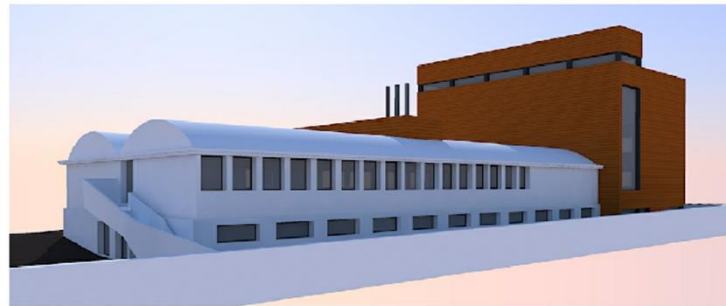


# InCompass project Policies Implementation Plan (Avilés-Asturias)

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*English Summary*



factoria  
cultural de avilés

December 2014



*InCompass is a Project cofinanced by the European Regional development Fund through the  
INTERREG IVC Programme*

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## 1 Introduction

Business incubators for creative industry provide the necessary space and act as support mechanisms and catalysts for the development of entrepreneurship and innovation throughout the European Union.

It is called incubator at an organization designed to help, usually promising young entrepreneurs for a limited period of time, the need to develop the idea for an innovative product or the launch of a company until it can run for alone. That is why we often assumed that incubators receive financial support and even infrastructure (buildings, land) by state, regional or local agencies. In recent years, since the global financial crisis and economic recession, incubators have been facing the difficulty of public funding due to austerity policies. Most of the incubators can only survive thanks to government subsidies and regional aid and due to the cuts in the budgets of existing public funds. Many are now facing a serious problems. Some are threat to their economic survival and ability to fulfill their potential as an engine for change and economic development.

Since 2012, Avilés is part of the project InCompass that involves 14 partners from 11 countries - local and regional authorities, universities and research centers, business parks and development agencies - to investigate the self-sustainability of creative incubators and development and share innovative methods for the management.

The “Factoría Cultural” - fully operational from 2015 - will offer a space for creation for the city of Aviles. The city will rank as a catalyst between artists and society, to find and present alternative forms of expression, creation and thought. This space will be the starting point for the launch of new initiatives that might lead to the formation of creative industries, as well as collaboration with existing small enterprises to support the cultural sector at all levels.

This project is co-financed by the European Regional Development Found of the EU through the INTERREG IVC program. InCompass aims to raise awareness and encourage the development of local, regional, national and European policies and increase the ability to create more spaces for experimentation, innovation and entrepreneurship in the creative industries, and provide a path for sustainable growth and job creation, as set out in the Lisbon Agenda.

Most of the selected best practices are in the domains of commercial contextualization and tiers of support, networks and partnerships. It was found that practices with strong social contextualization, such as networking event or the construction of common “third spaces”, while considered of great importance to start-up companies, in general had little potential to improve the financial sustainability of the incubator itself.

Following the structure of the project working groups we have divided the measures identified for potential implementation within three groups, presented in the following chapters.

## 2 Group 1: Measures taken to improve the commercial context

### Objective

The aim of the measures identified in the framework of the “Commercial Context” is to identify the commercial needs by which an incubator can reach financial self-sustainability, such as obtaining revenue service organization (workshops, lectures, etc.) by providing facilities broadband internet and space conditioning (workspaces, meeting or rehearsal). Incubatees can achieve scale economies by sharing services, facilities and spaces.

It will also be possible to generate revenues from "alumni", new companies that have succeeded and grown and have already left the incubator. To do this, the incubator should give a percentage of the new company that supports it. This model less known in Europe encourages the implementation of strict selection criteria for companies seeking support, as the success of these companies is directly linked to the future income of the incubator.

### Main tasks

There are more ways to generate income in addition to those already mentioned. Through the organization and rationalization of the use of spaces are available profits, including:

- Using spaces for other activities (hotel, catering, and tourism conference).
- Renting underutilized facilities and spaces for the development of activities that are not related to the activity of the incubator but are attractive for expansion.
- Providing specialized services to external companies (Coaching).
- Charge a fee to leading suppliers.

As far as the fees and rents are concerned, they are recommended to be as low as possible for new businesses during the initial stage and gradually increase them as companies grow, based on their increased financial capacity. A good selection of participants to the incubation program is the basis for successful entrepreneurs.

### Possible Actions

According to the measures identified in the project, the possible actions for implementation are:

- 1. Rent out workspaces to non-incubatees.**
- 2. Rent out spaces to third parties and for events.**
- 3. Active participation in EU funded projects**
- 4. Financial benefits from public authorities, other than subsidy. (Workshops,**

created in partnership with regional authorities)

### 5. Equity sharing

Equity sharing is a standing and successful practice and seems more common in tech-based than content-based industries. It also recognized that equity sharing by incubator may prevent incubates from turning to private equity firms.

### 6. Market incubatees' knowledge

Some incubators market the knowledge of incubates firms in the form of consultancy services. One example in Asturias is Valnalón. Within each thematic area, programs and actions of market access will be directed to:

- Introduce cultural creation originated in the Cultural Factory and Avilés whole intermediaries and cultural programmers
- Provide cultural creation in fairs and exhibitions
- Facilitate the organization and exhibitions.
- Improve the ability of creators to access to markets, promoting agreements with agents and supporting them in their negotiations to better defend their interests.
- Make effective use of the opportunities offered by information technology and communication and social networks for the distribution and marketing of cultural creation.

### 7. Market incubator's knowledge

This measure / good practice has been observed and highlighted on the visit by experts InCompass in Asturias, in Valnalón: Funding for knowledge transfer has been developed over the past six years and is exporting entrepreneurs educational programs to other areas outside of Asturias, mostly within Spanish territory (public funding, but from other public authorities).

### Necessary resources

To achieve with the standards set by the Factoría Cultural for the use of spaces and infrastructures.

To develop the events on time and conditions expected.

To include in all advertising materials mentioning the Municipal Foundation of Culture of the City of Avilés, project support from the Factoría Cultural.

To develop project between specified dates.

### Possible monitoring and evaluation of measures

-Revenue (in euros) from the implementation of each measure concern.

-Number of hours of renting space for events.

- Number of new European applications submitted or shared / year (Target: min. 2).
- Number of European projects that are involved finally approved / implemented
- Number of entrepreneurs who come to the capital funding program of the municipal budget.

### 3 Group 2: Improve the Social Context

#### Objectives

The social activity includes activities that connect the entrepreneurs from incubated among themselves and also with external partners and agents. The main purposes of these connections are to encourage informal learning through the exchange of new knowledge, information, best practices and networking activities.

#### Main tasks

Creation of a working Network between the incubator and the incubated and also between the possible partners. Some of the measures that will be carrying out to improve the social context will be:

-The organization of social gatherings in the incubator (example: meet-ups for "Friday Afternoon" and "Tapea and knowledge");

-The creation of common spaces to promote spontaneous encounters between incubators.

Also, networks may also extend beyond the incubator. One interesting measure will be to open the incubator, physically and socially, to the urban environment. With this measure we will open Factoría Cultural to the public and we will increase the creative talent to the public and to creative industries.

Testing concepts and products in the environment of the incubator will be part of the learning stage of product development ideas (open Lab). In case of charging some kind of fees, would be used to cover the incubator for the provision of services, facilities and spaces.

#### Measures to approach Factoría Cultural to the local citizens

The following good practice in the context of InCompass has been selected as the most interesting and transferable action:

#### 8. Relationship with neighborhood

In some cases incubators are supported because they assume positive influence they have on their environment. If an incubator can rightly claim that it contributes to unemployment reduction, strengthens social cohesion within the local community, or contributes to the improvement and maintenance of public space, this may provide an added value that may be valorized. In this sense, Factoría Cultural has a strong influence in a city of small-medium size (about 80,000 inhabitants).

Factoría Cultural organizes local events to facilitate the exhibition of work of the creators associated at FC in open exhibitions to general public in Avilés and the other people who might be interested.

In general, Factoría Cultural operates in partnership, especially with associations of creators and artists, galleries and other art producers. Usually it collects proposals and collective suggestions of artists and creators of the local environment, and provides support for those aspects that are required, within available resources. In this sense, according to its Master Plan, it promotes and encourages the organization of exhibitions of artists who are associated with the Factoría Cultural in urban public spaces and, eventually, private premises.

The FC promotes and encourages a series of concerts in public and private spaces. Preferably, these concerts are recorded in thematic or temporal cycles in order to give them greater visibility. As far as possible, these cycles are organized in close collaboration with the private sector in Avilés. The direction of the FC promotes changes in the local legislation to facilitate the realization of concerts in their premises, within the limits set by the applicable regulations, and without inconvenience to neighborhoods.

Furthermore, Factoría Cultural is developing/will develop some very interesting programs:

- Social Networks, Factoría Cultural: Using Facebook, Twitter, Instagram, to connect with the younger generation and have more impact in the society.
- White Night and Black Night: to approach multidisciplinary open cultural activities to the citizens.
- Five Senses: Program that pretends to interconnect the artists and develop new ideas.

### **Necessary resources**

A Community manager will be hire to develop the activities.

### **Calendar**

- Hiring a Community Manager: first semester 2015
- White nights: every year in spring
- Black Nights: Every year between October and November.
- Five Sense Program: from 2016.

### **Possible monitoring and evaluation of measures**

- Information on calls : 100% of information available.
- Personalized online answers to questions raised by the groups.
- Dissemination of information on activity of the Factoría Cultural: any new activity, with pictures, links to projects, institutions and press impact.



- Dissemination of information on activity and calls for other centers linked to national and international networks in which Factoría Cultural is/will be a member.

-Inserting comments of users of the spaces (rehearsal rooms and workshops): 1 comment / user / week.

## 4 Group 3: Forms of support, collaboration, networking and partnerships

### Objectives

Topics of interest for this group of measures covering all kinds of assistance, networks and partnerships more or less planned and organized, especially outside the incubator partners. These partners may represent a variety of companies and institutions: industrial companies, consulting agencies, banks, insurance companies and educational institutions.

Work in networking can have multiple targets to increase the impact of the activities of incubators (multiplier effect) and reduce costs (scale economy) or share knowledge (diversification of activities).

### Main tasks

Assistance from third parties can be directly or indirectly implemented, contributing to the success of incubatees- through, i.e.:

- Financial support and sponsorship.
- Support to incubation programs providing tutoring, lecturing or advising incubated in areas such as management and business skills and product development.

Generally, the support from third parts, networks and partnerships offer mutual benefits: Public institutions and private companies sign such agreements with incubators in order to achieve their own goals.

### Possible Actions

In the InCompass program, we highlight the following eight measures as transferable or "implementable":

#### 9. Relation to higher education institute

Universities consider incubators as a way to commercialize their research and patents through the creation and hosting of spin-offs, or to improve the employability of their graduates. In the case of Asturias, Factoría Cultural has initiated contacts with other departments of the University of Oviedo. FC, should promote a greater cooperation with the R+D+i departments of the University, and with its School of Engineering (based in Gijón), to create a sustainable partnership between both institutions.

#### 10. Involve alumni

Nowadays, some of the old students of the School of Ceramics cooperate in various activities (events, exhibitions, training courses, etc.), but not in a systematic way.

The new creation of an online database where users FC can present and promote their works, and the forthcoming introduction of a Community Manager could be an opportunity to launch a network of "alumni".

### **11. The Prince's Trust**

Factoría Cultural has not functional skills to create funds to support start-ups. However, there are a series of institutions in Asturias that do manage such kind of financial support. Some of them member of our RIG.

### **12. Focus on managing workspaces and "outsourcing" support program**

This measure coincides fully with the formulas that Factoría Cultural manages, that has a very small team of employees, and has subcontracted external experts or teachers to complete its range of services and support programs. In this context, as highlighted by the Master Plan, we want to launch a "Personalized service business advisory", to offer business services and mentoring to local artists and creators.

For the selection of experts, Factoría Cultural will issue an open call, which can be answered by professionals who can demonstrate experience and knowledge relevant to the objectives of the FC (proving that they can provide advice to artists to improve its ability to market access).

Proposals will include professional resume, their experience and knowledge, a description of the services that can be provided, with estimated fees. The creators and artists who wish to use these services will be able to request them at Factoría Cultural, with a brief description of their needs. The Factoría Cultural will provide the profile of professionals available and the costs of each hour of consulting. FC will assume part of this cost, by awarding the creators and performers of the corresponding service checks, within the limits established in the aid programs.

### **13. Pre-incubation programs and awareness**

Several incubators are involved in pre-incubation and activities to raise the awareness among potential start-ups of the opportunities to start an own business. The pre-incubation program aim to fill the perceived gap between education and entrepreneurship, and as such they may have a clear contribution to the regional incubation system. In Asturias region we have the example of Valnalón, member of our RIG, that starts at primary and secondary school to offer workshop or lobbying to include entrepreneurship skills in the curriculum.

### **14. Invest in networks and partnerships**

Since its creation, the creation of the Factoría Cultural has taken into account the importance of networking. In this framework, the FC has established connections with the European network of independent creation TEH (Trans Europe Halles) and the global network for artistic residencies Res-Artis. Similarly, it has promoted participation in European cooperation projects (InCompass, Eucemet, Innovate, Imagine, Symbols, etc.) and, as noted herein, usually cooperates with local and regional partners.

Its Plan includes, among others, two programs of interest to launch these coming years, aimed at cooperation among its users:

a) Transversal Programme for the Promotion of Cooperation between Creators: New Friends.

Cultural creation is often a collective work even in cases that creation can be mostly individually, as in the arts, collaboration with other creators can produce excellent results.

Factoría Cultural will provide a space for coexistence, contact and interaction between creators and artists, both among the same cultural sphere (musicians, actors, ...) as creators of other artistic disciplines: a designer can collaborate with a musical group to define your image or design marketing materials; an artist can design the sets for a theatrical production; a musician can provide musical elements for an audiovisual production.

b) Factory Cultural Meeting Point

The objective of this program is to facilitate the meeting and exchange between artists from different disciplines and promote joint and interdisciplinary projects. Ultimately it is intended that the Cultural Factory is consolidated as the meeting place of artistic creation in Avilés.

Some activities will take place in order to facilitate and encourage the mutual knowledge, such as:

- Technical presentations of artists and creators in their artistic production.
- Thematic Conferences on the Arts.
- Leisure and recreational activities.
- Etc.

**15. Mix of start-ups and more mature firms**

Many incubators deliberately aim at a mix of early and more mature start-ups. One of the reasons for this can be the cross-subsidy between companies that can afford higher or lower rents. A second reason is the possibility that mature start-ups or SMEs can be involved in the support of beginning starts-ups, by mentoring or providing services. The spaces in the FC will be open to both ,emerging artists and established artists, to create a new network between them.

**16. Cluster development.**

The potential contribution to the regional incubation and innovation system is large. It is not easily transferred to other cases: in this case, the identification of a promising but not yet developed cluster, and its legal status.

Promoting the launch of a cluster should be viewed from a regional perspective, not locally, due at the small dimensions of Aviles. The initiative should born from the subsectors, and the RIG members must be prepared to support them. In this case, the support may be, for example, the assignment of work and meeting spaces, and the inclusion of the cluster or its members in our activities.

### **Necessary resources**

Institutional cooperation and the development of specific activities are the bases of all identified measures. Many of which are already underway or in the local context, within the framework of the activities of the members of the RIG. This means that the main resources are the availability of human resources, since the coordination of so many activities can provoke some saturation of the current team, which is relatively small. The coordination between partners and the coordination between members will be crucial for the success of the project.

### **Calendar**

Implementation of all measures continuously and progressively, in order to have they all incorporated to 100% by the end of 2016.

### **Possible monitoring and evaluation of measures**

Among the measures of evaluation and monitoring of the success of the Factoría Cultural, we can analyze the activities carried out in collaboration with institutions of higher education, and also the alumni participating in social networks and incorporated in to the database of Asturian creators. Number of activities "New Friends" conducted and participants.

As far as the beneficiaries of outsourced support programs (check service) and the supported or created clusters, the number of target groups and individuals sensitized through campaigns will be used. We also consider the number of people involve in the pre-incubated projects, as well as the number of networks and transnational projects in which FC will participate yearly.

## 5 Conclusions

Due to the size of Asturias and the existing network of business support infrastructure and cultural initiatives, it does not seem appropriate or necessary to create an incubator specialized only in the creative industries.

The participation of Factoría Cultural in InCompass project, through the Municipal Foundation of Culture of the City of Avilés, has greatly contributed to address the business value of initially purely artistic initiatives and to assess the position of this new equipment with respect to traditional creative incubators.

The spaces offered and their services are complementary to those available in traditional incubators in the region, being specifically oriented to artistic projects. Through the Regional Implementation Group (RIG), the project has allowed for initiating contacts with leading specialist institutions, not only locally (Chamber of Commerce, La Curtidora incubator, School of Entrepreneurship, Association of entrepreneurs, etc.) but also at regional level (BIC, Valnalón, Labor University, etc.).

After analyzing the information obtained from all study visits carried out within the InCompass project, we have selected around 16 good practices as easily transferable, grouped into 3 major groups of measures: 1) aimed at increasing the income of incubators Measures (context commercial); 2) orientated to enhance its impact and support civil society (social context); and 3) measures to increase cooperation and networking activities.

In this sense, although most of the good practices are already implemented by one or various members of the Asturias RIG, moreover than working on specific actions that can reinforce or complement existing initiatives, in order to take advantage of the opportunities and for the sustainability and wealth of the institutions, as well as to offer a full map of services and equipment to creative entrepreneurs, the key efforts should not be financial ones, but of coordination and commitment of the existing teams.