Innovation vouchers for SMEs

Explaining the Dutch innovation voucher scheme

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• What is an innovation voucher?
• Experiences and success factors
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Innovation instruments for SMEs

**Front runners:**
- WBSO, € 690 m
- Innovation credits, € 48 m
- Eurostars, € 2.5 m

**Developers/Adopters:**
- Innovation vouchers, € 30 m
- IPCs, € 20 m
- SBIR

**Followers:**
- Innovation vouchers
- Syntens, € 32 m

Front runners: 5% (15.000)
Developers: 17% (45.500)
Adopters: 21% (57.400)
Followers: 31% (87.100)
Non innovatives: 26% (71.000)
Why an innovation voucher scheme?

**Objectives:**

- To encourage SMEs to innovate by using knowledge of Knowledge Institutes
- To encourage direct demand-driven knowledge infrastructure

**Closing the GAP between Knowledge Institutes and enterprises**
What is an innovation voucher?

- A credit note issued to an SME
- Available to any sector (including agriculture)
- Types of innovation vouchers:
  - Public: to be spent at a public knowledge institute (since 2004)
  - Private: to be spent at a private knowledge institute (since 2009/2010)
  - Patent: as compensation for costs incurred for requesting and obtaining (international) patents (since 2008)

  - Small voucher (€ 2,500) ➔ Once-only
  - Large voucher (€ 7,500, including 33% or 50% contribution by SME) ➔ Once-per-year
  - at maximum 10 large vouchers can be combined by 10 SMEs for a larger research project
History

• 2004: first pilots (100 vouchers), 2005: 2 pilots (1000 vouchers)

• 2008
  o 8,000 vouchers, introducing Patent vouchers
  o Return rate 63%

• 2009
  o 7,000 public vouchers, pilot 1,000 private vouchers
  o Vouchers ‘sold out’ September 2009

• 2010
  o Budget: € 30 mln. (6,000 public vouchers, 2,000 private vouchers)
  o 4,000 small vouchers, 4,000 large vouchers
  o Opening: 23 February 2010
  o Vouchers ‘sold out’ in May
Experiences and success factors: evaluation 2007

- Over 70% voucher users < 10 employees
- Heavy users: services, wholesale, IT and machine/appliances

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Experiences and success factors: evaluation 2007

**Participation of knowledge institutes (only public vouchers):**

- Public (including institutes from other EU countries):
  - Universities (38%)
  - Higher education institutions (23%)
  - Research institutes (TNO) (33%)
  - Foreign institutes (3%)

- Private (only labs without specific purpose making profit)
  - Research labs of large companies (Philips, AKZO-Nobel, DSM, ASML) 2%
Experiences and success factors: evaluation 2007

• Main conclusion: useful and unique instrument
  o Low threshold (apply in 8 minutes)
  o Wide range of users
  o Narrows the gap between knowledge institutes (KI) & SMEs
  o Easy to use

• Results:
  o Additionality 80%
  o 90% thinks the contribution of the KI was useful
  o 60% expect increase in work relations with KI
  o Slight contribution to economic performance
  o 30% of allocated vouchers is not used
Experiences and bottle necks

- Sold out very quickly (mismatch between demand and supply)
- Low return rate
- ‘Creative’ use of the scheme by knowledge institutes

**Possible solutions:**
- Higher financial contribution of SME (50% instead of 33%)
- Knowledge question mandatory at time of application
- Restrict eligibility for applying for a voucher (twice in a lifetime)