

Best Practice ZAB's sub-regional centres

BEFORE

Benchmarking and foresight for regions of Europe

<http://www.before-project.org>

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Contents

| | |
|-----------------------------------------------------------------------------------|----|
| Introduction | 5 |
| Part One: Basic coordinates | 6 |
| The state of Brandenburg | 6 |
| Governmental structure | 6 |
| Regional characteristics and key statistics about demographics | 6 |
| Infrastructure, economic situation and industrial structure of Brandenburg | 7 |
| Part Two: Project description | 9 |
| ZAB and its sub-regional offices | 9 |
| Organisation profile | 9 |
| ZAB RegionalCentre | 9 |
| History and background | 9 |
| Starting point and partners | 9 |
| History | 10 |
| Part Three: Political and strategic context | 11 |
| Objectives and structure | 11 |
| Main objectives | 11 |
| Structure | 11 |
| Target group and main tasks | 12 |
| Part Four: Implementation | 13 |
| Management structure and partnerships | 13 |
| Management | 13 |
| Local partnerships | 13 |
| Marketing activities | 14 |
| Part Five: Effectiveness | 15 |
| Impact & relevance | 15 |
| Activities of a sub-regional manager in Neuruppin | 15 |

| | |
|---------------------------------------------------------------------------------------------|----|
| Overall impact of ZAB's RegionalCentre | 15 |
| Conclusions | 16 |
| Innovative character of the best practice | 16 |
| Outlook | 16 |
| Part Six: Contact details | 17 |
| Sub-regional offices contacts | 17 |
| BEFORE Partner contact | 17 |
| | |
| Tables | |
| Table 1. Advisory Board of the sub-regional office Frankfurt/ Oder (State: 10/2007). | 14 |
| | |
| Figures | |
| Figure 1. The Federal State of Brandenburg. | 6 |
| Figure 2. Population forecast for Brandenburg (2004 = 100%). | 7 |
| Figure 3. Regional Growth Poles in Brandenburg. | 8 |
| Figure 4. ZAB's sub-regional offices (RegionalCentre). | 9 |
| Figure 5. Composition of ZAB's RegionalCentre (State: 10/2007). | 14 |
| Figure 6. Location of Neuruppin office and monthly consultations in Wittstock and Rathenow. | 15 |
| Figure 7. Portrait of Reinhard Göhler, the sub-regional manager in Neuruppin. | 15 |

Introduction

The **BEFORE Project** (<http://www.before-project.org>) was approved in the **FP6-2004-KNOW-REG-2** call for proposals of the **6th Framework Programme**. The specific programme covered was “**Integrating and Strengthening the European Research Area**” and the activity areas included were “**Coherent development of research and innovation policies**”.

The project will perform the comparative analysis (**benchmarking**) of efficient support instruments for the RTD in **geographical areas with demographic significant imbalances**. In this way also specific tools of support would be analyzed for rural companies and entrepreneurs. Also, there would develop a **panel of indicators of impact of the regional RTD support policies** in this type of regions, with special attention to the indicators of social impact.

A special attention will be paid to the case of regions that have obtained significant advances implementing RTD policies in the last years (for example, regions to which the good use of the resources has allowed or will allow to leave the Objective 1). In the consortium take part some regions of this type (Castilla y León, Brandenburg). These regions will carry out a task of mentoring on the rest of regions in the project.

One of the factors for success in the present project is the achievement of wide regional consensus and the involvement of regional RTD players in the project. A strong effort will thus be made in order to obtain this actor interaction, integrating key players in the management structure and widely **disseminating project results**. Also the benchmarking process will contribute to trans-national exchange of experience.

Other objective of the project is to carry out **foresight studies** of policies and support instruments to RTD guided to **future sectors**, intensive in knowledge and with high added value. The sectors being covered will be **aeronautical** (Castilla y León), **biotechnology** (South Estonia), **ICTs** (Mid Sweden, South Estonia and West Romania), **transport (logistics** in Brandenburg and **automotive** in West Romania) and **renewable energies** (Brandenburg, Castilla y León and Mid Sweden). The development of these new sectors will allow to the participant regions to maintain and promote equilibrium between the competitiveness of its basic

industries and businesses and the bid to introduce new economic activities in sectors with good prospects of future.

The partners and their respective regions and websites in the BEFORE Project are:

- **ADEuropa Foundation (ADEUROPA)** (Castilla y León) (<http://www.adeuropa.org/>) as coordinator.
- **Brandenburg Economic Development Board (ZAB)** (Brandenburg) (<http://www.invest-in-brandenburg.com/>).
- **ADR West Romania (ADR)** (West Romania) (<http://www.adrvest.ro/>).
- **Institute of Baltic Studies (IBS)** (South Estonia) (<http://www.ibs.ee/>).
- **The County Administrative Board of Västernorrland (LSTY)** (Mid Sweden) (<http://www.y.lst.se/>).
- **The Policy Research in Engineering, Science and Technology (PREST)** (Victoria University of Manchester) (<http://www.mbs.ac.uk/prest>) as expert in the design of foresight activities.

This document is one of the two best practices to be elaborated by the region of Castile and León within this project and the corresponding study tours related to them. This best practice focuses on the Technology Parks of Castile and León and its impact in Castile and León's economy as one of the leading RTD supporting instruments in the region.

This document has six parts: **Part One** focus on the basic coordinates of Brandenburg, **Part Two** gives a description of the project involved in the best practice, **Part Three** defines the political and strategic context on which it was framed, **Part Four** explains how the best practice was implemented, **Part Five** shows the results of the implementation of the best practice and **Part Six** includes the contact details for further information.

Part One: Basic coordinates

The state of Brandenburg

Brandenburg is one out of 16 federal states in Germany. The German capital, Berlin, lies - as a federal state of its own - in the heart of Brandenburg. With a population of about 2.6 million, Brandenburg is one of the smallest German *Länder*. The region is characterised by uneven development with growing population and a concentration of economic activity in the parts close to Berlin. The remote parts are threatened by severe processes of demographic decline and socio-economic problems – also with regard to a current and future shortage of skilled labour despite high unemployment rates. The proximity to Berlin is one of the biggest potentials of Brandenburg. The whole capital region forms a metropolitan area with about 6 million inhabitants. The capital region's economic attractiveness is attributable to its network of research and scientific institutes, its modern transport and communication infrastructure as well as its proximity to Eastern European markets. The density and quality of universities and non-university research institutions are an excellent basis for business development.

In the 17 years that have passed since German reunification, many and various instruments and programmes have been developed to support innovation, technology transfer and business formation. A considerable potential of innovative start-ups and spin-offs exists on the basis of the high density of universities, colleges and R&D organisations. The recently revised innovation strategy demonstrates a new approach to economic development promotion in Brandenburg.

Governmental structure

Such as Belgium, Austria, Italy or the United States of America, Germany is a federal state. Since reunification of the two German countries in 1990, 16 *Länder* form the federal system of Germany. The federal government (Bundesregierung) and the regional governments (Landesregierung) share responsibility in a complex system. The German Constitution regulates competences of the federal state and the *Länder* as well as joint responsibilities. German *Länder* have their own constitutive power and elected regional parliaments (Landtag).

In particular in the fields of economic development, education and culture along with some other fields, the *Länder* can set their own priorities. In Brandenburg, every five years a new parliament (Landtag) of 88 members is elected. Since 1999, the government is built by a coalition of the Social Democrats (SPD) and the Conservatives (CDU). Prime Minister is Matthias Platzeck (SPD), Minister of Economic Affairs: Ulrich Junghanns (CDU).

In 2003, Brandenburg was split up into two NUTS-2-Regions, Brandenburg Northeast (Convergence Region) and Brandenburg Southwest (Phasing Out Region). However, these two regions do not have any administrative function. Brandenburg is divided into five planning regions (regionale Planungsgemeinschaften) and 18 counties (including four unitary authorities). On the lowest level of administration there are 420 local authorities out of which 112 are proper cities.

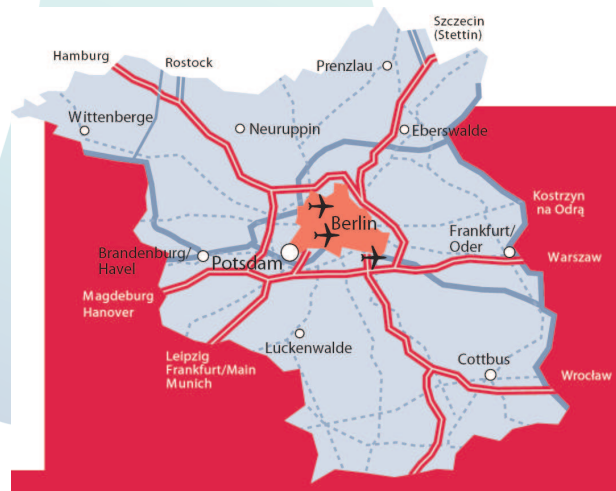


Figure 1. The Federal State of Brandenburg.

Regional characteristics and key statistics about demographics

Brandenburg's culture, landscape and nature offer a high quality of life and recreational activities. The German capital, Berlin, lies - as a federal state of its own - in the heart of Brandenburg. Potsdam, Brandenburg's capital (150,000 inhabitants), is famous for its world-renowned cultural heritage. Brandenburg is one of the smallest states in terms of population. With a population of just about 2.6 million people, the region ranks 10th among the 16 *Länder* and has one of the lowest population densities in Germany (87 people per square kilome-

tre). But with about 29,500 square kilometres, the federal state of Brandenburg is the largest of the Eastern German Länder. Brandenburg is dominated by small and medium sized towns. Except Potsdam there are just a few other cities in the region which are Cottbus (105,000), Frankfurt/Oder (62,500) and Brandenburg/Havel (74,000). Due to the proximity to Berlin, the whole capital region forms a metropolitan area with about 6.0 million inhabitants.

Demographically, Brandenburg and the other East German Länder are in a critical situation. Since reunification, East Germany has lost about one million inhabitants due to a slump in birth rates and due to East-West migration. With Berlin in the centre, the population development in Brandenburg is better than in many other areas in East Germany. Brandenburg is characterised on the one hand by a positive population development and a prosperous as well as innovative business climate stimulating the regional performance around Berlin, and on the other a decreasing population with low density and large agricultural areas in the remote parts of the region. But also in Brandenburg birth rates decreased to a long term low of 0.74 in 1993. Although the number of births has risen since to nearly 1.3 in 2004 (LBV 2006: 11), population development without migration is still negative.

Despite heavy population decline in the remote parts, the total population of the region remained more or less stable since 1990 due to population growth in those parts of Brandenburg neighbouring Berlin. Population forecasts, however, predict a loss of population in the future, in particular after 2012 with a total decline of estimated 13% until 2030 (LBV 2006: 16). A loss of population will affect the remote parts of Brandenburg (äußerer Entwicklungsraum), in particular. Population development in the metropolitan suburbs (engerer Verflechtungsraum) will remain positive or stable. Future prospects of the peripheral parts of Brandenburg are seen as critical. According to population projections only 58% of Brandenburg's inhabitants will keep living in the remote parts in 2020 – compared to 70% in 1990.

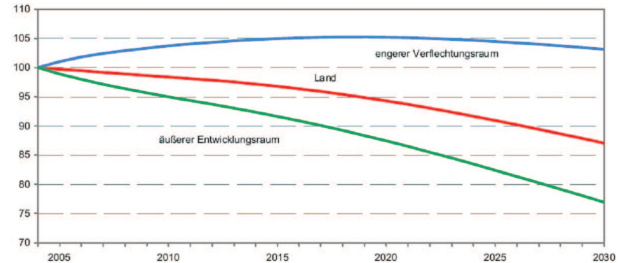


Figure 2. Population forecast for Brandenburg (2004 = 100%). Source: LBV 2006: 18.

Infrastructure, economic situation and industrial structure of Brandenburg

Brandenburg is well connected with highways, railway connections, and waterways, and with two international airports. The region has one of the world's most modern telecommunications infrastructures. Further developments focus on the expansion of the high-speed railway system and the forthcoming Berlin/ Brandenburg International Airport (BBI) at Schönefeld. In general, future prospects of the region are seen as positive, in particular due to the high density of innovative organisations in the metropolitan region.

Brandenburg's Gross Domestic Product (GDP) in 2005 measured €48.1 billion with a decline of -1.1% compared to 2004. The rapid economic restructuring after German reunification in 1990 led to a wide-ranging reduction in the number of jobs, particularly in the agricultural sector and some "old sectors" such as the lignite industry and steel production. Other traditional industries are precision mechanics, electrical engineering, vehicle manufacturing, petrochemicals and food technology as well as agriculture (45% of total area). The economic mix of the region is shifting towards emerging industries such as medical and biotechnology, aerospace, automotive, logistics, environmental technology, ICT and media.

In particular the rural areas of Brandenburg still suffer heavily from the symptoms of structural change and economic decline of traditional sources of employment in the 1990s. Apart from some industrial cores (lignite mining around Cottbus, refinery and paper production in Schwedt/Oder, steel production in Eisenhüttenstadt, Hennigsdorf and Brandenburg/ Havel), a number of mono industrial structures have been lost during the process of transformation and privatisation after reunifica-

tion. The strategy of the Brandenburg government is to concentrate further development in 15 economic growth poles (regionale Wachstumskerne), which already today show a high concentration of economic activity.

Traditional trade relations with expanding markets in Central and Eastern Europe have the potential to make the region.

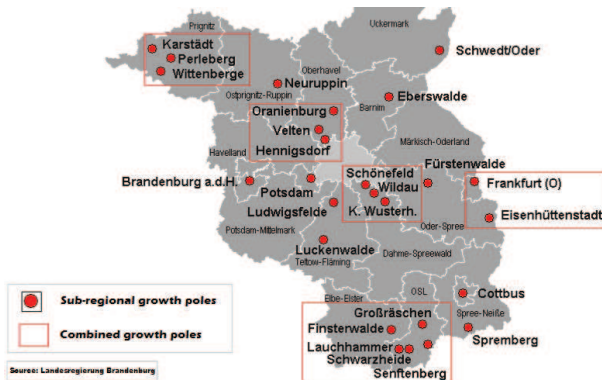


Figure 3. Regional Growth Poles in Brandenburg.

In the suburban region around Berlin, major internationally renowned investors, e.g. in the automotive sector (Daimler Chrysler, Volkswagen) and in the aerospace industry (MTU, Rolls Royce), found an attractive place for business activities. Also railway technologies are an important factor for the regional economic performance (Bombardier). Lots of growing innovative small and medium sized companies especially in Life science / biotechnology and ICT / media form a promising business area in and around Berlin. These sectors also show high numbers of spin-offs from universities and research centres. Brandenburg's new focus on clean energy is a chance to promote the rural areas. Brandenburg produces the majority of Germany's bio fuels, the number of biogas-installations, wind-power plants and very recently solar panel production is on a very high level.

After the heavy decline of traditional industries, there has also been massive improvement of the regional economy: Between 1991 and 2006, there has been a net gain of 120,444 new companies, €22.3 billion direct investment and €4.5 billion state grants to industry. However, with over 18%, unemployment rates are still high in general and vary, mainly depending on the distance to Berlin (from 12% to nearly 30% in some counties).

In 2005, Brandenburg's exports measured €6.6 billion and its imports €8.4 billion. The largest share of Brandenburg's export was to Poland, followed by the Netherlands, USA, Italy, UK and Austria. Major shares of Brandenburg's import were from Russia, followed by imports from Poland and from France.

Part Two: Project description

ZAB and its sub-regional offices

Organisation profile

ZAB is the State of Brandenburg's central economic development agency. Its main task is to create jobs in Brandenburg by fostering economic growth through:

- Attracting investments to Brandenburg from Germany and abroad.
- Supporting technological innovation in start-ups as well as existing companies in the state (by grants etc.).
- Promoting the internationalization of our companies through all forms of cooperation with foreign firms.

The Agency has been formed in 2001 by merging the formerly divided, also mainly state-owned Brandenburg Economic Development Corporation, Technology & Innovation Agency and Energy Saving Agency. ZAB is headquartered in Potsdam, has five regional branches around the state and is also responsible for the management of four Brandenburg Economic Development Offices abroad (in Dubai/UAE, Moscow/Russia, Riga/Latvia and Brussels). ZAB's shareholders are the Land Brandenburg (75%), the three Chambers of Industry and Commerce in the State (7.5%), the three Chambers of Handicrafts (7.5%), and the Union of the Employers' Associations in Berlin-Brandenburg (10%). ZAB currently employs 77 people on a regular payroll, and two dozen on project-terms. Its 2007 budget amounts to €5.3 million as a grant from the Ministry of Economics and approximately €0.7 million from diverse Land-, Federal- or EU-projects.

ZAB RegionalCentre

ZAB RegionalCentre is sub-regional offices of the Economic Development Board Brandenburg (ZAB GmbH). ZAB's headquarters are in Potsdam, the capital of Brandenburg. With its four additional sub-regional offices, ZAB keeps closer contact with its customers. ZAB-RegionalCentres offer clients comprehensive consultation and support. Personal contact persons assist clients in looking for a location and provide consultation on investments,

business promotion and energy as well as assistance in dealing with administrations. All five sub-regional centres in Brandenburg, are each attached to particular districts and unitary authorities (cf. map below). The offices in Eberswalde, Frankfurt (Oder), Cottbus, Potsdam and Neuruppin are part of ZAB's administrative structure. They are no temporary project based organisations but integral part of the regional development support functions in Brandenburg. The first RegionalCentre was opened as branch office (Geschäftsstelle) of ZAB's predecessor Technology- and Innovation Agency Brandenburg (TINA) in 1991. Since then, the idea of sub-regional offices has been maintained (cf. below).



Figure 4. ZAB's sub-regional offices (RegionalCentre).

History and background

Starting point and partners

ZAB is one of the main players in regional innovation support services (project executing organisation and evaluation of regional R&D support funds, cluster-initiatives, RIS/RITTS-projects, IRC Innovation Relay Centre, IPR-exploration support, etc.). As a One-Stop-Agency, Brandenburg Economic Development Board provides all performances for economic enhancement of the region. Besides consultancy and promotion for innovative and technology-oriented entrepreneurs, investors and founders of businesses, the agency escorts middle-sized business from idea to business, enhances technology-transfer, participates at specific national and international fairs, informs about subsidies and cares for realisation of patents. ZAB closely cooperates with the Ministry for Economy of the

State of Brandenburg, the Brandenburg Technology Foundation, Brandenburg State Investment Bank (ILB), the Brandenburg State Agency for Structure and Labour (LASA), the regional Chambers of Trade and Industry, the Business Development Services of the districts, and the Technology and Innovation Consulting Points (TIBS) at Brandenburg's universities and polytechnics.

History

With German reunification, the State of Brandenburg was established in October 1990. During GDR times Brandenburg did not exist as an administrative region. Already in 1991, the Technology- and Innovation Agency Brandenburg (TINA) was established with five offices in Brandenburg. All services of TINA – including cross cutting support offers and overall administration – were split up among the five offices. Later, there was a discussion to reduce the number of offices in order to achieve geographical overlaps with the chambers of commerce and crafts. However, the five offices were decided to be further maintained due to the better proximity to customers.

In 2001, TINA, Brandenburg Energy Agency (BEA) and Business Development Agency Wirtschaftsförderung Brandenburg GmbH (WFB) were merged to Brandenburg Economic Development Board (ZAB). With this merger all TINA offices were maintained as part of ZAB's structure. Only one of the five offices has changed since then. The former office in Wittenberge was moved to Neuruppin, which is in a more central location in the northwest of Brandenburg.

To be close to the customer has been the main objective of the distributed branch offices in Brandenburg. Customers are all actors in the business sector in Brandenburg. In the early 1990s, TINA had a staff of around 40, distributed over the five offices. Each branch consisted of the director, one assistant, one administrative staff and at least two project managers. For each county or unitary authority there has been one dedicated responsible person to care about the resident companies and act as main contact for enquiries. Furthermore each project manager maintains priority areas for specific knowledge. This facilitated an internal support structure for technical advice.

TINA's main task has been the all-embracing guid-

ance through technology projects. Initial business requests for support from throughout the region were channelled to the responsible branch office. The local assistant then forwarded the requests to the locally responsible project manager. Competences at TINA were assigned according to the county responsibility of project managers. Additional support was possible with the internal distribution of technical expertise.

With the establishment of ZAB in 2001, TINA's branch offices were re-named as ZAB ServiceCentre. One objective at that time has been the proximity to the sub-regional offices of Brandenburg State Bank (ILB) with which ZAB closely cooperates in a number of funding schemes and with LASA. However, ILB re-structured their sub-regional services and dissolved their branch offices to the benefit of mobile project managers. ZAB and LASA, however, kept on with sub-regional offices. In Neuruppin, Frankfurt and Eberswalde, LASA's offices are even in the same building as ZAB's offices, which have been re-named RegionalCentre in 2004. The structure of ZAB prioritised technical expertise over sub-regional and county expertise. Following this logic, branch teams were introduced focussing dedicated fields of business. Since then both, the RegionalCentre and the branch teams make up the structure of ZAB.

Part Three: Political and strategic context

Objectives and structure

The ZAB-RegionalCentre is part of Brandenburg's long-term strategy to offer business development support within a structure that is close to the customer. There is a well established contact to the State of Brandenburg via the Ministry of Economic Affairs, the chambers of commerce and crafts and the Employers' Association Berlin-Brandenburg – the four shareholders of ZAB. There is a steady exchange on the executive level with these organisations, in particular with the Ministry of Economic Affairs. Once per year, all sub-regional managers and the chairpersons of the sub-regional advisory boards meet with the Secretary of Economic Affairs and a number of secretaries of state to discuss major issues of sub-regional development.

The current structure of ZAB with branch teams and sub-regional offices is supported by all shareholders. However, there is an ongoing discussion as to how the current system might be improved. Initially, TINA's branch offices were financed by the national level with funding on a diminishing scale. Nowadays, the offices are part of the overall structure of ZAB without additional external funding.

Main objectives

ZAB offers via five RegionalCentre in Cottbus, Eberswalde, Frankfurt/ Oder, Neuruppin and Potsdam competent advice for their customers. In contrast to other German States' Regional Development Agencies, ZAB maintains a closer contact to their customers due to the geographical proximity with the sub-regional offices. According to the principles of a "One-Stop-Agency", all services can be offered in effective reach of the target group. This includes extensive consulting and support by one direct ZAB contact person about location search, financing and subsidies, energy consultancy and overall support with public administration.

The RegionalCentre maintain close contact with the county-level business development agencies, communal partners, the chambers of commerce and crafts, sub-regional associations and interest groups, research organisations as well as other agencies such as Brandenburg State Bank ILB and Brandenburg State Agency for Structure and Labour

(LASA). All sub-regional offices actively contribute to sub-regional initiatives and networks and keep ZAB involved.

Other functions and objectives of the sub-regional offices include:

- Being the sub-regional gate to ZAB.
- Being sub-regional single contact point in all matters of business development and innovative business start-ups.
- Offering initial advice for existing companies in terms of company development.
- Initiate and continuously support sub-regional partnerships and networks.

The RegionalCentre also consult the Ministry of Economic Affairs Brandenburg in questions of sub-regional development. This is in particular relevant for the continuous enhancement of regional economic development promotion strategies. Further, it becomes more and more important to assist the remote parts of Brandenburg in catching up with overall economic development. In the last years, it has been very difficult to maintain the economic base in the remote parts of Brandenburg. Hence, the sub-regional offices should play an important role in assisting the economic development under these difficult conditions.

Structure

The RegionalCentre in Potsdam counts 7 employees and covers the counties Dahme-Spreewald, Potsdam-Mittelmark, Teltow-Fläming as well as the unitary authorities Potsdam and Brandenburg a.d. Havel. The RegionalCentre Potsdam is at the same time the Headquarter of ZAB with further 60 centralised staff. Here, there is the management board as well as central departments and services. Here, the Ministry of Economic Affairs and the State Bank are close-by, the two most important cooperation partners of ZAB. With a staff of eight, the RegionalCentre in Frankfurt/ Oder is the biggest sub-regional office of ZAB. It is contact point for all enquiries about the counties Märkisch-Oderland and Oder-Spree as well as the city of Frankfurt/ Oder. The office is located in the Business and Innovation Centre (BIC) Frankfurt/ Oder in Frankfurt's technology park. Responsibility for the counties Elbe-Elster,

Oberspreewald-Lausitz, Spree-Neiße and the city of Cottbus is with the RegionalCentre Cottbus (5 employees). The office is centrally located in the inner city of Cottbus. The RegionalCentre Eberswalde (6 employees) covers all enquiries of customers from the counties Oberhavel, Uckermark und Barnim. It is based in the Innozent Business- and Innovation-centre in one of Eberswalde's technology parks. The smallest sub-regional office is maintained in Neuruppin for the counties Prignitz, Ostprignitz-Ruppin and Havelland. One of the two employees is based in Potsdam. The other project manager has his office in Neuruppin's technology centre.

For all 18 counties and unitary authorities, there is one dedicated responsible project manager, based in the sub-regional office the local authority belongs to. Project managers with geographical responsibility spend around 25% of their work for cross-cutting themes. There are also specific contacts for the development of the 15 economic growth poles - usually overlapping with geographical responsibilities. All employees in the sub-regional offices are also associated with one of the six branch teams (International Business, Industry, Logistics / Aerospace and Traffic Engineering, Media / ICT, Life Sciences, Energy industry and consultancy). This means, most employees in the sub-regional offices are at the same time responsible for a county or unitary authority, for one of the sub-regional growth poles and technical expert with one of ZAB's branch teams.

Target group and main tasks

The target group of ZAB is all actors in the business sector in Brandenburg. This includes existing firms, new investors from within the region, from other German regions and from abroad and start-up companies or entrepreneurs with new business ideas. Also actors involved in technology or innovation projects are targeted.

In their day-to-day work, employees in the sub-regional offices are mainly concerned with supporting existing businesses in the sub-region with all matters of business development. This includes questions around new investments for enlargement (e.g. dealing with administrations, subsidies) and all innovation topics concerning business administration, technological know how and acquiring qualified employees. Here, ZAB offers a range of

innovation programmes on behalf of the Ministry of Economic Affairs Brandenburg. RegionalCentre are also involved in new investment projects and help with specific analyses, location offers and required services and information. The coordination of and contribution to sub-regional initiatives and business networks is another important task.

Further tasks of the ZAB RegionalCentre also include:

- Organisation of sub-regional information days.
- Presenting ZAB and their services at sub-regional events and fairs.
- Contributing to the development of sub-regional development concepts and economic development projects.
- Supporting the development of sub-regional growth poles (cf. above).
- Collaborating with the regional advisory committee (cf. below) and supporting outcomes of their activities (initiatives, activities and projects).

Part Four: Implementation

Management structure and partnerships

Management

Each Regional Centre is directed by a manager. The managers are responsible for all tasks which affect the whole sub region (such as sub-regional development concepts and initiatives, sub-regional events etc.), the coordination of sub-regional affairs with the other regional managers and strategic development of the sub-regional offices. There is also one assistant per Regional Centre who also functions as initial contact point for all incoming calls and answers basic questions. Roughly every six weeks (or 8 times a year), all sub-regional managers gather for sub-regional managers' meetings with the executive board of ZAB. Regular topics at these meetings are e.g.:

- Cooperation with partners.
- Discussion and decisions about joint matters.
- Definition of responsibilities.
- Discussion of current problems with support services.
- Introduction of relevant studies and initiatives.
- General knowledge exchange and further development of the sub-regional support system.

Also, the executive task force of ZAB (including the heads of departments and the executive board) meets regularly outside of the headquarters in one of the sub-regional offices. Such meetings are usually combined with visits to important companies or research organisations, the discussion of bigger investment activities or consulting with other sub-regional economic development support organisations.

Local partnerships

The information flow and collaboration with sub-regional partners is given high relevance in the concept of sub-regional offices. Each Regional Centre

is involved in a number of sub-regional formal and informal partnerships or regular meetings. This includes:

- first and foremost the sub-regional advisory board (cf. below), but also
- membership on advisory boards of technology centres and incubators,
- participation in sub-regional economic development promotion task forces,
- participation in sub-regional strategy groups,
- joint activities with other relevant partners such as ILB, LASA and the chamber of commerce,
- joint meetings at regulars' tables throughout the region as well as
- participation in specific business networks and projects.

The main partnership is the collaboration in sub-regional advisory boards. Each board supports, advises and controls the respective sub-regional office concerning questions of economic development in the sub-region. The advisory board also gives advice in terms of sub-regional priorities concerning business-, technology- and innovation support, direct investment, services for existing businesses, start-up support and energy management. The boards consist of around 15 representatives of important sub-regional organisations such as chambers, local authorities, interest groups, business associations, development agencies, entrepreneurs and large enterprises, business innovation centres, universities, polytechnics and research units/ institutes. The composition of advisory board differs. The aim is, however, to achieve a balanced structure with representatives of different backgrounds.

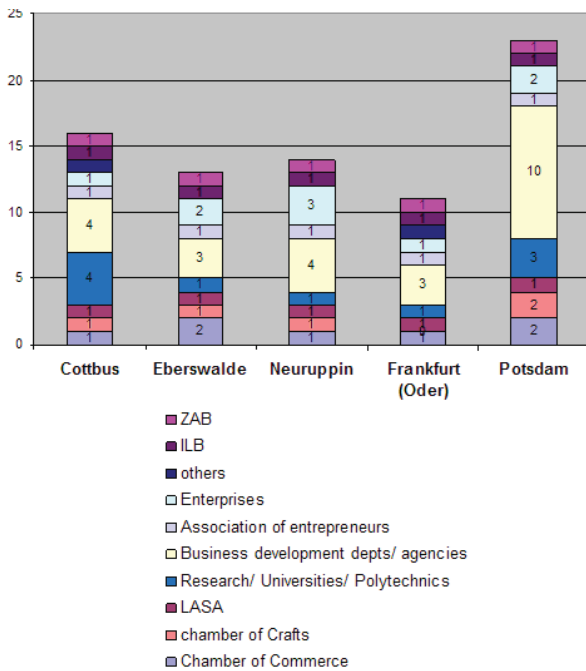


Figure 5. Composition of ZAB's Regional Centre (State: 10/2007).

The chairman of the advisory board and his/ her deputy are elected among all members. The shareholders of ZAB can suggest representatives for membership in the boards. The boards should not exceed 15 members, who engage on a voluntary and unpaid basis. All members are appointed by ZAB's board of directors for three years. Other guests except ZAB staff may be admitted. The chairman invites to advisory board meetings at least twice a year. The sub-regional managers prepare the meetings content-wise and organizationally and inform about main results of current projects and activities.

| Chairperson / deputy | |
|--------------------------------|--------------------------------------------------------------------------------------|
| Chief executive | Chamber of Commerce Frankfurt/ Oder |
| Executive officer | Investor Centre Ostbrandenburg GmbH |
| Members | |
| Executive officer | Technologie- und Innovationcentre Fürstenwalde |
| Head of department | Economic Development Department, Märkisch-Oderland County |
| Professor for macroeconomics | Europa-University Viadrina |
| Executive officer | Ökospeicher Wulkow e.V. |
| Head of marketing and strategy | IHP Innovations for High Performance research institute/ Microelectronics GmbH |
| Chief executive | Association of entrepreneurs (UVB), sub-regional section Frankfurt/ Oder and Cottbus |
| Sub-regional manager | LASA GmbH, sub-regional office Frankfurt/ Oder |
| Guests | |
| Sub-regional manager | Brandenburg State Bank (ILB) |
| Executive director | Economic Development Board Brandenburg (ZAB) |

Table 1. Advisory Board of the sub-regional office Frankfurt/ Oder (State: 10/2007).

Marketing activities

In the early years after creation (cf. above) there has been a lot of marketing for TINA's activities. This has been mainly by direct contacts and word to mouth. By using business directories and with the support of the regional chambers of commerce (who gave access to their dedicated business database)¹ a lot of direct contacts could be established – an important base for the current work – still today. Via a number of different channels such as regular local bar room business meetings, sub-regional and regional business fairs, open days, etc. project managers acquired new contacts. TINA placed folders with contacts and information about technology and innovation programmes in all relevant support organisations in Brandenburg which also raised the awareness of TINA's activities. In the meantime a high degree of awareness has been achieved and TINA and its successor Economic Development Board (ZAB GmbH) are well known among businesses in the region. With the current pressure of day-to-day activities there is not anymore much time for marketing activities. In particular in the early times of TINA, marketing activities and the presence at sub-regional events have been crucial for the good reputation of ZAB today.

Nowadays, marketing is mainly linked to the following activities:

- Participation in major sub-regional events and fairs.
- Joint PR activities with ZAB headquarters (such as sub-regional business supplements).
- Public regulars' tables in the counties (3-4 meetings per year in cooperation with sub-regional actors).

(1) In Germany all businesses must be registered with either the chamber of commerce or the chamber of crafts.

Part Five: Effectiveness

Impact & relevance

Activities of a sub-regional manager in Neuruppin

Reinhard Göhler, the sub-regional manager of ZAB RegionalCentre Neuruppin, maintains an office within a technology park in Neuruppin, a medium-sized town, about 80 kilometres north-west of Berlin.



Figure 7. Portrait of Reinhard Göhler, the sub-regional manager in Neuruppin.

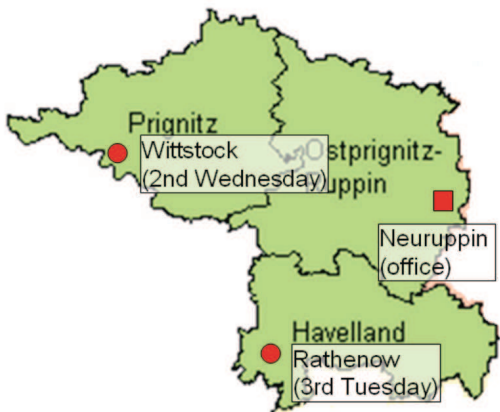


Figure 6. Location of Neuruppin office and monthly consultations in Wittstock and Rathenow.

Mr. Göhler offers monthly consultation in Wittstock and Rathenow. These consultations are made jointly with the sub-regional manager of Brandenburg State Bank ILB. The RegionalCentre in Neuruppin has also been involved in the establishment of a sub-regional technology transfer office in Wittenberge. Further to this, Mr. Göhler is involved in:

- Active support to 120 – 150 firms with 2 or 3 firm-visits a year.
- Consulting about 25 new innovation and technology projects a year (R&D projects, subsidising innovation assistants as well as transfer of knowledge).
- Participation in regional and national fairs and exhibitions.
- Maintaining a regulars' table with main actors in the sub-region.
- Organising one joint information event per county per year (with other sub-regional actors).

Overall impact of ZAB's RegionalCentre

It is very difficult to measure the impact of having the sub-regional offices in Brandenburg. It is impossible to compare the development of Brandenburg with something without such offices. It is seen as evident, however, that ZAB's RegionalCentre contribute with a high degree to the sub-regional development of Brandenburg. This is mainly due to the activities of sub-regional project managers in the fields of economic development promotion, technology and innovation support as well as business start-up. With the sub-regional structure, ZAB supports the development of sub-regional growth poles with dedicated technological orientation and the formation of technology clusters. Further, all offices support the settlement of new enterprises and the enlargement of small and medium sized enterprises. The offices function as important think tank for sub-regional initiatives and for networking of sub-regional actors in business, science and administration.

There has been broad agreement among ZAB's sub-regional staff that benefits of the sub-regional offices must be seen on a number of levels:

- The sub-regional offices secure support for the sub-regions; it would be very difficult to distribute support funds without the given infrastructure (RegionalCentre).
- Innovation and technology support is easier to distribute among existing enterprises; innovation support starts with awareness-raising, which is one of the tasks of sub-regional project managers.
- It is also seen as easier for developing sub-

regional strategies due to intense knowledge of the whole region.

- Business actors have gained trust in Brandenburg's official economic development strategy due to the proximity to ZAB as a main actor.
- ZAB can mediate between the economic base and politics due to the close contact to customers.

Conclusions

Innovative character of the best practice

At first sight, maintaining sub-regional offices does not seem to be particularly innovative. However, among the regional development agencies in Germany, ZAB is an exception with its basic philosophy. Most regional development agencies are very centralised, but ZAB – due to the history with TINA – kept the proximity to customers. Maintaining a double-structure with technical foci (branch teams) and sub-regional offices is very challenging and not without conflict. However, in the long run, it is seen as being worth the extra effort.

Also the involvement of ZAB in sub-regional activities and the close links to other actors on sub-regional levels and below is seen as innovative. The management structure with sub-regional advisory board works well and helps ZAB to be even closer to real needs.

With central headquarters in Potsdam, some parts of Brandenburg would be more than 120 km away. With such a distance, it would be extremely difficult to support those in the remote part of Brandenburg. With the de-central structure of ZAB's RegionalCentre, this distance could be reduced to 50-75 kilometres. Furthermore, the RegionalCentre are the "homebase" for project managers who go to the firms instead of waiting for them to come.

Summing up, there are a number of positive arguments making the sub-regional support structure of ZAB a very important part of regional development promotion:

- ZAB is the only German one stop agency and offers all services – also on a sub-re-

gional level.

- Sub-regional offices allow keeping the proximity to customers and recognising cultural differences between Brandenburg's sub-regions.
- There is a strong involvement of ZAB in sub-regional activities and closer link to sub-regional actors and below.
- Through this structure, ZAB is closer to real needs and can respond to problems more easily.
- Without RegionalCentres some Regions would be too far away to act as fast and effectively as necessary.
- ZAB's RegionalCentre are also the "home-base" for project managers to visit firms nearby.

Outlook

Sub-regional offices, providing economic development support, have been a core feature of Brandenburg's support landscape since 1991. The ongoing specialisation of support, however, has led to difficulties concerning the integration of different levels of support. ZAB's aim is to provide branch-expert support at the same time as being close to the customer with the system of sub-regional offices. Hence, each member of staff in the sub-regional offices carries sub-regional responsibilities as well as provides expert knowledge in their particular field. At the time of writing, the dominant structure is oriented towards ZAB's branch-teams. It is difficult, to equally combine both objectives. To achieve the target of being close to industry and also being sectoral expert is a very challenging mission – now and in future.

Part Six: Contact details



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