

Human-centric Partnering of Public, Private and Civic Sectors in the European Network of Living Labs

Preparatory workshop for
Launching the European
Network of Living Labs
Helsinki, 4th of May 2006

József Veress
MP of Hungary;
visiting professor
CKIR Helsinki



2006: Europe at a cross road

- Handle the
 - enlargement
 - the failure of the Constitutional Treaty
- To become / to Act as global player
 - Looking for a new quality:
 - Europe should be more than the „arithmetic sum” of the capacities and resources of the 25(27...) member states!
- Transition to the knowledge based society /economy
- Handle the challenges of the „silver society”
- Invent in practice the European **model of „jobcreating growth”**



Europe – global player?!

- Basic assumptions / construction of the European socio-economic model
 - Catching up or real competitive approach
 - A model of „in comparison with” US and /China/India/Japan or the way of Europe
 - Europe’s global competitiveness
 - Market and Industry Creation in the „knowledge based” age
 - Bottom-up approach - creative tools like LL
- Mobilize the public and citizen sectors in systemic innovation



Where to go?

- Can we allow us / Europe to follow a catch-up strategy?
- Can we go into the innovation driven phase of modernization?
- Can we offer a more efficient path for European corporate global players?
- Can we mobilize „trans-market” forces to improve Europe’s global competitive position?

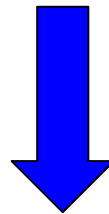


Innovation driven modernization

- „Innovative” clusters (M. Porter) to ensure:
 - Adaptive innovation to everybody
 - Creative /breakthrough innovation - > global market niches
- Mobilize the (personal and organizational) creativity -> Co-creation
 - Creative commons (AMI@families)
 - Human centric and systemic innovation catalyzed by a European Network of Living Laboratories

European knowledge / innovation driven socio-economic model:

- to link productivity gain and job creation -> „job creating growth”
- to facilitate the creation of a European knowledge based /wellbeing society – in the period of a „silver society

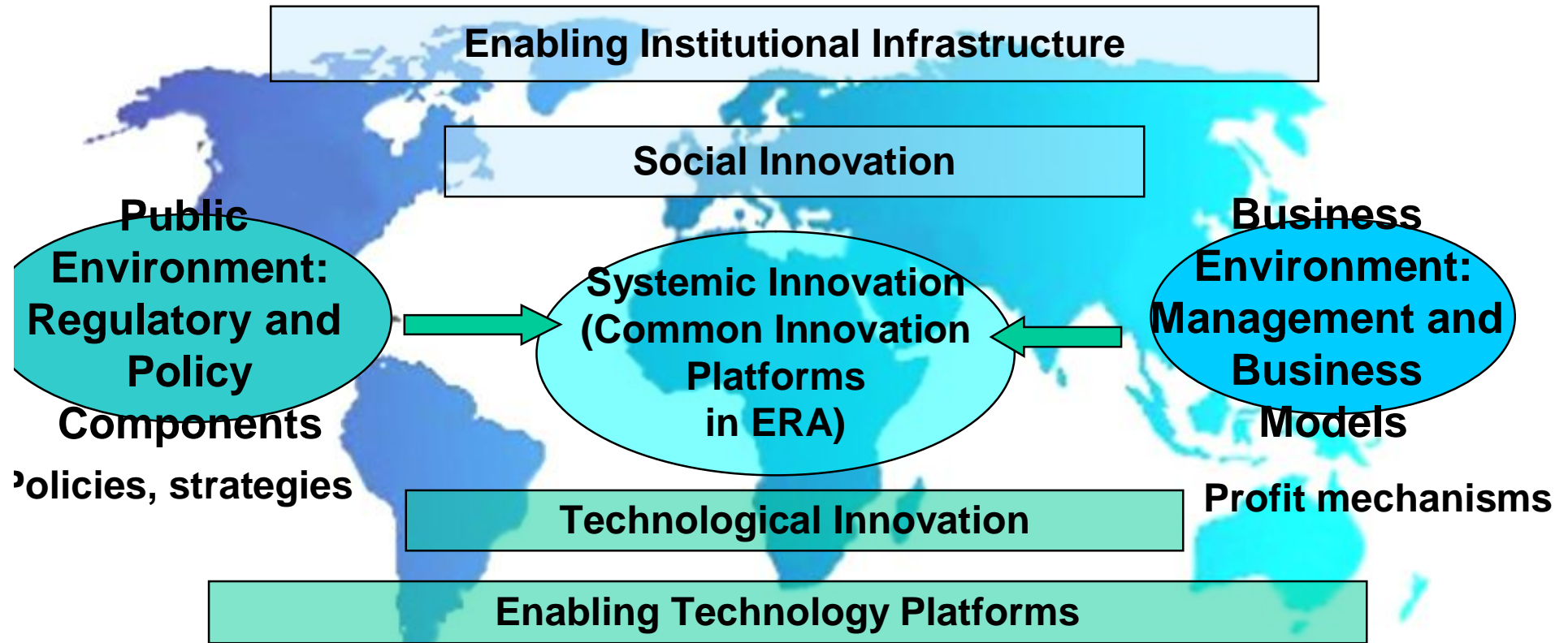


European model of competitiveness based on „human centric” systemic innovation

Systemic innovation – a tool to

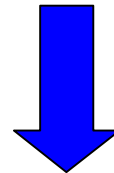
- Create an eco-system of innovation „orchestrated” at a European level:
 - to gain economic competitiveness and create a European welfare / wellbeing society
 - to mobilize and orchestrate the resources of the public sector and the civic society with the corporate sector to facilitate, catalyze, support the competitiveness of the European corporate sector
 - to combine the corporate and civic activities, resources with the renewing public sectors (policy, regulations, risk sharing, R&D, etc.) services

Systemic Innovation for Global Reach



Networks for Systemic Innovation

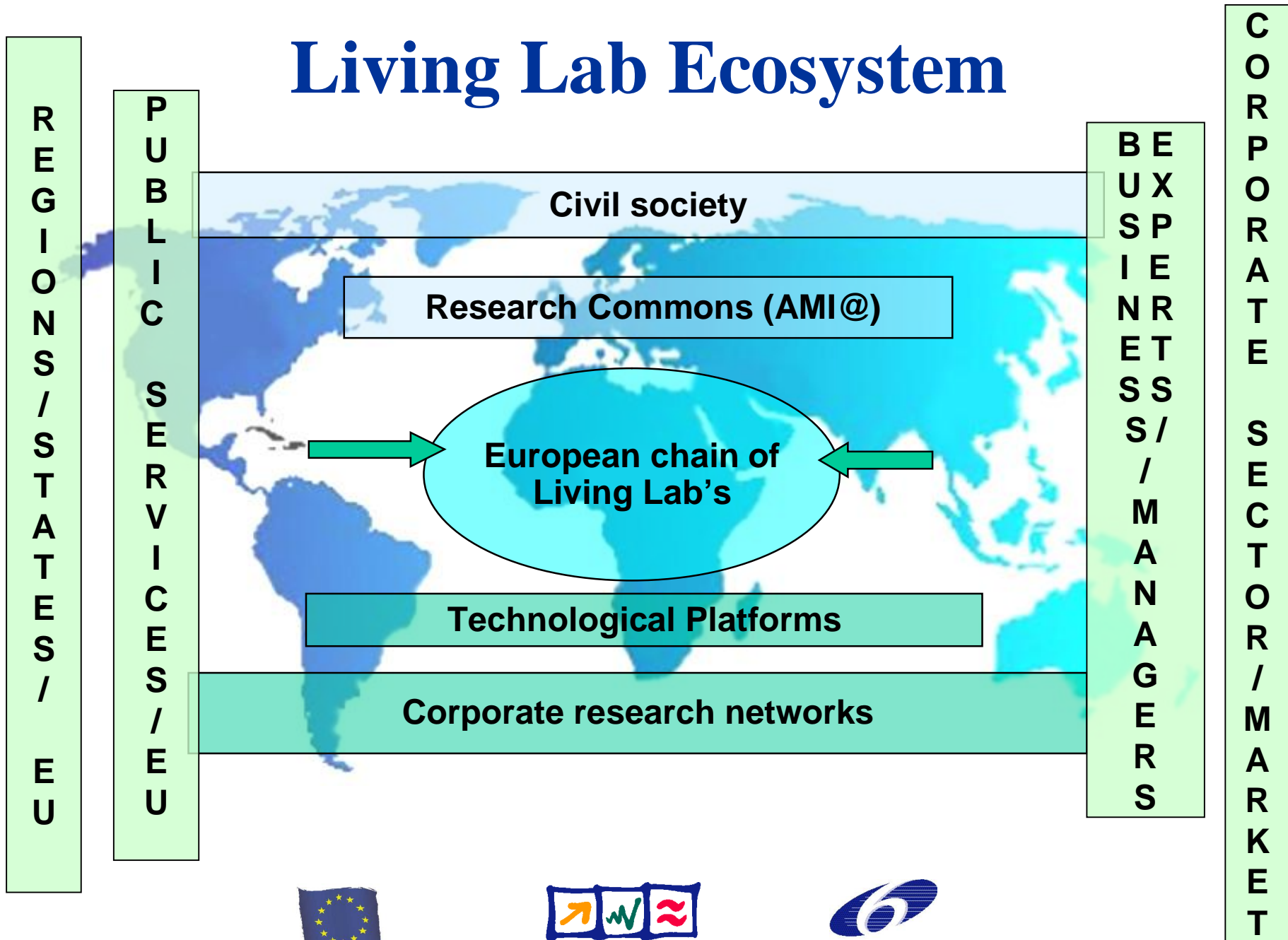
- Platform of European „Innovation Commons”
 - Creative commons /communities – e.g. AMI@ families
 - Mind grids and mind sharing
 - Social grids
 - „Collective flow”
 - Co-creation of mechanisms and networks for „matured” complex innovation (co-creation processes)



- European network of Living Laboratories



Living Lab Ecosystem



„Living models” of systemic innovation – European network of Living Laboratories

- „Demand oriented” model of innovation driven European competitiveness
- „Orchestration” of Public Private Civil / Citizen Partnerships (PPCP’s)
- Business development mechanisms (e.g. purchasing power generation)
 - Nurturing of the „tacit demand” (strengthening the buying force) - combination with civic /non-profit activities
- Facilitate the shift toward the European knowledge based economy



Second and third wave approaches:

- Resource redistribution
- „0 sum game”
- Dominance approach –
- Power struggle

- Static, hierarchical pyramid
- Closed, “separative” organisation
- Manipulation of the information

- Resource multiplication
- „win-win approach”
- Co-operation oriented
- Coalition / service oriented
- „Flat” network-type, flexible horizontal organisation
- Open, co-operative organisation
- Information sharing, communication oriented

Generations of Living labs

I. GENERATION

- A „casual” entity
- Attempts for international „branding”
- A city, a part of a city „as it is” with advanced technology
 - ICT background / abilities for inhabitants self organizing activities
 - Human centric public services
 - Special test bed laboratory for corporate sector’s product finalization
- First steps of process management approach
 - innovation and development agencies, funds, etc.

II. GENERATION

- **Entity per se**
- Member of an international / pan-European network
- Act as **self-teaching** organization (and **European network**)
- **Open platform** for interested partners
 - Multi asset approach
 - Financing
 - Activity
 - Intellectual property
 - ...
 - „**Open and trustful community**”
(**Michael Lawo**)
- Carry out consciously managed, condensed **co-creation** and **co-evolution** processes to get the **co-innovation mechanisms**

Generations of Living labs

I. GENERATION

- **Supply driven approach**
 - Life testing of new corporate products and services / „Live cooperation”
 - „Product push”
- **Separated innovation projects oriented on**
 - Technology creation
 - Mass products /customization/ and
 - Sales increase

II. GENERATION

- **Demand driven approach**
 - Advanced cooperation / interaction of multi-stakeholder groups in the frame of a purpose build „Generative platform”
 - „Solution pull”
- **Systemic innovation programs**
 - From personalized technology to creation of **personalized solution**
 - Innovative business models for deployment facilitation
 - **Global competitiveness enhancement** programs for **European companies** and corporate networks

Generations of Living labs

I. GENERATION

- Casual (project based) cooperation with innovators

II. GENERATION

- **Complex „Taylorian model for innovation:**
- Creation and dissemination of the **all-European Karolinska model**
- „Full service” for the complex innovation process:
 - Novelty testing / checking
 - IP right handling
 - Full range of corporate and legal services
 - Financial expertise for every phase of the innovation process
 - Business angel, venture capital, private equity, replacement on stock exchange,
 - Implementation management

Generations of Living labs

I. GENERATION

II. GENERATION

- **„Concurrent” /parallel monitoring and „reengineering” proposals to increase the efficiency of the systemic innovation process:**
 - Basic and applied research support
 - Product and process development
 - Production innovations
 - Technology transfer
 - Business process analyses
 - Sales / deployment services
 - Financial engineering and services
 - Support / incentive models
 - Legal, regulatory models
 - ...

Generations of Living labs

I. GENERATION

- Attempts of citizen and corporate involvement
 - Facilitation of civic initiatives, activities
 - Helsinki Arabienranta + Turku
- Attempts of corporate partnerships

II. GENERATION

- Creation of new, **innovation deployment enhancing business models**
 - Ensuring due profit level of early „pick up” corporate partners
 - Pre-sense and nurture demand / buying force
- **Shorten the phase of revenue generation** of the knowledge creation through efficient orchestration of ecosystems oriented on systemic innovation.
- **Multi-stakeholder approach**
 - Private Public Civil Partnership (PPCP)
 - State / region / local authority
 - Permanent Corporate partners as stakeholders
- **Broad incubation** process for SME's, start ups, spin off's

Generations of Living labs

I. GENERATION

II. GENERATION

- 2 levels of systemic innovation
 - **Adaptive innovation** - (knowledge implementing)
 - **Active innovation** - (knowledge creating)
- LL's as
 - frame, initiator, facilitator, catalyser
 - of the project / program based cooperation
 - to trigger, catalyze and orchestrate innovation processes in the work of the regional corporate, public and civic actors
 - Catalyze
 - the creation of self-teaching mechanisms
 - the altered consciousness of the regional knowledge based society

Generations of Living labs

I. GENERATION

II. GENERATION

- The regional / local role of Living Laboratories
 - **Catalyze**, orchestrate the creation of **capabilities and capacities to co-innovate** in corporate sector and public service players, civic networks, etc.
 - Orchestration of the regional innovation system
 - In permanent adaptive innovation
 - Knowledge creation
 - Active innovation

Generations of Living labs

I. GENERATION

II. GENERATION

- For regions – systemic innovation requires both level with different intensity
 - **Adaptive innovation – permanent!**
 - crucial for knowledge based regional competitiveness
 - orchestration of the whole regional system – corporate, public, civic players
 - **Active innovation**
 - Knowledge creation
 - Knowledge implementation in the active adaptation process
 - **Innovation** – complex solution providing
 - a „solution for sale” including externalities human, social, institutional, etc. implication

Generations of Living labs

I. GENERATION

II. GENERATION

- Innovative regions should get
 - The **systemic** capacity and capability for **permanent adaptation**
 - Regional network of self-teaching organizations and networks
 - Orchestration of the adaptive cooperation among the corporate, public and civic players
 - The innovative / knowledge creating capacity of the regional knowledge centres
 - universities, research centres, innovation centres,
 - The **implementation capacity** of the **regional innovation management network**
 - Orchestrating, covering the corporate, public and civic players

Generations of Living labs

I. GENERATION

II. GENERATION

- European **division of roles** among the LL's (in the network)
 - Higher network efficiency
 - All will adapt the results of other LL'
 - „**Specialization**” on the different fields in the active innovation
 - Every LL will take a specialization and a coordinative role to
 - **Orchestrate the capacities of the whole European LL network** in a certain field(s) of innovation

Generations of Living labs

I. GENERATION

II. GENERATION

- LL and its European network of **Creative Commons**,
 - a tool for the increasing social consciousness building at regional and European level required by the creation of the **European knowledge based society**
 - in two way cooperation with the local corporate, public and civic actors acts also as catalyser of the
 - **creation of self-teaching capacity** of individuals and their networks / institutions
- Leadership role of **AMI@families to orchestrate LL network as a whole**

CORELAB

- Analyses of the experience of the existing LL's
- Concept, parameters and mechanisms of LL's
 - Functions, mechanisms, standards, services, etc. of Living Labs
 - Living Lab as a European Large Scale Demonstrator
 - Legal, financial, etc. instrumentation of LL's
 - Training and dissemination mechanisms
 - Network Governance
 - European multi-stakeholder management mechanisms
- Project pipeline



CORELAB

- Pilot for European LL Network
 - Creative commons of Europe
 - Set of National Pilots
 - „precursors” of regional innovation clusters
- Cooperation orchestrated by AMI@ Leadership SIG and LL network of **Creative Commons** for
 - Co-creation and co-innovation capacity building
 - Elaboration of self-teaching mechanisms
 - Network of Centres of excellences to the deployment of Best Practices
 - „Tornado”
 - Actions for the strengthening European competitiveness and knowledge based society – catalyzing the altered consciousness

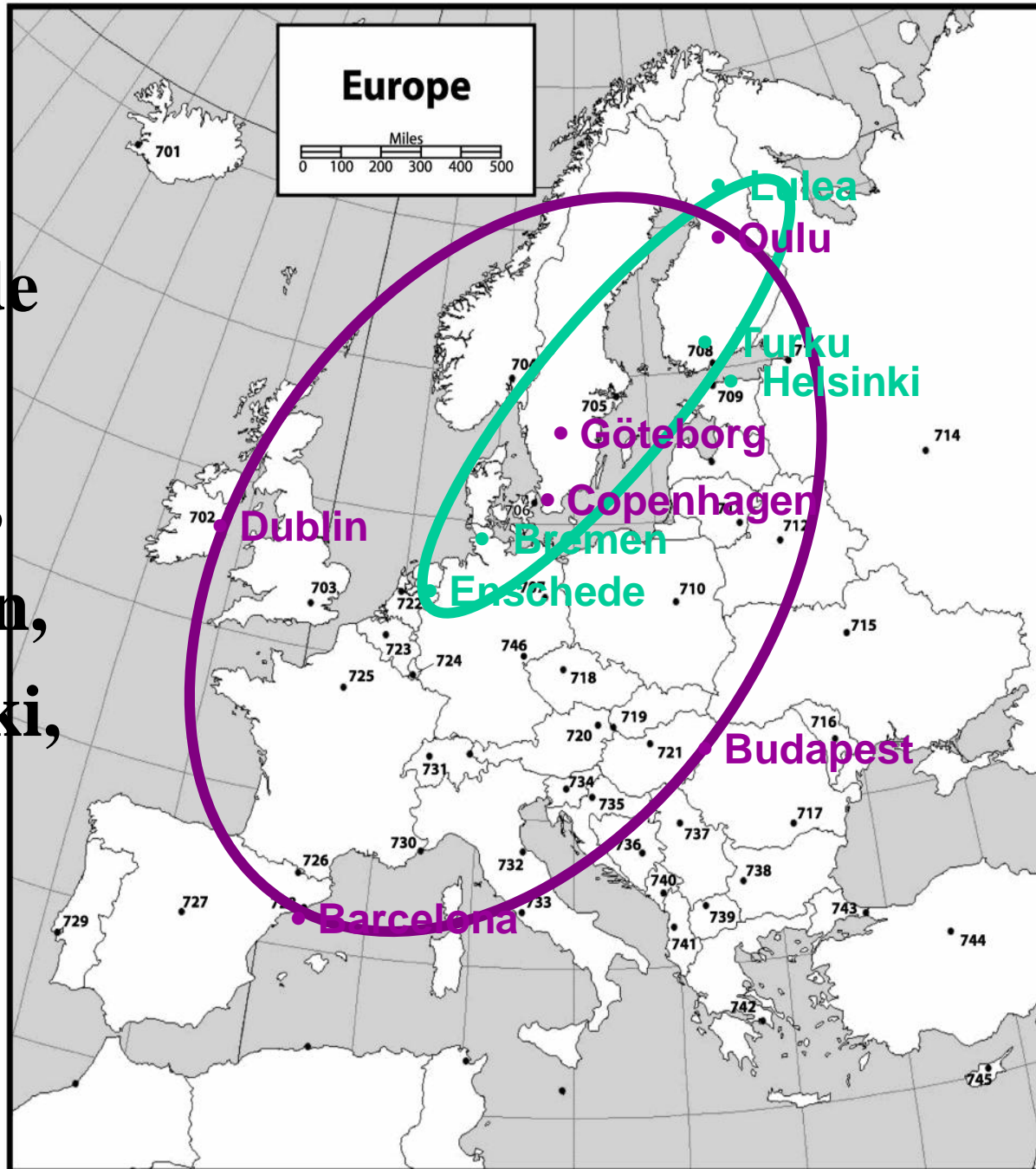


November 2006: Launching of a European LL network

- Finish presidency: Co-create a trans-European innovation infrastructure
 - „precursors” of regional innovation clusters
 - a tool of the European knowledge based society
 - Increase social consciousness
 - open innovation environment
 - open reference architecture - > catalyze the digital convergence
 - sharing of European resources through networking
 - Human centric, solution centred / driven co-creative innovation
 - Demand pulled vs. product push
- November 2006 – Official launching of a pan-European network of Living Laboratories



I circle
Enschede
Lulea,
Turku,
Bremen,
Helsinki,



II circle
Copen
-hagen,
Barcelona
Gothen
-burg,
Oulu,
Dublin,
Budapest,
...