

Evaluation of BSR Stars Innovation Express 2015

- Projects implemented 2016-17¹

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¹ Projects contracted end-2015, and implemented during 2016-2017

Executive Summary

BSR Stars Innovation Express is an instrument to foster the internationalization of SMEs through clusters or business networks. The BSR Stars Innovation Express concept encompasses a cluster-to-cluster matchmaking event, a coordinated transnational call for proposals (where approved projects are funded through distributed regional/ national sources), and a number of capacity building and policy learning activities. Innovation Express is a core activity of the BSR Stars programme² - which aims to facilitate linkages and develop collaboration between specialized research and innovation environments across the Baltic Sea Region.

Overview of results and key messages from this evaluation



After successful experiences in 2013 and 2014, the BSR Stars Advisory Board encouraged the continuation of Innovation Express activities (including annual matchmaking conferences, calls and capacity building) from 2015-2017³. The call in 2015 resulted in a total of 27 new international collaboration projects, involving 33 clusters⁴ and more than 1100 SMEs from the 6 participating funding partner countries – as well as 31 additional clusters and companies from other countries. These projects were initiated in December 2015/January 2016 – running for up to 18 months.

The aim of this evaluation is to address policymakers’ demand for understanding the type of results that SMEs experience from these projects, as well as the role that cluster organizations play in catalyzing SME internationalization. As 2017 marks the end of a first five years of implementation of Innovation Express, this evaluation also provides an overview of activities and

² The BSR Stars programme is a flagship within Policy Area Innovation of the EU Strategy for the Baltic Sea Region (see www.bsr-stars.eu for additional information).

³ A project application for Innovation Express activities in 2015 was submitted by DASTI (the Danish Agency for Science, Technology and Innovation) to the Nordic Council of Ministers and approved in February 2015. A separate application for Innovation Express activities in 2016-2017 was submitted in May 2015 and approved in October 2015.

⁴ Several Danish clusters were active in more than one collaborative project. In 2015, a total of 40 project applications (from clusters in the six countries) were approved.

overall lessons learned about the concept – highlighting insights and recommendations for the future.

This year's evaluation again highlights the value-added of the BSR Stars Innovation Express concept as an effective approach for engaging SMEs in pragmatic international activities.

Innovation Express projects act as seed investments – providing SMEs with new knowledge, inspiration and broader networks (in the short term), which contribute to new international research and innovation or commercial collaboration (in the longer-term).

The evaluation highlights the continued support for this approach as an efficient way to facilitate linkages and initiate transnational collaboration projects – testing relevance for SMEs before investing in more ambitious and longer-term activities with international partners. (A number of projects approved in 2015 build on previous Innovation Express activities or partnerships.)

The Innovation Express approach meets funding agencies' policy objectives of SME internationalisation and interregional collaboration by providing clusters and their member companies with ***access*** to a critical mass of potential collaboration partners, ***legitimacy*** (and “proof of quality”) through the involvement of national/regional agencies, and ***strengthened international visibility*** (both within and outside the BSR) of countries' specialized innovation hubs. The evaluation also provides insights and recommendations to guide future activities to promote SME internationalization and transnational smart specialization (within the BSR, and more broadly).

This evaluation report summarizes perspectives from SMEs and cluster organizations participating in the 27 transnational innovation projects – highlighting five key messages (see above).

The overall experience with BSR Stars Innovation Express continues to be very positive, and there is demand for continued regular implementation and further development of these activities. The evaluation highlighted a number of potential areas for improvement:

- Better synching of financing rules, levels and timing of funding (across the countries)
- Expansion of regions/countries involved in funding Innovation Express projects
- Offering possibilities to extend projects/partnerships – with funding that continues (growing or declining) or is cut off depending on attainment of agreed milestones

As the first five years of Innovation Express implementation draw to an end in 2017, there is an opportunity to reflect on lessons learned and consider new approaches to implementation of the concept. Results and recommendations from this evaluation serve as a key input, and will be fed into discussions of the “Innovation Express coordination team”⁵ going forward.

⁵ Gathering funding partners and other innovation agencies/ministries from the Baltic Sea Region and beyond, currently led by the Danish Agency for Institutions and Educational Grants

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Introduction

BSR Stars Innovation Express is an instrument to foster the internationalization of SMEs through clusters or business networks. The BSR Stars Innovation Express concept encompasses a cluster-to-cluster matchmaking event, a coordinated transnational call for proposals (where approved projects are funded through distributed regional/ national sources), and different capacity building or policy learning activities. Innovation Express is a core activity of the BSR Stars programme⁶ - which aims to facilitate linkages and develop collaboration between specialised research and innovation environments across the Baltic Sea Region.

In 2015, the BSR Stars Innovation Express call was open from 1 May – 30 October, and attracted 58 applications from cluster organisations and business networks in the six funding partner countries. Of these, 40 were approved – directly engaging 1186 SMEs in international innovation collaboration activities. 23 applicants from funding partner countries have teamed up in 10 joint projects (with 2 or more partners receiving funding). In addition to these joint projects, 17 more projects have been approved – resulting in a total of 27 new international collaboration projects⁷. In addition to the call, a cluster-to-cluster matchmaking event was held on 17-18 September in Copenhagen.

This document provides an evaluation of the BSR Stars Innovation Express projects implemented during 2016-17, based on survey input from the projects funded and initiated in the 2015 call, supplemented by additional interviews for case stories. As 2017 marks the end of the first five years of implementation of Innovation Express, this evaluation also provides an overview of activities and overall lessons learned about the concept – highlighting insights and recommendations for the future.

Background and Objectives of the Evaluation

As discussed and agreed at the coordination team meeting 12 December 2016, there is a continued demand among policymakers and funding agencies to evaluate the progress and results of the transnational projects initiated through the Innovation Express calls – helping policymakers to continually improve the Innovation Express concept and ensure it supports the internationalisation of SMEs' innovation activities.

This evaluation follows the same general framework established in the first two evaluations of Innovation Express projects⁸ - with additional efforts at gathering more structured insights on approaches used and results achieved (through case stories). The evaluation addressed six overall questions:

1. What internationalisation support activities are most in demand by SMEs?
2. Are cluster/network organisations helpful in understanding SME needs, identifying opportunities, mobilising and catalysing SMEs' international activities?
3. What results do SMEs get out of Innovation Express projects?
4. What are the different approaches used and models for internationalization of SMEs through clusters?

⁶ The BSR Stars programme is a flagship within Policy Area Innovation of the EU Strategy for the Baltic Sea Region (see www.bsr-stars.eu for additional information).

⁷ An overview of approved projects is presented in Appendix I.

⁸ Previous years' evaluation reports of Innovation Express projects can be downloaded under the documents section here: <http://www.bsr-stars.eu/innovation-express/>

5. Is the "Innovation Express" concept (i.e. lower financing levels, quicker time to decision and short time to act) attractive and effective for fostering SMEs' internationalisation?
6. Does supra-national support (i.e. common brand and coordination, joint matchmaking event, top-up financing for 'joint purposes', etc.) provide added value?

Evaluation Target Groups and Implementation

To provide insights on the above questions, surveys and/or interviews were conducted with two target groups:

- SMEs involved in the funded projects (for questions 1,2&3)
- Cluster/network organisations (or other) coordinating the funded projects (for questions 3,4,5&6)

The 2015 BSR Stars Innovation Express call had 6 funding partners in 6 countries, and resulted in 40⁹ contracted projects (see Appendix I). Each of the approved projects had a requirement to involve a minimum of 3 SMEs.

Table 1: Evaluation Target Groups and Response Rates

Target Group/ Funding Partner Country	Cluster/ network orgs			SMEs		
	# Targeted	# Received	50% target?	# Targeted	# Received	50% target?
Denmark	23	21	91,3%	69	107	155,1%
Iceland	2	1	50,0%	6	0	0,0%
Lithuania	1	0	0,0%	3	0	0,0%
Norway	5	3	60,0%	15	2	13,3%
Sweden	4	3	75,0%	12	11	91,7%
Catalonia, Spain	3	3	100,0%	9	4	44,4%
TOTAL:	38	31	81,6%	114	124	108,8%

Standard question sets for each target group were distributed when projects were contracted (see Appendix II). Responsibilities for data collection were delegated. Cluster/network organizations coordinating the funded projects were responsible for collecting responses from at least three participating SMEs¹⁰, responding to their own question set, and sending these responses to the funding partner¹¹. Funding partners were responsible for collecting responses

⁹ One of the initially contracted projects in Sweden, and two of the initially contracted projects in Catalonia were not carried out. However, one additional project in Catalonia was carried out (without funding). Thus, the total number of projects included in the target group for this evaluation is 38.

¹⁰ Many projects involved more than 3 SMEs. Some projects attempted to collect survey responses from all participating SMEs.

¹¹ Cluster organizations and SMEs also had the option of submitting their responses online.

from each of their funded projects¹² (upon project completion), and sending all responses to the person responsible for synthesizing and reporting results¹³.

Evaluation responses were collected on a rolling basis as projects were completed (from June 2017). This summary of results is based on responses collected as of 31 October 2017, supplemented by additional interviews for case stories¹⁴. The evaluation results will be presented to relevant committees at the Nordic Council of Ministers and the BSR Stars Advisory Board, and will be further disseminated to relevant actors within the European Commission.

Evaluation Results

Results are presented in relation to the overall questions, structured in three sections: SME internationalization – support needs and the role of cluster organizations¹⁵, results from Innovation Express projects (including case stories)¹⁶, and the BSR Stars Innovation Express concept¹⁷. Charts summarizing evaluation results for each country are presented in Appendices IV-VIII.

SME internationalization – support needs and the role of cluster organizations

It is widely documented that small companies experience higher barriers to internationalization than larger companies. With limited resources and personnel (and a need to focus these resources on daily operations), many small companies perceive internationalization activities (be it export, knowledge or technology transfer, or joint development) as strategically interesting, but rather risky. Many reports (including previous years' evaluations of Innovation Express projects) highlight that SMEs' main barriers to internationalization are: **lack time or capacity, lack of financing or other financial resources, and lack of defined opportunities/potential partners**.

These barriers to SME internationalization are addressed through various policies and support structures (such national/regional business development agencies and trade promotion organizations, as well as Enterprise Europe Network) – which provide a range of services to SMEs. SME respondents reported that the internationalization support activities that were most helpful were **general networking and access to new international contacts/cooperation partners** (61%), **access to market information/benchmarking/inspiration** (48%), and **exposure to new opportunities/new partners in other sectors or application fields** (35%) (see Figure 1 below).

As in previous years' evaluations, SMEs highlight networking and access to new international contacts/cooperation partners as the most useful service. New international contacts seem to be

¹² In addition to the targeted cluster organizations in Denmark, responses were collected from four cluster organisations who were associated partners (i.e. non-funded partners) in their projects.

¹³ The Danish Agency for Institutions and Educational Grants (formerly DASTI) is the coordinating partner for BSR Stars Innovation Express, and has subcontracted the evaluation tasks to Dr. Emily Wise, Research Fellow and Consultant.

¹⁴ As a complement to the surveys, additional interviews were held with cluster organizations (and SMEs) involved in Innovation Express projects approved in 2015 as input to « case stories ». A list of these case stories and related interviews is included in Appendix III.

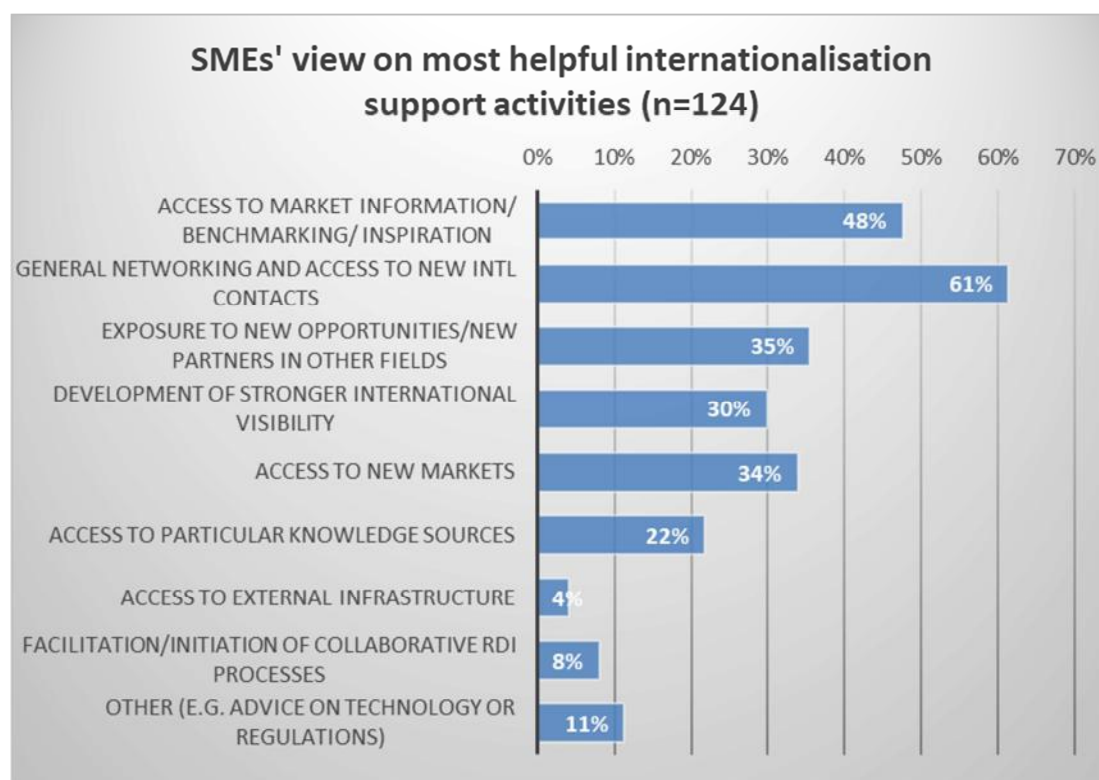
¹⁵ Addressing questions 1 & 2 (see page 5)

¹⁶ Addressing question 3 & 4 (see page 5)

¹⁷ Addressing questions 5 & 6 (see page 6)

the natural first step – a ‘door-opener’ to new knowledge/inspiration and possible leads for new business and collaboration.

Figure 1: SMEs’ view on most helpful internationalization support activities



When asked to elaborate on the most helpful support activities, SMEs highlighted the value of getting introduced to the “right contacts” – a service that requires an understanding of a company’s own needs, as well as the identification and prioritization of relevant partners internationally.

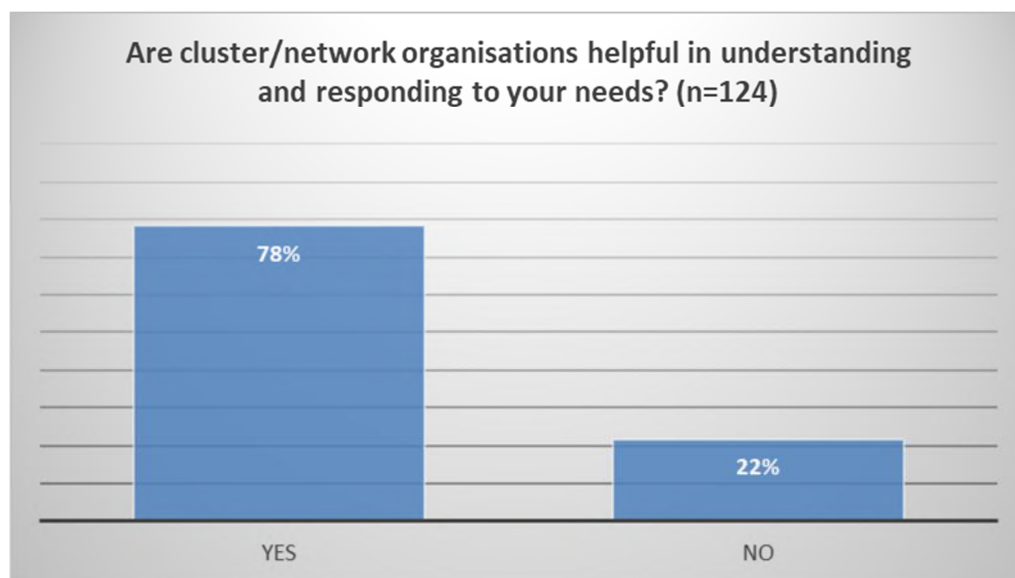
- *“We have achieved some really good contacts in the matchmaking process. The specific profile that LD Cluster made with us helped identify the best possible partners.”* Fantini, SME within Lifestyle and Design cluster, DK
- *“The support we're receiving is particularly important for us towards the fulfillment of our needs and ambitions of tapping into new markets...(it) allows a more robust and structured networking to be achieved.”* Essensus, SME within CLEAN cluster, DK
- *“The cluster has helped analyse the needs and helped to find external expertise for our efforts.”* Erkers Möbler, SME within IUC Dalarna, SE

SMEs highlight that cluster organizations have knowledge of their specific company and sector – which helps them identify relevant international opportunities and partners, and position their products/services into broader system solutions and value chains. Because cluster organizations have regular contact with “their” SMEs, they are able to provide tailored support in a very quick (or even proactive) manner.

The Innovation Express instrument focuses on supporting the internationalization of SMEs through clusters or business networks. This approach is aligned with EU’s strategy for promoting

international activities of SMEs¹⁸ and inter-regional collaboration for smart specialization investments,¹⁹ as well as several European funding programmes.²⁰ One part of this evaluation was to examine how cluster organizations foster SME internationalization. **A large majority of SMEs (78%) reported that cluster/network organizations were helpful in understanding and responding to company's needs by scouting for relevant opportunities and proactively providing a tailored service offering (a set of activities) that are embedded within a broader strategic context** (see Figure 2 below).

Figure 2: SMEs' perspective on cluster organizations' role in supporting internationalization



Results from Innovation Express projects

Innovation Express projects have successfully addressed SMEs' key barriers to internationalization and provided helpful internationalization support. Both SMEs and cluster organizations reported a number of positive outcomes from the projects.²¹ Most respondents indicated that Innovation Express projects were good for mobilizing "first steps" in internationalization – providing new knowledge and contacts, as well as helping companies identify relevant opportunities on which to act.

SME respondents viewed knowledge sharing and opportunity identification (71%), and access to new partners and broadened networks (65%) as the main results from Innovation Express projects. This mirrors the two internationalization support activities that SMEs view as most helpful (see above). And even though Innovation Express projects are short – focusing on initial mobilization and exploratory activities, **around 15% of SME respondents indicated that projects also resulted in the initiation of longer-term research and innovation collaboration or commercial contracts** (see Figure 3 below).

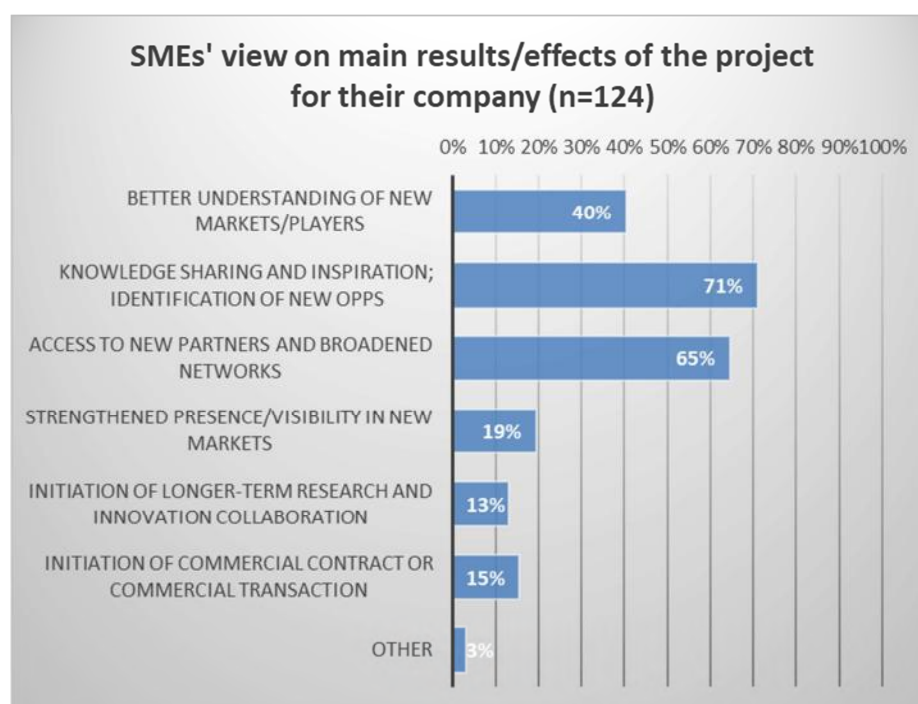
¹⁸ see European Commission COM(2011) 702 final: "Small Business, Big World – a new partnership to help SMEs seize global opportunities"

¹⁹ See http://www.clustercollaboration.eu/sites/default/files/news_attachment/call_for_the_expression_of_interest_escp_s3_may2016_final.pdf

²⁰ such as COSME Clusters Go International, and INNOSUP Cluster facilitated projects for new industrial value chains

²¹ Respondents could select multiple results from the same project.

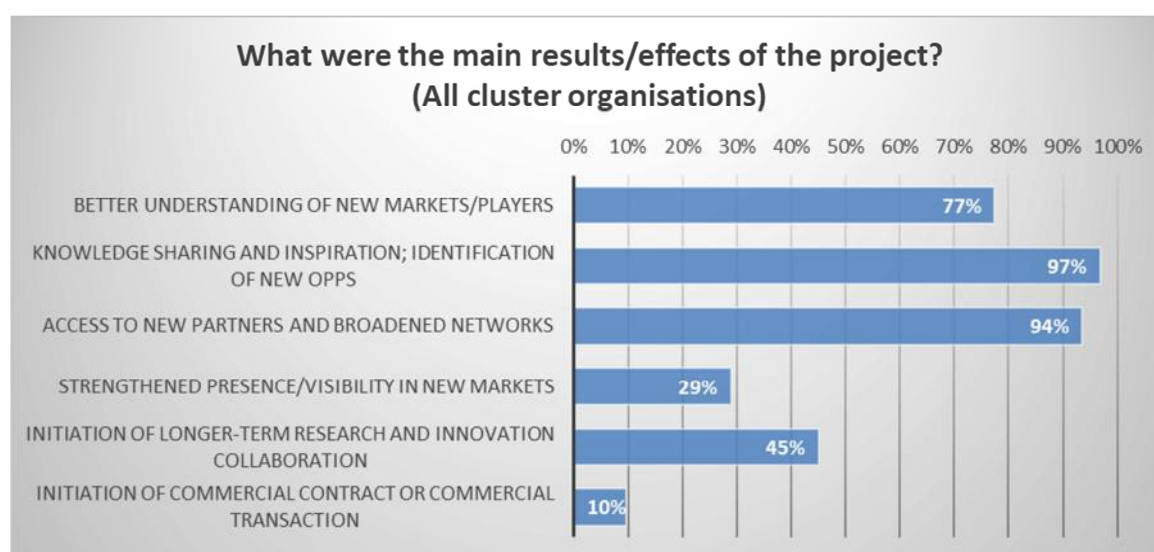
Figure 3: SMEs' view main results/effects of the project for their company



Innovation Express projects provide SMEs with new knowledge and international contacts...a seed to further action.

Cluster organizations had similar perspectives as SMEs on the projects' main results, yet reported even more positively: **knowledge sharing and opportunity identification** (97%) and **access to new partners and broadened networks** (94%) (see Figure 4 below). Most notably, 45% of cluster organizations reported that Innovation Express projects had resulted in the initiation of longer-term research and innovation collaboration. This much higher percentage of respondents (compared to 13% of SME respondents) may be a reflection that cluster organizations report results for one particular company (even if all companies did not have the same result). It could also be a reflection of cluster organizations' plans to submit an application to research and innovation programmes at some point in the future (about which SMEs are not aware).

Figure 4: Cluster organizations' view main results/effects of the project for their company



A selection of quotes from cluster organizations and SME respondents help illustrate the different types of project results.

Better understanding of new markets/players

"By attending WIN Nordic meetings, we have exposed our company which made us start working with international partners, which in turn can lead to joint applications of EU funds. We have also improved our own knowledge of how the market segment in the water industry (WIN's core interest) looks and what interest exists for the type of products we develop." 4IT, Swedish SME within Nordic WIN

Knowledge sharing and inspiration; identification of new opportunities (both within and between clusters)

"It was possible to identify new opportunities and members from other clusters to collaborate together." ABM, SME within Catalan Water Partnership

"During the project activities, such as study trips and workshops, a number of cross-sectorial market opportunities emerged, where experience technologies combined with the food industry could lead to new types of digitally enhanced gastronomical services. The study trip also opened up for a broader network with new potential partners." Invio Innovation Network, DK

Access to new partners and broadened networks

"For the current activities I was looking for help to identify possible specialists (consultants) and we were introduced to a very competent network." SME within MedTech Innovation cluster, DK

"It is one thing to know about a market from reading about it. It is another thing to get in contact with people and organisations that are active on the market and know many unwritten rules, etc. To be able to test the product/service before trying to enter the market is crucial." Soleva Technologies, SME within WIN, SE

Strengthened presence/visibility in new markets

"The meetings in Catalonia and Sweden helped us to access to new networks and strengthened our visibility in these Nordic markets." AMPHOS21, SME within Catalan Water Partnership

"The company has started internationalisation in this project. The project has given us the opportunity to showcase us and our products in an international market. We have been able to make ourselves visible and find new markets. Today, it is too early to say if the efforts will lead to business, but it feels like a stable start." Ekers Leksandsstolen, SME within Bygg Dialog/IUC Dalarna, SE

Initiation of longer-term research and innovation collaboration

"The network organisation helped organise a Eurostars application. We will be applying for a Eurostars project - focused on bio-based building materials - in September 2017." Burnblock, SME within InnoBYG cluster, DK

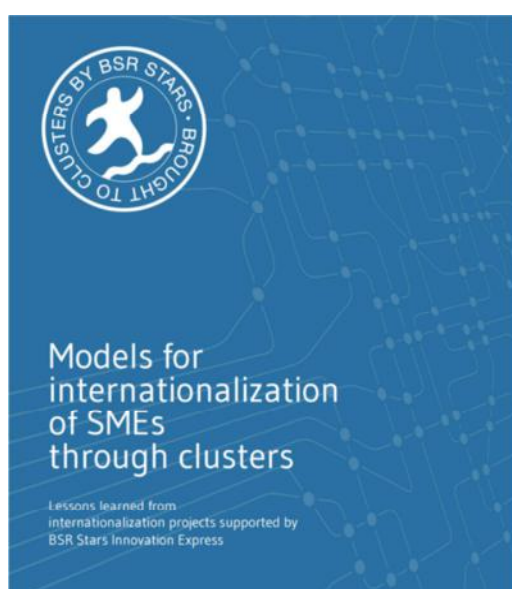
Initiation of commercial contract

"We created contact to two new Spanish customers, and we are now doing business with them. We also renewed our contact to an existing customer in Iceland, tripling our business with them."
BOCO Seafood, SME in FoodNetwork, DK

Case Stories

As a complement to survey results, this year's evaluation again includes a number of case stories from Innovation Express projects approved in 2015 (see Appendix III). The case stories provide additional insights into the internationalization models and project activities pursued, and the resulting benefits for SMEs.

Based on the first set of case stories presented in last year's evaluation,²² Cluster Excellence Denmark drafted the publication "Models for internationalization of SMEs through clusters" – presenting six models for internationalization (see below).



- SME globalization via clusters
- SME internationalization along the value chain
- Cross-sectorial innovation
- System export via complex product solutions
- Transnational cluster platforms
- Clusters supporting SMEs international research

SME globalization via clusters: Export and globalization offer new opportunities for SMEs; however, foreign markets (near and far) can be hard to access. Clusters can catalyze new business opportunities for SMEs by opening doors and providing access to relevant contacts in these new markets.

SME internationalization along the value chain: Most production is organized in value chains taking the product from raw material to the market. When clusters operating in complementary areas of specialization join forces along the same international value chain, it can help SMEs to produce new ideas, as well as expand their buyer and supplier networks.

Cross-sectorial innovation: Collaboration across sectors fosters exposure to new knowledge and application areas – sparking innovation and new opportunities for SMEs. Here clusters can play a key role in identifying related sectors with relevant application opportunities, and facilitating the process of making new connections.

System export via complex product solutions: The aim of this model is to increase the export of technologies and solutions by helping companies enter into partnerships to deliver expertise in

²² Evaluation of BSR Stars Innovation Express 2014 (17 October 2016)

the form of innovative total package solutions for foreign buyers. Here the role of the cluster is to identify the foreign buyers and orchestrate the partnerships among SMEs and larger companies that provide the solutions.

Transnational cluster platforms: In this model, clusters from the same sector or value chain join forces and build up a common platform with the aim of combining existing resources (e.g. infrastructure/facilities or knowledge), customers and proven business development services from clusters in order to help their SMEs reach a larger market.

Clusters supporting SMEs' international research: H2020 offers EUR 80 billion for research and development. But the funding is difficult to obtain – especially for SMEs. With clusters as mediators, these barriers can be decreased.

Innovation Express cases often combine aspects of several of the models for internationalization described above. Each of the five case stories that follow include a description of key aims/objectives, how SMEs were engaged in the project, the internationalization model(s) that were applied, the results that were achieved, and how these will be used going forward.

Nordic Furniture Making – a joint approach to developing new markets for the “little guys”

Internationalization model(s): SME globalization via clusters and Transnational cluster platforms

Driven by their SMEs’ needs for inspiration, introduction to potential collaboration partners and customers in new international markets, the Lifestyle and Design Cluster in Denmark partnered with Norwegian Rooms (NO) and the Interior Cluster of Sweden to provide a common set of services and targeted opportunities for micro enterprises in their clusters to enter international markets in the Nordic region.



More than 60 small companies (around 20 from each country) and 6 knowledge institutions participated in study trips to Denmark, Sweden and Norway. Each study trip included seminars on commonly prioritized themes (design and innovation in the circular economy, design management and storytelling, smart living), as well as networking and informal matchmaking sessions.

The joint activities provided SMEs with new knowledge and inspiration, and new contacts (from their own as well as other countries).

“In addition to new contacts and inspirational knowledge, we have heard from informal follow-up that some of our companies were also been able to secure new sales. This has given them confidence in continued internationalization efforts.”

Jesper Rasch, Lifestyle and Design Cluster, Denmark



The project has led to a next step for the joint Nordic efforts – targeting new markets further afar. The three clusters have teamed up in a new Innovation Express project (approved in 2016) to leverage commonalities and create stronger visibility by participating as a group in the New York Design Week.

Building Sustainable Networks for more Sustainable Building Materials

Internationalization model(s): SME internationalization along the value chain, Transnational cluster platforms, and Clusters supporting SMEs' international research

Driven by increased market focus on the circular economy and the recycling/re-use of building materials, cluster initiatives from five countries (AT, DK, NO, PL and SE) joined forces to help their SMEs strengthen their knowledge and networks on bio-based building materials.

"In this project, we have been able to broaden our existing networks (in Denmark and Sweden) with new partners in Poland and Austria. (International partners) have been important sources for new knowledge on the circular economy in the building-/ construction business." Ola Rostad, Tretorget, Norway

InnoBYG (DK), Tretorget (NO) and ByggDialog Dalarna (SE) joined forces with non-funded partners Ecoplus (AT) and the Sustainable Infrastructure Cluster (PL) to implement a series of workshops (held in connection with matchmaking or other industry events) in each of the five countries. In total, 30 SMEs participated in workshops – gaining access to specialized knowledge (on e.g. new regulations, recycling and reuse of building materials, and low-energy construction), network contacts and new market opportunities.



Pilot systems for fractionation of bio-based materials, e.g. residual flows from food production, demonstrated by John Mark Lawther, Danish Technological Institute

"Visiting knowledge centers, people and production (in other neighboring countries) is useful. We gained new knowledge on gluelam potential – which has helped to accelerate our international activities." Træinformation, SME within InnoBYG, DK



Ecoplus (associated partner) and SMEs from Austria attending Building Green conference in Copenhagen

Involved SMEs were able to increase their international visibility and kick-start new research and innovation collaboration and commercial transactions through the project.

“Our company is resource-intensive, and we would not have had the possibility to explore new markets outside Sweden without project efforts. The project has given us the opportunity to make ourselves visible and showcase our products in new international markets. Today, it is too early to say if the efforts will lead to business, but it feels like a stable start.” Erkers Leksandsstolen, SME within ByggDialog, SE

“We will be applying for a Eurostars with focus on bio-based building materials in September 2017.” Burnblock, SME within InnoBYG, DK

In addition to company-specific research or commercial follow-up activities, the cluster organisations have used other financing to build on initial successes enabled through the Innovation Express project – and continue to collaborate (on e.g. planning for the future Building Green event in Oslo in 2018).

“We have supplemented support from IE with Interreg projects and structural funds projects for internationalisation efforts.” Helene Axelsson, ByggDialog Dalarna, SE

“The team behind the project hopes that contact between players from the sectors representing the whole value-chain of biomass production, processing, design, fiber modification and product manufacturing can come together and lead to an optimized use of resources.” Anne Christine Steenkjær Hastrup, InnoBYG, DK

Nordic Water Network – Moving Beyond the Nordics

Internationalization model(s): SME internationalization along the value chain, System export via complex product solutions, and Transnational cluster platforms

Following a successful first Innovation Express project with Novago Business Development (FI) and Vannklyngen (NO), the Water Innovation Accelerator (SE) expanded the Nordic Water Network to include Vand i Byer (DK) and the Catalan Water Partnership (ES) – with the aim of creating a network for stimulating and testing solutions as well as helping companies establish new collaborations and expand operations into new markets.

“The fact that we are like-minded organisations and are used to working actively with companies to support the development of new solutions has been key to forming a broader network and platform for working with companies transnationally.”

Johan Kronholm, Development Manager, WIN Water, Sweden

“The collaboration with other Nordic clusters with similar objectives to CWP (promote competitiveness of members) was really interesting in order to identify synergies and opportunities for the members. The benchmarking events organised during the project were designed in order to satisfy the members' needs in terms of internationalisation and innovation, being really successful for them.”

Catalan Water Partnership, Spain

Four times each year, international partners in the network and their companies (typically 12 companies from Sweden and 5 from partner countries) gather for larger meetings. These partner meetings are comprised of presentations of new knowledge and market intelligence, company pitches, networking and facilitated matchmaking activities. The “main event” at each meeting is when large companies and public sector actors present their challenges, and 5-6 other (typically smaller) companies present the products/services they work with which could be part of the solution. This is followed by a sort of matchmaking (facilitated by a “mingle map”) – where large and small companies and research actors get together and discuss opportunities for development collaboration and business.



In addition to the partner meetings, the Nordic Water Network organizes a joint booth at international trade fairs (such as Aqua Tech in Amsterdam) – providing a more dynamic setting (the group of companies network and support each other) and stronger visibility for smaller companies.



The companies involved have experienced positive results. In addition to new knowledge and collaboration partners, a number of the companies also secured new business or initiated new research and innovation collaboration.

“The Climate Laboratory projects address the challenges of handling climate change in urban areas and demonstrating pilot solution models that may be used internationally. Thus, ongoing international knowledge sharing and identifying new possible international partners and products is key to the further development.” Middelfart Spildevand, SME within Vand i Byer, DK

“It was possible to identify new opportunities and members from other clusters to collaborate together.” ABM, SME within Catalan Water Partnership

“(The project activities) have been very useful in helping us meet interesting new international companies and expand our networks. These broadened networks have led to new business.” Flozell, SME within WIN Water, SE

In addition to the results for participating SMEs, the partnering clusters have learned more about each other and discovered complementarities – and have pursued additional opportunities to work together and expand the network. This is being pursued through a third Innovation Express project “European Climate Adaptation Network” (approved in 2016), as well as WIN’s (SE) involvement in the NEPTUNE H2020 InnoSup project.

“A big positive with Innovation Express is that it provides “seed financing” for exploratory international, innovation activities...and for building up a stronger network (to benefit the companies). Innovation Express has been a useful instrument to support internationalization as a part of core activities.”

Johan Kronholm, Development Manager, WIN Water, Sweden

Integrating SMEs in “Clean Solutions” in the Philippines

Internationalization model(s): SME globalization via clusters, Cross-sectorial innovation and System export via complex product solutions

The Danish Cleantech cluster CLEAN’s motto “We help green solutions beyond Denmark’s borders through international partnerships” highlights their focus on internationalization as part of core cluster activities. In the Innovation Express project “Cleantech in Emerging Markets”, CLEAN facilitated a process to engage SMEs together with larger companies in developing energy-efficient solutions for shopping malls in Manila, Philippines.

“We have a specific focus on SMEs and helping them to strengthen their international market share through increased cooperation and export of integrated solutions – where companies team up in partnerships to provide tailored solutions, rather than just selling individual components.” Sophia Grane R. Schroeder, CLEAN

Following the establishment of MoUs with three shopping malls and one office building in Manila to develop integrated “energy-efficient solutions”, CLEAN contacted a number of Danish SMEs with relevant knowledge and experience and invited them to engage in this concrete



business development opportunity. SMEs who were interested in the opportunity and willing to commit their time, engaged in the process. Over the course of six months, CLEAN facilitated a process involving SMEs from various fields of expertise (including technology providers and architects) and larger companies to explore and develop possible solutions. The process focused on developing both the

business and social capital elements of the partnership.

“CLEAN wants to help companies get their products and services out there. To do that, we think it’s important that everyone feels they are part of the team, that there is a good vibe and transparency and a common identity. It’s not only a process...it’s an attitude.” Sophia Grane R. Schroeder, CLEAN

From the start, SMEs are responsible for committing their time and expertise to the projects. In addition, large companies are involved – providing stable organizational and financial frames (helping to decrease risk). CLEAN is responsible for managing relations with the customer (understanding their specific needs), identifying SMEs with relevant technologies or know-how that could be involved, involving other relevant stakeholders (such as embassies) to provide legitimacy and anchoring...and then facilitating connections and integrating the various pieces into a coherent package (including financing). The holistic solution is then presented to the customer – as a collaborative team effort.



And the approach yields terrific results. SMEs are put together with other technology providers, introduced to specific contacts in new markets, and included in the export of a system – a total solution. In this case, two of the customers in the Philippines purchased a feasibility study of the proposed solution based on an Energy Performance Contract or an Energy Service Company model, where the Danish team both are bringing the total solutions and financing package in the range of 6,4 mill. USD. Most of the involved SMEs were able to initiate new research and innovation and, in addition, one of the involved SMEs (North Q) found a new market niche in the Philippines and was able to maintain new relationships with Robinson, Walter Mart, General Electric and Conception Group – a world leading air-condition technology.

CLEAN is now trying to apply this approach with a transnational scope through a Nordic Clean Solutions platform (an initiative supported by Nordic Innovation) and other activities such as a joint [Nordic Pavilion at the Barcelona Smart City Expo](#) and the [Nordic Clean Energy Week in May 2018](#).

“Through knowledge sharing and stronger ties, and cross-country project development, we can create stronger solutions that can be exported to the rest of the world.” Sophia Grane R. Schroeder, CLEAN cluster

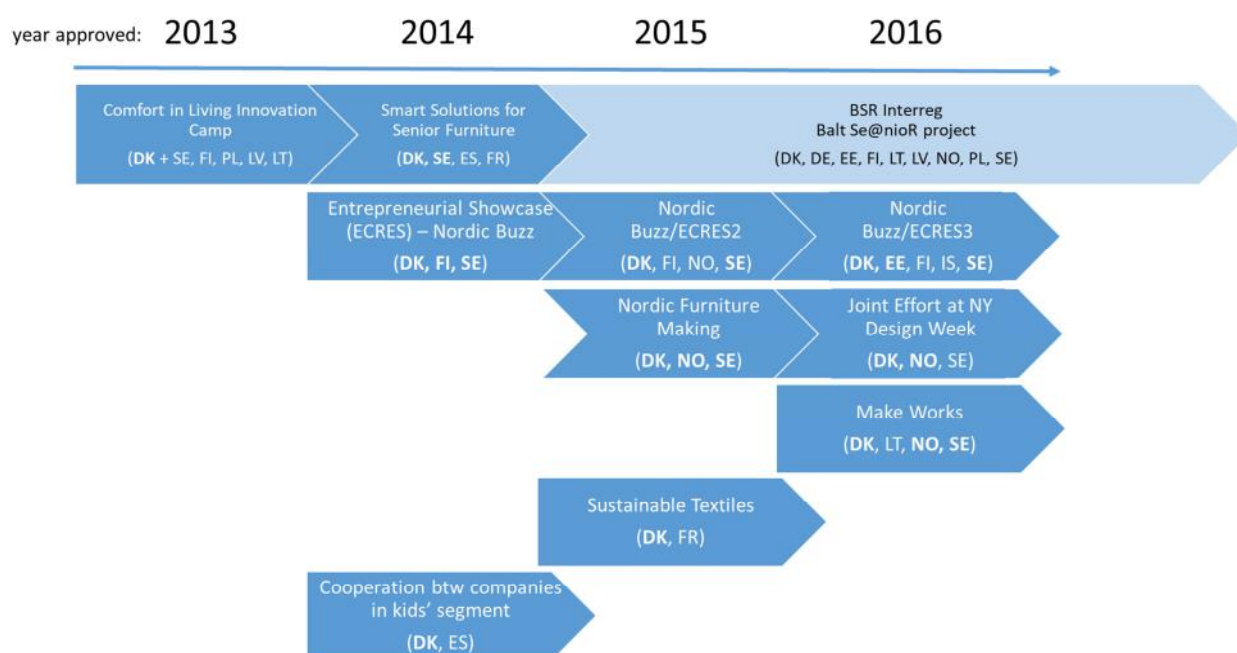
Clean Solutions (initiated in 2015 by CLEAN and the Danish Industry Fund) has the objective of increasing exports of solution based projects – acting as a central platform to ‘receive’ foreign customers with a challenge; to identify (Danish and international) companies with relevant technologies and know-how to address the challenge; and to facilitate a process to help companies form partnerships, develop and mature projects in order to create a tailor-made integrated solution for the customer. The CLEAN cluster takes on the role of platform facilitator and system integrator.

Lessons from an Innovation Express “Lead User”

Internationalization model(s): SME globalization via clusters, SME internationalization along the value chain, Cross-sectorial innovation, and Transnational cluster platforms

The Lifestyle and Design Cluster (LDC) in Denmark has been involved in 10 Innovation Express projects since 2013. Eight of these projects have built on each other over time – helping to develop at least three longer-term collaborative partnerships between clusters, and providing strong services that support the internationalization of SMEs.

Figure 5: Overview of Lifestyle and Design Cluster’s Innovation Express projects



The driving catalyst for all of LDC’s international projects is the belief that ***more can be accomplished by teaming up with other clusters*** who share similar perspectives on market opportunities and whose companies have similar needs for support.

“We are from a small country, representing a large base of mostly small companies with limited resources – which limits the possibilities to pursue international activities on our own. By pooling efforts and building strong consortia with other clusters, we can offer more attractive services and a broader international network to our stakeholders. We develop stronger international visibility and deliver a bigger impact for our stakeholders (with lower overall costs) by working together.”

Betina Simonsen, Manager, Lifestyle and Design Cluster, Denmark

The Lifestyle and Design Cluster has a two-year strategy that is developed in dialogue with its stakeholders (companies, research and public sector actors) and approved by its Board. ***The strategy establishes the overall needs and priorities for action for both national and international aspects.*** Based on this strategy, the LDC management forms ideas for international projects based on stakeholders’ needs for support (e.g. entrepreneurship and access to new markets), or based on general macro trends/societal challenges (e.g. active aging) that can’t be addressed by one cluster in isolation.

The cluster with the project idea takes the lead and contacts potential partners, who are identified based on their relevance for the particular activity. Once a project idea is anchored with one or more target partners, a core consortia and a first joint project is formed.



Projects include a set of activities and support services (e.g. study visits or inspirational workshops together with matchmaking; participation at trade fairs together with coaching and international networking) that are tailored to the needs of companies. ***Activities often leverage a mix of large and small companies, as well as specialized knowledge from research actors in the clusters in order to form an***

attractive and unique service offering. The projects help SMEs to develop competencies, gain new knowledge and inspiration, as well as broaden their international networks and extend their value chains. The networks expand and deepen over time, which – for some – leads naturally into new sales and other types of results.

In addition to the results for SMEs, the common project activities help participating cluster organizations to get to know each other and develop stronger mutual trust and understanding. Over time and through experience working together, new ideas and opportunities emerge – leading to more ambitious joint action and stronger transnational partnerships between the clusters, which facilitates ad hoc contacts and activities outside of the scope of financed projects.



So far, the Lifestyle and Design Cluster's involvement in Innovation Express projects has led to longer-term international collaboration in three areas:

- Creating cross-sectoral synergies between traditional furniture industry and ICT solutions to create smart products adapted to senior needs
- Providing tailored support and competencies to support creative entrepreneurs broaden their international networks and value chains in the Nordic region

- Developing new international opportunities and stronger international visibility for Nordic micro companies in the furniture industry

Based on their experience in Innovation Express projects over the last five years, the Lifestyle and Design Cluster highlights a few “**key success factors**”:

- International activities **MUST** be part of your cluster strategy – anchored with your stakeholders and your Board.
- Develop and initiate projects based on your strategic frame, while also being flexible to pursue interesting opportunities/activities that someone else proposes.
- It’s better to start small and build – both in number of partners and number of SMEs involved.
- To build longer-term partnerships (that can act outside of project agreements), it is good to have homogeneous types of organisations with similar mandates and modes of operation...and that all partners invest in building mutual respect and results (for companies).

Overall Boosters and Blockers

Based on the case stories as well as other policy learning and capacity building activities over the last five years, a number of overall “key lessons” can be drawn.

 <p>Boosters FOR INTERNATIONALISATION OF CLUSTERS</p>	 <p>Blockers FOR INTERNATIONALISATION OF CLUSTERS</p>
<ul style="list-style-type: none"> ➤ Strategic focus and clear goals/expectations ➤ Tailored offering to SMEs...based on their needs ➤ Anchored with and leveraging of the broader regional ecosystem ➤ Appropriate skills and resources to implement 	<ul style="list-style-type: none"> ➤ Limited network and knowledge of international opportunities ➤ No concrete offering to SMEs ➤ Differences in language, culture...and policy frameworks

Success factors for boosting internationalization efforts include a **strategic focus** with **clear goals and expectations** set from the start. The internationalization goals should be **anchored with the cluster’s advisory board and relate to the broader regional strategy**, and implementation should **leverage other stakeholders in the regional ecosystem**. **Activities and services** to support internationalization should be **tailored to the needs of cluster members** (with a focus on SMEs). And finally, cluster organizations should have the **appropriate skills and resources** to implement over a longer period of time.

Aspects that block the success of internationalization efforts include a **limited network and knowledge of specific international opportunities** – preventing the ability to provide a concrete offering to SMEs. **Differences in language and culture**, and **differences in policy frameworks and objectives** for the international collaboration can also hinder success.

The BSR Stars Innovation Express concept and trends over time

The BSR Stars Innovation Express concept encompasses a cluster-to-cluster matchmaking event, a coordinated transnational call for proposals (where approved projects are funded through distributed regional/ national sources), and different capacity building or policy learning activities (including this evaluation). The Danish Agency for Institutions and Educational Grants (formerly known as DASTI) is responsible for leading the “coordination team” – a group of contact points from all BSR countries that is responsible for the implementation and continual development of Innovation Express, as part of the BSR Stars flagship. An overview of Innovation Express activities conducted since 2013 is presented in Table 2 below.

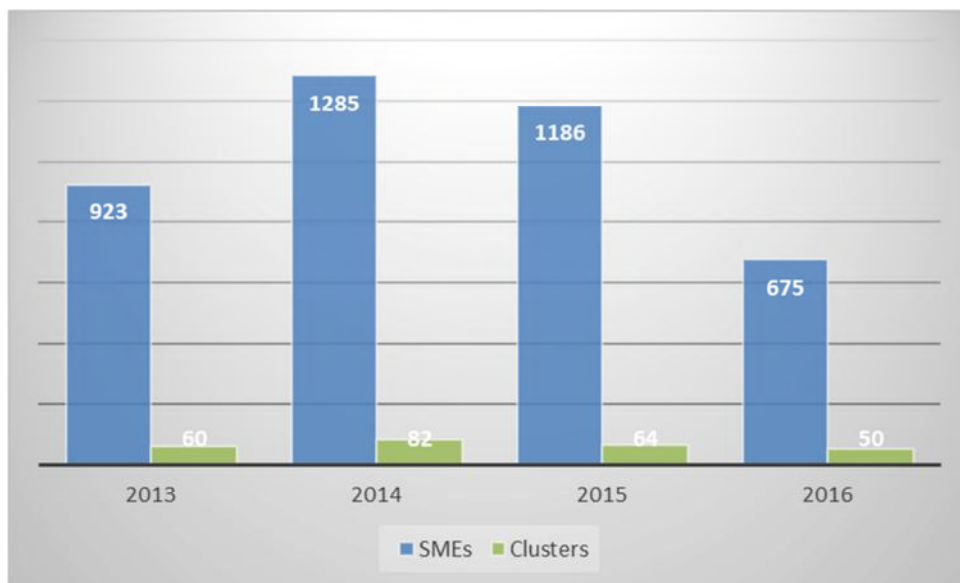
Table 2: Overview of Innovation Express activities 2013-2017

	2013	2014	2015	2016	2017
Funding partners/ countries	6 partners 6 countries (DK, FI, IS, LT, NO, SE)	8 partners 6 countries (DK, FI, IS, LT, NO, SE)	6 partners 6 countries (DK, IS, LT, NO, SE + ES)	8 partners 7 countries (DK,IS,LT,NO,SE + DE/Brand.,ES/Cat.)	6 partners 6 countries (DK,LT,NO,SE, Baden Württemberg, ES/Cat.)
Total budget (EUR)	1.210.000	1.526.500	1.355.000	1.835.000	1.950.000
appl. recd/ approved	47/40	84/54	58/40	59/39	67/40
Matchmaking Event	Copenhagen, DK 9-10 April	Berlin, DE 18-19 September	Copenhagen, DK 17-18 September	Warsaw, PL 19-20 September	Stuttgart, DE 21-22 September
participants/ countries	165 participants 70 clusters 15 countries	300 participants 150 clusters 24 countries	285 participants 151 clusters 32 countries	250 participants 150 clusters 30 countries	250 participants 175 clusters 30 countries
Other learning activities:	Matchmaking catalogue		Experience exchange workshop (CPH, Sept '15) + selfie film from clusters on experiences	Workshop on strategic internationalisation (Riga, June '16) + tool for strategic internationalisation	Workshop on long-term partnerships (Oslo, June '17) + booklet for best practice in IE projects

The transnational call for proposals – trends over time

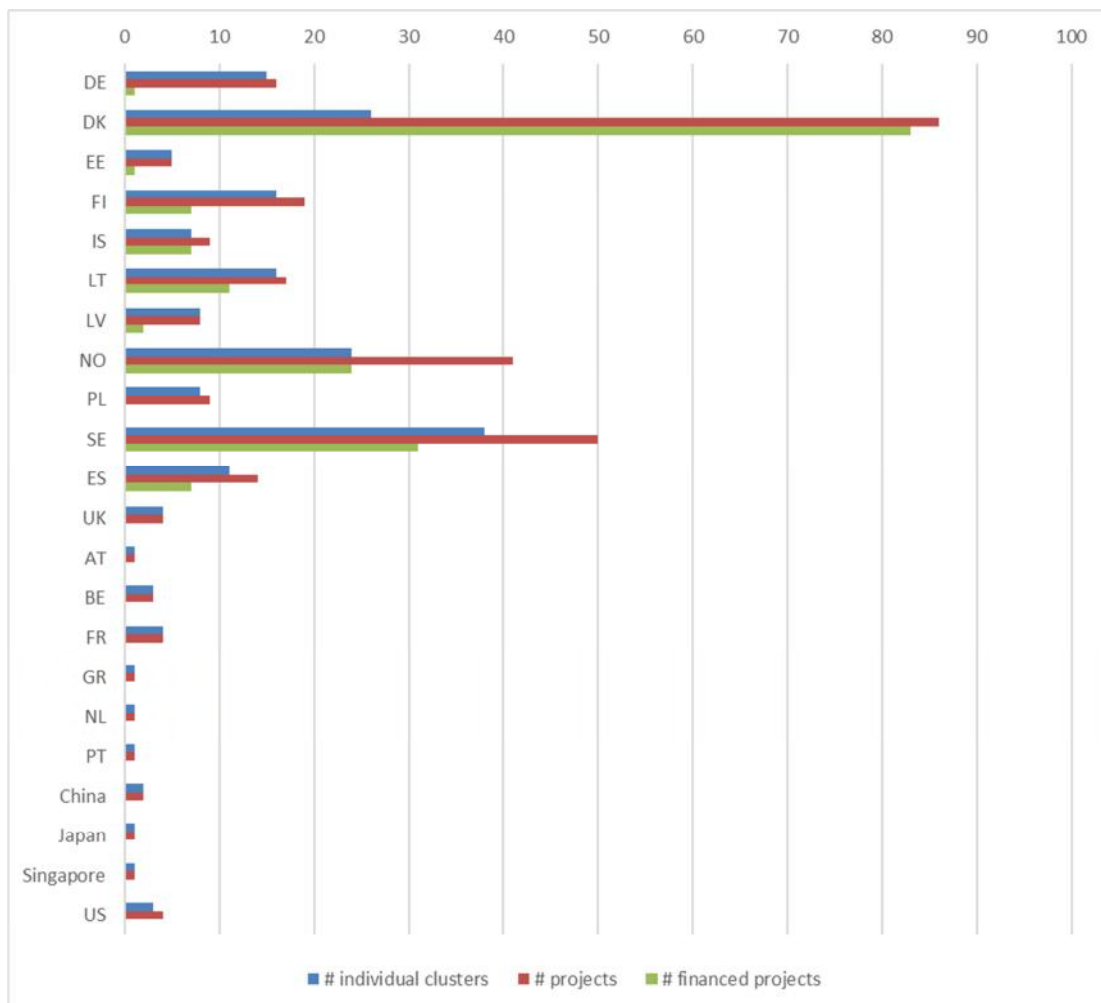
In the first four years (2013-2016), nearly 4 million EUR has been invested to support the internationalization of SMEs through clusters. This has helped 200 (unique) clusters from 22 countries (in the Baltic Sea Region, Europe and beyond) to partner in nearly 300 Innovation Express projects which have mobilized more than 4000 SMEs in international collaboration activities that provided them with new knowledge and partners, as well as innovation and business opportunities (see Figure 6 below).

Figure 6: SME and Cluster involvement in Innovation Express projects (2013-2016)



Nearly 200 (unique) clusters from 22 countries (all 10 BSR countries, 8 other European countries, and 4 other countries internationally) have been engaged in approximately 300 Innovation Express projects over the last four years (see Figure 7 below).

Figure 7: Total number of individual clusters and Innovation Express projects by country



With the highest budget each year, Denmark has also had the most international collaboration projects (86) and highest number of financed projects (83). Sweden has had 50 projects (of which 31 financed), followed by Norway with 41 (of which 24 financed).

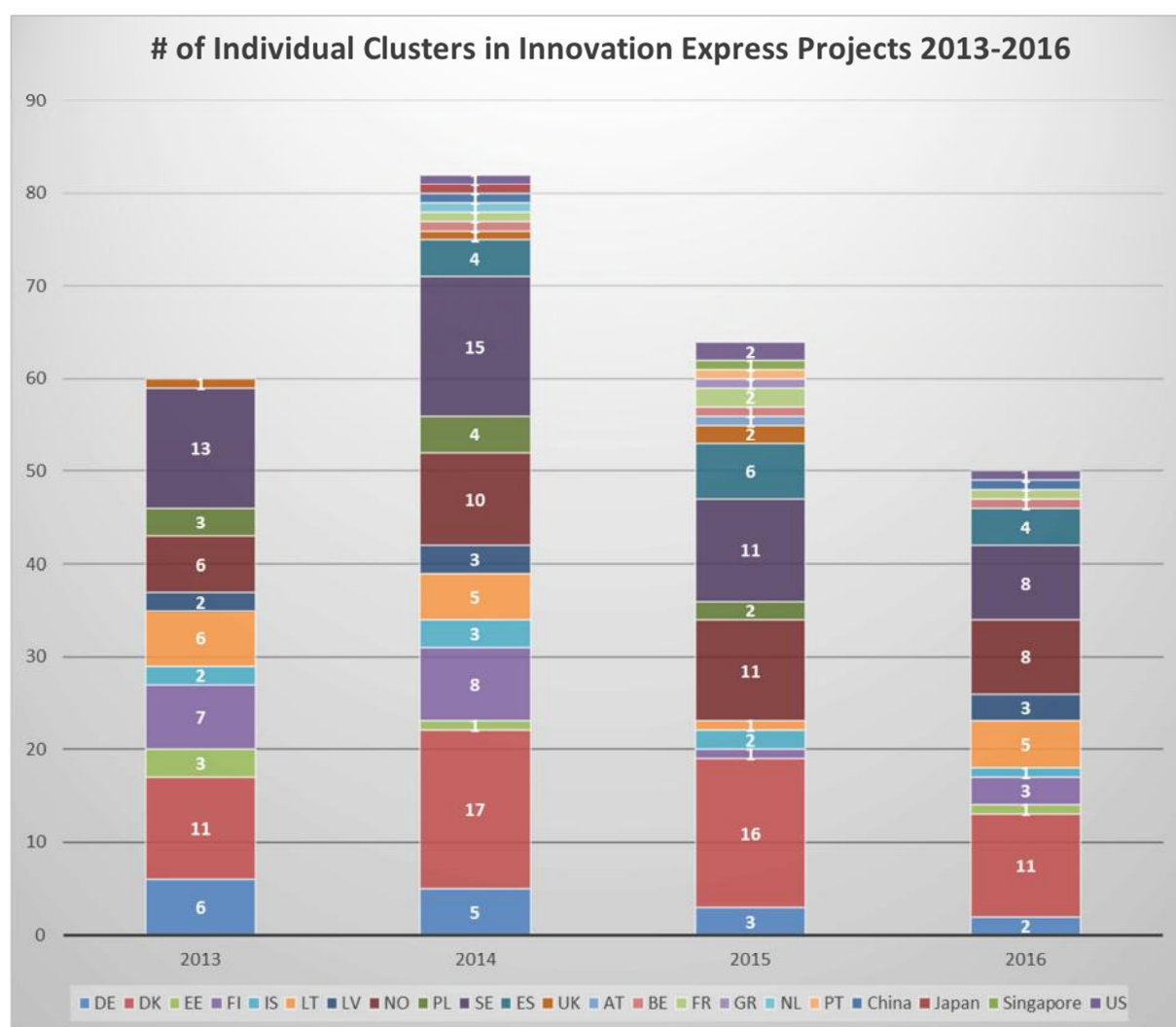
Clusters from Sweden, Norway, Germany and Finland have been actively involved in projects – even without financial support for all of them. Sweden has had the highest number of individual clusters engaged in projects over time (38), followed by Denmark (26) and Norway (24).

Over the course of the four years, the Danish Lifestyle and Design cluster has been involved in 10 Innovation Express projects, followed by FoodNetwork (DK) and Oslo Medtech (NO) with eight projects each – making these three clusters “lead users” of the instrument.

Clusters involved in Innovation Express projects – 2013-2016

Over the four years, between 50-82 individual clusters from 11-18 countries have been involved in Innovation Express projects (see Figure 8 below).

Figure 8: Number of individual clusters in Innovation Express projects by country – 2013-2016

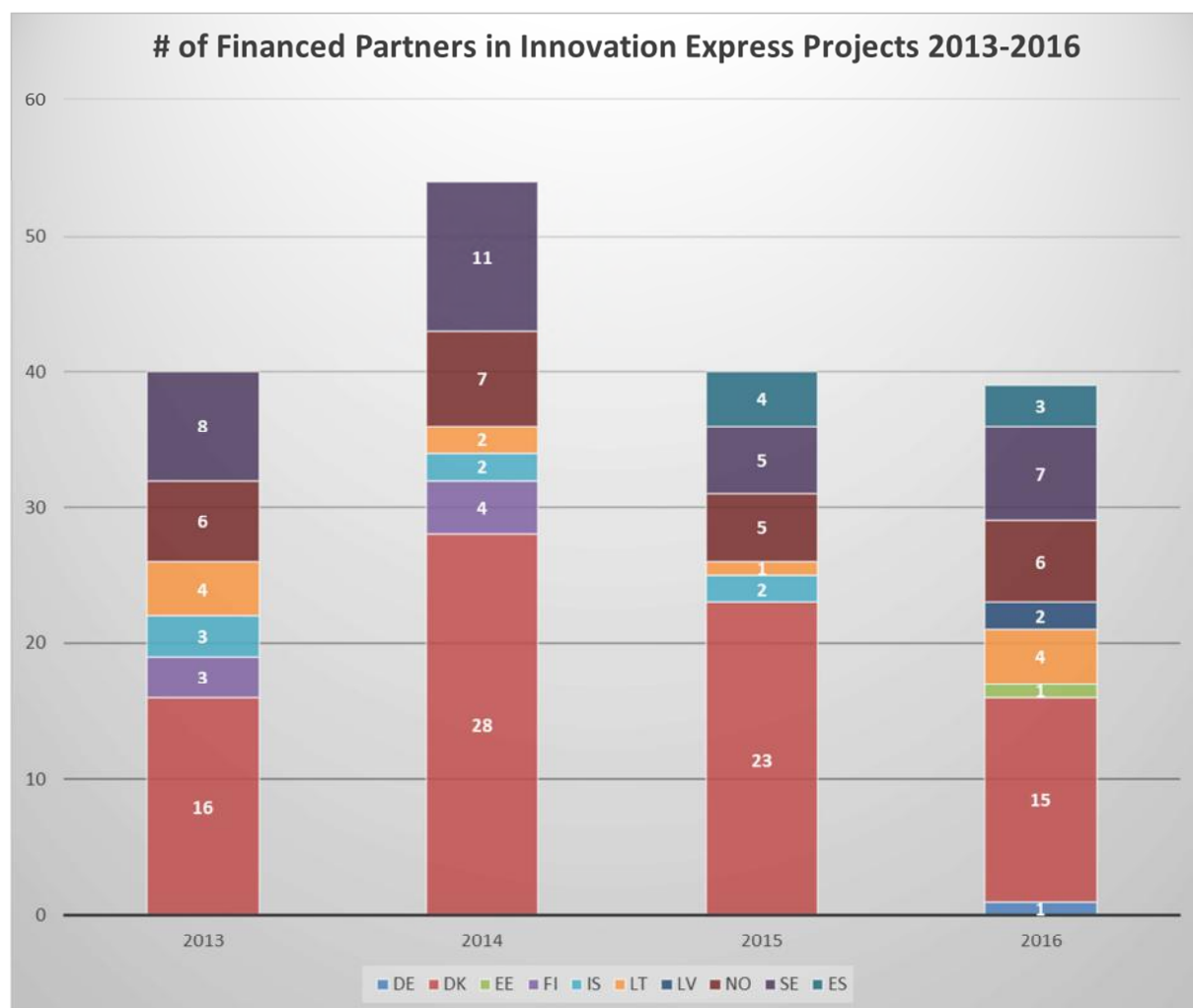


In 2013, a total of 60 individual clusters from 11 countries were involved in 28 Innovation Express projects. 12 clusters were involved in more than one project. 98% of clusters were from BSR countries. In 2014, a total of 82 individual clusters from 18 countries were involved in 35 Innovation Express projects. 11 clusters were involved in more than one project. 87% of clusters were from BSR countries. In 2015, a total of 64 individual clusters from 17 countries were involved in 27 Innovation Express projects. 8 clusters were involved in more than one project.

78% of clusters were from BSR countries. In 2016, a total of 50 individual clusters from 14 countries were involved in 20 Innovation Express projects. 8 clusters were involved in more than one project. 88% of clusters were from BSR countries.

Each year, between 62-78% of project partners received funding to implement project activities from participating funding agencies (see Figure 9 below).

Figure 9: Number of financed partners in Innovation Express projects by country – 2013-2016



Of the 60 individual clusters involved in the collaborative projects in 2013, 40 received funding from agencies in six countries. 8 clusters received funding for two or more projects. Of the 82 individual clusters involved in the collaborative projects in 2014, 54 received funding from agencies in six countries. 10 clusters received funding for two or more projects. Of the 64 individual clusters involved in the collaborative projects in 2015, 40 received funding from agencies in six countries. 7 clusters received funding for two or more projects. Of the 50 individual clusters involved in the collaborative projects in 2016, 39 received funding from agencies in eight countries²³. 3 clusters received funding for two or more projects.

The transnational call for proposals – feedback from 2015

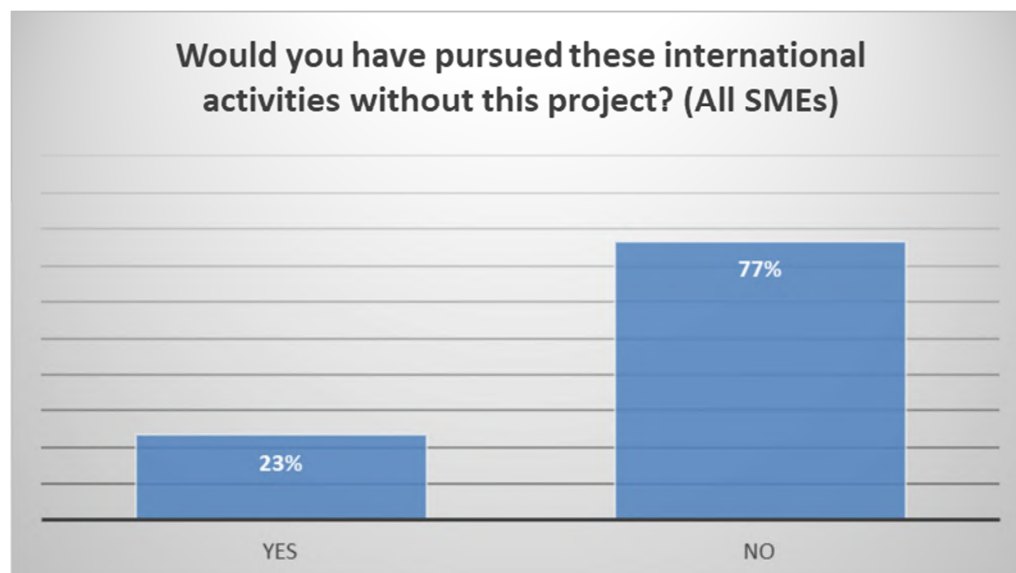
The core of the BSR Stars Innovation Express concept is the transnational call – aimed at engaging SMEs in international innovation projects (through clusters). Innovation Express

²³ Six countries were among funding partners; two countries (EE, LV) were among pilot partners.

provides relatively low levels of financing (10.000 – 60.000 EUR) for shorter-term (12-18 months) transnational innovation projects. Although funding decisions are made nationally (and follow each funding agency's own rules), representatives from each country work together to coordinate and communicate funding decisions – striving toward quick decisions across national borders.

Innovation Express projects were successful catalysts of SME internationalization. More than three-quarters of participating SMEs reported that they would not have pursued the internationalization activities without the Innovation Express project (see Figure 10 below). The projects provided relevant opportunities, a legitimate frame and stronger international visibility (as SMEs were acting as part of a larger group), as well as financing and other support that helped reduce the risk and increase the effectiveness of SMEs' internationalization efforts. Even those SMEs who would have pursued activities without the project highlighted that the activities would have likely occurred later and on a much smaller scale (see comments from SME respondents below).

Figure 10: SMEs' perspective on the value of the Innovation Express project



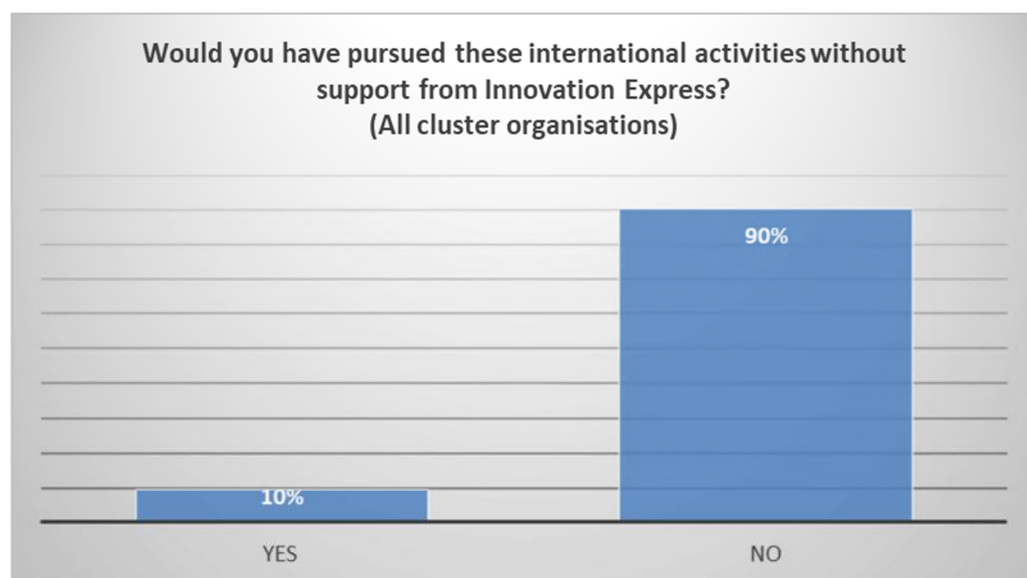
Companies:

- "Yes, we would have launched the product outside of Sweden at a later stage, but the project enabled us to initialise the first contacts with other markets that led to quotations."
- "Not at this stage; the project accelerated the process very much and made it easy."
- "As a new start-up company, probably not that fast. It has been a nice shortcut to an A-list of collaboration companies and matchmaking."
- "It would have been too expensive to take on as a 1-person company. Also the network with other Danish companies would have been impossible for me to attain on my own."
- "We probably wouldn't have pursued (international activities) in the short term. As a small firm, we need to execute operations in a lean manner. Being part of a group enables us to pursue opportunities beyond our capacity."
- "Our company is resource-intensive and new markets outside Sweden have not been able to be processed without project efforts."

Although many clusters participate in (and receive funding from) regional or national cluster programmes which stress the importance of establishing international linkages, the large

majority of cluster organizations (90%) responded that they would not have pursued the international activities without Innovation Express (see Figure 11 below). Cluster organizations highlight that the projects provided the resources that were necessary to develop and carry out more ambitious international projects, and helped mobilize actors and build capacity for longer-term collaborative action.

Figure 11: Cluster organisations' perspective on the value of the Innovation Express project



Cluster organisations:

- “The funds meant that the implementation could be done with greater professional weight and quality.” (Norwegian Rooms, NO)
- “Nordic countries are interesting for the Catalan Water Partnership and its members. However, without the matchmaking event and the BSR financial support, it would have been much more difficult to collaborate with them and to identify synergies and opportunities.” (Catalan Water Partnership, ES)
- “We are working with some of the same aspects in other projects, e.g. Interreg ecoINSIDE and others, but the ecoConstruct project have given new possibilities for establishing a larger network.” (Tretorget, NO)
- “IE provides a different value proposition in comparison to other available forms of support such as EEN and Danish trade councils in foreign countries. The main difference regards the possibility of empowering cluster organisations to directly access local cluster organisations in potential export markets and to directly involve Danish SMEs.” (Offshore Energy cluster, DK)

The matchmaking event

The third BSR Stars Innovation Express cluster-to-cluster matchmaking event 2015 “Innovation by Combination” was held in Copenhagen on 17-18 September 2015. The event succeeded in mobilizing 285 participants from 151 clusters in 32 countries. Cluster participants maximized opportunities for matchmaking, resulting in 544 international cluster-to-cluster meetings (which broke previous matchmaking conference records).

In addition to supporting the initiation of 35 international collaboration projects, the event won two Danish Events and Meetings Awards. More information and a video from the event is available [here](#).

An overview of the four matchmaking events held over the period 2013-2016 is presented below.



**MATCHMAKING, GRAND CHALLENGES AND FUNDING POSSIBILITIES
COPENHAGEN, 2013**

The 1st BSR Stars cluster-to-cluster matchmaking focused on clusters role in grand societal challenges. 165 participants representing 70 clusters from 15 countries had 225 matchmaking meetings.



TOWARDS NEW HORIZONS, BERLIN, 2014

The 2nd BSR Stars Cluster Matchmaking Conference focused on H2020 for clusters. 300 participants representing over 150 clusters from 24 countries had 433 meetings, and the conference resulted in at least two H2020 funded projects.



INNOVATION BY COMBINATION, COPENHAGEN, 2015

The 3rd Cluster Matchmaking Conference focused on fostering innovation by cross cluster collaboration. 285 participants representing 150 clusters from 32 countries had 544 meetings.



INTERNATIONALISATION THE STRATEGIC WAY, WARSAW 2016

The 4th Cluster Matchmaking Conference highlighted the importance of a strategic approach to cluster internationalisation. 250 participants representing 150 clusters had 494 meetings.

The learning activities

In connection with the matchmaking conference, the Innovation Express coordination team organized the first learning activity – an “Innovation Express Experience Exchange” gathering 29 participants:

- 18 individuals from 14 clusters/project partners in 4 countries – representing 15 of the 35 Innovation Express projects completing implementation in 2015
- 11 individuals from 4 countries – representing national or Nordic organisations responsible for innovation policy development and funding

The experience exchange focused on discussing how to engage SMEs and support their internationalisation, and how to build longer-term collaborative partnerships. The event also provided the opportunity to discuss how project experiences (the good and the bad) could be translated into future policy development.


Experiences were presented in “selfie videos”, and summarised in a set of “boosters” and “blockers” for successful SME internationalization through clusters (used in the capacity building workshop in 2016).

2015

COMBINE YOUR EXPERIENCES - INNOVATION EXPRESS EXPERIENCE EXCHANGE

A workshop in Copenhagen where 25 clusters and policy-makers shared knowledge and experiences on Innovation Express. A selfie-video with clusters shares their experiences on BSR Stars Innovation Express were produced.


See the video by scanning the QR-code



2016

BOOSTERS AND BLOCKERS FOR INTERNATIONALISATION OF CLUSTERS

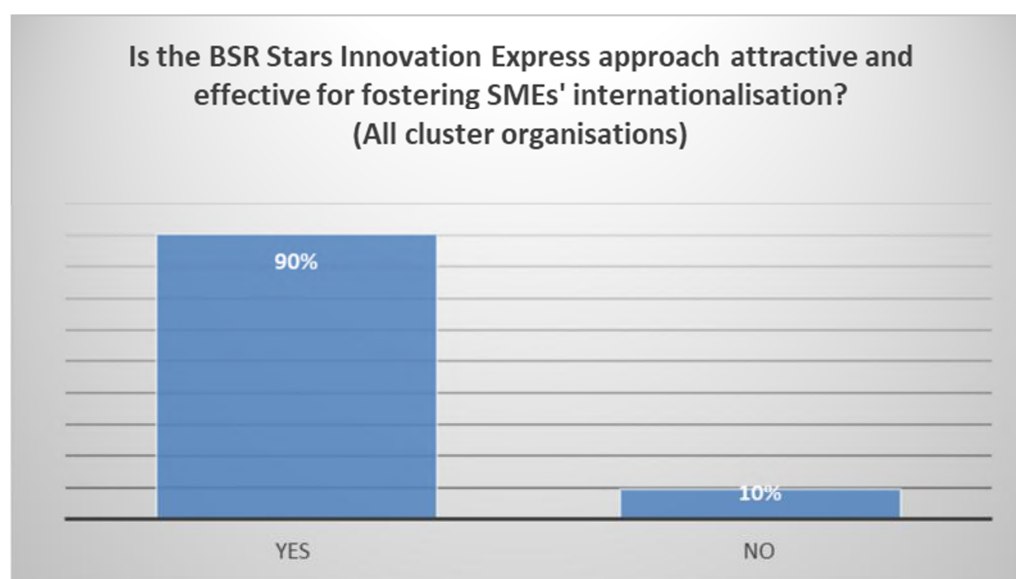
A one pager summoned key inputs from cluster managers on boosters and blockers for on cluster internationalization have been gathered in and easy to grasp format based on their experiences with BSR Stars Innovation Express.



The overall concept

A large majority of cluster organizations (90%) agreed that the "Innovation Express" approach (i.e. lower financing levels, quicker time to decision and short time to act) is attractive and effective for fostering SMEs' internationalization (see Figure 12 below). The approach helps to quickly mobilize many actors and initiate collaborative activities, provides a "lower risk" test of new international collaboration (lower level of financing and shorter time period), and is a good stepping stone for larger/longer-term/more complex collaborative ventures.

Figure 12: Cluster organizations' perspectives on the BSR Innovation Express approach



A selection of comments from cluster organizations highlight that Innovation Express is an effective instrument to initiate and test international collaboration:

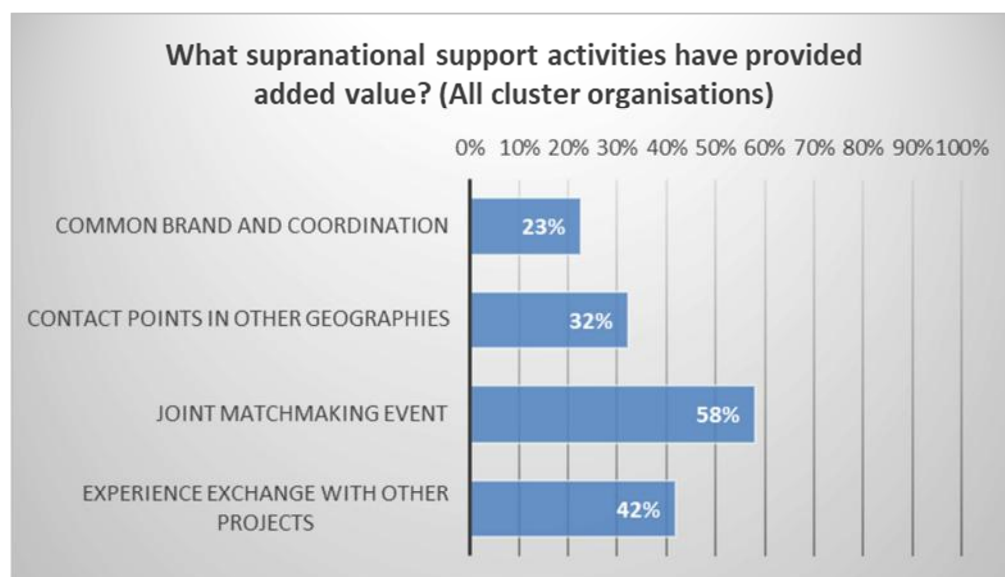
- “It provided the opportunity to learn from clusters with good experience in SME activities. It allows in general a quick approach to mature a concept idea into a project.”
- “A big positive with Innovation Express is that it provides ‘seed financing’ for exploratory international, innovation activities...and for building up a stronger network (to benefit the companies).”
- “(Innovation Express) supports with a lower administrative burden internationalization as a part of core activities.”
- “Since SME’s are often changing faster and operating on a much shorter project timeline, the rapid turnaround of Innovation Express is very valuable.”
- “Overall, the project financing works well. One of the reasons is that it enables the innovation networks to customise a project to fit the needs and interests of the companies. Other opportunities like the ones mentioned are not so flexible.”

In addition to the matchmaking event and the call (resulting in transnational projects), other supranational support activities have been part of the BSR Innovation Express concept:

- Common brand and coordination of the call
- Contact points in other geographies
- Experience exchange (and other learning activities)

Responses from cluster organizations highlight that the joint (cluster-to-cluster) matchmaking event (58% of respondents) and experience exchange with other projects (42% of respondents) are the most appreciated supranational support activities (see Figure 13 below).

Figure 13: Cluster organizations’ perspectives on supranational support activities



Selected comments from cluster organizations on supranational support activities appear below:

- “We have now finished two other IE projects and are involved in other project with other clusters that we have met at the matchmaking. IE has also provided us with good guidelines

(handbook) for internationalisation.”

- “Continue valuable cluster to cluster matchmaking activities as these benefit the cluster companies directly by quickly sharing best practice for different activities.”

Opportunities for Development & Suggestions for the Future

Overall, policymakers (ministries and agencies) and cluster organizations are pleased with the BSR Stars Innovation Express concept for a number of reasons:

- The simple, pragmatic approach involves all countries in developing and implementing a common instrument that addresses shared policy objectives – showing engagement and commitment to act together.
- Common branding and coordination, and involvement of regional/national ministries and agencies (and the NCM) strengthens visibility and legitimacy.
- Cluster organizations feel that Innovation Express provides a flexible approach to initiate projects and get SMEs involved in international activities.

After five years of positive experiences and impressive results from completed Innovation Express projects, there is support for continued implementation and development/expansion of the concept in order to address goals of smart specialization and internationalisation, help build strong transnational innovation partnerships within the macro region, and strengthen the attractiveness of “our” actors to partners outside the BSR.

Clusters have provided a number of suggestions for further development:

Strengthened “showcasing good practice” and opportunities for experience exchange

“Maybe a bit better information flow? ...showcasing successful examples to better showcase the possibilities.”

“Make more experience exchange events, and provide a common platform to market the opportunities that are via BSR-funded projects.”

“Benchmarking events to share best cluster practices for internationalisation and business development could be interesting in order to increase the competitiveness of the cluster and its members.”

Similar flexibility (in sectoral focus and range of accepted activities) across countries

“Many programs (not IE) restrict the applicants too much in my opinion, so please don't make the list of supported activities too constrained and defined.”

Similar funding across countries

“That all or none of the partners in a partnership get funding/or that there will be negotiations if one or more partners do not get funding. It is not a good situation to always be ‘little brother’ even according to funding.”

Longer projects (or possibility for more ambitious phase 2)

“The project running time is too short for substantial success. It should be longer.”

“Consider making the projects a little longer and a little larger (budgets). International activities often take a long time to plan and small delays do occur.”

Offer direct support to SMEs

“To support SMEs travel cost with a small support. It will help them, as internationalisation efforts are costly.”

“Regarding EU activities, it would also be great to be able to support the SMEs directly in some form (like the Danish EUopSTART funding).”

Structured follow-up of results over time

“To gather all in a for example video conference with all participants after the project have finished. To follow up the companies after 1 year, 2 years.”

Based on this input, the following potential areas for improvement are highlighted:

- Better synching of financing rules, levels and timing of funding (across the countries)
- Expansion of regions/countries involved in funding Innovation Express projects
- Offering possibilities to extend projects/partnerships – with funding that continues (growing or declining) or is cut off depending on attainment of agreed milestones
- Strengthened communication and “showcasing good practice”, as well as opportunities for experience exchange

As the first five years of Innovation Express implementation draw to an end in 2017, there is an opportunity to reflect on lessons learned and consider new approaches to implementation of the concept. Results and recommendations from this evaluation serve as a key input, and will be fed into discussions of the “Innovation Express coordination team”²⁴ going forward.

²⁴ Gathering funding partners and other innovation agencies/ministries from the Baltic Sea Region and beyond, currently led by the Danish Agency for Institutions and Educational Grants

Appendix I: Overview of Innovation Express projects approved in 2015

INNOVATION express

2015 BSR Innovation Express call resulted in 27 new international collaboration projects

Overview of Innovation Express Projects (2015)

Project Title and (Acronym) (joint projects ²⁵ in bold)	Partnering Countries (partners from funded applications in bold)	Partners	Business Sector(s)	#SMEs engaged
1. Sustainable building in circular resource economy (ecoConstruct)	AT, DK, NO, PL, SE	Ecoplus (AT) InnoBYG (DK) Tretorget (NO) Sustainable Infrastructure Cluster (PL) ByggDialog (SE)	Construction Wood/paper/furniture	57
2. Intercluster cooperation on healthy and functional foods (DK/E Healthy Food 2)	DK, ES	Food Network (DK) AINS Cluster of Nutrition and Health (ES)	Agro-Food	16
3. Bridging the gap between construction, IoT and 3D printing (HT2C)	DK, ES	InnoBYG (DK) Domotys (under SecartysCluster) (ES)	Construction ICT	9
4. Railway Cluster Cooperation Europe (RCOE)	DK, ES	Innovation Cluster for Production – Inno-pro (DK) RailGrup (ES)	Production Technology Railway	15
5. Nordic Furniture Making (NFM)	DK, NO, SE	Innet Lifestyle (DK) Norwegian Rooms (NO) Interior Cluster (SE)	Materials and new materials Wood/paper/furniture	65
6. Nordic Water Network – a platform for	DK, ES, FI, NO, SE	Vand i Byer (DK)	Environment/Green	85

²⁵ Joint projects are those that include partners from 2 or more funded applications

Nordic water business innovation (Nordic WIN)		Catalan Water Partnership (ES) Novago Business Development (FI) Clean Water Norway/Vannklyngen (NO) WIN-Water Innovation Accelerator (SE)	Technologies	
7. Involving spectators and participants in events through experience technology (ISPE X-tech)	DK, ES, NO, SE	Innovation Network for the Experience Economy/Invio (DK) INDESCAT - Catalan Sports Cluster (ES) Arena Usus and Innovative Opplevelser (NO) Peak Innovation (SE)	Creative (Experience business sectors) Sports Tourism	42
8. Entrepreneur Creative Showcase 2016 (ECRES2)	DK, NO, SE	Innonet Lifestyle (DK) 657 Oslo (NO) Smart Textiles (SE)	Creative	80
9. Process Industry – Zero Waste (PRO-ZERO)	IS, NO, UK	Álklasinn/Aluminum Cluster (IS) NCE Eyde (NO) North East Process Industry Network-NEPIC (UK)	Metal Processing/ manufacturing Materials and new materials	500
10. Joint Strategy for Building an International Brand for the Nordic Health Technology Industry (NorHealthTech)	IS, NO, SE	Health Cluster Iceland (IS) NCE Oslo Medtech (NO) Innovation Skåne AB (SE)	Health Care/Medical Devices ICT	60
11. Sustainable Textiles (SUSTEX)	DK, FR	Innonet Lifestyle (DK) CD2e (FR)	Materials and new materials	10
12. US-DK Medtech Exchange	DK, US	Medtech Innovaton (DK) Life Science Alley and Greater MSP (US)	Health Care/Medical Devices	47

13. Deployment of flexible and collaborative robots in new contexts (CORONEW)	DK, UK	Innovation Network RoboCluster (DK) The Manufacturing Technology Centre-MTC (UK)	Robotics	6
14. Satellite Navigation and Space – Business Opportunities (SNBO)	DE, DK	Satellite Navigation Berchtesgadener Land-SNBL (DE) Innovation Cluster for Production - Inno-Pro (DK)	Production Technology	6
15. Nordic Values as a Strategic Branding Potential (NYSBP)	DK, NO, SE	Innovation Network Brandbase (DK) Northern InSights – Knowledge-based added value (NO) Consumer Culture Business Network (SE)	Other: Branding, marketing and communication	11
16. Supporting Nordic Cleantech SMEs in emerging markets: energy efficiency projects in the Philippines (SMEs in Philippines)	DK, NO	CLEAN (DK) Oslo Renewable Energy and Environment Cluster-OREEC (NO)	Energy Environment/Green Technologies	4
17. The Danish-American Biogas Coalition (DAmBioCo)	DK, US	Innovation Network for Biomass-INBIOM (DK) The Coalition For Renewable Natural Gas and The American Biogas Council (US)	Environment/Green Technologies	5
18. Improving Gastro Festivals via Experience Technologies (Gastro-XT)	DE, DK, NO	Cluster food industry @ Brandenburg Economic Development Board and Cluster Tourism Brandenburg c/o TMB Brandenburg Tourism Board (DE) Innovation Network for the Experience Economy/Invio and AgroTech A/S (DK) NCE Culinology (NO)	Agro-Food/Gourmet Creative (Experience business sectors)	18

19. Data driven business and service innovation in an international context (BIG DATA-NET)	DK, NO	Service Cluster and Infnit (DK) Digin ICT Cluster (NO)	Business and Financial Services; Energy; ICT; Maritime; and Other: Service Innovation	16
20. Intelligent and Sustainable ICT Solutions for the young segment (YoungICT)	DK, SE	BrainsBusiness ICT (DK) Business Region Gothenburg (SE)	ICT	5
21. EU Network for Sustainable Fish Production (EuroFishNet)	DK, ES, FR, PT	Food Network (DK) AEI Cluster Alimentario de Galicia, CLUSAGA (ES) Aquimer (FR) Forum Oceano - Associação da Economia do Mar (PT)	Agro-Food	50
22. Boosting SME collaboration and business opportunities for water solutions in Singapore (SME Water Solutions)	DK, Singapore	Innovation Network for Environmental Technologies/Inno-MT c/o CLEAN (DK) Singapore Sustainability Alliance (SSA) (Singapore)	Environment/Green Technologies	5
23. Sound Solutions for Healthcare II (SoundCARE II)	DE, DK, NO	Medical Valley EMN (DE) Danish Sound Innovation Network (DK) NCE Oslo Medtech (NO)	Health Care/Medical Devices	10
24. Virtual Reality Sound (VRSound)	BE, DK, SE	Screen.Brussels (BE) Danish Sound Innovation Network and Shareplay (DK) Media Evolution (SE)	Media	10
25. Baltic Sea Offshore Wind Cluster Development (BSOW)	DK, PL	Offshoreenergy.dk (DK) Scandinavian-Polish Chamber of Commerce-SPCC (PL)	Energy	40

26. Nordic Baltic Cloud Competence Network (NordBalt Cloud)	LT, SE	Cloud Computing Cluster / LITI (LT) Clusterland Sweden (SE)	ICT	5
27. Towards Sustainable Ship Recycling (TOSS)	SE, GR	Swedish Network for Advanced Pre-Cleaning Services (SNAPS) at Technical Research Institute SP (SE) Hellas Prior Ship Dismantling Group (GR)	Environment/Green Technologies	9

Appendix II: Evaluation Question Sets

Target Group:	SMEs involved in the funded projects	
Name of your company:		
Name of the project in which you participated:		
Questions:	Type of response	
1) Which internationalisation support activities provided by clusters are most helpful to your firm? a. Access to market information/benchmarking/inspiration b. General networking and access to new international contacts/cooperation partners c. Exposure to new opportunities/new partners in other sectors or application fields d. Development of stronger international visibility e. Access to new markets f. Access to particular knowledge sources (e.g. individuals or centres with specific skills/expertise) g. Access to external infrastructure (e.g. physical or virtual laboratories, demonstration or test facilities) h. Facilitation/initiation of collaborative research and/or development processes i. Other (please write in)	Select top three	
2) Please elaborate on your response above	Free text	
3) Was your cluster/network organisation helpful in understanding your needs, identifying relevant opportunities, mobilising and catalysing your international activities?	Yes/No	
4) Please elaborate on your response above	Free text	
5) What were the main results/effects of the project for your company? a. Better understanding of new markets/players b. Knowledge sharing and inspiration; identification of new opportunities c. Access to new partners and broadened networks d. Strengthened presence/visibility in new markets e. Initiation of longer-term research and innovation collaboration f. Initiation of commercial contract or commercial transaction g. Other (please write in)	Select all that apply	
6) Please elaborate on your response above	Free text	
7) Would you have pursued these international activities without this project?	Free text	

Target Group:	Cluster/network organisations coordinating the projects
Name of cluster/network organisation:	

Name of Innovation Express project:		
Questions:	Type of response	
1) What were the main results/effects of the project? a. Better understanding of new markets/players b. Knowledge sharing and inspiration; identification of new opportunities c. Access to new partners and broadened networks d. Strengthened presence/visibility in new markets e. Initiation of longer-term research and innovation collaboration f. Initiation of commercial contract or commercial transaction g. Other (please write in)	Select all that apply	
2) Please elaborate on your response above	Free text	
3) Would you have pursued these international activities in any case (without the matchmaking event or financial support that BSR Innovation Express has provided)?	Free text	
4) Is the "Innovation Express" approach (i.e. lower financing levels, quicker time to decision and short time to act) attractive and effective for fostering SMEs' internationalisation?	Yes/No	
5) Please elaborate on your response above, explaining how support from Innovation Express has complemented other available forms of support to internationalisation (e.g. from Enterprise Europe Network, trade councils, inward investment agencies, etc.).	Free text	
6) What aspects of the BSR Stars Innovation Express concept have provided added value to your internationalisation work? a. Joint cluster matchmaking event b. Experience exchange/capacity building workshops with cluster managers in other countries c. Innovation Express project funding d. Coordination of the activities on transnational level (incl. policy-level contact points in other geographies)	Select all that apply	
7) What suggestions do you have for potential future Innovation Express activities (coordinated calls, matchmaking, capacity building, or other)?	Free text	

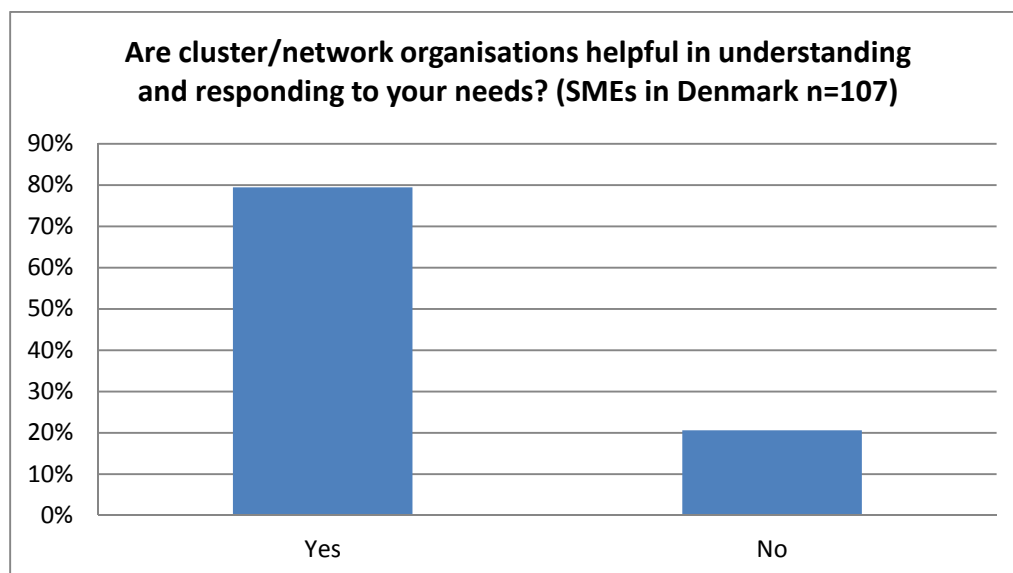
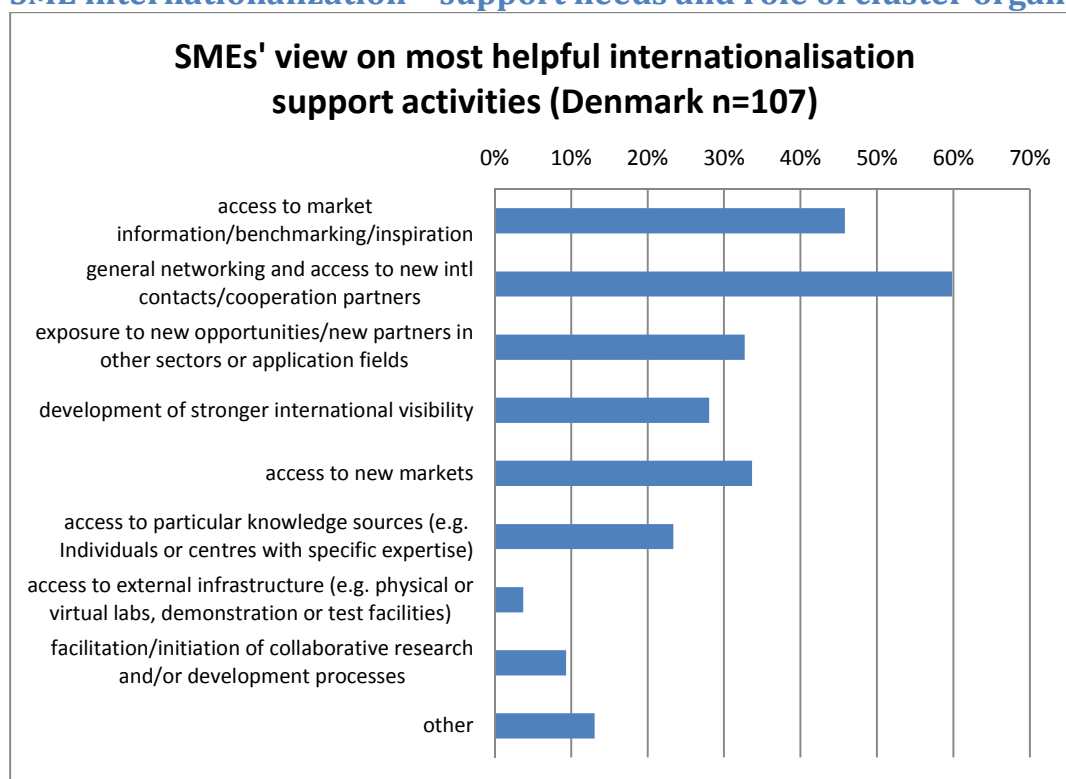
Appendix III: Overview of Case Stories and Supplementary Interviews

Case stories were drafted based on survey responses and, in some cases, supplementary interviews with cluster organizations and participating SMEs. An overview is provided below.

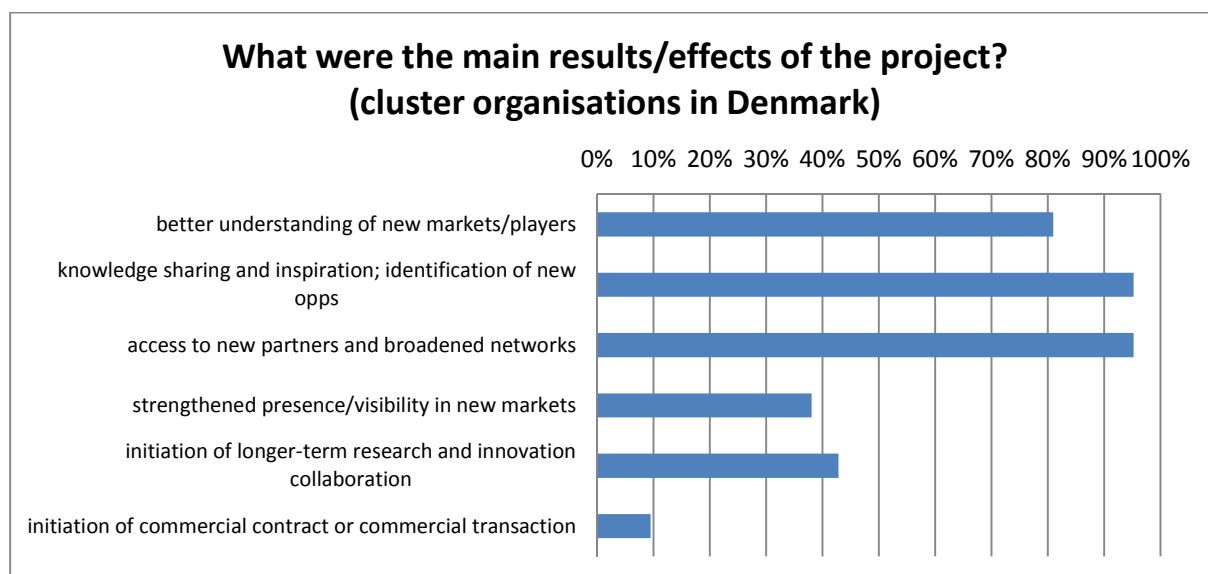
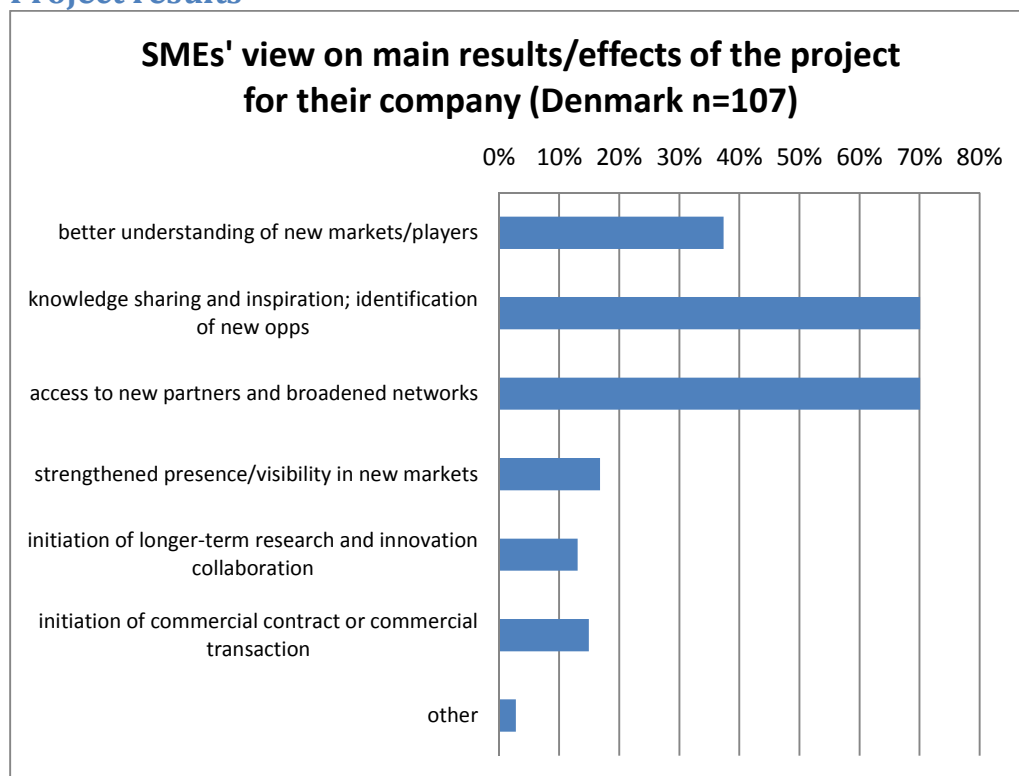
Title of Case Story	Name of project and cluster organizations involved	Sources/persons interviewed
<i>Nordic Furniture Making – developing new markets for the “little guys”</i>	Nordic Furniture Making (NFM) Lifestyle and Design Cluster (DK) Norwegian Rooms (NO) Interior Cluster (SE)	Jesper Rasch, Danish Lifestyle and Design Cluster
<i>Building Sustainable Networks for more Sustainable Building Materials</i>	Sustainable building in circular resource economy (ecoConstruct) Ecoplus (AT) InnoBYG (DK) Tretorget (NO) Sustainable Infrastructure Cluster (PL) ByggDialog (SE)	Anne Christine Steenkjær Hastrup, InnoBYG Ola Rostad, Tretorget Helene Axelsson, ByggDialog
<i>Nordic Water Network – moving beyond the Nordics</i>	Nordic Water Network – a platform for Nordic water business innovation (Nordic WIN) Vand i Byer (DK) Catalan Water Partnership (ES) Novago Business Development (FI) Clean Water Norway/Vannklyngen (NO) WIN-Water Innovation Accelerator (SE)	Johan Kronholm, WIN Hans Ulmert, Flocell
<i>Integrating SMEs in “Clean Solutions” in the Philippines</i>	Nordic Cleantech in Emerging Markets (SMEs in the Philippines) CLEAN (DK)	Sophia Grane R. Schroeder, CLEAN cluster
<i>Lessons from an Innovation Express “Lead User”</i>	Perspectives from Lifestyle and Design Cluster’s (DK) Experience with 10 Innovation Express projects (2013-2016)	Betina Simonsen and Jesper Rasch, Danish Lifestyle & Design Cluster

Appendix IV: Evaluation Results – Denmark

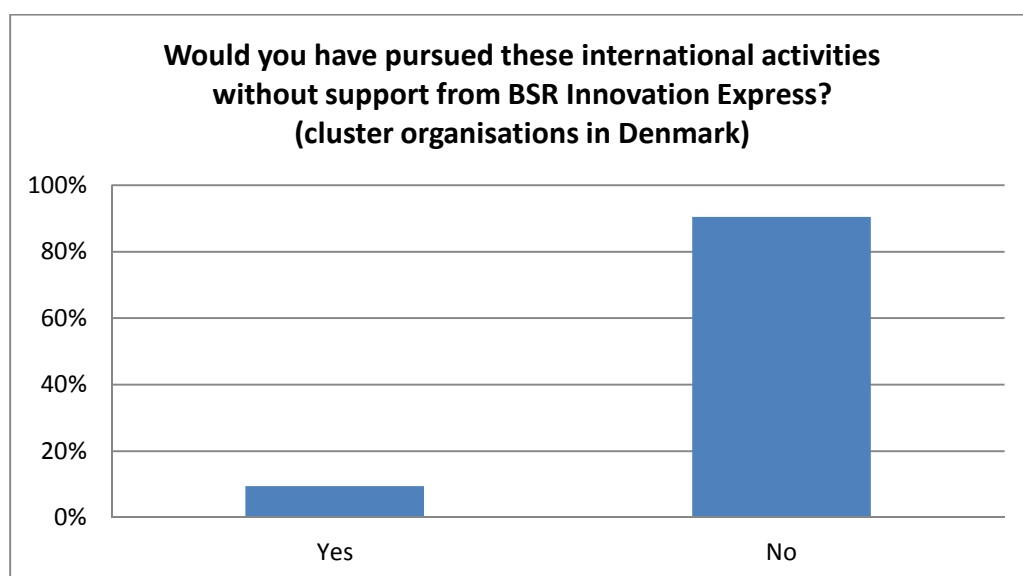
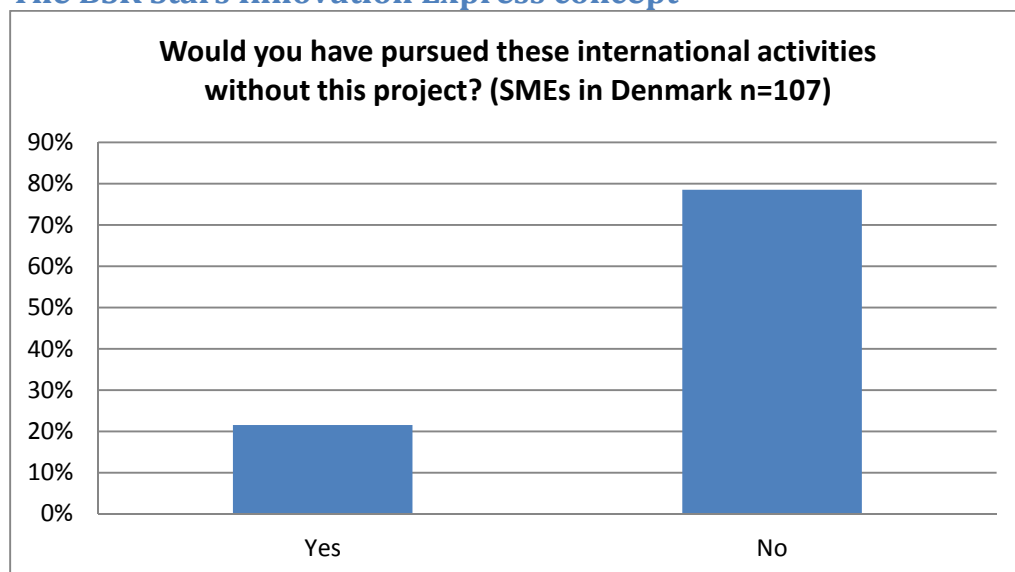
SME internationalization – support needs and role of cluster organization

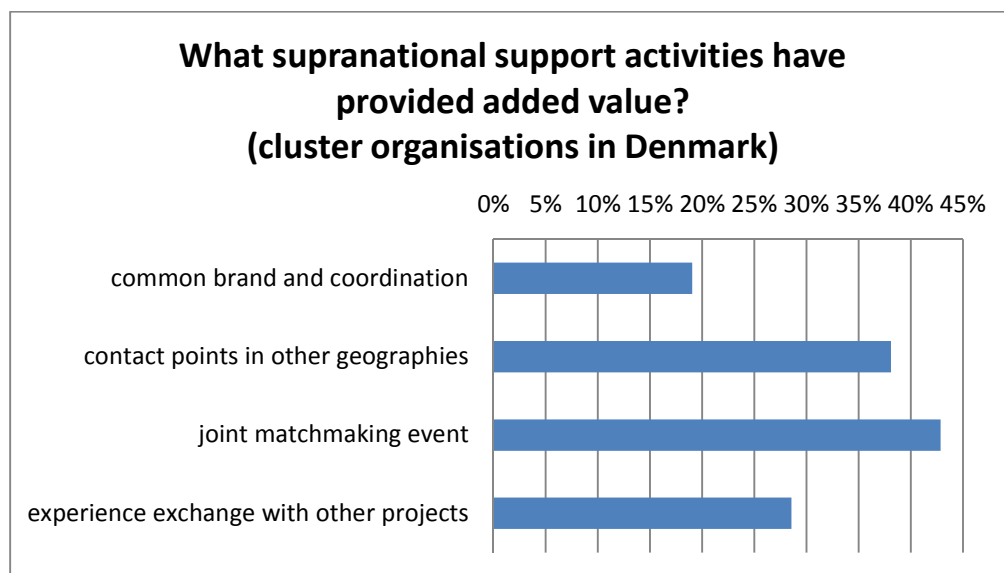
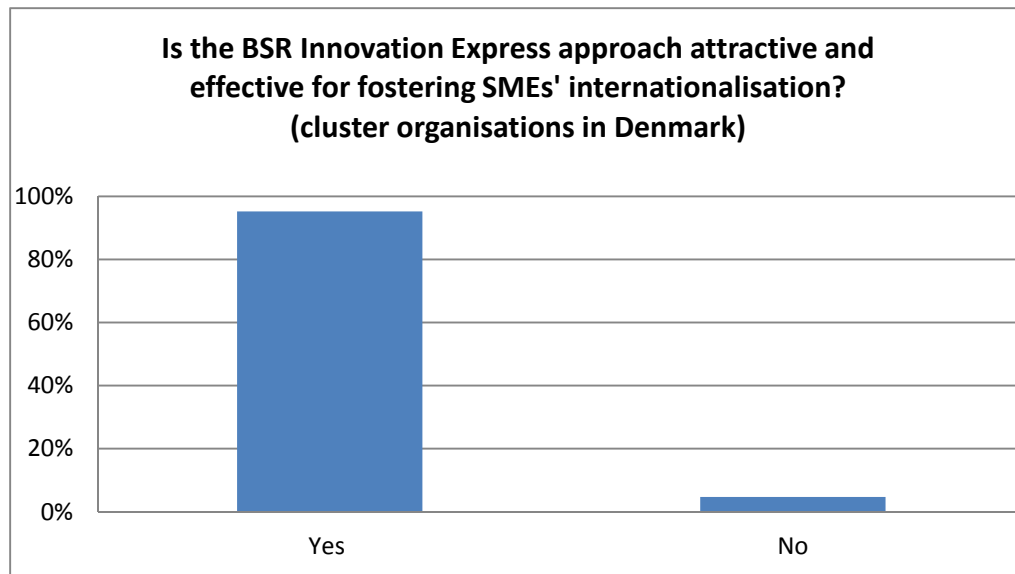


Project results



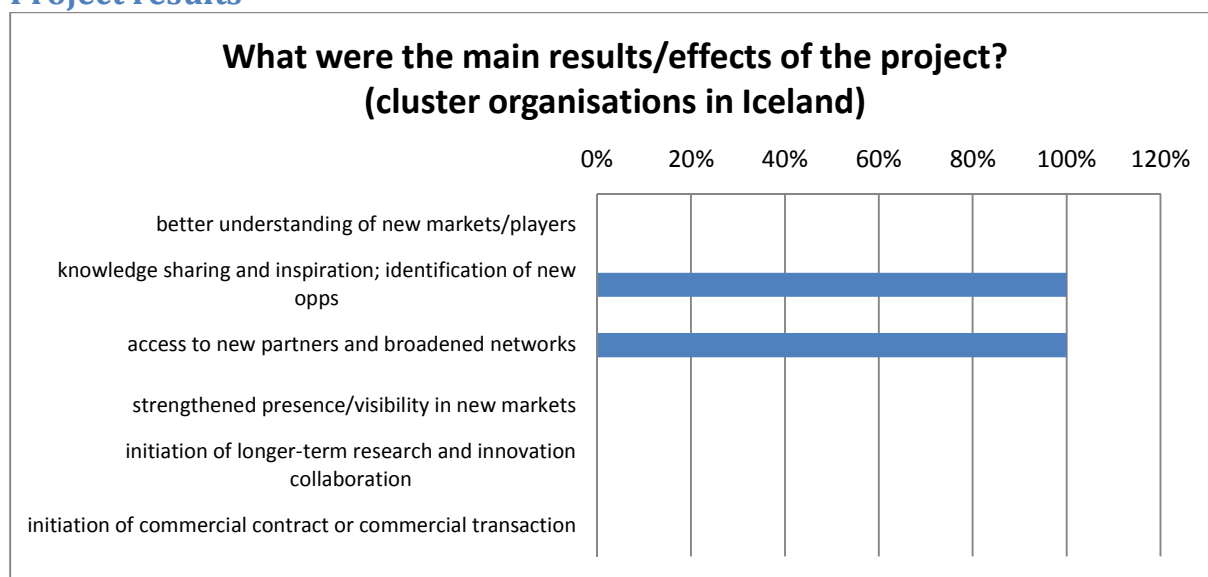
The BSR Stars Innovation Express concept



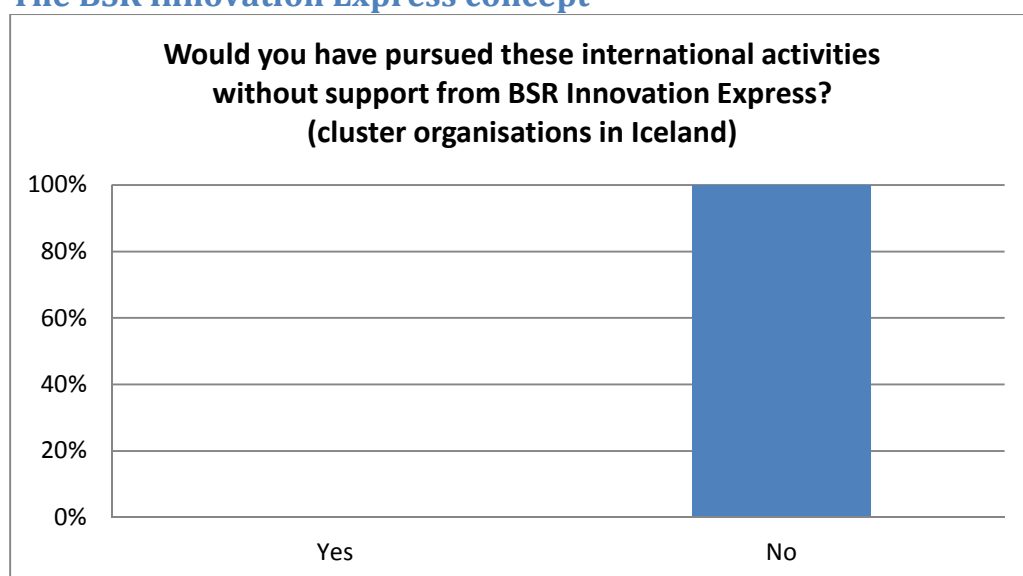


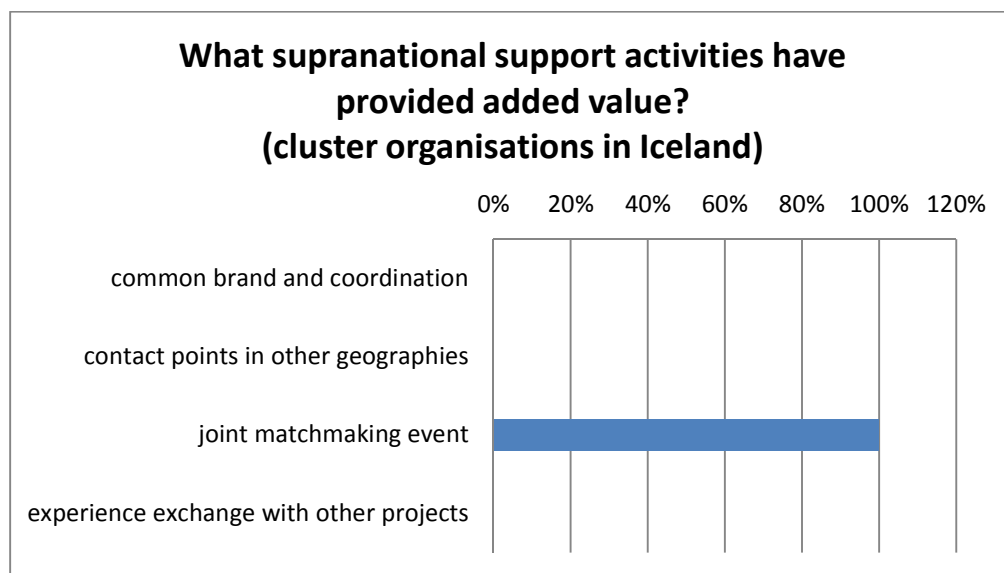
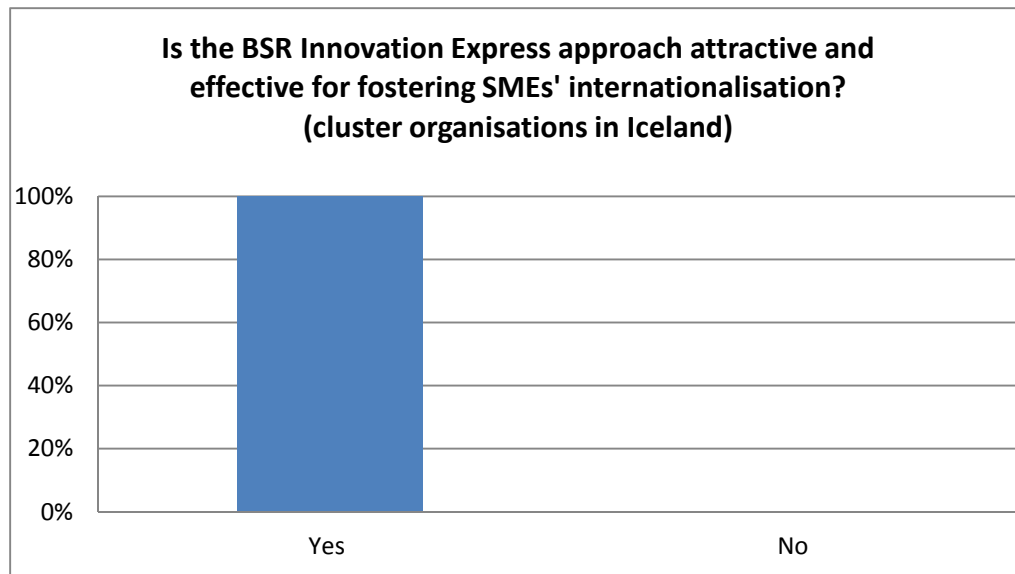
Appendix V: Evaluation Results – Iceland

Project results



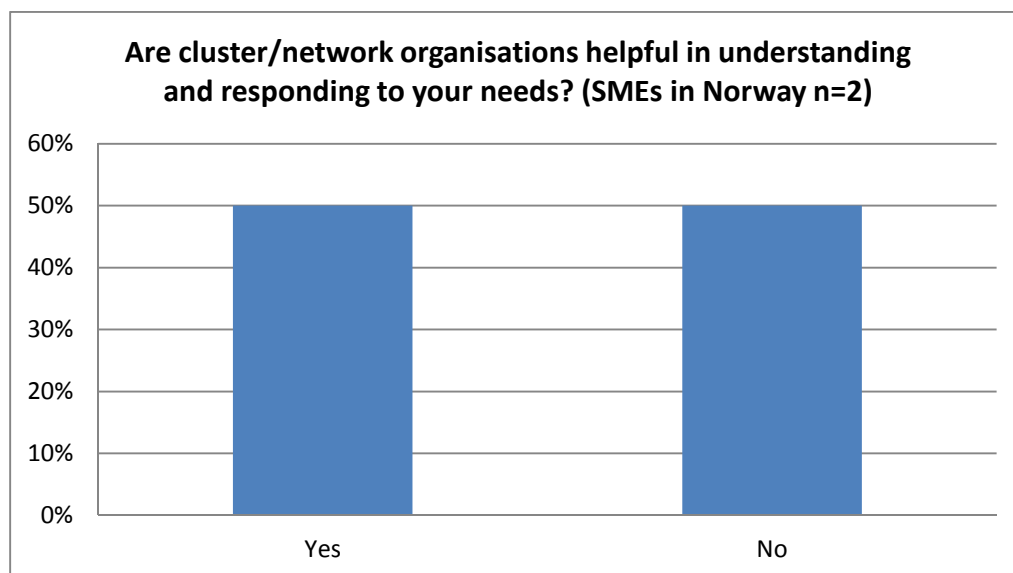
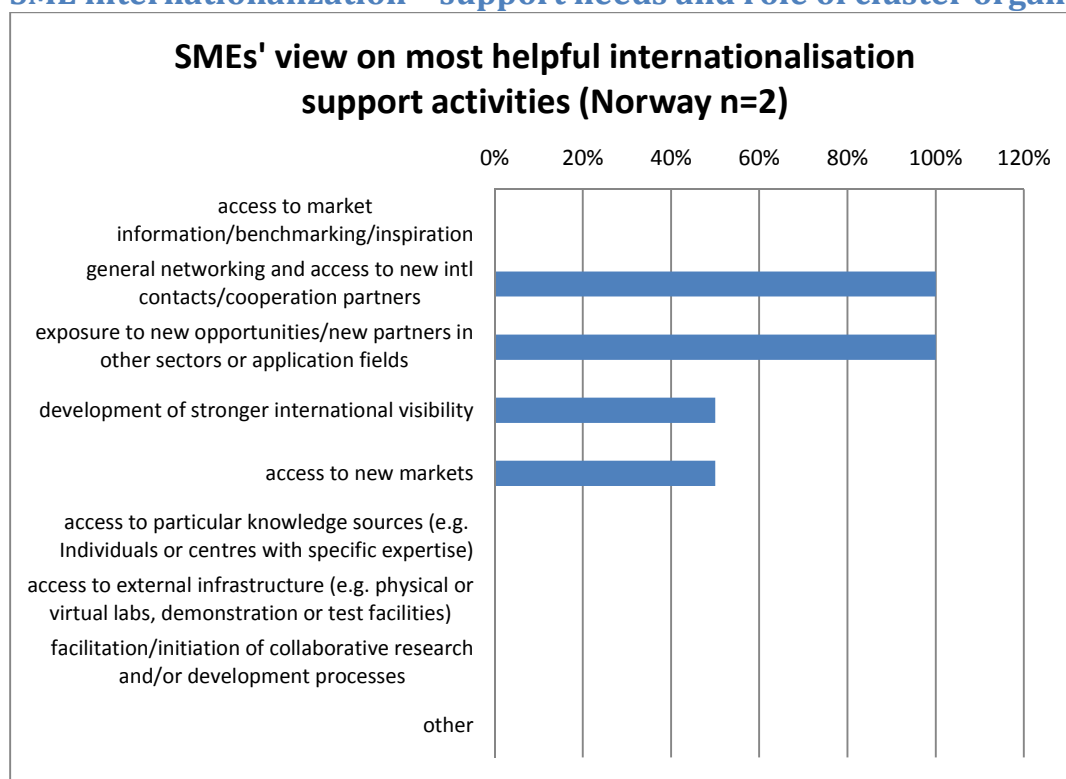
The BSR Innovation Express concept



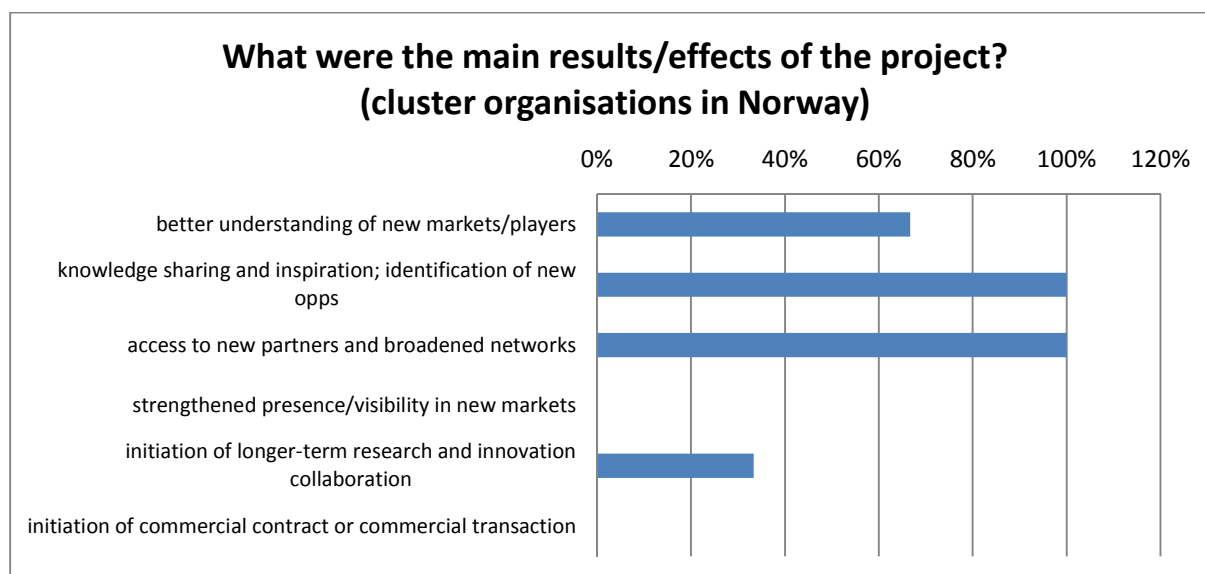
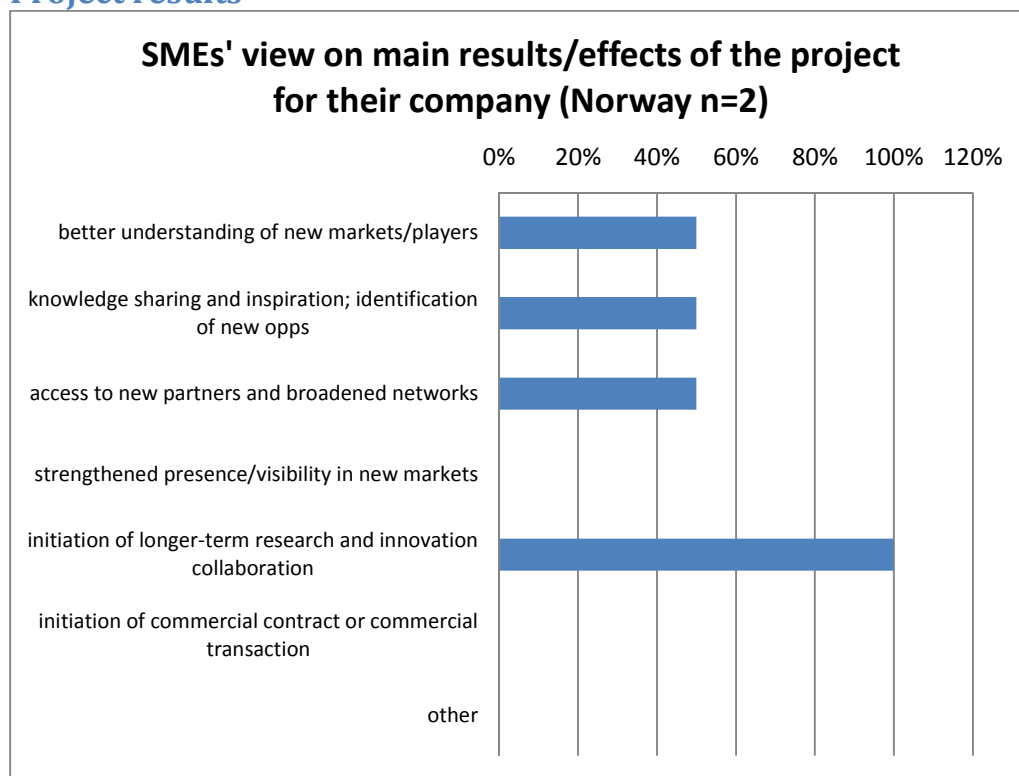


Appendix VI: Evaluation Results – Norway

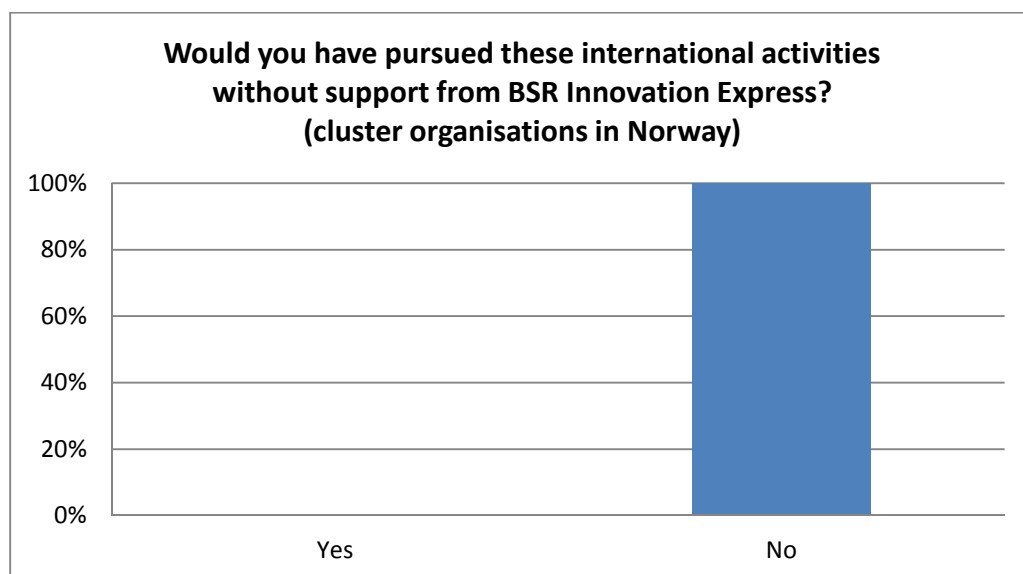
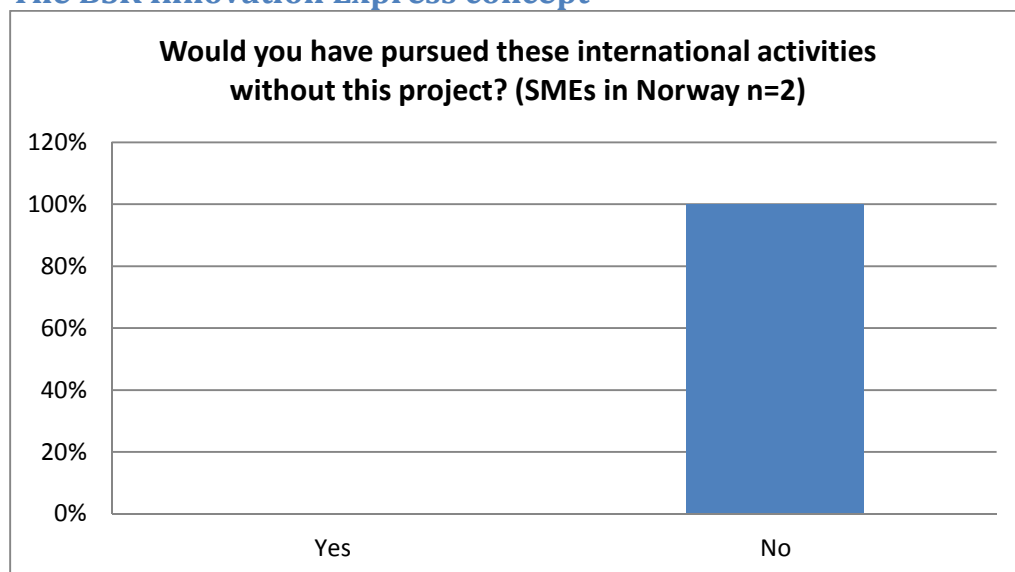
SME internationalization – support needs and role of cluster organization

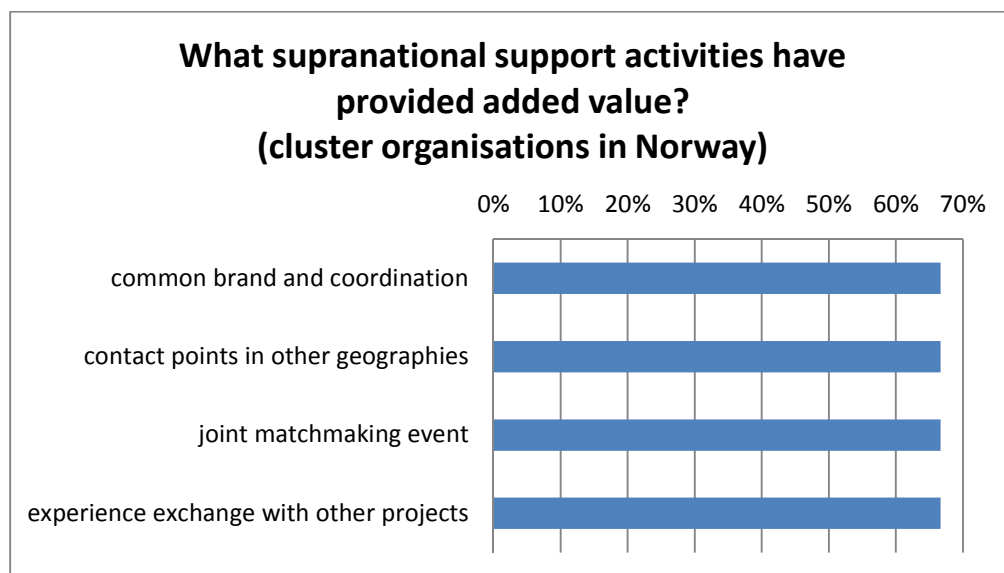
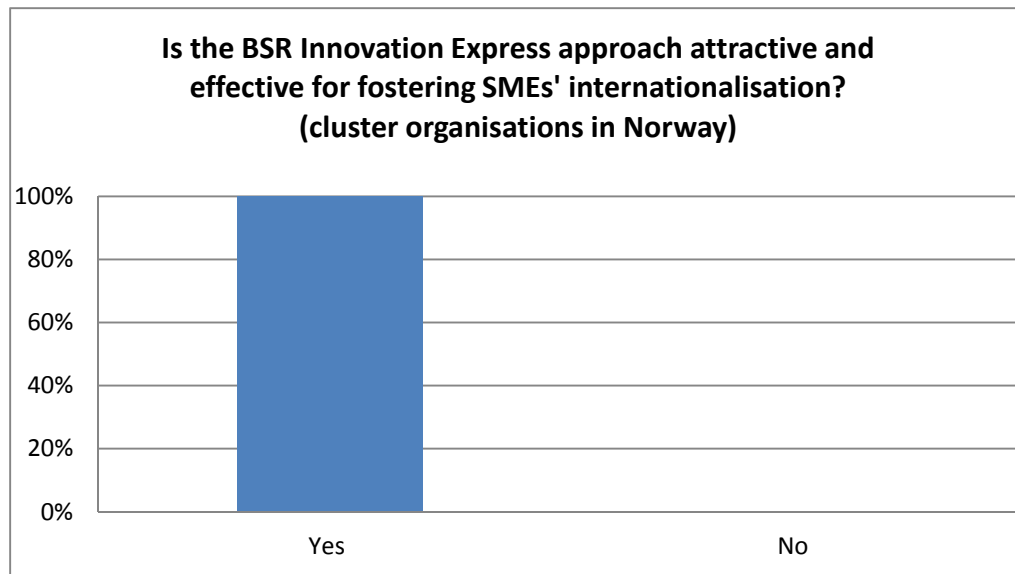


Project results



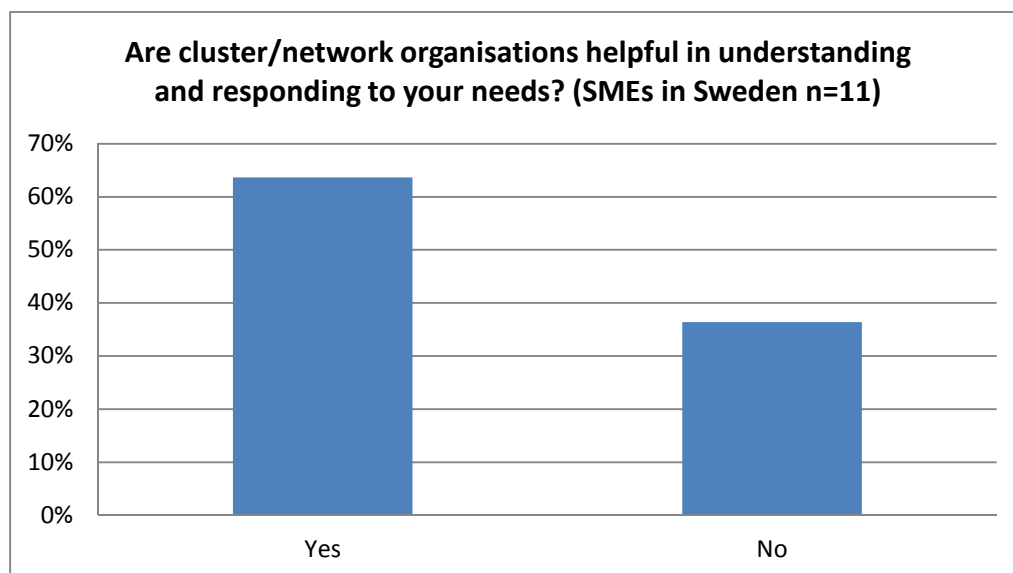
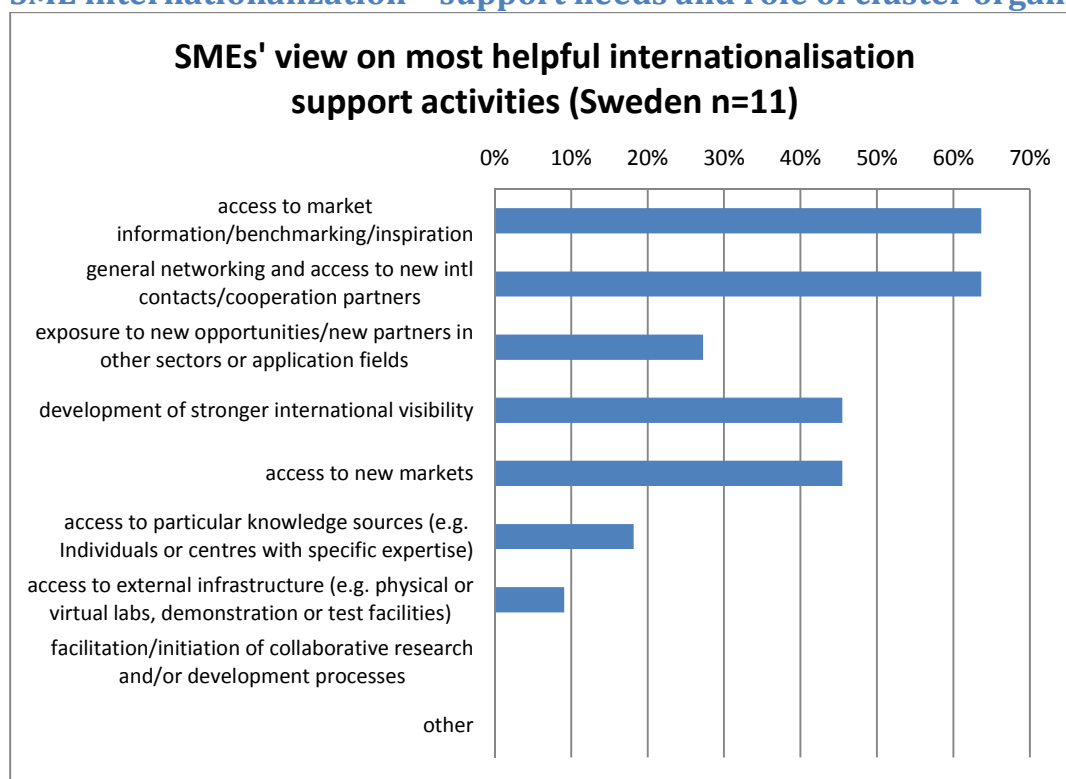
The BSR Innovation Express concept



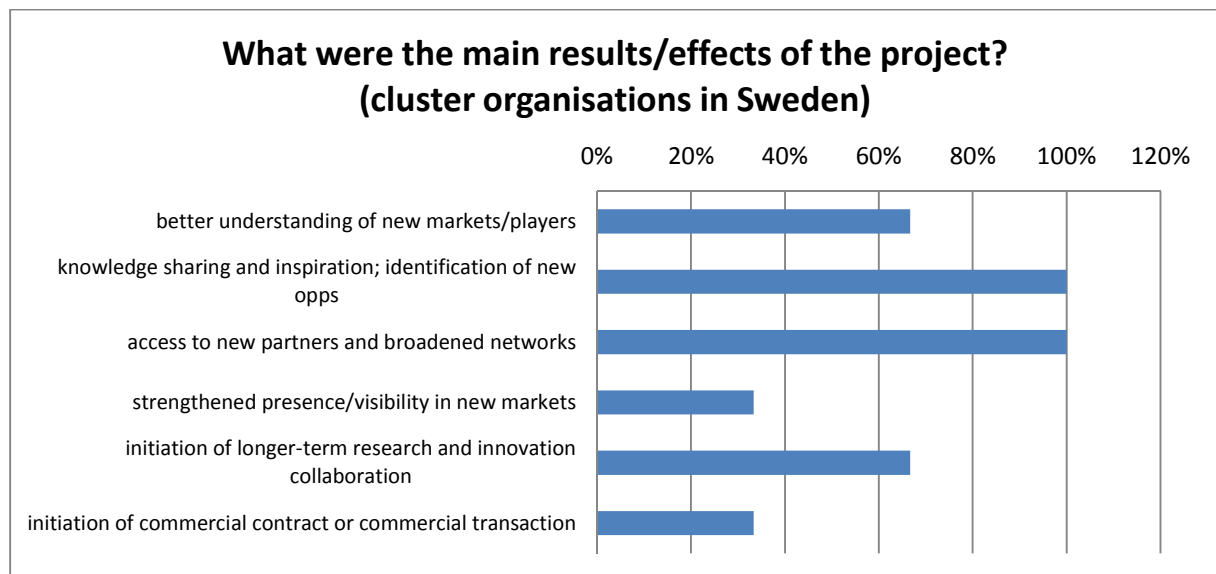
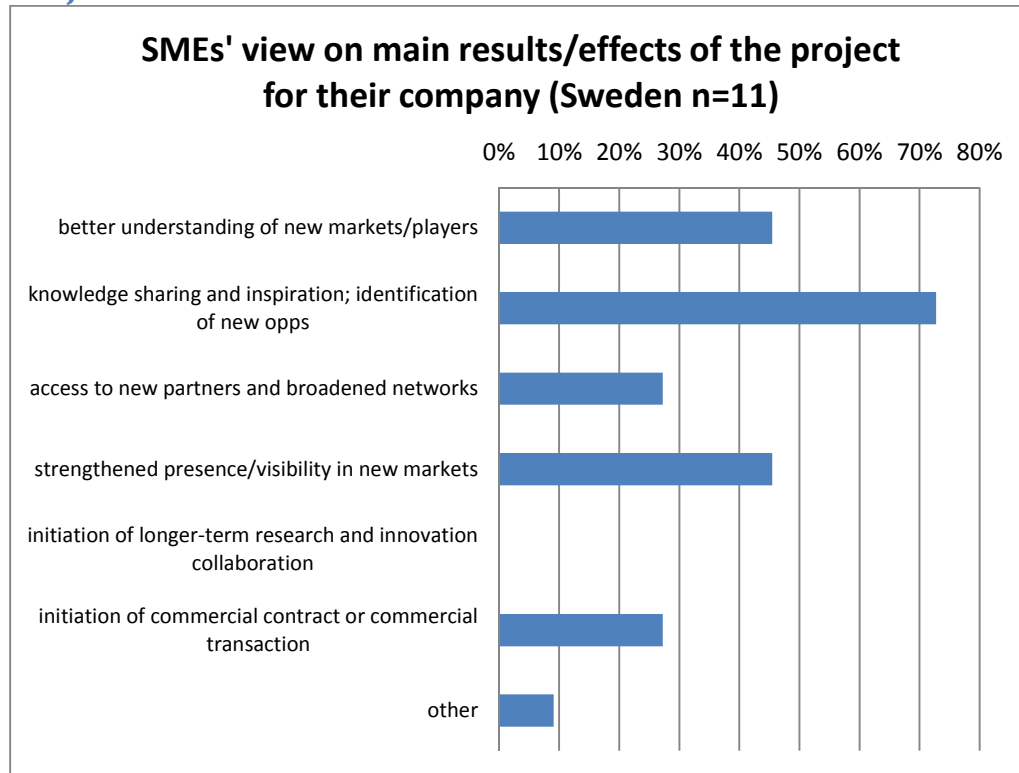


Appendix VII: Evaluation Results – Sweden

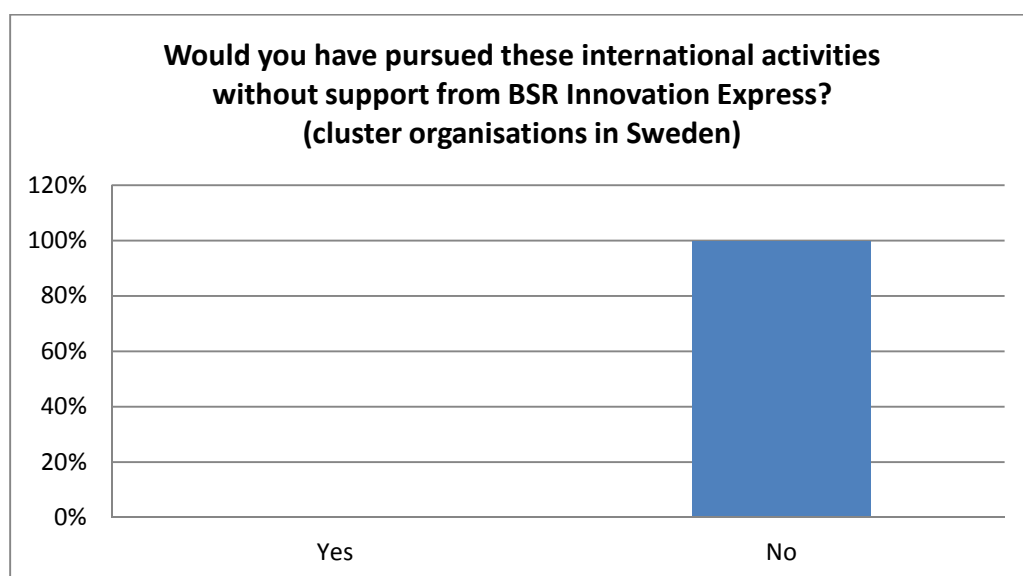
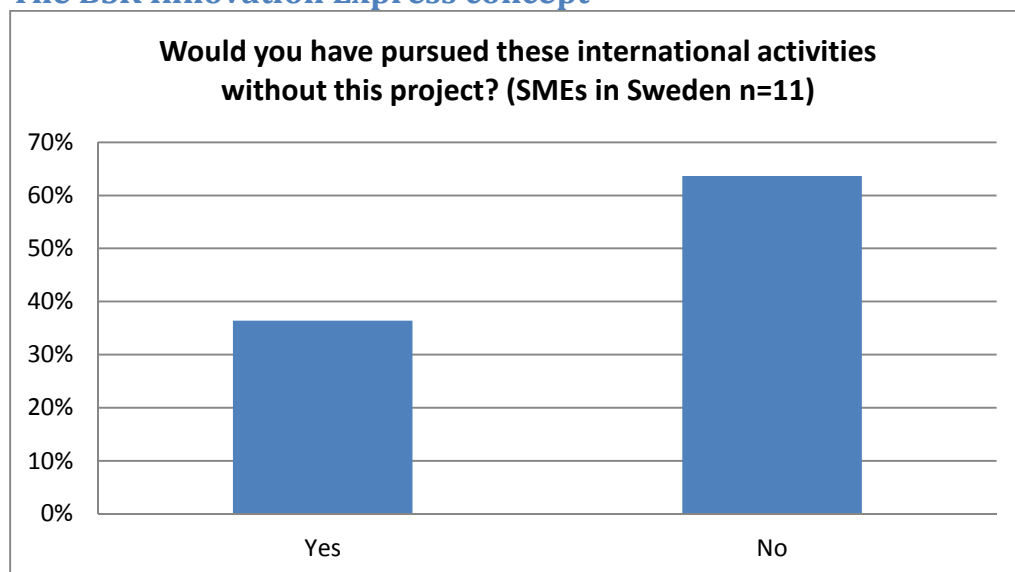
SME internationalization – support needs and role of cluster organization

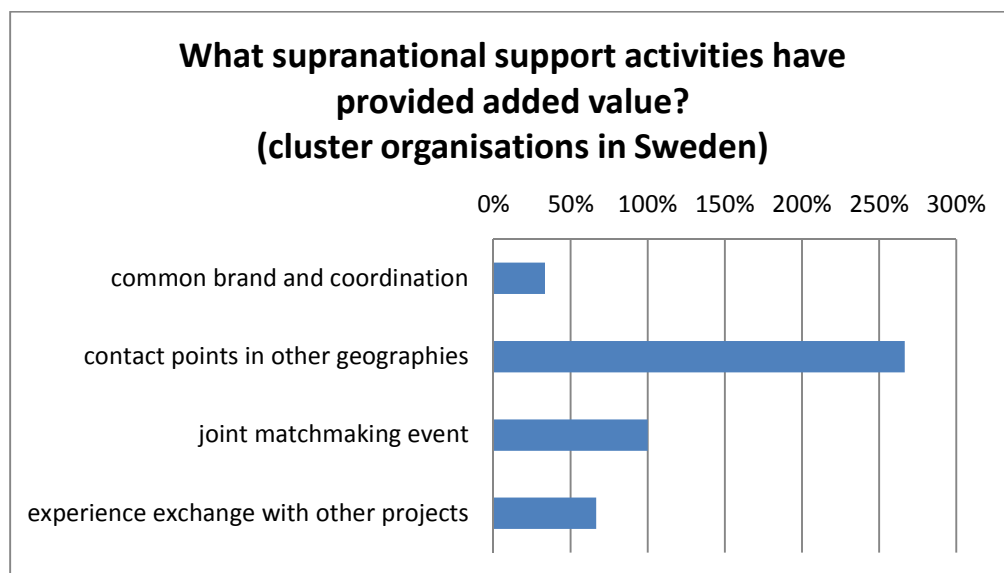
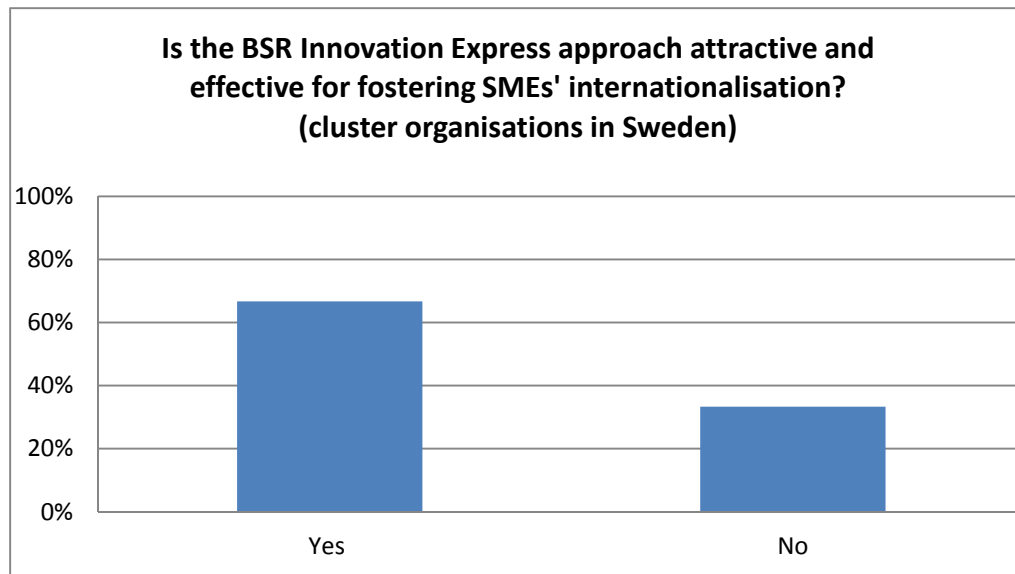


Project results



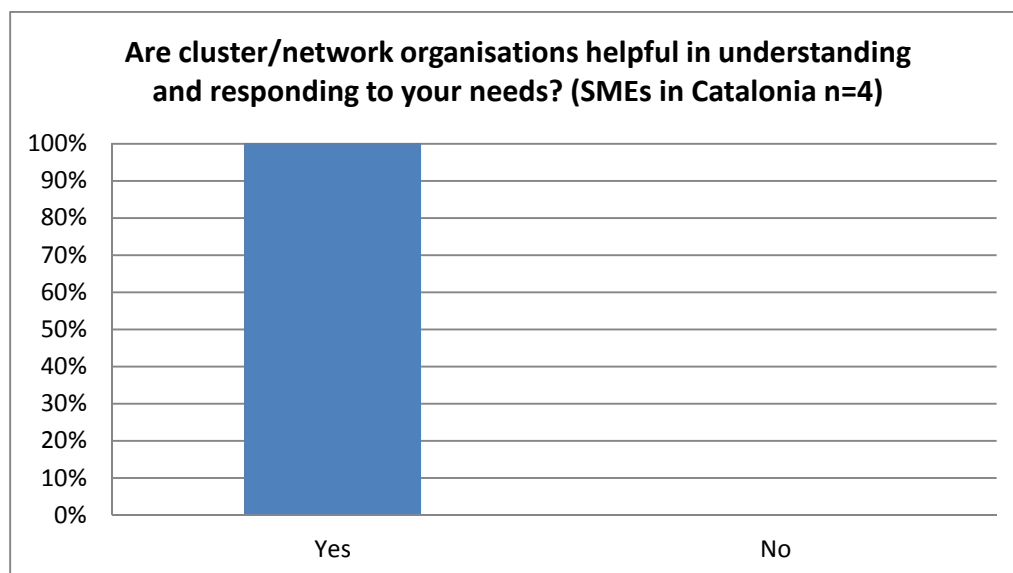
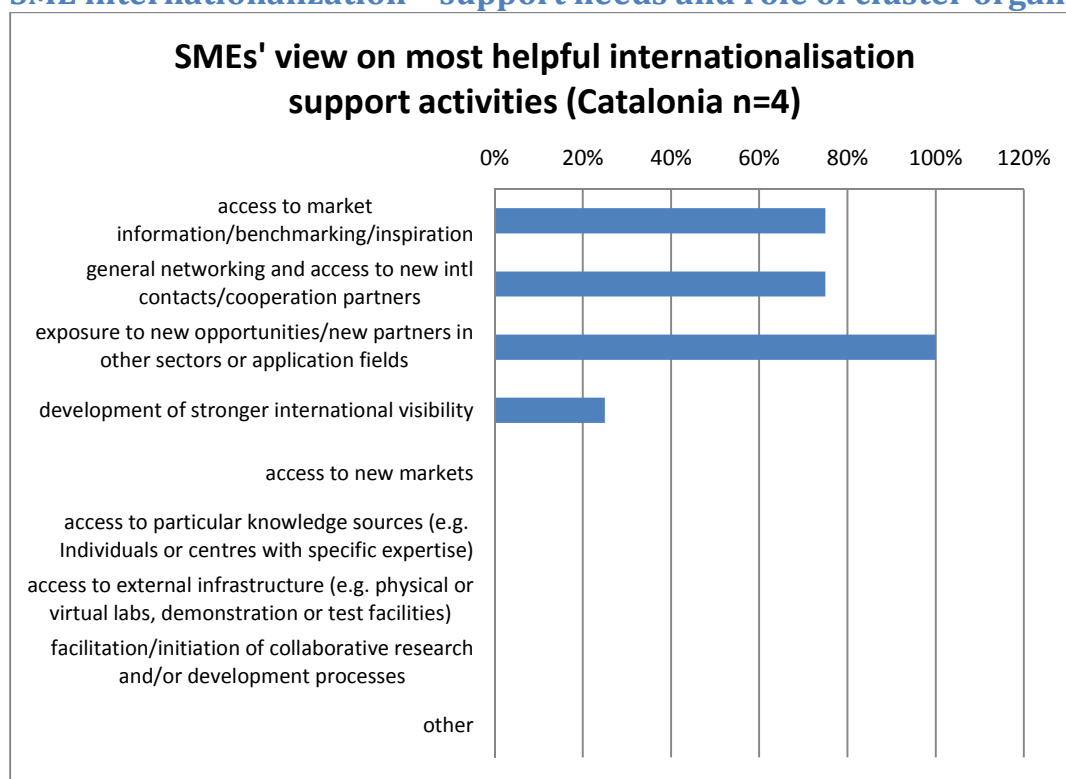
The BSR Innovation Express concept



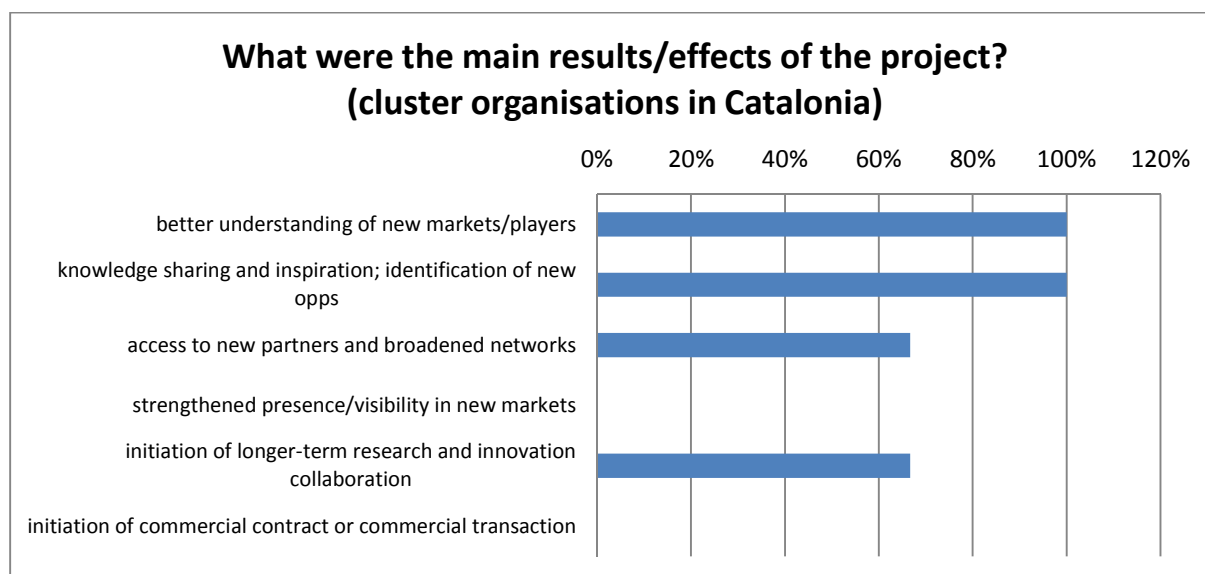
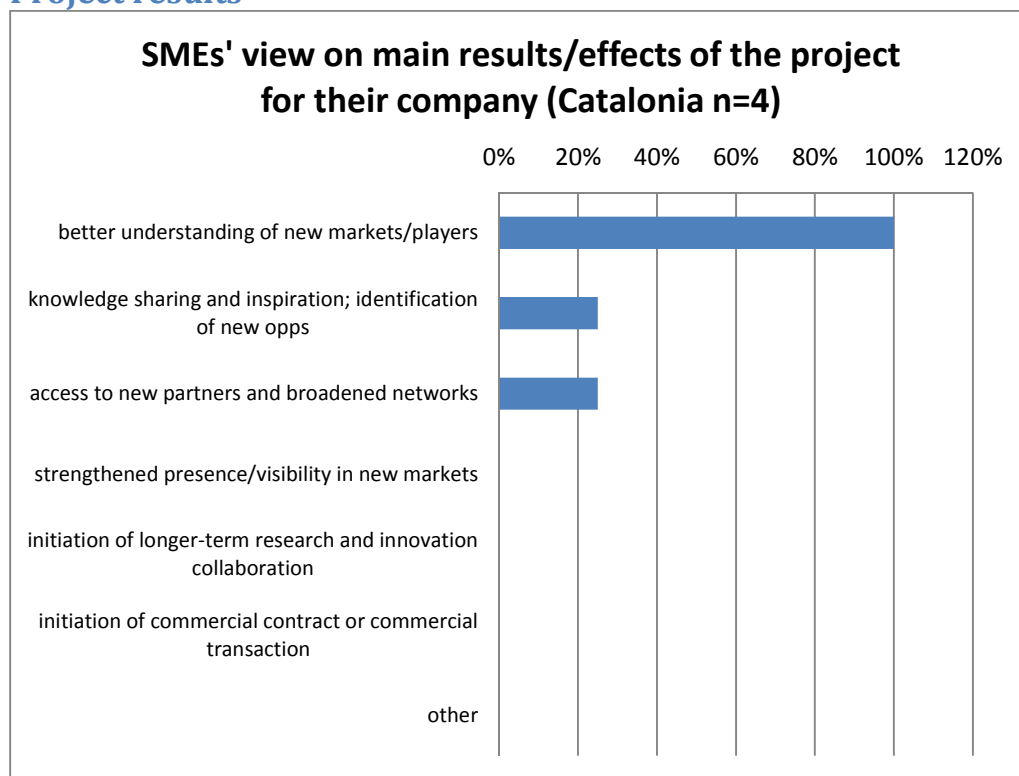


Appendix VIII: Evaluation Results – Catalonia

SME internationalization – support needs and role of cluster organization



Project results



The BSR Innovation Express concept

