DIGITAL REGIONS Action Plan

Partner:
Swiss Smart Factory, Switzerland
Innovation Park Biel / Bienne









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1 EXECUTIVE SUMMARY

A comprehensive context analysis identified current gaps and opportunities in regional and national innovation policies. Switzerland is defined as an Innovation Leader, performing more than 40% above the EU average¹. The Swiss region Espace Mittelland is positioned rank 17 across all European regions. The Canton of Bern has specified companies in manufacturing like the watch and precision industry. This very specific expertise brings a lot of value to the region.

Yet, challenges are faced based on the following key findings from the conducted onlinesurvey with small and medium-size enterprises:

- Little knowledge on 14.0 concept
- The majority is facing challenges in relation to 14.0/digital transformation:
 - Over 40% do not have a digitalization strategy; 17% are planning to introduce one
 - Little awareness: 2/3 do not know any initiatives supporting I4.0 / digital transformation
 - Awareness of funding: Only 10% have participated in a funding program; half of the responses does not know about any funding for SMEs

The regional context analysis revealed a broad offer of different initiatives. It became visible, that lots of initiatives exist but the potential may not be fully exhausted as there are many overlaps in some areas and gaps in the offerings. Further, the initiative's visibility for SMEs is often not given. The SMEs are overwhelmed by the question which support offering suits best for them. This is where the action plan comes in.

Network of Network

Based on the analysis and the stakeholder feedback, the concept of a "Network of Network" (NoN) has been developed and described as a political recommendation. This concept is meant to be a platform, a one-door-principle for SMEs, to provide a clear overview of available offers of different existing innovation initiatives. The idea is to have a search tool for Switzerland's SMEs to find the right support which boost their understanding of digitalization /14.0. The NoN should ease the first steps to find appropriate support within the digitalization transformation process. It is a place, where SMEs and innovation initiatives can meet and exchange knowledge. To our knowledge, no such platform exists currently in Switzerland.

The stakeholder board of the project is convinced that an open, agile and intuitively designed NoN platform has the potential to stimulate the Swiss SME ecosystem. Yet, the platform shall serve real needs of the SMEs and create clear value for them. It can not only

¹ RIS 2019







gain value for the SME, but also the innovation initiatives will benefit e.g. by better position complementary services. The 'Network of Network' should provide the following key features:

- 1. Display of Initiatives & Support
- 2. Connect within the Network

The benefits and the importance of a network of network is seen by the stakeholder board. Yet, the platform shall serve real needs of the SEM to create clear value for them. It can not only gain value for the SME, but also the innovation initiatives will be enabled to find complementary services to position them self. This can create a good competition to further improve the offer for SMEs.

To build up a Network of Network, it must get the attention and support of different partner. In a potential collaboration of 2-3 key player, a project can be kicked-off. Motivated mentors' or intermediaries should drive the project. Starting with a pilot by designing a prototype, first user tests can be made. This gives the potential to collect feedback of potential user to further refine and improve the idea. By gaining a clear picture of the needs and wants of SMEs, the Network of Network can be described more precisely with its benefits to create real value to them. Thereby it can lead into an industry driven platform which grows dynamically by new members.







2 GENERAL INFORMATION

- Project: DIGITAL REGIONS
- Partner organisations: Swiss Smart Factory | Switzerland Innovation Park Biel/Bienne
- Country: Switzerland
- NUTS2 region: Espace Mittelland (CH02), Canton Berne
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3 POLICY CONTEXT

The Action Plan aims to impact:

- ☐ Investment for Growth and Jobs programme
- ☐ European Territorial Cooperation programme
- Other regional development policy instrument

Name and reference of the institutions / organisations addressed:

- State Secretariat for Economic Affairs, SECO
- InnoSuisse, Swiss Innovation Agency
- Cantons (e.g. Standortförderung Kanton Bern)







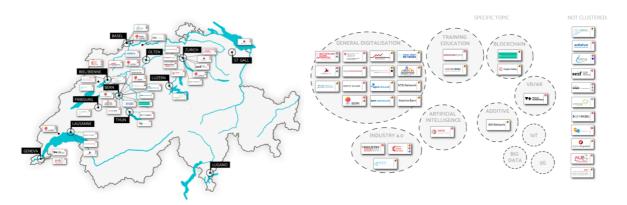
4 ACTION

Network of Networks for the Digital Transformation / Industry 4.0

4.1 BACKGROUND

In the stakeholder workshops a screening and analysis took place of the existing innovation initiatives. A broad offer of different initiatives was revealed. It became visible, that a lot of initiatives exist but their potential may not be fully exhausted as there are on one hand many overlaps in some areas and on the other hand some gaps in what the initiatives offer. Further, the initiative's visibility for SMEs is often not given and the SMEs are overwhelmed which support is best for them. The stakeholders workshop conclusion was the following, which sets the backbone of this action plan:

- Many initiatives existing and it is difficult to keep an overview
- An interactive overview about all the existing initiatives is very helpful
- Different mappings (topic, geographics, etc.) could be displayed to make the existing initiatives visible
- Many initiatives are addressing digitalisation in general and focus on the networking, enabling and training
- Only few initiatives support specific topics: Industry 4.0, Blockchain, VR/AR, IoT, Additive Manufacturing, Artificial Intelligence
- To best support SMEs in their innovation policy, the existing innovation initiatives and their offer must become more visible
- An Important first step in the innovation lifecycle are the universities and the universities of applied sciences.



Please, view as well the Annex 1 which includes a detailed description of the different activities involving the local stakeholders to define the actions and expected impact to be included in this action plan.







4.2 KNOWLEDGE APPLIED FROM DIGITAL REGIONS

The joint macro and micro analysis show a similar picture across all regions when it comes to the knowledge of Industry 4.0. All regions face similar challenges, and the awareness of support is low across all regions. This stresses the importance to make the network more visible. In the following section, different good practices and experiences are described, how the knowledge of other regions is acquired, and lessons learnt from the exchange activities in DIGITAL REGIONS, in the development of the action plan.

Partner good practice/experience (please, detail: good practice name, short description and location)

How this good practice/experience has contributed to the actions developed in your Action Plan (detail any transfers, full or partial of good practice)

Hof University, Germany

Workshop: Industry 4.0 – A region is on its way

Within interactive Workshops organised by Hof University, SMEs can get to know the University's research capacities, the WiMiT-project funding opportunities as well as develop ideas for their own digitalisation projects. The SMEs benefit from University's knowledge on digitalisation and their experience in implementing solutions with other SMEs. Through these workshops, possibilities for a joint project can be teased out. Also through this meeting, SMEs can join forces and develop a project together.

As the analysis had reviled, SMEs struggle in the digital transformation and do not know what kind of support does exist. The good practice from Hof University shows the benefit of interacting directly with SMEs to make personal connections where they can benefit from. For the planed action 'Network of Network' this experience can give inspiration how to interact best between innovation initiatives and SMEs. The platform should not only be virtual, to connect and learn from each other, it is crucial to do so on a personal level to enable education within a needed area. The proposed workshops provide a good format.

Institute of Technology, IT Sligo, Ireland

CASE SME Innovation Engagement Model

A dedicated outreach Research & Innovation support to regional enterprises, communities and individuals from the Higher Education sector.

The approach is based on CASE engagement model:

Connect (recruit SME's)

For the planed action 'Network of Network', not the specific transfer for Higher Education is in focus, but in general, the Innovation Engagement Model gives a good example, how to engage with SMEs and to build of regional capacities. In any aspect the engagement with regional enterprises is challenging whereas this model could partial be integrated into the Network of Network.







- Assess (understand the innovation needs)
- Support (develop project/prototype)
- Encourage (agree next steps, build SME collaboration, regional capacity and ambition).

Ministério de Economia e da Transição Digital, Lisboa, Portugal

Portugal's National Strategy for digitising industry

A general digitalisation strategy for the industry called 'Industry 4.0 Programme' was established by the Ministry of Economy as part of the National Strategy for the Digitalisation of the Economy. The work on the national strategy Industry 4.0 Programme is using a bottom-up approach with a consultation of about 120 stakeholders that included 88 companies, academics, associations and national authorities through interviews, workshops and hearings.

The Portugal's National Strategy with a holistic and bottom-up approach show, that there is a big potential already existing. This is also the case in Switzerland. Yet, to keep a good overview about different stakeholders, companies or academics, a strategic approach is required. As a learning from the Portugal's good practice, the use of digital platform for the management and implementation of Industry 4.0 ensures that all the actors are well connected.







4.3 ACTION DESCRIPTION

The action to be taken is to create a ,Network of Network'. This concept is meant to be a platform, where the existing innovation initiatives can present themselves and provide an transparent overview of the available offers. It shall provide a better understanding for SMEs to find the right support. Further, the initiatives shall be able to increase visibility and to position themselves better through the network of network. Complementary services can be identified and a good competition between existing initiatives is stimulated.

Description of the action planned, including at least:

Main objectives	Value brought by this action into the region	Players involved and role in the implementation and collaboration between them
Display of Initiatives Support	 Directory of innovation initiatives with filter-logic for easy search (One-Door Principe) Depending on the SME's interest and focus on digitalisation / 14.0 the platform leads them to the appropriate support Clear access points where the user can view and find best support for their purpose (according to location, digitalisation topic, maturity, service type, costs, etc) 	Innovation Initiatives (first adaptors) Selected SMEs (first testers) Collaborate with regional authorities (supporting organisations)
2. Connect within the Network	 The platform enables to find digital coaches / ambassadors / digital mentors Connecting and learning from best practices from each other Providing the possibility where SMEs, start-ups and innovation initiatives can interlink with each other 	Innovation Initiatives (first adaptors) Selected SMEs (first testers) Collaborate with regional authorities (supporting organisations)

Additional information such as the value proposition can be found in the Annex 2







4.4 TIMEFRAME AND FUNDING

Project/Action Investment Line/Funding Source + Amount (please state each source of funding)	For	Funding Decision	Project Start Date / Finish date	
Network of Network Pilot Platform National Regional Policy (NRP) proposal (funded by Canton of Bern & State Secretariat for Economic Affairs (SECO) Project duration: 2 years Project funding: 380 kCHF	June 2022	August 2022	Q3 2022	-

To build up the Network of Network pilot platform, it has to get the attention and interest of different partner first. The action plan has been presented to the State Secretariat for Economic Affairs (SECO) with a positive resonance for possible support. After finishing the action plan, it should be presented to partner to secure their potential collaboration.

Timeframe:

- The project should last for two year. In this time period, the Network of Network can be built up, tested and validated and establish a basis to grow further.
 - o First pilot implementation: 6 months
 - First testing and validation phase: 6 months
 - o Second pilot implementation: 6 months
 - Second testing and validation phase: 6 months

Funding:

<u>Pilot Phase:</u> The action will be proposed to Canton of Bern & State Secretariat for Economic Affairs (SECO), which has the policy instrument of **New Regional Policy** (Neue Regionalplitik, NRP) to found tailored actions to strengthen regional economy. One focus of the NRP is to share knowledge, like the NoN as a knowledge platform would do.

After Pilot-Phase:

- Basic entry fee for joining initiatives
- service fee from SMEs to keep interest up)







4.5 WORKPLAN

WP	Tasks		
Work Package 1, First pilot implementation	 Task 1.1: Share finished Action Plan with partner to get project support and funding Task 1.2: Define project group Innovation Initiatives (first adaptors) Selected SMEs (first testers) Collaborate with regional authorities (supporting organisations) Task 1.3: Refine Business Model Describe precisely the benefit to NoN user Gaining a clear picture of the needs and wants of SMEs the Network of Network can be described more precisely with its benefits to create real value to them (Refine Business Model). 		
Work Package 2, First testing and validation phase	Task 2.1: Launch of the NoN pilot platform with selected pilot customers Task 2.3: Testing of prototype / pilot With first SMEs that test the platform Task 2.3: Evaluate feedback and improve Task 2.4 Refine platform and start scale up		
Work Package 3, Second pilot implementation	 Update the NoN platform based on the feedback from WP2 Extend the features of the NoN platform Select additional pilot customers 		
Work Package 4, Second testing and validation phase	Task 2.1: Launch of the NoN pilot platform for the public Ensure sustainability after the pilot project Define strategy for continuous update and improvement		

At first, the importance of a network of network must be demonstrated to partner to get project support and potential collaboration with 2-3 key player which are supporting the project. Motivated mentors' or intermediaries should drive the project.

In a first test phase (start small, by choosing a panel of companies to test it), a community of digital affine SMEs and can be built up to use them as "ambassadors".







4.6 BUDGET BREAKDOWN FOR THE ACTION

Category of funding	Expenditure Amount
Salaries	1x Project manager (50%): 80 kCHF per year
	1x IT developer (50%): 60 kCHF per year
Overheads (i.e. calculated at x	25%
% of staff costs)	1x Project manager (50%): 20 kCHF per year
	1x IT developer (80%): 15 kCHF per year
Travel & Subsistence	15 KCHF for events and marketing materials per year
External expertise	
Building/renovation/	
refurbishment	
Equipment	
TOTAL	190 kCHF per year;
	380 kCHF for two years

4.7 VIABILITY AND SUSTAINABILITY

Ensuring sustainability is key for the success of the NoN platform. The NoN should clearly be business-oriented to provide immediate benefit to SME.

- NoN meets the actual needs of the customers
- Personal involvement and their benefit would be important to be successful
 - → Critical point is the personal involvement, personal benefit needed, match making
 - → Bottom up with few mentors at the beginning to see if it is accepted

Medium term; the platform should scale up and ensure the quality of the initiatives.







4.8 IMPACT EXPECTED

The Network of Network addresses very typical challenges of SMEs that can be found in any region across Europe. The awareness of innovation support is low and the existing offers are confusing. By collecting all the good initiatives, it is a One-Door Principe / entrance for companies to find best support for digitalization in different existing initiatives.

The network of Network can bring organisations together and display the different initiatives what makes it easier to the right support. It can act as matchmaking for digitalization and I4.0 and support to build up a community in the field.

- KPI:
- 1) SMEs in the network and visibility,
- 2) Service provider

The network of network can become a reference as a search tool in CH and boost the understanding of I4.0 it can facilitate real business and create clear value to the companies.

4.9 MONITORING ACTIVITIES IN PHASE 2

To be concreted in line with the monitoring methodology (under development).







Approval of Action Plan:

Switzerland Innovation Park Biel/Bienne AG agrees to implement the Action Plan for the Network of Networks for the Digital Transformation / Industry 4.0 as detailed above. I confirm that I have the required authorisation of to do so and that the required authorisation process has been duly carried out.

On behalf of: Switzerland Innovation Park Biel/Bienne AG

Signed:

Name: Dr. Dominic Gorecky

Position in Organisation: Partner, Executive Board Member,

Head of Swiss Smart Factory

Date: 09 June 2022

ANNEXES

ANNEX 1 - LIST OF MAIN ACTIVITIES AND MEETINGS WITH THE LOCAL STAKEHOLDERS

Activity/meeting	Date	Stakeholders involved
Meeting with BeAdvanced innovation (Stakeholder) agency; implementation of the procedure for the online-survey	11 February 2020	BeAdvanced, 2 participants
Regional Stakeholder Group Workshop; kick-off + clustering of regional facilities, initiatives and ecosystems	6 March 2020	8 participants from the stakeholder board
Meeting with BeAdvanced innovation agency and Innosmith	2 July 2020	BeAdvanced innovation agency & Innosmith, 6 participants
Second Stakeholder Group Workshop	15 October 2020	11 participants from the stakeholder board
Third Stakeholder Group Workshop	11 March 2021 (virtual)	11 participants from the stakeholder board
Exchange meeting with BeAdvanced innovation agency, die Mobiliar and Innosmith for Digital Transformation	1 June (virtual) 18 June 2021	BeAdvanced innovation agency, Innosmith, die Mobiliar; 5 participants







ANNEX 2 - VALUE PROPOSITION **PRODUCT**

BENEFITS

- Knowhow access
- ►Good advice from existing businesses
- Generates added value and makes the company more resilient
- · Connection to like minded people
- Relevant & reliable information
- Customer perspctive: "I get more out of it, than I invest..."
- Motivation:

Create business together between platfo and customer

FEATURES

What's the product?

- 1) The network
- 2) The service
- · Help with the funding
- · Bottom-up, customer oriented
- One-Stop-Shop for digitalisation topics
- · Active Management, clear concept
- · Mentors and individual coaching
- · Embrace the future, i.e. digital fetures plus physical exchange
- · Industries, life cycle context data, indicators stroies, bolgs studies, trends

EXPERIENCES

- · Easy to use experience = Customer experience
- User centered
- Personal and 1:1
- Trustworthy
- · Poor academic leadership
- · Actual value does not emerge from collection of poorly suppported initiatives
- One does not fit all
- · Entry to the platform must be managed well
- SIP must be embeded
- · Innosuisse Mentor program

CUSTOMER

WANTS

- Inspiration exchange, expertise
- Relevant information
- Reliable information
- · Concrete support for a concret (digitalisation) problem
- · Transform business activities
- · Fast and uurocratic support
- · Indicidual coaching which is perfectly tailored for the customers needs
- · Start with few topics (Robotics, Virtual Reality,

8

NEEDS

- · Analysis of the business model and the value chains · Analysis of the ecosystem
 - · Provide access to solutions usually reserved to large companies
 - · Easy and fast search for offers
 - · Contextualized support for a particular digital transformation
 - Efficient support (time and cost wise)

FEARS

- "reinvent the wheel"
- · Underexperienced in digital purposes
- Not enough funding for the platform or the transformation itself
- · Overview accross all initiatives not possible
- · Waste of time with no value. will distract from business
- No suitanable and to far from the needs
- · Missed business opportunities
- · Value and costs are unclear
- Too academic