Validation Report for the
Strategy for SME-driven research on networked media R&D
Deliverable 3.4.

www.smard-project.eu

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with the contribution of the SMARD project partners

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1. **Purpose of this document**

SMARD- European Support Framework on Networked Media R&D for SMEs, is a support action project, funded by the FP7, Theme ICT, within the Networked Media Systems cluster.

Four partners, SFRG-Salzburg Research (Austria), iMinds (Flanders, Belgium), CSP-Innovazione nelle ICT (Piemonte, Italy), lead by MFG Baden-Württemberg (Germany), gathered into a consortium to help small and medium sized enterprises (SMEs), that are active in the media and Internet sector, to implement and make use of research and development activities in the networked media field. SMARD specific goals are:

- to facilitate access to research findings
- to increase participation in EU-funded research programmes
- to compile and establish goal-oriented processes and services for technology transfer
- to support technology commercialisation

Within the SMARD project, the present document is part of project Work Package 3-Developing EU strategic framework for support and transfer of Networked Media R&D for SME. Working on the previous WPs results, WP3 aims at setting-up a strategy for SME-driven EU research, development and practice, in order to

- close the gap between research challenges and SME needs on Networked Media
- improve the innovation and technology transfer processes of Networked Media R&D, focusing on a market perspective.
- provide suggestions as for innovation policy approach and tools, addressed to policy makers at different levels (EU, national, local)
- contribute to the Horizon2020 drafting

The 15 statements provided in the “Draft Strategy for SME-driven EU research on networked media R&D” (delivered in July 2012), have been firstly presented to the SMARD Project partners, whose feedbacks have been included in a updated version of the strategy, reduced to the 11 statements of the Validation Concept (delivered in October 2012). Subsequently, the Validation Template, that has been used for the interviews with the stakeholders, included only the selected 11 statements.

As a completion of the Draft Strategy and the following support documents for the Validation Process, the present “Report on Strategy Validation” is aiming at presenting the results of the validation process, by collecting and grouping the main relevant opinions, feedbacks and suggestions for each statements from the consultation with different stakeholder groups. The validation outcomes have been then further elaborated for the drafting of the Final Strategy, to be delivered at the end of the project (March 2013).

Project information, news and deliverables are available at [www.smard-project.eu](http://www.smard-project.eu).
2. The SMARD strategy validation process

Four rounds of consultation have been provided to validate the “Draft strategy for SME-driven research on networked media R&D”.

1) Firstly, the Draft Strategy has been presented and discussed during the project meeting in Stuttgart (September 2012), with the SMARD Project Partners, in particular:
   - iMinds - Sven De Cleyn
   - SRFG - Andreas Strasser and Robert Eckhoff
   - MFG - Jürgen Jähnert and Alexandra Rudl

As a result of this internal consultation the statements list has been revised and reduced. Some statements have been deleted, based on the evaluation about relevancy and focus on the Strategy goals. Others have been rephrased in order to get a unique and clearer interpretation.

In the Concept of Validation Process, these preliminary feedbacks have already been considered and were reflected in the final Validation template.

In particular, the list of statement to be validated has been updated: from 15 to 11 statements with some amendments concerning their description and presentation.

The Figure 1 shows the main differences between the two versions. A more detailed presentation of the discussion with the project partners is provided.

2) Secondly, the experts belonging to the SMARD Advisory Board have been consulted during an interactive workshop in Stuttgart:
   - Flavia Barca - IEM FONDAZIONE ROSSELLI
   - Thierry Baujard - Media deals
   - Marta Ysern Pierra - Barcelona Media

Their opinions on the overall research and commercialization process, about the relevance of all 11 selected statements and the proposed suggestions for improvement, have been considered as those of other stakeholders and included in the present report within the POLICY target group. This choice is justifiable not much for their actual belonging status within the policy makers target, but mainly for their role in the Validation Process as experts and advisors able to give an overall assessment on the Strategy outcomes.

3) The third step has been represented by face-to-face interviews with local and national stakeholders, that have been grouped into three main target groups:
   - RDI: R&D projects/R&D bodies/researcher & professors
   - SME: SME/SME associations
   - POLICY: EU, national, regional policy makers/support and development agencies

Each SMARD project partner has selected one stakeholder from each target group, to be asked for feedbacks on at least 7 statements, chosen as the most promising to get useful information.

The interviewed stakeholders are listed in the following tables 2, 3, 4.
Table 1. RDI stakeholder group

<table>
<thead>
<tr>
<th>SMARD partner</th>
<th>Name of Interviewed</th>
<th>Organization</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSP</td>
<td>Claudio Pastrone</td>
<td>Istituto Superiore M. Boella - ISMB (<a href="http://www.ismb.it">www.ismb.it</a>)</td>
<td>Head of “Pervasive Secure Network” Unit, researcher and project manager in the Pervasive Technologies Research Area at ISMB.</td>
</tr>
<tr>
<td>MFG</td>
<td>Frank Leymann</td>
<td>University of Stuttgart (<a href="http://www.uni-stuttgart.de">http://www.uni-stuttgart.de</a>)</td>
<td>Full Professor of computer science and director of the Institute of Architecture of Application Systems at the University of Stuttgart.</td>
</tr>
<tr>
<td>SRFG</td>
<td>John Pereira</td>
<td>Salzburg Research Forschungsgesellschaft mbH (<a href="http://www.salzburgresearch.at">www.salzburgresearch.at</a>)</td>
<td>Researcher and project manager at Salzburg Research with technological (ICT) and commercialization expertise.</td>
</tr>
<tr>
<td>iMinds</td>
<td>Pieter Balion</td>
<td>Vrije Universiteit Brussel (<a href="http://www.vub.ac.be/en/">http://www.vub.ac.be/en/</a>)</td>
<td>Professor at Free University of Brussels. Director of iLab.o, research unit leader at iMinds-SMIT.</td>
</tr>
</tbody>
</table>

Table 2. SME stakeholder group

<table>
<thead>
<tr>
<th>SMARD partner</th>
<th>Name of Interviewed</th>
<th>Organization</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSP</td>
<td>Mauro Ratti, Walter Allasia, Guido Valcauda</td>
<td>Eurix Group <a href="http://www.eurix.it/">http://www.eurix.it/</a></td>
<td>Software consulting SME, involved in several R&amp;D cofunded projects and promoter of innovative research initiatives.</td>
</tr>
<tr>
<td>SRFG</td>
<td>Christian Osterrieder, Florian Angulanza</td>
<td>UTILO KG (<a href="http://www.utilo.eu/">www.utilo.eu/</a>)</td>
<td>Small company in Salzburg specialised in software development and development of web and mobile applications.</td>
</tr>
<tr>
<td>iMinds</td>
<td>Laurent Mainil</td>
<td>Cluttr bvba (<a href="http://www.cluttr.be">http://www.cluttr.be</a>)</td>
<td>SME focused on research and development of cloud software for data center analysis and electricity consumption reduction.</td>
</tr>
</tbody>
</table>
4) Finally, during the SMARD Interactive workshop on Networked Media R&D commercialisation organized at 2012 NEM Summit in Istanbul, three representatives of FP7 projects in the Networked media sector have been specifically invited to discuss on Networked Media R&D Commercialization.

In this context a further validation session of the Draft Strategy has been proposed. As the three targeted projects are essentially research-based, the resultant feedbacks from each representative have been considered in the present report not for their actual professional position, but within the RDI target group. This decision is motivated by the role that the selected projects have had within the SMARD workshop, which aimed at stimulating the reflection on commercial/societal potential of the ideas and outcomes arising from their research projects. The interviewed FP7 project manager are detailed in the table 5:

<table>
<thead>
<tr>
<th>Name and organization of Interviewed</th>
<th>Project</th>
<th>Further Details</th>
</tr>
</thead>
</table>
A comprehensive collection of inputs from all rounds of consultations above described is provided in the following pages. In consideration on the fact that this deliverable is not public, the inputs have been elaborated only in a very limited way and they have been included without concerning about possible redundancy. In fact, the synthesis work will be done in the final strategy.
3. Validation results: the EU commercialization & innovation process

During the validation process, SMARD project partners have consulted stakeholders about the clarity and adequacy of the EU commercialization and innovation process, as represented in Figure 1, and as proposed in the SMARD draft strategy. Suggestions for improvement have been asked as well.

The SMARD project partners
- have declared a general agreement on the process structure;
- have suggested that the two steps of RDI Public Funding and Technological Transfer Public Funding could be unified in a single point, including both R&D and DEMONSTRATION funding schemes;
- have suggested that the “Mentoring and Coaching” should be not only considered as one step in the Process, but as an accompanying action along all the chain, so they should be also included in preliminary phases of Public Funding and TT or Pre Seed Funding;
- have suggested that the “Matching” has not only to be referred to the final “Matching with Finance”, but also at an earlier stage to Matching entrepreneurs’ ideas and pre-seed funding;
- have suggested that the RDI Technology Needs from the survey report (WP1) should not be included in this process, because they represent a statement on a different level, too focused and difficult to generalize for a policy recommendation.

The RDI stakeholder group members:
- have stated that the general approach is clear and adequate;
• have stated that the schema gives a comprehensive overview which encompasses the whole value chain from the initial R&D to the commercialization of R&D results. Some aspects that are mentioned here, however, are of minor relevancy, e.g. the co-ordination of research agendas or transnational prototype awards;

• have suggested to revise the scheme: in fact the scheme is clear, but incomplete. A further passage of the commercialization chain is missing: when a SME succeeds in developing and funding a product or a service, it still needs support for the long-term sustainability of its investment and to get and keep space in the marketplace, for example to the internationalization of companies. Moreover, at the beginning of the process, from the public side it is demanded to supply the proper infrastructure and the support services which are fundamental and preliminary to sustain and enhance the RD activities.

The SME stakeholder group members:
• have stated that the process is clear and expressed general agreement on it;
• have stated that the scheme in fact underlines that the main problem of the innovation and commercialization process is in the passage from research to market;
• have suggested some remarks on step R&D Public Funding: In the EU funding Programmes, topics are not well described, allowing different interpretations and misunderstanding between research centers/universities and companies/SMEs;
• have suggested some remarks on step TT Public Funding: researchers need some kind of external pressure to move their R&D point of views towards commercialization issues;
• have highlighted that some SMEs may not have a research dpt or specific research activities, so the recommendation can have a limited scope

The POLICY stakeholder group members:
• have stated that the process is logical and clear, but it cannot be generalized as such, it has to be adapted from case to case;
• have stated that a risk of non-clarity comes from the complexity of what the scheme tries to represent, that is very complex and wide in itself;
• have expressed doubts on the fact that the governments and the public authorities have to take up all these issues and needs: what should government do and, maybe even more important, what shouldn’t they do? There is no need for governments to try and support all aspects of this process... They suggest a stronger focus on where the real needs are that are not being supported or taken up by private initiatives: governments should only focus on these elements, where private initiatives fail to adequately support or fill in the needs. ...
4. Validation results: the statements

A comprehensive collection of inputs from all rounds of consultations is provided in the following pages. In particular, the resulting outcomes from the Validation Process have been organized on the basis of the structure provided in the Validation Template. In details:

- feedbacks and suggestion for improvement, to the whole EU commercialization & innovation process draft version
- assessment of the relevance of each statement of the Draft Strategy according to a scale
- feedbacks and suggestion for improvement for the most relevant statements
- examples of further policy action for the most relevant statements.

4.1 STATEMENT 1

<table>
<thead>
<tr>
<th>APPLY THE PRINCIPLE OF SUBSDIARITY IN ORDER TO COORDINATE RESEARCH AGENDAS AT LOCAL, NATIONAL, EU LEVEL</th>
</tr>
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<tbody>
<tr>
<td>Main target groups = POLICY – RDI</td>
</tr>
</tbody>
</table>

The **SMARD project partners**

- have considered the statement generally relevant and to be maintained in the final strategy;
- have suggested to avoid mentioning the principle of subsidiarity, even if correct, and to rephrase the statement with the format “manage and coordinate”;
- have suggested to highlight clearly the aim of avoiding double funding at local, national and European level in the final description of the of the statement or in the final recommendation.

Following the suggestions from the project partners, the statement used for the validation actions had the following wording:

*COORDINATE AND MANAGE RESEARCH AGENDAS AT LOCAL, NATIONAL, EU LEVEL*

Research agendas for demand based RDI must be developed at different policy level and coordinated among these levels. This statement highlights the need to work on the definition of the strategic research agendas and addresses policy makers to define carefully research priorities at the level where they have competence (EU, national, regional), to avoid double funding, according to a subsidiarity approach. The research agendas should more and more include the market & SMEs perspectives, so that RDI can produce innovation results suitable to commercialization. It is advisable that SMEs points of view is also included in the definition of the research agendas.

The **SMARD Advisory Board**

- have considered the statement generally relevant and to be maintained as recommendation in the final strategy;
- have stated that this recommendation can be very difficult to achieve;
- have suggested that the real problem/question is HOW to coordinate research agendas;
- have suggested that survey results (as in statement number 2 “MONITOR SMES AND MARKET NEEDS TOGETHER WITH TECHNOLOGY TRENDS THROUGH A SURVEY ON A LARGE, TRANSNATIONAL & REGULAR BASIS”) can be used as input.

The **RDI stakeholder group members**:
- have considered the statement just partly relevant or not relevant at all;
- when it has been considered partly relevant, have suggested that it would be relevant to include market actors and SMEs in the definition of research agendas, but only partly, because the market perspective may not dominate the process of defining research agendas. The problem is that companies often try to influence the process in a way to cover their own development costs of the next years (topics that are relevant to them on which they would be working anyways, paid by EU taxpayers money);
- have highlighted that the match-making and the complementarity of funds is a practice already in use and which should be further strengthened;
- when it has been considered partly relevant, have agreed on the fact that the need is for a “strategic” research agenda, but have observed that it has to be balanced and that the subsidiarity principle is tricky to apply;
- when it has been considered partly relevant, have suggested that the best approach could be to strengthen a top-down approach from EC, while keeping some degrees of freedom at national and regional level in order to better face the local needs and specific requirements;
- suggested that it is better to have a centralized coordination carried on by the EC, which disseminates the EU directions to the national and regional levels. Also in the local practises, anyway, it would be better try to find joint solutions, which can have a bottom-up influence on the EC R&D policies;
- there was a misunderstanding when someone stated that since “different research agenda at regional, national and European level make perfect sense”: this suggests to make clear the need for coordination of agendas, not the need for make agendas all the same at different levels and in different regions;
- have highlighted the FET Open scheme as an example of long term technological trends, settled by the EC at a very early stage (when research is “visionary”), which could influence the research agendas at national and regional levels;
- have highlighted that basic research must remain important and that the attention on commercialization, as well as short term oriented research, shall not outrank basic research;
- have stated that overlaps in terms of research themes and programmes is physiological and do not represent a problem in itself. In fact, the different research agenda at regional, national and EU level represent different target groups as well as their particular needs or maturity level, they have their own foci and needs. What is advisable is not at all an alignment of these agendas (that can even create disadvantages, as it could deny some countries and regions to set their own strategic targets or focus) but to focus on competitive advantages, to define strategy starting from the awareness, as wide as possible) of the context.
4.2 STATEMENT 2

MONITOR SMES AND MARKET NEEDS TOGETHER WITH TECHNOLOGY TRENDS THROUGH A SURVEY ON A LARGE, TRANSNATIONAL & REGULAR BASIS
Main target group = POLICY

The SMARD project partners
- have considered the statement generally relevant and to be maintained in the final strategy;
- have suggested that surveys should be conducted on regular basis;
- have suggested that the SMEs needs should be investigated through both quantitative and qualitative approaches.

Following the suggestions from the project partners, the statement used for the validation actions had the following wording:

MAP SMEs AND MARKET NEEDS THROUGH A SURVEY ON A LARGE-TRANSNATIONAL SCALE AND ON A REGULAR BASIS
This statement refers to the need for mapping and tracking new technological trends on a large scale, on a regular and transnational basis. This could be done through a qualitative or quantitative methodology or by integrating the two. An integrated approach qualitative – quantitative is advisable. Survey results must be considered by expert groups who define Workprogrammes and calls in the funding programs.

The SMARD Advisory Board
- have considered the statement partly relevant, because it is too difficult to provide a representative sample which can give actually voice to the SMEs needs;
- have suggested that a better way to monitor SMEs needs could be a rotating qualitative assessment more focused on some selected SMEs, which have to be invited at thematic round tables to discuss about some key issues;
- have suggested that both quantitative and qualitative researches should be conducted by competent experts and through a very precise reference template;
- have stated that a metric to select SMEs and some evaluation criteria need thus to be developed;
- have suggested that, at a regional level, sectoral groups could be organised, with the participation of SMEs, in order to define the needs and the supplies. In a second phase, data could be compared in a European overall view, and provided an example such as http://connect-eu.eu;
- have advised that it may be difficult to make the investors (or the investors associations) cooperate to the survey: they would tend to consider the survey at a too early stage for them to invest time in it.

The RDI stakeholder group members:
- have considered the statement from relevant to partly relevant;
- have stated that there are still a lot of doubts about its effectiveness;
- have suggested to move the focus to another point: the problem is how SMEs can really benefit from the programs that are already running, that often, despite their goals, don’t reach the SMEs. A survey can be useful, above all if aimed to define new technology trends, but the focus should be elsewhere, in the administrative burden that retains SME from participating in EU Programmes: in fact, at the moment it is far too difficult for SMEs
to find, apply, get and manage EU funding. EU Programmes offers good opportunities, but they don’t reach the SMEs as they are\(^1\).

The **POLICY stakeholder group members:**
- have considered the statement from relevant to not relevant at all;
- have stated that driving R&D from a central point (e.g. EC) is probably not the best way to do it, while supporting SMEs is much more relevant.

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\(^1\) Editor’s note: this has to be referred to statement number 7
4.3 STATEMENT 3

| NETWORKED MEDIA RDI-MEDIUM TERM (5-YEARS) PRIORITIES ARE: a) ROBUSTNESS, b)SECURITY, c) USER CENTRIC DESIGN |

The SMARD project partners
- have considered the statement not relevant at all within this process structure and not to be validated.

Following the suggestion from the project partners, the present statement has been removed from the Validation Template.

A validation of the correctness of this choice has come from the Istanbul workshop, where the survey results, among other items were discussed. In fact, one of the main findings of the survey was that technological needs were perceived as less important than non-technological needs. Some participants of the workshop were not surprised at all by this, and noted that RDI is often regarded as of secondary importance for smaller companies. Also companies usually know very well of how to approach technical problems, but they need money, resources etc. to tackle technological challenges. This suggestion is connected with the statement about simplifying funding procedures, stating that funding programmes may provide the financial means, but they are also often associated with a lot of administrative effort and bureaucratic barriers (i.e. concerns that were identified as main priorities in the survey).

Moreover, most companies tend to have very specific RDI needs. There also seems to be a shift in terms of how technology is perceived. For instance, companies increasingly see technologies not as means in themselves, but as the basis for creating broader “experiences” and products; in other words, the focus shifts from technology per se towards creating technology-enhanced experiences and products.
4.4 STATEMENT 4

A PLATFORM OR AN EXPERT GROUP IS NEEDED, WHERE NEW TECHNOLOGY TRENDS ARE EVALUATED ON A REGULAR BASIS IN REFERENCE TO THEIR COMMERCIALIZATION POTENTIAL, IN ORDER TO MAINSTREAM RDI PRIORITIES IN FP TOPICS

The SMARD PROJECT PARTNERS

- have considered the statement generally relevant;
- have suggested to include it in the previous one on the quantitative and qualitative assessment on the SMEs needs;
- have suggested that funds for SME participation in Technological Platforms could be useful to enlarge the chances for the SMEs to get involved in the technological trends evaluation process at European level.

Following the suggestions from the project partners, the statement has been merged with the previous statement number 2.
4.5 STATEMENT 5

EU TECHNOLOGICAL STANDARDS SHOULD MAINSTREAM THE R&D AND INNOVATION FUNDING PROGRAMS, RESEARCH AGENDAS, POLICY RECOMMENDATIONS

Main target groups = SME, POLICY, RDI

The **SMARD project partners**
- have considered the statement as relevant;
- have highlighted that the statement refers to a problem hard to solve and where issues and stakeholders are not only at a European level, but internationally;
- have suggested to consider the option of removing it from recommendation in case no practical suggestion should merge from the validation.

The **RDI stakeholder group members:**
- have considered the statement from partly relevant to very relevant;
- have suggested that it is relevant on the front-end side (customer level), but not on the back-end side;
- have suggested that standards are beneficial for SMEs only in some cases;
- have stated that standards are very important because they allow to avoid interoperability issues, to regulate the market and to offer clear references of quality for the services;
- have stated that standards end to benefit big industrial player and not small players and SMEs. In fact, the standardisation process in the ICT Web field is quite broken. Formal standardisation is often too slow and becomes irrelevant. Informal standardisation is often not transparent and can become anti-competitive, where large firms create de-facto standards around which they can broker eco-systems and create markets. Clearly however, incompatible standards can be a problem for SMEs. In general R&D, funding should have a clear link to European or global de-facto standards;
- have suggested that it would be desirable to have more standardisation from a customer perspective (front-end side); but from a company perspective (back-end side), not necessarily. In fact, stronger standardisation might benefit for instance larger companies as it would allow their technologies and platforms to dominate the market (e.g. SAP, Microsoft Sharepoint) more easily by providing their solutions and platforms downstream and maybe even create monopolies. In fact, smaller companies currently benefit from the lack of standardisation as it allows them to create highly customised solutions independently. More standardisation on the back-end side might thus actually reduce the possibilities of SMEs. On the front-end (customer perspective, user interface (UI) level), however, standardisation in terms of enhanced interoperability would make sense. It would allow, for instance, exchanging content more easily from platform to platform. Hence, it would be necessary to decouple the front-end (interact with content, UI level) from the back end (from business logic down to storage and workflows);
- have stated that the problem of the standards is that they are usually too general and they don’t sustain always the best solutions. However, depending on the business model of a company, standards could open some creativity spaces and consequently allow to enter in market niches. Furthermore, the standardization committees don’t foresee the actual participation of SMEs. However, even if SMEs could give their contribution in the standardization process, this can’t be effective in order to impose their solutions, because of the greater power of influence of big companies and research institutions. The SMEs participation in the standardization process could anyway be useful within the role of end
users and for the technological and knowledge exchange in a specific sector. Finally, the implementation of a European standardization system seems to be questionable due to the international coordination of standards.

The SME stakeholder group members:
- have considered the statement from relevant to only marginally relevant;
- have stated that the standards can facilitate the use of research results by SMEs, by improving interoperability and allowing a legally binding usage;
- have focused the problem in the fact that the definition of technological standards is a very long process and this can be a hurdle difficult to overcome;
- have underlined the relevance of the standardisation as an integral part of ICT and software applications;
- have underlined the relevance of the standardisation as it might make development in the IT field faster and in a more efficient way;
- have underlined the relevance of the standardisation, although the standardisation process doesn't give immediate results;
- have highlighted that in Spain, the SMEs participation to technological standardization committees is somehow financed through public funds, proportionated to their actual and demonstrated contribution to the standardization process;
- have stated that the impact of standardisation on SMEs is questionable: the generally low level of standardisation in the IT market, and the web sector in particular, is not a big problem. In some cases, the advantages of a lack of standardisation outweigh the disadvantages: in fact the relatively low level of standardisation can allow smaller companies to specialise in the market and create niches, and give a competitive advantage to SMEs, by enabling them to differentiate from the larger companies through highly-customised solutions.

The POLICY stakeholder group members:
- have considered the statement form relevant to not relevant at all;
- where not relevant, have stated that probably technological standards are more of an innovation obstacle than something that promotes innovation;
- where very relevant, have stated that standardisation is a key issue in many regards (both the proposal process, as well as on technological standards);
- have stated that it should be possible for multi-national project consortia to apply for local/regional funding with the same proposals. Now, every organisation has to adapt the proposal to the specific format and expectations of every region/funding body.
4.6 STATEMENT 6

FP PROJECT PROPOSALS SHOULD BE EVALUATED ALSO FOR THE REUSE OF PREVIOUS PROJECT RESULTS AND A METRICS-METHOD HAS TO BE DEVELOPED FOR THIS

The SMARD PROJECT PARTNERS
• have considered the statement generally relevant but hard to define properly;
• have decided this statement has not to be included in the validation process.

Following the suggestions from the project partners, the present statement has been removed from the Validation Template.
4.7 STATEMENT 7

SIMPLIFICATION OF PROCEDURES IS NEEDED TO IMPROVE ATTRACTIVENESS, FEASIBILITY, VIABILITY AND SUSTAINABILITY OF SMES PARTICIPATION TO R&D PROJECTS
Main target groups = SME, POLICY

The **SMARD project partners**
- have considered the statement generally relevant;
- have highlighted that the statement is not so new for the EC: in fact Horizon2020 strategy already forecasts a simplification of application procedures;
- have suggested that the focus should be in particular, following the commercialization chain, to go nearer to the SMEs/entrepreneurs timing.

The **SMARD Advisory Board**
- have considered the statement partly relevant;
- have stated that simplification is not so easy, because the administrative procedures can’t be avoided and require some effort in any case;
- have suggested that consultancy services, support in proposal writing and other coaching initiatives are not so useful because without a direct involvement of a party in a project preparation, which guarantees a real interest in the project, the consultancy and the learning possibilities of the SMEs can’t be enough effective;
- have suggested that the support services for applying to European funds should be at local level and should focus on consortia building and developing, networking and search for contacts: in fact, the most difficult phase is to find the right complementary partner to cooperate with;
- have suggested to create a network of regional contact points to support access to EU funding through services that can accompany small players to apply for funding and to manage them.

The **SME stakeholder group members:**
- have considered the statement is relevant or very relevant;
- have stated that this is one of the highest hurdles to participate in RDI projects, especially for small companies;
- have suggested that simplification should include: shorter timing, easier application procedure, funding opportunity promotion among SMEs;
- have stated that in many funding organisation, the administrative burden to get access to funding is really high. On the other hand, these funding channels are often vital for the survival and success of start-ups and existing SMEs;
- have suggested that the hurdle is very relevant for regional and national funding, more than for EU funding. In fact within European funding Programmes, as FP7, there are a lot of regulations, but clearly defined. On the contrary, the statement becomes very relevant regarding the regional and national funding opportunities, where management bodies impose an excessive bureaucratic preassure and the rules are often unclear and always changing.

The **POLICY stakeholder group members:**
- have considered the statement is relevant or very relevant;
- have stated that it is the biggest topic right now;
• have stated that programmes should aim at helping companies, especially SMEs. It makes more sense to invest more in supporting SMEs on how to grow, rather than say what research should be conducted on;
• have suggested that the excess of bureaucracy should be avoided and improvements are needed in timing, too slow, particularly regarding the evaluation phase.

The Istanbul workshop participants:
• have highlighted the importance of “timing”: in fact, companies usually need concrete results very quickly. RDI projects, however, often take a lot of time to initiate and implement. In the highly dynamic digital media industry and web economy, RDI projects are thus often too slow to adapt towards rapid market changes. In a worst case scenario, you still might be forced to implement a running project that has already been overtaken by market developments;
• have stated that the composition of consortia in RDI projects often further complicates this situation, as companies and research organisations tend to operate at different speeds. While companies, which are primarily interested in product development, are usually much quicker in their activities than research organisations, R&D bodies usually focus more on the longer-term research aspects. This makes it difficult to develop innovative products out of RDI projects. As a result, companies often even decide to develop a product or service directly in-house, rather than developing it together with other partners in an RDI project;
• have suggested that future RDI programmes might provide specific project types for different type of applicants. For example, larger and longer-running RDI projects are well suited for research organisations and bigger companies, while smaller, shorter and more development-oriented projects might be better able to cater the needs of SMEs;
• have highlighted that another particularly relevant aspect for SMEs is the legal framework which governs multilateral RDI projects. Consortium agreements that regulates legal aspects between partners tend to be formulated rather vaguely and usually all partners have access to the consortium's know-how. This implies that bigger companies often have a better "bargaining position", based on larger resources, expertise and skilled personnel in drafting agreements towards their advantage, or, in extreme cases, more (legal) power to influence the other partners. What often happens is that this helps particularly bigger companies in getting access to know-how from smaller companies or the other partners and not the opposite. As a result, partners tend to be overly careful and protective, which might discourage them from working together effectively;
• have identified administrative effort, financial risk and effort to apply for RDI funding as main concerns of SMEs;
• have stated that most SMEs do not have established RDI structures, so they usually have to figure out the entire process of applying for funding up to the management of projects by themselves, usually with very limited resources available. This is particularly the case for SMEs which have no prior experience with EU funding programmes. Existing funding schemes often do not take this into account sufficiently. Hence companies have to spend their scarce resources on administrative issues rather than on RDI activities;
• have remarked that many SMEs could be helped if there were agencies or opportunities that not only help companies in identifying potential application programmes, but also helping them to write project proposals and managing accepted projects.
4.8 STATEMENT 8

**LARGER ATTENTION AND FUNDING NEED TO BE ALLOCATED TO THE COMMERCIALIZATION STRATEGIES IN PROJECT BIDS, POSSIBLY THROUGH NEW FUNDING SCHEMES**

Main target groups = SME, POLICY

The **SMARD project partners**

- have considered the statement very relevant;
- have suggested that this type of funding scheme are better definable as DEMO or PROTOTYPE projects;
- have suggested that this kind of DEMO/PROTOTYPE funded actions could be considered as a mix between a proof-of-concept WP and a exploitation WP in a RDI project and also as a specific new type of funding scheme, nearer to CIP than to FP7;
- have suggested that, by thinking to a new form of funding grant for follow-up projects, in order to offer further funds to prototype development towards market launch, it’s recommended the development of evaluations metrics for the project.

Following the suggestions from the project partners, the statement used for the validation actions had the following wording:

**INCREASE FUNDING TO EXPLOITATION AND COMMERCIALIZATION PHASES, THROUGH NEW FUNDING SCHEMES OR BETTER COORDINATION AMONG FUNDING PROGRAMMES AND AD HOC ASSESSMENT METRICS**

*If in the running approach of the R&D funding programmes the focus is mainly on R&D and on the demo phase (even if in FP7 evaluation criteria “impact” has been given larger importance than in the past), increasing the funding effort on the exploitation, industrialization and commercialization phase will help the R&D commercialization of results. This can be pursued by a better coordination with “CIP-like” programmes or by introducing new funding instruments, focused on the “follow-up” phase (after the prototype release and the pilot/demo end) named “prototype engineering projects” or “industrialization projects.”*

The **RDI stakeholder group members:**

- have reported cases of EU funding (under the CIP programme) for prototyping and commercialisation of research results as follow-up of EU funding of base research activities (under FP7).

The **SME stakeholder group members:**

- have stated that often SMEs are not engaged in collaborative research projects since they don’t have the resources to engage in these processes, that take relevant time and effort to commercialise the research outcomes. If more emphasis would be placed on and support provided for subsequent commercialisation within these projects, participation of start-ups and SMEs may increase;
- have stated that European research funding programmes should be closer to the market, by allowing to have some concrete output at the end of the project. Further fundings for the exploitation phase, as the passage from the prototype to the commercial product, should be introduced to support the commercialization of R&D results. Services as market analysis, business planning and marketing actions are needed more than ordinary training initiatives. A big hurdle is in fact represented by the research results valorization in economic terms;
• have suggested that SMEs could benefit from coaching, business angels, silver panther, entrepreneurs in residence, etc. on the way;
• have suggested that an interesting measure could be to allow SMEs to access in the course of already funded projects;
• have reported experiences of locally funded projects, where the duration wasn’t enough to reach the project goals, because of the emergence of unexpected results and further funding was denied because of administrative- contractual reasons. This way, a potential successful and promising result couldn’t be adequately developed;
• have stated that most SMEs are afraid on how an who will use the research results at the end of the project. They have to be reassured, given the tools to make the most of the innovation they produce or contribute to produce, so that they can “open-up”. A promising approach of which SMEs should be made aware of is the Open Innovation Processes.

The SMARD Advisory Board
• have suggested that the emphasis should be on giving money not to every project for follow financing, but only to the most promising and strong ones, through a mechanism nearer to the market competition. The selection of the project could be properly done if it’s available a clear list/catalogue of the RDI projects results.
4.9 STATEMENT 9

BUSINESS-ACADEMIC COLLABORATIONS, EXCHANGE OF KNOW-HOW AND EXPERIENCE SHOULD INCLUDE SECONDMENTS OF RESEARCH STAFF
Main target groups = SME, RDI

The SMARD project partners
- have considered this statement from not relevant to relevant;
- when relevant, nevertheless have stated that the idea is not so new, because it’s foreseen in existing funding programs, like Marie Curie Public-Private Partnerships;
- when relevant, have stated that the extension to every RDI funded project could be a sustancial enhancement of the initiative.

The SMARD Advisory Board members
- have considered this statement from partly relevant to relevant;
- when partly relevant, have suggested that, maybe, only researchers who have already the intent of creating new start-ups or spin-offs could be interested;
- when relevant, have referred that the key factor for achiving innovation is contamination.

The RDI stakeholder group members
- have considered this statement only partly relevant;
- have noted that, to some extent, it is already happening with some mobility programme;
- have suggested that it would work provided that a change of culture about mobility has happened;
- have noted that it is hard to realize a successful exchange between two very different worlds. It can be possible only if from both sides there is a strong commitment and a strategical interest; otherwise this kind of exchange isn’t neither feasible nor effective.

The SME stakeholder group members:
- have considered this statement from relevant to very relevant;
- have suggested that researchers have to become aware of commercialisation issues, but also in order to make them know where and how their research results are implemented;
- have suggested that this would be a great way to foster mutual understanding and exchange of experiences between companies and academics and facilitate the transfer of knowledge in both directions;
- have noted that smaller companies often do not have in-house R&D expertise (nor specialised R&D personnel, nor even R&D departments) and, for this reason, can benefit from secondments, provided that secondments are properly funded. The seconded researcher could contribute enhancing the R&D expertise in the company, while he might benefit from getting hands-on experience in market and commercialisation aspects, product development, conversion of RDI results in products and services;
- have noted that the recommendation is relevant if researchers bring to companies not technological competences, because innovative SMEs already have, but project management skills, which are useful for the economic valorization of the research results;
- have suggested that existing and succesful models could be developed, implemented and better promoted with benefit for research and for business;
• have noted that more interesting competences to be acquired from researchers for a company could be project management skills, academic contacts and networks and knowledge of European funding Programmes;
• have highlighted that the biggest hurdle, especially for SMEs, is likely to be a financial one, if the SME/start-up has to provide some matching funding and, given the high profiles of these academics, they can be quite expensive, especially for small companies;
• have highlighted the risk is that, from one side, a company can exploit free human resources, without increasing knowledge and from the other side that researchers who are available for secondments are only junior ones and the hosting become a sort of training on the job.

The **POLICY stakeholder group members:**
• have considered this statement very relevant;
• have noted that this exchange could take a great added value to both sides. From one side, SMEs could benefit of people with different competences compared to those they already have in-house. From the other side, researchers, not only the junior ones, could gain a useful experience in a different environment have noted that the exchange can be beneficial not really in terms of knowledge transfer, but more in terms of mutual understanding for each other. Few scientists are able and willing to properly talk with companies. Understanding and appreciation is the key.
4.10 STATEMENT 10

BUSINESS-ORIENTED TRAINING, MENTORING AND COACHING FOR RESEARCHERS WITH TECHNOLOGICAL BACKGROUND AND 1ST-TIME ENTREPRENEURS NEED TO BE RENEWED AS FOR FORMATS AND CONTENTS
Main target groups = SME, RDI, POLICY

The SMARD project partners

- have considered this statement very relevant;
- have suggested that the statement is very relevant, but it follows all the phases of the research and commercialization process so it should be also included in the early phases of Public Funding and TT or Pre Seed Funding.

Following the suggestions from the project partners, the statement used for the validation actions had the following wording:

BUSINESS-ORIENTED TRAINING, MENTORING AND COACHING FOR RESEARCHERS WITH TECHNOLOGICAL BACKGROUND AND FIRST-TIME ENTREPRENEURS IS NEEDED ALL ALONG THE PROCESS

The majority of the entrepreneurs are first-time entrepreneurs, with high need and added value of training and coaching. Various initiatives exist, nevertheless, the liability of newness and smallness is still a problem. SMEs complain about an underestimation of the effort and competence required for marketing, distribution, commercialization, and ask for increased knowledge availability and awareness on the latest tech trends. Already in place: actions of entrepreneur training, tutoring, mentoring or through more common actions addressed to promote spinoff or incubation. The statement suggests to policy makers to consider actions to assist, guide, tutor and mentor the research projects, all along the process, to enable researchers to present outputs to investors, to meet their requirements and survive the end of EU funding to a new phase of the innovation chain. A network of EU contact points at regional level is recommended.

The SMARD Advisory Board members

- have considered this statement from relevant to only partly relevant
- have advised that mentoring need to be specialized and carried on by prepared experts;
- have advised that different subjects and skills should be taught in the different phases of the mentoring process;
- have highlighted that there are three steps not connected:
  - regional contact points to promote participation to EU funding programs
  - mentoring for researchers to approach them to business
  - marketing for who already has at least a entrepreneurship idea
- have highlighted the hurdle of costs for training: who is going to pay for these activities? The usual problem with EC or more in general with public funding is that there is no selection. A strategy could be to involve, at first, small and strictly local groups of about 20-50 people and then operate a further selection for going further, in order to have only people really motivated and with the biggest chances to be successful. Only very few companies should be pushed.

The RDI stakeholder group members:

- have considered this statement from partly relevant to very relevant;
• if considered very relevant, have highlighted that it can allow the researchers to acquire missing competences of a business perspective. Training courses should be organized in a continuative way especially in the incubation phase of the business idea;
• when considered only partly relevant, have highlighted that some research body (universities in particular), are increasingly providing internally the means for better commercialisation;
• when considered only partly relevant, it is not needed an external advisor concerning business use cases for the research outcomes. This is because in most research projects there were industry partners who were interested in generating a business case. Nevertheless a market-oriented training is useful;
• have highlighted that a training as such (learning how to present research outcomes to a business oriented audience) is meaningful because there is a need to learn how to present research outcomes in a generally understandable way. This accounts for the project participants from academia as well as from business. In fact, in case of industry partners, often it is the IT personnel who is involved in a research project; if he/she can better present research outcomes in a business way, then he/she can generate more interest in the research project / outcomes in his / her company;

The SME stakeholder group members:
• have considered this statement as relevant;
• have stated that start-ups, spin-offs and smaller IT lack expertise in commercialisation. So they need coaching, not only for skills training but also for motivating and encouraging researchers to commercialize their research results. It is however advisable to select researchers who are more business-oriented and who have an entrepreneurial idea.

The POLICY stakeholder group members:
• have considered this statement from relevant to very relevant;
• have stated that many researchers lack the competencies to apply their technology in business and are little business and market minded;
• have stated that these kind of initiatives provides a better market orientation for researchers and training on project management and business planning;
• have highlighted the risk that business training, mentoring and coaching activities might be a burden for proper research activities, that need to be the main focus of researchers.
4.11 STATEMENT 11

CERTIFIED COMPETENCES AND LABELS FOR SMES, START-UPS AND NEW ENTREPRENEURS CAN HELP CLOSING THE FUNDING GAPS

Main target groups = SME, RDI, POLICY

The SMARD Advisory Board
- have considered the statement not relevant, because certification of competences is not considered effective in this field. In fact, there is a abundance of valueless labels and pointless certificates. It is not a so useful, it is not a relevant focus for the SMARD strategy purposes;
- have advised to delete the statement.

The RDI stakeholder group members:
- have considered the statement not relevant at all or feebly relevant;
- have stated that there are effective instruments already in place;
- have stated that certificates and labels might introduce further hurdles for new companies;
- have highlighted that really good entrepreneurs will not be the ones with long certified trainings;
- have suggested to move the focus on events in which the entrepreneurs could present themselves.

The SME stakeholder group members:
- have considered the statement not relevant at all or just feebly relevant;
- have highlighted that there is abundance of certificates;
- have highlighted that it is not the right incentive to motivate researchers to train their business skills;
- have highlighted that entrepreneurship is learning by doing, preferably with some advice or coaching by more experienced entrepreneurs. But a quality label or “diploma” will not help very much;
- have highlighted that investors are not interested in quality labels; in fact they want to invest in something concrete and promising;
- have noted that it can be somehow relevant for first-time entrepreneurs by providing them with some credentials.

The POLICY stakeholder group members:
- have considered the statement from not relevant to slightly relevant;
- when not relevant, have stated that quality certificates are useless and do not make any difference;
- when not relevant, have suggested to have quality control on the regional level, where regional agencies should check which business ideas are used to approached investors and should try to establish a reputation with investors;
- when somehow relevant, have highlighted that Horizon2020 already forecasts the introduction of labels for innovative SMEs;
- have suggested that innovation agencies act as gatekeepers to investors. In fact the local agencies should check quality of entreprenuer and researcher and nourish their reputation: in this way they can act as a quality label to investors.
4.12 STATEMENT 12

<table>
<thead>
<tr>
<th>INVESTOR FORA SHOULD BE ON A CONTINUOUS BASIS, COORDINATED AT EU LEVEL AND INCLUDED IN THE EU TECHNOLOGY PLATFORM MEETINGS</th>
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<tbody>
<tr>
<td>Main target groups = SME, RDI, POLICY</td>
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</table>

The **SMARD project partners**

- have considered the statement relevant;
- have stated that investors fora could be used also to build strategic alliances and cooperative forms of relations.

The **SMARD Advisory Board**

- have considered the statement relevant;
- have stated that investors fora could be a good way for matching entrepreneurs with financiers and they should be regularly organised;
- have highlighted that it is difficult to think how to coordinate them at European level;
- have suggested that the companies should be selected to be harmonized and enough specific to attract interested investors at local level;
- have highlighted that investor fora should be held at a regional or cross-borders level. In fact, to attract the investors, this kind of events should be organised in a not far location and should not take too long. Furthermore, a network or an online platform could be associated to the forum to select and present the best entrepreneurs’ ideas before the meetings, and after the forum to keep contacts active through discussion and involvement of the participants.

The **RDI stakeholder group members:**

- have considered the statement relevant;
- have highlighted that is particularly relevant in the early phases of innovation, in order to early address the RDI activities, to include since the early phase the commercialization points of view and the market perpescive in RDI activities. This can help prioritising RDI activities towards commercialisation;
- have recommended external advise which better aligns RDI activities towards commercialisation thorough investor fora. In fact, investor fora on a continuous basis could help to better align RDI activities towards the market and commercialisation. External advise from investors can provide valuable expert input. To be more focused it might also be important to distinguish between high-risk/disruptive and incremental RDI in terms of commercialisation, as both have different requirements;
- have noted that it is not fully new, since there is a dissemination budget in every research project. Nevertheless, whereas the research partners use the latter to present on the occasion of scientific conferences, the industry partners uses the latter for presenting on business oriented conferences.

The **SME stakeholder group members:**

- have considered the statement partly relevant or relevant;
- have stated that investor fora could be a positive initiative to guarantee the quality and to avoid multiple investor events across Europe, but also other matching platforms could be useful to offer more personal networking opportunities, e.g. speed dating events;
have highlighted that it is difficult to achieve: in fact, researchers participating do not have the needed knowledge on market issues to effectively communicate to investors and sell their ideas and products. So it is advisable to train researchers with presentation skills and market issues in order to enable them to fully benefit of investor fora;

• have stated that investor fora might help get funding, share risk and get commercialisation expertise;

• have stated that investor fora might help companies not only in getting access to funding, but also in developing commercialisation expertise;

• have stated that transnational investor fora could help companies in getting into foreign markets;

• have highlighted that, even if these fora are useful, it might be quite difficult to coordinate them continuously and at transnational level. Easier maybe and very useful to foster them at regional, national or transnational level;

• have highlighted that, since investments are mainly made on relatively local level, the transnational aspect can have high cost compared with relatively low impact/benefit.

The POLICY stakeholder group members:

• have considered the statement relevant;

• have stated that the fora can be a good opportunity for entrepreneurs to pitch their ideas and get insights from financiers;

• have advised on the fact that it can be difficult to participate for a researcher if he is not enough skilled in market issues;

• have advised to pay attention to what already exists, in order to complement the existing before starting something new;

• have suggested to keep the event on a regional level, because travel costs can be too high for international events;

• have suggested to consider contact and matching at an early stage;

• have highlighted that, due to IPR and other issues, trust is a key factor when setting up meetings at such an early stage in which ideas can be easily “stolen”.

2 Editor’s note: this has to be referred to statement number 7.

3 Editor’s note: this has to be referred to statement number 7.
4.13 STATEMENT 13

RESEARCHERS AND INVESTORS SHOULD EXPLOIT THE CONTACTS AND EXCHANGES OPPORTUNITY CREATED BY PERMANENT VENTURE CAPITAL HUBS

The **SMARD project partners**

- have considered the statement not relevant;
- have stated that the creation of venture capital hubs can’t be sponsored at European level, but should be promoted by local and private stakeholders;
- have suggested to delete this statement from the validation phase.

Following the suggestions from the project partners, the present statement has been removed from the Validation Template.
4.14 STATEMENT 14

RESEARCHERS AND INVESTORS SHOULD BOOST TRANSNATIONAL PROTOTYPE AWARDS AND CALL FOR IDEAS BY A STRONG COMMERCIALIZATION COMPONENT (EVALUATION CRITERIA AND JURY)

Main target groups = SME, RDI, POLICY

The SMARD project partners
• have considered the statement relevant;
• have suggested to have two different stage of award:
  o the first should be a sort of R&D Ideas Award for financing the prototype development
  o at a second stage the “Prototype award” could be used for the matching with financiers

Following the suggestions from the project partners, the statement used for the validation actions had the following wording:

TRANSNATIONAL PROTOTYPE AWARDS AND AWARDS FOR IDEAS/CONCEPTS CAN BE ORGANIZED WITH A STRONG COMMERCIALIZATION FOCUS
Putting in place awards to collect ideas and concepts (at an early stage) and prototypes (at a later stage), to show them to investors, make them visible and communicative is more and more a needed chance of matchmaking. Awards create valuable occasions for matchmaking among researchers and funding actors, to give to winners the chance to present their ideas, even at an early stage. These can be more valuable if they are organized together with investors fora, and if the evaluation metrics and the award jury can boost on a strong market and commercialization component.

The SMARD ADVISORY BOARD members
• have considered the statement relevant;
• have suggested to coordinate and connect prototype awards at transnational level;
• have suggested to associate awards not only to financial awards, but also to labels of excellence, after a selection made by an expert jury and which could represent a guarantee of quality for financiers and banks.

The RDI stakeholder group members:
• have considered the statement relevant to not relevant;
• when not relevant, have stated that there are already many awards in place, and that introducing new ones, even with a somewhat stronger focus on commercialisation, would make little difference;
• when relevant, have suggested that a great attention is needed in the evaluation phase, in terms of metrics and selection of the evaluators. In fact, often it is not the best technological solution to be awarded, but the most effective presentation, while awards should be assigned for the most innovative technological solutions and for those which have had the most extended and demonstrated impact.

The SME stakeholder group members:
• have considered the statement from relevant to partly relevant;
• have stated that researchers, before handing in a project proposals, should be aware of commercialization and sustainability topics issues;
• have stated that, even if award can be interesting, they are not a pivotal tool to foster innovation and entrepreneurship. Awards are good to foster attention, but the real added value is in real support for the individual projects (financially and content-wise);
• have stated that companies would have to invest a lot of resources while there is no guarantee in winning and/or being able to utilise the award later. From the company’s perspective this is regarded as of little relevancy as these awards usually entail a lot work and resources that have to be invested while there are usually few winners and no guarantee that it will be helpful later;
• have suggested to increase interest and impact by including awards as part of ongoing RDI projects/programmes and thus also funded;
• have highlighted that at the end of a research project a complete prototype can’t be available to attend an award. The hurdle is represented by the Consortium Agreement which allows to every partner to dispose of their project results in autonomous way, making impossible the further development of the prototype.

The **POLICY stakeholder group members:**

• have considered the statement from relevant to partly relevant;
• have suggested that the commercialization focus should be strong, because innovations are by definition only those ideas that are successful in the market. Market chances should be the prime focus for these awards. SMEs need platforms for achieving awareness through awards and the appreciation, feedback and confirmation that those awards give are important. However, the single most important aspect is probably the appreciation that start-ups receive through such an award. Money is not the important feature here;
• have highlighted a cost-benefit issue: in fact awards cost money and there are many already running. In other terms prizes are mostly a nice way to provide examples and get press attention;
• have highlighted some running awards: “Bizidee⁴”, “Tech All Stars⁵”, “European Start-up of the Year⁶”, “Percorsi dell’Innovazione. Dall'Idea al Business⁷”, “Start Cup Piemonte e Valle d’Aosta⁸”.

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⁴ http://www.bizidee.be
⁵ http://www.techallstars.eu
⁶ http://www.ictspring.com/european-ict-awards/
⁷ http://www.smau.it/milano11/mini_home/target/percorsi/
⁸ http://www.startcup-piemonte-vda.it
4.15 STATEMENT 15

RESEARCHER SHOULD START MATCHING WITH FINANCE IN THE VERY EARLY STAGES OF THE INNOVATION PROCESS

The **SMARD project partners**
- have considered the statement relevant;
- have stated that it can be considered as a detail of the statement number 12.

Following the suggestions from the project partners, the statement has been merged into statement number 12.
4.16 STATEMENT 16

A “MARKETABILITY” ASSESSMENT SHOULD FOLLOW STEP BY STEP THE “INNOVATION” FROM THE R&D TO THE MATCHING WITH CAPITAL

Main target groups = SME, RDI, POLICY

The SMARD project partners
- have considered the statement relevant;
- have suggested to use the term “exploitability” rather than that “marketability”;
- have suggested that this evaluation has to be followed by experts, through specific tools which need to be developed.

Following the suggestions from the project partners, the statement used for the validation actions had the following wording:

AN EXPLOITATION ASSESSMENT SHOULD FOLLOW STEP BY STEP THE “INNOVATION” FROM THE RDI TO THE MEETING WITH CAPITAL

A step by step assessment of the “exploitability”, performed by technology transfer and market experts, should start from the project proposal evaluation and follow the development and growth of the “innovation” from research idea, to prototype, to marketable product or service. This step by step assessment should act as an accompanying measure, a coaching and mentoring action to help the “innovation” to keep the right track, to improve or correct the direction if needed, to prevent to some extent both the funding gaps. The accompanying actions can suggest to researchers and start-uppers the most suitable finance capital, private or public.

The SMARD ADVISORY BOARD members
- have considered the statement relevant provided that the implementation is very selective;9
- have stated that the main problem would be the set-up of an adequate selection methodology. In fact, a not sufficient selective methodology would take to spreading too much effort towards not promising companies or ideas;
- have highlighted that a fundamental issue is the choice of experts able to make this kind of market evaluation. This problem could be faced through actions and funds to train competences, to prepare this group of experts, as forms of “Coach the Coaches”.

The RDI stakeholder group members:
- have considered the statement from very relevant to only partly relevant;
- where partly relevant, have stated that accompanying research projects by business consultants is not cost-effective if not useless;
- where partly relevant, have suggested that relevance could increase in case of specific application to collaborative R&D projects;
- where very relevant, have stated that it allows to include in the research exploitation the fundamental issues of the market analysis and business planning, provided that specific indicators for the technological solution impact measurement are introduced;
- where very relevant, have highlighted the need for new and specific impact measurement metrics and indicators;

9 Editor’s note: It would be partly relevant if applied to all projects, but if selection methodology put in place and the right projects receive this service then it would be relevant. Details on selective approach are in the following.
• where very relevant, have highlighted the IPR management as a pivotal issue;
• where very relevant, have highlighted that this step-by-step assessment is fundamental especially in the preliminary phases, closer to the research than to the market;
• have highlighted that, in most cases, at the end of R&D projects (such European ones), either the project falls apart or the big partners commercialise parts of the technology individually. In these situations, SMEs have no bargaining power, and fall out the commercialisation process.

The **SME stakeholder group members:**
• have considered the statement from very relevant to relevant;
• have stated that this “tool” has a great potential of mobilising and make “marketable” some research output;
• have suggested to make mandatory to include in each project some kind of market expertise, in order to make easier for projects to make reflections on commercialisation earlier and in a more “natural” way;
• have stated that, since smaller IT companies often do not have the commercialisation/exploitation expertise on board, a continuous exploitation assessment may be very relevant for them. An early-on and later continuous assessment can help leading the R&D work more efficiently and thus save resources (e.g. avoid development dead-ends). It might also increase the potential to develop commercial products.

The **POLICY stakeholder group members:**
• have considered the statement from very relevant to relevant;
• have stated that start-up programs including commercialization issues are generally considered very useful by SMEs;
• have highlighted the risk of increasing the bureaucratic requests from the EC in case of request of a mid-term exploitation assessment during a running project;
• have stated that it makes sense to put more emphasis on this, provided that more support towards this aspect is provided to projects and SMEs;
• have stated that entrepreneurs need to set priorities in the starting phase. The earlier the potential of commercialization is assessed and the better, because it saves resources and helps companies to focus and to get funding later on. If this does not happen, companies are all over the place and might only too late discover what their real added value and their real competitive advantage in the market is. In other words, SMEs have only little resources, and therefore it is even more important to focus them towards the market needs as early as possible;
• have suggested that a useful role of the Chamber of Commerce system or other local development agencies could be to offer this exploitation assessment.
5. Final remarks
The collection of validation feedback is the basis for the drafting of the final strategy. In the following figure, a synopsis of the evolution of the strategy building blocks is made available, from draft strategy statements, to validation phase statements, to the final strategy recommendations.
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<th>STATEMENTS FOR VALIDATION PROCESS</th>
<th>RECOMMENDATIONS OF THE FINAL STRATEGY</th>
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<td>• COORDINATE AND MANAGE RESEARCH AGENDAS AT LOCAL, NATIONAL, EU LEVEL</td>
<td>1. COORDINATE AND MANAGE RESEARCH AGENDAS FOR DEMAND-BASED RDI AT LOCAL, NATIONAL, EU LEVEL</td>
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<tr>
<td>1. MONITOR SMES AND MARKET NEEDS TOGETHER WITH TECHNOLOGY TRENDS</td>
<td>• MAP SMES AND MARKET NEEDS THROUGH A SURVEY ON A LARGE-TRANSNATIONAL SCALE and ON A REGULAR BASIS</td>
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<td>2. NETWORKED MEDIA RDI-MEDIUM TERM (5-YEARS) PRIORITIES ARE a) ROBUSTNESS, b) SECURITY, c) USER CENTRIC DESIGN, TO BE MERGED WITH LARGER TRENDS d)&quot;EVERYTHING AS A SERVICE (CLOUD)&quot; AND e)&quot;EVERYTHING AS A SENSOR (IoT)&quot;</td>
<td>• A PLATFORM OR AN EXPERT GROUP IS NEEDED, WHERE NEW TECHNOLOGY TRENDS ARE EVALUATED ON A REGULAR BASIS IN REFERENCE TO THEIR COMMERCIALIZATION POTENTIAL, SO TO MAINSTREAM RDI PRIORITIES IN FP TOPICS</td>
<td>3. EU TECHNOLOGICAL STANDARDS SHOULD MAINSTREAM THE R&amp;D AND INNOVATION FUNDING PROGRAMS, RESEARCH AGENDAS, POLICY RECOMMENDATIONS</td>
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<td>5. FP PROJECT PROPOSALS SHOULD BE EVALUATED ALSO FOR THE REUSE OF PREVIOUS PROJECT RESULTS AND A METRICS-METHOD HAS TO BE DEVELOPED FOR THIS</td>
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<td>5. INCREASE FUNDING TO EXPLOITATION AND COMMERCIALIZATION PHASES, THROUGH NEW FUNDING SCHEMES OR BETTER COORDINATION AMONG FUNDING PROGRAMMES AND AD HOC ASSESSMENT METRICS</td>
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<td>7. LARGER ATTENTION AND FUNDING NEED TO BE ALLOCATED TO THE COMMERCIALIZATION STRATEGIES IN PROJECT BIDS, POSSIBLY THROUGH NEW FUNDING SCHEMES</td>
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Table 5. Progress of the strategy: from statements to be validated to recommendations
About SMARD

SMARD is an EU funded project that aims at supporting SMEs in the creative industries to better translate their research and development (R&D) activities, particularly in the field of networked media, into innovative products and services.

SMARD pursues three main activities. In a first step it conducts a Europe-wide survey analysing the R&D needs of SMEs in the creative industries. The results of this survey allow decision makers to better assess the responsiveness of current FP7 initiatives and projects to those needs. Secondly the project develops guidelines and identifies hands-on experiences for promoting the transfer of R&D activities into innovative and commercial products and services. Finally SMARD develops recommendations towards a future European Support Framework for fostering the R&D activities of SMEs.

The SMARD Consortium is led by MFG Baden-Württemberg and comprises European partners from Salzburg (Salzburg Research Forschungsgesellschaft mbH), Flanders (iMINDS, formerly IBBT) and Piemonte (CSP Innovazione nelle ICT). The project started in September 2011 and will end in February 2013.

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