WP4 – Deliverable 4.3.4 Innovation services preliminary feedback from companies STEP 1

Deliverable Number D.4.3.4

Project Acronym INVESTINFISH

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Project TitleBoosting INVESTments in INnovation of SMEs along the

entire FISHery and aquaculture value chain

Priority Axis 1 – Blue innovation

Specific objective 1.1 – Enhance the framework conditions for innovation

in the relevant sectors of the blue economy within the

cooperation area

Work Package Number 4

Work Package Title Testing innovative solutions and assessing effectiveness

Activity Number 4.3

Activity Title Providing SMEs with a roadmap to innovation

instruments and services

Partner in charge LP – T2i

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Contribution by All Partners

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INVESTINFISH PROJECT

INVESTINFISH - "Boosting INVESTments in INnovation of SMEs along the entire FISHery and aquaculture value chain" is a project funded by the Italy — Croatia CBC Programme under the Priority Axis 1 "Blue Innovation", Specific Objective 1.1 (S.O.1.1) "Enhance the framework conditions for innovation in the relevant sectors of the blue economy within the cooperation area".

INVESTINFISH sees the cooperation of n. 6 Partners from 5 Different Regions: T2I (LP – Italy – Veneto), Sviluppo Marche (PP1 – Italy – Marche), D.A.Re. Puglia (PP2 – Italy – Puglia), Punto Confindustria (PP3 – Italy – Veneto), Istrian Development Agency (PP4 – Croatia – Istria), Zadar County Rural Development Agency (PP5 – Croatia – Zadar).

INVESTINFISH main objective is strengthening of competitiveness of F&A production system through promotion of investment programs aimed at acquisition of innovation services. INVESTINFISH implements pilot actions providing some IT-HR F&A SMEs with a roadmap to innovation instruments & services, boosting creation of marketable innovative products and/or processes that will improve the SMEs potential market positioning.

Expected benefits for enterprises are: accelerate time to market, increase linkages with innovators, increase F&A enterprises R&D expenditures in new & greener components/technologies/services, to boost HR-IT competitiveness. INVESTINFISH intends also to offer to the F&A sector to substitute the value chain concept with value network, proposing a shift from traditional value chains towards more collaborative value networks.

INNOVATION, COMPETITIVENESS AND SUSTAINABILITY: A CONCEPTUAL FRAMEWORK

Economic growth, social cohesion and environmental protection constitute the three fundamental conditions (which cannot be separated) for Wellbeing Sustainability in territorial systems.

The increasing awareness of Society of the need in overcome the current "segmented approach to Wellbeing" is pushing global institutions to review the system of market rules, limiting, as much as possible, all forms of economic, social and environmental dumping.

This change in scenario requires the various production sectors to contribute to territorial growth and development through the search for competitive strategies increasingly oriented towards a System Approach to Innovation: Innovation in the choice of production factors, products, production processes, communication and compensation / resilience actions with respect to possible negative externalities generated.

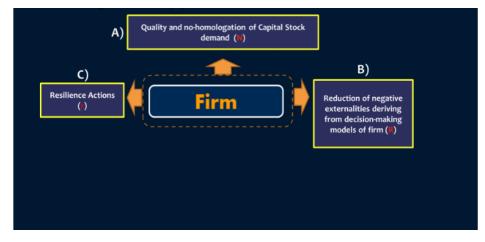


Figure n. 1 - System Approach to Innovation

Source: Simone Cesaretti Foundation

In other words, it is a question of redefining a business economic model capable of improving its market positioning and, at the same time, contributing to satisfying the Society's increasingly strong need to seek a "dynamic balance between territorial capital and its fundamental needs". That is, to contribute to the transition towards Wellbeing Sustainability.

The achievement of this objective rests on a strategy developed at four levels:

- 1. identification of pilot firms, front runners of the System Approach to Innovation;
- 2. availability, choice and application of functional innovations to sustainable competitive strategies;
- 3. Transfer Activity of Innovation to support growth and development of territory;
- 4. new Training Model for Innovation's Facilitators.

The implementation of the first component of the strategy defined here requires, not only a deep knowledge of the production reality of territory, but, above all, the ability to present to potential pilot firms (front runners) all the market advantages deriving from a social responsibility behaviour.

Responsible firm behavior, favored by the introduction of factor, product, production process, marketing innovations, capable of improving the Competitiveness Index (value perceived by the demand / price), impacting more on the numerator than on the denominator. In other words, firms oriented towards the search for the highest point of balance between *economic efficiency*, *environmental ethics and social cohesion*.

The implementation of an economic model of business oriented to the System Approach to Innovation, first of all requires the existence of "Supporting Sectors" (Universities, Research Centers, Schools) capable of carrying out what is defined as their "Third Mission". These "Support Sectors" of business system must, in fact be able to carry out "activities of scientific, technological, cultural transfer and productive transformation of knowledge, through processes of direct interaction with civil society and firms, with the aim of promoting economic and social growth of territory, so that knowledge becomes instrumental for obtaining benefits of a social, cultural and economic nature" (Anvur, DR 19/2012).

Unfortunately, too often, the Knowledge System as a whole has for many years been little attentive to the performance of its essential institutional role. But, an objective analysis of this situation highlights how an important cause must be sought in the production structure of many sectors consisting, in large part, of small and medium-sized enterprises unable (also for economic reasons) to transfer their own requests towards the Support Sectors and to incorporate and implement, in the best possible way, functional

innovations to improve their competitiveness index in the forms indicated above¹.

However, in order for the *System Approach to Innovation*, adopted by the front runner firms of the various production sectors, to unfold all its potential positive effects, it is essential to put in place an adequate Transfer Activity of Innovation in favor of as many companies as possible. This is in order to generate a *multiplier effect* on territorial system and its economic, social and environmental components.

It is therefore necessary that public institutions know how to support this fundamental activity with adequate policies. In fact, an essential condition, for all this to happen, is possibility of supporting business system of various production sectors (both in the "front runner" component and in the one that will have to implement and adopt the new approach), with the "Innovation's facilitators". Professional figures able to educate, advocate and advise firms with respect to the *Innovation System Approach* described above and capable of carrying out the fundamental function of "connecting link" with the Support Sectors in order to select and adopt best practices.

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¹ In most production systems, the prevalence of small and medium-sized enterprises makes it essential to have a public incentive system capable of promoting in the most effective and efficient way the provision of professionals (Innovation's facilitators) who play a role of connection between the Knowledge (Universities, Research and Training Centers) and Companies, as well as innovation catalysts.

INVESTINFISH PROJECT

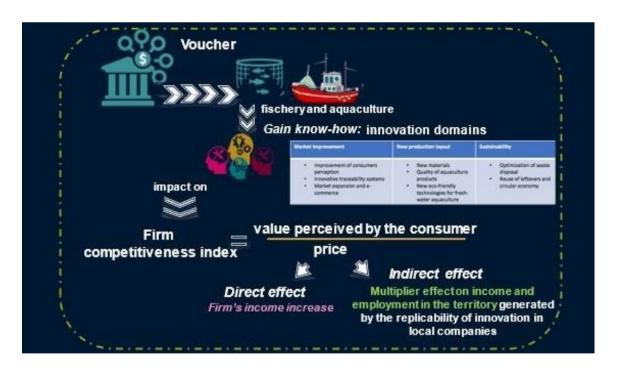
It is within this conceptual framework that the "Investinfish project" must be framed. The general objective of the project was to strengthen the contribution of blue economy to income and employment in territories boosting investment in innovation of SMEs along the entire fishery and aquaculture value chain. According to the idea that the key factor for the

implementation of this strategy is made up of professionals specialized in the sector of research and innovation of fishery and aquaculture (so called "Innovation's Facilitators"), was chosen the solution of financing pilot project implemented by experts.

Vouchers were considered as the efficient and effective financial solution to support pilot firms (front runners) to adopt forms of innovation capable of strengthening their market positioning affecting, in particular, the numerator of competitiveness index.

Three macro-areas of Innovation Domains (market improvement, new production layout and sustainability) have been identified through which to generate a direct impact on firm's income increase and an indirect one on income and employment in selected territories.

Figure n. 2 – Voucher financing system's impact on fishery and acquaculture sector



Source: Simone Cesaretti Foundation



The objective of this indirect effect was pursued through a Transfer Activity of Innovation operated thanks to a series of "Study Visits", where, *best in class firms* (see table no. 1), selected on the basis of "monitoring indicators" presented the results achieved.

Table n. 1 – Study Visits

STUDY VISITS		
		Invited Firms to Round Table
	Innovation Domain	
1	Market espansione	a) Fishing cooperative Istra - IDA - Croatia
		b) Marikomerc Ltd - AGRRA - Croatia
2	Improvement of consumer perception	a) Kalituna Ltd AGRRA - Croatia
		b) Ittica del Conero - SVIM - Marche
3	Innovative traceability system	a) Akvakultura Ltd AGRRA - Croatia
		b) Rosolina Cooperative - Punto Confindustria - Veneto
4	Product Innovation	a) Bierreti s.r.l T2.i - Veneto
		b) Altagamma - SVIM - Marche
		c) Becompost - Gruppo CML s.r.l T2.i - Veneto
5	Process Innovation	a) M/B Anna Nuova, s.n.c di D'angelo 68C - SVIM - Marche
		b) Bonaca - IDA - Croatia
		c) Cooperativa Pescatori Rosolina - Punto Confindustraia - Veneto
6	Sustainability	a) Consorzio Molluschicoltori Veneti et al Punto Confindustria - Veneto
		b) Ferr-Ittica s.r.l T2.i - Veneto
		c) Istrida d.o.o IDA - Croatia

Source: Simone Cesaretti Foundation

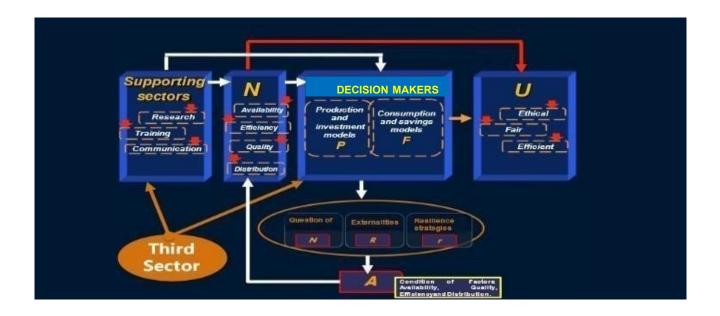
The availability of the results for all territorial firms constitutes a fundamental catalyst element of a process of revision of decision-making models, capable of generating new added value in the various



partner territories of the Investinfish project (Croatia, AGRRA and IDA, Veneto, Punto Confindustria and T2i; Marche, Svim).

Finally, in the Investinfish project a tutorial activity focused on the concept of Circular Economic Model for Society was carried out.

Figure n. 4 – Circular Economic Model for Society



Source: Simone Cesaretti Foundation