

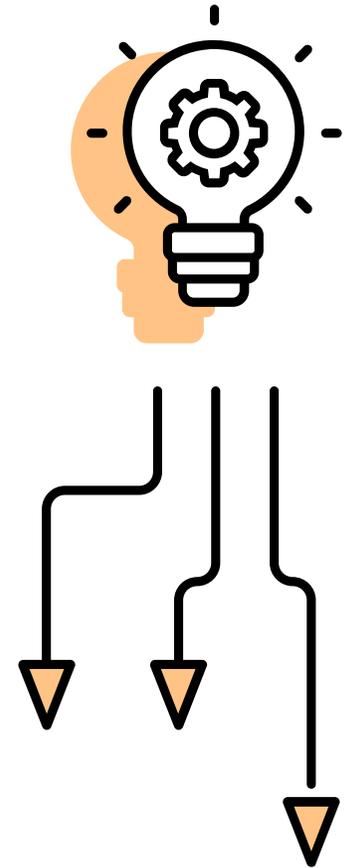
Further paths of innovation

City of Espoo

6Aika – Ecosystems of Growth: Cooperation of the six largest cities to enable business growth

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Katja Hagman, Marianne Julkunen, Veera Vihula, Heli Hidén



6Aika



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Introduction 1/2

The city serves as an innovation platform that offers various opportunities for innovation activities. In innovation activities, the urban community creates new solutions and new business together. New products and services are created and tested in real urban environments with real users.

This is a process description of the various development opportunities available to developers after the end of innovation activities. The description identifies and defines how the city can support developers in identifying various further development options and pursuing them.

Continues...

Introduction 2/2

The process description provides an overview of what kinds of different parties carrying out or supporting innovation activities are available to the developer in order to promote development work. The city is in constant interaction with the developer, considering options for further progress and ensuring optimal further development right up to commercialisation.

The successful selection of further paths with the city and various actors in the ecosystem can be ensured by identifying the need for in-house development activities during the innovation activities.

The process description is generic, so any city can use it to identify and optimise the further paths of its innovation activities. Developers involved in innovation activities can gain an idea of the further paths available.

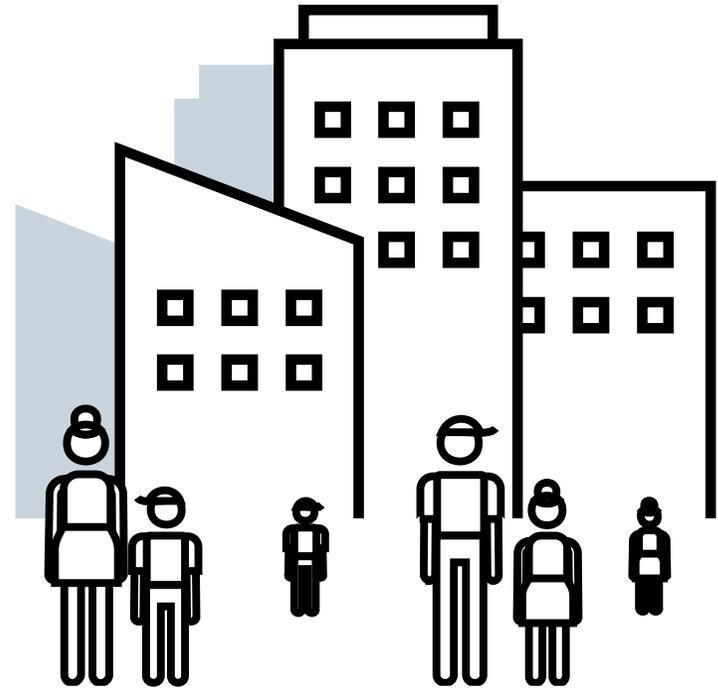
The description also allows other actors in the urban community to consider their own contribution to the further paths as a whole, in order to provide developers with the most comprehensive and appropriate development path within the ecosystem.

The process description has been created as part of the City of Espoo's 6Aika – Ecosystems of Growth project.

The city as an innovation platform and various forms of innovation activities

The city as an innovation platform

The city is an innovation platform that offers various opportunities for innovation activities. Innovation platforms are functional entities in which the urban community creates new solutions and new business together. New products and services are created and tested in real urban environments with real users.



The city as an innovation platform 1/2

Innovation activities in Espoo include:

- ▶ [Testbed activities](#)
- ▶ [Experimentation activities](#)
- ▶ [Innovation competitions](#)
- ▶ [Hackathons](#) and [design sprints](#)
- ▶ [Innovation clusters](#)

The activities are based on co-creation. Co-creation is a way of developing solutions in Espoo together, taking the needs of different parties into account. The city opens doors and invites all stakeholders to refine existing services and to design and innovate new ones, learning together. The co-creation slogan is Make with Espoo.

Continues...

The city as an innovation platform 2/2

Co-creation and experimentation activities in the urban ecosystem aim at a number of long-term benefits, both direct and indirect. The development benefits all the parties involved, together and separately. Co-creation in an open city enables the dynamic, agile and locally, nationally and internationally scalable development and introduction of innovations.

For more information:

[Handbook for Co-creation](#)

[Make with Espoo innovation platform](#)

Testbed activities

The city offers natural, living environments for development – testbeds. The City of Espoo provides companies with development environments in schools, day-care centres, museums and cultural services, for example. In the future, testbed activities will also extend to social and health care service units, city transport and infrastructure, and city-owned service and residential buildings.

The purpose of testbeds is to support Espoo's development and experimentation activities. The target group is Finnish and foreign companies that want to develop and test their products and services together with the City of Espoo. Other key target groups include research, development and innovation organisations such as universities, universities of applied sciences and research centres, as well as employees of the Corporate Group of Espoo and other parties interested in development activities.

Experimentation activities

The aim of experiments is to gather experiences, lessons learned and information to support development choices.

- Where are the greatest potential and benefits?
- What solution best serves residents and customers?
- What does a new solution require from the city and partners to function?

There are different experiments. Experiments can involve testing an entirely new idea at an early stage, prototyping it, or trying out a ready-made solution together with end users or in a completely new operating environment, for example.

Experiments vary in scope, duration and implementation. However, they must always identify what the need for development is and what we want to learn from the experiment.

Experiments may be carried out with or without compensation paid to companies. Experiments with compensation are always initiated through procurement.

[Various forms of innovation in the urban context](#)

Innovation competitions

Innovation competitions are organised for the city's employees, work communities and companies. Their aim is to improve the city's services and develop operating methods.

The innovation competitions attract customer-oriented innovations and potential innovations (ideas), which have achieved or aim to achieve more productive and smoother operations, for instance.

The Mayor's Innovation Competition is organised annually in Espoo. ([link to video](#))

Hackathons

A hackathon is an innovation method that aims to produce a lot of ideas in a short time (from approx. 1 day to 1 week). It is creative problem-solving in small groups. At the beginning of the event, the participants are presented with the challenges, and the mentors selected for the event instruct them during the hackathon. The solution may be, for example, an operating model, a service or a product. At the end of the hackathon, the small groups compile a short presentation of their output, which is then commented on by the judges selected for the event.

Hackathons provide external insights, surprising ideas and drafts as well as concrete prototypes to be tested, help to find skilled experts and highlight the significance of a positive atmosphere.

Read more about hackathons

Design sprints

A design sprint is a process that quickly creates new products, new features for existing services or solutions to different challenges. Its main benefit is compressing possibly months of work into a single week. During the intensive working week, ideas are refined into a concept, and a prototype is produced and validated with test users. In other words, it involves a lot of doing and learning.

Innovation clusters 1/2

Innovation clusters

Innovation clusters operate around a specific theme in a coordinated manner, supported by high-quality expertise. They involve actors from various sectors with a shared vision. This cooperation results in innovation.

The innovation clusters are there for all the actors involved, with the aim of delivering benefits to all: cities, research centres, universities, innovative and often growth-oriented companies and teams. Ultimately, centralisation will benefit the brand of the region and the whole of Finland.

From the innovation cluster, the company can continue to cooperate with the city through co-creation.

Innovation clusters 2/2

The city's role

The city connects companies and other members of the network onwards in the innovation ecosystem, which the innovation clusters are part of. Cities have access to information on the various actors, so that entrepreneurs can be guided forward in a timely manner to the right places and networks in order to promote their growth and internationalisation. The city opens up its services, data and platforms for innovation activities. The city accelerates cooperation and actively identifies and establishes contacts with the opportunities offered by innovation clusters in different sectors. Entrepreneurs, whose growth and internationalisation paths are served by innovation ecosystems, are offered guidance regardless of their city or country of residence. The city strengthens shared value creation in the urban ecosystem to promote sustainable growth, well-being and vitality.

What happens after innovation activities?

Defining further paths of innovation 1/2

What happens after an experiment or a hackathon, for example?

In your own development work, you can take advantage of several paths at the same time according to your needs and goals.

There are joint discussions between the city and the developer to consider options for further progress and optimal further development.

Defining further paths of innovation 2/2

The successful selection of further paths with the city and/or other actors in the ecosystem can be ensured by identifying the need for in-house development activities and relevant ways in which development work can be carried out.

As part of the initial discussion of innovation activities, it is a good idea to anticipate the future paths and the next stage of development work, setting targets for operations accordingly, and to identify the relevant parties and involve them in the process from the very beginning. For example, when planning experiments, it is advisable to consider possible continuation as an option in the contract. As innovation activities progress, it is a good idea to return to the further path options in the context of milestones and the evaluation discussion and to check whether the development plan has remained the same.

In innovation activities, it is important to produce lessons for the various parties involved, to share knowledge and to enable the scaling of the activities and lessons for the various parties and functionalities. For this reason, it is also a good idea to look at further paths from the perspective of development and commercialisation of the solution.

If necessary, the local business advisor will assist you in identifying the various paths to follow and finding more information.

Process description

The process description describes the further paths of innovation in which the city is involved or to which the city's business service network refers.

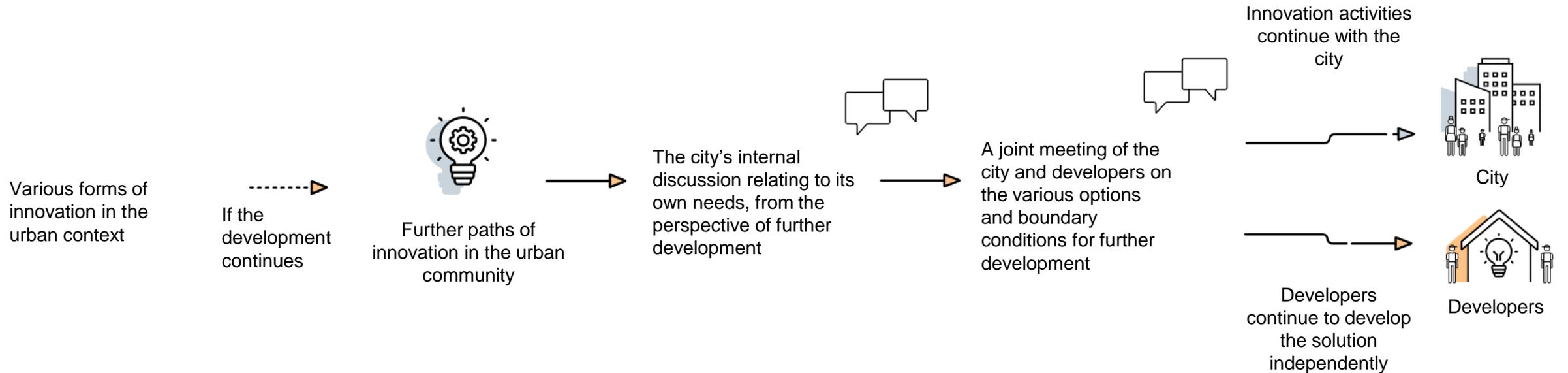
The process description is divided into four sections:

- ▶ [Definition of further paths](#)
- ▶ [Overview of the process description](#)
- ▶ [Innovation activities continue with the city](#)
- ▶ [Developers continue to develop the solution independently](#)

After the presentation of the process description overview, the various areas of the process description are discussed in more detail. During the more detailed presentation of the areas, their various phases and related contents are described.

This document uses the word 'developers' to refer to various parties involved in innovation work: companies, associations, research institutes, universities and other development teams.

Further paths of innovation – definition of the further paths



The city's internal discussion relating to its own needs, from the perspective of further development

Things to consider before the city's internal meeting:

- Who organises the city's internal meeting? Is it organised by the party that organised the closed innovation activity (the same party as in the evaluation discussion) or in a coordinated manner by another party?
- When is the internal meeting for further paths held?
- At the meeting, who is responsible for the further path options and familiarity with their content in more detail?
- Who is invited to attend?
- Multiple people to be involved – identification of participation needs

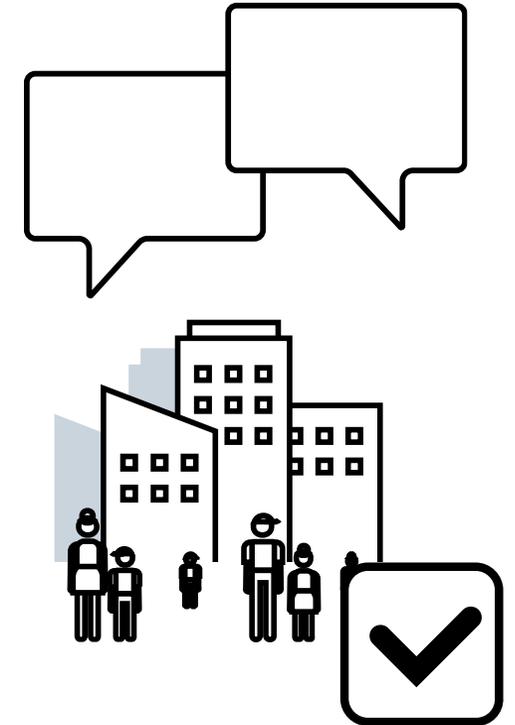
Points to consider in relation to further paths:

- Competence to make decisions/procurements
- Act on Public Procurement and Concession Contracts and different ways of potential procurement
- Intellectual property rights as part of the further paths

The city's internal discussion relating to its own needs, from the perspective of further development

Checklist:

- Access to and familiarisation with the final outputs of innovation activities
- At the internal meeting, a further path plan is drawn up for the final outputs from the city's perspective
- Which need do the final outputs fulfil? Are the final outputs suitable for other experimentation environments?
- When is the further path meeting with the developer held and through which channel?
- Evaluation of team capability and commitment
- Which members of the innovation ecosystem are invited to participate in the meeting?
- What is the assessment of the degree of completion of the idea/prototype/solution, the developer's motivation and readiness for further paths?
- Will the developer be asked to submit a proposal for the implementation of the further path option (procurement, innovation activities, etc.)?



A joint meeting of the city and developers on the various options and boundary conditions for further development 1/2

Things to go through at the joint meeting:

- What kinds of needs does the developer have from the point of view of promoting the solution/idea/prototype?
- Evaluation of abilities relating to further paths and commitment to activities
 - Necessary stakeholders and their opportunities to participate
- Needs and motivation for further development
- Act on Public Procurement and Concession Contracts and Espoo's procurement guidelines
- Intellectual property rights
 - If the development work continues through open tendering, the company originally involved owns the product or service developed in the experiment. The city, on the other hand, has rights to the documentation created during the experiment. This arrangement must be communicated to the developer clearly from the beginning, and the information is part of the contract template for each innovation activity.

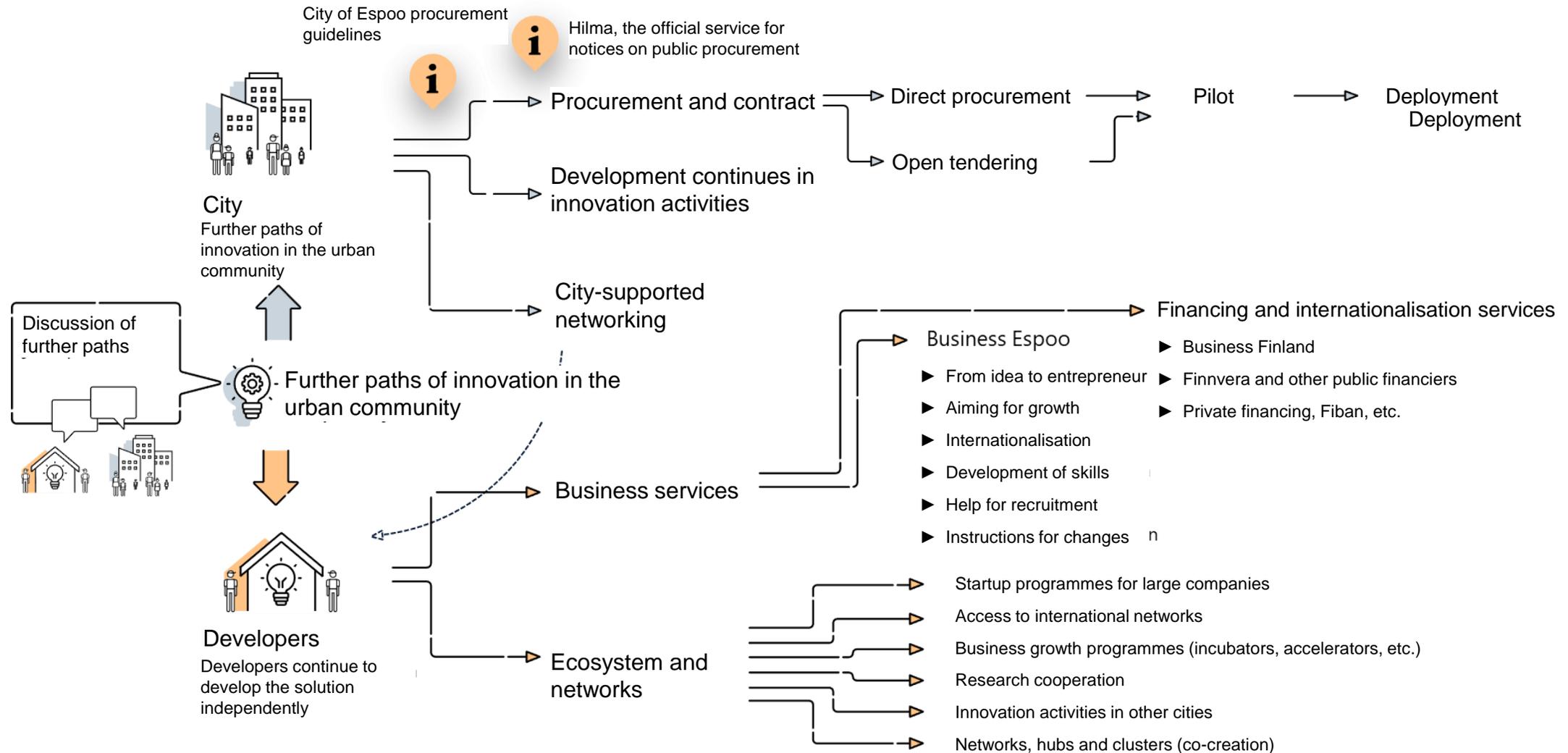
A joint meeting of the city and developers on the various options and boundary conditions for further development 2/2

The following items are recorded together using existing tools:

- Readiness of the solution for deployment
- Duration of implementation
- Scope of implementation
- Costs of implementation
- Parties to involve in co-creation
 - Duration of participation from the point of view of those involved

The document will be used in planning further development and later in evaluation.

Further paths of innovation in the urban community – overview

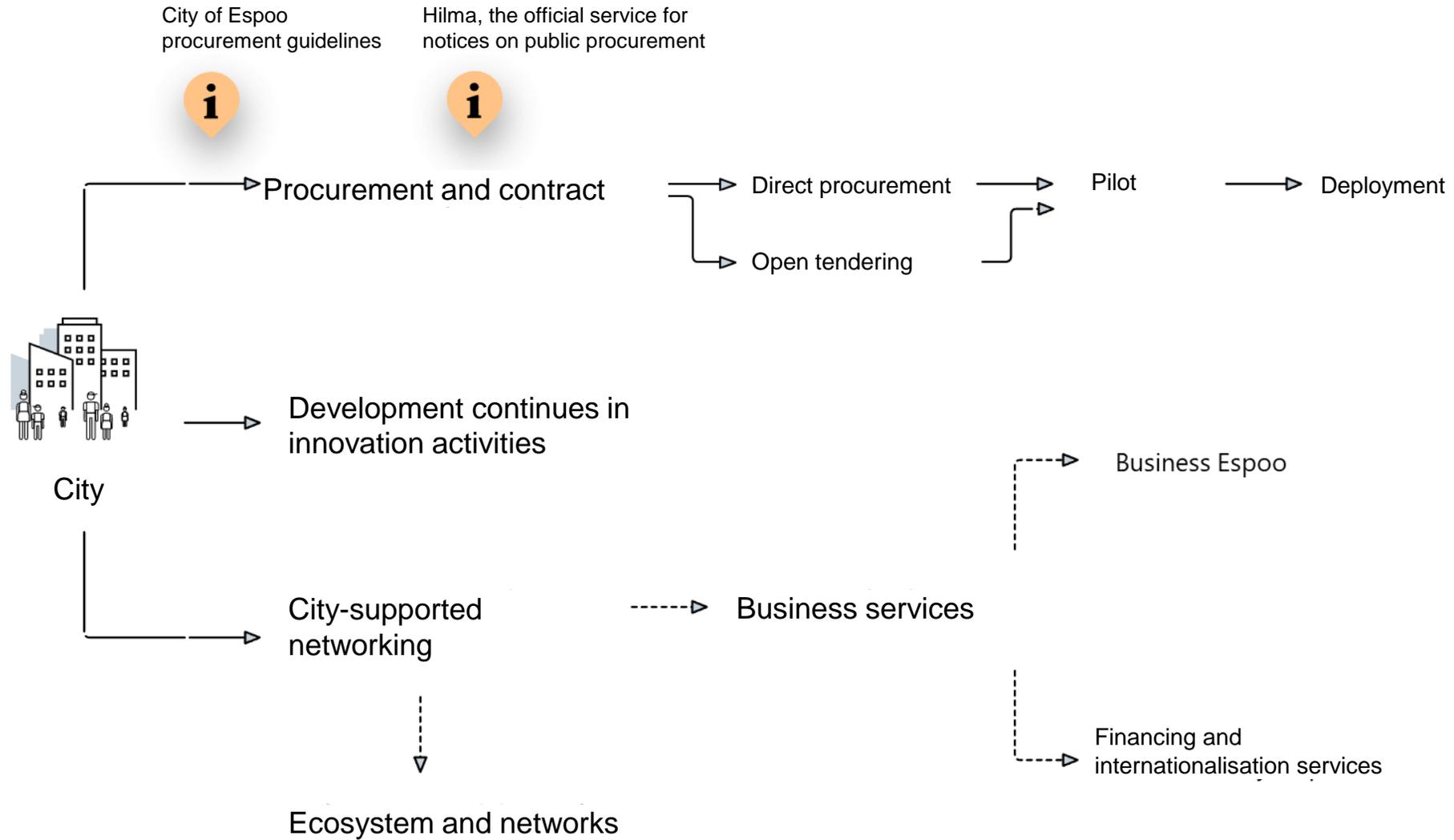


Innovation activities continue with the city

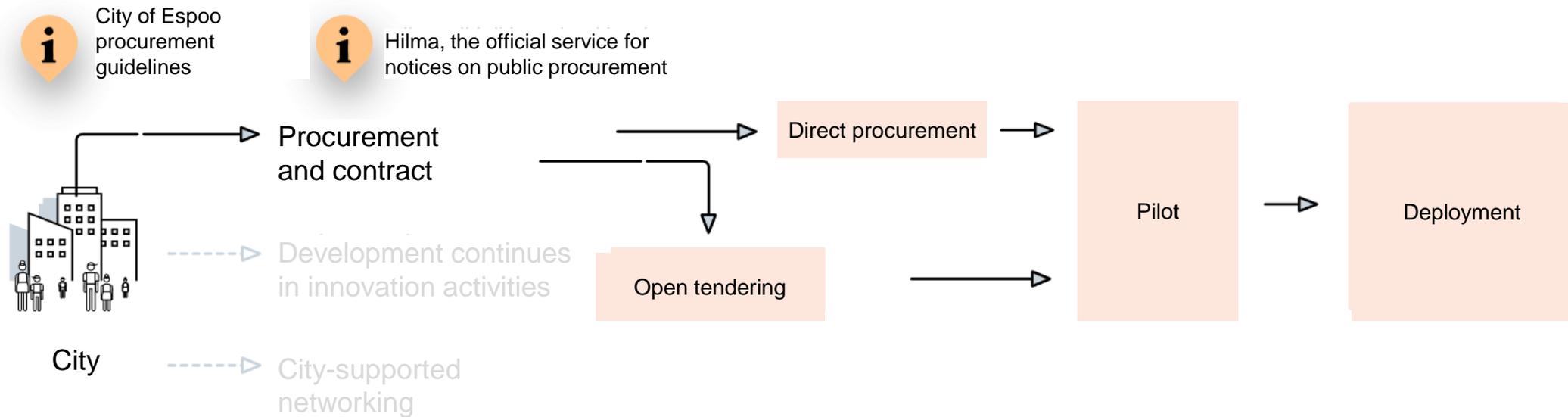
Cooperation with the city offers various options for further paths. The city also refers developers to the ecosystem's other services and networking.

The intellectual property rights for the solution should be agreed at an early stage of the innovation activities. If the development work continues through open tendering, the company originally involved owns the product or service developed in the experiment. The city, on the other hand, has rights to the documentation created during the experiment. This arrangement must be communicated to the developer clearly from the beginning, and the information is part of the contract template.

Innovation activities continue with the city 1/3



Innovation activities continue with the city 2/3



City of Espoo procurement guidelines and Hilma

The city complies with the legislation on public contracts, the city's ordinances and operating instructions and the procurement procedure and contracting guidelines. Procurement notices above the national threshold are published in HILMA for either Finland or the entire EU, depending on the value of the procurement.

Invitations to tender

Espoo uses an online tendering system in which the invitations to tender and the associated documents are published.

[Read more about procurement](#)

Procurement and contract 1/2

Direct procurement

Direct procurement can be used for entities with a low purchase value where the national threshold is not exceeded.

The city's own procurement guidelines and existing contracts must be taken into account.

Open tendering

Even after innovation activities, the city must usually carry out the procurement of the solution through open tendering. The procurement method is determined by the Act on Public Procurement and Concession Contracts and the city's own procurement guidelines. The procurement contract is made as part of the tendering process.

Because innovation activities do not directly lead to procurement, it is important to identify one's own learning goals before starting the innovation activities.

[Innovation activities continue with the city](#)

Procurement and contract 2/2

Pilot

Finished or almost finished products are brought to the pilot for testing. The pilot is tied to deployment and procurement.

During the pilot, it is ensured that the framework for deployment is in order from the point of view of the overall architecture. It is still possible to make small changes to the solution during the pilot.

The effectiveness of the pilot is evaluated by means of indicators.

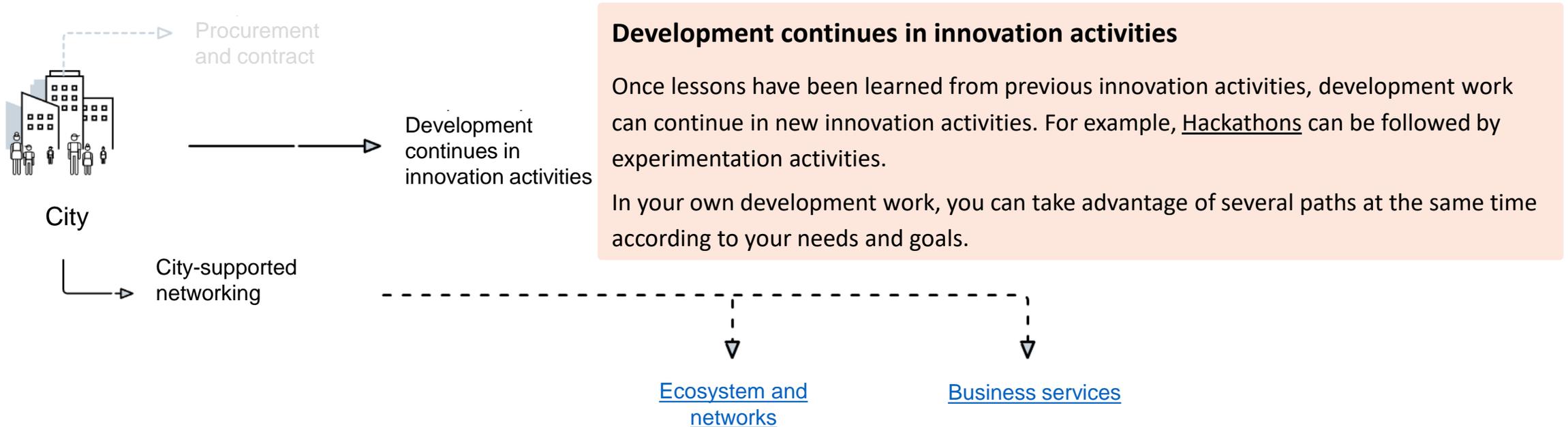
Please note that a pilot and an experiment are two different things.

Read more about experimentation activities

Deployment

Deployment will be carried out after a successful pilot in accordance with the procurement contracts.

Innovation activities continue with the city 3/3



City support for ecosystem- and network-level development work

The city supports the developer in finding a suitable further development path at various stages of development. The city aims to guide the developer into the ecosystem and network, since the growth potential is highest at the ecosystem level. The city also connects companies to business services.

The city has extensive knowledge of the development activities of different sectors and connects the developer to the relevant parties.

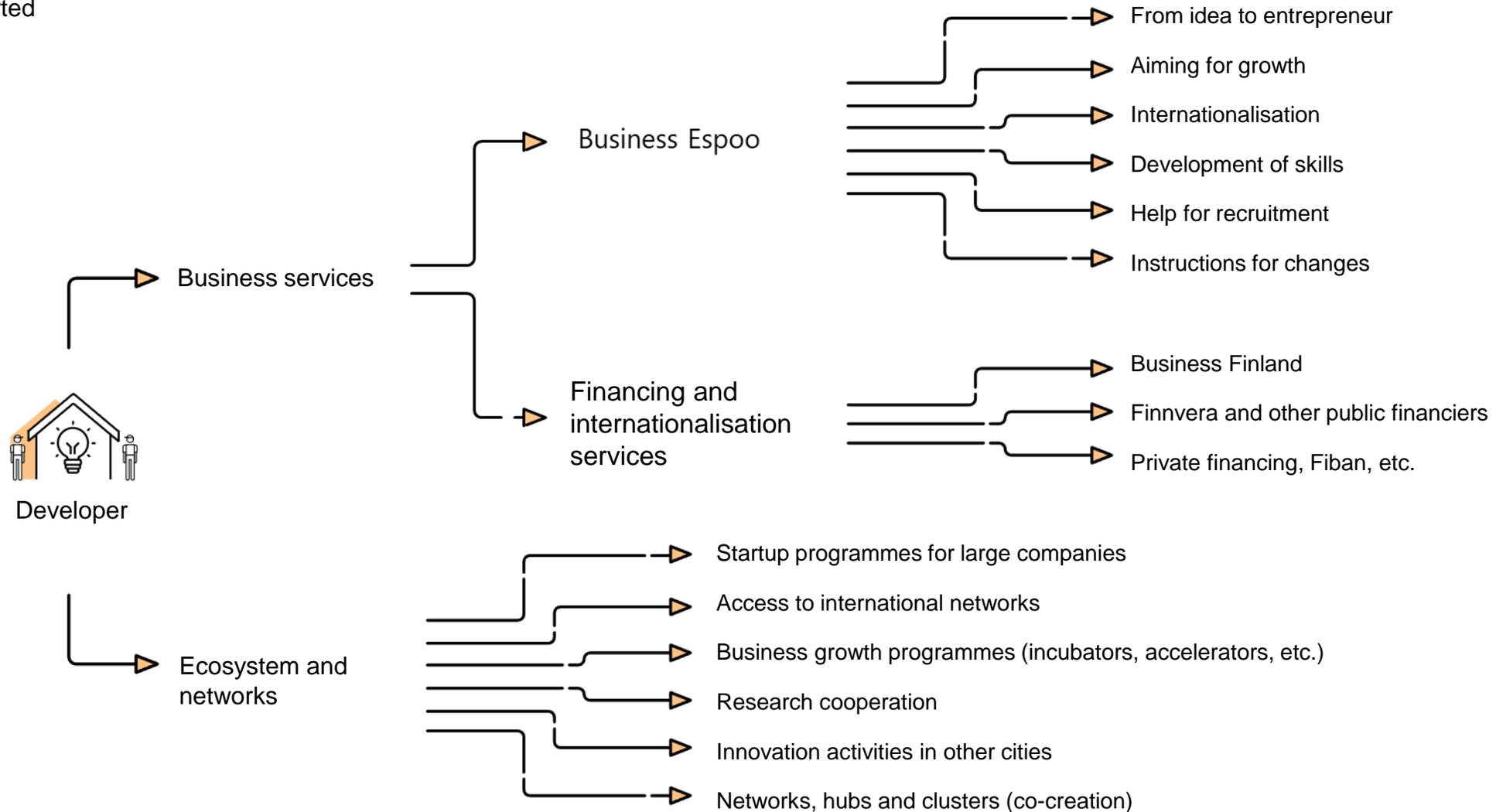
The city is active in various business and innovation networks. The city supports developers by communicating as extensively as possible about networking opportunities in the area.

**Developers continue to develop
the solution independently**

There is a wide range of free and paid services and software for developers to develop their business and innovations. Support is available for the entire life cycle of the company, from getting the idea and starting the business to internationalisation. More information is available via the links on each party's own website.

Developers continue to develop the solution independently 1/4

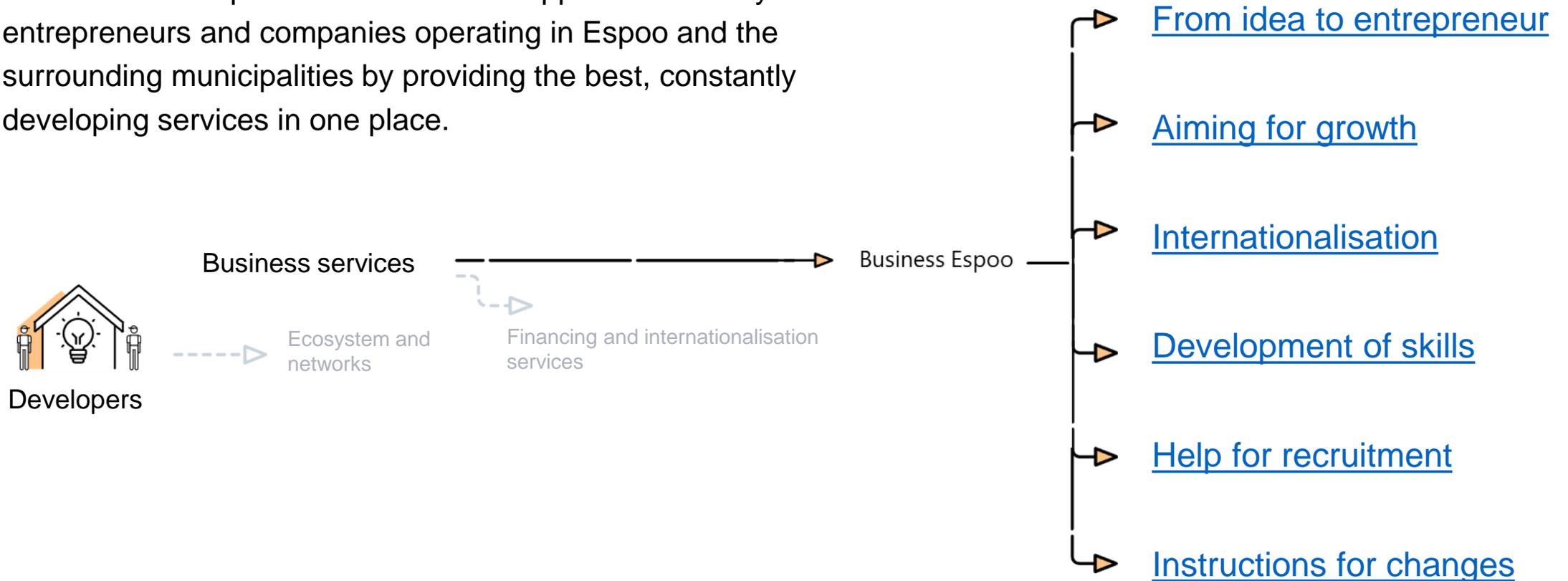
City-supported networking



Innovation activities continue with the city 2/3

Business Espoo

The Business Espoo service network supports the vitality of entrepreneurs and companies operating in Espoo and the surrounding municipalities by providing the best, constantly developing services in one place.



Business Espoo services 1/3

From idea to entrepreneur

Entrepreneurship is about the desire to evolve and develop something new, as well as the enthusiasm to realise your ideas and dreams. Few people are born entrepreneurs – you must grow into an entrepreneur, and Business Espoo can help you with that. You are welcome to have free business advice to try out your business idea and seek the best advice for making a business plan and calculations, as well as for applying for a start-up grant and other funding.

Business Espoo's training, events, ecosystems and organisation memberships create an environment in which local companies can develop intelligently together.

Aiming for growth

Business growth requires good networks and tools. Business Espoo helps you on the path to growth when you want to find investors for your business or find premises in Espoo, for example.

An example of a networking service is the digital Launchpad platform, which provides startups with opportunities to find international and domestic investors and (large) business partners, various hubs and other startups, thereby enabling growth and new ways of working together. For investors, the platform offers opportunities to find investment opportunities according to their area of focus.

Business Espoo services 2/3

Internationalisation

International markets and networks offer many opportunities for companies. Business Espoo supports companies in matters related to, for example, international job-seeking, internationalisation and growth.

You will receive advice for internationalisation and, if necessary, you will also be referred to the legal and financial experts in Business Espoo's network.

The selection of services also includes international networking opportunities, for example, through targeted investor and matchmaking events and digital platforms.

Development of skills

By developing your skills, you will ensure that everyday life is smooth and your company's future is good. The Business Espoo network brings together actors to help you acquire and develop the skills needed in your company – whether you are looking to train yourself as an entrepreneur and manager or your staff as creators of growth.

Business Espoo's training offering covers a wide range of both short, targeted training courses and longer-term development programmes in different areas of business, from financial figures to internationalisation.

Business Espoo services 3/3

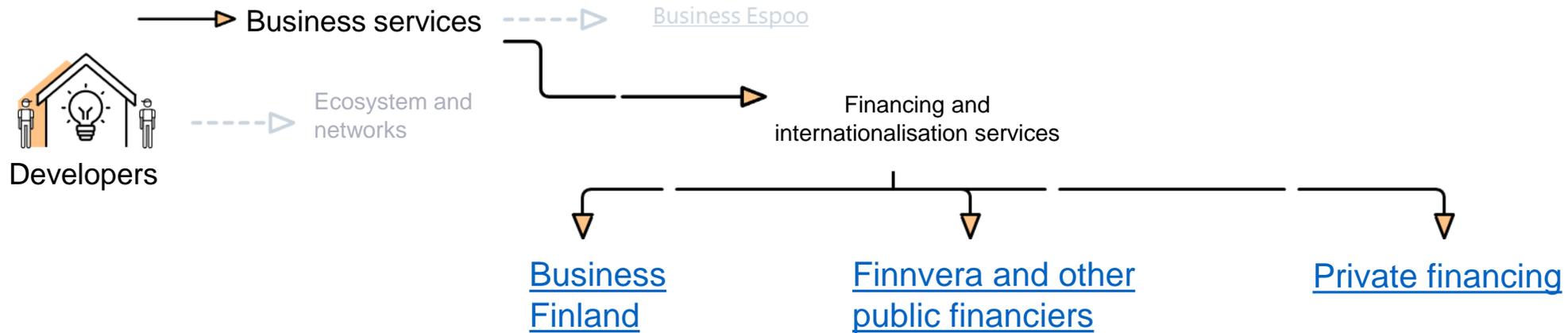
Help for recruitment

When your company needs new, skilled manpower or expects a change that will require new talent, you can turn to the actors at Business Espoo. For example, TE Services, Omnia and the City of Espoo offer free recruitment services for companies. Business Espoo will help you find skilled manpower. You can also apply for financial support for salary costs.

Instructions for changes

A company's life cycle contains both ups and downs. Business Espoo supports companies in changing situations and in the face of crises. You can turn to us when your company is facing challenges relating to, for example, financial difficulties, legal issues, entrepreneurial resilience, business reorientation, acquisition/change of ownership, business closure or bankruptcy.

Developers continue to develop the solution independently 3/4



[Developers continue to develop the solution independently](#)

Financing and internationalisation services 1/3

Business Finland

Business Finland is a Finnish public operator that offers innovation financing and internationalisation services and promotes tourism and investments in Finland.

Services for SMEs

- Services for startups
- Services for large companies
- Services for research organisations
- Services for the public sector

Service themes

- Exports and internationalisation
- Financing
- Programmes
- Building ecosystems
- Promoting tourism
- Digital services

[Developers continue to develop the solution independently](#)

Financing and internationalisation services 2/3

Finnvera and other public financiers

Finnvera is a state-owned specialised financier and the official Export Credit Agency (ECA) of Finland.

Finnvera provides financing for the start, growth and internationalisation of enterprises and against export risks. Finnvera strengthens the business conditions and competitiveness of Finnish companies by offering loans, guarantees and export guarantees.

Sitra provides funding for projects related to Sitra's operational themes, such as circular economy, education and climate solutions.

[Developers continue to develop the solution independently](#)

Financing and internationalisation services 3/3

Private financing

Fiban is one of the largest and most active business angel networks in Europe. The main task is to link potential high-growth companies with our investor members.

Financing company products enable the company to finance its investments, optimise the use of its insurance assets, improve its balance sheet structure and raise working capital.

In addition to traditional banks, fintech (financial technology) companies have come along to provide an additional tool for financing options for companies while also helping the banks.

The Finnish Venture Capital Association promotes the business conditions for venture capital in Finland. Its full members are companies engaged in venture capital activities in Finland. Associate members are other influential organisations in the Finnish venture capital industry.

In recent years, crowdfunding has grown and taken various forms. In Finland, too, there are several platforms for crowdfunding. International platforms are also used, and they are particularly good for companies seeking to launch their products on international markets.

Innovation activities continue with the city 3/3



-----> Business services

Ecosystem and networks

[Startup programmes for large companies](#)

[Access to international networks](#)

[Business growth programmes \(incubators, accelerators, etc.\)](#)

[Research cooperation](#)

[Innovation activities in other cities](#)

[Networks, hubs and clusters \(co-creation\)](#)

Ecosystem and networks 1/5

Startup programmes for large companies

Through venture capital activities, for example, large companies look for pilot implementers who are able to implement projects quickly in a partner format.

Large companies organise their own innovation activities and further paths to them in the form of co-creation, for instance.

Local business services specialists are acquainted with the startup activities of large companies.

Access to international networks

International networks offer many opportunities for the further development of companies.

Examples of operators that support international networking include Team Finland, Business Finland, Helsinki Business Hub, chambers of commerce and Enterprise Europe Network (EEN).

For example, EEN offers free information and guidance on the following:

- the most appropriate forms of EU funding opportunities and programmes for each company
- internationalisation and legislation
- international partners
- commercialising innovations
- seminars and events

Ecosystem and networks 2/5

Business growth programmes (incubators, accelerators, etc.)

Various growth programmes offer opportunities for faster growth, especially for startups. Business incubators are intended to support entrepreneurs in their first steps towards entrepreneurship. Incubators and accelerators have various programmes where entrepreneurs can refine their business ideas and possibly assemble their teams.

For example, Kiuas Accelerator has two programmes for development teams in different situations. Kiuas Start is aimed at early-stage ideas and is organised twice a year. Kiuas Accelerator is a 9–10 week programme for startups that are a bit further ahead.

Aalto Startup Center and Aalto Innovation Services offer 'From Idea to Impact' services for companies at different stages of maturity.

The activities of the ESA BIC (European Space Agency Business Incubation Centre) are aimed at teams whose solution supports or benefits the space industry (for example, through the use of satellite positioning technology).

Ecosystem and networks 3/5

Research cooperation

Cooperation with research centres provides companies with a view of the latest research data and opportunities for developing competitiveness, as well as an extensive network of experts.

For example, several RDI organisations operate in the Espoo region, such as Aalto University, VTT Technical Research Centre of Finland and Laurea University of Applied Sciences.

Cooperation with research centres is sector-specific and tailored. Cooperation between companies and research centres is carried out in EU-funded projects, for instance.

Follow local networking events and research institutes' own websites.

Ecosystem and networks 4/5

Innovation activities in other cities

Cities work closely together to develop innovation activities. Different cities have their own innovation platforms with different sectoral priorities.

The local business advisor will provide you with advice on gaining access to national and international networks.

You can also find information on innovation activities in various cities on their own websites.

Examples:

- ▶ Smart Tampere programme
- ▶ Turku Science Park
- ▶ Forum Virium Helsinki
- ▶ City of Helsinki, Testbed Helsinki
- ▶ Business Oulu open innovation services
- ▶ Business Vantaa

Ecosystem and networks 5/5

Networks, hubs and clusters (co-creation)

Networks and hubs provide support, information and cooperation opportunities.

Innovation clusters and hubs bring together parties interested in the same themes to develop them together. The aim is to strengthen innovation activities by bringing together companies, communities, research institutes and public actors.

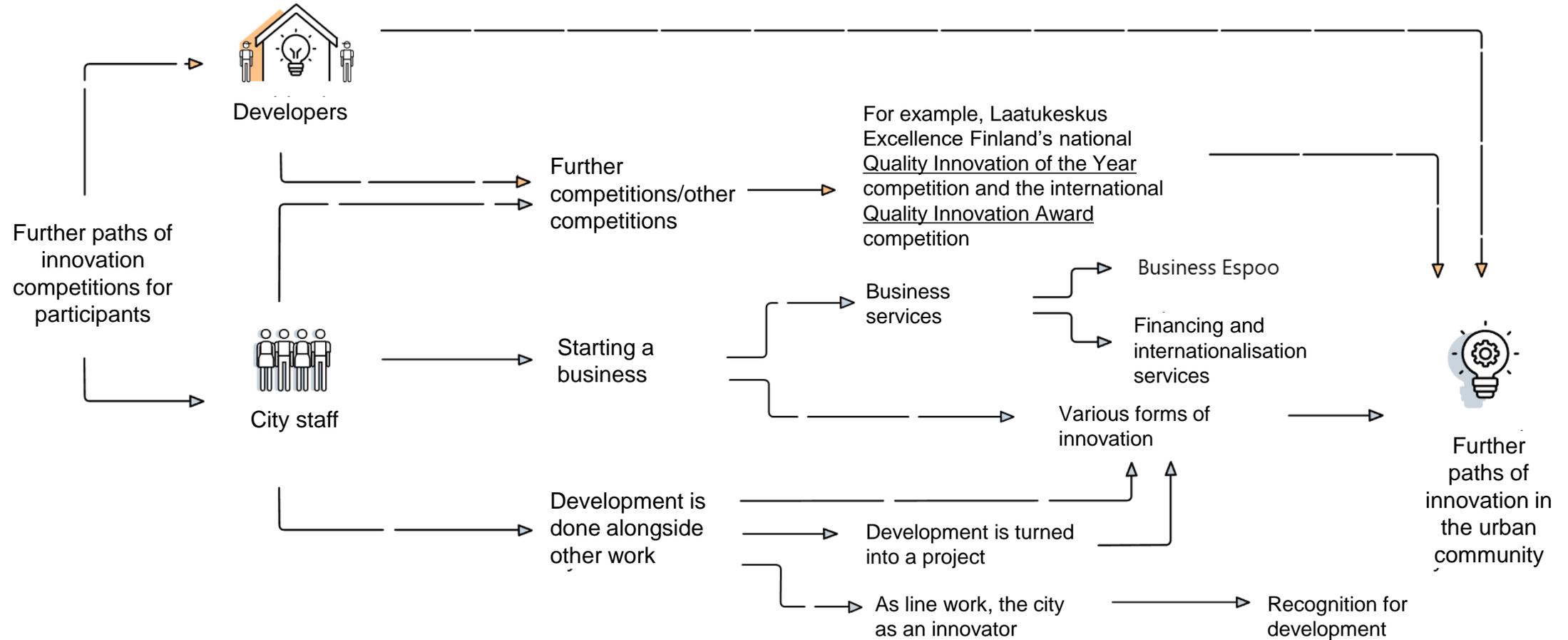
For example, Smart Otaniemi in Espoo has a smart energy and smart city innovation ecosystem, which involves VTT, Aalto, the City of Espoo and about 70 partners. Sustainable and commercially viable energy solutions are developed together through pilot projects, for example.

The Finnish Center for Artificial Intelligence FCAI is a cluster of expertise that brings together top researchers, industry and public sector actors to solve real-life problems using both existing AI expertise and completely new AI methods. FCAI is one of the six flagships named by the Academy of Finland and a key player in the implementation of Finland's artificial intelligence programme.

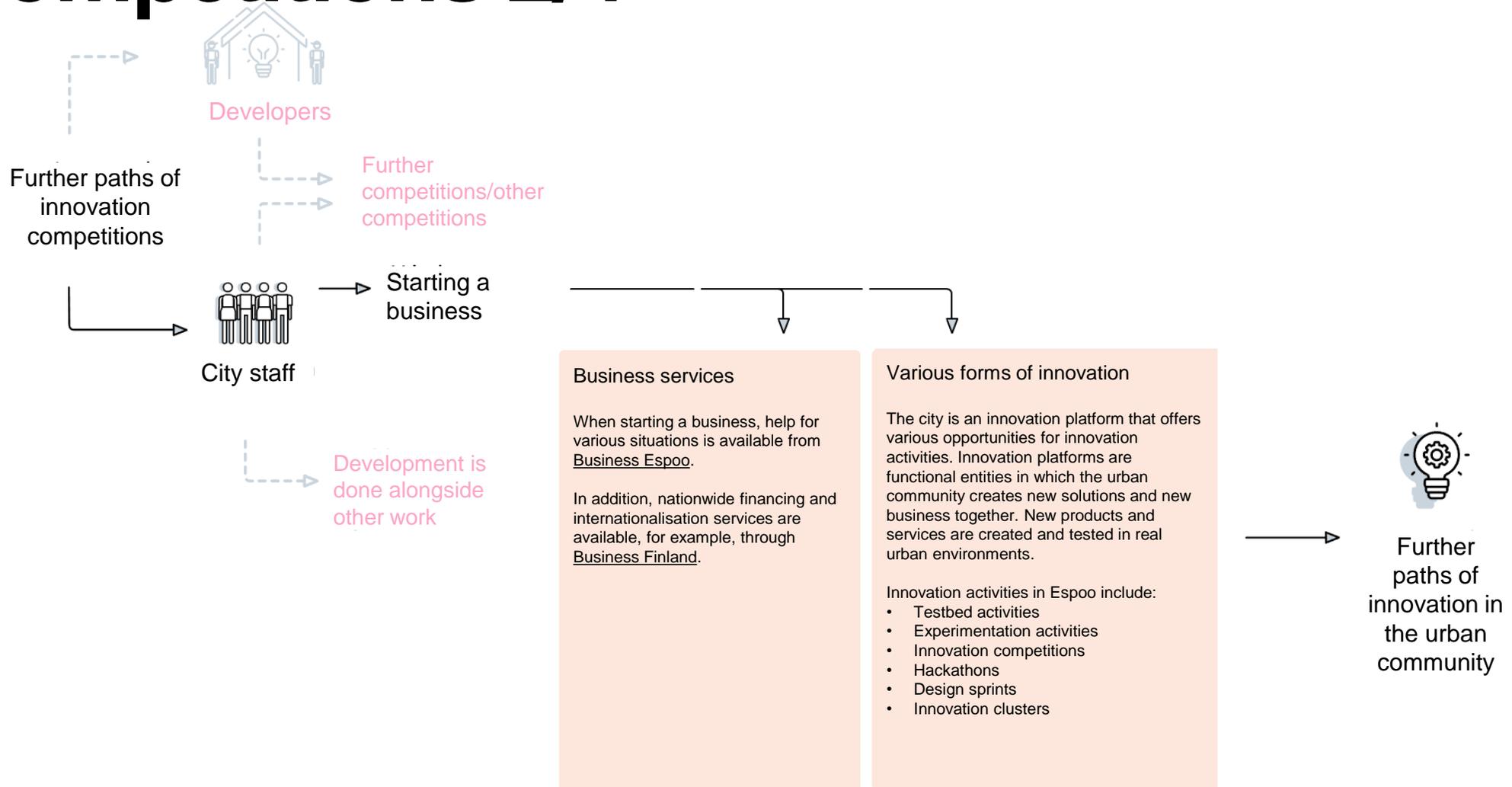
Innovation competitions

The further paths of innovation competitions differ in part from the further paths of other innovation activities, so their process is described separately next.

Further paths of innovation competitions 1/4



Further paths of innovation competitions 2/4



Starting a business

Business services

When starting a business, help for various situations is available from Business Espoo.

In addition, nationwide financing and internationalisation services are available, for example, through Business Finland.

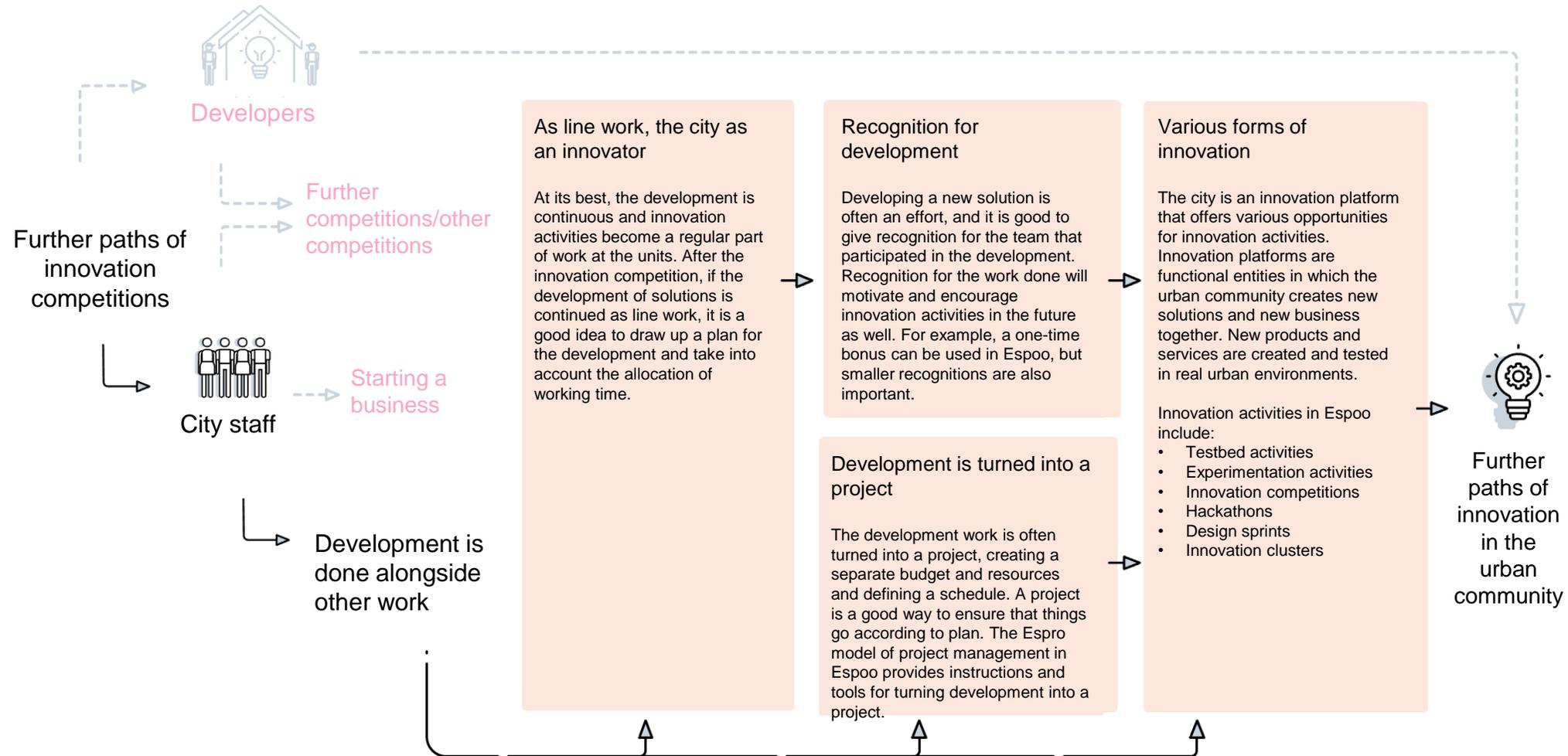
Various forms of innovation

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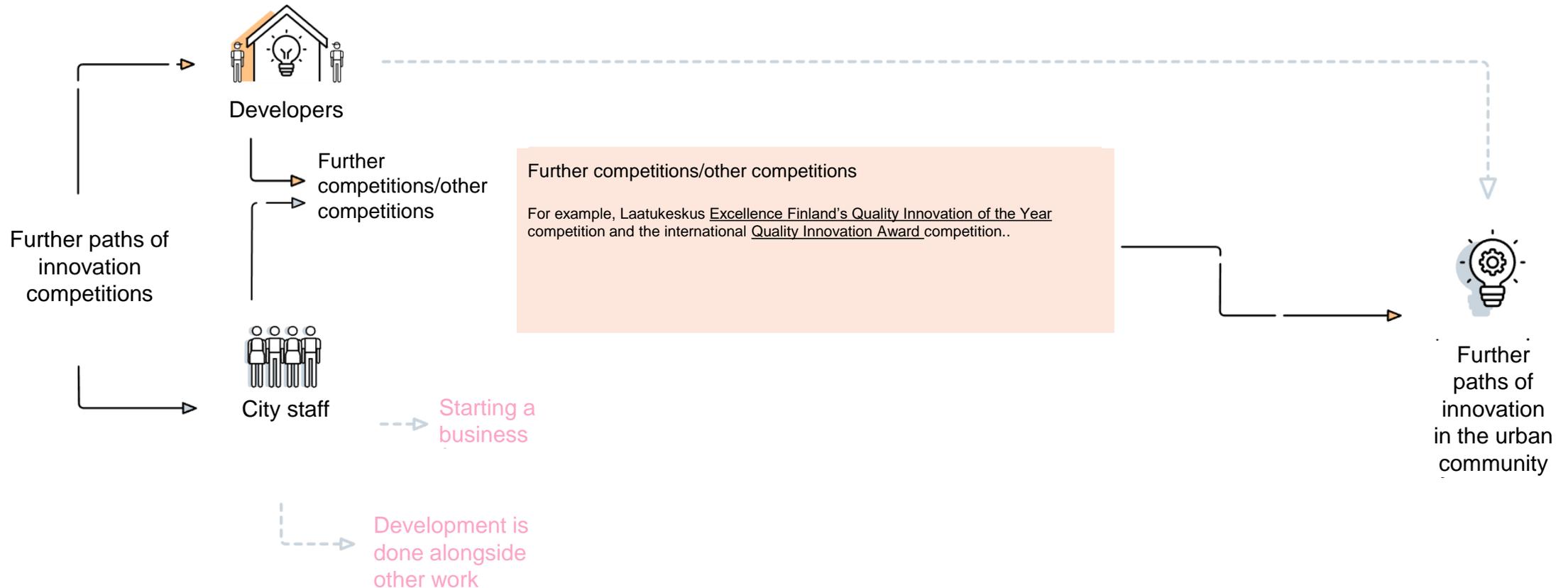
Innovation activities in Espoo include:

- Testbed activities
- Experimentation activities
- Innovation competitions
- Hackathons
- Design sprints
- Innovation clusters

Further paths of innovation competitions 3/4



Further paths of innovation competitions 4/4



Finally

We would like to thank all members of the innovation ecosystem for their good cooperation. You are welcome to join innovation activities in Espoo!

Thanks to LINK Design and Development Oy for their design cooperation during the project.

For more information, please contact:

Katja Hagman katja.m.hagman@espoo.fi

Heli Hidén heli.hiden@espoo.fi

Veera Vihula veera.vihula@espoo.fi

Marianne Julkunen marianne.julkunen@espoo.fi

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