
TESLA FINAL EVALUATION:

FINAL REPORT



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PARTNER ACRONYMS AND TERMINOLOGY

For brevity most of the partners are referred by acronyms or shortened versions as follows:

Bangor:	Bangor University
CIT:	Cork Institute of Technology
EBN:	European Business & Innovation Centre Network
IN-Nov:	INI-Novation GmbH
LMT:	Laval Mayenne Technopole
NWRA:	Northern & Western Regional Assembly, previously the Border, Midlands and West (BMW) Regional Assembly
Tilburg:	Tilburg University
TESLA:	Transnational Ecosystem Laboratory and Actions
NWE:	North Western Europe
HPSUs	High Potential Start Up
HPKIE	high potential knowledge industry enterprise

The last two terms are used interchangeably. Both refer knowledge-intensive start-up enterprises with high export potential, founded within the last two or three years.

METHODOLOGY:

The methodology of this evaluation was straightforward. It comprised an initial and thorough examination of all relevant TESLA documentation, including the original project proposal as approved, the regular reporting requirements submitted by Action lead partners to the NWRA, short and long forms, minutes of project meetings, and the terms of reference of each action. This was followed by an intensive series of interviews with several staff from each of the partners, and a small number of beneficiaries, based on a schedule of questions. These were written up, coded and regrouped for analysis. During interviews additional documentation was identified and obtained. TESLA output evaluation data, gathered by each partner mostly in the form of a standardised feedback forms after completion of various activities, were also useful. These were gathered mostly in their original survey form, collated by computer and analysed. Based on this, the individual sections on each Action was drafted and returned to relevant partners for verification, after which this report was drafted.

The feedback forms had not been completed systematically by all partners and were also not entirely uniform. Hence a complete data base of actions and outputs was not available. It is hoped that a systemic gathering of all data will be possible at the completion of the project by lead Partners and compiled by the NWRA, and this will supplement the evaluation here in terms for instance of the overall number of HPSU participating.

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1. INTRODUCTION AND BACKGROUND

The TESLA project (Transnational Ecosystem Laboratory and Actions) aims to support collaboration between partners across North Western Europe in designing and piloting new interventions to enhance the transnational commercialisation of knowledge-intensive start up enterprises with high export potential. It is a transnational project with eight partners across six EU member states.

The overall objective of TESLA is to support the growth and development of early stage high potential start up companies in Ireland, Wales, Germany, France, Belgium and the Netherlands through a programme of transnational pilot innovation and business support initiatives. The project is led by the Border Midland and Western Regional Assembly, and comprises ten targeted interventions for development and delivery by the partnership and runs from January 2013 until October 2015. TESLA has a total budget of €3.8 million, half from the *European Regional Development Fund* through the *Interreg IVB NWE Programme* which is matched by TESLA partners.

The original TESLA Application can be read in two ways.

- The simplest and most direct is as a set of loosely interrelated pilot Actions, each with transnational features, to explore how HPSUs can be supported to markets across the EU, with a view to identifying and mainstreaming best practice.
- A more ambitious reading is as an attempt to create key components of a transnational ecosystem of activities that support HPSUs to achieve access to transnational access to markets, to explore how they articulate together and to lay the foundation for mainstreaming this further.

The difference between the two may be seen as one of degree, though at some point such quantitative differences can accumulate into a qualitative change. A question for this evaluation is to examine the elements of each of these that, in implementation, was retained and moved forward.

The ten innovation support actions were grouped into four thematic pillars, delivered through the following Work Packages and Actions:

Work Package 1: Driving Innovation:

Action 1: Creative Industries; Action 2: New Product Design and Development; Action 3: Innovation Outreach.

Work Package 2: Internationalisation:

Action 4: Internationalisation; Action 5: Transnational Placement; Action 6: Co-Incubation/Soft Landing.

Work Package 3: Skills and Capabilities

Action 7: Mentor Plus; Action 9: Spin-ins.

Work Package 4: Finance and Procurement for Knowledge-intensive firms.

Action 10: Entrepreneurial Finance; Action 11: Public Procurement.

Work Package 5 is, in addition, intended to capture best practice from across the experience of TESLA, and Work package 6 monitors and evaluates the overall project (the latter including this report).

Work Packages are loose grouping of Actions and interrelationships between Actions often cut across them. The Action level is more important since each is defined initially as a discrete standalone activity, though always with links to other Actions, and has a single partner leading it (though key responsibilities were sometimes shared or even handed over). The primary unit of the evaluation is thus the Action level, and linkages between them are mentioned in passing and then highlighted separately in the conclusions.

As a programme funded under Interreg, a key significance is attached to the nature and degree of transnationality that is achieved. This includes at the levels of design, implementation and ultimately impact.

2. ANALYSIS OF MAIN INTERVENTIONS

This main section of the report considers each of the TESLA Actions in turn.

Given the number of actions and partners, the overall matrix of actions against partner participation was complex, to say the least. It is presented below. The lead partner, as noted in the Terms of Reference of each action, is indicated in bold.

TESLA Action \ TESLA Partner	1. Creative Industries	2. New Product Design & Dev	3. Innovation Outreach	4. Internationalisation	5. Transnational placements	6. Soft landing & Co-incubation	7. Mentor Plus	8. Spin-in	9. Entrepreneurial Finance	10. Public procurement
1. North & Western Regional Assembly (Ireland) TESLA LEAD PARTNER										
2. Lónra (Ireland)			X	x	x	x	X	x		
3. Cork Institute of Technology (Ireland)		X		X	x	x		X		
4. European BIC Network (Belgium)	X			x	x	X	x			
5. INI-Novation (Germany)			x	x	x	X	x			
6. Tilburg University (Netherlands)	x							x	X	X
7. Bangor University (Wales)	x	x	X		x					X
8. Laval-Mayenne Technopole (France)		x		x	X	x	x	x	x	

During the course of the work, some changes were in practice introduced and these are mentioned in the presentation of each Action.

For each Action its context goals and partners involved are initially presented. The indicative budget is shown, though not any subsequent adjustments made.

This is followed by a consideration of the process of implementation. Variations from the plan are noted, and the progress of each partner in turn.

A third sub-section looks at outputs and outcomes, comparing outputs where possible against the original targets as set out in the Terms of Reference of each Action, then moves to the results of any specific output feedback forms returned for analysis, and on to a more qualitative exploration of outcomes.

A final sub-section extracts the issues of specific relevance to transnationality.

WORK PACKAGE 1: DRIVING INNOVATION

2.1 ACTION 1: CREATIVE INDUSTRIES

2.1.1 CONTEXT, PARTNERS AND GOALS

Partners: EBN (Lead), Tilburg, Bangor.

Indicative Original Budget: €190, 278

Creative Industry enterprises are growing in importance and have a special role in relation to social and territorial cohesion. Yet they can often be fragmented, lack entrepreneurial skills and have limited access to finance. The NESTA Creative Industries Toolkit¹ offers a structured suite of training resources to be delivered through a series of workshops to address these challenges for creative companies. Action 1 aims to add to this a TESLA Creative Network as an online platform for knowledge transfer and exchange and useful tools, intended also to lead to a set of secondary networks.

The core partners involved are EBN, Bangor and Tilburg. EBN as lead partner also has a role in the recruitment of experts and companies to be included in the network. They were to organise six 'Knowledge Transfer Workshops' and provide expertise on the range of e-tools for the online platform and the toolkit. Bangor would organise the configuration of the online platform, and recruit 25 companies for the network. They were also to deliver a series of six workshops and facilitate an online network/ community. Tilburg was to organise five "Knowledge Transfer Workshops" and recruit ten companies.

Partners were to establish an online platform for networking and knowledge transfer, and an associated toolkit would facilitate effective online supports. The key additionality as initially intended was linked to the introduction to and training on using a freely available, virtual platform.

This pilot action thus aimed to provide a dynamic and creative exchange between the partner regions, enabling targeted creative industries practitioners and entrepreneurs to develop and communicate business propositions. The action had a specific focus on training with the emphasis on delivering both to HPSUs and incubators, creating a supportive set of networks.

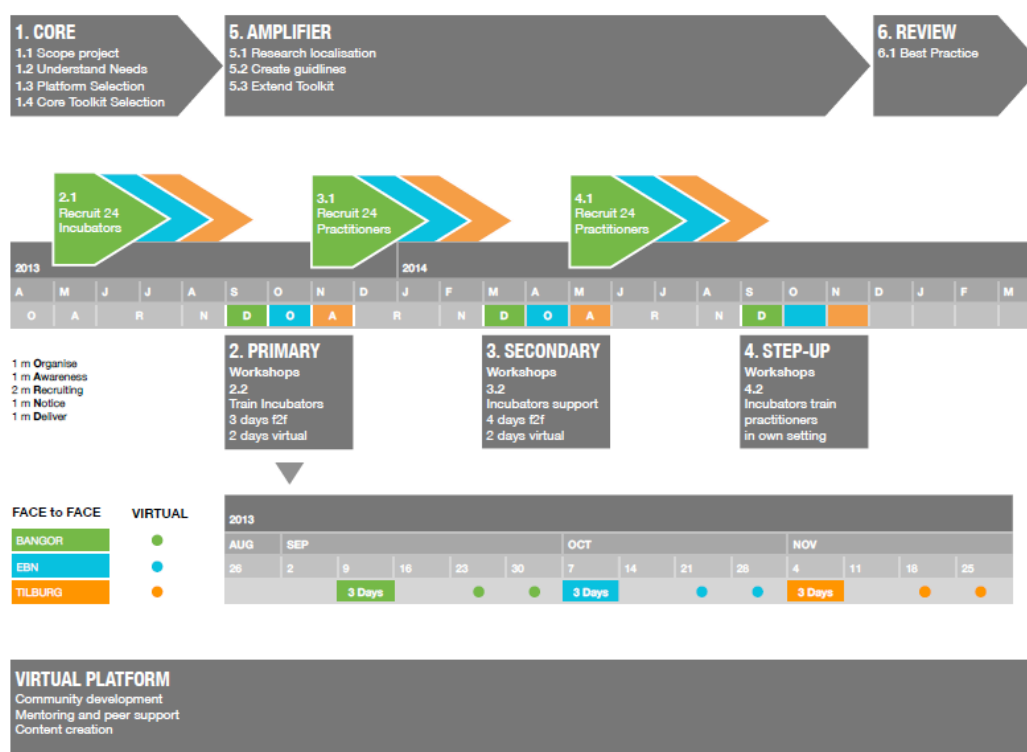
While creative industries are considered as key drivers for cultural diversity in Europe, in such areas as architecture, artistic crafts, audio-visual, music, publishing, radio and visual arts, there is a knowledge gap within the incubation centres regarding strategies for providing supports. This challenge provides the context for this action. As one stakeholder put it: "It is very different sitting in a room with engineers than it is with artists". The implication for incubation centres and other enterprise support agencies is that standard approaches must be revisited and refined for the creative industries sector.

The action was structured for delivery over three phases, allowing for feedback at each stage from those using the toolkit and the virtual collaboration environment. The number of participants would grow through each phase. The initial phase would see the core team configuring a virtual collaboration environment to facilitate collaboration amongst themselves, to coordinate operations. A toolkit would then be developed to provide supports for online virtual collaboration, which may include webinars, manuals, FAQs and help pages.

Phase 2 and 3 were to focus initially on establishing a series of supported networks of business support experts, who would learn to use the NESTA Toolkit and to explore the extension of the provision of virtual

¹ The NESTA toolkit enables HPSUs in the creative sector to improve entrepreneurial skills; specifically, to enhance their ability to develop and communicate a business proposition for the purpose of accessing finance See <http://www.nesta.org.uk/publications/creative-enterprise-toolkit>

supports. This network would attend regional training workshops and in webinars, with the aim of testing suitability. The tool kit would also be developed further. A Core TESLA Creative Industries Network was also to be developed. The following chart highlights the planned work of each phase.



The creative sector comprises performing arts; arts and antiques; crafts; architecture; design; fashion; advertising; radio & TV; film and video; music; publishing; video games; and software.

This pilot action was to work in complementarity with other TESLA actions that strengthen internationalisation opportunities of selected enterprises. As creative industries often suffer from a lack of access to finance, it was considered important to enhance the entrepreneurial finance of the creative sector.

2.1.2 IMPLEMENTATION

The implementation of this plan ended up taking several different directions in order to meet these planned objectives. The initial planning phase was required to focus on finding a common language. Different partners brought different skills and backgrounds, from the academic to the practical to the networking specialists:

1. EBN, the European Business and Innovation Centre Network, specialises in dealing with BICs and start-ups;
2. The Bangor team deals mostly with its network of engineering and technical partners, and has significant expertise linked to provision of practical supports in different formats locally and transnationally (e.g. workshops, training session, and conferences);
3. Tilburg specialises in the business and legal aspects of access to finance and has developed a strong working relationship with a local Start-Up Foundation to foster closer links to companies in the area.

Through active collaboration between these scientists, academics, researchers and support agencies, the initial agreement on a common language was challenging, but once a common approach had been established, this in turn supported the development of the tool and the platform.

In terms of the delivery, **EBN** mostly set up the action framework and objectives and delivered five transnational workshops and one international conference engaging with around 40 start-ups; **Tilburg** organised a conference on access to finance for creative entrepreneurs; and **Bangor** engaged with an expert in the field to deliver a series of transnational training sessions dedicated to engineers and digital entrepreneurs. Bangor University has also worked to define and select the most appropriate transnational online platform where all the participants will be able to share experiences, deposit resources, and actively gather communicate with mentors and other partners in relation to the most appropriate literature and material.

Content at the workshops and conferences was tailored to local needs, with a focus on enterprises at different stages of development, from very early to quite developed. Workshop topics therefore varied significantly. It emerged through these workshops that those engaging most strongly were primarily enterprises at very early stage start-up. This led to a trend in workshop requests for a general overview on the business model canvas. Feedback from transnational experts and participants indicated satisfaction with the format and the content. In most cases, participants requested a second session/follow up. There is also some evidence that some entrepreneurs have remained in touch with the experts.

Tilburg used the *Global Governance Venturing Summit* in Eindhoven in February 2015 as the focus of their work under this action. Tilburg was centrally involved in the planning and organisation of this international meeting of over 200 key stakeholders. A specific panel of experts was brought together within the Summit for the Creative Industries action. This panel involved a moderator from *UK Trade and Investment* and a representative from the *Technical University of Eindhoven*. Companies heard about training needs within the creative industry sector.

Tilburg also provided master classes for HPSUs participating in the workshop, organised a day either side of the summit. They allowed for summit guests to act as mentors and the participating companies to access more detailed sessions with highly experience individuals. As an addition, six HPSUs were given an opportunity to 'pitch' their product as part of these classes. They were not pitching to investors, but to experts who evaluated their efforts and provided feedback.

As an educational establishment, it was challenging for Tilburg University to gain access to start-ups (and investors) in the early stages of the project, leading to some initial delay in the implementation of actions. The focus for Tilburg then became building relationships with start-ups and local intermediaries, especially with the *Eindhoven Start Ups Foundation*.

Bangor hosted three workshops with 10 companies participating in each. The workshops were organised over four days to keep down travel and general costs. Feedback from the first workshop highlighted the need for a series of business surgery sessions on a range of suggested themes.

The Bangor work in this action was complemented by their engagement with the much larger local development of the *Pontio Centre* in Bangor, in which part of the Bangor TESLA team will take up residence and expand the support role to be offered to local HPSUs.

Bangor engaged a local PR company as part of the implementation of the training workshop to support the advertising and recruitment of companies, including the design of professional flyers to entice people into the training. The third session was filmed with the intention of possibly creating video adverts.

The four-day training programme sets out to explore business ideas and their viability while progressing the development of individual skills for setting up and running a creative enterprise. Through the programme, the creative company is trained to break down the business planning process and produce a visual business plan using the blueprinting tool, allowing for a detailed operational plan and identification of areas where external expertise and resources may be needed to deliver the product or service.

All attendees received electronic copies of the toolkit, comprising *Nesta Creative Enterprise Toolkit*: cash flow forecasting tool; personal survival plan; and book-keeping spread sheet templates;

Training sessions covered: Listening and values modelling; customer profiling – where, why, when and who; future evidence modelling; understanding the importance of relationships – business card activity; relationship modelling; financial modelling & management/ cash flow forecasting; and blueprinting- mapping of steps forward visual business planning

The workshops followed an interactive programme where participants would present insights from their own experiences, receiving one-to-one support and feedback over the four days. These creative industries practitioners and entrepreneurs would then be in a position to evaluate and plan the growth of their business, using design methods. In order to ensure that there would be sustainable links between the participants and the Bangor team, a software platform was paid for to facilitate these communications and flow of content.

The Business Surgeries held following the workshops focused on the specific questions that companies were interested in. Some were practically concerned with tax and book keeping issues. Bangor offered a suite of 10 courses (each 1 to 2 hours long) as lunchtime sessions, with external companies running the sessions for free. This helped to cumulatively build a relationship with participating companies, while bringing new enterprises into their network. These sessions, while following up on TESLA actions, were not funded through TESLA.

The work with companies at more advanced stages of development also included a trial of a pilot accelerator programme. This model was based on aligning three approaches, creating a common language in relation to: Agile coding (from technical perspective); design thinking (scenario building, aesthetics of experience); and lean business start-up (Javelin board work)

These three processes had not been formally connected within a singular approach. Bangor had identified this priority for their longer term work with client companies and began to work with one of their client companies to develop a practical tool to facilitate the concurrent application of all three elements.

Bangor was also responsible within the action for the creation of the **online platform**. This involved a series of iterations based on ongoing discussions within the core partner team. From previous experience in this area, Bangor had a specific focus on the need to be able to *draw participants into a new platform*. The intention was to give the group a sense of identity through promoting contact and communication. Once the group was active and engaged, it would be possible to move to a new platform. Bangor had initially planned that Facebook would be used as this first step. A Facebook group was established and currently has an active membership of over 40, where creative people engage in sharing of information and ideas.

EBN, on the other hand, believed that the use of Facebook does not sit well with the professional outlook to their client companies. Bangor therefore identified an alternative platform: *Confluence* is a collaboration and content sharing platform used primarily by the ICT sector, allowing for a range of uses from project management to internal communication. It is a 'freemium' product, provided free of charge, with a premium cost for proprietary features and functionality. This platform is now being configured for TESLA by Bangor.

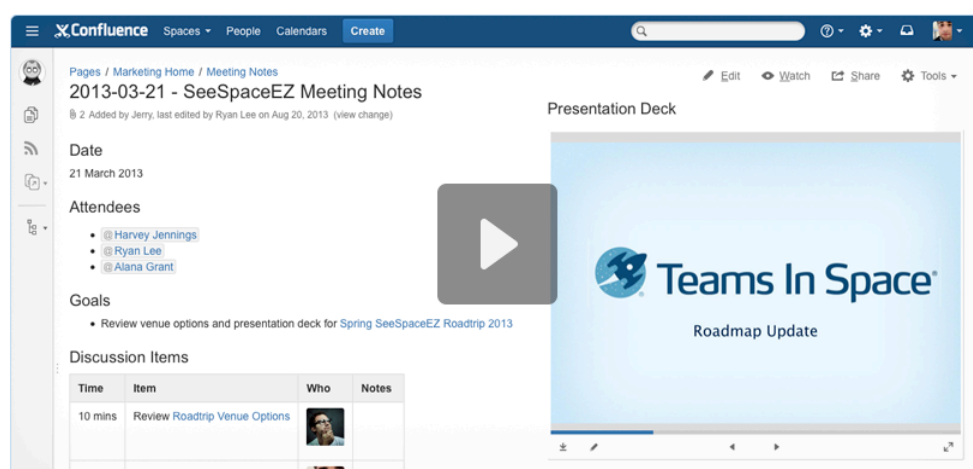
As the partner in charge of developing the online platform, Bangor considered that this platform structurally appropriate to meet the needs of the TESLA project, as well as the individual partners. It is considered flexible and agile to the point that each partner can use it to help in project management and in communication and to improve aspects of team collaboration. Once the tool has been configured, Bangor will be using it internally beyond the lifetime of the project. A range of plug-ins can be deployed as needed.

The configuration of the tool for the TESLA project is almost complete. While it would have assisted the TESLA project to have the online platform in place at an earlier stage, partners will now be able to use the tool for the final stages, allowing for sharing of information, project content and internal communication flows.

Screenshot of the Confluence Online Platform

Team collaboration

MEETING NOTES DISCUSS FILES MAKE DECISIONS SHARE LINKS ASSIGN TASKS SHARE CALENDARS



**Make
meetings
count**

Distribute a clear agenda before, take notes during, and assign tasks afterward. With all your notes and action items in one place, you can give email a break.

2.1.3 OUTPUTS AND OUTCOMES.

OUTPUTS AGAINST TARGETS

TABLE 1: TARGETS & OUTPUTS ACTION 1 CREATIVE INDUSTRIES (MARCH 31ST 2015)

Outputs Indicators (number of...)	Total Projected	EBN Actual	Tilburg Actual	Bangor Actual	Total Actual
Knowledge transfer workshops	17	5	1	2	8
Companies recruited	60	40	20	24	84

To the end of March, eight workshops were delivered. The main focus for the remainder of the Action is to ensure that the model of transnational activities with creative start-ups is in the long term sustainable and to increase the number of companies in the network. The online platform will be established. It is expected that over 150 start-ups will be engaged and a transnational panel of experts in the field will be in place.

Companies that have engaged in this pilot action are located in six EU countries.

OUTPUTS & OUTCOMES

Seven experts completed evaluation forms for EBN, following the support provided to HPSUs in the creative sector. The feedback came from experts in Netherlands (3), Germany (2), Paris (1) and Ireland (1).

Countries of Origin of HPSUs	Companies recruited
Belgium	6
France	12
Luxembourg	1
UK	6
Ireland	2
Netherlands	26
Total	53

Each expert had provided one session and it typically lasted for half a day. Five of the experts felt that this, in terms of fulfilling requirements, was an insufficient level of support. In terms of levels of preparedness of the

start-ups, four experts considered that they were insufficiently prepared or unprepared. Six experts considered that the technology/knowledge base of the business being supported was of medium to low technologically and in terms of innovative capacity. The same six experts considered that in relation to the skills and competencies of staff, they were in need of training.

All seven experts felt that the growth prospects of the start-ups were challenging. Given these prospects, all felt that the companies were committed to integrating the training supports into the operation of the company following on from the training. Five experts felt that the training had been successful, with the others believing that further follow-up was necessary.

All seven experts intended to stay in contact with the start-ups to assist with their expansion plans. Two of the start-ups already had an internationalisation plan in place. The others were committed to this, but not fully ready. The experts commented on their impressions of the programme:

“Very positive impression. Good interaction with entrepreneurs and good that the initiative is taking a bottom up approach.”

“Good way to give entrepreneurs a first step of training.”

“The quality of the entrepreneurs were very high.”

“Great idea of the interactive panel.”

Tilburg used the opportunity of their involvement in the GGV summit to build relationships with important stakeholders in their region. Arising from the relationship built with the Eindhoven Start-Ups Foundation, the university is continuing to collaborate and co-host meetings and events, where HPSUs can access meeting space and supports. A coach from Silicon Valley who had attended the GGV summit returned to Eindhoven following on from the summit to provide coaching time to HPSUs. While this was not done as part of the TESLA project, it is clearly related to the new network that has been established with stakeholders and companies that has happened through TESLA work.

Bangor engaged in specific follow up with companies that had participated in their workshops. Business surgeries were run to deal with specific questions that had emerged during the workshops. Ten lunchtime events of one-hour duration were provided, with external companies running the sessions for free. No TESLA funding was required. Bangor is keen to maintain the relationship with this network, bringing it as they move their operations to the Pontio Centre. The Pontio development is due to open by the end of the year, allowing for a transition and alignment from the TESLA funded work into the new centre.

TRANSNATIONALITY

The three partners shared ideas on Workshop programmes and how to deal with recruiting companies. All partners were invited to each event, though not always with specific involvement as contributors to panels or workshops. Though delays were incurred in commencing transnational activities, partners feel that there is sufficient opportunity to complete all work as planned and to reach the action targets, whilst the target for the number of Companies engaged has been exceeded.

The development of the online platform was delayed due to differing approaches by the academic and the business networking partners. Different attitudes to virtual working amongst the partners posed challenges in the nature and extent of the use of online meetings and other tools. The eventual decision to use the Confluence tool as the project’s online platform and its current configuration will leave the project well placed for the remaining months. Nevertheless, a key outcome is that the transnational online platform is expected to be delivered by the end of June and tested with TESLA partners by the end of July.

CONCLUSION

It was expected from the outset that supporting HPSUs in the creative sector would require creative responses, and so it proved. The three partners adopted different approaches in their respective regions, eventually exceeding the targets of HPSUs engaged, with a lower number of Workshops. Some initial transnational exchange in programme design will be significantly boosted when the final platform, developed by Bangor working for the partners, comes on stream in June for testing in July. This will offer significant opportunities for further networking locally and transnationally extending beyond the participation HPSUs. Each of the partners reported benefits for the participation HPSUs, and in at least some cases these will be further built upon.

2.2 ACTION 2: NEW PRODUCT DESIGN & DEVELOPMENT

2.2.1 CONTEXT, PARTNERS AND GOALS

Partners: CIT (Lead), Bangor, LMT.

Indicative Original Budget: €346,175

While many incubation and innovation centres in the NWE region offer support in the management and business skills needed to develop high technology start-ups, there is a gap in the area of the technical skills needed for new product design and development (NPD&D), bringing products from the prototype stage through to successful launch on international markets. This action is designed to support HPSUs with the expert NPD&D skills and services needed to bridge that gap, enabling them to bring their existing prototypes to national and international markets.

The specific objectives are:

- To provide HPSUs with access to domain specific expertise in all aspects of taking a prototype to launching it as a product;
- To undertake gap analysis of participating enterprises, and so provide feedback and recommendations on their current and future skill sets;
- To provide expert supports to address these gaps identified in their internal skill-sets, by designing a process suited to the enterprise.

The supports offered through this action set out to provide an external new product design and development (NPD&D) expert from each of the participating partners. This expert was to be made available, free of charge, to client companies in order to supply services, guidance and supports. This support was to improve and expedite their design processes thus enabling them to grow more rapidly towards export status.

While the services being offered would vary according to the particular industry needs and stage of development of the client companies, the range of services to be offered for a HPSU in the area of electronics would include some of the following: concept and technical feasibility assessment; hardware and software design; PCB design and prototyping; Mechanical prototyping; software testing; Failure Mode and Effects and Analysis (FMEA); value engineering; product costing.; prototype runs with local manufacturers; and product regulatory testing.

While the services being offered would vary according to the particular needs of the client companies, the range of services to be offered for a HPSU in the area of electronics would a huge range including for instance : concept and technical feasibility assessment; hardware and software design; PCB design and prototyping; Mechanical prototyping; software testing; Failure Mode and Effects and Analysis (FMEA); value engineering; product costing.; prototype runs with local manufacturers; and product regulatory testing.

Each partner was to survey their in-house client companies to ascertain the most common industry sector for that partner region and then decide on an appropriate NPD&D expert for that region. The participating partners designed a job description for the experts that would assess skill set, experience and existing partner network of the expert. This final aspect was important in that while it was not envisaged that one expert would be able to deliver on all requests by client companies, the expert must be able to demonstrate that they have an existing network in place which will allow them to deliver on requests.

A promotional phase of Action 2 would target all potential client enterprises across each partner region, and on expressing interest they would complete and submit a needs assessment form outlining what supports they sought. This locally-tailored needs assessment form would be reviewed by partners and experts and support profiles generated, including specific recommendations for support services. An interview process was to be

used to work with the prospective Beneficiaries to fully understand their NPD&D request and their existing capabilities and to assess the amount of support delivery time that would be required prior to appointing an NPD&D expert. Once approved, the company qualifies for the services of the expert for set periods of between one and four days, depending on the intensity of support required.

For each company, the TESLA partner was to write a one page summary to include: Overall analysis of the company; follow-up actions for the company; NPD&D services required/proposed; and recommendation to engage on other TESLA actions.

2.2.2 IMPLEMENTATION

Partners collaborated to develop the Needs Assessment Form used and, as planned, deployed these across their regions to ascertain the NPD&D needs of their local client companies.

Since the three partners engage with different types of client at different stages of development, several distinct interventions were developed to meet the needs of a disparate group of client companies.

CIT does applied research, moving from idea and start-up to product prototype stage. It works with internal applied research teams across all critical stages before launch, including product testing and validation, market analysis and launch preparation. Such a process can overall be very costly for a start-up, estimated at anything from €30,000 to €500,000. The modest funding available through Action 2 led each partner to prioritise their approach within the agreed set of tasks.

After meeting with client companies at NPD&D workshops and reviewing their Needs Assessment forms, CIT decided to target companies at a point where they had already developed a prototype of their product and were seeking support to commercialise them. An external company was recruited under a competitive tendering process to deliver these NPD&D supports for CIT to client companies. The role of CIT was therefore to identify the companies and introduce them to the appropriate partner. CIT allocated four days with this NPD&D expert to each company engaging in the programme.

The outcome of this process is, for each client, a detailed report describing a project plan, resource requirement, timescales and costs to commercialisation of the product. The focus of the report is to assist in bringing the product to a level at which it can seek investment. The company could tailor the focus of the engagement with the NPD&D expert to suit their particular requirements, internal capacity and skill-sets. In bringing the client closer to accessing finance, CIT sees itself as filling a critical gap that can enable the client to complete the development cycle and move on to production.

After assessing their local clients' needs **LMT** and **Bangor** each decided that their clients needed support at an earlier stage in the NPD&D development life-cycle than CIT's clients. They concluded that the most effective intervention for their clients would be at the commencement of the product development process.

Initially **LMT** planned to work with existing companies in the region, working in partnership with designers to design or redesign products for international markets. They ran a Workshop with a general invitation, attracting some 20 companies. While there was a group focus to the workshop, it became clear that companies were more interested and in need of one to one help.

A seminar attended earlier by LMT's CEO on 'Design Thinking' sparked thinking for the design of new programme under TESLA. Later called *IDFactory*, the aim is to start with design at the earliest point, before even prototype design. Customers are sought at a very early stage. Steps in the programme subsequently designed also include: hypothesis development concerning potential markets, and in-depth customer analysis including building empathy regarding their needs and desires through interviews with up to 20 potential customers. The process is not intended to validate an existing prototype or product *per se* but to explore the

company product concept and market in more depth. The initial design of the product is thus reconsidered based on this feedback. It is only at the end of this process that the company moves to develop a prototype.

LMT is running three *IDFactory* programme during TESLA, with a total of 18 enterprises, in two phases. The first programme began with six new entrepreneurs in June 2014, using a combination of internal and external experts. A second programme began in November 2014, with seven projects/eight entrepreneurs recruited to attend; and a third has commenced since.

Phase one involves 10 three-hour classes finishing at the product design point. Phase one also critically ends with a review stage. So far three companies decided to end their participation at that point - saving them considerable work that would ultimately have been futile. For those choosing to continue, a second phase involves a further round of ten classes as a business phase, designing a business plan and bringing it closer to market.

By April 2015, LMT had presented four of the ten modules in the first phase of the third programme, and one group has fully completed the two phases. The expectation is that some 11 to 12 companies will finish with products. Two of this first class has moved onto the incubation stage; and some of these who do not will continue in another context.

LMT also launched a TESLA programme in September 2014 for existing SMEs, building on earlier development work. In early 2014, before the TESLA aspect and under the InterReg IVB Open Innovation project, small groups of students from local colleges were assigned to companies to generate three new ideas each for products or services in each. A total of 44 enterprises and about 200 students were involved.

Of the 44, 12 enterprises sought to move ahead to a further stage with developing products/processes. This offered an opportunity for TESLA to contribute, and TESLA is supporting them to develop further the new product or service ideas, provided by the students in the first phase and now with their further participation, in the context of the NPD&D experts.

During 2013 **Bangor** developed a programme that delivers four expert days of NPD&D consultancy to each of their client companies, using its internal experts to deliver the programme. The output of the interventions varies, but has typically seen the development of a working, functional prototype of a key aspect of the proposed product, typically being developed on open source technology. Bangor has completed seven projects to date and a further eight are in process. Interviews have also been completed with a further four companies.

This action, with its focus on product design, reflected their in-house skills and their typical client companies. For example, the design engineer is an expert in open source hardware platforms (specifically Arduino). The Bangor team was able to create a specific collaborative environment and local people and businesses were facilitated to become part of this physical space with the goal of quickly being able to prototype their ideas and take it to the feasibility stage.

Bangor found that pipeline was slower than expected to develop. Following the needs analysis phase, companies, many of them new, had been presented with a list of options. A number of lessons emerged. The prospects of having to invest money in building a prototype tended to slow down development. Bureaucracy and documentation also presents special challenges at the early stages, when they must commit to describing in some depth their proposals and plans. This led to a slower level of engagement than initially expected.

2.2.3 OUTPUTS AND OUTCOMES.

OUTPUTS AGAINST TARGETS

The expected outputs were:

1. implementation of a gap analysis on the NPD&D skill-sets of the participating partner incubators HPSU companies
2. Provision of NPD&D services, support, guidance and advice to selected HPSUs
3. Provision of expert supports in addressing gaps in their internal skill-sets by designing a NPD&D process that suits the client company.

TABLE 2: ACTION 2 TARGETS & OUTPUTS (TO END FEBRUARY 2015, TARGETS IN BRACKETS)

So far the enterprise target has been exceeded, and almost 80% of the target expert days applied.

Outputs Indicators	Total Targeted	CIT	Bangor	LMT	Total Delivered
No. of Client Enterprises	55	11 (20)	19 (20)	29 (15)	59
No. of Expert Days	220	44 (80)	36 (80)	90 (60)	170

For the remaining period of TESLA, CIT will continue to deliver the NPD&D supports to client companies as they are recruited and approved for supports. LMT through its IDFactory programme continues to recruit client companies and will run two further programmes in 2015. LMT will also run a new product development programme for existing companies to target new markets during the first half of 2015. Bangor will continue to deliver the NPD&D supports to client companies as they are recruited and approved for supports.

It is likely that targets overall will be achieved or possibly exceeded.

OUTPUTS & OUTCOMES

The longer term outcome sought is that these supports would see a shortening of time to market for new products and allowing the companies to develop new market opportunities for new products which match market requirements. The evidence so far is that this is being achieved in many cases.

Companies engaging with the TESLA project have benefited specifically from receiving direct NPD&D services from experts, as well as from having individualised reports on the NPD&D tasks that must be completed them to commercialise their products.

In the case of **CIT**, a start-up in the medical sector offers an example of what the Action has achieved. After completing the NPD&D review, PMD Solutions signed a joint venture agreement with the expert company. The expert company has achieved ISO 13485 certification (quality management system where an organisation demonstrates its ability to provide medical devices and related services) to manufacture products for PMD Solutions. This has allowed PMD Solutions to complete a clinical trial with Cork University Hospital this summer, and to win a MedTec Ireland award in September. PMD have also been nominated for the IMDA Medical Technology Industry Excellence Emerging Company of the Year 2014.

A further two companies have agreed to finalise product development and begin manufacturing with the expert company, with both currently seeking investment. One has completed a mechanical design review of their proposed medical diagnostics product. A further five are currently trying to raise investment, with the final TESLA report being used as a core element in their fund raising strategy.

TESLA has helped **Bangor** to define the means through which local enterprises within their internal ecosystem can extend beyond and reach outside. At a practical level TESLA has allowed the Bangor team the revenue to pilot and refine this work, access new connections and networks and to focus on developing processes for more effective engagement with companies. TESLA funding and activities has also helped the development of the specific Bangor TESLA team especially in positioning it in its forthcoming move to the Pontio centre.

An example of Bangor's success is a company called *Studio Banana* that has developed a product called *Kangaroo Light* with support provided online by the Bangor experts. A target was set of 100 days to develop the prototype and to begin a Kickstarter funding campaign, which was met and the company reached its target

of £50,000. With the target funding raised, a company was selected to industrialise the product and the manufacturing was in turn done in China. The product is now launched and available in retail. The prototype model was developed initially using Arduino. Bangor was responsible for the electronics - the addition of LED lighting and the surface mount board - drawing on the local network and community of engineers, highlighting the interlinked ecosystem of companies at local and transnational levels helping each other. With Bangor supporting its local network, these engineers were in turn able to assist the prototyping of the *Kangaroo Light* product. At least three companies from the Bangor pipeline were involved in this prototype development.

A second example is that of *Creo Medical*, which Bangor was able to provide the support in a fast-tracked planned pathway. A four day workshop with the company brought together members of local network, including a craftsman and design expert. External developers were also brought in for this intensive four days of prototyping work. A follow up visit to London allowed for more work to be carried out on detailing specifications and resolving issues that arose at the four day session. Three patents have now been filed. The intensive face to face work over the four days allowed for this speedy progress.

LMT intends to continue providing this programme through its *IDFactory* strand, mainstreaming it within their overall programme of support to companies, after the completion of the *TESLA* project. The plan is to run three programmes per year, using LMT staff. A small fee may be charged. A further outcome from this action for LMT is re-shaping of their *IDenergy*, a programme in place since 2007, along these lines with the same methodology and tools.

CIT have also expressed an interest in introducing this LMT programme. A proposal for refinement and mainstreaming of the approach may be produced for existing companies, along with incubation centres. **CIT** have also worked to ensure that their external NPD&D expert will develop relations with new companies, using the package that has been developed through this action, including the needs assessment tool.

TRANSNATIONALITY

All three partners worked closely in all aspects of designing, managing and delivering the set of supports across the regions. It was necessary at stages of the project for experts, with particular domain sector expertise, to assist with issues or challenges identified. A sharing of learning and knowledge within the framework of “design thinking” has allowed for a new vision to underpin the implementation of NPD&D supports.

Through the development of the *IDFactory* programme and its successful implementation in LMT, and possible transfer to CIT, It appears that the service to be provided through this action has met a significant gap in the present provision of supports to HPSU companies in the partners’ regions. Likewise, Bangor has worked closely with a wide range of companies in its pipeline to provide in house and local network supports on proto-typing, allowing for a sustainable set of outcomes in relation to the next phase of engagement within the Pontio centre. The development of a bespoke accelerator programme has also emerged through the combined work on this action and the Creative Industries action.

On that basis it is expected that the action will be seen as a very valuable support and will be mainstreamed within the service in at least one incubator.

CONCLUSIONS

Bridging that gap between prototype and a new product worthy of investment gave the three partners a clear goal, though the precise nature of the gap varied among HPSUs in the three regions, resulting in distinct approaches. Based on a jointly developed needs assessment, each focused carefully selected expertise, in-house or in the locality, on the enterprises needed to move their project or process forward. Although slow to get going, Bangor nurtured a collaborative environment linked to a network of local expertise. LMT designed a new and what appears to be highly effective two-stage programme called *IDFactory*; while CIT took an

individualised approach to each client company. Overall this Action succeeded in terms of assisting companies to take their ideas to the next stage, and sometimes through to financing. There is a high likelihood of mainstreaming, with Bangor continuing the work, LMT already planning to repeat the IDFactory programmes, and CIT considering introducing the latter to their own clients building on their experience.

2.3 ACTION 3: INNOVATION OUTREACH

2.3.1 CONTEXT, PARTNERS AND GOALS

Partners: Lónra (Lead), Bangor, INI-Nov

Indicative Original Budget: €261,443

Higher Education institutions, and the associated enterprise support activities, often comprise key supports to HPSUs delivered intra-murally and/or in the immediate vicinity. Where they are absent, therefore, HPSUs can be at a distinct disadvantage. The Innovation Outreach Pilot Action attempts to address this deficit in areas where there is no third level physical presence. Action 3 was to provide an innovative model of outreach university-led enterprise development.

The strategic intent is to develop strong innovation and outreach relationships with knowledge-intensive companies with the aim of shortening the time to market of knowledge-based products and services produced by the companies. Up to now, such companies have limited access to the supports of higher education institutes. This pilot action leverages a range of business supports drawn from TESLA institutes as well as regional business development agencies. The direction and leadership supports to be provided by partners are to provide a supportive environment favourable to the growth of innovation-led businesses in areas that are distant from the higher education providers.

The supports to be offered to the companies are to be aligned to the quality professional supports and services afforded to HPSUs at existing campus Innovation Centres. The action focuses on the provision of business skills development training, mentoring sessions where appropriate and developing useful linkages with higher education centres and enterprise support agencies. A needs analysis phase would determine the range of supports appropriate to company needs.

Intended beneficiaries were defined as knowledge-based enterprises with export, growth and high quality employment potential. The 'ethos' to be cultivated with the companies will emphasise development of practical business skills through 'action learning'. The specific actions to be provided would focus on:

- Relevant flexible training and mentoring for the selected technology-based enterprises.
- Incubation facilities for start-ups in circumstances where they might not otherwise have such access.
- A professional networked environment to deliver a professional image to potential customers and offers opportunities for business networking with entrepreneurs at similar stages of development.
- Access to a Business Development Manager to support the enterprises in developing business plans, market intelligence mining, developing sales and marketing plans, and procuring finance
- Mentoring supports to meet specific business and technology needs

2.3.2 IMPLEMENTATION

Action 3 has been very slow to start and for two partners, the activity just getting underway.

As of May 2015, only the German partner **INI-Nov** had initiated work with companies on the outreach activities. Some 55 companies had been supported through being put in communication with a range of intermediary organisations.

For **Lónra** the core challenge of the Innovation Outreach Action was to find a way to gain access to HPSUs outside of the area of operation of the third level institutions with which it worked, and indeed beyond the reach of any other local third level institution. It therefore sought to work with the County Enterprise Boards (now the Local Enterprise Offices: LEOs) in adjacent counties Longford, Cavan and Monaghan. The aim was to access companies from their portfolios that could benefit from the outreach actions. As these enterprise

agencies are in a developmental phase, their client base was not fully prepared to take advantage of this action. Lónra as a result could not initially get the companies that they wanted.

The LEO Managers, in consultation with Lónra, advised a different approach. As a result, Lónra offered the LEOs greater responsibility in designing and developing ownership of the action. Lónra provides the support for the employment by the LEOs of a manager for the initiative. Once in place, the manager has taken over the logistics and is providing ongoing operational support.

To date, 12 companies have been identified and are being worked with through a needs assessment process. Lónra had attended the Workshop on Accessing UK Markets (see Action 4 Internationalisation) in December 2014, and had procured the service of UK specialist consultancy JMB Partnership to deliver 10 days of market support for Action 3, and these are currently being implemented. About 10 of the 12 are focusing on entering the UK market. The expert will work with them to produce a 'market segments' report. Most of the companies are already trading. Some want to diversify. This emerged in the needs assessment. The goal of the action is that each can have a tailored market access reports for them. A total of five companies are working through the Cavan LEO, four from Longford and three from Monaghan.

Bangor was faced with their own challenges in recruiting companies. To date they had managed to recruit five companies from the initial target of 40. Difficulties in HPSU recruitment was linked to the identification of appropriate companies, gauging their interest and then ensuring that they can get value from participation.

A two day workshop for these companies was initially planned for December 2014. Due to lack of availability of speakers and trainers, the date for the workshop has been pushed forward to June and now most like to early September 2015. Having worked through the challenges of recruitment over the planning phase, it was decided by the team that Bangor lacks the critical mass needed to run it locally. The workshop will now be run in London aiming for 20 to 30 companies. It is now finalised and is ready to be advertised.

The challenge remains to identify and recruit suitable HPSUs in terms of currently lacking access to third level institutional support regarding their development plans, and to whom the Bangor team can offer something to after the event. Bangor has been using its in-house register of companies, many who have attended other TESLA workshops including in the area of Public Procurement have been targeted for registering at the planned two day event. Other supports in recruiting companies are the statutory agencies in Wales and other universities.

The decision to host the event in London was taken to allow for a more accessible site for HPSUs and other stakeholders, both within the UK and internationally. The Bangor Business and Management School maintains their own space in London that will be used to host the event in September 2015. The workshop is entitled *High Potential Start-Up Workshop: Your 8 Steps to National & International Success*. It sets out to specifically target *high potential start-up (HPSUs) looking to gain market share in an International marketplace*. Sessions accompanied by practical workshops will focus on a range of relevant following themes

The workshop is aimed at exploring domestic and international markets that are pertinent to HPSUs looking to fast-track their new products or services to market. As part of the workshop, industry experts are booked to work with the HPSUs on entrepreneurship issues and collaborative working through interactive exercises. The focus of the workshops is on practical surgery-style sessions that will allow for HPSUs to carry out internal work, as well as develop a more detailed understanding as to how best private sector involvement can work for the HPSU in question. Bringing all the companies in one space together with the range of experts will allow this practical focus.

2.3.3 OUTPUTS AND OUTCOMES.

OUTPUTS AGAINST TARGETS

The table below shows the targets, and in brackets, the numbers achieved so far.

TABLE 3: ACTION 3 TARGETS & OUTPUTS TO MARCH 31ST 2015

Outputs Indicators: No. Of:	Projected	Líonra	Bangor	INI-Nov	Total
Client Companies	85	12 (30)	5 (40)	55 (15)	72
Bus dev. /Mentor days	57				

INI-Nov had exceeded its target companies by the end of March 2015, making use of their strong connections with enterprise support agencies and also their client companies. Most of these were simply communications concerning services available from others rather than substantive support activities. As the more substantive actions in Ireland and Wales encountered significant delays in recruiting companies for this pilot action, the remainder of the outreach activities have yet to take place with both partners and their collaborative agencies. Partners have until October 2015 to reach their targets.

In Ireland, the 12 companies have been identified and the initial outreach activities are ongoing with nine of them. These companies are expected to complete the programme successfully.

OUTPUTS & OUTCOMES

Within INI-Nov, the action involved supporting HPSUs in accessing third level research input. No feedback forms have been provided in relation to these activities. Therefore it is not possible to draw any conclusions on the manner in which there were specific outcomes for the client companies.

TRANSNATIONALITY

Interaction between partners has been limited on this action. INI-Nov worked pro-actively with their client companies, carrying out a range of outreach and follow-up support actions. Their interaction with entrepreneurial support agencies in different countries can suggest that they are contributing to a flow of knowledge and interactions within the transnational ecosystem for innovation.

The transnational elements for the other partners have not been implemented to date. When the programme for the two day session in London is formally launched and advertised, input from other partners will be sought in terms of the identification and recruiting of HPSUs.

CONCLUSIONS

The idea of an Innovative outreach activity – reaching out to HPSUs with the higher education resources they lack in their region – proved in practice not to be clear cut, and partners responded differently. For INI-Novation, which operates as a node for local and transnational networks of actors and is based in a relatively developed region, it was least problematic. It successfully reached out to a large number of HPSUs connecting them with higher education and other advanced services, well exceeding the target. For Líonra, identifying and locating such HPSUs, by definition beyond their usual networks, was a significant challenge causing major delay. But when they did, through collaborating closely with Local Enterprises Offices in adjacent counties that lack third level institutions, they very quickly succeeded in building a strong group of candidates for which support is ongoing and will continue through to the end of TESLA. Tilburg faced a similar problem but its solution of a London based Workshop has a strong transnational focus in terms of HPSU outcomes, through a set of practical surgery style sessions. This too is ongoing. It is too early to judge the final outcome in this case.

WORK PACKAGE 2: INTERNATIONALISATION

2.4 ACTION 4: INTERNATIONALISATION

This was from an early stage designed to have a close relationship to *Action 6: Soft Landing/Co-Incubation*. *Action 4 Internationalisation* prepares companies in advance for a direct visit, while *Action 6* supports that market entry process itself.

2.4.1 CONTEXT, PARTNERS AND GOALS

Partners: CIT (Lead), EBN, Lónra, INI-NOV, LMT.

Indicative Original Budget: €252,342

The goal of *Action 4* is to support HPSUs in their efforts to extend beyond domestic markets i.e. to internationalise. Small firms face specific barriers not encountered in home markets, including a lack of understanding of other markets and their competitors; insufficient investment and business planning; and an inability to support customers and partners there.

This action was designed to provide key *preliminary* or *preparatory* activities seen as preconditions to successful internationalisation. Specifically the goal was to be achieved through:

- Designing and piloting a course on internationalisation in each participating region, to address identified gaps, by TESLA partners or with other agencies;
- The creation of a network of experts comprising all participating partners which would be available to clients on a regular to provide tailored support, to build sales and to assist with gap analysis.

The original intention was for CIT to engage an external expert in internationalisation who would lead the design of a pilot training course, covering the key component of internationalisation. This was subsequently to be implemented in each region of the five participating TESLA partners.

2.4.2 IMPLEMENTATION

During the Action design phase, the two key interventions were scrutinised resulting in important modifications. It became clear in discussions between TESLA partners that the training course and other learning activities would have to be tailored to the characteristics of each region, the support actions available, and the specific stage of development and needs of their HPSUs.

In this context, the idea of a single expert based in CIT, to design the course, made little sense. Rather each partner would consider its own environment and what form of training might be most suitable. Furthermore, the idea that HPSUs in each region would be referred to a single expert in a TESLA partner in another region was not as straightforward as it first appeared.

A more flexible and decentralised approach was therefore adopted for the training and expert advice activities. In practice this meant slimming down the *transnationality of implementation*, but not of the *transnational focus* of the activities from the point of view of participating HPSUs. It resulted in a greater diversity of approach by partners than had originally been anticipated.

An initial step was to jointly create the *Needs Assessment Template*, developed on the basis of material from INI-Nov and used by all partners both in this action and in *Action 6*.

Thereafter each partner took a different approach to achieving the goal of preparing HPSUs for internationalisation and supporting them in the process, and these are described below.

CIT in Cork, through the Rubicon Incubation Centre, directly supports almost 60 start-up enterprises and offers various levels of support to many more. At an early stage CIT realised that the internationalisation programme being implemented by Enterprise Ireland (EI) contained most of the components envisaged for TESLA, but that only a limited number of relatively advanced companies could in practice avail of it. It initially considered developing its own programme tailored to HPSUs who could not access the existing EI programme. It investigated using the same delivery experts but found them to be prohibitively expensive, and there was also some concern about duplicating the activities of Enterprise Ireland.

Instead, CIT decided to run a series of specialist day-long Workshops on targeted markets, and to follow these up with one-to-one support actions to interested participants. Using resources from *Action 5 Transnational Placements*, an initial step was to visit centres of known expertise in this area in Warwick and Coventry in the UK, and were impressed with the 'turnkey' approach of both the *University of Warwick Science Park* and associated consulting groups, *JMB Partnership* and *Techmark*.

Following this, the set of four *Awareness Raising Workshops* were designed, providing a mixture of practical information but also aiming to attract the participating companies into TESLA. One covered TESLA as a whole (with Horizon 20/20) in November 2014, and the others focused on internationalisation specifically in the UK, China and Germany. INI-Novation contributed to the delivery of a Workshop in Cork on accessing the German market in 2013. The others were delivered on China (a half-day, June 2013) with experts sourced in Ireland; and on the UK (December 2014) using local and Irish experts and others including from *UK Trade & Investment*.

The key to the impact of these was the follow-up. One-to-one sessions were offered in the afternoon of the Workshops, by prior appointment, on the German Market (by INI) and UK workshop (by JMB). But more sustained support was also on offer, available to all companies supported in the Rubicon Centre.

Companies expressing further interest first completed the Needs Assessment Template. Based on an assessment of this, they could be offered more intensive one to one support. This worked best for the UK Workshops. A total of ten companies completed the needs assessment and began individualised support from JMB and Warwick University. It is offered in two stages. The first five days considers in detail the HPSU product or service, whether it suits the UK market, the competitors, and what additional effort it might need. After completion, the option is for a second five-day support phase actually visiting and testing the market there.

Two enterprises of the ten had by April 2015 completed the full course, and the others are still underway with the intention of completing by June.

Some interest was also expressed in accessing the German market, with support offered by INI. One enterprise completed the first stage of support with a very positive outcome, but has yet to follow through on the market testing phase.

The relatively higher level of interest in the UK market, CIT feels, related to the ease with which it can be accessed by Irish HPSUs, and lower barriers to entry in terms of language, travel, cost and business culture.

Overall, the level of interest expressed by companies initially did not translate into readiness to take on the full challenge of internationalisation, even where the product appeared to justify it, and this led to amongst other things delays to implementation. The role of CIT in internationalisation is to bring firms to 'first sale, first finance'. Most Irish enterprises believe that the easiest route to this, and the most likely to succeed, is the UK given the absence of language barriers, the geographical proximity and cultural affinities in many areas.

Líonra followed a parallel course. Two Internationalisation Workshops were held, on the German Market in May 2013 moderated by INI-Novation and attended by nine HPSUs; and the other on the Chinese Market in December 2014, moderated by Chair of the Ireland-China Business Association with 11 participants.

LMT also began, after the joint development of the Needs Assessment tool, with an awareness raising Workshop at the end of 2013 on the TESLA internationalisation supports proposed, open to all interested enterprise in Mayenne.

With the TESLA team decision not to develop a single common training and support programme, a number of local actions were designed.

Working with the local Chamber of Commerce, LMT designed and implemented a dedicated intensive support programme for HPSUs to assist in their entry into external markets. It comprised several steps, working with four enterprises. First was a group day, where the most appropriate service or product from the company to internationalise was selected from each. This was followed by one-to-one expert support for two hours with each to explore the potential markets, documented in a written assessment report for selected markets. A second group day then brought the HPSUs together again, to explore how the chosen market might in practice be accessed. A final one-to-one session with each drew up a more detailed action plan to access the markets. The course was successfully run twice, with a total of eight enterprises completing and all are continuing their development.

In addition, LMT funded several more advanced partners to visit trade fairs in various places, including one in Darmstadt facilitated by INI.

In an activity that intertwined with *Action 5 Transnational Placements* (see below) LMT also provide one-to-one support in their visits to CIT in Cork and to Lónra partner GMIT in Galway. This was arranged by the local TESLA partner, who reciprocated by providing support to local companies when they visited LMT (though the latter tended to record these visits under Action 5, not Action 4)

Led by LMT, these reciprocal support activities led to the initiation of an ongoing activity that partners call ‘Matchmaking’. CIT, LMT, INI and GMIT engage in a regular monthly joint Skype call to exchange information about client enterprise, following up on and suggesting further avenue for support. These have become an ongoing and valued feature of the work of the four innovation centre partners.

EBN had also originally intended to deliver training for members. Given their role as a network i.e. not having a specific home territory, it was always difficult for them to differentiate *Action 4 Internationalisation* and *Action 6 Soft Landing and Co-incubation*, given that the two share the same ultimate goal. EBN was already moving towards emphasising the need for preparation before attempting to access external markets, based on the results of a pilot they had run in which they supported about 30 enterprises to directly access other markets. This was thus a good and timely fit with TESLA.

In the end they designed and delivered tailored Workshops in internationalisation, as *preparation* for accessing a foreign market, at events where they had a leading role, including their Annual Congress, and ran them in Derry, Spain, Brussels and London. They comprised a half day event, and were delivered in cooperation with other EBN members who were in attendance anyhow. The participating enterprises were then directed towards TESLA partners for support in the specific markets involved.

INI is based in a relatively industrial region with many high tech start-ups, and is a support organisation with links to several innovation centres. It has built up a client portfolio across many areas inside and outside their region. INI provides an integrated service to these, and attempt to offer individual or joint support seamlessly, without explicitly differentiating as far as the HPSU is concerned between the different types of support, blending *Action 3 Innovation Outreach*, *Action 4 Internationalisation*, *Action 6 Soft-landing* (which INI leads), and *Action 7 Mentor Plus*. Using its already considerable experience in the area, INI undertook the following under the Action 4 heading:

- In close collaboration with the EEN of the Hessen State Trade & Investment, it developed and implemented an *International Breakfast* seminar in March 2014;
- It designed a training programme, delivered it to in excess of 10 client enterprises; and recruited coaches to provide ongoing specific information on relevant markets;
- It referred clients to other TESLA partners to support their preparatory efforts to access their markets.

2.4.3 OUTPUTS AND OUTCOMES.

Immediate outputs to December 2014 can be assessed against the original targets for the Action overall.

TABLE 4: ACTION 4 TARGETS & OUTPUTS. MARCH 31ST 2015

	Total target	Total achieved
No. of companies engaging with the internationalisation expert	74	101
No. of companies taking part in the pilot internationalisation course	43	60
Internationalisation expert days provided to client companies	306	269

In two areas the targets are already exceeded, and some outputs are continuing since then. It seems likely that the target for expert days provided to client companies will also be exceeded by the end of the Programme as these are ongoing in all participating partners.

Some immediate feedback is also available from some of the *Training and Familiarisation Workshop*, based on forms distributed at the end of some events. Not all TESLA partners sought such feedback, at every event, and the surveys used differed somewhat. Furthermore little can be drawn from these regarding long term impacts. But at least in the immediate term they give us a good idea of the experience and expectations of participating enterprises in CIT and in LMT run events. A few of the highlights include the following.

The three Workshops run by CIT regarding accessing UK, German and Chinese markets received overall received an overall ratings as follows:

TABLE 5: ACTION 4 RATING OF CIT INTERNATIONALISATION WORKSHOPS

	Accessing UK Markets (n=13)	Accessing German Markets (n=30)	Accessing Chinese Markets (n=42)
How do you rate the session as a whole?	85%	88%	87%
Did it meet learning objectives?	74%	82%	83%
How was the standard of presentation?	87%	82%	91%
How was the standard of course content?	87%	82%	87%
How as the standard of discussion?	87%	90%	83%

Notably, not a single one of the 83 responding participants rated any of the indicators as 'poor', and only a handful return a verdict of 'fair'. Overall the immediate rating of participants at these Workshops in Cork was very positive.

LMT offers some data on the one-to-one support provided to enterprises completing their training course. Again, the results overall are positive in all areas.

Note: A composite rating scale is used here where 'excellent' = 3; 'good' = 2; 'fair' = 1; 'poor' = 0. They are then converted to a % of the maximum possible.

TABLE 6: ACTION 4 RATING OF LMT INTERNATIONALISATION TRAINING

Participants rated the following:	Score
Overall support	92%
Organisation of the activity	86%
Setting and environment	92%
Preparation of trainer/mentor	86%
The general feeling of quality?	94%

Note: A composite 5 point scale is used: 'very poor' or 'completely disagree' = 0; to 'very good' or 'completely agree' = 4. Expressed a percentage of maximum.

Of particular interest for long term impact, however, were a few additional questions. Participants were asked if they had, as a result of participation, secured international customers. Two of the nine said they had already secured their first

international customer, and a third said they had added a customer. The others indicated that their intentions for expansion were in the medium to long term.

These figures concur in general with the results in Cork and interviews elsewhere, where it was recognised that bringing most HPSUs to a point where they can actually secure a first external customer can take some time. Even securing that first customer requires that the enterprise has fully transformed its products, client ancillary and support activities and orientation essential to servicing that external market.

A key outcome of this Action is the documentation and packaging of a number of *Internationalisation Training Methodologies*, including the detailed delivery requirements and modules. These are ready for replication in their respective areas, but also elsewhere as the opportunity arises.

TESLA partners believe that the prospects for many of their firms are positive and are continuing to provide assistance. The evidence is not available to fully support this, although a small number of firms met would tend to affirm this conclusion.

Finally it is worth noting that CIT, LMT and INI do intend (in addition to the ongoing 'Matchmaking' activity) to continue where possible to offer the internationalisation training, from internal resources or from partnerships such as that between LMT and the Chamber of Commerce. INI will do so as part of its tailored offering to clients, on the basis of demand.

TRANSNATIONALITY

Overall the degree of transnational activity in this area was somewhat lower than originally anticipated. It was decided not to design and implement a common internationalisation course in each participating region by each partner; and the network of experts did not emerge in the way anticipated – but this *did not detract from the transnational impact on participating enterprises* i.e. The extent to which enterprises themselves engaged in transnational activities was not reduced by these decisions. If anything, given that the decision was taken on the basis of the informed and considered judgement of the entire team, the revised approach represented an improvement on what might have transpired had they continued the action as originally planned.

There was also a considerable degree of transnational cooperation, much of it *emerging organically* from the partners.

- The Needs Assessment Template was developed through mutual agreement and used consistently throughout with enterprises participation in the training;
- Partners were in constant contact with each other, at the regular meetings and more informally, during the design of their respective training programmes;
- Although it was not systematic, TESLA partners provided a number of one-to-one coaching and training session to enterprises in visits to each other's centres;
- Of significant importance is the ongoing communication among the four partners though the monthly 'Matchmaking' session conducted by Skype between them, to discuss individual clients needs, potential and support (see also under Action 4 below).

CONCLUSION

Internationalisation engaged five partners in efforts to prepare HPSUs specifically to bring their products to external markets. In that sense, Action 4 could be seen as a preliminary counterpart to be followed up by a practical visit to that market under Action 6 Soft-Landing. Considerably redesigned collaboratively by partners at the beginning, it provided regionally sensitive support in the form of training, product and market analysis

and expert support, and/or tailored workshops. Although bringing HPSUs the full way to internationalisation during the time available proved to be more difficult than expected, the progress made was significant and beneficial to them even where a market breakthrough is yet to be achieved. Targets have been exceeded in terms of companies supported. There was also a high degree of cooperation between the partners throughout – and this is in some cases continuing in an organic manner – and three of the partners, at least, are likely to continue offering the work.

2.5 ACTION 5: TRANSNATIONAL PLACEMENTS

2.5.1 CONTEXT, PARTNERS AND GOALS

Partners: CIT (Initial lead); LMT (Lead from first Steering Committee) CIT, EBN, Lónra, Bangor, INI-Nov

Indicative Original Budget: €155,989

Action 5 Transnational Placements is designed to build the skills and knowledge of incubation/innovation centres' staff through direct experience of, and exchange of knowledge in, a peer organisation in another participating region.

Additional benefits are to client enterprises, in terms of opportunities to learn from visiting experts. Through exposure of staff to different tools, ways of working, processes and business methods built up over a period of time in a different enterprise-support ecosystem, it is intended to facilitate best practice among the partner regions and to encourage ongoing transnational exchanges.

Action 5 was not restricted to those staff already directly involved in TESLA; nor were hosting organisations restricted to the TESLA partners themselves but could include any relevant organisation within the region. Furthermore, visits to organisations outside the TESLA regions could be supported, but only in cases where specialist requirements arise. Eligible costs include travel and accommodation for the visitor, staff hours for both staff and host, and any additional host expenses (though no costs for hosts outside the NWE region could be reimbursed by TESLA).

The plan was for a short report to be compiled after each visit, by both the visiting staff member and the host organisation, identifying good practice encountered. These were to be compiled and presented at thematic seminars across the partner regions to disseminate best practice to a wider group of people and organisations.

2.3.2 IMPLEMENTATION

The first TESLA Steering Committee meeting agreed that the lead role should be transferred from CIT to LMT as the latter had no lead role.

Implementation of Action 5 was perhaps the most straightforward of all the TESLA actions. Coordinated by LMT, the main requirement for implementation was, in the context of the TESLA goals, to determine which staff members would benefit, through visits to where, and when would be the appropriate time. The goal was to derive the greatest advantage to both the visiting TESLA partner and of the hosting partner; and to maximise the value of the inter-regional exchange.

Actions were taken to ensure that individual TESLA partner staff interests could best be matched to the expertise and best practice available in other partners' regions, including specific reference to events or other actions that might be of special interest. A template to record the specific expertise and experience available at each TESLA partner was drawn up; as well as a second template or application form designed for those seeking to visit. The criteria for selection were straightforward:

- the level of staff motivation and interest;
- ensuring the placement is in line with TESLA Objectives
- matching the interests of the visitor to the possibilities offered by the host organisation

The visits themselves began slowly during 2013, gathering pace in 2014 with many extending into 2015 and ongoing. In practice, 2013 was a period during which TESLA partners got to know each other, to some extent obviating the need for referring to detailed templates of what was available at the partner organisations and their respective regions. A more personal and personalised approach was adopted for most visits. Early visits tended to be from core staff, followed later on by those less directly involved in TESLA.

As in most activities there have been some delays and visits are envisaged to continue into September 2015.

Visit hosts were primarily to TESLA organisations. During many placements the visitor was taken to relevant events and to sometimes other organisations involved in enterprise developments within the region

The schedule of activity, at least of an initial visit, usually comprised a diverse range of activities spread over two to four days, organised by the host. These included for instance visits to and detailed discussion and exploration of incubation and entrepreneurial support practices; attendance at conferences and events; and trips to other organisations involved in enterprise developments within the region to explore links with these (non-partner) centres. The variety was such that there was virtually no typical transnational placement.

The visiting staff usually also met one-to-one with interested enterprises, and delivering group seminars on accessing their respective markets. On return to their organisations most visiting staff organised seminars within their own organisations to share the best practice observed.

The option of visiting specialist organisations outside of the TESLA regions, where it was essential to achieving the TESLA goals by the partner, was availed of by CIT. As noted, three staff visited Warwick University resulting in establishing links to the University of Warwick Science Park, the nearby University of Coventry and associated consulting groups. No costs were claimed on the Warwick side since they were not part of the TESLA project consortium. These ultimately contributed significantly to the successful implementation of Action 4 on internationalisation in CIT and their interaction is ongoing.

The final best practice document compiled by LMT is to be merged with work under TESLA supporting Best Practice work package.

2.3.3 OUTPUTS AND OUTCOMES.

OUTPUTS AGAINST TARGETS

The original target was for 27 study visits completed; 27 hosted by the partners; and 21 best practice seminars.

TABLE 7: TARGETS & OUTPUTS FOR ACTION 5. JUNE 2015

TESLA Partners	CIT	Bangor	EBN	INI-Nov	Líonra	LMT	Total	Total
Actual to end June. '15	June '15	June '15	June '15	June '15	June '15	June '15	June '15	Original Targets
Outputs by numbers of:								
Study visits	8	5	2	2	5	3	24	27
Visiting people hosted	3	0	2	0	1	9	15	27
Best practice seminar delivery	3	2	1	0	1	2	7	21

While visitor placements will exceed the target, the number hosted by TESLA partners is likely to be lower, accounted for in part by visits to non-partner hosts.

The number of best practice seminars likely to be delivered is two thirds the number originally targeted, though the level of impact is not necessarily reduced by the same proportion. This was because visiting staffs often delivered their feedback to more than one TESLA partner in a single seminar (e.g. Sandrine and Valerie presented the experience gained to two different centres in Ireland at the same workshop); and feedback was also delivered to colleagues at informal meetings or during on-the-spot discussions rather than at formal seminars.

OUTPUTS & OUTCOMES

The numbers reveal very little of the qualitative outcomes. The report produced by visitors and hosts, however, suggest significant benefits. This is supported by the interviews of many of those visiting, all of whom reported that they considerably profited from their trips.

Visiting staff (and often hosts) usually reported multiple benefits from each trip. For instance the CIT visits to Warwick contributed to Action 4, but they also led to sharing in-depth knowledge of their contrasting approaches to incubator practices; and of how the withdrawal of state-aid was handled in that environment. Another set of CIT visits to Laval is resulting in significant redesign of one of their programmes. EBN staff placements in LMT were considered useful since, being a network of incubation centres, they seldom have the opportunity to spend time examining the activities of a member, in depth on-site. Their visit also included sitting in on mentoring activities. It is clear the transnational placements were used strategically – or opportunistically – to strengthen other TESLA activities that would have been far weaker without them, particularly the other two actions in the Work Package 2.

Perhaps most important, the placements offered an opportunity to deepen the relationship between incubation/enterprise centres in particular, evidence for which is clear from the ongoing monthly ‘matchmaking’ events between the enterprise centres mentioned above; as well as ongoing discussions between partners regarding joint submission of proposals for funding in future activities relevant to the TESLA objectives.

Several of the partners commented in interviews that they would never, in the normal course of their work, be in a position to clear the time required to engage in such in depth interactions and placements. Yet the benefits, they recognised, were well worth the effort quite independently of the fact that such visits were supported by TESLA.

For an Action with a relatively modest budget, this has produced perceptible benefits in terms of directly achieving TESLA objectives and of reinforcing the impact of TESLA objectives, among most participating partners but particularly those engaged incubator centres and networking. This action will clearly have a long-term effect on the partners involved, as they have built strong and lasting relationships.

TRANSNATIONALITY

The degree of transnationality in this is clearly high. As noted, TESLA has enabled significant in-depth interaction between partners in TESLA and also with others of relevance to TESLA objectives mainly inside but also outside the NWE region.

Of particular interest is the potential for ongoing interaction and transnational network building within the NWE region that this (in combination with other TESLA Actions) has enabled.

CONCLUSION

The idea of supporting structured staff exchanges between innovation centres and incubators in different regions was straightforward and effective, with an obvious high degree of transnationality. The benefits can be judged directly from partners – it demonstrates very clearly how finding a means to extract staff from their daily duties to exchange with peers in other regions is both difficult in the normal course of event, and very worthwhile. It is likely that after TESLA the time will be taken to deepen exchanges in the future.

2.6 ACTION 6: SOFT-LANDING/CO-INCUBATION

2.6.1 CONTEXT, PARTNERS AND GOALS

Partners: EBN (Initial Lead), INI-Nov (Co-responsible), Lónra, LMT, CIT.

Indicative Original Budget: €308,060

‘Soft-landing’ is a term used to describe an international co-incubation scheme where cooperating incubation centres ease the access for enterprises into a foreign market. Such direct exposure to international markets is seen as a key way to build the capacity and competitiveness of HPSUs to address international markets, and ultimately to address global markets. The TESLA partner EBN already supports a Soft-Landing Club among its members.

Although EBN is formally the lead partner, INI-Novation is co-responsible, promoting the pilot programme and developing needs assessment forms and the soft-landing handbook. Lónra and LMT, as well as INI-NOVATION, are directly involved in the practical implementation of the soft-landing platform. Though no budget was allocated them, CIT was involved to a limited degree.

The goal was for partners to become host incubators, presenting their profiles on a Web Platform for potential target enterprises, and offering them a flexible set of supports designed to ease their way into the new market. Co-incubation centres were to be provided with a transnational training course. Client enterprises were to be offered international readiness assessment, and if approved would then design a package of support with an incubation Centre of their choice, including the use of space during a market development visit, appropriate trade fair opportunities, and market assessments.

The successful achievement of a soft-landing for HPSUs can be regarded as the culmination of the efforts of an incubator centre or support agency in relation to the TESLA goal, the convergence of a combination of several actions that ideally sets the enterprise on the road to expansion across international markets.

It can, at the same time, be seen as a starting point for these same enterprises in terms of a whole set of new supports required for further expansion beyond initial successful entry into an external market. Such supports in fact can extend beyond even the TESLA horizon and relate to the wider eco-system beyond incubation and successful product or service launch.

The Terms of Reference of Action 6 situate this pilot programmes firmly in the context of the other actions, diagrammatically illustrating its relationship to other actions, specifically *Action 4: Internationalisation*; *Action 7: Mentor Plus*; *Action 3: Innovation Outreach*; and *Action 9: Entrepreneurial Finance*. From this perspective a network of Soft-Landing platforms can be seen as a key binding component of a transnational eco-system to support HSPUs.

TESLA can support the travel and subsistence, an office in the local innovation centre for use in the exploration of the local market, and advance and subsequent support from the host incubator and the originating centres. It can also facilitate the enterprise in obtaining the specific market analysis or other specialist expertise to enable it to turn the visit to its advantage. Such additional support, however, is not financially reimbursed by TESLA.

2.6.2 IMPLEMENTATION

At the first TESLA Steering Committee meeting it was agreed that INI-Novation would take co-responsibility for this with EBN, partly because they as yet had no specific Action under their leadership but more particularly because they have extensive experience in the area and had already developed, in the course of their work, a set of tools and resources that could be adapted for use by TESLA partners.

An extensive *Needs Assessment* tool was first drafted for use in soft-landing/co-incubation (and also in *Action 4 Internationalisation* and *Action 2: Innovation Outreach*). It was refined and agreed upon by all TESLA partners for use in their respective regions. It can be considered as a screening device with a learning dimension, used for an initial analysis of whether an enterprise is ready to take part in the soft-landing and co-incubation platform. As noted, a very high level of preparedness is essential, and a premature attempt at market entry may be a significant setback for an enterprise.

On the other side of the equation, the host incubator centres also produced *Business Support Profiles* presenting the potential services they could make available. The idea was to match these on the TESLA Website (an idea that is just now coming to fruition- see below). As part of this TESLA partners also gathered information on trade events and networking opportunities for entry into the emerging database.

An extensive *Management Guide for Soft-Landing and Co-Incubation Service* was drafted by INI-Novation (the latest draft version 1.4 in May 2014), and disseminated, discussed and revised by all partners seeking to develop harmonised soft-landing tools and processes as well as a Soft-Landing Platform. It is a particularly comprehensive document, incorporating the conceptual and economic dimensions, the operational aspects, best practices and a set of Annexes to assist in implementation.

In practice a soft-landing action often focuses around a relevant trade fair or event, where the HPSU can demonstrate in practice what they have and hold meetings. Part of that preparation (often through *Action 4 Internationalisation* and *Action 7 Mentor Plus*) is also to look at both the potential for and the requirements for accessing an external market. The *Management Guide*, or *Handbook* as it is also called, covered all of these aspects in sufficient depth to enable a Centre to implement to the approach.

During 2014 training events on soft-landing were designed on the one hand for incubation managers and business advisors and on the other for start-up entrepreneurs. These related to exchanges between specific regions, for instance France and Germany or Ireland and Germany.

Partners promoted the Action through their networks using promotional material developed. Progress has been varied.

INI-Novation has been most successful in attracting enterprises to Darmstadt for soft-landing support. Although not itself offering incubator services it has built numerous partnerships with others in the region and maintains ongoing relations with enterprise support centres and programmes enabling it to offer many forms a Soft-Landing platform. INI-Novation reports that TESLA partners are benefiting from LILA services, a DG REGIO NWE Programme # 325J, which shares costs for co-organised events; and there have been joint events organised and funded by EIT-ICT labs, a publicly funded support entity in Darmstadt with links to INI-Novation. In December 2014, INI-Novation organised a training event for 27 participants seeking finance to access the region, including six 'pitches' for funding two of which are being followed-up. A similar event is planned took place on May 2015.

Líonra extended a call to participate through its Innovation Centre managers in the region, but has found it difficult to attract significant interest from enterprises. An original target of 12 enterprises was modified to five, and so far four have begun the process and are in communication with INI-Nov. Their experience is that considerable support is needed before the HPSUs they work with are ready to take this critical leap. Although initial interest was expressed by several more, few had reached the point where they could identify the specific market in which they were interested.

LMT has had more success sending enterprises to Darmstadt and to Scotland, and believes that in some cases it is best to access international markets quickly rather than later. They have also welcomed some companies to Laval.

LMT is a member of the EBN Soft Landing Club, and EBN is in the process of developing the **TESLA Soft-Landing Online System** of matching enterprises to incubator platforms and resources. Enterprises will soon be able to go directly to this site and assess the opportunities available for soft-landing support. They can complete the assessment form online, indicating also where and when they are interested in going. EBN follows up these to determine whether the assessment indicates a sufficient level of readiness, what additional supports might be needed, and whether the support centre of their choice might be available and willing to participate and host the enterprise.

This online Platform is currently being populated with the TESLA partner information, for use within the NWE region. However, being restricted only to the TESLA centres currently limits its relevance for potential enterprises. EBN is anticipating expanding this in future to include other members of the EBN Soft-Landing Club. This offers the prospects of sustainability for the work initiated by TESLA, and indeed spreading to other regions in the future (see below)

2.6.3 OUTPUTS AND OUTCOMES.

OUTPUTS AGAINST TARGETS

TABLE 8: ACTION 6 TARGET & ACTUAL OUTPUTS

TESLA Partner	EBN		INI-Nov		Líonra		CIT*		LMT		TOTAL	
Actual March 2015 Original Target Outputs Indicators	March '15	Target	March '15	Target	May '15	Target	March '15	Target	March '15	Target	March '15	Target
training courses provided	3	7	5	3	0	2	3	2	2	2	13	16
host incubators or business advisors	-	-	8	12	5	10	1	10	8	4	22	36
Enterprises taking part	4	0	22	30	5	12	15	30	13	9	59	81
Networking/ trade events identified	-	-	67	10	0	10	5	10	5	10	77	40

*Although CIT report no figures here, the receiving entity, INI-Nov, report that these are at their end.

Other than figures relating to participation, beneficial outcomes in the case of Action 6 are difficult to assess. It represents the most advanced stage for enterprises in terms of accessing markets. In the time span of TESLA, and given some delays in initiating the Action, there has been overall insufficient time for discernible benefits to all but a very small number of companies.

A few successful examples indicate the range of outcomes: an SME called DEED, a soft-lander in Hessen (Germany), resulting from outreach activities was introduced successfully to Red Cross in Berlin and is negotiating an implementation of its system; CELIGRA, also a soft-lander in Hessen after outreach was introduced to potential clients, found angel investors in Germany and recently established a legal entity in Germany; and TESTFABRIK AG which was brought to France and Belgium to find potential clients as beta testers for their software.

Overall, partners feel that the UK and Germany are the most popular as a destination for soft-landing among enterprise in NWE, because of the size and sophistication of their markets. However, a case can be made that Soft-Landing tailored to the needs of others parts of the NWE region are particularly relevant, and several TESLA partners made the case for this, arguing that it is equally beneficial, and sometime more realistic, to target non-core markets.

The tools and mechanisms to achieve this are emerging from this Action 6. These include, for individual partners, the *Enterprise Assessment Form* and *Host Incubators profiles*, the comprehensive *Management Guide for Soft-Landing and Co-Incubation Services*, and various training modules for incubator managers and staff and for HPSUs. To facilitate the overall mechanism of interaction and matching needs to available markets and resource, there is the almost completed *TESLA Soft-Landing Online System*. This has the potential to connect enterprises and Innovation Centres for all within the TESLA regions, and indeed beyond as noted below.

During the implementation period of TESLA, these components have not, at least so far, come together for a significant number of enterprises, combining seamlessly to thoroughly Pilot this activity as envisaged. Rather, driven by INI-Novation, often integrated as a package within its provision of services to its own clients, and comprising bilateral links between partners focusing mainly on Germany so far, a small number of enterprises can be said to be activity trialling this approach.

The individual components of this pilot Action to build a soft-landing co-incubation platform are, nevertheless, in place and have been largely tested, most of them pointing to success. In different partner circumstances, they have also been integrated closely with other TESLA Actions, actions that must be seen as an integral part of overall preparatory and support actions to enable HPSUs to access new markets.

With regard to sustainability, and achieving a more complete test of the potential of the pilot and ultimately its implementation, the prospects are good.

Participating members were specifically asked to outline their commitment to continuing with the Action and its components, inciting sources of funding. EBNs response, as noted, offers good prospects for sustainability and expansion of the core online exchange Platform. It is committed to integrating the needs assessment tool; to using the TESLA format and continuing to run and manage the online exchange platform; and to expanding beyond the NWE region to the full reach of the EBN Network and encompassing their existing Soft-Landing Club. INI-Novation, LMT and CIT are committed to continued use of the Platform, and CIT will also support ongoing training and awareness raising events.

Most of these commitments are based on own funds, but some have identified sources to supplement this.

Furthermore, TESLA partners have indicated some actual and considerable potential for expanding the use of Platform and its components beyond the partners themselves. INI-Novation has already extended the tool sets for use in another EU Project; and LMT is seeking to use it in projects in future EU and other projects. Several partners have had expressions of interest from other regions, including Albania, Czech Republic, Romania, Italy and Poland and recently Macedonia (Fund for Innovation and Technology Development).

TRANSNATIONALITY

Perhaps more than any other Action, this pilot represents the transnational core behind the TESLA objectives. It realises the potential for transnationality of many of the other actions through direct supporting firms to access an external market.

A partner reported that in Canada the relationship between preparation for internationalisation (with assessment, training, training, mentoring and marketing analysis) and a Soft-Landing support platform is such that the former is described as a 'Hard Take-Off' i.e. a major part of the effort of a successful landing takes depends critically on the preparation. Another pointed to the need for the host institution to treat the visitor as a 'friend', as if they were their own client and not one coming in from another region. These comments emphasise that at the core of Soft-Landing is the need for intensive support on both sides of the transnational connection, on effective planning on both sides for each client, and hence on effective transnational cooperation.

Thus this action has exhibited a very significant amount of transnational cooperation and collaboration, at design level and in implementation. The single online Platform involved all partners providing the data; and the ongoing exchange always necessarily involved different configurations of partners. However, its main potential for transnational exchange is clearly to be realised with full implementation of this pilot. And that potential is very significant.

Not all aspects of cooperation were as close as had been hoped.

It was envisaged by the Partners in this Action that it would have a close relationship with *Action 10 Entrepreneurial Finance*. However, as TESLA progressed and actions became more clearly defined the two developed on somewhat divergent trajectories and there was little or no direct linkage between them in the end. As noted, INI-Novation developed its own financial support component to the enterprises they brought into Action 6, based on their own experience and networks.

CONCLUSION

The concept of a soft-landing to market entry facilitation is gaining in popularity as the wider benefits are understood. In some ways TESLA, more in practice than by design, looked at these possibilities specifically between weaker and stronger regions. TESLA developed a very substantial set of resources for innovation centres anywhere seeking to engage in soft-landing, as HPSU recipient or sender. Targets were for the most part reached. As a core transnational action – the one that sees HPSUs depart their native shores on an at least exploratory mission – it is central to the TESLA concept, and potentially binds together various other actions. So far, the numbers actually succeeding in the final goal are limited. Nevertheless the launch soon of an online platform by EBN to facilitate the soft-landing and co-incubation process, and its links to its own Soft-Landing Club, could, if followed through, see a significant increase in this kind of action.

WORK PACKAGE 3: SKILLS AND CAPABILITIES

2.7 ACTION 7: MENTOR PLUS:

2.7.1 CONTEXT, PARTNERS AND GOALS

Partners: Lónra (Lead); LMT, EBN, INI-Nov.

Indicative Original Budget: €325,427

Action 7: Mentor Plus was designed based on a belief that HPKIs face challenges in identifying and securing appropriate senior level expert advice i.e. mentoring, at key points in their business development. The goal is thus to provide high impact mentoring that will deliver, as appropriate and in a timely manner, expertise in: strategy development, business planning, accessing finance markets, acquiring market intelligence, sales and marketing strategies, a capacity for internationalising the business.

Mentor applicants would require a demonstrable profile of recent rapid development, a robust plan to expand the business through internationalisation, and a business case for mentoring. Carefully selected and agreed mentors would provide one to one support to each HPSU.

The original timeframe was to begin recruiting in April 2013, and to deliver the mentoring by April 2014. The overall goal was to mentor 65 HPSUs.

2.7.2 IMPLEMENTATION

The Lead Partner for the Action is Lónra. The other partners involved in implementing the action are LMT, INI-Nov and EBN.

All partners have contributed to realising the objectives of the Action, specifically in accelerating the growth and development of companies through the provision of customised mentoring by experienced and knowledgeable mentors both international and national to the selected cohort of companies

The first tranche of companies were recruited in Q3/Q4, 2013 and further recruitment continued into 2014 and 2015. The partners have targeted companies that have achieved commercial success in the domestic market and have indicated a commitment to expand their business through export led growth.

As of October 2014, some sixteen companies² were participating in Action 10 in Ireland and ten in France. Additional companies were being assessed for participation in the programme. The enterprises are distributed across industry growth sectors and may be expected to contribute to regional economic development through expanded employment of graduates reflective of the technologies underpinning the businesses in question. In the interim period to May 2015, all partners increased recruitment of companies to participate in the Action.

A unique feature highlighted by the partners in promoting Action 7: Mentor Plus to companies has been the potential to acquire specialist mentors with experience of working in various international markets and possessing sector specific knowledge both business and technological.

The international dimension was also the sharing of the tools, contracts etc. between the partners.

All relevant partners are active in this.

² As per short form report October 2014. Long form report March 2015 indicates 13 companies.

A measure of their success is that some Mentor Plus companies have expressed an interest in participating in Co-Incubation/Soft-landing to further the internationalisation of their businesses and both EBN and INI-Nov as Co-Leaders of the Soft-landing Action are providing assistance and guidance by matching company needs with appropriate host BICs across the NWE.

In **Líonra**, targeted companies were offered a choice of possible mentors, based on the specific company needs. The portfolio of Mentors was selected from Líonra member colleges, interfacing through the innovation centres in each college. There was a further availability of mentors from the Enterprise Ireland database. A further option was for the company to select their own mentor from their own contacts that they may have had from their own network. Some companies opted to choose international mentors. In some cases, this led to challenging logistical issues. The sessions were generally carried out over Skype. A similar process was followed in each of the other sites. **LMT** and **INI** had access to client companies through their network of client companies.

Each partner developed their own flyers and promotional materials. In Ireland, Líonra initially placed advertisements in 11 local newspapers. This worked to raise the profile of the project in the region, but did not serve to recruit companies into the action. Clients were eventually sourced through Líonra member colleges and their associated enterprise centres. The following institutes referred client companies, numbers as indicated:

- National University of Ireland Galway: 9;
- Letterkenny Institute of Technology 5;
- Galway and May Institute of Technology 3;
- Sligo Institute of Technology 3.

A total of 20 companies were engaged through this process in Ireland. The Innovation Centre managers were instrumental in this recruitment process through the member colleges³.

A first step involved each company undertaking a needs assessment based a tool developed within Líonra. The potential clients carried out the assessment themselves, with advice also from the Centre managers. A meeting of all the Innovation Centre Managers was called to assess the applicants. This was done in two tranches. Appropriate mentors were identified in three ways:

- 1) Client companies would propose their own mentor, and Líonra etc. checked them out through the Innovation Centre managers
- 2) They could have an international one, sourced through the TESLA Mentor Plus partners. A strong portfolio of international mentors was set up. Three of the GMIT mentors were selected from that portfolio. There were also three from Northern Ireland, connected to Letterkenny IT.
- 3) The Innovation Centres had a database and also Enterprise Ireland

Líonra kept in touch with each company to see how they were getting on, as the Mentors carried out their intensive work with the companies. The Innovation Centre managers also remained in contact.

A strong international portfolio allowed the partners to liaise together on recruitment, needs assessment and delivery of the mentoring programme. The partners agreed the programme together as well as a common

³ Líonra established a TESLA advisory Group who met every three months during the project duration, comprising the managers of innovations centres associated with its member colleges. This group has been a great asset throughout. The meetings have been well attended and provide very good feedback channels and support. The Mentor Plus programme would not have worked nearly as well without them.

monitoring framework. These were discussed in detail at Steering Committee meetings, as well as through regular conference calls.

In the case of the Mentor Plus action the project encountered few problems, with regular emailing and teleconferencing ensuring good collaboration. There have been ongoing exchanges between partners on the recruitment of companies in terms of process and outcomes. Selection of companies has been competitive and some companies have been rejected as they did not meet the eligibility conditions a priori. The preliminary engagement of international mentors with companies required managing to ensure a successful outcome, with this aspect of international collaboration probably underestimated in terms of the time required.

The facility to work collaboratively has enriched the business mentoring processes for companies committed to expansion led growth. The capacity to access and deploy international mentors with established international credibility has been a key differentiator and has allowed priority needs such as accessing international markets, to be effectively addressed.

Having access to objective business advice is very necessary for a company preparing an Investor Ready Plan and this aspect has been enhanced. The partners have all contributed to sourcing the International Panel of Mentors. The rich mix of International mentors confers a real advantage on companies that engage them for mentoring assignments on their established priority needs.

2.7.3 OUTPUTS AND OUTCOMES.

OUTPUTS AGAINST TARGETS

TABLE 9: TARGETS & OUTPUTS ACTION 7 MENTOR PLUS. END APRIL 2015.

Outputs Indicators. The number of:	Projected Total	Actual Líonra	Actual LMT	Actual EBN	Actual NI-Nov	Total
HPSUs mentored	65	20	27	5	47	99
Mentor days supplied	208	189	81	5	290*	565
Companies reach full commercialisation	23	7	na	2	na	9
Companies obtain private funding	14	3	3	na	na	6
Companies sign collaborative agreement	7	2				2

*Mentor Plus activity: 2,317 coaching and mentoring hours were provided to companies served by TESLA. This is the equivalent of 290 days, 8 hours per full day.

The targeted number of companies has been well exceeded by the end of April in the work in this key action, as have the number of mentor days provided to these HPSUs. Data is incomplete on the number of companies to have reached full commercialisation, obtained private funding or having signed collaborative agreements. These are longer term outcomes from the mentoring supports provided and will be monitored by the TESLA partners up to the final stage of the project.

There is also some immediate feedback available from mentoring work, based on feedback forms distributed at the end of the sessions, and completed by both mentors and the client companies. Not all TESLA partners sought such feedback, and the surveys used somewhat different formats. While these feedback forms give some important descriptive information regarding the nature and the scope of the supports provided, only a partial insight can be gained into potential long term impacts. Among the partners, Líonra conducted the most extensive feedback collection and monitoring of the HPSUs and mentors.

Companies were asked about the clarity of objectives of the mentoring sessions, matching of expectations and extent to which new networks have emerged from their engagement.

- All eight companies indicated that the Pilot Actions and the related business development measures were an excellent fit with the priority needs of their company. Again all eight companies believed that the objectives of the actions were well defined and these objectives were achieved. All eight also felt that the actions had met their initial expectations. Half of the companies were engaged in newly created networks as a result of participating in the project.
- Some five companies indicated that their company has experienced an acceleration of commercialisation including or gained access to an international market as a result of its participation in the Mentor Plus Pilot Action. While one company has reached full commercialisation status already, 6 companies felt that they would realise this stage within one year. Two companies had already diversified into International Markets, and the remainder plan to do so within two years. Three had accessed private funding.
- Seven companies have completed a Business Plan that is investor ready. Three companies have a plan to accelerate development via collaborative agreements, two of these within the next one to two years.
- Feedback from one company in LMT was also extremely positive with regard to these questions, also having already accessed private funding and with an action plan towards developing collaborative agreements in the coming year. Two of the companies supported by EBN had reached full commercialisation status.
- The Mentoring Service covered a wide range of forms and focus, depending on the needs identified by company and mentor. Supports covered business planning, quality management planning, brand analysis, review of online presence, analysis of target market segmentation, trends in competition and demonstration techniques of product to customers.
- Seven companies felt the mentors themselves were well matched to the requirements of the company.
- The needs assessment tool was considered of moderate relevance by four companies in determining the schedule of mentoring supports provided significant, while significant for the remaining companies.

Typically, a company availed of 7 to 10 sessions of half-day duration, held outside of their company premises, in an innovation hub or other space. Companies considered that there was very detailed consultation between the mentor and themselves as to the topics to be covered in terms of range and depth.

Companies provided positive agreement that they had achieved the intended learning outcomes from the pilot action with regard to:

- Acquired knowledge in Business Strategy & Systems;
- Acquired the capability and capacity to prepare an Investor-ready Business Plan and to present same to potential entrepreneurial finance providers;
- Gained professional insight into individual sales & marketing strategies; researching/validating markets;
- Acquired efficient selling and 'closing the sale' skills;
- Gained insight and knowledge to develop a plan to internationalise the business

LMT had drawn on an external expert in commercialisation to run five classes, three hours each with 4-5 companies, following these up with a full day one to one support for each.

All 8 companies in the Irish survey considered that their company's expansion plans correspond to the general aim of the Mentor Plus Pilot Action. Companies felt that they had received 'significant' to 'very significant' learning through their participation. The following quotes highlight some of the key learning points.

"Brought an idea from concept to a stage where it can be developed and ready for sale"

“to identify partners that are suitable for our brand; Consistent application and use of brand values in all communications”

“Clearly defined markets, Research done with five customers, Revenue model set up for three years”

Half of the companies have achieved an ‘International Readiness’ status as a result of the focused mentoring, with six of the companies indicating that the mentoring services have had the desired impact in terms of transitioning the company to enter export markets.

INI-Nov collect detailed feedback from their client companies across a range of supports. They have identified the following needs of the HPSUs who have been active within their network.

Number of all active TESLA companies	37
Access to Market	35
Access to Finances	26
Access to Resources	17
IPR and legal management needs	13

Mentoring supports were tailored to ensure that the most appropriate forms of mentoring were offered.

Of the 16 Mentors who provided feedback to Lónra regarding their work with the HPSUs, some nine regarded that the mentoring had been very successful,

with a further 5 indicating that it has been successful. While 13 of the companies had been considered by the mentors either at an early stage of preparation or to some degree prepared before the engagement with the pilot action, 13 mentors regarded that their client companies now had a robust plan to expand international trading as a result of mentoring interventions.

TRANSNATIONALITY

The company feedback provides evidence that companies with diversification plans for their business have seen the competitive advantage for engaging in the Mentor Plus Action in order to accelerate the development of the business. The completion of a needs analysis phase allowed a clear set of objectives to be defined, ensuring that expectations were in turn met.

The international partners have constructively engaged in identifying potential business mentors and coaches from within their own networks of professional business advisors so that participating companies have the opportunity to assess the CVs of international mentors. Companies have been very positive about the nature of the support offered and the good match of the mentor to their company. The company-centric approach of the partners has been successful in appointing appropriate mentors.

Involvement by partners in local and regional networks and professionally engaged with agencies supporting the development of early stage companies allowed for identification of and access to eligible companies. In the case of Lónra, there is close operational engagement with the Managers of the Innovation Centres of the Third Level campuses. The Managers of the Innovation Centres also cooperate in sourcing local and national mentors with proven capacity to mentor technology based businesses such as those companies on the Mentor Plus programme. The local Chambers of Commerce would also be briefed on company recruitment and the engagement of international mentors.

CONCLUSION

The four TESLA partners offering Mentor Plus services to help companies to access external markets collaborated closely in developing the needs analysis and tools, and followed largely similar approaches. The main distinction was between those adopting a one-to-one approach, and those mentoring in small groups. There were some cases of transnational mentoring though the specific value of local expert knowledge also asserted itself. In terms of HPSUs engaging, the target was greatly exceeded as they acknowledged significant benefits. The target for bringing companies through the entire process to gaining access to funding and launch were, in the time allowed, over ambitious.

2.8 ACTION 8: SPIN-INS

2.8.1 CONTEXT, PARTNERS AND GOALS

Partners: CIT (Lead); Tilburg; Lónra; LMT.

Indicative Original Budget: €228,179

Large indigenous companies, in each partner region, represent potential sources of new entrepreneurial ideas and ventures. As large organisations often find it challenging to innovate to maintain their market leadership position, they are sometimes unable to transform themselves to pursue new market opportunities. Their large market shares and revenues make it very difficult for them to commit the time and resources to pursue investment in small-scale ventures that may be seeking to enter low-margin new markets.

Such large enterprises can develop strategies to deal with this problem through the acquisition of smaller companies, internal research and development work, joint venturing or strategic alliances. A further key component of development for these companies is in the area of 'Corporate Venturing', 'Intrapreneurship' or 'Spin-Ins'. This in practice means the growth of a separate business within the corporate entity which is given the freedom to pursue new products and/or markets.

The definition of Spin-In includes the following components:

- Involves a new activity for the organisation;
- Is initiated or conducted internally;
- Involves significantly higher risk of failure or large losses than the organisation's core business;
- Is characterised by far greater uncertainty than the organisation's core business;
- Will be managed separately at some point during its life;
- Is undertaken for the purpose of increasing sales profit, productivity, or quality.

The rationale for this action is to design and deliver a programme to meet this need i.e. to support large enterprises in creating a structured innovation competency that is continually providing new ideas, products, processes and business that are relevant to the organisations industry.

The goal of Action 8 was for participating partners to design and deliver a Spin-Ins programme. This concept of the Spin-Ins would be promoted to large organisations in their respective regions in order to support them in forming new companies either on-site or in participating TESLA partners' business incubators. If located in the incubator, any such Spin-In ventures would benefit from access to in-house business and networking supports and entrepreneurship training opportunities.

The beneficiaries were expected to be large regional indigenous companies, multi-national corporations and large public administrations who are considering creating new ventures. The four locations for delivery include business incubation centres in the participating partners regions, in Cork, Tilburg, LIONRA, LMT.

The first step in this action would involve each partner carrying out an analysis of potential organisations interested in participating in the Spin-In programme. Through desk-based research and profiling work, each partner would also make use of local networks and support agencies (such as local authorities, industrial development agencies, chambers of commerce and Industry associations and their existing business networks) to identify potential participants.

This preparatory phase began with partners' producing a summary description of the programme for recruitment of participating companies. After making initial contact, a number of industry seminars were held across the participating partners regions to promote the Spin-In programme, to obtain feedback from potential participants on the proposed design, and to tailor it to their needs and circumstances. The Spin-Ins programme set out to:

- Highlight the potential of entrepreneurship and innovation through the Spin-In model;
- Create a culture within large private and private sector organisations to promote entrepreneurship and intrapreneurship;
- Encourage staff to be innovative and entrepreneurial and hence become involved in new Spin-In ventures supported by the parent organisations;
- Provide a platform for the debate and examination of matters such as:
 - the possible management and ownership structures for the parent organisations,
 - the location of new ventures,
 - retention of equity or other interest if the Spin-In venture is successful.
- Develop a methodology to examine, validate and approve new venture ideas from within the organisation

Support tools included a common trans-regional briefing document on the key steps towards creating Spin-Ins as well as joint learning materials. A Spin-Ins training programme for use across the TESLA partner regions was to be developed.

Each region was to use Spin-Ins experts to design and/or deliver the Spin-In programme. The needs assessment covered the product feasibility studies completed to date by the company, as well as staff skills and potential for new employment.

In summary, the original objective of the Spin-Ins action focused on the design and delivery of a programme which would be used to promote the concept of Corporate Venturing or Spin-Ins to large organisations in the partner regions and in turn these organisations eventually forming new Spin-In enterprises either on-site, or in participating partners business incubators.

2.8.2 IMPLEMENTATION

The objective of Action 8 evolved during the implementation phase.

Partners in Ireland, who began work quickly, after engaging with client companies. A Spin-Ins programme was developed to support employees of large companies and organisations to identify, investigate, select, plan and propose a novel commercial opportunity for their organisation through a series of day-long seminars. During each seminar these employees were to investigate the utility of a specific commercial opportunity; develop a business plan to justify its development; and plan the exploitation of the opportunity.

During 2014 **CIT** and **Líonra** both ran initial Spin-In promotional seminars in the Cork and BMW regions. They also involved the *American Chamber of Commerce* as well as other networks to raise awareness of the seminars. An expert in the area designed a transnational Spin-Ins programme for participants across the NWE regions. This expert had recently completed his doctoral research on how large indigenous companies and multi-national corporations have evolved and re-invented themselves over time by continuously investigating and delivering new business initiatives, a process that contributed to their becoming key global companies. This research was the basis for the design of the Spin-Ins programme.

As noted, in the case of the Irish partners, the programme was slightly modified to target an end result within participating companies of evaluating a new business opportunity. Though they would, in the event of success, most likely lead to the emergence of a new company product they could also, at least potentially, result in a Spin-In as originally envisaged by the partners. The modified targets are as follows:

- Create commercially successful enterprises, and subsidiaries, within multinationals;
- Generate new commercially-important competences for organisations;
- Identify, justify and develop new commercial initiatives;
- Support new commercialisation processes for new initiative identification and development;

- Contribute to personal development for corporate managers of large organisations.

The programme thus set out to provide a practical set of supports and was defined as “an integrated, practical, hands-on programme to identify, evaluate and plan a new business opportunity”, through a series of eight-day long seminars. These seminars covered the following topics:

- Overview of business development process
- Business planning and feasibility analysis
- Opportunity identification and development
- Concept generation and early stage creativity
- Concept selection
- Planning the development (including testing)
- Selling the plan (presentations)
- Delivery of presentations by participants and Review of plans

The course examined the different models and structures of each company, asking participants to explore what might be their optimal model to adopt for support, finance, management etc. Some were interested exploring the specific structures that might work for them; others had specific product ideas. Each seminar also involved individual mentoring opportunities for participants.

While the Irish partners completed the implementation of the two programmes, attendance on both was disappointing. While genuine interest had been expressed, many companies withdrew due to scheduling problems. When the programme was subsequently promoted more to individuals within companies rather than to the companies themselves, no improvement in attendance numbers came about.

Poor levels of engagement was thought by the partners to be linked to limited ‘buy in’ from senior level management in the companies involved. Ideally, the partners concluded, it would have required CEO support. Some companies were also seriously concerned about IP, patents and copyrights, and hence did not wish to share their ideas in a group context.

After **LMT** reviewed with CIT and Lónra the challenges encountered in running the programme, it decided to adopt an alternative strategy. LMT moved away from the group seminar/programme approach, towards working closely with the local Employers Federation (MEDEF, a major French employer’s syndicate) and to talking to the companies individually. Once companies agreed to become involved, a specific programme was designed for each, on the basis of the transnational programme implemented in Cork and BMW region. Each partner had access to the Spin-Ins programme materials, consisting of power point presentations and each partner then tailored these materials to suit their local companies’ needs and requirements.

LMT looked at how companies can innovate inside, and create new companies from that process. Regionally in Laval, several SME and MEs have a strong capacity for in-house innovation, but also generate innovation that they have not successful in exploiting, at least so far. This became a focus for some of the work in how the companies build on this.

Under the concept of ‘open innovation’, LMT agreed to carry out training with a team from a firm, bringing one person from different sections together and training them effectively as a start-up within a company. It was considered a way to re-introduce an innovative spirit within a company, to develop a new product.

Three Spin-Ins were identified that had already started from local companies and individual contact was made with these. A presentation of the programme was also made to the French Innovation Authority and positive feedback was received.

Tilburg University organised their Spin-In Action around a two day event they were involved in organising called *Global Government Venturing Summit* (GGV Summit) in Eindhoven in February 2015.

The goal was to use the Summit to identify companies for an intensive training programme, to be recruited at the end of a panel discussion led by leaders from venture capitalist and corporations. This was delivered during the Summit, on the theme of Corporate Venturing or Spin-Ins. In total seven mature companies attended the event. Participants were, at the conclusion of the session, surveyed through a show of hands to ascertain the level of interest in the subsequent programme to focus on Spin-In opportunities. There was limited or no interest forthcoming. The larger companies were believed by the organisers to have already developed strategies as to how they would manage and plan for Spin-In opportunities.

Thus the Tilburg experience was similar to that of partners in Ireland with regard to the challenge of recruiting companies in this area.

2.8.3 OUTPUTS AND OUTCOMES.

OUTPUTS AGAINST TARGETS

The anticipated results of this action were that each of the participating partners would develop the following:

1. Promotional materials and presentations for industry seminars to promote and describe the Spin-In programmes;
2. The Spin-In programme for beneficiaries including a platform for debate and exploration of issues;
3. Identification of new Spin-In ventures potentially to be established across participating partner regions.

TABLE 10: TARGETS & OUTPUTS

Partner	Industry Seminars delivered		Participating Organisations		Spin-Ins identified	
	Target	Actual	Target	Actual	Target	Actual
CIT (Lead)	5	2	20	12	4	3
Líonra	4	1	20	4	6	1
Tilburg	2	1	10	7	5	0
LMT	1	0	10	0	3	3
Total	12	4	60	23	18	7

CIT and Líonra have completed their Spin-Ins actions. Both partners were faced with similar challenges, and poor attendance on all programmes meant that just 16 companies were engaged as against a target of 40. Companies withdrew from the programme due to scheduling problems and change in priorities of decision makers. There was no attendance by public sector organisations.

There is potential, however, for tailoring courses to individual companies. This was demonstrated by LMT, while the programme designed and implemented there remained close to the initial statement and activities. LMT is working with local major companies to deliver a Spin-ins accelerator programme called *Essaimage 53*. The objective of this programme is to start an incubation programme, co-designed with local companies, with a potential for Spin-Ins. CIT provided course materials to LMT which is subsequently tailored for local needs.

LMT will continue to target individual companies to participate on its Spin-Ins programme for the remainder of the TESLA project. It will not use promotional seminar to recruit companies, instead focusing on individual meetings, together with partners, to recruit companies onto the project. It will also deliver its *Essaimage 53*

Spin-Ins programme in 2015. Two more Spin-Ins have been identified. A significant result is that the French Innovation Authority will introduce the programme to French Accelerators Authority in 2015.

CIT provided all programme materials to Tilburg to support their implementation of the action. Lacking a direct and strong connection with the corporate sector, it faced a challenge in accessing relevant companies for the action. The panel discussion as part of the GGV summit was an appropriate means for Tilburg to connect with the target companies for the action. However, the lack of direct experience between Tilburg and the companies, as well as the relatively low level of interest from these companies for a specific follow up action, meant that there was no potential for further engagement.

OUTPUTS & OUTCOMES

The long term goals of this action were to promote a programme that would assist larger companies to realise – and recreate - their full potential for innovation. While the objective was reasonable, it is clear that the programme did not support these results in relation to the level of engagement and take up of the programme on offer. The programme as developed by the Irish partners was highly professional in its design, content and development. However, the lack of take up by companies indicates a lack of bandwidth and desire to commit and engage in this area of the business development ecosystem.

The LMT approach of tailoring the support to individual MNCs and working through support agencies has had a greater impact in terms of local engagement and participation.

TRANSNATIONALITY

Frontline partners worked closely in the creation of the set of supports, particularly the Irish partners. The learning was also shared across the regions. LMT was in a position to take on board the results of the initial Irish workshops and their limited success in terms of attendance. The re-prioritisation of the programme by LMT to focus on individual approaches to companies and tailored one to one supports made a greater impact in terms of engaging and holding companies.

CONCLUSION

Although the concept of ‘spin-ins’ came with well researched credentials, the attempts by CIT and Lionra most closely aligned with that concept failed to achieve the results expected. Tilburg tested the concept through a workshop of mature corporations and came to a similar conclusion. It was taken up in modified form by LMT, allying it to the concept of ‘open innovation’ and working with the local employer federation succeeded in bring the concept to a further tested stage. This is still being explored there.

WORK PACKAGE 4: FINANCE AND PROCUREMENT FOR KNOWLEDGE-INTENSIVE FIRMS

2.9 ACTION 9: ENTREPRENEURIAL FINANCE

2.9.1 CONTEXT, PARTNERS AND GOALS

Partners: Tilburg (Lead); LMT.

Indicative Original Budget: €116,113

The overall objective of this action is to contribute to the creation of a trans-national ecosystem favourable to entrepreneurship, innovation and knowledge transfer, by increasing the awareness of and enhancing the access for HPSUs to venture capital and other sources of risk capital (such as crowd-funding and corporate venture capital). It specifically focuses on providing HSPUs (but also the risk-capital providers) with important insights into the developments and workings of the venture capital industry.

The action aimed to:

- i. Reduce informational asymmetries between entrepreneurs/HSPUs and risk capital providers.
- ii. Make HPSUs/investors more aware of the profound changes in the venture capital industry (which have led to a 'new' venture capital model with new players and opportunities, including developments such as crowd funding, the revival of corporate venture capital, and more active institutional investors).

LMT joined the pilot action later on as the subject was of great interest to them. They indicated that they did need any additional budget for their entrepreneurial finance event, and used a budget from other actions where they had already met the targets.

A series of supports were to be offered:

- i. Specific "TESLA" information, presented through the website and other social media, on the new venture capital model and (making use of other social media);
- ii. Training workshops that focus on the following subjects:
 - (a) Primer on the Entrepreneurial Finance Market;
 - (b) Venture Capital Financing and Contracting; and
 - (c) Legal Negotiation for Entrepreneurs.
- iii. Building networks between entrepreneurs, investors, corporations, researchers and advisors (necessary for a healthy ecosystem).

A selection process involved steps of promotional and recruitment activities, an application and screening process and eventual communication of selection process results to applicants.

Each partner was to carry out promotional campaigns through regional trade organisations to attract potential beneficiaries, as well as a wider web campaign. Partners' own networks were also to be engaged to invite and recruit risk capital providers, corporate venturing players, intermediary service providers and HPSUs. A flyer was also developed and widely distributed among core stakeholders and potential interested parties for Action 9.

Core candidate selection criteria were: They must be incorporated in one of the action's delivery locations, must fall into the workable definition of HPSU and be at an early stage; be interested in obtaining equity/debt financing for the development of their business model in the short term or have limited or basic relevant; Candidate HPSUs must be in the very early to early-stage phase of their lifecycle.

2.9.2 IMPLEMENTATION

In the initial phase of the action, **Tilburg** staff finalised the development of the framework and content of the *Entrepreneurial Finance Workshop* event.

The first workshop was held in October 2013 in Eindhoven. The recruitment process sought to engage not only HPSUs but also risk capital providers, corporate venturing entities, service providers, governmental bodies and others involved in the entrepreneurial ecosystem. In order to support this recruitment and promotional phase, Tilburg worked within the network of local governmental agency *Brainport Development*, a support agency that works directly with HPSUs and other ecosystem stakeholders to improve the regional business ecosystem. The event was attended by more than 40 participants, with all target groups represented.

A professor from Tilburg University with other guest speakers provided the workshop content, focusing on new trends and developments in HPSU financing, such as venture capital post-financial crisis, peer to peer lending and credit unions. The CEO of a successful start-up also presented a case study of his company explaining finance-related problems faced and the manner in which these were dealt with.

The second, larger, workshop was held by Tilburg, in the *Brainport Development* region in Eindhoven and with its cooperation. The 'Venture Day' event took place in May 2014 on the High Tech Campus as part of Dutch Technology Week and was promoted widely in the official brochure. Promotional activities for the second event were directed at several additional platforms such as a local accelerator programme for high-tech companies and local incubators. The event was thus targeted at different groups of stakeholders, mainly start-up companies and formal (venture capital funds) and informal investors (business 'angels'). Some 99 participants engaged in the event, including 33 investors, 14 companies as well as representatives of financial institutions (ABN Amro, Rabobank), incubators and accelerators, universities (Tilburg University and Technology University of Eindhoven) and governmental bodies (Ministry of Economy).

The programme consisted of two keynote speeches, followed up by the opportunity for 10 start-up companies to make pitches. Individual meetings of companies and investors were held in separate rooms. A networking event was also included. A follow up exercise with these companies highlighted that most participants evaluated the event as very useful, innovative and professionally organized.

Tilburg held a third event in February 2015 in Eindhoven, alongside the *Global Government Venturing Summit*, which brought together key actors from all across the globe. There were up to 210 participants, made up of investors and senior managers from venture capital organisations, multi-national corporations, governmental bodies, universities and others. An approach was taken to use key note speakers with an international appeal, to draw in more participants. More time was spent on promoting this approach for the third workshop and thus raised the participation levels.

The Summit included keynote interviews and industry case studies from serial and successful entrepreneurs to share and discuss the lessons and insights from their experiences in establishing companies. There were in all 10 panel discussions and debates comprising representatives from investment, corporate and governmental bodies, as well as universities to brainstorm how to fund and develop an innovative ecosystem.

The topics included were varied and included: future development of industries for investment, syndication of investor's healthcare and technology case study, public procurement of HPSUs, strategies to strengthen private investment in innovative enterprises, creating global network of local innovative ecosystems, corporate role in the innovation ecosystem, role of universities in tech transfer and commercialization of innovation and many more. The keynote speakers and panellists were professionals from around the world, for example from Silicon valley in the US, Stanford University, Tokyo University, Singapore government, UK trade and investment agency, European Investment Bank, Business Development Bank of Canada and others.

One specific panel included two successful start-ups and allowed the participants to hear how they began and gained access to funding. Participating start-ups heard the perspective of risk capital providers towards not just traditional start ups, but also those at varying stages of development, and by type or model including spin off companies as well as typical start ups.

The Summit brought a considered perspective on how to make an innovative entrepreneurial ecosystem, through government, universities and corporations playing an effective and collaborative role. Participants also had the opportunity to pitch and to learn about the investor perspective. Feedback from the companies highlighted the importance of the events in allowing for an increase in the level of encounters and interactions with investors, indicating that the companies now knew how to find them and contact them. This was often stated as somewhat of a mystery for start-ups.

LMT participation in this Action was much more modest, and embedded in the region, aligned with their objective as an incubator. Together with KPMG, it organised an event called *Entrepreneurs Investisseurs* in November 2014 in Laval. The event provided a networking platform to entrepreneurs and investors, and attracted 50 attendees comprising 13 start-up companies, two lawyers and 19 investors. These innovative start-ups were from the field of ICT, audiovisuals, Medtech, software and mobile apps. The event also provided a pitching opportunity to 14 start-ups, for which all received training in advance. Three raised about €200,000.

2.9.3 OUTPUTS AND OUTCOMES.

OUTPUTS AGAINST TARGETS

In overall numerical terms original output targets have been exceeded and all the planned activities and events have been delivered.

TABLE 11: ACTION 9 TARGETS AND OUTPUTS (MARCH 31ST 2015)

Outputs	Projected	Total
No of HPSUs	44	76
No of Risk Capital Providers (Investors)	10	72
No. of Corporate Venturing Entities	9	10
No. of Intermediaries	10	19
No of Government Public Entities	6	10

Further levels of engagement were recorded at these events from other stakeholders, including specifically eight academic institutions and 25 mature companies at the third event held by Tilburg University.

LMT had engaged a local expert, who worked with 28 companies, five from outside the LMT incubator. Some 80% of these companies were aiming at international markets, the area of expertise of the local expert. Supports offered to the companies also focused on pitching for funding, including the area of crowd sourcing funding opportunities. The main focus of LMT in this action related to providing a practical support and accessible platform where stakeholders could meet and interact.

OUTPUTS & OUTCOMES

At the first event held by Tilburg in October 2013, there were no companies pitching in front of the investors, and therefore no subsequent interviews with HPSUs were conducted.

Following on from the second event in May 2014, in-depth interviews were conducted with all 10 companies who pitched. Some had received funding, but not necessarily arising from their participation in the event. The companies indicated that they had learnt significant lessons, the *matchmaking process* allowing them to gain important insights into the venture capitalist perspective. They were also able to be more explicit and confident concerning what constitutes a good investment deal from their point of view. As a result of this learning, they stated that it had become easier to match their needs with specific venture capitalists.

Through the promotion and organisation of these workshops, Tilburg University has developed relationships with key local stakeholders including governmental agencies, investor networks, officials from the Ministry of Economic affairs and Eindhoven Municipality. One important cooperation that continues also after the TESLA project is with Eindhoven Start-Ups Foundation, a local organisation that gathers start-ups and entrepreneurs and engages in networking and educational activities for these members of the ecosystem.

Ongoing follow up is being carried out with the six companies that pitched at the third event held in February 2015. In the case of the most recent summit, Tilburg University is still waiting to follow up with these companies regarding successful access to funding as it may take several months to finalise a deal. Interviews and follow-up will be made in the coming months

TRANSNATIONALITY

Tilburg and LMT were involved in delivering the events in their respective regions. They communicated with each other and also within their own local and international networks in order to execute the planned events. However, they designed and tailored the events as per the requirements of participating companies and attracting investors and other stakeholders of the program/event.

There has been no deviation with respect to content and/or finance for this pilot action. However, due to some organisational difficulties, two TESLA partners who had at a very early stage planned to participate in the action (INI-Nov and CIT) withdrew. Bangor University was also listed in the TOR as they were interested in joining this pilot action. However, delays in approving a revised budget at EU level left insufficient time to pursue it and hence they could not engage within this pilot action.

INI-Nov decided not to become involved due to a difference of opinion on the level of involvement of each partner. Specifically they had anticipated being involved as expert participants and in the design of the workshops. INI-Nov provided its own support to clients, including TESLA supported clients, in the area of entrepreneurial finance, though formally outside the TESLA framework.

CIT did not pursue a planned event due to the fact that a similar one was organised in their region with very similar content. This would have made it very difficult to attract local participants as the start-up and investment community in Cork is relatively small.

LMT had decided to become involved and to contribute to the pilot action. LMT, being an incubator and having networks of local and international start-ups, investors and intermediaries, offered to contribute their expertise and exchange experiences with Tilburg in the pilot action to illustrate good practice and collaboration on a transnational level.

In terms of the transnational engagement, then, Tilburg and LMT worked in parallel, running their workshops with their own local focus in mind. While there was little overlap between the events organised, the main reason stems from the nature of both partners. While Laval is a French incubator and is mostly interested in extending opportunities for their companies through pitching events, Tilburg University is an educational institution that decided to approach the topic in a more holistic and global manner. Therefore it was the goal of Tilburg to involve as many types of stakeholders as possible, while in the case of LMT, it was more practical for them to focus on funding opportunities for their client companies.

Compared to other TESLA actions, the range and scope of the target groups for this action was, in the case of Tilburg, broader. The workshop elements strived to attract not only HPSUs but also risk capital providers, corporate venture entities, service providers, governmental bodies, and other actors that contribute to the entrepreneurial ecosystem. Nevertheless there was some disappointment among the TESLA incubator partners that a closer integration, that would have supported directly their clients, was not achieved.

CONCLUSION

Identifying source of and securing finance is critical at some stage to almost every HPSU. Tilburg explored the concept at the highest level in terms of the international stakeholders through a series of well attended Workshops with a range of high level expertise and HPSU participation. Some of these also offered opportunities for HPSUs to develop their skills at pitching their products. LMT, the only other partner involved, ran a somewhat similar but more local event, providing advance training to HPSUs on followed by opportunities to represent themselves. At least three of the 14 raised considerable funding.

2.10 ACTION 10: PUBLIC PROCUREMENT

2.10.1 CONTEXT, PARTNERS AND GOALS

Partners: Tilburg (Initial Lead); Bangor

Indicative Original Budget: €245,431

Public procurement contracts are potentially a major source of funding for HPSUs, capable of catalysing rapid growth. However, HPSUs face specific challenges as compared to larger established companies: they lack a long track record; can draw on limited financial back-up; and generally lack specific experience in tendering for public contracts. The specific goals of this action were to:

- i. reduce information asymmetries between HPSUs and public procurers, thereby enhancing access;
- ii. increase HPSU skills in developing and submitting tenders and ultimately their success rate.

The interventions with client HPSUs were to comprise the design and delivery of tailored public procurement training days, followed up by public procurement 'surgeries' to analyse tenders submitted and how they could be improved.

The overall objective of this action is to contribute to the creation of a transnational ecosystem favourable to entrepreneurship, innovation and knowledge transfer, by increasing the awareness of and enhancing the access for HPSUs to public procurement procedures in the NWE region. It specifically focuses on training HPSUs on how to submit good tenders in public procurement procedures in order to improve their chances of succeeding in their applications.

Bangor University's *Institute for Competition and Procurement Studies* (ICPS) is a specialist in the area of public procurement, while Tilburg University is involved in international networks and research on various aspects of entrepreneurial support and finance.

2.10.2 IMPLEMENTATION

The rationale for the action was to enable HPSU to quickly get to grips with public procurement and use this learning to accelerate growth. The support being offered to HPSUs had to deal with specific challenges that they face compared to larger established companies. They lack a long track record, can generally draw on limited financial back-up and generally lack specific experience in tendering for public contracts.

Each partner went about identifying HPSUs differently. Bangor used its network, including the *Welsh Government High Potential Start-Up Programme* database, innovation support agencies and its own list of client companies. They prepared a flyer that was distributed through this network. Initial interest was significant. However, the fact that two full days of training was required was, for many HPSUs, a major commitment. There is also the reality that there are only so many HPSUs in Wales. Most HPSUs do not prioritise public sector contracts in the early days given the obstacles to be overcome. They secured a full cohort of 15 firms, turning away a small number, mostly from beyond their immediate North Wales area.

TESLA and the partners agreed that the target was for each partner to bring 10 HPSUs through a process of six modules in two days; followed up by 'surgeries' in the form of Seminars to analyse real applications.

Bangor ran a two day training session with eight modules (two more than originally envisaged) for 15 HPSUs in March 2014 in Cardiff as part of ICPS's annual Procurement Week event, and subsequently Tilburg organised a two day Public Procurement training session on the 4th and 5th of February 2015 with seven modules for ten HPSUs in Eindhoven. Experts from both universities jointly delivered the workshop in the Netherlands and Wales. The modules built on each other, and were highly interactive and participative. Although there was a specific focus on cross-border or EU public procurement, the focus implicitly was primarily on the domestic environment as a starting point.

The Surgeries were initially envisaged as Seminars but for a number of reasons, including confidentiality around tender and the issue of timing, in the end they were delivered as one to one support with the HPSUs.

The tender surgeries consisted of two elements:

1. The Tender Surgery Briefing Report:

- Desk-based expert analysis of a HPSUs *previous* tender submission set against the procurer's requirements/evaluation criteria and questions
- The Tender Surgery Briefing Report involves a write-up of the desk-based analysis (typically comprising of around 10 pages) and provides recommendations specifically for start-ups as to how the HPSU can improve future submissions.
- Typical content for the Briefing Report relate to typical sections within a tender: Experience, Expertise; Methodology for delivering the contract; Approach to Project Management for the contract; Approach to Quality Assurance for the contract.

2. The Tender Surgery Meeting:

- A meeting (face to face/via phone/Skype) of approximately 1.5 hours to discuss the Tender Surgery Briefing Report, and to give the HPSU an opportunity to ask questions. This usually takes place two weeks after the Tender Surgery Briefing Report has been sent to the HPSU.

The goal in Bangor was to support ten of the 15 HPSUs with surgeries. However, to date, only two companies have submitted tenders, and they have both benefitted from Tender surgeries. There are key challenges to the approach. Many of these are 'niche' companies and appropriate tenders might arise only every few years. Bangor are now going outside of the initial HPSUs and offering the service to other HPSUs not involved beforehand with the plan to reach 10 by June and to continue until the end of September.

Collaborating together, Tilburg and Bangor University had developed the training content, supporting materials and Tender Surgery Methodology for the Public Procurement workshop. Each partner delivered the Public Procurement Awareness days in their respective regions, in the Netherlands and Wales.

In 2014, Tilburg and Bangor University worked together to organize *Public Procurement Awareness Days* workshop in their respective regions. The experts from both the universities were working together to deliver the workshop in the Netherlands and Wales. Tilburg, co-operating with Bangor, delivered two days *Public Procurement Awareness* days in Eindhoven on 3rd and 4th of February 2015.

The recruitment of the HPSUs in Holland was carried out in collaboration with Eindhoven Start-ups Foundation which has a substantial network of start-ups that operate in various fields. The event was promoted through Start-ups' 'meet-up' groups, on Eventbrite as well as through Facebook, leaflets, flyers and email invitations. Over 25 participants showed interest in the workshop from which 10 were selected that fit best with the definition of HPSUs. Their background was very diverse, from web designing companies to software companies, research companies and online publishing companies.

The purpose of the Public Procurement Awareness days was to fast track the growth of HPSUs via taking advantage of public procurement opportunities – the idea being that HPSUs with no real knowledge and understanding of public sector tendering, would be able to learn about all the essential elements of what they need to know over a 2 day intense training period, dedicated to their specific needs. The training sessions were tailored as per the need of local HPSUs, keeping in mind the local needs, the sessions were delivered by experts from the Netherlands and Bangor University's team.

In total, seven training sessions were delivered by Tilburg and Bangor Universities to 10 HPSUs at the High-tech campus in Eindhoven in February 2015. Sessions focused on the structure and legal aspects of public procurement procedures and at a practical level- how to draft and prepare a winning public sector tender.

Tendering strategy and management was also covered. Collaborative bidding techniques were detailed as well as an analysis of cross-border access to public procurement markets.

The sessions took advantage of the specialist procurement and tendering expertise available from Bangor University's Institute for Competition & Procurement Studies & Tilburg University as well as direct input from HPSU companies that were able to share their first-hand experience of topics such as Cross-Border Access to Public Procurement Markets. A local expert was recruited in the Netherlands to share expertise with regard to the local needs of HPSU companies. The sessions therefore comprised of a deliberate mix of formal presentations; interactive sessions; case study presentations and input by public procurers.

The event was also used to promote the Tender Surgeries and how the HPSUs could benefit from this unique aspect of tendering support that would perfectly complement the Public Procurement Awareness days, given it would provide them with an opportunity to have a bespoke analysis of a tender that they had put together. An innovation in terms of the training was the session where HPSUs were required to critique (in groups) a tender written by a fictitious start-up. This enabled the HPSUs to learn in a pragmatic way all about how to overcome the common issues faced by high potential start-up organisations in tendering.

The feedback from the two day event was very positive and most of the participants rated their experience at the workshop as very enriching.

2.10.3 OUTPUTS AND OUTCOMES.

OUTPUTS AGAINST TARGETS

In total 45 HPSUs were to be assisted, with four training workshops, two each in Tilburg and Bangor.

TABLE 12: TARGETS & OUTPUTS ACTION 10 PUBLIC PROCUREMENT (ACTUALS AT MAY 31ST 2015)

Outputs Indicators (number of...)	Bangor Projected	Bangor Actual	Tilburg Projected	Tilburg Actual	Total Projected	Total Actual
Awareness Days	2	2	2	2	4	4
Number of HPSUs participating in Public Procurement Awareness Days	15	15	10	10	25	25
Training sessions	6	8	6	7	12	15
Govt/Public Sector entities	2	2	2	1	4	3
HPSUs in Tender Surgeries	10	5	10	0	20	5

So far they have jointly reached 30 HPSUs; 25 from participating in Public Procurement Awareness days and five from the tender surgeries.

The most notable discrepancy between project targets and actual outputs is the number of HPSUs proceeding to surgeries so far, a number however which they expect to continue increasing.

These will continue until September, but several factors probably account for this low figure even at this stage. Opportunities to tender for appropriate public procurement contracts in niche HPSU areas may arise infrequently, and a precondition of a surgery is that a tender has already been submitted – and rejected. Tilburg points to such difficulties in providing the tender surgeries to the HPSUs that participated in the training sessions on 4th and 5th of Feb 2015. No HPSU submitted, and then failed to win, a tender in the public sector during the period the tender surgeries were offered. The offer was therefore extended to non-participating HPSUs in the region, and Tilburg and Bangor team are working together with a public sector organisation in the Netherlands to deliver the tender surgeries to some non-participating HPSUs.

OUTPUTS & OUTCOMES

Feedback was collected from the *Public Procurement Awareness Days* in Wales, and was positive. The tables below present statistical feedback provided by the attendees in their feedback forms:

	Excellent	Very Good	Acceptable	Below Expectation	Poor
Performance of Trainers	67%	33%	0%	0%	0%
Presenters Knowledge of the Topic	50%	50%	0%	0%	0%
Relevance of Topics	50%	42%	8%	0%	0%

	Yes	No
Did the event meet your primary objectives?	100%	0%
Was the event relevant to your practice?	100%	0%
Will the event alter your practice/work?	100%	0%

Below is a representative sample of comments from Wales:

- "An excellent event, well managed and well delivered".
- "One of the best training courses I have ever attended. Very well organised and delivered - went far beyond my expectations."
- "I have never put in a tender and found the 2 days informative and very useful going forward"
- "Brilliant."
- "Very Useful conference."

Feedback was also collected from the ten participants at the Public Procurement Awareness Days in Eindhoven.

Some eight participants (80%) felt that the duration was appropriate, nine believing that the speakers were interesting and inspiring. Speakers included four representatives from action partner at the Institute for Competition and Procurement Studies, Bangor University, Wales. Again some nine participants felt that the sessions were interactive and hands-on, with useful information being obtained to help to submit a better bid in a tender process. The event was regarded as a good opportunity to network with other entrepreneurs.

A total of 55% of respondents would agree to participate at a similar event again. While 80% of respondents agreed that the event was professionally organized, only 50% felt that there were sufficient promotional activities for the event.

Some general comments indicated as follows from Tilburg:

- "Speakers were very good!"
- "Very useful and practical, especially the session where we had to assess the bid."
- "I like the approach they had!"
- "I enjoyed it very much, but it could be rather one day than two."
- "It was useful session and lot of fun."
- "Sometimes it was too technical and complicated but overall I learnt a lot."

Partners felt that there is more of a gap in supporting start-ups in tendering in the Netherlands, where the support infrastructure to assist applicants to tender for public procurement contracts is at a more developmental phase. This may also be related to the fact that HPSUs have greater access to private sector contracts in the Eindhoven region.

The networking aspect of the awareness days was important in both Holland and Wales. By bringing key stakeholders together, the result was not just to support the targeted companies, but also to raise awareness of public procurement locally and the details of the bidding process. In Holland, the municipality lacks informal and ongoing working connections with enterprises, so this workshop allowed for contact to be made between these stakeholders. There was also a secondary benefit: The Public Procurement Agency also was afforded an opportunity to make connections with HPSUs, something which occurs only seldom in their normal working routines.

These successful and unsuccessful companies can then be referred onto the surgeries for specific supports.

The fully documented package of training and support, the content, the tendering support methodology 'ladder', is the key output from this work package action. It can, the partners believe, be reused not just by the TESLA partners but by others. The transferability of this output is supported by its analysis of EU public procurement policies and frameworks. Based on the experience of the partners, some aspects of the support may need further fine tuning. For instance, given that some HPSUs could not attend the full 2 days, one option would be to reduce the training to just one day, however, this may dilute the impact of the training in that it would be provided at an outline level only. One option to overcome this, would be to offer part of the course remotely for implementation in the HPSUs own time.

TRANSNATIONALITY

1. As noted, the focus of this action was not on transnational, or international public procurement contracts, but rather on those originating and to be implemented within the HPSU's own region. The rationale for this is that it would not be realistic to expect HPSUs to master the art of winning tenders internationally before they have done it on a domestic level and hence would be a good way to ease them into the process and gradually build an understanding. It also meant that they were more likely to build a relationship with the tender public authority.
2. There were some significant transnational components.
 - Being able to brainstorm together from their different experience and angles (Bangor in the central processes of public procurement; Tilburg in legal aspects) in conceiving and designing the programme;
 - Co-creating the content, and developing the modules together;
 - Refining each step of the programmes through ongoing communication between them;
 - Co-delivery of the Programme: Three representatives came from Tilburg to Cardiff for the delivery in March 2014; and four from Bangor to Netherlands in February 2015
 - Only recruitment was done entirely locally.

Both partners believe that the Action both deserves, and would have the potential, to be repeated in other regions and are willing to offer it in that context, building on the documented modules and activities.

CONCLUSION

There was strong transnational collaboration between partners in this specialist area of support, and the participating HPSUs believe the outcomes to be positive. There are several steps involved in a HPSUs to reach the point of tendering for transnational public procurement contracts, and in niche areas opportunities to tender may come infrequently. It was therefore never expected that participating HPSUs would go the entire way during the TELSA period. What this Action has produced is a fully documented package, tested by HPSUs and found to be positive, that can be repeated elsewhere for the period required; and a 'Surgery' component that can be utilised on its own as HPSUs find opportunities to tender.

3. ANALYSIS OF SUPPORTING INTERVENTIONS

TESLA included two main support Work packages. As supporting activities, these were not discussed and jointly developed (with some exceptions) among partners to the same extent as the core Actions in Work Packages 1 to 4, and were overall dealt with in a more instrumental manner.

3.1 WORK PACKAGE 5: BEST PRACTICE AND CASE STUDIES

3.1.1 CONTEXT, PARTNERS AND GOALS

Partners: Tilburg (Initial Lead), Bangor (transferred after first Steering Committee)

Indicative Original Budget: €241,444

This comprised two interrelated Action:

Action 11: Best Practice Document

The overall objective of Work Package 5 and its two closely related Actions was to:

- Gather all the results from the implementation of the pilot actions in Work Packages 1 to 4);
- Document a set of paradigmatic and remarkable success stories as case studies of what must be done in the NWE region to foster entrepreneurship and innovation;
- Compile these into a Best Practices Document to include also recommended actions to foster entrepreneurship and innovation, the creation, development, growth and internationalisation of HPSUs, and the overall creation of an ecosystem favourable to knowledge-intensive enterprises

Action 14: Publicity and Dissemination

Action 14 was to take the results of Action 11 - the Best Practice Document – publicise and disseminate it sharing the relevant conclusions with relevant regions and more widely. This was also to include the development of a mainstreaming strategy to sustain the successful pilot actions within the partner regions.

In short as a whole Work Package 5 was to document the entire TESLA project, distil learning in terms of best practice and recommendations, and compile these into a Best Practice Document that would be widely publicised and disseminated among stakeholders inside and outside the participation regions and the wider NWE, and include a sustainability strategy.

This was to be completed in a series of nine steps as follows:

1. Development of a template for gathering data arising from the implementation of the pilot actions;
2. Training sessions for each partner, on relevant know-how for compiling and process data in the template;
3. Elaboration of a draft conclusions paper by Tilburg University of first conclusions;
4. Review and benchmarking of the internal report by TESLA partners;
5. Elaboration of the Best Practices Document including comments and suggestions made by the partners, top include best practices, policy recommendations and Pilot Action case studies;
6. External benchmarking of quality and accuracy of Document with an independent third party;
7. Publication and printing of 800 copies to ensure a wide distribution over the NWE region and the EU;
8. Dissemination to a wide range of internal and external organisations through existing networks;
9. Elaboration of a mainstreaming strategy to sustain the successful actions within the partner regions.

3.1.2 IMPLEMENTATION

This began as an ambitious Work Package with a significant budget, aiming to document the TESLA Programme as a dynamic laboratory to investigate the eco-system for a set of transnational actions to support HPSUs. Deploying partners to gather data in a systematic manner, it hoped to situate the TESLA experience in the wider literature on innovation eco-systems, to document each of the interventions in detail and assess how each affected that eco-system, to extract best practices and to develop policy recommendations. It thus viewed the TESLA programme through the more ambitious of the two lenses outlined earlier in Section 1 above.

Although the Work Package continues and the main output will soon be produced, overall the final implementation appears likely to generate more modest outcomes.

An initial change was a shift in leadership, following the first Steering Committee meeting, from Tilburg to Bangor University. Due to the complexity of finance, dedicated staff could not be deployed and Bangor's Confucius Institute decided to supplement the work through its own research fund. At first it remained an ambitious undertaking and Tilburg was to continue to contribute. A conceptual proposal was presented to the TESLA Committee in March 2013 reflecting the full scope of the original proposal. A review of the literature was begun and a draft outline of the Best Practice Review presented in July 2013 at the Steering Committee meeting. It was also agreed then that ten Case Studies would form the basis of the Guide.

Over the following year a uniform protocol was established for and agreed by all partners, to gather data on all activities. However, the attempt to systematically document all TESLA actions appears not to have been completed, at least so far.

In 2014 Bangor University also initiated for a questionnaire survey, comprising 28 questions. The survey would cover HPSUs participating in a range of TESLA actions, beginning with Ireland and Wales, and sought to develop a more systematic overview. However, the survey was discontinued because of concerns that the enterprises were being overburdened with surveys, given that Feedback forms were also a requirement (see below). There was also a concern that it might duplicate the present evaluation. The returned surveys at that point were too few to be of use.

The focus turned to identifying and documenting case studies of successful actions, two for each Action by lead partners and concentrating on specific enterprises rather than on TESLA processes. Another potential source of best practice may yet be the reports emanating from each of the staff completing transnational placement under Action 5.

3.1.3 OUTPUTS & OUTCOMES

A *Draft Best Practice Document* was produced by Bangor in February 2015 building on the earlier outline. It draws attention to TESLA's goal of creating "a shared ecosystem in which best practices in accelerating the growth of smart firms with export potential, will be transferred between partner regions and the lessons disseminated throughout NW Europe" (p.5) and briefly describes TESLA's conceptual underpinning. It also offers a useful review of the literature and thinking around supports for High-Growth Small and Medium-size Enterprises. The main body of the report comprises a set of (as yet incomplete) case studies of successful support of HPSUs, to be written by each partner. According to the table of contents, the final report will conclude with commentary on the preceding sections and a set of recommendations. These may also cover some of these wider eco-system and policy issues, although it is not clear at this stage the extent to which partners and other stakeholders will be involved in articulating these recommendations, and the extent to which they can draw on the wider formative and process based experience of TESLA beyond that of the individual enterprises.

The background research work at Bangor has generated a considerable resource base for the team, including much of known best practice to date from leading literature. This will be used to hold a mirror up to the results of TESLA once these are available comprehensively. The final document is still in an early stage, and so far the main body of evidence from the TESLA experience is the set of about 10 HPSU enterprise case studies. Thus an evidential basis for discussion of the wider issues of an ecosystem is only just emerging. Deeper insights are likely to take some time to glean and no doubt more will be documented before the October deadline for completion of TESLA. The Bangor team intends to continue to explore this knowledge base over an extended timescale.

Many of the HPSU case studies documented in Best Practice Document will be presented as testimonials during the upcoming TESLA Conference on Internationalising Business Opportunities in June 16th in Galway in Ireland.

The Best Practice Action continues until October so there is considerable time to add to the work, and the output may yet approach the original broad vision for it. It will certainly touch on most of the areas, for instance TESLA as a laboratory for a transnational ecosystem, even if the depth of analysis possible is at this point uncertain. The Case Studies could generate useful opportunities for learning and to generate interest in and replicate some of the TESLA work. The scope of the policy recommendations is also not yet clear, and nor is whether, as originally envisaged, a process of external verification for the overall document will be undertaken. The longer term possibilities, however, has significant potential as the data continues to be analysed by the team, and the wider context is gradually filled in.

With regard to a contribution to mainstreaming TESLA Actions, this appears so far to be the responsibility of individual partners and in some cases groups of collaborating partners where joint work is continuing. It is not clear as yet how this Work Package might contribute to this.

Although no firm conclusion regarding the scaling back of the output of this Work Package can be drawn, tentatively it may be related to the different backgrounds and approach of two main sets of TESLA partners: one the one side those involved directly in providing supports directly to HPSUs, including incubator centres, and in addressing their ongoing needs in a sustained manner; and those involved more academically in the understanding wider issues of innovation ecosystems and their dynamics. This is raised again in the conclusions.

3.2 WORK PACKAGE 6: MONITORING & EVALUATION, AND MANAGEMENT

Work Package 6 Monitoring and Evaluation comprises two Actions, as its title suggests. A brief overview management of the TESLA project is also added here as they were all combined together in the original TESLA application.

3.2.1 CONTEXT, PARTNERS AND GOALS

Partners: Lónra (Monitoring Feedback and Evaluation); NWRA (Management and Administrative Monitoring)

Indicative Original Budget: €210,784 (excluding management)

The activities here were divided between two Actions.

Action 12 Ongoing Monitoring was an internally driven process with two strands.

- **Feedback monitoring**, under the responsibility of Lónra, comprised the gathering and collation of systematic feedback from beneficiaries and stakeholders involved in each of the pilot Action areas. This would inevitably be at the level of outputs (as distinct from outcomes) and required systematic transnational coordination. Lónra was responsible for this.
- **Administrative monitoring** aimed to ensure that progress and timelines were monitored, milestones noted, actions delivered and budget and expenditure recorded. It was focused both on TESLA partners themselves, and on reporting by the managing partner, NWRA, to the larger NWE Programme. Concrete outputs of the on-going monitoring process included the following: 1. Physical indicator data every six months; 2. Pre-agreed progress indicators every six months; 3. Financial progress against approved budgets and actions every three months. The NWRA was responsible for this activity.

Action 13 Evaluation comprises the commissioning of an independent ex-post evaluation, an output of which is the present evaluation document. The terms of reference of this report were broadly in line with the original plan. However this evaluation is being completed before the end of the TESLA Project itself, and this has affected to some degree the extent to which fully complete data is available. This is commented on elsewhere in this report and is not pursued further in this section.

TESLA Management, the responsibility of lead partner NWRA, involved compiling and submitting the obligatory reporting to the NWE Programme, but also organising and chairing the TESLA Steering Committee, troubleshooting across all areas, financial and budgetary managing, ongoing communication and publicity and considering and approving changes and refinements of the budgets and actions of project.

3.2.2 IMPLEMENTATION

Feedback Monitoring

The process of obtaining feedback from beneficiaries and, where relevant, other stakeholders was described in an Evaluation Framework presented by Lónra and agreed by partners at the 4th Steering Committee meeting in March 2013. Following discussion among TESLA partners it was agreed that a Feedback Template would be designed and jointly adopted to ensure comparability; and that an attempt would be made by all partners to achieve 100% coverage of relevant stakeholder views throughout the implementation of TESLA.

At the following meeting in July a standard sample questionnaire was circulated that could be customised by partners to different situations, while retaining the core content. Feedback would be obtained through short surveys completed by various stakeholders, for instance by participants at the completion of training courses or awareness days; and by both beneficiary HPSUs and Mentors at completion of a mentoring process. Surveys

were to be returned to Lónra on an ongoing basis, and Lónra encouraged partners at subsequent meeting to complete them.

CIT and Lónra partners did complete the Feedback Surveys on a reasonably systematic basis, as did LMT, in relation to Action 4 Internationalisation and Action 7 Mentor Plus. Bangor also gathered some. However, for a number of reasons, not all actions were covered and some partners did not utilise the feedback forms. In some cases partners felt it inappropriate to approach the client with these, and verbal feedback was obtained after some support actions. In others partners felt the survey itself did not fit their needs. Overall, while partners admitted the relevance from the monitoring and evaluation point of view, many do not appear to have prioritised the gathering of this material or, where problems have arisen, attempted to raise and resolve these with the lead partner. The feedback returned so far is reported on in this evaluation under each action. Additional feedback forms may yet be returned for previous and ongoing actions.

Administrative monitoring, undertaken by NWRA by the lead partners, involved ongoing three month and six months reports. It is not the purpose of this Evaluation to assess this process in any depth, but a number of points did emerge from the TESLA partner perspective:

- Partners felt that administrative activities were particularly onerous in this project as compared to others, arising not from the TESLA Project management *per se* but from demands at Programme level.
- Without exception TESLA partners feel that the support provided by the TESLA management team was excellent in terms of facilitating and enabling the administrative reporting. Communication and responsiveness was very good, and creative solutions were often found to problems faced.
- The process of having a lead Tesla Partner for each Action compiling the returns from the others for Short and Long-form Reports, though demanding considerable effort (on the part of Lead Partners and TESLA Management), worked well and enabled ultimately an effective reporting system that could draw together inputs from a wide variety of partners and actions.

From a TESLA management perspective three clear requirements were identified for effective delivery of activities and reporting by partners: Commitment from a Senior Management ensure progress is maintained and priorities; a Project Officer as a key point of liaison; and a Finance Office to ensure that financial reporting would be timely and accurate. These were not always present at all times in each partner, resulting in some additional effort being required, but overall, Management was satisfied with TESLA partners' commitment.

The Administrative Monitoring is producing on an ongoing basis a list of all outputs, based on the original indicators of progress. As it is time-consuming, these have not been fully available to this evaluation on an up-to-date basis. Given also that many Actions are still underway, the most recent figures available to this evaluation would greatly underestimate the actual outputs from TESLA. However, at the end of the TESLA Project, the Management hopes to produce final fully completed figures of outputs in relation to the original indicators.

TESLA Management: Management was not examined in depth. But overall TESLA appears to have been well managed and all partners contributed to this. The regular Steering Committee meetings were well prepared, attended by all partners, were clearly minuted, and served the purpose intended for them. Communication as a whole within the Consortium was good, notwithstanding some shortcomings indicated here and there in this report.

The communication strategy for TESLA includes a Website with a newsletter and downloaded content; attendance and promoting at a range of events by various partners; and the production of various leaflets and brochures.

4. TESLA ANALYSIS & CONCLUSIONS

4.1 ISSUES ENCOUNTERED AND WIDER LESSONS

A DIVERGENCE OF APPROACH WITHIN TESLA

Leaving aside the lead partner whose role was to manage the contract, TESLA partners can broadly speaking be divided into two types: those directly involved in providing services to HPSUs through incubation centres almost on a day-to-day basis, and those involved more broadly in analysing and nurturing an environment supportive of the emergence of HPSUs. Translated into TESLA objectives this meant that the former were mainly concerned with running pilots and achieving practical ways for HPSUs, at least ultimately, to access external markets; whereas the latter were exploring a wider transnational eco-system that might support HPSUs in general in moving towards a transnational dimension.⁴

The former group comprises CIT, LMT, INI-Nov, Lónra and EBN. CIT and LMT engage HPSUs through the direct provision of incubator services. INI-Nov works in close partnership with incubators and directly supports HPSUs in many ways; Lónra is essentially a support network for a cluster of regional incubators associated with third level institutions in the region; and EBN is a European-wide network of incubators and innovation centres. Tilburg and Bangor Universities, on the other hand, are primarily third level institutions, undertaking research at local to European and global levels, sometimes providing targeted support to groups of HPSUs in specialised areas. The Bangor TESLA team in particular also works extensively with small companies, combining both theoretical and practical experience. But overall, communication between the Universities and wider stakeholders such as finance institutions or public procurement bodies tends to be higher than for the others.

TESLA partners, in forming the consortium, were aware of these distinctions. During the development of the TESLA proposal, it was believed that the specialist knowledge of Tilburg and Bangor would enrich the actions of the other partners in working more closely on the ground with HPSUs, and that that enrichment would occur in a transnational manner between partner regions and institutions. The initiator of the TESLA concept, Dr. David Joiner of Bangor University, noted that the original intention was to establish a programme with a multiplicity of features in an eco-system to provide new stimuli, learning and connections for different players, and that BMW, as the managing partner, wove a practical set of initiatives around this planned infrastructure.

Action 9 on securing finance for enterprises and Action 10 on gaining access to public procurement contracts would, it was hoped, enable client HPSUs of the other TESLA partners to access finance and to actively engage in public procurement activities. In practice, however, Actions 9 and 10 were somewhat distinct from the other Actions. In one case the output originally expected by another partner from Action 9 was developed by that partner in its own context, using its own resources, having pulled back from becoming an active partner in the Action. This gap may also have influenced the scope of Work Package 5: Best Practices, limiting the active participation of partners at the conceptual but also at the data gathering level.

The more academic versus the more practitioner sides of TESLA have different – though complementary – wider objectives and cultures, and the terminology and language deployed by each also differs. However, all participated and communicated effectively in the TESLA meetings.

⁴ Bangor University's participation can more accurately be characterised as having a foot in each camp, and participated in TESLA through both the *Institute for Competition and Procurement Studies* and the *Confucius Institute*. Bangor was involved in a total of five Actions, and works directly with HPSUs.

INTERPRETATION OF AND COHERENCE OF ACTIONS

TESLA Actions, and Works Packages, were conceived as a broad sequence. The 'ideal' TESLA HPSU evolves from an idea for a product or service, through various stages to successfully accessing a transnational market and selling the product and/or service there. Along the way, the various TESLA actions can be seen to support one or more stages, in a continuum.

Action 1 focused on the creative industry sector, generally considered to be in need of capacity enhancement on the commercial side, even to get up and running. Action 2 focused on the first steps of turning a good idea into a new product. Action 3 tried to do similar things for start-ups that lack the specific third-level supports within their own localities. Action 4 and Action 7 both focused, through training and mentoring respectively, on getting HPSUs ready to access a particular market; and their complements, Action 6, offered a soft-landing to penetrate the market identified. Action 9 would link to finance to scale-up for building a new market; and Action 10 is a means to penetrate the extensive public procurement markets. Action 8 was a special case: a pilot to address whether larger corporations could capture more of their innovative capacity and spin it into in-house development or new HPSUs.

Of course, this risks imposing a logical sequence within a systematically coherent framework beyond what was intended.

TESLA is perhaps more accurately described as a set of targeted pilot interventions along a loose continuum of a HPSU's progress. Each pilot intervention is more or less coherently coordinated and following the same broad objectives; and these interventions may or may not articulate with each other, being amenable to flexible adaptation to do so in the different circumstances faced by each partner.

This looser and more flexible interpretation meant that TESLA partners sometimes interpreted and deployed the same action in different ways. There was, within each Action and between Actions, significant scope for diversity and even overlap. A mentor provided over a period of time could in practice be doing the same work as one-to-one support in internationalisation. Different actions, implemented flexibly, converge to perform the same role; whilst the same action implemented by different partners can diverge with different outcomes.

This flexibility led to diversity of responses, adaptation to local needs and sometimes to creative solutions that often achieved positive results.

A drawback was that it becomes more difficult to monitor outputs effectively. A single action when modified by different partners might no longer produce comparable outputs. For feedback purposes it also meant that the uniform feedback template was not in every case considered by partners as appropriate for use in their modified context. (As noted, this partly accounts for the absence of consistent and comprehensive output feedback.) Overall, it also makes the evaluation of outcomes a more challenging task.

NWE REGIONAL BOUNDARIES

An issue identified by INI-Novation is also worthy of mention in the context of coherent interventions. It refers to the regional focus on TESLA project exclusively on NWE, as required by the funding programme.

INI-Novation instances a couple of cases where support activities were judged to be ineligible for reimbursement because the location of that support was outside the NWE. An example was an enterprise seeking to raise finance in Berlin; and another seeking to attend a sales show at CEBIT in Hanover, both in the context of Soft-Landing action. Given that the benefits would be derived to enterprises with the NWE, the rationale for excluding these possibilities was not clear. In the event, because of the nature of INI-Novation as a private independent innovation support centre, they could enter into a private arrangement and so provide the service based on a contractual agreement between the two. Such an issue came up from time to time

among other partners, often in small ways. It seems likely that it was particularly noticeable in Darmstadt which is so close to industrial and financial centre of Germany and part of the same market.

THE PARADOX OF SUPPORTING A 'SOFT-LANDING':

A further issue worth raising may have future relevance and potential for exploration.

There is an apparent paradox inherent in the idea of an incubator or innovation centre supporting this kind of activity. In effect it appears to be a case of inviting another HPSU into the region with a view to supporting it to gain a foothold in the local market. This would seem to be potentially at odds with the goal of most incubator centres, which is precisely to support *local* enterprises either within their own regional markets or to access external markets. Why support external enterprises in this manner? The literature (references to it are included in the Draft Best Practices Report) suggests a number of rationales:

First, a Soft-Landing platform is not necessarily focused solely on markets and selling goods or services of the external enterprise. Often what is sought are partners and collaborators in market entry and growth, in production as the market expands, or in franchise expansion, all of which potentially generate employment and build capacities in the host region. (A TESLA example was of a product to treat equine hooves, developed by an enterprise supported by CIT, but linking up with 20 or so French companies who supply the local horse industry, enabling them to supply a better service.) As success grows, extensive local expertise is drawn upon, such as lawyers, accountants and advisors.

Second, there is a wider picture of interest to the European Union. For bringing in innovative external enterprises can raise the level of competitiveness of local enterprises, and so prepare them for accessing external markets. Thus the overall capacity of the region can rise.

Third, and this relates especially where there is a withdrawal of state support or an absence of them in this particular niche, there is a growing market in the supply of these services in which a specialist support sector can emerge in the private sector. Such a private sector has no compunction about serving any customer that can pay, irrespective on its regional development impact.

There is one more related issue. There is some evidence from TESLA that the 'traffic' in soft-landing is predominantly one way, from the more-peripheral to the stronger industrial regions with larger markets.

However, the extent to which these benefits and dynamics may apply, and the circumstances that may encourage them, have not been examined among the more peripheral region of the NWE. This is an issue that may bear further analysis.

4.2 TRANSNATIONALITY OF THE TESLA PROJECT

Transnationality within the NWE must be a prominent feature of any project funded under the *Interreg IVB NWE Programme*. But the precise nature and dynamic of such required transnationality is not predetermined and will inevitably vary in different circumstance and in relation to addressing different needs. Transnationality is not to be supported simply for its own sake. While the *NWE programme* stresses designing, developing and delivering transnationally, as a single consortium, to follow such a course blindly is clearly not the intention.

In the end, only such transnationality is supported, or should be supported, in TESLA that can contribute to the overall outcome sought: i.e. to design and pilot new interventions that enhance the transnational commercialisation of HPSUs. Indeed the goal of these Actions, all of which can be considered as pilots, is to help to identify *which forms of transnational action can contribute to achieving this objective, and how*.

REDUCED TRANSNATIONALITY

In certain respects, the TESLA programme as implemented exhibited a more limited degree of transnational cooperation than had originally been envisaged in the programme application. Many of the Actions, as described above, were originally foreseen as being designed and implemented as a common action in each region, through cooperation and collaboration between partners. In all TESKA Actions, the initial steps were taken together, for instance designing the Terms of Reference, developing needs assessment tools, and designing Training Programme content. But these were very often subsequently adapted by partners to their own circumstances, and most often delivered solely by partners in their respective region with little or no input from the rest of the TESLA team. There were of course some exceptions to this, and complete transnational delivery anyhow posed practical difficulties in many cases.

A number of factors can account for this.

A key one was an emerging realisation among TESLA partners of the regions, in terms for instance of the nature and level of development of start-up enterprises, the array of existing supports available to HPSUs within each region, differential access to relevant expertise (for instance noting that a good mentor must often have a thorough knowledge of the local environment, and not simply of an external market), and the characteristics of local markets. Such diversity meant that Actions had to be significantly modified to be effective in an given region.

The circumstances of most of the TESLA regions are not typical of what may be called the industrial core of the NWE. While the Tilburg and Darmstadt partners are in, or very close to, major innovative and technology industries, the others are in more remote corners of NWE. This too affects the nature of the transnational actions that would or could emerge from TESLA as well as the extent of innovation happening on the ground and the number of HPSUs emerging. The wider geographical/industrial differentiation within the NWE also affects the nature of transnational activity. For instance, HPSUs from the more remote areas (and indeed others) tend to look to major centres such as the UK and Germany when seeking to access external markets, rather than to other more remote areas (though this may not always, in fact, be the optimal approach for them). As noted earlier, the funding boundaries set on the TESLA programme i.e. that expenditure should be within the NWE region, also, at least in a few cases acted as a constraint on transnational action.

For the most part, this evaluation concludes that where a transnational component was reduced, in the sense that there was a lower level of interaction, cooperation or collaboration between partners than had been anticipated in the initial applications, it was a sensible and appropriate response to the circumstances the Action faced in terms of practical implementation in the different regions and by partners with different strengths. Furthermore such beneficial changes were possible because of the good quality of communication that, in general, was a feature of the TESLA Consortium and between groups of partners in most of the individual Actions.

In practice, it also meant that some of the interventions implemented by individual partners, developing their own interpretation of an action, had very limited or virtually no *specific transnational component per se*, whether that be training, mentoring, workshops, product design or local market development. Rather, they were seen in the circumstances of the particular region and partner as *preconditions to the potential emergence of a transnational dimension*, usually bringing new starts-ups to a point where they might realistically envisage the possibility of accessing a new market. Particularly in more remote regions, this seems to be a valid response to the TESLA objective, even if in itself it involves directly a limited transnational component.

The very different TESLA partner profiles – between those involved from incubation centres to those heavily committed to more academic research – has, as noted, also played a part in constraining one strand of potential transnational cooperation.

This points to a larger issue that can only be hinted at here: How well is suited the NWE Programme to supporting HPSUs in these regions; and it was conceptually designed with them in mind at all. One point is a question of scale. TESLA may seem large, at €3.8 million invested by the EU and by partners. But in the context of the NWE Programme of over €330 million with ERDF funds, it is very small. Put another way, there is an apparent expectation, from a purely administration and management perspective, on the NWE Programme managers at EU level to develop large projects that can absorb significant funds. Yet the innovation centres in some of these regions are modest in size, serving regions with far more limited capacity for innovation and accessing external markets than the core industrial parts of the NWE. There was an expectation on the TESLA consortium to scale up at the time of the application to the programme, and it did not necessarily lead to an optimal scale or allocation of resources, and combination of partners and actions.

This again is worthy of deeper consideration.

EFFECTIVE TRANSNATIONALITY

Coming at the questions of transnationality from the other way around: Which were the strongest areas of transnational cooperation, and why? This approach focuses more closely to the issues of what level and nature of transnationality is appropriate, and what positive lessons emerge from TESLA.

It is interesting that one of actions most welcomed and appreciated by all participating partners (Tilburg was the only one not to participate) was **Action 5: Transnational Placements**. For most of those involved this brought two significant benefits.

First it allowed a hands-on highly-motivated and focused sharing of best practice across regions. In the normal course of their work, staff at innovation centres and incubators tend not to engage in much exchange with each other, at least at a level sufficiently detailed to enable the share of best practice. Each tends to focus on its own assets within the region and on building small enterprises to the stage of local market launch, at least in the early years of these centres. Everyday pressure of work makes it difficult to find the time and space, and justify it to senior management, to visit and get to know another centre when the benefits seem somewhat vague and uncertain. Thus each innovation centre, especially in less industrial regions, has tended to invent its own approach – in practice leading to an interesting and creative diversity among centres in their approach and specific programmes.

This TESLA Action 5 meant that best practices from among that diversity could be identified by partners, the time could be found to fully explore them and, in at least a few cases so far and it is ongoing, to adapt for use in their own context.

Second it created a foundation for ongoing and future interaction and networking between innovation centres, including collaborative transnational actions. One point that TESLA, and indeed many other EU funded projects, highlights is that the deeper the relationships between partner and their familiarity with each other's needs and approaches, the more effective are joint proposals and collaborations that emerge. Beyond seeking joint funding such close communication and networking between centres leads to ongoing enrichment of work.

The emergence of the informal but ongoing 'matchmaking' discussions between Innovation Centres across regions points to one direction this might take.

One area in which that enrichment can happen specifically is in building relations that translate into shared support for client HPSUs, specifically in the form of soft-landing and co-incubation, allied with the preparation for market access. This covers several of the TESLA Actions, especially **Action 6 Soft-Landing**, **Action 4 Internationalisation** and to the extent that it was used to support these, **Action 7 Mentor Plus**.

The precise number of HPSUs participating in these Actions that have and will proceed to successful external market penetration is not known at this point, though there are a number of documented successes. The evidence does suggest strongly, however, that the participating HPSUs feel they are benefiting significantly, *even where it has not yet resulted in external market access*. This is an important achievement: The realisation by a HPSU that it are not yet ready to enter a market is a step forward, and possibly more HPSUs from weaker regions are likely to arrive at such a conclusion.

However, more important is that between these three Actions, a tailored toolkit has been developed that includes: needs assessment instruments for HPSUs to determine their readiness and needs; training and mentoring support in how and where to internationalise; a comprehensive support manual for a ‘soft-landing’ in a targeted market and for co-incubation cooperation; and a transnational mechanism that in the future could evolve into an Online Soft-Landing Exchange System.

A number of TESLA partners are cooperating closely around the development of these, and hopefully in the context of the EBN, will continue to do so. Indeed the EBN itself is benefiting from a closer relationship, and even membership of, TESLA partners which looks likely to continue to strengthen.

To a lesser extent **Action 1: Creative Industries** has also developed the potential through the emerging online Creative Industries Platform to build ongoing transnational support and networking in the sector. However this is likely to require considerable additional work to get to the point of take off or sustainability. Most of the specific support provided to HPSUs here (as in several others areas) would fall into the category of *pre-transnational* i.e. they are prerequisites of future transnational action (and in that sense contribute to it), by building capacities that might in the future enable participating HPSUs to access international markets.

A similar comment about being pre-transnational applies to much but not all of the work under **Action 2 New Product Design & Development**. But TESLA partners, as far as can be discerned from the evidence, have been particularly successful in developing different but, each in their own way, effective means to support HPSUs in product design. The issue here (and in some other areas) is not necessarily that these HPSUs have failed to achieve external market access, but that the TESLA time scale was too short to take them from where they were through to that more developed state; and that given time perhaps they will achieve it. Most participating HPSUs are continuing to receive support.

Action 3: Innovation Outreach is working in a similar manner with HPSUs, though offering a wider range of supports targeted especially those currently beyond the reach of third level support. The time constraints, due to delays, are even greater there, and no substantial transnational element has emerged as yet. The exception here is the work in INI-Novation, which – though not itself providing extensive support - has enabled connections between many HPSUs research and other support needed across transnational boundaries.

Action 10 Public Procurement can similarly be characterised as pre-transnational, or prerequisites of transnationality. From the start the focus was on fast tracking the scale-up of HPSUs through helping them to secure public procurement contracts. However, these were to be through local and regional public procurement agencies, considered to be the most feasible for HPSUs. Thus it is only later that they might move to a transnational scale. There was, however, some transnational cooperation in designing and co-delivering the programme and in exchange of skills between the two partners involved.

The transnationality of **Action 8 Spin-Ins** was based on a well-researched and promising idea that large transnational corporations might be able to generate employment and enterprises locally through exploiting underutilised capacities for innovation, and that such a model could be shared across TESLA innovation centres. Unfortunately it did not achieve its initial aim – it drew only limited interest in the idea in Ireland where it originated, and in Tilburg which also pursued it. However LMT did learn from this experience and implemented it in a revised form, building in part on an existing programme of their own but using much of

the materials developed in Ireland. This had already achieved some success. Overall, however, the focus here is on learning from the experience.

Action 9 Entrepreneurial Finance, as implemented by the lead partner Tilburg, was highly transnational in nature. Of all the TESLA Actions this concerned itself the most with investigating and exploring the wider eco-system for HPSUs, specifically in relation to financing issues and the potential of different types and stakeholders. In a series of events, each larger than the last, HPSUs from the Netherlands had the opportunity to mix with and understand the wider eco-system issues of attracting finance and to pitch their ideas to experts. Follow-up support is ongoing. Somewhat ironically given the overall focus, and for reasons discussed earlier, the transnational participation of other TESLA partners was very low.

LMTs actions in this area was more modest and more regionally focused – and succeeded already in raising finance for three HPSUs that will enable them to move into targeted external markets.

4.2 OVERALL CONCLUSION

The aim of TESLA was: “through transnational cooperation, to design and deliver a suite of tools for the successful development of knowledge intensive firms with high potential to export and through collaborative analysis and pilot actions, to enhance the partners’ regional innovation ecosystems to support such firms, including SMEs and Micro Enterprises, to secure export markets.” (TESLA application)

TESLA has to a reasonable degree succeeded in that core goal. A suite of tools, comprising some individual elements and a couple of interlinked sets of tools, has been piloted with different levels of success, elements of which are likely to enhance that eco-system.

It has implemented a set of pilots actions each of which, to different extents, has yielded results that either directly or indirectly (though intermediaries) benefit HPSUs. As pilots some actions show more potential than others, but some learning has been gained from all of them. A more precise figure of how many HPSUs have benefited should be available after all monitoring data is submitted and collated at the final completion of TESLA.

The core set of transnational instruments developed around preparation for and accessing external markets has the clearest potential for wider and sustained implementation. But only towards the end of TESLA have the different components achieved the potential to be articulated together into a coherent transnational offering. Additional effort will be required by the partners involved to realise its full potential.

A second set of actions tended more towards what is described here as *pre-transnationality* i.e. they have successfully brought HPSUs – and the feedback evidence supports this – a step or two closer to launching or further developing successful products or services through needs assessment tools, training and capacity building, mentoring and other actions. In doing so, the TESLA partners engaged in various levels of transnational cooperation, exchanging with other, learning, and sometimes sharing implementation. While few of the participating HPSUs have yet to develop a sustainable transnational dimension, most are closer to doing so than before their engagement with TESLA. Thus the nature of, and targets for, transnationality must be tailored to the circumstances of different regions, and TESLA is mostly operating in more marginal regions.

One outcome that does emerge from TESLA is the value of networking and cooperation among innovation centres, incubators and other support agencies and intermediaries working directly with HPSUs. The value-added was by its nature transnational, for instance through the exchange of best practice. But the potential benefits to those engaging in such cooperation and sometimes ongoing close collaboration run across all their support activities, whether or not these are explicitly geared towards support HPSUs (or other enterprises) to access external markets. This is a potential that many of the partners, and the EBN network, looks set to build on.