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**e'SERVICES, THE VALUE OF INTANGIBLE  
ASSETS NON-LOCATION ORIENTED**

**PLENARY SESSION 2**

Companies' profiles in STPs/AIs: addressing  
different needs

Authors:

**Juan Bertolin**, Spain

Chief Innovation & Project Officer (CIO\_CPO)  
Espaitec, Science & Technology Park

## **THEME BLOCK 3: SERVING DIVERSITY. Companies' Profiles in STPs and Ais: from start-ups to MNEs**

### **SUBTHEME: 3.1. Companies Profiles in STP/Ais: Addressing different needs.**

<title>: e'Services, the value of intangible assets non-location oriented.

**Author: Juan A. Bertolin, Chief Innovation Officer of espaitec**

**Co-author: Paco Negre, Chief Executive Officer of espaitec**

**Co-author: Feli Pavia, Central Services Manager of espaitec**

**Co-author: Esther Ramo, Communication and Marketing Manager of espaitec**

### **Executive Summary**

The value proposition of a Science & Technology Parks to their clients is related to what it is able to deliver to their tenants on a daily basis, that is valuable by the companies (as an high add-value entity), being useful to them in the value chain of their businesses, tackling their problems or covering their needs, facilitating the impact of their products in the market and foster the networking process promoting new collaborations by hybridisation and, in some cases, by serendipity.

It is quite obvious that the requirements are different depending upon the types of tenants (or better said, companies linked to the STP because we are considering a broader meaning of tenants: including also those companies not physically located at STP but virtually): pre-startup, start-ups, spin-off, Grow-up, Consolidated and R&D Groups. Therefore, some companies could be more interested in accessing to low-cost infrastructures but not interested at all in add-value services. Those cases, and depending on the impact of their activity in our region (job creation, technology transfer with other companies or University, etc.) should be treated separately from the rest.

### **Evolution of STP Rol in Innovation Ecosystem**

The evolution of a STP since the first conception at the 70's, has moved from more physical-location oriented to more services oriented due, actually, to the necessity of ensuring the future sustainability of the park business model.

From the physical-location oriented perspective, setting up a very well prepared infrastructures (facilities and telecommunication systems, strong logistics and basic services) and being placed at privileged locations that could ease the access of the companies to the latest technology and the best networks (DEL CASTILLO, J.; BARROETA, Ma. B., 1995, 374)<sup>(1)</sup> were one of the main objective of STP real-state focused. Following this approach, the level of client customization depending on the life cycle of the company has been an issue as most of the elements were tangible.

From the service oriented perspective, the STP starts to provide differentiated support to tenants based on their profiles (such as pre-startup, start-up, spin-off, Grow-up, Consolidated/Mature) and turning their needs into services.

But this change of behaviour are not required directly due to the future sustainability model of the STP but to the new companies requirements and also new typologies of SME that are arising in the market place. The expectations of these new business models companies are completely different from the former ones: they are more focused in agile procedures and lean approaches. Mettler and Williams<sup>(4)</sup>, 2011, point out in a Lisbon Policy Brief the rise of micro-multinationals (freelancers that are driving growth, jobs and Innovation=). This new paradigm of businesses

initiatives are creating 65% of all jobs in USA between 1997 and 2008 and 15% in Europe in the same period.

“So far, freelancers have been considered small, self-starting, service-driven companies that would have been described as small- and medium- sized enterprises, or SMEs, but thanks to the Internet, the emergence of new business platforms and the increased openness of the global economy, these companies can enter markets with a minimum of bureaucracy and overhead” said Mettler.

Obviously, the boom of internet has forced to companies to reformulate their strategies and therefore, their requirements in order to be competitive. One of them is the mobility, companies are use to use virtual offices (in most of the cases, their own laptop connected to internet no matter where they are) so their expect from Science and Technology Parks not only infrastructures but high value-added services.

Science and Technology Parks play an important role in driving the growth of SMEs by providing the tools and the right environment to facilitate their consolidation. However, there are some elements essential to strengthen the process of generating innovation in this ecosystem: continued support for network expansion in the long term [ Rhee, Hassan , Saitova , 2010] , creating an environment that encourages the development of knowledge-based enterprises [ Molanezhad , 2010] or improving the relationship between companies located in parks and knowledge-generating institutions such as universities, technology centers , etc ... [ Fukagawa , 2005]. In the environment of the Science and Technological Parks it usual to find innovative solutions brought up due to the interaction between companies, knowledge thoughts and ideas exchanging.

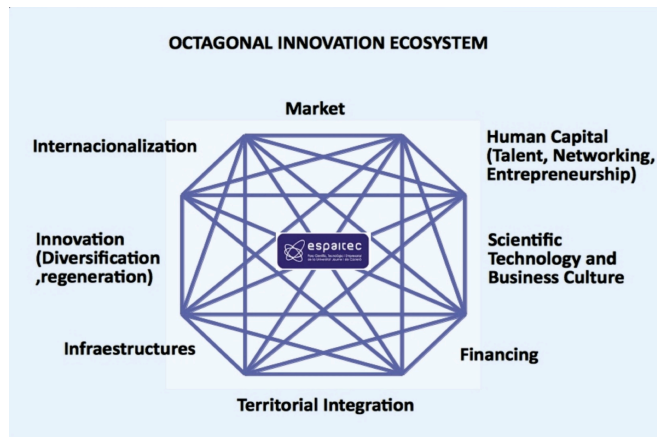
In this process of evolution innovating in the definition of their own services is also required, based more on the companies demand than the own offer.

Thus, this new role of Science & Technology Parks and Areas of Innovation, that is to say strengthening the capabilities that the STPAI management are able to identify by means of high add value services to the companies, will facilitate its recognition as no-doubt innovation engine agent.

## Case study of e'Services

Espatec, Science & Technology Park since its conception, seven years ago, has been working with the goal of putting in place an “**backpack**” of services for the companies, customized depending on the type of company and fully flexible to be updated or improved. We call them **e'Services**. The definition of this high add-value services allows to extend the use of those services from local located tenants to tenants located in other places (what we call virtual companies, or e'VI belonging to our Innovation Virtual Space).

From the value-added services perspective, we need to base our approach on the Global Octagonal Innovation Ecosystem.

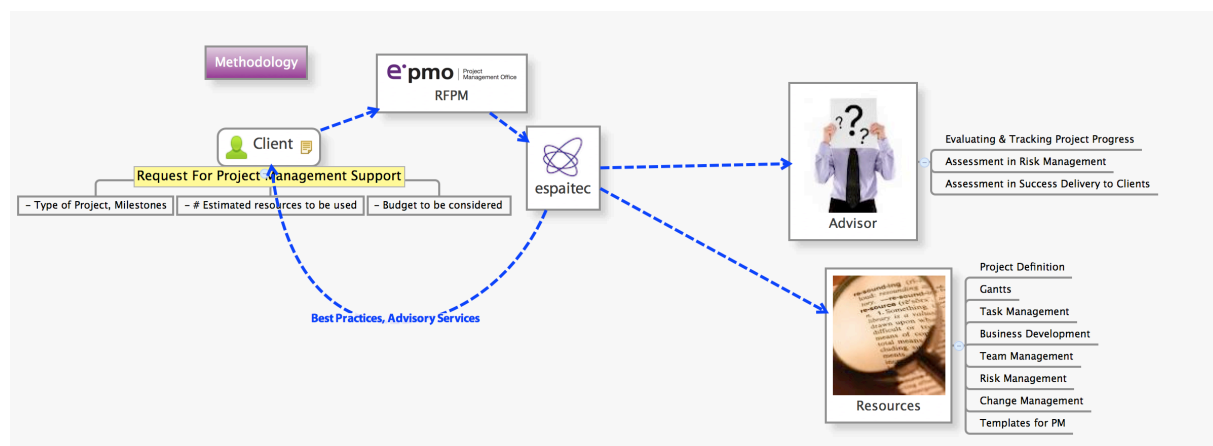


The Octagonal Innovation Ecosystem, which is to be used in this paper, and has been defined by espaitec Science and Technology Park of Castellon, is an evolved version of the Silicon Valley innovation ecosystem developed by Tapan Munroe and Mark Westwind<sup>(5)</sup>, attempts to cover the most relevant strategic axes or cornerstones in Science and Technology Park management. All the elements are interconnected because of the inherent relationship among them, and they are also interconnected with all the external agents of the global ecosystem.

The Octagonal Innovation Ecosystem picture facilitates the accomplishment of a global picture of all the STP management elements and the e'Services are aligned with the ecosystem model.

All the services are managed under a common project management methodology, led by the Project Management office of the Park that it is indeed a service provided to SMEs ecosystem:

**e'PMO - Project Management Office.** Service to provide a suitable environment and to manage projects based on the Project Management Institute methodology tools.



This e'PMO will help to SME installed at the Science Park to become more competitive by means of effective and efficient processes.

### 1. Market

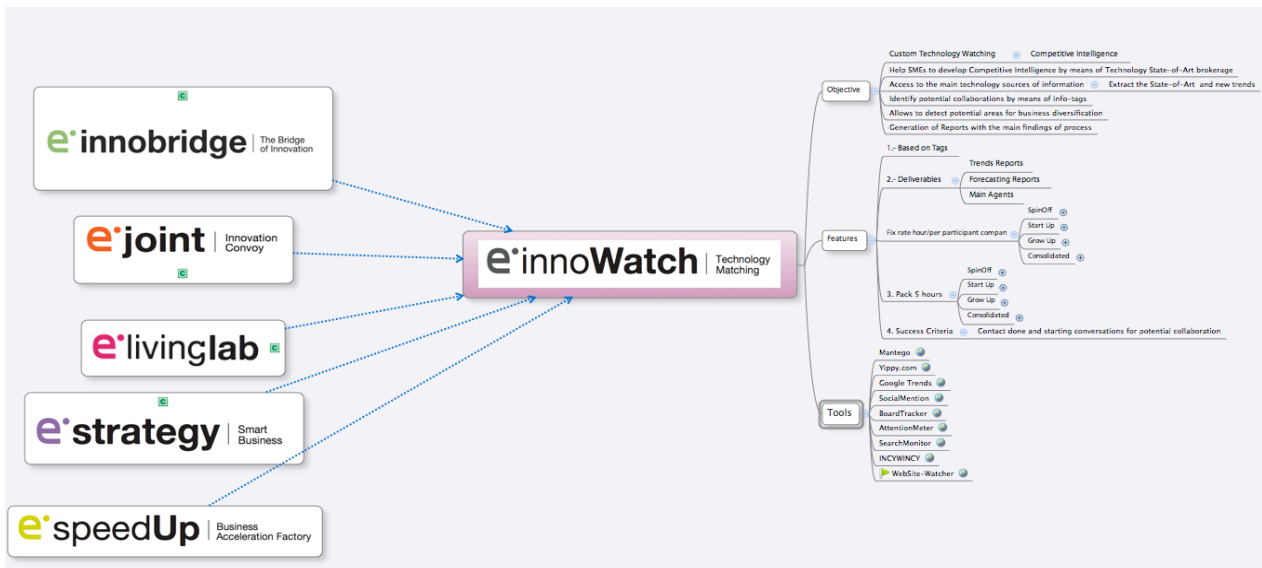
This niche is related to the commercialisation activities in order to attract, on the one hand, SMEs with high-growth capabilities to the STP environment and, on the other hand, Convoy

Projects<sup>(6)</sup> with big tractor companies that will speed up the generation of new start-ups, foster the growth of grown-up companies and create high-qualified jobs

The representative e'Service is:

**e'innowatch - Technology Matching.** Technology Scouting service to enhance our customers' competitive intelligence processes through monitoring the status of their technology as well as potential competitors in the field in which its activities are developing.

The advantage of the e'Services framework is the fact that all of them are correlated, so an

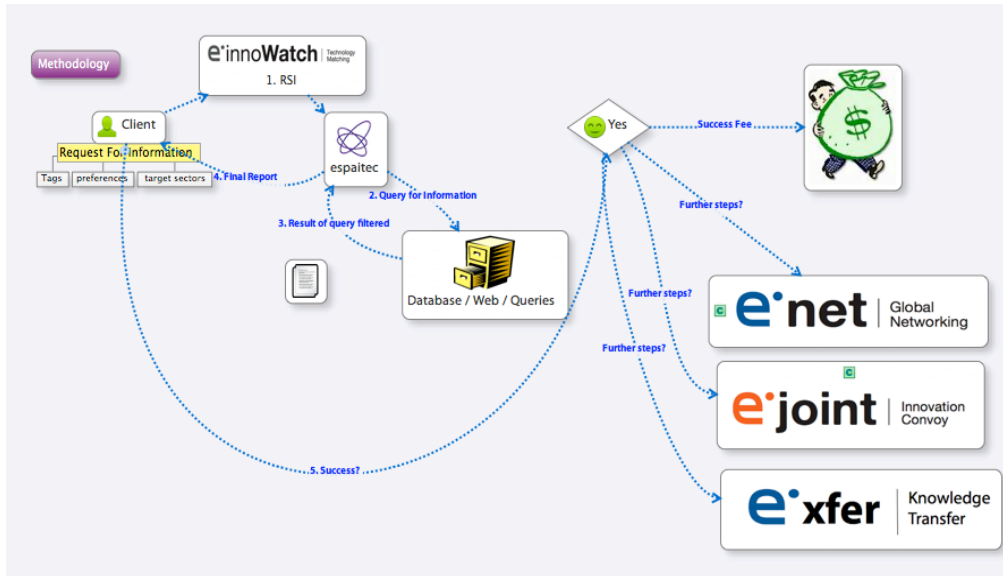


e'Service (such as this case, **e'Innowatch**) can be required when others are implemented:

The objective of **e'Innowatch** is providing:

- Custom Technology Scouting
- Helping SMEs to develop Competitive Intelligence by means of Technology State-of-Art brokerage
- Access to the main technology sources of information
- Identify potential collaborations by means of info-tags
- Allows to detect potential areas for business diversification
- Generation of Reports with the main findings of process

The search process is done using tags predefined by the client and the service is delivered by means of pack of 5 hours.



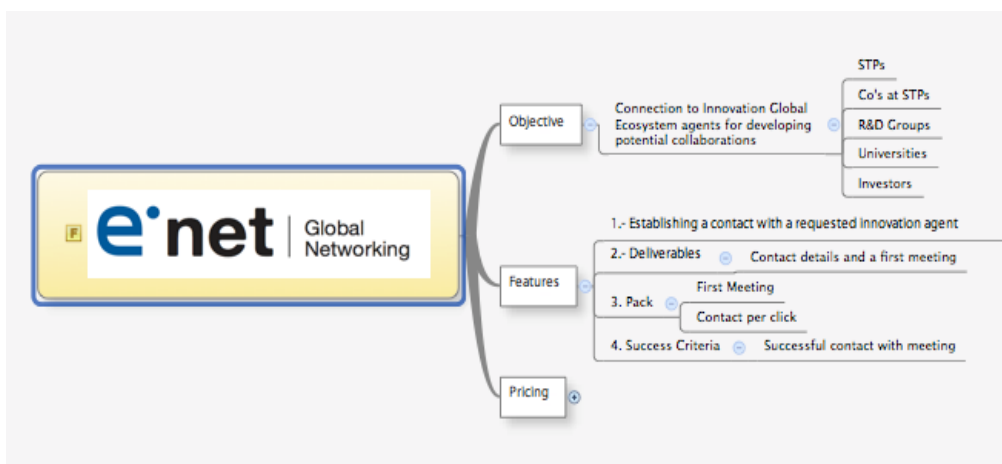
## 2. Human Capital

One of the main added-value roles of an STP is networking: identifying appropriate talent by interacting with other entities. This sort of activity is the keystone for all the companies linked to the STP (physically or virtually) as it helps them establish new commercialisation channels, new collaborations and helps generate innovation.

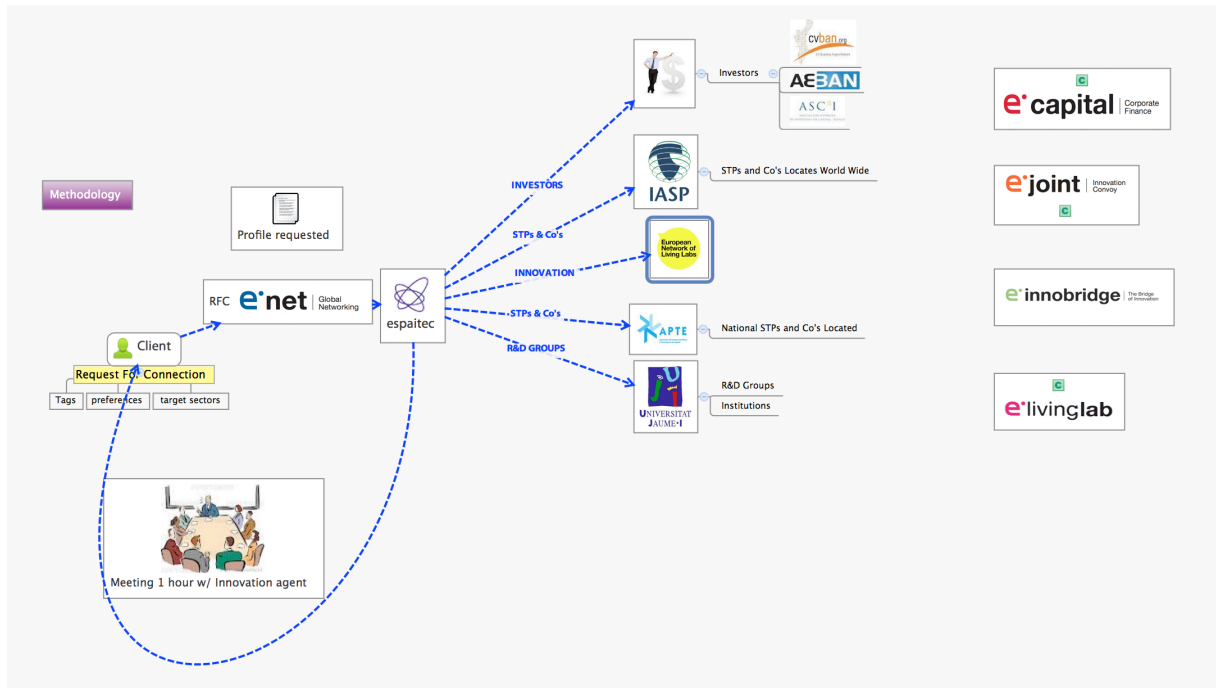
For a networking task to be effective, it requires strict discipline to define an adequate contacts framework and the location of strategic positions as appropriate high-qualified providers maps.

The representative e'Services are:

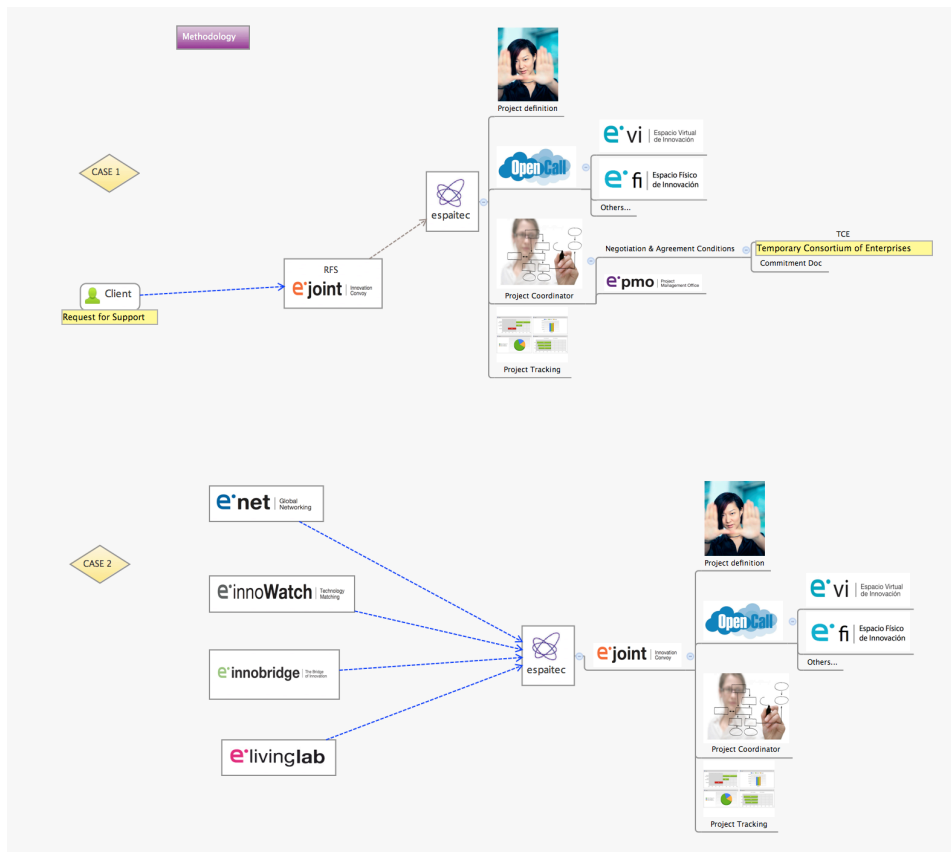
**e'net - Global Networking.** Connecting with the main Global Innovation Ecosystem nodes. Service developed to connect our clients with agents of the Global Innovation Ecosystem, allowing to develop potential collaborations with other science and technology parks, companies located at STPs, R&D groups from University and Investors.



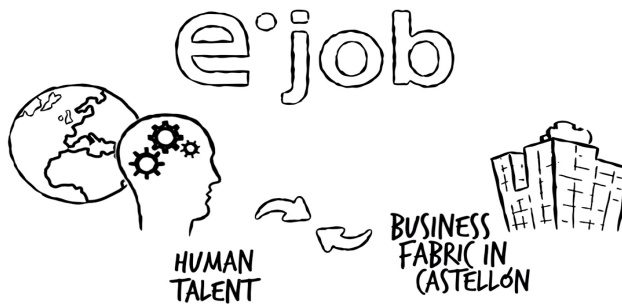
The workflow that summarize the process of managing the e'Service is as follows:



**e'joint - Innovation Convoy.** Service integration to provide scenarios of possible products and / or services through joint ventures schemes linked to Espaitec companies and others offering concrete solutions to a client.



**e'job - Talent Focus.** We identify talent and we connect it with those firms seeking specialised profiles e'xfer - S2B Transfer. An active technology transfer service which brings science and research closer to specific market needs.



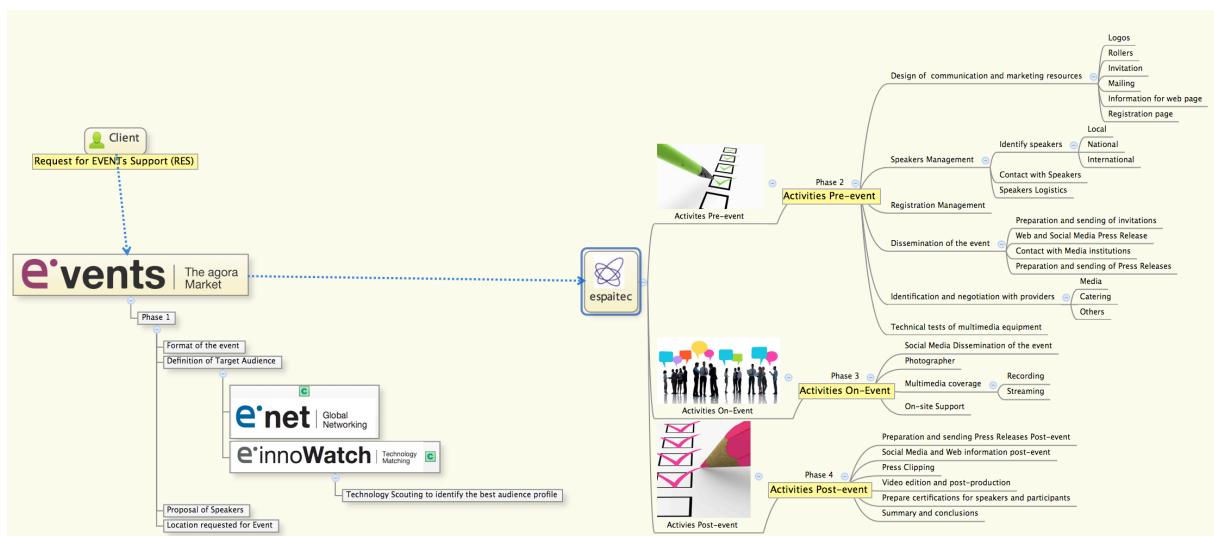
<http://youtu.be/nOSHrikYXJU>

### 3. Scientific Technology and Business Culture

Dissemination is a critical element of the ecosystem in order to create an appropriate innovation climate. Defining a strategy for an efficient dissemination process is crucial. If we bear in mind that an STP is a generator environment of high innovative products and services, it is important to avoid any sort of marketing spamming process.

The representative e'Service is:

**e'vents - The Agora Market.** A service that makes firms become more visible by supporting them in scientific-technological diffusion actions.



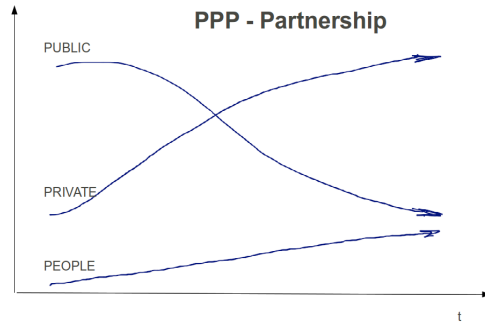
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#### 4. Financing

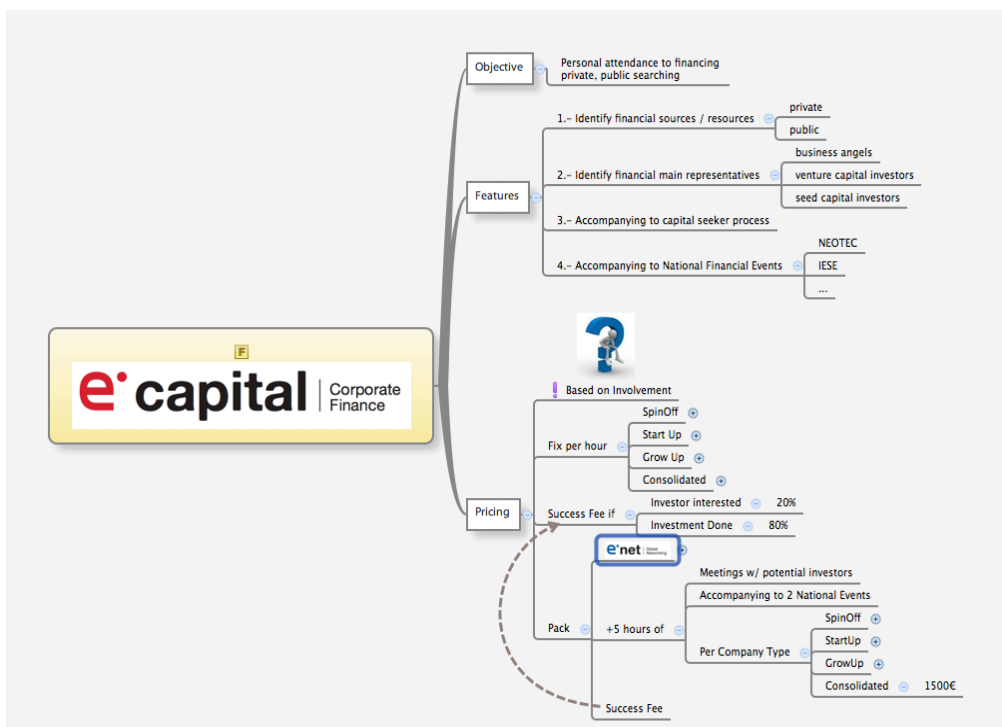
Sustainability of the STP is a main keystone of its strategy and it is a long-term concept; thus, a continuous improvement process has to be considered.

From our perspective, STP sustainability should be based on the Public-Private-People Partnership (PPPP) concept. However, the specific weight of each 'P' will differ over time.



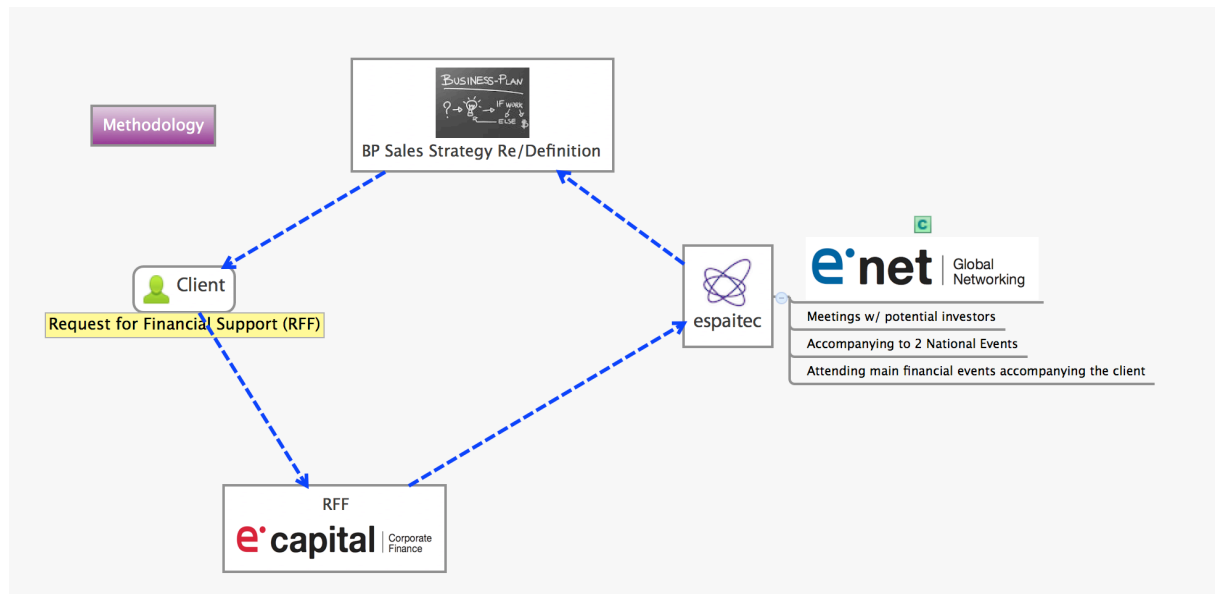
The representative eService is:

**e'capital - Corporate Finance.** Service to provide customer support for companies in public and private funding searching. The appliance of the eService will depend upon the type of



companies (spin-off, start-up, grow-up, consolidated)

In the workflow can be observed that **e'Capital** will require some networking with investors, so **e'net** service will be needed that complement the workflow and, therefore, will be part of the total budget:



### 5. Territorial Integration

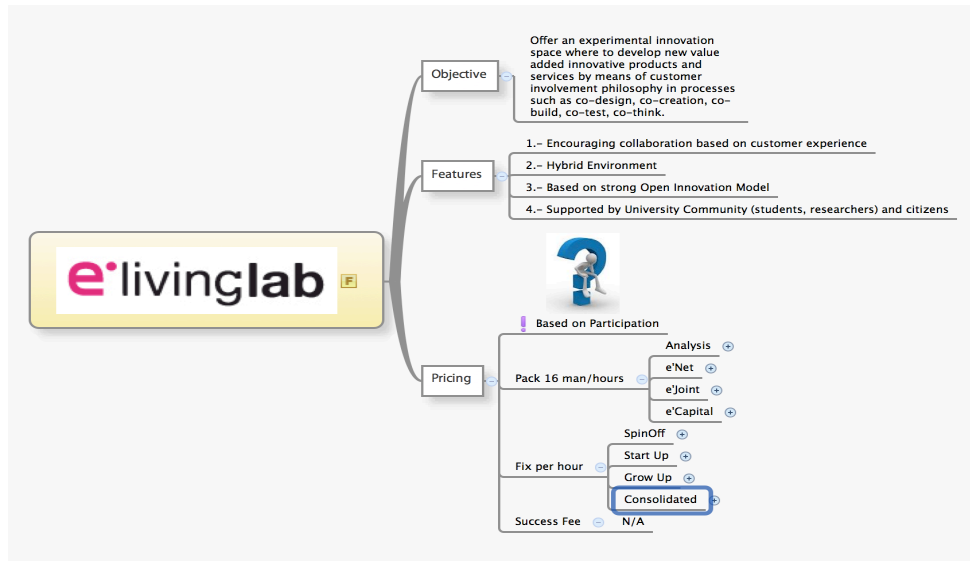
Usually, the STP concept suggests a close environment that is physically delimited. However, the nSTP has to be conceptually envisioned as a plasma that fills in all the spaces and that surrounds SMEs and other institutions throughout the territory.

This approach has to offer us a perspective that the STP is an open space with no borders as it interacts with all the external innovation agents that will be effectively identified by the definition of a Technological Map of the region.

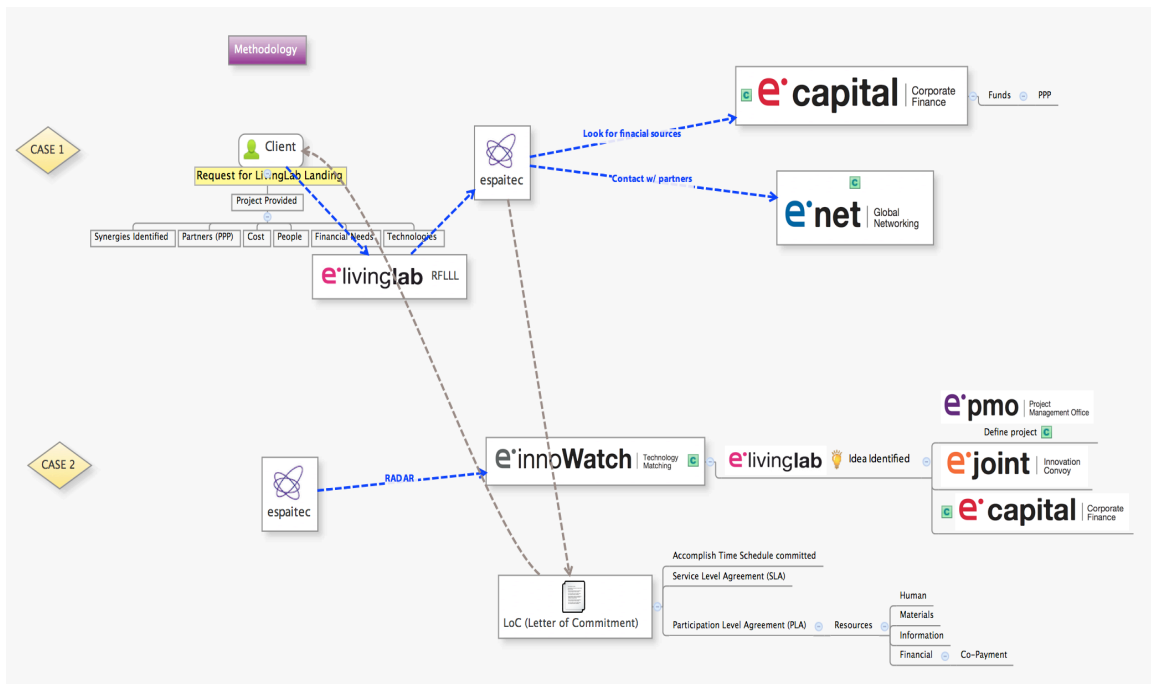
The representative e'Service is:

**e'livingLab - Experimental Innovation<sup>(3)</sup>**. It is an experimental innovation space in which to develop new products and / or services incorporating high added value "to the user in the process of co-design, co-creation, co-construction, co-test.

What can be stated from these instruments is that the user is a fundamental element in these open innovation methodologies (user-driven open innovation). Considering the course of events, it seems that Living Labs are destined to play a key role in opening up innovation within the framework of the European Union, as they provide a service to organizations, contribute to the continent's development strategies and give examples of good practice in the development of companies' innovative products.



E'LivingLab service can be run form two different cases: as a request coming from a client that wants to test at the Smart-Campus their products and, as an interesting technology identified during a scouting process, as it is shown in the workflow:



<http://youtu.be/xZYL0k7fCuk>

## 6. Infrastructures

So far, the dual nature of an nSTP has been stated: Physical and Virtual. From the Physical perspective, a set of minimum infrastructures have to taken into account where SMEs will be located during a period of time.

However, although infrastructures are an easy way to acquire economical resources, the STP should not take them as the primary core business of the STP, but as an additional element that will provide proximity environments and will ease the visual contact among all the SMEs located in the STP.

## 7. Innovation (Diversification, Regeneration)

STP is an excellent environment to generate innovation. The large number of agents interconnected with the STP allows a strong interaction that will be converted into synergies in project collaborations, symbiotic relationships and hybridisations from the technological, genre or generational perspective.

The STP is seen as a great place to innovate and to grow due, essentially, to the innovation ecosystem in which it plays the most active role. This is the reason for being a driver of innovative projects, which will ease the involvement of SMEs to improve their products and offered services.

One example of potential projects that will foster the generation of innovation among all the SMEs located in the STP is the Living Lab.

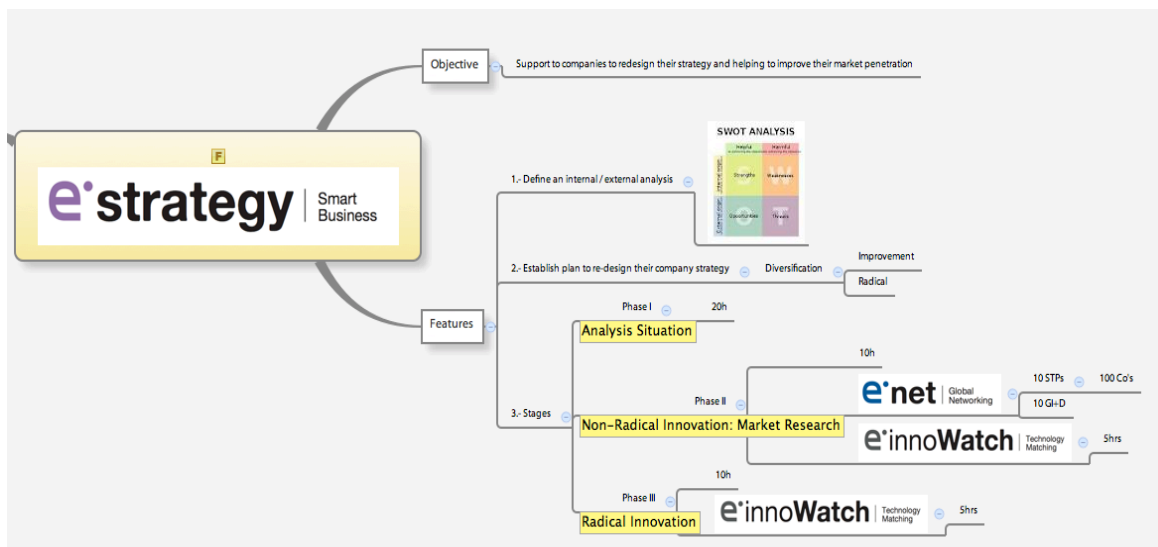
The Living Lab's concept was first developed by William J. Mitchell in the 1990s in the MIT labs in Massachusetts (USA) in order "to study people and their interaction with new technologies in a living environment".

At the STP, clients, citizens and users converge with the SMEs and the environment becomes suitable to allow a direct interaction and participation of SME.

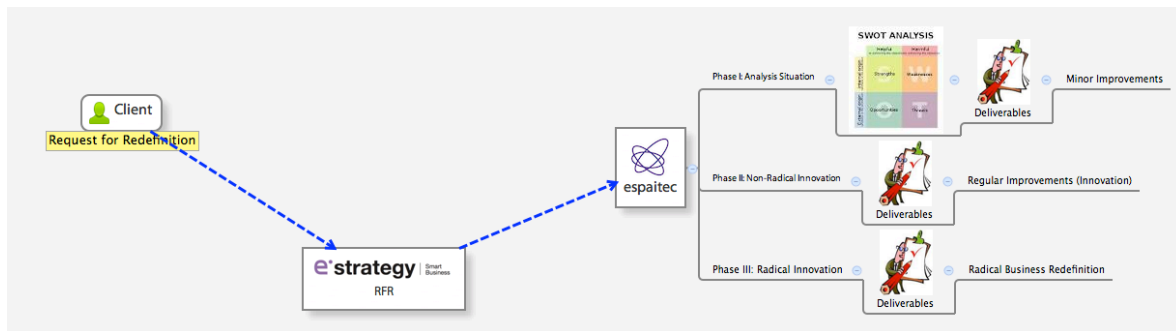
The representative eService is:

**e'strategy - Smart Business.** Service to provide support to companies in the process of their strategy redefinition and from the perspective of diversification helping them to improve the market penetration coefficient.

E'Strategy service is focused in three stated: As-is (Analysis of situation), Non-Radical Innovation: Market Research to identify potential compatible tools with the current business core and Radical Innovation when fully diversification is required.



And its correspondent workflow:



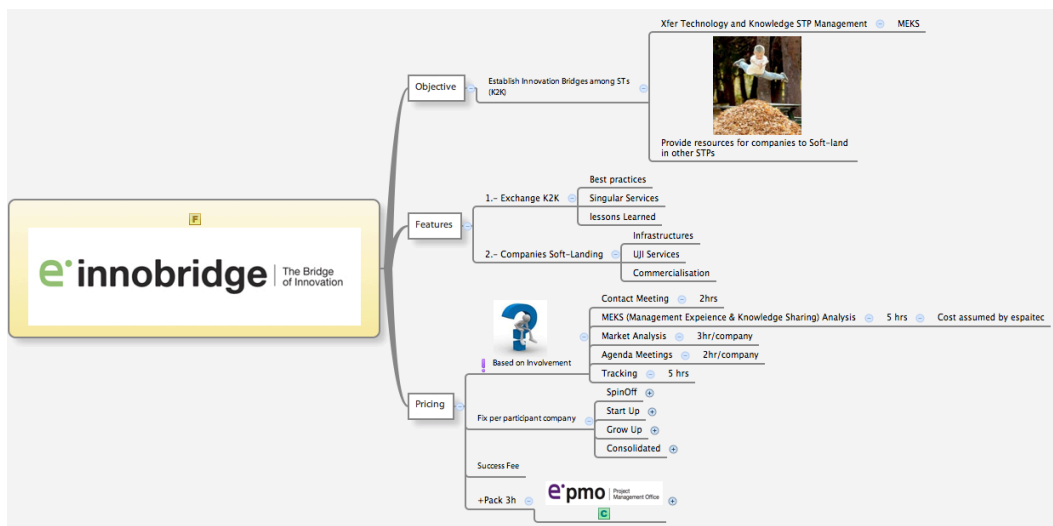
### 8. Internationalisation

And last, but not the least, and by considering the current economic situation, an internationalisation process is crucial for SMEs for them to extend their target markets. In this Octogonal Ecosystem of Innovation aspect, the STP plays an active role if it is able to establish appropriate relationships with other STPs around the world as a two-faced coin:

- to exchange best practices, projects definitions and management techniques among the STP staff.
- to ease the soft-landing of SMEs for a short period to help move towards the internationalisation process and, in addition to this, to promote collaboration among companies in specific projects.

One example of this technique is **e'InnoBridge**, an initiation designed and launched by espaitec, Science and Technology Park, to help their companies which are undertaking the internationalisation process.

**e'InnoBridge - The Bridge of Innovation.** Internationalisation service to establish bridges among Science & Technology Parks and Areas of Innovation around the world with two objectives: Knowledge and Technology Transfer in STP management best practices and providing resources for



companies to soft-landing in other STPs/AI.

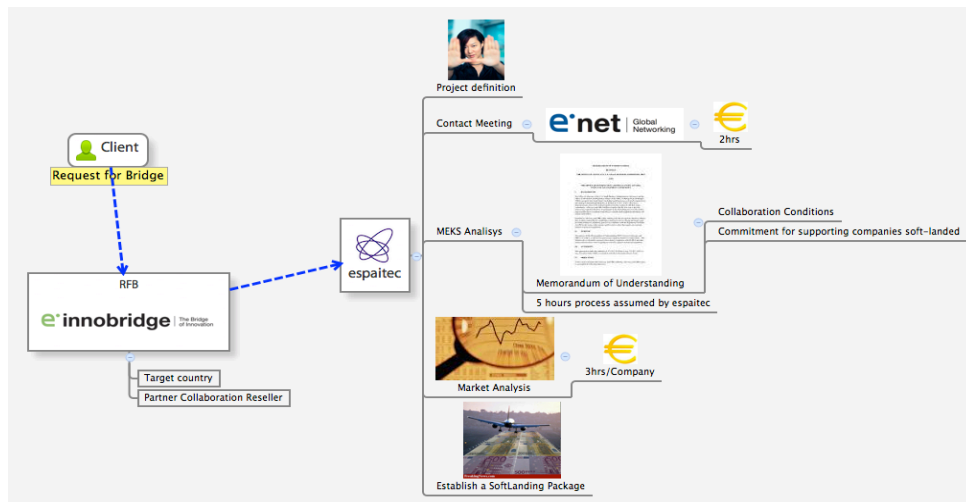
The creation of a well-structured network should take into account the interdependence between internationalization and innovation capacity of companies in their new opportunities on new markets findings by strengthening the collaboration on both sides of the Mediterranean, in order to improve the effectiveness of services provided to businesses and facilitate their integration into the

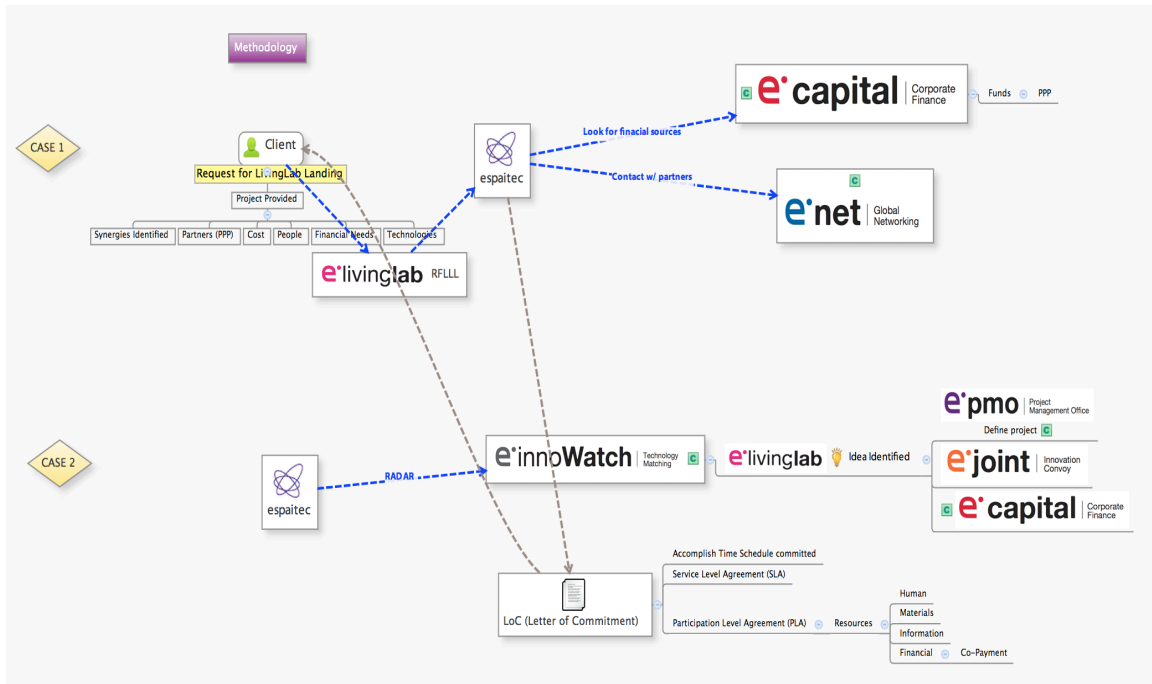
world economy.

That kind of network adds value to businesses by helping them to improve their competitiveness and explore business opportunities. In particular, it can be used to find cooperation partners, to promote the transfer of technology among the countries and to get advice on funding sources and on law and intellectual property.

e'Innobridge is created by means of a two-layer bi-directional channel: on the one side for technology and innovation transfer processes among companies and entrepreneurs located at Science and Technology Parks (STP) with the aim of potentially establishing soft-landings on the correspondent countries, and on the other side, for STP management best practices sharing between the parks involved.

This channel will facilitate the building of partnerships, joint ventures or business relationships between companies located at the parks to facilitate the internationalization process which results in reducing risks and costs of implementation, and the possibility of installation of company headquarters in other parks.

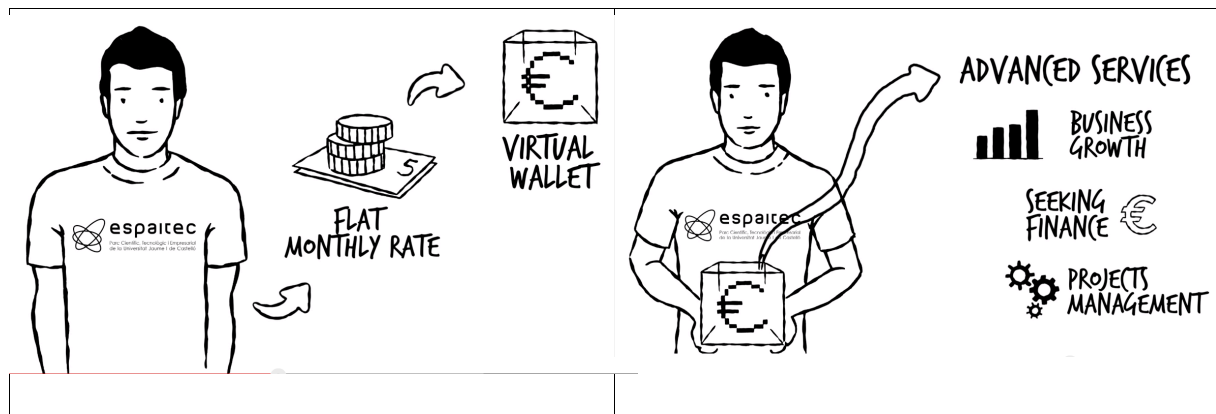




# e'wallet

virtual wallet

From the financial perspective (i.e. STP sustainability) espaitec is charging a flat rate to the tenants (physical and virtual located) depending on their typology. That is to say, all the services are not free-of-charge but all of them have been estimated and budgeted depending on the companies requirements. In order to foster the use of the **e'Services** (Services provided by espaitec in a Pay-per-Use mode) an **electronic wallet** has been created and called **e'Wallet**, as an account balance for the full annual fee (from 1<sup>st</sup> of January 'til 31<sup>st</sup> of December), and which amount will be decreasing as long as the company is contracting STP Management team to perform a specific e'Service.



<http://youtu.be/wOz6rK3v3y8>

This model is being very interesting because demonstrates that, currently, the SME do not only search a good place for a specific good building and good telecommunications infrastructures, but for a strong set of tools and services that will help to improve their value chain and ensure the success in the market.

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