The Innovation booklet '100 questions about innovation' lends Flemish entrepreneurs and company directors a helping hand by providing practical information on how to turn a good idea into an innovative product or service.

This second edition is published by the Science and Innovation Administration in co-operation with IWT-Vlaanderen.

DURF INNOVEREN
EEN OPROEP VAN DE VLAAMSE REGERING

100 questions about innovation

100 questions about innovation

Innovation booklet

Ministry of the Flemish Community

DURF INNOVEREN
EEN OPROEP VAN DE VLAAMSE REGERING

Up-to-date information and guide

The Innovation booklet '100 questions about innovation' is conceived as a practical information booklet and guide for all Flemish entrepreneurs and company directors who are looking for ways to innovate. One hundred questions and answers provide a good overview with practical information to help you on your way.

Since the first edition in 1999, a great deal has changed in the Flemish innovation landscape: new institutes and/or co-operation agreements came about, the Flemish Government put new priorities, outdated initiatives disappeared … Hence, this new and revised edition. The Innovation booklet is a publication of the Science and Innovation Administration (AWI) in co-operation with the Institute for the Promotion of Innovation by Science and Technology in Flanders (IWT-Vlaanderen).

However, the Innovation booklet does not pretend to be complete. When possible, it specifies organisations, institutes, and their websites, which can help you further or contain more in-depth information.

This Innovation booklet has been conceived as a stimulus and introduction to the different possibilities, angles, and resources to innovate.

Contents

- **Introduction: "Standing still is going backward"** 8

- **Chapter 1: "Unknown, unloved"** 9
  Or, what is innovation, what can it do for my company and what is the government's role in this?

1. *How should it not be done?* 10
2. *What exactly is innovation?* 12
3. *What is economic innovation?* 13
4. *How important is technological innovation?* 14
5. *Why is innovation necessary?* 16
6. *Are research and development (R&D) a guarantee for innovation?* 18
7. *What are the current ideas about innovation?* 20
8. *Why should the government get involved with innovation?* 22
9. *What does the Flemish Government do to promote innovation?* 25
10. *Are there other ways to promote innovation?* 27

- **Chapter 2: "Small but tough"** 28
  Or, the attributes of innovation in Flanders

11. *What is the 'Flemish Innovation System'?* 29
12. *Does my company also belong to the 'Flemish Innovation System'?* 32
13. *Do typical innovative companies exist?* 33
14. *Which success factors characterise innovative companies?* 35
15. *Which innovation strategies do Flemish companies use?* 37
16. *What type of innovator can my company become?* 39
17. *Who is the 'mother' of current innovation legislation in Flanders?* 40
18. *Why should I, an entrepreneur, have to get to know IWT-Vlaanderen?* 42
19. *Where can I find more information about the Flemish Innovation System?* 44
20. *Where can I find more information about the Flemish Innovation System? (continued)* 46

- **Chapter 3: "Knowledge is power"** 48
  Or how Research and Development (R&D) play a key role in innovation

21. What about Research & Development (R&D) in Flanders? 49
22. How can I make use of the know-how of Flemish universities? 51
23. Do schools for higher education also co-operate with companies? 54
24. Can my company benefit from the world-renowned IMEC know-how in the field of microelectronics? 57
25. Where can I turn to for know-how in the field of biotechnology? 59
26. What can the Flemish Institute for Technological Research (VITO) do for my company? 61
27. Are there specialised research centres for the sector in which my company is active? 64
28. Who will help me to use the services of collective research centres? 69
29. How do I set up an international R&D co-operation project? 70
30. Can I take advantage of European R&D support? 72

- **Chapter 4: "Together we are strong!"** 74
  Or, how can companies better innovate via networking

31. What are the advantages of a network economy? 75
32. What is the best way to co-operate? 76
33. Why are clusters now known as Cooperative Innovation Networks? 77
34. What exactly are Cooperative Innovation Networks? 78
35. What are the different company clusters? 80
36. What is the difference between technology valleys and technological centres of excellence? 83
37. Which are examples of Flemish technological centres of excellence? 84
38. What are Parenthood and Plato projects? 86
39. What can IRC-Vlaanderen do for me? 88
40. What is the EUREKA programme? 90

- **Chapter 5: "Who foots the bill?"** 92
  Or, how innovation can be funded

41. What are the most frequently occurring terms in innovation funding? 93

42. Will 'business angels' put you on cloud nine? 96

43. What can GIMV (Investment company for Flanders) do for my company? 98

44. What is the role of the Vlaams Waarborgfonds (Flemish Venture Capital Guarantee Fund)? 100

45. How can I apply for risk-bearing capital through the European institutions? 102

46. What are IWT company subsidies? 104

47. Which projects come into consideration for IWT company subsidies? 105

48. Who comes into consideration for the special SME programme (KMO-Programma)? 107

49. Which project forms does the SME programme (KMO-Programma) support? 108

50. What is the fastest way to obtain (Flemish) funding? 110

- **Chapter 6: "Sound advice need not be expensive"** 112
  Or, another list of institutes that can help me innovate

51. What can Regional Development Agencies (Gewestelijke Ontwikkelingsmaatschappijen - GOMs) do for my company? 113

52. Where can I find a GOM in my province? 114

53. What can I use the IWT-Innovatienetwerk for? 115

54. Who will help me innovate through quality improvement? 117

55. What information can I find on the virtual SME counter of VIZO (Flemish Institute for Independent Entrepreneurship)? 119

56. Are there other electronic directories? 121

57. What is the SME-IT Centre (KMO-IT Centrum)? 122

58. What can Innotek do for companies in the Kempen? 123

59. Whom can Brussels-based companies contact? 125

60. Who advises the Flemish Government on matters of innovation? 127

- **Chapter 7: "Forewarned is forearmed ..."** *130*
  Or ... protecting your product innovation through patents

61. Why is protection of industrial ownership rights important? *131*
62. What is a patent? *132*
63. What about taking out patents in Belgium and the rest of the world? *134*
64. What other ways are there to protect one's industrial rights of ownership? *136*
65. Where in Belgium do I go if I want to take out a patent? *137*
66. What can the Production department of the Belgian Industrial Property Office (DIE) do for my company? *138*
67. What can the Patent information department of the Belgian Industrial Property Office (DIE) do for my company? *140*
68. What services does the Legal department of the Belgian Industrial Property Office (DIE) provide? *142*
69. How much does a patent cost (in time and money)? *144*
70. What are the different international patent organisations? *146*

- **Chapter 8: "New wine in new bottles"** *150*
  Or, what about Internet marketing

71. What must I take into account when launching a new product? *151*
72. What does a good marketing plan look like? *152*
73. Internet as a marketing channel: a shattered illusion? *153*
74. What is the surf behaviour of (European) Internet users? *154*
75. What is the buying behaviour of (Belgian) Internet users and why? *155*
76. How can the trust of Internet consumers be won? *156*
77. How does Chamber-Trust work and what are the advantages? *157*
78. How does ChamberSign encourage European B2B Internet trade? *158*
79. How can I register a domain name? *160*
80. What else is involved with having a website? *161*

• **Chapter 9: "Work to do"** 162
Or how to harmonise your Human Resources policy with innovation
81. *Future-oriented personnel selection, how do I go about that?* 163
82. *How can your employees stay up-to-date with the latest developments?* 164
83. *How can I claim training cheques?* 166
84. *Do other training support initiatives exist?* 167
85. *Soft support (advice and training) in hard times you say?* 169
86. *How can Trivisi help me with sustainable business?* 171
87. *How can Trivisi help me with sustainable business (b)?* 172
88. *How can the Foundation for Technology Assessment (STV-Innovation & Work) help me?* 173
89. *How can one keep vital know-how in the company?* 174
90. *Will teleworking ever break through?* 175

• **Chapter 10: "Nothing ventured, nothing gained"** 177
Or, how to make your initial steps (or leaps) in the field of export
91. *How important are exports for Flanders?* 178
92. *Who or what is Export Vlaanderen?* 179
93. *What can the export centre in my province help me with?* 181
94. *Where are the provincial export centres located?* 182
95. *What are export coaches and what can they do for me?* 183
96. *How can I get to know more about specific countries?* 184
97. *In which foreign locations is Export Vlaanderen represented?* 186
98. *Can I get financial support for my export activities?* 187
99. *What concrete financial support does Export Vlaanderen provide?* 189
100. *What else does Export Vlaanderen's action programme comprise?* 191

Introduction: "Standing still is going backward"

Innovation is part of human nature. From the moment the first people roamed the earth, they have tried to improve their situation. Of course, revolutionary discoveries and great finds play an essential part in this. Everyone acknowledges the discovery of fire, the wheel, book printing, the steam engine, and the computer as decisive milestones.

Yet, less obvious, gradual process changes in society have also left an indelible mark on human development. An example from ancient times is the transition from migrating hunter tribes to sedentary agricultural communities, which laid the foundation for villages and cities. Successful managers in the here and now manage to turn the difficulties and challenges into possibilities and assets.

Thanks to the cumulative effect of the gathered knowledge, experience, and know-how, society is evolving at an ever-faster pace. Hence, the phrase 'Standing still is going backward', which is especially valid in business. People and organisations with an inflexible approach probably experience this more as a threat but if you have an open and progressive mind, you will see many unexpected opportunities behind the vast horizon. Maybe these people require a different approach, extra creativity, or the courage to change their habits, which are all essential elements for innovation. By reading this second edition of the 'Innovation booklet', you are on track ...

Chapter 1: "Unknown, unloved"

Or, what is innovation, what can it do for my company and what is the government's role in this?

Innovation often goes hand in hand with 'revolutionary' (high) technology. However, innovation also means 'evolution'. The need for innovation applies to all sectors, all companies, and all facets of business and always involves 'change'. This can involve a tangible change (product innovation) or an intangible change concerning a means or method (process innovation). In fact, most innovations are a combination of both, especially when it concerns innovations in services such as electronic banking. Thus, innovation has many faces: it not only implies the development of new products and processes but also training, a different market approach, or new co-operation agreements. This might be less spectacular than the latest cutting edge technology, but it is essential to run an effective and successful innovative business. In this first chapter, we talk about the concept of 'innovation'.

Contents chapter 1:

1. How should it not be done?
2. What exactly is innovation?
3. What is economic innovation?
4. How important is technological innovation?
5. Why is innovation necessary?
6. Are research and development (R&D) a guarantee for innovation?
7. What are the current ideas about innovation?
8. Why should the government get involved with innovation?
9. What does the Flemish Government do to promote innovation?
10. Are there other ways to promote innovation?

1. How should it not be done?

This booklet will show that a universal magic formula for successful innovation does not exist. Innovation is not a one-off event but a constant and never-ending process requiring effort, creativity, and insight. By way of comfort (and encouragement), here are some examples of innovation bloopers or blunders that prove that even the 'greatest minds' don't always get it right. Mistakes are only human.

- **Charles Duell**, director of the American patent agency in 1899:
  "The Patent Office will have to be closed because everything that can be invented has been invented."

- **Auguste Lumière**, French co-inventor of the film camera in 1895:
  "My invention can be exploited for a while as a scientific curiosity; beyond that it has no commercial future."

- **Rutherford Hayes**, president of the United States, after participating in a trial telephone conversation in 1876:
  "That's an amazing invention, but who would ever want to use one of them?"

- **Darryl Zanuck**, head of 20th Century Fox Studios in 1946:
  "Television won't be able to hold on to any market it captures after the first six months. People will soon get tired of staring at a wooden box every night."

- **Thomas Watson**, Chairman of IBM in 1943:
  "I think there is a world market for maybe five computers."

- **Wilbur Wright** to his brother and co-inventor of the aircraft, Orville in 1901:
  "Man will not fly for 50 years."

- **Ernst Mach**, professor of physics at the University of Vienna in 1913: *"I can accept the theory of relativity as little as I can accept the existence of atoms and other such dogmas."*

- **President** of the Michigan Savings Bank's advice to a client in 1903: *"The horse is here to stay, but the automobile is only a novelty - a fad. I advise you not to invest in the Ford Motor Company."*

To end on a positive note, this is how the last anecdote ends. Investor Rackham did not follow his bank manager's 'sound advice' and bought fifty Ford shares for US$ 5,000. In 1919, he sold them for US$ 12.5 million …

2. What exactly is innovation?

In the broadest sense of the word, innovation (from the Latin word 'innovatus') means: introducing new methods in a social, cultural, or administrative environment, in short 'alter', 'renew'. Innovation is done by people and is based on social and cultural interaction. It is part of a constant (learning) process in which man implements and applies his experience in a changing environment.

According to a European Values survey in the mid nineties, Flemish people are more open to change and innovation than the average European. When we group all European countries and states in their openness to change, Flanders comes sixth. This was above the European (tenth place) and the Belgian average (eleventh place).

More specifically, however, 'innovation' is used chiefly in an economic sense. Joseph Schumpeter introduced the term in economics and was the first to map the role of innovative entrepreneurs. According to him, mere knowledge creation (invention) does not automatically result in usable or marketable applications of new products and processes (innovation). But what does?

3. What is economic innovation?

Joseph Schumpeter stated that only the realisation of 'neue Kombinationen' (new combinations) of both technological and non-technological know-how can eventually create new economic and social added value. Usefulness constitutes the essential condition of 'real' innovation. Mutual combination and interaction convert knowledge creation into usable innovation with an economic purpose.

In this economic sense, innovation is best described as follows: "*the combination and creative application of existing and new knowledge elements for the improvement of existing or the development of new products and services, production processes, organisation methods, and commercialisation with a view to creating or realising an added value*".

In short, if innovation is the successful result of the combination of technological and non-technological knowledge elements, the extent to which companies are able to absorb and combine these knowledge elements plays a crucial role.

According to the Organisation for Economic Cooperation and Development (OECD), increased prosperity and employment is largely determined by the "capacity to innovate and adapt." An inflexible economy is doomed to bleed to death. In an economy with sufficient innovation, new companies are incorporated and existing companies remain viable. Naturally, economic innovation cannot be seen independently from innovation in other sectors of society, or from scientific-technological innovation.

4. How important is technological innovation?

When you ask people about examples of technological innovation, most would recall amazing high technology feats. Most companies also think along these lines. About 80 % of companies believe technology is essential to be one step ahead of the competition. Processing companies in Belgium spend 14 % of their turnover on innovation. However, this percentage increases to 28 % when we only consider the innovative companies in this group (i.e., approximately one third of all companies). In the services industry, the relative expenses can vary strongly depending on the activity. For instance, IT or telecommunication companies will be more innovative than companies in the transport sector. Generally speaking, large companies are relatively more innovative than small ones.

Fact is that 'hard' scientific-technological research and development results (R&D) play an important role in the economic innovation process. Still, technological innovation isonly a small part of economic innovation. Sometimes, new technologies have to wait for the right social and cultural climate before they are able to break through and are generally applied.

Anyway, no matter what the advanced means of communication may be, if a company has nothing to impart, things tend to stay quiet...

As you will read in this Innovation booklet, 'soft' knowledge elements such as education and training, alternative financing, labour organisation, design, networking, protection of rights of ownership, and the management of the human capital play an equally important part. A study conducted in March 1999 (*) shows that companies that involve their employees more via teamwork, training, and quality management have a better product-innovative approach.

Innovation expert Danny Jacobs, author of the standard work *'Het kennisoffensief'* (Samson Bedrijfsinformatie, 1996), phrased it as follows: "*The more technological our companies become, the more important the human and social factors to generate a competitive advantage. If a potential growth company stays in the technological pioneering phase too long, its chances of success diminish.*" Technology can have a snowball effect on innovation, but it is certainly not a goal in itself.

(*) STV – Innovation & Work, a research unit of Flanders' Social and Economic Council (SERV) (see also Chapter 9)

5. Why is innovation necessary?

Our rapidly evolving society has put innovation under discussion more than ever nowadays. Today's certainties may be obsolete tomorrow. Hence, successful innovation requires looking ahead. Often, companies and institutions need to approach matters differently although there does not seem to be a need to do so. Even the world's largest manufacturer of steam engines was doomed to disappear when cars began to take over the roads.

Most companies have a natural tendency to innovate in order to retain their competitive advantage. Innovation has become an integral part of a company's strategy. The most important reasons why companies innovate have been listed in question 15.

In the nineties, Flanders did very well in terms of economic growth, export, and employment. However, innovation was necessary because in the mid nineties, 'mature' sectors still accounted for 75 % of total industrial employment and 92 % of exports. In the late nineties, Flanders – as did most countries of the European Union – developed strongly following rapid technological advancements, mainly in the information and communication sector. But especially now that the global economic climate is less favourable at the dawn of the 21st century, innovation requires more attention than ever.

Fortunately, Flanders has an excellent research infrastructure. In fields such as biotechnology, microelectronics, environmental technology, and new materials, Belgian research centres are world-renowned. The further development of the Flemish scientific and technological potential remains a priority for the Flemish Government. Through the new Cooperative Innovation Networks (VIS, see Chapter 4) and 'interfaces' with educational institutes and research centres (see Chapter 3),

this know-how is made available to small and medium-sized enterprises, or SMEs. This is a good development because research (*) has shown that the existing innovation gap between small and large enterprises is located in the field of technological product innovations and not in the field of innovations in services.

This research also showed that 66 % of large and medium-sized enterprises and 'only' 47 % of small enterprises had carried out product or service innovations in their range over the last two years. This is already an improvement compared to 1994 (59 % and 43 %) but proves that the innovation partners still have a great deal of work to do (companies, educational institutes, research centres, and the Flemish Government).

(*) Derde technologiediffusie-enquête (SERV), 1998; Vlaams Indicatorenboek, 1999.

6. Are research and development (R&D) a guarantee for innovation?

One of the most commonly used indicators to measure a country's efforts in the field of scientific know-how and technological development is the ratio between the expenditure on research and development (R&D) and the Gross Domestic Product (GDP). In the nineties, Belgium in general and Flanders in particular gained a lot of ground in this respect.

According to figures of the OECD, Japan spent 2.82 % of its GDP on R&D in 1991 and the United States 2.72 %. For the EU-15 (excluding Luxemburg), this was only 1.9 %, and for Belgium a mere 1.64 %. Sweden ended highest with 2.79 %. By 1999, Belgian domestic R&D expenditure had already increased to 1.98 % of the GDP. As a result, Belgium is on a par with its five principal European business partners and has now exceeded the European average (i.e., 1.85 % of the GDP). Sweden was still ahead of everyone else with 3.8 %, including the US (2.64 %) and Japan (3.01 %).

In concrete terms for Belgium, of the approximately 4.65 billion euro in R&D budgets in 1999, two thirds (66.2 %) came from companies, 3.2 % from higher educational institutes, 23.2 % from the government and 7.4 % from 'third parties' (predominantly the European Union). In any case, the government took the right decision at the time and considerably raised the R&D budgets. In 1990, the Belgian authorities (federal, communities, and regions) contributed 846 million euro in government funding on R&D, among others in universities and scientific institutes. 43.8 % was granted by the Federal government and 30.2 % by the Flemish Government. Ten years later (in 2000), total R&D government funding was raised to more than 1.42 billion euro. This time round the Flemish Government granted no less than 42.1 % and the Federal government 33.2 %.

Of course, extra budgets for scientific research are not sufficient in themselves to achieve a successful innovation boom. Research results still need to be converted into technological innovations and commercial successes. Traditionally, Europe has never been as successful at this as its two largest competitors, i.e., the United States and Japan. In the mid nineties, the European Commission talked about a 'European innovation-paradox': "*In spite of these considerable R&D efforts, the European countries and the corporate world never managed to convert these innovations into specific product and process innovations on the global market.*"

This is one of the reasons why the OECD reports that the swift and optimal dissemination of technology can be more important to a country than inventing new products and services itself. Of course, the same applies to business. Is it useful to put money and resources in the invention of 'hot water'? The logical answer to this question characterises the international vision on innovation and subsequently has an effect on the government's role.

7. What are the current ideas about innovation?

In the past, a technology-pushed approach dominated: "*This is new, what can we do with it?*" The current innovation vision prefers a demand-pulled innovation strategy: "*We want to do this. Are – technological – solutions or (tools) available?*" This immediately implies that not only high-tech and in-house, 'endogenous' developments are important. It comes down to finding and applying the right solution, even if this has been developed in another company or country.

Also, since the mid nineties, companies and authorities no longer think in terms of a vertical or straight-line innovation policy. This model saw R&D as a separate entity, independent from the rest of the production and marketing process. The only connection consisted in linking the research results to the next link in the chain. Nowadays, a horizontal or matrix model is applied, whereby R&D is realised in interaction with other corporate functions that are on a par. This requires an integrated, multi-disciplinary approach with close co-operation and consultation (for example) between the marketing and R&D department.

In other words, 'utopian' scientists who make fantastic inventions in the solitude of their ivory tower (which no-one is waiting to see whether they can be marketed or not), are a thing of the past. Instead, the new innovation approach is based largely on a rapid and optimal dissemination of knowledge through networking, co-operation agreements, and partner searches. Increasingly, innovation is the result of a joint action between different members of a cluster: other enterprises with which a company stays in touch, suppliers, clients,

universities and research centres, consultancy firms, etc. In all, 37 % of innovative companies are involved in innovation alliances.(*) Experience shows that companies that use external know-how and experience are systematically more successful. Support of economic – and R&D networks – is high on all government agendas, including the Flemish agenda, with a view to a successful innovation policy. But why is a government policy necessary?

(*) BRISTI - Belgisch Rapport over Wetenschap, Technologie en Innovatie (Belgian Report on Science, Technology and Innovation), DWTC, 2001, page 105.

8. Why should the government get involved with innovation?

To avoid all misunderstandings, it is not up to the government to decide whether, where, and how innovations are made. However, the international consensus is that it is one of the government's responsibilities to develop an innovation policy in joint consultation with the corporate world. On a European level, the European Commission got the policy discussion going when it launched its 'Green paper on Innovation' in 1995. At the European Summit of Florence in June 1996, the European Council stated that "*the creation of jobs is still the first priority of the European Union and its member states*". Innovation was seen as one of the most important strategies to follow.

In the 'First Action Plan for Innovation in Europe', published in 1996 the European Commission states: "*Innovation primarily requires an attitude that combines creativity, entrepreneurship and acceptance of social, geographic and professional mobility... In other words, an innovation mentality needs to be encouraged and this cannot be done by decree or short-term actions.*"

How else? The 'Action Plan' proposes three main lines of action:

- fostering a genuine innovation culture;
- establishing a favourable legal, regulatory, and financial framework conditions for innovation;
- gearing research to innovation.

At the Lisbon Summit in March 2000, the European Council decided to prepare the European Union to become a competitive, dynamic, and knowledge-based economy. Following this, the European Commission launched its proposal to establish the European Research Area (ERA), an internal market for science and technology.

ERA's main action points are:

- linking the research programmes and initiatives of the Member States and the EU respectively via networks in order to benefit more from the resources spent on R&D;
- creation of a borderless R&D area for extra employment and boosting European competitiveness;
- more efficient use of financial instruments and sources to encourage investment in research and innovation;
- improve the climate for private research investments, R&D partnerships and high-tech start-up companies;
- encouragement of cross-border mobility of researchers, in particular women and youngsters.

The so-called Framework Programmes for Research, Technological development and Demonstration activities are also important in a European context. Currently, the fifth programme (1998-2002) is coming to an end and the sixth programme will be fully operational as of 1 January 2003. Researchers from both national and international research institutes and (small and major) companies are able to participate in these framework programmes. Participation can be one-off or recurrent and gives access to leading networks of knowledge development and innovation.

Flemish research groups and companies are major participants in these framework programmes. In terms of financing, participation has been spread relatively proportionally over universities (± 45 %), research institutes, (± 20 %) and companies (±35 %). The average expected income for Flemish participants in the framework programme amounts to 2.2 %, which would correspond with approximately 385 million euro in European funding for research in the sixth framework programme. For more information and whom to contact, we refer to questions 29 and 30 in chapter 3.

The Sixth Framework Programme (2002-2006) has a different approach than the previous framework programmes and is a major tool to support the creation of the ERA. By combining the forces for science and technology, streamlining and co-ordinating the procedures and encouraging integrated projects and networks of excellence, a better integration of European research is possible and research projects are given a European added value. The total estimated budget for the Sixth Framework Programme amounts to 17.5 billion euro. This is almost 4 % of the total EU budget (2001) and 5.4 % of the amount spent in Europe on public (non-military) research. Thus, the budget of the Sixth Framework Programme is a relatively small share of the total R&D expenditure in the EU member states.

It is generally accepted that the states and regions, together with European policies, play a leading role in encouraging economic and technological innovation. Hence the question: What is the situation in Flanders?

9. What does the Flemish Government do to promote innovation?

Since the eighties, the Flemish Government has been strengthening the broader cultural and social climate for innovation. You might remember the DIRV action (Third industrial revolution Flanders) at the time, which certainly contributed to a general future-oriented vision and attitude development in Flanders as well as the ensuing technological events Flanders Technology and FTI Technoland. Since 1997, the Flemish Government has promoted innovation with its 'Durf Innoveren!' campaign ('Dare innovate!' campaign). This booklet also falls in this category. Other examples are support to events such as the annual Science Festival and the Flemish do-centre for science and technology: Technopolis in Mechelen. But there's more.

In addition to an awareness-raising task, the (Flemish) Government also has a supporting role, both directly (including material support) and indirectly. Examples include:

- providing good (pre)conditions for innovation in business such as education, knowledge infrastructure, adequate laws and regulations, etc.;
- encouraging the establishment of new companies such as start-ups and new branches of foreign companies;
- increasing the time horizon of companies through supporting financing. By definition, investments in innovation are risky and sometimes only offer economic perspectives in the (medium) long-term or in case of sufficiently large turnovers. This is how major companies are able 'to look further into the future' than small and medium-sized enterprises, which have less resources. The government is able to smooth out this innovation obstruction by providing extra financial aid. This is one of the reasons why small and medium-sized enterprises hold a special place in Flemish innovation policy.

Increasingly, the Flemish Government is also promoting scientific know-how. The Flemish budget for scientific and technological inno-

vation policy funding increased from 725.38 million euro in 1993 to 1,155.55 million euro in 2001. A further increase of 58.73 million euro has been earmarked for 2002.

This future-oriented policy is also expressed in the so-called 'Kleurrijk Vlaanderen' project ('Colourful Flanders' project) following the 'Kleurennota' of 11 July 2000. In 2001, experts in six vision groups worked around the future challenges in the field of learning, enterprise, work, culture, care, and environment. These Flemish Conferences were concluded by the Pact van Vilvoorde, whereby the Flemish Government put forward a number of goals it wants to achieve by 2010: the number of ICT literate people should increase to more than 75 % of the population, 25 % of the turnover of companies should comprise new products and services and the number of start-ups ensuing from the competence centres in Flanders should be doubled. For more information please go to:
http://www.vlaanderen.be/kleurrijkvlaanderen

Through all these initiatives, the Flemish Government tries to provide a better innovation climate. However, in the end it are always the researchers and entrepreneurs who sow and reap, who effectively realise the technological and economic innovation. This innovation booklet shows they are not left to their own devices.

(*) Sources: Vlaams Indicatorenboek 1999, Information Guide Science, Technology, and Innovation 2001 en Beleidsbrief Wetenschaps- en technologisch innovatiebeleid 2001-2002.

10. Are there other ways to promote innovation?

This Innovation booklet also provides practical examples to show how the Flemish Government concretely achieves its innovation task and how you can benefit from this. The first chapter explains the 'Flemish Innovation System', in which your company can become a 'player'. IWT-Vlaanderen, the most important catalyst of innovation in Flanders, is presented in detail (see question 18).

However, the Flemish Government does much more to promote innovation in schools and with the general public..

This television series 'ENTER21' about technological innovation is part of the extensive Science and Technological Innovation communication programme. In seven-minute episodes, ENTER21 explains technological developments that effect viewers' everyday life.
For more information (subjects, times, etc.), please go to http://www.innovatie.vlaanderen.be/knap/Enter21.

The fact that the Flemish Government is not afraid to innovate itself is obvious from the approval by the Flemish Government on 8 March 2002 of the "Bestuurlijk Beleid" (Governance) preliminary draft that lays down the future organisational-regulatory framework for the Flemish administration. The final goal of this Better Governance project is an effective Flemish public authority. There will also be more emphasis on new IT and Communication technologies. For more information please go to http://www.vlaanderen.be.

Chapter 2: "Small but tough"

Or, the attributes of innovation in Flanders

The Flemish Government's technology and innovation policy is wide-ranging with a very broad range of activities. This is logical of course. This innovation booklet shows there is more to innovation than meets the eye. Fortunately, Flanders has many institutes and organisations to help you in this. Together with the corporate world, these 'actors' in the field of innovation constitute the Flemish Innovation System. IWT-Vlaanderen fulfils the role of 'central mid-fielder'. The Science and Innovation Administration (AWI), a specialised government office, fulfils the role of 'manager'. The 'rules of the game' have been laid down in the Flemish Parliament Act on Innovation of 18 May 1999 and the ensuing implementing orders. And what is your company? A striker? This second chapter shows how little Flanders can even be greater.

Contents chapter 2:

11. What is the 'Flemish Innovation System'?
12. Does my company also belong to the 'Flemish Innovation System'?
13. Do typical innovative companies exist?
14. Which success factors characterise innovative companies?
15. Which innovation strategies do Flemish companies use?
16. What type of innovator can my company become?
17. Who is the 'mother' of current innovation legislation in Flanders?
18. Why should I, an entrepreneur, have to get to know IWT-Vlaanderen?
19. Where can I find more information about the Flemish Innovation System?
20. Where can I find more information about the Flemish Innovation System? (continued)

11. What is the 'Flemish Innovation System'?

The Flemish Government needs reliable and relevant information to conduct an efficient innovation policy. To develop an indicator system for the technology and innovation policy, the Flemish Government established the Flemish Technology Observatory in 1996, which was renamed the IWT Observatory in early 1999 (see also question 19). It co-ordinated a research programme that analysed the different forms of knowledge creation and dissemination that are the engine of the 'Flemish Innovation System' via company surveys and study assignments (see also questions 19 and 20). The IWT Observatory, in co-operation with the Science and Innovation Administration (see question 60), resumed the study of the Flemish Innovation System within the Policy-Oriented Research Programme.

The **Programma Beleidsgericht Onderzoek** (PBO-Policy Oriented Research Programme) is an initiative that was started by the Flemish Government in 1997 to meet the need for a scientific foundation of the policy. It wants to span the government's demand for scientifically sound policy advice and the available scientific data, methods, and expertise generated by Flemish research (more information on the studies and results is available at
http://www.innovatie.vlaanderen.be/pbo).

The **Vlaams Indicatorenboek Wetenschap Technologie Innovatie 1999** provides a coherent picture of all actions, actors, expenditure, programmes, and results involved with R&D and innovation. Thanks to the close co-operation of experts in the different sectors of the Flemish Innovation System, an in-depth understanding of the wide range of scientific and technological research has been made possible. The Vlaams Indicatorenboek is published by IWT-Vlaanderen and the Science and Innovation Administration.

For more information on the administrative structures in science and technological innovation, and the different knowledge, training and research centres in Flanders, we refer to the English publication **Flanders' Research Area**. This brochure published by the Science and Innovation Administration clarifies the activities of the institutes/actors that form the current Flemish science and innovation potential.

For more information on Flemish research policy we refer to the annual **'Science, Technology and Innovation Information Guide'**. The Guide includes the Horizontal Budget Programme for Science Policy (HBPWB), which provides an overview of the available policy funding for that year and a detailed overview of the different policies. The latest version of the Information Guide can be downloaded from: http://www.innovatie.vlaanderen.be/speurgids/.

More information on the Information Guide:

Ministerie van de Vlaamse Gemeenschap
Administratie Wetenschap en Innovatie
Contact: Greta Vervliet
Boudewijnlaan 30, 1000 Brussel
Tel: +32 2 553 57 95 – Fax: +32 2 553 60 07
E-mail: greta.vervliet@wim.vlaanderen.be
URL: http://www.innovatie.vlaanderen.be/speurgids/

The **Belgian Report on Science, Technology, and Innovation** (BRISTI) provides a clear and complete overview of the principal science and innovation policy activities of all the different Belgian authorities. This publication also contains a great deal of data (quantitative and qualitative) and indicators, the principal conclusions of which have been listed. BRISTI is the only comprehensive inventory of the different Belgian science, technology, and innovation policies.

For more information please contact:

Federale diensten voor wetenschappelijke, technische en culturele aangelegenheden
(Federal Office for Scientific, Technical and Cultural Affairs)
Wetenschapsstraat 8, 1000 Brussel
Tel: +32 2 238 34 11 – Fax: +32 2 230 59 12
E-mail: dese@belspo.be – URL: http://www.belspo.be

For the sake of clarity, the 'Flemish Innovation System' (VINS) is not a 'rigid' institutionalised system but a "living" analysis framework and frame of reference that provides the Flemish Government with an overall picture of all actors and their interactions that contribute to innovation in Flanders. This sounds great... but what exactly does it mean? (see question 12).

12. Does my company also belong to the 'Flemish Innovation System'?

In 1987, C. Freeman was the first to use the **'National Innovation System' (NIS)** concept when analysing the Japanese technological innovation model. His definition of 'NIS' is: *"the network of institutions in the public and private sector whose activities and interactions initiate, import, modify, and diffuse new technologies."*

The NIS concept acquired a 'semi-official status' later, among others, thanks to the OECD, which in terms of technology policy acts as an international think tank and breeding ground for new standards and policy norms. The 'Flemish Innovation System' (VINS) is in fact the translation of these new international policy standards to the technology and innovation situation in Flanders.

The innovation process in Flanders is realised via the permanent interaction and co-operation between a number of actors with the following key players: business in general (i.e., including your company!), the science infrastructure (universities, public research institutes, etc.), and the Flemish Government (Science and Innovation Administration, Flemish Science Policy Council, etc.). Many different organisations and institutes such as consultancy firms, collective research centres, networks and – last but not least – IWT-Vlaanderen operate between these key players. IWT-Vlaanderen plays a central role in innovation in Flanders (see question 18). This booklet introduces practically all VINS actors and shows you how they can help you and your company to successfully follow the innovation course.

13. Do typical innovative companies exist?

A number of IWT Observatory studies (see also question 19) try to sketch a typical profile of an innovative Flemish company. For instance, for study No. 18 'Performantieprofiel and typologie of innoverende bedrijven in Vlaanderen' (Performance profile and typology of innovative companies in Flanders) in 1997, 1,732 companies were surveyed, or 10 % of the total population of Flemish employers with 10 or more employees.

In terms of product innovation, 62.4 % of the companies that launch products included new or strongly improved products in their range. It became apparent that top-notch innovators (25 % or more new or modernised products in their range) were as frequent in large or small companies, are found mostly in chemistry, textiles, and IT sectors, and usually had a strong employment boom. Middle innovators (10 % to 24 % new or modernised products in the range) usually had the strongest increase in turnover. So-called low-innovators have less than 10% new or improved products.

The results of the Eurostat – Community Innovation Survey II* indicate a straight-line relationship between innovation and company size, however. For instance, companies in the processing industry with 10 to 19 employees have an innovation level of 20 %. This percentage is directly proportional to the number of employees and goes up to 82 % for companies with more than 1,000 employees. The most innovative sectors here comprise (in descending order): generation and distribution of electricity, gas and water, electrical and optical materials, refined petroleum products, mechanical engineering, production of transport means and metallurgy. According to this study, companies in the processing industry have an average innovation level of 34 %, compared to only 13% for a company in the services industry.

But again, a straight-line relationship with the company size applies. For instance, service companies with more than 200 employees have an average innovation level of 55 %. The most innovative sectors here comprise (in descending order): engineering activities, IT, telecommunication, financial services, wholesale, and transport. All in all, the average innovation level of Belgian companies amounts to 24 %.

Hence, the level of service innovation is generally lower than product innovation: 46.9 % of companies that offer services had new or strongly improved services in their range according to IWT Observatory study No. 18. Top-notch innovators in this respect are found mostly in wood/paper/printing, IT, and intangible services. With regard to software, chiefly small companies innovate. More than half of the innovative companies (52 %) have their own R&D division.

Of course these are just averages. Nothing stands in the way of an 'atypical' company to innovate. Size and competitive position in the market will also have an effect. In any case, Schmookler already recognised in 1962 in his 'Economic sources of inventive activity' that a sufficiently large market for new products or processes (and what customers are prepared to pay) is a critical condition for innovation. Of course, this does not mean that an effective market demand is necessary. Just think, nobody was waiting for the telephone to be invented...

(*) EUROSTAT, European Community, January 2001

14. Which success factors characterise innovative companies?

Many different factors can be used to gauge the level of innovation:

- the importance of external sources for technological know-how,
- age or life cycle phase of the industry,
- share of research in the total R&D expenditure,
- ties with universities and other research institutes,
- the importance of government-backed R&D.

IWT Observatory study No. 5 'Strategische verschillen tussen innovatieve KMO's: een kijkje in de zwarte doos' (see also question 19), has distilled 18 strategic success factors from interviews with companies in the textile and chemical sector. In other words, companies considered these to be more or less essential conditions to become or stay innovative and, as a result, competitive. In descending order of frequency they comprised:

- good co-operation with supplier: archetypal networking
- modern machinery: requires investments and therefore is a risk, but is usually worth it
- training of staff as a competitive advantage
- pioneering work (generate a demand and have a sixth sense for dormant opportunities)
- implicit technical know-how: know-how of employees
- focus on small volumes: target niche markets big companies don't bother with
- flexibility: 'we do the impossible'
- customer orientation: that old adage 'the customer is always right'
- independence
- look for strong growth markets through active preliminary research
- formal R&D (own R&D): often something that goes without saying for large companies, at times a core competence for small and medium-sized enterprises

- monitoring of the own value chain ('everything we do ourselves, we do better').
- allow the innovative culture to permeate through to all employees
- incorporate the customer's ideas (adapt value chain to customer expectation)
- quality: the first requirement
- niche strategy: make yourself indispensable in a very technical market sector with a high quality standard
- organisation of formal quality systems such as ISO certifications
- services: give a product an added value by providing extra services

15. Which innovation strategies do Flemish companies use?

Companies can use internal know-how for their innovation activities (for instance, through an in-house R&D division) or acquire external know-how (contract out R&D, by producing licences, etc.) or co-operate (joint R&D, joint ventures, cross-licences, information exchange, etc.).

The majority of industrial companies active in innovation in Flanders (76 %) combines internal and external knowledge acquisition, 16 % acquires the necessary know-how exclusively outdoors and only 8 % considers innovative knowledge acquisition an 'internal matter'. Of the 76 % 'hybrid innovators', more than half (51%) prefer the combination internal/acquisition to the combinations internal/co-operation (5 %) and internal/acquisition/co-operation (44 %). Large companies especially combine internal and external knowledge acquisition. Exclusively internal and exclusively external knowledge acquisition particularly is significantly higher in small companies (less than 100 employees).

According to Eurostat – Community Innovation Survey II*, the innovation information sources are located chiefly with customers or buyers, in the company itself, in the competition or other companies in the group. The next source for the processing industry is fairs and exhibitions. For services, the next source is suppliers.

The 3 most popular reasons for an industrial company to innovate are: lowering of the production cost; innovation or expansion of the product range and improvement of the product quality. Another important innovation goal is the opening of new markets or increasing the market share. For the processing industry, cutting the labour cost also constitutes an important reason and for the service industries, improving the production flexibility.

And which factors stunt innovation? Companies may need to deal with any number of these factors: excessive innovation costs, a lack of suitable funding, the estimated excessive economic risks, organisational rigidity, a lack of user response to new products. Innovative companies also have to live with a lack of qualified staff, and complicated laws.

Hopefully you have been convinced now that innovations are a requisite, or in other words, indispensable for future business success. But then, how are innovations made possible in concrete terms and who can help me in this? The answers to both these questions are available from IWT-Vlaanderen.

(*) EUROSTAT, European Community, January 2001

16. What type of innovator can my company become?

From a theoretical point of view, three innovator groups can be distinguished. The so-called:

- **Schumpeterian pioneers** (named after Joseph Schumpeter) appeal most to the imagination. Generally speaking, these are fledgling organisations, which – inspired by a visionary management – opt for new technology and turn it into a success product. A typical property of 'Schumpeterian pioneers' is that in a world characterised by increased outsourcing, they intentionally want to stay in complete control of their value chain.

- **Resource-based innovators** (innovation based on a company's core competence) are usually in the full-grown phase of their business life cycle and distinguish themselves from the competition by applying formal quality programmes and having their own R&D laboratories. This group also increasingly underlines the element of service. Instead of merely manufacturing a product and selling it, they offer a comprehensive concept with an added value. Ideas for new products are often 'customer inspired'.

- **Porterian innovators** (named after Michael Porter) are the third category of innovators. Often, these innovators are seen as the technological leaders in their specific market sector. Their technical know-how – gathered either implicitly (produced in-house), or explicitly (in the form of patents) – is their core competence. Some of these companies prefer staying research units and acquiring an income through licence contributions of third parties, instead of becoming a large production firm themselves.

Whatever innovator you want to be, we wish you the best of luck. All actors of the Flemish Innovation System are doing everything they can to help you achieve this goal.

17. Who is the 'mother' of current innovation legislation in Flanders?

The Flemish Government's idea behind the innovation policy is to improve the technological basis of Flemish business in both the short and long-term and in doing so encourage economic growth and employment in Flanders.

To optimise this policy, the Flemish Government issued the so-called **Flemish Parliament Act on Innovation** (known in Dutch as the 'Innovatiedecreet') on 18 May 1999 (Flemish Parliament Act concerning a policy to promote technological innovation).

For the application of this Act, technological innovation was understood to mean: "*the part of the activities in economic innovation (see question 3), in which scientific-technological research and the development of creative technology applications play an essential role in combination with other knowledge elements*".

The Flemish Parliament Act on Innovation's areas of application include:

- development of scientific-technological know-how by conducting research and feasibility studies;
- dissemination of that know-how to make it available to potential and effective users;
- use of that know-how (valorise) to improve existing products and services or to develop new products and services or to innovate the production process, the organisation methods and their commercialisation;
- supporting activities to achieve the aforementioned goals.

The Flemish Parliament Act on Innovation also expanded IWT-Vlaanderen's scope (see question 18), the catalyst of innovation in Flanders. Meanwhile, in terms of industrial research, this act was given shape by three implementing orders, more specifically:

- the order to support projects of technological research and development of business in Flanders (support of R&D projects);
- the order about the Flemish Cooperative Innovation Networks (the VIS Programme, see questions 33 and 34);
- the order to support university interface services (see question 22).

The new regulations for supporting R&D projects provide major administrative simplifications and more support options.
The percentages and the accepted project costs will follow EU regulations as from now, allowing Flemish companies to receive the same support as their foreign competitors – and thus strengthen their international position.

18. Why should I, an entrepreneur, have to get to know IWT-Vlaanderen?

Let's go back in time. In 1991, the Flemish Government established the 'Vlaams Instituut voor de Bevordering van het Wetenschappelijk-Technologisch Onderzoek in de Industrie' (Flemish Institute for the Promotion of Scientific-Technological Research in Industry) (IWT), an independent government agency in support of industrial research and the transfer of technology in Flemish business. Since its foundation, the institute has been the catalyst of innovative entrepreneurship in Flanders and has held a central position in the Flemish Innovation System.

The Flemish Parliament Act on Innovation of 18 May 1999 broadened the IWT's task from *'promoting scientific research and development'* to *'encouraging technological innovation'*. This wider range of responsibilities manifested itself in a new name **'Institute for the Promotion of Innovation by Science and Technology in Flanders'**, or IWT-Vlaanderen in short. IWT-Vlaanderen now has a keen interest in other factors that encourage technological innovation rather than research alone. It is also becoming more of a 'one-stop shop' for innovation in Flanders. IWT-Vlaanderen's responsibilities include:

- Support of research and development projects from industry;
- Support of SME Innovation studies and SME Innovation projects;
- Support of collective research projects;
- Support of Eureka projects;
- Support of projects in schools of higher education (HOBU fund);
- Support of university interface services;
- Support of Generic Basic research at universities (GBOU);
- (Doctoral) Specialisation grants and (Post-doctoral) Research mandates;
- Support of Technological services (TAD);
- Support of Flemish Cooperative Innovation Networks (VIS);

- Co-ordination of innovation actors;
- Technology transfer assistance (IRC Flanders);
- Assistance in looking for partners;
- Assistance in the field of technological innovation (IPR - intellectual property rights);
- Promotion or participation in European and international research programmes;
- Policy studies and innovation monitoring in the field (IWT Observatory).

SMEs hold a very important position in the innovation policy of the Flemish Government and thus constitute a prominent target group of IWT-Vlaanderen. This is why IWT-Vlaanderen launched an innovative programme in March 2001 to promote innovation in Flemish SMEs: the KMO-Programma (SME Programme), with simplified procedures and submission conditions (see questions 48 and 49).

For more information please contact:

IWT-Vlaanderen
Contact: Peter Verstraeten
Bischoffsheimlaan 25, 1000 Brussel
Tel.: +32 2 209 09 00 – Fax: +32 2 223 11 81
E-mail: info@iwt.be – URL: http://www.iwt.be

19. Where can I find more information about the Flemish Innovation System?

The studies conducted by the IWT Observatory in pursuance of its assignment (see question 11) also contain a wealth of interesting information for companies. Following is a list of all published IWT Observatory studies, arranged according to theme in accordance with the various angles used in this 'Innovation booklet' for the different chapters. The figures preceding the titles refer to the numbers of the IWT Observatory studies. Most studies are only available in Dutch.

Innovation in Flanders in general

- 1/Het Vlaams Innovatie Systeem: een nieuw statistisch beleidskader + annex: Theoretische en empirische bouwstenen van het 'VINS'.
- 28/The Flemish Innovation System: an external viewpoint.

Typology of innovative companies

- 2/Innovatiestrategieën bij Vlaamse industriële ondernemingen.
- 5/Strategische verschillen tussen innovatieve KMO's: een kijkje in de zwarte doos.
- 16/Product- en diensteninnovativiteit van Vlaamse ondernemingen.
- 17/Adoptie van procesautomatisering en informatie- en communicatietechnologie in Vlaanderen.
- 18/Performantieprofiel en typologie van innoverende bedrijven in Vlaanderen. Waarin verschillen innoverende bedrijven van niet-innoverende bedrijven?
- 22/Benchmarken en meten van innovatie in KMO's.
- 36/Het fenomeen spin-off in België.

Research and development

- 25/De O&O-inspanningen van de bedrijven in Vlaanderen – De regionale uitsplitsing van de O&O-uitgaven en O&O-tewerkstelling in België 1971-1989.
- 26/De O&O-inspanningen van de bedrijven in Vlaanderen – Een perspectief vanuit de enquête voor 1996-1997.
- 31/Resultaten van de O&O-enquête bij de Vlaamse bedrijven.
- 32/'Match-mismatch' in de O&O-bestedingen van Vlaamse en Belgische bedrijven in termen van de evolutie van sectoriële aandelen.
- 33/'Additionaliteit'- versus 'substitutie'-effecten van overheidssteun aan O&O in bedrijven in Vlaanderen: een econometrische analyse aangevuld met resultaten van een kwalitatieve bevraging.

Dissemination of knowledge

- 7/Diffusie van belichaamde technologie in Vlaanderen: een empirisch onderzoek op basis van input/outputgegevens + annex.
- 11/Technologiediffusie in Vlaanderen: product- en diensteninnovatie – evolutie 1992-1994-1997.
- 12/Technologiediffusie in Vlaanderen: hoogtechnologische producten – evolutie 1992-1994-1997.
- 13/Technologiediffusie in Vlaanderen: procesautomatisering – evolutie 1992-1994-1997.
- 14/Technologiediffusie in Vlaanderen: Methodologie en vragenlijst.

Continued: see question 20.

20. Where can I find more information about the Flemish Innovation System? (continued)

Clusters

- 21/Clusterbeleid: Een innovatie-instrument voor Vlaanderen? Reflecties op basis van een analyse van de automobielsector.
- 27/Identificatie van techno-economische clusters in Vlaanderen op basis van input-outputgegevens voor 1995.
- 30/Clusterbeleid als hefboom tot innovatie.
- 35/ICT Clusters in Flanders: Co-operation in Innovation in the New Network Economy. Flemish Contribution to the Focus Group on 'Cluster Analysis and Cluster-based Policy'.

R&D networking

- 9/Samenwerking in O&O tussen actoren van het 'VINS'.
- 20/Samenwerking in O&O: netwerken met Vlaamse actoren in specifieke technologiegebieden.
- 23/Samenwerkingsverbanden in O&O en kennisdiffusie.

Financing & venture capital

- 15/Financiering van innovatie in Vlaanderen. Het aanbod van risicokapitaal.
- 24/Financiering van innovatie in Vlaanderen. De venture capital sector in internationaal perspectief.

Protection of industrial property rights (patents)

- 3/Octrooien in Vlaanderen: technologie bekeken vanuit een strategisch perspectief. Deel 1: octrooien als indicator van het technologiesysteem.
- 6/Octrooien in Vlaanderen: technologie bekeken vanuit een strategisch perspectief. Deel 2: Analyse van het technologielandschap in Vlaanderen.

- 10/Octrooien in Vlaanderen: technologie bekeken vanuit een strategisch perspectief. Deel 3: De internationale technologiepositie van Vlaanderen aan de hand van octrooiposities + Deel 4: Sporadische en frequent octrooierende ondernemingen: profielen.

Innovation and employment

- 4/De impact van technologische innovaties op jobcreatie en jobdestructie in Vlaanderen.
- 8/Schept het innovatiebeleid werkgelegenheid?
- 19/De werkgelegenheidsimpact van innovatie: is de aard van de innovatie-strategie belangrijk?

Innovation abroad

- 29/Geïntegreerd innovatiebeleid naar KMO's toe (Casestudie: Nederland).
- 34/Het innovatiebeleid in Ierland als geïntegreerd element van het ontwikkelingsbeleid: van buitenlandse investeringen naar 'home spun growth'.

The studies are available free of charge or can be downloaded in pdf-format from the website:

IWT-Observatorium
Co-ordinator: Jan Larosse
Bischoffsheimlaan 25, 1000 Brussel
Tel.: +32 2 209 09 00 – Fax: +32 2 223 11 81
E-mail: jl@iwt.be – URL: http://www.iwt.be/obs/obsdef.htm

Chapter 3: "Knowledge is power"

Or how Research and Development (R&D) play a key role in innovation

Technology and innovation constitute the principal strengths of the knowledge-driven economy and therefore are important driving forces of economic prosperity and social welfare. This is why the Flemish Government pays so much attention to the further development of the quality and strength of the 'knowledge system'. Therefore, encouraging scientific and technological research is one of the priorities of the Flemish Government. Every year, 2% of the Flemish Gross Regional Product is used to help convert Flanders into a knowledge and know-how producing community. To this end, Flanders has high-quality universities and schools for higher education and a number of world-renowned research institutes. This chapter tells you how your company is able to benefit from this enviable know-how as well.

Contents Chapter 3:

21. What about Research & Development (R&D) in Flanders?
22. How can I make use of the know-how of Flemish universities?
23. Do schools for higher education also co-operate with companies?
24. Can my company benefit from the world-renowned IMEC know-how in the field of microelectronics?
25. Where can I turn to for know-how in the field of biotechnology?
26. What can the Flemish Institute for Technological Research (VITO) do for my company?
27. Are there specialised research centres for the sector in which my company is active?
28. Who will help me to use the services of collective research centres?
29. How do I set up an international R&D co-operation project?
30. Can I take advantage of European R&D support?

21. What about Research & Development (R&D) in Flanders?

The cliché of the lonely inventor in his/her laboratory is a thing of the past. Most high-tech innovations originate in the R&D laboratories of companies, research and educational institutes and their spin-offs. Co-operation in the field of R&D is becoming increasingly important for different reasons:

- avoiding overlapping research;
- spreading risks;
- increased complexity and multidisciplinary nature of the research;
- insufficient financial strength of individual companies to pay for huge R&D budgets on their own;
- shortening of the period between invention and market introduction.

In view of its relatively small geographic size, Flanders has specialised in the past, just like other 'small regions', in certain subdisciplines. Flemish organisations are well represented in biotechnology, telecommunication, electronics, and IT. In addition, in these R&D disciplines, Flanders enjoys an international reputation. However, new R&D projects tend toward a broadening of the R&D field in Flanders.

Not only applied research, but also fundamental research are obviously at the basis of the new knowledge and know-how in our developed society. The **Fund for Scientific Research - Flanders** (Fonds voor Wetenschappelijk Onderzoek Vlaanderen, FWO-Vlaanderen) encourages and finances fundamental scientific research in Flemish universities and institutes for scientific research. The activities of FWO-Vlaanderen are aimed at broadening the know-how in all scientific fields. FWO-Vlaanderen tries to achieve its goals by supporting individual researchers and prominent research teams and not only by training researchers. The promotion of national and international scientific contacts and co-operation is also one of FWO-Vlaanderen's responsibilities.

For more infomation please contact:

Fonds voor Wetenschappelijk Onderzoek Vlaanderen
FWO-Vlaanderen
Egmontstraat 5, 1000 Brussel
Tel.: +32 2 512 91 10 – Fax: +32 2 512 58 90
E-mail: Jose.Traest@fwo.be – URL: http://www.fwo.be

Then there is also the Flemish **IWETO database** (Inventory of Scientific and Technological Research, Inventaris van Wetenschappelijk en Technologisch Onderzoek), one of the most prominent in Europe in this field with a great deal of information about research themes and priorities, current projects and available expertise, international and interregional co-operation agreements and available high-quality equipment. There are six search options to quickly consult the IWETO database: discipline, area of application, keyword, string search, name, and country. URL: http://www.vlaanderen.be/IWETO

22. How can I make use of the know-how of Flemish universities?

In addition to the traditional tasks of education and research, universities are also responsible for providing services to society and business. In view of the know-how and technology transfer between universities and business, the interface services operate as a gateway and/or intermediary. These interface services include:

- looking for specific expertise or technology within (or through compendiums and databases or outside) the education institute in question to solve specific technical problems within the company;
- looking for an academic partner for the joint performance of a research project;
- management of patents of the institutes in question;
- management of university research parks, in co-operation with RDAs (Regional Development Agencies) (see question 51).

So-called Innovation and Incubation centres are often linked to the interface services that provide specific support to fledgling companies. For more information we refer to the websites of the interface services in question.

The Flemish university interface services are:

- **Universiteit Antwerpen (UA - University of Antwerp)**
  Interfacedienst Universiteit Antwerpen
  Lange Nieuwstraat 55, 2000 Antwerpen
  URL: http://www.ua.ac.be/interface/index.html
  Contact: Gino Verwimp
  Tel.: +32 3 820 21 27 – E-mail: gino.verwimp@ua.ac.be
  Co-ordinator innovation policy: Marc Van Boven
  Tel.: +32 3 212 16 83 – Fax: +32 3 212 16 71
  E-mail: marc.vanboven@ua.ac.be

- **Universiteit Gent (RUG - Ghent University)**
  Dienst Onderzoeksbeleid, afdeling Technologietransfer
  Sint-Pietersnieuwstraat 25, 9000 Gent
  URL: http://aivwww.rug.ac.be/Onderzoeksbeleid/Techtransfer.html
  Contact:
  Dirk De Craemer (co-operation with industry)
  Tel.: +32 9 264 30 33 – E-mail: Dirk.DeCraemer@rug.ac.be
  Johan Bil (spin-offs)
  Tel.: +32 9 264 30 40 – Fax: +32 9 264 35 83
  E-mail: johan.bil@rug.ac.be

- **Limburgs Universitair Centrum**
  (LUC - Limburg University Centre)
  Onderzoekscoördinatie, Interfacedienst
  Universitaire Campus – Gebouw D, 3590 Diepenbeek
  URL: http://www.luc.ac.be/onderzoek/interface/default.html
  Contact: Ghislain Houben
  Tel.: +32 11 26 80 17 – Fax: +32 11 26 80 19
  E-mail: ghislain.houben@luc.ac.be

- **Katholieke Universiteit Leuven**
  (K.U.Leuven - Catholic University of Leuven)
  K.U.Leuven – Research and Development
  Groot Begijnhof – Benedenstraat 59, 3000 Leuven
  URL: http://www.kuleuven.ac.be/lrd
  Contact: Rudi Cuyvers
  Tel.: +32 16 32 65 .06 – Fax: +32 16 32 65 15
  E-mail: rudi.cuyvers@lrd.kuleuven.ac.be

- **Vrije Universiteit Brussel - VUB**
  Research & Development, Interface unit
  Pleinlaan 2, 1050 Brussel
  Tel.: +32 2 629 21 08 – Fax: +32 2 629 36 40
  URL: http://rd-ir.vub.ac.be
  Contact: Sonja Haesen
  Tel.: +32 2 629 22 43 – E-mail: shaesen@vub.ac.be of
  Bart De Greef (Valorisation-co-ordinator)
  Tel.: +32 2 629 38 66 – E-mail: bdgreef@vub.ac.be

- **Katholieke Universiteit Brussel**
  (KUBrussel - Catholic University of Brussels)
  Administratie Onderzoek en Interface
  Vrijheidslaan 17, 1081 Brussel
  URL: http://www.kubrussel.ac.be
  Contact: Sabine Janssens
  Tel: +32 2 412 42 11 – Fax: +32 2 412 42 01
  E-mail: sabine.janssens@kubrussel.ac.be

23. Do schools for higher education also co-operate with companies?

Absolutely, a number of Flemish schools for higher education also do active research and make their know-how available to companies via interface services. Arranged in ascending postal codes, these schools for higher education are:

- **Erasmus Hogeschool**
  Departement Industriële Wetenschappen en Technologie
  Nijverheidskaai 170, 1070 Brussel.
  Tel: +32 2 523 37 37 – Fax: +32 2 523 37 57
  E-mail: info@ehb.be or inge.vansweevelt@ehb.be
  URL: http://www.ehb.be
- **Hogeschool Antwerpen**
  Dienst Wetenschappelijk Onderzoek
  Keizerstraat 15, 2000 Antwerpen.
  Tel: +32 3 213 93 27 – Fax: +32 3 213 85 43
  E-mail: centraal@ha.be – URL: http:///www.ha.be
- **Hogere Zeevaartschool (Antwerp Maritime Academy)**
  Departement Industriële Wetenschappen en Technologie
  Noordkasteel Oost 6, 2030 Antwerp 3
  Tel: +32 3 205 64 30 – Fax: +32 3 225 06 39
  E-mail: info@hzs.be – URL: http://www.hzs.be
- **Katholieke Hogeschool Kempen**
  Dienst Projectmatig Wetenschappelijk Onderzoek
  Kleinhoefstraat 4, 2440 Geel.
  Tel: +32 14 56 23 10 – Fax: +32 14 58 48 59
  E-mail: info@khk.be – URL: http://www.khk.be
- **Karel De Grote Hogeschool**
  Katholieke Hogeschool Antwerpen
  Departement Industriële Wetenschappen en Technologie
  Salesianenlaan 30, 2660 Hoboken.
  Tel: +32 3 820 67 67 – Fax: +32 3 828 57 49
  E-mail: info@kdg.be – URL: http://www.kdg.be

- **Hogeschool voor Wetenschap en Kunst – De Naeyer Instituut**
  Departement Industriële Wetenschappen
  Jan De Nayerlaan 5, 2860 Sint-Katelijne-Waver.
  Tel: +32 15 31 69 44 – Fax: +32 15 31 74 53
  E-mail: info@denayer.wenk.be – URL: http://www.denayer.be
- **Groep T- Hogeschool Leuven**
  Departement Industriële Hogeschool
  Vesaliusstraat 13, 3000 Leuven.
  Tel: +32 16 30 10 30 – Fax: +32 16 30 10 40
  e-mail: groept@groept.be – URL: http://www.groept.be
- **Hogeschool Limburg**
  Departement Industriële Wetenschappen en Technologie
  Universitaire Campus Gebouw H, 3590 Diepenbeek.
  Tel.: +32 11 26 00 39 – Fax: +32 11 26 00 54
  E-mail: Joseph.vanhees@hogelimb.be – URL: http://hogelimb.be
- **Katholieke Hogeschool Limburg**
  Departement Industriële Wetenschappen en Technologie
  Universitaire Campus Gebouw B bus 3, 3590 Diepenbeek.
  Tel: +32 11 23 07 90 – Fax: +32 11 23 07 99
  E-mail: infoiwt@iwt.khlim.be – URL: http://www.khlim.be
- **Katholieke Hogeschool Brugge-Oostende**
  Departement Industriële Wetenschappen en Technologie.
  Zeedijk 101, 8400 Oostende.
  Tel: +32 59 56 90 00 – Fax: +32 59 56 90 01
  E-mail: info@kh.khbo.be – URL: http://www.khbo.be
- **Hogeschool West-Vlaanderen**
  Departement Provinciale Industriële Hogeschool
  Graaf Karel de Goedelaan 5 in 8500 Kortrijk.
  Tel: +32 56 24 12 11 – Fax: +32 56 24 12 24
  E-mail: bollaertl.cd@hogeschool-wvl.be
  URL: http://www.pih.hogeschool-wvl.be

- **Hogeschool Gent**
  Centrum voor Toegepast Onderzoek en Dienstverlening
  Voskenslaan 270, 9000 Gent.
  Tel: +32 9 242 42 42 – Fax: +32 9 243 87 78
  E-mail: luc.hertveldt@hogent.be – URL: http://hnet.hogent.be
- **Katholieke Hogeschool Sint-Lieven**
  Dienst Onderzoekscoördinatie
  Gebroeders Desmetstraat 1, 9000 Gent.
  Tel: +32 9 265 86 44 – Fax: +32 9 265 86 25
  E-mail: doo@kahosl.be – URL: http://www.kahosl.be

24. Can my company benefit from the world-renowned IMEC know-how in the field of microelectronics?

The **Interuniversity MicroElectronics Centre** (Interuniversitair Micro-Elektronica Centrum, IMEC) was established in 1984 to strengthen the strategic importance of microelectronics for Flemish industry and related techniques. IMEC is a joint venture between Flemish universities and has developed into the largest independent research and development centre for microelectronics in Europe. IMEC provides work to more than 1,200 employees (including 840 staff members), 85 % of which are active directly in research and development. Thanks to alliances with a number of international leading companies and R&D organisations, IMEC had more than 500 partners on all continents in 2000. This recognised international leading research and training centre realises 68 % of its budget through contract research, good for 70.50 million euro. In 2000, IMEC worked with 70 Flemish companies as a result of which the income from contract research with Flemish industry increased to 20.23 million euro. IMEC makes its know-how available to small and medium-sized enterprises via the 'KMO-IT'-centre (see question 56). IMEC's scientific research is 5 to 10 years ahead of the needs of industry and focuses on practical applications.

IMEC's services vis-à-vis companies include:

- **Industrial contract research**, market survey, and techno-commercial analysis in the field of design technology for integrated circuits, submicron process technology, composed (opto-)electronic materials, non-volatile memories, microsystems, multichip modules and broad-band communication, solar cells;
- **Industrial residency**: availability of infrastructure, technical assistance, and background knowledge for research projects developed and carried out by a company;

- **Industrial affiliation programme** for fundamental and strategic oriented research projects in which IMEC participates with a restricted number of partners;
- **Technological services** via the INVOMEC department;
- **Courses and project training**;
- **System realisation**: including designs of digital or analogue digital integrated circuits and manufacture of prototypes at a low cost price.

IMEC conducts a targeted industrialisation strategy with the R&D results and offers many different services to Flemish companies: innovation support (market analysis, techno-commercial analysis, gathering business information, assistance with subsidy applications, analyses of the competition, financial feasibility study), co-operation in R&D, training at the company's request and technology transfer. IMEC also organises workshops, roadshows, corporate days, and seminars for companies (see http://www.imec.be/ and click 'news & events'). InterConnect, IMEC's newsletter, keeps interested entrepreneurs up to date regarding the latest (or even future) developments.

For more information please contact:

IMEC – Interuniversitair Micro-Elektronica Centrum
Kapeldreef 75, 3001 Leuven-Heverlee
General: Tel: +32 16 28 12 11 – Fax: +32 16 22 94 00
Contact: Katrien Marent
Tel: +32 16 28 18 80 – Fax: +32 16 28 16 37
E-mail: katrien.marent@imec.be – URL: http://www.imec.be

25. Where can I turn to for know-how in the field of biotechnology?

The **Flanders Interuniversity Institute for Biotechnology** (Vlaams Interuniversitair Instituut voor Biotechnologie, VIB) was established on 5 April 1995 by the Flemish Government and combines the forces of four Flemish university biotechnology laboratories into nine specialised departments comprising more than 750 researchers and technicians. VIB's three core objectives are: carrying out high-quality research, valorising research results, and providing objective scientific information with special attention for providing information to the public, regulations, and risk-assessments.

The nine departments, its scientific directors, and contact details are:

- **Department of Molecular Biomedical Research**
  (Moleculair Biomedisch Onderzoek) – Frans Van Roy
  Tel: +32 9 264 51 31 – Fax: +32 9 264 53 48
  URL: http://www.dmb.rug.ac.be
- **Department of Plant Systems Biology**
  (Plantengenetica) – Dirk Inzé
  Tel: +32 9 264 51 70 – Fax: +32 9 264 53 49
  URL: http://www.plantgenetics.rug.ac.be/
- **Department of Transgene Technology and Gene Therapy**
  (Transgene Technologie en Gentherapie) – Désiré Collen
  Tel: +32 16 34 57 72 – Fax: +32 16 34 59 90
  URL: http://www.kuleuven.ac.be/mcm/
- **Department of Human Genetics**
  (Menselijke Erfelijkheid) – Guido David
  Tel: +32 16 34 59 05 – Fax: +32 16 34 59 92
- **Department of Immunology, Parasitology & Ultrastructure**
  (Immunologie, Parasitologie en Ultrastructuur) – Lode Wyns
  Tel: +32 2 359 02 88 – Fax: +32 2 359 02 89
  URL: http://imol.vub.ac.be/

- **Department of Developmental biology**
  (Cell growth and -differentiation) Ontwikkelingsbiologie (celgroei en -differentiatie) – Danny Huylebroeck
  Tel: +32 16 34 59 16 – Fax: +32 16 34 59 33
- **Department of Molecular genetics**
  (Moleculaire Genetica) – Christine Van Broeckhoven
  Tel: +32 3 820 23 07 – Fax: +32 3 820 25 41
  URL: http://molgen-www.uia.ac.be
- **Department of Medical Protein Research**
  (Medische Proteïnechemie) – Joël Vandekerckhove
  Tel: +32 9 331 33 17 – Fax: +32 9 331 35 97
- **Laboratory of Molecular Cell Biology**
  (Moleculaire celbiologie) – Johan Thevelein
  Tel.: +32 16 32 15 07 – Fax: +32 16 32 19 79
  URL: http://www.kuleuven.ac.be/bio/mcb

VIB supports five additional projects in different fields of biotechnology that complement the research conducted by its own departments. A Technology Transfer Team (TTT) is active at VIB. It is responsible for the transfer of technology and the valorisation of biotechnological research. In addition to patent and license applications, this team also assists in the establishment of spin-offs such as Devgen and CropDesign. The team brings together more than 30 years of industrial experience in various fields such as biopharmacy, microbial fermentation, enzymology and plant genetics; a combination of expertise that is quite exceptional in Europe for academic research institutes.

For more information please contact:

VIB - Vlaams Interuniversitair Instituut voor Biotechnologie
Contact: Ann Van Gysel
Rijvisschestraat 120, 9052 Zwijnaarde.
Tel.: +32 9 244 66 11 – Fax: +32 9 244 66 10
E-mail: vib@vib.be – URL: http:// www.vib.be

26. What can the Flemish Institute for Technological Research (VITO) do for my company?

The **Flemish Institute for Technological Research** (Vlaamse Instelling voor Technologisch Onderzoek, VITO) was established following the defederalisation of the activities of the Study Centre for Nuclear Energy (Studiecentrum voor Kernergie) in Mol. VITO is the leading research centre in Flanders for practical applications concerning non-nuclear energy, environment (including biotechnology), raw materials, and new materials. In this respect, VITO conducts customer-oriented contract research and develops innovative products and processes. VITO works on a project basis, operates swiftly, and targets results. It aids both SMEs and multinationals in terms of R&D and the implementation of innovative technologies in the aforementioned fields. VITO also helps companies solve everyday production and environmental problems.

To provide the best possible solution to companies and the government (as a research partner), VITO has structured its organisation around a number of **centres of competence** in the fields of Energy, Environment, and Materials:

A. Energy

- **Energy Technology**
  Tel: +32 14 33 58 15 – Fax: +32 14 32 11 85
  E-mail: dirk.dekeukeleere@vito.be
  URL: http://www.vito.be/energie/energietechnologie.htm

B. Environment*

- **Environmental measurement**
  Tel: +32 14 33 50 14 – Fax: +32 14 31 94 72
  E-mail: nicole.debrucker@vito.be
  URL: http://www.vito.be/milieu/milieumetingen.htm
- **Remote sensing and atmospheric processes**
  Tel: +32 14 33 68 00 – Fax: +32 14 32 27 95
  E-mail: gil.lissens@vito.be
  URL: http://www.vito.be/milieu/teledetectie.htm

- **Integral environmental studies**
  Tel: +32 14 33 58 72 – Fax: +32 14 32 11 85
  E-mail: guido.wouters@vito.be
  URL: http://www.vito.be/milieu/milieustudies.htm
- **Environmental toxicology**
  Tel: +32 14 33 52 00 – Fax: +32 14 58 26 57
  E-mail: greet.schoeters@vito.be
  URL: http://www.vito.be/milieu/milieutoxicologie.htm
- **Environmental technology**
  Tel: +32 14 33 51 00 – Fax: +32 14 58 05 23
  E-mail: ludo.diels@vito.be
  URL: http://www.vito.be/milieu/milieutechnologie.htm

C. Materials

- **Materials technology**
  Tel: +32 14 33 56 69 – Fax: +32 14 32 11 86
  E-mail: jan.meneve@vito.be
  URL: http://www.vito.be/materialen/materiaaltechnologie.htm
- **Process technology**
  Tel: +32 14 33 56 12 – Fax: +32 14 32 11 86
  E-mail: roger.leysen@vito.be
  URL: http://www.vito.be/materialen/procestechnologie.htm

(*) The **PRODEM** project (Promotion and Demonstration Centre for Environmentally Friendly Technologies - Promotie- en Demonstratiecentrum voor Milieuvriendelijke Technologieën) follows the rapid developments in the field of environmental technology. PRODEM provides solid support especially to small and medium-sized enterprises in the application of suitable environmental technology that meets or exceeds environmental standards (VLAREM - Regulations on environmental permits):
Tel: +32 14 33 51 00 – Fax: +32 14 58 05 23
E-mail: ludo.diels@vito.be
URL: http://www.vito.be/milieu/milieutechnologie.htm

VITO regularly organises specialised fairs, conferences, or workshops, and in 2002 it organised its first innovation day for companies (see http://www.vito.be/, and click "Events").

For more information please contact:

VITO – Vlaamse Instelling voor Technologisch Onderzoek
Boeretang 200, 2400 Mol
Tel: +32 14 33 55 53 – Fax: +32 14 33 55 97
E-mail: vito@vito.be
URL: http://www.vito.be and http://www.vito.be/emis
(emis = Energy and Environment Information System)

27. Are there specialised research centres for the sector in which my company is active?

Collective research centres have been organised into different sectors and conduct technical-scientific research in the fields of activity of the sector in question. This gathered know-how is disseminated (to companies) through specialised services (training cycles, updating and in-service training courses, tests, analyses, and product certifications) and via the Technological Services (TADs, see question 28). The research centres conduct both industrial precompetitive research for companies and collective research for small groups of companies and even special research assignments for individual companies. The centres are the following:

- **BIL - Belgian Welding Institute** (Belgisch Instituut voor de Lastechniek) with a laboratory in Ghent, has extensive technical expertise in welding methods for steel and synthetics.
  Sint Pietersnieuwstraat 41, 9000 Gent.
  Tel: +32 9 264 32 54 – Fax: +32 9 223 73 26
  E-mail: alfred.dhooge@rug.ac.be – URL: http://www.bil-ibs.be
- **CBM - Technical and Scientific Centre for Brewing, Malting and Related Industries** (Technisch en wetenschappelijk centrum voor de brouwerij, de mouterij en aanverwante nijverheden)
  c/o Unie van de Belgische Brouwers
  Brouwershuis, Grote Markt 10, 1000 Brussel
  Tel: +32 2 511 49 87 – Fax: +32 2 511 32 59
  E-mail: belgian.brewers@beerparadise.be
  URL: http://www.beerparadise.be

- **CENTEXBEL - Scientific and Technical Service Centre for the Belgian Textile Industry** (Wetenschappelijk en Technisch Centrum van de Belgische Textielnijverheid) with laboratories in Ghent and Verviers, focuses on raw materials, machines, products, processes and organisation for textile companies.
  - Montoyerstraat 24, 1000 Brussel
    Tel: +32 2 287 08 30 - Fax: +32 2 230 68 15
    E-mail: brussel@centexbel.be - URL:http://www.centexbel.be
  - Technologiepark 7, 9052 Zwijnaarde
    Tel: +32 9 220 41 51 – Fax: +32 9 220 49 55
    E-mail: gent@centexbel.be
  - Avenue du Parc 38 in 4650 Herve (Chaineux)
    Tel: +32 87 33 21 46 – Fax: +32 87 34 05 18
    E-mail: chaineux@centexbel.be
- **CoRI - Coatings Research Institute** (Researchinstituut voor Bekledingen, Verven en Inkten) is the collective research centre for paint producers, its most important points of interest being the production and formulation of paint depending on the application characteristics.
  Avenue Pierre Holoffe 21, 1342 Limelette
  Tel: +32 2 653 09 86 – Fax: +32 2 653 95 03
  E-mail: cori@pophost.eunet.be
- **CRM – The Centre for Research in Metallurgy** (Centrum voor Research in de Metallurgie) conducts research into new production methods and improvements as well as the effect of production characteristics on the application characteristics of steel.
  URL: http://www.crm-eur.com
  - Abbaye Val Benoît, Rue E.Solvay 11, 4000 Liège
    Tel: +32 4 254 62 11 – Fax: +32 4 254 64 64
    E-mail: lamberigts@rdmetal.ulg.ac.be
  - Technologiepark 9, 9052 Zwijnaarde.
    Tel: +32 9 264 57 68 – Fax: +32 9 264 58 34
    E-mail: herman@agt0.rug.ac.be

- **CWOBKN – The Belgian Ceramic Research Centre** (Centrum voor Wetenschappelijk Onderzoek der Belgische Keramische Nijverheid) conducts research in the field of both classic (bricks, roof tiles, tiles) and new ceramic materials.
  Avenue Gouverneur Cornez 4, 7000 Mons
  Tel: +32 65 40 34 34 – Fax: +32 65 38 40 05
  E-mail: info@bcrc.be – URL: http://www.bcrc.be
- **INV - The Scientific Glass Institute** (Wetenschappelijk Glasinstituut) 's mission statement is to promote innovation, assist companies that work with new technologies, and make well-equipped laboratories available to the glass industry.
  Bd Defontaine 10, 6000 Charleroi
  Tel: +32 71 27 29 11 – Fax: +32 71 33 44 80
  E-mail: inv@inv.be – URL: http://www.inv.be
- **LABORELEC - Competence Centre for the Industry** (Belgisch laboratorium van de elektriciteitsindustrie) provides specialised services for the generation, distribution, and use of electricity and related energy, solves complicated technical problems and anticipates technical challenges through innovation.
  Rodestraat 125, 1630 Linkebeek
  Tel: +32 2 382 02 11 – Fax: +32 2 382 02 41
  E-mail: info@laborelec.be – URL: http://www.laborelec.be
- **OCCN - The Belgian Research Centre of the Cement Industry** (Nationaal Centrum voor Wetenschappelijk en Technisch Onderzoek der Cementnijverheid) is the centre of competence for the research, testing, expertise, and analysis in the field of cement and its applications.
  Voltastraat, 10, 1050 Brussel
  Tel: +32 2 645 52 51 – Fax: +32 2 645 52 61
  E-mail: cric-occn@cric.be – URL: http://www.cric.be

- **OCW - The Belgian Road Research Centre** (Opzoekingscentrum voor de Wegenbouw) focuses its activities on road construction materials and inspects the state of the roads.
  Woluwedal 42, 1200 Brussel.
  Tel: +32 2 775 82 20 – Fax: +32 2 772 33 74
  E-mail: BRRC@brrc.be – URL: http://www.brrc.be
  Laboratories:
  - Fokkersdreef 21, 1933 Sterrebeek
    Tel: +32 2 766 03 00 – Fax: +32 2 767 17 80
    E-mail: RDA@brrc.be
  - Avenue Lavoisier 14, 1300 Wavre
    Tel: +32 10 23 65 00 – Fax: +32 10 23 65 05
    E-mail: WAVRE@brrc.be
- **TCHN - The Belgian Institute for Wood Technology** (Technisch Centrum der Houtnijverheid) organises courses in connection with wood technology, both in the field of the production of semi-finished products and the processing into end products.
  Hof Ter Vleestdreef 3, 1070 Brussel
  Tel: +32 2 558 15 50 – Fax: +32 2 558 15 89
  E-mail: info@ctib-tchn.be
  or: info@och-cfb.be (Opleidingscentrum Hout)
  URL: http:// /www.och-cfb.be or www.ctib-tchn.be
- **WTCB - The Belgian Building Research Institute** (Wetenschappelijk en Technisch Centrum voor het Bouwbedrijf) supports companies in the construction sector in general with activities in the field of construction materials, construction methods and the effect of this on the application characteristics of the building.
  Poincarélaan 79, 1060 Brussel
  Tel: +32 2 502 66 90 – Fax: +32 2 502 81 80
  E-mail: info@bbri.be – URL: http://www.bbri.be
  Offices: Lozenberg 7, 1932 Sint-Stevens-Woluwe (Zaventem).
  Tel: +32 2 716 42 11 – Fax: +32 2 725 32 12
  Testing station: Avenue P. Holoffe 21, 1342 Limelette
  Tel: +32 2 655 77 11 – Fax: +32 2 653 07 29

- **WTCM - The Foundry Research Centre** (Wetenschappelijk en Technisch Centrum van de Metaalverwerkende Nijverheid) is aimed at companies in different sectors (metal and synthetic material production, mechanical engineering, transport, electronics and communication technology) with activities around a number of horizontal technologies (foundry, print machines, metal construction, materials technology, mechanical engineering industrial management, automation, and surface finish).
  Central administration office WTCM:
  August Reyerslaan 80, 1030 Brussel
  Tel: +32 2 706 79 44 – Fax: +32 2 706 81 09
  E-mail: info@wtcm.be – URL: http://www.wtcm.be
- **W.T.O.C.D. - The Scientific and Technical Research Centre for Diamonds** (Wetenschappelijk en Technisch Onderzoekscentrum voor Diamant) is specialised in the Gem quality diamond sector.
  Plaslaar 50, 2500 Lier
  Tel: +32 3 488 06 09 – Fax: +32 3 488 06 11
  E-mail: info@wtocd.be - URL: http://www.wtocd.be

28. Who will help me to use the services of collective research centres?

Technological Services (Technologische Adviseerdiensten, TAD's) are connected to most centres for collective research. They link research centres and companies and fulfil a double role:

- Contact for companies in a certain sector or subsector for the solution of specific, technical problems. Companies that are not in the sector are also able to make use of TADs. Normally speaking, the intervention of the Technological consultant does not amount to more than two working days. If a more thorough approach is required, the question is forwarded to a specialised competence centre, usually the collective research centre.
- Informative role by disseminating new research results via lectures, announcement of government measures to support innovation, and the publication of articles on new techniques.

29. How do I set up an international R&D co-operation project?

IWT-Vlaanderen (see also question 18) is the central contact for companies located in Flanders in general and small and medium-sized enterprises in particular for all questions related to research and development programmes of the European Union (see also questions 30 and 39), EUREKA co-operation (see question 40) or with countries and regions with which Flanders has reached bilateral agreements. For the Flemish universities and research institutes, AWI is the contactpoint.

IWT-Vlaanderen services regarding this matter include:

- **Provision of information**: information concerning all initiatives and activities gathered by IWT-Vlaanderen can be consulted on the IWT-Vlaanderen homepage: http://www.iwt.be;
- **Assistance** in the realisation of research proposals, both in terms of format and content;
- **Advice** in drawing up R&D co-operation agreements and the protection of research results;
- **Partner search**: through different channels and networks, IWT-Vlaanderen looks for partners in Europe and beyond.

For more information regarding:

- **EU research programmes:**
  IWT-Vlaanderen
  Alain Deleener or Rudi Stevens
  Bischoffsheimlaan 25, 1000 Brussel
  Tel: +32 2 209 09 25 – Fax: +32 2 223 11 81
  E-mail: adl@iwt.be or rs@iwt.be
  URL: http://www.iwt.be/europro/europrodef.htm

For the sixth European Framework Programme, an alliance was established between AWI and IWT-Vlaanderen to improve the services for Flemish research institutes and companies, i.e., the **Vlaams Contactpunt Europees Kaderprogramma** (Flemish Contact Point for the European Framework Programme). The division of tasks will no longer be in accordance with the target group (companies, universities) but in accordance with the theme. AWI will be responsible for the general representation of the Flemish Government on a Belgian and European level and will be the NCP (National Contact Point) for a number of priorities: genomics and biotechnology related to health, sustainable development, citizens and governance, science and society, human potential and mobility, international co-operation, research infra-structures. IWT-Vlaanderen will be the national contact point for IT, nano technologies and sciences, air and space travel, food quality and -safety, horizontal research activities for small and medium-sized enterprises, research and innovation.
For more information please contact:

Jan Vanhellemont and Alain Deleener via e-mail: 6kp@vlaanderen.be
URL: http://www.vlaanderen.be/6kp

An excellent source of information for anything to do with R&D on a European level is **Cordis**, the Community Research & Development Information Service: http://www.cordis.lu.

Then there is **COST**, created in 1971 and a European forum for co-operation in the field of science and technology to which researchers from 43 countries participate (including 33 COST member states). COST allows scientific institutes, universities, and companies to bundle their efforts and work together in a broad field of research areas. Information on COST's specialised sectors and actions can be found on the COST homepage of the European Commission: http://cost.cordis.lu
For Flemish participation in COST surf to
http://www.innovatie.vlaanderen.be/cost

30. Can I take advantage of European R&D support?

Various European schemes exist in support of innovation, both in the field of R&D and to encourage the access to risk-bearing capital (see question 45). The EUREKA programme facilitates cross-border co-operation with a view to market-oriented research and development (see question 40).

In terms of R&D, the European Union schedules its activities in the medium-term (5 years) in so-called Framework Programmes for Research, Technological Development, and Demonstration. Since the beginning of 1999, the fifth Framework Programme has been operational (FP5: 1998-2002) with a total operating budget of approximately 15 billion euro. For more information on FP5, please consult the website: http://www.cordis.lu/5fp

Meanwhile, the new sixth Framework Programme is being prepared. It will start at the end of 2002 (FP6:2002-2006) and has an operating budget of 17.5 billion euro. 3.25 billion euro has been earmarked for the further structuring and strengthening of the European Research Area. 15 % of the total budget is to support SMEs.
For more information on FP6, please consult the website
http://www.cordis.lu/6fp

There are also a number of 'Horizontal Programmes' in which special attention is paid to promoting and stimulating innovation of SMEs. The goal of the programmes aimed specifically at SMEs (such as 'Innovation and SME Programme', for information see the website http://www.cordis.lu/innovation-smes) is to realise co-operation agreements (among others) for SMEs that do not have the possibilities to carry out R&D. Such as in CRAFT (Co-operative Research Activities) projects for exploratory activities (exploratory awards) and for co-operative

research projects. The European measures for SMEs are available on the special European website 'SME Techweb': http://sme.cordis.lu

For more infomation please contact:

IWT-Vlaanderen
EU-Onderzoeksprogramma's voor KMO's
Contact: Rudi Stevens
Bischoffsheimlaan 25, 1000 Brussel
Tel.: +32 2 209 09 98 – Fax: +32 2 223 11 81
E-mail: rs@iwt.be

Chapter 4: "Together we are strong!"

Or, how can companies better innovate via networking

The knowledge economy goes hand-in-hand with the network economy. More technological specialisation, ever-faster technology and product life cycles, and increases in scale in an extremely competitive market environment demand the highest quality products and services. Usually, the knowledge and know-how required for this cannot be found in one company. After all, a company should focus on its core competence. Consequently, external help and co-operation with partner-companies are essential. To encourage the network economy even more, the Flemish Government created Cooperative Innovation Networks (Vlaamse Innovatiesamenwerkingsverbanden, VIS).

Contents chapter 4:

31. What are the advantages of a network economy?
32. What is the best way to co-operate?
33. Why are clusters now known as Cooperative Innovation Networks?
34. What exactly are Cooperative Innovation Networks?
35. What are the different company clusters?
36. What is the difference between technology valleys and technological centres of excellence?
37. Which are examples of Flemish technological centres of excellence?
38. What are Parenthood and Plato projects?
39. What can IRC-Vlaanderen do for me?
40. What is the EUREKA programme?

31. What are the advantages of a network economy?

The knowledge economy goes together with the network economy in strategic terms. After all, because of modern-day factors such as far-reaching computerisation, accelerated technology evolutions and product life cycles, and globalisation, the increasing competition requires a high knowledge intensity and the highest quality products and services. This is why companies should focus on their core competence and be open to networking. The diversity and complexity of all required knowledge elements means that companies, particularly SMEs, need to establish external relations with other companies and/or competence centres.

Networks boost the (future) competitiveness of companies in three ways:

- Networking boosts the productivity thanks to an improved access to specialised employees, suppliers, and information about market and technological developments. This creates synergy opportunities for product and market development, driven by performance comparisons between companies (benchmarking).
- To devise a unique and valuable combination or to realise certain activities in a unique way, a flexible organisation is required. Strategies need to be adapted permanently to the changing environment, in which complete innovation is the keyword. In networks, innovation opportunities are visible much quicker to more people.
- Networking stimulates the creation of new companies, because the 'opportunity' for new activities becomes visible sooner.

32. What is the best way to co-operate?

Modern-day economic demands force many companies, particularly small and medium-sized enterprises, to consolidate their technological potential in order to compete internationally. Considering the complexity of new technologies and the expertise required to apply them, technological co-operation is an obvious conclusion.

To benefit from the research results or to fine-tune new developments, an alliance between complementary companies and research institutes is often recommended. To avoid competition on the same geographic markets later, co-operation with foreign partners can be a good idea.

To ensure smooth co-operation, it is essential to reach correct agreements regarding the work to be carried out and the planning of tasks, but also in connection with the possible use of the research results. For research projects, in particular European projects (see also EUREKA, question 40), it is preferable to have an expert go over the project proposal and the co-operation agreement. In case of problems, the IWT-Vlaanderen services (see also question 18) can also be used.

Because IWT-Vlaanderen has a great deal of information at its disposal in connection with innovative companies and high-performance research institutes, it can mediate in reaching new co-operation agreements. When foreign companies submit requests for co-operation, companies and institutes are often directly contacted and informed about the co-operation proposal.

33. Why are clusters now known as Cooperative Innovation Networks?

Clusters, technology valleys, innovation platforms no matter what the initiative, or whatever you want to call it, co-operation in innovation projects is a necessity in the knowledge economy. In the early nineties already, Michael Porter underlined the importance of international competitiveness of regional 'clusters' or co-operating and competitive companies that take advantage of each others proximity as a source of collective productivity gains. The 'cluster' policy was a fact when – mainly regional – authorities started with the formation and reinforcement of future-oriented regional clusters for their economic innovation policy. Flanders was one of the 'early adopters' and since 1994 the Flemish Government has supported a number of cluster organisations of companies that co-operate with one another or with research institutes in one or several fields such as scientific research, product development, and training.

The current Flemish Government wants to incorporate this cluster policy in a horizontal policy. Specific sectoral programmes (for IT, biotechnology, energy, etc.) will no longer be organised. Instead, all innovative projects will have the opportunity to compete for the available support funds offered via IWT-Vlaanderen. Naturally, the encouragement of innovative alliances remains one of the major policy choices. Co-operation deserves priority and an extra-stimulus, especially if it is cross-sector, high risk, but also offers great development opportunities for the Flemish economy. Moreover, the idea of platform or cluster formation is very popular among Flemish innovation actors. This is why the Flemish Government established the so-called **Cooperative Innovation Networks** (Vlaamse Innovatiesamenwerkingsverbanden, VIS) in pursuance of the Flemish Parliament Act on Innovation (question 17). Question 34 goes into more detail about the VIS programme.

34. What exactly are Cooperative Innovation Networks?

Cooperative Innovation Networks (Vlaamse Innovatiesamenwerkingsverbanden, VIS) are networks of companies, supervised or supported (or not) by research institutes. Through this VIS programme, the Flemish Government wants to streamline the landscape of intermediaries that encourage technological innovation in business, and make it more transparent. The VIS programme will be an important tool in efficiently encouraging innovation activities in Flemish industries (business conducted in Flanders) through targeted financial support by IWT-Vlaanderen (see also question 18). The most important policy change is that financing via the VIS programme is no longer done ad hoc, but in accordance with clear and uniform rules. The structural financing of organisations such as sectoral company clusters has also been abandoned. Instead, Cooperative Innovation Networks can receive funds for projects concerning technological services, innovation stimulation, and collective research.

In this context, the idea is that IWT-Vlaanderen will select and financially support projects submitted by company networks. Four types of project come into consideration:

- **collective research**: from strategic basic research to translation research, whereby the collectivity provides economies of scale in terms of knowledge dissemination (support percentage of 50 % provided for acceptable expenses);
- **technological services**: comprises both the provision of technological advice requested by companies itself and taking the initiative to provide extremely specialised technological know-how to companies (support percentage of 80 % provided for acceptable expenses);
- **subregional innovation stimulation**: organisation and support of recognisable local contacts companies can talk to for personal first-line advice, with a referral to specialised knowledge services (support percentage of 80 % provided for acceptable expenses);

- **specific innovation stimulation**: targets innovation stimulating activities, aimed at a group of technology related companies in order to stimulate networking and synergy (support percentage of 80 % provided for acceptable expenses).

The **VIS manuals** can be downloaded (general and specific in accordance with the project type) in pdf-format from the IWT-Vlaanderen website: URL: http://www.iwt.be, then press the 'Vlaamse Innovatiesamenwerkingsverbanden (VIS)' button.

For more information please contact:

IWT-Vlaanderen
Vlaamse Innovatiesamenwerkingsverbanden (VIS)
Contact: Eric Sleeckx
Bischoffsheimlaan 25, 1000 Brussel
Tel.: +32 2 209 09 53 – Fax: +32 2 223 11 81
E-mail: esl@iwt.be

35. What are the different company clusters?

Companies have of course been working together for a long time already, even before the so-called Cooperative Innovation Networks (Vlaamse Innovatiesamenwerkingsverbanden, VIS) (see questions 33 and 34) were established. The existing initiatives regarding clusters, often company clusters in the same sector, have useful services at their disposal with a view to innovation. Please find a list below in alphabetical order.

- **CLUSTA (Cluster of Steelplate producers and processors)** (Cluster van Staalplaatproducenten en -verwerkers) provides technological support and product and process innovation support to all Flemish steelplate producers and processors, ranging from suppliers to integrated processors in the automobile, mechanical engineering, electrical material and furniture sectors, etc. Meanwhile, this network comprises in excess of 660 steelplate processing companies, approximately 85 % of which have fewer than 50 employees.

For more information please contact:

CLUSTA
Registered office:
Spastraat 8, 1000 Brussel
Tel: +32 2 238 06 15 – Fax: +32 2 238 06 11
Technical centre:
Technologiepark - Zwijnaarde 9
9052 Ghent - Zwijnaarde
Tel: +32 9 264 57 88 – Fax: +32 9 264 58 44
E-mail: info@clusta.be – URL: http://www.clusta.be

- **STW (Study Centre for Telematics Road Transport)** (Studiecentrum Telematica Wegvervoer)'s purpose is to support and advise the transport sector in the field of telematics in the broadest sense, i.e., mobile communication, EDI, planning of trips, automation

packages, etc. STW also wants to contribute to a durable mobility increase in Flanders. STW is an initiative of SAV, the Royal Professional Organisation for Flemish Road Hauliers and Logistic Service Providers (Koninklijke Beroepsorganisatie van de Vlaamse Goederentransport Ondernemers en Logistieke Dienstverleners).

For more information please contact:

STW (via SAV)
Land van Rodelaan 20, 9050 Gentbrugge
Tel: +32 9 210 82 10 – Fax: +32 9 232 22 79
E-mail: info@sav.be – URL: http://www.sav.be

- **VEI (Flemish Electro Innovation centre)** (Vlaams Elektro Innovatiecentrum) is a joint venture in the electro-sector that targets electro-installation companies, self-employed electricians, and traders in electrical appliances with the aim of giving innovation in the sector an extra impulse.

For more information please contact:

VEI vzw
BEMT-gebouw, Kleinhoefstaat 6, 2440 Geel
Tel: +32 14 57 96 10 – Fax: +32 14 57 96 11
E-mail: info@vei.be – URL: http://www.vei.be

- **VIPO (Flemish Initiative for Product Development)** (Vlaams Initiatief voor Productontwikkeling) is a joint venture between the research centres in the metal processing industry (Agoria-Vlaanderen and WTCM), the textile sector (Febeltex and Centexbel), the wood processing (Febelhout and TCHN) and the construction (WTCB) sector to support and encourage the product development activities of Flemish small and medium-sized enterprises in these sectors.

For more information please contact:

VIPO
Celestijnenlaan 300c, 3001 Heverlee
Tel: +32 16 32 25 99 – Fax: +32 16 32 29 84
E-mail: vipo@wtcm.be – URL: http://www.wtcm.be/nl/projects/vipo

- **VKC (Flemish Centre for Plastic Processing)** (Vlaams Kunststofcentrum) is a joint venture of the plastics industry and related sectors such as raw material suppliers, mould and mechanical engineering. VKC's aim is an improved competitiveness of the sector in Flanders.

For more information please contact:

Vlaams Kunststofcentrum vzw
E. Sabbelaan 49, B-8500 Kortrijk
Tel: +32 56 28 18 28 – Fax: +32 56 28 18 30
E-mail: vlaams.kunststofcentrum@skynet.be
URL: http://www.vkc.be

Then, there are the so-called technology valleys (see question 36).

36. What is the difference between technology valleys and technological centres of excellence?

Technology valleys are geographic concentrations of knowledge-driven companies and research centres in a certain area of technology and science. The combined know-how and competence create (potential) synergies. The best-known example is Silicon Valley in California. Often, one successful company acts as a catalyst and draws young talent and domestic and foreign investors, thus benefiting the other companies in the 'valley'. Some of the advantages are: optimal transfer of knowledge, intensive interaction between science and business, and an attractive recruiting environment.

During the second half of the nineties, a number of technology valleys were established in Flanders too, with the support of the Flemish Government. The best know examples are 'Flanders Language Valley' in Ieper (Ypres) around L&H, 'Biotech Valley' in Ghent around Innogenetics and PGS and 'DSP (Digital Signal Processing) Valley' in Leuven around IMEC. Especially for fledgling small and medium-sized enterprises, being in a technology valley can be a springboard to a successful future. The stagnating economy and worldwide collapse of market prices after the millennium immediately put an end to the endless high-tech growth prognoses (and the never-ending flow of venture capital). It also heralded the (temporary?) end of the concept of 'technology valley' in its then format.

As announced in the policy document 'Science and Technology policy 2000-2004' (Wetenschaps- en Technologiebeleid 2000-2004) the Flemish Government has worked on the development of so-called 'technological centres of excellence'. The aim is to support Flemish industry based on a specific technological problem. Examples are Flanders' Drive and VIGC (see question 37).

37. Which are examples of Flemish technological centres of excellence ?

The **Flanders' Drive** project is a technological centre of excellence in the vehicle sector. A competence centre has been established in Limburg for suppliers to the vehicle industry. The initiative comprises both the development of an important test centre for components for vehicles, the Flemish Engineering and Test centre (Vlaams Engineering- en Testcentrum, VETC nv, subsidiary of the Flanders Financial Holding Company (Participatie Maatschappij Vlaanderen) and the creation of a supporting structure for knowledge dissemination, research and the stimulation of co-operation under the name of Flanders' Drive vzw (non-profit organisation).

Flanders' Drive comprises a number of Flemish suppliers to the vehicle industry whose aim is to strategically strengthen their product development capacities and to guarantee their competitive position on a European and global scale. Flanders' Drive tries to encourage the innovative power in the sector by making specialised know-how and resources accessible based on a close and agreed alliance between companies and competence centres in Belgium and abroad.

Flanders' Drive views its assignment as being threefold:

- awareness in terms of innovation by encouraging active networking and information exchange;
- encourage the technological transfer of knowledge by providing advice and through shared research and innovation projects;
- offer a platform for scientific research and permanent training, for instance via the VETC. As a leading centre, VETC, performs many assignments, especially to shorten and professionalise the often-complicated R&D cycle, i.e., industrial services, sector-specific advice, and research guidance.

For more information please contact:

Flanders' Drive vzw

A. Reyerslaan 80, 1030 Brussel

Tel: +32 2 706 78 37 – Fax: +32 2 706 78 44
E-mail geert.vanhaverbeke@agoria.be
URL: http://www.flandersdrive.be

The **VIGC**, a non-profit organisation – supported by the Flemish Government and the European Fund for Regional Development – wants to strengthen the competitiveness of companies in the graphic and communication sector by supporting them in their innovation projects.

Because of rapid technological developments, the borders are fading between the classic graphic sector, innovative niches such as digital photography and multimedia and information and communication technology. This is why VIGC targets the graphic sector in de broadest sense, including such areas as telecommunication and document and information management.

In addition to general information about trends in the extensive sector of graphic communication, VIGC also specifically concentrates on a number of fields: digital workflow, colour management, asset management, computer-to-X, digital printing, e-commerce and printing, optimisation, and automation.

The VIGC services also comprise:

- follow-up of technological and market trends (technology and trendwatch);
- training (seminars, workshops);
- R&D project management and consultancy;
- availability of laboratory infrastructure;
- availability of business accommodation in the VIGC incubation centre.

For more information please contact:

Vlaams Innovatiecentrum voor Grafische Communicatie vzw (VIGC)
Steenweg op Gierle 100 Bus 5, 2300 Turnhout
Tel: +32 14 40 39 90 – Fax: +32 14 40 39 91
E-mail: info@vigc.be – URL: http://www.vigc.be

38. What are Parenthood and Plato projects?

An SME manager is often deemed to be a jack-of-all-trades. He or she does the finances, hires the staff, is responsible for sales, helps in production, does the PR, tries to think of the future, etc. Fortunately, many initiatives exist to help and support small and medium-sized enterprises. One of these initiatives is **Plato**.

Plato is an intensive advice and support programme for SME company directors and growth companies based on the **parenthood principle**. Major companies become 'liaison officers' of smaller companies, transfer know-how, and offer support in all aspects of company management. At the same time, experience is exchanged and networks are formed between small and medium-sized enterprises. Plato's aim is to help professionalise the SME company policy by improving the management skills of SME company directors. PLATO-Vlaanderen co-ordinates the 9 PLATO regions in Flanders: Bruges-Coast-Westhoek, Kortrijk, East Flanders, Antwerp-Waasland, Kempen, Limburg, Mechelen, Leuven, and Halle-Vilvoorde. URL: http://www.plato.be

The strategy of parenthood projects is that fixed groups of directors of small companies convene every month over a period of one or two years with one or two supervisors to share experiences. The supervisors are executives of large companies or experienced self-employed entrepreneurs who want to make their experience available to other entrepreneurs. The Flemish government provides financial support to these projects in order to keep the subscription fee for participants low. The Europe Economy division co-ordinates the subsidies, follow-up, and evaluation of these projects. The organisation of the projects themselves is done by different organisations. A similar initiative to Plato is **'entrepreneurs for entrepreneurs'** (Ondernemers voor ondernemers, OVO), an initiative of Unizo. URL: http://www.unizo.be/ovo

For more information on parenthood projects, please contact:

Ministerie van de Vlaamse Gemeenschap
Afdeling Europa-Economie
Markiesstraat 1, 1000 Brussel
Contact: Machteld De Dobbeleer
Tel: +32 2 553 38 79
E-mail: machteld.dedobbeleer@ewbl.vlaanderen.be
Contact: Roger De Muylder
Tel: +32 2 553 37 76
E-mail: roger.demuylder@ewbl.vlaanderen.be
General:
URL: http://www.vlaanderen.be/economie
Plato projects:
URL: http://www2.vlaanderen.be/ned/sites/economie/peter.htm

Here, the IWT-Vlaanderen Innovation network should also be mentioned. It is a group of organisations, which SMEs can contact for expert answers to all their questions and problems regarding innovation (see question 52).

39. What can IRC-Vlaanderen do for me?

The former Flemish Innovation Advice Centre (Vlaams Innovatie-Adviescentrum, VIA) was renamed IRC-Vlaanderen in 2002. IRC stands for **'Innovation Relay Centre'**. To encourage the transfer of innovative technology, the European Commission established a network of about 68 'Innovation Relay Centres' (IRCs). IRC-Vlaanderen is part of IWT-Vlaanderen (see question 18).

A Flemish point of contact for technology exchange, IRC-Vlaanderen is at the service of organisations that offer technologies or are looking for them. IRC-Vlaanderen offers companies, universities, research centres, and other organisations a range of services:

- the most suitable technological solution for a problem in your company;
- a joint venture for finalising your technology;
- a partner to disseminate your technology or research results in Europe;
- a European platform to get in touch with potential partners;
- a joint venture, capital contribution, etc., to spread your development risk;
- sound advice to secure your rights of ownership.

For more information on IRC-Vlaanderen, please contact:

IRC-Vlaanderen (via IWT-Vlaanderen)
Tania De Roeck
Bischoffsheimlaan 25, 1000 Brussel
Tel: +32 2 209 09 .39 – Fax: +32 2 223 11 81
E-mail: irc@iwt.be – URL: http://www.iwt.be/irc

The virtual 'technology market' gives you access to a database with different European innovative technology tenders and technology queries: http://www.iwt.be/irc/Technologiemarkt.htm

For more information on IRCs, please contact:

European Commission
Enterprise Directorate-General,
Directorate C: Innovation Networks and Services
EUROFORUM, Office 2269

- Address (official): Rue Alcide de Gasperi, L-2920 Luxemburg
  Tel: +352 4301 38121 – Fax: +352 4301 34009
- Address (offices): rue Robert Stumper 10, L-2557 Luxemburg
  Fax: +352 4301 34009 (Secretariat)
  E-mail: marina.somers@cec.eu.int or colin.stewart@cec.eu.int
  URL: http://irc.cordis.lu or http://irc.cordis.lu/ircnetwork/

The free two-monthly magazine **'Innovation & Technology transfer'**, published by the European Commission, Enterprise Directorate-General (and which contains the IRC-Newsletter), can also be contacted:

European Commission
Enterprise Directorate-General,
Innovation Directorate, Communication and Awareness Unit
EUFO 2290, L-2920 Luxemburg
Tel: +352 43013-3161 – Fax: +352 43013-2084
E-mail: innovation@cec.eu.int
URL: http://www.cordis.lu/itt/itt-en/home.html

For more information please contact:

European BIC Network - EBN
Leading European network of Business & Innovation Centres
E-mail: ebn@ebn.be – URL: http://www.ebn.be

40. What is the EUREKA programme?

EUREKA is a European co-operation programme for applied market-driven research in which 31 European countries participate (i.e., not a programme of the European Union). The programme applies to companies and co-operating universities and research institutes. A EUREKA project has at least two partners from two different EUREKA countries. Small projects with two partners are just as welcome as large multi-partner projects. EUREKA does not decide on the choice of research subject and the co-operating partners.

In other words, EUREKA offers an extremely user-friendly and flexible framework for European research co-operation and restricts administration and bureaucracy in the application and the performance to a minimum. For funding, the individual partners need to go to their own national or regional authorities. For Flemish partners, this is IWT-Vlaanderen (see also question 18). Funding requests in the context of EUREKA follow IWT-Vlaanderen's normal application and evaluation procedures. In the context of EUREKA, applications can be submitted for industrial basic research, prototype research, or a combination of both in accordance with IWT research project or SME innovation project procedures.

Applications of Flemish participants to a EUREKA project are supported in accordance with normal IWT support percentages, which are increased with a supplement of 10 %. Moreover, this EUREKA supplement can be cumulated with the 10 % supplement for SMEs.

For more information please contact:

IWT-Vlaanderen

EUREKA regional contact

Contact: Danny Van Steenkiste

Bischoffsheimlaan 25, 1000 Brussel

Tel: +32 2 209 09 71 – Fax: +32 2 223 11 81

E-mail: dvs@iwt.be – URL: http://www.iwt.be/eureka.htm

Information about European programmes via IWT-Vlaanderen is available on the website: http://www.iwt.be/europro/europrodef.htm

A list of all EUREKA projects, with a technical description and an identification of the partners, is available on the EUREKA website: http://www.eureka.be. Projects can be easily and quickly found based on activity, keywords, or participating partners.

Chapter 5: "Who foots the bill?"

Or, how innovation can be funded

Innovation means entering new and uncharted territory. Inevitably, this is not entirely without risk, especially in financial terms, and requires considerable investments. Maybe this aspect deters some company directors. It would be a shame if this financial concern were to constitute an insurmountable obstacle. Help is on hand, however, in particular for start-ups and small and medium-sized enterprises. This chapter explains how venture capitalists and the various institutes established by the Flemish Government can help to ease your financial fears.

Contents chapter 5:

41. What are the most frequently occurring terms in innovation funding?
42. Will 'business angels' put you on cloud nine?
43. What can GIMV (Investment company for Flanders) do for my company?
44. What is the role of the Vlaams Waarborgfonds (Flemish Venture Capital Guarantee Fund)?
45. How can I apply for risk-bearing capital through the European institutions?
46. What are IWT company subsidies?
47. Which projects come into consideration for IWT company subsidies?
48. Who comes into consideration for the special SME programme (KMO-Programma)?
49. Which project forms does the SME programme (KMO-Programma) support?
50. What is the fastest way to obtain (Flemish) funding?

41. What are the most frequently occurring terms in innovation funding?

Innovation means entering uncharted territory which is not entirely risk-free, also in terms of funding. Companies – especially start-ups and rapidly growing small and medium-sized enterprises – usually do not have the necessary financial scope to bear the risk or the cost of expansion on their own and are forced to look for external providers of **venture capital**. This is understood to mean the provision of capital to establish a company or a capital increase during a growth phase to young, often high-tech, companies with great growth potential.

Funding by a **venture capitalist** can be direct (via shares) or indirect (convertible bonds and warrants). The reward is usually the added value (e.g., following an initial public offering, management buy-in/out) after a period of 5 to 10 years.

The American venture capital industry already came into being after the Second World War when general Doriot established 'American Research and Development', which aimed at providing capital to entrepreneuring companies. Thanks to the many technological breakthroughs in the seventies and the rapid evolution in terms of IPOs (Initial Public Offerings or stock exchange introductions) in the eighties, the sector grew explosively.

The European venture capital sector only saw the light of day in the seventies, not taking away anything from a number of 'early birds'- such as Investco in Flanders. This growth really took off in the eighties and nineties, however. The total VC portfolio in Belgium increased from 493.31 million euro to more than 1.04 billion euro between 1987 and 1997. In all, 10 billion euro flowed into venture capital funds in Europe in 1997, raising the cumulative VC amount to 81.8 billion euro. Since the worldwide slowdown in economic growth and the strong decrease in value of (often high-tech) shares, finding

venture capital has become less evident in 2000 than it was in the 'booming nineties'.

Figures of the Belgian Venturing Association show that in 2000, Belgian investors invested more than 564 million euro in new venture capital. 55.5 % was for the Belgian market, 14.9 % for Europe, and 29.6 % outside Europe. In terms of sectors, 25 % of the investments went to the communication sector, 20% to computer-related sectors and more than 8 % to the biotech sector. In all, 70.8 % went to high-tech investments, thus turning Belgium into one of the European front-runners together with Ireland, Denmark, and Finland. On a European level, 34.9 billion euro in venture capital was invested in 10,440 companies in 2000, 31 % of the investments going to high technology.

Depending on the development phases, different funding stages can be distinguished:

- The initial realisation of an innovative idea often requires an entrepreneur's own funds, know-how, and labour **(seed equity)**. External funding at this stage is known as **seed capital** and is generally used to fund a prototype. Venture capitalists' interest in this phase has grown over the years. For instance, in 2000, 14.1 % of the total VC investments in Belgium went to seed capital, compared to barely 1.9 % in 1997.
- **Start-up funding** is aimed at product development and initial marketing, without profit. Again, an increase in terms of percentage is noticeable. In 2000, 32.7 % of all VC investments in Belgium went to "start-ups" compared to 14.7 % in 1997.
- **Expansion funding** still constitutes the largest share in the venture capital sector, but has become less important (in relative terms). In 2000, 46.2% of all VC investments in Belgium went to "expansion" compared to 77.1 % in 1997.
- Other funding stages concern replacement (1.1 % in 2000) and **buy-outs** (5.9 % in 2000).

For more information please contact:

Belgian Venturing Association - BVA
Galliërslaan 7, 1040 Brussel
Tel: +32 2 743 44 21 – Fax: +32 2 743 15 50
E-mail: bva@associationhq.com
URL: http://www.bva.be or http://www.bvassociation.org.

European Venture Capital Association - EVCA
Minervastraat 4, 1930 Zaventem
Tel: +32 2 715 00 20 – Fax: +32 2 725 07 04
E-mail: evca@evca.be – URL: http://www.evca.com

42. Will 'business angels' put you on cloud nine?

In addition to the formal, institutionalised venture capitalists, 'informal' **business angels** (wealthy private persons or entrepreneurs who use their personal or family fortune to provide venture capital) also play an important role in the sector of innovative entrepreneurship.

In terms of regulations, Belgium has relatively few obstacles for the establishment of business angel networks. In 2000, the Flemish Government officially recognised four already existing business angel networks, one of which is also recognised by the European Commission (Vlerick BAN).

In 1998, the Vlerick Leuven Ghent Management School established the first business angel network in Belgium, i.e., the Vlerick Business Angels Network vzw, or Vlerick BAN, a non-profit organisation. In 2000, 139 projects were submitted to Vlerick BAN, 67 of which were eventually launched in the network. As many as 48 of these entrepreneurs had further and in-depth talks with Business Angels and have gained an important added value. In the end, five projects were funded by members of Vlerick BAN and eight projects found funding outside the network. Seven entrepreneurs were still in talks with Business Angels in the network by the end of 2000. The funded projects are in very diverse sectors such as e-commerce, fashion, pharmaceuticals, environment, and software. In all, 1.5 million euro has already been invested.

Vlerick BAN is also a founding member of the European Business Angels Network (abbreviation EBAN: http://www.eban.org) and Belgian Association of Business Angels Networks (abbreviation BeBAN: http://www.beban.be). Both are European and Belgian interest groups respectively, aimed at promoting informal venture capital.

For more information please contact:

Vlerick Business Angels Network (Vlerick BAN)
Contact: Hilde Goossens
Bellevue 6, 9050 Gent-Ledeberg
Tel: +32 9 210 98 23 – Fax: +32 9 210 97 90
E-mail: hilde.goossens@vlerick.be – URL: http://www.ban.be

European Business Angels Network - EBAN
Contact: Christian Saublens or Monica Reino
Kunstlaan 12 bus 7, 1210 Brussel
Tel: +32 2 218 43 13 – Fax: +32 2 218 45 83
E-mail: info@eban.org – URL: http://www.eban.org

43. What can GIMV (Investment company for Flanders) do for my company?

The **Investment company for Flanders** (GIMV) was established in 1980, and has since grown into one of the most important venture capitalists in Belgium. GIMV has been listed on the Brussels stock exchange since 26 June 1997. GIMV provides venture capital to a broad target group of service, commercial and industrial companies in both traditional and innovative sectors to both start-ups, SMEs, and large companies.

Thanks to its specialised know-how, GIMV also plays a leading role in European and international markets. At the end of 2001, GIMV had approximately two hundred participating interests with a total intrinsic value of 1.18 billion euro (18.5 % of which from listed participations). In 2001, GIMV made a net profit of 96.4 million euro and invested 210 million euro , 63.6 million euro of which in Flanders. A little more than half the investments went to new participations.

GIMV concentrates its activities in business units around three sectors:

- **Corporate Investment**: focuses on existing companies with great potential in traditional sectors (both expansion, replacement capital and buy-outs). 128 million euro in total in 2000 (53 %);
- **Information and Communication Technology (ICT)**: investments of 1 to 25 million euro, 71 million euro in total in 2000 (30 %);
- **Life Sciences**: GIMV - Life Sciences invests in biotech companies that combine new technologies and experienced management. Investments range from 0.5 million euro to 15 million euro (spread over different rounds usually). In 2000, GIMV invested approximately 44 million euro (17 %) in biotech companies, spread over seed capital, early stage financing and mezzanine transactions (financing that is part debt and part share capital) and follow-up investments. All investments were made in Europe or the US in a wide range of

technologies such as genomics, gene therapy, medical technology, bio IT, biomaterials, (bio) pharmaceuticals, cell therapy, and agro-biotech.

GIMV provides risk-bearing capital in accordance with arm's length criteria during the different phases of a company's growth. GIMV primarily takes minority participations although majority participations have also been known. GIMV also supports young companies with growth potential (also in the more traditional sectors) by providing growth capital on the one hand and helping them develop a professional management.

For more information please contact:

GIMV – Investeringsmaatschappij voor Vlaanderen nv
Karel Oomsstraat 37, 2018 Antwerpen
Tel: +32 3 290 21 00 – Fax: +32 3 290 21 05
E-mail: receptie@gimv.be – URL: http://www.gimv.be

For investments in Brussels, please contact:

GIMB - Gewestelijke Investeringsmaatschappij voor Brussel
de Stassartstraat 32, 1050 Brussel
Tel: +32 2 548 22 11 – E-mail: contact@gimb.be
URL: http://www.gimb.be
Start-ups and companies younger than five years with growth potential should contact BRUSTART under GIMB.

44. What is the role of the Vlaams Waarborgfonds (Flemish Venture Capital Guarantee Fund)?

In order to provide start and growth possibilities, small and medium-sized enterprises in Flanders need a source of neutral risk-bearing capital. To meet this need, the Flemish Government developed an instrument that encourages venture capital (in pursuance of the 'Flemish Parliament Act of 15 April 1997' with regard to the granting of a guarantee in the format of a loss guarantee for the provision of venture capital): the **Flemish Guarantee Fund** (Vlaams Waarborgfonds).

The Flemish Guarantee Fund established under the auspices of the 'Nationale Kas voor Beroepskrediet' (National professional credit fund) guarantees the repayment of professional loans by small companies concluded with financial institutions. However, any expansion grant is halved for the investment payment that is covered directly by the Flemish Guarantee Fund. This does not apply to start-ups.

On 31 December 2001, 31 venture capital companies had already been certified, which, starting in July 1997, had already taken out 25,818,889.53 euro in guarantees. For shares, maximum 50 % of the invested venture capital is guaranteed: 30 % the first year, 40 % the second year, and 50 % from the third year to the fifth year. The guaranteed amount is restricted to maximum 991,574.10 euro per company. For subordinated loans, the guaranteed percentage amounts to maximum 30 %: 20 % the first year, 25 % the second year, and 30 % from the third year to the fifth year.

The fund takes into account such factors as:

- the good reputation and professional skills of the applicant;
- the technical, economic and financial aspects of the investment project;
- the viability of the company;
- the financial structure.

For application forms and additional information please contact the Flemish Guarantee Fund:

Vlaams Waarborgfonds p/a NV Beroepskrediet
Rouppeplein 16, 1000 Brussel
Tel: +32 2 289 85 13 – Fax: +32 2 289 85 51
E-mail: karla.fieremans@waarborgfonds.be
URL: http://www.vlaanderen.be/economie (general)
or http://www2.vlaanderen.be/ned/sites/economie/expwaar.htm

45. How can I apply for risk-bearing capital through the European institutions?

Innovative companies – primarily small and medium-sized enterprises, but also other companies – can apply for risk-bearing capital thanks to a number of initiatives started by the European Commission. It would lead us too far if we explained all the initiatives. A lot of information is available on the Internet and the aforementioned IWT-Vlaanderen and GIMV intermediaries.

For instance, the European Commission supported the portal site 'Gate2Growth' (http://www.Gate2growth.com) that forms a link between European entrepreneurs, investors, service providers, and different networks such as **I-TecNet**: the meeting place for venture capital investors in technology at an early stage.

Another very interesting website with links to European organisations and institutes that provide funding is http://www.cordis.lu/finance

For more information please contact:

- **European Commission**
  Directorate General for Economic and Financial Affairs
  Unit 01 - Information, BU-1 -1/182
  Wetstraat 200-1049, 1040 Brussel
  Fax: +32 2 299 35 78 – E-mail: sg-info@cec.eu.int
  URL: http://europa.eu.int/comm/secretariat_general/sgc/aides/dgs/ecfin_en.htm

- **European Commission**
  Enterprise Directorate General, Access to Finance
  Contact: Rudy Aernoudt
  Wetstraat 200, 1049 Brussel
  (office: Wetenschapsstraat 27 - SC 27 04/04)
  Tel: +32 2 295 91 86 – Fax: +32 2 295 21 54

E-mail: rudy.aernoudt@cec.eu.int
URL: http://europa.eu.int/comm/enterprise/entrepreneurship/financing/business_angels.htm

- **Ministerie van de Vlaamse Gemeenschap**
  Administratie Economie – Euro Info Centrum
  Markiesstraat 1, 1000 Brussel
  Tel: +32 2 553 38 77 – Fax: +32 2 502 47 02
  e-mail: euro.infocentrum@ewbl.vlaanderen.be
  URL: http://www2.vlaanderen.be/ned/sites/economie/euroinfo.htm
  or http://www.vlaanderen.be/economie (general information)

- **GIMV – Investeringsmaatschappij voor Vlaanderen nv**
  Karel Oomsstraat 37, 2018 Antwerpen
  Tel: +32 3 290 21 00 – Fax: +32 3 290 21 05
  E-mail: receptie@gimv.be – URL: http://www.gimv.be

- **Eurodeveloppement**
  (group of regional development companies in Europe)
  c/o GIMB, de Stassartstraat 32, 1050 Brussel
  Tel: +32 2 548 22 11 – Fax: +32 2 511 59 09
  E-mail: d.caron@europmail.be – URL: http://www.eurodev.be

46. What are IWT company subsidies?

On 5 October 2001, the Flemish Government approved a new act that forms the framework for the funding of technological research projects and the development of companies established in Flanders. This act aims chiefly at simplification and more effectiveness of the support. From now on, IWT-Vlaanderen (see question 18) is the one-stop shop to promote innovation in Flemish industry (i.e. businesses located in the Flemish Region), among others by granting financial support to research and development projects via **company subsidies**.

IWT company subsidies are aimed at companies with activities in the Flemish Region who want to innovate and acquire scientific-technological know-how through research and development projects. These technological projects can be submitted to IWT-Vlaanderen for funding. Companies can also choose to work with corporate partners and/or universities or research institutes. The IWT-Vlaanderen supported project is able to run over a period of maximum three years.

Each company, SME, or multinational, is able to submit research and development projects to IWT-Vlaanderen. The projects can also be done in co-operation with other corporate partners and/or research partners. The requesting company and the partners do not necessarily have to be Flemish but they do need to be established in the Flemish Region. A separate **KMO-Programma** exists for SMEs (see questions 48 and 49 for this SME Programme).

IWT-Vlaanderen makes a distinction between three types of activities that come into consideration for support (see question 47).

47. Which projects come into consideration for IWT company subsidies?

IWT-Vlaanderen makes a distinction between three types of activities that come into consideration for support. Each of these activities more or less involves a scientific or technological risk:

- **Industrial basic research**: aimed at generating new know-how that can be used later in the development of new products, processes or services or that may constitute the basis for improving existing products, processes or services (support percentage of 50 % of the accepted expenses);
- **Prototype or development activities**: aimed at converting technological know-how into designs for new, modified or improved products, processes or services (support percentage of 25 % of the accepted expenses);
- **Mixed research**: research and development activities that involve aspects of both industrial basic research and development (weighted average as support percentage or 38% of the accepted expenses).

In certain cases (e.g., for small and medium-sized enterprises, EUREKA projects, etc.), the backing percentages can be increased.
For more detailed information please go to the IWT website:
http://www.iwt.be/finstdef.htm (also for other support measures). Please click "bedrijfssubsidies". Manuals can also be downloaded from this site.

In terms of timing, IWT-Vlaanderen will notify you within 14 working days after receipt of your project proposal whether it is formally admissible. From the date that your file has been declared admissible, IWT-Vlaanderen has maximum 75 working days to make a decision regarding the support of your project.

For more information please contact:

IWT-Vlaanderen
Bedrijfssubsidies
Contact: Leo Van de Loock
Bischoffsheimlaan 25, 1000 Brussel
Tel.: +32 2 209 09 14 – Fax: +32 2 223 11 81
E-mail: IWT-bedrijfssubsidies@iwt.be
URL: http://www.iwt.be/finstdef.htm

48. Who comes into consideration for the special SME programme (KMO-Programma)?

Flemish small and medium-sized enterprises that want to innovate in products, processes, or services and need to solve technological problems to do so (or have them solved, can apply for financial support from IWT-Vlaanderen. In this respect, IWT-Vlaanderen launched a special **KMO-Programma** (SME Programme) in March 2001.

The KMO-Programma is aimed at SMEs with an operating headquarters in the Flemish Region that have a legal form (NV, BVBA, etc.). An SME is defined based on the European definition:

- the company does not employ more than 250 employees (full-time);
- the annual turnover of the company does not exceed 40 million euro or the balance sheet total does not exceed 27 million euro.
- the company is not more than 25 % directly or indirectly controlled (via capital or votes) by one or more companies or investors that are not an SME. However, larger shareholding by banks or investment companies (GIMV, VIV, etc.) is allowed.

To come into consideration for support, the innovation in question needs to have a clear technological demand. The solution in question may require a technology-development but may also comprise the creative application of external technology. Major supporting non-technological activities may also be taken into consideration.

The innovation activities must also significantly increase the know-how of the SME. More specifically, the KMO-Programma presents four different project forms for financial support, i.e., SME-Innovation studies Type 1, 2, and 3 and SME innovation projects (see question 49).

49. Which project forms does the SME programme (KMO-Programma) support?

The SME Programme stipulates four project forms. The most important characteristics and properties of each of these four project forms have been listed below. For more detailed information about each of these project forms, we refer to the manuals that can be downloaded in pdf-format from the IWT website.

- **SME-Innovation study - Type 1**
  Definition: sound technological advice outsourced in whole to a competence centre certified by IWT-Vlaanderen.
  Duration: maximum 6 months.
  Budget: minimum 7,500 euro.
  Support: 60 % of the accepted expenses with a maximum of 6,000 euro.
  Number: maximum two SME-Innovation studies Type 1 per calendar year per SME.

- **SME-Innovation study - Type 2**
  Definition: study performed chiefly with funding of the requesting SME.
  Duration: maximum 12 months.
  Budget: minimum 7,500 euro.
  Support: 60 % of the accepted expenses with a maximum of 20,000 euro.
  Number: maximum two SME-Innovation studies Type 2 and Type 3 in total per calendar year per SME.

- **SME-Innovation study - Type 3**
  Definition: study performed with funding of the requesting SME and with a necessary and substantial knowledge contribution of third parties (minimum 1/3 of the expenses are spent on third parties).

Duration: maximum 12 months.
Budget: minimum 7,500 euro.
Support: 60 % of the accepted expenses of the requesting SME with a maximum of 20,000 euro supplemented by 60 % of the accepted expenses of third parties up to a global maximum amount of 30,000 euro.
Number: maximum two SME-Innovation studies Type 2 and Type 3 in total per calendar year per SME.

- **SME-Innovation project**
  Definition: projects aimed at the specific realisation of an innovation.
  Duration: maximum 24 months.
  Budget: minimum 50,000 euro, maximum 500,000 euro.
  Support: grant of 35 % of the accepted expenses that can be supplemented with a subordinated loan up to maximum 80 % of the accepted expenses.
  Number: maximum two SME-Innovation projects per calendar year per SME.

For more information please contact:

IWT-Vlaanderen
KMO-programma
Contact: Luc De Buyser
Bischoffsheimlaan 25, 1000 Brussel
Tel.: +32 2 209 09 35 – Fax: +32 2 223 11 81
E-mail: kmo.programma@iwt.be
URL: http://www.iwt.be/kmo/kmoprog.htm

50. What is the fastest way to obtain (Flemish) funding?

In June 2001, the ninth edition of the **'Subsidiewegwijzer voor Ondernemingen'** (Subsidy manual for companies) was published. It provides a comprehensive list of the most important regional, national, and European support measures, for which companies – in particular small and medium-sized enterprises – can apply. A list of the different support measures that apply to companies in the Flemish Region is provided.

In addition to a short description of every measure, attention is paid to the possible recipients, the applicable criteria, and the advantages. It also contains a list of the different contact addresses for more information. The subsidy handbook was compiled by the Euro Info Centre of the Ministry of Flanders. This information centre has been at the service of companies in the Flemish Region since 1990 and is part of a network of 250 centres all over Europe and with branches outside Europe. It is an initiative of the European Commission, which aims at improving the flow of information concerning European matters, including national and regional measures in the performance of European decisions.

For more information please contact:

Ministerie van de Vlaamse Gemeenschap
Afdeling Economisch Ondersteuningsbeleid
Tel: +32 2 553 35 11 – Fax: +32 2 553 37 88
E-mail: economiesteun@vlaanderen.be
'Subsidiewegwijzer' (Subsidy manual):
URL: http://www.vlaanderen.be/economie
then click on 'Subsidiewegwijzer voor ondernemingen'
(portal site with information about the different types of support measures)

Map of company-friendly measures on Belgian level:

Ministerie van Economische Zaken
Bestuur Economische Betrekkingen
Hoornstraat 43, 1040 Brussel
Tel: +32 2 206 59 62 – Fax: +32 2 206 53 18
E-mail: christiane.soetens@mineco.fgov.be
URL: http://www.mineco.fgov.be/enterprises/index_nl.htm
then click on 'Inventaris maatregelen ter bevordering van ondernemerschap en concurrentievermogen'. The BEST inventory provides a list of company support measures classified per authority.

European:

Ministerie van de Vlaamse Gemeenschap - Euro Info Centre
Markiesstraat 1, 1000 Brussel
Tel: +32 2 553 38 77 or +32 2 553 37 30
Fax: +32 2 502 47 02
E-mail: euro.infocentrum@ewbl.vlaanderen.be
URL: http://www2.vlaanderen.be/ned/sites/economie/euroinfo.htm

Information about support and loans awarded by the different directorates-general of the European Commission is available from URL: http://europa.eu.int/comm/secretariat_general/sgc/info_subv/ index_en.htm

Chapter 6: "Sound advice need not be expensive"

Or, another list of institutes that can help me innovate

This chapter sheds light on a number of other institutes that provide direct or indirect technological advice and/or support measures to companies that want to innovate. The focus is on small and medium-sized enterprises because they play a key role in the Flemish economy and they can use innovation support.

We once again want to point out that IWT Vlaanderen (see also question 18) has a one-stop purpose as much as possible and fulfils a co-ordination assignment in terms of innovation advice. It can help companies choose the best-positioned intermediary organisation to achieve the goal and help them get in touch with these institutions.

Contents chapter 6:

51. What can Regional Development Agencies (Gewestelijke Ontwikkelingsmaatschappijen - GOMs) do for my company?
52. Where can I find a GOM in my province?
53. What can I use the IWT-Innovatienetwerk for?
54. Who will help me innovate through quality improvement?
55. What information can I find on the electronic virtual SME counter of VIZO (Flemish Institute for Independent Entrepreneurship)?
56. Are there other electronic directories?
57. What is the SME-IT Centre (KMO-IT Centrum)?
58. What can Innotek do for companies in the Kempen?
59. Whom can Brussels-based companies contact?
60. Who advises the Flemish Government on matters of innovation?

51. What can Regional Development Agencies (Gewestelijke Ontwikkelingsmaatschappijen - GOMs) do for my company?

Every Flemish province has a Regional Development Agency (RDA) with the following principal goals: promotion of the province's socio-economic development and companies in the province. RDAs operate largely independently in terms of the socio-economic development and company promotion. This allows for flexibility in answering a variety of regional questions and needs, and offers the potential to adapt to changing circumstances and new opportunities.

They provide free services in the field of innovation and technology transfer and all RDAs have specialised consultants available for this.

This includes:

- information, advice, and support of small and medium-sized enterprises that want to perform R&D activities. This comprises information about all Flemish, federal, and European support measures and assistance in formulating the project;
- assistance to small and medium-sized enterprises in search of (new) know-how or who want to sell their know-how, for instance by helping with the transfer of technology and licence negotiations;
- assistance in the improvement of technology management;
- contact with consultants and institutes for more specialised advice.

For more information please contact:
Central RDA portal site: http://www.gom.be

52. Where can I find a GOM in my province?

- **GOM Antwerpen**
  Lange Lozanastraat 223 - bus 4, 2018 Antwerpen
  Tel.: +32 3 240 68 00 – Fax: +32 3 240 68 68
  E-mail: gom@gomantwerpen.be
  URL: http://www.gomantwerpen.be

- **GOM Limburg**
  Kunstlaan 18, 3500 Hasselt
  Tel.: +32 11 30 01 00 – Fax: +32 11 30 01 02
  E-mail: info@gomlimburg.be
  URL: http://www.gomlimburg.be

- **GOM Oost-Vlaanderen**
  Seminariestraat 2, 9000 Gent
  Tel.: +32 9 267 86 30 – Fax: +32 9 267 86 96
  E-mail: gomov@gomov.be
  URL: http://www.gom.oost-vlaanderen.be

- **GOM Vlaams-Brabant**
  Toekomststraat 36/38, 1800 Vilvoorde
  Tel.: +32 2 257 03 33 – Fax: +32 2 252 45 94
  E-mail: info@gomvlaamsbrabant.be
  URL: http://www.gomvlaamsbrabant.be

- **GOM West-Vlaanderen**
  Baron Ruzettelaan 33, 8310 Brugge
  Tel.: +32 50 36 71 00 – Fax: +32 50 37 77 23
  E-mail: gom@gomwvl.be
  URL: http://www.gomwvl.be

53. What can I use the IWT-Innovatienetwerk for?

In March 1997, the then IWT-KMO-Netwerk was established with the aim of helping Flemish SMEs to solve questions and problems in connection with innovation (e.g., R&D, technology, rules and regulations, funding, specialised training courses, cross-border alliances, etc.). The diverse and complementary expertise of the participating network partners is used in this process.

Meanwhile, this IWT-KMO-Netwerk has been thoroughly innovated and it is known as Innovatienetwerk. Early 2002, 37 intermediary organisations participated in this **Innovatienetwerk**, which is co-ordinated by IWT-Vlaanderen (see question 18). The members of the network are all organisations that are active in the field of technological innovation and comprise: regional development agencies (RDA, see also question 51), interface services of Flemish universities and schools for higher education (see chapter 3), research institutes (see chapter 3) economic joint ventures or clusters (see chapter 4), and a number of Flemish public institutes.

The members of the network are the contacts of the SMEs: they enter all your questions in the network and provide all the answers and solutions later. The full network list with contacts and contact details can be found on the website:
http://www.innovatienetwerk.be/netwerkleden/index.html
or through the general IWT-Vlaanderen website (http://www.iwt.be).

If you have a question or a problem with respect to innovation, you can contact a network member near you or a member with whom you are familiar. A search engine on the Innovatienetwerk website and a number of parameters allow you to find the most suitable network member. You can also choose to e-mail your (concise) question from this site. IWT-Vlaanderen will get in touch with you to treat your

queries. All information circulating in the network is treated with the strictest confidence in accordance with a common protocol.

For more general information regarding the operation and organisation of the Innovatienetwerk, please contact:

IWT-Innovatienetwerk
François Stassijns
Bischoffsheimlaan 25, 1000 Brussel
Tel : +32 2 209 09 50 – Fax: +32 2 223 11 81
E-mail: fs@iwt.be – URL: http://www.innovatienetwerk.be

54. Who will help me innovate through quality improvement?

In 1985, the non-profit organisation **Flemish Quality Management Center (Vlaams Centrum voor Kwaliteitszorg, VCK)** was founded. A co-ordinating organisation for quality management in Flanders, VCK co-ordinates the provincial **Centers for Quality Management** (CKZ). VCK's goal is to show the benefits of quality management to business and to provide information about quality management. To this end, regular events are organised such as the annual quality conference and the quality week.

The CKZs also disseminate the know-how and information gathered by the VCK. The CKZs are also the contacts for companies that want professional assistance when introducing quality programmes. More specifically in terms of innovation, the so-called **Flemish Innovation Centre (Vlaams Innovatiecentrum, VINC)** operates within the CKZ. For more information please consult the website http://www.vinc.be.

The VCK and CKZ services also comprise:

- help with the introduction of integral quality assurance in the operational management;
- help to obtain quality certificates;
- individual guidance and training activities.

For more information please contact:

- **VCK v.z.w.**
  Keizerstraat 20-22, 2000 Antwerpen
  Tel: +32 3 201 14 50 – Fax: +32 3 232 44 36
  E-mail: vck@vck.be – URL: http://www.vck.be
  The VCK website also has links to (inter)national quality organisations such as Beltest, European Foundation for Quality Management, European Organisation for Quality and ISO.

- **CKZ Antwerpen** (in 2000 established the joint non-profit organisation **CKZ Vlaanderen** together with CKZ Oost-Vlaanderen).
  CKZ Vlaanderen provides knowledge management to both profit and non-profit organisations, from SMEs to multinationals through the quality-related transfer of knowledge and management guidance.
  Filip Williotstraat 9, 2600 Antwerpen
  Tel: +32 3 280 47 00 – Fax: +32 3 280 47 19
  E-mail: info@ckzvlaanderen.org – URL: http://www.ckzantwerpen.be

- **CKZ Limburg** (aimed at improving the quality ideal in general, at introducing integral quality assurance in various organisations and the development of excellent entrepreneurship in various organisation types).
  Jaarbeurslaan 25, 3600 Genk.
  Tel: +32 89 51 84 64 – Fax: +32 89 51 84 74
  E-mail: info@ckzlimburg.be – URL: http://www.ckzlimburg.be

- **CKZ Oost-Vlaanderen** (in 2000 established the joint non-profit organisation **CKZ Vlaanderen** together with CKZ Antwerpen. (see CKZ Antwerpen).

- **CKZ Brabant** (Companies interested in quality care located in Flemish-Brabant and the Brussels Capital Region should contact the CKZs of Antwerp and Limburg for now).
  E-mail: info@ckzbrabant.be – URL: http://www.ckzbrabant.be

- **CKZ West-Vlaanderen**, changed is name to **Amelior n.v. .** (Helps to develop, implement, and improve efficient management systems in terms of quality, safety, environment, and HRM via training, advice, consulting, and institutes.
  Doorniksesteenweg 224, 8500 Kortrijk
  Tel: +32 56 20 36 23 – Fax: +32 56 25 96 84
  E-mail: info@amelior.be – URL: http://www.amelior.be

55. What information can I find on the virtual SME counter of VIZO (Flemish Institute for Independent Entrepreneurship)?

The **Flemish Institute for Independent Entrepreneurship (Vlaams Instituut voor Zelfstandig Ondernemen, VIZO)** was founded in 1991 as a point of contact for self-employed entrepreneurs and small and medium-sized enterprises. Grouping the network of training centres on the one hand and the extensive advice network on the other hand have made VIZO a turntable for the improvement and optimisation of high-quality entrepreneurship in Flanders.

VIZO's services, which are aimed at improving the quality of the entrepreneurial spirit in Flanders, comprise (among others):

- training: via a network of 22 recognised VIZO centres;
- business consulting: via our own team of VIZO business consultants and the Matrix, consultancy network for entrepreneurs (Matrix-Adviesnetwerk);
- the virtual SME counter.

The first meeting with **VIZO business consulting** is always free of charge. If you decide to continue using the services, a price is agreed that is affordable for small companies (between 37 euro and 89 euro per half day). In fact, starters (0 to 5 years) are entitled to 6 half days of free advice thanks to the funding of the Flemish Government.

The **'Matrix, consultancy network for entrepreneurs'** brings small and medium-sized enterprises and private consultants certified by VIZO closer together. For this 'external advice', consulting premiums can be obtained from the Division of Economic Support policy of the Ministry of Flanders to the amount of 50 % of the expenses with a maximum of 12,394.68 euro. For a starting SME, this subsidy can be as high as 75 % of the expenses.

All practical information can be found on the virtual **SME counter** on the website: http://www.kmoloket.be. Thanks to the online advice forum of the virtual SME counter you no longer need to leave your office for VIZO business advice. You will also find the best external (certified) consultant depending on your place of business and field of advice here.

For more information on VIZO, please contact:

- **VIZO Centraal**
  Kanselarijstraat 19, 1000 Brussel
  Tel.: +32 2 227 63 93 – Fax: +32 2 217 46 12
  E-mail: info@vizo.be – URL: http://www.vizo.be

- **VIZO Antwerpen**
  Britselei 15 bus 3, 2018 Antwerpen
  Tel.: +32 3 238 27 17 – Fax: +32 3 216 40 11

- **VIZO Limburg**
  Thonissenlaan 20, 3500 Hasselt
  Tel.: +32 11 22 27 95 – Fax: +32 11 23 35 84

- **VIZO Oost-Vlaanderen**
  Meersstraat 138 H, 9000 Gent
  Tel.: +32 9 220 82 80 – Fax: +32 9 221 77 81

- **VIZO Vlaams-Brabant en Brussel** (zie ook vraag 59)
  Bischoffsheimlaan 23, 1000 Brussel
  Tel.: +32 2 250 38 20 – Fax: +32 2 218 42 62

- **VIZO West-Vlaanderen**
  Koningin Astridlaan 29 bus 6, 8200 Brugge (St.-Michiels)
  Tel: +32 50 39 32 33 – Fax: +32 50 39 31 41

56. Are there other electronic directories?

Absolutely, the portal website **http://www.ondernemen.vlaanderen.be** has a wealth of practical interactive information, including the so-called **'Bedrijvengids' (Companies' Directory)**. As a starter or investor you are informed on:

- **Vergunningen (permits):** information per procedure and acts. Which ones are 'obligatory reading' to incorporate a business or to expand your activities? You can immediately check your licence obligation in terms of environmental licence and environment impact report, soil certificate, security report, and building permit;
- **Subsidies:** 'Subsidy handbook', more than 190 pages, downloadable in pdf-format;
- **Formulieren (forms):** you can immediately download all forms, fill them out and print them. Using a personal company record, you only need to enter your data once, which is then used for all the forms;
- **Bedrijvengids (business guide):** this includes specific information about starting, investing, incorporating, export, staff, accounts, and taxes;
- **Bedrijfsterreinen (business sites):** search system that allows you to find available space on industrial estates per province. If you have found a suitable industrial estate, you can contact the RDA (see question 51) of this province.
- **Bedrijfsforum:** this allows companies to pass on useful information to each other or the government. You can also indicate which features or information you would like to have posted on this site in the future.
- **Nieuwsbrief (newsletter):** keeps you up to date of the latest evolutions regarding licenses, subsidies, environment, town and country planning, staff, waste, investments, etc.

57. What is the SME-IT Centre (KMO-IT Centrum)?

Maybe, as an SME manager, you have experienced the following problem: you have a good idea but you don't have the time or funding for a preliminary study, the right know-how, or the right employees to realise this idea. To remedy this problem, IMEC (see also question 24), in April 1998, established the collective research centre WTCM (see also question 27) and Fabrimetal-Vlaanderen, as it was known then (now Agoria Vlaanderen), the non-profit organisation **SME-IT Centre** (KMO-IT Centrum), which, from the start, received subsidies from the Flemish Government. The idea is to encourage the use of IT (information technology) in Flemish small and medium-sized enterprises with a view to improvements and innovation of both products and production and business processes.

The services of the SME-IT Centre include:

- **advice**, whereby IT specialists audit the company and look at the opportunities for product improvements (by integrating existing IT) and process improvements (by integrating IT in the production process, production operating systems, etc.)
- The cost price for an **audit** to thoroughly analyse an idea in a company and to test the feasibility amounts to 256 euro a day for the first five working days and 512 euro a day up to the tenth working day.
- **actions** for information, awareness and training such as IT seminars and the publication of newsletters.

For more information please contact:

KMO-IT Centrum
Kapeldreef 60, 3001 Heverlee
Tel.: +32 16 29 83 26 – Fax: +32 16 29 84 21
E-mail: info@kmo-it.be – URL: http://www.kmo-it.be

58. What can Innotek do for companies in the Kempen?

Innotek (Innovation & Technology Centre Kempen), a non-profit organisation, is a so-called 'Business and Innovation Centre' and its aim is to give comprehensive support to innovating projects in small and medium-sized enterprises in the Kempen region in the province of Antwerp by providing advice and services. Innotek is established in the Technology house of the Kempen (Technology zone Geel) and was founded with the support of the Provincial government of Antwerp, the European Fund for Regional Development (EFRD), and the Flemish Region.

SMEs in the district of Turnhout can go to Innotek for:

- first-line advice regarding the introduction of new technologies in a company;
- advice regarding the introduction of teleworking in their organisation;
- organisation of seminars and information sessions regarding new technologies;
- telework locations via the Televillage network;
- advice regarding the introduction and the use of ICT;
- leasing of business accommodation and telework locations in the Technology house of the Kempen;
- use of Call and Contact Centre Innocall for all inbound, outbound, and helpdesk activities.

Innotek's innovation consultants advise companies about their innovative activities as follows:

- research into the technical or commercial feasibility of a project;
- searches for new technologies in the context of innovation and/or diversification projects;
- short audits in which new products or markets are sought and the application of new technologies in the company;

- assistance with applications for regional, federal or European subsidies;
- assistance in terms of 'competence centres' (universities, schools for higher education and other research centres).

For more information please contact:

INNOTEK – Technologiehuis van de Kempen
Cipalstraat 3, 2440 Geel
Tel.: +32 14 570 570 – Fax: +32 14 570 560
E-mail: innotek@innotek.be – URL: http://www.innotek.be

59. Whom can Brussels-based companies contact?

Brussels-based companies that develop new technologies or want to innovate their production processes, can go to the innovation portal of the Brussels - Capital Region: **Brussels Technopool**. Created and funded by the Brussels - Capital Region, its objective is to facilitate synergies between the economic and the scientific, public, and private operators within the Brussels Capital Region.

Brussels Technopol offers a wide range of services to Brussels-based companies and institutes that are involved in innovation. Technopol offers services in close collaboration with various institutions in Brussels such as GIMB (Regional Investment Company for Brussels), ECOBRU, EEBIC, BGDA (Brussels' Regional Service for Employment and Vocational Training) the universities, and schools for higher education, etc.

Brussels Technopool focuses its know-how at the following areas:

- Agrofood;
- Communications (information and communication technologies);
- Health;
- Precision industries.

Of course, innovation is not limited to these four strategic sectors. Brussels Technopol also intervenes in other fields of activity when asked to do so by a Brussels-based company.

For more information please contact:

Brussel Technopool vzw
Gabrielle Petitstraat 4 bus 12, 1080 Brussel
Tel.: +32 2 422 00 20 – Fax: +32 2 422 00 43
E-mail: info@technopol.be – URL: http://www.technopol.be

For business activities in Brussels, you can also go to the consultants of **ECOBRU**, the one-stop shop of the Brussels - Capital Region for companies, that explains all the formalities, legislation, methods of funding, subsidies, etc. ECOBRU is part of the BRDA's (Brussels Regional Development Agency) Economic Expansion Department and is made up of an economics unit and an environment unit.

ECOBRU

Co-ordinator: Boudewijn Boone
Gabrielle Petitstraat 6, 1080 Brussel
Tel.: +32 2 422 52 00 – Fax: +32 2 422 51 48
E-mail: econom@gomb.irisnet.be or environ@gomb.irisnet.be
(depending on the subject)
URL: http://www.gomb.be/

60. Who advises the Flemish Government on matters of innovation?

Just as for all other policy aspects, the Flemish Government is advised by a team of specialists when drawing up its technology and innovation policy.

The Flemish Government and the Flemish Parliament's advisory body for its science and technology policy is the **Flemish Science Policy Council (Vlaamse Raad voor Wetenschapsbeleid, VRWB)**, founded in 1993. The VRWB is authorised to formulate recommendations, conduct research, and give advice on its own initiative or on request on any subject concerning the science and technology policy (policy outlines, priorities, training of the research staff, etc.). A request can come from the Flemish Government, or any member of this government or the Flemish Parliament.

The **Flemish Institute for Science and Technology Assessment, viWTA)** was founded in 2000 to encourage and structure the debate on the social effects of scientific and technological evolutions and to support the Flemish Parliament in the treatment of subjects that are related to science and technology.

Pending the creation of a separate Flemish Ministry of Sciences and Technological Innovation (in the context of the reorganisation of the Flemish Government, Better Governance), the technological innovation experts of the Flemish administration can be found in the **Science and Innovation Administration (administratie Wetenschap en Innovatie, AWI)**. The AWI belongs to the Science, Innovation and Media Department of the Ministry of Flanders. The AWI is also responsible for this Innovation booklet in joint consultation with IWT-Vlaanderen.

In addition to the Monitoring unit, the administration also comprises two divisions, i.e., the Science Division and the Technology and Innovation Division. The administration's responsibilities include:

- follow-up of the policy execution by IWT-Vlaanderen (see also question 18);
- monitoring and evaluation of the performance of the management contracts of the research institutes IMEC, VITO, and VIB (see chapter 3);
- co-ordination of the Flemish involvement in international forums, active in the field of research and development, such as EU, OECD, and UNESCO;
- stimulate the participation of Flemish researchers in international research programmes, particularly the European Framework Programme for research and development and COST;
- follow-up of the evolution in terms of technological innovation on a Flemish, Belgian, and international level and linking this information to the policy;
- contribution to the preparation and realisation of the annual action plan for Science information and Innovation;
- dissemination of information relevant to the policy, such as via the IWETO database system (see question 21) and the yearbook 'Information Guide Science, Technology and Innovation, that contains information regarding the Horizontal Budget Programme for Science Policy.

For more information please contact:

- **Vlaamse Raad voor Wetenschapsbeleid - VRWB**
  North Plaza B, Koning Albert II-laan 7, 1210 Brussel
  Tel.: +32 2 553 45 20 – Fax: +32 2 553 45 23
  E-mail: vrwb@vlaanderen.be – URL: http://www.vrwb.vlaanderen.be

- **Vlaams Instituut voor Wetenschappelijk en Technologisch Aspectenonderzoek - viWTA**
  Vlaams Parlement, 1011 Brussel
  Tel.: +32 2 552 40 50 – Fax: +32 2 552 44 50
  E-mail: viWTA@vlaamsparlement.be – URL: http://www.viwta.be

- **Ministerie van de Vlaamse Gemeenschap**
  Administratie Wetenschap en Innovatie - AWI
  Boudewijnlaan 30, 1000 Brussel.
  Tel.: +32 2 553 60 08 – Fax: +32 2 553 60 07
  E-mail: wetenschap.innovatie@vlaanderen.be
  URL: http://www.innovatie.vlaanderen.be

Chapter 7: "Forewarned is forearmed ..."

Or ... protecting your product innovation through patents

Innovating by developing new products requires time, effort, and money. It would be a shame if after all that hard work a competitor developed a similarly innovative product as yours, came out with it a little earlier, and took out a patent. Or if your product – which you failed to protect with a patent – is copied by others and marketed. All that hard work for nothing! This chapter explains how best to protect your product innovations. The good thing is this does not use up too much of your time and money.

Contents chapter 7:

61. Why is protection of industrial ownership rights important?
62. What is a patent?
63. What about taking out patents in Belgium and the rest of the world?
64. What other ways are there to protect one's industrial rights of ownership?
65. Where in Belgium do I go if I want to take out a patent?
66. What can the Production department of the Belgian Industrial Property Office (DIE) do for my company?
67. What can the Patent information department of the Belgian Industrial Property Office (DIE) do for my company?
68. What services does the Legal department of the Belgian Industrial Property Office (DIE) provide?
69. How much does a patent cost (in time and money)?
70. What are the different international patent organisations?

61. Why is protection of industrial ownership rights important?

Many entrepreneurs have the misconception that the procedure for taking out a patent is extremely laborious, costs an awful lot of money, and takes years and years. As is the case with most misconceptions, this one is incorrect too. Whatever the case may be, the (relatively small) effort involved in taking out a patent pales into nothing beside the many advantages. Or in other words: taking out a patent will cost you something, but NOT taking out a patent will probably cost you much more.

The main advantage of a patent for your company is of course the **statutory protection of the economic exploitation rights** of your innovations. After all, he who reaps, receives wages. In macro-economic terms, the patent system also plays an important role in **encouraging technical innovation**. By protecting an invention's right to economic exploitation, companies will be more inclined to invest in R&D. Moreover, the exclusive rights provided by a patent reinforce an innovative company's market position, among others thanks to the **licences** that may result from the patents.

In turn, these licences are essential for the **transfer of knowledge**. All too often, unnecessary investments are made in the development of technology that already exists and has been patented! Anyway, the function of the patent system as a source of technical information is invaluable in itself. By law, patents have to be drawn up clearly and uniformly and be available to the public. In this way, most current applied technology is available via patents. Does this not stimulate illicit 'plagiarism'? No, in exchange for the publication of the invention and the availability to the community, the inventor or innovating company receives a temporary exclusive exploitation right that is protected by law.

62. What is a patent?

A patent is a legal document that protects an industrial right of ownership with the aim of protecting the economic exploitation and to recover R&D investments. After all, a patent prohibits third parties to manufacture, use, or sell the invention without permission for a certain period and in a certain geographic region. Patent protection already exists as soon as economic interests are involved with the inventions. The very first patent legislation dates back to Venice in 1474.

According to the European Patent Organisation or EPO (see question 63), **three conditions** need to be met for an invention to be patentable:

- offer a **technical solution** for a problem;
- contain an **innovation** that is new to the current (known) state of technology;
- have an added value thanks to its **industrial application**.

However, a number of matters cannot fall under the protection of the Patent Act:

- certain breeding products of races;
- animal races;
- chiefly biological procedures for the production of plants or animals (microbiological procedures, on the other hand, are protected);
- inventions, the application of which would violate public order, public decency, protection of health, and the life of people and animals or the protection of plants and the environment.

The act also excludes certain matters to be qualified as an 'invention'. As a result, the following cannot be patented:

- discoveries, scientific theories, and mathematical methods;
- aesthetic designs;
- systems, rules, and methods for carrying out intellectual work, for playing or managing;
- computer programs as such (this does not include applications);
- the presentation of data.

We also want to point out there is a distinction between intellectual property rights and industrial rights of ownership.

- **Industrial rights of ownership** refers to all the rules that manage the patent, the brand of products or services, drawings and designs, the business name, the indications of origin and the original names, and unfair competition.
- **Intellectual property rights** is broader and refers to all the rules aimed at the protection of the industrial rights of ownership, the copyrights, and the know-how. Both have their own characteristics and restrictions. For more information: see question 64 and the website of the Belgian Industrial Property Office (Belgische Dienst voor de Industriële Eigendom, DIE) of the ministry of Economic Affairs via http://mineco.fgov.be , click 'Organisation of the market' and then 'Intellectual property'. It contains a very useful introduction about industrial property: *'Van uitvinding tot octrooi (From invention to patent)'*.

63. What about taking out patents in Belgium and the rest of the world?

Currently, more than 4 million patents are in operation over the whole world and every year 700,000 patent applications are filed. Usually, patents are taken out for four countries. **The European Patent Organisation (EPO)** alone, received more than 140,000 applications in 2000. In 2000, the worldwide income from patent licences amounted to US$ 100 billion or ten times as much as in 1990.

Certain countries are frontrunners in this. In 2000, 100,692 patents were granted worldwide, 49.4 % (or 49,740) came from companies based in EPO member states. Germany alone, applied for 20,104 patents (20 %). The United States applied for 28,499 (28.3 %) and Japan for 17,124 (17 %) patents. Belgium only applied for 1,111 patents (1.1 %). This is already an improvement over the past but compared to the Netherlands (4,435 patents or 4.4 %), Belgian corporate culture is still insufficiently bent on patents.

Things are heading the right way though. In 1990, 40.2 patents per million residents were taken out in Belgium, which is significantly less than the EU15 average of 51.1 per million residents. Provisional figures for 2000 show that Belgians have become more innovative than the European average with 88 Belgian patents per million residents against 74 EU15 patents per million residents. Until 1994, Belgium was still below the European average, but in 1995 the tide turned. The number of patents in Belgium also increased in absolute figures. In 2000, more than double the number of patents was granted compared to 1994. In Belgium, R&D in companies is aimed mainly at chemistry and pharmacy (approximately 40 % of the expenses), electronics and electrical engineering (almost 20 % of the expenses), transport equipment and precision instruments. Of course, this is also reflected in the nature of the patents. In Flanders, biotechnology can be added to this list.

Between 1978 and 1997, 60.8 % of all Belgian patent applications to the EPO were from the Flemish Region. Antwerp alone is good for more than a quarter of all applications in Belgium. In Flanders, relatively more patents are granted than on average in Belgium in the following technological categories: photography, agriculture, telecommunication, printing, and weaving. In the top 50 companies that file applications to EPO in Belgium, two thirds of the applications are made in the Flemish Region, by a Flemish company.

Nevertheless, we are not a European frontrunner. First place in the European Union is for Sweden where no fewer than 196 patents per million residents were granted in 2000. Germany and Luxemburg are some way off with 133 and Finland with 129. The least innovative European countries are in the south with Portugal (only 1.5 patent per million residents), Greece (2.4), and Spain (8.2). Comparison: with 313 and 250 new patents per million residents respectively, the United States and Japan are still miles ahead of Europe in terms of innovation.

Sources: EPO – Facts & Figures 2000, NIS – Nieuwsflits 14 (Innovatieve Belgen), IWT-Observatorium The Flemish Innovation System: an external viewpoint (1999).

64. What other ways are there to protect one's industrial rights of ownership?

As you could read in the previous question, only technological inventions can be protected by a patent. Still, other industrial rights of ownership exist that merit protection such as drawings or designs and trademarks.

- **Drawings or designs** protect the right to a new design of an appliance. The right to a drawing or design allows the holder to oppose any production, use, etc., of a product that has an identical aspect with the registered drawing or the design or only has the slightest differences.
- The **trademark** is a sign or name that differentiates products or services of a company from other companies. Moreover, a trademark has a significant advertising and marketing function and gives a product a quality image. Trademark law allows the holder to oppose any use (in business) of his/her trademark or a resembling sign for similar products and sometimes even dissimilar products

Contrary to a **copyright** (the other branch of intellectual property), which is obtained without any special formalities, the aforementioned industrial rights of ownership only provide protection after they have been properly filed to the competent authorities.

Please note: since 1999, the possibility of **'i-Depot'** (electronic filing of an application) has been possible at the Benelux Designs Office (Benelux Bureau voor Tekeningen of Modellen, BBTM). This simple and cheap way allows you to give a fixed date of creation to your invention without any special formalities. Although 'i-Depot' does not provide statutory protection like a patent, it may be useful in case of legal disputes regarding the time of the invention.

65. Where in Belgium do I go if I want to take out a patent?

Patent protection is a federal matter in Belgium. The competent authority, also for the protection of trademarks, drawings and designs, is the **Belgian Industrial Property Office (Belgische Dienst voor de Industriële Eigendom, DIE)**, belonging to the Administration of Trade Policy of the ministry of Economic Affairs. The general responsibilities of this department include:

- promoting industrial property and the interests of companies active in Belgium;
- receiving and handling applications for national, European, and international patents for the Benelux, community and international trademarks for the Benelux and international drawings or designs;
- granting Belgian patents;
- disseminating information about the industrial rights of ownership, such as the technical details of the patents.

DIE comprises three departments, each with special responsibilities: production, patent information, and legal departments (see questions 66, 67 and 68).

General contact details:

Ministerie van Economische Zaken
Bestuur Handelsbeleid, Dienst voor de Industriële Eigendom
Northgate III, Koning Albert II - laan 16, 1000 Brussel
Tel.: +32 2 206 41 48 – Fax: +32 2 206 57 01
E-mail: piie_doc@mineco.fgov.be
URL: http://mineco.fgov.be, click 'Organisation of the market' and then 'Intellectual property'.

66. What can the Production department of the Belgian Industrial Property Office (DIE) do for my company?

The responsibilities of the Production department include:

- Receiving applications for Belgian, European, and international (PCT) patents and for the **Belgian protection certificates**. The aim of the latter is to prolong the patent protection of certain products, that are subjected to a licence before they can be launched .
- Transfer of the European patent applications to the European Patent Organisation (EPO) with head office in Munich (see question 70), and of international (PCT) patent applications to the World Intellectual Property Organisation (WIPO) with head office in Geneva.
- Provision of search reports and of patent and protection certificates drawn up by EPO in the context of the Belgian granting procedure.
- Granting and publication of Belgian patents and Belgian protection certificates.
- Registration of translations and of amendments to the articles of association of patents and protection certificates (such as licence agreements, transfers, etc.) in the Belgian patent register.

Please note: the department has similar responsibilities in connection with trademarks, drawings, and designs, including the receipt and transfer of applications to the Benelux Trademarks Office (Benelux Merkenbureau, BMB) and the Benelux Designs Office (Benelux Bureau voor Tekeningen of Modellen, BBTM) in The Hague and to the Office for Harmonisation in the Internal Market (OHIM) in Alicante.

For more information please contact:

Ministerie van Economische Zaken
Bestuur Handelsbeleid, Dienst voor de Industriële Eigendom
Northgate III, Koning Albert II - laan 16, 1000 Brussel
Tel: +32 2 206 48 42 – Fax: +32 2 206 57 50
E-mail: piie_patents@mineco.fgov.be
URL: http://mineco.fgov.be, click 'Organisation of the market' and then "Intellectual property".

Contacts:

- **Submission of protection certificates:**
  Marie-Paule Hoebanx - Tel: +32 2 206.48.42
  Paula François - Tel: +32 2 206 48 43
- **Translations of European patents:**
  Frans De Brabanter - Tel: +32 2 206 48 40
- **Registrations in the Belgian patent register:**
  Marie-Madeleine De Wulf Tel: +32 2 206 48 41
- **Trademarks, drawings or designs:**
  Nathalie di Pasqualato - Tel: +32 2 206 48 90

67. What can the Patent information department of the Belgian Industrial Property Office (DIE) do for my company?

The responsibilities of the Patent information department include:

- disseminating the technical details of the patents to all interested parties.
- granting direct access to the reading room of the Industrial Property Office and the different documents on paper, (micro-)film and CD-ROM.
- carrying out online research as ordered into:
- specific patents;
- the newness of the invention;
- the legal nature of a patent;
- information with regard to opposing or revoking a patent;
- the freedom of operation.
- making copies or prints on paper of patents or extracts of patents by post, telefax or e-mail when requested.

The patent information department has many different ways to carry out research in connection with patents quickly and efficiently:

- a collection of more than 5,000 CD-ROMs and a document collection of more than 20 million patent documents on paper;
- initial research is possible via index CD-ROMs that give the keys to consult the full texts of recent patents;
- older patents are available on (micro-)film or paper.

Different **databases** are also available, such as

- **Epoline®**: EPO search system with access to the databases of the national, European, and international PCT patents (see question 69) via http://www.epoline.org. Epoline Customer Services are available by telephone every working day between 8 a.m. and 6 p.m. by telephone on +31 70 340 45 00.

- **Belindis**: provides online access to Belgian patent information;
- **Inpadoc**: specific database concerning the legal nature of the patent;
- **EPRV**: gives the last situation of the European patent;
- **esp@cenet**: co-operation of the Belgian Department with the European Patent Organisation that offers information via the Internet and provides access to more than 30 million patent documents in more than 50 countries: URL: http://be.espacenet.com
  Contact: Stefaan Drisque – Tel: +32 2 206 48 95

Contacts for:
- **online patent research:**
  Nico Deconinck - Tel:+32 2 206 48 84
- **copies of patents:**
  Chantal Vanderperren - Tel: +32 2 206 41 49
- **information:**
  Georges Francis - Tel: +32 2 206 41 48

URL: http://mineco.fgov.be, click 'Organisation of the market' and then 'Intellectual property'.

68. What services does the Legal department of the Belgian Industrial Property Office (DIE) provide?

The responsibilities of the legal department include:

- Informing DIE clients – private persons and companies – regarding industrial property and provide legal assistance to the Production department of the DIE.
- Follow-up of all disputed cases with regard to industrial property in which the Belgian state or the department is a party or has an interest to act.
- Representing Belgium internationally and contributing to projects that have been started in the context of international organisations such as the European Union, World Intellectual Property Organisation (WIPO), World Trade Organisation (WTO), European Patent Organisation (EPO), Office for Harmonisation in the Internal Market (OHIM), Benelux Trademarks Office (Benelux Merkenbureau, BMB), and Benelux Designs Office (Benelux Bureau voor Tekeningen of Modellen, BBTM).
- Designing and amending the legislation and the rules and regulations that apply to industrial property.

The principal **standards** on national, European and international level are:

- regarding **invention patents**
  - Act of 28 March 1984 on invention patents;
  - European Patent Convention of 5 October 1973;
  - Directive 98/44/EC of 6 July 1998 regarding the legal protection of biotechnological inventions.
- regarding **trademarks**
  - Uniform Benelux Law on Marks of 19 March 1962;
  - Directive 89/104/EEC of 21 December 1988 concerning the amendment of trademark law in the member states;

- Directive 40/94/EC of 20 December 1993 concerning Community law.

- regarding **drawings or designs**
  - Uniform Benelux Act on drawings and designs of 20 October 1966;
  - Directive 98/71/EC of 13 October 1993 regarding the legal protection of designs.

For more information please contact:

- **Geoffrey Bailleux, legal expert**
  Tel: +32 2 206 48 26
  E-mail: geoffrey.bailleux@pophost.eunet.be
- **Paul Laurent, legal expert**
  Tel: +32 2 206 48 24
  E-mail: paul.laurent@pophost.eunet.be
- **Monique Petit, legal expert**
  Tel: +32 2 206 48 27
  E-mail: monique.petit@pophost.eunet.be

URL: http://mineco.fgov.be, click 'Organisation of the market' and then 'Intellectual property'.

69. How much does a patent cost (in time and money)?

Three types of procedures can be distinguished depending on the required geographic reach: the national procedure, the European procedure, and the international procedure. In principle, the same steps apply to every procedure:

- filing a patent application;
- investigation of the format;
- search report;
- publication of the application;
- investigation of the patentability;
- granting of the patent or rejection of the application;
- publication of the granted patent;
- possibility of opposition and appeal.

The costs differ depending on the geographic area and the term to which the patent refers.

- **National patents: valid in Belgium for a term of 6 or 20 years.**
  The costs of the procedure amount to 75 euro for a patent of 6 years and 990 euro for a patent of 20 years. The annual taxes need to be added to these costs which are owed as from the third year and which gradually increase to approximately 30 euro for the third year to approximately 470 euro for the twentieth year. The extra costs for a patent agent – if a patent agent is used – depend on the level of difficulty involved with drawing up the application and can range from 1,200 euro to 5,000 euro.
  On average, the period between the date of filing and the granting and publication of the patent amounts to about 20 months.

- **European patents**

  Following the conversion to the euro, the exact amounts were not yet known. For information purposes, the prices that applied early 1998 have been specified. At that time the total cost of the procedure amounted to approximately 4,550 euro spread over time. Usually, a European patent is awarded about 42 months after filing.

  The costs comprise:

- a month after filing an application, a filing fee to the amount of approximately 130 euro and the research fee to the amount of approximately 880 euro, that is used to evaluate the newness of the invention, need to be paid.
- after 24 months, a fee per specified member state of approximately 880 euro and a fee of approximately 1,450 euro for the patentability investigation need to be paid.
- after 42 months, a fee to the amount of approximately 730 euro for granting and printing the patent needs to be paid .

  Again, as from the third year, progressive annual fees, possibly the fees of the patent agent and possible translation costs are owed.

- **International (PCT) patents**

  The Patent Co-operation Treaty (PCT) is currently valid in more than 100 countries, including European countries, the United States, and Japan. If you know in advance you also want protection in these countries, this is the recommended procedure. The PCT procedure amounts to approximately 5,000 euro, excluding the costs of the patent agent and the translations. The investigation phase takes 20 to 30 months, after which simplified national or European procedures apply.

70. What are the different international patent organisations?

First of all, please note that every patent procedure (Benelux, European, worldwide) can be instituted via the Belgian Industrial Property Office (Belgische Dienst voor de Industriële Eigendom, DIE), where information is also provided.

- **Benelux Designs Office (Benelux Bureau voor Tekeningen of Modellen, BBTM)**: on 25 October 1965, the three Benelux countries (Belgium, the Netherlands, and Luxemburg) signed a Benelux Treaty regarding drawings and designs. The next step was the Uniform Benelux Act on drawings and designs, which came into operation on 1 January 1975.
  Address: Bordewijklaan 15, NL-2591 XR Den Haag (the Netherlands)
  Correspondence: Postbus 90404, NL-2509 LK Den Haag (the Netherlands)
  Tel: +31 70 349 11 11 – Fax: +31 70 347 57 08
  E-mail: info@bbtm-bbdm.org – URL: http://www.bbtm-bbdm.org

- **Benelux Trademarks Office (Benelux Merkenbureau, BMB)**
  On 19 March 1962, the three Benelux countries (Belgium, the Netherlands, and Luxembourg) signed the Benelux Treaty regarding trademarks. The next step was the Uniform Benelux Law on Marks, which came into operation on 1 January 1971.
  Address: Bordewijklaan 15, NL-2591 XR Den Haag (the Netherlands)
  Correspondence via: Postbus 90404, NL-2509 LK Den Haag (the Netherlands)
  Tel: +31 70 349 11 11 – Fax: +31 70 347 57 08
  E-mail: info@bmb-bbm.org – URL: http://www.bmb-bbm.org

The Benelux Designs Office (BBTM) and Benelux Trademarks Office (BMB) are open to the public on working days from 10 a.m. to 12 a.m. and from 2 p.m. to 4 p.m.

- **Office for Harmonisation in the Internal Market (OHIM)**
  This office is located in Alicante (Spain) and registers EU trademarks and (soon also) drawings and designs. A EU trademark guarantees the holder a uniform right in all EU member states by following one procedure.
  Address: Office for Harmonisation in the Internal Market
  (Trade Marks and Designs)
  Avenida de Europa 4, E-03008 Alicante (Spain)
  Tel: +34 965 139 100 – Fax: +34 965 139 173
  (general information)
  Fax: +34 965 131 344 (information about EU trademarks)
  E-mail: information@oami.eu.int – URL: http://oami.eu.int

- **European Patent Office**
  The European Patent Organisation (EPO) was founded in pursuance of the European Patent Convention (EPC) in 1973 in Munich with the aim of developing a uniform European patent system. On 7 October 1977, the European Patent Convention came into effect in Belgium. At the end of 2001, EPO had 20 member countries: Belgium, Cyprus, Denmark, Germany, Finland, France, Greece, Ireland, Italy, Liechtenstein, Luxemburg, Monaco, the Netherlands, Austria, Portugal, Spain, Turkey, the United Kingdom, Sweden, and Switzerland. In due course Albania, Latvia, Lithuania, Romania, Slovenia, and the former Yugoslav republic of Macedonia are also expected to join.

The executive department of EPO is the **European Patent Office** that was founded in 1977. The EPO is becoming increasingly better known in companies because between 1995 and 2001, the number of patent applications doubled. At the end of 2001, EPO employed about 4,800 people, 370 of which are Belgian. 2,400 work in the head office in Munich. EPO also has an office in The Hague (2,100 employees) and branch offices in Berlin (200 employees) and Vienna

(90 employees). The official languages of EPO are French, English, and German. The budget for 2000 amounted to 700 million euro. In the same year, EPO recorded its one millionth European patent application.

Head office:

Erhardtstrasse 27, D-80331 München (Germany)
Tel: +49 89 2399-0 – Fax: +49 89 2399-44 65
E-mail via: http://www.european-patent-office.org/mail/index.htm
(click the appropriate button depending on your question)
URL: http://www.european-patent-office.org
(a site with many very useful links).

The Hague office:

Patentlaan 2, NL-2288 EE Rijswijk (the Netherlands)
Correspondence: Postbus 5818, NL-2280 HV Rijswijk
(the Netherlands)
Tel: +31 70 340 20 40 – Fax: +31 70 340 30 16
E-mail: epoline@epo.org

Branch office Berlin:

Gitschiner Strasse 103, D-10969 Berlin (Germany)
Tel: +49 30 2 59 01-0 – Fax: +49 30 2 59 01-840

Branch office Vienna:

Rennweg 12, A - 1030 Wien (Austria)
Correspondence: Postfach 90, A - 1031 Wien (Austria)
Tel: +43 1 521 26-0 – Fax: +43 1 521 26-54 91

- **World Intellectual Property Organisation (WIPO)**
  The **global PCT system** (Patent Co-operation Treaty), based on an international treaty regulates uniform and simplified patent applications, international searches, and prior research in more than 100 countries. The Patent Co-operation Treaty is managed and executed by the 'World Intellectual Property Organisation' (WIPO) in Geneva. PCT applications and -searches can also be done via EPO or DIE.

  World Intellectual Property Organisation
  34, Chemin des Colombettes
  CH-1211 Genève (Switzerland)
  Tel: +41 22 338 91 77 – Fax: +41 22 338 97 50
  E-mail: WIPO.mail@wipo.int – URL: http://www.wipo.org

Chapter 8: "New wine in new bottles"

Or, what about Internet marketing

What does marketing have to do with product innovation? A lot, if not everything. When all is said and done, new products and services need to find their way to (potential) customers. Economic history is strewn with examples of technically superior products that have been forced off the market by products with 'a better marketing content'. In short, even for the most innovative products, a well-thought out marketing policy is essential. Of course, this booklet is not the ideal instrument to explain the latest marketing techniques but we can explain certain aspects. Hence, what about the much talked-about e-commerce via the Internet? But first the basic principles.

Contents chapter 8:

71. What must I take into account when launching a new product?
72. What does a good marketing plan look like?
73. Internet as a marketing channel: a shattered illusion?
74. What is the surf behaviour of (European) Internet users?
75. What is the buying behaviour of (Belgian) Internet users and why?
76. How can the trust of Internet consumers be won?
77. How does Chamber-Trust work and what are the advantages?
78. How does ChamberSign encourage European B2B Internet trade?
79. How can I register a domain name?
80. What else is involved with having a website?

71. What must I take into account when launching a new product?

A company that launches a completely new product needs to work the market first. Customers must learn what the new product can mean to them. This is why the communication strategy needs to pass on the essence of the product, more specifically: the central functional properties of the product (what does it do).

Generally speaking, opening up a market costs a great deal of money and is not without risk. Not all new products are successful. Still, certain advantages are connected to being the first to open up a market, because the first brand often becomes the market leader. It is not easy for other companies to take away that market leadership. Market leaders can afford (later) to pay out large amounts in advertising allowing them to strengthen their position further. Other brands are unable to affect this position simply by saying they are better. The market will not accept this. Usually, the first brand on the market is able to benefit from enormous goodwill. The second brand on the market, on average only makes 50 % of the turnover of the first brand. The third brand scores even less, on average only 25 %.

72. What does a good marketing plan look like?

When launching a new product, a clear marketing plan is required with the following keywords: what (goals), how (strategies) and who (target groups).

According to Marketing News (1/2/1999), about ten items suffice:

1. **Situation analysis**: a description of the playing field, such as the competition environment and legal considerations.
2. **Marketing goals**: what do we want to achieve, e.g., in terms of sales figures or market shares.
3. **Marketing strategies**: how can we achieve the goals? With new or improved products, a different market, distribution system, a certain price strategy, etc.?
4. **Target groups**: what do we want to achieve?
5. **Communication goals**: description of the quantifiable results of the marketing communication programme, such as increased awareness, changed attitudes, or encouraging the use of the product.
6. **Communication strategies:** this describes the projects with which you want to reach the communication goals, such as advertisements, brochures, or product presentations.
7. **Budget**: description in broad outlines of the cost of the whole operation.
8. **Planning**: what happens when?
9. **Media outline**: per medium, with dates and costs.
10. **Supporting data**, such as stock exchange information, media information, and information about the competition, etc.

73. Internet as a marketing channel: a shattered illusion?

When the Internet became widespread, many people thought it would soon become the perfect advertising medium. More so: the possibilities of e-business seemed inexhaustible and the roads would be paved with gold. So-called dot-coms mushroomed and the number of websites grew exponentially. At the end of 1995, barely 20,000 websites existed. A year later there were more than 600,000! By 1999, the 10 million mark had been reached. The growth curve only started to even out by the end of 2001: about 36 million websites are accessible now (Source: Digital Business).

Every self-respecting company has its own website now. A survey conducted by Internet magazine ZD Smart Business showed that Belgian companies plan to spend an average amount of 78,800 euro in 2002 on developing or updating their website. This is about 20 % more compared to 2001. At the end of 2001, almost half the interviewees believed their company website was out-of-date (in terms of technical aspects and graphics).

However, meanwhile the high hopes about e-business have been somewhat dampened. The same survey showed that most Belgian companies do not consider their website hugely important and see it more as an informative means of communication than an extra sales channel. For instance, company websites are used chiefly for publishing general business information (87 %), contact details (82 %), and information about products and services (73 %). Only 43 % uses the website as a way to prompt visitors to buy products or services, only a fifth (22 %) uses it for online sales and only 11 % sells advertising on its website.

74. What is the surf behaviour of (European) Internet users?

Is the lack of commercial importance that companies attribute to their website (at the moment) justifiable? Or is it an expression of their exaggerated pessimism as a reaction to the rose-coloured optimism of the late nineties? According to the European Commission, Europe still has some Internet ground to make up compared to the United States. At the end of 2001, approximately 38 % of all European households used the World Wide Web, which is a lot more than the 18 % recorded in March 2000. This increase abated strongly in 2002, especially in countries that had taken a lead, i.e., the Netherlands, Sweden, and Denmark. Add to that that at the end of 2001 in Spain and Portugal, only a quarter of households were connected to the Internet, in Greece no more than 10 %. Belgium had 1.4 million active Internet connections at the end of 2001, 1.2 million of which were private connections (with 350,000 broadband connections).

This low (European) penetration, the lack of trust in online shops and the sometimes high delivery charges have contributed to the fact that electronic trade in 2002 has not really taken off in Europe. In November 2001, 36 % of European Internet users stated to have already made an online purchase (in October 2000 that was only 30 %), but only 4 % makes regular electronic purchases. In October 2000, 80 % of Belgian Internet users had never bought anything over the Internet. Men between 25 and 39 are the biggest electronic shoppers. The UK buys most over the Internet. One of the reasons is that credit cards are very popular in the UK and the most commonly used language on the Internet is English.

75. What is the buying behaviour of (Belgian) Internet users and why?

Although growth is lower than expected, Internet trade continues to show an upward trend. A survey conducted by Grid Electronic Publishing Consultancy under orders of the Financieel-Economische Tijd (newspaper) in June 2001 involving more than 5,400 Internet users showed that the turnover between companies tripled for the second year in a row, whereas private people bought twice as much via the Internet compared to 1999.

On average, an online ordering Internet consumer in the first half of 2001 spent just over 1,000 euro , almost double in two years time. Consumers chiefly buy computer products and holidays on the Internet. Holiday accommodation, rental cars, and flights are good for 38 % and computer products for 28 % of the total turnover. In terms of the number of purchases, books and CDs are highest by far, with 63 and 48 % respectively of all online purchases.

The online purchases of companies tripled to more than 34,000 euro in six months for one average transaction. Between companies, the turnover increased sharply, but the frequency of purchases stayed low with 1.4 purchases a month.

Internet purchases are usually done for the comfort of remote ordering, the time saved and the comfort of the armchair (not having to go to a store). For companies, the time saved is the most important motivation.

76. How can the trust of Internet consumers be won?

Research has shown that the main reasons for not buying via the Internet are the lack of certainty and security of payment. This is not entirely unjust because the same survey as in question 75 showed that approximately four consumers and three business buyers out of ten have had a bad experience with this. In short, the key to success in e-business is trust vis-à-vis potential partners and consumers.

To contribute to this, the network of Chambers of Trade and Industry (Kamers voor Handel en Nijverheid, KHN) launched **Chamber-Trust**, a labelling project that meets very high safety standards. Test-Aankoop (a comsumers' organisation) associated its Web Trader initiative with this project that was developed with the financial support of the ministry of Economic Affairs.

Chamber-Trust allows a company to opt for two solutions:

- the Chamber-Trust label was developed for the Business-to-Business-environment. Companies that choose this label underwrite a specific code of conduct drawn up by the Chamber network. They also undertake to treat complaints online and to submit possible disputes to an independent third party.
- the Chamber-Trust + Web Trader-label was developed for companies that mainly target consumers, whereby balanced protection measures have been built in for the consumer. The management of this label is done in co-operation with Test-Aankoop.

Companies that want to have this logo on their website are double-checked (see question 77).

77. How does Chamber-Trust work and what are the advantages?

The undertakings entered into by the company and the high level of technical safety connected to the logo provide serious guarantees for the consumer. The labels mean that certain information and data needs to be validated and is double-checked. On the one hand, the Chambers of Trade and Industry check the existence and the operation of the company. On the other hand, Test-Aankoop checks whether the company respects the code of conduct that was developed by the Federation of the Chambers of Trade and Industry and Test-Aankoop and which is based on the Web Trader-label launched in 2000.

Advantages for the companies that opt for one of the logos:
- the label clearly reinforces the trust deserved by the company;
- all labelled companies are included in a compendium;
- the label implies a competitive advantage;
- customer complaints and mediation contribute to greater legal security and allow the liabilities and charges to be estimated and controlled.

Advantages for the buyer on a labelled website: security regarding the fact that:
- the company really exists and has been identified;
- the company underwrites a code of conduct that implies legal security;
- the company undertakes to treat any complaints online promptly;
- the company undertakes to subject any disputes to independent arbitrators or experts and/or accepts Test-Aankoop's mediation to settle the matter amicably.

For more information and how to submit the simple application procedure, please go to the website: http://www.chamber-trust.be

Please note: to improve the trust in international (European) electronic trade, another initiative exists, i.e., Chamber Sign (see question 78).

78. How does ChamberSign encourage European B2B Internet trade?

ChamberSign is an initiative of the organisations of the Chambers of Commerce of ten European countries and of Eurochambres, the association of European Chambers of Trade and Industry (http://www.eurochambres.be). The Belgian Federation of Chambers of Trade and Industry is one of the founding members of ChamberSign, a project that aspires to the development of an all-encompassing architecture for the security of international electronic trade.

What is the idea behind it? ChamberSign wants to give companies the opportunity to use the digital signature technology and also aspires to international recognition and compatibility of the various certificates issued by the Chambers of Commerce.

How does it work? ChamberSign gives companies that receive documents via the Internet guarantees regarding the identity, the integrity, and the authenticity of the sender's digital signature. An electronic signature is electronic data that is attached to or logically associated with other electronic data that is used as a means for authentification. This is how ChamberSign protects international Internet trade between companies certified by the Chambers of Commerce.

Initially, the project was carried by the following countries: Belgium, Germany, France, the UK, Italy, Luxemburg, the Netherlands, Austria, Spain, and Sweden. Other countries will be associated with the project at a later date.

For more information please go to the website
http://www.chambersign.com.

The federal ministry of Economic Affairs also has an Electronic Signature service. More information is available via the website http://mineco.fgov.be, then click 'Information Society'.

Ministerie van Economische Zaken
Bestuur Kwaliteit en Veiligheid, Elektronische Handtekening
North Gate III, Koning Albert II-laan 16, 1000 Brussel
Official-in-charge: Ir. Philippe Degavre
Tel.: +32 2 206 52 59 – Fax: +32 2 206 57 42
E-mail: Philippe.Degavre@mineco.fgov.be

79. How can I register a domain name?

In December 2000, Internet domain names were liberalised in Belgium. In Belgium, **DNS.BE** is the domain name registration office. The mission of this non-profit organisation created in 1999 comprises the registering of dot-be domain names and making the Internet more accessible and encouraging the use of Internet. On the first day of the liberalisation, DNS.BE received an influx of applications. For your information: until 1994, only 129 domain names had been registered! At the end of November 2000 (just before the liberalisation) there were about 40,800, one month later almost 90,000! Meanwhile (March 2002), Belgium has approximately 187,000 registered domain names.

The first analysis of the registrations after the liberalisation showed there was great demand in Flanders, with no less than 67 % of applications. 20 % came from Brussels and 13% from the Walloon provinces in Belgium. The ratio between private applications and companies was 25/75, which is not surprising. About 6.85 % of registrations came from Dutch people.

Because of the influx of applications, DNS no longer registers the dot.be-domain names itself (since 11 December 2000). A network of agents was created who all had to conclude a contract with DNS. In other words, if you want to register a domain name, contact one of these agents. The list of recognised agents is available on the main menu of the DNS website, under 'Registered Agents': http://www.dns.be. This website also allows you to find out whether the domain name is still available and to consult the registration conditions.

How much does it cost? DNS charges 12.10 euro (including VAT) for the registration of a new domain name and 12.10 euro (including VAT) for the annual renewal of the right to use a domain name. The agent also charges a fee.

80. What else is involved with having a website?

E-commerce may not have been as generally accepted as one would like to think, but modern companies must have their own website. Thanks to special software, the website yields interesting data about visitors and their profile via new techniques such as web analysis and so-called 'site mining'. In addition to the need to register a domain name (see question 79), a number of legal aspects are involved with having a website.

For instance, a website holder is obliged to provide certain information, special rules apply in connection with sales via the Internet, of course the rights of third parties (e.g., copyright) need to be respected and there is the danger of computer crime.

Especially for website holders and designers, a handy guide exists with answers to these and many more questions in a publication of the ministry of Economic Affairs. This guide can be downloaded in pdf-format via the website http://mineco.fgov.be. Click *'Information Society'* and then *'Companies and the Information Society'*.

In fact, 'Information Society' contains a great deal of useful information, statistics, legislation, and links about Internet and e-commerce.

Chapter 9: "Work to do"

Or how to harmonise your Human Resources policy with innovation

Innovation is a continuous process that requires hard work, day in day out. Without the co-operation of motivated and capable employees, every attempt at efficient and effective innovation is doomed. A well-considered human resources policy attracts (and holds on to!) a high-quality workforce and creates the correct conditions and the suitable corporate culture to get the most out of its people. Of course, permanent employee training plays a key role. This is also one of the reasons why the Flemish Government supports a number of training schemes. This also fits in with the concept of durable business.

Contents chapter 9:

81. Future-oriented personnel selection, how do I go about that?
82. How can your employees stay up-to-date with the latest developments?
83. How can I claim training cheques?
84. Do other training support initiatives exist?
85. Soft support (advice and training) in hard times you say?
86. How can Trivisi help me with sustainable business?
87. How can Trivisi help me with sustainable business (b)?
88. How can the Foundation for Technology Assessment (STV-Innovation & Work) help me?
89. How can one keep vital know-how in the company?
90. Will teleworking ever break through?

81. Future-oriented personnel selection, how do I go about that?

It used to be relatively simple to know whom to hire because HR departments chiefly thought in terms of jobs. It all came down to drawing up a precise job description and finding someone with the correct qualifications and the necessary skills. Because practically all sectors are in a state of constant flux nowadays, this kind of static thinking is no longer possible. Not only the job content regularly changes, the people working in an organisation also change their jobs more readily.

This has an effect on what the best method is to hire new employees. It is best to hire new people with a view to availability in the whole organisation, rather than one particular position. Instead of qualifications or specific skills, a specific competence profile is becoming more important. In drawing up a profile, the required know-how, attitudes, and skills that are required to be successful in a certain organisation or position are determined.

Competencies are understood to mean the 'observable capacities' an employee must have to perform well. This not really refers to factual knowledge or IQ but more to behaviour and so-called emotional intelligence (EQ). Let it be clear that the best salesman is not necessarily the best person to lead a sales team.

For more news and information on *'personeelsbeleid binnen klikbereik'* (human resources policy within clicking distance), please consult the *'Website over en voor innovatief en Web enabled personeelsmanagement'* (Website about and for innovative and Web-enabled human resources management): http://www.hrm.net.
Free weekly electronic newsletters dealing with HR are available on the HRUpdate website, a publication of HRMagazine:
http://news.hrupdate.be

82. How can your employees stay up-to-date with the latest developments?

In a climate of constant change, it is essential for employees to follow almost permanent in-service training. Traditional training is 'interpreted' differently. Employees are no longer 'allowed' to follow training courses a number of times a year because they received a good review but they are 'obliged' to follow courses to stay up-to-date with the latest developments. Because training courses are expensive and employees are unable to do any work during a training course, the training courses need to be as efficient as possible. Prior to even considering a specific training course, the goals first need to be determined together with an employee's competencies. Based on this, a training course can be chosen or conceived.

Although they do not have all the answers, new media offer interesting possibilities for the new training requirements. Training courses on CD-ROM or DVD can make use of different media and are very interactive. An internal network or even the Internet can be very useful tools for distance courses thanks to broadband technology, even with extensive multimedia possibilities. The big advantage of training courses via computer or the Internet is that they do not have to be laid down in advance. On the contrary, new media make just-in-time training courses possible: when a training course is required, it can be downloaded. Another advantage is that only certain sections of a course can be followed.

In any case, the Flemish Government is aware of the importance of training courses for companies that want to innovate. Hence the existence of a number of specific support schemes for training courses (see questions 83, 84, and 85). Moreover, to support employee in-service training courses, the Flemish Government created a life-long learning consultation and co-ordination platform, i.e., Eduforum.

For more information on tailor-made courses about all kinds of subjects, organised in a certain region, please get in touch with:

Ministerie van de Vlaamse Gemeenschap
Afdeling MAB werkgelegenheid
Markiesstraat 1, 1000 Brussel
Tel.: +32 2 553 40 76
E-mail: paul.schatteman@ewbl.vlaanderen.be
URL: http://edufora.vlaanderen.be

83. How can I claim training cheques?

If you want to take the lead, you need know-how. No matter how important the technological aspect often is, innovations are made by people. This is why good and permanent training constitute essential conditions for successful innovations. For this reason and to boost the competitiveness of Flemish companies (companies located in the Flemish Region), the Flemish Government devised so-called **training cheques** (opleidingscheques). These cheques have been available to Flemish companies since 5 February 2002 and were an instant success. A budget of 45 million euro has been earmarked for this initiative.

How does it work? A training cheque costs 15 euro but has a face value of 30 euro. The company pays 50 % and the Flemish Government pays the remaining 50 %. The training cheques allow a company to send its employees to a Certified Training Centre. Each calendar year, a company is allowed to buy up to 200 training cheques (at least ten per order). A cheque is valid for 12 months from the date of issue. After this year, two months remain to pay for the training course with the cheques. The training centre must cash the received cheques within a month. Almost all small, medium-sized, and large enterprises and liberal professions established in the Flemish Region are able to benefit from the measure. Anyone in the company, whatever his or her position, is allowed to follow a training course.

They can only be ordered via the Internet. For more information, to find Certified Training Centres in your region, and to order cheques, please visit http://www.vlaanderen.be/opleidingscheques or mail to: opleidingscheques@vlaanderen.be

Ministerie van de Vlaamse Gemeenschap
Afdeling Economisch Ondersteuningsbeleid
Markiesstraat 1, 1000 Brussel
Tel.: +32 2 553 37 10 – Fax: +32 2 553 37 88

84. Do other training support initiatives exist?

In addition to the training cheques devised in 2002, the Economy and Employment Administrations of the Ministry of Flanders have long supported training courses. This is done via the **Hefboomkrediet voor innovatie-opleidingen (Leveraged credit for innovation training courses)** and the so-called '**Soft support'** (see question 85).

With the Leveraged credit and Pathway 4 of the European Social Fund (ESF), the Flemish Community and the European Union want to help Flemish employees grow accustomed to the rapidly changing conditions of the labour market and encourage life-long learning. To come into consideration for these subsidies, the projects need to meet a number of general objectives and per type of action meet a number of admissibility criteria, content and preference criteria. It must concern:

- training projects to help companies and workers grow accustomed to the developments and innovations in business and society that are aimed at the needs of workers and self-employed persons (measure 1): maximum 1 million euro per applicant;
- projects in the context of individual career guidance that are aimed at encouraging a career advice offer at the request of individual employees (measure 2): maximum 250,000 euro per applicant;
- projects in which instruments are developed and provided for the realisation of a strategic training policy in companies (measure 3): maximum 250,000 euro per applicant;

Who comes into consideration?

Companies, company networks, sectoral training institutes, and social partners are able to apply for subsidies. One application suffices for applying for both subsidies (i.e., Leveraged credit and ESF Pathway 4). For the 2002 application round, projects can be submitted as from 15 March 2002.

For more information:
first go to the following website http://www.vlaanderen.be/werk – section *'Europees Sociaal Fonds'* or *'Hefboomkrediet'*. Here you will find the application forms (which you can download) and a complete manual with the application.

Also:

- **Ministerie van de Vlaamse Gemeenschap**
  Administratie Werkgelegenheid
  Afdeling Europa Werkgelegenheid
  Markiesstraat 1, 1000 Brussel
  Tel: +32 2 553 44 23 – Fax: +32 2 553 44 25
  E-mail: werkgelegenheid.europa@vlaanderen.be

- **Hefboomkrediet en Europees Sociaal Fonds zwaartepunt 4 (Leveraged credit and European Social Insurance Fund Pathway 4):**
  Contact: Sofie Carlier
  Tel: +32 2 553 44 53
  E-mail: sofie.carlier@ewbl.vlaanderen.be
  Contact: Natalie Verstraete
  Tel: +32 2 553 36 89
  E-mail: natalie.verstraete@ewbl.vlaanderen.be

- **European Social Insurance Fund (ESF) programmes in Flanders 2000-2006:**
  Information-official: David Mellaerts
  Tel: +32 2 553 44 31
  URL: http://esf.vlaanderen.be

- **More information on employment** (programmes, subsidies, incentive bonuses, etc.) via: http://www.vlaanderen.be/werk

85. Soft support (advice and training) in hard times you say?

To encourage training and business support services such as consulting and studies, the Flemish Government offers medium-sized and large enterprises so-called **'Soft support'**.

In concrete terms this 'soft support' comprises an interest-free loan of maximum 50 % of the accepted expenses that have been incurred for certain types of training courses for employees and consulting services. The loan is reimbursed in three equal annual payments: 5, 6 and 7 years after payment of the loan.

Medium-sized enterprises are able to obtain support for training, advice, and study report projects. Major companies only receive support for training projects. Only certain sectors come into consideration, others are excluded.

All information (the practical how and the legal why, eligible companies, projects, expenses, etc.) regarding 'soft support' is available on the Internet. The brochure *'Zachte steun aan middelgrote en grote ondernemingen'* (Soft support to medium-sized and large enterprises) contains all relevant information.
http://www2.vlaanderen.be/ned/sites/economie/brochures/brochzs/index.htm

For specific information about soft support:
Tel: +32 2 553 37 73
E-mail: andre.meyers@ewbl.vlaanderen.be
URL: http://www2.vlaanderen.be/ned/sites/economie/zachtgo.htm

Other useful information about economic support is available on the following websites: http://www.vlaanderen.be/economie (general site with an overview of the different support measures) and http://www2.vlaanderen.be/ned/sites/economie/steun_aan_ondernemingen.htm

Ministerie van de Vlaamse Gemeenschap
Afdeling Economisch Ondersteuningsbeleid
Markiesstraat 1, 1000 Brussel
Tel: +32 2 553 35 11 – Fax: +32 2 553 37 88
E-mail: economiesteun@vlaanderen.be

86. How can Trivisi help me with sustainable business?

The economy is an unmistakable essential social engine but sometimes it is important to refocus. The unbridled aspiration of economic growth brings with it quite a few unwanted side effects. Hence the need for a balanced and integrated development of the economy, environment, and social cohesion. In an **added-value economy** companies look for a dynamic balance between the interests of different 'stakeholders' and aspire to an integration of economic success, social enrichment, and an ecological balance.

Organised by the Flemish Employment Administration, Trivisi – the term refers to an integrated vision on companies from three angles: people, environment and society – wants to support these waves of innovation in society and business by looking for solutions with the various actors to ensure good durable development. The Trivisi project was launched in June 2000 by having three pioneer groups research what the best way was to get off the beaten track of human resources management via:

- **diversity**: discover the untapped potential of certain disadvantaged groups;
- **learning**: develop a training offer that fits in with a perspective of life-long learning;
- **stakeholders**: try to get all stakeholders involved in the management.

For the aims of Trivisi and a detailed overview of the three pioneer groups, please go to the following website: http://www.trivisi.be. Here you will find the brochure on *'Stakeholdermanagement: ook voor uw bedrijf?'* (Stakeholdermanagement, also for your company?), the conclusions of the Flemish meeting of experts and the Trivisi conference (of 6 & 7 November 2001). In the spring of 2002, a number of specific instruments were presented (see question 87).

87. How can Trivisi help me with sustainable business (b)?

The Trivisi study groups (see question 86) develop new concepts regarding human resources management with a view to sustainable business.

- Trivisi's pioneers' group **Leren ('Learning')** provides you with instruments for permanent learning, a structured training policy and an efficient HR-management.
- Trivisi's pioneers' group **Diversiteit ('Diversity')** aims at a proportional participation of 'opportunities groups' through a personnel policy that approaches differences positively.
- Trivisi's pioneers' group **Stakeholders** promotes the concept of stakeholders management and stimulates its implementation.

For more information about the different projects that were introduced in the working groups and on the instruments that were developed, please go to URL: http://www.trivisi.be.

For more information about Trivisi and the initiatives organised by the Flemish Government regarding durable business, please contact:

Ministerie van de Vlaamse Gemeenschap
Administratie Werkgelegenheid
Markiesstraat 1, 1000 Brussel
Tel: +32 2 553 39 56
E-mail: trivisi@vlaanderen.be – URL: http://www.trivisi.be

88. How can the Foundation for Technology Assessment (STV-Innovation & Work) help me?

The **STV-Innovation & Work** functions within **Flanders' Social and Economic Council (Sociaal-Economische Raad van Vlaanderen - SERV)** as a research cell that is funded through an annual donation of the Flemish Government. STV (founded in 1985 as 'Stichting Technologie Vlaanderen' (Flemish Technology Foundation) carries out research into innovative developments (both technological and organisational) in business and their impact on the use of human labour. After all, to be successful, companies not only need to take advantage of technological innovations but also creatively use the possibilities of organisational improvement and the talents of its employees.

The practical and policy-oriented STV-research projects are often specific to a sector and are realised in close consultation with the social partners of those sectors. As a result, they guarantee the distribution of practicable results in factories and offices, through concise brochures and thick information files, training and the quarterly magazine 'STV-berichten'. This attention for the valorisation of the research results is typical for the institute.

For more information please contact:

STV - Innovatie & Arbeid
Contact: Claudine Huyghe (documentation centre)
Wetstraat 34-36, 1040 Brussel
Tel: +32 2 209 01 11 – Fax: +32 2 217 70 08
E-mail: stv@serv.be – URL: http://www.serv.be/stv

SERV
Wetstraat 34-36, 1040 Brussel
Tel: +32 2 209 01 11 – Fax: +32 2 217 70 08
E-mail: webmaster@serv.be - URL: http://www.serv.be

89. How can one keep vital know-how in the company?

A good HR policy pays off. European research conducted in 2000 shows that improvements in a company's human resources policy can lead to a 26% higher market value. Especially the use of knowledge workers seems to contribute a great deal (+2.3 %) to the added value. This applies to both knowledge companies and traditional companies(*).

Especially in the current information society, the employees' knowledge and know-how constitutes one of the most important 'raw materials' and production factors of a company. And it is not only about attracting employees with the right know-how but also keeping them. Think about it, on average, American companies have a 25 % turnover of staff, in Europe this is about half (*). Therefore, it is at least as important to properly manage the know-how already present in the company.

Knowledge management can be seen in very broad terms: it concerns both the tangible know-how that is present or can be consulted in databases, documents, archives, the Internet, etc., and the intangible know-how of employees. Precisely this second type of know-how needs to be looked after through a good HR policy. Considering that people change their job (or company) much more readily now or retire earlier, it is vital to keep their know-how in the company as much as possible. First of all, a corporate culture needs to be created in which employees are prepared to share their know-how with others.

To do this in concrete terms, the correct conditions and certain procedures need to be provided. Employees should not feel that by sharing their know-how with others, they are weakening their own position and might be making themselves superfluous. Only when everyone, in all openness, shares know-how and ideas with others can we talk of genuine knowledge creation and innovation.

(*) Source: Vacature, 9 March 2002

90. Will teleworking ever break through?

American Jack Nilles already coined the term *'teleworking'* in 1978 and even then expected that telecommunication would one day provide an alternative to the home-work commute. In the late nineties, bold predictions were made that by 2002 the US would have 55 million teleworkers. Figures show there are less than ten million. Teleworkers are not really breaking through in Europe either(*). A study conducted in 2000 commissioned by the European Commission (Emergence-project) showed that only 12 % of companies have teleworking employees; barely 1.5 % has telehomeworkers, 10 % has 'nomadic' employees, and 6.8 % works with satellite offices.

What about Belgium? A survey conducted in 2001 and commissioned by Alcatel showed that Belgium has 150,000 teleworkers, or one in ten employees (officials and small companies not included). Half works from home, but usually on an ad hoc basis (in case of train strikes, bad weather, or traffic problems). A quarter of companies has teleworking employees and another 10 % of companies stated they planned to set up some kind of teleworking system in 2002.

Of the group of non-teleworkers, 80 % says to be open to this way of working or at least interested, but their company has not taken any initiative. What is the problem? For a long time, the biggest stumbling block was technical but that is no longer the case. A laptop, a mobile phone, and an Internet connection suffice to access the company's network and all required data from anywhere. Many company directors fear that working from home will have a negative effect on productivity but most research shows the contrary.

For instance, the majority of Belgian companies and employees (87 %) who have experience with teleworking are extremely satisfied. All interviewees mention the same benefits: good for mental and

physical health, stimulates the work performance, and contributes to a better family life. Home working requires a considerable amount of self-discipline and the ability to work independently and efficiently. Practice shows that mainly experienced employees are able to deal best with this 'freedom' and the lack of social monitoring. Moreover, regular visits to the office are indispensable, both for professional reasons and for maintaining social contacts with colleagues.

(*) Sources: De Morgen, 7 March 2002 and Vacature, 9 March 2002.

Chapter 10: "Nothing ventured, nothing gained"

Or, how to make your initial steps (or leaps) in the field of export

Inevitably, innovative companies become growth companies that want to spread their wings in all directions. Also, across the border ... For that matter, the Flemish economy is extremely export-oriented. Geographically, Flanders is rather small, leaving many foreign markets to be conquered. This chapter introduces you to Export Vlaanderen (Export Flanders), the Flemish public institution for export promotion. Since 1 January 2002, Export Vlaanderen has been the sole point of contact in matters of export and will gladly provide you with 'seven-league boots' if you want to make your initial, new or extra steps in the field of export.

Contents chapter 10:

91. How important are exports for Flanders?
92. Who or what is Export Vlaanderen?
93. What can the export centre in my province help me with?
94. Where are the provincial export centres located?
95. What are export coaches and what can they do for me?
96. How can I get to know more about specific countries?
97. In which foreign locations is Export Vlaanderen represented?
98. Can I get financial support for my export activities?
99. What concrete financial support does Export Vlaanderen provide?
100. What else does Export Vlaanderen's action programme comprise?

91. How important are exports for Flanders?

Ever since the cloth trade in the Middle Ages, Flanders has been known for its export-oriented economy. This is quite normal if you look at what Flanders has to offer: a central location in Europe, major seaports (Antwerp, Zeebrugge, and Ghent), a close-knit road and rail network, a highly educated active population and dynamic companies. And add to that Flanders' growing international reputation in terms of know-how in future-oriented sectors such as microelectronics, biotechnology, and environmental technology.

According to figures of the Institute of national accounts (Instituut van de Nationale Rekeningen), Belgian foreign trade exports in 2000 amounted to 204 billion euro compared to imports to the amount of 192.2 billion euro. 151.8 billion euro (74.4 %) was exported to Member States of the European Union and 52.1 billion euro (25.6 %) to countries outside the European Union. The biggest, most export-oriented activities in 2000 were chemistry (26.3 billion euro in orders, 77.1 % of which for export) and the assembly of vehicles (16 billion euro in orders, 90.3 % of which for export).(*)

With exports of 154 billion euro in 2000, Flanders was responsible for a little over three-quarters of all Belgian exports. The Flemish export/gross regional product ratio even amounted to 104 % in 2000. In absolute figures, the export turnover doubled between 1994 and 2000. This proves how export-oriented the Flemish economy really is.(**)

During the first six months of 2001, the biggest Flemish export markets were Germany (with a share of 17.88 %), France (15.05 %), the Netherlands (12.91 %), the UK (10.85 %), and Italy (5.87 %) respectively.

(*) Source: National Institute of Statistics, URL: http://statbel.fgov.be
(**) Sources: Vlaanderen in cijfers 2002/NIS and Profiel Vlaanderen /Eurostat, URL: http://aps.vlaanderen.be/

92. Who or what is Export Vlaanderen?

Export Vlaanderen is a Flemish public institution that promotes the export of Flemish goods and services. It was founded in 1991 by the Flemish Government to succeed the 'Vlaamse Dienst voor de Buitenlandse Handel' (Flemish Foreign Trade Board). To increase the accessibility and efficiency as much as possible, Export Vlaanderen has been the sole contact since 1 January 2002 in Flanders for all queries regarding export and international business.

In pursuance of its mission, Export Vlaanderen informs, advises, supports, and encourages Flemish companies in their existing or new export activities, both in and outside the European Union. The emphasis is on the pro-active and targeted detection of export opportunities and increasing the export capabilities of Flemish companies.

Export Vlaanderen assists in the following ways:

- **provincial export centres** where you can go with all your export plans and questions;
- **export coaches** who apply their specialised know-how to your company;
- a unique **network** of 'Vlaamse Economische Vertegenwoordigers en Handelssecretarissen' (Flemish Economic Agents and Trade secretaries) in 79 interesting export countries or regions;
- **financial support** of Flemish export companies;
- **collective actions** that are an efficient and cheap way to open doors.

These 'export instruments' will be explained in more detail on the following pages. For general information we refer to the toll-free information line: 0800/62.000.

Export Vlaanderen headquarters can be reached at:

Export Vlaanderen
Regentlaan 40, 1000 Brussel
Tel: +32 2 504 87 11 – Fax: +32 2 504 88 99
E-mail: info@export.vlaanderen.be
URL: http://www.export.vlaanderen.be

By the way, what about investing in Flanders from abroad?

Companies from abroad interested in investing or setting up a business in Flanders (the Flemish Region), can contact the Flanders Foreign Investment Office (FFIO). This serves as a direct guide to finance and economics, financial grants and benefits, R&D support, technical support, site selection, licensing and permissions, labour, … as well as other requirements potential foreign investors have.
The FFIO is also present overseas through its representations in e.g. San Francisco, Chicago, Singapore, Tokyo ...

Flanders Foreign Investment Office - FFIO
(Dienst Investeren in Vlaanderen - DIV)
Leuvenseplein 4, 1000 Brussel
Tel.: +32 2 227 53 11 – Fax.: +32 2 227 53 10
e-mail: flanders@ffio.be – URL:http://www.ffio.com

93. What can the export centre in my province help me with?

The provincial export centres and the export consultants are your first contact and partner. They are able to provide the most diverse information regarding export in general and specific foreign markets in particular. Whether you want to export new products or tap new markets, all the information is available here. The export centres use their own extensive databases, external databases, and CD-ROMs and organise various publications and counselling activities that provide you with ready-made information.

This information deals with:

- **export in general:**
  - market selection,
  - market approach strategies (agent, own office, etc.),
  - financing techniques,
  - export credit insurance,
  - third party subsidies.
- **foreign markets:**
  - economic situation,
  - development of foreign trade,
  - economic – and trade statistics,
  - foreign trade customs,
  - favourable sectors.
- **market surveys and information regarding potential importers**

For information about public markets, working methods of multilateral organisations (United Nations, World Bank, etc.), projects organised by international bodies and foreign regulations, the export centres may refer you to the Export Vlaanderen headquarters, the Belgian Foreign Trade Board (Belgische Dienst voor Buitenlandse Handel, BDBH), or other competent authorities.

94. Where are the provincial export centres located?

- **Province of Antwerp**
  Exportcentrum Antwerpen
  Grote Steenweg 224 bus 7, 2600 Antwerpen
  Tel: +32 3 237 22 10 – Fax: +32 3 216 45 05
  E-mail: antwerpen@export.vlaanderen.be

- **Province of Limburg**
  Exportcentrum Hasselt
  Casterstraat 42, 3500 Hasselt
  Tel: +32 11 22 47 07 – Fax: +32 11 22 49 70
  E-mail: hasselt@export.vlaanderen.be

- **Province of East Flanders**
  Exportcentrum Gent
  Bollebergenstraat 2B, bus 11 (1st floor), 9052 Zwijnaarde
  Tel: +32 9 221 80 51 – Fax: +32 9 222 03 51
  E-mail: gent@export.vlaanderen.be

- **Province of Flemish Brabant**
  Exportcentrum Vilvoorde
  Leuvensestraat 29, 1800 Vilvoorde
  Tel: +32 2 252 46 67 – Fax: +32 2 251 88 12
  E-mail: vilvoorde@export.vlaanderen.be

- **Province of West Flanders**
  Exportcentrum Brugge
  Baron Ruzettelaan 29/3, 8310 Brugge
  Tel: +32 50 35 81 40 – Fax: +32 50 35 87 57
  E-mail: brugge@export.vlaanderen.be

For more information about the export centres, please go to:
URL: http://www.export.vlaanderen.be – then click 'exportcentra'

95. What are export coaches and what can they do for me?

Export Vlaanderen has a number of export coaches who were selected because of their professional and export experience in certain countries and/or sectors such as environment, food, shipbuilding and mechanical engineering, construction and construction materials, metal construction and machines, vehicles and textiles. Thanks to their specialised know-how, these export coaches provide a specific added value to the companies that take advantage of their services.

These export consultants make their know-how available through the **individual assistance** of Flemish companies that want to tap new markets. During the interview your company is audited in terms of products, production processes, marketing techniques, etc., to find out how best to approach a new market. In joint consultation, an action programme and a specific schedule are drawn up, whereby the export coach, based on his or her experience, provides advice and acts as project leader.

The actual export project is carried out by the company itself, but you can rely on further follow-up by your 'personal coach' and enjoy Export Vlaanderen's full package of services such as a free market survey, an appointment schedule with possible buyers, and financial support. On average, your company should be able to enter the new market after two to three months. Approximately the first 40 hours of the export coaches' services are free of charge.

Anyone who wants more information on export coaches, or how to contact the export consultant in your provincial export centre, please go to http://www.export.vlaanderen.be and click 'Advies en begeleiding'. Here you will also find an export coaching application form. Or, you can get in touch with:

Pascale Leroy, export coaches co-ordinator.
Tel: +32 2 504 88 44 – Fax: +32 2 504 88 95
E-mail: pascale.leroy@export.vlaanderen.be

96. How can I get to know more about specific countries?

In addition to the individual coaching of Flemish companies (see question 95), the export coaches are also responsible for the organisation of collective events such as **seminars** and **information sessions** about certain sectors and/or specific countries.

These events are very interesting if you are about to export to a new or a difficult market, but you don't have enough background information. The idea to do this came from the recurring plans of different companies to enter the same foreign markets, often neighbouring countries and regions. Most workshops have this in mind and predominantly target markets that are feasible for starting exporters. Nevertheless, more remote markets (albeit to a lesser extent) are also discussed.

To anticipate specific questions as much as possible, the number of participants is restricted, usually to about ten small and medium-sized enterprises in the same region. First of all, general and theoretical concepts are discussed with an emphasis on practical information and tips. Thanks to a direct contact with Flemish Economic Agents abroad, a number of specific problems of participating companies can be dealt with immediately.

These seminars and information sessions are part of a global **Action programme** of Export Vlaanderen (for other actions, see also question 100).

For more information on a county information session, please talk to your provincial export consultant (see question 95), or the website http://www.export.vlaanderen.be and click: 'Actieprogramma -Soorten acties'.

For questions or suggestions regarding the Export Vlaanderen action programme:

Peter Jaspers, Export support co-ordinator
Tel: +32 2 504 87 08 – Fax: +32 2 504 88 94
E-mail: peter.jaspers@export.vlaanderen.be

Country studies are also available online from the Belgian Foreign Trade Board (Belgische Dienst voor de Buitenlandse Handel, BDBH). The aim of this board is to encourage the export of Belgian and Luxemburg industrial products, techniques, and services, disseminate economic and trade information and organise promotions abroad in joint consultation with the Regions.
For more information please contact:

BDBH
World Trade Center 1,
Koning Albert II-laan 30 bus 36, 1000 Brussel
Tel: +32 2 206 35 11 – Fax: +32 2 203 18 12
E-mail: info@obcebdbh.be – URL: http://www.obcebdbh.be

97. In which foreign locations is Export Vlaanderen represented?

Export Vlaanderen has an international network of Flemish Economic Agents and/or Trade secretaries. In 2002, Export Vlaanderen had a worldwide network of 79 offices in interesting export countries or regions.

- **Europe (36 offices)**
  Athens, Barcelona, Berlin, Budapest, Bordeaux, The Hague, Dublin, Edinburgh, Gdansk, Helsinki, Istanbul, Cologne, Kiev, Copenhagen, Lisbon, Ljubljana, London, Lyon, Madrid, Milan, Moscow, Munich, Nizhny Novgorod, Oslo, Paris, Poznan, Prague, Lille, Rome, St. Petersburg, Stockholm, Stuttgart, Vilnius, Warsaw, Vienna, and Zurich.
- **Asia (23 offices)**
  Bangalore, Bangkok, Beirut, Jakarta, Dubai, Guangshu, Hanoi, Hongkong, Kuala Lumpur, Manila, Mumbai, New Delhi, Osaka, Beijing, Qingdao, Riyadh, Seoul, Shanghai, Singapore, Tehran, Tel Aviv, Tokyo, and Wuhan.
- **North and South America (14 offices)**
  Atlanta, Buenos Aires, Caracas, Chicago, Lima, Los Angeles, Mexico, Montreal, New York, Porto Alegre, Santiago de Chile, São Paulo, Seattle, and Toronto.
- **Africa (4 offices)**
  Cairo, Casablanca, Johannesburg, and Tunis.
- **Oceania (2 offices)**
  Auckland, Sydney.

In addition to the aforementioned offices, Export Vlaanderen also uses local contacts in other markets with great potential.
For more details about contact information per country:
URL: http://www.export.vlaanderen.be
then click 'Internationaal netwerk'

98. Can I get financial support for my export activities?

Export Vlaanderen was commissioned by the Flemish Government to support, supervise, and encourage the export initiatives of Flemish businesses. One of the best ways to do so is by awarding subsidies for export initiatives. Therefore, a Flemish company that exports or intends to can claim financial support in certain cases via Export Vlaanderen.

In 2001, the Flemish Government approved a new act that stipulates the conditions and rules regarding the awarding of these subsidies specifically aimed at small and medium-sized enterprises (companies with maximum 250 employees, a turnover of maximum 40 million euro or a balance sheet total of maximum 27 million euro). The **main objective** of the subsidy scheme is that Flemish exporters are able to find buyers for their products and services outside the European Economic Area (the Member States of the European Union plus Norway, Liechtenstein, and Iceland form the EEA).

In drawing up the new act, the Flemish Government was aspiring to uniformity and customer friendliness. For instance, the support was a fixed sum. For all initiatives, Export Vlaanderen awards a subsidy to the amount of **maximum 50 %** of the accepted expenses (for specific examples: see question 99). This keeps the administrative formalities down to a minimum. Moreover, the exporter will know much sooner whether he is entitled to the requested support or not.

SMEs that come into consideration for subsidies can contact:

Export Vlaanderen
Yves Roekens
Regentlaan 40, 1000 Brussel
Tel: +32 2 504 88 20 - Fax: +32 2 504 88 99
E-mail: yves.roekens@export.vlaanderen.be

More information about applying for financial support is also available on: URL: http://www.export.vlaanderen.be, then click 'aanvraag financiële steun'.

The Belgian Export Credit Agency (Delcrederedienst) encourages international economic relations, by covering risks in the field of export, import, and foreign investments. Delcredere is also authorised to cover exchange risks, insure transit transactions, and help with export financing. The insurance applies mainly to markets outside the OECD. For more information please contact:

Delcredere
de Meeûssquare 40, 1000 Brussel
Tel: +32 2 509 42 11 – Fax: +32 2 513 50 59
URL: http://www.delcredere.be
- Documentation:
  Tel: +32 2 509 43 94 – E-mail: m.revelard@ondd.be
- International partnerships:
  Tel: +32 2 509 43 83 – E-mail: k.boussart@ondd.be
- Country risks:
  Tel: +32 2 509 43 73 – E-mail: d.terweduwe@ondd.be

99. What concrete financial support does Export Vlaanderen provide?

Small and medium-sized enterprises are able to claim financial support for about four different types of actions:

- **Prospecting trips**: because it is important to visit your future market and to approach potential customers, Export Vlaanderen supports your individual prospecting trips and participation in group business trips by way of group stands at fairs. You will receive a fixed payment in travel and accommodation expenses depending on the country and 500 euro for product or corporate documentation for every subsidised country.

- **Individual participation at international fairs**: an indispensable way to present and sell products and services to potential customers. The support amounts to maximum 50 % of the rent of the bare stand surface, without decoration and VAT, with a maximum limit of 2,500 euro. To participate in a subsidised fair outside the European Economic Area, support for travel, accommodation and documentation can also be granted at the same conditions as with prospecting trips.

- **Purchase of tender specifications**: the purchase price of the tender specifications for international tenders can be very high. Purchase of the specifications is required to compete for major foreign orders, however. You receive maximum 50 % of the cost price of the tender specifications (excluding VAT) with a minimum support of 1,250 euro and a maximum of 6,000 euro.

- **Prospecting office**: sometimes visiting the export country occasionally is not sufficient and the foundation of a prospecting office (alone or shared) may be required. Support is available for this too, provided it does not concern a production unit or a retail trade.

Moreover, the main activity of your company must remain in Flanders. You receive maximum 50 % of certain operational costs, with a maximum limit of 49,500 euro per office.

For more information on the specific conditions for financial export support and an application form, please go to:
URL: http://www.export.vlaanderen.be
and click: 'aanvraag financiële steun'

100. What else does Export Vlaanderen's action programme comprise?

Apart from information, individual coaching, and financial support, the Export Vlaanderen action programme with its collective activities in Belgium and abroad constitutes an important way to encourage the presence of Flemish business on foreign markets. The action programme is geared toward the needs of Flemish companies and is composed every year in joint consultation with the representatives of Flemish business. The classic sectors (food, textiles, and furniture) and new technologies are involved.

In addition to the already discussed **seminars** and **information sessions** (see question 96), the following also belong to the action programme:

- **Export days** are organised several times a year in different locations in Flanders and provide a unique opportunity to get to know a specific region and the different possibilities in a very short space of time. You will attend one or more theme workshops and you can have an individual talk with the authorised Flemish Economic Agent for that region.

- **Groups stands** at a number of renowned international fairs. Export Vlaanderen tries to be present at the lesser known fairs too. You needn't worry about the logistical side of things and moreover you receive subsidies (see question 99). Also, the prestigious feel of the group stand is a commercial benefit in your search for new contacts.

- **Sectoral contact days** present Flemish products in a suitable environment over one or two days. The local Flemish Economic Agent organises an extensive mailing campaign to attract as many potential buyers and agents to the event as possible.

- **Multisectoral group business trips** are the recommended method for every exporter to explore the market. Export Vlaanderen takes care of the logistics and makes a brochure presenting the participating companies in the local language. The local Flemish Economic Agent invites as many interesting contacts as possible. You only need to concentrate on the talks with your potential customers.

- **Invitation campaigns** in which Export Vlaanderen invites foreign buyers to Belgium with a tailor-made appointment schedule with Flemish exporters.

The action programme with all current and scheduled actions can be consulted online in three different ways (per type of action, geographic, or sectoral) via the website http://www.export.vlaanderen.be and then click *'Actieprogramma on line'*. If you are interested in a specific action and/or want to participate, please log on. As soon as the action is prepared, more information and a registration form will be sent to you.

For more information regarding the Export Vlaanderen action programme, please contact:

Peter Jaspers, Export support co-ordinator
Tel: +32 2 504 87 08 – Fax: +32 2 504 88 94
E-mail: peter.jaspers@export.vlaanderen.be

For the export days, please contact Martine Lecointre:

Tel: +32 2 504 87 10 – Fax: +32 2 504 88 94
E-mail: martine.lecointre@export.vlaanderen.be

Editor: Bart Huyghe

Design & co-ordination: BBC Communication, Kontich

Print: Albe, Deurne

Published by:
Freddy Colson
First Mandatory
Ministry of the Flemish Community
Science and Innovation Administration
Boudewijnlaan 30
B-1000 Brussel, Belgium

D/2002/3241/312