



# How Clusters Can Support Innovation Ecosystems

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# Agenda of presentation

Innovation and Open Innovation

Clusters and Innovation

Communication gaps which inhibit innovation

How the communication gaps can be overcome

Some insights from BeWiser project - Building Enterprises  
Wireless and Internet Security in European Regions

- Innovation = New products, New processes, New systems, New Business Models which are adopted by many people or businesses
- Innovation results in profit for the company
- and enhanced competitiveness for the company who innovated

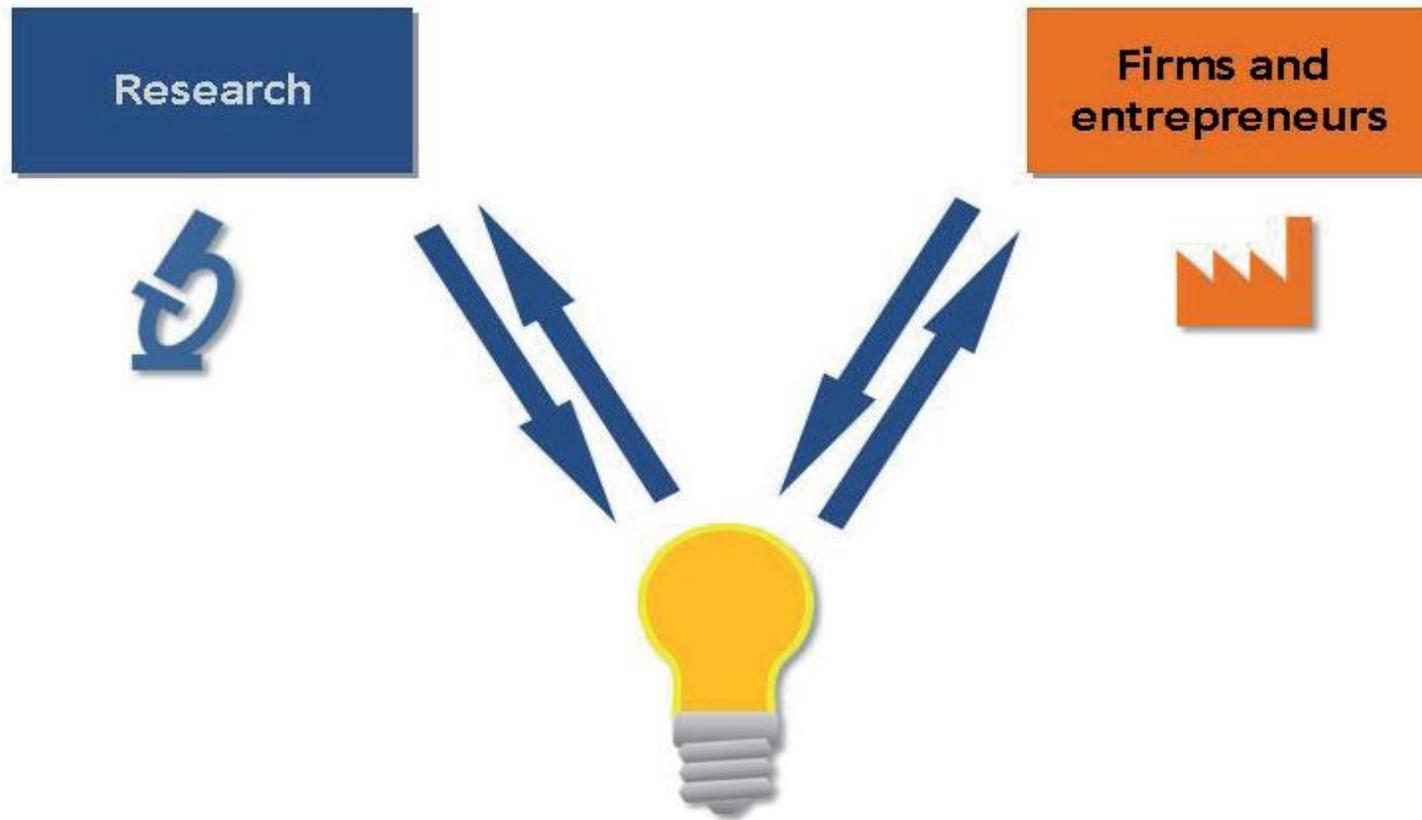
## Open Innovation

Henry Chesbrough published a book in 2003 titled Open Innovation, where he described how companies sought ideas and inputs from other companies, rather than relying on their own resources to do innovation. Open Innovation had been happening for decades.



Big example is IBM PCs in the early 80s. IBM incorporated the chip from Intel and the Operating system from Microsoft into the IBM PC

# Seeds of innovation



Clusters have the potential to support innovation ecosystems.

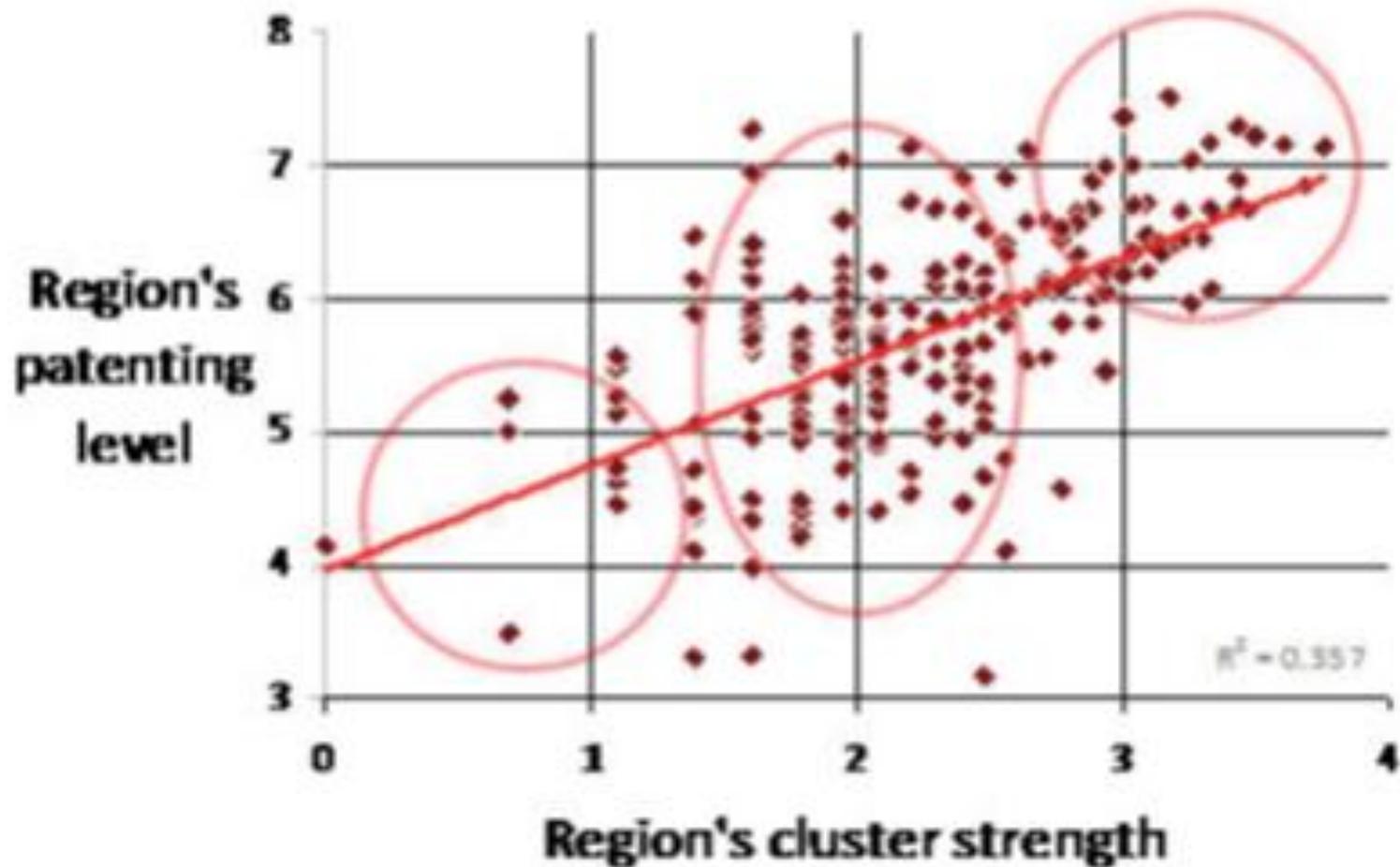
A cluster is a geographical concentration of firms in the same sector, along with suppliers and associated institutions which interact and co-operate to drive business forward.

Clusters can link research institutes, universities and finance with companies who are planning to innovate.

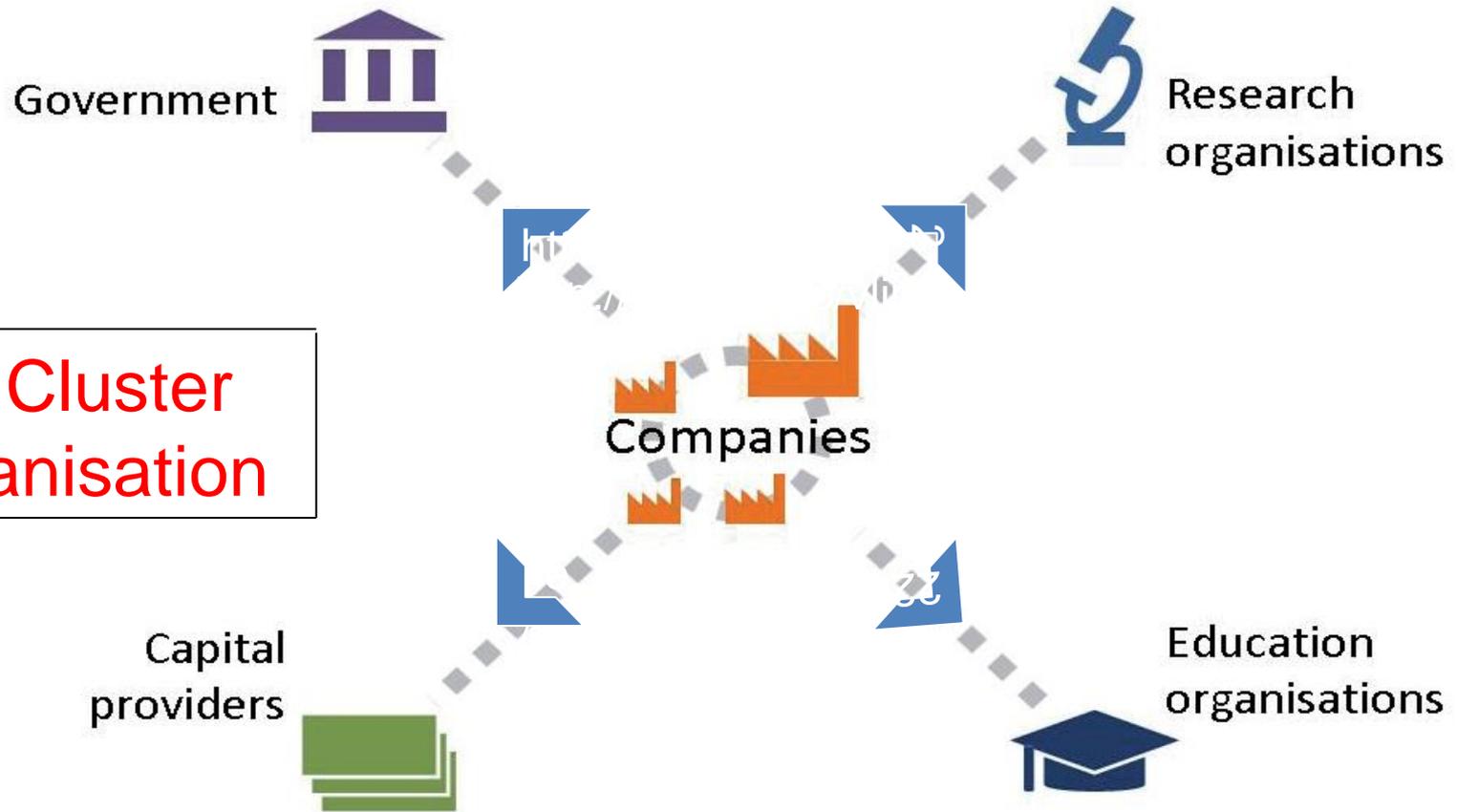
We are familiar with examples of innovations that originated in Silicon Valley.



## Clusters and Innovation



## Actors in a Cluster



If communication is working well, and if there is trust among the companies, research institutions and sources of finance, there will be sharing of information and plans.

But if communication is not working well, if there is a lack of trust and understanding among cluster members, information will not be shared in the ecosystem, and innovation will not develop to its full potential.

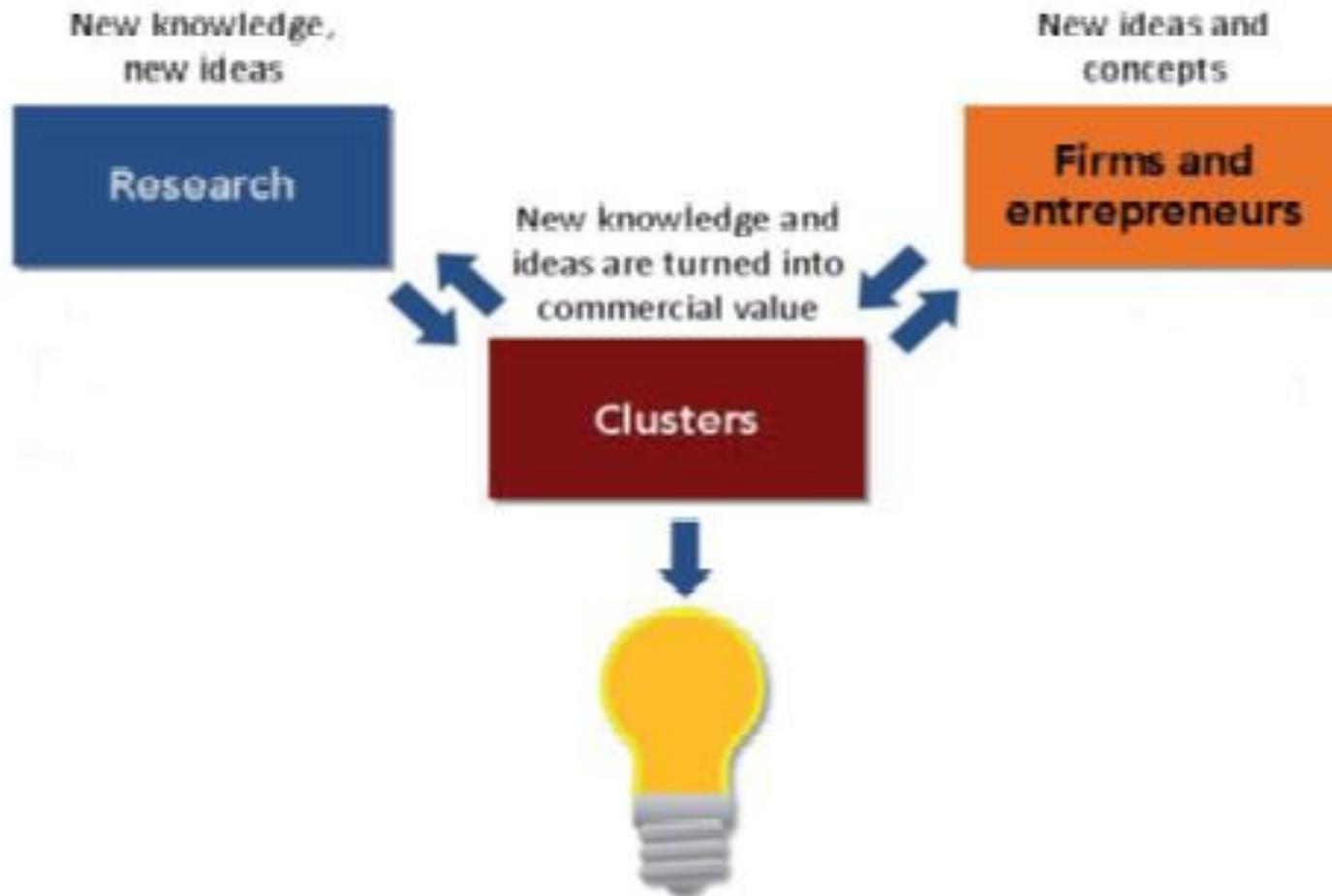
The role of the **cluster organisation** is very important to build trust and communication. Circulating news, events and opportunities to all members helps to build trust.

# The road to Innovation

A new idea does not make an innovation,  
Who will use it.. ? For what purpose..?  
The road to innovation is long and winding.  
The novelty needs fine tuning,  
business assumptions may have to be overthrown,  
and  $\beta$  versions developed.

Cluster organisations can connect complementary skills, sophisticated users, access to innovation, research and capital to finance new ventures.

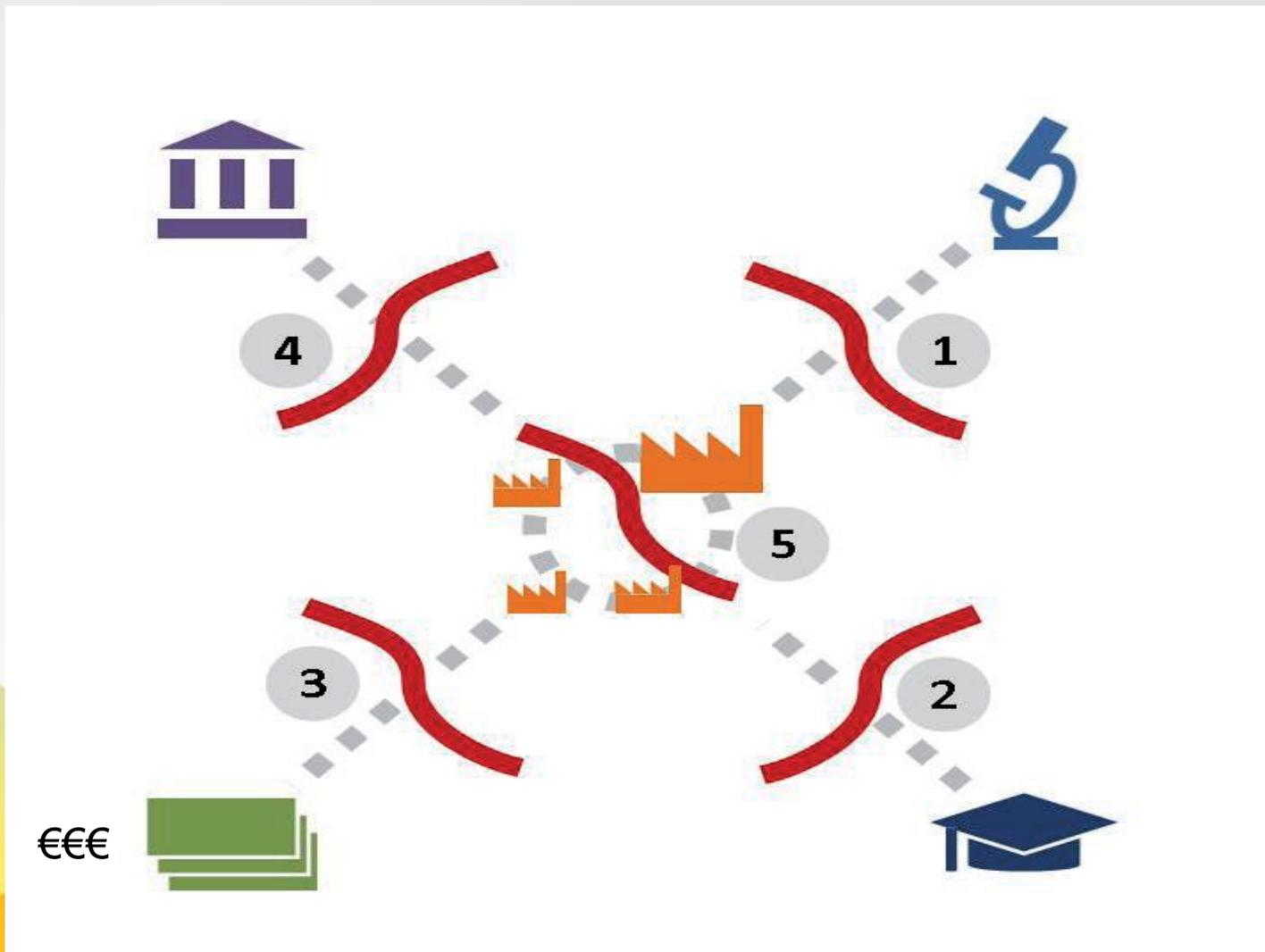
# Innovation



Clusnet, a 3 year Interreg project which reported in 2011, had the aim of improving the effectiveness of cluster support policies in 10 European city regions. Lead partner was Lyon, France.

Clusnet recognised 5 gaps within clusters which inhibit innovation, and in addition Clusnet recognised two external gaps or weaknesses which can help build bridges externally

# Potential Gaps to Innovation in the cluster ecosystem



## Additional gaps external to the cluster

- 6 The cross-cluster gap, limiting connections between one cluster and another
  - 7 The Global Market gap, limiting connections between a cluster and global markets
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## 3 Insights from BEWISER, an FP7 project which ended last June

BeWiser aimed to Build Enterprises, and give impetus to the development of Wireless and Internet Security in Europe [www.be-wiser.eu](http://www.be-wiser.eu)

There were 7 regional ICT clusters led by Systematic Paris Region, with clusters in UK, Spain, Germany, Ireland, Slovenia and Cyprus.

Our Lead Partner [www.systematic-paris-region.org](http://www.systematic-paris-region.org)

Systematic Paris Region (SPR) shared the four missions of the SPR cluster  
They are

- Collaborative Innovation via R&D projects
- Support SME Innovative Growth
- Reinforce International and European business development
- Animation and Ecosystem development

Tamara Högler, Head of Innovation and International Affairs in CyberForum, an ICT cluster with more than 1000 member companies in Karlsruhe area, Germany, emphasised to BeWiser partners that it is essential to get to know the member companies in the cluster, and get to know their competencies, plans and resources. In this way it is possible to  
Connect members, Combine member firms and Collaborate for Innovation

CyberForum connects companies with projects and combines companies with Government agencies

A third insight from BeWiser project is the development of V-LINC in Dept of Management and Enterprise, Cork Institute of Technology

<http://www.cit.ie/vlinc>

# V-LINC, Visualisation of Linkages in Networks and Clusters

V LINC records, categorises and shows on a map the linkages that firms in clusters have with other firms, universities, research institutes and government agencies.

The relationships with other firms and support institutions are shown on maps locally, nationally and internationally.

This enables the researchers to make recommendations to improve the functioning of clusters.

The V-LINC team is led by Dr. John Hobbs and Dr. Eoin Byrne in the Department of Management and Enterprise, Cork Institute of Technology <http://www.cit.ie/vlinc>

V-LINC is an expert research group which informs and develops policy recommendations through mapping, visualising and analysing the strength of key relationships within Cluster Ecosystems.



Applied across Europe and in the US via [Be Wiser](#), [REMCAP](#) and [ERASMUS+](#) projects

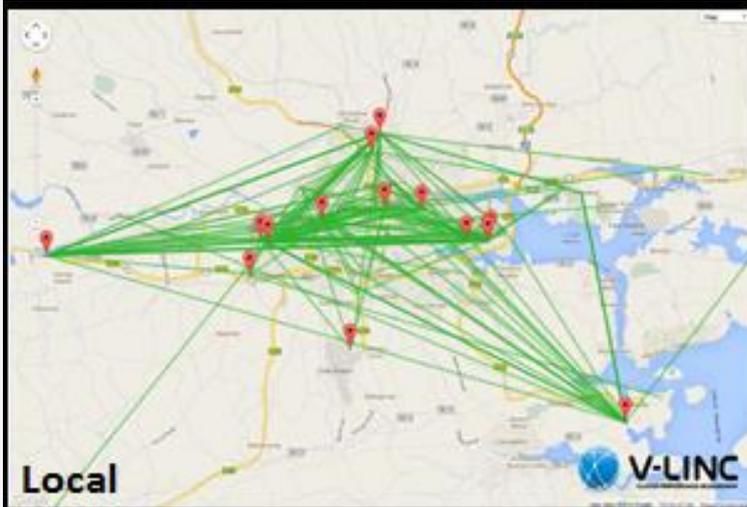
# V-LINC Analysis of Cork's ICT Sector

 10 SMEs

 47 interviews

 6 Large Firms/  
MNEs

 571 Linkages



# Thank you for your attention

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