



UPDATE No. 58

April 2005 - For SPICE Group Members only

- **Last Minute: registration for the 19th NBIA Conference**
- **11th Global Summit of Business Incubation: important decisions**
- **Special offer for members on page 2**

Dear Member,

The 11th Global Summit of Business Incubation Associations will be held Sunday, May 15, 2005 at the NBIA conference in Baltimore, USA (May 14 – 19, 2005). Certainly the Summit will be one of the most important business incubation events this year. On the agenda is the formation of the Global Network for Business Incubation. Discussions at the Summit will lead to important decisions effecting our international cooperation in future: Basic questions will have to be discussed and – if possible – agreed. For example:

- **Aims of GNBI:** From exchange of information to joint project work based on volunteered support or acquired project finance.
- **Character of GNBI:** Informal network with distributed tasks and rotating representatives - or structured with formal membership of associations with President, Board, secretariat and annual fees - or something between?
- **Membership:** regional, national, international BI associations. What about countries with incubators but without an association? What about “regional”? Does this include sub-national associations? This is important for countries with many incubators, incubator associations of different types or countries with more than one national association
- **Structure of GNBI** general structure / regional representation, boards, committees, and work groups etc.
- **Finance of GNBI** volunteered work, membership fees, project funding --- from whom?

Members are invited to contribute not only to the discussion during the Summit (for representatives of associations), but also during preparation. Your thoughts regarding the above mentioned topics – and others if you like – are welcome. If you did not yet receive the materials for the Summit, please use the answer form

To register for the NBIA conference, please visit the web site www.nbia.org.

For the Summit (representatives of associations only) you can register simply by email to worldsummit@spica-directory.net

The year 2005 – developing networks

This year in SPICE Group network began with many activities in the global network of business incubation programs. For example training seminars and workshops in **Bangkok, Thailand** and **Hanoi, Vietnam**. Business incubation is quite a new activity in these countries, but (would-be) managers of these programs began already in an early stage to work on building national networks and prepare international links. Exchange of experience and know-how is of critical importance for building successful business incubation programs – in their early stages or even before incubators begin to work at all. The trainer, **Heinz Fiedler**, SPICE Group President, therefore focused the seminars and workshops not only on describing the functions of networks, but also provided practical examples for successful networks and associations from national perspectives (e.g. ADT, Germany or swisspark, Switzerland) where associations often began as informal round-tables or national associations with strong international activities (for example NBIA, USA; UKBI, United Kingdom;) to networks and associations working globally (like IASP, International Association of Science Parks or SPICE Group).

Another important activity in the beginning of this year was a **workshop** organized by **infoDev** in Washington end of March. This meeting brought together representatives of national business incubation associations (Brazil, Germany, Poland, Ukraine, United Kingdom, and United States) with representatives of emerging regional networks in Africa, Asia, Eastern Europe / Central Asia, Latin America, and Middle East. The main topic of this workshop was how to support establishment and development of regional networks in developing countries and how to link these initiatives with existing associations and networks. Another important issue was the development of a global information and knowledge resource for business incubation and innovation based entrepreneurship. With support from **infoDev** a basis for such a system was built by ANPROTEC, the Brazilian Business Incubation Association in cooperation with IBI, the International Business Incubator, San Jose, California. This system, called **iDISC Incubation Support Center** (see www.idisc.net) will be further developed in the near future in cooperation with associations as well as practitioners in innovation, entrepreneurship and innovation.

Proudly African

was the motto used by the African work group at the New Delhi *infoDev* Forum last year. Meanwhile preparation began to form an African Business Incubation Association. This is to become an important topic of the

1st International Conference: "Incubation - The Key to creating Economic Wealth" held by SABTIA, the South African Business and Technology Incubation Association.



The Conference will take place from 20 – 23 September 2005 at the Misty Hills Hotel in Muldersdrift (Incubator Tours September 23, 2005). Should you be interested in contributing towards the preparation, please send an e-mail to nicoli@softstart.co.za

Proposals for the SPICE event 2005

With the last Update we asked members to make proposals for *the* SPICE event 2005. Here the proposals we received.

- BALTIC DYNAMICS 2005 & Nordic Science Park Conference, Tallinn, August 19-24, 2005
- Business Incubation Conference at the APEC Forum in Korea, August 24-28, 2005
- XXII IASP World Conference, Beijing, China, September 19-21, 2005
- Joint Conference of ADT, VTÖ and swisspark in Friedrichshafen, Germany, October 9-11, 2005

With the answer form of the SPICE Update you can make your voice count for the decision regarding *the* SPICE event 2005

Offer to SPICE Members:

The newsletter **InnovationMatters** covers the entire process of transforming knowledge into wealth. Up to now, this publication has been focusing a great deal on the technology transfer process from universities to either licensees or new ventures. What the publications seeks from SPICE members is the perspective of the people who are involved in incubating and accelerating new technology-based ventures. **InnovationMatters** is interested in the intersection of universities and incubators, especially in the view of those who are involved on the incubation side; and also in covering broader issues of nurturing and growing technology ventures—issues that confront those who operate incubators and science parks. And since the newsletter is an international publication, material and resources from global sources are of special interest.

There are several ways for SPICE members to participate.

- Individuals can write articles for the section “Good Practice”. These are usually 1500-2000 words in length and cover practices or problems or case examples. Authors receive a free one-year subscription.
- SPICE members can provide information that can be included in the publication, news items, events, and resources.
- A discount subscription price for SPICE members.
- A free trial subscription for three months. Only a limited number of subscriptions available! This offer is based on the basis “first come, first served”. If you are interested, you better answer soon.

In case you are interested in these options, please use the answer form or send an email to spice@spice-group.de

SPICE Group: 41 countries and 27 associations now are represented in our network. It remains the aim of SPICE Group to grow by including more countries and maintaining the quality of the network based on personal contacts and cooperation.

Impressions from some SPICE events in early 2005



Business Incubator Network Seminars and Workshops in ↑ Bangkok, Thailand ↑ and ↓ Hanoi, Vietnam ↓



Mai Hoang & F. Dietrich

Plenary session

Presentations of work group results



Intensive work group sessions

Evaluation: Heinz Fiedler & Chu Van Thang

Views & facts

Iran

Incubator network

by Ramin Navvabpour

Rooyesh ICT Incubator has been appointed as secretariat of the newly established incubators network in Iran that consists of 12 incubators already. This incubator also initiated the infoDev project on developing the incubators portal system of Iran. In 2004 four workshops for incubators were held in collaboration with UNDP and Management and Planning Organization on IT Projects: Development and Management, IT Policies and e.government, e.strategy for development, and business planning for IT based enterprises.

For the year 2005 the network is preparing to develop an operational model by means of ICT enabling services for client firms, to improve technical, laboratorial and library services, to create an Incubatees' Network of Tehran, and to help establishing a VC Fund by collaboration of Tehran Incubators Network. Also a project to establish a semi-virtual incubator is under way.

Rooyesh ICT Incubator as well as the incubator network are looking for cooperation our international partners.

contact: Ramin Navvabpour, Rooyesh IT Incubator, Iran: navvabpour@itincubator.com

Ghana

BusyInternet welcomes new start-up businesses

by Lesley Dodoo

BusyInternet has run incubation services on a commercial basis. Now an infoDev capacity building grant makes it possible to offer these services (infrastructure and technical advice) to the incubating companies specifically tailored and to provide more closely monitored business assistance to the selected companies at more affordable rates. BusyInternet has recently been through an exciting process selecting incubatees for our infoDev supported program. This was done through a competitive process of formal presentations before a panel of experts in the SME and financials sectors. It was keenly contested by all 17 applicants. Due to limitations of office space we could only select 4. We however have plans of including the 13 others in our workshops and training activities that will be open to the public. The selection process also was important because it brought out a number of issues that truly support the need for business incubation in Ghana:

- Strengths and shortcomings of young companies: they had necessary entrepreneurial drive but did not have good financials.
- Business plan documentation – this turned out inadequate in most cases, with over inflated and sometimes flawed projections.
- Funding needs were paramount and noted across board.
- The incubator gained a network of both applicants and experts in the field.
- It turned out to be a good discipline for the applicants, most of whom had never made a formal presentation to any panel.

BusyInternet plans for 2005 for developing the business incubation initiatives include:

- Training and technical advisory services for companies, workshops and seminars both on technical and ICT policy issues
- Seeking funding, venture capital &/or corporate sponsorships from other local sources either to augment or enhance services provided by companies in the programme. Assisting more companies in addition to the ones in incubation.
- Consolidating strategic partnerships with key institutions like the Ghana Institute for Management and Public Administration, GIMPA (for training alliances); the computer science department & school of administration of the University of Ghana, the associations for trade, and entrepreneurs, the ministries of communication, private sector development and finance.

BusyInternet will certainly be happy to hold activities in cooperation with international partners, where identified as necessary during the course of year.

Contact: Lesley Dodoo, email lesley@busyinternet.com

Georgia

Forum on Business Incubation

by Vazha Goginashvili

In January 2005, a forum "Business Incubation Prospects in Georgia", organized by Civil Society Support Center (CSSC) brought together representatives of Economy Ministry, Tbilisi City Municipality, universities, research institutions and International organizations participated in discussions. Organizers of the forum presented results of research conducted in the process of implementation of the project "Business Incubator Strategic Framework in Georgia". Presentations were conducted by Vazha Goginashvili (Project Manager, CSSC), Mariam Sakevarishvili (BCG), members of international consulting team **Krzysztof Zasiadly** (SPICE Group, Poland), and **Kairat Sugurbekov** (SODBI, Kazakhstan). Participants of the forum received comprehensive information about existing experience in business incubation systems worldwide and CIS countries, as well as about recommended model for the Georgian business incubator.

During the followed discussion, participants acknowledged the need of introduction of business incubation systems in Georgia. Emphasis was made on fact that business incubator fosters small business development and technology commercialization - the desperately needed factors for economic development of Georgia. Also, stress was made on necessity of government structures' involvement in the project of this scale.

Commenting the results of the forum, the Project Manager, Vazha Goginashvili noticed that the main objective of the forum was achieved: initialization of cooperation between stakeholders of business incubator in Tbilisi. Existing interest in developing business incubator in Georgia, stated by government structures and donor organizations, makes realistic successful implementation of this idea.

Contact: Vazha Goginashvili: vgoginashvili@bii.ge; more details: <http://www.bii.ge>

International

AABI Incubator Database launched

by Hiroyuki Miyazaki

Just for your reference, I'm pleased to inform you that AABI has launched its own DB, which contains the following information of business incubation in each AABI member countries. This database contains information about business incubators and tech-noparks as well as basic information on business incubation, e.g. the purpose and background of BI policies in Shanghai, profile information about the BI support policies of Government in New Zealand, sources for BI Support, tax Incentives to incubation facilities, or support for incubation managers training.

This directory is available on-line. <http://www.aabi.info/directory/index.html>

Croatia

by Ivan Stefanic

In 1981 work to establish a Technology-development Centre in Osijek (TDC), Croatia began. Today this initiative has become one of the fastest growing and most successful technology centers in Croatia. Ivan Stefanic, founder and director of TDC, could build on his international experience and cooperation was essential to the success of the project. Since TDC almost reached the walls within granted premises the center is facing a strategic decision: to develop in direction consulting company with more projects outside incubator or continue with development of incubation on another premise.

In the initial phase support and independent review from German institutions was sought – not only to check ideas and strategy but also to provide some outsourcing from German companies to future TDC clients (with possible acquisition of German equipment and know-how).

However, cooperation with the German partners did not develop in the intended way – possibly because the partners in Germany had a “too academic” approach - the project application was not granted. Confirmation that the project was on the right track was found in a seminar organized by The British Council: "Enterprising University".

Ivan Stefanic knows it is a very long way to develop and implement a business plan for growing a technology centre to become a Technology Park. But success until now indicates the TDC Osijek is on its way.

Contact: Ivan Stefanic, email istefanic@tera.hr

Bulgaria *the Modern Approach to Business Development*

by Rositza Djambazova

The Bulgarian Business Incubator Association, NBDN continues to build up a thriving system of entrepreneurship support in the country. In last SPICE Update we gave an overview about the incubators – this time a short report on the association itself. The main aims and activities on NBDN's work list are:

- focusing professional, material and financial resources of the association members for the development of small, medium and start-up business and for the decrease of unemployment in Bulgaria;
- representation of members and lobbying for their interests;
- development of methodology and specialized programs for training of entrepreneurs in small, medium and start-up enterprises, as well as agricultural producers and unemployed;
- development, implementation and ownership of data bases, consulting and informational products as well as systems for increase of quality of services, provided by the organizations supporting development of business and agricultural producers;
- conducting of courses and trainings for promotion of qualification or pre-qualification of unemployed, entrepreneurs with small, medium and start-up business, agricultural producers;
- conducting of research in different spheres related to the activity of the association;
- stimulation of exchange of experience and good practices between the members of the association and with organizations with similar objectives within and outside the country;
- interaction with similar Bulgarian and international organizations and institutions performing activity in the sphere of business including organization and participation in Bulgarian and international exhibitions and tradeshows;
- popularization of objectives of the association through publications, press releases, advertising activities;

Contact: Rositza Djambazova, email bi-gd@goce.net

Romania *...for former military personnel*

The business incubator for former military personnel started in 2003, through a project financed by World Bank (Workforce Program), and managed by the Ministry of Labor and Social Solidarity and the National Agency of Workforce Occupation.

The role of the Business Incubator is to support the growth of new enterprises and increase their survival rate. The mission is to focus support on former military personnel.

This business Incubator appropriately is located in former barracks, renovated and adapted to the requirements of an incubator. The services offered include the full range of business incubation programs. Main concerns of the incubator are: to adapt the management practice to the needs of former military personnel, market activities for tenants (web sites, firm panels), to increase public awareness, and to focus on business development of the tenant companies

Experience from work so far is not surprising: the business Incubator is seen a good environment for business development – but the tenants want services for free, say they do not need training, and want finance for their purposes instead paying for (too costly) facilities. Businesses started by former military personnel are not different....

Contact: Ioan Piturescu, email pituresc@ictcm.ro

Russia *News from the Russian Incubation Association*

End of 2004 the Russian Association prepared and fluffed the project “ Creation of North-West Centre for Entrepreneurship support in Petrozavodsk, Karelia Republic” The main goal of this project was to assist the development of small business in innovation, tourist and services area in Karelia Republic, RF North-Western region. Another project “Home for Small Business” is under way to join efforts joining of public, municipal structures, and business representatives for the creation of favorable conditions for real estate investments for small business in the regions of the Russian Federation.

The result of NBIA efforts in promoting business incubation was the business incubators net development project integration into the special Russian Program for SME support in 2005 and 600 million rubles. Program funds also will be aimed at micro financing organizations, information support, and promotion of competitive projects for international markets. The chairman of the Russian NBIA Expert Council **Veniamin Kaganov** was approved as member of Expert Council for Entrepreneurship Support under RF Ministry for Economic Development and Trade (MEDT). R-NBIA together with Academy for Management and Market (AMM) is preparing the VI Russian conference of small enterprises representatives to be held in Moscow end of April.

For more information use the web portal www.nsbi.da.ru

Belarus *the Scientific-technological Park "Metolit"*

The general director of the Innovation Republican Unitary Enterprise "Scientific-technological Park "Metolit" at Belarusian National Technical University, **Yury Aliakseyeu** joined SPICE Group (ICECE status) a few months ago. To inform other members about this science park, here a brief summary.

The aims of "Metolit" are: to increase the scientific and technological potential and to speed up the realization of the results of the scientific effort; formation of a support system of small innovation enterprises; carrying out research projects and implementation of state, regional and international R&D programs, manufacturing of science intensive and advanced technology products; maintenance of conditions for implementation of innovation process; organization of business activity and initiative in the field of science and technology with the participation of professor teaching staff, engineers, scientists and other specialists, post-graduate students, students of higher educational establishments; providing an information system on scientific-research developments; developing international contracts, to support access to international markets; attract foreign partners especially regarding foreign investments; accomplishment of intermediary and representative services; acceleration of transfer and commercialization of research results.

To achieve these goals "Metolit" operates several departments providing different kinds of services for innovation enterprises: The Inter-university **Centre for Marketing of Scientific-Research** to create a system of gathering and processing marketing information about scientific research, constantly renew the database on developments and innovation projects: www.icm.by. **Technology Transfer Center** for Secondary Resources and Ecology contributes to the transfer and use of scientific-research developments in industry and municipalities in environmental technologies. Public **scientific-research labs** in the fields of art castings, ceramic and polymeric materials, software support of the modern information systems, artistic material processing. Park "Metolit" also coordinates the activities of the **network of technology transfer centers** (17 existing centers). Contact: Yury Aliakseyeu, email vl_ad@icm.by

Ukraine *New directions of the Kharkov business incubator activities*

The Center of Small Business Development "Kharkov Technologies" is the only technology business incubator in Ukraine that provides assistance to scientists and engineers in commercialization of their scientific developments. Last year the number of clients receiving assistance using information-communication technologies, considerably increased due to realization of the World Bank *infoDev* Project. Internet portal "Virtual Business Incubator" www.vbi.com.ua is functioning. This portal represents an entrepreneurial network for over 50 VBI client companies. The business incubator specialists develop managed Websites, render office and consulting services, provide distant business courses for the VBI client companies. Special programs designed for distant education are developed: "Financial management", "Effective Business Planning", "Marketing", and "Information Technologies in Business". Clients' innovation and investment projects are located at the virtual "Idea Show". At present the distant course "Technology Commercialization" is offered. Besides, traditional business trainings are provided for entrepreneurs-clients; the most popular training courses are "Using Information-communication Technologies in Business", "Business English" and "Business German". In 2004 credit guarantees in total amount of 206 000 USD were provided to 7 client companies for financing new innovation projects. The Center cooperates actively with foreign partners: during only last year the European consultants and experts were invited to consult 19 Kharkov enterprises.

Contact: Inna Gagauz, email gagauz@isc.kharkov.com

Coming Events - 2005

19th NBIA Conference in Baltimore - and the 11th Global Summit on Business Incubation

19th International Conference on Business Incubation will be held in Baltimore, Maryland, May 15-18, 2005. Baltimore is a city where the rich maritime history makes it a perfect location for diving in to a sea of bright ideas and open minds. All conference events will take place at the Renaissance Harborplace Hotel in Baltimore's Inner Harbor. Without having to travel far, conference attendees will be able to browse through the 160 shops at the Harborplace, go back in history at the Baltimore Maritime Museum or check out the more than 560 species of aquatic animals at the National Aquarium.

The **11th Global Business Incubation Summit** will be held at the Renaissance Harborplace Hotel, Sunday, May 15, the day before the NBIA conference begins. This is a by-invitation-only event for leading representatives of business incubation associations who are also invited to propose matters to be discussed at the Summit. For information about resolutions and agreements of earlier Summits as well as the program of the next Summit see web site: <http://www.spice-group.net/summit>. Suggestions regarding the agenda can be addressed to worldsummit@spica-directory.net

20th Anniversary Conference in St. Petersburg *Date changed*

The date for the Anniversary conference has been changed to September 2005. More information see www.spice-group.net/events of contact: Slava Khodko: slava@cic.spb.ru

APEC Forum in Korea *Toward the Global Business Incubating Prosperity*

This event will combine many activities all focused on APEC's main concerns of three pillars — facilitation, liberalization and ECOTECH: Facilitation: The free flow of capital, human resource, goods and service; Liberalization: Simplified business transaction, e-commerce and e-education; and ECOTECH: Economic and technical cooperation. At the conference AABI, the Asian Association for Business Incubation will hold a general Assembly. The last day, August 27, will offer a field trip to provide practical experience in business incubation and technology parks in Korea: Daegu Techno-park in Daegu, and the center for digital industry promotion of Daegu (DIP) are on the program, as well as a sightseeing tour to the Gyeongju historic areas.

Information: Bong Jin Cho, President of KOBIA, email bjcho@kmu.ac.kr

About members

Harry Nicholls

One of the early starters in business incubation and science and technology parks, Harry Nicholls, from Birmingham, United Kingdom passed away in January this year. He started the Aston Science Park in Birmingham, UK as one of the first inner-city science parks and that became a driving engine for re-vitalization of the city district. From the early days of this development Harry also took care about international cooperation and shared his experience with partners and friends in other countries – for example beginning in 1984 with the BIG in Berlin almost right from the start of this incubator. Learning together and generating new experience to be shared with others was an important part of his life. Harry was one of the first trying to combine directly venture capital with business incubation and initiating cooperation of start-up businesses across borders. As a speaker at conferences around the globe he did not only provide his experience to others, but also was always keen to learn from different cultures and backgrounds. We did loose not only a professional with much experience in our industry but also a very good friend. The memory about Harry, the impulses he gave to our professional activities, and his warm friendship will remain with us. Our best wishes are with his wife Elaine and his daughter Victoria.



Dinah Adkins

In March Qatar Foundation's Science & Technology Park (STP) announced the appointment by Her Highness Sheikha Mozah Bint Nasser Al-Missned of a distinguished international Board of Governors. This Board has been specially selected to assemble the diversity of experience required by STP to achieve this vision. The Board is chaired by HE Dr Abdulla Al Kubaisi, Director of the Office of Her Highness and Member of the Qatar Foundation Board of Directors. STP's other Board Members are **Dinah Adkins**, President and CEO of the National Business Incubation Association in USA; Sir Graeme Catto, President of the General Medical Council in the UK; Jill R Felix, former President and CEO of University City Science Center in USA; Khalid Mannai, Chairman of Mannai Corporation QSC; and Dr Charles Young, President of Qatar Foundation. For more details visit <http://www.ameinfo.com/news/Detailed/55928.html>



Franz Dietrich

With his company EXPERPLAN introduced a training project for the development of four technology incubators in Thailand (see also: www.bisea-inwent.org) at the IASP regional conference 2004 in Thailand. Another project is to develop a master plan for technology incubators in Vietnam including a training project about development of three business incubators in Vietnam. Combining the projects in Vietnam and Thailand helps exchanging experience and knowledge in the region from “day one”. In his international projects Franz is cooperating with many partners – and is open for more. Contact: franz-dietrich@web.de



Barbara Harley

The New Year for Barbara will definitely be filled with new tasks and lists as her retirement from the International Business Incubator took effect on the last day of 2004. Many new incubation assignments now are on Barbara's work list, including the completion of a book on the role of incubation as an international linkage. Of course, she always will be ready to advise and assist the IBI; and she looks forward “to seeing all of my Incubation Friends during my “retirement” years. I am not retiring to a rocking chair, just to a new business address and computer and to the same email address and mobile phone”.



Slava Khodko

Together with Friedrich Ebert Foundation the St. Petersburg Center for International Cooperation in Spring this year will organize a study-tour for top-level Russian politicians to Germany in order to analyze German experience in cross-border cooperation with Czech Republic and Poland. This experience will form the basis for implementing business-to-business support mechanisms in North-West Russia. Other activities of the Center are presentations of the economic potential of North-West Russia in Hanover and Stuttgart. Contact: slava@cic.spb.ru



Ugur Yuksel

During last year coordination of recent two FP6 project that are directly related with innovation and SMEs, the Innovation Relay Center IRC-Anatolia and the Regional Innovation Center, RIS Mersin, were an important focus of activities as well as the extension of the incubation center facilities. For 2005 it is planned to Open a bio-incubation center and to form an incubation and science park network among selected countries (Ukraine, Belarus, Bulgaria, Romania, Azerbaijan, Kyrgyzstan, etc) Contact: ugur.yuksel@metutech.metu.edu.tr

And finally...

The time between the last issue of SPICE Update and the actual edition was longer than usual. This is not because there is less to report on (this Update is a little longer than usual) it is because of the many new activities in business incubation– namely in developing countries. Business incubation becomes truly global. Expansion of our network takes much of the (limited) capacities. The time needed for doing things does not leave much room for reporting about such activities. But anyhow, the SPICE network more lives from personal contacts than printed information. See you soon - somewhere...

Heinz Fiedler & Larisa Brovarska