



Collaborative Platform to Support Research and Technology Transfer – NEXT

NEXT Services Pack for the Istrian Region



COMPOSED BY



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National/Regional study on R&I investment potentials

Country- Region

Croatia - Istria

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1. SMEs and Start-up needs

SERVICES

Interviewees point out that institutions networked on a state - national level are a prerequisite in quality business services offer. This process should start from local and regional government level - all the way to the national government level. Interviewees underline that carefully created and clearly elaborated vision of national development strategy is a prerequisite of meaningful networking, so that its guidelines could be implemented.

Interviewees think that intermediary organizations should be braver when searching and mediating funds for innovative projects. Also, intermediary organizations should choose some socially useful innovation ideas in order to implement them with the assistance of the experts and innovators.

Business incubators are nicely designed in the theory, but in practice it comes down to a cheaper rental space, and business entities shall be permanently retained in those spaces. The interviewees say that the most effective model for creating innovative companies is actually the “Finnish model”, which requires a certain amount of capital and mentorship of experienced entrepreneurs for its establishment and implementation.

Interviewees believe that the crucial role in business development services have development agencies. The most important role in research and development have faculties, universities and institutes.

Partnership of scientific - research institutions and business subject is an example of successful model of support and innovative company establishing, and their mutual efforts in candidature for EU project funds. Interviewees believe that synergy effect would be created among state support, intermediary organizations and scientific - research organizations.

The fact is that there is still a plenty of space in the redirection of intermediary activities, however, given the limited financial resources, this activities must be more quality oriented and used by business subjects.

As a suitable model of efficient support and creation of innovative firms, the interviewee describes the possibility of finding all the necessary, quality and full information, unified at one unique platform.

Best models, which we should follow, mentioned by the interviewees are the Netherlands model, Finnish model, Entrepreneurship-University-Leuven Model and the Triple Helix Model.

Interviewees consider there are many organizations that provide services for Start Ups and SMEs, but those organizations are not true catalyst for change as they should be. Main reason for that is that they are not truly organized, and there is no unified system, which would connect, steer and control all those organizations. There are many individual efforts, but their efficiency is limited.

The most relevant needs of start-ups are financial resources, mentoring and education system in the context of managerial and organizational skills and education on social and communication skills.

RESOURCES *(More information in the paragraph Investment Potential)*

Interviewees believe that a criterion for gaining funds from national public financial programs is too rigorous and only few companies can use them. They see the problem of company's liquidity as a consequence of crisis. They tried to apply many times, but they were rejected each time.

NETWORKING

Complete support system for entrepreneurs should be unified and systematized and enable fewer but more powerful networks/projects/ initiatives, without duplication of activities. Right now, there is no clear overview of all organizations or their services - they are not organized well.

There are enough various networking opportunities. Nevertheless, in Croatia, networking is not recognized and utilized by stakeholders. It is necessary to conduct a systematic figuration/ reshaping of networking.

The best channels/links/modalities for identifying potential partners, such as investors and companies are Biznet, HGK and Poslovna Hrvatska.

Interviewees believe that there is insufficient information for innovative stakeholders networking. The matchmaking and pitching events are rarely organized, and regionally unequally located. She believes that most of them are only organized in the central Croatia, in the area of the capital City of Zagreb.

INFORMATION

The interviewees believe that there is sufficient information, and in some aspects there is even too much information. In general, interviewees don't think that there is a lack of information, but that there is a stoppage in implementation (rigorous criteria, demanding administration, and necessity for lobbying).

Regarding Research & Development & Innovation projects there are not enough information about financial resources and partnerships (competences) opportunities in Croatia, she believes.

There isn't enough information about investors, too. The sources of information aren't easily available and the networking is missing.

According to the words of Mr. Barančić, unfortunately in Croatia there is not enough information to assist the start of a business.

Interviewees believe that in particular, all the necessary information should be gathered in one place. With the shortage and with the fragmentation of information, the competences of employees in the public institutions are also questionable. For this reason, the interviewee gives a great importance to the quality flow of information for a greater

synergy between the government institutions, supporting institutions and all interested groups in the economy.

Regarding Croatian level, all relevant information is available online, but usually just in form of a brochure. That is to say, there is an overview of existing programs, initiatives or financing programs, but further instructions on how to acquire those funds is not available. At EU level, there are more details provided with precise instructions.

2. Investment potential

When talking about public programs, interviewees believe that they are extremely important, but their use has to be brought closer to beneficiaries. Also, they think that criteria for participation should be lower and the terms more favourable. They believe that intermediary institutions should be braver in defining demanded amounts of funding. According to their opinion, if those terms were met, financial programs would be significant catalyser of innovation and development.

Most of the interviewees believe that financing system has very demanding criteria and that it should be simplified, but at the same time, is encouraging innovation commercialization. They believe that they have stimulating effect on the development and implementation of new technologies, production increase, equipment purchase, employment encouragement and intensifying of marketing activities.

Most of the interviewees think that these processes are still developing in Croatia, and that the expansion of these processes will be evident in the near future.

Mihovil Barančić, the president of the Croatian Business Angels Network, claims that in Croatia there are not many individuals who are willing to risk a small part of their capital to support start-up high-risk projects, or to help the beginners with a good idea so they could become successful entrepreneurs and create new workplaces.

Interviewees claims that is a matter of culture the specific attitude towards scientific - research sector. They underline that this culture isn't yet developed and achieved in

Croatia, and that a lot of effort in the future should be oriented towards communicating the importance of investing. As the examples of cultures that value a lot investing culture in science, they mention Japan, Germany and United Kingdom.

However, in the example of Croatian economy, the existence of excessive administration in the application of specific programs must be underlined. Furthermore, given the existence of a certain number of institutions that implement different financial programs, there is a problem in the quality of information and in the coordination of these same programs.

In interviewees' opinion, structural funds are very important forms of support for development in science and in entrepreneurship. However, interviewees consider that there are many approved small separated projects with limited impact and efforts. Better solution would be fewer projects, but bigger, with huge impact.

With reference to financial resources, competences and infrastructures, they believe there are not enough information available helping companies set up in Croatia.

Furthermore, there is a lack of information on sources of financial resources and partnerships, and for this reason the majority of business entity reach to traditional and more expensive sources of financing, such those provided by banks.

Regarding the investment process, the same during various phases are not sufficiently transparent and rather obscure in certain segments.

The interviewees believe that there is not enough information about conducting business with financial help from EU funds in Croatia. The entrepreneurs are left to their own capabilities: self-initiative and abilities.

The significance of creating and implementing a single platform that combines all the necessary information in one place was often mentioned among the interviewees.

3. Best practices

The interviewees mentioned numerous good practice examples.

One of the interviewees mentioned Zigante d.o.o., Alden d.o.o., Infobip Ltd as the examples of the firms which managed to successfully use financial measures/ initiatives/ programs.

They also pointed out to Horizon 2020 as a promising measure. They think that that program can revive the domain of innovation and to encourage economic growth based on the knowledge, competences and quality.

Due to the large number of newly emerging micro economic entities in Croatia (mostly as a result of self-employment), interviewee consider that a measure of the micro-crediting is the right move in this situation. Economic operators "without history" and collateral, can't compete for the funds of the banks. In addition, the minimum amounts of credit are very high for the micro-economic entities, nor is there a need for so many resources, and they can't afford it.

They underlined the importance of networking, and especially at the level of competencies. Chamber of commerce, associations, HBOR and some consultancies that organized the gathering along with consulting services and free education.

"Business impulse 2014" is the program that contains encouragement measures in order to achieve development of small and medium enterprises. The special accent is on the ones using funds from the state budget and European Union structural funds, which became available to Croatia in 2013.

The importance of this set of measures lays in the fact that they refer to the four priorities of the program, in order to improve the competitiveness of small enterprises, improving the entrepreneurial environment, promoting and teaching in entrepreneurship, and with an easier access to financing.

Interviewees also mentioned approximately 30 programs funded by HAMAG-BICRO and 11 projects funded by Crane as the examples of a good practice

Visit of pre - elementary school students to “Imaginario Scientifico Museum” to Trieste (Friuli - Venezia - Giulia) was also mentioned. This good practice is carried out by kindergarten “RIN TIN TIN” Pula- Pola. The children can through the assistance of didactic playgrounds encounter with science, which presents the rising of awareness on the lowest level.

Interviewees mentioned lending program start-up entrepreneurs by the Croatian bank for reconstruction and development, insurance guarantee for part of the principal of loans issued by business banks or the Croatian bank for reconstruction and development (HBOR) issued by Croatian agency for small business, innovations and investments (HAMAG-BICRO) and different stimulating measures by the Zagreb entrepreneurship incubator (ZIP) with the partnership of Croatian Business Angels Network (CRANE), and all that with the aim of strengthening the competitiveness of small businesses, and the improvement of business climate.

Croatian Agency for Small Business, Innovation and Investment (HAMAG - BICRO) through its innovative programs motivates the private and public sector to invest in research and development by providing financial support to innovative and technology - oriented companies in Croatia.

Within the different support schemes for encouraging innovation and technology system, HAMAG - BICRO provides grants for research, development and innovation. Supporting technological innovation in the economy and scientific institutions seeks to stimulate economic growth through technological development and strengthening global competitiveness and social values.

EU structure funds are example of good practice, and interviewee said that they are going to apply for funds too. However, there should be also appropriate infrastructure support at the regional/ local level, which Croatia does not provide.

It is not possible to point out any measure in Croatia as best practice. There is especially huge gap in the area of financing and supporting manufacturing and high-tech entrepreneurship, some of the interviewees thought.

As the examples of good practice, interviewees mentioned Ericson Nikola Tesla, Infobip Ltd and Students Entrepreneurial Incubators in Pula, Rijeka, Osijek and Varaždin.

Triple Helix model which includes three stakeholders: universities, government and economy, was identified as good practice also. Triple Helix goal is to achieve society based on innovation and knowledge (example: Italy). It enables creation of new ideas regarding to high-tech and high-touch. In addition, three relevant stakeholders enjoy many advantages of such merge.

4. Conclusions

Many organizations provide services for Start Ups and SMEs, but those organizations are not true catalyst for change as they should be. Main reason for that is that they are not truly organized, and there is no unified system, which would connect, steer and control all those organizations. There are many individual efforts, but their efficiency is limited.

Furthermore, there is a human potential problem with companies - there are not enough highly educated personnel, which could implement high technology into a company. Such problems stand out when technology transfer should occur. Croatia has a serious brain drain problem, with estimation of 14% of brain drain within few years.

Another problem in Croatia is the lack of law or its implementation regarding copyright and patents, especially in the part of providing protection of rights.

The most relevant Start Up needs for SMEs are infrastructure (unified system) and competences.

In general, the interviewees think that it is important to know how to get to the right information and it is very likely that one will experience problems when contacting the institution. Often, it comes to the information blockade and, as they say, the problem is in the human factor, an unwillingness to solve the problem and the different interpretations of laws and regulations. Furthermore, they consider that it is necessary to have a good personal cooperation with institutions, in order to facilitate the cooperation.

In addition, they believe that the general situation is affected by the generally negative attitude towards the initiative and constantly glancing behind to a bad past experiences.

On the other side, interviewee see education system as a starting point, which should be oriented towards creating assumptions and conditions in order to create innovation society and the society of development. They point out the importance of entrepreneurial education from the early ages. Science institutions need to focus their efforts in establishing cooperation with the relevant stakeholders, with a collaboration of the civil society.

1. Appendix

NEXT Interview Report: Svijet biljaka d.o.o.

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1. Research & Development & Innovation services

Svijet biljaka d.o.o. is an innovative company, with two registered patents and many medals won for their innovations at international meetings. Throughout obtaining necessary certificates for their products they have been using service of commercial laboratories.

They consider that Savez udruga inovatora Istre (Alliance of Innovators Associations Istria), Društvo inovatora Pula (Innovators Association Pula) and Zajednica tehničke culture

(Association of Technical Culture) are the three most important intermediary organizations related to innovation. They are successfully cooperating with the mentioned organizations. The core of the cooperation is legal assistance regarding ideas, innovations and patents, and networking at interdisciplinary level. The City of Pula and Istria County have been cofounding Innovators Association Pula and Association of Technical Culture, which has been enabling covering for the half of the registration fee while representing own inventions at international innovation fairs.

They think that intermediary organizations should be braver when searching and mediating funds for innovative projects. Also, intermediary organizations should choose some socially useful innovation ideas in order to implement them with the assistance of the experts and innovators.

They asses that the whole region depends on only few intermediary organizations. They believe that the variety of supports and services for innovators should be extended, emphasis on business incubators and interdisciplinary networking.

According to interviewees, business incubators should be place of exchange and creation of ideas and the meeting place of investors and start-ups. They think that it is necessary to give the chance to startups, office space, enable interdisciplinary interconnection and to create infrastructure for creation of new innovations. They see the area for expansion of services of Technology incubator, among the cooperation with Istrian Development Agency and Innovators Association Istra.

2. Resources

Interviewees have been financing the business of Svijet biljaka d.o.o. only with their own funding and with commercial loans. They think that criteria for gaining funds from public financial programs are too rigorous and only few companies can use them. They see the problem of company's liquidity as a consequence of crisis. They tried to apply many times, but they were rejected each time.

However, they think that those programs are extremely important, but their use has to be brought closer to beneficiaries. Also, they think that criteria for participation should be lower and the terms more favourable. They believe that intermediary institutions should be braver in defining demanded amounts of funding. According to their opinion, if those terms were met, financial programs would be significant catalyser of innovation and development.

They are interested in grants and loans from both private and public sector. They have heard of business angels, but they are not interested in cooperation with them because they have heard rumours that they are inclined to steal ideas. They are interested in venture capital, but they are not familiar with them and don't know anyone who uses them. They haven't heard of crowd funding so far. Given the large experience with banks and big ideas for the future, they are very interested in alternative forms of financing. Thereat they find over demanding administration. Unfortunately, they are also faced with a lack of interest of intermediary institutions in cooperation in development of project application, as well as the problems of interdisciplinary competences networking for joint project application.

They are familiar with two good practice examples, Zigante d.o.o. and Alden d.o.o., the only companies they know of, that managed to use financial measures/ initiatives/ programs.

3. Networking

Interviewees are familiar with networking and alliances; moreover, they have been using them as a marketing strategy, but also as a support for innovations. They are members of the Innovators Association Pula (and Croatia), Association of Technical Culture, BPW - Business Professional Woman Pula and Lions Club Pula.

They find that the value of the networking is only in gaining contacts. A contact could result in cooperation, but that depends on the individual himself.

The main flaw in the system of networking is the lack of interested investors. Besides, networking is useful for gaining new cooperates and clients.

It is necessary to create additional possibilities for networking of innovative stakeholders, emphasis on connecting investors with innovators.

They usually visit fairs, they hold lectures at competence and science meetings and conferences, and they sometimes participate as sponsors.

As important events for networking in their own branch they state International innovation fair ARCA, Beauty and wellness fair in Zagreb, Beauty and wellness fair in Opatija.

4. Information

In general, interviewees don't think that there is a lack of information, but that there is a stoppage in implementation (rigorous criteria, demanding administration, and necessity for lobbying).

Regarding the source of information, they primarily rely on internet sources and the European Commission web site. Besides that, they always try to track the news, and to be at the source of information. New gained information, they check on the internet. However, they admit that it is useful to talk directly to the experts regarding specific "catches".

They consider that there is not enough information on sources of funding related to bigger amounts, and that support institutions show lack of courage and initiative in supporting and guaranteeing for big projects.

Regarding the presumptions for creating partnership in the field of competences, there is a lack of information on possibility for development of interdisciplinary partnership.

The information on alternative sources of funding is missing. Most companies that have felt the consequences of recession can't satisfy terms of classical forms of financing. Therefore, alternative sources of financing are important for that kind of companies. The interviewees are familiar with the importance of private investments for the company - but only as information that that exists somewhere abroad. Also, there is a lack of information on cooperation for repurchase ideas. They believe that there are no sources of

information on individual investors or information clearly enough on investor associations. In that area, rumours prevail, and they don't dare to enter such cooperation.

Regarding the information within EU, there is a lot of information, and they rely on official European Commission web sites. They think that there not enough information within Croatia, not because they don't publish information, but because there is nothing to place information about. The main source of information is the "almighty Google".

5. Good practice

They point out to Horizon 2020 as a promising measure. They think that that program can revive the domain of innovation and to encourage economic growth based on the knowledge, competences and quality.

NEXT interview report: Eco-nomen j.d.o.o.

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1. Research-development-innovation services

ECO-NOMEN is a simple limited liability company, whose main activities are accounting and services, but is registered also for many others.

Up to now, the subject has not used the concrete organization of services related to research and innovation, but only services of public informing and educating. Interviewee used the consulting services of RRIF for the development of business. However, she considers that there are important supporting organizations that she has investigated in the phase of the market research and searching for ideas for the development of the business.

Interviewee often contacts with the Croatian Chamber of Commerce to get new information, which are useful for the job. Also, she often uses the features of the free education provided by the Chamber. She considers that continuously gaining of information makes it easy to create new ideas and encourages taking new business steps. She, also, points out that this form of service is important for the strengthening of competencies, which allows the development of excellence in the business. A similar support should provide business incubators. In her experience, business incubators are nicely designed in the theory, but in practice it comes down to a cheaper rental space, and business entities shall be permanently retained in those spaces.

Centres for entrepreneurship are a useful source of information, and interviewee has contacted the regional centres throughout the country.

Furthermore, according to the interviewee, source of the idea can be bank products, because they direct the user to take those steps that can be financed.

She specifies how problems in this area arise due to frequent changes in the law and different interpretations of the same.

2. Resources:

The subject believes that the financing system has a very demanding criteria and that it should be simplified. The biggest complaint is a high rate of risk at the competition for the resources of public funding, in addition to the required high previous investments. They

consider that such system discourages investments and business. Furthermore, changes in the law are frequent and there are no consistent interpretations. Exactly these different interpretations usually cause "pinning" items.

Furthermore, it is considered that the Ministry of entrepreneurship and crafts represents a set of positive examples of measures and incentives. In particular, the company applied to the competition for the loans and grants, but haven't been selected. Application for incentives was not approved, and the interviewee considers negative the fact that she has not received an explanation for the refusal even after multiple queries. She intends to apply to the same the measure the following year.

She finds the program of HBOR incentives is a meaningful and useful for entrepreneurs, but it implies a long term process with a lot of documents and reports. On the other hand, she states, that she would also ask for a precise documentation if should guarantee for someone.

Regarding the use of money from the pre-accession funds of the EU, she considers that there were a lot of positive examples, especially considering that the frontloading/ pre-financing was usual. Considering the companies that are in the start-up phase, she finds that it is very risky to rely only on the funds of the EU, because the preparation of application documents and the creation of preconditions are very expensive, while the result is uncertain.

Regarding the resources, she states that the tax system is not stimulating for reinvestment in the business, and the tax is too high.

She finds that the shift to alternative forms of financing is useful for start-ups which have not been operating long enough to create the solvency and fulfil the criteria of banks and public forms of financing. She considers that the business angels are a good choice for companies that start with big capital, but finds them inappropriate for investment projects of small and micro-economic companies.

She is familiar with micro financing and plans to apply for microcredits in the following year, as soon as the contest opens. Microfinance conditions are acceptable, especially for

small and micro enterprises, which neither have the need for such large funds, nor be able to pay off the loans to the Bank.

Interviewee is not very familiar with crowd funding, but her opinion is that it is a positive form of networking.

As a positive example of measures in general which has had most effect in Croatia, she highlights the measures and incentives of the Ministry of entrepreneurship and crafts.

Interviewee believes that, in the course of the call for tender is important to have a clearly defined end-goal, well worked out business plan, and a positive history of financial result.

3. Networking

The subject has used various forms of networking, but primarily in order to obtain information and free education. She sees great importance in networking with people in the same activities, for the exchange of information and experience. From the area of activity there is an Association of accountants Croatia, and the interviewee is of the opinion that it would be necessary to form a local branch in Labin.

The interviewee is a member in the Association of green Istria and the Green Alliance (regarding the part of the agricultural activity of the company), Association MRAK, the Foundation for civil society development, cultural and artistic society NEO.

Membership in associations has not been used in order to make new clients, or to connect with investors.

4. Information

The interviewee is of the opinion that there is sufficient information, and in some aspects there is even too much information. Respectively, in Croatia the laws and taxes often change, which directly affects the main activity of the Eco-nomen. A challenge is to keep

track of all the changes and regularly collect information. She often works on the weekends to keep up to date with the most current information.

In doing so, she uses a variety of sources: internet - official site of the institutions, seminars, journal - RRIF.

In general, the interviewee thinks that it is important to know how to get to the right information and it is very likely that one will experience problems when contacting the institution. Often, it comes to the information blockade and she believes that the problem is in the human factor, an unwillingness to solve the problem and the different interpretations of laws and regulations. Furthermore, she considers that it is necessary to have a good personal cooperation with institutions, in order to facilitate the cooperation.

In addition, she believes that the general situation is affected by the generally negative attitude towards the initiative and constantly glancing behind to a bad past experiences.

5. An example of good practice:

The interviewee points out two good examples: microcredit and networking of the competencies.

Due to the large number of newly emerging micro economic entities in Croatia (mostly as a result of self-employment), she considers that a measure of the micro-crediting is the right move in this situation. Economic operators "without history" and collateral, can't compete for the funds of the banks. In addition, the minimum amounts of credit are very high for the micro-economic entities, nor is there a need for so many resources, and they can't afford it.

She emphasizes the importance of networking, and especially at the level of competencies. In doing so, she points out to the Chamber of commerce, associations, HBOR and some consultancies that organized the gathering along with consulting services and free education.

NEXT Interview Report: Ph.D. Aljoša Vitasović

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1. Research & Development & Innovation services

Ph.D. Aljoša Vitasović underlines the synergy of relevant ministries, Croatian Chamber of Economy, Croatian Chamber of Trades and Crafts, different structural associations, Association of Inventors and the Universities, when considering organizations which occupy the most important role in the development of business services, research and innovation, we should single out

The actual activities of such institutions should be expanded and redirected, so that they can offer better connection and support in different models in the process of innovative company's creation. As good examples, he points out business incubators, support of relevant ministries and all those activities that include different workshops and several days' events where the exchange of domestic and foreign experiences is noticeable.

Small and medium enterprises relevant needs include the availability of favourable sources of financing, quality tracking system and assistance in the placement of services and products, different types of co-financing in the terms of reducing fixed costs, different educations aimed to protect intellectual property but also for the transfer of knowledge and technology.

2. Resources

Interviewee points out that public sector financial programs have a positive connotation in the terms of better implementation of European and national strategies, and the research and innovation process.

Programs implemented by the Croatian Bank for Reconstruction and Development, the Croatian Chamber of Commerce and other programs of the relevant ministries represent quality examples of a suitable help for startups growth.

Interviewee thinks that these programs should lower the criteria for the participation -as an example he emphasizes the need to reduce the large quantities of the needed paperwork, which in most cases does not arouse interest of the companies.

Furthermore, the interviewee is familiar with the concept of crowd funding and business angels (Croatian Business Angel Network - CRANE). Interviewee thinks that crowd funding represents a known term among the younger generation considering that a large number of computer games is successful thanks to this type of financing. The term of business angels, increasingly occupies an interesting concept of alternative forms of financing, says the interviewee. Interviewee is familiar with the successful examples of their investments, mostly of in area of ICT.

According to the interviewee, the company Repsly (recently Salespod) is an example of a successful CRANE investment. He believes that the researchers would be more involved in R&D projects and in firms creating processes if they would be more informed about the existence of the ones.

Final goal should the achievement of a specific optimization in the overall process in terms of personal challenges, and the creation of different benefits for the entire society.

3. Networking

Interviewee considers that there are opportunities for networking, however, those options should be largely improved in order to create new business contacts, exchange experiences and achieve better promotion of our own activities.

He underlines various events, such "INOVA" that represents a traditional national exhibition of inventions which regularly testifies, since 1971 to the greatest successes of Croatian innovative work, "Arca" which represents an international fair of new ideas, innovation of products and technologies, and "Zagreb Connect" in terms of connecting start-ups and potential investors.

He concludes that the best sources for connecting with potential partners represent the ones which produce "Know-how" and newer and better ideas.

4. Information

According to the interviewee, there are examples of opportunities for a better accessibility of information about the investors. Such data are available on site of relevant ministries, government bodies and financial agencies.

Likewise, the investment process is not sufficiently transparent and rather obscure in certain segments. Private investments have become the most important factor in the business sector nowadays. They have also become recognizable by various companies as a favourable financing form, when compared to traditional bank funding/ different vision of partnership.

The interviewee underlines the great importance of the quality flow of information in order to achieve better synergy between structural Croatian association and those of the European Union.

5. Good practice

As an example of good practice, he points out the "Business impulse 2014". The program contains encouragement measures in order to achieve development of small and medium enterprises. The special accent is on the ones using funds from the state budget and European Union structural funds, which became available to Croatia in 2013.

The importance of this set of measures lays in the fact that they refer to the four priorities of the program, in order to improve the competitiveness of small enterprises, improving the entrepreneurial environment, promoting and teaching in entrepreneurship, and with an easier access to financing.

NEXT Interview Report: Mihovil Barančić

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1. Research & Development & Innovation services

The interviewee claims that the most important role in the development of business services and in research and development have the development agencies that are located within each county, and every major city in Croatia.

Croatian Agency for SMEs, Innovations and Investments (HAMAG-BICRO) represents a unique system that provides the support to entrepreneurs through all the stages of their business - from research and development ideas through the commercialization and placement of the market, and represents a link in connecting different departments for technology transfer with the biggest Croatian universities like the one in Zagreb, Osijek, Rijeka and Split.

Although such system is very well designed, the results are modest and there are many opportunities for progress. The reason for such modest results can be associated with the difficult economic situation in the country. Precisely for this reason the contribution of different institutions in Croatia, should be directed in developing different projects that aim to create new technologies and useful baselines for all future projects, like "Horizon's 2020".

The interviewee says that the most effective model for creating innovative companies is actually the "Finnish model", which requires a certain amount of capital and mentorship of experienced entrepreneurs for its establishment and implementation.

2. Resources

Interviewee considers that the financial programs of the public sector nowadays have a great importance, mainly due to the economic situation in which the research and innovation structures are located.

A devastating fact is the fact that Croatia is investing only about 0.8 % of GDP in scientific and educational system, and as we know the educational process is an important foundation in educational and professional growth of innovation and research.

Furthermore, due to the Croatian access to the European Union, it is realistic to expect that the investment in Croatian scientific domain will be greater. From Croatian programs that represent a bright example for the purpose of business development in research and innovation includes different support of the Ministry of Entrepreneurship, HAMAG-BICRO, various forms of micro-financing, and investment by the Croatian Business Angels Network (CRANE), although it requires more of everything - specialized education for managers, investment of capital and more elaborated ideas.

Interviewee is the president of the Croatian Business Angels Network, and from that position he claims that in Croatia there are not many individuals who are willing to risk a small part of their capital to support start-up high-risk projects, or to help the beginners with a good idea so they could become successful entrepreneurs and create new workplaces.

Furthermore, he revealed that, since 2008 from the moment of the incorporation of the Croatian Business Angels Network (CRANE), 11 successful projects were funded with a total investment of 1.3 million Euros. As two most successful projects were singled out like "Salespod" and the company "Once sport" that has sold its own most sophisticated software in the world for the analysis of football matches, in Croatia and in six more countries.

When asked why Croatia doesn't have more business angels, the interviewee explained that the reason lies in the lack of tradition of capitalism and entrepreneurship, and in a low level of entrepreneurial culture in general.

3. Networking

Interviewee believes that there are different opportunities for networking with the start-ups, investors and research companies since there is a positive trend in the increase of such events where same stakeholders have an opportunity to mutual acquaintance with the gaining and sharing new experiences and increasing advertising of its own products and services.

As the most important events of this type in Croatia, Mr. Barančić mentioned the Startup Camp in Rijeka in the Scientific and Technological Park at the University campus, "Zagreb Connect" in terms of connecting start-ups, potential investors and "Startup Island" conference on the island of Hvar. Furthermore, he considers that networking is the most effective modality for identifying potential partners in business because it represents a tool that shares the knowledge, create new opportunities, different type of connection that allows them to create their own social network and based on that is given a possibility to clearly demonstrate their quality and service.

4. Information

According to the words of Mr. Barančić, unfortunately in Croatia there are not enough information to assist the start of a business.

Furthermore, there is a lack of information on sources of financial resources and partnerships, and for this reason the majority of business entity reach to traditional and more expensive sources of financing, such those provided by banks.

Regarding the investment process, the same during various phases are not sufficiently transparent and rather obscure in certain segments.

5. Good practice

Interviewee mentions as an example of a good practice approximately 30 programs funded by HAMAG-BICRO and 11 projects funded by Crane.

NEXT Interview Report: The Department of Information, International Cooperation and EU Policies - City of Pula

Name, surname of the interviewee:	Kristina, Fedel- Timovski
Project target group:	Policy maker
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Working place:	Head of Department of Information, International Cooperation and EU Politics

As the date of our country’s accession to EU, the City of Pula within its Office has decided to develop human resources with the aim of efficient involvement into the processes of European integrations. The Department of Information, International Cooperation and EU Politics was founded on January 1st 2012.

Kristina Fedel - Timovski is the Head of Department of Information, International Cooperation and EU Politics, at the City of Pula Town Hall.

1. RESEARCH - DEVELOPMENT - INNOVATION SERVICES

Interviewee points out that institutions networked on a state - national level is a prerequisite in quality business services offer. This process should start from local and regional government level - all the way to the national government level. Interviewee underlines that carefully created and clearly elaborated vision of national development strategy is a prerequisite of meaningful networking, so that its guidelines can be implemented.

On the other side, interviewee sees education system as a starting point, which should be oriented towards creating assumptions and conditions in order to create innovation society

and the society of development. She points out the importance of entrepreneurial education from the early ages. The interviewee thinks that science institutions need to focus their efforts in establishing cooperation with the relevant stakeholders, with a collaboration of the civil society.

The interviewee points out that the intermediary organizations in Croatia act individually and separated, instead of acting organized and harmonized, and that their work is not networked. She believes that they should be given more independence and powers in the area of decision - making, and that they should ultimately act as the state's "extended arm" and motivate business subjects.

Partnership of scientific - research institutions and business subject is an example of successful model of support and innovative company establishing, and their mutual efforts in candidature for EU project funds. Interviewee believes that synergy effect would be created among state support, intermediary organizations and scientific - research organizations.

As the most relevant needs of start-ups and SMEs she points out financial resources, warranties at eventual beginning failure (extended deadline action) and information support.

2. RESOURCES:

Interviewee claims that is a matter of culture the specific attitude towards scientific - research sector. She underlines that this culture isn't yet developed and achieved in Croatia, and that a lot of effort in the future should be oriented towards communicating the importance of investing. As the examples of cultures that value a lot investing culture in science, she mentions Japan, Germany and United Kingdom. The efforts in creating such culture can be seen as a sort of social innovation - interviewee claims.

As a Croatia example of investing in quality project ideas, interviewee mentions Adris Group - Maistra, which does business in tourism sector, and finances ideas in all business sectors. She salutes that concept, describing it as an example of creating extra social value.

Interviewee is well familiar with the concept of business angels, who she describes as business persons with the ability of spotting good ideas, in order to achieve material enrichment, in final. As an alternative example she mentions philanthropists.

3. NETWORKING

Interviewee believes there are good networking opportunities in Croatia for innovative stakeholders, and that significant resources are invested in that activities.

As the examples of good practice she points out congresses and meetings. But, the stakeholders don't go "step further" and concretize their future collaboration.

As a quality examples of these events she mentions "Energy, Energy Efficiency and Renewable Energy Fair", informative workshops about financing SMEs from EU funds and at a regional level (in Istria) - Istrian Development Agency Workshops and Education Courses.

Social networks, discussion forums, web portals of departmental ministries and institutions and "word -of - mouth" are the best sources for identification and tracking the potential partners.

4. INFORMATION

The interviewee believes that there are not enough information about conducting business with financial help from EU funds in Croatia. She thinks that the entrepreneurs are left to their own capabilities: self-initiative and abilities.

She believes that the institutions haven't done structurally nor well organized the informing on available financial funds at that time, while Croatia's pre-accession process to EU.

She points out the Agency for investments and competitiveness as an example of good practice in Croatia. Agency for Investments and Competitiveness is an agency of the Croatian Government whose main task is to promote Croatia as a desirable investment

destination, proactive attracting and implementation of investment projects of large companies as well as enhancement of the competitiveness of the Croatian economy on the global level.

Providing all necessary help and assistance to foreign and domestic investors, facilitating the implementation of investments and enabling these projects to achieve their maximum business potential in the Republic of Croatia are primary objectives of the Agency for Investments and Competitiveness.

The interviewee is not familiar with the information about the investors.

She believes that true and full information are missing in the market. There is a lack of mathematical information - real numbers on SMEs activities, which would be able to provide a more realistic economy state, because it is not enough to know if the SME is in the condition of bankruptcy or enforcement.

There is also a lack of positive and inspiring information about successful stories. The bad facts are always pointed out, but it is necessary to put efforts in promoting positive entrepreneurial stories in order to magnify entrepreneurial spirit.

5. GOOD PRACTICE EXAMPLE

Interviewee mentions organized visit of pre - elementary school students to “Imaginario Scientifico Museum” to Trieste (Friuli - Venezia - Giulia). This good practice is carried out by kindergarten "RIN TIN TIN" Pula- Pola. The children can through the assistance of didactic playgrounds encounter with science, which presents the rising of awareness on the lowest level.

NEXT Interview Report : Start-Up Association

Name, surname of the interviewee:	mag. oec. Amel Hadžipašić
Target according to the Project	Intermediary Organizations
Organization/Company related	Startup Association
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Position:	Official volunteer coordinator

1. Research & Development & Innovation services

Mr. Hadžipašić Amel, the official coordinator of volunteers of Startup associations, considers that there is a good synergy between different institutions that have an important role in business development services, research and innovation in Croatia.

As the most important institutions in this entire process he mentions different ministries, the Croatian Bank For Reconstruction and Development, which in addition to its different loan programs aims to develop Croatian economy, development agencies and technology incubators. He believes that their efforts are oriented towards the improvement of the region competitiveness, by developing a larger number of new technological oriented companies, attracting new investments and job creation in accordance with the sustainable development. He points out that HAMAG-BICRO (with the financial support for innovative and technologically oriented companies) and Croatian Business Angels Network (CRANE) as the examples.

Furthermore, interviewee thinks that there are concrete results from the services provided by intermediary organizations, such as formed new business entities, empowered the existing, and laying grounds for new businesses. The fact is that there is still a plenty of space in the redirection of intermediary activities, however, given the limited financial resources, this activities must be more quality oriented and used by business subjects.

As for the most effective models in supporting the creation of innovative companies, he considers that a major role is occupied by several different models with the subsidized interest rates, also different guarantee models, education and business incubators with different models in supporting innovative companies.

Furthermore, as the most relevant needs of start-ups, small and medium enterprises, according to our subject, are more favourable sources of financing, such as, the beginning of the loan repayment, subsidized credit interest rates, quality education, and the provision of different services by business incubators like more favourable cost of renting of business premises.

2. Resources

Our respondent believes that the financial programs of the public sector take a positive connotation in terms of better implementation of European and national strategies and affect the research and innovation process. Unfortunately, the situation in the Croatian economy is really difficult, and often the financial programs of the public sector represent a crucial impulse in preserving the business activities of individual companies.

This kind of program is an important factor for individual companies and it presents the essential step towards a new market and creation of new business contacts and clients.

Furthermore, considering the Croatian membership in the European Union, more attention is dedicated to the different funds and programs of the European Union which include a variety of business domains.

However, in the example of Croatian economy, the existence of excessive administration in the application of specific programs must be underlined. Furthermore, given the existence of a certain number of institutions that implement different financial programs, there is a problem in the quality of information and in the coordination of these same programs.

Our interviewee mentions a company from Pula "Infobip Ltd.", as an example of good practice. Infobip Ltd is the biggest Croatian IT company with over 600 employees, and in that branch among the most famous names, along with Infobip, are mentioned Google, Facebook and WhatsApp. This firm used different programs of the public sector, when they were a start-up.

Our respondent is familiar with the concept of crowd funding and business angels (CRANE). However, he considers that their services are not fully known to the wider public. In favor to that, is the fact that banks continue to represent the main source of financing the private sector.

According to our respondent, a successful example of business angels' investment is a start-up company "ENTRIO". The "ENTRIO" company connects event organizers and their visitors through a simple but advanced and entertaining online platform that saves organizers time and increases sales and to the visitors facilitates the process of finding and buying tickets for various events.

3. Networking

Interviewee also considers that there are opportunities for networking, but such opportunities should be more closely popularize, because they represent an important link between the startups and different interest groups in the growth of the business startup companies.

In addition, our subject recognizes in Croatia certain events that represent a modality for identifying and connecting potential partners. For this reason, he pointed out different events such as "INOVA", "Zagreb Connect" in terms of connecting Start-ups and potential investors and "Cotrugli Days in Rovinj," and as the best channels of identifying a potential partner, he mentioned social networks, various conferences and meetings where they can share different experiences and knowledge.

However, our source considers that such kind of events should be organized in a more balanced manner through the entire country, due to the popularization of such a form of business meetings and balanced development of all Croatian regions.

4. Information

Mr. Hadžipašić believes that there are quality programs, however, the quality of work of individual institutions in the implementation of different programs should be risen on a higher level. Also, a fragmentation on all available information is present.

He believes that in particular, all the necessary information should be assembled in one place. With the shortage and with the fragmentation of information, the competences of employees in the public institutions are also questionable. For this reason, the interviewee gives a great importance to the quality flow of information for a greater synergy between the government institutions, supporting institutions and all interested groups in the economy.

5. Good practice

Interviewee stands out as an example of good practice, intended to the different stakeholders on the market, the lending program start-up entrepreneurs by the Croatian bank for reconstruction and development, insurance guarantee for part of the principal of loans issued by business banks or the Croatian bank for reconstruction and development (HBOR) issued by Croatian agency for small business, innovations and investments (HAMAG-BICRO) and different stimulating measures by the Zagreb entrepreneurship incubator (ZIP) with the partnership of Croatian Business Angels Network (CRANE), and all that with the aim of strengthening the competitiveness of small businesses, and the improvement of business climate.

NEXT interview report Alumni FET - Association of Graduated Economy Students Pula

Name, surname of the interviewee:	Kristina, Rabar
Project target group:	Intermediary Organization
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Working place:	President of Alumni FET Pula

Faculty of Economics and Tourism "Dr. Mijo Mirković" joined the founding of the association of its graduates. It is a voluntary association which gathers all those who have BA, MA or PhD degrees in the Department or any of the legal predecessors of the present Section. The purpose of this association is to connect all generations of graduates to maintain relationships and achieving a lasting and mutual benefit and joint cooperation.

1. RESEARCH - DEVELOPMENT - INNOVATION SERVICES

Interviewee thinks that the most important role in services of business development belongs to regional development agencies. As a good-practice example she points out the work of Istrian Development agency. Agency for mobility and EU programmes, Istrian Innovators Association and universities have the most important role in providing research and innovation services, she believes.

Mentioned organizations have organized so far numerous education workshops, popularized technological - entrepreneurial incubators, informed and directed cluster development.

Extra activities should go in the direction of additional and extensive informing of the interested individuals in establishing new business and the possibilities of finding financial resources.

As a suitable model of efficient support and creation of innovative firms, the interviewee describes the possibility of finding all the necessary, quality and full information, unified at one unique platform.

The most relevant needs of start-ups are financial resources, mentoring and education system in the context of managerial and organizational skills and education on social and communication skills.

2. RESOURCES:

Interviewee thinks that public sector programmes are encouraging innovation commercialization. She believes that they have stimulating effect on the development and implementation of new technologies, production increase, equipment purchase, employment encouragement and intensifying of marketing activities.

She underlines that these processes are still developing in Croatia, and that the expansion of these processes will be evident in the near future.

Among available public and private funds in Croatia she highlights “Entrepreneurial Impulse” - Ministry of Entrepreneurship and Crafts programme which stimulates entrepreneurship (national level), the competition “I’ve got an idea!” - Istrian County programme which is awarding grants for new entrepreneurial ideas (regional level) and City of Pula’s Fund for innovative startups (local level).

Interviewee is familiar with the concept and work of business angels. She follows their activities through Internet social networks. As a good-practice example she mentions Rimac Automobili. Innovator Mate Rimac has developed and presented car - concept of electrical car called Concept_one, which later went to serial production. It was first introduced to public in 2011. At the world’s biggest car exhibition “Internationale Automobil - Ausstellung in Frankfurt.

3. NETWORKING

Interviewee believes that there are insufficient information for innovative stakeholders networking. The matchmaking and pitching events are rarely organized, and regionally unequally located. She believes that most of them are only organized in the central Croatia, in the area of the capital City of Zagreb. As an example of good practice she underlines Start-Up Conference in Zagreb, Acceleration BootCamp - entrepreneurial camp and the European Entrepreneurial Network (EEN)'s events and workshops that are organized among the whole country.

Online social networks, business internet portals and direct contact with investors are the best links with investors, according to interviewee's opinion.

4. INFORMATION

Interviewee underlines that there are not enough information that help one at the phase of conducting a new business in Croatia. She points out the significance of creating and implementing a single platform that combines all the necessary information in one place.

Interviewee states that the information about EU funding financial resources and partners' possibilities are available at EU funds portals and business magazines.

She believes that there are not enough information available on investors, and that she is not familiar with their way of business / investment process.

5. GOOD PRACTICE EXAMPLE

As an example of good practice, the interviewee mentions the work of HAMAG - BICRO.

Croatian Agency for Small Business, Innovation and Investment (HAMAG - BICRO) through its innovative programs motivates the private and public sector to invest in research and development by providing financial support to innovative and technology - oriented companies in Croatia.

Within the different support schemes for encouraging innovation and technology system, HAMAG - BICRO provides grants for research, development and innovation. Supporting technological innovation in the economy and scientific institutions seeks to stimulate economic growth through technological development and strengthening global competitiveness and social values.

NEXT Interview Report: Croatian Bank for Reconstruction and Development

Name, surname of the interviewee:	Cinzia Zubin
Target according to the Project	Financial Organization
Organization/Company related	Croatian Bank for Reconstruction and Development - CBRD
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Position:	Head of the Office of Istrian branch

1. Research&Development&Innovation SERVICES:

Interviewee believes that the most important role in business development services have development agencies. The most important role in research and development have faculties, universities and institutes.

The interviewee thinks that there are no concrete results with the services given by the intermediary organizations in Croatia. Successful model in supporting the creation of innovative firms create incubators, national bank and Croatian Bureau for Employment.

According to her experience, she says that the most relevant Startup and SMEs needs are initial capital and mentors.

2. RESOURCES:

Interviewee claims that public-sector financing schemes that support research and innovation process are not sufficient and not well promoted.

When talking about public-sector financing schemes, interviewee believes that the minimum investment amount is too-high and restricted among the sectors.

As a successful example in Croatia she mentions S.I.C. d.o.o. for fish processing on the Island of Brač.

When talking about public funding for business development and Research&Innovation she mentions CBRD programmes and innovation.

She is familiar with the existence of CRANE - Croatian Business Angels Network, but not familiar with their work and activities.

3. NETWORKING:

Interviewee claims that there aren't enough networking opportunities for innovation stakeholders, such as pitching and matchmaking events with investors.

The best channels/links/modalities for identifying potential partners, such as investors and companies are Biznet, HGK and Poslovna Hrvatska.

4. INFORMATION:

With reference to financial resources, competences and infrastructures, she believes there are not enough information available helping companies set up in Croatia.

Regarding Research&Development&Innovation projects there are not enough information about financial resources and partnerships (competences) opportunities in Croatia, she believes.

There isn't enough information about investors, too. The sources of information aren't easily available and the networking is missing.

5. GOOD PRACTICE:

Interviewee can not single out any Croatian model of good practice that would be used in other countries.

NEXT Interview Report: Researchers

Name, surname of the interviewee:	Prof. dr. sc. Marinko Škare
Target according to the Project	Researchers
Organization/Company related	CASTER - Center for advanced social trends and empirical research
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Position:	Head of Center

1. Research & Development Innovation Services

According to interviewee, there are many organizations which provide research and development support. One of that kind of organization is CASTER, Center for advanced social trends and empirical research. CASTER offers services in research of social trends, education, financial resources for interdisciplinary research, promotion of important research result, and enables stronger connection with local community through partnership and development consortiums.

CASTER provides services mainly for policy makers, namely cities and counties. Interviewee considers there are many organizations that provide services for Start Ups and SMEs, but those organizations are not true catalyst for change as they should be. Main reason for that is that they are not truly organized, and there is no unified system, which would connect, steer and control all those organizations. There are many individual efforts, but their efficiency is limited.

Furthermore, there is a human potential problem with companies - there are not enough highly educated personnel, which could implement high technology into a company. Such problems stand out when technology transfer should occur. Croatia has a serious brain drain problem, with estimation of 14% of brain drain within few years.

Another problem in Croatia is the lack of law or its implementation regarding copyright and patents, especially in the part of providing protection of rights.

Optimal model for Croatia would be macroeconomic endogenous growth model.

Best model, which we should follow, is the Netherlands model. They have attracted high tech industries with favourable tax rates. The consequences were significant for knowledge spillover which, initiated growth in other industries and overall economic growth.

The most relevant Start Up needs for SMEs are infrastructure (unified system) and competences.

2. Resources:

In interviewee opinion, structural funds are very important forms of support for development in science and in entrepreneurship. However, interviewee considers that there are many approved small separated projects with limited impact and efforts. Better solution would be fewer projects, but bigger, with huge impact.

There are many targeted project for SMEs, but usually provide insufficient amounts of financing. This is mainly problem for manufacturing enterprises.

Croatian initiatives are very demanding and restrictive regarding conditions for applications. In addition, there is small project impact.

However, due to smaller financing for university research from the government due to crisis, EU programs present significant trigger for researches. Most of university research is oriented towards science research. Some of the projects represent contribution to business development.

There is no differentiation of tax rates regarding innovation and high-tech enterprises in Croatian economy. There should be stronger institutional support regarding this area, too. Again, best practice model is Netherlands. They offer tax rate differentiation and high-tech companies pay only 1.9% income tax. Such measure motivates companies toward using advanced technologies and rewards innovative behaviour.

3. Networking:

CASTER is not member of any network yet. However, interviewee thinks that it is great way to transfer technology. Technology transfer is the area which interviewee points out as most important part of networking for innovation.

Complete support system for entrepreneurs should be unified and systematized and enable fewer but more powerful networks/projects/ initiatives, without duplication of activities. Right now, they are not organized; there is no clear overview of all organizations or their services.

Another obstacle in forming networking (especially horizontal kind), is unwillingness to cooperate and local mentality. That mentality can be described with an old phrase, dictum, “until it gets dark for one, it will not occur dawn for another”.

4. Information:

Regarding Croatian level, all relevant information is available online, but usually just in form of a brochure. That is to say, there is an overview of existing programs, initiatives or financing programs, but further instructions on how to acquire those funds is not available. At EU level, there are more details provided with precise instructions.

The most important change in Croatia regarding entire system is change in monetary policy or, more expensive, changeover of complete system. The result should enable growth of manufacture capacity, appropriate personnel education, and information and financing flow.

5. An example of good practice:

EU structure funds are example of good practice, and interviewee said that they are going to apply for funds too. However, there should be also appropriate infrastructure support at the regional/ local level, which Croatia does not provide.

It is not possible to point out any measure in Croatia as best practice. There is especially huge gap in the area of financing and supporting manufacturing and high-tech entrepreneurship.

Croatia should apply Netherlands model in order to direct resources and human potential development and build competitive high-tech sector that should result in economic growth.

NEXT Interview Report: Researchers

Name, surname of the interviewee:	Violeta Šugar
Target according to the Project	Researcher
Organization/Company related	Faculty of Economics and Tourism “DR. Mijo Mirković”, Juraj Dobrila University of Pula
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Position:	Professor of Entrepreneurship and Innovation Head of Education Modul “Innovation Management”

1. Research&Development&Innovation services:

Regarding start-up entrepreneurs' interviewee thinks that entrepreneurial incubators give great support through system of mentorship and working space.

On the other hand, start -up innovators get support and the needed infrastructure through associations / alliances of innovators.

In Istria, Infobip ltd is a concrete example of a successful firm who started in the technological incubator. Infobip's innovative in-house development creates a mobile ecosystem that connects enterprises, mobile operators and individual users, bringing benefits to everyone involved.

Interviewee, as an employee at the University, claims that these services can be designed and implemented at the faculties, but all the efforts are oriented towards finding financial resources in the private sector, since there is a lack of money from the public sector.

Interviewee describes Triple Helix Model as the most efficient solution of creating new firms and supporting them.

Interviewee believes that the most relevant need of start-up is primary - education in all levels. Education system should be able to teach the students how to be independent, autonomous and oriented towards entrepreneurship.

The other relevant need is participating in the Triple Helix Model and possibility of creation of added value.

2. RESOURCES:

Interviewee described her experience regarding Tempus Programme that was implemented at the University. As she was collaborating with the Universities from Poland, she concludes that they had great results regarding R&D activities financed by EU funds.

When mentioning public resources, she underlines the fact that in the announced state budget for 2015 there are even less amounts for science than in last years.

Public funding is oriented towards science projects in the election to a science title processes.

She mentions HAMAG BICRO, Croatian Bank for Reconstruction and Development Science and Technology Park of University of Rijeka as the examples of good practice.

She is very familiar with the work of Croatian Business Angels Network, as she was collaborating with them within the “Innovation Management” Education Model that was held at the Juraj Dobrila University of Pula. She lists good examples of Crane investments: PhotoMath App, The Farmer, Entrio and Hipersfera.

In order to involve more the researchers in the private sectors project, it is necessary to implement the Triple Helix Model.

As the example of such model, she mentions Leuven University which created “Entrepreneurship University” concept.

3. NETWORKING:

Interviewee believes that there are good networking opportunities in Croatia, regarding all the active associations. She questions their efficiency.

Good networking events in Croatia are International Invention Show - INOVA, International Innovation Exhibition - ARCA and Boat Fair in Pula (Istria).

4. INFORMATION:

Interviewee believes that there are enough information on the market available, needed when starting up a business.

When talking about information on investors, she believes that there is still a lot of work to be done.

She gets all the information needed on business angels directly from them, because they are very open and available for communication.

On the other hand, she says it is sometimes difficult to get the information when conducting scientific research.

5. GOOD PRACTICE:

As the examples of good practice, interviewee mentions Ericson Nikola Tesla, Infobip ltd and Students Entrepreneurial Incubators in Pula, Rijeka, Osijek and Varaždin.

NEXT Interview Report: Researchers

Name, surname of the interviewee:	Roberta Kontošić
Target according to the Project	Researcher
Organization/Company related	CASTER
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Position:	CASTER associate

1. Research & Development & Innovation SERVICES:

Organizations, which play the most important role are elements of entrepreneurship structure, are elements of entrepreneurship infrastructure (incubators, technological parks..., SMEs, Start Ups...)

Interviewee believes that there are none of concrete results connected to the above-mentioned services supplied by intermediary organizations in our country. Innovation community and entrepreneurship should be connected, but all efforts to do that have failed so far in Croatia.

Knowledge and information transfer used to stimulate innovations is a good precondition for achieving competitiveness, export, and enabling sustainable, smart development (which is also the EU goal).

Most effective models are some of elements of entrepreneurship infrastructure, like incubators, consultants (help with business startup, financing), tax relief, positive attitude.

According to my experience, the most relevant Startup and SMEs, needs are counselling, with emphasis on IT. Development of entrepreneur skills is very important in order to start the business.

2. RESOURCES:

EU Programs and national Member States programs are good solution in the absence of other sources. That enables realization of projects with higher risk levels, moreover attracts other sources of financing.

Public sector financing schemes (EU Programs, or national Member States programs) provide preconditions for sustainable business development and innovation.

There are successful examples of private financing regarding business angels.

Guarantees, supports (HAMAG BICRO) and programs aiming innovations in business and private sector are forms of dedicated public and/or private funding for business development, Research and Innovation in our country/region.

There is one network of business angel, CRANE. Interviewee is familiar with example of company funded by business angels, and considers it a win-win situation.

It would be necessary for researchers to be more involved in projects carried out by companies to be active and proactive, to find appropriate function in a project, to define ways to evaluate and reward that engagement by science community.

In order to start up a company, it would be necessary for a researcher to get acknowledgement from the private sector and the possibility to valorise their work.

3. NETWORKING:

There are not enough various networking opportunities. Nevertheless, in Croatia, networking is not recognized and utilized by stakeholders. It is necessary to conduct a systematic refiguration/reshaping of networking.

Regarding important events, there is a series of startup weekends (Zagreb, Rijeka). Also, at University Juraj Dobrila, within a project, has been held education for innovators with the goal how to commercialize innovation. Participants in that project were university professors, Association of innovators, business angels and local entrepreneurs. At the very end of the education, innovators gained an opportunity to present their innovation to investors.

4. INFORMATION:

There are not enough information helping companies set up regarding to financial resources, competences and infrastructures. It is the same situation regarding Research & Development & Innovation projects.

There is not enough information about investors. Personally, interviewee is familiar with how they operate and is aware significance of financing for a company.

Above-mentioned information is not easily accessible. Interviewee is familiar with reports, web sites as the source of information, but also statistical reports as Eurostat and Croatian Statistical Bureau. Missing information is the ones regarding business subjects within entrepreneurship infrastructure. There is mostly just cumulative information.

5. GOOD PRACTICE

Triple Helix model which includes three stakeholders: universities, government and economy, is good program. Triple Helix goal is to achieve society based on innovation and knowledge (example: Italy). It enables creation of new ideas regarding to high-tech and high-touch. In addition, three relevant stakeholders enjoy many advantages of such merge.