

Region of Auvergne, France: Innovation and SME ¹

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Rationale

The Auvergne is a region of contrasts. It is largely rural, with a low population density and is, paradoxically, isolated at the centre of France. However, it also retains a strong industrial base, particularly in sectors such as chemicals, rubber and plastics (it is home to Michelin), metalworking and food processing. The share of employment in industry and agriculture is above the national average, whilst it lags behind in terms of the development of services. It is also characterised by a firm structure marked by a few dominating large enterprises and a very significant small firms sector, engaged in craft-based activities. It is nationally perceived as a lagging region.

Reasons for the success of the approach

The 1990s were a period in which the Auvergne benefited from considerable public sector support; major investments were made in improving the region's transport and industrial infrastructure and development of the Clermont-Ferrand airport. However, the area remains economically weak by national standards. Even so, there are a few key industries that have improved their competitive advantage, and in turn the regional economy, and strengthened the SME base via research and innovation.

Many of the research activities within Auvergne are associated with its main industrial activities: food processing; chemicals and related materials; and high performance mechanical equipment. An increasingly important development is in the bio-technologies field. The region has a multi-disciplinary sector based around biological and medical engineering, in particular in the fields of biomaterials, biomechanics and medical electronics.

Data indicates that these industries are vital to the overall competitiveness of the regional economy in terms of wealth creation, productivity, employment, internationalisation and high technology start-ups / commercialisation.

In terms of private sector R&D staff by enterprise size, the proportions for medium size enterprises and small enterprise are above the national average in the Auvergne: 18.4% and 20.6% versus 13.7% and 17.8% for France, respectively.

This high proportion of researchers in small and medium sized enterprises, relative to the national average, reflects the creation during the 1990s of research orientated organisations aligned to the region's industries with competitive advantage. Auvergne also developed industrial locations focused on supporting these key industries (e.g. in biotechnology - Biopôle Clermont-Limoges, Bioparc de Vichy, Biopôle de Haute Auvergne).

Contact details and website for further information

- <http://www.casimir.org>
- <http://www.anvar.fr>
- <http://www.auvergne.drire.gouv.fr>
- <http://www.recherche.gouv.fr/drrt>
- <http://www.cr.auvergne.fr>

¹ Source: Discussion Paper "Entrepreneurship in the Districts Uckermark (Brandenburg) and Parchim (Mecklenburg-Western Pomerania)", in: *OECD LEED Local Entrepreneurship Series*, October 2006.