Annex IV to BS/SC/PDF/R(2012)2

Technology Transfer Network for BSEC Region Project

Final Report

Background

'Technology Transfer Network for BSEC Region' Project is aimed at creation of a comprehensive network of BSEC regional incubators/technoparks and technology companies and fostering intensive inter- and intra-network cooperation and resource-sharing. Collaboration among national business incubators will allow utilizing the achievements of each into a centralized knowledge hub. It will become a vehicle of partnership, match-making deals and joint marketing/sales projects that will ultimately ensure wider access of regional technology companies to business networks and funding sources, and lead to increased competitiveness and participation in global markets.

The Project is implemented by Enterprise Incubator Foundation (Yerevan, Armenia) as a Lead Partner, INERGO S.A. INNOVATION, TECHNOLOGY, DEVELOPMENT (Thessaloniki, Greece), and SC UBIT SRL/Timisoara Software Business Incubator (Timisoara, Romania).

During the reporting period the following activities have been implemented based on the Project proposal:

Project Implementation

EIF initiated formation of the Project working group. Each Partner assigned a Project Coordinator including:

- Diana Avdalyan, Enterprise Incubator Foundation, Armenia
- Iordanis Karatsis, INERGO S.A. INNOVATION, TECHNOLOGY, DEVELOPMENT, Greece
- Radu Ticiu, SC UBIT SRL/Timisoara Software Business Incubator, Romania

During discussions and consultations periodically initiated by the Lead partner, Project working group have been constantly addressing various issues related to project implementation, including:

- Feasibility study and analysis of results
- Creation of virtual platform, guides to technology companies in respective countries
- Content and functionality of the knowledge hub

- Elaboration and pilot testing of matchmaking services
- Development of business advisory services.

Detailed project activity and action plans were elaborated and agreed with the Project partners. An intermediate wrap-up meeting was held in a videoconference format on 18 April, 2012 with participation of Project partners to discuss the project implementation process and finalize the next steps.

Feasibility Study

An outline of the feasibility study including objectives, methodology has been prepared by the Lead Partner and finalized with the partners during the intermediate videoconference (see *Attachment 1*). The outline also includes a questionnaire helping to reveal best potential areas of cooperation (see *Attachment 2*)

In the scope of the study, an ICT profile for each country was created outlining possible areas of cooperation, along with portfolio of IT companies to include company profiles according to defined format, which serves a basis for matchmaking efforts. Relevant company profile form has also been developed by project partners (see *Attachment 3*).

A consolidated feasibility study report based on the study results of all Project partners, as well as conclusions and recommendations were finalized (see *Attachment 4*).

Virtual platform

During the reporting period the Lead partner developed the website technical specifications, initial layout and companies' registration form, which was communicated and jointly elaborated with project partners (See *Attachment 5*).

The website is developed by a local website development team based on the specifications provided. The website is registered with www.bsec-tech.com domain name. Some snapshots of the website can be seen in *Attachment 6*.

Joint actions are undertaken to promote the platform to target groups via a comprehensive promotion campaign including interactive links to social groups and media, as a most efficient tool.

The virtual platform includes the following parts:

- *IT companies' profiles.* The key part of the website is the regularly updated online portfolio of companies detailing their services, projects and relevant resources/capacities. The online portfolio is intended to help member companies to find

possible partners for match-making services and other cooperation. The website is open for membership to other (non-member) companies interested in finding potential partners for cooperation, including product development, outsourcing, and attracting investments in the BSEC region. The profiles will be categorized per activity direction. Each company profile will contain a message box.

- *Knowledge Hub.* The section includes countries' ICT profiles, brief information on regulatory framework, news, announcements including financial opportunities, regional initiatives, etc. It serves as a platform for sharing research results, findings, reforms, studies and other information thatcanbe of interest and useful to website members (incubators, member companies and other technology SMEs). The content of the section is being constantly updated by Project partners.

- *Services.* The section refers users to SME/IT promotion agencies of partner countries providing business/technology advisory and other kind of services.

- *Registration.* Companies have an opportunity to register their profiles with subsequent administrative access to respective pages

- *Search box.* The website has a powerful search engine giving an opportunity to search for companies by country activity direction, products/services provided, major area of interest, size (# of specialists), experience (length of operation), and other criteria.

- *Feedback/communication board* where company members can post either their offer-specialty/product/services (so as another member can ask for cooperation) or their needs-specialty/product/services (so as another member can offer a solution) for specific projects.

- *Contacts.* Contact information of Project partners

Online portfolio of Companies

Project partners posted more than 300 company profiles including contact information, and activity description. The posting included input into the website database of the companies' data such as country, area of activity, years of operation, number of employees, etc. to ensure the easy access to the information for the website users via the search tool.

Matchmaking Activities

Based on the results of the feasibility study and preliminary consultations the Project partners jointly coordinated matchmaking activities with a special focus on the cooperation opportunities in IT sectors of respective countries. Partners were actively involved in research

and exchange of information on concrete business opportunities aiming to identify and build on potential leads.

In the result of matchmaking efforts Ms. Alexandra Draghichi, the Chief Marketing Officer of 123contactform, a rapidly growing Timisoara company (Romania), active in web services field, the 6th global player in its specialization, web form building, visited Yerevan on 4-5 October, 2012, to meet with potential partners and visit the Digitec Expo'12 where more than 120 ICT companies from Armenia and the region get together to showcase products and services.

Project partners organized the visit of Greek partner company representative interested in cooperation in the Armenian IT sector. See *Attachment 9* for the detailed agenda of the visit.

Knowledge hub

The Knowledge hub section includes countries' ICT profiles, brief information on regulatory framework, news, announcements including financial opportunities, regional initiatives, etc. It serves as a platform for sharing research results, findings, studies and other information that can be of interest and useful to website members (incubators, member companies and other technology SMEs). The content of the section is being constantly updated by Project partners.

Business/technology advisory services

Business/technology advisory services framework (See *Attachment 7*) was jointly developed by the Project partners outlining the structure, capacities and work of the services to be provided to the technology SMEs as implemented by the partners.

Regional Conference

Regional Conference within the scope of the Technology Transfer Network for the BSEC Regions was organized to be held on October 4-5, 2012 in Yerevan in parallel with the Meeting of the ICT Working Group on ICT, as well as Digitec Expo 1012. Detailed agenda of the conference list of participants can be referred to in *Attachment 8.*

The scanned copy of participants' list is attached to this document (in PDF format).

PR/Promotion Campaign

The Project Partners jointly developed a framework of Project PR/Promotion strategies outlining objectives, target groups, communication channels and tools to be implemented for the Project promotion (see *Attachment 10*).

Financials

	BSEC - Technology Transfer Network Project - Financials as of 30 Oct, 2012			

1st Transfer - 17 880 Euro

1 Euro - 523 Armenian Dram

	Project item	Description of Unit	Final
			Euro
1	Salaries or Fees	Partner 1 - Project Coordinator	6865
		Partner 1 - Project Assistant	1898
		Partner 2 - INERGO	4000
		Partner 3 - Timisoara Business Incubator	4000
2	Website development	Design, development and maintenance of the virtual platform	6949
3	Coordination meeting (May)		
4	Regional Conference (Oct)		
		Partner 2 airticket	1086
		Partner 2 accommodation -	400
		Partner 3 airticket	1415
		Partner 3 accommodation	300
		Conf.room rental, CBs, lunch	
5	Overheads		87
6	Trip to Istanbul for Project final presentation	Ticket, hotel, visa, per diem	2800
	TOTAL		**29 800**

Amount of own contribution in cash or in-kind		**Amount**	**Month**	**Total**
Partner 1	2 additional staff (legal, accountant)	1500	10	15000
	Conference facilities for Regional Conference	1000		1000
Partner 2	1 additional staff (legal/accountant)	800	10	8000
Partner 3	1 additional staff (legal/accountant)	800	10	8000

Total				**32000**

Attachment 1

Technology Transfer Network for BSEC Region - Feasibility Study Guideline

1. Background and objectives

In the scope of the Technology Transfer Network for BSEC Region Project a feasibility study will be conducted to identify services offered and key issues faced by technology enterprises (especially tenants of participating incubators) in each participating country, sources of those issues, possible solutions that cooperation with tenants of the other participating incubators may offer.

Within this framework, Project Parties will conduct data analysis each in their respective countries. Results will be submitted to the Lead Partner for analysis and conclusions/recommendations.

The overall goal of the feasibility study is to collect information about the operations of private IT companies in respective countries to map and categorize their activity directions, products/services and needs, as well as possible modes of cooperation.

The feasibility study will help identify services offered and key issues faced by the technology companies in respective countries interested in establishing international cooperation, sources of those issues, possible solutions that cooperation with other incubators' tenants may offer.

2. Feasibility Study Outline

The report will be developed to cover the following points:

- Introduction (including a brief on the country priorities in technology sector)
- Identify areas within the technology sector, and their competitive advantages that are priority for cooperation in the scope of the Technology Transfer Network for BSEC Region Project (include IT as most visible).
- In priority areas, identify type of international cooperation the companies are interested in, e.g. Subcontract/Outsourcing activity, Production/manufacturing activity, Joint venture, Research and technological development activity, Trade intermediary services (agent, representative, distributor), other (specify).
- List main requirements for mentoring/coaching support and advisory services with regards to international cooperation (need for sales representations, country promotion, legal support, incentives, etc.)
- Specify services (both free and paid) that the Partner can offer within the Project scope.

- Provide recommendations on the Project promotion opportunities.
- Conclusion.

3. Methodology

The methodology includes sample and tools developed based on the goals and objectives of the study.

The primary information will be collected through approaching respective country incubator tenants with a standardized survey. The inquiries will be made to the managerial staff of IT companies.

The study will be conducted using the attached questionnaire (see *Annex*).

4. Outcome

Based on the study findings and analysis and recommendations, the Project partners will submit a comprehensive Feasibility study report which will serve a basis for designing and planning company matchmaking activities, as well as business/technology advisory services to be provided in the scope of the Project.

Attachment 2 Feasibility Study questionnaire

Name of the company _____

Address:

Street 1: _____
Street 2: (if applicable) _____
Postal Code: _____
City: _____
Country: _____
Web Address: (if applicable) _____
E-mail Address: (if applicable) _____

Contact person: Mr/Ms.
_____

Title: _____
First Name: _____
Family Name:
Position in the Company: _____
Telephone Number: _____
Fax Number: (if applicable) _____
E-mail Address: _____

Year established: _____

Turnover in million Euro: □ Up to 2 □2 to 10
□ 10 to 50□More than 50

Number of Employees:
□1 to 9 □10 to 49
□50 to 249 □250 or more

Company specialization:

□ Customized software and outsourcing
□Accounting, banking and financial software
□ Web design and development
□ Mobile applications development
□ Internet applications and e-commerce
□ Databases and management information systems
□ Systems engineering and automation
□Computer graphics, multimedia and games
□ IT services, consulting and integration

□ Networking systems and communications
□ Chip design, testing and related
□ Computer, accessories and software sales
□ Internet service provider

Contact Language(s): English:□ Others:

Company's current Products /Activities,
particularly with regardsto the co-operation request
(main products, services, coreactivities):

_____
_

_____

Already Engaged in Trans-national
Co-operation:

□Yes: □No:

Type of Co-operation: *Please select at least one of the following:*

Subcontract/Outsourcing activity □ Offered □ Required

Production/manufacturing activity □ Offered □ Required

Joint venture □ Offered □ Required

Research and Technological Development activity □ Offered □ Required

Trade intermediary services (agent, representative, distributor) □ Offered □ Required

Other (specify)
_____

Target Country (-ies) _____

Full description:
(Specification of co-operation
Requested/offered)

_____

_____

_____

_____

_____

Description of the main advantage the company could offer to a potential partner

_____

_____

_____

Type of Partners required

□Company
□Other (please specify)

_____

Field of activities of the potential partner

□ Customized software and outsourcing
□Accounting, banking and financial software
□ Web design and development
□ Mobile applications development
□ Internet applications and e-commerce
□ Databases and management information systems
□ Systems engineering and automation
□Computer graphics, multimedia and games
□ IT services, consulting and integration
□ Networking systems and communications
□ Chip design, testing and related
□ Computer, accessories and software sales
□ Internet service provider

Number of employees of the potential Partner
□1 to 9 □10 to 49
□50 to 249 □250 or more

Transnational co-operation
Experiences of the potential partner
□ No preference

□ Preferred
□ Required

Expected input/Characteristics
of the Partner
(Description of what is being
expected from the potential co-operation
partner)

_____

_____

_____

_____

Attachment 3 Company Profile form

Company Name*

Company Logo

Manager/CEO*

Address*

Phone*

Email*

Year Established*

Number of Specialists*

Legal status*

Website

Company specialization /multiple choice/*

- Customized software and outsourcing
- Accounting, banking and financial software
- Web design and development
- Mobile applications development
- Internet applications and e-commerce
- Databases and management information systems
- Systems engineering and automation
- Computer graphics, multimedia and games
- IT services, consulting and system integration
- Networking systems and communications
- Chip design, testing and related
- Internet service provider

- [ ] Computer, accessories and software sales
- [ ] Import, production and export of computer equipment
- [ ] Product development
- [ ] Outsourcing
- [ ] Investment

Other info
/max. 150 words/*

Major area of Interest
/multiple choice/*

Attachment 4 Feasibility Study Report

Background and objectives

Technology Transfer Network for BSEC Region Project, implemented by Enterprise Incubator Foundation (EIF) (Yerevan, Armenia) as a Lead Partner, Inergo S.A. Innovation, Technology, Development (Thessaloniki, Greece), and SC UBIT SRL/Timisoara Software Business Incubator (Timisoara, Romania).

In the scope of the Project a feasibility study is conducted to identify services offered and key issues faced by technology enterprises (especially tenants of participating incubators) in each participating country, sources of those issues, possible solutions that cooperation with tenants of the other participating incubators may offer.

The overall goal of this study is to collect information about the operations of private IT companies in respective countries to map and categorize their activity directions, products/services and needs, as well as possible modes of cooperation.

The feasibility study is also aimed at identifying services offered and key issues faced by the technology companies in respective countries interested in establishing international cooperation, possible solutions that cooperation with other incubators' tenants may offer.

Within this framework, Project Parties conducted the study in respective countries and submitted to the Lead Partner for analysis, consolidation and conclusions.

ICT sector overview by country

1. Armenia

Historically, Armenia was on the forefront of high-tech research, development, and manufacturing. Since early 1950s, Soviet Armenia has been a main hub of USSR's critical scientific and R&D activities in a number of technology industry segments such as mainframe and industrial computing, electronics, semiconductors, software development, and others.

After the independence of 1991, the industry switched its focus to the software development, outsourcing, and IT services. The software and services segment really gained its momentum during the last 12 years, during which the sector grew at 27% per annum. The share of the industry in Armenia's GDP was 1.7%.

Today, Armenian IT industry is one of the most dynamic and fastest growing sectors of the economy. Past successes, qualified professionals, and Armenian entrepreneurial spirit position the industry to be successful in the years to come.

During the last 10 years, the industry demonstrated a sharp increase in the number of newly formed companies, both local start-ups and branches of foreign companies. More than 80% of the foreign companies were established in 2000-2010 with participation of USA/Canada capital (50%), Russia/CIS capital (21%), Europe capital (25%).

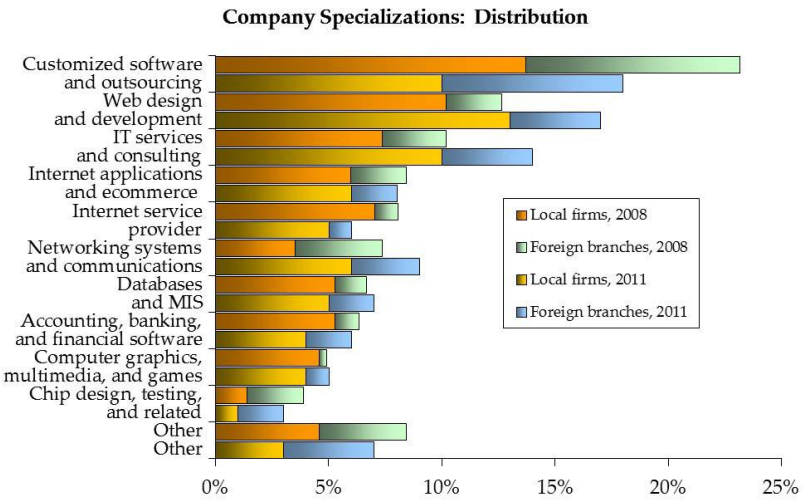
Armenian IT industry exports nearly $60 million of products and services to many countries worldwide (major export destinations: USA/Canada (70% of exports), Europe (20%), and Russia (9%). Industry average productivity or output per technical employee for software and IT consulting segment reached around $32,000.In 2011, total workforce employed by the ICT sector is more than 10,000 specialists.

In telecommunication sector, there are three mobile phone operators in Armenia: ArmenTel/ Beeline, VivaCell /MTS, and Orange Armenia. All three companies have nationwide GSM infrastructures including 3G and LTE networks. Armentel/Beeline also runs Armenia's fixed telephone and primary internet networks. Mobile GSM networks cover about 85 percent of the country's territory and 95 percent of the population.

Starting from 2008 The Government of Armenia initiates a number of projects for development of the e-society in the country, such as the Nationwide Broadband Backbone and Government Network Project, Computer for All Project (including Computer for Teachers and School Computer), E-Government, E-Education, E-Health, e-ID, and other e-Services.

In recent years the Government of Armenia has signed a number of cooperation treaties and Memoranda of understanding with governments including the Republic of India, Arab Republic of Egypt and others, as well as with world known companies, such as Microsoft, Alcatel, Hewlett-Packard, Sun Microsystems, National Instruments, Mentor Graphics, Cisco, Intel, Synopsys, D-link and others.

The major specializations in the Armenian IT industry include custom software development and outsourcing, chip design and testing, internet services, networking systems and communications, internet applications / e-commerce, financial software, IT consulting, and others. The majority of foreign companies are specialized in customized software development and outsourcing, chip design and testing, and networking systems and communications.



The local companies adopt two major business development strategies: being an outsourcing location for software development or producing and marketing their own software products and services. Many companies are aggressively pursuing outsourcing opportunities and envision long term development in designing and marketing IT and software products.

Though outsourcing remains a priority specialization, the Armenian IT companies are now moving to other products and services. This is clearly implies that industry is shifting to higher added value services. More companies are now involved in engineering, systems development, and R&D services.
The development of mobile applications is expected to have a good potential; particularly 42 companies have mentioned this trend as their business.

2. Greece

One of the main features of Globalization is the networked economy. The characteristics of this networked economy are the shift from physical products and services to digital ones and the technology convergence (Telecom, IT, Media) that plays a key role in the transformation of the way business is conducted worldwide. The convergence also necessitates the provision of integrated services solutions instead of distinct technological components and provides the necessary field for joints and cooperation among partners from both the public and the private sector.

The Greek ICT sector seems to realize the opportunity involved in high-end, value added services with a global reach. Moreover, a strong policy commitment, notably through the National Digital Strategy (2006-2013), has led to an improvement of most benchmarking indicators in the Greek ICT sector. There is headroom for significant growth, as the public and private sectors embrace new technologies throughout the country and seek for opportunities for both importing and exporting knowledge and integrated services.

The government's digital strategy and the implementation of the EU supportive legal framework within Greek legislation resulted also in a significant progress in the Greek ICT

market. New initiatives were taken in order to extend connectivity and accelerate the uptake of new technologies, especially by SMEs and public administration: introduction of 770 broadband access points in more than 400 enterprises in the tourism sector, new actions under the 'Digital Convergence' programme targeting businesses, citizens and public administration, including Digi-retail and Digi-content, as well as e-security and e-government, cloud computing.

Digital TV and e-commerce are the niche markets that have very recently started to develop and expected to present business opportunities. There is the introduction of fiber optics (FTTH) and installation of terminals for high-speed internet connection throughout the country. Furthermore, Green ICT or ICT Sustainability is a new approach for both developing and promoting products and services.

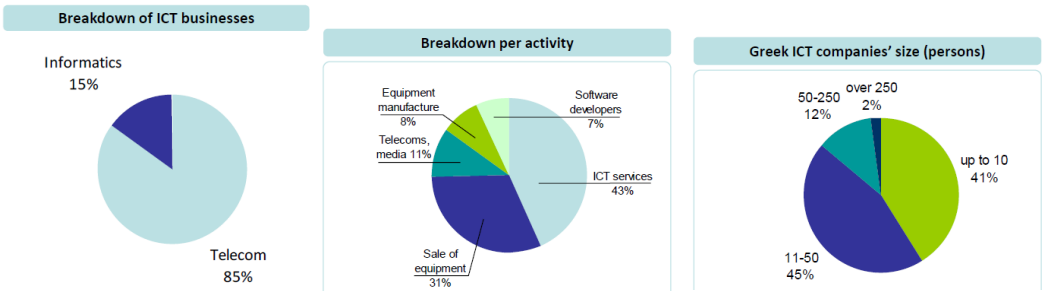
Greece's current strategy for Internet society development aims to increase productivity and quality of life through application of IT. Compared with previous initiatives the strategy does not focus on specific projects per organization but on services to be offered to these areas of focus:

- Promotion of ICT in enterprises
- Supply of digital services to enterprises and restructuring of the public sector
- Strengthening of the ICT sector
- Improvement of daily life through ICT
- Design of digital services for the citizen

The Greek ICT market is service oriented and roughly 85% of the sector is focused on telecommunications. Regarding the Informatics sector the main focus is on new technologies as they are the guide to development. Information services, equipment manufacturing and equipment wholesale are the main activities of the main local IT companies.

Major activities include the following:

- Software development – Software packages (ERP, CRM, WMS, accounting, finances etc), customized solutions, mobile applications, cloud computing, web applications etc
- Sale of equipment and software – sales and distribution of products (h/w and s/w)
- ICT Services – consulting, implementation and support for small to large scale infrastructures (data centers), web services (design, hosting, promoting),
- Equipment manufacture
- Telecoms, media – communications, networking, call centers, cabling, digital signage, multimedia, etc.



Source: Information society observatory

The Strong uptake of new technologies in combination with The Technology Transfer Network for BSEC Region Project is an opportunity for all participating countries as it can offer motivation, tools and support to IT Companies to cooperate in the networked economy and exchange knowledge. Furthermore, the strategic geographical position of these countries offers an add-on to their effort to create ICT partnerships in the area.

Extroversion is the next step to sustainable development and Greek ICT companies are aware of this. The Technology Transfer Network for BSEC Region Project is a tool to develop, acquire knowledge and extend their business processes in cooperation with partners from the other regions.

3. **Romania** (Source: RomaniaIT, Outsourcing in Romania, Country Overview. Ar-ne.org)

Romania is one of the most attractive markets in Europe for technology investment and outsourcing, with a highly skilled and diversified workforce, competitive prices, and a stimulating business environment. Romania's IT sector has seen continuous growth over the past decade, despite political turbulence and the economic crisis, which is a good indicator of its driving force. Known for their broad technical expertise, their flexibility, enthusiasm and excellent language skills, Romania's software service providers are a great choice for long-term collaborations in both nearshoring and offshoring businesses.

The large number of specialized Romanian software companies, which has more than tripled over the last decade to +17.000 companies with a total of over 65.000 employees, registered CAGR averaging +15% with only a short-lived setback during the economic crisis. After Romania's integration in the European Union in 2007, the country's IT sector has expanded and attracted significant investors, establishing itself among the world's top outsourcing markets with respect to its advantageous quality / price ratio.

In Romania, IT&C companies enjoy a number of benefits, among them a larger market, easier movement of qualified personnel, readiness for joint ventures, and the access to EU funds, including structural funds. Government support has played a great role through the elimination of the salary tax for software developers, the introduction of the 16% unique taxation on profit, price liberalization, open foreign trade regime and encouragement of fair competition in the informational sectors. The Romanian Government's vision is to develop and assure an increasing level of quality and security in the IT sector, in order to maintain its growth rate and attractiveness to investors.

Romania's main competencies in software development and offshoring services include: enterprise and customer management, production cycle management, technology based management systems, security applications and services, embedded automotive systems,

product design & development tools, development services, consulting and implementation, maintenance and support.

Even though other offshoring markets such as India, Russia or China have the advantage of size, Romania has a particularly well qualified management and technical workforce to keep up with and even outshine the competition in niche areas. The continuous shift in outsourcing toward Eastern European countries has allowed Romanian IT service providers to establish themselves on a respectively high position among the European competition.

Romania is the 6th country in the world regarding the number of certified IT specialists per capita, ahead of UK, Germany and Canada, thanks to its educational system that favors multilingual and technical skills. Higher education in the IT area is provided by 5 top polytechnic universities, 59 domain specific universities, and 174 private colleges, which together produce over 5.000 computer science and engineering graduates per year. The main academic centers beside the capital Bucharest, are Cluj, Iasi, Timisoara, Brasov, Craiova and Sibiu.

The constantly increasing level of professional training offered by the technical universities has also brought Romania more Informatics and Math Olympiad medals than any other European nation, for example the first place at the International Olympiad of Informatics in 2003 in the US, and third in the world at the International Mathematical Olympiad in Mexico in 2005. The latest achievement was winning first place at the Central European Olympiad in Informatics (CEOI) and the Junior Balkan Olympiad in Informatics in 2010, where Romanian students have dominated the competition through a high level of training, and have also brought home several silver and bronze medals.

When it comes to a smooth collaboration with foreign companies, Romania tops the conventional outsourcing destinations as it is the 2nd most multilingual country in Europe, with an English fluency rate greater than 80% in the IT sector alongside with many other great circulation languages. Important multinational companies have made Romania their primary partner in specialized customer care services, such as Siemens, with over 2.000 in the local workforce, and Oracle, who maintains its European development and call centers in Romania, the main one in Bucharest providing support in 13 European languages.

Other multinational companies have spread out over Romania, especially since the demand for qualified resources continues to grow. Examples are: HP software development center, Accenture and Genpact in Cluj; IBM in Brasov; Microsoft and Wipro in Timisoara; Ubisoft in Craiova or Continental Automotive in Iasi and Sibiu; Capgemini and Amazon in Iasi, and many more.

Offering expertise in a broad range of technical areas, the large pool of IT companies eager to build long-term relationships with foreign investors is constantly thriving to improve its competence and competitiveness. The creative approach of Romanian companies in adapting to the customer’s needs and demands of specialized skills, is one of the key strengths that set them apart from other potential partners worldwide, coupled with the ability to offer very

attractive prices without cumbersome cultural or language barriers that could hamper the development of fruitful business relationships.

Romanian companies offer skills in software development methodologies, a quick understanding of technical and business requirements, a high level of individual customization of software products, accompanied by diligent software quality assurance and adaptive management of projects.

Areas for cooperation

In order to cooperate in a networked environment specific areas have to be defined so as to build and secure a strong basis of success. It is important to identify areas that are unique and innovative so as to challenge companies and partners to interfere and investigate possible ways of cooperation and create win-win partnerships. Furthermore, another parameter that has to be taken into account is the integration of new ideas and solutions with the existing infrastructure so as to build a robust environment for cooperation.

An area that can be in priority for cooperation is the Web channel. As new ideas and technologies continuously arise there is space for innovation and development. Web applications, e-commerce, e-marketing, social media, mobile applications are examples of fields that in priority and companies seek for new products and solutions.

Cloud computing is another area that offers opportunities for cooperation. As traditional IT moves to the cloud both products and services that take advantage of this technology are in priority for companies.

Moreover, any innovative IT solution that is unique, tested and reliable can offer a field for cooperation. Customized applications, integrated solutions and services, management systems are some examples for solutions and interest companies.

Types of cooperation

IT companies in partner countries are interested in all major types of cooperation with partners abroad. Cooperation usually includes a combination of agreements so as to suit the needs and targets of each project. Product reselling and distribution is the most common type of cooperation. Outsourcing or consulting cooperation is often used for extended, large scale projects that need specialization and experience. Research and technological development is used in projects where innovative products and services are needed. Joint venture approaches cases where there is a large field for action and development.

Coaching support and advisory services

International cooperation requires support and advisory services. In order to create partnerships in the framework of the Technology Transfer Network for BSEC Region Project IT

companies in partner countries have to ensure that they will be provided the support needed so as to promote their services and products.

The main requirement includes sales support. A sales channel has to be created, and sales representations have to be established. Distribution, incentives and localization for products have to be supported and there is a need for promoting specially through the web with seminars and presentations.

Finally, in order to create a friendly environment for cooperation events can be held so as to give the opportunity to meet and exchange ideas.

The comprehensive package of support and services to be provided to companies within Technology Transfer Network for BSEC Region Project is described in the Advisory Services framework to be developed by Project partners.

Conclusion

To sum up, the Technology Transfer Network for BSEC Region Project is an opportunity for companies from all participating countries to cooperate in a dynamic environment. For IT companies that seek for extroversion and sustainable development the Project can lead and guide them both to acquire and provide technology, solutions and innovation in the areas outlined above.

Attachment 5 Technology Transfer Network for BSEC Region- Website development concept

Implementing Partners: - Enterprise Incubator Foundation (Yerevan, Armenia), Leading Partner - INERGO S.A. INNOVATION, TECHNOLOGY, DEVELOPMENT (Thessaloniki, Greece)
- SC UBIT SRL/Timisoara Software Business Incubator (Timisoara, Romania)

Objective

The Project will set up a centralized pilot website to serve as a platform and access point for the information available for IT SMEs in Armenia, Greece and Romania. This willfacilitate on-line cooperation through partners and product search and information exchange.

The website will be administered by the Lead Partner, and provide privileged membership access to the other two Project Partners enabling to post/update materials on relevant sections. Tenant companies of all three Project Parnters countries will be registered as members of this online network and have a full access to its contents.

The website will be initially designedwith a capacity to extend for the inclusion of other BSEC member states.

EIF will compile and provide an initial content of the web site, which will be used during the design and development stages. The development team, together with the EIF and Partners' staff will post and update the web site content on a periodic basis. At the same time, changes to the web site and the database, which can be done only by a technical specialist, will be made by the development team. Administrative access to the respective pages by the Member States will be discussed.

The development team is also be requested to develop and provide an operational manual and guidelines for content, administrative and functional maintenance of the website.

Tentative Structure

The website will contain the following parts:

- ***IT companies' Guide.*** The key part of the websitewillbe a regularlyupdated online portfolio of companies of eachpartner country detailingtheir services, projects and relevant resources/capacities. The online portfolio isintended to help membercompaniesfind possible partners for match-making services and othercooperation. The websitewillbe open for membership to other (non-member) companiesinterested in findingpotentialpartners for cooperation, includingproductdevelopment, outsourcing, and attractinginvestments in the BSEC region. The profiles will be categorized per activity direction.

- ***Knowledge Hub.*** The section will include news, announcements including financial opportunities, success stories, regional initiatives, as well as "how-to-do-business" guides, information on ICT business and regulatory framework of partner countries etc.

It will serve as a platform for sharing researchresults, findings, reforms, studies and other information thatcanbe of interest and useful to websitemembers (incubators, membercompanies and othertechnologySMEs)

- ***Services.*** The section will refer users to SME/IT promotion agencies of partner countries providing business development, legal and other kind of services.

- ***Country Space.***The section will contain three 3 items for each country: ICT industry overview, categorized company portfolio, and exhibition area, where companies can place their marketing information (a flyer, new product/service description, etc.).

- ***Registration.***Companies will have an opportunity to register their profiles with subsequent administrative access to respective pages *(registration form is attached)*

- ***Search box.***The website will have a powerful search engine giving an opportunity to search for companies by country activity direction, products/services provided, major area of interest, size (# of specialists), experience (length of operation), and other criteria.

- ***Feedback/communication board*** where company members can post either their offer-specialty/product/services (so as another member can ask for cooperation) or their needs-specialty/product/services (so as another member can offer a solution) for specific projects.

- ***Funding opportunities.*** The section willcontain specific information/announcements on funding, investments opportunities to be replicated in the *Knowledge Hub* section)

- ***Contacts.*** Contact information of Project partners

- ***Useful links***

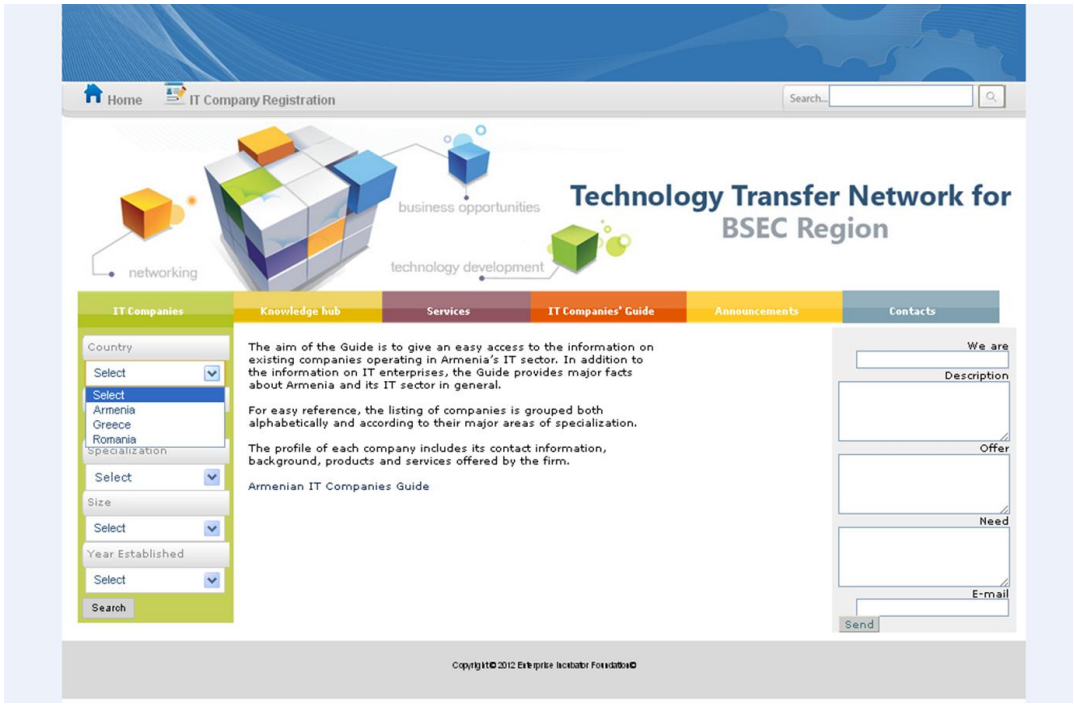
Expected results

It is expected to have a functional website in English designed and installed for the Project with a registered domain name and web hosting previously agreed with the Client.

The expected technical features of the website are as follows:

- Content Management System that will make simple and easy the subsequent update of the website structure, design and content including texts, photos, etc.;
- easy navigation system with page selecting pull down menus;
- dynamic design;
- optimal download speed;
- powerful search engine;
- RSS feed (connection to BSEC Technology Transfer Network Groups in social media)
- counter of visitors;
- administrator and public interfaces;
- other functionalities, e.g. mobile version.

Attachment 6 Virtual platform snapshots



Attachment 7 Technology/Business Advisory Services Framework

Background

The Project 'Technology Transfer Network for BSEC Region' is aimed at creation of a comprehensive network of BSEC regional incubators/technoparks and technology companies and fostering intensive inter- and intra-network cooperation and resource-sharing. Collaboration among national business incubators will allowutilizing the achievements of each into a centralized knowledge hub. It will become a vehicle of partnership, match-making deals and joint marketing/sales projects that will ultimately ensure wider access of regional technology companies to business networks and funding sources, and lead to increased competitiveness and participation in global markets.

The Project implementing partners are Enterprise Incubator Foundation (Yerevan, Armenia), as a Leading Partner; INERGO S.A. INNOVATION, TECHNOLOGY, DEVELOPMENT (Thessaloniki, Greece), and SC UBIT SRL/Timisoara Software Business Incubator (Timisoara, Romania).

Objective

In the scope of the Project the implementing partners utilize their capacity of providing guidance to technology companies in legal, cooperation/partnership, marketing, sales, new markets and funding sources identification, and other relevant issues, to organize a Technology/Business Advisory Services framework for companies participating in the Project.

The framework includes the following set of services provided by respective partners:

1. **Enterprise Incubator Foundation (EIF)**

EIF offers a variety of services ranging from business support and advisory to workforce development and infrastructure services. Business and infrastructure development services are aimed at providing individualized, targeted support for IT startups and local branches of international IT companies. To help them improve professional and managerial productivity and value added, EIF offers extensive workforce development programs in cooperation with leading global IT corporations and universities.

<u>Advisory Services</u>

Advisory Services at EIF represent a comprehensive package of strategy, management, legal and financial consulting for both private businesses and public agencies. EIF works with public agencies and international organizations towards improvement of business environment for IT companies helping businesses improve their strategy, management and marketing for better performance and ultimate growth.

EIF is one of the leading consultancies in the region in providing business development and project advisory to local and multinational firms, the Armenian Government, international financial institutions, investment agencies and other entities related to the technology industry.

EIF provides businesses with management, legal, financial and sales advisory, assist in the development of corporate strategies aimed at optimizing operations and reduce costs, find most advanced technology solutions, modernize and innovate business for best results and sustainable growth.

EIF cooperates with public agencies and international organizations to develop sector growth strategies, and improve business environment for SME creation and expansion. We help in country branding and promotion globally, and create preconditions for FDI attraction.

EIF Advisory services include:

- *Strategy Development*

Effective strategies are the key determinant of success, whether you are working towards sector development, company growth and new product release. We have an extensive experience of strategy development both on the national and company levels.

EIF works with IT companies in all levels of development in designing strategies for success. The expertise in analysis of organizational and business environment factors, one of the important preconditions for effective strategy development, delivers proven results. EIF develops, evaluates and tests corporate strategies, investment, market entry, product development and marketing strategies for IT startups and large multinationals.

- *Technology*

Utilization of technology is an important prerequisite of business success. To walk in line with the evolving requirements of the time and increasing competition, companies need the benefits delivered by technology applications – process improvement, value added, more efficient use of resources, cost optimization.With an intensive network of technology companies worldwide and our prompt awareness of technology innovations and new products, EIF is working with public agencies and private companies to bring about beneficial synchronization of technology application to business processes and operations.

- *Operations and Management*

EIF management experts bring best international knowledge and capabilities to the service of companies needing management and operations improvement, process optimization and cost management. In the growing competition, companies have to face the tough task of cutting costs while improving products and services. EIF provides consulting tailored to specific goals and needs targeted at improving value chain functions, increase the efficiency of workforce management, optimize resource allocation and reduce waste for sustainable business growth and lasting results.

- *Marketing and Sales*

EIF provides a professional know-how, relevant research, and extensive network of potential customers and partners to shape company marketing strategy, planning and implementation to

improve business performance. EIF expertise in marketing communications and extensive global network serves as a bridge to new markets worldwide.

- *Legal Advisory*

EIF provides legal advisory on all aspects of business law, from the registration or status change of company to legal disputes and relationships with government authorities, such as tax and customs services. EIF legal experts provide advice on contractual issues in relation to workforce, suppliers and contractors, as well as guidance through issues and processes of patenting and intellectual property rights, as well as local and international licensing for expanding business activities.

- *Financial Advisory*

Effective financial management is the backbone of every business. EIF is working with companies to optimize the structure of their finances to effectively address current goals and challengeshelping to ensure that financial functions are in compliance with the standards, and internal control mechanisms are in place for timely detections and adjustments.

Business Services

EIF offers a comprehensive package of business services to technology companies in any stage of development. EIF business services help entrepreneurs build their ideas into successful businesses. EIF assists companies to advance to more value added services and products, build international business linkages and increase their competitiveness in the global marketplace.

EIF business services include:

- *Project Design and Management*

With an extensive experience of project design and management, and significant success history, EIF providesvaluable expertise in this area including a careful planning of interconnected activities, allocation of financial and human resources, skillful management of internal communications with stakeholders and project parties and external communications with customers and beneficiaries.

- *Mediation and Networking*

In an effort to ensure access for technology companies to global innovation drivers and funding sources, EIF provides mediation and networking services. EIF implements a number of projectsoffering companies different schemes for funding. With continually developing international professional and business network EIF helps companies achieve a variety of partnership contracts and deals.

- *Workforce Development*

Professional workforce development is one of the major components of EIF mission. For ultimate effectiveness and sustainable results EIF works towards in-service professional development and pre-service system improvement.

EIF helps managerial and professional staff of technology companies to get in touch with the latest theoretical and practical knowledge through local and international trainings, internships, seminars and competitions. EIF partners in this area include world-class companies such as Microsoft Corporation, Hewlett Packard, Intel Corporation, Cisco Systems, etc. EIF current projects for in-service professional development are Regional Laboratory on Mobile Applications (www.mlabeca.com)Armenia-India Center for Excellence in ICT(www.armindia.am), Microsoft Innovation Center(www.micarmenia.am)and others.

2. INERGOS.A. INNOVATION, TECHNOLOGY, DEVELOPMENT

INERGO IT S.A. is operating in the field of Information and Communication Technologies (ICT) offering integrated solutions, both for public and private sector.

INERGO IT S.A. operates as a technical consultant for public organizations and enterprises, in order to help them meet their needs for requirements analysis and elicitation, conduct research surveys and studies, design and documentation of their information systems. Based on its management, employees and associates' long experience and extended know how the company is able to successfully implement out up to date and specialized solutions for networks and high standard data centers (Storage area networks, clustered environments, virtualization solutions, wide area networks, local area networks, network security)

INERGO IT S.A. management, employees and associates understand the demands of organizations and enterprises investing in Information and Communication Technology. The approaching methodology of such projects, including customer's requirements analysis and elicitation, documentation of processes, research, planning (both in specifications and financial level) and implementation of integrated information systems provides to its customers, greater values according to their initial investment. Higher speed and performance.Greater productivity.Higher credibility and availability.Greater added value. Through the specialization in innovative information solutions and the continuous aiming to high reliability products, INERGO IT S.A. helps its customers gain the most from their investment in the field of up-to-date information solutions

Utilizing financial funding programs such as the 3rd Community Support Framework (3rd CSF), the National Strategic Reference Framework (ESPA) and the new Investment Law INERGO IT S.A. helps its customers not only to plan but also to get financial funding for the implementation of their development projects.

Consulting services are offered by a team of experts and dedicated professionals. The Projects and Development department is involved into a project, throughout the project's life cycle, regardless its range and supports its clients and partners.

The consulting department is staffed by Engineers, IT experts, environmentalists, marketing and business specialists who form a dynamic unit that never stops working on new ideas. In every

project a small and flexible team is set up in order to manage the project and assisted by resources from other units and external partners. Every project is a unique mission that needs to be accomplished successfully, on time and within budget and with the best possible quality.

3. SC UBIT SRL/Timisoara Software Business Incubator

Timisoara Software Business Incubator has supported 29 companies admitted to date, and at this stage it hosts 11 software/IT startup companies.

The incubator is an expert organization in the field of startup support, offering a complex set of business services (consultancy, training, design and delivery, legal advice, business intermediation, technology transfer, match-making, consortia building, early stage investment facilitation, academia-business contact facilitation, etc.). the incubator benefits of a ca 700 sqm premise including a training room, telecom facilities.

Attachment 8

AGENDA

MEETING OF THE BSEC WORKING GROUP ON INFORMATION AND COMMUNICATION TECHNOLOGIES and
Regional Conference of the Technology Transfer Project for BSEC Region

Yerevan, 4-5 October 2012

4 October, 2012

09:30 -10:00	Registration of participants
10:00 -10:15	Opening; welcome remarks
	(Ministry of Economy, Ministry of Foreign Affairs, BSEC PERMIS)
10:15 – 10:30	Coffee Break
10:30 - 13:00	Working session – ICT developments in BSEC member states in the framework of the IT WG Work Plan
	Member States representatives update on the developments in ICT in their countries in the framework of the adopted Work Plan, discuss the next steps
13:00 -14:00	Lunch
14:00 - 14:30	Working session – Presentation of the BSEC incubators association concept
	Discussion
14:30 - 14:45	Coffee break
15:00 – 16:00	Working session – BSEC Technology Transfer Project
20:00	Dinner

5 October, 2012

10:30	Departure to DigiTec 2012 ICT Expo
11:00 – 13:00	Participation in the official opening of DigiTec 2012
13:00 – 14:00	Lunch
14:00 – 15:00	Cultural Program - visit to Ejmiatsin (Holy See)

Appendix 9

Technology Transfer Network for BSEC Region
Visit of Haralampos Triantafyllidis, Managing Director INERGO

AGENDA

October 25, 2012

10:30-11:30	EIF
12:00 – 13:00	Mr. Arman Poghosyan, Instigate cjsc
13:30 – 14:30	Lunch
15:00 – 16:00	Mr. Gurgen Balyan, Boomerang Software LLC
16:00 – 17:00	Mr. Karen Vardanyan, Union of IT Enterprises
17:00 – 18:00	Mr. Arsen Abrahamyan, CQG

October 26, 2012

10:30 – 11:30	Mr. Arman Poghosyan, Instigate cjsc
12:00 – 13:00	Mr. Avetik Yesayan, Shirak Technologies
13:00 – 14:00	Lunch
14:00 – 15:00	Mr. Armen Kocharyan, Volo LLC

Attachment 10

PROMOTION STRATEGY

Project Title: **Technology Transfer Project for BSEC region**

Implementing Partners Enterprise Incubator Foundation (Yerevan, Armenia),
Leading Partner
INERGO S.A. INNOVATION, TECHNOLOGY, DEVELOPMENT (Thessaloniki, Greece) SC UBIT

SRL/Timisoara Software Business Incubator (Timisoara, Romania)

Background

The 'Technology Transfer Network for BSEC Region' Project is aimed at creation of a comprehensive network of BSEC regional incubators/technoparks and technology companies and fostering intensive inter- and intra-network cooperation and resource-sharing. Collaboration among national business incubators allows utilizing the achievements of each into a centralized knowledge hub. It envisages toe become a vehicle of partnership, match-making deals and joint marketing/sales projects that will ultimately ensure wider access of regional technology companies to business networks and funding sources, and lead to increased competitiveness and participation in global markets.

Situation Analysis

Within the framework of the Project a centralized pilot website www.bsec-tech.com was set up to serve as a platform and main access point for the information available for IT SMEs in Armenia, Greece and Romania. This aims at facilitating on-line cooperation through partners and product search and information exchange among the IT SMEs.

The website is administered by the Lead Partner, and privileged membership access was provided to the other two Project Partners enabling to post/update materials on relevant sections. Tenant companies of all three Project Parnters countries will be registered as members of this online network and have a full access to its contents.
The website was initially designed with a capacity to extend for the further inclusion of other BSEC member states.

Goals and objectives

The main goal of Promotion plan mfor the Tech Transfer Project is to spread a word on the Project objectives, promote the virtual platform as an effective tool for finding partners, sources of funding and taking advantage of other other opportunities avalable in the region.

Within this overall goal the following objectives should be reached:

- Communicate the opportunities within the project to IT SMEs in partner countries
- Position the Project website as an efficient tool for ICT-related organizations and companies in participating countries.
- Promote the website to be more up-to-date, interactive and well linked to social networks
- Raise the awareness of the BSEC members on the Project to expand the scope beyond partner countries
- Achieve wider European outreach
- Increase international visibility of the Project.

Target Audience

Based on the above mentioned objectives the target audiences for the Project can be classified as follows:

- IT SMEs in BSEC member states
- Professional ICT and SME development networks in BSEC states and beyond
- Project stakeholders - BSEC PERMIS, PDF
- Donor organizations/developing agencies involved in SME support

Tactics

Depending on the scale and the importance attached to the Tech Transfer Project promotion function, as well as the resources that would be available to utilize, the tactics for the Project promotion will include the following activities*:

- Within the scope the Project regional event organize a press conference/general session to present the Project mission and opportunities to target groups including IT community, funding organizations, and general public
- Ensure the constant update of the virtual platform content to include more companies
- Post/update information on the Project on the BSEC official website www.bsec-organization.org
- Register and update the BSEC Tech Transfer groups in Linked-In, Facebook, account in Twitter

- Communicate and spread the Project information through partner organizations' community mailing lists, corporate social network accounts (Linked-in, Facebook, Twitter)
- Arrange link/banner exchange with national and European IT Development agencies and SME-related resources, namely INSME http://www.insme.org/, Enterprise Europe Networkhttp://portal.enterprise-europe-network.ec.europa.eu/, http://ec.europa.eu/small-business/index_en.htm, Innova http://www.innova-eu.net, SME Development National Center www.smednc.am and UITE www.uite.org (Armenia), IT Resources Romania www.itresources-romania.ro, www.outsourcing.ro (Romania), Hellenic Technology Transfer Center www.httc.gr; Center of Research and Technology Hellas www.certh.gr (Greece), etc.
- Establish links and maintain information exchange with INSME, Enterprise Europe Network newsletters
- Arrange articles on Project developments/success stories in local media sources (pront and electronic)
- Coordinate the dissemination of press releases, announcements and other information related to Project developments
- Communicate Project success stories to Project stakeholders, other interested groups
- Prepare a flyer describing the opportunities within the Project that can be disseminated by partner organizations during community events in participating countries.

Implementation

The activities to be organized in the scope of this Promotion Plan will be implemented by the Leading Project partner in association and with support of the Project partners.