



# Innovation, Knowledge economy and SMEs

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# OSEO anvar

**Mission: to promote economic development through innovation**  
*(Policy since 1979)*

- to promote early stage technology development & start up companies
- to provide financial support to R&D for innovative products in SMEs
- to develop closer relationships between public R&D and industry
- to facilitate European joint research & international partnerships
- to increase young people's awareness of innovation

**Operational Staff** : 450; decentralized organization (24 regional offices), acting as an internal network, with external partnerships

**270 M€total funding** (about 4000 projects per year)





# The Group OSEO

On January 1st 2005, bringing together of Anvar and BDPME to constitute the **OSEO group**, to strengthen their capacity to answer the needs of innovative SMEs

**OSEO is constituted as a public agency, *linked to three ministries (Research, Industry, SMEs) and to public investment funds and private banks***

***Bringing together two structures :***

- **Anvar**
  - The French Agency for innovation
  - Supporting innovative companies
- **BDPME (Development Bank for SMEs)**
  - Facilitating the access to credits for SMEs by sharing the risk with their banks, by partial loan guarantee or by co-financing.



# Raising of European and national private and public competencies and funding





## **Our mission**

**=> to promote economic development for SMEs through innovation**

### ***What do we see ?***

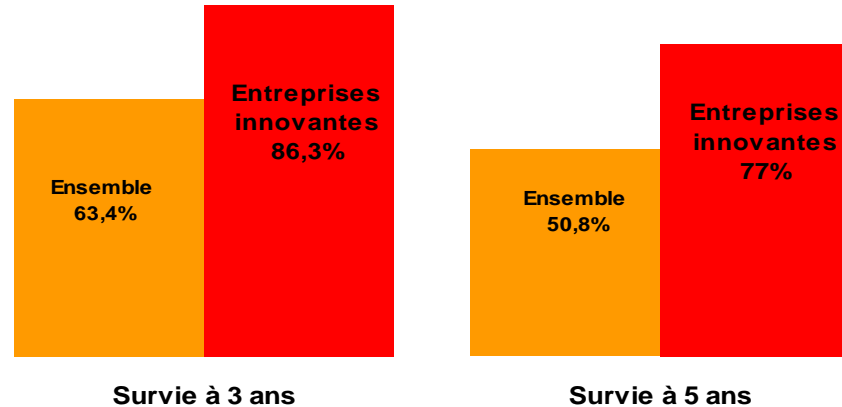
**=> a direct link between**

- strategy**
- intensity of intellectual innovative investment**
- growth of companies**



# For young innovative firms

- Much higher “life expectancy” than average \*



## For more advanced companies

- High growth potential \*\* ...

50% of these companies have a turnover growing of more than 28% over 3 years i.e. an average annual growth of more than 10%

- ... even after 8 years of existence (for 2/3 of the SMEs)...
- ... much higher than the general average growth rate

Populations : \* SMEs created in 1998, survival rate at N+3 and N+5 :  
innovative SMEs : supported by OSEO anvar / Whole population : Insee analysis

\* SME (European déf.) of 3 years or more, which were financially supported by OSEO anvar between 1998 and 2004, and whose project has been finished for more than 2 years (from available data)



# Foreign markets

- Only 4% of French SMEs go on foreign markets

**BUT**

- 50% of the innovative SMEs sell on foreign markets
- 30% of the innovative SMEs operate mainly on foreign markets (only 1% of non-innovative companies \*\*)

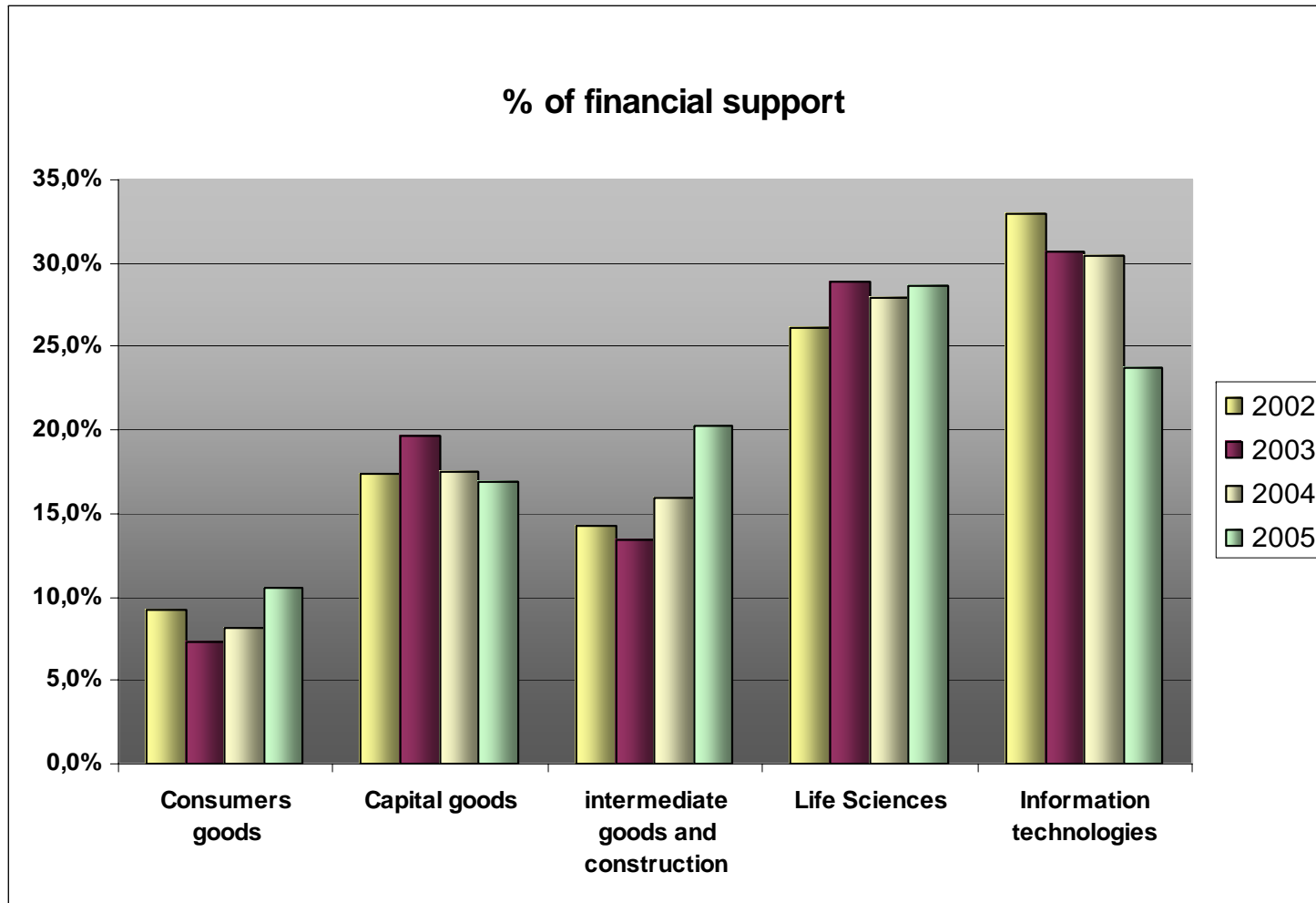
**=> A very strong link between innovation and internationalisation**

Populations : \* SME (European déf.) which were financially supported by OSEO anvar between 1998 and 2004, and whose project has been finished for more than 2 years (from available data)

\*\* Eurostat, EU study on innovation (1998-2002)



# Sector-based distribution of OSEO anvar's support to SMEs' innovative projects





# Transversal trends

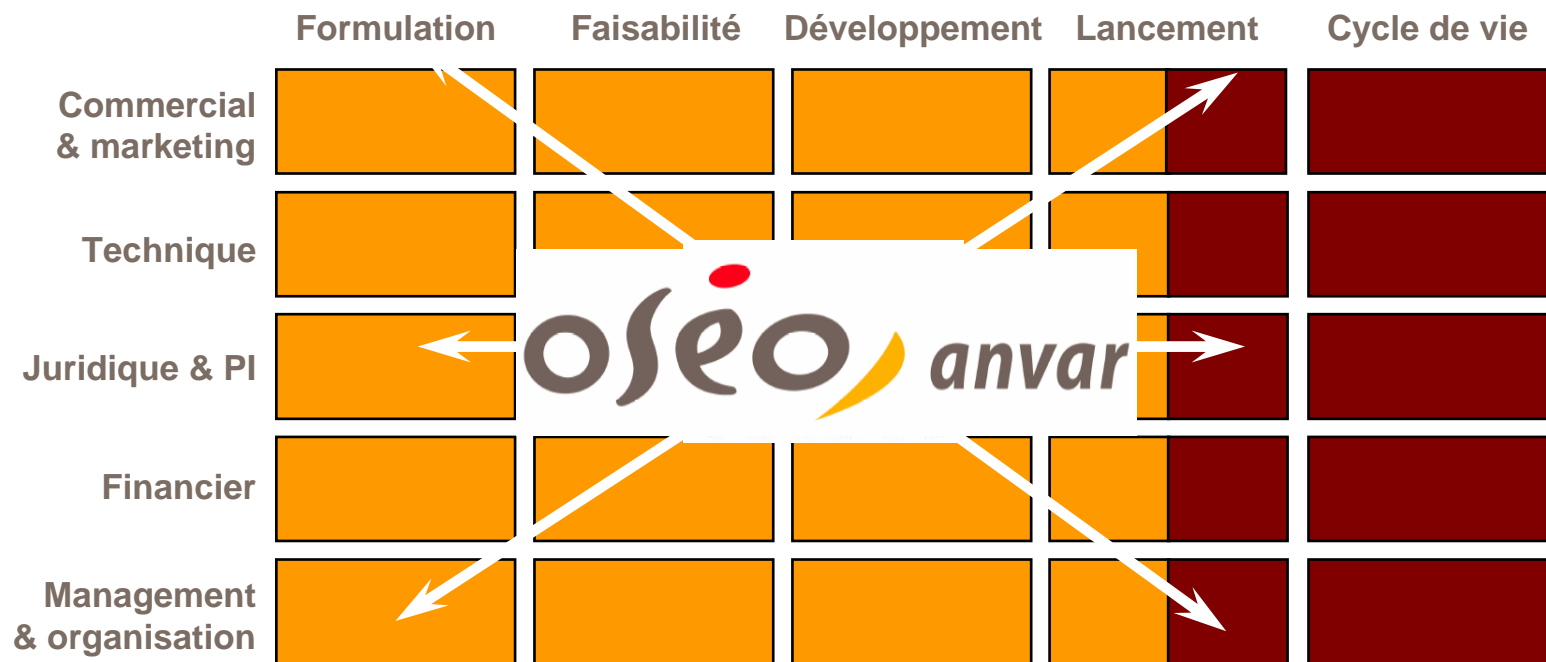
- **Services and software rather than products and materials**
- **Information Technologies are diffusing towards other sectors, and give birth within these sectors to new innovation processes**
- **In many sectors, innovation is built upon the association of already existing technologies, through technology combination or technology optimisation for new uses, new services**

**Networking, mixing competencies, developing partnerships between SMEs, big companies, laboratories...**

**Setting up places for exchange and mutualisation of competencies : competitiveness clusters, national and trans-national networks, European platforms, clusters**

# Our activity : to share the risk from the early stage of projects to market launch

- at each step of the project, taking care of all the key-factors :
  - not only technological points,
  - but also : commercial and marketing, human resources and organisation, financial resources, intellectual knowledge management and property





# How to evaluate and manage intellectual capital ?

- **Evaluation of risks : not only financial aspects, but no obvious methodology**
- **Intellectual and industrial property : win-win ? Strategies ?**
- **Human resources : a critical point for SMEs**
  - 2 key-factors : time and money !
  - Very various but continuous competencies ...
  - Which convenient training ?
- **An increasing factor : networking and partnerships**
  - On a geographical basis (regional; cf. regional clusters), national, international) and/or a sectorial basis
  - Public/private relationships, to develop products and process more actively
  - Private/private relationships : large and small firms; providers/customers; specialized consultants



***Thank you very much !***

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