



THE ROLE OF OPEN KNOWLEDGE IN REGIONAL DEVELOPMENT - case study -

The experience of CSP as catalyst for ICT innovation
in Piedmont region (north-west of Italy)

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CSP – ICT Innovation

The role of CSP in Piedmont region

- CSP is a local development agency in the field of Information Society: it aims at facilitating regional innovation processes to compete in global markets.
- It has been working in line with the regional strategy for the development of a knowledge-based economy.
- It is actually running DIADI 2000: a Structural Fund Project focusing on technology transfer towards SMEs.



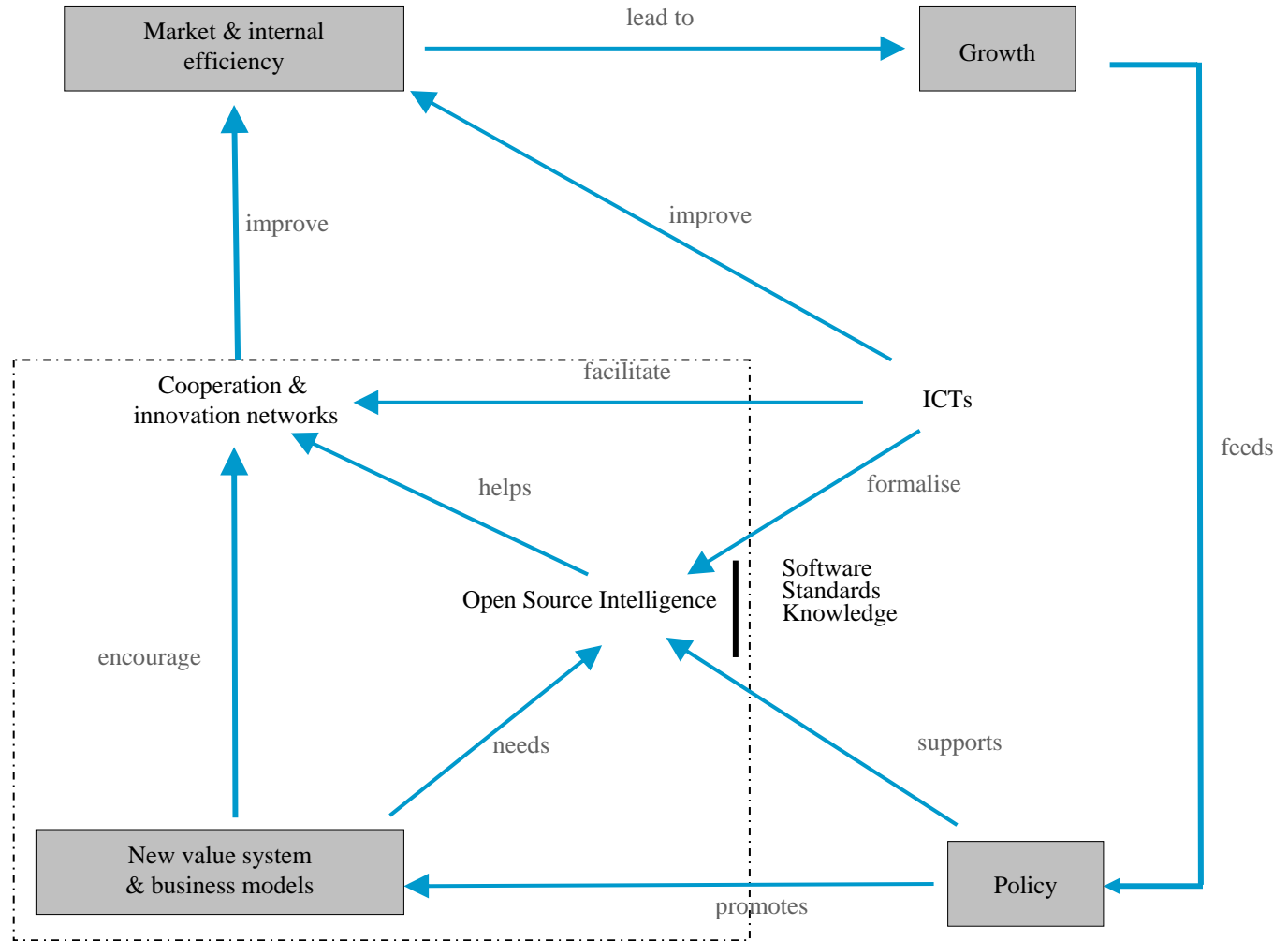
This case study firstly outlines the key elements of the current **strategy** for regional development, and secondly it describes the **model and results** implemented by CSP.



A REGIONAL STRATEGY FOR PIEDMONT COMPETITIVENESS



- Moving towards an economy based on **knowledge production, distribution and use** in order to favor Piedmont growth and increase local competitiveness.
- Applying **ICTs** to increase **knowledge formalization and accessibility**: in industrial activities, the amount of knowledge to be managed is too large.
- Promoting **cooperation, knowledge mutualism and open innovation** to improve market and internal efficiency and build new value system & business models.
- Promoting the open knowledge paradigm, made of open software, standards and information.



Cooperation and innovation networks, also through ICTs, unify producers, suppliers, partners, competitors and other stakeholders in a **shared base of knowledge**.

Innovation policies can contribute to **change the background of value added production** by promoting the establishment of:

- new dynamics of **cooperation and competition** in the productive community, as to reinforce the market efficiency.
- **collaborative environments** to share knowledge and services and to exchange information among complementary actors.



MODEL AND RESULTS IMPLEMENTED BY CSP

Main trends in Piedmont entrepreneurial system

- over 95% of SMEs are micro-firms with less than 10 employees, reluctant to innovation.
- the ICT sector is focused on SW production and body rental, although business opportunities are decreasing.

According to CSP vision, networking and collaboration dynamics can be the key levers for micro-SMEs growth and survival. In DIADI 2000 project:

- CSP looked at state-of-art initiatives, with the objective to introduce the business ecosystem pattern in Piedmont.
- a medium-term local project complemented the long-term research-based orientation towards open knowledge.



A “business ecosystem” approach

*An economic community
supported by a foundation
of interacting organizations and individuals.*

A business ecosystem implies a high degree of Interconnection among all actors involved and knowledge is widely exploited in economic activities.

CSP intends to make the local entrepreneurial system progressively evolve into a business ecosystem, where members “*work co-operatively and competitively to support new products, satisfy customer needs*” and cooperate to be more competitive.

DEFINING THE MODEL

- The role of ICTs in “networked organizations”

In Piedmont interactions among firms are still based on face-to-face communication.

ICTs can support networks by:

- allowing the **delivery** of the right knowledge to the right person, for the right purpose (knowledge logistic)
- increasing the **coordination** between firms.

Therefore, CSP focused its action on **collaborative SW platforms** enabling the optimization of resources and relationships management within “networked organizations”.



DEFINING THE MODEL

- The open knowledge paradigm -

- It is a model of production based on knowledge openness and sharing that implies:
 - knowledge collective **production**
 - alternative **business models** and approaches to intellectual property.
- In this model, the outcome is not the product to be commercialized, but it represents the base to build a **marketable activity**:
 - It generates rewards for contributors (skills improvement, enhanced development of specific software components, and competitive advantage).
- It represents one of the main challenges for the local entrepreneurial system in the near future.

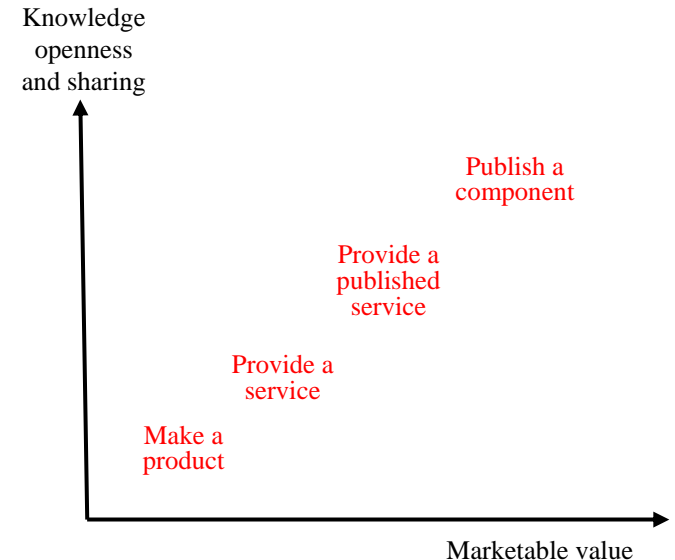
DEFINING THE MODEL

- The open knowledge paradigm in Piedmont -

Piedmont ICT companies are suffering for a business decrease in SW production and body rental.

According to CSP vision:

- the marketable value of ICT production can be interrelated with Knowledge openness and sharing
- a progressive change in SMEs culture is required.



Production based on an open knowledge approach is NOT limited to a non-profitable sphere:

- OSS is less expensive than proprietary SW: using it lowers the cost for applications and services.

DEFINING THE MODEL

- Regional actions -

- The Open Source model can be a key lever for the spread of innovation, **standards** and knowledge.
- Regional policies can promote it through:
 - financial support to OS products and projects
 - stable legislations in the field of intellectual property
 - facilitated access to universities research output
 - promotion of the availability of open resources and components to be used in the productive field.
- Regional Catalysts can concretely favour the availability of OSS components within the productive community, in order to stimulate the implementation and commercialisation of knowledge-based services.

RESULTS AND OUTCOMES

- The role of the regional catalyst -

- In DIADI 2000, CSP promotes a progressive evolution from a product-oriented approach into a **service-oriented model** based on shared components.
 - CSP means to favor the development of a local ecosystem based on “cooperation for competition”.
- Also, CSP developed and published **Talea**:
 - an experimental software component aimed at supporting the customer-supplier interaction in Enterprise Application Integration perspective
 - released following the Open Source principles
<http://talea.csp.it>



- TALEA intends to be a concrete step
 - to increase the availability of open **components**
 - to favour the spread of a service-oriented **approach**
 - to promote the growth of “**networked organizations**”
- The transition toward a service-oriented approach must start from a cultural change. Therefore, CSP:
 - Concentrated on **dissemination** activities to favour a shift towards a new cultural attitude
 - Focusing on SMEs need for mid-term results, financed some **Pilot Projects** for the customization of TALEA in services to be tested in the real market

CSP future actions will be aimed at:

- further trialling of initiatives to **exploit Knowledge** as a way to create innovation and economic growth.
- further involving Piedmont SMEs in the development and **customization of OSS components**.
- **establishing a network** involving SMEs and regional centres of excellence leading research and development activities based on the Open Source paradigm.

As resulting from CSP experience, the role of Regional Catalysts is crucial in local development processes to:

- achieve local consensus among stakeholders and opinion leaders from the productive community
- spread innovation
- facilitate the share of knowledge in networks of local players, helping the development of a local business ecosystem

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