

Rapporteur: Plenary 7c (Steve & Robert) Thursday October 29th

Title of Session: “Developing Clusters of Innovation”

Moderator: Roberto des Reis Alvarez

A variety of solutions are needed to meet challenges in developing and driving innovation worldwide.

There are “soft” and “hard” tools available – examples of “soft” resources include education, mentoring and examples of “hard” resources are incubators and technology. Networks that supply these resources clearly add value.

Each region needs a different innovation strategy.

The challenge also is to go from “local” to “global”

Speakers :Juliana Tubino, Wang Zhen, Bagrat Yengibaryan

Juliana Tubino, Director Microsoft for Local Software Economy

Stakeholders of innovation centres are often looking for outputs such as high growth in job creation and the acceleration of technology transfer. We’ll look at the factors that foster the development on innovation centres – Microsoft has 110 centres all over the world in 78 countries, developed in local ecosystems.

Microsoft maps each country and measures the ecosystem maturity.

Cultures & attitudes are important – there must be a spirit of entrepreneurship in order to create an innovation centre. “Entrepreneurs embrace risks” whilst others prefer security.

More than half of the companies on the Fortune 500 list were launched in a global economic crisis.

Only 16% of the fastest- growing and most successful companies in the United States had venture investors.

Shouldn’t we focus on large companies to create jobs?

From 1980 – 2005 firms less than 5 years old accounted for all new job growth in the United States.

The highest rate of entrepreneurial activity in the USA belongs to the 55-64 age group.

Society needs engineers who not only solve engineering problems, but who can participate in bringing ideas and products to market.

Student competitions have led to new start ups in innovation centres producing solutions to meet local needs.

5 criteria are needed in the innovation environment:
Skills, Incentives, Education, Financing and IT

“If you are a cluster on innovation you need to be above average in 2 to 3 of these 5 areas”

Wang Zhen, Assistant Director of Shanghai Technology Innovation Centre, China

Overview of Incubators in China

670 Incubators

Over 23 million m²

44346 tenants

31764 graduates

1,200,000 jobs

Shanghai has 16 (sector) specialized incubators out of a total of 35

Services are delivered via an Incubation Service Platform with the overall aim to build capacity.

Capacity building includes professional incubation, mentoring systems and angel investment.

“One Incubator, several bases”

Shanghai hosts an international training programme for international incubator managers.

Soft landing programmes have led to the international business incubation base and the 1st Shanghai overseas incubator in the UK.

Bagrat Yengibaryan, Director of Enterprise Incubation Foundation, Armenia

The presentation focused on the journey from innovation clusters to national innovation policy.

Armenia – 3 million population, which is small but Armenia is seen as a leader among transition countries.

Innovation is an important part of Armenia’s overall value chain.

There are 175 IT companies in Armenia, mainly owned by foreign companies and in Armenia there is extensive experience working with foreign nationals.

95% of IT companies have Diaspora involvement, indicating the importance of connecting to networks.

The average revenue for these IT companies has increased by 30% in the last 5 years.

The model in Armenia relies on building successful partnerships, with incubators, knowledge centres and investor communities.

The government privatised the IT sector, with a direct impact on increased productivity.

The four strategies used for driving innovation are domestic corporate led innovation; multi national or R&D hub led innovation; government led and environmental led innovation

The future plans for Armenia include significant investment in incubators and IT parks. Such plans are embedded in the innovation system infrastructure.