

The Gate of the East.

Workshop: 13b21

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Title of the speech: “Innovation as territorial added value”.

As Europe takes giant steps Eastwards and Southwards, the region of Friuli-Venezia Giulia is once again being projected into a strategically important and geographically central position. Now the challenge for regional small and medium sized enterprises (SMEs), traditionally a rich source of professionalism and creativity, is to forge a new position for themselves on the Central European and global markets.

The strategy chosen to boost our companies’ presence on the market is innovation; added value that guarantees competitiveness.

Medium sized enterprises, particularly those involved in the production of goods but also services, form the backbone of Friuli-Venezia Giulia’s economy. The driving sector is the furnishings sector, in particular the production of chairs, an area in which this region has traditionally been world leader.

Strong global competition is however eroding the region’s prime position on the market and industry can no longer survive solely on the strength of prestige and quality. It must use all the strategic weapons available to it to sustain and increase its leadership.

Aside from the creativity and design which are typical for the products made in Italy, our industry must invest in innovation, in terms of product, organisation, trade and distribution. Small businesses must join forces and form clusters which would allow them to be as competitive as possible at all stages of production, from design to point of sale.

Key to innovation is the necessary knowledge.

The Friuli-Venezia Giulia region is home to a great many universities, research institutes and training colleges, so much so that this region has become one of the indubitable points of reference for research and high class human resources.

The region's commitment to fostering innovation is focused on creating a stable, permanent link between business and universities, between business and research institutes, in order that they work together to seek out competitive advantages.

The worlds of science and business are starting to work together.

Moreover the region of Friuli-Venezia Giulia, whose institutional role is to lead by example, is investing considerable resources into using tools, which in turn are innovative and disseminate the importance of innovation.

Recently the region presented a special law on innovation that offers substantial funding for projects presented by companies and research institutes on the basis of the level of innovation.

The Innovation Club is starting to take shape, a club made up of the heads of the institutions, universities, research institutes, training colleges and of the CEOs of the most innovative and important companies. The aim is to bring together all available territorial resources to organise, group together and create tools and initiatives that would contribute to the promotion of innovation in Friuli-Venezia Giulia.

“InnovAction” is a global fare of knowledge, ideas and innovation that will take place in Udine from the 9th to 11th of February 2006. At this fare the wide scientific, financial and business communities will come together.

Participants will be able to present, promote and share innovative ideas, projects, products and services as well as gain access to international networks of technological players.

Through “InnovAction” Udine will become a bridge across which knowledge and innovative products, processes and markets will flow helping to boost the competitiveness of our businesses on the international stage.

The objective is to create a link which will set in motion a virtuous circle where funded projects can then be applied to companies trying to innovate.

Professor Isaac Getz teaches innovation (Idea Involvement) at the International University of Paris and is advisor to the region of Friuli-Venezia Giulia for all projects to do with innovation. Apart from past and future lectures to entrepreneurs and students, he also runs workshops for the top managers of companies looking to innovate. During these workshops he monitors participants' progress on specific projects. This initiative allows for a direct transition from simply spreading information about the concept of innovation to actually putting it into practice in the day to day running of a business.

The Award for Innovation, now in its second year, assesses regional companies in their effort to innovate and rewards them publicly for it.

The aim is to stimulate healthy competition between regional companies through the elaboration of a yearly ranking of the level of innovation. Each year the level of innovation of a company is assessed and it is graded accordingly. The main goals underpinning this are:

- To establish a sustainable mechanism to promote the innovative initiatives of local SMEs
- To make the Friuli-Venezia Giulia region the first region in Italy and perhaps even in the EU to implement an innovative progress initiative which is practical, efficient and business friendly.
- To show local companies and the local community that the region can contribute to their economic wellbeing not only through intervention and subsidies but by rewarding and disseminating best practices that already exist in Friuli-Venezia Giulia, i.e., "get more for less."

The award could also help strengthen the belief among companies that their innovative efforts are essential in ensuring the future prosperity of the Friuli Venezia Giulia region. Participation in this project should become a real learning process by which companies should learn to act instinctively on those areas that need improving in order for the company to become innovative. In actual fact the project is based on trust, responsibility and transparency (self-assessment of innovative action).

Last year's Award for Innovation, the first year the competition took place, prompted an unexpected level of response in terms of the number of regional companies taking part and the level of interest shown. An often well grounded willingness to innovate was demonstrated by the high quality of the awarded projects.

Also for 2006 the Award for Innovation will look at the level of technological, organisational, commercial and procedural innovation of SMEs, institutions and not for profit organisations. Participants must submit an innovative project that has already been implemented and for which a progress report and analysis of results have already been undertaken. Information must be provided on how and how much was invested in innovation, on the theory behind the project, on patentability, on the partners etc. Furthermore participants are requested to assess their own performance on a variety of stipulated topics.

A scientific committee, made up of the members of the Innovation Club (excluding entrepreneurs!), scores participants on a series of evaluation criteria for innovation. A scoreboard is drawn up and the top ten projects are taken forward.

The Committee then visits each company and an interview is conducted with the management to ensure that the self-assessment provided tallies with the reality of the situation. The final scoreboard only becomes definitive once the Committee has voted. Each of the ten finalists is granted a special mention but only the top 3 are given awards.

The award ceremony is very important. The winners do not receive cash awards but rather a symbolic award in recognition of their efforts. The awards are conferred by the president of the region Ricardo Illy, himself a great promoter of innovation. All participants and companies are invited to the ceremony as well as guest speakers and the press. The 3 winners will become the public face of the Friuli-Venezia Giulia region.

The initial benefits of spreading the message of innovation are starting to be reaped.