

Public policy to stimulate networks:
**A strategic model for clusters
evolution**

THE E-CLUSTER PROJECT

Matteo Ametis
Veneto Innovazione, Italy

- **Clusters and networks**
- **The clustering process in Veneto**
- **E-cluster project**
- **E-cluster pilot cases**
- **From experimentation to implementation**
- **Regional policy**
- **Development of regional policy actions**
- **Conclusions**

Different definitions but some key points

- A **socio territorial entity** characterised by the active presence of a group of persons and a population of firms in a given historical geographical dimension (Beccatini)
- **Geographical concentration** of interconnected companies and institutions in a particular field (Porter)
- networks of production of strongly **interdependent firms** (including specialised suppliers), **knowledge producing agents** and customers, linked to each other in a value adding production chain (OECD).

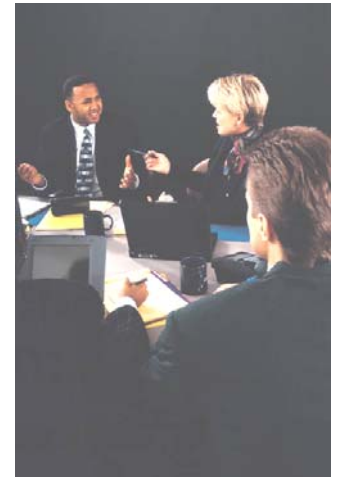
But in general the **key elements** are:

1-GEOGRAPHICAL CONCENTRATION;

2-SPECIALISATION;

3-MULTIPLE ACTORS;

4-CRITICAL MASS.





The Veneto economy ...

Veneto is one of the strongest economic regions in Europe (**9.1% of the national GDP**)

- Second Region for number of companies but most of all are **SMEs (450.000 companies, 9% of Italy)**

- Economy based mainly on **manufacture sector** (34% GDP of Veneto)

- Very **low expenditure in R&D** (6% of total R&D Italy)

... and the clustering process contribute to:

- Reduce cost of acquiring knowledge and of transaction costs due to close proximity
- Overcome internal dimensions by combining efforts and resources with other firms
- Access to added value services (Marketing, design, training, R&D)
- Foster the appropriate milieu favourable to innovation

Impact of global trends in regional economy

Crisis for cluster model :

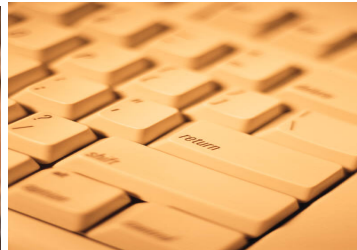
- Globalization and a new competitive Arena (reduction of interaction costs)
- New competitors appearance with low labour cost (loss of competitiveness for Veneto leader companies)
- Start of a delocalization and internationalization phase for Veneto companies
- New value chain reconstructed in the new country
- Loss of physical-territorial components of clusters
- Clusters need new and different rules and organizations

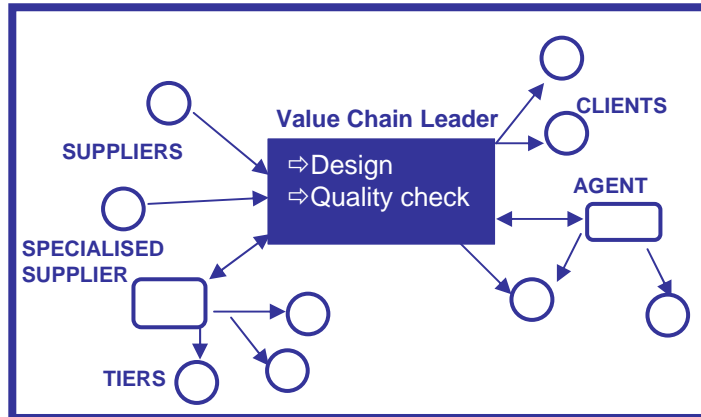
3 Steps to innovate clusters

1-SET UP A MODEL: e-cluster project sets out to devise and test an **alternative, innovative model of cluster organization**; a model that can cope with the new competitive challenges and *boost collaboration between clusters of businesses, organized into virtual networks of specialist customers and suppliers.*

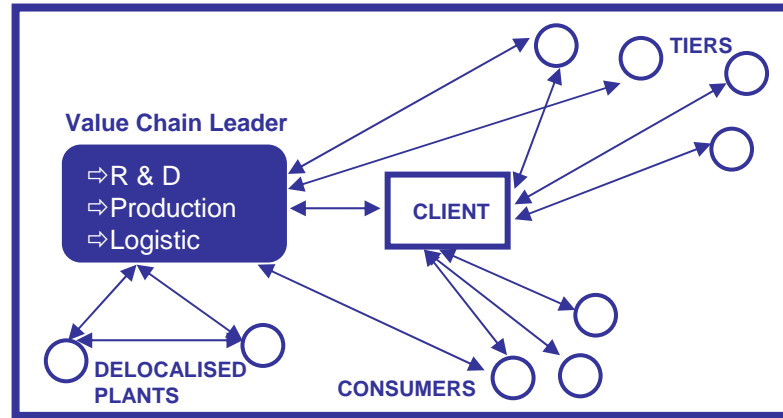
2-IMPLEMENT THE MODEL: the aim of this stage is the *creation and promotion of global level networks with the introduction and support of ICT, the change being accompanied by a review of the organizational processes.*

3-EVALUATE THE OUTCOMES: try to learn “lessons” (enabling conditions, critical elements to be kept in mind, methodologies and instruments to be reused) in order to be able to *replicate the model in similar circumstances.* And **translate the solutions tested in the experiment into regional priorities and policy contents.**





e-cluster 1

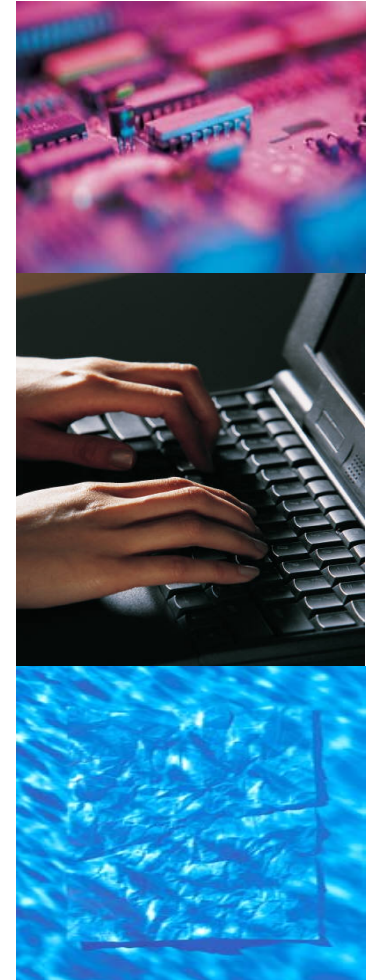


e-cluster 2

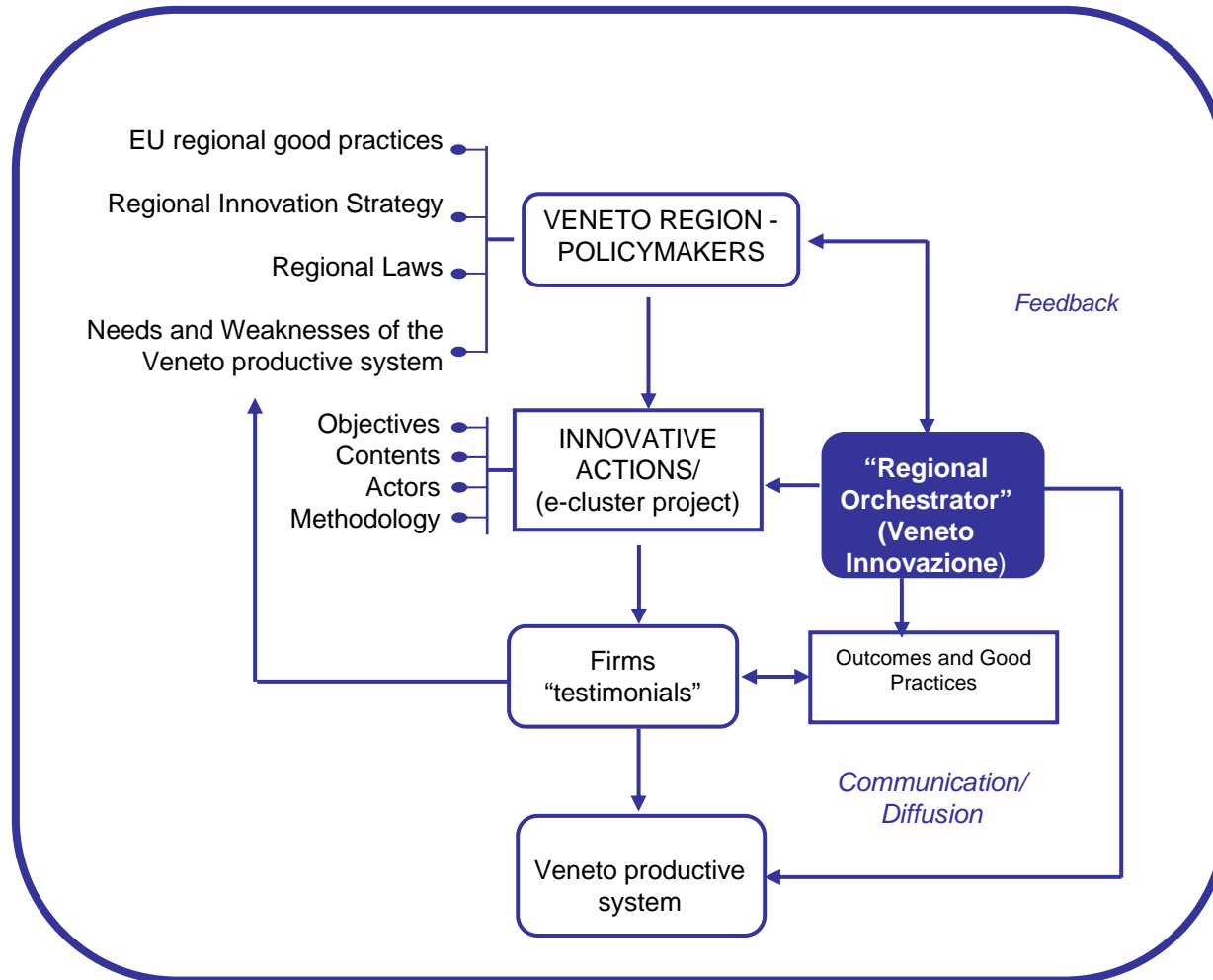


**FROM
Experimentation
TO Implementation**

- **Physical proximity is no longer a sine qua non** of the e-cluster model;
- **ICTs play a fundamental role** because the efficient management of information flow is a strategic imperative;
- there is a need for a “**Value Chain Leader**”, a body (customer company or specialist supplier) that can
 - perform the role of coordinator of cluster activities
 - share a common vision
 - carry out the core functions that control and guarantee the quality of the process.



<i>Type of policy</i>	<i>Support actions for business clusters in the Veneto</i>
•Broker policies	- databases and observatories
•Demand side policies	- industrial research and pre-competitive development activities; technology transfer - creation of data processing and telematics services - energy-saving actions
•Training policies	- industrial reorganization programmes to support employment
•Promotion of international linkages	- setting up of temporary exhibitions to demonstrate machines, equipment, prototypes and services with high innovative technology content - commercial promotion of innovative products
•Framework policies	- creation of works and infrastructure associated with the environmental improvement of the territory - logistic services in support of cluster systems - support for participation in EU projects



- public supporting measures** for business networks are designed after pilot actions
- companies and stakeholders are deeply **involved in the policy making** process



Thank You for your attention!

If you would like to know more please contact

Matteo.Ametis@venetoinnovazione.it