

The Stuttgart Region and its Competence and Innovation Centres

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Region Stuttgart*

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Stuttgart Region – in the middle of Europe

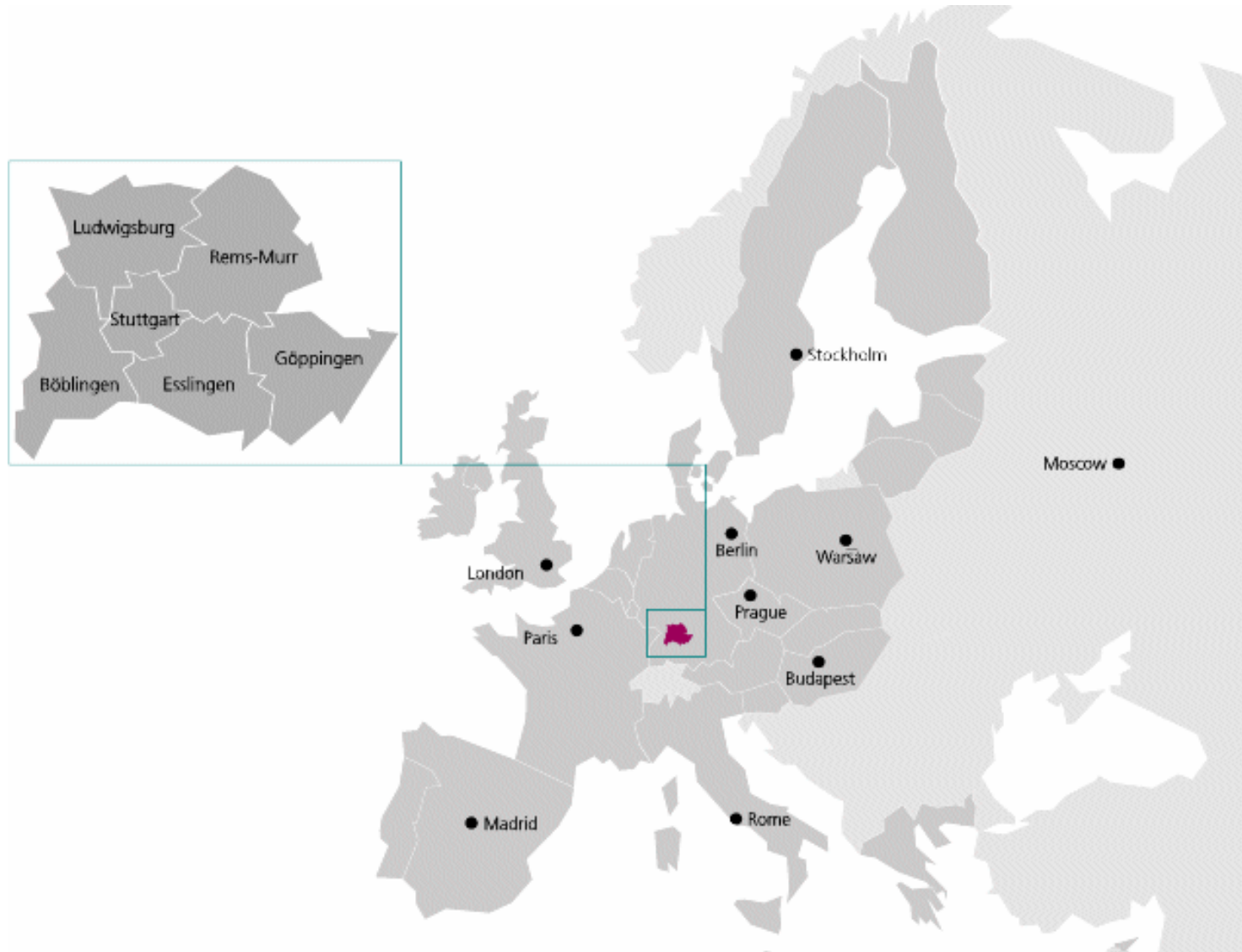
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Stuttgart Region Economic Development Corporation (WRS)

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Competence Centres of the Stuttgart Region

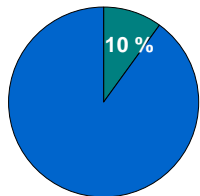
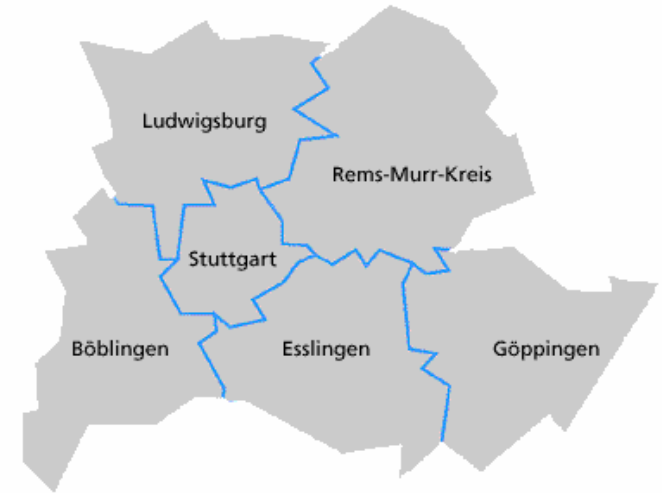
Stuttgart Region – In the middle of Europe



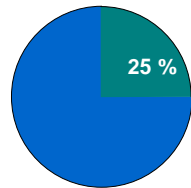
Stuttgart Region – In the middle of Europe

The Stuttgart Region...

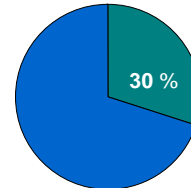
- the City of Stuttgart and 5 surrounding counties
- 179 towns and municipalities
- 2.6 million inhabitants
- 3.654 square kilometres



Area



Inhabitants



Gross domestic product

■ Baden-Württemberg
■ Region Stuttgart

On 10% of the area of Baden-Württemberg, 25% of the inhabitants make 30% of the gross domestic product

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Stuttgart Region Economic Development Corporation (WRS)

Stuttgart Region Economic Development Corporation

- Founded in 1995 by the 'Verband Region Stuttgart'
- Legal form: public owned GmbH ('Ltd.')
- 30 employees
- Budget 2005: ca. 5 Mio. EURO



Central areas of responsibility:

- Location marketing
- Location procurement
- Location development



Stuttgart Region Economic Development Corporation (WRS)

3. Location Development

- ... fostering of the location's development in order to preserve & to improve the Stuttgart region's economy.
- ... development & implementation of measures to support local companies (especially SMEs).
- ... provide regional institutions a better access to national and international contribution programmes.

Examples:

- Cluster Management Initiative (Competence and Innovation Centres)
- Start-up Initiative (PUSH!-network for university spin-offs)
- Venture Capital Initiative (Business Angel Network)

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Competence Centres of the Stuttgart Region

Does the private sector in science parks have a sufficient critical mass for developing dynamics in R&D and innovation?

Competence Centres of the Stuttgart Region

Initial situation and reasons for Regional innovation management

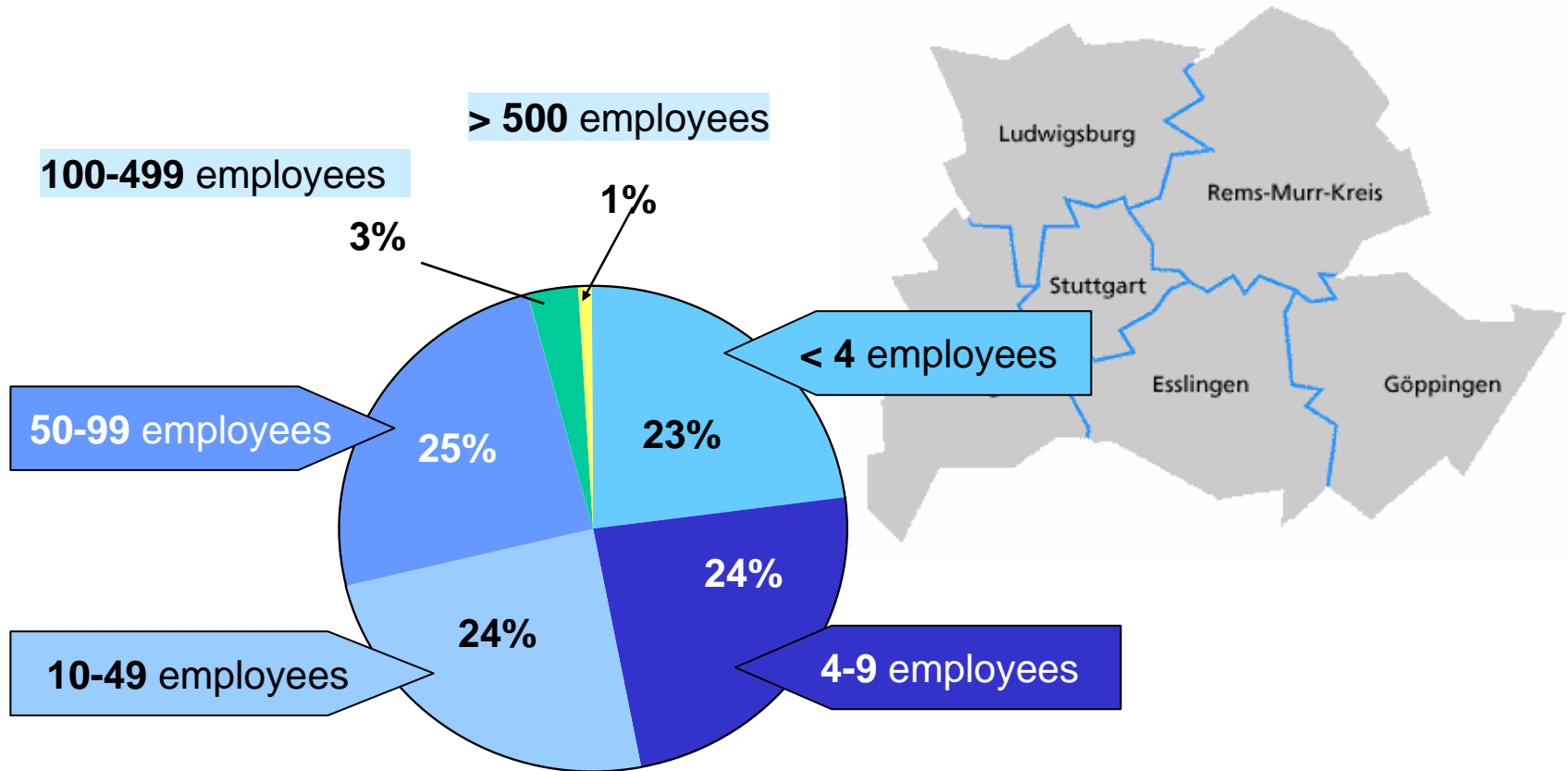
- **99 %** of all companies are SMEs
- **70 %** of all employees work for SMEs
(increase of 5,6% relative to 1996)
- **80 %** of all trainees are educated by SMEs
- **75 %** of patents are developed by SMEs
- **57 %** of all gross value added are effected by SMEs
- **46 %** of all investments are effected by SMEs



SMEs play a very important role for the regional economy!

Competence Centres of the Stuttgart Region

Initial situation and reasons for Regional innovation management



Conclusion:

In the Stuttgart Region more than 96% of all companies are SMEs

(due to the German Definition).

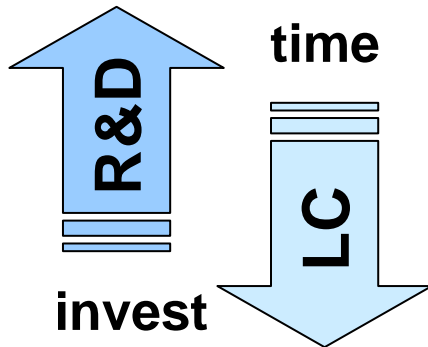
Competence Centres of the Stuttgart Region

Why private companies decide, to install their business in a science park and what kind of support they need?

Competence Centres of the Stuttgart Region

Current situation: An emerging challenge

Challenges....



- Steady increase of the R&D quota (until 2010: 30% relative to 1985)
- Steady increase of the innovation's intensity
- Steady decrease of product life cycles (increase of the innovation's acceleration)
- 96 % of all companies are SMEs

....& restraints

- Limited R&D capacities available at SMEs
- Restraints of SMEs concerning the diffusion of product innovations and research results
- Only a few companies have solid relationships to universities and research facilities

(Source: DIW, Fraunhofer-IAO, OECD, Roland Berger)

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Proposed solutions for SMEs (1)

Further results of the studies:

Innovative companies feature:

- extensive customer orientation,
- better qualified staff
- intensive R&D-activities and first of all
- **intensive co-operations**



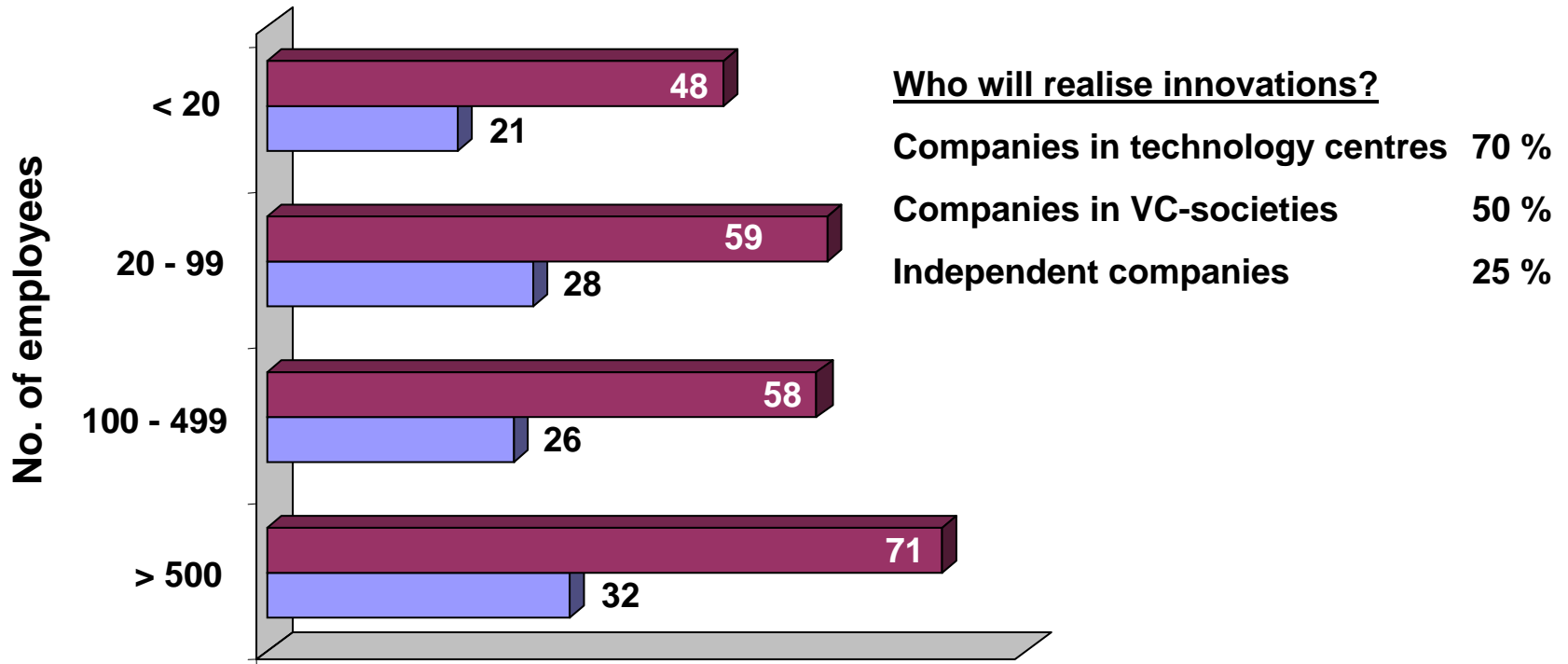
Conclusion 1: **co-operations** can help to get over deficits

Conclusion 2 : even SMEs of technology branches have to set up **networks** in order to support the formation of industrial clusters.

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Proposed solutions for SMEs (2)

SME's will benefit from co-operations with universities and research facilities



No. of innovation rollouts from companies.....

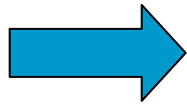
....WITH contacts to universities and research facilities

....WITHOUT contacts to universities and research facilities

Competence Centres of the Stuttgart Region

Basic idea of Regional Competence Centers

Regional Competence Centres establish **well organised regional networks** by integrating possibly all regional **companies, universities, research facilities** etc. working in the same technology field in order to improve significantly

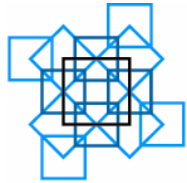


the co-ordination and effectiveness of (regional) research activities and



the transformation of results to negotiable products and services.

Competence Centres of the Stuttgart Region



Kompetenzzentren
Region Stuttgart

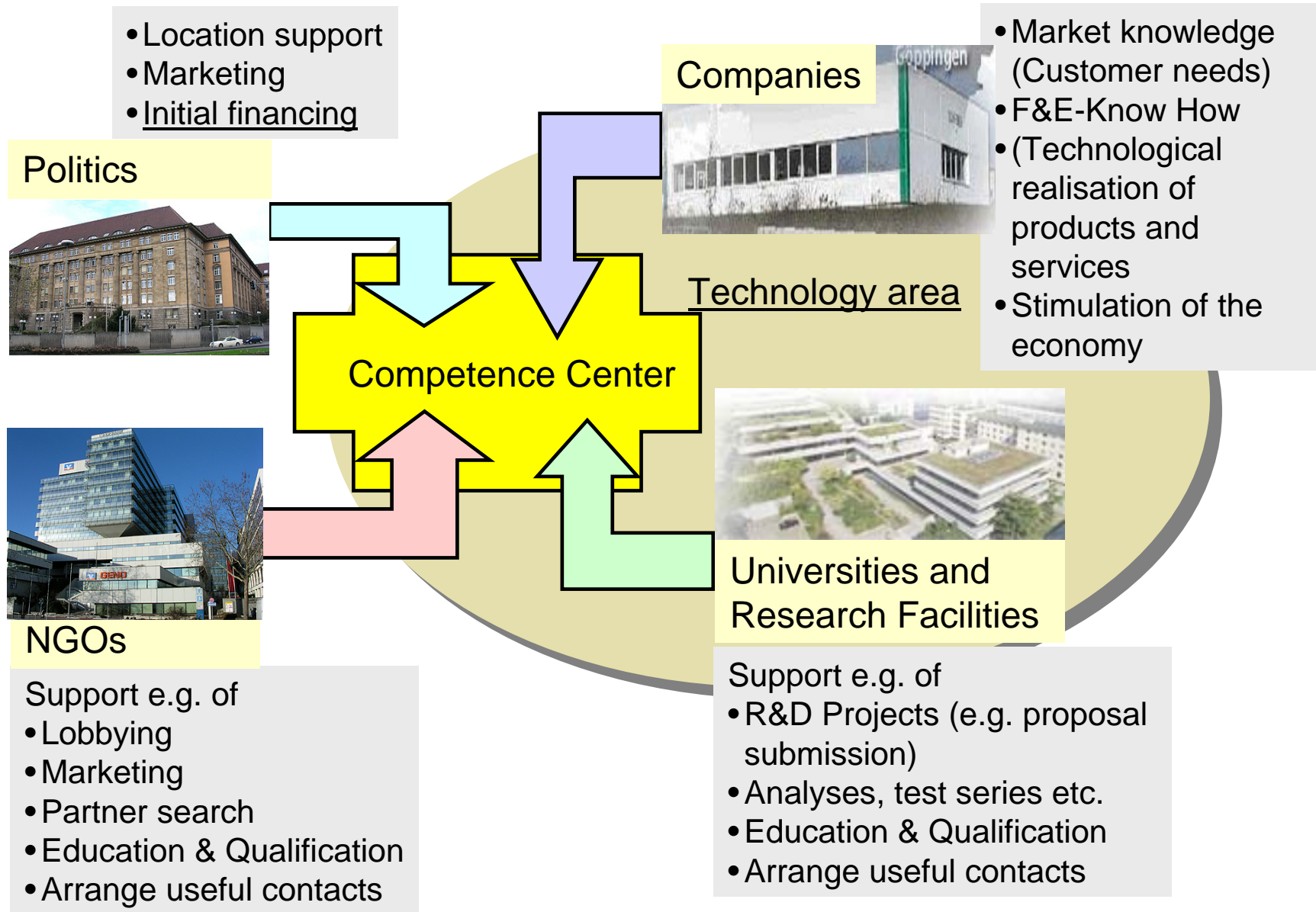
As an instrument for a sustainable Cluster Management Regional Competence and Innovation Centres support network creation and provide an instrument for economic development, which will assist even SME to meet the challenges of global competition.

Stuttgart Region plays an active role in the implementation of this instrument:

- **1999:** Advertisement of a regional contribution programme „Regional Innovation and Competence Centres“
- **2000:** Competence Center Support Unit at the WRS (coordination office)
- **2000-2002:** Supporting the implementation of „Regional Innovation and Competence Centres“ with a **contribution of 2 Mio. €**
- **Since 2003:** Supporting innovative projects initiated by the Regional Competence Centres

Competence Centres of the Stuttgart Region

Partners and their input



Competence Centres of the Stuttgart Region

Partners and their profits

- Increase of the location's attractiveness (profile as technology location)
- Improving PPP

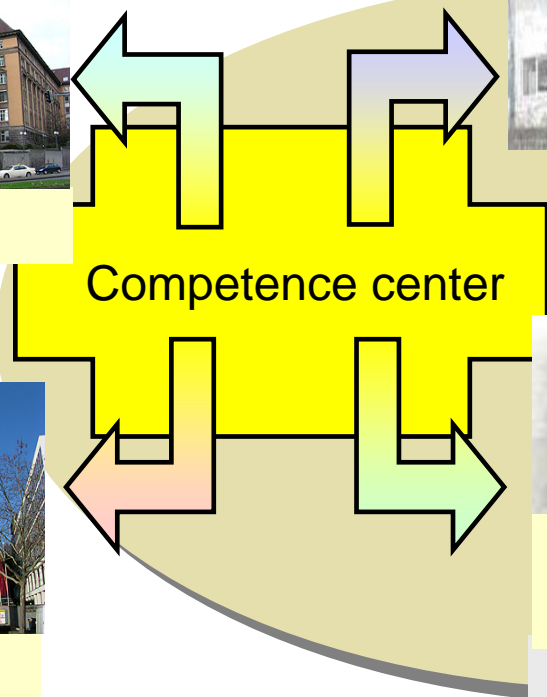


Politics



Companies

- Shorter innovation cycles (e.g. by co-operation synergies)
- Improved access to contribution programs
- More demand-oriented education & qualification



Competence center

Technology area



NGOs

- Improved contacts to members of pressure groups
- Improved interfaces to own projects



Universities and Research Facilities

- Improved contacts to companies
- Improved feedback concerning education & qualification

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What kind of services offered by the science park are the most adequate?

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SME network expectations

- To set up and foster **personal contacts to other players** of a given technology field in order to provide a stable platform of „short ways“
- To detect and evaluate detailed information about **potentials of co-operations and/or required research**
- To **compile suitable (contribution) programs**
- To **initiate, support (proposal consulting, partner search) and/or carry out research and/or co-operation projects**
- To **detect potentials and requirements in the field of training and education**

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Most relevant items

The most important instrument: The „**Network Manager**“ who

- sets up and cultivates the network,
- relieves the network partners as far as possible from network effort and
- keeps the partners participation for decision-making and know how transfer alive

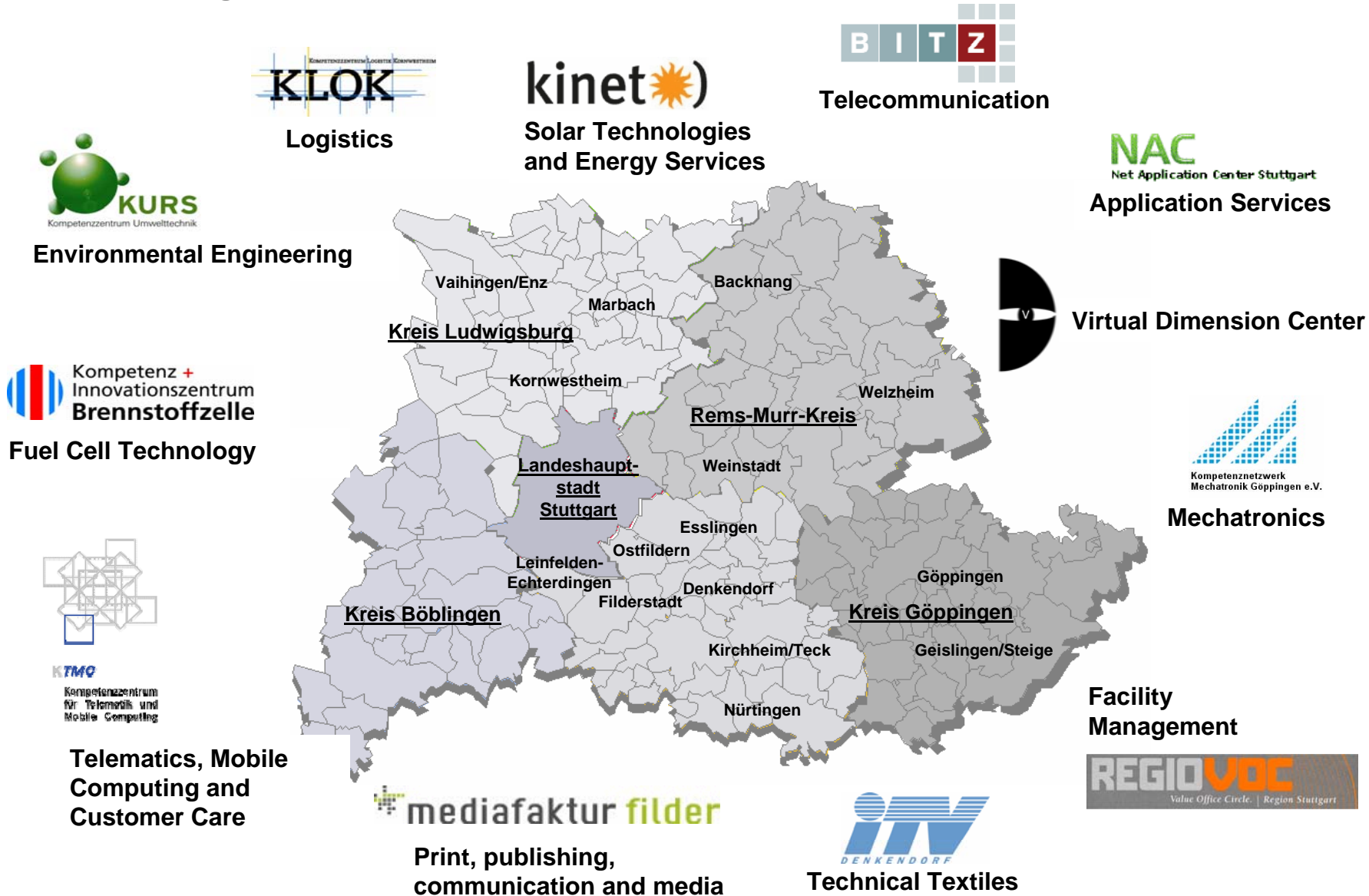
The most important process: The **Communication** between the partners which should be supported by modern technologies (e.g. a communication platform)

The most important constitution element: Establish a **legal body** for the network (e.g. a union) to ensure the partner's commitment for financing and (net-)working

The most important task: Initiating **concrete projects** to ensure the partner's perception of (net-)work advantages

Competence Centres of the Stuttgart Region

Installed Regional Competence Centers



Competence Centres of the Stuttgart Region

Does the private sector installed in science parks have a significant impact on the regional economic development?

Competence Centres of the Stuttgart Region

Some Results of the Regional Competence Centre Initiative



Kompetenzzentren
Region Stuttgart

- 12 Competence Centers in different technology areas
- Very high level of participation:
 - > 400 companies (80% SME)
 - > 50 university institutes and research facilities
- Extensive private investments could be triggered with little public money (2 Mill. €)
(private investments ca. 20 Mill. €)
- Many co-operation and/or research projects initiated (private and public funded) (> 60)
- Significant improvements of the Private-Public-Partnership
- Requests for additional Competence Centers (in and outside the Stuttgart Region)

Contact

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