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In the context of:

In partnership with:

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# Table of Contents

1. **EXECUTIVE SUMMARY** .................................................................................................................. 4

2. **INTRODUCTION** ............................................................................................................................ 6
   2.1. The NEXT Project .......................................................................................................................... 6
   2.2. Why Crossborder Cooperation in Innovation? ............................................................................. 7
   2.3. The Progress Made and Experience Gained ................................................................................. 9

3. **STRATEGIC PLANNING CONCEPT** ............................................................................................ 12
   3.1. What is NEXT-IS Platform? ........................................................................................................ 12
   3.2. Platform Goals and Expected Results ......................................................................................... 12
   3.3. Positioning .................................................................................................................................. 13
   3.4. Organization and Management .................................................................................................. 13
   3.5. Main Customers/Users .............................................................................................................. 14
   3.6. Value Propositions ..................................................................................................................... 17
   3.7. Services Description ................................................................................................................... 19
   3.8. NEXT-IS Branding ....................................................................................................................... 23
   3.9. NEXT-IS Prototype ...................................................................................................................... 24
   3.10. Focus on Quality ........................................................................................................................ 27
   3.11. Industry Outlook and Key Partners .......................................................................................... 28

4. **BUSINESS MODEL** ....................................................................................................................... 31
   4.1. Potential Income Streams ......................................................................................................... 32
   4.2. Main Suppliers/Contributors ..................................................................................................... 33
   4.3. Distribution and Promotion ....................................................................................................... 34

5. **FINANCIAL PLAN** ......................................................................................................................... 36

6. **RISK MANAGEMENT** ..................................................................................................................... 39

7. **ANNEXES** ..................................................................................................................................... 40
1. EXECUTIVE SUMMARY

The present economic transition and increased competitiveness of the Adriatic countries are key issues for sustainable development, given the challenges of job creation, sector diversification and adaptation to associated industries. The NEXT project partners consider that the role of innovation, transnational networks and cooperation as levers of economic development and, more generally, of the increase in competitive capacity of enterprises through better connections with the innovation circuits. Accordingly NEXT has stated to create a collaborative platform – the NEXT Innovation System (NEXT-IS), an online web-based platform that will allow all the stakeholders of NEXT project to interact and reach the project goals: support innovation and technology transfer in the Adriatic region.

Main platform users/customers are research institutions, individual researchers, enterprise/business sector, public institutions, as well as other internet users. The NEXT-IS platform will provide a multiple online services to its users including: project databases, partner databases, infrastructure databases, matching system, patent guidelines, project form, educative area, professional search for general news, events, forums, etc.

Users will be able to use multiple online services that the platform will offer, in order to find info needed for their work, both in public or private sector. The platform will be accessible via standard web-browser, without the need of any additional software installed on the client side. NEXT-IS will be available on all mobile devices and platforms (iOS, Android, Windows Phone) as well, without need to install mobile application.

The beta version was launched end-2014 and only in few months, more than 800 organizations, grouped by topics in about 68 different categories, have been identified and registered in the platform, with the intermediation of partners in each project country.

We aim is to make NEXT-IS platform, in a next three years, “the platform - par excellence” in the region for collaborative innovation and technology transfer. In a three years period, research and technology centers, enterprises, public institutions and researchers will recognize NEXT-IS as a leader for its qualitative data and
resources, its ease of instructiveness and collaboration, that brings relevant and high value to contributors and users in research, innovation and technology transfer in a wide range of sectors within Adriatic area.

The total forecasted investment for further development and maintenance of the platform amount to EUR 500 thousands, of which about EUR 450 thousand would need to be raised either from philanthropic investors or donors in the form of project grant financing while the rest could be financed by the founding organizations. The necessary capital investment to be made during the three years are estimated to amount about EUR 98 thousand, while the operational costs amount to about EUR 480 thousand in three years.

During the first years the platform will need to relay on philanthropic and donor financing, supplementary funding approaches will be considered to enhance its overall utility and cost effectiveness, such as: fee-for-Service, subscription Program, in-kind contributions and public-private partnerships. As during the three first years the platform will be mostly working to expand its network of contributors, improve the quality of data resources and thus build itself into a virtual center of excellence in innovation and technology transfer matters, it would not able to generate a lot of revenues (estimated to reach a total of about EUR 100 thousands). The proposed personnel is composed of a Manager, a Finance/Coordinator/Expert, one support staff, plus one short term consultant on specific tasks.
2. INTRODUCTION

2.1. The NEXT Project

The present economic transition and increased competitiveness of the Adriatic countries are key issues for sustainable development, given the challenges of job creation, sector diversification and adaptation to associated industries. During the financial crisis most Adriatic countries showed remarkable resilience. They now have to size up opportunities to spark new growth, modernize their economies and, more importantly, create jobs because unemployment among skilled people is high on the southern rim and cohorts of young people will be entering the labour market of these countries in the coming years.

The NEXT project partners consider that the role of innovation, transnational networks and cooperation as levers of economic development and, more generally, of the increase in competitive capacity of enterprises through better connections with the innovation circuits. NEXT intends to create a collaborative platform to support innovation and technology transfer in the Countries of the Adriatic area. The project is promoted by 11 partners from six Countries: Italy, Croatia, Albania, Bosnia and Herzegovina, Serbia and Montenegro and the representatives of different interests and positions of the actors of innovation: Universities, Regional Development Agencies, Chamber of Economy and Local Authorities. The project stems from some considerations:

- The borders of these Countries, known for years as places of exacerbation of national differences, represent nowadays concrete grounds for overcoming the restrictions and contrasts, and offer new opportunities in the field of research, innovation and technology transfer. The cross-border areas lie at the forefront of the main challenge that will increasingly be posed to the larger Europe: managing diversity and competitiveness while at the same time maintaining cohesion.

- Innovation and technology transfer, widely re-called in national and EU research programs, are in recent years facing new challenges due to factors such as: the impact of globalization; the emergence of new pervasive products and technologies; the difficulty in finding financial resources for R&I in particular in an
atomized and undercapitalized industrial context; the consciousness that innovation takes place in "systems" or open networks, through the interaction of actors which are different in competences, skills, objectives.

Behind the innovation development there are not only the investments in research and development of individual enterprises. The innovation policy shall aim to produce new forms of collaboration between small and medium-sized enterprises especially, in the technology field rather than in the productive and commercial ones. The NEXT project intends to promote the development of an activity of territorial knowledge management, aimed to make more explicit and formal the organization of the relations through which enterprises, universities, research centres, and exchange information in the traditional productive systems.

2.2. Why Crossborder Cooperation in Innovation?

Building innovation networks and knowledge sharing highways is particularly important for the Adriatic and Balkan countries as it can help the Adriatic partner countries to better leverage long-term benefits for the knowledge economy, co-learning and cross-fertilization, rising synergies and improving efficiencies and thus countries and regions’ competitiveness. The challenges that the project intends to address are significant and they are based on some issues, perspectives, conditions, opportunities such as:

Regarding research and technology transfer:

• Research and technology transfer development at the level of individual institutions and countries often leads to too high investments that need to be done on a large scale for determining significant results;

• In order to maximize the "value for money" of these activities, synergies and networks can be developed to promote joint researches and the connections with the business community in the cooperation area;

• Sharing the risks with the EU and the capitalization of the benefits at the local level represent a great opportunity to enhance the competitiveness of the area through research and technology transfer;

• The creation and availability of a sufficient "critical mass" (skills, resources, actors, etc.) in relevant scientific-technological areas is fundamental to address and support the great challenges in the cooperation area, today and in the future;
• Cooperation and networking projects such as NEXT can support the adoption of new cultural and operational approaches in the field of research and innovation and consequently the development of new skills and professional opportunities in the regional contexts of the beneficiary Countries.

Regarding cross-border cooperation and the characteristics of the area:

• In the Adriatic region and in Balkan countries especially, due to a number of factors (the economic crisis, few investments in the scientific sector in recent years and the absence of a defined and coherent institutional framework) there is a distinct lack of an institutional and well-defined relationship between the scientific and the business world. At the same time there is the difficulty of accessing wider financial resources, especially for those countries that cannot count on the support provided by the EU Structural Funds;

• For these countries to exit the cultural and financial isolation is a priority. As to create precise operational models, to identify scientific and technological partners and to build up a framework for the exchange of R&I information and services, to facilitate the access to existing resources and skills at the international level, possibly by means of EU funds provided for such synergistic activities as well;

• To promote the excellence in the area and increase the institutional capacity in the sector of research and technology transfer, it’s a clear need, aiming at the implementation of local development models more oriented to the "Territorial knowledge management."

Beyond the immediate effects that cooperation can lead to- which are numerous – a more qualitative effect concerns the change of mentality: the regions and the actors involved (economic, institutional and social) exit the isolation caused by the borders and natural boundaries and start to cooperate in a less hostile environment. This also results in the achievement of a critical mass that allows, on its turn, to gain enough weight on the international market and to acquire a greater standing in the relation with central, national or European authorities.

With specific reference to innovation and technology transfer, which are the core of NEXT, it should be recalled that the majority of the partners and targets of the project (in particular Research centers and SMEs) is already part of one or more networks, has its own "niche" activities and has developed skills specialized to various extents. The problem is that most of the times this niche is limited to the local level, investments in intangible assets (knowledge and relationships) are still limited and, finally, the modalities of knowledge organization do not allow to take advantage of “reuse” to a great extent nor to extend the circuit of potential users and customers. The challenge – which is also NEXT’s main one - is now to move from
“short” to extended networks: the single network component can remain small, but its strategy shall be more and more oriented to building a global niche within larger networks. In this way, its specialized expertise is enhanced and enlarged, reaching customers that short networks do not allow to reach; the sharing of networks, the collaboration and exchange of knowledge are widened. The added value identified concerns both sides of the Adriatic, each territory will have specific benefits in relation to its features.

The dimension of the 'cross border' cooperation amplifies and facilitates the development of innovation policies based on processes of knowledge capitalisation and accumulation:

- Innovation processes and policies at the local/regional level normally produce "spillover" effects towards neighbouring territories. On the other hand, joining a transnational technological cooperation platform produces immediate multiplier effects of the outcomes of local / regional innovation policies;

- The physical and geographical dimension of the Adriatic regions can often prevent or limit major economic investments in the field of technology transfer, which instead require a critical mass of projects, initiatives, enterprises and capitals. From this point of view, cross-border cooperation, through the access to international networks, creates the appropriate economic conditions;

- The international and global nature of many innovative entrepreneurial initiatives (e.g. renewable energy, sustainable transports) make cross-border network a more interesting and attractive subject compared to individual regional administrative units.

### 2.3. The Progress Made and Experience Gained

Since its start, despite certain delay during the first years caused mainly due to procurement procedures of the platform, the project has made good progress in establishment of the NEXT-IS platform. During the first phase, in order to speed up the cooperation for gathering and exchange of information, with the contribution by Marche Innovazione (the Marche Innovazione is the online portal of Marche Region that will allow Marche Region’s stakeholders to interact and reach the goals of NEXT project: support innovation and technology transfer in the Adriatic-Ionian macro-region), the blog for the project available on the following link: [http://blog.adriatic-next.eu](http://blog.adriatic-next.eu), was made fully operational and was populated with different contents where almost all project partners collaborated.

The blog was used to publish various initiatives, ideas, call for proposals, point of view related to research and innovation in our Countries. It worked as playground to
strengthen knowledge among all partners and to spread the awareness of Next project abroad, to enlarge the audience. Therefore, each partner has provided an editorial staff that has in charge to exchange news and to animate the conversation through the stakeholders of the project. So the blog acted as a place to engage the stakeholder and involve them in the project goals. The blog was composed of 3 main sections: (Innovation, EU Financing, Smart people, RTTC, Institutions). The “Innovation” section included general conversation about the project goals, the “EU financing” section was used for publishing any funding initiative by our countries related to research and innovation, while the “Smart people” section for publishing videos of interviews to local innovators. During this time, Thanks to Marche Region and Marche Innovazione, the blog temporarily and partially substituted Next-IS platform in the while that City of Šibenik was building the final version of the platform in all its modules.

Various important initiatives were carried out by different project partners, including interviews with local stakeholders/university representatives/entrepreneurs during the Innovator fair in Civitanova; SMART INNOVATION PEOPLE Communication campaign has been implemented; Smart Innovation Gallery - the starting action is interviewing of the people; developed the elaborated questionnaire to gather useful information for platform including sector, services of interest; different researches related to competitive advantage gained through research and innovation, mechanism and tools, list of key innovation players, request of delivery of newsletter and access to platform; developed “Smart Innovation people” factsheets; sever local conferences implemented by local project partners; developed and distributed project newsletters; etc. Until end-2014, project promotion and events continued through posts on social networks (Facebook, Twitter, Linked in), on the website and Blog and publication of case studies on the Youtube channel of the project (http://www.youtube.com/user/nextadriatic). During this period, the project site has been populated in collaboration with the IDA. The public repository of project documents and outputs has been populated with contents.

In addition, the project has prepared a “NEXT trend study” (identifying for each of the territories involved, the strategic sectors of the economy, the level of technological intensity, the results of excellence in research and innovation, investment opportunities, supporting public policies) and the “NEXT open book” (Repository of Regional Technology Transfer Centers that consistently describes the existing technological skills and innovation potential in the regional territory of the Marche Region).

The NEXT-IS is the first Open Data Platform regarding the innovation market and actors of the Adriatic-Ionian Macro-Region, consistent part of the Adriatic-Ionian Cloud System. The beta version was launched end-2014 and, with methodology, functionalities and instructions for use explained in details to all the partners. In the future NEXT-IS platform may add other functionalities and interconnections to other portals and/or platforms and websites previously build by project partners or other
relevant stakeholder. Only in few months, more than 800 organizations (including research and development institutions, universities and private businesses) grouped by topics in about 68 different categories, have been identified and registered in the platform, with the intermediation of partners in each project country.
3. STRATEGIC PLANNING CONCEPT

3.1. What is NEXT-IS Platform?

NEXT-IS is an online web-based platform that will allow all the stakeholders of NEXT project to interact and reach the project goals: support innovation and technology transfer in the Adriatic region.

Users will be able to use multiple online services that the platform will offer, in order to find info needed for their work, both in public or private sector. The platform will be accessible via standard web-browser, without the need of any additional software installed on the client side. NEXT-IS will be available on all mobile devices and platforms (iOS, Android, Windows Phone) as well, without need to install mobile application.

Except of web access, communication with NEXT-IS platform will be possible via specifically developed API (Application programming interface). This interface will enable connectivity with other platforms, or specifically developed applications.

3.2. Platform Goals and Expected Results

The main NEXT-IS goals is to promote, expand and consolidate, in qualitative and quantitative terms, the cooperation among research and development institutions and business community, encourage innovation and technology transfer through the creation of networks between the business, institutional and academic community. The platform will work as an "aggregating element" and “knowledge exchange catalyst" to stimulate and support innovation and technology transfer and thus help improve efficiency and competitiveness of the area.

The platform’s intermediate results include:
• Development of a collaborative space characterized by virtual and material services that allows integrating and converting the knowledge of research and development institutions, enterprises and researchers in the Adriatic area, into
and organized, structured and common knowledge base, encouraging the innovation transfer between producers and users.

- Improvement of the positioning of local research centers on the international market, both in terms of visibility and access to knowledge and skills for the presentation and interaction with the financial community and the stakeholders.

- Acceleration of the processes of exchange and accumulation of skills and knowledge and qualification of the collaborative platform as a service and reference structure for the enlarged R&I governance in the Adriatic area.

- Development of the competitive capacity of the actors of innovation in the Adriatic area through the participation in the platform as the central and acknowledged core of a global net of knowledge production.

- Capacity building and enhancement of the cooperation culture of partners and dissemination of the *acquis communautaire* in the Countries of the Adriatic area.

### 3.3. Positioning

Research and technology centers, enterprises, public institutions and researchers will recognize NEXT-IS as a leader for its qualitative data and resources, its ease of instructiveness and collaboration, that brings relevant and high value to contributors and users in research, innovation and technology transfer in a wide range of sectors within Adriatic area.

### 3.4. Organization and Management

The platform is proposed to be organized a network of partners at the first to two years, based on a partnership agreement among the founding partners. Its institutionalization and transformation potentially into a no-for-profit organization may be considered during the second year based on the assessment of the performance later during this period.

The governance model for the NEXT-IS Platform is proposed to include two primary components:

a) A governance component - the Network Board, composed of one member per founding country, providing overall governance and policy guidance and Geospatial Platform

b) The operations component – entrusted to a Managing Partner to be selected by the founding partners (Marche Region could potentially be best positioned for this role). The Managing Partner, based on guidance from Network Board, will be
fully responsible for the operational and management of the platform, as well as will coordinate and execute interagency/interpartner agreements and partnerships at an operational level with appropriate partners.

3.5. Main Customers/Users

3.4.1. Main Customer Segments

The NEXT-IS platform is aimed at providing value to various groups of interested parties in the field of innovation and technology transfer in the Adriatic region. Among the most prominent users/customers of the platform, we can expect to have are:

- **Research institutions**: This user group includes general research community from Adriatic region - various research centers, technology transfer centers and universities. This segment includes: (i) leaders of research institution (person working inside of the research institution, responsible for coordination of research efforts as well as potential monetization of research data); and (ii) researchers working in research institution (person working inside of the research institution);

- **Individual researchers**: Individual researchers will use NEXT-IS platform mainly as informational and community hub for their research field in the region. It includes freelancers and Individual researcher, person working independently in various research areas; inventors, freelancers, etc. looking for partners as well – both on research and business end of spectrum;

- **Enterprise/Business sector**: This user group includes various members of the regional enterprise sector. This segment includes: (i) CEOs/managers in business sector (CEOs and managers in various business entities, looking for new and latest research breakthroughs and ways to monetize them); (ii) researchers/groups working in business/enterprise sector (part of the research teams inside public privately owned companies/institutions; looking for both research and business news and cooperation);

- **Public institutions**: Public institutions (from institutions/agencies and public privately owned companies/institutions) will be the group of users looking mainly for info about partners from both research and business sector. This segment includes: (i) leaders and employees of public institutions (people working in various public institutions (from agencies to consulates) will be the group of users looking mainly for info about partners from both research and business sector. Database of projects and partners should enable public institutions to recognize and contact partners for their projects easily) and; (ii) CEO/manager in
public enterprise sector (CEO-s and Managers in various publicly owned business entities, and/or those looking for new and latest research breakthroughs and ways to monetize them);

- **Other internet users**: Media (journalists), traders, marketers, students and other individual persons (anonymous or not) browsing the web.

### 3.4.2. Main Customers Pains

For each of customer segments identified we have reviewed their main pains for are expressed below as interest/need they show to relieve the pains, expressed here as interest and/or needs to change their situation related to issues they are faced with. The results are presented in the tables below for each of identified customer segments.

**Research institutions**, including general research community from Adriatic region - various research centers, technology transfer centers and universities:

<table>
<thead>
<tr>
<th>Customer Segment</th>
<th>Pains (Interests/Needs)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leaders of research institution:</strong></td>
<td>• Interested in new research data and projects from various fields of research&lt;br&gt;• Interested in project data&lt;br&gt;• Interested in partner database&lt;br&gt;• Interested in patenting options for their research results&lt;br&gt;• Interested in infrastructure database</td>
</tr>
<tr>
<td>Person working inside of the research institution, responsible for coordination of research efforts as well as potential monetization of research data.</td>
<td></td>
</tr>
<tr>
<td><strong>Researchers working in research institution:</strong></td>
<td></td>
</tr>
<tr>
<td>Person working inside of the research institution</td>
<td></td>
</tr>
<tr>
<td><strong>Freelancers and Individual researcher:</strong></td>
<td>• Interested in research news&lt;br&gt;• Interested in partner database&lt;br&gt;• Interested in infrastructure database&lt;br&gt;• Interested in project database&lt;br&gt;• Interested in patenting options for their research results</td>
</tr>
<tr>
<td>Person working independently in various research areas; inventors, freelancers... Looking for partners as well – both on research and business end of spectrum</td>
<td></td>
</tr>
</tbody>
</table>

**Individual researchers** -Individual researchers will use NEXT-IS platform mainly as informational and community hub for their research field in the region:
**Enterprise/Business sector:** This user group includes various members of the regional enterprise sector:

<table>
<thead>
<tr>
<th>Customer Segment</th>
<th>Pains (Interests/Needs)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CEO/manager in business sector:</strong></td>
<td>• Interested in research news and project database</td>
</tr>
<tr>
<td>CEO-s and Managers in various business entities.</td>
<td>• Interested in partner database, especially for some complex projects</td>
</tr>
<tr>
<td>Looking for new and latest research breakthroughs and</td>
<td>• Interested in infrastructure database</td>
</tr>
<tr>
<td>ways to monetize them.</td>
<td>• Interested in patenting options for their results</td>
</tr>
<tr>
<td><strong>Researchers working in business/enterprise sector:</strong></td>
<td></td>
</tr>
<tr>
<td>Part of the research teams inside public privately</td>
<td></td>
</tr>
<tr>
<td>owned companies/institutions; looking for both</td>
<td></td>
</tr>
<tr>
<td>research and business news and cooperation</td>
<td></td>
</tr>
</tbody>
</table>

**Public institutions:** Public institutions (from institutions/agencies and public privately owned companies/institutions) will be the group of users looking mainly for info about partners from both research and business sector:

<table>
<thead>
<tr>
<th>Customer Segment</th>
<th>Pains (Interests/Needs)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leaders and employees of public institutions:</strong></td>
<td>• Interested in research news and project database</td>
</tr>
<tr>
<td>People working in various public institutions looking mainly</td>
<td>• Interested in infrastructure database</td>
</tr>
<tr>
<td>for info about partners from research and business sector.</td>
<td>• Interested in partner database, especially for some complex projects</td>
</tr>
<tr>
<td><strong>CEO/manager in public enterprise sector:</strong></td>
<td></td>
</tr>
<tr>
<td>CEO-s and Managers in various publicly owned business</td>
<td></td>
</tr>
<tr>
<td>entities. Looking for new and latest research breakthroughs</td>
<td></td>
</tr>
<tr>
<td>and ways to monetize them.</td>
<td></td>
</tr>
</tbody>
</table>

**Other internet users:** individual persons (anonymous or not) browsing the web:

<table>
<thead>
<tr>
<th>Customer Segment</th>
<th>Pains (Interests/Needs)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Other anonymous internet users:</strong> Media (journalists), traders, marketers,</td>
<td>• Interested in Regional business and research news</td>
</tr>
<tr>
<td>students and other individual persons (anonymous or not) browsing the web</td>
<td>• Interested in publicly available educational data and materials</td>
</tr>
</tbody>
</table>

In order to assess the relevance of the identified customer segments, we asked all partners to rate them on a scale from 1 (least relevant) to 5 (most relevant). Based on the partners’ assessment, 5 segments (out of 6 proposed) have been rated as very relevant (having received an aggregate score of above 4 and one segment
(anonymous users) receiving a score of above 3.5. The figure below presents the results of partners’ assessment for each of identified customer segments.

3.6. Value Propositions

**Research institutions:** This user group includes general research community from Adriatic region - various research centers, technology transfer centers and universities:

<table>
<thead>
<tr>
<th>Customer Segment</th>
<th>Value propositions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leaders of research institution:</td>
<td>• Easy to use matchup service for finding partners in business sector.</td>
</tr>
<tr>
<td>Person working inside of the research</td>
<td>• Search for any specific equipment or laboratory needed for their research that</td>
</tr>
<tr>
<td>institution, responsible for coordination of</td>
<td>regional partners could provide.</td>
</tr>
<tr>
<td>research efforts as well as potential</td>
<td>• Tracking events in their industry: finding opportunities for direct</td>
</tr>
<tr>
<td>monetization of research data.</td>
<td>contact with business sector or research institutions.</td>
</tr>
<tr>
<td>Researchers working in research institution:</td>
<td></td>
</tr>
<tr>
<td>Person working inside of the research</td>
<td></td>
</tr>
<tr>
<td>institution</td>
<td></td>
</tr>
</tbody>
</table>

Anonymous internet users

CEO/manager in business sector

Freelancers and Individual researcher

Leaders and employees of public institutions or public enterprise sector

Leaders and researchers of research institution
**Individual researchers:** Individual researchers will use NEXT-IS platform mainly as informational and community hub for their research field in the region:

<table>
<thead>
<tr>
<th>Customer Segment</th>
<th>Value propositions</th>
</tr>
</thead>
</table>
| Freelancers and Individual researcher: | • Access to research library from their field of expertise.  
• Active community within the platform: discussions related to their projects on the forums.  
• Tracking news and opportunities for cooperation on various R&D projects. |

**Enterprise/Business sector:** This user group includes various members of the regional enterprise sector:

<table>
<thead>
<tr>
<th>Customer Segment</th>
<th>Value propositions</th>
</tr>
</thead>
</table>
| CEO/manager in business sector: | • Access to research & project library.  
• Easy to use matchup service for finding partners in research sector.  
• Tracking events in their industry: finding opportunities for direct contact with research sector. |
| Researchers working in business/enterprise sector: | Part of the research teams inside public privately owned companies/institutions; |

**Public institutions:** Public institutions (from institutions/agencies and public privately owned companies/institutions) will be the group of users looking mainly for info about partners from both research and business sector:

<table>
<thead>
<tr>
<th>Customer Segment</th>
<th>Value propositions</th>
</tr>
</thead>
</table>
| Leaders and employees of public institutions: | • Access to project and partner database.  
• Educative area of the website: How to enter in a partnership with business/research sector on regional projects.  
• Tracking events in specific industry: finding opportunities for direct contact with research and business sector. |
| CEO/manager in public enterprise sector: | CEO-s and Managers in various publicly owned business entities. Looking for new and latest research breakthroughs and ways to monetize them. |

**Other internet users:** individual persons (anonymous or not) browsing the web:
3.7. Services Description

The NEXT-IS platform will provide a multiple online services to its users (provided by CMS modules), in order to find info needed for their work, both in research, public or business sector. The NEXT-IS platform will be designed and developed to support asymmetric multiple language versions of the content. Initially the site and all new content will be in English (as the default language), with additional languages to be added later as required. The platform will provide a wide range of services, structured in various sections/modules. The table below provides brief description of the defined services.

<table>
<thead>
<tr>
<th>Channels</th>
<th>Description of services</th>
</tr>
</thead>
<tbody>
<tr>
<td>General news</td>
<td>Including: research news; project news; business news; general news</td>
</tr>
<tr>
<td>Events</td>
<td>Including: research news; project news; business news; general news</td>
</tr>
<tr>
<td>Educatve area</td>
<td>Including: financial instruments; funding through EU grants; structural funds; seventh</td>
</tr>
<tr>
<td></td>
<td>framework program; practical information for grants; practical information for public</td>
</tr>
<tr>
<td></td>
<td>contracts; transparency and control; private financing options; etc.</td>
</tr>
<tr>
<td>Patent guidelines</td>
<td>This section of the platform will be specifically focused on patenting and all related</td>
</tr>
<tr>
<td></td>
<td>info. Publicly available documents with various useful data can be copied and offered</td>
</tr>
<tr>
<td></td>
<td>for download in one central place. Users will have a list of the most useful web pages</td>
</tr>
<tr>
<td></td>
<td>and links on their disposal when it comes to patenting.</td>
</tr>
<tr>
<td>Project database</td>
<td>The Project database will be the central storehouse of information on EU projects in the</td>
</tr>
<tr>
<td></td>
<td>Adriatic region. Every project can be tracked from issuance to retirement in the database,</td>
</tr>
<tr>
<td></td>
<td>allowing interested</td>
</tr>
</tbody>
</table>
Parties to learn more about projects and participants.

### Partner Database
The Partner database will be the central storehouse of professionals and entities working on R&D projects, EU projects or business/enterprise investors in the Adriatic region. Every partner is listed with detailed description and references. Every partner can work for one or more institutions/companies, and they are considered as separate entities. The database will be shaped as following: partner personal info (visible on partner profile); partners’ organization details; partner expertise.

### Infrastructure Database
The infrastructure database will contain all info about infrastructure added on organization profiles and will include the organizational infrastructure of (available for partners): type of the infrastructure; location of the infrastructure; availability (partial, full); additional costs (renting costs?); owners contact (link to the profile of the organization); keywords (tags) related to the infrastructure; etc.

### Matching System
Using the parameters defined in the project database, partner and infrastructure database matching system will allow the participants of the NEXT initiative to meet each-others’ needs in term of supply/demand of research/partnership/business development or any other activity that might involve the users. The service will also deliver information on new opportunities to the users that will request it, via newsletter service. Matching system will be available only to the registered users, so the users will be prompted to log in or register before they can use NEXT-IS matching system. After registration, user can create two types of partnership requests: (i) project proposal – partnership request where user adds his project to the Project database and checks him as “searching for partners”; (ii) expertise offer – every user upon filling in his data on personal profile in the partner database can set his status to “currently offering his expertise for partnership”.

### Professional Search
The platform’s search system will use parameters defined in the project, partner and infrastructure database. The search system will be able to search inside of the documents as well. Basic search function should return results related to entered search query, while advanced functions should enable filtering via various parameters. Partners and infrastructure search will be done also via Matching system.

### Email Services / Newsletter
The platform will allow the management of periodical or special email info and newsletters to all users that will subscribe to it. Site users will have the opportunity to provide their name and email address, and select the type of subject they would like to be
informed through email in the future. When someone registers for the email list, the system sends them an email asking that they verify that they want to receive emails from NEXT-IS. If they don’t want to, they can send an email to NEXT-IS and ask to be removed. They can return and re-enter their email address to change their settings at any time on their personal (partner) profile.

**Project form**  The platform will feature an input form for the basic EU project documentation. Upon entering the data, form will generate “pdf” document ready for print.

**Help / FAQ area**  Area of the platform related to its usage and procedures. Various FAQ documents will be prepared before final launch of the platform in order to help users in day-to-day usage of the NEXT-IS platform. Among the most important FAQ documents there should be those related to various services/modules. Users can be pointed to forums (on Help sub-forum) if they don’t find solution for their problem where other users will be able to help them. If they don’t find solution on the FAQ section or on the forums, they will be able to send an email to the NEXT-IS administration.

**Forums**  Forum software will be deeply integrated with the platform. Every content entry will have comments option, which will be directly linked to the forums. Example: Every news entry added to the news section will automatically open a discussion on the forums, in the category “News discussion” with the news title. Comments added on the forums in that discussion will also be showing up under the news entry on the general news section of the portal. Each section of the platform will have their own sub forums, where community can discuss and share their experiences and information. Forums can be public or private. Username entered on the registration of the every user is also their username on the forums. Users can use the following functionalities on the forums (Unlimited Forums, Sub Forums, Posts, Groups, and Members, Public and private (for registered-only) sections of the forum, Private Messaging System, Mobile Phone & Tablet Optimized Version, Event Calendar - Announce and organize events, Forum Polls, Social Network Sharing - Facebook, Google+, Twitter, Pinterest, etc., Rich Text Editor - WYSIWYG Post Writing Editor, RSS Feeds.

**Social media**  All publicly available content should be fully shareable on the social media via social share / follow buttons under every type of the content. The social media sharing / following offered by this module should include all major social sharing providers like Facebook, Twitter, Google+, Reddit, Pinterest, Tumblr, LinkedIn and even e-mail.
Based on the partners’ assessment, seven services (out of 14 identified services) would find the highest level of interest from platforms key customer/user segments. Such results are presented in the two figures below where the potential customers interest to each of the proposed services is ranked from 1 (limited interest) to 5 (a lot of interest) and 3.5 being considered as the benchmark for a “real interest” to these type of services.
3.8. NEXT-IS Branding

The brand development was focused on illustrating access to trustable sources and support structures and the role of a focal point for the innovation and technology transfer community in Adriatic area. A brief style guide has been developed to facilitate first steps along building the platforms community and proposing the value proposition to a first group of potential customers.

It also includes a reference to the language that NEXT-IS communication intends to use: “Any written documents linked to NEXT-IS shall underline its progressive brand and focus on innovation and unconventional thinking.

NEXT-IS’s communication should always encourage customers/users to take a leap of faith and turn their ideas into reality. NEXT-IS shall be presented as their trustable Co-Pilot or – where more appropriate – their ‘sidekick’.”

The figure below presents an overview of the banding design visuals.
3.9. NEXT-IS Prototype

During the first period of the project, the Marche Innovazione portal (which is the online portal of Marche Region that will allow Marche Region’s stakeholders to interact and reach the goals of NEXT project) temporarily and partially substituted Next-IS platform in the while that City of Šibenik was building the final version of the platform in all its modules.
The system content is fully manageable by an NEXT-IS representative. For this purpose, it includes a Content Management System (CMS) which allows for: password protection, managing (add/edit/delete) section and pages of the website; draft version and live content publishing; a rich-text content editor (WYSIWYG DHTML editor) and easy to use by a non-technical personnel. Users will be able to use various services, depending on their authorization level. Typical flow of the users is shown in the

The NEXT-IS is the first Open Data Platform regarding the innovation market and actors of the Adriatic-Ionian Macro-Region, consistent part of the Adriatic-Ionian Cloud System. The beta version was launched end-2014 and, with methodology, functionalities and instructions for use explained in details to all the partners.

Below are few snapshots of the prototype.
In the future NEXT-IS may be closely interconnected with other NEXT tools (the NEXT-IS news section may be automatically feed by NEXT Blog posts and project web-site news) and that the front page of NEXT-IS may clearly communicate that it is part of an IPA project (Project Section similar to one already published in the project web-site), with the visibility rules and disclaimer required by the IPA Adriatic Programme as it is a project output. NEXT-IS platform should also give a communication regarding its treatment data policy in compliance with Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data (an example of Legal Notice is available at:}
In addition, NEXT-IS may give the possibility to users to link with NEXT Social Networks, NEXT-Blog, project web-site and own Data-bases of partners, like www.marcheinnovazione.it for Marche Region; http://livinglabs.regione.puglia.it for Apulia Region; etc. The project partners are now evaluating the possibility for linking NEXT-IS with other available databases that have been previously produced among the various parents in their territories, all in order to make the best possible usage of the infrastructure.

Only in few months, more than 800 organizations (including research and development institutions, universities and private businesses) grouped by topics in about 68 different categories, have been identified and registered in the platform, with the intermediation of partners in each project country. However, most of the organizations/businesses that have been registered need to further improve and complete their data and profile information.

We aim is to make NEXT-IS platform, in a next three years, “the platform - par excellence” in the region for collaborative innovation and technology transfer.

3.10. Focus on Quality

Changing the way we distribute our innovation and technologies is of course directly related to the quality of the material we make available for distribution. While all partners in the project will continue to collect all the material that partners make available, it is important that the data and information works well on the platform. Working with the contributing partners, NEXT-IS will focus strongly on improving the quality of that data and information, which will in turn improve its re-use and discoverability potential wherever the subscribed institution wishes to expose their data. We aim for all data in NEXT-IS to have relevant descriptions, be accurate and of reasonable sizes, clear and correct rights statements (when possible preferably to allow re-use) and persistent direct links to source contributors.

For NEXT-IS to provide a valuable service for its contributing partners, we must become the best to find direct access to trustable resources. This means continues work on promoting the benefits of collaboration and knowledge sharing and innovation/technology transfer as fuel for creativity, working to improve copyright so that cross-border access and rights clearance are not insurmountable barriers, and advocating the persistency of links.
As data and information in the Adriatic area will be produced in different languages it requires solutions to multilingualism. Enriching the NEXT-IS database to improve multilingual use therefore remains a challenge to be considered in the future.

Quality does not pertain only to the data and information that is provided to us. It is also about the quality of the processes we put in place to develop products, share knowledge and technologies, and get things done. Emphasis will be put on transparency and efficiency of processes.

We will focus on creating value for all contributing partners. NEXT-IS platform can only be as good as the data it receives and to receive good quality data there must be strong motivation for the contributing partners to do the work. We will therefore work at making these benefits more visible to the partners, including but not limited to standardization and interoperability, advocacy on importance of innovation and knowledge sharing and technology transfer, and creation of intelligent and socially responsible innovation and technology communities.

During the past year, NEXT has developed from a project to a network organization. This includes not only the multitude of project partners but also an extended network of each individual partner that is being brought together into one larger network of organizations and actors in the all countries of the Adriatic area.

### 3.11 Industry Outlook and Key Partners

During the last decade we have seen a very rapid grow in number and diversity of information exchange platforms in the world and in our region. Many diverse industries are populated by initiatives that operate “multi-sided platforms”, functioning as non-profit organizations or profit making businesses. These platforms serve distinct groups of customers who need each other in some way, and the core business of the two-sided platform is to provide a common (real or virtual) meeting place and to facilitate interactions between members of the two distinct customer groups. Such platforms play an important role throughout the economy by minimizing transactions costs between entities that can benefit from getting together.

A wide range of platforms have been built by different institutions and projects active in countries of the Adriatic area. However, most of them are usually targeting a narrow and very specific group of customers/users. In addition the large majority of them lack real interactivity and do not function as real community of shared challenges and interests – with most of them (despite calling themselves a “platform”) functioning as usual institutional “web-pages” or in the best cases as “one-sided” platforms. An extended list of portals is presented in the Annex to this document.
NEXT-IS key partners are:

**Marche Region, Italy:** Marche Regional Authority – Innovation, Research and Competitiveness of productive sectors Unit (I&R Unit) is one of the 6 units of the Industry and Craftsman Department of the Marche Region. The Region’s experts have large experience in EU project and program management and implementation.

**Foundation Partnership for Development (PFD), Albania:** The main goal of PFD is to contribute in the social-economic and institutional sustainable development of Albania. PFD engages in its activities a large number of interdisciplinary experts and has a consolidated partnership and cooperates with a large number of local/grass root level NGOs and organizations at the national and regional levels as well as with different international partners and donors funded projects.

**Faculty of Agriculture and Food Technology, University, Mostar Bosnia Herzegovina:** It has competences, capacity and know-how of the beneficiary in implementing project activities and results: the faculty of Agriculture is developing its activities of research. The Faculty of Agriculture is characterized by the abilities and skills mentioned above gained through the management of research projects at the international level. Facilities and human resources of the university, therefore, are the best asset for ensure a wide and contribution to the specific tasks which provide the involvement of Universities and Researcher Communities.

**City of Šibenik, Croatia:** It has managed several international projects to create a complex system of infrastructures for economic and technological development of the area. Its experience in the field of innovation and related services can add a real value to the Next project both in designing the advanced services for innovation and technology transfer and also creating the basis for the immediate availability of the Next collaborative platform through the integration of its services and tools within the initiatives already in place in Šibenik’s territory.

**Regional Council of Shkodra, Albania:** Regional Council of Shkodra is a second level unit of local government. The institution is composed of a political decision making level- Regional Council - and a technical level - Administration of Regional Council.

**University of Donja Gorica, Montenegro:** The University of Donja Gorica has managed several international projects in the TEMPUS programme which supports the modernization of higher education in the EU’s surrounding area. Through these projects the University has established a sustainable Montenegro University-Enterprise partnerships targeting competency based training and business development. With another recent project "Strategic piloting with South East European Centre for Entrepreneurial Learning, the University has improved skills and knowledge in the management of networks between universities and enterprises.
Association for Economic Development REDAH, Mostar Bosnia-Herzegovina: The Regional Economic Development Association for Herzegovina REDAH is a non-government, non-profit and independent agency founded by the regional economic development entities for the purpose of promoting, coordinating, planning and implementing development activities in the region. The work of the Agency is based on the partnership between public, private and non-government sector. REDAH is constantly committed to achieve open dialogue with local stakeholders and participatory work methods, enabling local stakeholders and clients/beneficiaries to express their real needs and demands in order to shape them in accordance with EU standards and development principles.

Chamber of Economy of Montenegro: The Chamber has rich tradition, independent, professional, creative, inventive and above all authoritative, and represents interests of all businessmen for the economic and overall development. It will contribute actively to the achievement of the Next project’s goals trying to raise the innovation potentials of the area, focusing on the identification of clients’ needs/potentials for the innovation.

Istrian Development Agency, Pula, Croatia: The Agency is the operational body entrusted with the implementation of development programmes in the Istrian Region. Its experience with the establishment and operation of the research center METRIS, will allow the Istrian Agency to transfer and amplify the scope of the results obtained in the field of innovation, research and technological development, adding value and quality to the project, contributing at a better designing of of the collaboration platform and its services.

Regional Economic Development Agency for Sumadija and Pomoravlje, Kragujavac Serbia: REDASP provides strong methodologies and instruments for the purpose of promoting, coordinating, planning and implementing development activities in the region. Promotion and dissemination activities, organization of promotional and awareness events in the region, contribution to the establishment of the local network for innovation support, valorisation of the excellences of the territory involved, activities for the establishment of closer relations among RTTCs and companies, support to involve companies in business speed date, research to implement policies oriented to action-research activities.

Puglia Region – Economic Development Department – Research and competitiveness unit Bari Italy: It represents a major player in the implementation of politics for technological innovation of SMEs, business development and research. With more than 100 officer and administrator in the recent years the department has managed regional resources for research, innovation and information society policies, etc. It has suitable and experienced staff members in the management of cooperation projects and in the implementation of the specific activities envisaged in the project.
4. BUSINESS MODEL

The NEXT-IS business model focuses on the development of e-collaboration culture for innovation and technology transfer. To achieve this goal, we will increase the utility of knowledge through three key components:

- Capture and creation of data, information, and knowledge assets in support of each individual’s performance functions across the organization. Provide links to knowledge management and document management practices.
- Intelligent storage, leveraging useful taxonomies, and search and retrieve capability that better manages and improves access to content.
- Dissemination and access practices, including but not limited to: e-Learning, instructor-led training, documentation, mentoring and coaching, and outside sources.

Historically the three components listed above have been critical in practice especially related to research, innovation and technology transfer. However, many organizations have yet to fully realize the movement and integration of knowledge within themselves. A complete system for managing information has been out of reach for many organizations, due in large part to the lack of a comprehensive strategy. The measures of any system for knowledge and learning should include the accuracy, specificity, and timely delivery of the knowledge the user receives, and how effective that knowledge is in changing behaviors and improving performance. In addition, a key measure for success should be based on how knowledge feeds back into the
system to make it a continuous, accurate, and valuable resource that meets users’ needs. The figure here presents a summary of processes.

4.1. Potential Income Streams

Based on the review of comparable portals and platforms we notice that, incomes and pricing strategies are strongly affected by the type of customers targeted and well as the indirect network effects between the two sides of the platform. As a matter of fact, for example, many two-sided platforms often apply below-cost pricing to one set of customers over the long run (charge one side prices that are below marginal cost and are in some cases negative) and then subsidies the loss by higher prices applied to another group of customers. This approach applies mainly to platforms dealing usually with very specific products or services commercialized almost purely in the private market, with benefits (from the product/service) being produced immediately of in short term after the purchase as well as when the buyer is the final beneficiary or very close to the final beneficiary.

In order to define more realistically our potential income streams we run a “willingness-to-pay-&-for-what” test through a questionnaire with our 11 partners currently engaged in the project. Despite all rating very high the importance of key proposed services (especially the project and partner databases, matching system, project forms, professional searches, and patent guidelines) the level of willingness
to pay was general very low. The figure below presents the results of the willingness to pay test, with highest (but still very low) score (where 1 - not really willing to pay and 5 - very much willing to pay) being given to partner and project database, matching system and patent information.

While exploring further this mismatch between importance and willingness to pay for, it comes clearer that it mostly linked: our main targeted customers are not the final users of the innovation and technologies; the results of the technologies promoted and transferred through the platform are medium to long term; our main partners being institutional actors (mostly public ones) which usually require rigid and lengthy budgeting and procurement procedures.

Notwithstanding the importance of these services for the innovation and technology community, the platform financing would need to be based mainly on project financing, with potentially few incomes from sales of services to private businesses, while new income streams may be developed at medium to long term once it has started to show its real value to the customers/users.

Additional models or supplementary approaches for funding the platform may be considered in the future to enhance its overall utility and cost effectiveness. These approaches may include the following:

- **Fee-for-Service**: generates revenue by requiring users to pay for access to specific content of the platform.
- **Subscription Program**: charging a lump-sum for accessing the platform offerings.
- **In-Kind Contributions**: voluntary, non-cash contribution that can be assigned a cash value (donated time, space, labor, and materials).
- **Public-Private Partnerships**: cooperative contractual agreements between the Governments (public institutions) and one or more private sector companies.

### 4.2. Main Suppliers/Contributors

During this period of project implementation a large network of potential suppliers or contributors of innovation and technology data and information has been identified. More than 800 actors (grouped in about 68 categories) have already been entered into the beta version of the platform.

Based on a preliminary test, the willingness to contribute was higher for topics related to matching and partnerships, educational information, partners’ data, scientific information and events, as well as information and guidelines related to patents in different countries. The figure below presents level of partners’
willingness to contribute by sharing their information into our platform (from score “1 not at all willing” to “5 very much willing”).

In addition, a large number of researchers and institutions are expected to contribute also as part of their promotion and visibility improvement strategies. However, as mentioned before, we will focus on quality and creation of value for the contributing partners. NEXT-IS platform can only be as good as the data it receives and to receive good quality data there must be strong motivation for the contributing partners to do the work and will therefore work at making these benefits more visible to the partners and increase the interest various actors to become active contributors.

4.3. Distribution and Promotion

In this phase of Project implementation the Platform promotion will be client-oriented towards identified key stakeholders from both public and private business sector comprising tourism, agriculture and IT sector. The promotion is to be focused on the plain benefits of being present online with different innovative approaches. Each targeted sector is an unique case, it is unique due to its great variety stakeholders involved, and their fragmented power to influence the decision-making.
process, moreover, the vision of development, desired goals varies remarkably by each stakeholder group.

It is great challenge to develop and maintain this Platform as integrated destination management. The outer approach which is from the Platform management towards its target markets cannot be effective without the cooperation between the management and local stakeholders. The balance of outer and inner approach will be used by a continuous promotion and corroborated advocating the benefits of Platform services among our stakeholders on the regular meetings with business community and two devoted especially to Platform. The emphasis will be put on the time and cost effectiveness and concrete gains of such matchmaking and innovation presenting activities performed online.

Additionally, in order to create a valuable impact for our contributing partners, we will diversify our activities from attracting users to visit the portal to making the data, content and tools available for use and re-use to third party platforms and communities, who can better target their audiences. Any cost/time effective tools will be applicable to use for promoting the platform, including specialized workshops and meetings at various partners and stakeholders; other web portals; online and offline media, social media as well as direct contacting.
5. **FINANCIAL PLAN**

The total forecasted investment for further development and maintenance of the platform amount to EUR 500 thousands, of which about EUR 450 thousand would need to be raised either from philanthropic investors or donors in the form of project grant financing while the rest could be financed by the founding organizations. The necessary capital investment to be made during the three years are estimated to amount about EUR 98 thousand, while the operational costs amount to about EUR 480 thousand in three years.

As during the three first years the platform will be mostly working to expand its network of contributors, improve the quality of data resources and thus build itself into a virtual center of excellence in innovation and technology transfer matters, it would not able to generate a lot of revenues (estimated to reach a total of about EUR 100 thousands). The proposed personnel is composed of a Manager, a Finance/Coordination/Expert, one support staff and one short term consultant on specific tasks.

The tables below present more in details the annual cash flow, balance sheet and profit/loss projections for a three years period.

**ANNUAL CASH FLOW STATEMENT (EUR)**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flow from Operating Activities</td>
<td>(122,871)</td>
<td>(139,107)</td>
<td>(140,254)</td>
<td></td>
</tr>
<tr>
<td>Net income (profit)</td>
<td>(140,059)</td>
<td>(144,537)</td>
<td>(150,670)</td>
<td></td>
</tr>
<tr>
<td>Changes in working capital</td>
<td>(120)</td>
<td>(4,724)</td>
<td>261</td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>17,309</td>
<td>10,155</td>
<td>10,155</td>
<td></td>
</tr>
<tr>
<td>Cash Flow from Investing Activities</td>
<td>(81,667)</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Purchase of assets (e.g. capital expenses)</td>
<td>(81,667)</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Cash Flow from Financing Activities</td>
<td>50,000</td>
<td>450,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Startup capital (Founders)</td>
<td>50,000</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Increase/decrease of Debt</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Increase/decrease of other fund (grant)</td>
<td>450,000</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Net Change in Cash</td>
<td>50,000</td>
<td>245,463</td>
<td>(139,107)</td>
<td>(140,254)</td>
</tr>
<tr>
<td>Cash at beginning of the year</td>
<td>-</td>
<td>50,000</td>
<td>295,463</td>
<td>156,356</td>
</tr>
<tr>
<td>Cash at end of the year</td>
<td>50,000</td>
<td>295,463</td>
<td>156,356</td>
<td>16,102</td>
</tr>
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## ANNUAL BALANCE SHEET (EUR)

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<thead>
<tr>
<th>YEAR</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Assets</td>
<td>360,324</td>
<td>216,227</td>
</tr>
<tr>
<td></td>
<td>Current Assets</td>
<td>295,966</td>
<td>162,024</td>
</tr>
<tr>
<td></td>
<td>Cash</td>
<td>295,463</td>
<td>156,356</td>
</tr>
<tr>
<td></td>
<td>Accounts Receivable</td>
<td>-</td>
<td>5,150</td>
</tr>
<tr>
<td></td>
<td>Inventories</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Value added taxes (VAT) receivables</td>
<td>503</td>
<td>518</td>
</tr>
<tr>
<td></td>
<td>Non-current assets</td>
<td>64,358</td>
<td>54,203</td>
</tr>
<tr>
<td></td>
<td>Gross Capital Goods</td>
<td>81,667</td>
<td>81,667</td>
</tr>
<tr>
<td></td>
<td>Accumulated Depreciation</td>
<td>17,309</td>
<td>27,463</td>
</tr>
<tr>
<td></td>
<td>Net Capital Goods</td>
<td>64,358</td>
<td>54,203</td>
</tr>
<tr>
<td></td>
<td>Total Liabilities</td>
<td>383</td>
<td>824</td>
</tr>
<tr>
<td></td>
<td>Current liabilities</td>
<td>383</td>
<td>824</td>
</tr>
<tr>
<td></td>
<td>Accounts payable</td>
<td>383</td>
<td>395</td>
</tr>
<tr>
<td></td>
<td>Value added taxes (VAT) payable</td>
<td>-</td>
<td>429</td>
</tr>
<tr>
<td></td>
<td>Unpaid interest during grace period</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Long-term liabilities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Debt</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Total Equities</td>
<td>359,941</td>
<td>215,403</td>
</tr>
<tr>
<td></td>
<td>Retained earnings</td>
<td>(140,059)</td>
<td>(284,597)</td>
</tr>
<tr>
<td></td>
<td>Paid-in capital</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td>Grant received</td>
<td>450,000</td>
<td>450,000</td>
</tr>
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</table>
# ANNUAL P&L STATEMENT (EUR)

<table>
<thead>
<tr>
<th>YEAR</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Revenue</td>
<td>20,000</td>
<td>42,230</td>
<td>43,497</td>
</tr>
<tr>
<td>Fees</td>
<td>10,000</td>
<td>16,480</td>
<td>16,974</td>
</tr>
<tr>
<td>Other services</td>
<td>10,000</td>
<td>25,750</td>
<td>26,523</td>
</tr>
<tr>
<td>VAT deductible (Revenues)</td>
<td>3,333</td>
<td>7,038</td>
<td>7,249</td>
</tr>
<tr>
<td>Net Revenues</td>
<td>16,667</td>
<td>35,192</td>
<td>36,247</td>
</tr>
<tr>
<td>Growth Rate</td>
<td>111%</td>
<td></td>
<td>3%</td>
</tr>
<tr>
<td>Net OPEX</td>
<td>139,417</td>
<td>169,574</td>
<td>176,763</td>
</tr>
<tr>
<td>Growth Rate</td>
<td>22%</td>
<td></td>
<td>4%</td>
</tr>
<tr>
<td>Gross Cost of Goods Sold (COGS)</td>
<td>97,780</td>
<td>120,001</td>
<td>125,742</td>
</tr>
<tr>
<td>VAT deductible (COGS)</td>
<td>1,048</td>
<td>2,160</td>
<td>2,224</td>
</tr>
<tr>
<td>Net COGS</td>
<td>96,732</td>
<td>117,841</td>
<td>123,517</td>
</tr>
<tr>
<td>GROSS MARGIN</td>
<td>(80,065)</td>
<td>(82,649)</td>
<td>(87,270)</td>
</tr>
<tr>
<td>Gross Margin (%)</td>
<td>-480%</td>
<td>-2.348552214%</td>
<td>-241%</td>
</tr>
<tr>
<td>Gross Sales General &amp; Administrative (SGA)</td>
<td>46,886</td>
<td>56,059</td>
<td>57,701</td>
</tr>
<tr>
<td>VAT deductible (SGA)</td>
<td>4,200</td>
<td>4,326</td>
<td>4,456</td>
</tr>
<tr>
<td>Net SGA</td>
<td>42,686</td>
<td>51,733</td>
<td>53,245</td>
</tr>
<tr>
<td>Operating Profit (EBITDA)</td>
<td>(122,751)</td>
<td>(134,383)</td>
<td>(140,515)</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>-737%</td>
<td>-382%</td>
<td>-388%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>17,309</td>
<td>10,155</td>
<td>10,155</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>(140,059)</td>
<td>(144,537)</td>
<td>(150,670)</td>
</tr>
<tr>
<td>EBIT / Revenue</td>
<td>-840.36%</td>
<td>-410.71%</td>
<td>-415.67%</td>
</tr>
<tr>
<td>Interest Payment</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Actual Interest Payment</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>EBT</td>
<td>(140,059)</td>
<td>(144,537)</td>
<td>(150,670)</td>
</tr>
<tr>
<td>Corporate Tax</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net Profit</td>
<td>(140,059)</td>
<td>(144,537)</td>
<td>(150,670)</td>
</tr>
<tr>
<td>Profit Margin</td>
<td>-840%</td>
<td>-411%</td>
<td>-416%</td>
</tr>
</tbody>
</table>
6. RISK MANAGEMENT

For the purpose of this Strategic Plan, risk is defined herein as an **uncertain event or condition that, if it occurs, has a positive or negative effect on at least one project objective such as time, cost, scope or quality.**

When not properly managed, the risk of IT projects can have significant impact on performance. Conscientious application of a consistent approach to risk management will minimize risk by identifying risks as early as possible, analyzing them based on an honest assessment, developing a risk management strategy with specific mitigations, and controlling and reporting risks.

The Managing Partner and its NEXT-IS Manager, will be responsible to coordinate and ensure engagement of all involved participants in a continuous risk identification and assessment process in order to minimize the risk and the cost of the investments.

The NEXT-IS Platform’s risk management approach includes the following core processes

- Identification of potential risks.
- Assessment/evaluation of potential risks’ impact and probability.
- Continuous monitoring and controlling of risks.
- Strategies for managing risk.

In addition, regular performance evaluation and reviews will be carried out and use such performance information to lead, learn, and improve NEXT-IS Platform results, outcomes and transparency as well as strengthen problem-solving networks among involved partners and participants.

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### ANNEXES

List of potential competitive portals in the project (which could some of them could become sourcing partners for NEXT-IS in the future).

<table>
<thead>
<tr>
<th>Topics</th>
<th>Main current sources of information</th>
</tr>
</thead>
</table>
| General news | www.danube-inco.net  
www.azvo.hr  
www.dziv.hr  
www.dzm.hr  
www.dzs.hr  
www.carnet.hr  
www.hzn.hr  
www.mzos.hr  
www.nzz.hr  
www.hamag.hr  
www.fmon.gov.ba  
www.mvteo.gov.ba  
www.fmrmrpo.gov.ba  
www.fmoh.gov.ba  
www.vlada-hnz-k.ba  
www.ba.undp.org/?id=2887  
www.mpn.gov.rs/  
www.privreda.gov.rs/  
www.pks.rs/  
www.ctt.bg.ac.rs/  
www.mtbs.rs/  
www.coe.int/en/web/portal/home  
balkanfund.org/  
www.fic.org.rs/cms/item/home/en.html  
www.siepa.gov.rs/sr/  
webrzs.stat.gov.rs/WebSite/  
www.sistema.puglia.it;  
www.arti.puglia.it;  
www.pugliasviluppo.eu/web/it/;  
www порталаналитика.me |
| Events   | www.danube-inco.net;  
www.ekapija.ba/bs  
www.pks.rs/  
www.siepa.gov.rs/sr/  
www.sistema.puglia.it; |
| **Educative area** | Seminars and publications edited by business associations  
                      Academic link, specific institutions, universities  
                      www.danube-inco.net;  
                      www.sve-mo.ba/  
                      www.fmon.gov.ba  
                      www.unmo.ba/  
                      www.vlada-hnz-k.ba  
                      www.coe.int/en/web/portal/home  
                      www.siepa.gov.rs/sr/  
                      www.uniba.it/;  
                      www.poliba.it/;  
                      www.unifg.it/;  
                      www.unisalento.it;  
                      www.lum.it/ |
|-------------------|--------------------------------------------------------------------------------------------------|
| **Patent guidelines** | Institutes for intellectual property rights in each country  
                        Low on intellectual property and seminars devoted to the topic  
                        www.dziv.hr/hr/intelektualno-vlasnistvo/patenti/pretrazivanje-baze-podataka/  
                        www.ipr.gov.ba  
                        www.zis.gov.rs/  
                        www.wipo.int/  
                        www.epo.org/  
                        www.eapo.org/  
                        www.oami.europa.eu/ohimportal/  
                        www.epn-cooperation.org/  
                        www.wipo.int/wipolex/  
                        www.ilopuglia.it/ |
| **Project database** | Various, EU sites, Chamber of Commerce, donors’ sites  
                       Available database of national institutions active in project implementation (Ministry of science)  
                       www.europa.ba  
                       www.sarajevobusinessforum.com/en/project/list/ekapija.ba/bs  
                       www.ric.redah.ba  
                       www.euroalert.net/en/fundingindex.aspx  
                       www.sistema.puglia.it;  
                       www.arti.puglia.it |
| **Partner database** | Chamber of Commerce  
                       www.komorabih.ba/een/poslovna-podrska/trazite-poslovnog-partnera-u-eu/  
                       www.ekapija.ba/bs  
                       www.ric.redah.ba |
www.sistema.puglia.it;  
www.arti.puglia.it

| **Infrastructure database** | Ministry of science and Ministry of education database  
 www.ricercainternazionale.miur.it/;  
 www.roadmap.miur.cineca.it/;  
 www.ec.europa.eu/research/infrastructures |
|----------------------------|------------------------------------------------------------------|

| **Matching system** | B2B meetings organized by Chamber  
 Individual projects through Chamber of Commerce, EU financed  
 Enterprise Europe Network  
 www.een.ec.europa.eu/  
 www.sban.eu/ser/  
 www.fic.org.rs/cms/item/home/en.html  
 www.siepa.gov.rs/sr/  
 www.enterprise-europe-network-italia.eu |
|---------------------|------------------------------------------------------------------|

| **Project form** | Project forms available on the Sites of Ministries, Chamber of Economy  
 and in far less measure forms publicized on the EC portals because of  
 volumes of documents put on EC Official Sites which make a research  
 demanding and long-lasting.  
 Official donors’ sites  
 www.strukturnifondovi.hr/  
 www.sistema.puglia.it; ec.europa.eu/research/participants/portaL |
|------------------|------------------------------------------------------------------|

| **Forums** | Business forums organized by Ministries for Foreign Affairs and  
 European Integrations, Ministry for Sustainable Development and  
 Tourism, Ministry for Agriculture and Chamber of Economy of  
 Montenegro  
 Mainly linked to social media |