



# Industrial Dynamics in Vastra Gotaland

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# Background

- RITTS Western Sweden
- The Regional Study on Innovation 2002
- Global trends in the manufacturing industry
  
- **Industrial Dynamics**
- The ID Region – characteristics
- Main action - world class innovation system
- Target and goals



# RITTS Western Sweden conclusions (1)

The support system is characterised by

- Specialised or very local organisations  
(= multiple points of contact)
- Signposting and general advice rather than hands-on support
- Little co-ordination and collaboration
- Lack of pro-active behaviour

**Present support system not adapted to industrial companies' needs and demands**



## RITTS conclusions (2)

- SMEs are
  - unlikely to bring in external competence
  - not prepared to pay market price for services
  - perceiving the support system as complicated and fragmented
  - not prone to collaborate
  - many have a change adverse attitude

**A change of attitude and innovation culture is needed!**



# Benchmarking study on business practices

(Swedish regions vs New Zealand)

- Industrial companies in Region VG showed lowest score in innovation and benchmarking
- Consistent for all sizes, sectors and parts of the region



# A new industrial revolution...

- Rate of change rapidly increasing
- Globalisation rapidly becoming a fact
  - Global competition
  - Global collaboration
- Market windows shrinking
- Manufacturing jobs moving to LCCs
- Supply chain structures changing



# Conclusions for Vastra Gotaland

- Raise awareness in SMEs about changing world in order to change internal innovation culture
- Create a regional support system that is
  - Versatile and needs-oriented
  - Hands-on and able to deliver the best possible services responding to complex demands (technology, business development, marketing)
  - Easy accessible and more co-ordinated
  - Providing value for money
- Support and encourage company networks and clusters



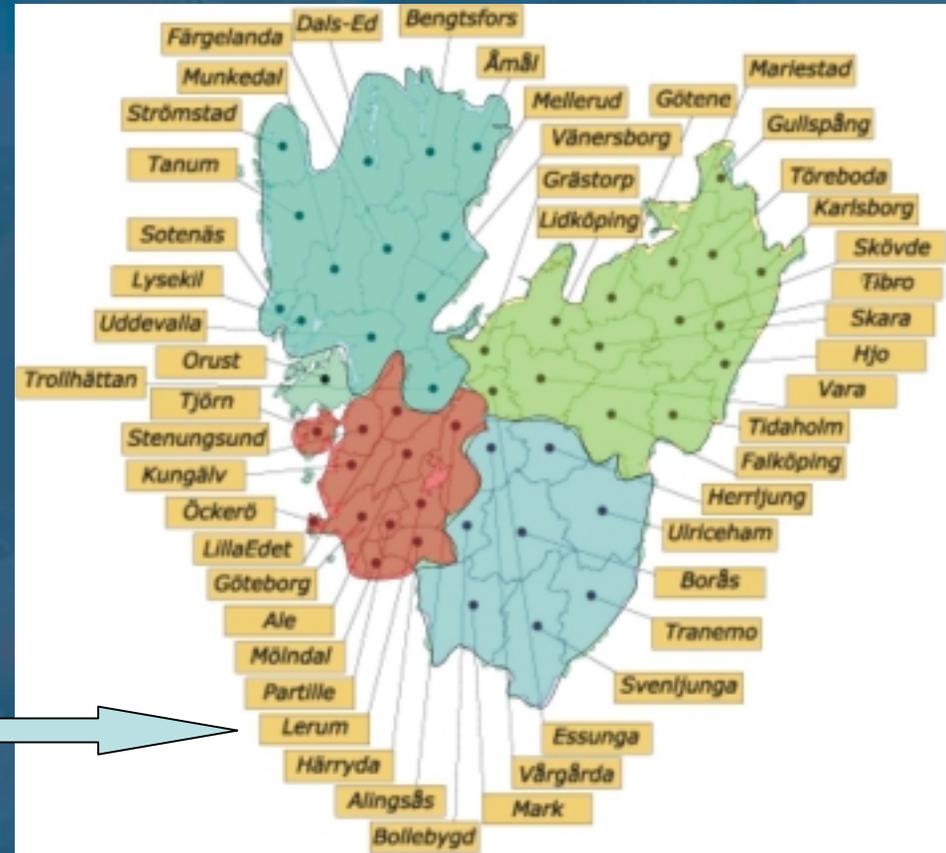


# Industrial Dynamics (ID) in Region Västra Götaland

- EU's Innovative Actions (ERDF)
- Budget 3 M€, of which 50% EU-funded
- Region Västra Götaland managing body
- Program period 2003-2004 (24 months)



# The ID Region





# The ID Region - Figures

- 36 towns and municipalities
- Population 714 000
- Negative population trend
- Negative employment trend
- 1420 industrial SMEs (5–249)
- 83 % small companies (5-49)
- 28 % employed in industrial sector (87 000)



# Main action in the Programme

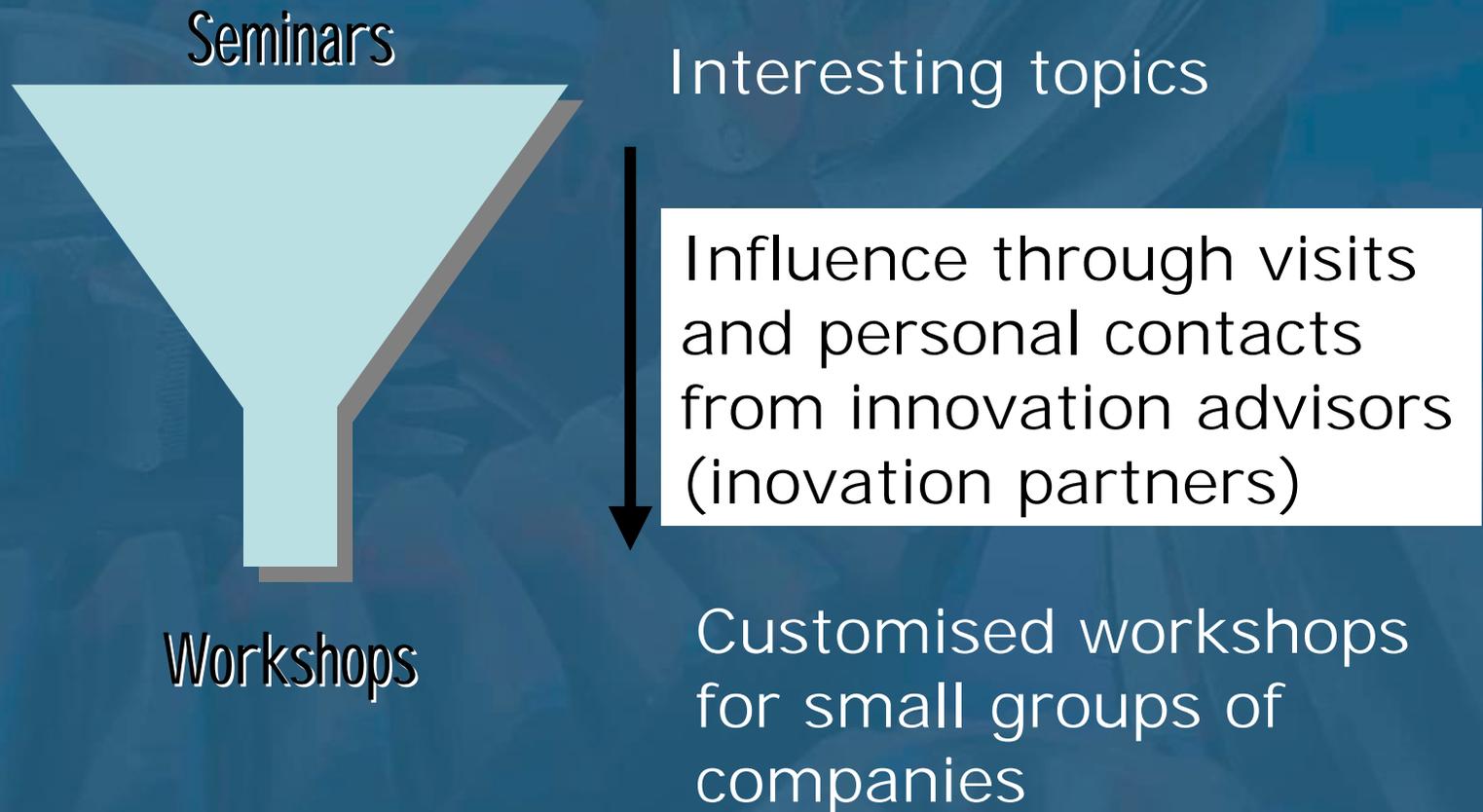
Develop a world class innovation system based on knowledge transfer for industrial SMEs

## Main pillars in this action

- Awareness raising among companies
- A new, world class support system
- Network and cluster formation

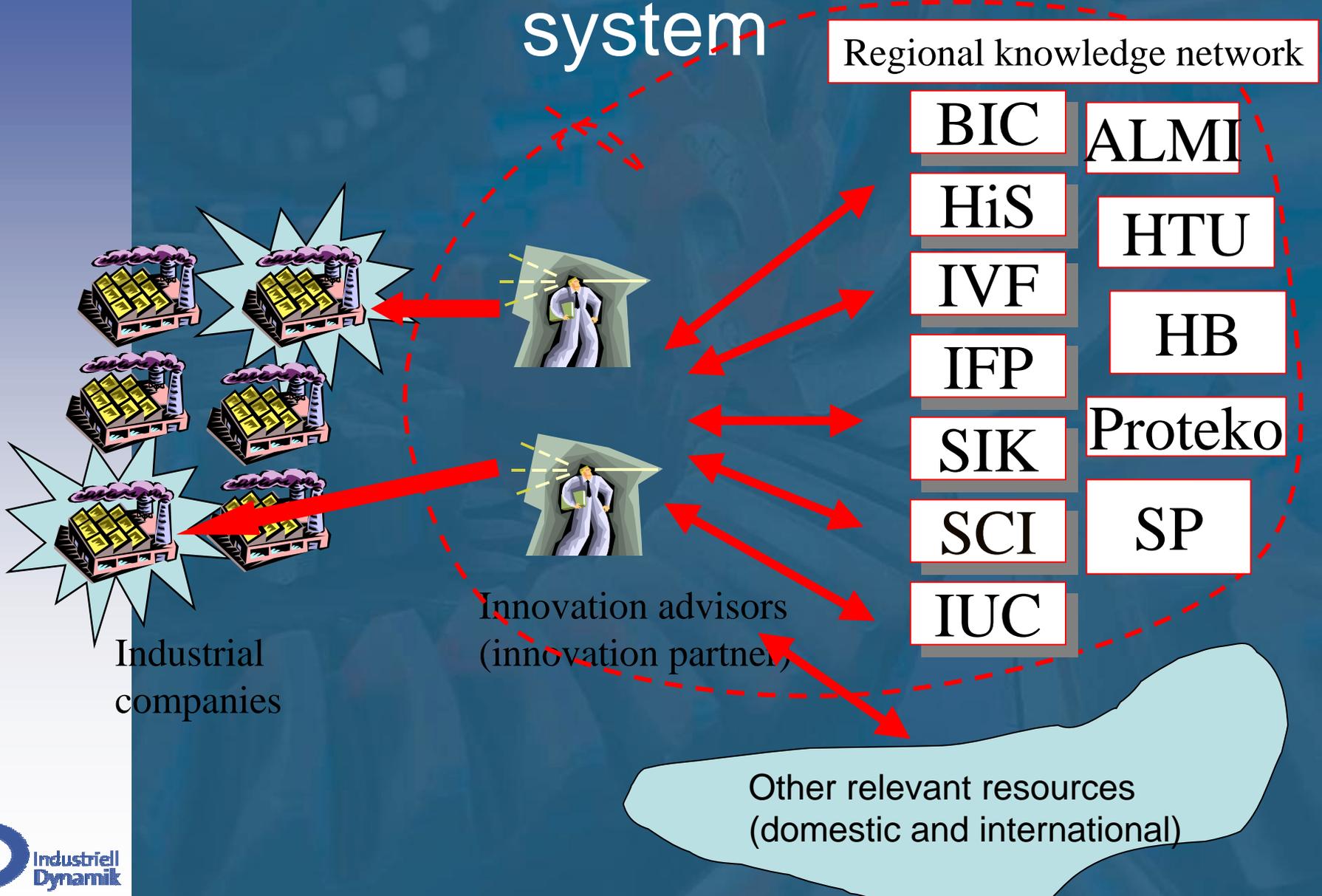


# Awareness raising and promoting innovation culture: Seminars, workshops and personal influence





# World class support system



Regional knowledge network

- BIC
- ALMI
- HiS
- HTU
- IVF
- HB
- IFP
- SIK
- Proteko
- SCI
- SP
- IUC

Innovation advisors  
(innovation partners)

Industrial  
companies

Other relevant resources  
(domestic and international)



# Business networks and clusters

- Scout for potential and embryonic networks and clusters
- Facilitate development of emerging networks and clusters
- Support and accelerate existing networks and clusters



# Targets and goals

- Programme targets:
  - Visit, analyse and advise 300 companies
  - Initiate and start development projects in 100 companies
  - 200 companies to participate in seminars and work-shops
  - Pilot studies of 10 possible company networks
  - Development of 2 existing clusters/networks
- Long term goal
  - Create a world class innovation system for industrial SMEs in Region Vastra Gotaland