

Interreg MEDITERRANEAN Programme

Priority axis-Investment Priority-Specific Objective 1-1-1

Priority Axis 1: Promoting Mediterranean innovation capacities to develop smart and sustainable growth

PI 1.b

1.1 To increase transnational activity of innovative clusters and networks of key sectors of the MED area

iBLUE

Investing in sustainable blue growth and competitiveness through 3-Pillar Business Model (3-PBM)

Project No. 830

**COLLECTION OF BEST PRACTICES ABOUT YACHTING
- *REPORT* -**

WP/ACT related to the Deliverable: WP3/ACT3.3

Deliverable no.: L3.3.1

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EXECUTIVE SUMMARY

The main objective of this report is to present best practices cases per country in yachting industry. The process of selecting the best practices cases started with the definition of Selection criteria for the best practices identification. The selection criteria were defined in a document *Selection criterion for the best practices identification* which pertain to this Report. Following the criteria, partners started the selection procedure that consisted of four steps: firstly, partners shortlisted potential champions by respecting selection criteria agreed with the partnership, those champions were shortlisted and assessed obeying the selection criteria and, finally, three companies were interviewed and their BMI best practices was described in terms of context, implementation and benefits.

The process of interviewing the companies was part of deliverable *L3.3.2 Data Collection about yachting in Med area* where 6 companies were interviewed in order to prepare The Case study report. The interview was the same tool for collecting information for both best practices and data collection about yachting SMEs.

As a result of this activity we have successfully identified 27 best practices cases.

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INTRODUCTION

According to the Application Form, the deliverable **Collection of best practices about yachting** (*innovation patterns and policies of BMI in yachting*) is a document that will contain collection of best practices in BMI in yachting sector of MED area. Each best practice will be described in terms of context, implementation and benefits.

Collected and catalogued best practices cases of BMI in yachting sector will be exploitable for the improvement of yachting SMEs performance during pilot actions and also beyond the project duration.

Data will be collected with the help of all partners having an in-depth knowledge of each local territory and stakeholders.

Deliverable output is Report on Best practices collection of BMI in yachting sector of Med area. It will be a supporting tool for the 3-PBM methodology, providing useful ideas for the business model reconfiguration.

Partner responsible for this deliverable is STEPRI. In order to help partners to select and identify best practices for their own countries, STEPRI developed formalized guidelines with selection criteria for best practices cases selection and identification and Partner report template with detailed instructions on how to proceed with this activity.

METHODOLOGY

The identification and selection of BMI best practices will focus on the following target group:

SMEs (as defined by the art. 2 EU recommendation 2003/361 as the category of micro, small and medium-sized enterprises (SMEs), made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million, that are producing or delivering services for recreational crafts)

from the

YACHT INDUSTRY (as defined by the Art.3, European Directive 2013/53/EU as Value chain of recreational crafts 2,5- 24 mt length (Art.3, European Directive 2013/53/EU) and recreational vessels over 24 mt length - «super-yachts»).

The process of identification and selection of BMI best practices will consist of few steps:

STEP 1 - Partners identify „potential champions” according to the criteria defined under point 3. Of this document”

STEP 2 - “Potential champions” are assessed from the economic/society/environment results and business model innovation perspectives, based on publicly available information.

STEP 3 - “Potential champions” are shortlisted

STEP 4 - Three “champion companies” interviewed and their BMI best practices will be described in terms of context, implementation and benefits.

As agreed among partners, this activity is conducted in parallel with the deliverable L3.3.2 Data collection about yachting in MED area. The semi-structured interview was the same tool for collecting information for both best practices and data collection about yachting SMEs.

Following prior described process each project partner identified, assessed, shortlisted and selected their best practice cases. Those selected cases were described in the Country report in terms of context, implementation and benefits as stipulated in the Application Form:

- **Context** (BM description, key challenges, competitors, trends)
- **BMI implementation** (Unique in your business, differences to mainstream BM, implementation stages, BM element relationships, lessons learned, future steps)
- **BMI benefits** (Competitive advantage, results)

Typology of the yachting sector

The selection of the companies followed the agreed typology of the yachting sector:

1. Manufacture:

- Ship design
- Ship building
- Ship components (motors, sails, plants, navigation instruments)
- Ship accessories (furniture, tapestry, equipment)
- Accessories for boat users (nautical clothing, various accessories)

2. Services:

- Repair, refit and maintenance
- Financial services
- Brokers
- Charters
- Other marine and nautical agencies
- Retailers of ship components
- Retailers of ship accessories (boat-oriented, user-oriented)

3. Infrastructure:

- Marinas and ports.

Project partners should have determined if the company belongs to Manufacturing/Services/Infrastructure (marinas, ports), e.g. Manufacture->ship accessories->furniture, tapestry, equipment.

As a result of semi-structured interviews partners **identified 1 company from each sector** (manufacture, service and infrastructures) as a best practice in BMI.

After conducted interviews, partners selected and identified companies and typology under yachting sector. In order to write the report PPs gave a short company description with information on main activities of the company, business achievements, involvement in other projects, description of some social and environmental engagements that contributed to the attainment of their objectives.

In countries where PPs find hard to identify the best practice for all the sectors (manufacturing, services, infrastructure) acceptable possibility was that a partner selected and identified two companies from the same sector.

Indicators for best practices cases key perspectives/main outcomes

In order to grasp the context of best practices cases, key perspectives/main outcomes for the result analysis were defined through indicators system relevant for the best practices selection:

1) Economic indicators:

An economic indicator is a statistic about an economic activity. Economic indicators allow analysis of economic performance and predictions of future performance. Economic indicators include various indices, earnings reports, and economic summaries. Examples: unemployment rate, consumer price index (a measure for inflation), consumer leverage ratio, industrial production, bankruptcies, gross domestic product, broadband internet penetration, retail sales, stock market prices, money supply changes.

For the best practices cases identification relevant economic indicator was: Stable or growing profit for at least 3 years.

2) Social indicators:

Social indicators are defined as statistical measures that describe social trends and conditions impacting on human well-being. Generally, social indicators perform one or more of three functions: providing information for decision-making, monitoring and evaluating policies and/or searching for a common good and deciding how to reach it.

For the best practices cases identification relevant social indicators partners took in consideration: employment and unemployment rates, disabled people employment, young people employment, educational attainment, non-discrimination, health expenditure, donations.

3) Environmental indicators:

Environmental performance indicators condense environmental data into relevant information that allows monitoring, target setting, tracing performance improvements, benchmarking and reporting. Environmental performance indicators supply the operational level as well as top management with the information required for decision making. On this basis, well-grounded targets for environmental performance improvement can be identified, quantified and achievement monitored.

For the best practice's cases identification relevant economic indicator partners encountered in interviewed companies were: ISO 14001 and EMAS (The EU Eco-Management and Audit Scheme).

Results classification

Among the interviewed companies, the best practices cases were the companies that have shown:

- achievement of **outstanding results in at least one** of the key perspective/outcomes

and

- **above the average / average results in other two** key perspective.

In countries where it was hard to identify best practice case due to lack of excellent results in one of the abovementioned key perspectives, partners accepted as the best practice the company that had **an average result in all** previously mentioned **criteria**, compared to national statistics data of the sector.

For some countries (Albania) the best case was the only case available or the case that presents excellent results compared to the results of the sector.

Rationale includes achieved levels of outlined indicators, explanation why company focused on those indicators (if available) and short comment regarding activities that enabled those results.

This rationale is of particular importance for the key perspectives with outstanding/excellent results.

BEST PRACTICES CASES REPORT FINDINGS

The purpose of the conclusive section is to combine the results emerged by the reports on best practices cases per country in order to highlight common “*motivators*” and “*ingredients*” for good practices among the three yachting subsectors, namely manufacture, service, and infrastructure.

Each partner composed a Report on best practices cases based on results of Interviews conducted with the companies and followed agreed selection criteria, key perspectives indicators and result classification.

Each partner identified **3 companies** as BMI best practices. So, as a result of this activity we have successfully identified 27 best practices cases, of which:

Manufacture	6
Service	10
Infrastructure	11

The following text will introduce an outline of emerging good practices motivators and findings by respecting indicators system of the key perspectives/main outcomes:

Good practice „motivators”

Economic

- Profit and growth

Social

- Strong workforce and local support

Environmental

- Resource protection and preservation of the key value proposition

Good practice „ingredients”

Economic

- Long term positive results
- Stable and growing income/profit
- Future investment plans

Social

- Future workforce focus
- Employee good care and education
- Employment of disabled people
- Local suppliers (jobs maintenance)
- Part of local community
- Donations / sponsorships of local initiatives
- Public awards

Environmental

- Compliance with law
- Local suppliers (low carbon footprint)
- Use of natural materials
- Recycle/reuse of materials
- Eco friendly technologies
- “Blue flag” certificates
- Eco standards and active environmental management system in place