



Work Program C

Cluster 4 – Financial services

Final conference

September 22, 2011

Tor K Eskeland

Coordinator

Representing Sparebank 1 SR Bank



European Union



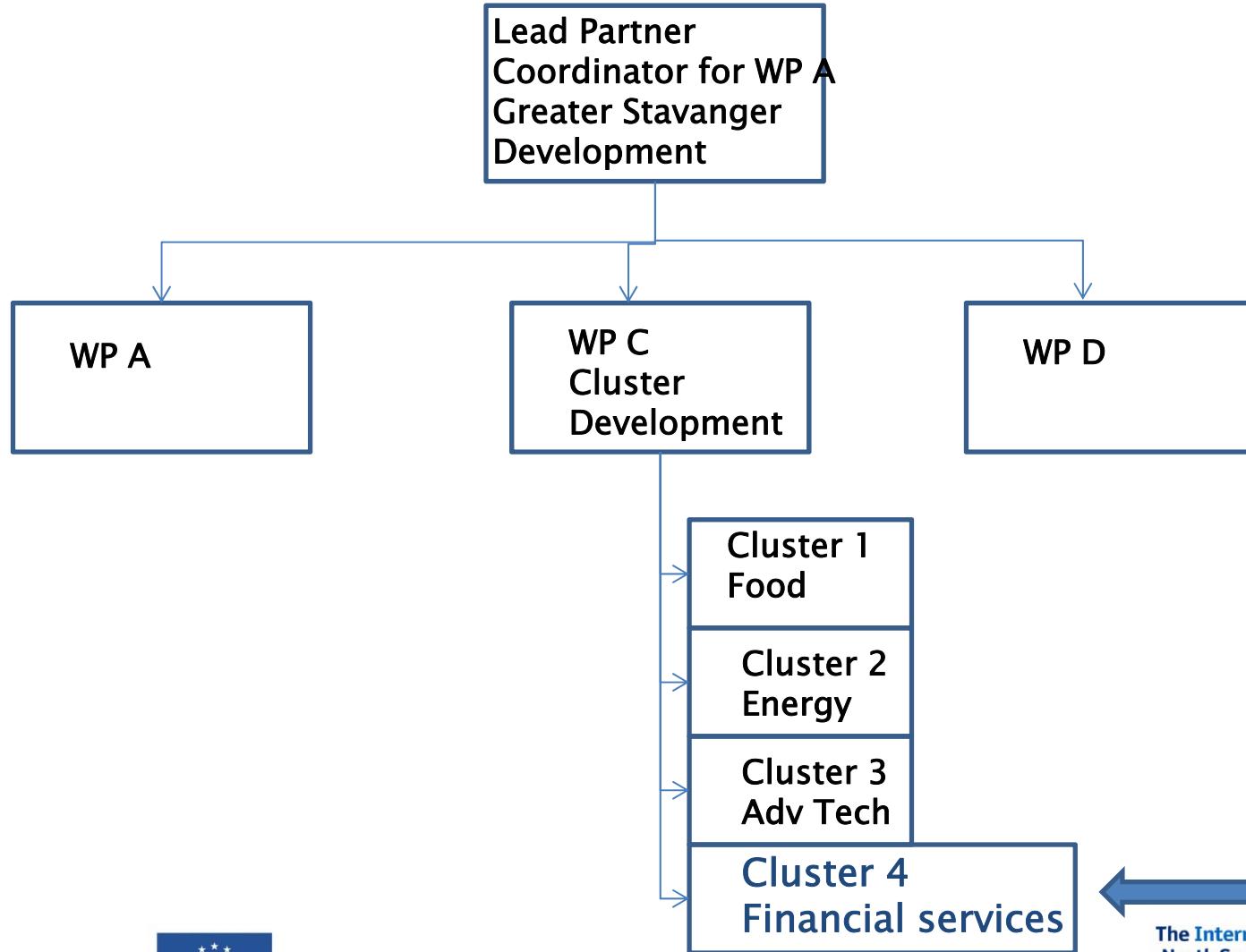
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Financial services Financial cluster

Definition?

Does it exist?

or

**Supporting the sponsors
Running after the money**

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Financial services

Region Central Denmark (Region Midtjylland)
Greater Stavanger (Stavanger regionen)

Largest financial clusters outside their respective capital areas (measured by operating capital)

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Financial services

Identified

Described

Evaluated

Compared

In terms of being prepared to serve for the future

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The objectives

(project description; Innovative foresight planning for business development)

“..... improve the capital managements as a basis for expansion

“..... improve the transnational cooperation within the finance cluster

“ provide an improved platform for expanding business opportunities



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Benefits for the participants

- Expand knowledge and compare scenarios through exchange of experience with other partner regions
 - Develop new ideas through an innovative approach to planning and decision making
 - Compare development within financial clusters in the regions
 - Learn from “best practice”
 - Participate on an arena for business clusters and public discussions
 - Expand knowledge and ideas through transnational cooperation with other projects
-
-
- How to build foundations to service the future's requirements and needs

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WP C partners – Financial services

- **Norway:**

- Greater Stavanger
- Innovation Norway (Innovasjon Norge)
- Sparebanken 1 SR-Bank
- NAV (the Norwegian Labour and Welfare Service)
- IPAX (ex NHO (the Norwegian Employer Organization and LO (the Norwegian Employee Organization))
- Norwegian Business School (BI Handelshøyskolen)

- **Denmark**

- Region Central Denmark (Region Midtjylland)

Including

Business Link (Væksthus Midtjylland)

NU Park Innovation (Business Angels Network)

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The Work Shop

June 6, 2011
Sola Strand Hotel

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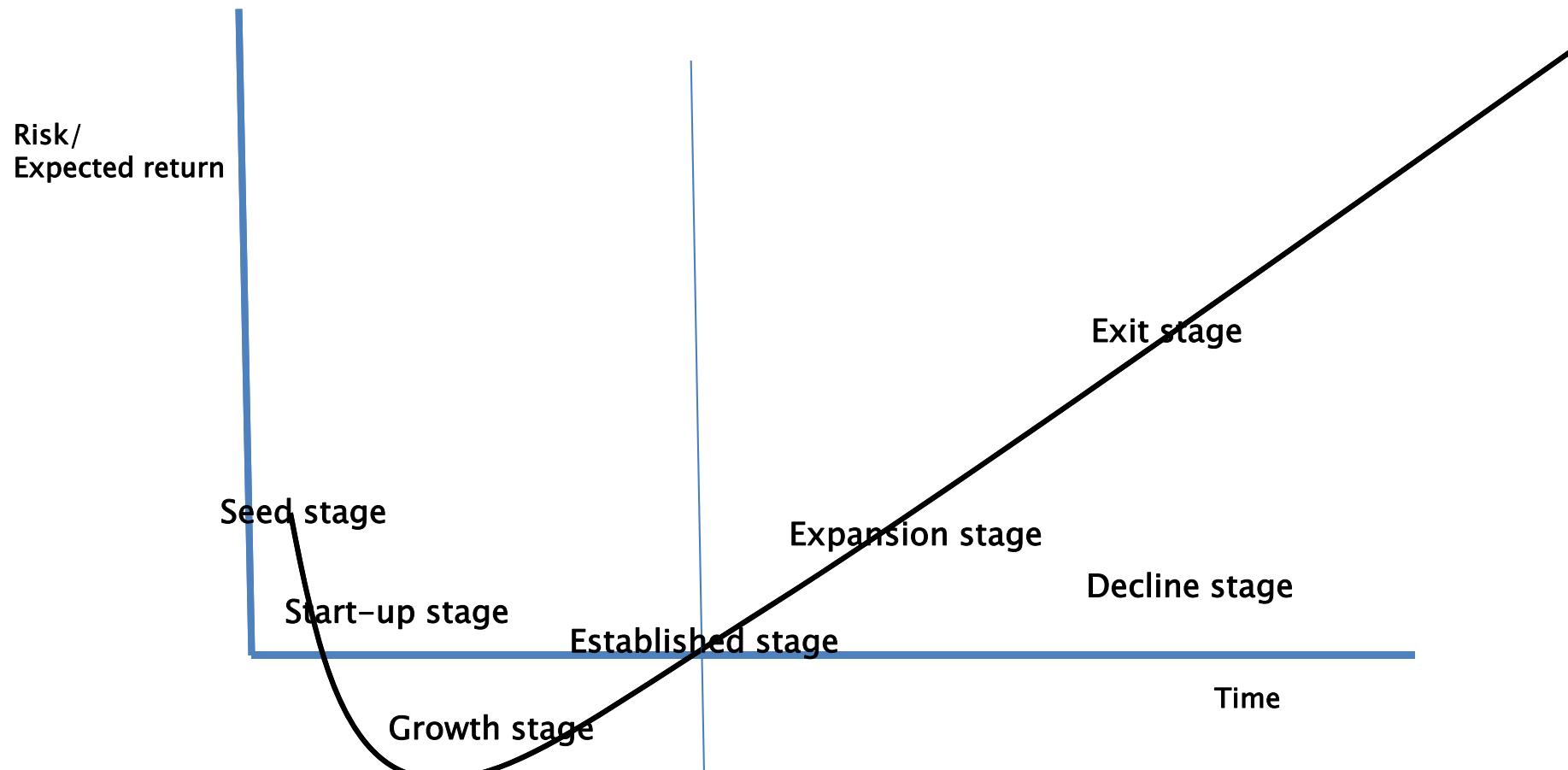


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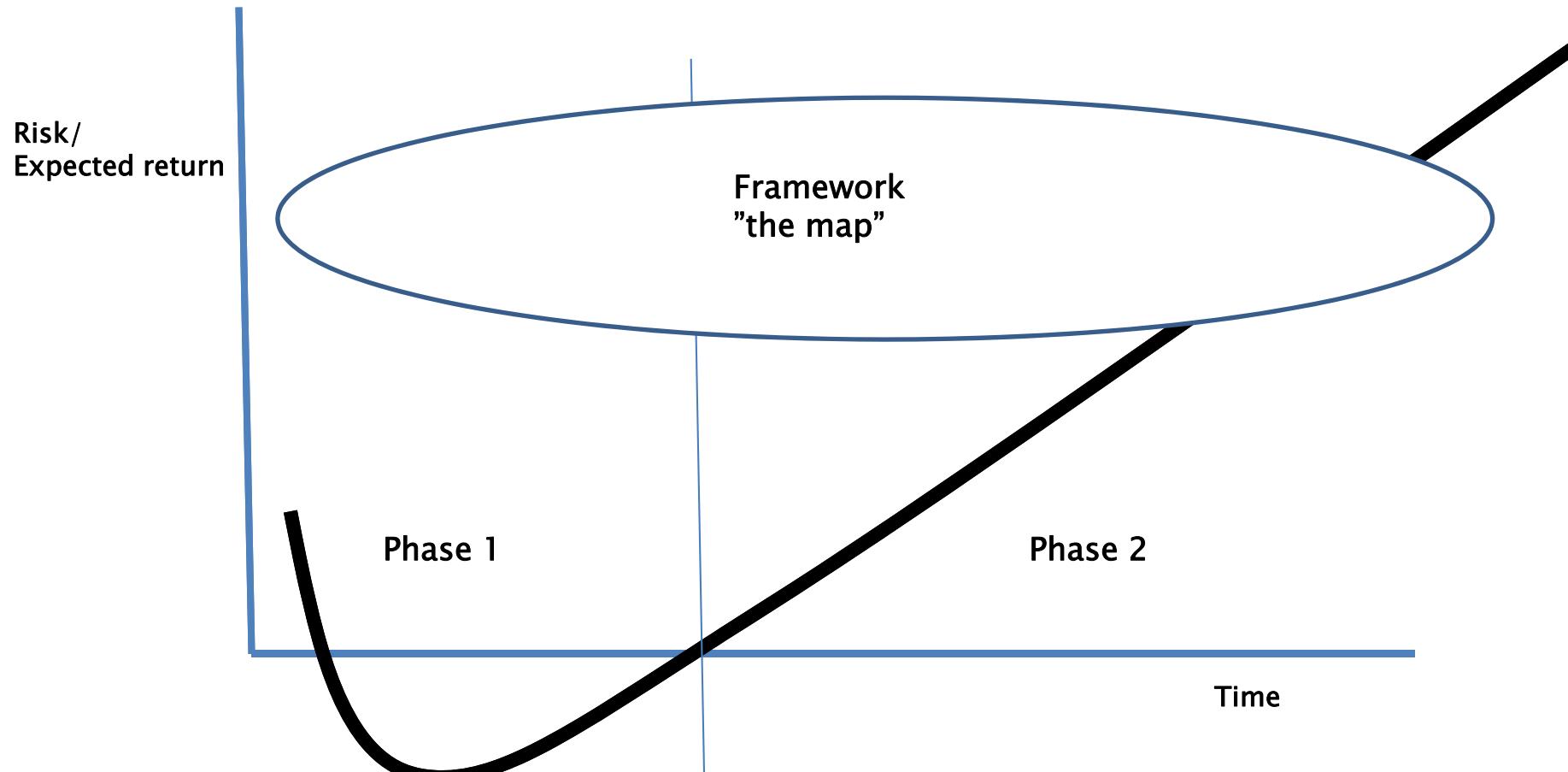
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Business Life Cycle - Stages (company, business, organization)



Business Life Cycle



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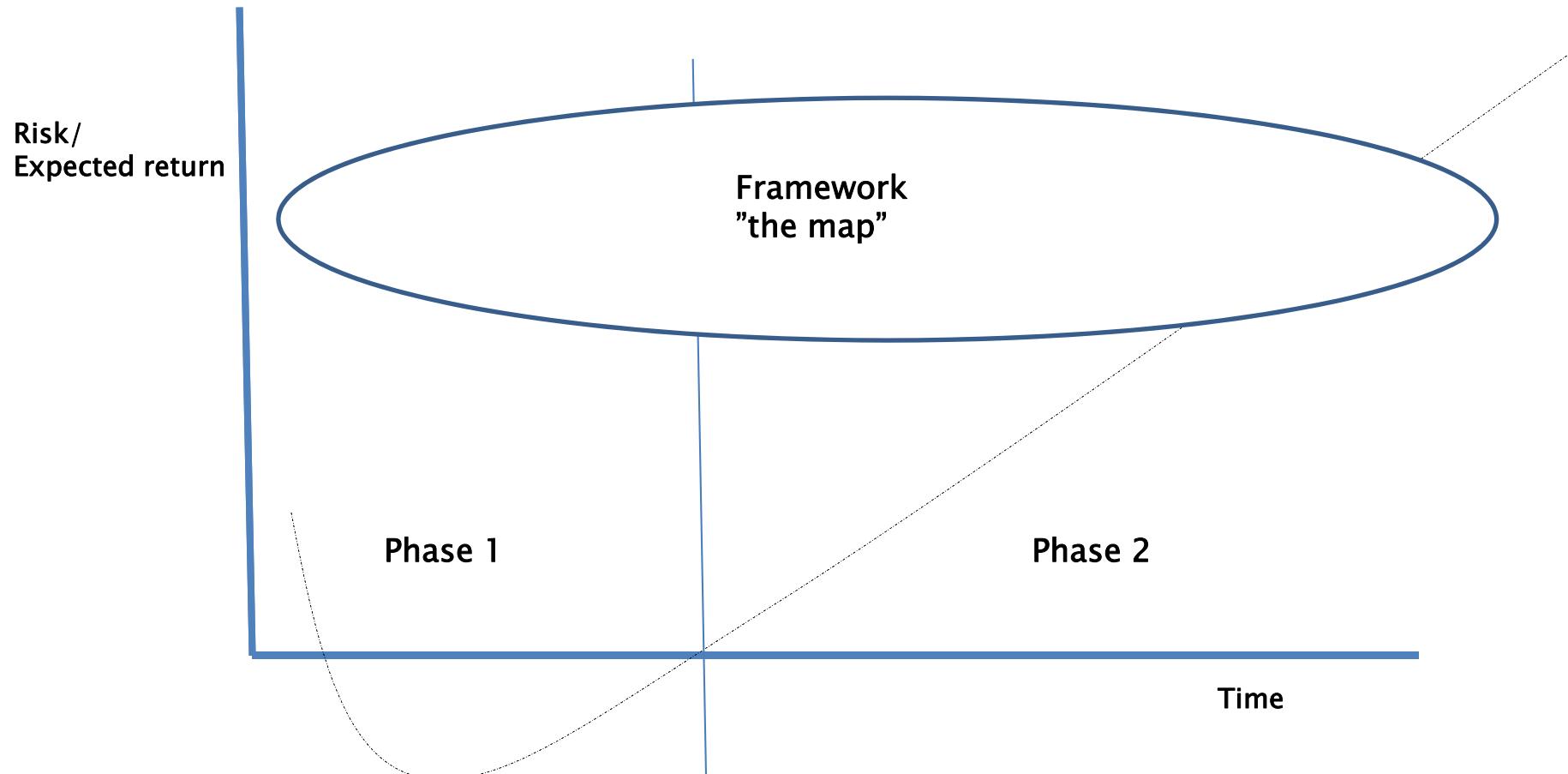


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Business Life Cycle



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Work shop June 6, 2011

24 participants – representing



VÆKST-FONDEN



Ipartner



Vækstforum



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Business Life Cycle



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The Work shop

- Where and when is the "Business life cycle" strong and where is it weak
 - What is functioning
 - Where is there room for improvements
 - What are the consequences as a result of change in official conditions
- Compare the respective phase between Central Denmark and Greater Stavanger
- What and where are the Interreg Best Practice opportunities
- Could findings create further academic studies
- And most of all
 - How to make a financial cluster foundation to service the future requirements and needs

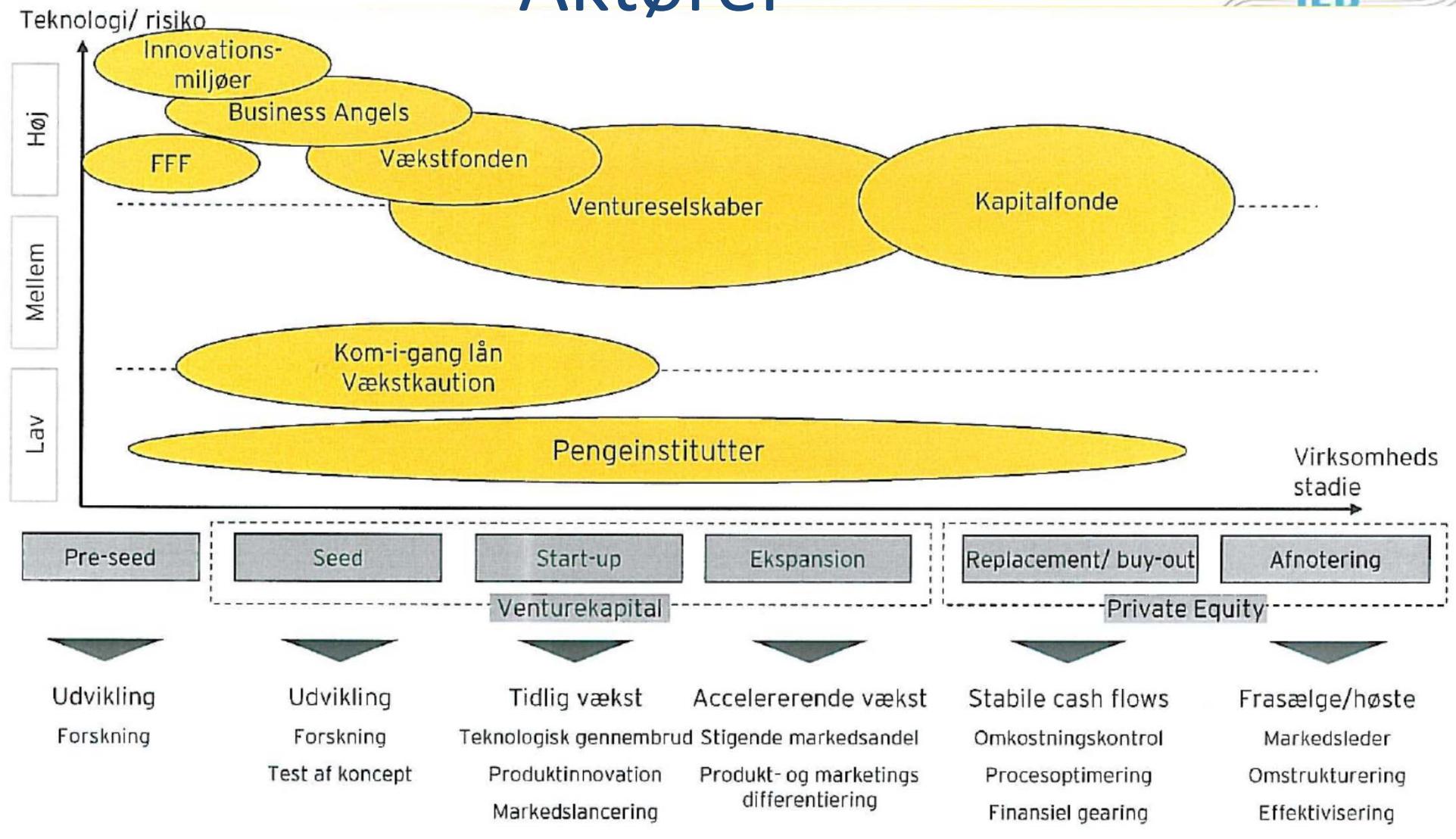
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Aktører





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Martin Gjelsvik



IFP-project:
The regional financial cluster and
its importance for
the offshore wind cluster

Martin Gjelsvik
Research Manager

IRIS

Overview

- The regional financial cluster
- The regional financial cluster's impact on the offshore wind cluster
- The regional offshore wind cluster
 - organic cluster growth
 - deliberate initiative (Arena NOW)
- Two scenarios for a regional offshore wind and financial cluster



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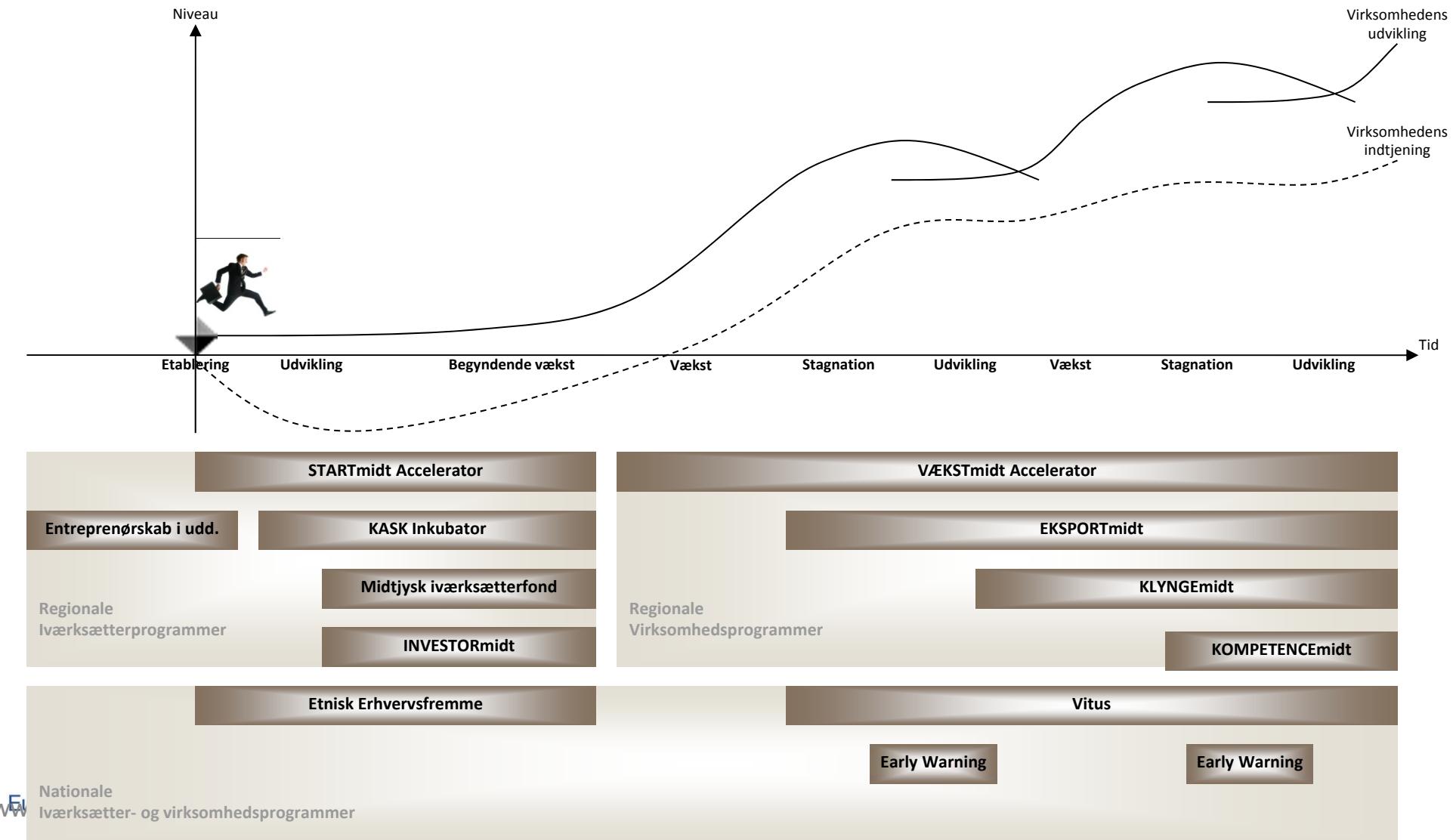


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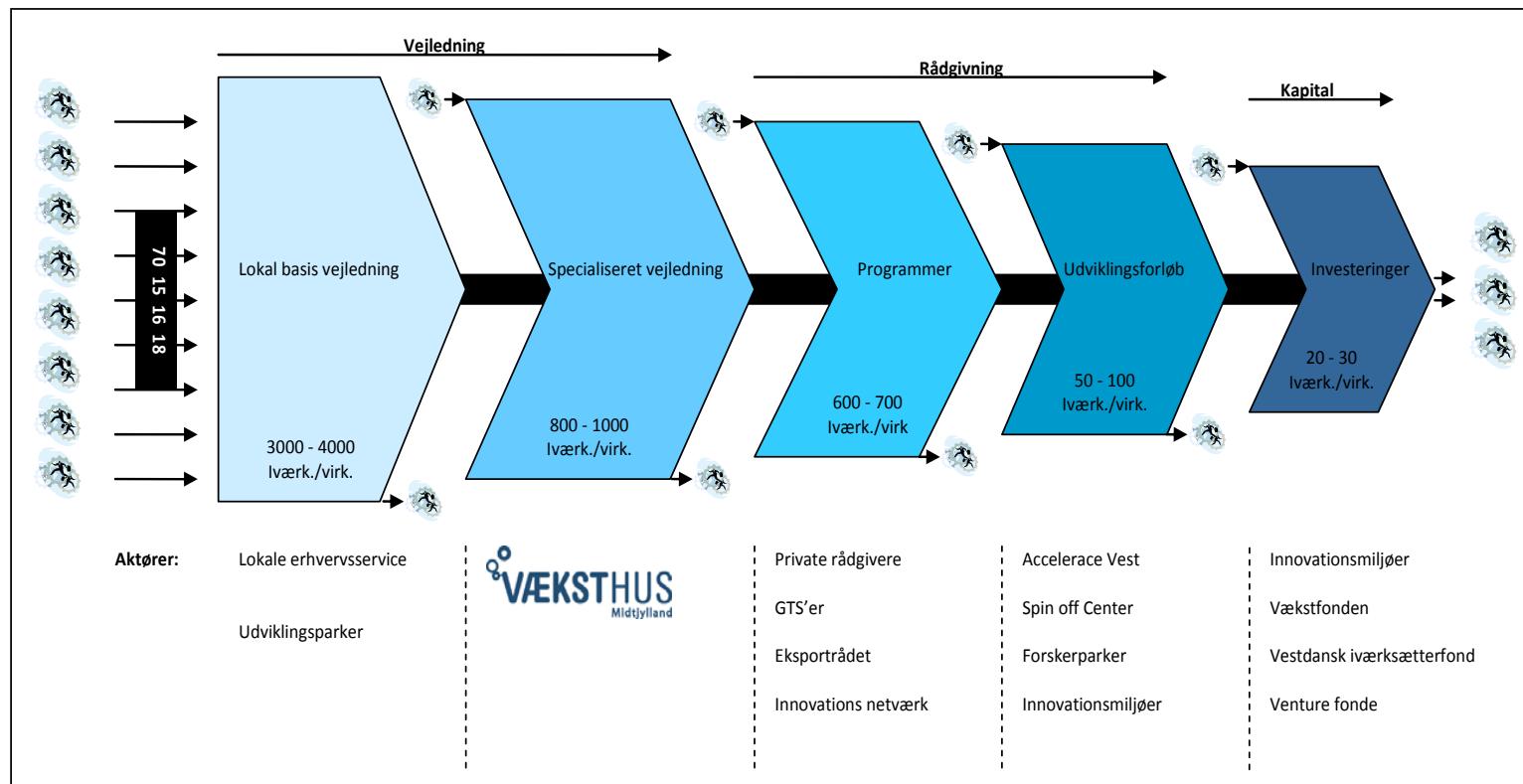
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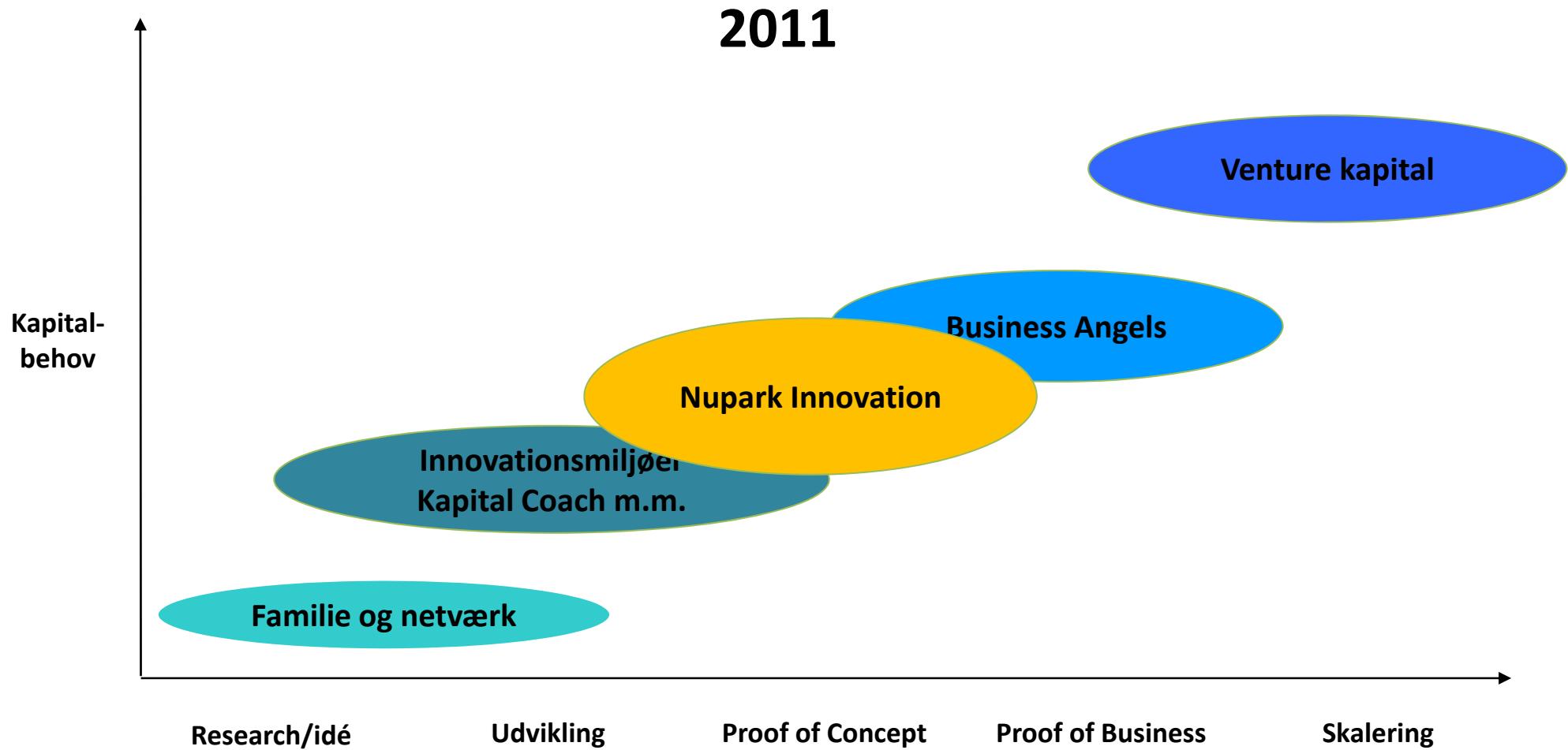
Indsatser efter udviklingsstadie



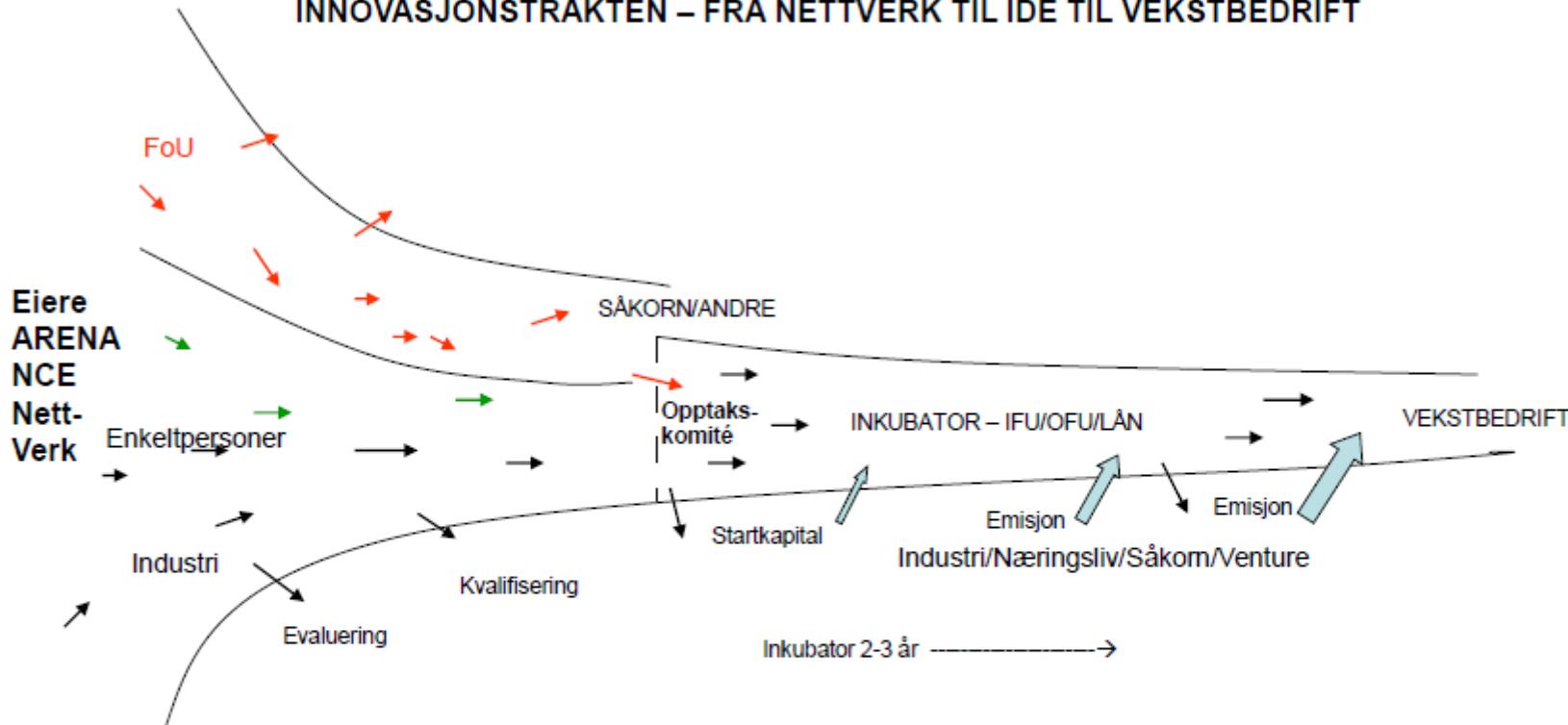
Erhvervsservicesystemet i region Midtjylland



Finanskrisen har ændret mulighederne for finansiering



INNOVASJONSTRAKTEN – FRA NETTVERK TIL IDE TIL VEKSTBEDRIFT



Ipartner

- Ipartner er en gruppe med ressurspersoner som er tilknyttet Ipark AS på konsulentbasis.
- De skal bidra til at gründerbedriftene i Ipark Inkubator får en raskere og sikrere vekstfase og bidrar gjerne med å øke tilfanget av gründerbedrifter.

juni 19, 2011

Side 2



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How we work

In selecting and developing our investments, we emphasise the following key features:

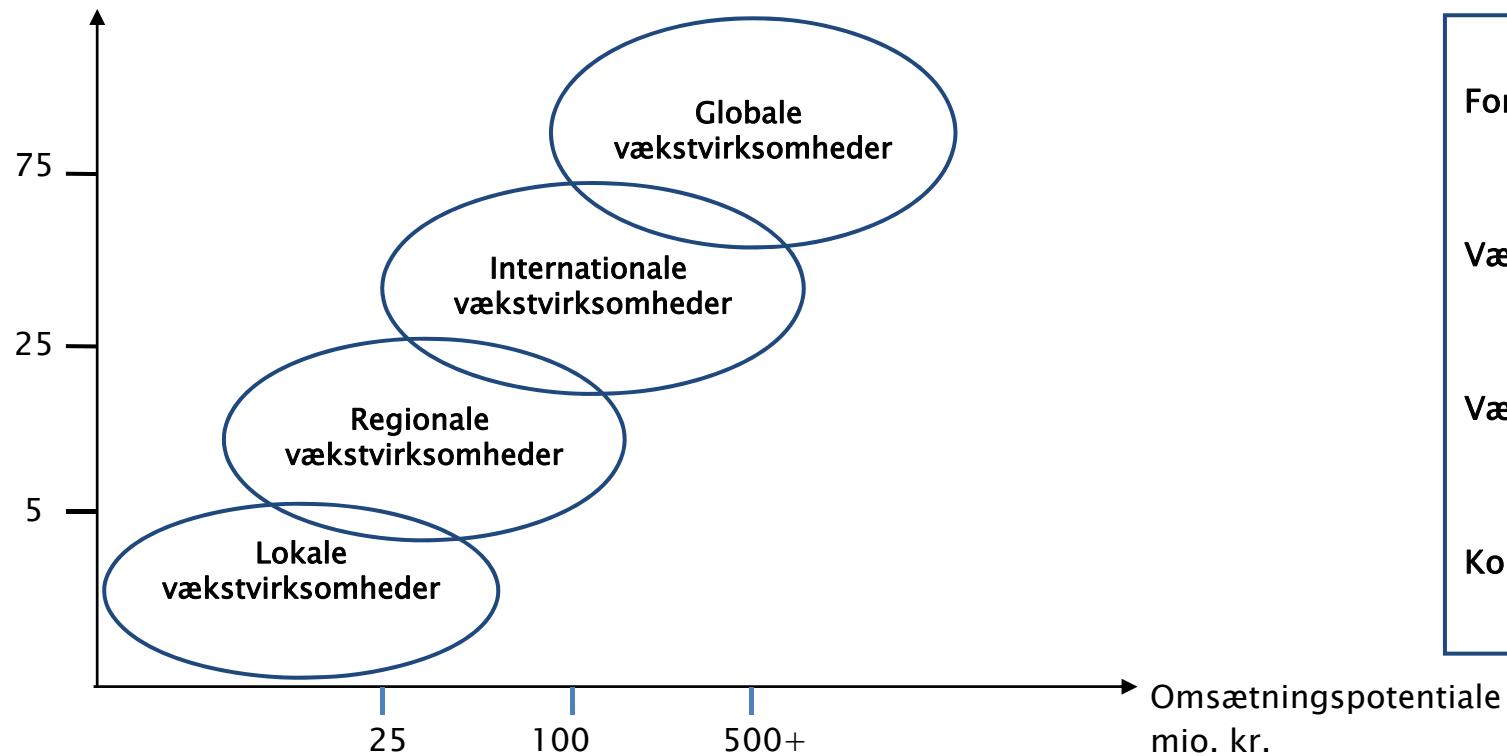
- Define ambitious targets, identify ways for expansion and formulate long term growth strategies
- Build strong management teams and create close partnerships between shareholders, board and top management
- Profitable growth through organic and structural initiatives, heading up all M&A activities
- Strong focus on customer and employee dimensions

A key objective for our participation is to create growth and added value by stimulating and developing good leadership and a winning culture throughout the organisation.



Vækstfondens finansieringsløsninger

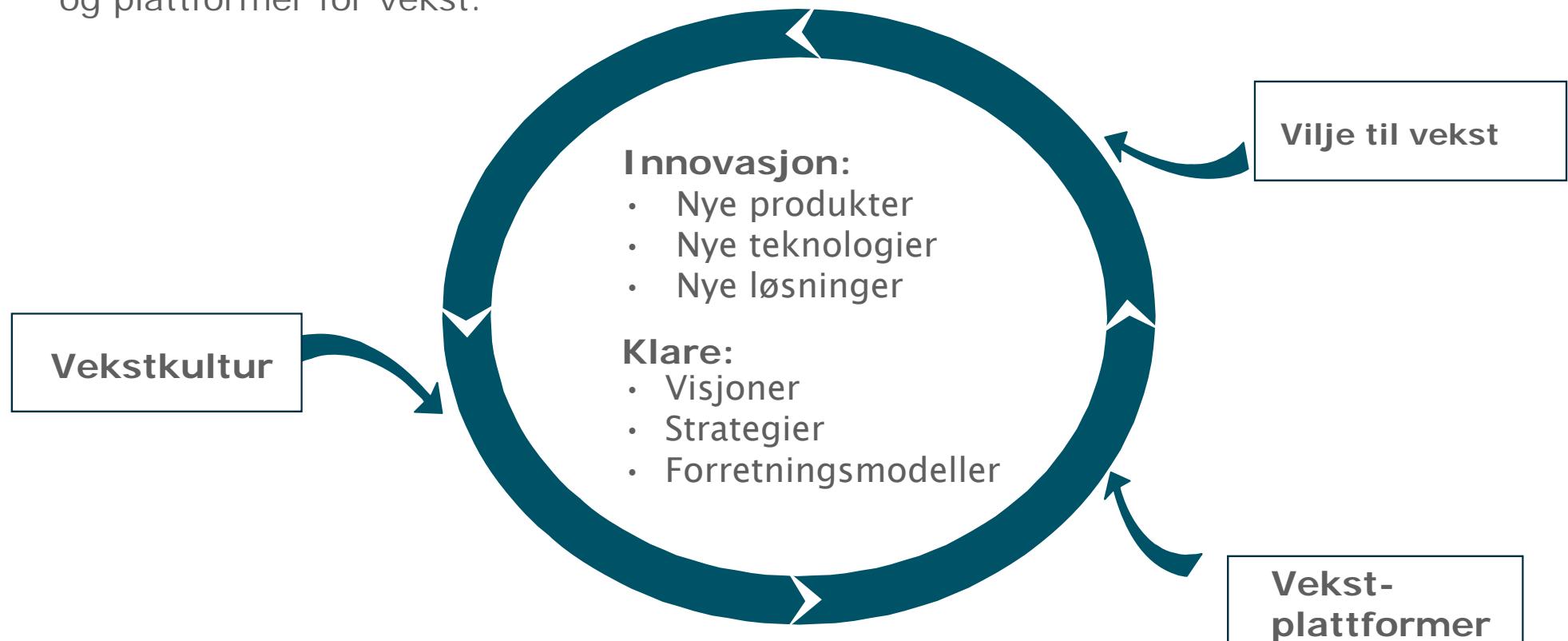
Kapitalbehov
mio. kr.



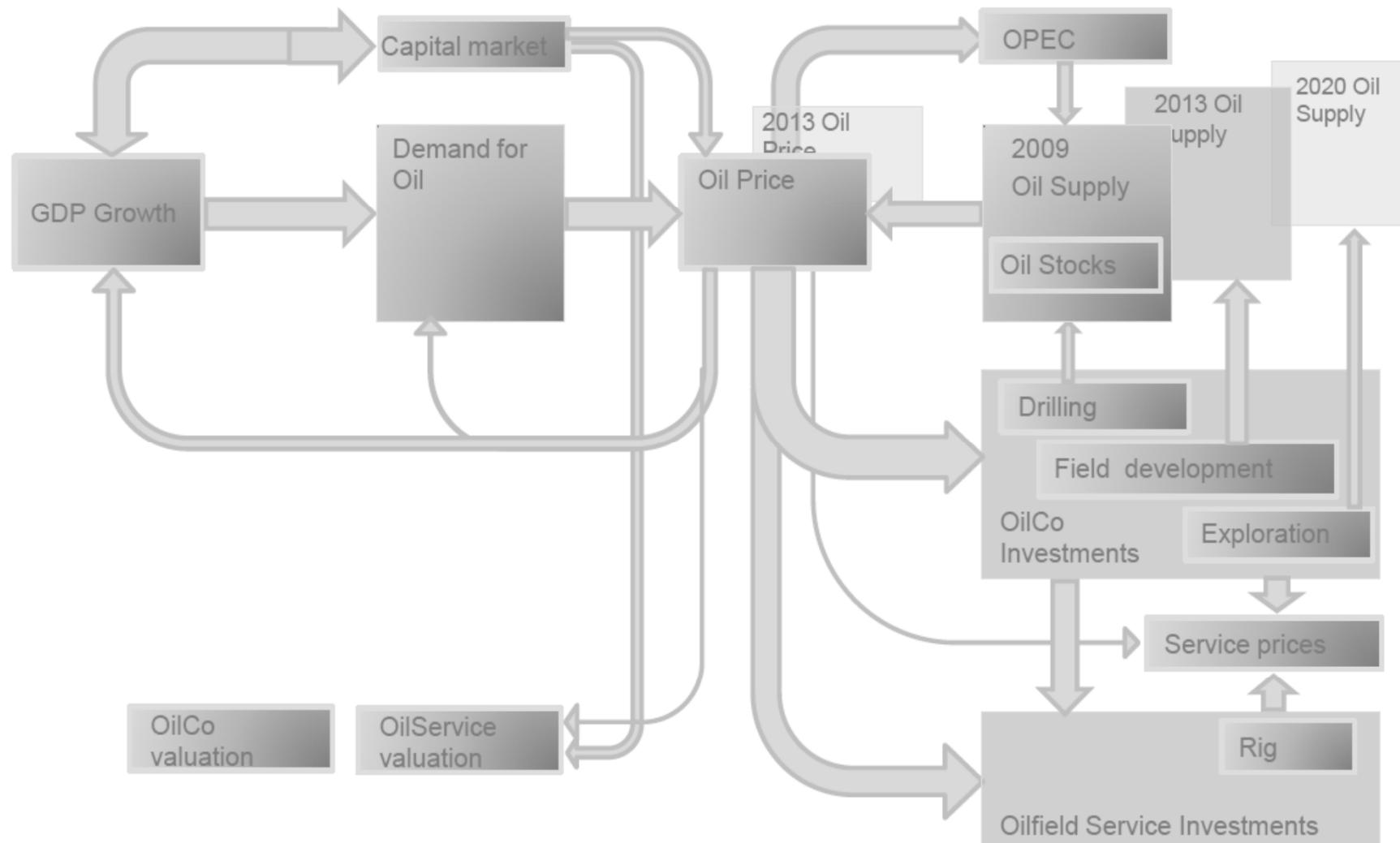
- Fondskapital
- Vækstkapital
- Vækstkaution
- Kom-i-gang-lån

Bedrifter som både skaper vekst og tåler vekst

Den gode sirkel av pådriverer
og plattformer for vekst:



Man må vite hvordan ting henger sammen



Andre kapitalkilder – bankens rolle

Thomas Lidsheim



Bank / tilrettelegger

- Deltager i syndikater
 - Primært E&P, Shipping / Offshore
 - Norske (SpareBank 1, DnB, Nordea m.fl)
 - Utenlandske (RBS, ING, Credit Agricole m.fl)
- Tiltrekke investorer
 - Pådriver for "Utenbys" og utenlandske investorer (PE og institusjonelle)
 - Identifisere og "koble"
 - Selge EK til andre markeder
 - Obligasjoner
- Åpne opp nettverk
 - Andre banker
 - Investorer
 - Rådgivning ift kapitalstrategi

Investor

- Investor i Private Equity
 - Hitec Vision, Energy Ventures, Progressus, Borea, Skagerak Venture m.fl
 - Primært deltar i tidlig fase
- Såkorn
 - Utdelinger gjennom næringsstiftelser
- Egen verdikjede
 - Strategiske investeringer i egen verdikjede
 - Kninherad SpareBank
 - Sandnes Sparebank
 - Vågen Eiendom
 - Relocation
 - Argo Securities
 - M.fl



- For å sikre bedre tilgang til kapital (internasjonalt)
- SpareBank 1 SR-Bank er godt kapitalisert.
- Tilgang til egenkapital og fremmedkapital er likevel en begrensende faktor for fortsatt å kunne ta en ledende rolle i å underbygge utvikling og vekst i en av Norges sterkeste vekstregioner



Bjarte Ravndal



Forslaget

- Spleislag mellom næringen og UiS
- Bygge (videre på) et **finansfaglig miljø på UiS**
 - to professorer
 - to førsteamenuenser
 - to stipendiater
 - to professor II
- **Mastergradstilbud er prioritet 1**, men det er ønskelig med finanskurs også på bachelor
- Forskning og formidling er nødvendig





Bjarte Ravndal



Samarbeidspartnere

- Universitet i Stavanger (Handelshøgskolen)
- Statoil
- SpareBank 1 SR-Bank
- SKAGEN
- GE Money Bank
- HitecVision
- Sandnes Sparebank
- Time Sparebank
- Klepp Sparebank

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Findings and results

- The process itself
- Personal relationships between participants
 - In its own region
 - InterReg Central Denmark vs Greater Stavanger
- Discloses and describes the financial markets in both regions
- ... but where is the financial clusters?

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Findings and results

- Publications:

- “Capital market in the Region Central Denmark”
“Kapitalmarkedet i Region Midtjylland”
(by associated prof Jesper L Christensen, Aalborg University, August 2009)

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“Capital Market in the Central Denmark Region” (“Kapitalmarkedet i Region Midtjylland”) (Associated prof Jesper L Christensen, Aalborg Universitet, August 2009)

The report includes a description of the capital market and a discussion of problems and barriers in the market caused by the financial crises. The problem in a nutshell is, that the possibilities for financing of risky and development oriented activities has been worsened at the same time as the companies to an increasing degree must compete on knowledge and innovation. Furthermore, the report includes a mapping of financial actors in the Central Denmark Region. The main part of the report is an empirical analysis based on telephone interviews with representatives from 636 companies in Central Denmark Region and five interviews with representatives of important suppliers of capital. Among the findings can be mentioned, that 43 % of the companies are of the opinion, that there is a need for political initiatives to improve the access to capital. On the other hand, 38 % of the companies are of the opinion that the existing supply of capital is sufficient

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Findings and results

- Publications:

- **The Regional Financial Cluster and its importance for the Offshore Wind Cluster”**
(by Martin Gjelsvik and Atle Blomgren, IRIS, rapport 2010/111, July 2010)

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“The Regional Financial Cluster and its importance for the Offshore Wind Cluster” (Martin Gjelsvik and Atle Blomgren, IRIS, rapport 2010/111, July 2010)

In July 2010 “The Regional Financial Cluster and its importance for the Offshore Wind Cluster” was published. The report gives an overview over the regional financial cluster in the west coast of Norway. It furthermore evaluates the financial cluster’s impact on the offshore wind cluster, and describes two scenarios for a regional offshore wind and financial cluster.

The report concludes among other things that the combined effect of a substantial market, access to an everlasting natural resources, related knowledge and technology and a proven capability for innovation, should lead to a strong regional position within the growing offshore wind. The lack of political and economic incentives combined with the present and continued success of the oil and gas cluster, may, however, impair the transfer of capabilities, human and technological recourses to the offshore wind sector. It is therefore important to take strategic positions now before they are occupied by others.

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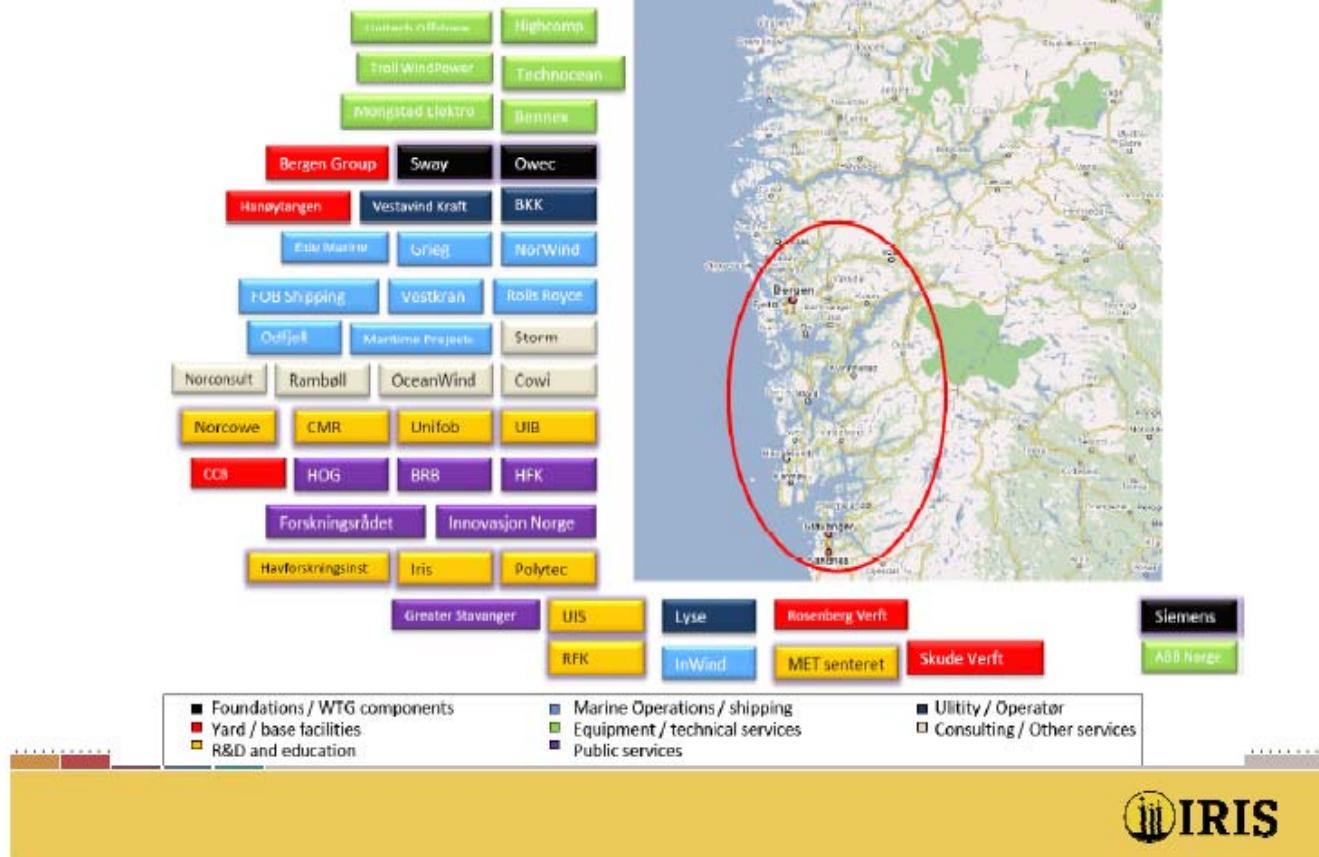
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arena now

Norwegian Offshore Wind



IRIS report:
“The regional financial cluster and its importance for the offshore wind cluster”

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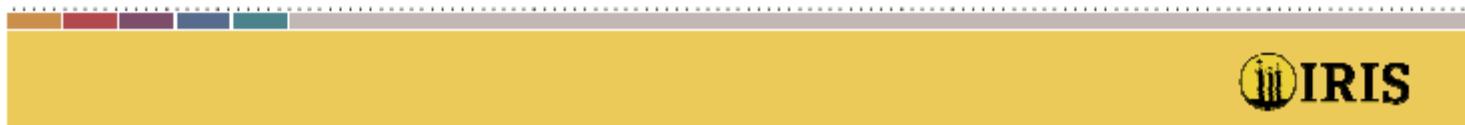
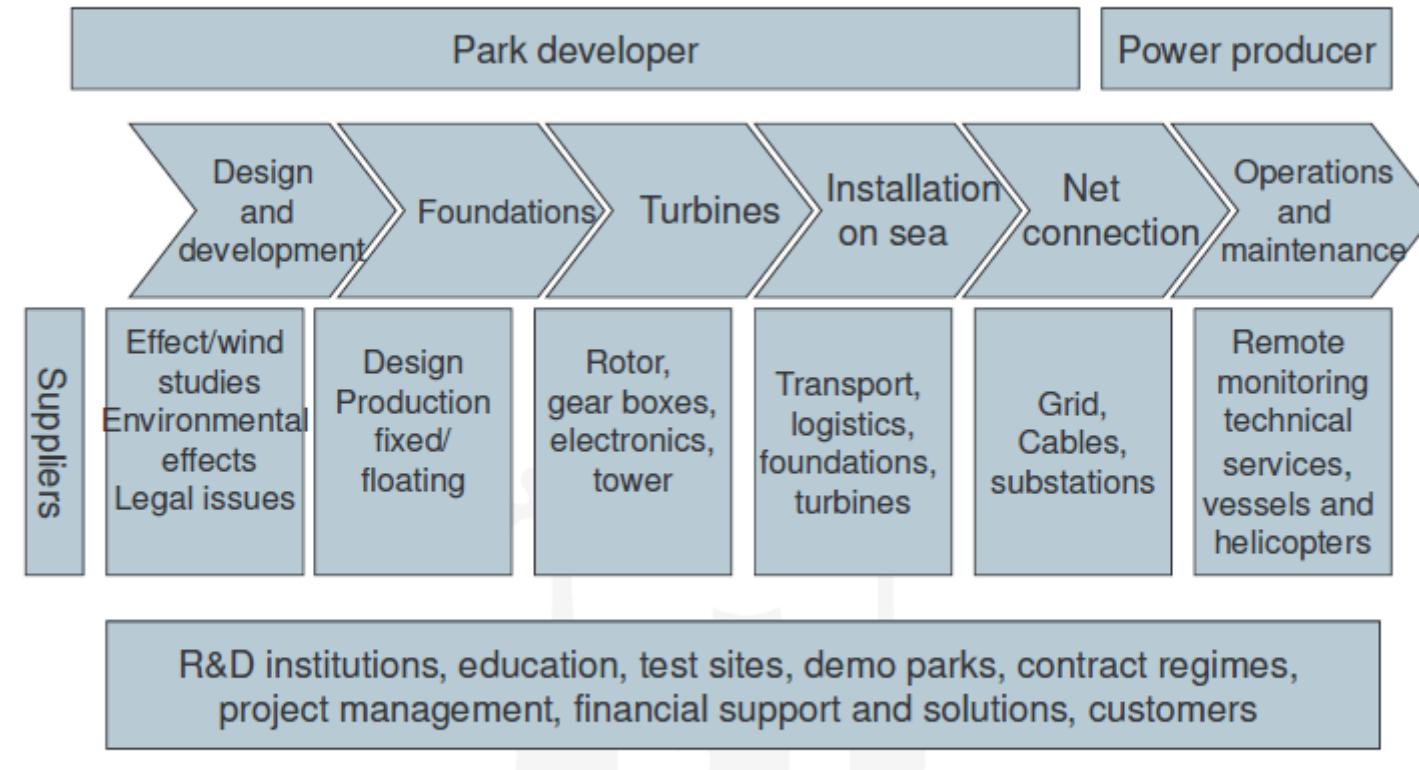


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The regional offshore wind cluster





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Scenario 1: Realizing the ocean of opportunities

- Nature: Great winds
- Infrastructure: ports and deepwater quays
- Innovation: Technology and knowledge transfer from oil and gas
- Related industries: Global shipping and maritime sector and renewable energy sector based on hydro power
- Ambitions and strong beliefs



Scenario 2: the wind blows away

- Offshore wind is a totally different ballgame:
-standards, costs, economies of scale
- No strong motivation
- No home market, regionally nor nationally
- No available resources
- Lack of demo park
- Selection processes in favor of oil and gas
- less industrial risk, revenue stream and profitability, established rules of the game



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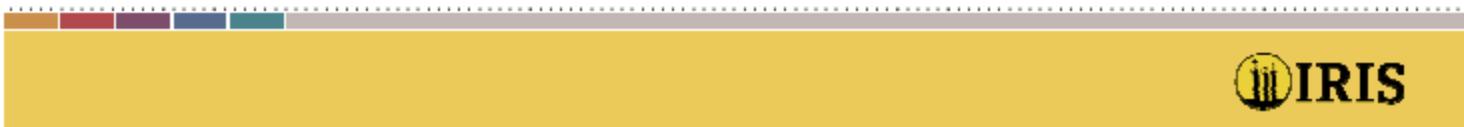
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Summary

- Offshore wind is an emergent industry with a large potential
- Opportunities and positions to take
 - field developer, EPCI contractors, operations
- Financial resources available, but limited dedicated competence and solutions
- Interesting strategic positions to take now, before they are occupied by others





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Findings and results

- Greater Stavanger's financial players (banks, funds, venture funds) financing of an MBA study to strengthen the cluster – generally; help as self help

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Forslaget

- Spleislag mellom næringen og UiS
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 - to førsteamenuenser
 - to stipendiater
 - to professor II
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Findings and results

- **Greater Stavanger Bank(s) more active function/role in the local market than the Danish banks?**
(Market maker, professional and social network, responsibility to glue relationships)
- **Fruitful interaction between the local (Greater Stavanger) players:**
 - Financial services**
 - UiS/IRIS/FoU**
 - Private companies and authorities**

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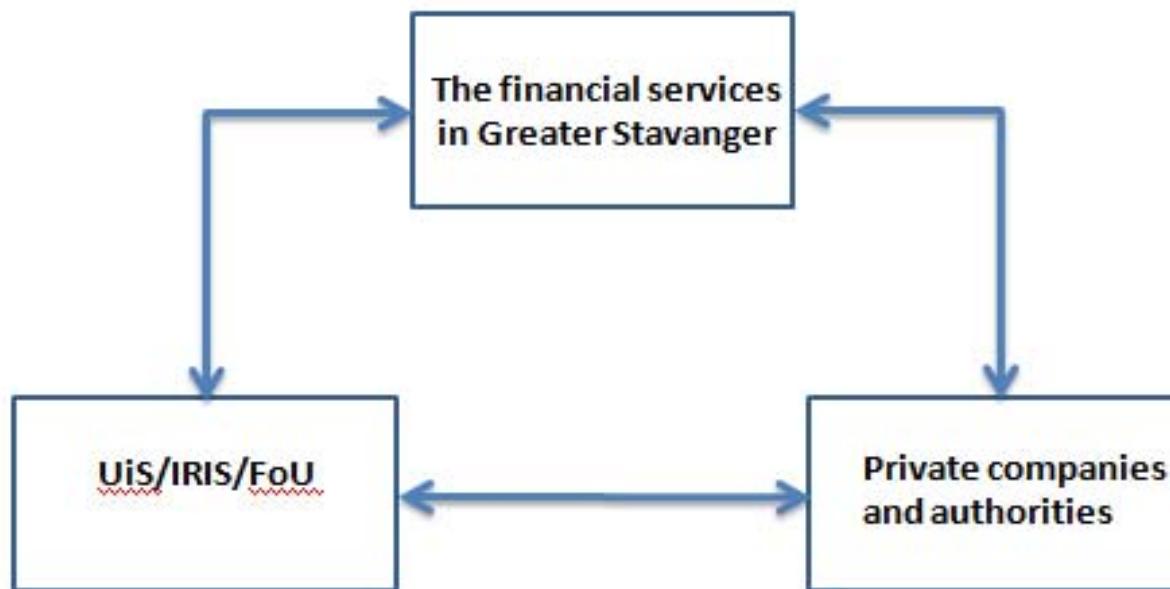
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- The Stavanger Triple Helix (Financial services – Business development – Education/FoU)

"The Stavanger Triple Helix"

The interaction between three key partners





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Findings and results

- “Business Angels are not angels” - organized
 - Organized formally and financed by official funding is the key to succeed
 - Establish a Start Fund to bridge the early stage entrepreneurs - successfully in Central Denmark vs need for improvement in Greater Stavanger

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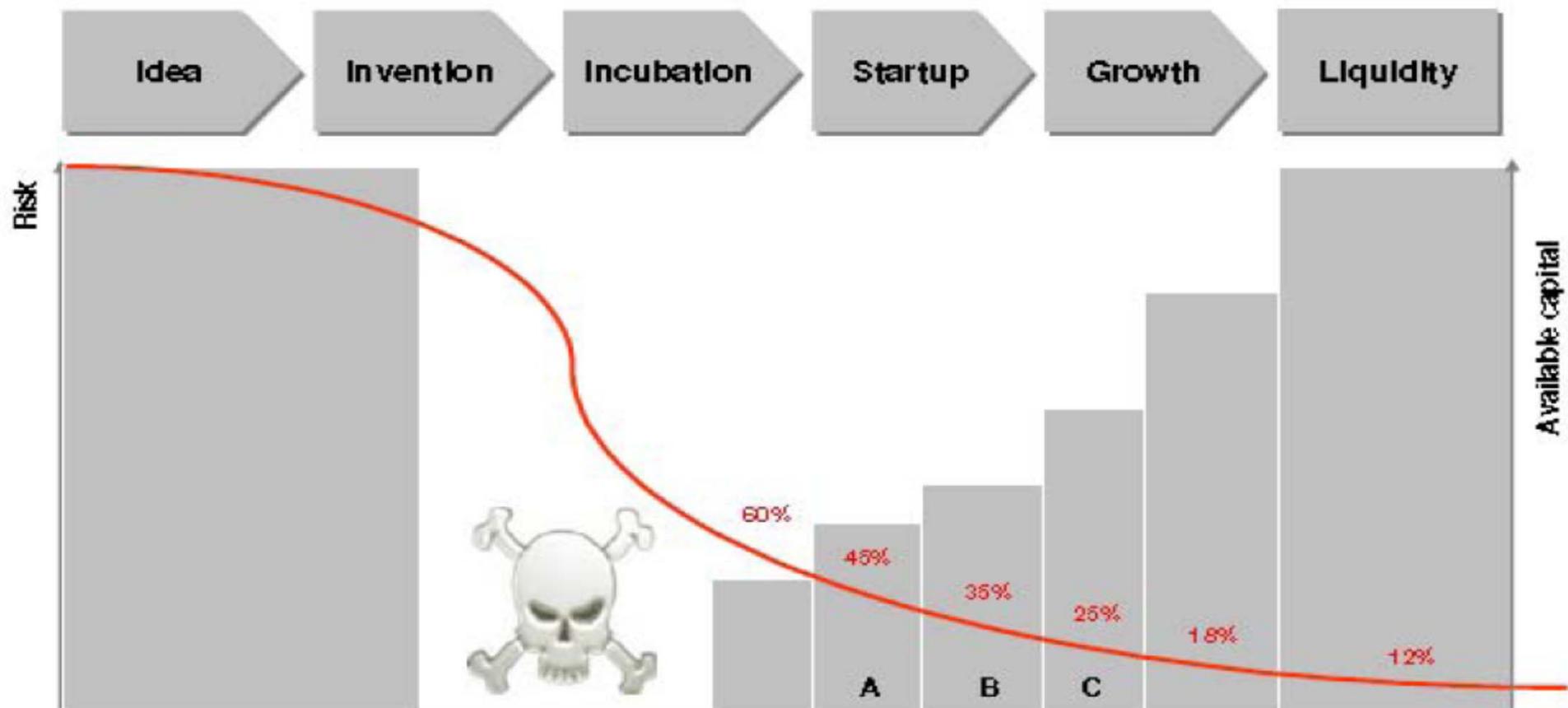


Findings and results

- “Capital coaches” successful in Central Denmark, to be copied in Greater Stavanger



Iværksættere og virksomheders behov for kapital



Public money

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"Death Valley"



Angels



VC Funds



PE Funds
Banks



Stock
market





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Findings and results

- Reduce the emphasis of the expression "death valley" on the business development curve

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Findings and results

- Generally; the tools, programs and supply of capital are too fragmented causing disruptency and even overlap – particularly in early stage (“death valley”)
- Little overall coordination
- Lack of long term approach from early stage

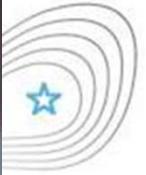




Future follow ups – “Ka då ittepå?”

- The importunacy of maintaining and further develop the regional and interregional network
- both personal and between companies/organisations
- by following up and secure continuity
- Present the “best practice” findings to proper environment in order to learn and implement
- Based on the identified issues; organize Work shops as a tool for decision makings and improvements
- Secure publication and availability of the studies, reports and findings





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ness development

Thank you for your attention

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