ITALIAN CLUSTER EXPERIENCE

CLUSTER DEFINITION

- ABOUT 200 CLUSTERS IN ITALY, FOCUSED ON FASHION (textile, gold), HOME (forniture, cuisines, tiles), MECHANICS, LEATHER, FOOD THAT ACCOUNTS FOR 2,2 MILLION JOBS AND 1/3 ITALIAN EXPORT

- A MIX OF FIRMS WHICH COMPETE AND COOPERATE AT THE SAME TIME ON THE SAME PRODUCT

- A CONCENTRATION OF PRODUCTION, TERRITORY, SOCIETY TOWARD A COMMON SECTORIAL ECONOMIC CULTURE
CLUSTERS STRENGTH FACTORS

- ECONOMY OF SCALE FOR SMALL BUSINESS (MINI-GLOBAL COMPANIES)

- EXTERNAL ECONOMIES FOR SMALL BUSINESS (KNOW HOW, FINANCE, CULTURE)

- NETWORKING AND ALLIANCES FOR STRATEGICAL RESOURCES (RESEARCH, RECRUITING, LOBBING, ECC.)

- FLEXIBILITY AND TIME TO MARKET HIGHER THAN BIG COMPANIES
NEW TRENDS IN ITALIAN CLUSTERS

- FROM COMPETITIVE POLICIES TO SCOUTING

- FROM A PRODUCT ORIENTED APPROACH TO A KNOWLEDGE BASED ONE (research, university links, common labs)

- GLOBALIZATION DEVELOPMENT THROUGH DELOCALIZING, JOINT VENTURES, M. & A.

- NEW LOCAL HIERARCHY (financial leaders + 85% in subcontracting and outsourcing)
ARE WE ABLE TO REPRODUCE CLUSTERS?

- FIND A BULK OF LOCAL RESOURCES (people, natural resources, values and culture)

- INCREASE INNOVATION (social and economic)

- FOCUS ON LOCAL DEVELOPMENT

- ESTABLISH PUBLIC-PRIVATE MIXED STRATEGY
The Lombardy case

✓ Lombardy is: 8 million people, high income per-capita (28.000,00 €/y), low unemployment (5,5%)
✓ Huge entrepreneurial base: 800.000 firms (90% less than 10 employees)
✓ Big shifting from industry to service sector, from big to small companies in the last years
✓ Good entrepreneurial spirits, low economic culture
✓ Good natality of firms (2% a year), great turbulence (8% a year), large mortality (about 67% a year)
Italian policy toward entrepreneurship

National level

- Law 68/86, Agency for youth entrepreneurship, Sviluppo Italia

Regional level

- Regional laws, Chamber of Commerce, private initiatives, BIC
Lombardy case

First phase: the start (early 90’s)
✓ Focus on job creation
✓ Targeted to young unemployed people
✓ Preferred tools: finance (grants, loans, etc.), facilities (incubators)

Second phase: the services approach (mid. 90’s)
✓ Shift from finance to real services
✓ Much more emphasis on information (PNI network: 10,000 people a year)
✓ Training: more than 10,000 entrepreneurs trained a year by the Chambers of Commerce
✓ Consulting: linked to regional laws for young and women entrepreneurs
Third phase: the synthesis (finance + services)

✓ Saturno global grant (2003-2005)
  - Region Lombardy gave to Chamber of Commerce network a
    grant of 20 million Euros, financed by ESF, to promote entrepreneurship
    - 8 million Euros for small grant (25,000,00 €) for SMES
    - 9 million Euros for services (information, consulting, training, family business)
    - 3 million Euros for system support (research, infos, marketing, etc.)
New challenges for policy toward entrepreneurship

Background trends
- From an industrial economy to the information and service economy
- Increasing globalization issues
- Need of pervasive innovation

Possible answers
- Double approach: service system for microentrepreneurs; finance for bigger companies
- Policies better focused
- Special programmes for women, immigrants, young entrepreneurs
- Internationalization for SMES: one stepdesk, networks integration
Institutional building for entrepreneurship support

- Public - private joint effort
- Horizontal approach (not only one sector, not only one service)
- Emphasis on family business, birth and growth
- Bottom-up approach (Chambers of Commerce plus associations of entrepreneurs near to companies better than Regional public level)
“The role of institution and policy in supporting entrepreneurship in the region”

Trend of active firms in Lombardy

By: Infocamere Movimprese
The role of institution and policy in supporting entrepreneurship in the region

Trend of growth rate in Lombardy

Selected years:
- 1995-96: 1.3
- 1996-97: 0.5
- 1997-98: 0.8
- 1998-99: 1.5
- 1999-00: 2.0
- 2000-01: 2.1
- 2001-02: 1.7
- 2002-03: 1.4

Source: Infocamere Lombardia

OECD CFE/LEED WORKSHOP ON
"FOSTERING DEVELOPMENT THROUGH ENTREPRENEURSHIP, CLUSTERS AND LOCAL INITIATIVES"