



## KIS-PIMS

" Knowledge Intensive Services for the Planning, Installation, Maintenance, and Scrapping (PIMS) services of renewable energy production systems "

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### D3.1 - DETAILED DESCRIPTION OF THE KIS-PIMS SUPPORT SCHEME

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## EXECUTIVE SUMMARY

This report aims to detail the overall support scheme to be experimented in Austria, Finland and France for the benefit of service SMEs in the renewable energy sector. During the year 1 of the KIS-PIMS project, a series of workshops was arranged in collaboration with the national and regional innovation agencies in each country. These workshops resulted in the national applications of the KIS-PIMS support scheme for STEP 1. With the support of national innovation voucher funding implemented in STEP 1, the SMEs validate and consolidate their business plan making it investor-ready. In the subsequent phase of STEP II, the R&D and demonstration funding is secured for the most promising projects, and, finally in STEP III, the best performers break through on the market thanks to private funding. This three-step approach is a modified and experimental version of the highly-successive US Small Business Innovation Research (SBIR) funding scheme in the field of service innovation activities in renewable energy (see D1.5).

The innovation voucher scheme of STEP I is adopted in slightly different ways in the target countries. The size of the voucher varies from 5 000 Euros in Austria up to 50 000 Euros in Finland. This implies that also international and resource-demanding projects could be carried out in case of Finland. Verified consultation tools are utilized most extensively in France where the consultation toolbox consists of at least seven tools. Otherwise, the eligibility criteria, timetable of selection and reporting requirements are similar with each other in the target countries.

In order to address the needs of growth-oriented SMEs, this report elaborates on the requirements for seamless integration between the KIS Innovation Platform activities with the KIS-PIMS support scheme. Also, the outlines of the support schemes for STEP II and STEP III are presented while they are to be properly designed in subsequent work packages 4, 5 and 6.

## GLOSSARY

“EC” stands for the European Commission.

“KIS” stands for Knowledge Intensive Services. It is meant services involving science-based and technology-based innovations, process and business model innovations.

“PIMS” stands for Planning, Installation, Maintenance and Scrapping services.

“RES” stands for Renewable Energy Sources

“RES-E” stands for Renewable Energy Sources for Electricity production.

“RET” stands for Renewable Energy Technologies. Main technologies under scrutiny during the KIS-PIMS project are solar, biomass, wind, small hydro and geothermal, without excluding any others .

“RTD” stands for Research and Technical Development and designate the related activities.

“SME” stands for Small and Medium size Enterprise, as defined by the European Commission (see [http://ec.europa.eu/research/sme-techweb/pdf/sme-definition\\_en.pdf](http://ec.europa.eu/research/sme-techweb/pdf/sme-definition_en.pdf)).

# TABLE OF CONTENT

<b>COPYRIGHT .....</b>	<b>ii</b>
<b>EXECUTIVE SUMMARY.....</b>	<b>iii</b>
<b>GLOSSARY.....</b>	<b>iv</b>
<b>TABLE OF CONTENT.....</b>	<b>v</b>
<b>INTRODUCTION.....</b>	<b>1</b>
<b>1 STEP I: VALIDATION AND CONSOLIDATION OF THE SERVICE INNOVATION PROJECTS .....</b>	<b>3</b>
1.1 IMPLEMENTATION OF SUPPORT MEASURES FOR SMES.....	3
1.1.1 <i>Workflow in Austria</i> .....	3
1.1.2 <i>Workflow in Finland</i> .....	6
1.1.3 <i>Workflow in France</i> .....	8
1.1.4 <i>Summary</i> .....	16
1.2 PROMOTION OF THE KIS INNOVATION PLATFORM AMONG THE SUPPORTED SMES .....	17
1.2.1 <i>Screening of the growth-oriented SMEs</i> .....	17
1.2.2 <i>SME visibility on the KIS-IP</i> .....	17
1.2.3 <i>Access conditions of the KIS100 Club and KIS-IP investor networks</i> .....	17
1.2.4 <i>The venture awards</i> .....	17
1.3 DISSEMINATION OF THE KIS-PIMS SUPPORT SCHEME AMONG INNOVATION INTERMEDIARIES .....	18
1.3.1 <i>Accreditation scheme for the use of the KIS-PIMS instruments</i> .....	18
1.3.2 <i>Access conditions of the KIS-IP for intermediaries and selected SMEs</i> .....	18
1.3.3 <i>Training and qualifying services for the intermediaries</i> .....	18
<b>2 STEP II: RESEARCH, DEVELOPMENT AND DEMONSTRATION FUNDING .....</b>	<b>19</b>
<b>3 STEP III: ACCESS TO THE COMMERCIAL MARKET.....</b>	<b>20</b>

## INTRODUCTION

This report is Deliverable D3.1 of the KIS-PIMS project. It aims to detail the overall support scheme to be experimented in Austria, Finland and France for the benefit of service SMEs in the renewable energy sector. The report is the result of a series of workshops with the national and regional innovation agencies of each country. These workshops also contributed to the functional specification described in Deliverable D2.1.

The overall KIS-PIMS approach is SBIR-alike (three phases of support with tightening requirements for the supported SMEs)<sup>1</sup> and integrated into the KIS Innovation Platform of the Europe INNOVA programme<sup>2</sup>. It means that the innovative service projects submitted by the SMEs will be potentially supported in three Steps:

- ◆ Step I aims at validating the viability of the proposed project and consolidating the business proposition up to making it investor-ready;
- ◆ Step II aims at presenting the consolidated project to public (and maybe private in some cases) funding organization for research, development and demonstration activities;
- ◆ Step III aims at leveraging the innovations to the market thanks to private finance.

The main part of the report details the retained work flows per country for Step I, pinpointing the generic features applicable to all the testing countries and their respective specificities. Then it outlines the continuation of the support services within Step II and Step III. This design work is to be accomplished during the subsequent work packages 4, 5 and 6.

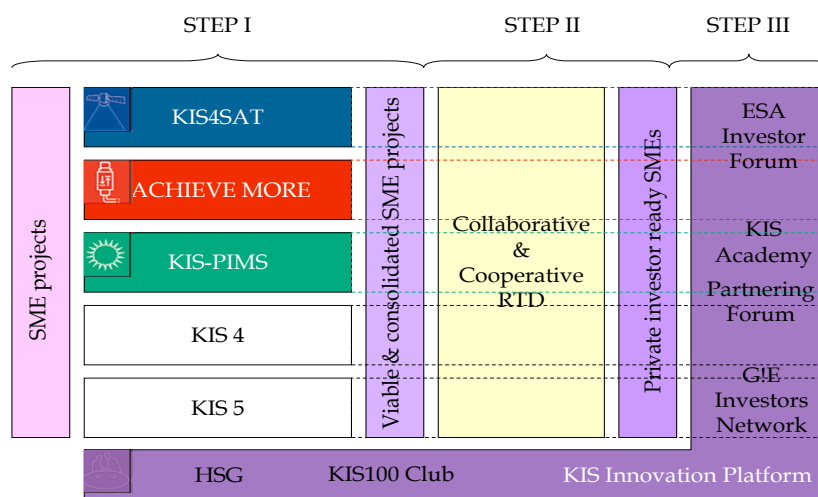


Fig. 1: The KIS Innovation Platform and the three steps of SME support

<sup>1</sup> See Deliverable D1.5 of KIS-PIMS

<sup>2</sup> Europe INNOVA is a programme of the European Commission, DG Enterprises & industry <http://www.europe-innova.org/kis-ip/>



### *D3.1 – Detailed description of the KIS-PIMS support scheme*

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Deliverable D3.1 was written in close collaboration between Janne Lehenkari, ADVANSIS, Vincent Morfouace, TECHNOFI, and Michael Heidenreich, MH.

# 1 STEP I: VALIDATION AND CONSOLIDATION OF THE SERVICE INNOVATION PROJECTS

Following the functional approach presented in Section 7 of D2.1, this section describes the workflow details of the STEP 1 that is about validation and consolidation of the service innovation projects in the target countries. Since each country experiments innovation voucher scheme in a slightly different manner, special attention is paid on the national characteristics and differences in the implementation of the funding schemes (Function 1 in D2.1). This is followed by the elaboration on the question of how the KIS Innovation Platform is promoted among the supported SMEs by the overall KIS-PIMS project (Functions 2 & 6 in D2.1), and how the KIS-PIMS support scheme is disseminated among innovation intermediaries (Function 4 & 5 in D2.1). The elaboration on the latter issues is to be continued during the WP4, WP5 and WP6.

## 1.1 Implementation of support measures for SMEs

### 1.1.1 Workflow in Austria

#### Overview

The innovation voucher in Austria is a funding programme designed to support small and medium-sized enterprises in Austria to start ongoing research and innovation activities. In the frame of the KIS-PIMS project innovative SMEs and corresponding public research and innovation centres identified in WP 1 are accompanied by the Austrian project team. The particular consultancy launches innovation vouchers which are financially supported by the national promotion agency FFG and which covers knowhow transfer and capacity building in terms of renewable energy services.

In case of further needs and corresponding risks of selected SMEs are evaluated with the KIS-PIMS risk assessment tool. Based on the risk allocation the project partner and Styrian energy agency LEV has launched “add-on vouchers” in order to complement the FFG scheme with accredited expertise addressing the full business and management risks from the European market perspective. The expected number of approved projects will be at least 25 projects in Austria.

In the frame of the KIS-PIMS project thirteen innovative SMEs are accompanied by the Austrian KIS-PIMS consultant and have applied to FFG vouchers in order to develop innovative renewable energy services for the time being. Five out of these thirteen vouchers are accomplished till February 2009, and the final reports are provided by the public research and innovation centres.

## Call for proposals

The promotion agency FFG conducts a continuous call for proposal (see also <http://www.ffg.at/innovationscheck>) and foresees vouchers under the German brand name “Innovationscheck” up to 5000 Euros. Corresponding application forms can be downloaded from the website.

During the warming-up phase of the voucher program early 2008 various advertising events and press conferences took place conducted by representatives of the Federal ministry for Transport, innovation and Technology (BMVIT) and the Federal ministry of economics and Labour (BMwA). The financial cap is fixed with 5 Mio. € for 2009. SMEs applying for innovation vouchers of the FFG are selected if they fulfil the formal eligibility criteria of:

- Being conform with Commission’s definition of a SME,
- Launching a new RTD agreement between the applying SME and innovation centre,
- Not being affected by bankruptcy.

At least four “add-on” vouchers will be issued and financed by LEV and foresee amounts between 4,000,- € and 5,000,- € for the full project duration.

Both schemes cover 100% of the personal and other costs up to the mentioned limits. By testing these two-step voucher schemes in the frame of KIS-PIMS some recommendations for replications at the national and European scale will be derived which will rely on successful feedbacks.

## Selection of the projects

SMEs applying for innovation vouchers of the FFG are selected if they fulfil the formal selection criteria of requesting following deliverables from knowledge providers such as non-university research centres, universities of applied science and universities:

- Concept development and concreting ideas.
- Preparatory work for setting-up RTD proposals and/or business plans.
- Analysis of potential technology transfer.
- Analysis of the innovation potential of the entrepreneur.
- Conceptualising technical innovation management.

The conformity with these selection criteria is checked by the FFG services. The approval in form of a letter and the voucher (see also fig. 1) is provided usually 4 – 8 weeks after the acknowledgement of receipt of the application.



**Fig.2: Template of the FFG innovation voucher, Source: FFG**

The approval letter includes usually information about not eligible costs such as training, software, scholarship, marketing, promotion measures, etc. FFG recommends the awarded SME to consider the evaluation remarks within its RTD agreement with the chosen knowledge provider.

The selection of projects for the Styrian “Add-on vouchers” rely on results of the KIS-PIMS risk assessment tool used to figure out additional risks usually others than covered by the FFG scheme.

### Implementation of innovation consultation

For the time being the conformity with the formal selection criteria are checked by the FFG and LEV services themselves. Based on the outcomes of the Styrian “Add-on vouchers” as well as of French and Finnish KIS-PIMS experiments discussions about innovation consultations are foreseen to be held with the ministries and the national promotion agency in the second half of the project duration.

### Summary of national special characteristics

The voucher schemes of FFG and LEV help SMEs to find their particular ways towards continuous accesses to research and innovation results and to launch the necessary know-how and technology transfer to business. In addition, applying SMEs may find the right funding source for Research and Technological Development (RTD) project ideas and then developing them together with the chosen innovation centres into full scale National / European project proposals and/or launching the incubation process.

LEV will experiment in the Styrian region “Add-on vouchers” aiming at extending the external expertise to the complementary commercial, managerial and financial dimensions. After experimentation and based on feedbacks given by the awarded SMEs, particular recommendations for replication will be derived in the second half of the project duration.

### 1.1.2 Workflow in Finland

#### Overview

The Finnish innovation voucher scheme of the STEP 1 aims at funding 15 SMEs operating in the field of PIMS services to acquire consultancy services. The consultancy services are used for reinforcing the business plan for SME’s innovation and for improving SME’s capabilities as well. The funding of the vouchers is provided by TEKES, the Finnish Funding Agency for Technology and Innovation that is the main government financing organisation for RTD in Finland. In order to ensure smooth operation, vouchers are funded by applying an existing funding instrument called *Grant for Acquisition of Innovation Services*. The funding only supports the use of outsourcing services and internal costs of the SME are not covered. 75 % of the consultancy costs are eligible. The objective is that SMEs apply funding for projects below 50 000 Euros.

#### Call for proposals

The Finnish nation-wide call for innovation vouchers was published on the 5<sup>th</sup> March 2009. The brand name of the call is *Grant for Renewable Energy Enterprises for Acquisition of Innovation Services* (“Innovaatiopalveluiden rahoitus uusiutuvan energian yrityksille” in Finnish). The KIS-PIMS project provides personal advice to SMEs on the call in every phases of the call. The call is open continuously until the end of August 2009. The following websites promote the call:

- TEKES: [http://www.tekes.fi/ajankohtaista/hakuajat/hakuaika\\_tiedot.asp?id=7008](http://www.tekes.fi/ajankohtaista/hakuajat/hakuaika_tiedot.asp?id=7008)
- MOTIVA: <http://www.motiva.fi/palveluinnovaatio>

In addition, the KIS-PIMS project has promoted the call through the Finnish renewable energy associations, The Finnish energy technology competence cluster and The Federation of Finnish Technology Industries. MOTIVA promotes the call in its bulletins and exhibition material prepared for national renewable energy fairs. The KIS-PIMS project has made initial provisions to promote of the call by organising info meetings at the regional Employment and Economic Development Centres.

The eligibility criteria applied to applicants are as follows:

- SME or group of SMEs (the EU definition)
- innovative service promoting RES
- proven market demand

- proven benefits for SME's capability development
- other public funding not applied

Funding is applied for by filling in an online form that includes the following information:

- general information on the applicant(s)
- general information on the project
- cost estimate and financing plan
- resources and collaboration
- expected impacts
- the project plan as an attachment
- company balance sheet as an attachment

### **Selection of the projects**

The applications are received via online service of TEKES. They are processed by TEKES' civil servants who possess expertise in RETs and service innovation. Civil servants may ask more information on the project or have a conversation about the project details with the SME. The funding decision is made within one month since receiving the application. The decision is made in compliance with the standard decision making routines and criteria of TEKES.

The funding decision is sent to the SME and, in case of approval, the SME may sign the contract with the service provider and rest assured that 75 % of the expenses is covered by the subsidy in arrears. If the application is rejected, the enterprise is guided to revise the proposition or turn to other appropriate funding sources.

### **Implementation of innovation consultation**

In 2009, TEKES is preparing a large technology programme for renewable energy sector and desires to experiment with the functionality of the policy tool used within the Finnish innovation voucher scheme. For this reason, it was decided that the SMEs may select the service provider independently. This means that service providers may represent multiple fields of expertise, such as management and financial consultancy, legal counselling, marketing and internationalisation services. At this stage, the accreditation procedure of service providers is not in use. Instead, a list of appropriate service providers will be provided on the main information page of the call (<http://www.motiva.fi/palveluinnovaatio>). The list of service providers will be generated after a call for expression of interest (EoI) to be arranged by the KIS-PIMS project in March 2009.

In order to ensure that there will be service providers utilizing the IMP<sup>3</sup>rove tool in innovation consultation, the KIS-PIMS project will arrange a training session for consultants on the IMP<sup>3</sup>rove use in collaboration with A.T. Kearney Inc. in the city of Kuopio on the 27<sup>th</sup> March 2009. The service providers listed on the main information page

of the call are invited to take part in training free of charge. In conjunction with the IMP3rove training, the consults are advised on the use of the KIS-PIMS project risk assessment tool (see Section 1.1.3).

As a result of consultation, the service provider delivers a report and a summary to the SME that, after acceptance, pays the consultancy fee. The SME sends the documents accompanied with the detailed budget and receipts to TEKES and the reimbursement of the subsidy takes place after final inspection. The KIS-PIMS project communicates with all the SMEs about the further actions regarding national funding schemes and participation in the KIS Innovation platform.

### Summary of national special characteristics

The Finnish voucher scheme is tightly linked to the preparatory work on the upcoming renewable energy technology programme of TEKES. On one hand, this requires extra efforts of the KIS-PIMS project to ensure that the objectives of the KIS-PIMS project, such as the use of appropriate tools in consultation, are achieved. On the other, the upcoming technology programme provides a promising venue to establish the KIS-PIMS support scheme as a permanent and far-reaching practise in Finland. The technology programmes of TEKES last usually 5-6 years with the budget of one hundred millions of Euros. The KIS-PIMS approach that accelerates service innovation in RETs is unique among the Finnish technology support measures, which makes it a candidate when the policy tools of the upcoming technology programme are being implemented.

### 1.1.3 Workflow in France

#### Overview

In France, Step I relies on the “Innovation Voucher” funded by OSEO. OSEO will use an existing financial instrument – the Feasibility Grant – to fund the vouchers. Therefore, the rules applicable to this country are the followings:

- The innovation voucher will be a grant;
- Its amount cannot exceed 50.000 € per voucher unit;
- It can cover up to 75% of the external expert invoice, without exceeding 50% of the total costs engaged for the consolidation;
- The beneficiary must be a small to medium sized company, up to 2000 employees provided that it is independent from a group of more than 2000 employees.

The external expertise aims at assessing the risks, validating the technical and market feasibility of the project, identifying the most appropriate financing scheme and initiating partnerships.

Actually, a minimum of 60 vouchers of 15.000 Euros max should be reimbursed on presentation by the SME of the external expert invoice. OSEO committed to realise the voucher payment within 1 month after the invoice submission.

The eligible costs for the voucher reimbursement will be all the costs engaged by the company for the purpose of the expertise. It will include the payment of the external expert, plus the internal costs of personnel and other direct (travels, consumables) and indirect costs involved in the cooperation with the external expert.

### Call for proposals

The French Call for innovative service proposals was published at national scale on the 15<sup>th</sup> of December 2008 under the brand name of KIS-PIMS on the following web sites:

- OSEO: [http://www.oseo.fr/a\\_la\\_une/agenda/appels\\_a\\_propositions/appel\\_a\\_projets\\_kis\\_pims](http://www.oseo.fr/a_la_une/agenda/appels_a_propositions/appel_a_projets_kis_pims)
- ADEME: <http://www2.ademe.fr/servlet/getDoc?cid=96&m=3&id=58470&p1=1>
- CAPENERGIES: <http://www.capenergies.fr/index.php?2009/01/09/101-le-projet-europeen-kis-pims>
- DERBI: <http://www.pole-derbi.com/articles.asp?id=5303>
- TENERRDIS: [http://www.tenerrdis.fr/rep-a\\_la\\_une/ido-53/ouverture\\_de\\_l\\_appel\\_a\\_projets\\_kis\\_pims.html](http://www.tenerrdis.fr/rep-a_la_une/ido-53/ouverture_de_l_appel_a_projets_kis_pims.html)



**Fig. 3: The title page of the French call**

Within 2 months following the Call publication, some more accurately selected SMEs are targeted by recall e-mails, and possibly phone calls to accelerate the deal flow.

The Call is open continuously from December 2008 to December 2009 for the experimental phase. Sequenced Selection Committees (see next sub section) allow for handling the projects within reasonable time.

The eligibility criteria decided are the followings:

- SME (up to 2000 employees, but mainly EU definition)
- Single enterprise or collaborative scheme
- innovative service promoting RES
- proven market demand
- proven benefits in terms of growth, employment and sustainable development
- other public funding not applied

The application procedure requires the submission by the project carrier of:

- an application form asking for:
  - ✓ a company profile,
  - ✓ a description of the project, pinpointing the innovative aspects,
  - ✓ the status of the project,
  - ✓ the partnership requirements,
  - ✓ the required resources,
  - ✓ the expected impacts,
  - ✓ the IP status,
  - ✓ the required budget.
  - ✓ And Partners' profile in case of a collaborative scheme.
- Proofs of financial public supports already obtained on the same topic
- The last balance sheet of the company and fiscal status.

### **Selection of the projects**

The project proposals can be submitted by any French SME to any of the organization among OSEO, ADEME, CAPENERGIES, DERBI, TENERRDIS.

Selection Committees are scheduled almost every 2 months. It pools together evaluators from the five above mentioned organizations. The next Selection Committees are planned on the following dates:

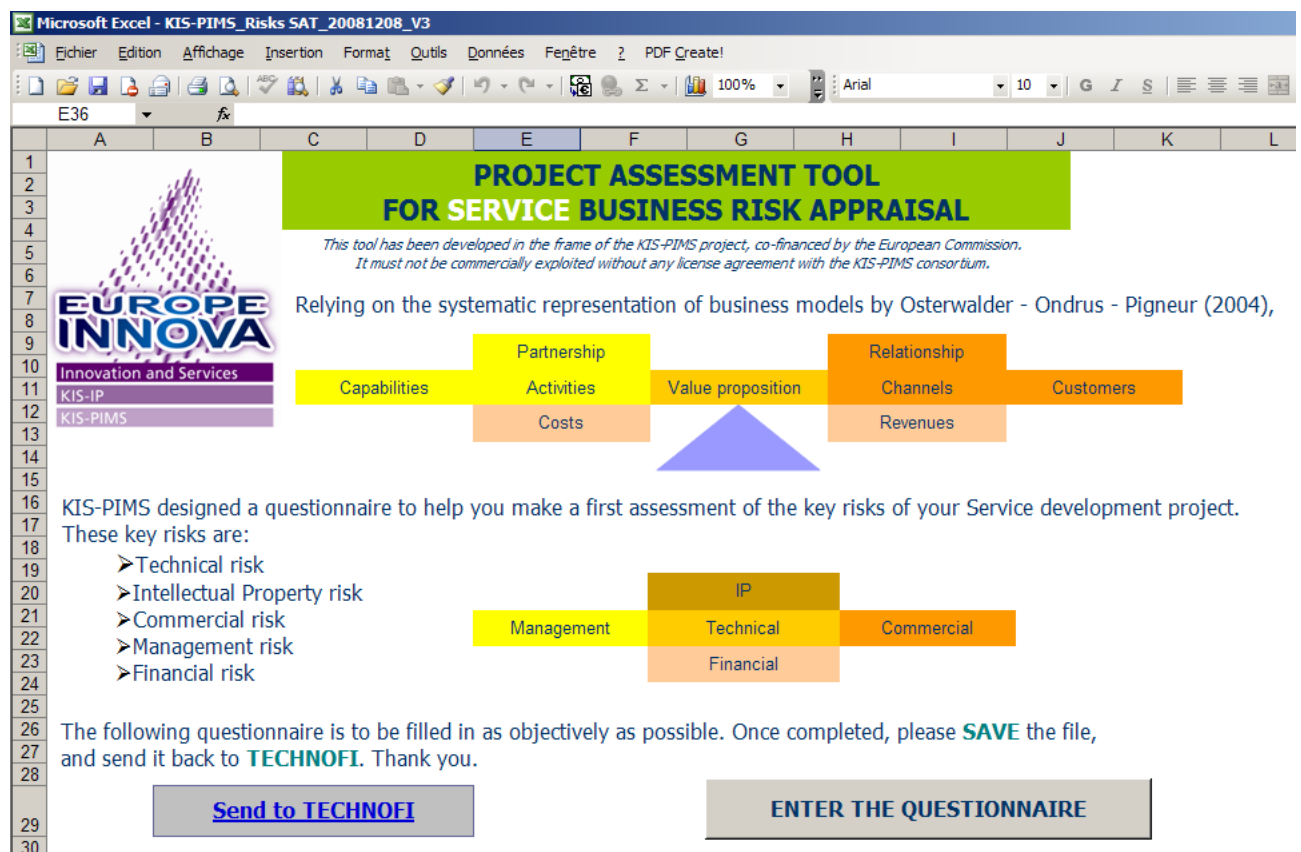
- 13<sup>th</sup> of March 2009 in Lyon
- 27<sup>th</sup> of April in Cadarache
- 12<sup>th</sup> of June in Perpignan

On selection, OSEO sends a letter to the proposer of favourable selection and connects the SME to Greenovate! Europe, who will give a list of the accredited experts for delivering the expertise.

In case of rejection of the proposal, OSEO sends a motivated rejection letter, which contains recommendations for a reshaping of the project to make it eligible, or an orientation towards better suited support sources.

### Implementation of innovation consultation

After choosing the consultant, the SME is invited to go through the project risk assessment tool below. This tool allows the consultant to detect the risks to address in priority during the consulting work (located in the grey diagonal on the result figure), and to make a support offer to be validated both by the entrepreneur and by OSEO.



**PROJECT ASSESSMENT TOOL FOR SERVICE BUSINESS RISK APPRAISAL**

*This tool has been developed in the frame of the KIS-PIMS project, co-financed by the European Commission. It must not be commercially exploited without any license agreement with the KIS-PIMS consortium.*

Relying on the systematic representation of business models by Osterwalder - Ondrus - Pigneur (2004),

Diagram illustrating the Business Model Canvas components:

- Partnership
- Relationship
- Capabilities
- Activities
- Value proposition
- Channels
- Customers
- Costs
- Revenues

KIS-PIMS designed a questionnaire to help you make a first assessment of the key risks of your Service development project. These key risks are:

- Technical risk
- Intellectual Property risk
- Commercial risk
- Management risk
- Financial risk

Diagram illustrating the Risk Assessment components:

- IP
- Management
- Technical
- Commercial
- Financial

The following questionnaire is to be filled in as objectively as possible. Once completed, please **SAVE** the file, and send it back to **TECHNOFI**. Thank you.

[Send to TECHNOFI](#)      **ENTER THE QUESTIONNAIRE**

Fig. 4: User interface

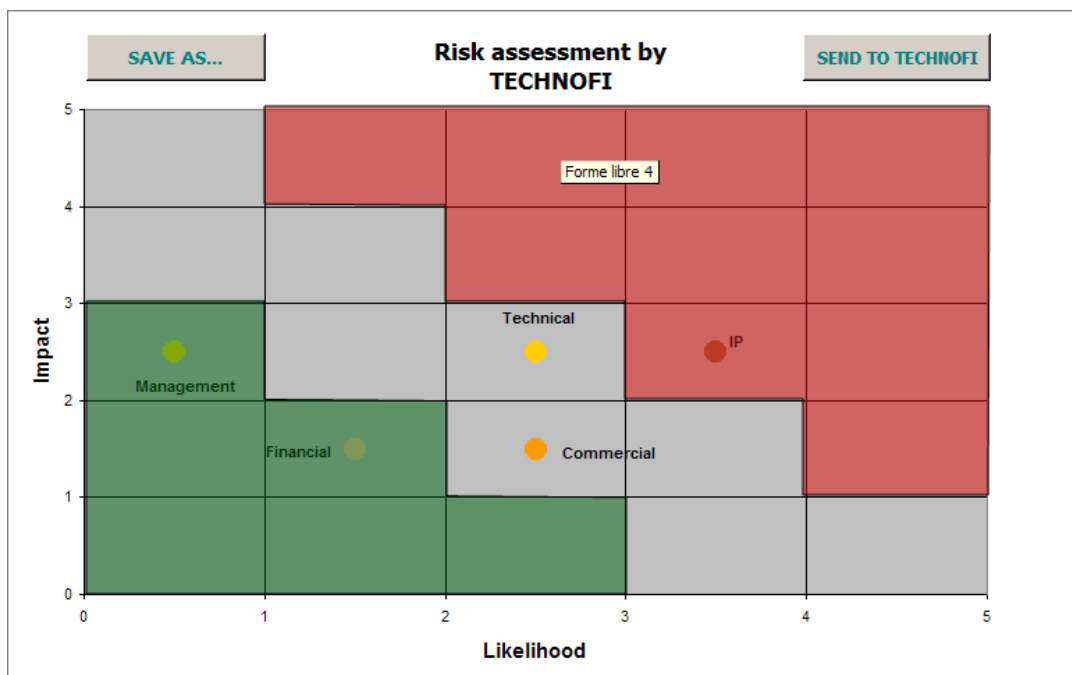


Fig. 5: Result provided

When the offer is accepted, the implementation starts with a kick-off meeting with the SME Manager to agree on the detailed tasks to be performed together. During this kick-off meeting, the consultant will diagnose the innovation management capability of the entrepreneur using the IMP<sup>3</sup>rove tool. The consultant will also give him/her the IPR Manual.

The accompaniment can last 2 months maximum, at the end of which the consultant submits a report following the given template below.

<b>TABLE OF CONTENT</b>	
<b>1.</b>	<b>INTRODUCTION.....</b>
<b>2.</b>	<b>THE BUSINESS DEVELOPMENT PROPOSAL: TECHNICAL AND ECONOMIC BACKGROUND .....</b>
2.1.	THE COMPANY (ACTIVITIES, COMPETENCES).....
2.2.	STATE OF THE COMPETITION ON THE PROPOSED SERVICES IN EUROPE.....
2.3.	INNOVATIVE TECHNICAL FEATURES AND TECHNICAL RISKS FOR THE PROPOSED DEVELOPMENT.....
2.4.	MARKET STATUS AND COMMERCIAL RISKS.....
2.5.	APPLICABLE STANDARDS AND REGULATIONS.....
<b>3.</b>	<b>DEVELOPMENT PROPOSAL CONTENTS .....</b>
3.1.	OBJECTIVES OF THE DEVELOPMENT .....
3.2.	CAPABILITIES TO MEET THE DEVELOPMENT OBJECTIVES .....
3.3.	IP MANAGEMENT AND IP RISKS.....
3.4.	COSTS AND DEADLINES OF THE PROPOSED PROJECT.....
<b>4.</b>	<b>BUSINESS EXPLOITATION .....</b>
4.1.	INDUSTRIALISATION.....
4.2.	COMMERCIALISATION .....
4.3.	FINANCIAL RISK ANALYSIS.....
<b>5.</b>	<b>CONCLUSIONS .....</b>
5.1.	INITIAL RISK PROFILES (TECHNICAL, COMMERCIAL, FINANCIAL, MANAGEMENT, IP).....
5.2.	TARGETED NEW RISK PROFILES AFTER CORRECTIVE ACTIONS SUGGESTED BY THE EXPERTISE.....
5.3.	OPTIMAL FUNDING SCHEME TO REACH MARKET APPLICATIONS: RECOMMENDATIONS FROM EXPERTISE.....
<b>6.</b>	<b>EXECUTIVE SUMMARY OF THE PROJECT.....</b>

**Fig. 6: Expertise report structure**

The report must be accepted by both the SME Manager and OSEO before the consultant can invoice the SME. On reception of the consultant invoice, the SME sends its funding request to OSEO, who commits to pay within 1 month, so that the payment of the external expertise can be honoured rapidly.

This report pinpoints the financial needs of the SME for the next innovation steps. The new proposition will be submitted first to OSEO and ADEME if public funding remains relevant. If the project needs European funding, the SME will be proposed an APT (OSEO instrument) to get support for the proposal building. If the project needs private funding, the SME will be presented first to the Greenovate! Europe’s financial partners. It will be invited to participate in the investor forums organized by KISPLATFORM and other national initiatives.

In any case, the selected SMEs for benefiting of the voucher will be nominated to join the KIS100 Club and presented to the KIS Innovation Platform for final selection. The SME will be invited to participate in the KIS Academy and the KIS Partnering Forum.

### **Summary of national special characteristics**

The French scheme specificities come from the instrument used to finance the innovation vouchers. It meets the rules of the “Feasibility Grant”. It gives the maximum funding rate of 75% of the external expertise. The support provided to SMEs thanks to the KIS-PIMS support scheme has no other equivalent or competitive service based on public funding.

The above described French implementation scheme is fully in line with the specification given in Deliverable D2.1.

### 1.1.4 Summary

The workflow details and criteria applied in the voucher scheme of each target country are summarized below in Table 1.

	AUSTRIA	FINLAND	FRANCE
Financier(s)	- FFG - LEV	- TEKES	- OSEO
Number of vouchers	➤ 21 x 5 000,- € ➤ 4 x 4-5 000,-€ - (100 % eligible)	- 15 x 50 000 Euros - (75 % eligible)	- 60 x 15 000 Euros - (75 % eligible)
Time span of the call(s)	- Continuously - Till Jan. 2011	- March 2009 – August 2009	- December 2008 – December 2009
Eligibility criteria	- SME (the EU definition) - Innovative services promoting RET *) - No RTD agreement with knowledge provider the last 5 years - Not affected by bankruptcy - Result of KIS-PIMS risk assessment	- SME (the EU definition) - innovative service promoting RES - proven market demand - proven benefits for SME's capability development - other public funding not applied	- SME (up to 2000 employees, but mainly EU definition) - Single enterprise or collaborative scheme - innovative service promoting RES - proven market demand - proven benefits in terms of growth, employment and sustainable development - other public funding not applied
Timetable(s) of selection	- 1 - 2 month(s)	- One month	- One month
Accreditation of innovation experts	- FFG and LEV services	- Open list of innovation experts	- Open list of innovation experts
Tools used in consultation	- KIS-PIMS risk assessment tool	- IMP <sup>3</sup> rove - KIS-PIMS risk assessment tool	- Project risk assessment - EspaceNet - Cordis - IMP <sup>3</sup> rove - Competence test - EIFN - (SAT Pro), etc.
Reporting requirements	- Management report signed by both parties - Executive summary	- summary of the results - innovation expert report - financial receipts	- summary of the results - innovation expert report - financial receipts

**Table 1: Summary of the work flow details and criteria applied for the support scheme in Austria, Finland and France.**

\* ) Only those innovation vouchers which are in the scope of KIS-PIMS are listed.

## 1.2 Promotion of the KIS Innovation Platform among the supported SMEs

The KIS-PIMS project is devoted to promoting the use of the KIS-IP among the supported SMEs. This is done by identifying and highlighting the incentives to participate in the KIS-IP. At the same time, the use of the KIS-IP is assessed and elaborated from the point view of specific needs of the KIS-PIMS support scheme. It means that the KIS-IP is used as an additional instrument in the KIS-PIMS support scheme.

### 1.2.1 Screening of the growth-oriented SMEs

The most promising SMEs in terms of growth and employment potential are identified during the KIS-PIMS process in each country. The SMEs are evaluated from the point of view of business potential, team experience, merits achieved, a competitive position, project profile quality etc. The KIS-PIMS project partners share the knowledge on typical characteristics of the growth-oriented SMEs with each other in order to ease the identification process in each country.

### 1.2.2 SME visibility on the KIS-IP

Visibility on the KIS-IP is a strong intensive for the SMEs to participate and get interested in the platform. In practise, the KIS-IP website under Europe INNOVA is a medium to promote the names of the supported companies. The KIS-PIMS project prepares pieces of company news and highlights for publication on the website.

### 1.2.3 Access conditions of the KIS100 Club and KIS-IP investor networks

The KIS100 Club of 100 young innovative service companies in Europe with high growth potential is a platform for mutual learning and exchange of practical experience among peers. The KIS-PIMS project contributes to the nomination of the SME candidates of the Club. The candidates are evaluated from the point of view of KIS activity, business performance, international presence, solid management team, strategic partnerships etc. The KIS-PIMS project pays special attention to the willingness of the candidates to participate in the KIS100 Club. The Partnering Forums of the KIS-IP, with the presence of investors, provide the candidate with an extra intensive to participate in the platform. The KIS-PIMS project spreads information about the KIS100 Club and related events in collaborative networks in each country.

### 1.2.4 The venture awards

Another key element of the KIS-IP is the organisation of a prestigious annual "European KIS Venture Contests" leading to a European service innovation award. The KIS-PIMS project participates in the selection of candidates and promotes the contest in national collaborative networks and appropriate media.

## 1.3 Dissemination of the KIS-PIMS support scheme among innovation intermediaries

From the point of view of dissemination and expansion, a key function of the KIS-PIMS support scheme is to enable innovation intermediaries who are not KIS-PIMS partners themselves to use the support scheme.

### 1.3.1 Accreditation scheme for the use of the KIS-PIMS instruments

The first step in enabling innovation intermediaries to use the support scheme is to design an accreditation scheme to qualify the competent intermediaries to the effective use of the KIS-PIMS tools. The KIS-PIMS project designs, in close collaboration, the document describing the rules of application appropriate to each country.

### 1.3.2 Access conditions of the KIS-IP for intermediaries and selected SMEs

A smooth access to the KIS-IP should be guaranteed to the accredited innovation intermediaries. This is achieved by implementing a quick registration procedure between the KIS-PIMS project and KISPLATFORM. The same applies to the access of the SMEs selected by new intermediaries.

### 1.3.3 Training and qualifying services for the intermediaries

Training of new innovation intermediaries at using the tools of the KIS-PIMS support scheme is accomplished by MH in Austria, TECHNOFI in France and ADVANSIS in Finland. At least one training session is organized in each country, which is followed by corresponding accreditation and registration procedures.

## 2 STEP II: RESEARCH, DEVELOPMENT AND DEMONSTRATION FUNDING

During the WP4-6, design efforts are required for planning the STEP 2 that is about securing research, development and demonstration funding of the selected SMEs in each country. All the supported projects should be connected to appropriate public and private funding sources. This is a challenging task since traditional innovation support mechanisms are often biased towards technological innovation in manufacturing. At the moment, funding instruments dedicated to service innovation are scarce. However, the development of appropriate instruments is accelerating among the European technology agencies.<sup>3</sup>

In order to promote the initiation of the STEP II, the KIS-PIMS project gives access to the investor's profiles and contacts with the supported SMEs. SMEs are informed about opportunities to meet investors in investor forums. Also, eligibility criteria of different funding sources are made known. At the same time, the KIS-PIMS project should elaborate on the prospects of SMEs' income financing for service innovation development. For instance, early-stage piloting of new services could produce cash flow enough for the SMEs to continue the development work.

Further details are given in Deliverable D3.2 describing the tools to be used.

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<sup>3</sup> See EUROPE INNOVA – POLICY BRIEF 2009: Innovation & Services.

## **3 STEP III: ACCESS TO THE COMMERCIAL MARKET**

During STEP III of the KIS-PIMS support scheme, the best performers commercialise the new service and go into the market with help of private funding. The KIS-PIMS projects counts upon the public and private investors that are able to give enhanced support services for SMEs. This is facilitated by organising meetings between the selected SMEs and private investors within the KIS-IP activities and otherwise. The project trains the SME managers to meet the investors with a good probability of success. The KIS-PIMS project also relies on that fact that mutual learning and exchange of experiences usually take place between peers when venues for interaction are arranged as it is in case of the KIS-IP.

Further details are given in Deliverable D3.2 describing the tools to be used.