

Observatory of European SMEs 2002

SMEs in focus

Main results from the 2002 Observatory of European SMEs

This brochure presents some highlights from the reports published in 2002 in the framework of The Observatory of European SMEs and submitted to the Enterprise Directorate-General of the European Commission by:

KPMG Special Services and EIM Business & Policy Research in the Netherlands

in co-operation with:

European Network for SME Research (ENSR), and Intomart

For more information on the current series of reports in the framework of The Observatory of European SMEs, see the website of the Enterprise DG at <http://europa.eu.int/comm/enterprise>.

The reports cover the 18 countries of the European Economic Area (EU-15 plus Iceland, Liechtenstein and Norway) and Switzerland, which is included at the expense of the Swiss government. Together they are indicated as Europe-19.

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Preface



By Erkki Liikanen

European Commissioner responsible for Enterprise and Information Society

Enterprises are at the heart of the strategy launched by the European Council in Lisbon in March 2000. Reaching the objective of becoming more competitive and dynamic in the knowledge-based economy, capable of sustainable growth, more and better jobs, and greater social cohesion will ultimately depend on how successful enterprises, and especially SMEs are.

A key instrument for the study of issues of interest to small and medium sized firms in Europe is the Observatory of European SMEs. Now in its seven edition, the Observatory has contributed vigorously to the European debate on SMEs, their role in the economy and the policy issues that they face. Through these years the Observatory of European SMEs has developed into a valuable tool for analysing the current situation of SMEs. The Observatory now constitutes a unique reference document for researchers, economists, policy-makers as well as SMEs themselves.

The 7th Observatory, which this report is summarising, is composed of nine reports (including the present) addressing important themes and policy issues. Issuing the Observatory as a series of reports has resulted in a more focused approach than be-

fore and this has helped increase the visibility and policy relevance of this instrument.

I hope that you will find that “SMEs in focus” as well as the companioning reports are interesting sources of information and valuable contributions to the European debate on SMEs.

Erkki Liikanen

Introduction

The reports of the Observatory of European SMEs provide an overview of the current situation in the SME sector in Europe through statistics on main indicators. In addition, Observatory reports cover a range of thematic issues. This brochure presents some highlights from the reports published in 2002 in the framework of the Observatory and submitted to the Enterprise Directorate General of the European Commission.

The highlights in this brochure are gathered in two broad themes:

- SMEs: the real giants of the European economy
- SMEs: drivers of competitiveness and two narrow themes:
 - Administrative burdens
 - Corporate social responsibility – CSR

In each section a reference is made (like *Source: 1*) to the specific Observatory report providing the relevant information. The numbering of the reports is given in Background information on the last page.

Table 1: The basic facts about SMEs and large enterprises, in Europe-19, 2000

		SME	Large	Total
Number of enterprises	(1 000)	20 415	40	20 455
Employment	(1 000)	80 790	40 960	121 750
Occupied people per enterprise		4	1 020	6
Turnover per enterprise	Million €	0.6	255.0	1.1
Share of exports in turnover	%	13	21	17
Value added per occupied person	€ 000	65	115	80
Share of labour costs in value added	%	63	49	56

Source: Estimated by EIM Business & Policy Research; estimates based on Eurostat's SME Database. Also based on European Economy, Supplement A, June 2001 and OECD: Economic Outlook, No. 65, June 2001.

SMEs: the real giants of the European economy

93% of all European enterprises have less than 10 employees

There are 20.5 million enterprises in the European Economic Area (EEA) and Switzerland, providing employment for 122 million people. Some 93% of these enterprises are micro (0-9 employees), 6% are small (10-49), less than 1% are medium sized (50-249) and only 0.2% are large enterprises (250+). Of all these enterprises nearly 20 million are established within the European Union.

Two thirds of all jobs¹ are in SMEs, so one third of all jobs are provided by large enterprises. Within SMEs, total employment is split up roughly equally between micro enterprises (employing less than 10 employees), and small and medium-sized enterprises. The size-class distribution of employment differs, however, between countries. For example,

the share of micro enterprises in total employment is 48% in Italy, and no less than 57% in Greece. On the other hand, the share of large enterprises in total employment is over 45% in Iceland and the United Kingdom.

(Source: 2)

The average European enterprise employs 6 people

On average, an enterprise in Europe – even including all European giants such as Royal Shell, Siemens, Nokia or PSA Peugeot Citroen - provides employment to 6 people; the average for SMEs only is 4 people. However, this varies between 2 people in micro enterprises, and over 1,000 in large enterprises. Between countries, there are large differences as well. On average, an enterprise has 2 occupied persons in Greece and 3 in Italy and Liechtenstein, as against 10 in Ireland, Luxembourg and The Netherlands.

Most jobs in Europe are created by micro enterprises

On balance, large enterprises lost jobs between 1988 and 2001, while employment in the SME-sector increased. As can be seen from Figure 1, in

¹ In the private non-primary sector

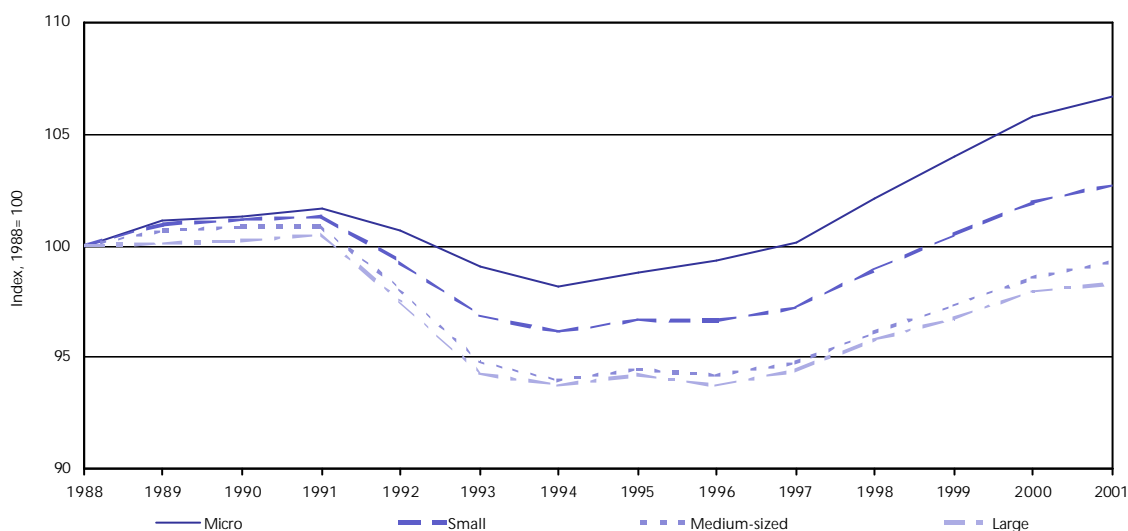
the early years this growth was concentrated in micro and small enterprises, as employment growth in medium-sized and large enterprises only started in 1997. In 2001, employment growth slowed down. Current estimates show that this occurred both in SMEs and large enterprises, but

the slow down is slightly more pronounced in large enterprises.

Over the years most jobs in Europe were created by micro enterprises, whereas large enterprises lost jobs.

(Source: 2)

Figure 1: Employment growth by size-class, Europe-19, 1988-2001



Source: Estimated by EIM Business & Policy Research; estimates based on Eurostat's SME Database. Also based on European Economy, Supplement A, June 2001 and OECD: Economic Outlook, No. 69, June 2001.

In Europe enterprises are smaller than in the US and Japan

With an average size of 6 people, European enterprises are relatively small: an average Japanese enterprise employs 10 people and an average American enterprise 19 people. Therefore SMEs account for only 33% of employment in Japan and 46 % in USA, whereas SMEs in EU-19 account for 66 % of total employment.

Within Europe, differences in enterprise size between countries can be linked to structural, institutional and historic conditions. In addition, in countries with high per capita GDP, like Germany, Luxembourg and the Netherlands, average enterprise size tends to be higher, while conversely, countries with relatively low per capita GDP (e.g., Greece, Portugal, Spain) tend to have low average

enterprise size. Differences in per capita GDP however, do not fully explain differences between Europe-19, Japan and the USA. Instead, differences in economic structure explain these differences better, such as: the presence of a large domestic market in which social and cultural diversity is much less than in Europe. Furthermore, European markets seem to be more fragmented than the American and the Japanese ones. Also, in Europe more barriers against mergers and acquisitions exist, as in many countries, enterprises have several ways to protect themselves against hostile takeovers.

(Source: 2)

Table 2: Structure of non-primary private enterprise, total Candidate Countries, 1999

		SME	Large	Total
– Enterprises	(1 000)	5 795	10	5 805
– Total employment	(1 000)	21 075	8 210	29 290
– Occupied persons/enterprise		4	837	5

Source: Estimated by EIM Business & Policy Research from various national and international sources.

One third of SMEs strive to grow

The ENSR survey² showed that just over half of all SMEs have ambitious aims: they strive for growth (29 %), higher profits (9 %), innovativeness (7 %) and higher quality (7 %). The remaining enterprises are pre-occupied with their struggle to survive (20 %) or hope to consolidate the business (21 %).

Looking at the different size classes, it seems that more micro enterprises are concerned with a struggle to survive and relatively more large enterprises pre-occupied with a growth strategy. Also country differences are visible. In Italy, Greece, Ireland and the United Kingdom a relatively high number of SMEs (34 %-41 %) want to grow, whereas in Austria, Finland and Germany this holds only for some 15 % of the SMEs.

(Source: 1)

SMEs also play a crucial role in the Candidate Countries

Enlargement will be a very important political and economic development in Europe in the coming years. In the Observatory, estimates of the number of enterprises and employment by industry and size-class have been made for 13 Candidate Countries³. It is estimated that in these 13 countries almost 6 million enterprises are active, providing employment to almost 30 million people. As in Europe-19, most of these enterprises are micro-sized. The size-class structure of employment is on average slightly more geared towards small enterprises: SMEs make up 72 % of total employment in the Candidate Countries, while the corresponding figure is 66 % for Europe-19. This difference is concentrated in micro enterprises, as they provide

40 % of total employment in the Candidate Countries, and only 34 % in Europe-19.

(Source: 2)

The average enterprise in the Candidate Countries is smaller

Also general indicators (e.g. the average number of occupied persons per enterprise) point at an enterprise sector that is on average smaller scaled in the Candidate Countries compared with Europe-19.

Large differences between the average size of enterprises in the Candidate Countries exist. In the Central and Eastern Economic Countries (CEEC's) - especially the Baltic countries - average enterprise size tends to be well above the average for the Candidate Countries and the European Union. The group of Candidate Countries consisting of three Mediterranean countries: Cyprus, Malta and Turkey, which are not former plan economies, show great resemblance to southern European countries in the EU (Greece, Italy, Spain and Portugal), as both groups of countries are characterised by a large presence of micro enterprises.

(Source: 2)

The average new entrepreneur is 35 years old

Enterprise creation processes and chances of survival after the start-up phase strongly depend on the 'profile' of the entrepreneur. The average age of new entrepreneurs in Europe-19 is about 35 years; this shows that the decision to found one's own business is frequently taken some years after completing education and acquisition of some specific know-how as employee and/or manager. Entrepreneurs in services (especially business services and high technology) have completed higher levels of education than those in manufacturing; a lower educational level still predominates in construction, transport and in hotel and catering. In general, new entrepreneurs continue the same activity they were already engaged in before they start their own firm.

² In the Observatory project two telephonic surveys were held among almost 8,000 SMEs in all 19 countries and all sectors: the so-called ENSR Survey. Results of the surveys are included in the Observatory reports 'Highlights from the 2001 Survey' (Source 1) and 'Highlights from the 2002 Survey' (Source 8). See the last page.

³ The 13 Candidate Countries are: Bulgaria, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovak Republic, Slovenia, Turkey.

(Source: 5)

Well educated starters use more support services

All Member States have set up measures to stimulate entrepreneurship. These measures are varied and consist on the one hand of the provision of loans and grants and on the other of the provision of support services such as technical, legal, managerial advice and information centres for start-ups, the provision of training to potential and new entrepreneurs and market research.

Apart from specific cases (mainly related to economic activity, such as high-technology and crafts), the analyses show that grants are still relevant as an external source of funding for the start-up. Support services are generally considered to have a positive effect on enterprise creation. However the use of these services is, among others, determined by the skills of the entrepreneur: the higher the educational level of the new entrepreneur, the more he/she makes use of support services.

(Source: 5)

One out of five SMEs is run by a woman

More than 29% of all entrepreneurs are women. Their enterprises are mainly active in retail and business and personal services (24 %-29 %) whereas just one in ten enterprises in transport and communication has a female owner.

There are large country differences. In France, Luxembourg, the Netherlands, Belgium, Finland and Switzerland over a quarter of SME entrepreneurs are female, whereas in Greece, Austria, the United Kingdom and Denmark the number of female entrepreneurs is rather low (14-16 %). There are indications that female entrepreneurs are slightly more focussed on growth of the enterprise than male entrepreneurs.

(Source: 1)

The majority of SMEs get the bank loans they need

Relations with banks are very important for SMEs. The majority of SMEs (65%) is satisfied with the services they receive from their bank and in general SMEs do not very often change banks; during the last 3 years only 12% changed their bank account. The main reasons mentioned for change were: more favourable conditions with the new bank and better service provided by the new bank.

Of those SMEs that needed a loan in the last three years, almost all (84 %) obtained the loan. Almost 40% of SMEs did not have a need for a loan in the last three years. Around 12% of the SMEs reported that they did not get the loans needed; the banks refused to give loans to SMEs for the following reasons:

- The enterprise could not provide enough collateral; this holds in particular for the micro and small enterprises (23%);
- The bank was not satisfied with the performance of the business (7%);
- The bank was not satisfied with the information provided (5%).

(Source: 8)

SMEs: drivers of competitiveness

More competition leads to more international contacts

What role do SMEs play in international trade? In general, the smaller the enterprise, the smaller its geographical market and the smaller the chance that the enterprise is involved in export. SMEs in Europe-19 export only 13 % of their turnover, while large enterprises sell 21 % of total turnover abroad. As SMEs also supply goods and services to large (exporting) enterprises, the indirect exports of SMEs are significant.

Due to the European integration, competition has grown, not only on the international market but also on national markets. Over the period 1995-2000 half of the SMEs faced an increase in competition from domestic enterprises and around 22 % faced more competition from foreign enterprises.

Only a very limited number of SMEs report decreasing competition (from domestic enterprise 5 %, from foreign enterprise 2 %).

Due to this increase in competition almost one third of all SMEs have increased the number of international business contacts during this period, ranging from 30 % for micro enterprises to 50 % for medium-sized enterprises. Compared with 1999 figures, in Spain, Greece, UK, Liechtenstein and in the Netherlands the increase in business contacts was considerable.

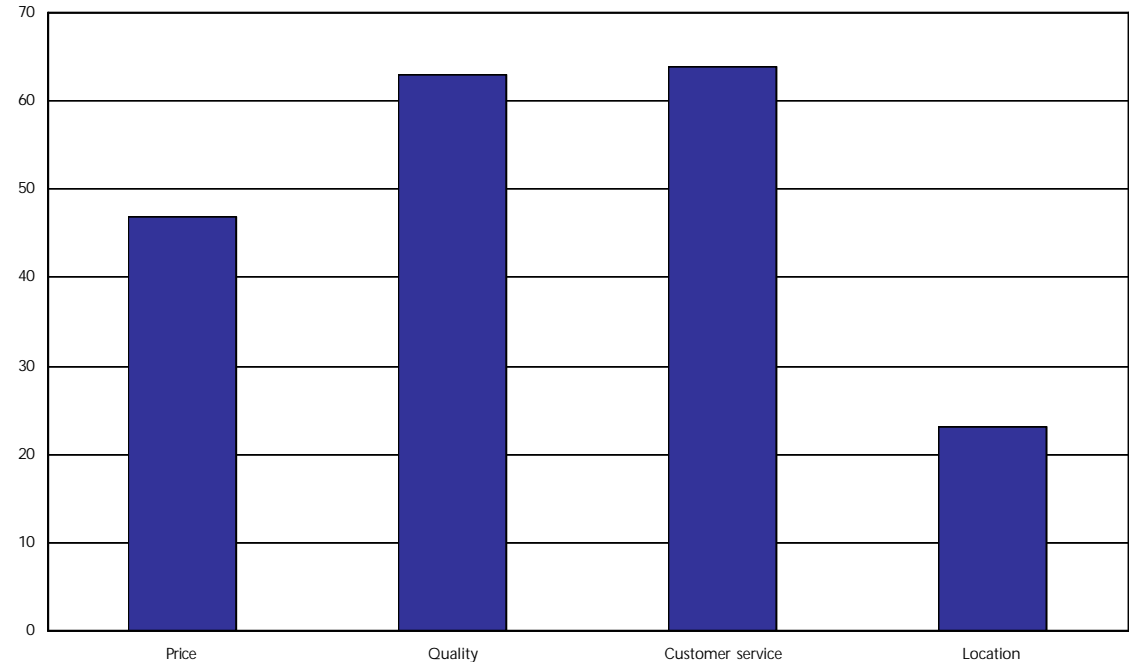
(Source: 1)

Customer service and quality are the major competitive factors

The majority of SMEs compete on service provided to the customer and on the quality of their products and services; see Figure 2. Price is mentioned as third most important competition factor.

(Source: 1)

Figure 2: Factors on which SMEs consider themselves competitive



Source: : ENSR Survey on SMEs, 2001.

Lack of skilled labour is the main obstacle for SMEs

In 2001 the four major business constraints according to SMEs were:

1. Lack of skilled labour: 20%
2. Access to finance: 13%
3. Administrative regulations: 12%
4. Infrastructure: 6%

Compared with 1999 more SMEs now have problems with finding labour. The share of SMEs facing problems with 'access to finance' and 'administrative regulations' remained the same. Whereas it is important to notice that the number of SMEs facing constraints related to the 'infrastructure' has increased.

(Source: 8)

SMEs are important contributors to European competitiveness

High-tech SMEs are creating and implementing technological innovations and are therefore contributing to increasing living standards, employment, productivity and competitiveness. High tech SMEs have a huge potential for contributing to job creation and income growth. However, in comparison with the US, Europe is lagging behind with respect to growth of high tech SMEs.

Although the weight in terms of number of enterprises and employment is not overwhelming, significant spill-over effects to the rest of the economy exist. Some 750,000 European SMEs had been active in typical high-tech industries in 2000, employing approximately 5 million people, i.e. 4 % of total employment. Most of these enterprises (45 %) are active in a single service industry, namely computer & related activities.

(Source: 6)

University-business interaction is only successful when based on personal relationships

Knowledge institutes including universities hold an enormous stock of knowledge, but their importance, as a source of know-how for smaller high-tech enterprises, is very limited. The reason for the poor university-business interaction basically lies in incompatible structures on both sides; different aims, culture, etc. Besides, smaller enterprises often lack the financial and technical resources required to set-up co-operation projects with universities. Success of university-business co-operation is often

a result of personal relationships. In addition the Observatory shows that science parks function as important facilitators and stimulators for establishing collaboration with knowledge institutions.

(Source: 6)

Networks are indispensable for innovation

Not only is co-operation with knowledge institutes and universities important, but also networking, in a broader sense, is a necessity for high-tech SMEs to implement innovation projects and to collect the required information and know-how. Networks make it possible to share knowledge, costs and risk and they contribute to business success. Networking is common among high-tech companies in Europe, although it is oriented mainly towards customers and suppliers. In particular, smaller innovative enterprises are not very enthusiastic about co-operation. They fear a loss of autonomy.

The following barriers, specific to smaller high-tech enterprises, to networking can be identified:

- Small enterprises, in contrast to large ones, often have a short-term perspective and expect quick and concrete results. Research networking however is in general rather time-intensive and results are not immediately visible. To reduce efforts co-operation is kept simple and built with only very few partners.
- It is difficult to find a balance between confidentiality (hiding information) and sharing knowledge and information, which is essential for successful networking.
- Governments try to stimulate co-operation and networking between SMEs and large enterprises as well as with knowledge institutes. One of the vehicles used is regional clusters. In the Observatory, 34 regional clusters all over Europe have been studied and compared.

(Sources: 3 and 6)

Difficult for high-tech enterprises to find financial sources

For high-tech enterprises it is not so easy to get access to finance. These enterprises are characterised by a number of specific features, which make it more difficult for them to access finance: high risk projects, long development periods of the products and services and availability of intangible rather than tangible assets. The following categories of high-tech SME face most problems in getting finance:

- SMEs in countries with a bank loan culture;

- SMEs with projects combining new technologies and new markets at the same time;
- SMEs with very complex and risky innovation projects.

As expected, financing problems are far more striking in the start-up and early development stage of the enterprise.

Taking into account these characteristics it is obvious that debt/bank financing appears to be less appropriate, whereas private equity and venture capital constitute a more relevant financing option. However, after steady increases in European venture capital investments, 2001 brought a marked reduction, especially in the high-tech sector. Moreover, it seems that venture capitalists are reluctant to invest in the early stage and the amount of capital required by very small high-techs is often too small for venture capital companies. Thus, venture capital remains an option only for a small elite of enterprises.

(Source 6)

The number of SMEs with access to the Internet has grown rapidly

SMEs use the following forms of ICT:

- Mobile phones: 83%
- Internet: 74%
- E-mail/Electronic data Interchange: 71%
- Stand alone PCs: 69%
- Network of PCs: 52%
- Own website: 43%
- Card swipe: 34%

In 2002, 74 % of SMEs had access to the Internet. This may seem rather low, however there is a clear size class pattern: micro 73 %, small 88 % and

medium-sized 97 %. Access to the Internet has grown considerably since 1999 and the differences between sectors have decreased. Countries also show a less varied pattern than in 1999. Several countries are catching up fast. High growth from 2001 to 2002 is reported from Denmark. The performance of Greece, from a very low ranking in 1999 to a seventh position in 2002 well above the average (83 %) is impressive. Portugal and France are staying behind in this respect (respectively 43 and 45 %).

(Source: 8)

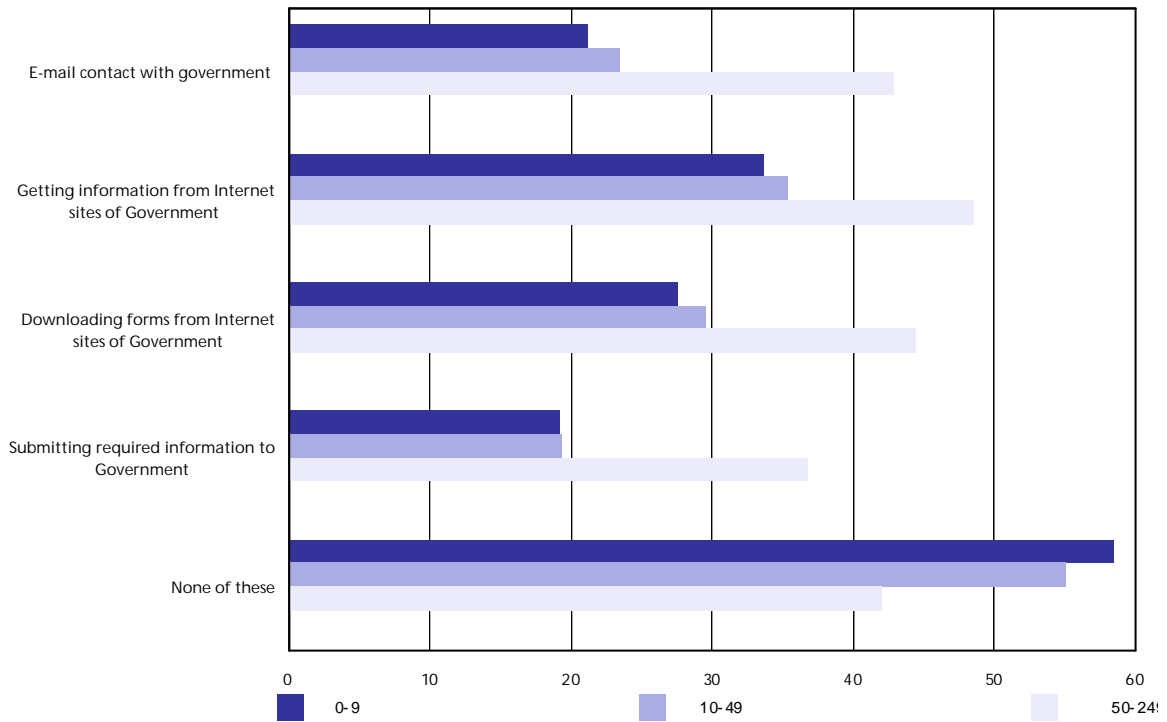
One out of four SMEs use the Internet to get information from government

Enterprises have to communicate a great deal with governments or government agencies. ICT solutions can make these communications easier. This applies especially to the use of electronic data interchange or EDI with governments.

In Figure 3, four specific forms of EDI with governments have been distinguished: e-mail contact, getting information from the Internet sites, downloading forms from the Internet sites and submitting requested information to the government. These forms of EDI are not yet widely used to communicate with governments. Within the group of enterprises that have the capability of using EDI to communicate with governments (i.e. 74% of all SMEs), 20-40% are using EDI. Medium-sized enterprises are clearly ahead of micro and small firms.

(Source: 8)

Figure 3: Percentage of SMEs using different forms of Electronic Data Interchange with governments, by size class (SMEs with an Internet and/or e-mail connection)



Source: Weighted data 2002 ENSR Survey on SMEs.

Administrative burdens

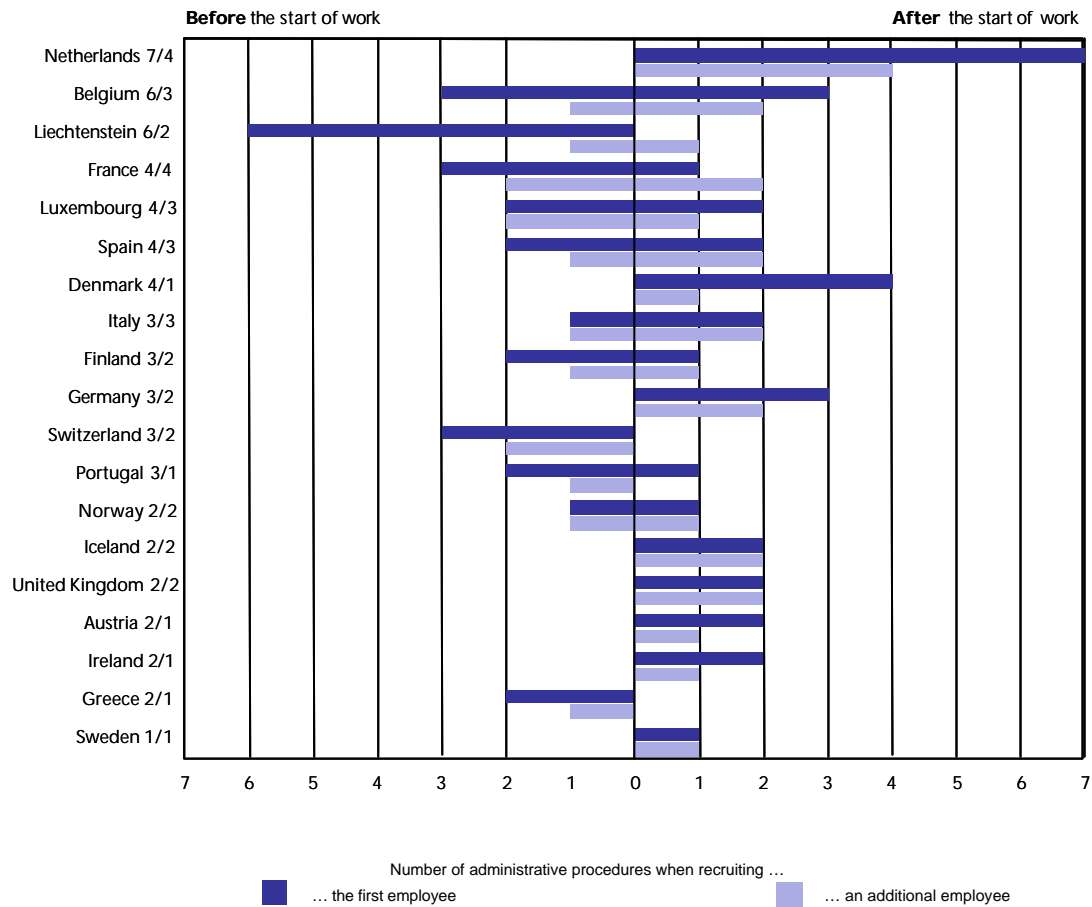
Red tape in the recruiting process has increased.

In the framework of the Observatory the administrative burdens on SMEs related specifically to the recruitment of employees have been studied. Despite all actions in the Member States resulting from the Luxembourg Job Summit in 1997, almost two thirds of the SMEs in Europe-19 indicate that

the administrative burdens in this field have increased. Furthermore these administrative burdens substantially affect the recruitment decisions for 31% of the more than 20 million enterprise in Europe-19.

Administrative burdens do not primarily stem from the number and nature of obligatory administrative procedures in terms of "form filling", delivery of the requested information and contacts with authorities but rather from the preparatory work, the information collection and the complexity and obscurity of the (entire) employment legislation.

Figure 4 Number of administrative procedures when recruiting the first and an additional employee



Source: Analysed by IfM Bonn on the basis of ENSR-partner contributions.

The analyses show that administrative burdens cannot be significantly reduced by concentrating just on one or on a small number of regulatory fields. Relieving SMEs from administrative burdens requires a holistic approach. Threshold levels in employment regulation are useful instruments in order to relieve smaller enterprises from administrative burdens.

In addition it has become clear that SMEs' perception of administrative burdens depends, to a large extent, on whether the entrepreneur is familiar with the relevant regulations and on personal characteristics such as educational and professional background.

(Source: 7)

Corporate social responsibility - CSR

Half of the SMEs are involved in external social activities

SMEs not only play an important role in job creation and economic development but also in the social and environmental society. The Observatory provides useful information and inputs from an SME perspective for the on-going European debate on the issue of Corporate Social Responsibility. Half of the European SMEs are involved, to different degrees, in external socially responsible causes. The larger the enterprise, the more it is involved in CSR: ranging from 48 % amongst the micro enterprises to 65 % amongst the small and 70 % amongst the medium-sized enterprises. The involvement does not significantly depend on the sector in which SMEs operate.

(Source: 4)

Most CSR activities are occasional and not related to the business strategy.

Support to sporting, cultural and health/welfare activities are the most common external community activities developed. Support to sporting activities is the preferred activity amongst SMEs in all enterprise sizes and in nearly all the countries. Environmental activities not related to the firm's own operations are much less frequent.

Most of SMEs' external socially responsible activities are occasional and also unrelated to the business strategy. The main reasons for involvement in CSR in sequence of importance are:

- Ethics
- Relations with community
- Customer loyalty
- Relations with business partners
- Employees' satisfaction
- Economic performance
- Code of conduct
- Third parties' pressure

(Source: 4)

Table 3 Main benefits derived from the enterprise' involvement in external social activities by enterprise size, percentage of enterprises

Variables	Enterprise size			
	0-9	10-49	50-249	Total
Improved relations with the community/public authorities	28	30	31	28
Improved customer loyalty	35	41	36	35
Improved relations with business partners and investors	15	22	26	16
Improved employees' job satisfaction	17	19	26	18
Improved economic performance	15	15	18	15
Other benefits	7	4	3	7
No perceived benefits	28	22	24	27
Do not know/No answer	1	3	3	2

More than one answer allowed.

Data referred to SMEs participating in social activities.

Source: ENSR Enterprise Survey 2001.

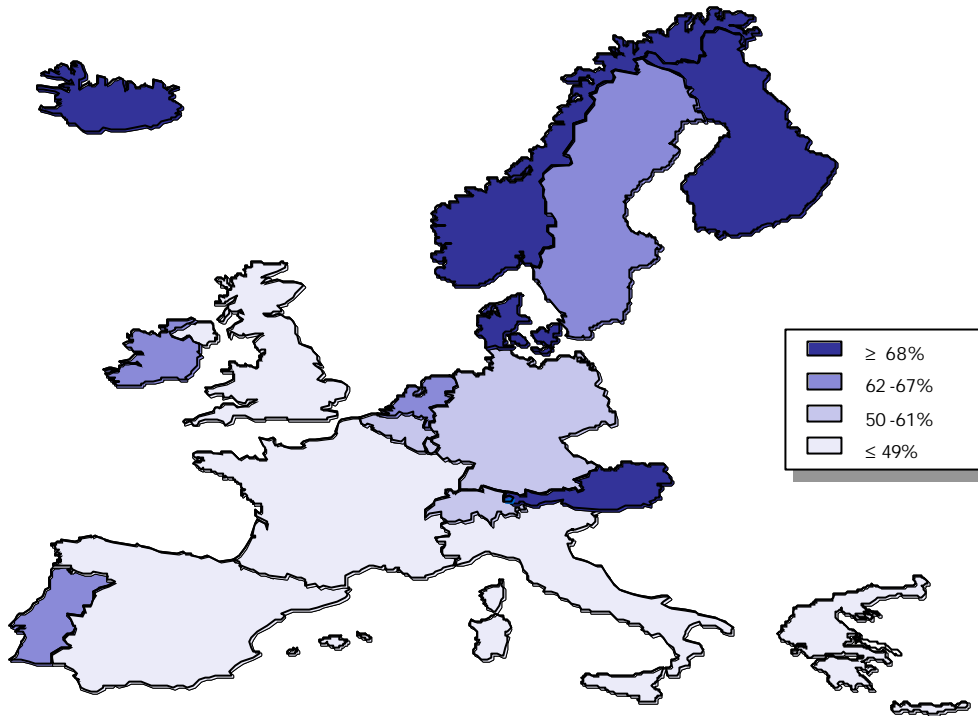
Differences between North and South exist

At country level a North-South European divide can be observed: The highest share of SMEs involved in external social activities are found in the northern (Finland, Denmark, Iceland and Norway) and the central European countries (i.e. Austria, Liechtenstein). In most of the southern countries (Spain, Italy and Greece) as well as in France and

the United Kingdom social involvement is less common amongst SMEs. The reason for the different attitude may include different cultural traditions, different expectations from the general public on the enterprises' involvement or different public welfare traditions.

(Source: 4)

Figure 5: Classification of European countries according to the percentage of SMEs involved in external socially responsible activities



Source: ENSR Enterprise Survey 2001.

Background information

The Observatory of European SMEs

One of the major conditions for the development into a competitive and dynamic knowledge-based economy is availability of information for the major stakeholders: policy-makers, researchers, economists and business including SMEs. In December 1992, DG Enterprise of the European Commission established 'The Observatory of European SMEs' in order to improve the monitoring of the economic performance of SMEs in Europe and to provide the necessary information to stakeholders all over Europe.

The reports of the Observatory provide an overview of the current situation in the SME sector in Europe through statistics on the number of enterprises, on total employment and on production by size of enterprise. In addition, the Observatory reports cover a range of thematic issues. These issues are now selected on the basis of the Multi-Annual Programme 2001-2005.

The research for the Observatory reports is carried out on behalf of the Enterprise Directorate-General of the European Commission by ENSR, the European Network for SME Research, co-ordinated by EIM Business & Policy Research from the Netherlands in a consortium led by KPMG Special Services from the Netherlands.

The results are mainly based on existing national and international research, compared and analysed through desk research, econometric modelling and forecasting, in-depth-interviews and annual representative surveys among over 7600 SMEs in Europe (The ENSR Survey on SMEs).

The European Network for SME Research (ENSR) is a network of institutes specialised in SME research. The Network covers a broad spectrum of qualita-

tive and quantitative research on SMEs consisting of macro oriented, meso and sector studies, as well as micro economic and small business management research. For more information: info@eim.nl

In the framework of the Observatory the following reports are published in 2002:

1. Highlights from the 2001 Survey
2. SMEs in Europe, including a first glance at EU Candidate Countries
3. Regional Clusters in Europe
4. European SMEs and Social and Environmental Responsibility
5. Business Demography in Europe
6. High Tech SMEs in Europe
7. Recruitment of Employees: Administrative Burdens on SMEs in Europe
8. Highlights from the 2002 Survey

The reports can be downloaded or ordered at the website of the European Commission (<http://www.europa.eu.int/comm/enterprise>).

Previous Observatory Reports

In the period 1992-1999 six reports of The European Observatory for SMEs were published (comprehensive volumes of 360 to 480 pages each). Each report gives an overview of the structure and developments of the SME sector and looks into a range of specific areas.

The report published in July 2000 (6th Observatory Report) focused for instance on the markets for products and services, labour market issues, access to both finance and Community programmes, electronic commerce, and associations and foundations in the social economy. It also contained in-depth studies on vocational training for SMEs and new services.

The 6th Observatory Report was published in English, French and German. The report is currently out of print, but a limited number of copies are still available. Please send your request to: ENTR-COMPETIT-BENCHMARK@cec.eu.int

The first five Annual Reports are still available and can be ordered at: EIM Business & Policy Research, PO Box 7001, 2701 AA Zoetermeer, The Netherlands. Phone: + 31 (0) 79 3413634, Fax: + 31 (0) 79 3415024, Email: info@eim.nl

For a description of the activities of the Enterprise DG, see the website of the European Commission: <http://europa.eu.int/comm/dgs/enterprise>. For more information on the Observatory of European SMEs, including how to access or order the reports, see: http://europa.eu.int/comm/enterprise/enterprise_policy/analysis/observatory.htm. Information on previous reports of the Observatory may be found there as well.