

BUSINESS NETWORKING

BENEFITS FOR SMES

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ABSTRACT

This document summarises the objectives, concept and outcomes of the business networking activities in NICE. During a series of 5 thematic focused matchmaking events in Berne, Tampere, Paderborn, Ankara and Ostrava which attracted more than 190 ICT SMEs approximately 50 pre-arranged one-2-one meetings took place and some 15 of which have been or are in process of joint business. The intensity and status of these activities range from informal talks, to negotiation, joint projects and opening up new branches. The lessons learned can be summarised as follows: Supporting SMEs in their cross-border networking activities needs time. Social networking, trust-building, and «door openers» are crucial. And many SMEs would not consider internationalisation if it were not because of support.

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1 Introduction

"Information and Communications Technologies play a vital role in Europe's continuing modernisation. Advances in this sector help underpin innovation in all other sectors of the economy and are responsible for about 40% of overall productivity growth. It is a highly innovative sector, responsible for more than a quarter of total effort in European R&D effort and capable of creating growth and jobs. Achieving the Lisbon strategy – that is, the goal Europe has set itself to create a competitive, sustainable and a socially inclusive Europe – largely depends on the take up of ICT across all sectors." (Rending 2006)

Against this background NICE aimed at strengthening the European ICT sector by facilitating the growth of networking clusters, sourcing the skills and experience of successful businesses to guide the creation of new jobs and help develop innovative business ideas. One of the major efforts of the project was to support cooperation between ICT companies across Europe by bringing together industry-leading actors and small and medium-sized companies to network, collaborate, exchange experience and expertise, learn from each other and exploit synergies.

The idea behind this effort is twofold: First, globalisation is reshaping the economic environment for small and medium-sized enterprises (SMEs). Progressively disappearing trade barriers and borders are exposing all companies to new markets and international competition. Consequently SMEs that do not consider internationalisation are self imposing a serve restriction on their potential for long term survival. Second, innovation as key driver for the future competitiveness of European ICT companies seldom occurs in a nutshell. At stake innovation is characterised as complex set of interactions of firms, universities and research centres, markets and society. Moreover, innovation dynamics are not just supplier-driven, but customer-driven. And concepts like «Open Innovation» take into account that in a world of widely distributed knowledge, companies cannot afford to rely entirely on their own research, but should instead interact with other agents and communities to exchange ideas. More than ever, SMEs depend on networks, formal and

ICT sector plays a key role in achieving Lisbon objectives

Networking as instrument to strengthen SMEs innovative capabilities informal linkages in and beyond their home region to unfold their full innovation potential and thus, to satisfy their customer needs.

In the following the applied concept of business networking will be introduced and its outcomes summarised.

To the Point

- Out of 682,000 ICT companies in Europe 99.6% are SMEs of which most have less than 10 employees.
- Despite the advantages of embracing globalisation and the risk of not doing so many European SMEs remain focused on their national markets.
- According to the last data by the Observatory of SMEs only 8% of SMEs are involved in exports, only 12% of SME inputs are purchased abroad and only 5% of EU SMEs obtain income from foreign business partnerships.
- Main reasons for not going global are a lack of financial resources and a lack of skills or human capital to tackle internationalisation.
- In the term of NICE five business matchmaking events in five countries took place and attracted more than 190 ICT SMEs.
- ICT SMEs opt to strengthen their innovative capabilities and to internationalise the business activities if they get the chance.
- Supporting SMEs in their cross-border networking activities needs time. Social networking, trust-building, and «door openers» are crucial. And many SMEs would not consider internationalisation if it were not because of support.

2 Business Matchmaking

"

The exchange between Western and Eastern European countries was very successful and beneficiary regarding future business activities.

(Josua Regez, CEO, isolutions AG, CH-Berne)

"

2.1 Background

Globalisation is no new phenomena. Certainly the pace is rapid and has quickened in recent years but the process of greater international economic integration has been underway for decade. As a consequence the natural spheres of economic activity are expanding from national into European, multinational or even global. One effect is that SMEs in Europe are facing increasing price and technology competition. Taking into account that out of 682,000 ICT companies in Europe 99.6% are SMEs of which most have less than 10 employees, this is a serious thread for the European ICT sector.

Assuming that inventiveness, agility and flexibility – qualities traditionally assigned to SMEs – are required and rewarded under these framework conditions, SMEs are in the position to not only tackle globalisation but embrace it and profit from it. The question is how European SMEs can transform globalisation to their advantage.

According to the OECD (2006) the barriers to greater internationalisation of SMEs are:

- Shortage of working capital to finance exports;
- _ Identifying foreign business opportunities;
- Limited information to locate/analyse markets;
- Inability to contact potential foreign customers;
- Obtaining reliable foreign representations;
- Lack of managerial time to deal with internationalisation;
- Inadequate quantity of and/or untrained personnel;

Inventive, agile and flexible SMEs are in a good position!

Barriers for SMEs internationalisation

Thus, the key objective of the conducted business networking events in the framework of NICE was to address the above outlined barriers by initiating joint activities among ICT SMEs. The aim was not only to improve the single company's competitive position but also to strengthen the related clusters and regional ICT sectors. Accordingly, ICT companies have been defined as core target group of the events.

2.2 The Workshop Concept

Based on above idea the workshops were conceptualised as international matchmaking events. Next to the aforementioned aims, the matchmaking events were conducted with the objective of simplifying entrepreneurs' access to information about new business opportunities and internationalisation of services.

As past experiences with similar events in all regions have shown, a critical mass of entrepreneurial participants was crucial. As a previous cluster management workshop dealing with the question how cluster management can support SMEs internationalisation activities brought to the fore, for companies internationalisation is about

- Marketing;
- Networking networks are seen as a good starting point for getting in touch with potential partners;
- Partnerships and joint ventures;
- Selling ideas before selling products before entering a foreign market with a concrete product or service it is important to sell the idea and or business concept that stands behind the product or service in order to prepare the ground.

Moreover, one had to keep in mind that business cultures vary a lot across Europe's regions, especially as it regards internationalisation. Comparing Germany, Finland and Switzerland one finds that German companies spent a lot of money and time for market research, whereas Swiss companies kick off business right after they have a good business idea. And because of the Business Matchmaking – A step towards internationalisation

Business culture matters

national market size and thus, limited business opportunities, Finish firms have to act globally by nature.

Considering these aspects one had to come up with a highly attractive program both, in terms of contents and social activities. Following this notion the workshop programmes combined company/solution presentations, prearranged one-to-one meetings allowing qualified time with preferred partners, virtual matchmaking and site visits to highly attractive companies.

Thematics and topics of the events were result of the single clusters' specialisations and widely discussions within the project consortium. The themes covered are:

- _ RFID, Logistics, Procurement, e-Government and Business Services
- _ Wireless Technologies and Open Source Solutions
- _ IT for Public Sector
- _ People for IT Education, Training and Incubation
- Breakthroughs in Turkish ICT Industry (focus on disaster management and defense solutions)

To mobilise the required number of companies, different communication channels were used:

How to mobilise ICT SMEs companies?

- Acquisition of interesting keynote speakers to enrich the program;
- Printing of the program which not only highlight the workshop agenda but also the benefits for participants;
- Workshop announcements in the regional newspapers and via the partners' websites;
- Invitation letters to ICT companies, cluster managers and networks across Europe;
- Workshop announcements via Europe INNOVA portal and other networking platforms like openBC, XING;
- _ Personal talks to ICT companies.

To make the event most beneficial for the participating ICT companies in terms of matchmaking a web-based platform for posting company profiles and joint project ideas was set-up. In addition participants had the opportunity to prearrange individual business meetings with selected potential partners and thus hold intensive business talks in an easy and efficient way.

"

The reality has overcome my expectations! Through NICE we got the opportunity to meets these firms personally and to launch our cooperation.

(Radek Dybal,CEO, 3DSoft s.r.o., CZ-Ostrava)

The business networking concept can be summarised as follows:



Figure 1: NICE – Business Matchmaking Concept

"

3 Business Case Studies

The case studies look at the effects and outcomes of the business networking activities. During the five business matchmaking events the following prearranged one-2-one meeting took place:

Company I	Company II	Business Fields	
1 st International Matchmaking Event, Berne, Switzerland			
come2-IT AG Berne, Switzerland <i>Uve Marti</i>	Mediamaisteri Group Tampere, Finland <i>Timo Väliharju</i>	IT Apprenticeship Provider ⇔ eLearning, HR Management	
E. Schlechten + Partner AG Belp, Switzerland <i>Thomas Schlechten</i>	netrics hosting ag Biel, Switzerland Pascal Schmid	Consulting, Process Optimisation ⇔ Business Hosting	
United Security Providers Berne, Switzerland <i>Michael Liebi</i>	Mediamaisteri Group Tampere, Finland <i>Timo Väliharju</i>	Security Solutions ⇒ eLearning, HR Management	
STAGEx Paderborn, Germany Manfred Faulhaber	E. Schlechten + Partner AG Belp, Switzerland Thomas Schlechten	CRM Solutions ⇔ Consulting, Process Optimisation	
netrics hosting ag Biel, Switzerland Pascal Schmid	STAGEx Paderborn, Germany <i>Manfred Faulhaber</i>	Business Hosting ⇒ CRM Solutions	
Blue Line Consulting GmbH Berne, Switzerland Beat Rutihauser	STAGEx Paderborn, Germany <i>Manfred Faulhaber</i>	Consulting (process management, TQM) ⇔ CRM Solutions	
4teamwork Berne, Switzerland Bernhard Bühlmann	Mediamaisteri Group Tampere, Finland <i>Timo Väliharju</i>	Open Source Solutions ⇔ eLearning, HR Management, Open Source	
Enlight-IT GmbH Spiez, Switzerland <i>Ruedi Brügger</i>	STAGEx Paderborn, Germany <i>Manfred Faulhaber</i>	Innovation Management, Business Development ⇔ CRM Solutions	
K2 atmitec s.r.o. Ostrava, Czech Republic <i>Marek Kucera</i>	BizNet AG Berne, Switzerland <i>Richard Sahli</i>	Information Systems ⇒Content Management, System Integration, Webhosting	

Table 1: Pre-arranged one-2-one Meetings

Company I	Company II	Business Fields
Kintzen PR Agency	Zurich Insurance	Public Relations ⇒ Insurance
Paderborn, Germany Thomas Kintzen	Matten, Switzerland Beate Bühler	
Mediamaisteri Group Tampere, Finland <i>Timo Väliharju</i>	CLSO Learning Systems Inc. Berne, Switzerland Sanja Saftic	eLearning, HR Management ⇔ CRM Solutions & Outsourcing
STAGEx Paderborn, Germany Manfred Faulhaber	Sibox AG Berne, Switzerland Samuel Zellweger	CRM Solutions ⇔Business Applications, Consulting
2 nd International Matchmaking	Event, Tampere, Finland	
United Security Providers Berne, Switzerland <i>Uta Leatherbarrow</i>	SECGO Software Oy Tampere, Finland Martti Salvolainen	Security Solutions ⇒ Software for Information Security
United Security Providers Berne, Switzerland <i>Uta Leatherbarrow</i>	DiCode Oy Tampere, Finland <i>Arvi Väänänen</i>	Security Solutions ⇒ Web Applications
Minutor Oy Tampere, Finland <i>Mika Uusipietila</i>	ESS Development Worb, Switzerland Hans Engler	Knowledge Management Solutions ⇔ Software solutions for Inter- and Intranet
SECGO Software Oy Tampere, Finland Martti Salvolainen	Comfone AG Berne, Switzerland <i>Raphael Karlen</i>	Information Security
Comfone AG Berne, Switzerland Raphael Karlen	NOKIA – Siemens Network Tampere, Finland <i>Mika Uusitalo</i>	WLAN-Roaming Solutions ⇒ Mobile Solutions
AXSionics AG Berne, Switzerland Allain Rollier	NOKIA – Siemens Network Tampere, Finland Mika <i>Uusitalo</i>	Biometric Authentication ⇔ Mobile Solutions
United Security Providers Berne, Switzerland Uta Leatherbarrow	NOKIA – Siemens Network Tampere, Finland <i>Mika Uusitalo</i>	Security Solutions ⇒ Mobile Solutions
ARDITES Oy Tampere, Finland <i>Lauri Niskanen</i>	Comfone AG Berne, Switzerland <i>Raphael Karlen</i>	Mobile Software Solutions ⇔ WLAN- Roaming Solutions
3 rd International Matchmaking	Event, Paderborn, Germany	
STAGEx Paderborn, Germany Manfred Faulhaber	beyonddesert AG Berne, Switzerland Urs Löhnert	Business Case Management ⇔Sales Software
Mika UusipietilaSECGO Software OyTampere, FinlandMartti SalvolainenComfone AGBerne, SwitzerlandRaphael KarlenAXSionics AGBerne, SwitzerlandAllain RollierUnited Security ProvidersBerne, SwitzerlandUta LeatherbarrowARDITES OyTampere, FinlandLauri NiskanenSTAGExPaderborn, Germany	Hans EnglerComfone AGBerne, SwitzerlandRaphael KarlenNOKIA – Siemens NetworkTampere, FinlandMika UusitaloNOKIA – Siemens NetworkTampere, FinlandMika UusitaloNOKIA – Siemens NetworkTampere, FinlandMika UusitaloComfone AGBerne, SwitzerlandRaphael KarlenEvent, Paderborn, Germanybeyonddesert AGBerne, Switzerland	Intranet Information Security ⇔ WLAN-Roa Solutions WLAN-Roaming Solutions ⇔ Mobil Solutions Biometric Authentication ⇔ Mobil Solutions Security Solutions ⇔ Mobile Solut Mobile Software Solutions ⇔ WLA Roaming Solutions

Company I	Company II	Business Fields
MKV Consult Paderborn, Germany Sveda Dogan	tcbe.ch – ICT Cluster Bern Berne, Switzerland Christoph Beer	Marketing, Communication & Sales Consultancy
MKV Consult Paderborn, Germany <i>Sveda Dogan</i>	ODTU Tekokent Ankara, Turkey <i>Ugur Yuksel</i>	Marketing, Communication & Sales Consultancy ⇔ Representing the following companies: DataPort, BioCompany Ltd. BiLGi GIS, HISBIM, STM A.Ş.
Technology Centre Hermia Tampere, Finland Karen Thorburn	beyonddesert AG Berne, Switzerland	Representing various companies from the cluster ⇔Sales Software
Regional Development Agency Ostrava, CZ David Pawera	beyonddesert AG Berne, Switzerland <i>Urs Löhnert</i>	Representing various companies from the cluster ⇔Sales Software
beyonddesert AG Berne, Switzerland <i>Urs Löhnert</i>	code-x GmbH Paderborn, Germany Stefan Freise	Sales Software ⇒ Web Applications
s-lab (Software Quality Lab) University Paderborn Stefan Sauer	tcbe.ch – ICT Cluster Bern Berne, Switzerland <i>Christoph Beer</i>	Software Quality
s-lab (Software Quality Lab) University Paderborn Stefan Sauer	beyonddesert AG Berne, Switzerland <i>Urs Löhnert</i>	Software Quality ⇔ Sales Software
S&N AG Paderborn, Germany Thomas Vogel	beyonddesert AG Berne, Switzerland <i>Urs Löhnert</i>	Banking Solutions ⇔ Sales Software
S&N AG Paderborn, Germany Thomas Vogel	tcbe.ch – ICT Cluster Bern Berne, Switzerland <i>Christoph Beer</i>	Banking Solutions ⇔ Representing selected companies from the cluster
Regional Development Agency Ostrava, CZ David Pawera	S&N AG Paderborn, Germany Thomas Vogel	Representing various companies from the cluster ⇔ Banking Solutions
Technology Centre Hermia Tampere, Finland Karen Thorburn	s-lab (Software Quality Lab) University Paderborn <i>Stefan Sauer</i>	Representing various companies from the cluster ⇔ Software Quality
PAVONE AG Paderborn, Germany Ingo Erdmann	Regional Development Agency Ostrava, CZ David Pawera	Business Process Optimization ⇔ Cooperation with Czech ICT companies

Company I	Company II	Business Fields
PAVONE AG Paderborn, Germany Ingo Erdmann	ODTU Tekokent Ankara, Turkey <i>Ugur Yuksel, Tugba Ozturk</i>	Business Process Optimization ⇔ Cooperation with Turkish ICT companies
4 th International Matchmaki	ng Event, Ostrava, Czech Republi	c
D3Soft s.r.o. Ostrava, Czech Republic <i>Radek Dybal</i>	ETC-IS Bilgi Islem Teknoloji A.Ş. Ankara, Turkey <i>Tyfun Hiz</i>	CRM solutions & Outsourcing ⇒ Enterprise Disaster and Emergency Management Software
Mediumsoft A.S. Ostrava, Czech Republic <i>Petr Klement</i>	INNOVA IT Solutions Inc. Ankara, Turkey <i>Makbule Tuncerli</i>	Information systems for public security & quality for life support ⇔ R&D in the fields of E-Government, E-Business, E- Voting, E-Participation
ETC-IS Bilgi Islem Teknoloji A.Ş. Ankara, Turkey <i>Tyfun Hiz</i>	Mediumsoft A.S. Ostrava, Czech Republic Petr Klement	Enterprise Disaster and Emergency Management Software ⇔ Information systems for public security & quality for life support
D3Soft s.r.o. Ostrava, Czech Republic <i>Radek Dybal</i>	INNOVA IT Solutions Inc. Ankara, Turkey <i>Makbule Tuncerli</i>	CRM solutions & Outsourcing ⇒ R&D in the fields of E-Government, E-Business, E-Voting, E-Participation
ISolutions AG Berne, Switzerland Josua Regez	D3Soft s.r.o. Ostrava, Czech Republic <i>Radek Dybal</i>	Business solution provider based on Microsoft .NET ⇔ CRM solutions &, Outsourcing
D3Soft s.r.o. Ostrava, Czech Republic <i>Radek Dybal</i>	Mediamaisteri Group Tampere, Finland <i>Timo Väliharju</i>	CRM Solutions & Outsourcing ⇒ eLearning, HR Management
D3Soft s.r.o. Ostrava, Czech Republic <i>Radek Dybal</i>	ODTU Tekokent Ankara, Turkey <i>Canan Sandikcioglu</i>	CRM solutions & Outsourcing ⇒ representing various companies from the cluster
K2 atmitec s.r.o. Ostrava, Czech Republic <i>Marek Kucera</i>	ETC-IS Bilgi Islem Teknoloji A.Ş. Ankara, Turkey <i>Tyfun Hiz</i>	Information Systems ⇔Enterprise Disaster and Emergency Management Software
INNOVA IT Solutions Inc. Ankara, Turkey Makbule Tuncerli	K2 atmitec s.r.o. Ostrava, Czech Republic <i>Marek Kucera</i>	R&D in the fields of E-Government, E-Business, E-Voting, E-Participation ⇔Information Systems
K2 atmitec s.r.o. Ostrava, Czech Republic <i>Marek Kucera</i>	ODTU Tekokent Ankara, Turkey Canan Sandikcioglu	Information Systems ⇒ representing various companies from the cluster

Company I	Company II	Business Fields
Crux Information Technology Ostrava, Czech Republic Jiri Voznak	INNOVA IT Solutions Inc. Ankara, Turkey Makbule Tuncerli	SW development, IT Outsourcing ⇔ R&D in the fields of E-Government, E-Business, E-Voting, E-Participation
5 th International Matchmaking	g Event, Ankara, Turkey	
Milsoft Teknolojileri A.S. Ankara, Turkey <i>Tolga Çelik</i>	ISolutions AG Berne, Switzerland Christoph Mäder	Embedded Systems, Command Contro ⇔Business solution provider based on Microsoft .NET
Milsoft ICT A.S. Ankara, Turkey <i>Tolga Sengezer</i>	code-x GmbH Paderborn, German Stefan Freise	Application Development ⇒ Web Applications
IES Eğitim ve Bilgi Teknolojileri A.Ş. Ankara, Turkey <i>Ali Turker</i>	Mediamaisteri Group Tampere, Finland <i>Timo Väliharju</i>	e-learning, content development ⇔ eLearning, HR Management
GATE Elektronik San. Tic. A.Ş. Ankara, Turkey <i>Ezgi Kesler</i>	ISolutions AG Berne, Switzerland Christoph Mäder	Software development ⇔Business solution provider based on Microsoft .NET
UZAY & SAVUNMA Teknolojileri – SDT Ankara, Turkey <i>Ercan Sahan</i>	tcbe.ch – ICT Cluster Bern Berne, Switzerland Christoph Beer	Engineering & R&D, Simulation ⇒ Representing selected companies fron the cluster
ETA – Elektronik Tasarim Sanayi ve Ticaret A.Ş. Ankara, Turkey <i>Andan S. Koru</i>	ISolutions AG Berne, Switzerland Christoph Mäder	Software Development and Electronic Design ⇔Business solution provider based on Microsoft .NET
innova IT Solutions A.Ş. Ankara, Turkey Makbule Shakalla Tuncerli	ISolutions AG Berne, Switzerland Christoph Mäder	R&D in the fields of E-Government, E-Business, E-Voting, E-Participation ⇔Business solution provider based on Microsoft .NET
BÍZNET A.Ş. Ankara, Turkey Haluk Aydin	ISolutions AG Berne, Switzerland Christoph Mäder	Information security ⇔Business solution provider based on Microsoft .NET
Portakal Teknoloji A.Ş. Ankara, Turkey Bora Güngören	code-x GmbH Paderborn, German Stefan Freise	ICT Consultancy ⇒ Web Applications
Cybersoft Information Technologies Ltd. Co. Ankara, Turkey <i>Özgür Tüfekci</i>	ISolutions AG Berne, Switzerland Christoph Mäder	Electronic Billing Systems ⇔Business solution provider based on Microsoft .NET

Company I	Company II	Business Fields
ETC-IS	ISolutions AG	Enterprise Disaster and Emergency
Bilgi Islem Teknoloji A.Ş.	Berne, Switzerland	Management Software ⇒Business
Ankara, Turkey	Christoph Mäder	solution provider based on Microsoft
Tyfun Hiz		.NET

Against the background that some of the business talks and outcomes are still confidential only a selected number of case studies can be illustrated. Subsequently, seven case studies of successful business matchmaking are described. The necessary information was collected by questionnaire and telephone interviews from the parties involved. The results illustrate the broad range of different joint activities which vary in their intensity, current status and outcomes.

Business Success Story

CRM & Biometric Passport

CRM & Biometric passport is a joint project between STAGEx, a Paderbornbased business solution provider and AXSionics AG, a Berne-based secure e-access solution provider.

STAGEx

		Address
Stadtlanfert 7, D-33106 Paderborn		
Contact Person		E-Mail
Manfred Faulhaber (CEO)	info@stage-x.de	
Founding Year	Annual turn-over	Number of Employees
	n.a.	3
		Core Business Fields
Business Information Systems, Busi	iness Management	(including office
organisation, staff management, proje	ect management, b	usiness processes),
IT Management		

AXSionics AG

Frank Braker (CEO) Founding Year	info@axsionics.com Annual turn-over Number of Employees	
2003	n.a.	10

Object of Cooperation

STAGEx delivers web-based database for business case management. In times of online fraud caused by identity sheft e-security is a major selling argument. Thus, STAGEx was searching for security solution to be integrated in their business case management system. Such solution had to meet the following criteria: fast and practicable at affordable price with a maximum of security.

In return, AXSionis was seeking for a business application for their e-security solution to present their customers the advantages of their biometric passport system.



Type of Cooperation

Cooperation Intensity



Position in the ICT Value Network



Cooperation's Value Preposition

The «new» integrated solution is highly interesting for STAGEx customers as the integration of biometric authentication and web-based business case management is unique. Thus, the solution functions as selling argument for both partners' solutions.

Through the joint development project both partners were able to strengthen their individual brands and thus, their competitive advantage.

Bottlenecks & Pitfalls

None.

Outcomes & Future Perspectives

STAGEx offers its business case management solution INQUIRE with AXSionics Internet passport under its own label. AXSionics in return, uses STAGEx projects as application examples.

Both partners agreed to continue their partnership and further develop it by applying the solution to other business fields and applications.

Business Success Story

Learning Mathematics

Learning Mathematics is a cooperative R&D activity of Mediamaisteri Group, Tampere, Finland and CLSO Learning Systems Inc., Berne, Switzerland.

Mediamaisteri Group

		Address		
Pyynikintie 25, FI-33101 Tampere				
Contact Person		E-Mail		
Timo Väliharju (CEO)	timo@mediamaist	eri.com		
Founding Year	Annual turn-over	Number of Employees		
2000	1.1 Mio. €	30		
Core Business Fields				
Specialist for e-learning including information strategies, selection and introduction of e-learning environments, assessment of skills and needs, content production, HR development and eSupport based on Open Source				

CLSO Learning Systems Inc.

		Address		
CH-Berne				
Contact Person		E-Mail		
Sanja Saftic	sanja@clso-math.c	com		
Founding Year	Annual turn-over	Number of Employees		
2006	n.a.	2		
		Core Business Fields		
Learning Objects and Mathematics				

Object of Cooperation

Aim of the cooperation is the development and production of learning objects for global markets.

Type of Cooperation R & D Develop-Imple-Distri-Qualifibution cation ment mentation х х State of Cooperation First Ongoing Negoti-Fully Contact Liaison ations Working **Cooperation Intensity** High OWN EFFORTS Medium Low Informal Joint Joint Joint Exchange Project Venture Corporation

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Position in the ICT Value Network

Cooperation's Value Preposition

Only by combining the competences of both companies - Mediamaisteri Group's expertise in e-learning and CLSO's expertise in Math learning objects – the companies will be able to offer web-based world class mathematical learning objects to schools all over the world. And thus, enrich their business portfolio.

Bottlenecks & Pitfalls

One of the major bottlenecks in cross-national cooperation are different cultures, both in terms of business attitudes and interpersonal. A cultural understanding is crucial to be successful, if such cannot be achieved joint business activities will fail.

Outcomes & Future Perspectives

At stake the cooperation is in negotiation stage, thus no measurable results have been achieved. Nevertheless negotiations are proceeding and the cooperation will be continued. **Business Success Story**

Tapping a new Market – Heading for Eastern Europe

Pavone AG, a Paderborn-based solution provider joined a distribution partnership with Crux Information Technology s.r.o., Ostrava, Czech Republic.

Pavone AG

		Address	
Technologiepark 9, DE-33100 Paderborn			
Contact Person		E-Mail	
Ingo Erdmann	ingo.erdmann@pavone.de		
Founding Year	Annual turn-over	Number of Employees	
1994	n.a.	50	
Core Business Fields			
Expert in software based optimisation of business processes with core competencies in the fields of integrated process and project management. The company offers Internet standard compliant tools for project, workflow,			

customer and knowledge management.

Crux Information Technology s.r.o.

		Address	
Mlýnská 2353/12, CZ-702 00 Ostrava			
Contact Person		E-Mail	
Jiří Vozňák (Sales Director) voznak@cruxit.com		n	
Founding Year	Annual turn-over	Number of Employees	
2004	1.0 Mio. €	35	
Core Business Fields			
Software and service provider specialised in customised software			
development, application services, IT service outsourcing, consultancy			

Object of Cooperation

Aim of the cooperation is the development and production of learning objects for global markets. The companies' portfolio for modern office environments is called PAVONE Process Control Suite (PCS). PCS is available on the IBM Lotus Notes and Domino platform, as well as on the Web 2.0 application server platform Java EE in the languages German and English. PAVONE has subsidiaries in the UK and the US, and a worldwide partner network to address local markets.

The overall goal is to develop the Eastern Europe markets for PAVONE's Process Control Suite through cooperation with the local distribution partner, Crux IT s.r.o.



Type of Cooperation

Cooperation Intensity



Position in the ICT Value Network



Cooperation's Value Preposition

Distribution partners benefit from the cooperation in several ways. They receive royalty on sold licenses and PAVONE consultancy. Also, the partner can charge a higher daily rate for its services because they can implement customer requirements in a much more efficient way compared to individual software development. Even though the daily rate is higher, they can attract new, price sensitive customers with value added consultancy and customization services based on PAVONE standard products as they can finish projects much more efficiently and can offer the customer a lower overall price for a project, which helps winning against the competition.

In return, PAVONE will be able to access the Czech market with partners who are familiar with regional the business processes, cultures and attitudes. In case of a successful partnership, the ease market development in other Eastern European countries.

Bottlenecks & Pitfalls

- » Language barriers
- » Mismatching business models
- » Traffic and transportation infrastructure

Outcomes & Future Perspectives

Due to the negotiation state of the cooperation no measureable outcomes have been realised so far. At present the future collaboration remains open. **Business Success Story**

A Glance at Security

Mediamaisteri Group, a Tampere-based solution provider joined a distribution partnership with United Security Providers AG, Berne Switzerland.

Mediamaisteri Group

		Address	
Pyynikintie 25, FI-33101 Tampere			
Contact Person		E-Mail	
Timo Väliharju (CEO)	timo@mediamaisteri.com		
Founding Year	Annual turn-over	Number of Employees	
2000	1.1 Mio. €	30	
Core Business Fields			
Specialist for e-learning including information strategies, selection and			
introduction of e-learning environments, assessment of skills and needs,			
content production, HR development and eSupport based on Open Source			

United Security Providers AG

Bahnhofstrasse 4, CH- 3073 Gümligen/ Contact Person	Berne	E-Mail
Uta Leatherbarrow (Partner Manager)	uta.leatherbarrow@united-security- providers.ch	
Founding Year	Annual turn-over	Number of Employees
1994	n.a.	80
Swiss market leader in information sec	urity solutions	Core Business Fields

Object of Cooperation

Web applications allow collaboration with customers, partners or within teams without the need for changes in media. However, the quantity and complexity of Internet-based attacks are increasing rapidly, and danger areas often expand without being noticed. This applies likewise to web-based learning solutions.

Against this background, the cooperation aims at adapting United Security Provider's secure entry services for Mediamaistri's e-learning Application Service Provision business model.



Type of Cooperation

Cooperation Intensity



Position in the ICT Value Network



Cooperation's Value Preposition

Increasingly, organisations are building IT strategies that promote compatibility, portability and interoperability as central components. Mediamaisteri's open source solutions address these requirements. At the same time security issues are gaining in importance. Today security is a major selling argument for application service provision. Integrating an adequate security solution into their web-based applications is an added value for all customers using Mediamaisteri's services.

For United Security Providers the implementation of their security solution in Mediamaisteri's learning applications would demonstrate a further field of scope and thus, broaden its portfolio.

Bottlenecks & Pitfalls

- » Cultural understanding of the partners.
- » To find a win to win situation to services operated together with partner.

Outcomes & Future Perspectives

Due to the negotiation state of the cooperation no measureable outcomes have been realised so far.

Business Success Story

Access to Swiss Market

K2atmitec s.r.o, an Ostrava-based software development company aims at accessing the Swiss market for ERP solutions through a development and distribution cooperation with BizNet.

K2atmitec s.r.o

		Address	
Fűgnerova 646/11, CZ-702 00 Ostrava - Přívoz			
Contact Person	Person E-Mail		
Marek Kučera (CEO)	marek.kucera@K2atmitec.cz		
Founding Year	Annual turn-over	Number of Employees	
1992	6 Mio. €	100	
Core Business Fields			
Software development company specialised in business information systems including full and after sales services, IT Hardware and IT Outsourcing			

BizNet AG

1996		n.a.	n.a.
	Founding Year	Annual turn-over	Number of Employees
Richard Sahli, Martin Sch	war	office@biznet.ch	
	Contact Person		E-Mail
Grubenstrasse 107, CH-3322 Schönbühl/Berne			
			Address

Core Business Fields

Specialist in standardised and customised inter-, intra- and extranet solutions covering Content Management Systems, System Integration, Webhosting, Application Service Providing

Object of Cooperation

While K2atmitec aims at entering the Swiss market for ERP solutions and thus, is seeking for a distribution partner, BiZnet is looking for a development partner who has excellent experience with .net development.

By bringing together the competences of the two companies in a development and distribution partnership both companies expect to broaden the business base.

Type of Cooperation R & D Develop-Imple-Distri-Qualifiment mentation bution cation х х State of Cooperation First Ongoing Negoti-Fully Contact Liaison ations Working

Cooperation Intensity



Position in the ICT Value Network



Cooperation's Value Preposition

Cooperation with a Swiss distribution partner would ease market entry for K2atmitec. In turn, customers would profit from the highly scalable K2 Information System being supported by BiZnet as local distribution partner.

Bottlenecks & Pitfalls

» Trust-building processes and negotiations take time and strongly depend on the managerial abilities of the partners involved

Outcomes & Future Perspectives

Both partners intend to intensify their relationship to formulate common projects and define products/services to be offered in the future.

Business Success Story

Outsourcing of Software Development

The negotiations of D3Soft s.r.o., Ostrava and isolutions AG, Berneare are focused on outsourcing part of isolutions' software development.

D3Soft s.r.o

Contact Person		E-Mail	
Radek Dybal (Sales Director)	radek.dybal@d3soft.cz		
Founding Year	Annual turn-over	Number of Employees	
2002	n.a.	40	
		Core Business Fields	
Specialist in CRM solutions the Leonardo Information System, consultancy			
•			
and guidance, training, the developm	ent of tailor-made	applications, data	
warehouses, systems integration			

isolutions AG

		Address	
Laupenstrasse 1, CH-3008 Berne			
Contact Person	E-Mail		
Josua Regez (CEO)	josua.regez@isolutions.ch		
Founding Year	Annual turn-over	Number of Employees	
1999	n.a.	30	

Core Business Fields

Software Consultancy in the fields of collaboration, enterprise portals, ECM, business process management, CRM; Business solution provider based on Microsoft .NET (Office SharePoint Server 2007, Microsoft Dynamics CRM, MS Project Server 2007, MS Performance Point Server 2007)
Confronted with an increasing price competition resulting from globalization isolutions AG aims at sourcing out part of its software development to Czech Republic and thus, is searching for an experienced development partner.

D3Soft, in turn, could achieve a higher degree of capacity utilisation as regards their software development workforces. Moreover, the partnership would broaden the company's portfolio.



Type of Cooperation

Cooperation Intensity



Position in the ICT Value Network



Cooperation's Value Preposition

Sourcing out part of the standardised development gives leeway to focus on customer relations and support services, and most important on future trends and possible innovations.

Assuming that such development cooperation is no short-term business, but at least a mid-term partnership, D3Soft would be able to develop a new business field. In addition, this cooperation could serve as an good example for the acquisition of future outsourcing projects.

Bottlenecks & Pitfalls

None.

Outcomes & Future Perspectives

Not yet.

Business Success Story

Development of K-12 Market

SEBIT LLC, an Ankara-based learning content provider and Mediamaisteri Group, Tampere, Finland join forces to develop the K-12 market.

Sebit LLC (IES Eğitim ve Bilgi Teknolojileri A.Ş.)

	Contact Person		E-Mail
M. Ali Turker		info@sebit.com.tr	
	Founding Year	Annual turn-over	Number of Employees
1988		n.a.	150

ment of learners and educators at the K-12 level. The focus is on developing e-learning solutions by combining research-based pedagogy with state-ofthe-art visualization and interaction.

Mediamaisteri Group

		Address	
Pyynikintie 25, FI-33101 Tampere			
Contact Person		E-Mail	
Timo Väliharju (CEO)	timo@mediamaist	eri.com	
Founding Year	Annual turn-over	Number of Employees	
2000	1.1 Mio. €	30	
		Core Business Fields	
Specialist for e-learning including in	nformation strategi	es, selection and	
introduction of e-learning environme	ents, assessment of	skills and needs,	
content production, HR development a	nd eSupport based	on Open Source.	

Three lines of business cooperation were identified: First, the reference work of Mediamaisteri with the Finish Ministry of Education could be utilised to promote the standard compliant content SEBIT developed to the Finish market. Second, Mediamaisteri's learning platform customers could be provided with SEBIT's standard compliant learning contents. Moodle as cornerstone of this learning infrastructure would serve as platform to exercise porting content. And third, the technology-enhanced elearning system SEBIT co-developed in the FP6 funded iClass project can be promoted by Mediamaisteri as an option to future K-12 market projects.



Cooperation Intensity

Type of Cooperation





Position in the ICT Value Network



Cooperation's Value Preposition

Although the partners are in some business areas competitors, the share of complementarities provides the opportunity for both to broaden their services. Especially SEBIT seeks to enter the Finish market.

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Bottlenecks & Pitfalls

None.

Outcomes & Future Perspectives

In follow up, Mediamaisteri will examine the booklets and brochures that were provided about the iClass project and examine SEBIT content. The partners will then seek to contact the Finnish Ministry of Education and arrange a demonstration event. **Business Success Story**

CRM for «Schweizer Jugend forscht»

In this project STAGEx, a Paderborn-based business solution provider implemented its CRM solution at «Schweizer Jugend forscht», Berne Switzerland.

STAGEx

		Address
Stadtlanfert 7, D-33106 Paderborn		
Contact Person		E-Mail
Manfred Faulhaber (CEO)	info@stage-x.de	
Founding Year	Annual turn-over	Number of Employees
	n.a.	3
		Core Business Fields
Business Information Systems, Business Management (including office		
organisation, staff management, project management, business processes),		
IT Management		

«Schweizer Jugend forscht»

		Address
Stauffacherstrasse 65, CH-3014 Berne		
Contact Person		E-Mail
Prof. Dr. Stelia Fuhrer		
Founding Year	Annual turn-over	Number of Employees
	n.a.	n.a.
		Core Business Fields
Supporting young people in the field of	science and entrep	reneurship

Subject of this business cooperation is the implementation of a CRM solution for «Schweizer Jugend forscht». The contract for the implementation was signed during the NICE final event in Thun. The project will be fully realised until end of 2008.

This is STAGEx first project with a Swiss foundation and could pave the way for further business activities. Forasmuch, the project is part of STAGEx market entry strategy.

Type of Cooperation



Cooperation Intensity





Position in the ICT Value Network



Cooperation's Value Preposition

This project is a common customer-provider relationship. Thus, the implemented CRM solution functions as example of use for CRM in foundations. Forasmuch, it is selling argument for STAGEx solutions.

Bottlenecks & Pitfalls

None.

Outcomes & Future Perspectives

STAGEx sold its solution to «Schweizer Judgend forscht».

Business Success Story

Learning Contents for Primary Grades

This is a joint business opportunity for SEBIT LLC, an Ankara-based learning content provider and CLSO Learning Systems Inc., Berne, Switzerland.

Sebit LLC (IES Eğitim ve Bilgi Teknolojileri A.Ş.)

	Contact Person		E-Mail
M. Ali Turker		info@sebit.com.tr	
	Founding Year	Annual turn-over	Number of Employees
1988		n.a.	150

ment of learners and educators at the K-12 level. The focus is on developing e-learning solutions by combining research-based pedagogy with state-ofthe-art visualization and interaction.

CLSO Learning Systems Inc.

		Address
CH-Berne		
Contact Person		E-Mail
Sanja Saftic	sanja@clso-math.c	com
Founding Year	Annual turn-over	Number of Employees
2006	n.a.	2
		Core Business Fields
Learning Objects and Mathematics		

The CLSO-Learning Systems Inc. is a primary grades Math content company which relies on a very strong pedagogical approach called «visual scaffolding». Based on over 2 decades of experience in remedial education CLSO proposes a «frictionless learning» paradigm for basic mathematics concepts. The visual scaffolding approach particularly suits SEBIT's pedagogical approaches in using rich multimedia content for delivering K-12 curriculum subjects including mathematics. The product lines of the two companies share a pedagogical common ground. However, SEBIT K-12 curriculum coverage is particularly weak for early primary grades. Therefore, it would be meaningful to join forces to include CLSO-Learning Systems content in the SEBIT portfolio through licensing.

Type of Cooperation



Cooperation Intensity



Position in the ICT Value Network



Cooperation's Value Preposition

By combining the competences of both companies – SEBIT's expertise in e-learning and CLSO's expertise in Math learning objects – the companies will be able to offer world class mathematical learning objects to schools all over the world. And thus, enrich their business portfolio. Moreover, the joint efforts in entering new markets might be beneficial for both partners.

Bottlenecks & Pitfalls

So far no bottlenecks were identified.

Outcomes & Future Perspectives

At stake the cooperation is in negotiation stage, thus no measurable results have been achieved. As a follow-up SEBIT will analyse the multimedia quality of CLSO content and run feasibility study on implementing it with rich multimedia technologies. CLSO will examine the market strategy and penetration of SEBIT in various countries and see if it matches with their growth strategy

4 Conclusions

The commitment and enthusiasm of the companies and cluster managers involved in the business matchmaking provided opportunities to develop common initiatives, and contribute to the opening of new routes for transnational entrepreneurial networking.

The results achieved in paving the way for transnational collaboration of ICT SMEs are noteworthy. More than 50 pre-arranged entrepreneurial one-2-one meetings took place during the business matchmaking events and some 15 of which have been or are in process of joint business.

In summary, the experiences in NICE demonstrate that ICT SMEs opt to strengthen their innovative capabilities and to internationalise if they get the chance. However, companies' capabilities to successfully internationalise vary, and so does their culture and «risk-taking» behaviour. Most SMEs are aware of the need for innovation as key driver for their future competitiveness. They know that they depend, more than ever, on networks, formal and informal linkages in and beyond their home region to unfold their full innovation potential. However, this knowledge does not necessarily lead to an internationalisation strategy as core element of the business strategy. But the contrary, many SMEs remain focused on their national markets.

As was highlighted in the final report «Supporting the internationalisation of SMEs» by the Expert Group the overall objective of SMEs internationalisation is growth. However, other drivers to internationalisation are "[...] access to knowhow and technology, increased efficiency and economics of scale, increased competence by entering difficult markets, exploiting advantage of leading edge technology, which are closely related to innovation." These aspects equate the insights gained in NICE.

The main factors hindering SMEs internationalisation concern

- Insufficient managerial time and/or skills required for internationalisation;
- 2. A lack of financial resources;
- A lack of knowledge of foreign markets, mostly consequence of the previous two aspects

Accordingly, successful and sustainable internationalisation requires a related strategy and the acquisition of the necessary capacities, abilities and resources prior to the first step of internationalisation. Management skills and long-term availability of human resources in order to develop an internationalisation strategy without compromising the day-to-day business is crucial.

Although cluster management organisations cannot directly influence their members innovation capacities they can develop support mechanisms and services which might positively impair companies' capacities. Such services concern likewise capacity building and access to foreign markets. For example, the quality and intensity of network interactions within and beyond the cluster, with customers, distributors and suppliers and research organisations is typically associated with better performance. Accordingly, cluster management organisations should support SMEs to strengthen these links through matchmaking, cross-clustering and in their role as «boundary spanners».

However, supporting SMEs in their cross-border networking activities needs time. Social networking, trust-building, and «boundary spanners» are crucial. And many SMEs would not consider internationalisation if it were not because of support.

Literature

- OECD (2006): Final background report on the OECD-APEC joint project on "Removing barriers to SMEs access to international markets". OECD-APEC Global Conference, 6-8 November 2006, Athens, Greece.
- Reding, V. (2006): "ICT are new opportunities for social inclusion, participation, business, growth and jobs in the EU and China"; speech held at the China Europe International Business School (CEIBS), Shanghai, 16 January 2006