

SUMMARY OF THE FEASIBILITY STUDY

A consortium of Consultants and experts comprised of INBIS, PWC and EBN have been helping ESA to establish a Business Incubator in Noordwijk.

They studied whether it would be feasible and financially viable to establish a Business & Space Technology Incubator at ESTEC and how such a venture would benefit ESA/ ESTEC.

The main points of the conclusion of the study are as follows:

◆ **An incubator/ business & technology centre would be a viable concept.** The study concludes not only that such a venture would be viable, but would also offer significant advantages and benefits to ESA and its member states.

◆ **An incubator will help with the Technology Transfer process and to create knowledge based SMEs.** Technology Transfer within a Business and Technology Centre can be a bi-directional process: a) from ESA to the private sector and b) from the private sector to ESA. This process in turn will promote innovation. SMEs through the use of space technology will have the opportunity to develop and market new products and processes.

◆ **Establishment of the centre will facilitate implementation of the joint EC and ESA initiative to implement the European Strategy for Space and in building the European Research Area.** The centre would support the objectives for the European Strategy for Space (ESS), in particular in would support the third ESS objective, that is to reap the benefits for markets and society through exploiting technical space capacity.

◆ The availability of Business and Technology Centre will give ESA the **opportunity to adapt commercially available technology for space use and also adopt business ethos** and entrepreneurship from the private sector.

◆ **The collaboration of ESTEC with the Centre is fundamental to the Business and Technology Centre's concept.** The quality of this interaction will critically depend on the corporate attitude of ESA giving guidance and encouragement.

◆ **The Business and Technology Centre will enhance regional development and benefit the process of job creation.** Existing suppliers will get the opportunity to become sub-contractors to the new companies thus widening the benefit as well as introducing these suppliers to new technologies and skills. The Business and Technology Centre's tenants, through their own needs will help to sustain this critical mass of specialist sub-contractors and will ensure that these capabilities continue to develop. Although these benefits will not benefit ESA directly, nevertheless they are just as important as the direct ones in the sense that it will enhance ESA's image locally and in the wider business community.

◆ **The training capabilities of ESTEC are of fundamental importance for the Business and Technology Centre** and will be extended beyond the Centre, which will have an impact on relevant educational establishments.

◆ **The success of the Centre would depend on exploiting its competitive advantage.** Its competitive advantage would broadly be based on its association with ESTEC i.e. cutting edge technology, well equipped research facilities, experience in technology transfer, suitable building land. A Technology Audit of ESTEC's technology concluded that the Centre should be focused on offering Space and other cutting edge technology rather than focused on broad business sectors.

◆ **The success of the Centre depends to a certain degree on the quality of the tenants.** It is important to select the right tenants from the very beginning and to establish the letting policies right at the beginning of the project.

- ◆ The main stages of income resources for the Centre are
 - **Incubator (not self financing)**
 - **Green House (in general self financing)**
 - **Science Park (profitable operation)**

The 3 stages together will ensure that the Centre will be a profit making operation

However there is still some fundamental work to be carried out before physically building the Centre. **The Recommendations are outlined below:**

◆ **Develop a strategy and business profile for the Centre**

Develop a consistent and coherent strategy for the Centre. The strategy will be of key importance for the success of the Centre and it must be developed upon its competitive advantage.

In the case of the Centre its competitive advantage would broadly be based on its association with ESA-ESTEC

◆ **Develop a business plan for the Centre**

Develop a business plan on the based on realistic assumptions.

◆ **Develop the legal entity or entities**

◆ **Develop organisational structure and operating procedures**

Reporting and Management structure should be defined and ready to put in place.

Criteria for the selection of projects, tenants, professional advisers should be developed based on the objectives of the Centre and its business plan.

Procedures should be developed for the proper use of facilities, buildings, and infrastructure.

◆ **Select the management and human resources of the Centre**

◆ **Set up entrepreneurship training programme**

Set up training seminars and workshops for the benefit of Centre personnel, tenants, and selected ESTEC personnel

◆ **Involve potential participants in the development of the Centre concept**

Involve foreseen stakeholders actively in the development and future direction of the Centre.