

CLIENT SURVEY REGARDING SND FINANCIAL SUPPORT- FOLLOW-UP STUDY FOR SUPPORT APPROVED IN 2000

As pointed out in the attached letter from the Norwegian Regional Development Fund (SND), your company is one of a large number of companies which we wish to interview regarding your experiences with financial support from SND.

The attached form will be used as the basis for a telephone interview with you to be conducted by Polarfakta in Mo i Rana. We have sent the form in advance for your perusal. **Polarfakta will shortly contact you by telephone to arrange a date for the telephone interview.**

In order to ensure the best possible arrangement of financial assistance schemes, it is important that your assessments be clearly elucidated through this survey. We would once again like to assure you that the source of any data received from companies will not be disclosed. Your company will be one of several hundred to be analysed, in such a way that it will not be possible to identify individual enterprises.

Thank you in advance for your assistance.

CONTACTS:

Merete Liberg Einmo, Polarfakta, Mo i Rana
Tel.: +47 75 12 92 50 Mobile: +47 91 39 59 59

Bjørn Tore Hansen, Polarfakta, Mo i Rana
Tel.: +47 75 12 92 50 Mobile: +47 91 37 13 37

Form 1. Basic Information (Applies to those granted venture capital loans, grants, Public and Industrial Research and Development Contracts (IFU/OFU) and basic financing loans for fisheries operators)

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Name of enterprise: _____ Existing Respondent No.: _____

Please answer the questions based upon the project for which support was approved by SND in 2000.

INFORMATION ABOUT THE PROJECT

1. The company received approval for SND financing in 2000. Have you made use of this approval for support?

Yes=1 No=2

2. Has the project for which the company was awarded approval been implemented?

a) Yes=1 b) No=2 c) Will be implemented=3

3. If SND support has not been used, but the project was implemented, how was it financed? (Check one or more alternatives.)

- 1. Equity
- 2. Bank loan
- 3. Research Council of Norway (NFR)
- 4. Other public funding not provided by NFR or SND
- 5. External investors
- 6. Others (please specify): _____

4. If your answer to Question 2b above was No, what was the principal reason for the project not being implemented? (Check only one alternative)

- 1. Reduced demand
- 2. Loss of key personnel
- 3. The project became more costly than envisaged
- 4. The project took too long to implement
- 5. Inadequate financing
- 6. Others (please specify): _____

(NB: If Question 4 was answered, go to Question 27.)

5. If the project has been (2a) or will be (2c) implemented, will it be implemented in accordance with the plans made in 2000?

Yes=1 No=2

6. If the project will not be implemented according to the project plans, what will be the principal changes?

	Longer duration/more extensive 1	As planned 2		Shorter duration/less extensive 3
a) Implementation time	_____	_____	_____	_____
b) Costs	_____	_____	_____	_____
c) Labour consumption	_____	_____	_____	_____
d) Others (please specify):	_____	_____	_____	_____

7. Has the project been granted additional financing by SND?

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Yes=1 No=2

8. What proportion of the project was financed by means of the following financing sources?

<u>Financing source</u>	<u>Proportion in per cent</u>
1. Equity	_____
2. Bank loan	_____
3. SND	_____
4. Research Council of Norway (NFR)	_____
5. Other public funding not provided by SND or NFR	_____
6. External investors	_____
7. Others (please specify):	_____
Total	100%

THE RESULTS OF THE PROJECT

Please answer the questions based upon the project which was partially financed by SND in 2000.

9. How important is the project for the survival of the company?

Indicate on a scale from 1 to 7, where 1 means "insignificant" and 7 means "extremely significant".

	Insignif- icant					Extremely significant		Don't know
	1	2	3	4	5	6	7	8
Today								
In 2 years' time								

10. How important is the project for the development of the profitability of the company?

Indicate on a scale from 1 to 7, where 1 means "unimportant" and 7 means "very important".

Un- important						Very important	Don't know	
	1	2	3	4	5	6	7	8

(NB: Question 11 is not to be answered by recipients of basic financing loans for fisheries operators.)

11. Has the project resulted in a change in sales from 2000 to 2003 in the various markets?

Check off for each market.

<u>Market</u>	<u>Increased</u>	<u>Unchanged</u>	<u>Decreased</u>
Regional	_____	_____	_____
National	_____	_____	_____
International	_____	_____	_____

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12. **How many employees (person-years) did the company have on 1 January 2000 and 1 January 2004? How many of these were women? (One person-year = 1 person employed full-time for one year)**

<u>Employees (person-years)</u>	<u>1 January 2000</u>	<u>1 January 2004</u>
Total number of employees (person-years)		
Of whom number of women (person-years)		

To what extent: (Indicate on a scale from 1 to 7, where 1 means "to a very limited extent" and 7 means "to a very large extent".)

	To a very limited extent	2	3	4	5	6	To a very large extent	Don't know
13. Has the project had an effect on employment trends?	1	2	3	4	5	6	7	8
14. Has the project resulted in revenue increases/cost reductions?	1	2	3	4	5	6	7	8
15. Do the revenue increases/cost reductions agree with the expectations of the original plans?	1	2	3	4	5	6	7	8

16. **Is it possible to specify the revenue increases/cost reductions achieved/anticipated for the project (relative to 2004 price levels)?**

	×NOK 1000	Actual results	Optimistic expectation	Modest expectation	Don't know	Not relevant	Cannot be separated from figures for the entire company
2002							
2003							
2004							
2005							

17. **What is the probability of not achieving the objectives regarding revenue increases/cost reductions for the project?**

<u>Have been achieved</u>	<u>Less than 10%</u>	<u>10-20%</u>	<u>21-50%</u>	<u>51-70%</u>	<u>More than 70%</u>	<u>Don't know</u>
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18. **When are all the costs of the project expected to be covered?**

At the earliest (year) _____ At the latest (year) _____
 Already covered Never Don't know

OTHER RESULTS OF THE PROJECT

19. To what extent has the project resulted in increased competence levels in the following fields...?
(Indicate on a scale from 1 to 7, where 1 means “not at all” and 7 means “to a very large extent”).

	Not at all							To a very large extent
a) Product development	1	2	3	4	5	6	7	
b) Market development	1	2	3	4	5	6	7	
c) Production process and routines	1	2	3	4	5	6	7	
d) Organisation and management	1	2	3	4	5	6	7	
e) Access to and continuous use of advanced technology	1	2	3	4	5	6	7	
f) Creation of better national networks	1	2	3	4	5	6	7	
g) Creation of better international networks	1	2	3	4	5	6	7	

20. The what extent has the implementation of the project resulted in better collaboration with...?
(Indicate on a scale from 1 to 7, where 1 means “not at all” and 7 means “to a very large extent”).

	Not at all							To a very large extent
a) Customers	1	2	3	4	5	6	7	
b) Suppliers	1	2	3	4	5	6	7	
c) Other companies in the region	1	2	3	4	5	6	7	
d) Other companies outside the region	1	2	3	4	5	6	7	
e) Universities, colleges or research institutes in the region	1	2	3	4	5	6	7	
f) Universities, colleges or research institutes outside the region	1	2	3	4	5	6	7	
g) Investors and finance providers	1	2	3	4	5	6	7	

21. To what extent has the project contributed to...?
Indicate on a scale from 1 to 7, where 1 means “to a very limited extent” and 7 means “to a very large extent”.

	To a very limited extent							To a very large extent
a) Improved financial development of the company	1	2	3	4	5	6	7	
b) Improved competitiveness of the company	1	2	3	4	5	6	7	
c) Changes in existing products or services	1	2	3	4	5	6	7	
d) Development of new products or services	1	2	3	4	5	6	7	
e) Development of new sales methods or marketing types	1	2	3	4	5	6	7	
f) Implementation by the company of new production processes or routines	1	2	3	4	5	6	7	
g) That the company has ventured into new markets	1	2	3	4	5	6	7	
h) New use of raw materials	1	2	3	4	5	6	7	
i) New ways of organising work or the company	1	2	3	4	5	6	7	

22. In retrospect, would the company have implemented the project?

- 1. Yes, but only with SND financing
- 2. Yes, even without public financing
- 3. Yes, but on a smaller scale or at a later time
- 4. No
- 5. No, and SND should have terminated the project

SND'S ROLE IN THE PROJECT

In questions 23-26 below, we are interested in learning about any contact between SND and the company after the support was approved.

23. Has SND provided any follow-up after the approval of the support?

Yes=1 No=2

Any additional comments:

Not necessary/not desired Not expected Desired, but not received

(NB: If the answer to the question above is No, go to Question 27)

24. In which areas has follow-up been provided?

Indicate on a scale from 1 to 7, where 1 means "to a very limited extent" and 7 means "to a very large extent".

	To a very limited extent						To a very large extent
a) Product/service development	1	2	3	4	5	6	7
b) Development of the production process	1	2	3	4	5	6	7
c) Selection or development of technological solutions	1	2	3	4	5	6	7
d) Market development	1	2	3	4	5	6	7
e) Development of organisation and management	1	2	3	4	5	6	7
f) Development of partners and networks	1	2	3	4	5	6	7
g) Financial guidance	1	2	3	4	5	6	7

25. Who took the initiative for the contact between SND and the company?

- 1. SND
- 2. The company
- 3. Sometimes the company and sometimes SND

26. How satisfied are you with SND's follow-up work?

Indicate on a scale from 1 to 7, where 1 means "not satisfied" and 7 means "very satisfied".

Not satisfied					Very satisfied		Don't know	
1	2	3	4	5	6	7	8	

THE SITUATION OF YOUR BUSINESS COMPARED WITH THAT OF OTHERS IN THE SAME INDUSTRY

By “business” we refer to those business activities which have received support from SND.

27. **Would you say that...?** Indicate on a scale from 1 to 7, where 1 means “not at all” and 7 means “to a very large extent”.

	Not at all							To a very large extent						
	1	2	3	4	5	6	7	1	2	3	4	5	6	7
a) Our business has a strong financial position compared with our competitors	1	2	3	4	5	6	7							
a) Our business has a more advantageous location compared with our competitors	1	2	3	4	5	6	7							
c) A patent has been obtained for the business’s technology	1	2	3	4	5	6	7							
c) A patent has been obtained for our business’s products and services	1	2	3	4	5	6	7							
e) Our business represents skills and qualifications which are difficult to copy	1	2	3	4	5	6	7							
f) It is important for our business that a local community of small businesses exists	1	2	3	4	5	6	7							
g) The location of our business is important for its competitiveness	1	2	3	4	5	6	7							
h) Our business has better technical expertise than our competitors	1	2	3	4	5	6	7							
i) Our business has better expertise with regard to product and service development than our competitors	1	2	3	4	5	6	7							
j) Our business has better marketing expertise than our competitors	1	2	3	4	5	6	7							
k) Compared with our competitors, our business is particularly capable with regard to customer service	1	2	3	4	5	6	7							
l) Compared with our competitors, our business is particularly capable with regard to management and business	1	2	3	4	5	6	7							
m) Our business’s personnel are more keen than those of our competitors to contribute new ideas with regard to products and services	1	2	3	4	5	6	7							
n) Our business shows better financial results than our competitors	1	2	3	4	5	6	7							
o) Our business shows stronger sales growth than our competitors	1	2	3	4	5	6	7							
p) Our business shows stronger growth in the number of employees than our competitors	1	2	3	4	5	6	7							
q) Our business has a larger market share than our competitors	1	2	3	4	5	6	7							
r) Our business has a better market position than our competitors	1	2	3	4	5	6	7							
s) Our business experiences better customer loyalty than our competitors	1	2	3	4	5	6	7							

THE OBJECTIVES OF THE BUSINESS AND ITS OTHER OPERATIONS

28. **Would you say that...?** Indicate on a scale from 1 to 7, where 1 means “not at all” and 7 means “to a very large extent”.

	Not at all					To a very large extent	
	1	2	3	4	5	6	7
a) We aim to expand as quickly as possible	1	2	3	4	5	6	7
b) We accept high risk in our market adaptation	1	2	3	4	5	6	7
c) We aim to be first with regard to technological development in our industry	1	2	3	4	5	6	7
d) We have a stable range and selection of products	1	2	3	4	5	6	7
e) We emphasise the importance of having a broader product range than our competitors, which our customers are willing to pay more for	1	2	3	4	5	6	7
f) We manufacture products of high quality	1	2	3	4	5	6	7
g) We manufacture products adapted to a special market niche	1	2	3	4	5	6	7
h) We make efforts to find new potential in the market	1	2	3	4	5	6	7
i) We emphasise the importance of the continual development of our business concept	1	2	3	4	5	6	7
j) We adapt to the successful business concepts of our competitors	1	2	3	4	5	6	7
k) The business is engaged in the development of new products	1	2	3	4	5	6	7
l) The business emphasises the importance of being the first to introduce new products to the market	1	2	3	4	5	6	7
m) The business is engaged in the improvement and modification of existing products	1	2	3	4	5	6	7
n) Our products are cheaper than those of our competitors	1	2	3	4	5	6	7
o) When we have products which are similar to those of our competitors we must maintain a competitive price level	1	2	3	4	5	6	7
p) We are aggressive with regard to new marketing initiatives	1	2	3	4	5	6	7
q) It is important for us to be in control of distribution	1	2	3	4	5	6	7
r) Changes in products and services have generally been dramatic	1	2	3	4	5	6	7
s) We encourage the use of bold and risky solutions in our marketing efforts	1	2	3	4	5	6	7
t) We are constantly on the look-out for new and creative solutions	1	2	3	4	5	6	7
u) Our employees accept frequent changes in tasks and areas of responsibility	1	2	3	4	5	6	7

THE DEVELOPMENT OF NETWORKS AND CO-OPERATIVE RELATIONSHIPS

29. Would you say that...? Indicate on a scale from 1 to 7, where 1 means “not at all” and 7 means “to a very large extent”.

	Not at all				To a very large extent		
	1	2	3	4	5	6	7
a) Our employees’ networks are an important source of information for our business	1	2	3	4	5	6	7
b) Our business profits greatly from our general manager’s personal networks	1	2	3	4	5	6	7
c) Our business’s networks are used to influence its surroundings	1	2	3	4	5	6	7
d) Our business’s networks are used as a source of knowledge	1	2	3	4	5	6	7
e) The Board of Directors provides an external network for our business	1	2	3	4	5	6	7
f) Our business regularly prepares written strategies	1	2	3	4	5	6	7
g) Our business’s board is an important advisory resource	1	2	3	4	5	6	7
h) Our business’s management is very competent	1	2	3	4	5	6	7
i) We use e-mail and the Internet actively for internal communication with our employees	1	2	3	4	5	6	7
i) We use e-mail and the Internet actively for internal communication with customers and suppliers	1	2	3	4	5	6	7
k) We are constantly on the look-out for new partners in order to build up competence	1	2	3	4	5	6	7
l) We are in frequent contact with the R&D community	1	2	3	4	5	6	7

**FRAMEWORK CONDITIONS AND SURROUNDINGS FOR YOUR INDUSTRY,
AND CHANGES IN THESE**

In the following section you are asked to base your questions on your business's principal industry or trade. The first questions concern your perception of the industry, while the latter part applies to changes which may have taken place in the industry during the last three years.

30. To what extent...?

Indicate on a scale from 1 to 7, where 1 means "to a very limited extent" and 7 means "to a very large extent".

	To a very limited extent			To a very large extent			
a) Does your business need to adapt its marketing practices to keep pace with the market and competitors	1	2	3	4	5	6	7
b) Can it be said that products and services have become obsolete in your industry	1	2	3	4	5	6	7
c) Is it difficult to predict the actions of your competitors	1	2	3	4	5	6	7
d) Is it difficult to predict the demand and tastes of the consumer	1	2	3	4	5	6	7
e) Have there been changes in your technology of production and services	1	2	3	4	5	6	7
f) Are your business's surroundings and framework conditions felt to be a threat to your business	1	2	3	4	5	6	7
g) Is price competition felt to be a threat to your business	1	2	3	4	5	6	7
h) Is competition with regard to product quality and new products felt to be a threat to your business	1	2	3	4	5	6	7
j) Are the markets for your business's products perceived to be shrinking	1	2	3	4	5	6	7
j) Is the competition situation the same for your business's various products	1	2	3	4	5	6	7

31. During the last three years, to what extent have changes taken place in your principal trade/industry with regard to:

Indicate on a scale from 1 to 7, where 1 means "very limited changes" and 7 means "very large changes".

	Very limited changes			Very large changes			
a) Growth potential in the business's immediate surroundings	1	2	3	4	5	6	7
b) Innovation and renewal of operational processes and products and services	1	2	3	4	5	6	7
c) Research and development	1	2	3	4	5	6	7
d) Predictability of the competitors' marketing initiatives	1	2	3	4	5	6	7
d) Aggressiveness of the competitors' marketing initiatives	1	2	3	4	5	6	7
f) The need to diversify the production processes and marketing initiatives to satisfy different types of customer	1	2	3	4	5	6	7

ABOUT THE BUSINESS AND ITS FINANCIAL PERFORMANCE

32. What was the turnover of the business (total operating revenue) in:

Year	Turnover (NOK)
2000	
2003	

(Those respondents who have been given approval for basic financing loans for fisheries operators should disregard the next question.)

33. What was the distribution of the business's sales in the following markets in the last year?

Market	Proportion in per cent
Regional	
National	
International	
Total	100%

34. In your opinion, into which category does your business fall as regards profitability, compared with other companies in the industry?

Check off the most appropriate alternative.

1. Among the bottom 20%
2. Among the next lowest 20%
3. Among the middle 20%
4. Among the next highest 20%
5. Among the top 20%

35. How is your business's financial position?

Indicate on a scale from 1 to 7, where 1 means "to a very limited extent" and 7 means "to a very large extent".

	To a very limited extent			To a very large extent			
a) Achieved satisfactory results in 2003	1	2	3	4	5	6	7
a) Expect satisfactory results in 2004	1	2	3	4	5	6	7

36. What is the highest level of education of your general manager? (Check off only one alternative)

- | | |
|------------------------------------------------------------------------|--------------------------|
| 1 Primary and secondary school | <input type="checkbox"/> |
| 2 Upper secondary school, vocational training studies | <input type="checkbox"/> |
| 3 Upper secondary school, other studies | <input type="checkbox"/> |
| 4 Technical or scientific education at university or college level | <input type="checkbox"/> |
| 5 Financial or administrative education at university or college level | <input type="checkbox"/> |
| 6 Other education at university or college level | <input type="checkbox"/> |
| 8 Don't know | <input type="checkbox"/> |

37. How many years of professional experience does your general manager have? _____ years

38. General manager's sex:

1 Female 2 Male

39. Does your business have a management team or management group, or similar? (NB: Not the Board of Directors, see below)

1 Yes 2 No

If so, how many persons? _____ persons

40. How many employees have college or university education?

- a) _____ persons in all, of whom:
- b) _____ persons with technical or scientific education
- c) _____ persons with financial/administrative education
- d) _____ persons with other education

41. If the company is a limited liability company, what proportion of the shares are owned by each of the categories below? (NB: If the shares have varying voting rights, calculate the ownership according to share capital, not according to voting interest)

<u>Type of shareholder</u>	<u>Proportion in per cent</u>
a) General manager and his/her family	_____
b) Other employees, not including their families	_____
c) Venture capital/seed capital companies or similar	_____
d) Other persons <u>not</u> employed by the company	_____
e) Others – specify:	_____
Total	100%

42. The company's Board of Directors consists of:

- 1. _____ persons in all, of whom:
- 2. _____ women and
- 3. _____ men

43. Does the Board consist of persons other than the principal owner and his/her family members?

1 Yes 2 No

If so, how many persons? _____ persons

44. What is your formal position in the company?

- 1 Senior executive
- 2 Financial/administrative manager
- 3 Other employee
- 4 Chairman/Member of the Board
- 5 External consultant or advisor
- 6 Other.