TCI Cluster Evaluation Working Group Cluster Efforts in Ireland

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Introduction

- Origins of Clustering In Ireland

- Context for Clustering

- Bottom up Clustering – Diversification of Approaches

- Current Situation – and Opportunity

- Cluster Analysis, Mapping, Visualisation and Internationalisation

- Interreg Europe - 4th Call Project Proposal of Interest?

Origins of Clustering In Ireland

Michael Enright engaged as advisor to the Industrial Policy Review Group, established in 1991 under the chairmanship of Jim Culliton to make recommendations on the future direction Irish industrial policy should take.

The Culliton (1992) report identified a range of areas requiring reform in order to create an environment more conducive to industrial development

- "The budget for assisting indigenous industry will focus particularly on segments or clusters where there is a basis for establishing or increasing a national competitive advantage" (DETE, 1993, p 7).

Origins of Clustering in Ireland

- National Economic and Social Council (NESC)

- The National Economic and Social Council (NESC) reports to the Taoiseach on strategic issues for Ireland's economic and social development. It provides a forum for multilateral dialogue on economic, social and environmental challenges.

- NESC (1993) report "A Strategy for Competitiveness, Growth and Employment," to strengthen Ireland's indigenous industrial base.
  - highlighted the benefits of clusters and advocated the creation of co-operative structures among small firms as a means of achieving some of the economies of scale available to large firms.

- Cooke (1996) titled "Networking for Competitive Advantage," experience of inter-firm cooperation elsewhere in Europe,

- NESC (1997), titled "Clusters in Ireland," **ended up recommending against basing indigenous industrial development on a cluster policy.**

- NESC (1998), titled "Sustaining competitive advantage," concluded that Irish cluster examples cannot be regarded as part of fully-developed industry clusters of the type and scale described by Porter.

Origins of Clustering In Ireland

- Whilst the NESC reports differed in their attitudes towards clusters, further support for the concept had come from another authoritative source: the 1995 report of the Science, Technology and Innovation Advisory Council STIAC.

- Strongly recommended network formation and clustering as the most effective means of promoting innovation among Irish firms.

- Meanwhile, in their routine multi-annual strategy statements, industry development agencies make no reference to the cluster concept e.g.
  - Forbairt (1994) "The Forbairt Mission 1995-2000";
  - Forfas (1996) "Shaping Our Future: A Strategy for Enterprise in Ireland in the 21st Century";
  - EI (1998) "Enterprise Ireland: Strategy 1999-2001" and
  - Forfas (1996) "A new strategy for the promotion of enterprise in Ireland in the 21st century."

- Breathnach (2001, p 12) believes that clusters occupy "only a very marginal place in the overall thrust of Irish industrial development policy."

Origins of Clustering In Ireland

- More than a decade after the NESC studies, and in flat contradiction of Clancy et al.'s (2001) findings, Ireland was said to be home to a number of industry clusters (DETE, 2008).

- A DETE (2008) report entitled: Knowledge and Enterprise Clusters in Ireland, describes three Irish clusters:
    1. Bio Pharma
    2. Internationally traded Services
    3. ICT

However, to date no specific cluster policy developed at a national level.

Context for Clustering In Ireland

IDA Ireland

Supports Foreign Enterprise in Ireland

ENTERPRISE IRELAND
where innovation means business
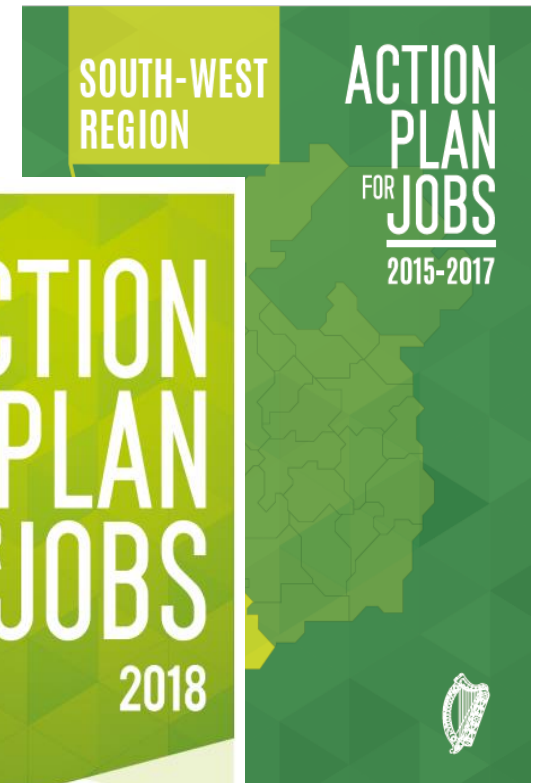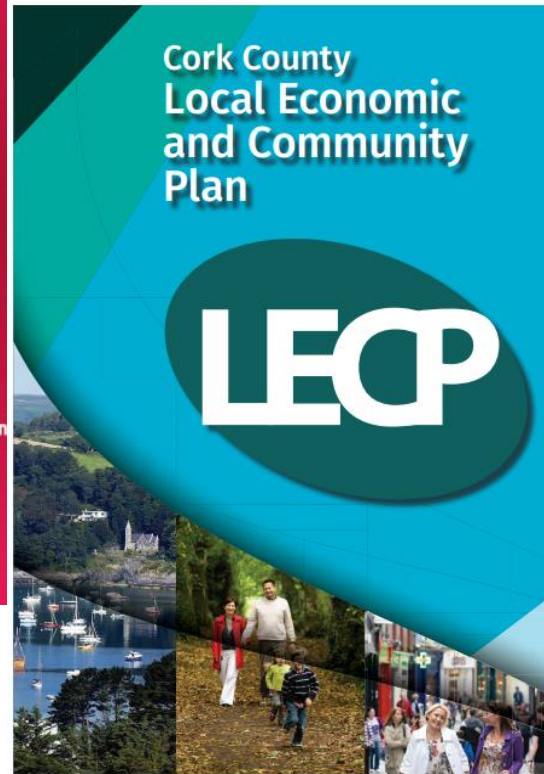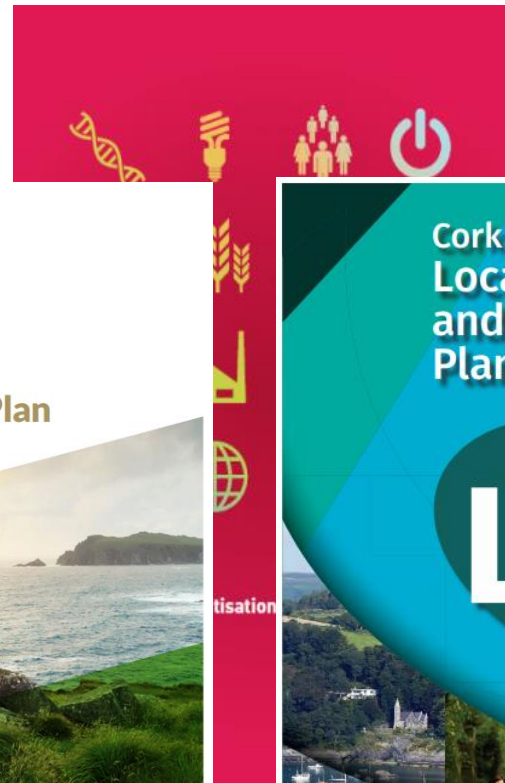
Supports Indigenous Enterprise in Ireland

Capital & Employment
R&D / Innovation Grants
Tax Credits
Business Asset Grant

Innovation Vouchers
Research Commercialisation
Innovation Partnership Programme
Technology Gateways

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Context for Clustering In Ireland

Context for Clustering In Ireland

BIOPHARMACEUTICALS

Ireland's Life Sciences sector has grown from very humble beginnings in the 1... reach global significance. Collaborative clusters in Pharmaceutical, Biotechnolog... Devices and Diagnostics have been a key element behind the remarkable gro... sector that directly employs 30,000 people.

GLOBAL LEADER

Ireland's MedTech sector has become one of the leading clusters for medical device products globally. Exports of medical devices and diagnostic products now represent 8% of Ireland's total merchandise exports.

Specialist Clusters

Even though the activities of firms located in Ireland are wide-ranging, the sector has developed high levels of expertise in an array of specialist areas, such as Telecommunications, Digital Media and E-Learning. This expertise is harnessed and focused through skill-based networks where companies ...ow-how, and have ...rsity-based R&D.

Infrastructure

Dublin boasts one of the densest clusters of data centres in Europe. The area surrounding Ireland's capital city already has as many as 30 large-scale ...peration

Perhaps unwittingly, this area of the capital has become an IT cluster, something that has already earned it a range of nicknames including "Dublin's Silicon Square Mile", the "Silicon Dock" and the "Binary Triangle".

IDA chief executive Barry O'Leary said that the "sheer magnitude" of Google – which has around 2,000 employees in Barrow Street – has played a big role in making this part of the capital an area of interest to other technology players.

Perhaps contrary to some people's assumptions, he said that companies have something to gain from being physically close to their rivals and competitors.

"The pull of a cluster is pr... track record of companie... pool," said O'Leary. "It's p... are so many companies h...

Academic Clusters

A Strategic Research Cluster focusing on Advanced Biomimetic Materials for Solar Energy Conversion has been established by University College Dublin. The Tyndall Institute at University College Cork and the Centre for Research on Adaptive Nanostructures and Nanodevices (CRANN) also have research projects of key interest to the solar industry. The Irish Maritime and Energy Resource Cluster promotes Ireland as a world-renowned research and development location.

Enterprise Ireland ✔ @EntIrl · 21h
New Irish food tech cluster announced for €26.75m State fund:
siliconrepublic.com/machines/irish...

🔁 6   ♡ 4

Enterprise Ireland Retweeted
EI Technology Gateway @EITechGateway · May 2
The #new @irishfoodtech #cluster of the #TechnologyGateway network provides near-to-market #innovation, great support for #SME's and an excellent track record! Find out more on our brand new webpage:
technologygateway.ie/network/irish-...

7 Technology Gateways
Specialising in...
Food & Beverage Technologies

5k counter — Enterprise Ireland Innovation Vouchers

Connect with researchers in a wide selection of areas like bioprocessing, food for health, process control and packaging amongst many others.

Innovation Partnership Programme

Extension of your company's R&D capability

Access R&D solutions to develop new products or services, or optimisation of a process, for business and industry

Direct Consultancy

We can offer support on projects of all sizes to all types of company. (startups, HPSU's, SME's, large indigenous, multinationals, etc.)

Great support for SME's

Since 2013, over 1000 Irish based companies have used Technology Gateways to complete more than 2,500 projects

Near-to-market innovation   Great support for SME's   An excellent track record

TCI — the global practitioners network for competitiveness, clusters and innovation

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Bottom up Clustering – Diversification of Approaches

- Now have a situation where some organisations see the value in a clusters and have tried to develop independent of national policy.
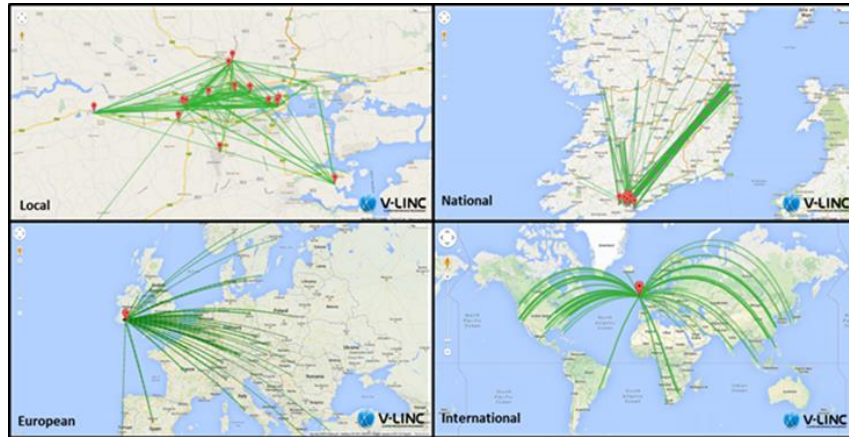
Current Situation – and Opportunity

- No structured programmes

- No definition of a cluster / cluster organisation etc.

- Disjointed approach and this leads to the difficulties already outlined

- Ideal situation is that national policy is supportive of national cluster organisations – and provides financial support for same.

- However, a bottom up solution may be – where a local authority, national agency, university – invested to support a cluster organisation designed on the Catalan / Danish / Swedish model – perhaps hosted by a university / IOT.

- Were a cluster to be developed in this manner - analysing the benefits, benchmarking success and recording failures over a 24 – 36 month period, would showcase the opportunity of investing in a national clustering policy.

Visualisation of Linkages in Networks and Clusters

Cluster / Eco-system Analysis

- Analyse Value Chain, Knowledge, Economic Policy and Support Linkages
- Provide a critical evidence base for cluster initiatives

Internationalisation Strategies

- Analyse International Connections from a Cluster with V-LINC
- Current Exports – with Market research – C2C Workshops

Cluster B2B Connect Platforms

Sharing Cluster Best Practices / Workshops

- Delivered Cluster Seminar Series / Cluster Development Workshops

Foundation - Building regional resilience to industrial structural change

SME competitiveness
Objective 2.1: Improving SMEs competitiveness policies

Seeking Partners from: across Europe Public including a Regional/ local authorities Organisations
supporting entrepreneurship, clustering, business innovation - with policy influence

Closing 22nd June 2018

- Across Europe public bodies are pressed by an increasing need to provide preparatory support to the economic ecosystem in advance of the closure of anchor firms in their region which act as significant employers.

- Impacts of a closure go beyond direct employees and ripple, wave like throughout the regional services sector and economy.

- Management of such anticipated structural change requires proactive renewal of business approaches and policy supports.

- Regions are encouraged to introduce pilot projects based on their own strengths and to provide appropriate business supports for the re-alignment of the regional industrial base. This proactive approach by regional stakeholders is critical to building the resilience of these regions and enabling them to adapt to change.

- As no handbook or roadmap for anticipated structural change exists, the development of this collaborative Interreg Europe project linking partners across borders will seek to address this issue.

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INCLUDE (Inclusive Cluster Development for sustainable Europe)

SME competitiveness
Objective 2.1: Improving SMEs competitiveness policies

Seeking Partners from: across Europe Public bodies, regional /local authorities, managing authorities.
Cluster organisations seeking to learn or share knowledge in relation to inclusive cluster practices

Closing 22nd June 2018

- Recognising and tackling inequality and disadvantage is imperative for the future health & sustainability of our economy, society & environment across Europe. Growing inequality left un-tackled will greatly damage regional competitiveness.

- Cluster based development strategies are proven an effective intervention for change in disadvantaged communities when they partner with local training and development programmes.

- Inclusive cluster based programmes are increasingly adopted by cities and regions as a means to ensure inclusion and diversity is central to their economic growth strategy. This project will seek to share knowledge and experience between regions in relation to inclusive cluster initiatives and practices and to inform policy creation which supports sustainable and inclusive economic development, thus supporting regional competitiveness.

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Many Thanks for your Attention

Looking forward to a productive few days and learning from collective experience

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