medium-sized enterprise in another Participating Country. This will ease the successful start of your business or strengthen your new enterprise. You can also benefit from access to new markets, international cooperation and potential possibilities for collaboration with business partners abroad.

As a host entrepreneur, you can benefit from fresh ideas from a motivated new entrepreneur on your business. He may have specialised skills or knowledge in an area you do not master, which could also complement yours. Most host entrepreneurs enjoyed the experience so much that they decide to host other new entrepreneurs afterwards.

It is really a win-win collaboration whereby both of you can also discover new European markets or business partners, different ways of doing business.

On the longer-term, you will benefit from wide networking opportunities, and, possibly, decide to continue your collaboration, possibly as long-term business partners (e.g. joint ventures, sub-contracting activities, contractor-supplier relationships, etc).

"Erasmus for Young Entrepreneurs" is financed by the European Commission and operates across the Participating Countries with the help of the local contact points, competent in business support (e.g. Chambers of Commerce, start-up centres, incubators etc.). Their activities are coordinated at European level by the Support Office of the Programme.

For more info, please visit www.erasmus-entrepreneurs.eu

WHO CAN PARTICIPATE FOR CHIMERA PROJECT?

New entrepreneurs who have already started their business within the last three years, in the Chimera Project Sectors:

1. design,
2. audiovisual,
3. software & videogames,
4. music & media,
5. heritage & Books.

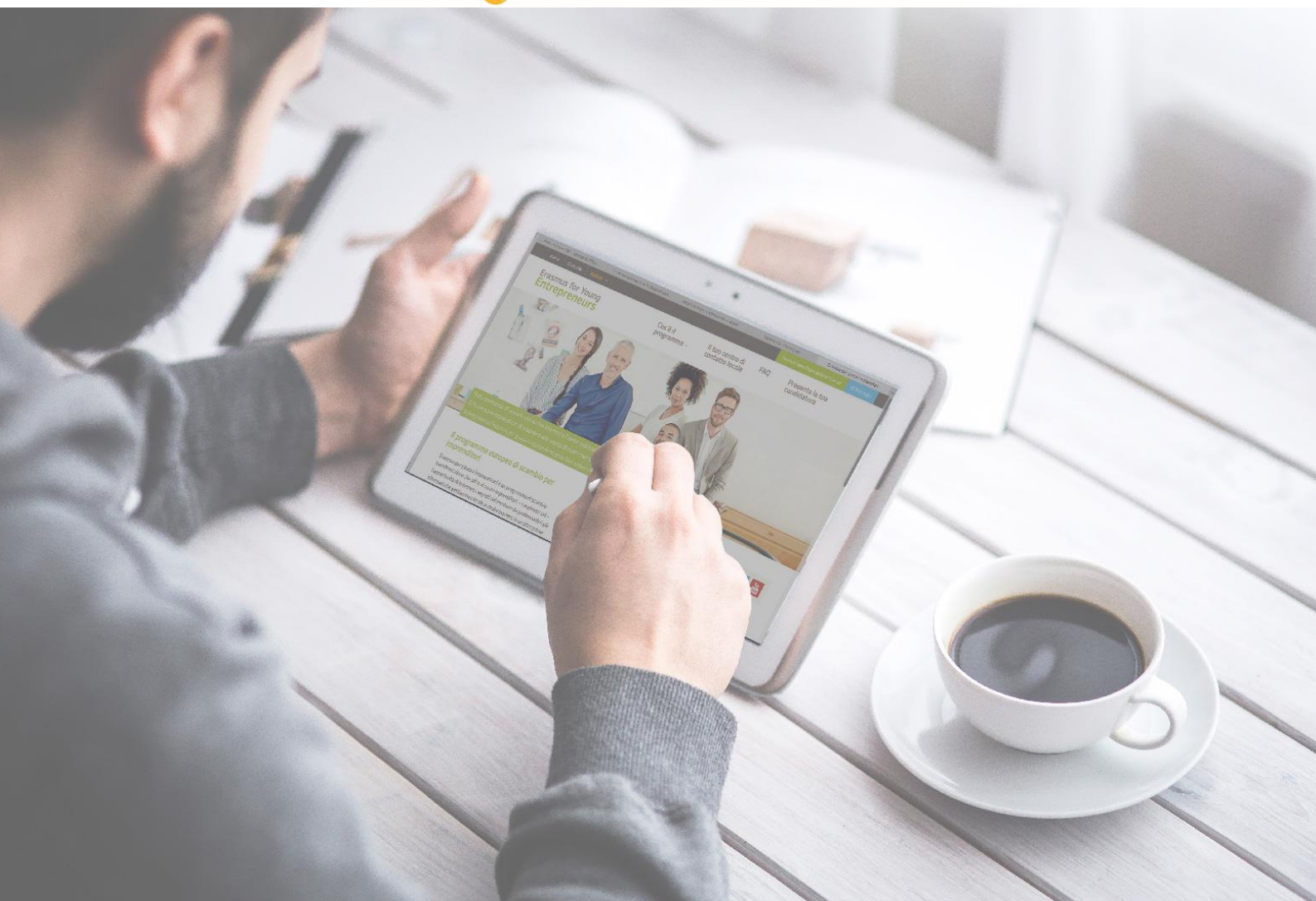
Experienced entrepreneurs who own or manage a Small or Medium-Sized Enterprise in one of the Participating Countries, in the Chimera Project Sectors:

1. design,
2. audiovisual,
3. software & videogames,
4. music & media,
5. heritage & Books.

The partnership will give priority to startups and hosting companies that are already part of existing clusters or those that will be constituted thanks to Chimera Project action.

ROLE & ACTION

CHIMERA PARTNERS	<ol style="list-style-type: none"> 1. Promote the Erasmus for Young Entrepreneurs Program, during the match making event; 2. find new entrepreneurs & host entrepreneur in their territorial ecosystem (min 10 for each Country) with the right profile to start a process of internationalization through the participation in eYE; 3. support them to finalize the business plan & strategy for a grate match.
NEW ENTREPRENEURS & HOST ENTREPRENEURS	<ol style="list-style-type: none"> 1. Register their profile on the E.Y.E. official platform; 2. create an useful business plan & internationalization strategy for a grate match; 3. find the entrepreneurs for the match with the support of the Chimera's partners.
BASILICATA REGION & MATERAHUB	<ol style="list-style-type: none"> 1. Create a connection with the Intermediary Organizations in the Chimera's Country; 2. support the entrepreneurs & Partner in all actions, starting from the match making events; 3. monitoring the match & collect the story reports.
INTERMEDIARY ORGANIZATIONS IN CHIMERA'S COUNTRY	<p>Chimera partners Terrassa Chamber of Commerce Tehnološki park Ljubljana d.o.o.</p> <p>Non partner Chambre de Commerce Italienne de Lyon – (France) Asset Technology – (Greece) Consorzio Materahub, industrie culturali e Creative – (Italy)</p>



HOW TO APPLY TO THE ERASMUS FOR YOUNG ENTREPRENEURS PROGRAM

www.erasmus-entrepreneurs.eu

New and experienced entrepreneurs who are willing to take part in the entrepreneurs exchange programmes should apply via the [tool](#) and choose their preferred [local contact point](#).

The local contact point should be active in [the country of residence of the entrepreneur](#) since it will act as a guide and contact point throughout the process. Entrepreneurs living in one of the few countries where no local contact point is available may register with a contact point located in another European country of their choice.

STEP-BY-STEP GUIDE

Main steps to follow to participate in the Erasmus for Young Entrepreneurs programme:

1. **prepare your application documents:** CV, motivation and, in addition for the new entrepreneurs, a business plan;
2. **register via the online form** ([link](#)) and submit your CV and business plan (for new entrepreneurs only);
3. **once accepted, build a relationship with a new or host entrepreneur abroad** (two options):
 - a) you suggest to your local contact point a new or host entrepreneur with whom you are already in contact , or
 - b) you look for a new or host entrepreneur in the online catalogue with the help of your local contact point.

Note that note that an exchange might not be considered as eligible is if is not in line with the programmes' eligibility criteria for an exchange;

4. **reach an agreement with your new or host entrepreneur** about the work and learning project (i.e. about the dates, objectives and activity plan of the exchange) and submit the details to your local contact point.

It is important to keep in mind that the programme does not support internships or work placements- only entrepreneurial collaborations between to the individual entrepreneurs;

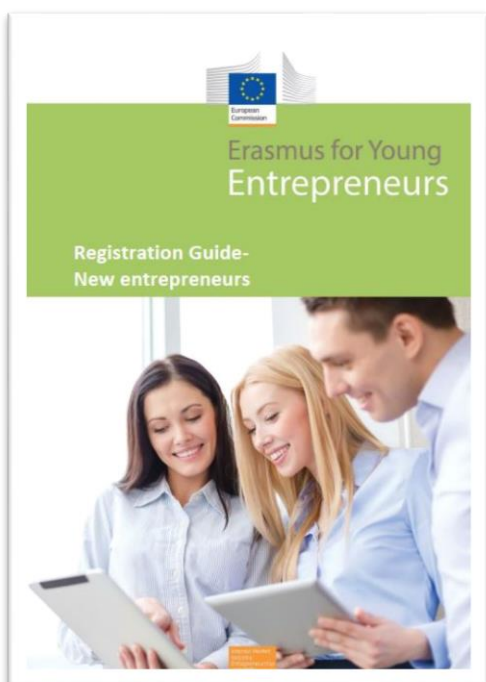
5. **signature of “Commitment to Quality”**, should be digitally signed in the IT Tool by all partners involved in the relationship. As a new entrepreneur, you should equally conclude the financial agreement with your local contact point;

6. **start of the stay abroad:** The duration of the exchange may be from 1 to 6 months with the possibility of dividing the stay into weekly slots (providing the time span does not exceed a total of 12 months);

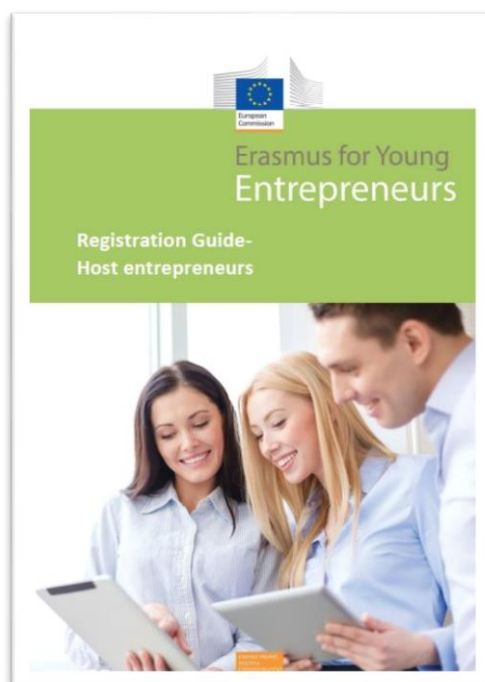
7. the financial assistance to the new entrepreneur will be provided in several payments, according to the agreement signed with his/her local contact point

For more details regarding the registration process, please go through our simple step-by-step Registration Guide for:

[new entrepreneurs](#)



[host entrepreneurs](#)





HOW TO HELP THE HOST ENTREPRENEURS WITH THEIR FOREIGN STRATEGY

Key points for the Internationalization of Cultural and creative industries

Creative industry enterprises are to some extent “forced” to cooperate due to the specific CCI market structure and their small enterprise sizes. Networks with other creatives thus become necessary to combine own competences with services of cooperation partners to offer more complex, integrated creative products. Cooperation also provides the necessary processing capacity for bigger orders that one creative could not handle by him- or herself alone. Working in networks and partnerships also provides flexible structures that can be adapted to the requirements of the respective project as well as to the needs and restrictions of the creatives themselves.

The personal nature of cooperation relationships is important and this has led to people-centred strategies for networking being very relevant for the sector. Besides cooperation with other businesses to provide goods and services together, the specific nature of the creative industry’s products often requires close relationships and cooperation also with their customers.

Creative industries often develop new and unconventional solutions specifically adapted to their customer’s needs. Studies results show that the vast majority of creative enterprises individually adapt products and services for each customer and also work together with their customers on projects. It is important that the creative industries show improvement in the following key areas:

- strategic orientation, coordination and collaboration – in order to better take advantage of existing opportunities;
- awareness of the potential and value of intellectual property rights– in order to better exploit them; entrepreneurship, education and research–in order to satisfy future demand for creative products and services;
- access to capital for development and upscaling of creative products and services;
- physical and digital infrastructure development – in order to improve competitiveness and to develop new distribution channels.

Economic value results from the creative sectors’ own activities in regional, national and global markets, and other factors can help them compete sustainably in these markets. The primary way in which this happens is through design and the creation of brands and advertising for products and services. Furthermore, the creative industries’ conceptualisation and imagination skills drive innovation.

There are three basic entry decisions that management has to consider before going international:

- which market: the one being more attractive to the firm, seeking a balance between benefits, costs and risk.
- when to go abroad: or timing of entry can be described either as first-mover or later entrants. First movers are those firms that go to an international market before anyone of his kind/industry enters a foreign market. Later entrants are those firms that go abroad after other firms have done so. Both first and later entrants have advantages and disadvantages. First movers are able to be pioneers on the market, but at the same time

they can experience high costs. Whereas, later entrants can just copy first movers, avoiding risks they have already taken and having less cost on their proceeding. But, they will have more competence in the selected market.

- the scale: a firm can enter on a large or small scale depending on the involvement of commitment they (the firm) are willing to have. Entering on a large scale implies rapid entry and involvement of significant resources. The small entry allows a firm to learn from the market chosen with less exposure to the market itself. After considering the three main factors mentioned above, the management team should decide how to internationalize. There is no right or wrong ways to go abroad, it all depends on the firm's size, age, resources, commitment to market and the market itself. Each of the next six entry modes have disadvantages and advantages that make the manager team make their on how to go abroad.

The steps of the Creative and Cultural Industries Internationalisation Journey

STEP 1. IDENTIFY OPPORTUNITIES

To identify opportunities successfully, CCI need information on global market opportunities and threats that are relevant to the CCI and information on the knowledge gaps within them that prevent access to local, national and international markets. Such information can come from a variety of sources. The CCI should determine the optimum mix of sources that are appropriate to their activities, combining this information with its knowledge of the strengths and assets of the CCI. The CCI will then be able to produce a portfolio of potential opportunities with an indication of the likelihood of success and the magnitude of the benefits of success. Due to technology convergence and the complexity of major societal challenges there will be an increasing number of opportunities that require cross different linkages. CCI have to find ways of increasing their awareness of relevant cross opportunities plus the mechanisms to identify such opportunities, to consider the options and to prioritise them. CCI also have to raise their awareness to such opportunities. Above all the CCI has to be aware of the opportunities that offer the best chance of success. Clear market needs and demand will define the opportunities that will bring partners with complimentary attributes and the capacity to take action together.

STEP 2. CREATE STRATEGY & ACTION PLAN

CCI need an Internationalisation Strategy & Action Plan that describes how international opportunities identified through Step 1 above will be realised. This Internationalisation Strategy & Action Plan needs to be a sub-set of the CCI Strategy & Action Plan and must fit with the relevant sub-regional, regional, national and European strategies. A key part of the Internationalisation Strategy & Action Plan is the prioritisation of markets and partners. The main drivers of the Internationalisation Strategy & Action Plan have to be those activities that meet the needs of businesses and the demands from businesses.

Specific areas of action are:

- assess the capability and capacity of the target sub-clusters and SMEs, plus the related technology infrastructure
- coordinate activities to help the sub-clusters, SMEs and the cluster organisation fill the gaps in their capacity and knowledge
- prioritise list of regions and cluster organisations with the potential for collaborations
- develop marketing and branding of the cluster organisation to improve image

- utilise networks and tools to identify potential partners and create links

STEP 3. IDENTIFY PARTNERS

A key part of the Internationalisation Strategy & Action Plan (Step 3) is the prioritisation of markets and partners. The Action Plan itself may identify specific partners or it may merely identify the priorities and means to identify partners. There are several key issues related to the selection of partners with whom successful collaborations can be achieved:

- potential partners need to be complimentary rather than identical.
- partnerships are more successful when the partners have similar organisational structures.
- CCI should look for Win-Win partnerships where all the partners gain something;
- in general, it is better to work through existing structures, systems and networks rather than to create new ones;
- effective Branding and Marketing is essential to raise awareness and build reputation.

A key element in identifying partners is the “people” issue. Successful collaborations are built on strong interpersonal relations and shared values between organisations and individuals. Networks and personal recommendations are particularly useful in this respect. It is therefore vital for CCI to attend and actively participate in networking events, workshops, international conferences and seminars, etc. As with any successful relationship, a high level of self-awareness is needed by the CCI in order to identify potential partners with the right blend of shared values and complimentary competencies.

STEP 4. DEVELOP TRUST & PROJECTS

“Projects” cover all types of collaborations between CCI. It does not just apply to applications for European and other funding. The key to successful collaboration is that all partners share and that build on strong interpersonal relationships. Developing trust is primarily about people. The key considerations include:

- initial contact has to be face to face. Visits are therefore essential but require funding, either from internal or external sources;
- longer visits are necessary to achieve in-depth sharing of expertise and increased knowledge on skills improvement and innovative ideas;
- experiences from other CCI can facilitate the building up of trust;
- attending networking events is vital;
- mutual learning and peer coaching can be useful in developing contacts;
- openness and a high level of professionalism in dealing with contacts are essential. After the initial contact, electronic communication methods managed by a facilitator can be used but regular contact by some means has to be maintained. Possible options include:
 - Virtual events
 - Video interviews available via the internet
 - Social networking platforms such as LinkedIn, Facebook, Twitter, etc;
- a social network needs to have a critical mass of active members in order to be effective. It will be far better to focus on a few effective social networks than to try to use many.

Developing collaborations is primarily about shared aims. The key considerations include:

- be very clear on project objectives and outcomes that must be practical and well defined;
- projects need to address the real needs of businesses within the CCI;
- only work with partners who share the same goals;
- Benchmarking potential partners can be useful in assessing the benefits from collaboration;
- CCI managers need to act as “translators” between partners with complimentary attributes, eg coverage of different sectors;
- involve the real decision makers and obtain their buy-in before making commitments;
- identify any cultural or language barriers and agree on how these will be addressed;
- once a critical mass of CCI actors/partners is formed, it is easier to extend the cooperation to additional partners (i.e. international cooperation can be built more easily in step-wise fashion);
- develop project ideas before applying for funding. Plan to develop project proposals in advance of the launch of funding calls. This will give more time to develop a high quality proposal and improve the likelihood of a successful proposal;
- social networking platforms such as LinkedIn, Facebook, Twitter, etc are potentially useful but many CCI managers would benefit from training on how to use these platforms more effectively;

STEP 5. IMPLEMENT PROJECTS

CCI international collaborations are in many ways no different to other projects but have the added complication of distance, language barriers and culture differences between the partners. Standard project management skills are essential with the addition of patience and understanding to overcome the differences and the additional delays in delivering results. Standard project management tools and accounting systems that can deal with multiple currencies are an option but it may also be necessary to use the systems specified by particular funding programmes.

Some of the key issues for CCI internationalisation collaborations are:

- take baseline measurements at the start of the project to make evaluation easier;
- monitor progress and check against agreed project objectives and outcomes;
- learn from previous projects and build this learning into the project plan;
- be flexible to changing circumstances. Contingency plans and budgets are essential;
- ensure that sufficient human resources with the right skills are available throughout the lifetime of the project;
- be aware of cultural differences unexpected events and outcomes are a common feature of many projects and collaborations. These can be positive as well as negative. Projects and collaborations therefore have to be flexible to maximise the additional benefits or to minimise the negative outcomes. Having a Plan “B” is a good idea, even if it is never used. In addition, unexpected events can lead to new ideas for projects and collaborations, either with the same partners or with new or improved partners.

Many projects start as a means of obtaining funding. Unfortunately, this can sometimes lead to projects driven by the requirements of the funding bodies rather than the needs of the partners and the project beneficiaries. A better approach is to define the project, determine the additional funding needs (if any) and then match the project to the available funding sources.

Forward planning is essential to maximise the chance of success of securing competitive funding. The partners should prepare and agree the project plan well before start of the funding call. It is usually helpful to attend the Information Days about particular funding calls and to discuss the project proposal with the funding body and the relevant EU programme national contact point to see how well the proposal matches the requirements for funding. Knowing the percentage success rate for a particular funding programme will help to manage expectations. Sometimes it may be better to apply for funding from another programme with a higher success rate, but only if it fits with the project proposal.

STEP 6. DEVELOP AND SUSTAIN THE NETWORKS

Cultural actors and creative entrepreneurs are working more and more in networks and are involved in multi-layered cross-border cooperation. Internationalisation is hard for creative businesses. Barriers to international expansion include high costs in time and money; difficulties with finding the right information; bureaucracy; and the challenges of finding clients, contacts and collaborators. But there are also huge benefits to working or growing internationally for those that can do it successfully. Businesses gain access to huge new markets and can benefit from learning about new ideas and approaches.

Developing trust and good relationships for projects and collaborations requires the investment of time and energy. These successful relationships should not be allowed to lapse at the end of the project or collaboration. Instead, they should be used as a basis for further projects or collaborations. Networks need to have clear deliverables and will in time need to be self-financing. However, care has to be taken to manage potential conflicts between the network and some of its member companies who provide services. Identifying appropriate partners who share the same goals will lead not only to a successful project but also to follow-on projects. Partnerships with foreign companies, foreign investments and cross border networking have become increasingly important as ways of facilitating exchange of technology and knowledge which enable CCI formulate strong international business strategies. Globalization, technological, political and economic changes are some of the main drivers for the increasing internationalization of CCI in today's world.

Reactive factors to internationalization explain that firms can act passively and respond to both internal and external pressure. When a company has a unique product they face an easy way to internationalize, since foreign market can inquire for that product. Another factor that reactive firms must exploit is when the firm own specialized marketing, since they possess knowledge or have access to specific information that will make them different to competitors.

Networks also provide exposure and interaction opportunities, especially with countries and institutions that they might not otherwise encounter. Networks can be defined by geography or other criteria.

They may focus on a single issue, such as collaborative research or a range of issues of shared interest. These might include:

- networking opportunities;
- facilitating exchanges between staff, student exchanges, joint graduate programmes;
- Exchanging best practice and materials;

A truly international network requires a clearer definition of the goals and value-added of being international. Some networks claim to be international while covering only one part of the world or dominant culture and overlooking other aspects. International networks that do not have their own specificity tend to be too inclusive, ineffective and shallow.

The following questions are worth asking before joining a network:

- How to identify a successful network?
- What makes it distinctive?
- How would the network contribute to institutional development?
- How could the network help build the institutional brand?
- What effort will it require to join, in terms of human resources, fees and grants?

Networks typically function well when there is a synergy between practical interests and benefits for day-to-day activities. They work best when they have clear criteria for belonging and clear objectives. Networks usually fail when the wider policy aims are not linked to ground level benefits. Effective networks promote equitable access and treatment among members and prevent any group from being unduly advantaged. The importance of networks is crucial in the creative industries since to a large extent project development is firmly based on participation and recognition in explicit and tacit, formal and informal networks. The lineal value chain of activities based in more traditional sectors is replaced by a tapestry of contacts that are relatively stable during the time it takes to carry out a certain project, but with no guarantees of continuity once the project in question has been completed. Knowledge exchange and the search for complementarities between agents become essential elements for the articulation of many business model proposals.

ACTIONS AND RECOMMENDATIONS TO SUPPORT THE INTERNATIONALIZATION OF CREATIVE AND CULTURAL INDUSTRIES

- Participate actively in the creation and implementation of the regional innovation smart specialisation strategy for the region where they are located;
- explore synergies with other regions with complementary regional innovation smart specialisation strategies;
- promote the sharing of knowledge infrastructure;
- raise awareness of cluster members and policy makers of activities that are helping to deliver the regional innovation smart specialisation strategy;
- collaborate closely with other support organisations;
- support existing networks and drive improvements to the services offered by these networks plus better coordination between the networks;
- participate in staff exchanges and mobility schemes;
- develop high quality and targeted branding and marketing;
- use appropriate mix of channels;
- regularly assess effectiveness of branding and marketing;

Intellectual assets and internationalization

Almost every SME has a trade name or one or more trademarks and should consider protecting them. Most SMEs will have valuable confidential business information, from customers' lists to sales tactics that they may wish to protect. A large number would have developed creative original designs. Many would have produced, or assisted in the publication, dissemination or retailing of a copyrighted work. Some may have invented or improved a product or service. In all such cases, your SME should consider how best to use the IP system to its own benefit. Remember that IP may assist your SME in almost every aspect of your business development and competitive strategy: from product development to product design, from service delivery to marketing, and from raising financial resources to exporting or expanding your business abroad through licensing or franchising.

Protecting your original work from the competition is a key aspect of a creative enterprise even when you do not consider going international. It becomes more relevant when you are ready to extend your business to foreign countries, because you will more likely to meet even more competition and a different legal environment.

An extreme example would be the case of the Chinese copies of cars made by well-known manufacturers (for example see: <https://www.autocar.co.uk/car-news/guangzhou-motor-show/range-rover-evoque-versus-landwind-x7-copycat-which-better>) which sheds light on how important is to protect your creation and what is at stake.

The different legal environment makes it even harder to defend your legitimate interests meaning that you have to keep an eye on what is happening around you. In the following section we will give you a brief insight to intellectual property and intellectual assets. This guide will help you to start dealing with these issues and aims to ensure that you can harvest the fruits of your work.

First we have to clarify the common nomenclature regarding intellectual property and assets. Your creation, which is considered to be original is protected by copyright for which you do not have to apply, you should consider to register however in countries like the U.S where additional rights are granted upon doing so. Regardless you obtained any legal protection for your work (e.g. trademark, patent, etc.) it is always protected by copyright, but it is better suited for protect literary and artistic works.

If you think that your creation will give you future benefits than you should consider protecting and apply for a suitable intellectual property right:

- patent is a right granted to an inventor giving exclusive right over a new product or process. The best you can do is to hire a patent attorney or patent lawyer to help you;
- a trademark is a graphically depicted, registered sign that serves to distinguish between the goods and services;
- a trade name (or business name) is usually strongly tied to the trademark, it does not need however specific protection whether it is a part of a specific trademark. The trade name identifies the company and it should not be used by another company. It is important to note that trade names are not subjected to copyright because it does not protect single words or abbreviations;
- industrial design is the primarily aesthetic appearance of the whole or part of a product is protectable via industrial design, if the design is original or new. Another key criterion is that it should be able to be reproduced by industrial means. The maximum term is usually somewhere between 10 and 25 years;
- there are others: layout design of integrated circuits, plant varieties, trade dresses, geographical indications and database rights, but due to their infrequency, we won't deal with them in more detail;

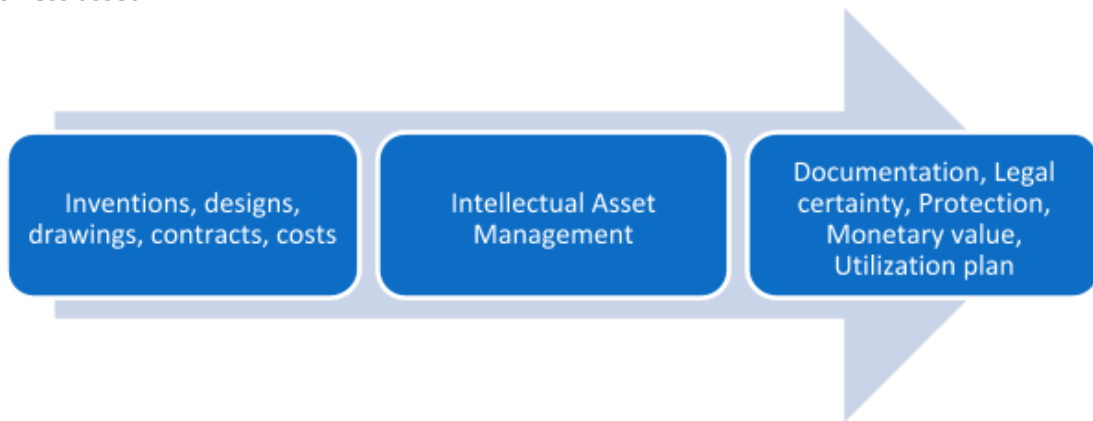
These are intellectual properties. For them to become intellectual assets, four requirements have to be met: they have to be well documented, their cost have to be measurable, they have to be controlled by your company and their future benefits must be estimated. If they meet these conditions, then they can be called intellectual assets, and they can greatly improve the value of your business.

IP and IA are often not measured and appreciated according their potential and their future benefits are also often underestimated but they can be valuable when they are protected – be aware that if you have something valuable and it is not protected, that could mean that somebody else is harvesting the fruits of your work. Intellectual property is not an issue until it is an issue.

When going international, it becomes convoluted and difficult, because some intellectual property rights can be easily obtained, like trademarks – you have to apply once for the whole EU –, the protection of others is the result of a lengthy and very costly process. You should consider making a list of your priorities, put your creation into a certain order which reflects their value and protect the most important first. Also if you are having problems with obtaining protection, do not hesitate to consult a professional because you can lose precious time when trying to for example apply for a patent yourself and end up losing the exclusive rights for you invention.

The strategic utilization of IP assets can, therefore, substantially enhance the competitiveness of your SME. SMEs should make sure that they are ready to face the challenge and take measures to exploit their IP and protect it wherever possible. Like physical assets, IP assets must be

acquired and maintained, (see “How can Your SME Acquire and Maintain Intellectual Property Protection”), accounted for, valued, monitored closely, and managed carefully in order to extract their full value (see “Managing the Intellectual Property Assets of Your SME”). But before this can be done, SMEs must first acknowledge the value of IP and begin to see it as a valuable business asset.



Creative CCI's distribute products which are mostly fall under the copyright law therefore you have to prepare accordingly. If you are preparing your internationalization concept, do not forget to include intellectual property and protection, and you will do not have to worry about the competition using your creations.

Is it always equal? The case of CCI's

The classic ways of internationalization which are being followed by bigger firms operating on fields that could be deemed as traditional (e.g.: manufacturing, retail) happen on a larger scale than the internationalization of CCI's. Opening subsidiaries, factories or establishing huge logistic centres in distant countries are out of question when internationalizing a small company consisting of a handful of people. Different methods should be applied in order to successfully compete in a market where the competition is also fast to react and adapts easily to new challenges. The key differences between certain methods of internationalization are the following:

- a smaller firm is not a scaled down version of a bigger one, thus cannot adapt their ways when internationalizing;
- mostly you have to be more aware of the economic environment and be very cautious – you can't take too many risks; but at the same time being smaller means you can overcome seemingly bigger obstacles;
- most likely you don't have the same amount of knowledge about the target market of a bigger firm;
- CCI's more likely to be „born-global“ meaning that maybe you already set a goal to be international from the beginning rather than slowly reach foreign markets, or you are being international even without thinking of it;
- internet marketplaces;
- on niche markets (small, specified submarkets) demand on a national level could be so negligible that you immediately have to sell your product on the international market;

- or you can start small and aim for only one country at a time and you might also consider only going to a neighbouring country – the smaller the distance, the greater the knowledge of the market;
- as an entrepreneur you are most likely to use one or more intermediaries to help you export to foreign markets – not necessarily an organization but for example an online marketplace;
- according to your experiences you should change your method of operation on a foreign market – you can start a franchise, or sell a licence to a partner, start a cooperation with a local company, etc.

Many European countries have strong support for internationalization and the Europe Commission itself runs a powerful business network worldwide: Enterprise Europe Network – <http://een.ec.europa.eu/>



HOW TO HELP NEW ENTREPRENEURS WITH THEIR BUSINESS PLAN

1. EXECUTIVE SUMMARY

Write a brief introduction to present your business idea. The executive summary is the most important part of the business plan as it is the first part that is read. It has to be maximum one page long and shall detail the value proposition, i.e. the main company goals.

The summary will surely motivate the readers to continue reading or leave it, because this part already shows whether the business idea is absolutely inconsistent and / or unsustainable. It is advisable to write it down or review it once the Business Plan is fully completed.

2. ANALYSIS

A careful analysis takes into account different aspects, so please detail them in a clear and unambiguous way:

2.1 target market - provide data and references on the sector / market where you intend to operate (references to sector studies, statistics and data useful to demonstrate the need that your business idea aims at meeting);

2.2 benchmarking (make a comparative analysis with other entrepreneurial realities to be inspired, both locally, nationally and internationally);

2.3 competitors (who is already in the market? How does he move around? What does differentiate you from them?)

2.4 customers / users (who do you want to offer your "product / service" to? Is it possible to identify a well-defined niche of customers / users? What specific needs are you meeting?)

3. PRODUCT/SERVICE DESCRIPTION

It is the easiest part to write for an aspiring entrepreneur because it is about telling your idea. However, it is better to keep it simple avoiding too many technical details and to concentrate on the characteristics of the product / service aiming at meeting the needs of the potential customers.

4. COMPANY ORGANISATION

Describe how you imagine your business organization as it was already established and operational, what and how many people are needed to manage your business and their roles. Also imagine and describe your role in your future company and what kind of legal form you want it to have (limited company, sole proprietorship, cooperative, other)

5. MARKETING PLAN

The marketing plan is needed to understand how to reach your company sales objectives and the target customers. Marketing is one of the most critical elements for the success of a company: having a valid product / service is not enough since we have to know how to sell it effectively first. The main aspects of the marketing strategy are:

1.1 communication channels (ie the channels through which you intend to attract customers / users)

1.2 marketing channels (ie the channels through which you intend to promote and sell your product / service)

6. SWOT ANALYSIS AND GANTT

The SWOT analysis model is crucial to reflect on your business idea and to tell it to others as it takes into account the "strengths, weaknesses, opportunities and risks / threats" that may affect your business project. We therefore ask you to draw up the SWOT matrix for your project by completing all 4 fields.

STRENGTHS	WEAKNESSES
OPPORTUNITIES	RISKS / THREATS

Another important tool to reflect upon the need to plan the launch and the management strategies of the startup phase of your business activity is the GANTT diagram, which is a timeline for you to detail the activities planned along the time axis, in a forecast range of at least three years. You can fill out your GANTT by using excel or other ad hoc programs.

7. ECONOMIC AND FINANCIAL PLAN

One of the crucial elements of the business plan is the company forecasting economic-financial plan. A good strategy to start an entrepreneurial activity provides a realistic and sustainable simulation allowing you to:

1. define sources of funding, i.e. financial start-up costs, initial investments, purchase of equipment and / or licenses and more ...
2. draw up a cost / revenue scheme, i.e. a three-year simulation in which the BREAK EVEN POINT is calculated and detailed, i.e. the point or time when the costs and the initial investments with revenues born by your company in the meantime will be balanced.

For these descriptions, you can use an excel model where you can enter costs and revenues and check the draws or the earnings.

1. In this section, describe the sources of funding you envisage for the first three years of your business activity

	FUNDING	DESCRIPTION OF THE SOURCE	REASON
LAUNCH PHASE	€	<i>e.g. personal investment or bank loan</i>	<i>e.g. purchase of equipment or venues renting</i>
	€		
FIRST YEAR	€		
	€		
SECOND YEAR	€		
	€		
THIRD YEAR	€		
	€		

2. Detail costs and revenues of the first three years of activity, demonstrating that in the third year (or before) your company will be able to reach a balance.

	COSTS		REVENUES	SITUATION
FIRST YEAR	€	>	€	
SECOND YEAR	€	>	€	
THIRD YEAR	€	=	€	BREAK EVEN POINT
FOURTH YEAR	€	<	€	PROFITS