



Enterprise & Industry *magazine*



- More women entrepreneurs to create growth and jobs
- Less CO₂: Ecodesign is as important as the Emissions Trading Scheme
- Erasmus for Young Entrepreneurs creates new businesses
- Helping EU enterprises seize opportunities in Japan and Korea
- European automotive industry gears up for 21st century

14

October 2012

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Enterprise & Industry magazine

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entr-communication-information@ec.europa.eu
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Editorial

In these difficult times of increasing unemployment, Europe needs more entrepreneurs. In this issue of Enterprise & Industry magazine we analyse **women's entrepreneurship**, which is indeed an underutilised resource. Women represent more than 50% of the European population but less than 35% of Europe's self-employed workers – barely half the rate of men. The EU wants to help close this gap by providing economic and intellectual support for female entrepreneurs across Europe.

As it is crucial that Europe increases its appetite for entrepreneurship and supports its would-be and new entrepreneurs in creating new businesses, another focal point of this issue is enabling young Europeans through the **Erasmus for Young Entrepreneurs programme**. By facilitating movement and collaboration within the Single Market, the programme promotes the creation of new businesses with European appeal.

The ability to turn potential into productivity is at the heart of Europe's economy and will enable it to grow again. Therefore, we explore **international markets**, and the various ways that the EU can help Europe's small and medium-sized enterprises (SMEs) tap into foreign demand. The EU offers valuable training programmes in **Japan and Korea** in addition to entrepreneurial opportunities. We also examine Europe's **automotive industry** and its need to constantly innovate to remain a strong and competitive industry, and advance towards sustainable mobility at the horizon of 2020.

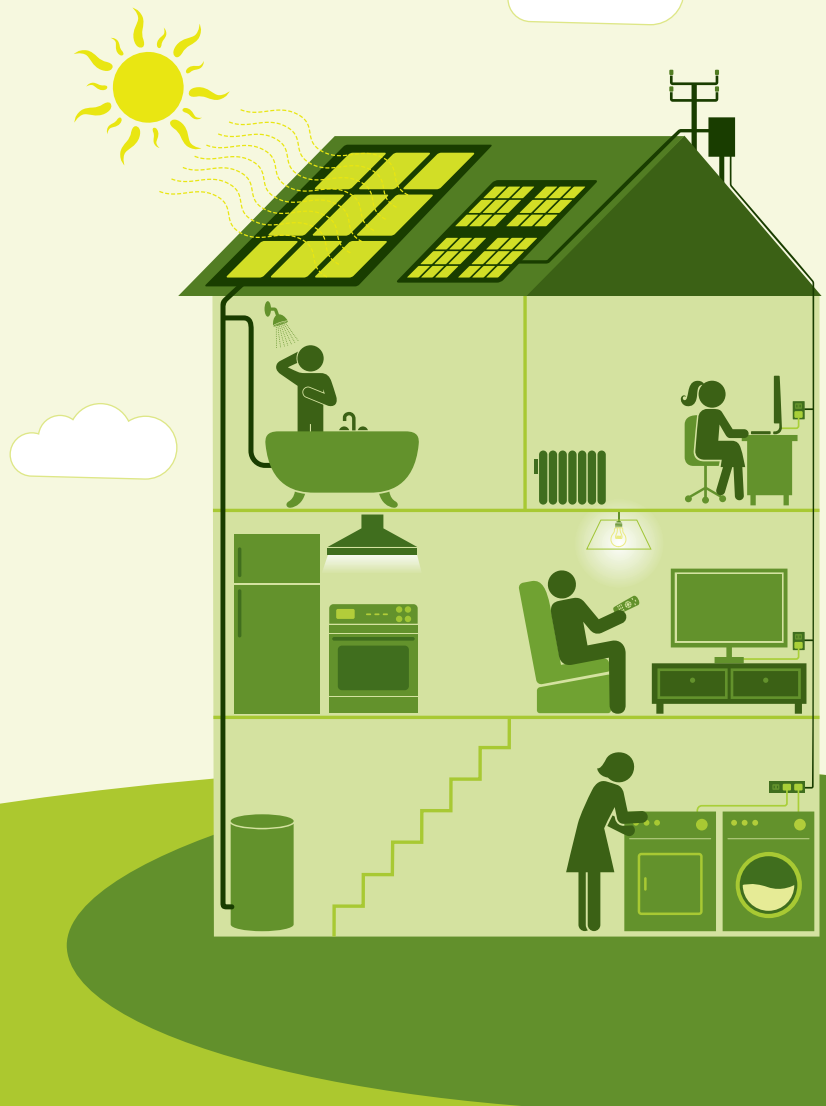
As the EU moves toward more environmentally conscious construction and manufacturing, **Ecodesign** offers European businesses a competitive advantage – those businesses that respond quickest to demand will be best placed to compete globally, not just within the EU. By 2020, it is estimated that the Ecodesign Directive will save 400 million tonnes of carbon dioxide emissions within the EU – this is comparable to the Emissions Trading Scheme's (ETS) anticipated contribution to carbon dioxide reductions by 2020. These opportunities should not be missed.

For more information on our policies to promote businesses, please visit our website:

www.ec.europa.eu/enterprise/index_en.htm

Less CO₂:

Ecodesign is as important as the Emissions Trading Scheme



By 2020, it is estimated that the Ecodesign Directive will save 400 million tonnes of carbon dioxide emissions within the EU – this is comparable to the Emissions Trading Scheme's (ETS) anticipated contribution to carbon dioxide reductions in 2020. In addition to the 13 existing and 20 forthcoming ecodesign measures for products, over the next two years the European Commission will adopt measures for Business to Business (B2B) products, such as professional refrigeration, electricity transformers, industrial furnaces and ovens, and air-conditioning and ventilation. There are also plans to include 'energy-related' products in the ecodesign strategy: products which do not directly use energy themselves, but promote energy saving.

The energy savings and wider reductions in product-related environmental impacts offered by ecodesign can play a major role in realising Europe's target of a sustainable future. Not only does ecodesign meet the growing demand for more eco-friendly products among consumers and companies, but it also offers European businesses a competitive advantage, as those businesses that respond quickest to demand will be best placed to compete globally, not just within the EU. Consumers will also benefit from lower energy bills and improved product performance. The Ecodesign Directive provides consistent EU-wide rules

for improving the environmental performance of energy-related products. The Directive has addressed mainly consumer products to date (e.g. washing machines, standby power use and light bulbs), but B2B product groups are now also being addressed [see table for examples]. B2B product examples include electricity transformers (which 'step down' the voltage from electricity power stations and power lines to the voltage power used in industry, or at home), professional refrigeration (as used in restaurants), commercial ventilation systems (used in office blocks and homes) and metal and wood-working machine tools (utilised to manufacture components for many important EU sectors, e.g. aerospace and automotive).

B2B ecodesign examines only the aspects of products that have a significant potential for improved environmental performance, and where implementation of measures can be checked by market surveillance authorities and other enforcement bodies. The EU is not looking to add to manufacturers' administrative burden. Rather, ecodesign allows manufacturers to gain a competitive edge through the improved performance of their products.

New business-to-business (B2B) ecodesign product groups

B2B Ecode-sign "Lot"	B2B product group	Preparatory studies		(TWh)		Possible implement- ing measure & date	Measure foreseen to apply from
		Start	End	Estimated energy savings per year in 2020			
ENTR Lot 1	Professional refrigeration	Jan 09	Feb 11	6 TWh		Regulation + labelling: 2014	2015-16
ENTR Lot 2	Transformers	Jan 09	Feb 11	12 TWh		Regulation: 2014	2015-16
ENTR Lot 3	Sound & Imaging Equipment	Jan 09	Nov 10	4 TWh		Voluntary agree- ment: 2014	2015-16
ENTR Lot 4	Industrial ovens & furnaces	Jan 10	Aug 12	35 TWh		Regulation + label- ling (small-medium products): 2015	2016-17
ENTR Lot 5	Machine tools	Jan 10	Jul 12	4 TWh		Voluntary agree- ment: 2014-15	2015-16
ENTR Lot 6	Air-condition- ing & ventila- tion systems	Jan 10	Dec 12	100 TWh		Regulation: 2015	2016-17
Projected annual B2B energy savings by the year 2020				c. 160 TWh	Equivalent to c. 80 million tonnes of CO ₂ saved annually		

Transformers – A B2B ecodesign measure in progress

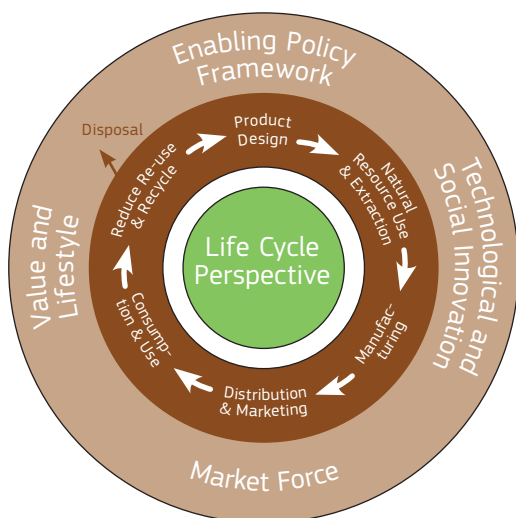
The draft ecodesign regulation on transformers will improve the energy efficiency of power distribution transformers. Although transformers are already very efficient devices, their energy losses account for around 2.5% of the EU's final energy consumption. Pushing their energy efficiency up a notch through regulation could yield savings of

over 10TWh per year by 2020 (roughly equivalent to the annual electricity production of a small nuclear plant). The proposed regulation, together with new European standards under development, will bring the EU in line with the strictest international transformer regulations. European manufacturers, electricity utilities and environmental NGOs are widely supportive of the proposed regulation, as it is likely to amplify existing market trends to design more efficient transformers.

*Transformers in everyday life –
indicated by yellow dots*



Sustainable consumption and production



The potential for savings is enormous. The 160 billion kWh annual projected energy savings shown in the table are equivalent to the yearly power output of 16 small nuclear stations, or around 25% of all EU-wide renewable electricity consumed (2009 statistics). These B2B savings will increase every year from 2020 onwards, as the ecodesign measures become tighter, and new products progressively replace older ones. Other design measures also being considered include reducing the global warming potential of refrigerant gases used, cutting down on hydraulic oil and lubricants, and using less energy-intensive welding gases.

B2B products represent only 20% of savings; the other 80% comprise ongoing ecodesign savings from consumer products. The total estimated CO₂ equivalent savings by 2020 for the 20-plus ecodesign product groups (consumer + B2B) is around 800 TWh, or some 400 million tonnes of CO₂ per year (25% from heat savings, and 75% from electricity savings), which is the same annual CO₂ reduction impact as estimated for the ETS in 2020. A recent Ecofys study concluded that EU business and consumers could save up to €90 billion if current measures are properly implemented, reducing the EU's energy dependency by over 20%. Per household, Ecofys estimated electricity and heating savings of about €280 per year for consumer-related ecodesign products, based on four electric-

ity products (e.g. washing machine, refrigerator, vacuum cleaner) and two heating appliances (e.g. boiler/ heat pump and water heating device). These savings include the cost of purchasing new appliances, spread over their lifetime.

Ecodesign – How does the process work?

The Ecodesign Directive (also known as 'Energy-related Products', or 'ErP') is the EU's first 'life cycle' oriented directive addressing products. Product groups are selected via a Working Plan whereby the European Commission, in consultation with industry, consumer and environmental associations and Member States, chooses which products to examine. 'Preparatory studies' are conducted usually over two years for each product group, to examine worldwide best-practice standards, ecodesign possibilities, and to cross-check whether EU standardisation procedures need to be mandated (via CEN-CENELEC) or at international level (via ISO). New, old and 'Best Available Technology' (and even 'Best Not Available Technologies' – to be future-oriented) technologies within a product group are explored, together with market details (present sales, future trends and historical stock). Ecodesign starts off by looking at all environmental impacts, via a slightly streamlined Life Cycle Assessment (LCA) model, which includes Life Cycle Costs (LCC). Detailed affordability checks are made regarding costs to consumers, businesses (as users) and manufacturers, including SMEs. The subsequent process of determining minimum ecodesign requirements for the different products includes ample consultations with stakeholders, via stakeholder meetings, and more formal Consultation Fora. Ecodesign minimum standards may be combined with Energy Labelling (the familiar 'A-G' label, found on refrigerators, etc).

Taking stock, and taking on energy-related products

The review of the effectiveness of the Ecodesign Directive will be finalised in 2012, as well as the second Working Plan (2012–2014); which will include the first energy-related products, e.g. window products (triple glazing etc.) and insulation materials, and some additional B2B product groups.

Contact

'Sustainable Industrial Policy' Unit
Directorate-General for Enterprise and Industry
entr-sustainable-industrial-policy@ec.europa.eu

Ecodesign in SMEs

A call for proposals on promoting ecodesign in SMEs will be launched in November 2012, via the Enterprise Europe Network ('the Network'). The aim of this call is to promote awareness and expertise amongst SMEs, and some will be across the EU. From April 2013 the Network members will support the call organisations and 5 000 targeted SMEs with education expertise and ecodesign training.



More women entrepreneurs to create growth and jobs

Women's entrepreneurial potential is a very much underexploited source of economic growth and new jobs. The fact that women only account for 34.4% of the self-employed in Europe suggests that they need more encouragement to become entrepreneurs. As a source of inspiration and practical advice for women, the European Commission has set up a European Ambassadors' Network and a European Mentors' Network. Now it is up to the women themselves to take up the challenge ...

Only a third of EU entrepreneurs are women

As things stand, women account for over half of the population but for only a third of the EU's entrepreneurs. This leaves considerable untapped human potential that is sorely needed to boost economic growth and create the new jobs required in today's difficult economic climate. If more women can be motivated to start up and lead companies, this could generate growth and jobs across the EU.

The European Commission sees an important economic role for women as is clear from the wording of the Europe 2020 Strategy for growth and jobs. One of its targets for the year 2020 is a 75% employment rate for women and men aged from 20 to 64 – this will be achieved by getting more people into work, especially women, the young, older and low-skilled people and legal migrants.

Women account for over half of the population but for only a third of the EU's entrepreneurs

Women entrepreneurs take more calculated risks

While European women are at least as well educated as men, only a few decide to set up a company in the fifteen years following their graduation. Lack of take-up can partly be explained by difficulties they encounter in reconciling private and professional activities. In addition, existing business set-up support systems are not always tailored to women's specific needs. Concerns faced by potential women entrepreneurs include greater difficulty accessing financing, professional networks and training and a possible lack of confidence due to the absence of appropriate role models. Women also tend to be cautious and take more calculated risks, and to focus on creating companies in familiar areas and for which they can benefit from family support. They can fail to take full advantage of networking opportunities and often grow their businesses slowly and only if their family situation allows them to work long hours with a good probability of success. Women therefore require tailor-made support measures when setting up their businesses.

Inspiration and support for would-be women entrepreneurs

The European Commission already provides help in a number of areas to encourage women to become entrepreneurs. A European Network of Female Entrepreneurship Ambassadors was set up in 2009, followed by the creation of a European Network of Mentors for Women Entrepreneurs in 2011. Female ambassadors can be seen as a first step, providing inspirational role models to encourage women to consider entrepreneurship as a viable career option. But what happens if they are interested but fall by the wayside because they lack support? This is where the second step kicks in, in the form of mentors who give practical advice to women who have recently launched their own businesses.

The EU's forthcoming **SME Week 2012 Summit** will focus on encouraging women to consider setting up and running their own business, usually a small and medium-sized enterprise (SME).

European SME Week 2012

The main focus of the European SME Week Summit, which will take place in Brussels on 17 October, is 'Women's Entrepreneurship'. During the conference there will be four workshops on the following themes:

- 1) Entrepreneurship education for women entrepreneurs;
- 2) Women entrepreneurs with a migrant background;
- 3) Access to finance for women entrepreneurs;
- 4) Women in technology-based businesses.

The European SME Week 2012 will include activities in 37 countries, to ensure events are easily accessible to existing and potential entrepreneurs. The events, arranged by business organisations, business support providers and national, regional and local authorities, will also enable existing companies to share their experiences and further develop themselves. Last year, close to 1 500 events were held across Europe.

The European SME Week aims to:

- provide information on EU, national, regional and local authority support available to micro, small and medium-sized businesses;
- promote entrepreneurship so that more people, and in particular younger ones, seriously consider entrepreneurship as a career option;
- give recognition to entrepreneurs for their contribution to Europe's welfare, jobs, innovation and competitiveness.



Artemis Toumazi

Helping women entrepreneurs access loans

Securing loans is a major challenge for many small businesses across Europe. So it makes sense that one of the four workshops during the SME Summit will focus on the subject of access to finance for women entrepreneurs. Speaking during the workshop will be Artemis Toumazi, a Female Entrepreneurship Ambassador and CEO of a cooperative bank set up in Cyprus in 2000. The bank specialises in small loans up to €100 000, with flexible repayment plans, grace periods of up to two years, interest rates of around 4% and the possibility to access funds within 48 hours.

One of the beneficiaries of a loan is a company called Drive and Fly, which looks after, cleans and maintains cars for passengers at Larnaca airport. In addition to a loan of €60 000, the company's Director, Anna Karyda, obtained advice and access to the bank's professional network. They supported our idea. They encouraged us. They helped us with the company's business plan, and of course they gave us information when we wanted financing from other financial institutes. They gave us very good information about banking with them and getting financing on good terms from other institutes. That was very important for us,' says Anna Karyda.



Katia Marchesin

Female technological wizardry

Technology used to be an area largely dominated by men, but this is changing. There are numerous examples of women who are bucking that trend, including Swedish researcher/entrepreneur and Female Entrepreneurship Ambassador Susanne Rostmark, who will be one of the main speakers in a workshop looking at the subject of women in technology-based businesses. Rostmark has patented so-called 'freeze-dredging' technology, which is used to bring contaminated sediments and objects up from the sea bed to the surface of the sea by first freezing the segment or object. The technique has been used to lift a Swedish aircraft up from the Baltic Sea. Her next aim is to develop freeze dredging for sludge removal and handling radioactive material.

Female Entrepreneurship Ambassador Katia Marchesin is another woman to have made a mark in the field of technology. She is now the CEO of ADL Ingegneria Informatica, an Italian IT company with twenty employees that was set up in 1995. The company's customers are mainly SMEs, in particular in manufacturing and sales. Their core business is developing information technologies in areas such as supply management and radio frequency identification tracking. They also produce technologies to help share information on the web, to create e-commerce, to organise online communities, for search engine optimisation, for search engine marketing etc.

Katia Marchesin also acts as a host entrepreneur for the Erasmus for Young Entrepreneurs Programme. She has already hosted three new entrepreneurs at her company since 2009. Erasmus for Young Entrepreneurs is a cross-border exchange programme which gives new or aspiring entrepreneurs the chance to learn from experienced entrepreneurs running small businesses in other European Union countries.

Focus on film

Female Entrepreneurship Ambassador Jane Barnes, the founder of Yakkety-Yak Multimedia Company Ltd, has also found her niche in the world of business. As a child, she had been in stage and film productions. Now she is a producer and director of film shorts and works on a variety of commercial and audio-visual projects with her team, whose services include multimedia training. She is currently also training disabled and disadvantaged people in film techniques. The awards she has won are a testament to her success: Disabled Business Person of The Year Award 2004-2005, Enterprising Women Best Boss Award in 2008 and Women's Enterprise Champion for the East of England region 2010. She encourages women and other groups in

society, including disaffected young people, to consider entrepreneurship as an option using her MIND YOUR OWN BIZNEZ Programme.

Taking the plunge

Entrepreneurship is, by definition, about taking calculated risks. There is no certainty that a business idea will work until someone takes the plunge and tries it out. A good example is Gitta Quercia-Naumann, a Female Entrepreneurship Ambassador who worked for 10 years as a call operator for the German post office. Her big leap in the dark was in 2001, when, aged 47, she opened her own Spanish restaurant, called Tapas y mas, without any previous experience in the catering sector. In order to stay close to her children she decided to open the restaurant in Engelskirchen – her hometown of 20 000 inhabitants – and not the larger and more certain market of Cologne, only 30 km away. Gitta Quercia-Naumann has successfully marketed her restaurant so that, even in these difficult economic times, people travel from far and wide to enjoy her food. Today she is still one of the few tapas specialists in Germany and she is often invited to discuss her business methods at cooking shows and exhibitions.

Teaching women business skills

Barcelona's School of Entrepreneurship for Women shows just how far education in entrepreneurship can pay dividends. The school was set up by Barcelona Activa, Barcelona City Council's Local Development Agency. At the school, women take part in training courses, including business counselling and learning marketing tools, and they receive personalised advice. In the 27 years that the school has been up and running, it has trained 4 700 women, of whom 48% have created their own company. Of these 48%, 61% have created a company in the technology/communications sector, 27% have created a company in the service sector and 12% have created a company in the tourism sector. Would-be women entrepreneurs are supported in their efforts to develop their business plan, keep track of its objectives and put it into practice.



Jane Barnes



Gitta Quercia-Naumann

Contact

'Entrepreneurship' Unit
 Directorate-General for Enterprise and
 Industry
entr-entrepreneurship@ec.europa.eu

European SMEs

making a big splash on International Markets

Thirty-seven examples of small and medium-sized enterprises (SMEs) that have achieved success on the international stage have just been unveiled in a publication as part of the European Commission's drive to encourage entrepreneurship in Europe. 'The Secret of Success 2012-13' is a flagship publication for the European SME Week, which will be held from 15 to 21 October 2012. One of the aims of this event will be to promote entrepreneurship and inspire more European citizens to consider it as a viable career option.

Anne-Mette Elsborg

The 37 international champions drawn from 37 countries were selected on the basis of their international success. The profiled winning entrepreneurs not only illustrate that European SMEs can successfully compete across a wide range of sectors overseas, they also highlight the fact that with hard work and the right strategy – regardless of sex, age and educational background – everyone has a chance to become an international champion.

'The inspirational entrepreneurs in this year's "Secret of Success" brochure prove that you do not have to start big to have a big impact. They are all small and medium-sized enterprises (SMEs) who have made a "big splash" in developing international business – they are truly our "international champions"!' writes Antonio Tajani, European Commission Vice-President in charge of Industry and Entrepreneurship, in his foreword to the publication.

A journey through some of the success stories presented in the brochure illustrates well the key role internationalisation can play in the success of a small business.

A 3D experience from Hungary

Holografika was set up by Tibor Balogh in Hungary in 1996. It holds several 3D-related patents and has developed 3D visualisation technology, including display devices, software applications and data compression solutions used in medicine, security and gaming. Asked about what distinguished his product from those of competitors, he said:

'Our high-end solution provides a real 3D experience that you don't get from mainstream 3D display systems. Our Holografika system displays provide about 60 to 80 times more information than other systems.'

The company is involved in R&D projects funded by Hungarian support programmes and the Sixth (FP6) and Seventh (FP7) EU Framework Programmes. Developing next-generation 3D holographic applications is the focus of the company. Holografika has established partnerships with major global companies and institutes. It is now active in ten countries, with 70% of its turnover coming from international business. The company has 20 employees and its key markets are the EU, USA, India, South Korea and Japan.

As for doing business abroad, Balogh says 'it is very important to explain and demonstrate your products properly, virtually or in person, through conferences, exhibitions and local partners and presence'.

Engine reconditioning made in Denmark

Anne-Mette Elsborg came up with the idea of reconditioning and recycling used engine components to increase fuel efficiency in the 1970s. Building on her passion for marine engineering and professional experience on board ships, she decided to set up PJ Diesel Engineering in 1979. The company reconditions and manufactures fuel equipment and turbocharger parts for the shipping industry.



It also provides emission and performance monitoring systems and technical advice. Constant innovation and creativity has been a key part of PJ Diesel's success. For example, the company recently adapted its electronic indication and emission monitoring systems to incorporate the very latest technology. Elsborg has also gained the recognition of her peers through awards: she received the 2009 Danish network of female company owners' Inspiration Award and the 2011 Danish Career Prize by WOW Exenet, a women's professional forum.

She sees entrepreneurs as being important to society because 'they are passionate about innovation'. 'Small companies develop niches in markets, especially during the start-up phase. At a later stage, larger companies can come in either to invest in a small company, or purchase a business concept,' she adds. The European SME Week, which was first held in 2009, is part of the European Commission's strategy to support SMEs. This year it will take place from 15 to 21 October, with hundreds of events planned throughout Europe. In addition, a summit conference will be held in Brussels on 17 October with the theme 'Women's Entrepreneurship Makes Business Sense'.

Contact

European SME Week
www.ec.europa.eu/enterprise/initiatives/sme-week/contact/index_en.htm



The 37 international champions drawn from 37 countries were selected on the basis of their international success

SMEs and Internationalisation

By internationalisation, surveys usually mean any meaningful business relationship with a foreign partner such as exports, imports, foreign direct investments, international subcontracting or international technical co-operations.

Some of the results of a survey, carried out in 2009, of 9 480 SMEs in 33 European countries, provide useful insight on the topic:

- International SMEs create more jobs and report higher turnover growth: internationally active SMEs report growth of 7% in employment versus only 1% for SMEs without any international activities.
- International SMEs are more innovative: 26% of internationally active SMEs introduced products or services that were new for their sector in their country; for other SMEs the figure was only 8%.

Erasmus for New Entrepreneurs

creates new businesses

You have a brilliant business idea but you're not sure how to bring it to fruition? You are a newly established entrepreneur and need a helping hand? Or perhaps you are already running your own company successfully but would like to expand and would benefit from some fresh ideas? Then you need look no further than the Erasmus for Young Entrepreneurs programme, a mobility initiative financed by the European Union.



Alex Zylberberg



Kalle Korhonen

Since 2009, Erasmus for Young Entrepreneurs enables new entrepreneurs – be they 'would-be' entrepreneurs armed with a credible business plan or entrepreneurs who started their own business in the last three years – to gain valuable skills and experience. Whether they wish to create a new venture, or expand an existing one to international markets, the programme allows them to spend time with experienced Host Entrepreneurs in another Member State and learn first-hand how to manage a small or medium-sized business (SME). The programme's specific objectives are to promote on-the-job-training, exchanges of experience and information between partners, and to enhance market access, identification of potential partners and networking.

Unlimited entrepreneurial opportunities

New Entrepreneur Alex Zylberberg, who has Italian and British citizenship, and Finnish Host Entrepreneur Kalle Korhonen speak to Enterprise & Industry magazine about their win-win collaboration.

How to become a New Entrepreneur

- Prepare your CV, motivation statement and business plan
- Apply on www.erasmus-entrepreneurs.eu
- Select a local contact point
- Get in touch with a host entrepreneur abroad and agree on the exchange project
- Sign a funding agreement with your contact point

How to become a Host Entrepreneur

- If you have been running your own company for several years and are willing to share your expertise with a New Entrepreneur, you will only have to invest your time
- Apply on www.erasmus-entrepreneurs.eu
- Select a local contact point
- Get in touch with a new entrepreneur abroad and agree on the exchange project

Can you explain your main motivation for participating in the Erasmus for Young Entrepreneurs Programme?

Alex Zylberg: There were mainly two things: Firstly, my business MultilingualStuff is international by nature, and so it seemed like a good idea to get some experience in another country. Secondly, I wanted to find a host company that would be the kind of company that my ideal client would be like, to learn from the inside how it works. This ideal company for me was Jeven.

Kalle Korhonen: Jeven has been a host company for many young entrepreneurs and we have had good results with all of them. When the opportunity to host Alex – a very intelligent and multilingual young man, who had already started his own business – arose, I wanted to test the possibilities for this new experience.

What skills did you develop during your stay at the host's company?

AZ: The main skills that I developed had to do with understanding how manufacturing companies sell their products in other countries. I am an engineer and work in international business development, so the technical part is very easy for me, but during my stay at Jeven I also learned how technology is marketed to different kinds of people and also in different countries.

What did you and your SME gain from the exchange?

AZ: I probably should leave Kalle to answer this question, but I would say that his company Jeven benefited from the skills, knowledge and energy that I brought on board. I have also been on TV and in the press in different countries, and spoken about the experience at numerous universities abroad, all of which has served to increase the visibility of Kalle's company. Added to this is the expansion of the business to several new countries.

KK: Alex very quickly brought his international problem-solving style to our Finnish business culture. His energy and 'light' was amazing when he started projects and his knowledge of using the Internet and social media gave Jeven a stronger presence on the Web, as well as in local and international media.

What has the outcome of this cross-border collaboration been?

AK: We have TurboSwing, which is the world's newest and most advanced kitchen ventilation technology. Kalle and I are now working in partnership to take TurboSwing to the whole world. We started with Spain, Belgium and China. China was bit harder because I had to learn Chinese, but everything is going great in these three countries and now we have plans for many new countries. This technology is the best ever, and we're working together to make sure that the world knows.

KK: Yes, we are now cooperating to market Jeven's new products and services in several countries.

Do you have any advice for aspiring entrepreneurs?

AZ: If you feel that having a normal job is not for you, then don't be afraid. Think about this: What do you really have to lose anyway? A bit of money? A bit of time? A bit of security? A bit of sleep? What is that compared to the prospect of being able to realise your dreams? Just do it.

KK: Just take the opportunity and be proactive. You never know what business opportunities an exchange with a host could lead to until you try, and I am convinced that the experience of working in a foreign culture is always worthwhile.

What would be your advice for the Host Entrepreneurs?

AZ: Don't forget that the person you're bringing on board is courageously taking a risk and is also hungry for success. Young entrepreneurs will put their life into whatever they do and take ownership and responsibility. You should take advantage of their energy and talents. You should also be aware that they need to be mentored and taught basic things, but that they also need to be given the freedom to be their entrepreneurial self.

KK: Seeing how people from other cultures work is a real eye-opener and it can help you to export your products and services abroad, so as I said before, be proactive and grab the opportunity.

Please describe the development of your company after the exchange?

AZ: Initially, I acquired new clients in my ex host's country and so my business expanded. But the most exciting part is that now I'm also working in partnership with my ex host to bring this state-of-the-art kitchen ventilation technology to the world.

KK: Jeven is more international now and as he has mentioned, we are still cooperating to open new channels in several countries for our product and services.

Considering how positive this experience has proven to be, will you consider becoming a Host Entrepreneur (for AZ) and hosting another exchange in the future (for KK)?

AZ: Of course!

KK: Absolutely, it is only a matter of time. When there is a suitable exchange from a suitable country, I won't hesitate to host again.

Contact

To apply as a New Entrepreneur or Host Entrepreneur, visit:
www.erasmus-entrepreneurs.eu

Helping EU enterprises seize opportunities in

Japan and Korea

If you are considering entering these markets or expanding your activities there, the European Commission offers two valuable programmes to help you to do so. Previous participants explain how their companies benefited from the Executive Training Programme (ETP) and the EU Gateway Programme.

The stakes are high when dealing with Japan and South Korea, two of the leading world economic powers and important partners of the EU. In 2011, a report estimated that new export opportunities of between €20 billion and €40 billion a year could emerge for European companies trading with Japan and Korea by 2020.

However, in both countries the languages, the way they are written, and the culture in relation to doing business are very different to those in Europe. All this can create significant obstacles for European companies wishing to seize these opportunities, and especially for small and medium-sized enterprises (SMEs). To help overcome these barriers, the European Commission is funding two initiatives, the Executive Training Programme (ETP) and the EU Gateway Programme, both of which have proven to be particularly successful.

Rewarding business missions

The EU Gateway Programme organises and funds business missions for European companies to develop their activities in Japan and Korea. The Programme offers participating EU companies a number of advantages: financial and logistical support, strategic preparation by a professional team based in Europe, Japan and Korea, promotion of their company to potential business partners and a tailored search for business contacts to meet in Japan or Korea.

Since 1994, more than 3 000 European companies have participated in an EU Gateway Business Mission, reaping the rewards of entry into the Japanese and Korean markets. Robotina, a Slovenian company that develops systems for building auto-



The EU Gateway Programme organises and funds business missions for European companies to develop their activities in Japan and Korea

Who is eligible for the programmes

To apply for participation in an EU Gateway Business Mission, a company needs to have been operating for at least five years, be fully or majority-owned by EU capital, and be located and have its main activities in the European Union.

It should have a proven international business cooperation track record with a solid strategy for entering the Japanese or Korean markets and sufficient turnover and human resources to support the implementation of this strategy.

Interested companies can now apply online for the Business Missions in 2013 at www.eu-gateway.eu.

The ETP is open to EU business executives working for European companies (with a turnover above €500 000

and more than five employees) that are interested in launching or expanding their activities in Japanese or Korean markets.

The European Commission supports ETP participants by funding the entire training course and providing a scholarship (€2 200 a month for Japan and €2 000 a month for Korea).

The enrolment for the next ETP training cycle (2013–2014) is already open; candidates can apply online at www.euetp.eu.



mation, took part in a mission to Japan. Its President, Devid Palcic, explains: 'A unique advantage of the Programme is that it is easier logistically for an SME to access Japan and enter this market as the Programme organises meetings and, most importantly, the publicity for the product display events, which would be very difficult for a company to do on its own.' Thanks to a Gateway mission, the Belgian firm Ankersmid Sampling, which is active in environment and energy technologies, was able to find a business partner to distribute its products in South Korea. The plan is now for a further expansion into Asian markets.

Training collaboration with renowned partners

The Executive Training Programme (ETP) provides European executives from EU companies with a year of support for the development of their companies' business plan for Japan or Korea, as well as for the business, language and cultural training necessary for success in the Japanese and Korean markets. Different teaching methods, site visits, guest speakers and networking events, as well as internships enable participants to apply knowledge that they can immediately transfer to their companies. By the end of the ETP, participants will have developed a credible business plan for their companies to establish or expand their business in the East Asian markets.

Building success

By providing European companies with the business, language and cultural training necessary for success in Japanese and Korean markets, the ETP strengthens EU company presence and also under-

pins cultural and business links between the two countries and the EU. To date, more than 1 000 European executives from over 20 different sectors have completed the programme and now hold prominent positions in EU companies that are active in Japan and Korea. Therefore, the ETP has been instrumental in building trade and investment between the EU and two of the strongest Asian markets.

'The ETP opened the doors of Asia and a whole new world of opportunities to my company,' explains Alessandro Canova, Vice President at Assioma.net. 'It took nearly a year after completing ETP to prepare everything and obtain the necessary authorisations. The preparation during ETP meant, however, that when it came to launching the company in Korea I was able to proceed very quickly and things ran smoothly as I'd already become acquainted with life in Korea and the Korean way of doing business.'

Contact

For more information about applying for the Executive Training Programme, contact the Central Management Unit info@euetp.eu



EU bureaucracy:

Small businesses can raise their concerns

Did you know that small and medium-sized enterprises (SMEs) can easily notify the European Commission if they face problems in relation to EU laws and policies? With the help of the EU's 600 Enterprise Europe Network partners, SMEs can make their situation known. This applies not only during legislation formation, but after legislation has been put in place and also on an ongoing basis via the Enterprise Europe Network's standard consultation procedure.

The European Commission constantly seeks feedback from SMEs on the impact that its legislative proposals and initiatives have, in a bid to find ways to cut red tape and help SMEs make the most of opportunities in the EU. SMEs are the backbone of the EU's economy. A total of 99% of all European businesses are classed as SMEs and they provide two out of three private sector jobs. Given that SMEs are more resilient than large companies in the current crisis and that they create 85% of all new jobs, it is essential for the European Commission to find out how to best help SMEs to be more successful and create more jobs.

Accessible to enterprises everywhere in the EU, the Enterprise Europe Network (the Network) has a big role to play in this process, bringing together business support organisations from more than

50 countries. This gives SMEs the opportunity to get in touch with experts in EU countries and in a number of non-EU countries. With close to 600 member organisations, the Network is always relatively close at hand, wherever businesses are based. 'Whichever Network contact point you get in touch with, we will either assist you on the spot or put you in touch with a specialised branch in your region even better placed to serve you,' comments a Europe Enterprise Network representative.

Consulting SMEs before new legislation is drafted

The Network has two main ways to test the impact of EU legislation and programmes on SMEs. SMEs can be consulted either before EU legislation is rolled out or after it has been implemented, thereby

checking its effects on SMEs. The pre-legislation consultation is carried out via SME business panels organized by Network partners who then provide the Commission with the discussion results.

The SME panels work as follows: Network partners select suitable participants to invite to the discussions, run the panels and provide the Commission with results. These outcomes are considered when the Commission is drafting new legislative or policy proposals.

It is never too late: consultation on existing law

The post-legislation consultation is done via the 'SME feedback mechanism'. Enterprise Europe Network partners collect the views and feedback from SMEs on a broad range of EU policies: on the environment, sustainability, employment and social affairs, innovation support, taxation and customs and, in more general terms, better regulation and simplification. The collated issues are then logged in a database accessible to policy makers in the Commission.

The TOP 10 most burdensome legislative acts for SMEs

Complaints are often aired about the red tape created by European law. However, there is a definite lack of concrete proposals to reduce this burden. With this in mind, the Network supports the current European Commission consultation: 'Let us know what could be done better – we would like your ideas for reducing red tape!' This consultation process for SMEs will help to identify the top ten EU legislative acts considered most burdensome by micro-companies and SMEs. It will run until 21 December 2012, and once complete, the Commission will analyse the results and consider how situation for SMEs could be improved.

Contact

Visit the Enterprise Europe Network website for more information:
www.enterprise-europe-network.ec.europa.eu

For more information on how the European Commission consults SMEs, visit the Commissions webpage on SME consultation:
www.ec.europa.eu/enterprise/policies/sme/small-business-act/consulting-smes/index_en.htm



Helping small companies make the most of the business opportunities

You don't know where to start when looking for international partners? Don't have the resources to apply for EU funding? Have no idea who could finance your business? The Enterprise Europe Network (EEN) is there to help by making sure your company benefits from the EU Single Market as much as the big players do.

EEN experts can help you find international business partners, source new technologies and receive EU funding or finance. And they can advise you on issues as diverse as intellectual property, going international or EU law and standards.

In addition to the business panels and feedback tool, the EEN helps SMEs engage in public consultations and encourages them to make appropriate referrals to a free EU problem-solving network called SOLVIT. SOLVIT centres across the EU (as well as in Norway, Iceland and Liechtenstein) deal with problems that arise from the misapplication of EU law by public authorities. The centres deal with complaints from both citizens and businesses.



Unleashing the huge potential of key enabling technologies for jobs

The European Commission has called for a European effort to boost key enabling technologies (KETs). The global market in KETs, which comprises micro- and nanoelectronics, advanced materials, industrial biotechnology, photonics, nanotechnology and advanced manufacturing systems, is forecast to grow from €646 billion to over €1 trillion between 2008 and 2015; this is a jump of over 54%, or more than 8% of the EU's GDP. Rapid growth in jobs is expected, too. In nanotechnology industries alone, the number of jobs in the EU is expected to increase from 160 000 in 2008, to around 400 000 by 2015.

Contact

For more information please visit
[www.ec.europa.eu/enterprise/sectors/ict/
key_technologies/index_en.htm](http://www.ec.europa.eu/enterprise/sectors/ict/key_technologies/index_en.htm)

*KETs are a key source of innovation:
They provide the indispensable technology bricks
that enable a wide range of product applications*

The European Commission tabled its strategy to boost the industrial production of KETs-based products, e.g. innovative products and applications of the future. The strategy aims to keep pace with the EU's main international competitors, restore growth in Europe and create jobs in industry, at the same time addressing today's burning societal challenges. As a matter of fact, Europe is a global leader in KETs research and development with a global share in patent applications of more than 30%. Despite this, the EU is not translating its dominant R&D base into the production of goods and services needed to stimulate growth and jobs. This is why the Commission calls for a European effort to boost KETs.

Presenting the Communication, Vice-President Antonio Tajani, responsible for Industry and Entrepreneurship underlined: 'Most innovative products nowadays, whether it is the smartphone or electric car, incorporate several KETs simultaneously, as single or integrated parts. But KETs can become a real job machine which we so dearly need today. Therefore Europe needs a strategy to develop and industrially deploy KETs. They will determine our economic future and enable the Union to restart growth and job creation by maintaining our global technological leadership.'

KETs provide high-quality jobs

The deployment of KETs is highly relevant for both industrial competitiveness and for responding to today's great societal challenges. The transversal and multifaceted role of KETs is mirrored by the number of small and medium-sized enterprises (SMEs) active in the field and the number of high quality jobs being created.

For example, in nanotechnology, employment estimates show that in 2008 there were 160 000 workers globally. This represents a 25% increase from 2000. The micro- and nanoelectronics industry and its natural downstream ICT industries created more than 700 000 additional jobs during the last decade in Europe, showing a trend towards more service-oriented and highly-skilled jobs and rapid recovery after the crisis. Industrial biotechnology has been recognised as the driving KET for the bio-economy. It is estimated that every euro invested into research and innovation in this area will result in a tenfold return. Furthermore, SMEs are a key driver of innovation and employment in Europe and are expected to account for the majority of future jobs in KETs. In the photonics sector the bulk of the 5 000 European companies are SMEs. In Germany, about 80% of the nanotechnology companies are small or medium sized.

KETs can bring back European innovation leadership

KETs are a key source of innovation: They provide the indispensable technology bricks that enable a wide range of product applications, including those required for developing low carbon energy technologies, improving energy and resource efficiency, and new medical products for ageing population. The KETs defined in 2009 have become a priority on the EU's agenda. This is further reflected by their key role in Commission proposals on the future EU Research & Innovation programme Horizon 2020 and the European Regional Development Fund. The capacity of Europe to develop and industrially deploy KETs plays crucial role in contributing to sustainable competitiveness and growth.

The internal market offers a fertile background for KETs. Connecting half a billion European citizens, it provides significant commercial opportunities for KETs developers and end users: It is undoubtedly one of the EU's major strengths. It is the geographical proximity between KETs actors that integrates European value chains and thus provides a competitive advantage. Today the EU represents the largest integrated market in the world that is receptive to innovations, with world leading industries in fields of automotive, chemicals, aeronautics, space, health and energy – all users of KETs.

The Commission proposes an all-encompassing and long-term strategy, which includes all relevant EU instruments and key stakeholders:

- An integrated approach for KETs research and innovation financing covering the entire value chain in order to translate research into marketable products and economic growth;
- A strategic approach to KETs in regional innovation financing in order to modernise the industrial base across regions in Europe;
- Ensuring with the European Investment Bank access to funding for KETs projects;
- Leveraging KETs policies at all levels: Ensure coordination of EU and national activities so as to achieve synergies and complementarities between those activities and make the best use of public resources;
- Ensuring a level playing field in a globally competitive market: Mobilise existing trade instruments to ensure fair competition and a level international playing field.

European automotive industry gears up for 21st Century

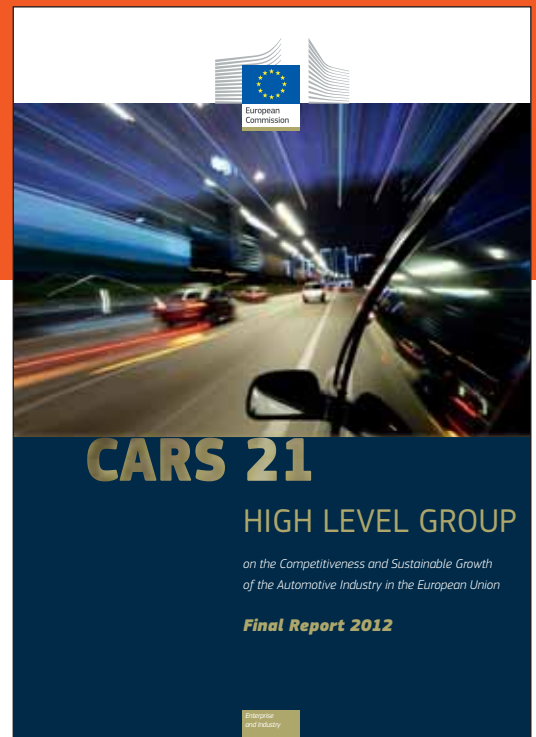
The European automotive industry is a major driving force of the European economy, but it is currently facing a number of pressing challenges. The recommendations of the CARS 21 High Level Group should help the sector pursue a sustainable future delivering economic growth and jobs. Cleaner alternative fuels and vehicles as well as developing more sophisticated road safety technologies and gaining better access to third markets are part of this vision leading up to 2020.

The CARS 21 High Level Group released its final report in June, in which it sets out its vision for the European automotive industry for 2020. The recommendations are essentially about helping to ensure that the European automotive industry enjoys a healthy and sustainable future delivering economic growth and jobs whilst making progress in terms of vehicle safety and environmental performance, and at the same time delivering products at an affordable price. The CARS 21 Group, which was initially set up in 2005 and re-launched in 2010, has held a series of meetings leading to the drafting of its final report. The Group is made up of representatives from the European Commission, EU Member States and other institutions, industry, trade unions, NGOs and users.

'The CARS 21 report provides useful input for the important strategic vision for the automotive industry in 2020 which we will present after the summer,' said European Commission Vice-President Antonio Tajani, responsible for Industry and Entrepreneurship. 'But the automotive industry needs to be in good shape first in order to realise this vision. We therefore need to act now and decisively in order to counter current economic difficulties by mobilising financing for research, carefully evaluating any new regulations and supporting the expansion on third markets.'

12 million jobs in Europe

The automotive industry is a cornerstone of the economies of EU Member States, accounting for around 3% of Europe's gross domestic product (GDP), 7% of employment in the manufacturing sector and 8% of EU governments' total revenue.



Furthermore, the EU was the biggest producer of light vehicles (passenger cars and vans) in 2012, accounting for 20% of the global market, only behind China with 23%. This is also one of the biggest industries in Europe, with more than €700 billion in turnover, and it provides over 12 million direct and indirect jobs. Another way in which it contributes to society is by providing the European public and economy with increased mobility.

Research into clean, renewable fuels and vehicles

One of the report's recommendations is for clean and energy-efficient vehicles to be not only deployed but also produced in Europe with European support for research, development and innovation on a broad range of automotive issues and critical future technologies. In this context, a specific and major initiative on breakthrough technologies (including the electrification of combustion engines, hybrid and electric vehicles, fuel cells, electrical and electronic systems) is also being considered.



Intelligent roads and vehicles

The level of safety on EU roads has improved considerably between 2001 and 2010, with the overall reduction in road deaths in the EU27 just 7% off the 50% target for this period. Three main reasons explaining this progress are safer vehicles, improved infrastructure and stricter enforcement measures, areas in which further road safety progress can be made.

In order to achieve the new goal of an additional 50% reduction of fatalities between 2011 and 2020, the report recommends the continuation of an integrated policy approach, which should consider accident research a routine activity and 'underpin the identification of the measures which are most cost-effective in reducing accidents and fatalities'. Considerable emphasis is also placed on the significant role that the use of advanced technologies such as intelligent transport systems can play in improving road safety.

Helping the sector penetrate markets abroad

Expanding into third markets, i.e. markets outside the EU, is another important area. In the view of the CARS 21 Group, this would entail supporting the internationalisation of EU industry by making it possible for a larger portfolio of vehicles assembled in the EU to be exported. The two broad strands of technical work here are to improve market access through trade negotiations and to work with international partners on regulatory and procedural convergence, with the ultimate objective that in future – regardless of where a car is pro-

duced – there will be no restrictions as to which country it can be marketed in. In terms of trade, the report identifies market access to China as one of the major areas 'of crucial importance for the competitiveness'.

The automotive industry is a cornerstone of the economy of EU Member States

Employment, research and development

Europe's automotive industry (vehicle and equipment manufacturers) provides work for more than two million Europeans and supports an additional ten million indirect jobs in both large companies and SMEs (7% of total European manufacturing employment).

The increasingly research-intensive nature of the sector means that it requires a highly skilled workforce and contributes to the development of modern education and training systems as well as new ways of working.

With an annual investment of around €30 billion in R&D, Europe's automotive sector is the largest R&D private investor in Europe (accounting for 20% of total European manufacturing R&D) and is a major driver in the development and spread of new technologies and innovations throughout the economy.

Contact

'Automotive Industry' Unit Directorate-
General for Enterprise and Industry
entr-automotive-industry@ec.europa.eu

News in brief

Low-energy, high-reward buildings



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To create sustainable growth, help offset the burst of the housing bubble and mitigate the lingering effects of the credit slowdown, the European Commission is dedicated to harnessing the environmental and economic potential of low-energy buildings. By guaranteeing loans, fostering the exchange of information and standardising design codes, the EC will stimulate the EU's construction sector, which accounts for more than 10% of employment among Member States. Coupled with the cost-saving benefits of efficient, low-consumption buildings, renovation and maintenance have the potential for far-reaching – and sustainable – economic and environmental benefits.

Europe needs more entrepreneurs

In these difficult times of increasing unemployment, Europe needs more entrepreneurs. To that end, the European Commission has launched the European Entrepreneurship Action Plan, which is designed to gather ideas from stakeholders and citizens throughout Europe. Whilst actually only 11% of European citizens are entrepreneurs, 45% would like to be their own boss if they could. To unlock this enormous potential for jobs and growth, the EC is seeking input about possible actions at the EU, national and regional level to promote entrepreneurship.



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Europe provides GPS data via Internet

GPS data can now be obtained via the Internet in addition to existing satellite signals. Thanks to the European Geostationary Navigation Overlay Service, or EGNOS, which uses 40 monitoring stations spread throughout Europe and four satellites, the new service is designed to make satellite navigation in Europe more reliable and thus more effective for use in commercial applications in difficult surroundings. The GPS data can be applied in a variety of different ways, including: avoiding car accidents by transmitting vehicle locations; transporting dangerous goods by determining the best route; allowing farmers to maximise efficiency by providing advanced logistics for harvesting and transporting.

Securing Europe's place in the global security industry

The European Commission will help create both economic growth and increased security by boosting Europe's security industry. The creation of an 'EU brand' will not only promote jobs and security within the EU, but also establish the EU as a key player in emerging countries. In order to construct a true internal market and better tap into the global security market – which swelled from €10 billion to €100 billion over the past decade – the EC proposes an action programme. This includes novel funding schemes, the exploitation of synergies between



civil security and defense research, checks on new technologies' societal impact and standard and certification harmonisation: e.g. to help establish an EU-wide certification system for airport screening equipment and alarm systems.

Find out more...

For further information on recent activities and policy developments related to Enterprise and Industry, visit our website:

www.ec.europa.eu/enterprise

Upcoming events

European SME Week,
15–21 October



The European SME Week aims to:

- provide information on what the EU and national, regional and local authorities are offering as support to micro, small and medium-sized businesses;
- promote entrepreneurship so that more people, and in particular younger ones, seriously consider becoming an entrepreneur as a career option;
- give recognition to entrepreneurs for their contribution to Europe's welfare, jobs, innovation and competitiveness.

The European SME Week 2012 Summit will take place in Brussels on 17 October. The theme of the conference will be 'Women's Entrepreneurship'.

In addition, there will be events and activities taking place in 37 countries both inside and outside Europe, including:

- Women entrepreneurs in action: gender success stories
16 October, Milan
- Unemployed and Thinking of Starting a Business?
18 October, Dublin
- Community trademarks in practice – Advantages and risks
18 October, Bremen
- Directions 2012
18 October, Lisbon
- The Importance of Meeting Management for Businesses
19 October, Osmaniye, Turkey

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In the online magazine you can find regular updates on EU policy development, legislative proposals and their implementation, as well as on reviews of regulation affecting enterprises. Its articles cover issues related to SMEs, competitiveness and environmental protection, entrepreneurship, innovation, the single market for goods, various industrial policies and more.

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