

THE INTERNATIONALIZATION OF TECHNOLOGY CENTERS AS A RESPONSE TO THE CRISIS

Posted on 30/06/2010 by Naider



Many technology centers have rejected going abroad in the past due to its high cost and the availability of numerous national and regional funds during the R&D boom. Money was not important, since the budget was increasing annually by more than double digits and there was a lack of absorption capacity on the part of R&D agents. Until now, this meant a relatively easy business for technology centers already present in the market.

Times change, and times of crisis make it necessary for absolutely all governments at all levels to be forced to make cuts in their budgets, unfortunately affecting the item allocated to R&D. Well, the effects will take a few years to materialize as ongoing projects will not be affected. However, it is now when the centers have to think about how to find ways to maintain their structure in the future and to retain the knowledge created over all these years.

Internationalization can be a solution for technology centers and is understood as the development of activities outside their natural geographic markets. The objective is to maintain the volume of activity, to be better and more competitive. I limit myself to making some considerations on 1) the elaboration of the strategy, 2) the search for financing, 3) the creation of mixed research units and finally 4) the implantation abroad.

1. Internationalization Strategies:

Each technological center has different reasons for internationalizing. Therefore, it is very important to develop a strategy, analyzing in depth all the aspects that may be relevant to guarantee success:

Reasons for localizing Research: Reasons for localizing development:

- Proximity with local universities - Global support to clients / Requirements of the and science parks local market
- Enter into informal networks - Access to the market (Assess the R&D produced)
- Proximity to innovation centers - Proximity to the consumer / Strong demand
- Access to local specialists - Cooperation with local partners

Business diversification is the dominant Vuvuzela, but it is important to identify the tool to achieve it; It can be the access to local specialists or the proximity to the consumer (the exporter) to be able to advise him on the domestic market.

2. Search for Funding:

When we talk about financing the activity of technology centers abroad, we are talking about European Programs, including the VII Framework Program. It covers up to 75% of the project costs and there are specific programs for each strategic sector identified by the European Communities. Consortium projects are presented to reduce the high fragmentation of R&D in Europe, collaborating with companies and organizations throughout Europe. The calls (Calls) specify the opening and closing of the call and are published in the work programs (Work Programme), which is the main document renewed each year and ordered by theme, and which includes the characteristics that projects must have to obtaining financing. These rules place a certain demand on the center since it requires a high degree of coordination together with technical skills and commercial skills. In addition, unofficial networks have been created over the years, making it increasingly difficult for newcomers to participate in competitive projects and consortia. New ideas have to be presented to the key agents in advance so that the call fits the idea of the technology center and not the other way around. This system is opaque and requires the experience of people capable of extracting and analyzing information based on a wide network of contacts that allows

them to move at key moments. Developing a strategy on how to enter the VII Framework Program is equally important: **a) Identify the niche to internationalize, b) Provides the best technology to the niches, c) Establish incentives to start the business, d) Assign a group to drive the business, e) Streamline the process of writing proposals, f) Give importance to management level to establish a good network of contacts, g) Adapt the communication tools available, h) Send only high-profile proposals quality, i) Demonstrate knowledge to potential partners, j) Gain experience and learn as you go.**

3. Mixed Research Units:

During the crisis and with capital so constrained, globalization activities have been hit hard just when it would make the most sense to go international. Mixed research units can serve as an alternative. They are agreements between two or more innovation centers uniting or sharing part of their capacities and/or resources without actually merging to increase their competitive advantages. To develop a strategy, it must be taken into account that both parties have to gain from the alliance, and a strong point may be the easy entry into an emerging market such as Latin America. Let's say that a research center is getting poor results in the VII Framework Program and wants to increase its presence through a partner. Perhaps the strong point may be its operations on that continent. In short, to enter Europe it might make sense to strengthen the presence in Latin America! The advantages of the mixed research units are access to new markets, reaching a greater operational dimension and capacity for action taking advantage of synergies, complementarities, foreign capacities to face strategies for internationalization, thus taking advantage of new business opportunities and consolidating existing ones by reducing costs. costs that are produced by international inexperience, and being able to offer comprehensive solutions.

4. External implantation:

It is the most expensive way to internationalize. But opportunities are not lacking. China and India are the two largest countries in importing R&D. Likewise, the controlled revaluation of the Chinese currency, the Yuan, constitutes the greatest boost to R&D activities in companies that has occurred in China in recent years. Brazil, South Africa and Russia (all: BRICS), which announced last week the creation of a *Silicon Valley* on the outskirts of St. Petersburg, are equally interesting and are becoming heavyweight countries in terms of I +D. Furthermore, the BRICS have been much more resilient to the current economic crisis. This creates opportunities for companies and thus for technology centers. One way to open a branch abroad is to take advantage of the activities of leading companies among domestic customers, reach an agreement and accompany them in their implementation abroad. This helps to amortize part of the costs that one incurs at the beginning, until all the positive effects can materialize. A prior analysis of the market is essential, analyzing the innovation system of the target market:

- Identify the relevant centers, their specializations and services
- Define the objectives and commercial expectations of the innovation centers
- Identify the segments, customers and target market
- Defining actions to be developed, establishing responsibilities and setting deadlines
- Prepare the operational marketing plan and the most convenient promotion policy

Internationalization is a commitment that is also strongly linked to other aspects, such as the strategic reorientation of the center or the enhancement of its R&D. Going it alone can dilute the effort. This is where technology centers have to act in an integrated way to reap good results and maintain their structure in the medium term.

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