

CAS Software AG

Richtig informiert. Jederzeit und überall.



EU Research Funding: Experiences of an SME

HAGRID Information Session on European ICT Research @ future talk

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Head of Strategy and Innovation Management



Agenda

- CAS
- Needs and Motivation
- European collaborative R&D projects
 - Outcomes
 - Problems
- Being open
- Conclusion

CAS Software AG - Overview

CAS – an innovative company:

- TOP 100 - Innovator of 2006
- European IT Prize for CAS genesisWorld
- Three times in series: CAS genesisWorld customers receive the CRM Best Practice Award in gold and silver

CAS Group



Market position

- German market leader for CRM in the SME sector (compare PAC study 2006/07)
- Active in some 15 European countries
- More than 150,000 users worldwide work with CAS products
- **Some 35% investment in R&D**

Vision

- Total supplier for CRM solutions
- Leading European CRM expert for SMEs in 2010

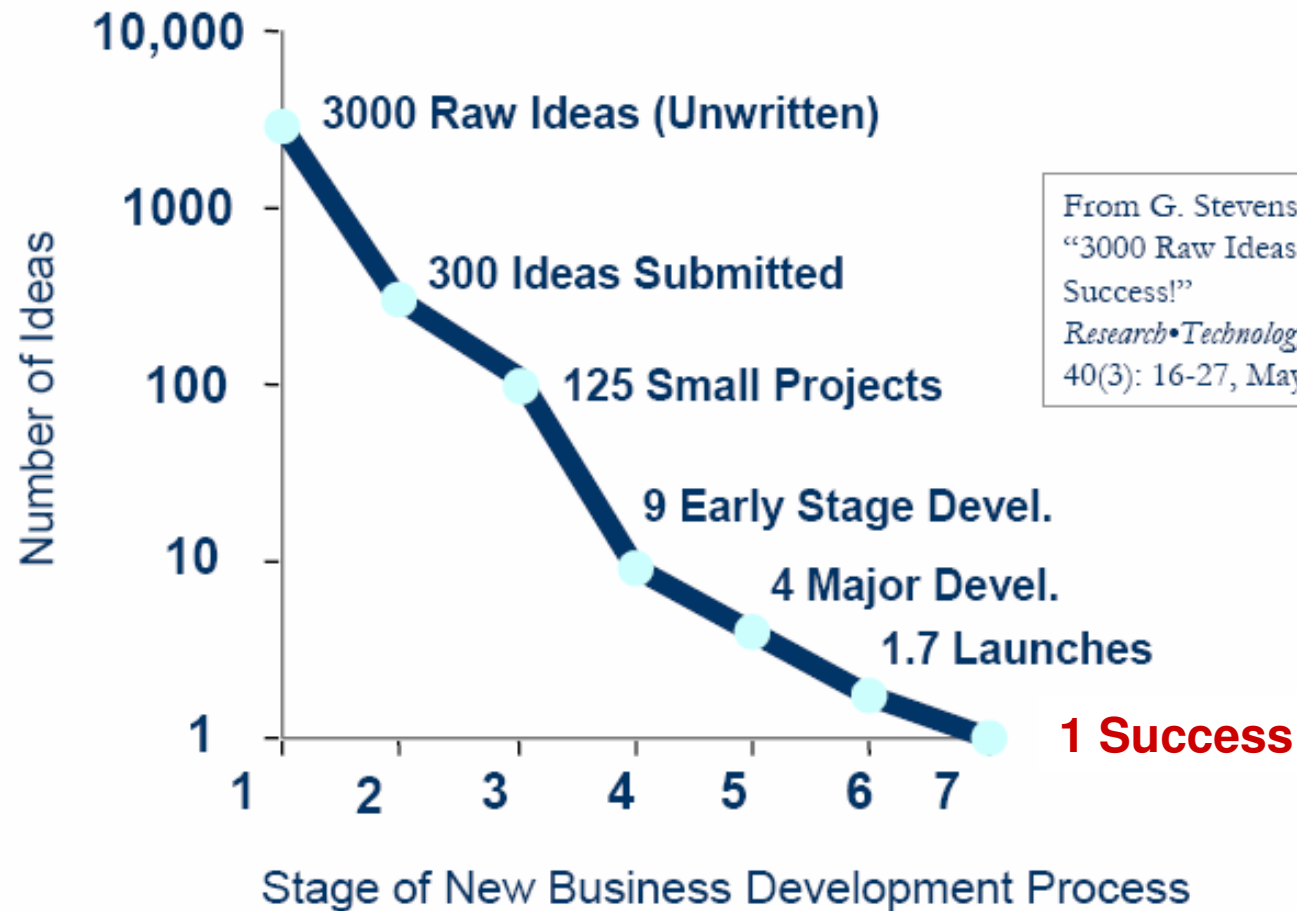


▪ **Competencies in R&D and Innovation:**

- TOP 100 – Top Innovator 2006
European IST prize
- Coordinator of more than 20 R&D-projects
- Excellent exploitation of European R&D-projects
- Excellent quota of successful proposals
 - Experiences in all programmes



Needs and Motivation



Needs and Motivation

- *Innovation - The Key to Success*
 - *Research alone is not enough to ensure competitiveness. Research results must be brought to market more quickly and more efficiently [...]*
 - *Globalisation shows itself as a predisposition for more rapid change and as a stronger dependence on international economic cycles.*

Erkki KM Leppävuori, President & CEO, VTT

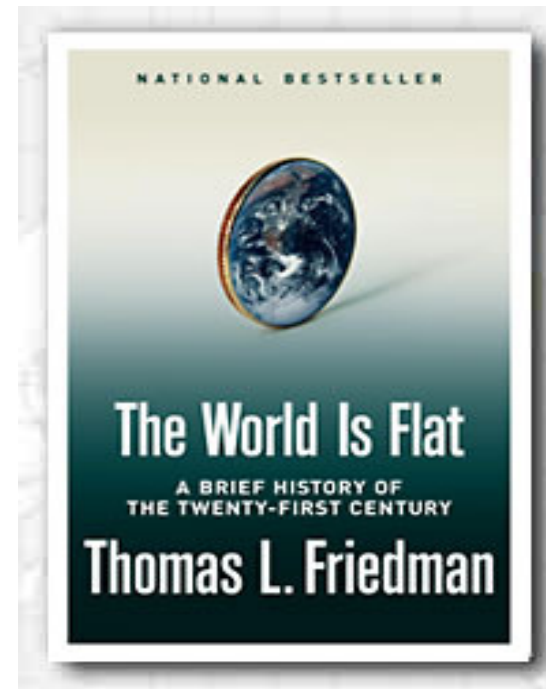
Needs and Motivation ...

When the world is flat

"It is now possible for more people than ever to collaborate and compete in real time with more people on more different kinds of work from more different corners of the planet and on a more equal footing than at any previous time in the history of the world."

"When the world is flat, you can innovate without having to emigrate."

MySpace, Opensource, YouTube know no boundaries. We have fewer boundaries, but much to learn about navigating them



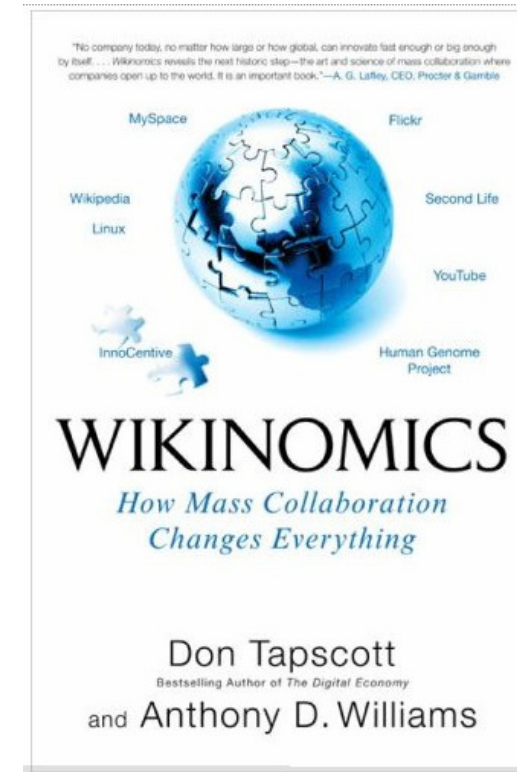
Needs and Motivation

Relationships are being rewired

The era of command and control is going, going, gone... The Internet vs. any prior communication medium: nobody owns it; everyone uses it; anybody can add service to it. (Vint Cerf, Internet pioneer)

The **21st century world** is about *being open, peering, sharing, and acting globally* (the four wikinomics principles)

The flat world, demanding customers, emerging technologies = a new *m.o.* based on collaboration + external ideas and human capital; welcome to **wikinomics!**



Needs and Motivation

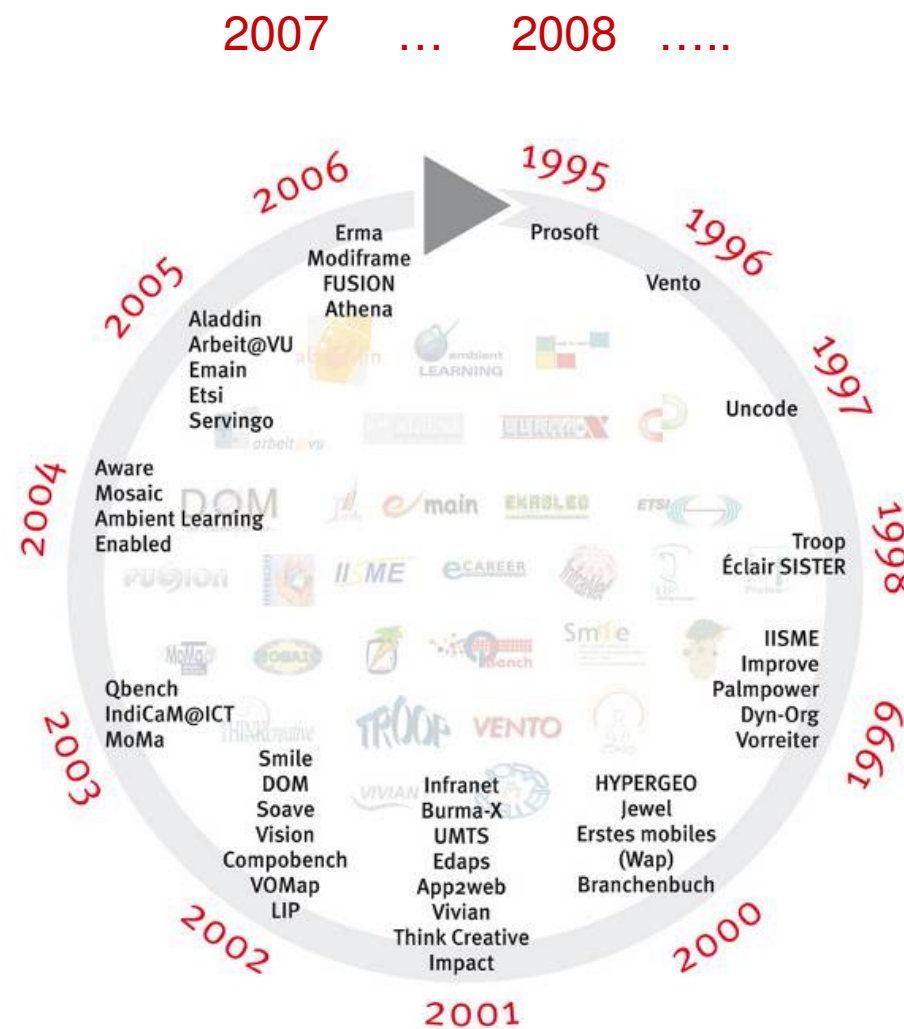
- The Rise of Complex Challenges
- Ground Truth of Globalization
- New age of participation and collaboration
- Peer Production and “Crowdsourcing”
- Wikinomics principles:
 - Openness
 - Peering
 - Sharing
 - Acting Globally

“... the old monolithic multinational that creates value in a closed hierarchical fashion is dead. Winning companies today have open and porous boundaries and compete by reaching outside their walls to harness external knowledge, resources and capabilities.”

Tapscott

➔ Collaborative R&D-projects

European collaborative R&D projects: Outcomes



European collaborative R&D projects: Outcomes



- Reputation
- **Co-financing of R&D** (Innovation Management)
- Networking – external Impulse
Establishing new international contacts and partnerships (research business with foreign institutions and firms) – future economical benefits
- Internationalization
- **Excellent Employees**
- Qualification/continuing education
- Access to technologies
- **Orientation towards future (think "out of the box")**
- **Time**
- Multinational cooperation

European collaborative R&D projects: Outcomes



- Commercial risks are reduced
- Increased turnover and profitability
- Enhanced productivity and market share
- **being on a par with "big players"**
- Access to new markets: Exchange of experience from across the Europe → European working cultures
- Contribution to a marketable technology – exploitation of the results
- Long term perspectives
- ...

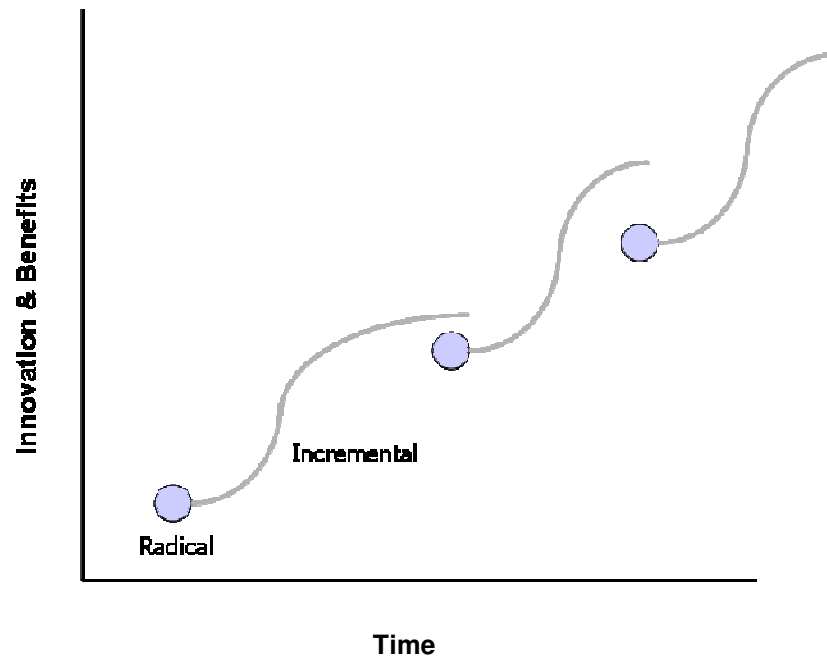
European collaborative R&D projects: „potential“ problems



- Displeasing Project
 - PO / Reviewer
 - Partner (lazy, stupid ...)
 - Timetable
 - Progress
- Administration
 - Audit
 - At the beginning
 - At the end
 - inadequate effort
 - Strict project management and accounting requirements
- Project activities are not always consistent with company goals
 - Flexible and creative
- Cash-Flow
- ...

Conclusions - first part

Radical and Incremental Waves



- A **disruptive technology** or **disruptive innovation** is a technological innovation, product, or service that eventually overturns the existing dominant technology or status quo product in the market.
 - Professor Clayton M. Christensen, Harvard Business School
- *"When confronted with market disruption and technology revolution, your biggest challenge is **letting go of comfortable old behaviors before they kill you.**"*
 - Geoffrey Moore, Chasm Group

Being Open

- In order to be successful in the future we have to include two significantly different types of businesses based on R&D
 - One for **exploiting existing capabilities**, products through traditional means (efficiencies, processes)
 - One for **exploring new concepts** and approaches, and for finding new opportunities for growth through adaptable, flexible approach
- Open to new ideas
- Open to alternatives
- Open to ambiguity
- Open to uncertainty

"Companies can find vital knowledge in customers, suppliers, universities, national labs, consortia, consultants, and even start-up firms. Companies must structure themselves to leverage these distributed pools, instead of ignoring them in the pursuit of their internal R&D agendas."



Being Open

- Firms need a business model to support innovation and collaborative R&D:
 - Value creation
 - Value capture
 - Value network
- Openness is a tension of value capture vs. value creation across value network
- Openness Attracts Participation
- Brings in potential contributors
 - Adopters/users
 - Complementors & rest of network

Conclusions - second part

- European collaborative R&D projects are worth it
 - Financial support
 - Know-how
 - Market & Technology Access
 - Network
- „Extremely“ high effort
 - Acquisition cost (success rate)
 - Administration

Use existing know-how, networks and service providers ...

Thank you very much – Questions?

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CAS Interests

- Advanced business services (i.e. CRM)
- Service oriented architectures
- Mobile services
- Knowledge management and context-orientation
- Content solutions
- Quality management in SW development
- Software introduction methodologies
- Value added services

Current research projects (excerpt)

- **FUSION:** Use on semantic technologies for interoperability of applications
- **MODIFRAME:** A service oriented platform for mobile applications
- **SOPRANO:** Context-aware, smart and usable services for elderly
- **Marie Curie: Aware**
Next Generation of Knowledge Management (KM) for Small and Medium sized Enterprises.
- **VILLAGE:** pan-European initial deployment of a co-operative Customer Relationship management service for SME