

South Tipperary Interagency Innovation and Enterprise Strategy



South Tipperary County Development Board



Prepared by South Tipperary County Council.

Adopted by the CDB October 2009

FOREWORD:	1
OVERVIEW:	1
CHAPTER 1: STRATEGIC VISION, DEFINITIONS	3
1.0 SHARED VISION FOR SOUTH TIPPERARY.....	3
1.1 DEFINITION OF ENTERPRISE AND INNOVATION.....	4
1.2 KEY FACTORS FOR SUCCESSFUL ENTERPRISE / INNOVATION DEVELOPMENT.....	4
CHAPTER 2: NATIONAL CONTEXT – KEY CHALLENGES AND OPPORTUNITIES	6
2.1 INTRODUCTION.....	6
2.2 IRELAND IN CONTEXT	7
2.3 STRENGTHS TO UNDERPIN FUTURE ENTERPRISE GROWTH.....	8
2.4 FUTURE NATIONAL POLICY DIRECTION	9
2.5 CRITICAL FACTORS THAT SUPPORT ENTERPRISE AND INNOVATION	10
2.6 SUMMARY OF KEY FINDINGS:	12
CHAPTER 3: SOUTH TIPPERARY - INNOVATION AND ENTERPRISE IN CONTEXT	14
3.1 KEY DEMOGRAPHIC INDICATORS.....	14
3.2 EXISTING INDUSTRIES & CLUSTERS WITHIN SOUTH TIPPERARY	17
3.3 THIRD LEVEL INSTITUTIONS & SPIN OFF INDUSTRY	22
3.4 SUMMARY OF KEY FINDINGS:	24
CHAPTER 4: ENTERPRISE INITIATIVES AND SUPPORTS	26
4.1 INTRODUCTION.....	26
4.2 ENTREPRENEURSHIP & INNOVATION SUPPORTS	26
4.3 PUBLIC BODY STAKEHOLDERS.....	27
4.4 STRENGTHS & WEAKNESSES OF ENTERPRISE & INNOVATION SUPPORTS	30
CHAPTER 5: KEY ACTIONS & INITIATIVES	32
5.0 INTRODUCTION.....	32
5.1 CONSULTATION WITH KEY STAKEHOLDERS AND THE COUNTY DEVELOPMENT BOARD WORKSHOP	33
5.2 ACTIONS & INITIATIVES.....	35
CHAPTER 6: MONITORING & EVALUATION	44
6.0 INTRODUCTION	45
6.2 REVIEW PROCESS.....	45
6.3 MEASURING THE IMPACT OF THE STRATEGY.....	46
APPENDIX 1: ENTERPRISE & INNOVATION SUPPORTS-ROLES OF PUBLIC BODIES ..	47
APPENDIX 2: EDUCATION & RESEARCH SUPPORT FOR ENTERPRISE AND INNOVATION	52

FOREWORD:

Innovation and entrepreneurship must be a fundamental part of South Tipperary's response to the current economic downturn. The role of the County Development Board and all of its member agencies must be to work together to support, encourage and strive to create innovation and foster entrepreneurship. If we can do so in a co-operative and collaborative manner then we will be a long way down the road towards assisting in the creation of local indigenous enterprises. Along with our foreign derived investment, the sustainable development of our SME sector will be the foundations of our recovery and growth into renewed prosperity and widespread employment. I consider this document is an important step in achieving this aim and it also illustrates the commitment by the development agencies in the County to ensure that the SME sectoral needs are also addressed in the current climate.

Cllr. Liam Ahearne,
Chairman, South Tipperary County Development Board.

OVERVIEW:

The County Development Board, in 2008, undertook a second Review of its "*Strategy for Economic, Social and Cultural Development 2002 – 2012*" to assess and review the performance of the County Development Board in achieving its goals as set out in that document. The Review identified that the whole area of entrepreneurship and innovation remained a significant challenge in the development of the economy of South Tipperary and it concluded that this should be a key area of focus for the next period of the CDB Strategy. Under Result Area 3 (Increase the Economic Performance of targeted Sectors and Grow Entrepreneurship), the Board agreed to undertake an interagency County Innovation and Enterprise Strategy. This document is the output of that agreed action.

The Study looks at the broad categories of employments in the County, their strengths and weaknesses and changes needed for future economic vitality and stability. The development of indigenous enterprise with innovative thinking and action is seen as the direction for future sustainable economic growth in the County. The development of support mechanisms along with the role of the Stakeholders will be crucial to promote and foster economic activity.

The aim of the Strategy is to provide a comprehensive and integrated approach to enterprise support which will serve to promote and drive enterprise & innovation in South Tipperary. The Strategy identifies a set of proposals, actions and possible interventions that can be implemented by the Stakeholders of the CDB which will serve to promote and drive enterprise & innovation in South Tipperary in an integrated and collaborative manner.



CHAPTER 1: STRATEGIC VISION, DEFINITIONS

1.0 Shared Vision for South Tipperary

The “socio-economic” Vision for South Tipperary County as expressed in the Strategy for Economic, Social and Cultural Development (South Tipperary County Development Board in 2002) is that:

South Tipperary will have an inclusive economy and an excellent quality of life. It will be a place where all families and individuals can prosper. South Tipperary will balance the demands of a vibrant economy with the demands of a healthy and sustainable environment.

This shared vision recognizes that social well being is a function of a vibrant economic culture and likewise economic vibrancy is dependent on an energized an enlightened workforce with enterprise and innovation at the forefront.

The performance and growth of enterprise & innovation in South Tipperary is seen as key in realizing the ‘Shared Vision’ for the future development of the County. The current and future well-being of South Tipperary is inextricably linked to the performance of its enterprise & innovation base and is fully reliant on the function and co-operation of the various enterprise & innovation support agencies working in the county.

The focus on developing the Strategy arises from a need to evaluate the sectorally dependent ‘occupations’ economic base that prevails in South Tipperary and to address weaknesses in its structure and builds on its strengths.

The Strategy document creates a framework within which the challenges that exist for the continued growth and development of enterprise & innovation in the County can be addressed. The Strategy also outlines the opportunities presented by enterprise & innovation funding & other targeted investment together with promoting and driving economic development at all levels in the County, including the potential of R+D and “spin-off” industry from Foreign Direct Investment companies, through to facilitating the expansion of local level business start ups.

It is envisaged that the Strategy will serve to maximize the competitive advantage of South Tipperary through the fostering of an enterprise and innovation culture to drive economic growth.

1.1 Definition of Enterprise and Innovation

In order to move forward in preparing the right response the Strategy requires to be informed through an agreed definition as to what is meant by Enterprise and Innovation.

Enterprise, as understood by this Strategy, is primarily concerned with creating an environment and support system that will foster the emergence of new entrepreneurs and the start-up and early-stage growth of new firms. In particular it is concerned with the development of new industry and the growth of existing indigenous small to medium sized industry in South Tipperary.

Innovation is defined as ‘the identification, application and exploitation of a new product, process or marketing opportunity by the business which increases its capability to generate wealth and strengthens its competitive position (Innovation in Small Business, Michael Tunney).

It is concerned with ensuring the generation and provision of ‘knowledge’ to existing and new enterprise and making investment in innovation more effective. This knowledge can be used by the enterprise to generate wealth and strengthen its competitive position. Innovation, in the context of this strategy, is not focused solely on new technology or research and development but is concerned with imparting knowledge so that things can be done better, quicker and in a more cost effective manner. Innovation is concerned with improving the interaction between the main actors in the innovation system (e.g. universities, research, agencies & firms) to enhance knowledge diffusion, and establishing the right incentives for private sector innovation to transform knowledge into economic values and commercial success.

1.2 Key Factors for successful Enterprise / Innovation development

The critical success factors for enterprise development and innovation are summarised below:

- (i) Sources of new technological knowledge,
- (ii) Capacity to absorb and exploit new knowledge,
- (iii) Access to finance
- (iv) Competition and entrepreneurship,
- (v) Customers and suppliers, and
- (vi) Establishment of clusters, networks and collaboration in particular between third level institutions and businesses.

The points 1-6 above are central to the Strategy document and will be incorporated throughout the main body of the report when assessing the requirements of South Tipperary.



CHAPTER 2: NATIONAL CONTEXT – KEY CHALLENGES AND OPPORTUNITIES

2.1 Introduction

South Tipperary has to operate within a global, national and regional framework. The trends and issues at national level are as important for the South Tipperary Economy as local issues. This chapter sets out the national/global challenges and provides some direction for future opportunities.

The global financial downturn and banking crisis together with the significant slowdown in the construction sector has had a dramatic detrimental impact on Ireland's economic performance and has precipitated a significant rise in unemployment. Coupled with this is that Ireland's price and cost environment are unfavourable to both firms and households with general cost levels among the highest in the EU.

The Annual Competitiveness Report 2008, NCC Vol. 1 has highlighted that notwithstanding targeted investment and tangible improvements in infrastructure over the past decade, key deficiencies remain and quality rankings are poor in the areas of transport & energy infrastructure, and information and communications technology, in particular broadband. The Report also outlines that Ireland has areas of significant weakness that are undermining international competitiveness. These weaknesses particularly relate to the costs of doing business, infrastructure, innovation and R&D, sustainability and the environment. These weaknesses together with the unstable public finances and economic uncertainty are the challenges that have to be met to provide the conditions for a return to economic growth and prosperity.

The recently published – *Building Ireland's Smart Economy- A Framework for Sustainable Economic Renewal 2009-2014* (Dept of the Taoiseach- Dec 2008) sets out the Government strategy towards addressing the challenges outlined above and outlines key target areas of future economic growth and investment. The Smart Economy essentially identifies opportunities for future economic growth which involves re-orienting the economy towards exporting goods and services. This is to be achieved through stimulating the growth of enterprise & innovation, exploiting the significant potential from the development of the green economy, reducing the relative cost of doing business and targeted investment in infrastructure. The Framework combines the successful elements of the enterprise economy and the innovation or 'ideas' economy while promoting a high-quality environment, improving energy security and promoting social cohesion. A key feature of this approach is building the innovation or 'ideas' component of the economy through the utilisation of human capital - the knowledge, skills and creativity of people - and its ability and effectiveness in translating ideas into valuable processes, products and services.

The policy Framework outlined under Building Ireland's Smart Economy- A Framework for Sustainable Economic Renewal 2009-2014 is one of a number of significant principle plans, strategies and policy documents that influence the future direction of the economic development in Ireland and in turn have a bearing on this Strategy. These are listed as follows:

- i) Towards 2016-Ten Year Framework Social Partnership Agreement.
- ii) Strategy for Science, Technology & Innovation 2006-2013.
- iii) Transforming Irish Industry: Enterprise Ireland Strategy 2008-2010.
- iv) Innovation in Ireland 2008. Department of Enterprise Trade and Employment publication
- v) Annual Competitiveness Report 2008, National Competitiveness Council.
- vi) Teagasc 2030, Foresight Study. Published by Teagasc, May 2008
- vii) Government Position Paper on Discussions with the Social Partners on a National Recovery Programme, 14th May 2009
- viii) Sharing Our Future: Ireland 2025 Strategic Policy Requirements for Enterprise Development, July 2009, Forfas.
- ix) Small Business Forum (2006), *Small Business is Big Business*, Forfas, Dublin
- x) National Spatial Strategy 2002-2020.
- xi) National Development Plan 2007-2013.
- xii) A Mapping Of Entrepreneurship Policy In Ireland, Thomas M. Cooney And Etain Kidney, 2009.
- xiii) Regional Strategic Agendas, 2007 +, Forfas.
- xiv) Annual Competitiveness Report 2009- Benchmarking Irelands Performance, Vol.1, Forfás.
- xv) Skills and Training Analysis in South Tipperary, presented to the Economic Programme Management Group, 2008 FÁS and Tipperary Institute

In the context of business and enterprise support and statistical analysis there is no shortage of useable written material at a National level. However, there is a notable absence of real information at County level to compare performance.

However, the key findings from the above documents provide information at national and regional levels that can be used to develop trends for the County.

2.2 Ireland in Context

In the recent decade, Ireland has experienced unprecedented rates of economic growth giving rise to the 'Celtic Tiger' phenomenon which was driven by high levels of multinational investment supported through low corporate taxation, investment in domestic higher education, a low-cost labour market, EU membership and strong trade and industrial relations via social partnership.

While Ireland enjoyed one of the highest growth rates in the EU over the past decade, its economic output was strongly influenced and arguably remains over reliant upon the presence of a large foreign-owned industry sector.

Ireland's competitive advantage has slipped in recent times in that its price and cost environment is unfavourable to both firms and households, and as already stated, with general cost levels among the highest in the EU-15. The physical infrastructure in Ireland compares unfavourably with other EU countries & Irish productivity growth is now below the OECD average.

Ireland is in transition to becoming a knowledge-based economy, with 'low value'-added activities continuing to migrate to lower level economies with lower costs. Recent evaluations of this situation have concluded that a greater proportion of the country's wealth will need to be generated from indigenous enterprise (Small Business Forum: 2006).

In order to grow the economy in this 'knowledge based' way it is considered that policy measures in the fields of innovation and entrepreneurship must be developed and defined in order to progress towards adopting a comprehensive growth policy.

There is currently no comprehensive national policy for entrepreneurship in Ireland. Uptake on R&D and Innovation activities could certainly be stronger. A more cohesive approach to entrepreneurship and innovation policy is considered necessary to optimise the return on investment in both areas, as well as sustaining growth in the economy. Innovation and enterprise policy documents maintain an over-emphasis on FDI and require a new strategy to further develop an innovative entrepreneurial culture and climate.

Government bodies and agencies' initiatives involving enterprise and innovation policy are often duplicitous yet still leave gaps in the national systems of innovation and entrepreneurship efforts. Local agencies in some instances could be perceived as duplicating the grant aid and soft support services offered at regional and national levels. Clearer demarcation and more collaborative and focussed actions at local level could stimulate a higher level of innovative entrepreneurship.

2.3 Strengths to Underpin Future Enterprise Growth

Despite the above noted limitations enterprise and innovation is at the heart of Ireland's economic recovery process and Ireland is considered to have a number of strengths to underpin future enterprise growth. These are:

1. A young and increasing labour force

The age structure in Ireland is younger than most other countries in the EU. Ireland currently has a population bulge in the 25-44 age cohort, which accounts for 32% of the population (CSO 2008).

2. An educated and skilled workforce- Ireland is considered to have a natural competitive advantage in new technological growth, innovation and enterprise development with a well educated science and engineering base. In particular the Government has placed a significant priority on developing the skills and absorptive capacity of enterprises to adapt to new technologies, whether developed in Ireland or internationally.

3. An open economy Ireland's strong links with the US and membership of the EU coupled with Ireland's image as a small friendly nation gives the Country a competitive advantage in the global market.

4. An existing dynamic industrial base. Ireland has a strong base of indigenous and multinational industries together with a rapidly increasing clinical research base focusing on improving well being. This, coupled with the available skills base, provides Ireland with an advantage in developing and implementing new ideas, in forging partnerships with innovative enterprises and increasingly in establishing themselves as partners for other countries in the global trading environment.

According to the Economist Intelligence Unit Business Environment Rankings, Ireland will remain one of the most attractive business locations in the world until 2011. Ireland is ranked 10th globally out of 82 countries (*IDA Vital Statistics Handbook 2008*)

5. A high quality of life. Ireland is considered to have a high quality of life and Irish people have been consistently above the EU average when it comes to life satisfaction and happiness.

2.4 Future National Policy Direction

The development and growth of enterprise and innovation is recognised as only one of a number of key drivers for future economic growth. Other key drivers include restoring (cost) competitiveness, securing energy supplies, enhancing the environment, further investment in critical physical and communication infrastructure, development of efficient and effective public service, provision of a highly educated, adaptable and flexible workforce & agile, responsive regulation.

The current policy thrust contained in- ***Building Ireland's Smart Economy- A Framework for Sustainable Economic Renewal 2009-2014*** (ob cit) provides a robust commitment to realising the above mentioned key drivers for economic growth. This commitment is evident in the Action Areas of the Framework document, which are summarised below. These Action Areas presents significant opportunities for enterprise development and innovation, framed by the areas of policy focus.

Action Area 1- Securing the Enterprise Economy is to be achieved through stabilising the public finances & maintaining fiscal stability. Cost competitiveness will be addressed through reducing the cost base of doing business, enhancing job seeker, training and education services to people who lost their jobs, building on the strengths of the agriculture, fisheries and food sectors and reinvigoration of the international financial services industry.

Action Area 2- Building the Ideas Economy- Creating the 'Innovation' Island. This is to be achieved through increasing venture capital fund availability, use of multinationals as drivers of innovation through intensifying R & D activities and technological convergence, encouraging entrepreneurship, business start up and employment creation, expanding international services (tourism), development of incentives to create and acquire intellectual property, foster entrepreneurship, mathematical, science and language skills at third level & support life long learning.

Action Area 3- Enhancing the Environment & Securing Energy Supplies involves reducing energy costs, promoting energy efficiency, promotion of environmental innovation & development of a green tech sector.

Action Area 4 -Investing in Critical Infrastructure involves continued investment in transport infrastructure, energy infrastructure, sporting and cultural infrastructure together with investing in communications (broadband) and the knowledge society.

Action Area 5- Efficient and Effective Public Services and Smart Regulation focuses on the development of a modern, flexible and responsive public service designed to maximize performance and delivery. This action also includes improving and simplifying the regulatory environment.

The National Policy direction presents significant challenges for the Irish Economy in particular within the area of restoring cost competitiveness necessary to attract new inward investment. However, it also provides a clear strategic indicator as to the areas that will focussed upon by the relevant central government departments over the next number of years.

2.5 Critical Factors that Support Enterprise and Innovation

An examination of the '*advantages/challenges*' outlined in the previous sub sections shows that Ireland possesses some of the key ingredients for successful enterprise development and innovation. Irelands young, well educated and skilled workforce provides a natural competitive advantage in facilitating new technological growth, innovation and enterprise development. Entrepreneurship with a culture of innovation requires a confidence and self belief in one's ability to succeed. These qualities have to be fostered, encouraged and mentored particularly by business tutelage and motivated business orientated educational establishments.

Irelands existing dynamic enterprise base coupled with the openness of the Irish Economy and existing strong relations with the US and UK provides a competitive

advantage in developing and implementing new ideas, and in forging economic partnerships.

The noted limitations here is that Ireland does not have a national enterprise and innovation policy, lacks a clear understanding of support mechanisms needed to support entrepreneurial/innovation culture, has low levels of innovation and R & D support units, and there are many duplicitous support initiatives by Government agencies and bodies tasked with enterprise development

Access to finance is also recognized as a major obstacle to business start up and SME expansion; this is seen as systemic in the overall lack of a co-ordinated approach to enterprise support and development.

At the regional level, the BMW Region commissioned an Audit to be undertaken in 2004 by CIRCA “*BMW Audit of Innovation*”. This document developed a profile of innovation, identifying appropriate indicators and benchmarking against best practice elsewhere. The Circa document is useful to this Strategy in that it undertook significant research and survey work with the key businesses in the area to ascertain the issues and opportunities facing these companies. Through its Focus Groups, the Authors identified that the main difficulties facing businesses in becoming more “innovative and entrepreneurial” revolved around,

- Access to venture and risk capital
- Difficulties in accessing state support
- Concern about the risks involved
- Lack of adequate information on state support
- Lack of information on new products; new markets; and new technologies in their area
- Difficulty in planning and licensing
- Inadequate infrastructure and
- Time constraints on ‘in-house’ staff

The model adopted by the BMW Audit of Innovation Report concluded that innovation could be supported through

- i) Adopting a more positive culture and attitude towards enterprise and innovation
- ii) The existence of enabling conditions to allow innovation (such as 3rd level institutions; essential infrastructure; availability of Broadband; availability of venture capital, etc.)
- iii) Innovation stimulation which would include positive actions such as the stimulation of new and growth oriented enterprises; 3rd level linkages; R&D supports; relevant research centres, etc.

These findings were reinforced at an “Innovation Enterprise” workshop held by the South Tipperary County Development Board in June 2009 in preparation for this study (see Chapter 5). The direction being taken by Central Government with its “*Building Ireland’s Smart Economy*” and the “stakeholder findings” as highlighted by the BMW “*Audit of Innovation Report*” will go a considerable way in informing the outcomes and actions of this Strategy.

2.6 Summary of Key Findings:

1. Ireland is currently experiencing an economic slowdown with a sharp rise in unemployment, following a period of sustained economic growth.
2. Ireland has a high cost of doing business which is undermining its competitiveness in attracting inward investment. Ireland also has deficiencies in the areas of physical and communication infrastructure which hinder its economic performance.
3. Ireland's economic output over the past decade was strongly influenced and remains over reliant upon the presence of a large foreign-owned industry sector.
4. Ireland's economy is in transition to a knowledge based economy with 'low value'-added activities migrating to lower level economies with lower costs.
5. Ireland however is considered to possess strengths to underpin future enterprise growth- open economy, high standard of living, strong FDI presence, skilled and educated labour force, etc.
6. Ireland does possess critical success factors for enterprise development and innovation yet has noted limitations in the absence of a comprehensive national enterprise and innovation policy, low levels of innovation and R & D, duplicitous initiatives by existing Government agencies and bodies responsible for enterprise growth & access to finance.
7. The development of innovation and enterprise is recognized in recent national level policy as a key driver of future economic growth.
8. Current national policy outlines a robust commitment to realizing the aforementioned drivers for economic growth and present significant opportunities for enterprise development and innovation through
 - a. Re-orienting the economy towards exporting goods and services
 - b. Exploit the potential from the development of the green economy
 - c. Build the innovation or ideas component of the economy through the utilisation of human capital
 - d. innovation involving existing FDI & technological convergence,
 - e. promotion and support of entrepreneurship, investment in intellectual property, etc.
 - f. targeted investment in infrastructure and energy security
9. An examination of entrepreneurship and innovation policy in Ireland show a need for a more collaborative and co-ordinated approach by all of the development agencies in order to more successfully support the growth of enterprise development and to continue to encourage innovation within the economic arena and to address gaps in the service provision
10. Innovation could be supported by adopting a more positive culture and attitude towards innovation and enterprise; the relevant agencies should develop enabling conditions to allow innovation to become a more sustained way of doing business and innovation stimulation should be a key driving focus of all of the relevant economic development agencies.

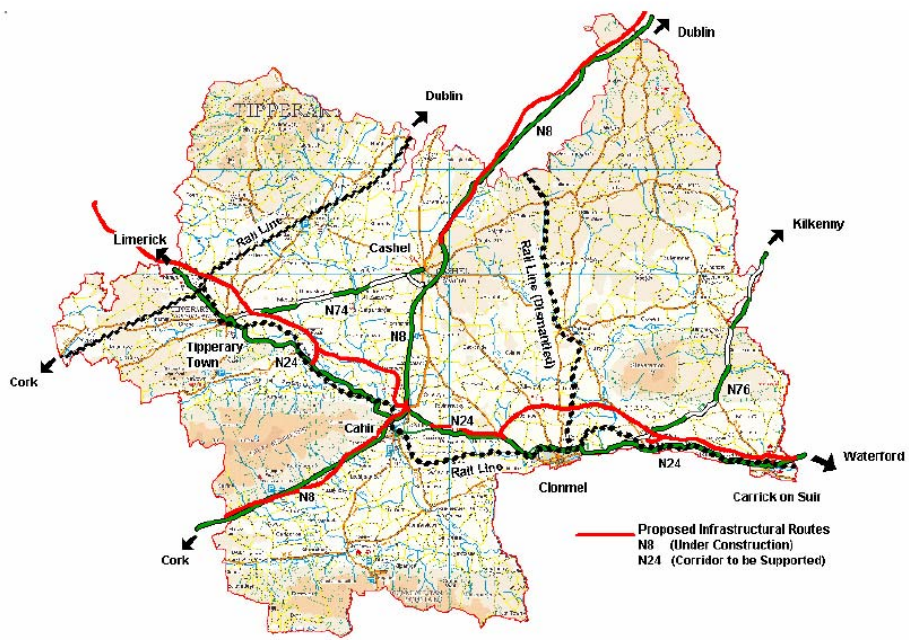


Figure 7.1 Strategic Route Proposals



CHAPTER 3: SOUTH TIPPERARY - INNOVATION AND ENTERPRISE IN CONTEXT

Work undertaken by Forfas on a regional basis indicated that the performance of the South East Region in terms of entrepreneurial activity development has been comparatively low¹. The initiatives that are in operation in the Region need to be progressed and further developed to support an increased level of entrepreneurship and new company formation. The Forfas discussion document highlighted the critical role of the Third level Institutes and the need to ensure that they have a more proactive approach with industry in terms of applied research; incubation and enterprise centres. Forfas highlight the need of the Region to concentrate and build on its key strengths.

The Forfas study cited provides some direction as to how the County can develop a more proactive entrepreneurial culture. It is clear that future enterprise activity in the County will need to build on its key strengths, some of which include pharma health care industries; engineering; food; agriculture and ICT. The County will also need to look at identifying key strategic relationships and networks within itself and beyond into the Region. While the lack of useable local statistics relating to key economic indicators gives rise to uncertainty in making value judgments as to the optimum direction for economic development, the following key indicators help to form a picture and provide important information on the performance of the County.

3.1 Key Demographic Indicators

3.1.1 Population and Potential Workforce

The population of South Tipperary, over the period 2002-2006 grew from 82,000 – 86,000 representing a growth rate of 5.2% and now accounts for 18% of the total population for the South East Region. Analysis of the available 2006 CSO data shows that the population growth levels experienced in South Tipperary between 2002-2006 were below that experienced by the South East Region & State.

Projected population figures must also be taken into consideration, so as to understand the likely skills supply of the region in the future. The Central Statistics Office (CSO) projects that in the year 2020, the South East will have a population of 537,000, compared with 424,000 in 2002. Keeping in line with past trends it is reasonable to assume that 18% of the anticipated regional growth will occur within South Tipperary. If the revised regional growth rate occurs and the current distribution between the counties is maintained South Tipperary will have a population of 104,376 in 2020. This trend of population growth is a positive indicator for South Tipperary.

The rate of population increase may however be overly optimistic given the very recent significant slow down in the economy – the level of migration into the county may not be at the same rate (8.7%) as in previous years and this could have an impact on overall population numbers

3.1.2 Age Profile

¹ Forfas Discussion Document on Regional Competitiveness Agenda – South East. June 2009

In terms of the age profile of the South East, which includes South Tipperary, the dependency ratio for the year 2006 was 50.3%. This figure is projected to be 51.9% in 2011 according to the CSO, compared to the State figure of 49% for the same year. The dependency ratio can be defined as a measure of the portion of a population that is composed of dependents (i.e. people who are too young or too old to work).

Figure 3.1 illustrates the Age Profile for South Tipperary for the last three census periods. The age of the population is significant because it represents the numbers available to become part of the **labour force** as well as indicating the proportion of the population who might be classified as **‘dependent’**

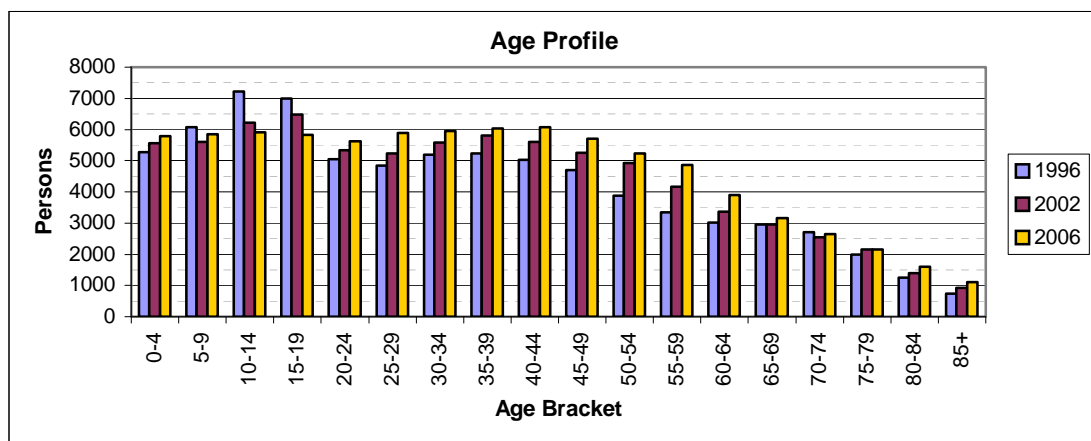


Figure 3.1: Age Profile 1996-2006

Analysis of the population structure relative to age profile illustrates:

- The population numbers in the younger age cohorts 10-19 is larger proportionate to other age group, and when projected forward to 2020 and beyond, provides a positive indication for an available young workforce, provided, this population potential is retained within the County.
- The decline in overall population numbers in the age cohorts of the 10-19 & 20 – 24 group. It would appear that the cohort of University age/First job seeking age, are being lost to the County and this is an issue that requires some consideration.
- All other age cohorts increased over the period 1996 – 2006.
- a growing proportion of the population fall into the “ageing category of 50 – 65+” and an increasing ageing population (relative to the younger cohorts) is of some concern for future economic growth and in particular support for our “ageing” population.

Notwithstanding the County catchment population (which would exceed the county boundaries), it is fair to say that there is a significant potential within the county’s young population which could form a sound platform on which to develop our enterprise and innovative base. More needs to be done to retain this cohort of population.

3.1.3 Education

The use of education status and qualifications is an important indicator of human capital, social mobility, technological competency and a potential employee's ability to adapt to continuing socio-economic change.

Figure 3.2 outlines the educational status of the workforce of South Tipperary and demonstrates that the proportion of the labour force educated to at least upper secondary level is above the national average.

The participation rates in third level education are lower in South Tipperary than that for the State as a whole, significantly so in the case of 3rd level degree and post graduate education attainment levels.

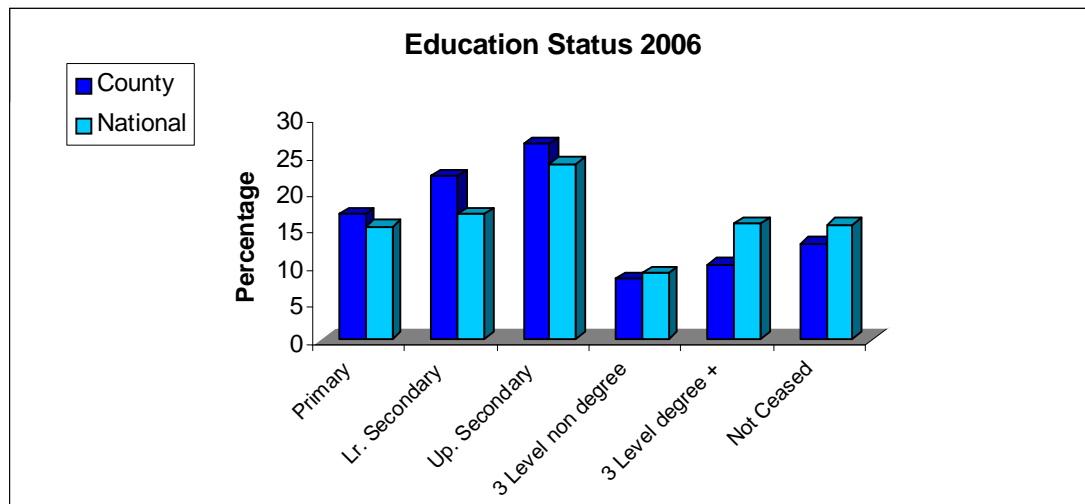


Figure 3.2: Levels of Education Completed by Population

In terms of educational institutes, there are sixteen second level schools in South Tipperary (www.educationireland.ie) and one third level, Tipperary Institute. Tipperary Institute serves both South and North Tipperary as does St. Patrick's college in Thurles. Waterford Institute of Technology and Carlow Institute of Technology are the only other third level institutes in the South East region and can be easily reached from Clonmel. There is no university in the region, the nearest being University College Cork and the University of Limerick.

The third level education establishments in the County and wider region are examined under Section 3.3.1.

Overall, South Tipperary has a well educated young population up to second level. However further work is required to encourage the growth of the 3rd level sector amongst students. It is anticipated that this option should be more attractive in the near future given the downturn in the construction, retail and agricultural areas which heretofore would have attracted students away from the 3rd level educational sector.

South Tipperary is very advantageously located to third level educational establishments in Cork, Limerick, Waterford and Carlow as well as hosting a 3rd level college within its own boundaries and this is an attribute which development agencies should be looking to exploit..

3.1.4 Geographic Connectivity

South Tipperary since 2000 has developed excellent linkages with the key cities and towns both in the region and nationally.

- The M8 has allowed for greater accessibility to Dublin and Cork with the completion of the motorway.
- South Tipperary has always had reasonably good connectivity to the gateways of Waterford and Limerick. However, the development of the N24 motorway will complete the connectivity loop which is essential to the continuing development of South Tipperary and to the realisation of the NSS objective of balanced regional development.
- The restoration of the Heathrow Link to Shannon ensures that South Tipperary continues to be very well served by air with airports at Shannon, Cork, Waterford and better access to the Dublin Airport.
- Ferries at Foynes, Bellview & Rosslare ensure that sea access continues to be maintained.
- ICT connectivity has continued to be improved with the roll out and take up of Broadband, notwithstanding the fact that some areas continue to suffer from little or no broadband access.
- Opportunity for improved rail connectivity exists along the Limerick to Rosslare rail line via South Tipperary.

The level of connectivity and accessibility is a significant positive for South Tipperary in terms of attracting and retaining employment bases and in terms of positioning ourselves favourably for the export markets.

3.2 Existing Industries & Clusters within South Tipperary

Table 3.1 outlines the division of sectoral employment in South Tipperary. This table shows high employment thresholds in the sectors of Agriculture, Manufacturing, Wholesale and Retail, Construction, and Health. The large increases in the numbers employed in the construction and associated services is a noted concern given the significant economic slowdown and decline of the construction sector.

The higher value added occupation sectors such as banking and finance have relatively low employment threshold in the County. Tourism employment is also relatively low compared with other traditional employment sectors such as agriculture.

Table 3.1: Occupation Group

	2002	2006	% Change	% Total Employment 2006
Agriculture, Forestry and Fishing	4,006	3,926	-2.0	10.9
Mining Quarrying and Turf Production	179	244	+36.3	
Manufacturing Industry	5,539	5,628	+1.6	15.7
Electricity Gas and Water Supply	141	148	+5.0	
Construction	3,249	4,789	+47.4	13.2
Wholesale and Retail Trade	4,186	4,740	+13.2	13.7
Hotels and Restaurants	1,428	1,631	+14.2	4.5
Transport Storage and Communications	1,228	1,268	+3.2	
Banking and Financial Services	695	726	+4.4	2.0
Real Estate, Renting and Business Activities	1,550	1,746	+12.6	
Public Administration and Defence	1,482	1,506	+1.6	4.2
Education	1,960	2,273	+15.9	6.4
Health and Social Work	2,740	3,796	+38.5	10.6
Other Community, Social and Personal Services Activities	1,196	1,621	+35.5	
Industry Not Stated	1,757	1,750	-0.4	-
Totals		35,792		

Available Census data of FDI Projects, Investments and Jobs created in each county between 2003-2007 shows that South Tipperary is positioned 14th in the country for FDI Projects and 9th for FDI Investments in that period and ranks 9th in the Country in terms of numbers employed by FDI per capita. This shows that South Tipperary has a strong FDI presence, particularly in the areas of Pharmaceutical and Healthcare Manufacturing.

The relevance of the main employment sectors for future enterprise and innovation growth in South Tipperary, is considered below.

3.2.1 Agriculture

In South Tipperary at present, agriculture is experiencing a year on year decline of 3% in employment. (South Tipperary County Enterprise Board Action Plan, 2000- 2006). However, despite this decreasing level of employment in agriculture, both nationally and in South Tipperary, it is still an important sector. It is important to note that not all sub sectors of agriculture are experiencing a downturn as seen in the case of food production and alternative energy cropping.

Bio-fuels such as bio diesel can be used as an alternative to 'normal' diesel, and are more environmentally friendly. These green fuels are becoming more popular in Ireland as more and more people are becoming more conscious of CO₂ emissions and global warming. The further development of enterprises and innovation in the agricultural sector can lead to improved economic prospects for these sectors in South Tipperary over the next decade and beyond. There are opportunities that could be exploited and built upon if the relevant supports were in place.

3.2.2 Food Industry

In 2004, there were 54,000 people employed in the food, drink and tobacco (FDT) sector, representing 2.9 % of total employment in Ireland. (Skills Needs in Ireland and the Role of Immigration 2005). According to the 2007 Statistical Yearbook, there were 605 enterprises and 45,555 employees in this industry alone. According to Board Bia, the Agri-food and drink sector accounts for 8.1% of Ireland's GVA, 9.8% of Ireland's exports and 8.1% of total employment.

Tipperary has quite a strong food industry. Currently in South Tipperary, there are many companies involved in the food industry including C&C Group (Bulmers) drinks company, Cashel Blue Cheese, Dawn Fresh Foods, Glenpatrick Spring water, Merry's cream Liqueur and Ribworld. Tipperary Mushrooms, secured a €3 million contract with the cash and carry company Musgrave to be the sole supplier to over 230 Centra and Supervalu supermarkets in the south of the country. Also, in 2006, there were approximately 30 mushroom farmers in Tipperary (www.farmersjournal.ie). There should be significant opportunities to build on this success into the future.

3.2.3 Pharmaceuticals

This is a key employment sector in South Tipperary and in the South East region, with companies such as Merck Sharpe and Dohme Ireland Ltd (MSD), Abbot, Boston Scientific, Clonmel Healthcare and the Alza Cordis Corporation (Johnson & Johnson Group) operating in the region and county. The sector is continuing to grow and becoming more important in the South East region. According to the Regional skills report (EGFSN), clustering of like industries is important as this facilitates the dissemination of 'knowledge' and support networks. This can be already seen in South Tipperary where the 'bio-pharma' companies as mentioned above, have taken a strategic decision to locate in close proximity.

The existing strength and planned growth of these industries present tangible economic opportunities for South Tipperary and the SE Region, with particular potential for spin off innovative enterprises. Examples of these innovative enterprises include 'Pharma Assist', which provides clinical trials for the main pharmaceutical industry and 'Pharma Foods', which provides cross over links between the pharmaceutical and food industries. Development Agencies should look to this sector to identify additional opportunities for the growth of smaller indigenous businesses.

3.2.4 Engineering

This sector is diverse and geographically distributed, with 25,000 people employed nationally in selected engineering occupations, representing 1.2% of Ireland's workforce last year (National Skills Bulletin 2007). In the South East 8,100 are employed in the sector, and in 2004, the South East accounted for more than the 18% of Ireland's total employment in the engineering sector.

There are many sub sectors within engineering including automotive, electrical and mechanical engineering and the manufacture of metal products such as machinery. As a result, the engineering sector has expanded its employment over the period 1988 to 2004 by 4,700. The engineering sector is a highly skilled one with over 95% of employment at professional level. (National Skills Bulletin 2007) Whilst the

engineering area has also experienced some decline since 2008, the prospects for engineering professionals across the economy are, in the long term positive.

In reviewing the literature on the engineering sector, it has become clear that there is no up to date information specific to this particular sector: the latest data for the sector goes back to 2004. There is no County Tipperary related data, only regional and national data. This deficiency must be remedied going forward, as the engineering sector is of importance to South Tipperary. Engineering has a strong base in South Tipperary with companies such as Kentz, which is a global leader in engineering services (workforce of 60 in Clonmel and global employment in the region of 11,000 in 16 countries) and Sepam which is also a global employer and based in Clonmel. There is potential to take advantage of this global linkage to develop contacts and further “spin-off” enterprise and innovation – this should be addressed in the Action Section of this document.

It is of some importance to note that while engineering is of such importance in the Region and particularly for South Tipperary, there is just one college in the South East region that provides engineering courses, that being Waterford Institute of Technology.

3.2.5 Manufacturing

Manufacturing sectors accounted for €62.9 billion (71%) of total exports. (Annual Employment Survey, 2007) There is a shift from low to high value added manufacture in the country. It is predicted that growth in manufacturing will accelerate to around 7% per annum until 2010, driven by the high technology sector. (Tomorrow’s Skills, Towards a National Skills Strategy, 2007). In 2004 there were approximately 4,519 manufacturing industries operating in Ireland, employing 219,899 persons. (CSO Statistical Yearbook 2007). It is important to note however, that employment in this sector is projected to fall from its current level as international competition intensifies, mainly from Central Europe and Asia. (EI)

Table 3.1 above shows a high employment threshold in the Manufacturing sector in South Tipperary. This sector offers potential growth in the area of Green Technologies and could be spearheaded through the Rural Development Department of Tipperary Institute.

3.2.6 Information and Communication Technology (ICT)

According to the 2007 National Skills Bulletin, approximately 49% of the 33,500 persons employed in ICT are employed within the computer and related activity sector. Over three quarters of those employed in each of these occupations hold a third level qualification, which indicates the high level of skill available in this sector. There are on-going shortages of software engineers and computer analysts/programmers with employers having to source ICT skills from abroad. Although there are approximately 14,800 people working in the area of computer analysts/ programmers, studies suggest that this shortage may continue in the future. (National Skills Bulletin 2007).

In terms of demand, with the economy's ever increasing dependence on ICT and with the emergence of new technologies, there is going to be a substantial increase in demand for ICT in the future both nationally and regionally.

In 2004, there were 1700 people employed in the South East in ICT 'Software' companies. There were also 500 people employed in the area of ICT 'Hardware' in the region. This figure is extremely low when compared to Dublin's share of 5600 employed. These are the most up to date employment figures available on a regional basis. No details are available for South Tipperary but ICT businesses are not particularly visible in the South Tipperary enterprise landscape.

Innovative enterprises operating from South Tipperary include Surecom with approximately 40 employed, providing telecom network and service solutions in line with changing telecom market needs, and has potential for international links. Intellicom is another such local company.

Tipperary Institute offers third level courses and research expertise in the area of ICT, with particular research expertise in the area of gaming software development.

In order to try and redress the imbalance on FDI, it is important for the future sustainable economic development of the county that ICT companies are targeted, both locally, nationally and globally - a supportive environment with the necessary infrastructure and supports needs to be in place for this requirement to be met.

3.2.7 Hotel and Restaurant

In the second quarter of 2007, employment growth in hotels and restaurants surged to its highest annual rate in four years at an increase of 6.9% (FAS Labour Market Review Quarter 3 2007). There were approximately 111,000 people working in the hotel and restaurant sector in 2005, with this number increasing to 116,300 in 2007. Hotel and restaurant sector turnover increased by 5.5%, from just over €7.5bn to €7.9bn between 2003 & 2004. In addition, in 2004 there were 11,288 enterprises operating in this sector. (CSO Statistical Yearbook 2007). This sector has been hit badly with the recent economic downturn but it is still a key service industry which requires support not only for the development of tourism but also to underpin enterprise growth generally.

3.2.8 Retail and wholesale

With 4,556 people employed in sales and commerce in South Tipperary, (CSO) the retail sector is important to both the local economy and the development of the region. In 2003, South Tipperary County Council developed a Retail Strategy for the region. From the research carried out for this strategy, it revealed that new forms of retailing such as retail warehousing, retail parks, outlet centres and e-retailing are emerging within the region. The report also demonstrated that the majority of retailing in the region is carried out in the main town, Clonmel, which accounts for 51.5% of the entire county's floor space (in the town and its environs) with Tipperary Town accounting for 18.9%, Carrick-on-Suir 11.5%, Cahir 8.1% and Cashel 7.5%. It was also revealed from the survey that the county is retaining almost all of its food shopping with only 1.6% and 0.8 % of residents doing their main food and top up shopping outside the county. There is however a leakage of expenditure for both bulky goods such as flat pack furniture, and clothing and footwear. 16.3% of residents

purchase their bulky goods outside the county. 21.9% of Tipperary residents buy clothing and footwear outside the county.

3.2.9 Construction

At present, there are 4,025 people working in construction in South Tipperary. Nationally there were a total of 269,000 people employed in the sector in 2006. This sector has been important to South Tipperary both economically and in terms of housing and infrastructural developments. Given the recent economic downturn and collapse of the construction sector, it has become increasingly vulnerable. However with the intention of Government to focus on the green sector, there are opportunities here which ought to be pursued, particularly given the number that have become recently unemployed in this sector.

3.3 Third Level Institutions & Spin Off Industry

Third level Institutes have the potential to become important drivers in the production and dissemination of knowledge, applied research, fostering entrepreneurship, supporting networks and developing appropriate skill sets². They also have the potential to be at the forefront of stimulating change and progressing regional and local economic conditions.

It is widely accepted that the generation of 'high tech' based regional economic development depends very much upon the high quality of local research facilities. EU policy recognises that "centres of learning are important for their potential to act as nuclei for the formation of clusters, building on spin-offs from academic research and creating hot spots for innovation" (EC, 2003b, p21).

3.3.1 Third Level Institutes:

Tipperary Institute (TI) is a third level institute of higher education & a development and research centre with campuses in Clonmel and Thurles. It offers third level courses in the areas of Business, ICT and Rural Development and also offers consultancy services to business and community groups in the areas of business development & management and ICT. TI has a special remit in promoting Sustainable Rural Development and through its research facilities it has the potential to be at the forefront of innovation and R & D in the areas of rural business development and ICT in the Mid West and S.E Region. TI has the potential to become a centre of excellence in the area of research for renewable or 'green' technology and furthermore has the potential to establish linkages and networks with the main Bio-Pharma industries in the County.

The opportunities offered by Tipperary Institute should be exploited by the relevant Development Agencies and the existing and emerging business sectors both locally and regionally.

² Forfás Discussion Document (June '09) "Regional Competitiveness Agenda, South East.

In addition to Tipperary Institute, and the role it plays in supporting the economic development of the county, there are also a number of established 'Research Centres' located across the South East region linked into the third level institutions which provide support for new start up and fledgling enterprise and which can be of immense support to the businesses in South Tipperary. The support mechanisms are elaborated at Appendix 2. of the document but the following centres are worthy of particular note

Waterford Institute of Technology

- ❑ **ArcLabs** - Research and Innovation Centre - provides entrepreneurs and early-stage ventures with the support needed to achieve success in national and international markets.
- ❑ **Centre for Entrepreneurship** - provides a framework for entrepreneurs, researchers, academics and policy makers/implementers to engage constructively and includes programmes such as Enterprise Start and Female Entrepreneurship.
- ❑ **The South East Enterprise Platform Programme (SEEPP)** - run in conjunction with Enterprise Ireland (EI) and Tipperary Institute (TI), is a one-year 'start-up' business support programme.
- ❑ **Telecommunications and Systems Software Group**- Its research focuses on the changing telecommunications software industry.

Carlow Institute of Technology.

- ❑ **Campus Innovation Centre** - offers access to indigenous enterprises throughout the South-East region. It is designed to accelerate the R & D period for new product and process ideas.
- ❑ **Enterprise Platform Programme** – This is a one year programme aimed at entrepreneurs with an innovative business idea that has the potential to become a High Potential Start Up company
- ❑ **Enterprise and Research Incubation Campus** – This is a purposely built, fully services building providing industrial and commercial space dedicated to the growth of young knowledge-based companies

The geographic location of South Tipperary allows for ease of access to the universities of Cork and Limerick and allows the research potential offered from these institutions to be exploited for the benefit of the county. The University of Limerick (UL) has particular research expertise in the areas of ICT, Bio Engineering and Bio Science. University College Cork (UCC) has research expertise in the areas of Food Industry, Environmental, Science and Bio Sciences.

It is clear that South Tipperary is advantaged in being centrally located in the network of 3rd level colleges of the Region. This advantage in research capacity places the County in the ideal position to link industries into key R+D areas of relevance and to provide the impetus for innovative thinking and enterprise development in the County.

3.4 Summary of Key Findings:

1. The young population required to energise the innovative enterprise platform is available in South Tipperary at the present time and this potential has to be harnessed.
2. Indicators for future population growth in South Tipperary are generally positive.
3. The cohort of University age/First job seeking age are being lost to the county and this needs to be addressed
4. The participation rates in third level education are lower in South Tipperary than that for the State as a whole.
5. South Tipperary has developed excellent linkages with the key cities and towns both in the region and nationally. ICT connectivity has steadily improved with the continued roll out and take up of broadband. This provides greater potential for more export growth and development
6. South Tipperary has a strong FDI presence with a cluster of Bio-Pharma Industry, which is a main employer in the County. Other important employment sectors include agriculture, retail & the food industry. There are potential opportunities to leverage enterprise value from this cluster
7. Significant potential exists for the establishment of TI as centre of excellence for innovation in South Tipperary, particularly in the areas of Green Technology, Business Development and ICT. Potential exists for linkages between existing industry and IoT's/Universities in the region to promote and drive innovation and stimulate potential spin off enterprise.
8. The existence of a 3rd level institute in Clonmel (and Thurles) and the accessibility of other 3rd levels in Carlow, Waterford, Limerick and Cork provide a very positive platform upon which to build greater collaboration between 3rd level and the needs of businesses/industry. Significant potential also exists for the establishment of Tipperary Institute as a centre of excellence for innovation in South Tipperary, particularly in the area of business development across the green technology and ICT sectors.



CHAPTER 4: ENTERPRISE INITIATIVES AND SUPPORTS.

4.1 Introduction

The chapter provides a brief overview of entrepreneurship & innovation initiatives available in Ireland and examines the roles of the key stakeholders in the context of the support programmes available for entrepreneurship and innovation in South Tipperary and the South East Region. The chapter also examines, in brief, the potential for enterprise education and other initiatives that could be developed in South Tipperary.

4.2 Entrepreneurship & Innovation Supports.

Table 4.1 Enterprise & Innovation Support Programmes

Enterprise Initiatives for Start Ups and Training	
General Start Up Initiatives	Training Courses
<p>County Enterprise Boards (CEBs)</p> <p>Financial Supports</p> <ul style="list-style-type: none"> • Feasibility Study Grants. • Capital Grants. • Employment Grants. <p>Non-Financial Assistance</p> <ul style="list-style-type: none"> • Training • Mentoring <p>Enterprise Ireland</p> <ul style="list-style-type: none"> • Community Enterprise Centres offering enterprise development space. • Funding for HPSUs • Venture Capital Funds • Cord Funding • Innovation Vouchers • Innovation Partnership Initiative <p>Department of Social Welfare</p> <ul style="list-style-type: none"> • Back to Work Enterprise Allowance. <p>Business Innovation Centres</p> <ul style="list-style-type: none"> • Soft Supports such as Project Evaluations, Feasibility Study Assistance & Access to seed 	<p>County Enterprise Boards (CEBs)</p> <ul style="list-style-type: none"> • Entrepreneurial Training & Capability Development. • Start your own Business Course. • Women Entering Business Training. • Virtual Network of Irish Women in Business <p>Enterprise Ireland</p> <ul style="list-style-type: none"> • Enterprise Start <p>FÁS</p> <ul style="list-style-type: none"> • Business Appraisal Training Program. <p>www.startingbusinessinireland.com training course</p> <p>Teagasc</p> <ul style="list-style-type: none"> • Guide to starting your own business <p>Equal Emerge-Training Programmes</p> <p>Institute of Minority Entrepreneurship (DIT)-Training Programmes and Seminars.</p> <p>Leader/Area Partnerships</p> <ul style="list-style-type: none"> • Mentoring system, including advice

<p>capital funds through Halo Business Angels Partnership.</p> <p>First Step Micro Finance and Business Support</p> <p>Leader/Area Partnerships</p> <ul style="list-style-type: none"> • Non repayable grants • Rent subsidies • Workspace provision • Funding for rural development programmes 	<ul style="list-style-type: none"> • Training and education in enterprise, with support of Fás
<p>Innovation Initiatives for Enterprise Growth</p>	
<p>General Innovation Initiatives</p>	<p>Education Initiatives</p>
<p>Enterprise Ireland</p> <ul style="list-style-type: none"> • Innovation Vouchers • Commercialisation of Research and Development (CORD) funding • Knowledge Acquisition Grants <p>Business Innovation Centres</p> <ul style="list-style-type: none"> • Soft Supports such as Project Evaluations, Feasibility Study Assistance & Access to seed capital funds through Halo Business Angels Partnership 	<p>County Enterprise Boards</p> <ul style="list-style-type: none"> • Student Enterprise Awards • Entrepreneur of the Year award <p>The Department of Education</p> <ul style="list-style-type: none"> • Young Scientist of the Year Award. <p>Enterprise Ireland</p> <ul style="list-style-type: none"> • RTI Initiative • Innovation Management • Student Enterprise Awards <p>Institutes of Technology</p> <p>Source of expertise for R & D, technology advancement etc through CORD and Innovation Vouchers etc.</p>

4.3 Public Body Stakeholders

The following section looks briefly at the areas of responsibility of each of the public body stakeholders. Further information on the areas of responsibility of each body is included at **Appendix 1** of this Strategy document.

4.3.1 County Enterprise Boards (CEB):

The County Enterprise Boards (CEB) provides a source of support for small business with 10 employees or less. The CEBs can support individuals, firms and community groups provided that the proposed projects have the capacity to achieve commercial viability.

4.3.2 South Tipperary Development Company

The South Tipperary Development Company is a new company established in November 2007. The South Tipperary Development Company has the responsibility for the roll out of the LEADER Programmes for South Tipperary.

The LEADER programmes facilitate the development of otherwise underdeveloped rural areas and the promotion of enterprise throughout Ireland and programme measures include diversification into Non-Agricultural enterprise activities, support for small scale business creation & development, encouragement of tourist activities, provision of basic services for the economy and rural population, village and countryside renewal and development, conservation and upgrading of natural heritage, training, information and skills acquisition.

4.3.3 Enterprise Ireland

Enterprise Ireland (EI) is the Government agency responsible for the development of Irish-owned enterprise. Enterprise Ireland (EI) is the main actor in Ireland for encouraging and supporting new high potential start-up businesses (HPSUs).

EI provides advice and support to businesses at the pre-incorporation, pre-commercialisation phase by incubating project ideas and highlighting available resources. Newly established businesses can also benefit from strategic advice, mentors and various seminars and workshops.

For businesses in the investment phase, there is access to legal assistance, commercial evaluations, investment proposal assistance, and they can be assigned legal, equity, and commercial teams.

4.3.4 IDA

The Industrial Development Authority (IDA) is responsible for marketing Ireland as a 'knowledge based economy' in order to attract Foreign Direct Investment (FDI). The main activities of the IDA are listed as follows:

- To develop Ireland as a knowledge economy
- To attract potential investors
- To provide an innovation support scheme

The IDA may provide financial assistance to companies wishing to locate in Ireland or expand their existing operation in Ireland. The types of grants available include-

- Employment Grants
- Research and Development Grants

- Training Grants
- Capital Grants

4.3.5 **Teagasc**

Teagasc – the Agriculture and Food Development Authority – is the national body providing integrated research, advisory and training services to the agriculture and food industry and rural communities.

Teagasc offers training and soft-support for entrepreneurs seeking to establish new business and who are involved in farm diversification. Food research and marketing is provided by Moorepark Research Centre, Fermoy for Dairy products and Ashtown for non dairy meats with general farm based crop research at Johnstown Castle, Wexford. Alternative energy research is based at Oak Park, Carlow. A Food technology Transfer Programme was launched in 2009 for prospective food entrepreneurs who wish to purchase pre-established processes of food or food ingredients from Moorepark/Ashtown.

4.3.6 **FÁS**

Foras Áiseanna Saothair (FÁS) is Ireland's National Training and Employment Authority. Its functions include the operation of training and employment programmes; the provision of an employment/recruitment service; an advisory service for industry; and support for community-based enterprises. Essentially the aim of Fás is to promote a more competitive and inclusive knowledge based economy through enhancing the skills and capabilities of individuals and enterprises. There has been a significant recent shift in resources in FÁS to deal with the rising number of unemployed people, with the focus for 2009 on training, apprenticeship, initiatives, up-skilling for unemployed and redundancy responses.

4.3.7 **Faílte Ireland**

Faílte Ireland, the National Tourism Development Authority is responsible for guiding and promoting tourism as a leading indigenous component of the Irish economy. Faílte Ireland provides strategic and practical support to develop and sustain Ireland as a high - quality and competitive tourist destination.

4.3.8. **South Tipperary Tourism Company:**

The South Tipperary County Tourism Development Company has been set up to co-ordinate the development of the Tourism Products in South Tipperary and is a sub-group of the CDB.

4.3.9. South Tipperary County Council

South Tipperary County Council is a multi purpose, multi-faceted organization with a vital role in providing key services and infrastructure, community development supports & employment opportunities for all the citizens of the County. The South Tipperary County Development Plan 2009-2015 maintains a strong focus on economic development and supports ‘enterprise’ and related employment as the basis of economic stability, vitality and sustainability.

4.3.10 Other Relevant Supports for Entrepreneurship & Innovation in the S-E

South East Business Innovation Centre

The objective of SEBIC is to support entrepreneurs and start-ups by providing a range of support services including:

- Space in regionally based incubation centres,
- Project evaluation,
- Feasibility study assistance,
- Business plan guidance,
- Business plan preparation

SEBIC provides assistance to entrepreneurs in identifying the most appropriate financing scheme applicable to the start-up business and in the preparation of a business plan to access this funding. SEBIC is actively involved in the Halo Business Angel Partnership, matching business promoters in the start-up or early stages of developing with private investors. ‘Angels’ is the reference to the private investors who are seeking to invest in high potential business, i.e. businesses that require relatively large capital, but anticipate high return on investments.

4.3.11 Institutes of Technology

As outlined at Sections 3.3.1 & 3.3.2 there are a number of research centres located across the South-East region in the third level institutions which provide a suite of supports for innovation and enterprises in the Region.

4.4 Strengths & Weaknesses of Enterprise & Innovation Supports

4.4.1 From the foregoing section, it is clear that there are many public bodies mandated to provide a variety of supports to enterprises, at the national, regional and local levels. What is apparent however is that for some of these bodies there is a degree of overlap in the type of supports given. This duplication of effort needs to be critically examined and rationalised so that support resources are channelled in order to maximise benefits for the development of enterprise. Each support body should examine their specific areas of responsibility so that a co-ordinated approach to support programmes is adopted.

It is also apparent that the innovative side of enterprise development is not, as yet, well documented, not well understood or well supported, except through specialist ‘Incubation Units’. The ‘innovative’ support systems that are in place need to be expanded and extended throughout the region and County and made available to support enterprise in general and especially to encourage innovative entrepreneurship.



CHAPTER 5: KEY ACTIONS & INITIATIVES

5.0 Introduction

The background detail in this strategy document has been informed by

- National trends and future direction
- Enterprise and Innovation in a South Tipperary Context and
- An outline of development agency support

When this information is broadly compiled together, a more complete picture of the strengths and weakness of South Tipperary is available. It can be noted from Table 5.1 below that there are many varied and interdependent elements of an economic, social, financial, infrastructural and land-use nature which can act in any combination to affect the economic performance of the county. The list is by no means exhaustive but it does illustrate the challenges and opportunities facing South Tipperary in becoming more innovative and more entrepreneurial.

Table 5.1 Strengths of South Tipperary and Threats to its Performance

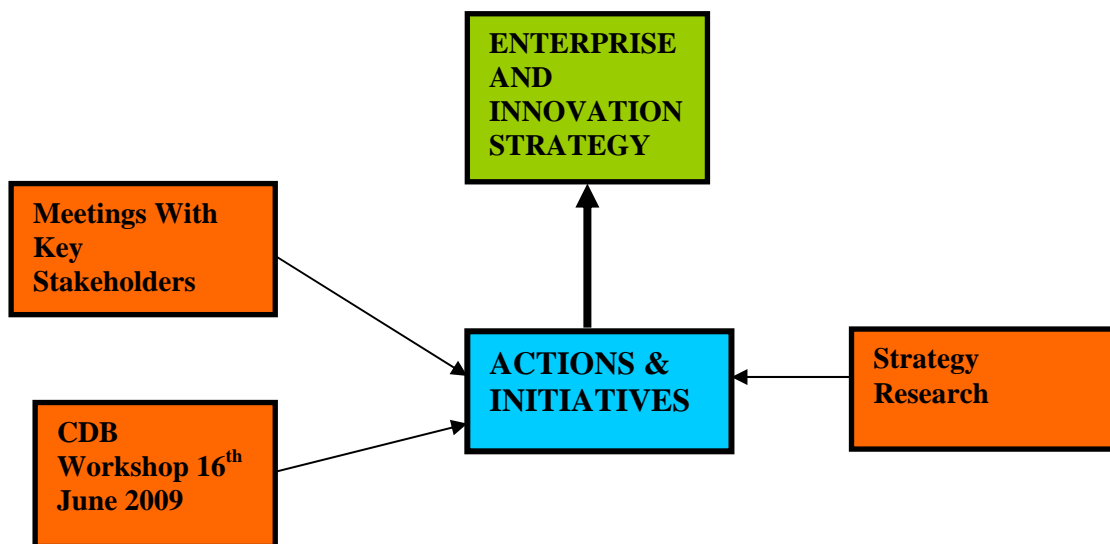
Strengths of South Tipperary	Threats to its Performance
<ul style="list-style-type: none"> • Strong industrial profile in the areas of engineering, pharmaceuticals and food/drinks production, strong agricultural base and is a world leader in the equine industry. • Potential spin off industries arising from these strong sectors/companies • South Tipperary is centrally located within the state and enjoys excellent connectivity by road and rail to major Gateway cities and urban areas. • Significant improvement in ICT Broadband coverage • Tipperary Institute (TI) is an existing third level institution with campuses in Clonmel and Thurles. TI has shown an ability link up with and support business & in developing strategic alliances with other Uni/IoT's. • Centrality of South Tipperary to other Third level institutions and colleges - allows greater R&D leverage to be applied • County has potential to become a county of locally produced, sustainable energy. Tipperary Energy Agency can play a role in driving sustainable energy. • Strong settlement structure and has clear planning policy mechanisms to guide future economic development • Broad range of agency supports and good interagency relationships • History of a strong SME sector. • Potential opportunities to access new and existing markets (internal and external) 	<ul style="list-style-type: none"> • Construction sector slump and the current economic downturn are a significant drag on economic performance. • Financial constraints in continued roll out of infrastructure investment programmes. • Downturn in the market price for development land sales leading to an unwillingness of landowners to release land for development. • Key infrastructural improvements i.e. N 24 redevelopment & Limerick-Waterford Rail upgrade not prioritised in the short term. • Concern for competitiveness & ability to attract industry given South Tipperary's lack of "regional strategic designation" under the NSS. • Leakage of school leaving population- young workforce- 'brain drain'. • Access to finance for venture capital for new enterprises and operational capital for existing enterprises • Lack of supporting networks and tendency of some companies/sectors to work in an insular fashion. • Minimal recognition in some sectors of the value of up-skilling staff.

- Good potential supply of a young workforce

5.1 Consultation with Key Stakeholders and the County Development Board Workshop

The list of strengths and threats above established a further sub text to exploring the detailed views of individual development agencies in relation to innovation and enterprise development in South Tipperary and a half day workshop was also held on this topic under the auspices of the County Development Board in June 2009.

Figure 5.1 Composition of Strategy Actions and Initiatives



The consultations carried out under both formats broadly centred around the following considerations

1. *What specific action can be undertaken to create a supportive environment for SME's and potential innovators and who should lead these actions.*
2. *What can the stakeholders of the CDB do to persuade businesses of the advantages of networks – how can this be done and who will do it.*
3. *What are the issues facing SME's and potential innovators; how can these be addressed and who will assist in addressing them.*

The following outputs of these discussions are broadly outlined below and have helped inform the key actions as outlined in Section 5.3

- i) Enterprise and innovation associated with FDI as a complimentary support should be explored further by way of knowledge engagement with FDI firms.
- ii) Requirement to establish & facilitate networks & synergy between 'like enterprises' to foster development potential and economies of scale & operation. Business networking/mentoring are vital support mechanisms for enterprises in general. These support mechanisms were discontinued during the "Celtic Tiger" years when the economy was strong. There is now
- iii) a need for these networks/mentoring sessions to be re-activated to provide much needed support. (for example PLATO).
- iv) From the point of view of promoting indigenous enterprise and innovation the networking and collaboration between stakeholders in providing the right type of quality of support is considered vital. In this regard there is a requirement for the following:
 - a. greater clarity & input actions from each support organisation to avoid duplication & overlap of functions.
 - b. decisions as to which support organisation(s) takes responsibility for specific objectives/actions.
 - c. increased networking between all stakeholders and;
 - d. increased networking between stakeholders and private enterprise, to create synergies, increase innovation, R & D & enhance the human capital potential of the workforce.
- v) Requirement for development of a single, accessible countywide information database of all existing enterprise & skills sets.
- vi) Requirement for development of a single accessible information database of all available support structures to facilitate enterprise & innovation development.
- vii) Up-skilling-Setting up of a County skills register (VEC)
- viii) Requirement for positive marketing of the County as a live/work destination through branding of County i.e. exploit Tipperary name.
- ix) Potential for strengthening the Food experience in South Tipperary by co-operation, collaboration & branding.
- x) Potential for development and promotion of enterprise and innovation excellence in area of renewable technology/green industry.
- xi) Start up and working capital is difficult to procure through the commercial banking system. There is a need for the banking system to become more attuned with enterprise and business requirements
- xii) Access to Capital and Venture funding along with finding a 'Business Angel' can be difficult. There is a need for a dedicated enterprise/business support system that will advise and inform on all aspect of grants, banking and finance-working capital-community banking

- xiii) Infrastructure- Improved infrastructure is a key requirement ranging from much more accessible and effective broadband infrastructure, greater ICT infrastructural support, educational support and development; completion of the N24 and upgrade of the Waterford/Limerick Rail line to improve connectivity, better public transport etc.
- xiv) R&D- Significant opportunities within south Tipperary to build on the opportunities offered by the FDI firms and to seek to create Spin off Enterprise. The development of Incubation Space would be critical to ensure the value of this opportunity is maximised
- xv) Education - There should be a “Business” orientation built into the educational system (in the County), particularly at 2nd and 3rd level with all courses at Third level having a “business module” element.
- xvi) The Local Authority should act as the single point of contact for business. The LA could be the “repository” for information supports for all enterprises. (One – Stop Shop)

5.2 ACTIONS & INITIATIVES

In analysing the key strengths and threats to the entrepreneurial performance of South Tipperary and in combining this with the issues/opportunities raised by the key agency stakeholders, the following sub-themes are evident

- i) Developing stronger collaborative networks between appropriate entrepreneurs
- ii) Building and developing more productive linkages between third level and local enterprises/businesses
- iii) Addressing the financial challenges facing enterprises in the current climate
- iv) Building on the local strengths of South Tipperary
- v) Developing stronger interagency collaborative operations

It is proposed to use these sub themes to direct and co-ordinate the activities of all of the economic development agencies in the County in a manner that

- promotes a more positive culture and attitude towards enterprise and innovation
- enables conditions to allow innovation to prosper (3rd level institutions, essential infrastructure, availability of venture capital etc)
- stimulates and supports new and growth oriented enterprises (R&D supports; relevant research etc)
- increases competitiveness and economic sustainability

These broad based sub themes address the critical elements necessary for the growth and development of enterprise and innovation in the County. The Actions set out below illustrate how these critical elements will be delivered in a co-ordinated and coherent manner over the coming months.

Goal	Actions	Outputs	Implementation Body	Indicator	Timeframe
1. Develop stronger collaborative networks between appropriate entrepreneurs	1. Develop an integrated sectoral approach to “Change Management” in the SME sector. Set up a focussed local sectoral initiative which targets innovation an enterprise development	1. Open up potential innovation within and between companies in the following sectors – engineering; food and tourism. 1B. Appropriate package/programme developed to promote networks/associations in a more positive manner and highlight the benefits to participants	1. .STCC (lead); FAS; TI; CEB; EI; South Tipperary Tourism Company; Representative from Engineering Sector 1b.. STCC (lead); TI and FAS	1. Associations set up in Engineering and further developed in the Food and Tourism area. Collaborative Product bundles developed in Tourism	1. Commence in 2009 – Complete 2012
	2. Develop a programme to benchmark and advise businesses using the Micro Systems for Business Model	2. Twenty places provided throughout the county on this programme	2. FAS (lead); STCC	2. Benchmark Programme in place	2. last quarter 2009/early 2010
	3. Work with the SME sector to exploit the potential of external market opportunities	3. Planned programme of events in place which demystify the exporting process, to expose innovators to potential opportunities and relevant case studies; exploit new technologies	3. FAS (lead); EI, TI and CEB – Irish Export Association	3. Number of programmes/events held	3. Commence last quarter 2009
	4. Investigate the feasibility of developing partnerships between large businesses and small producers so that the best attributes of both can be maximized.	4. Programme could be based along similar lines to PLATO for South Tipperary companies but being cognisant of cost and personnel resources	4. STCC (lead)l CEB; STCC; STDC; EI	4. Number of companies which have expanded/are new as a result of this linkage	4. Commence middle of 2010 - 2012

	5. Raise the level of Awareness of R&D contribution to Company growth	5. Encourage companies to undertake R&D (Innovation Vouchers; More use of Existing Schemes and supports; R&D Workshops for specific sectors etc; sponsor research networks etc0	5. STCC (lead); EI; TI; CEB; STDC	5. Number of R&D activities undertaken; Number of Innovation Vouchers processed	5. Commence 2009
Goal	Actions	Outputs	Implementation Body	Indicator	Timeframe
2. Build and develop more productive linkages between 3rd level and local businesses	<p>1. Introduce Enterprise and Innovation Competition for 2nd level schools in South Tipperary using the North Tipperary Model)</p> <p>2. Investigate the possibility of developing an Incubation Unit which is attached to the Third level Institute</p> <p>3. Work with the relevant Third level Institutes to seek the inclusion of a business model in all courses (science, ICT, engineering etc</p> <p>4. Develop a programme whereby the main development agencies work with local industry to identify relevant opportunities for recent graduates to gain work experience,; to identify R&D opportunities, work with the</p>	<p>2. Promotion of focus on enterprise in the education system at 2nd level</p> <p>2. Promotion of focus on enterprise in the 3rd level sector with an Incubation Unit in place</p> <p>3. All relevant courses in TI have a business model element</p> <p>4. .Forum developed by IDA, EI, TI and FAS and graduate placements made</p>	<p>1. CEB (lead); VEC; TI</p> <p>2. TI (lead); EI; STCC</p> <p>3. (TI (lead); CEB; EI; private Industry</p> <p>4. .IDA (lead); EI, FAS; TI; STCC</p>	<p>1. Number of second level schools involved</p> <p>2. Funding for Incubation Unit in place</p> <p>3. Number of new courses with a business model content</p> <p>4. .Number of graduates placed; number of R&D initiatives (EI vouchers)</p>	<p>1. Commence 2010</p> <p>2. Commence 2010</p> <p>3. commence last quarter 2009</p> <p>4. Graduate placement to commence summer 2010; R&D Initiatives to commence late 2009/early 2010</p>

	<p>Export orientation fund and to support innovation</p> <p>5. Develop stronger links between enterprise, innovation, and education through the promotion and provision of 3rd level Education Access to Employers and their employees</p> <p>6. Develop an appropriate training programme relevant to innovation) and deliver target specific training to key sectors as the needs are identified</p> <p>7. Maximise the uptake of the FAS Workplace graduates scheme for 1000 students in South Tipperary should the</p>	<p>5. Programme of “marketing activity” drawn up which meets this Action</p> <p>6. Skills Training programme to be published (covering upskilling programme for employees from traditional manufacturing areas and the construction area; specific learning programmes to increase the number and level of high technology start ups; specific practical programmes to assist owners/managers expand their business and programmes to address gap areas (including competitiveness</p> <p>6b. Increase the responsiveness and adaptability of education/skills providers to the needs of the SME</p> <p>7. FAS workplace graduate scheme in place in South Tipperary</p>	<p>5. TI (lead), STCC; CEB</p> <p>6. CEB; TI; FAS; VEC; STDC, Chamber of Commerce & facilitated by STCC</p> <p>7. FAS (lead); TI</p>	<p>5. Number of marketing initiatives</p> <p>6. Annual Document published on web & number of target specific training programmes provided</p> <p>7. No. of Students in place</p>	<p>5. To commence 1st quarter 2010</p> <p>6. Mid 2010</p> <p>7. Commence when call is made</p>
--	---	--	--	--	---

<p>3. Use the influence and abilities of all stakeholders to enable the Financial Challenges facing businesses to be addressed</p>	<p>opportunity arise again</p> <p>1. Undertake information sessions in relation to the most effective way of accessing venture capital as sectorally appropriate</p> <p>2. Facilitate improved access to business venture and access capital</p>	<p>1. Appropriate co-ordinated package/programme on financial supports developed and available from all of the relevant agencies/institutions</p> <p>2a. Undertake a feasibility Study exploring the potential of linking up to existing financial agencies which may provide an opportunity to access venture capital for the wider community/business sector where employment is at risk and/or new opportunities for employment can be provided</p> <p>2b. Maximize advantages of SEBIC HALO and “Business Angels” for South Tipperary Companies</p> <p>2c. Investigate the possibility of a “MABS” model of one-to-one support for faltering businesses. A funding line to be created through application to STDC</p> <p>2d. Work with existing employers to ensure they are availing of all available supports (eg. Growth Fund; Stabilisation</p>	<p>1. STCC (lead); SEBIC, FAS; EI; TI; CEB</p> <p>2a. STCC (lead); CEB; TI; Private sector</p> <p>2b. EI (lead); CEB; STDC</p> <p>2c. FAS (lead), CEB, Chambers of Commerce; Local Financial Institutions; STCC</p> <p>2d. STCC (Lead); CEB; EI; IDA; STDC</p>	<p>1. Package developed and number of information sessions</p> <p>2a. Feasibility Study completed and actioned accordingly Venture capital facility set up</p> <p>2b. Number of South Tipperary Companies referred to “Business Angels” support</p> <p>2c. MABS structure in place</p> <p>2d. Number of companies availing of fund supports</p>	<p>1. Commence last quarter 2009</p> <p>2a. 1st quarter 2010</p> <p>2b. Commence 2010</p> <p>2c. Commence last quarter 2010</p> <p>2d. Commence last quarter 2009</p>
---	--	---	--	---	--

	3. Investigate the possibility of developing a model of “Shared Ownership” for new Start-Up Businesses (developed along the principle of the Shared Ownership Scheme for Housing) with the intention to assist new Start Ups – A National initiative	Fund etc) 3. Research Document completed.	3. STCC (Lead); TI; CEB; EI	3. Document finalized and considered by EPMG	3. Commence 2010
4. Develop Stronger Interagency Collaborative Operations	1. Develop South Tipperary as the “Place of Choice” for new businesses and put in place the necessary structures to deliver on this concept 2. Examine ways to link in with those enterprise who are not automatically supported because of their size, sector or type 3. Develop a positive	1a..A single cross functional centre for business in the LA 1b. A web site developed which highlights the benefits and advantages of doing business in South Tipperary with all of the relevant direct and indirect information which would be required for new businesses 1c. A proactive facilitative role to be developed which links businesses ion the ground with the relevant enterprise supports/training and mentoring 2. Support system in place 3. Workshops/events held in	1a. STCC (Lead); CEB; EI; STDC 1b. STCC (lead) 1c. Clonmel Business Park (lead); EI; STCC 2. STCC (lead); CEB 1. CEB (lead); TI; FAS; VEC; STDC; 3. EI (lead); CEB; TI;	1a. Single centre set up by 2end 2010 1b. Web Site developed 1c. Facilitative Role in place by last quarter 2009 2. Initiatives undertaken 3. Number of events	1. last quarter 2010 1b. Last quarter 2009 1c. last Quarter 2009 2. Commence early 2010 3. Commence

	<p>programme of action around the County which will assist in raising a more positive profile around innovation and enterprise, including information around benefits/supports etc</p> <p>4. All Agencies to communicate with their clients in South Tipperary at least once per annum to update them in relation to potential additional supports available</p> <p>5. Agencies to work collaboratively with new potential start up's (and expanding companies) to ensure that they receive an holistic appropriate support for their endeavours</p>	<p>relation to</p> <ul style="list-style-type: none"> • Enterprise Start programme • IdeaGen Workshop • Information Meetings held on benefits and supports available • Enterprise Week programmes <p>4. Communication programme in place</p> <p>5. new developments that come through the Planning System to be automatically linked in with the CEB</p> <p>5 ii) Agencies to share information as appropriate on new company formations/expansions</p>	<p>FAS; STC&VF; STDC; DSFA</p> <p>4. All Development Agencies – EPMG led</p> <p>5. STCC (lead); CEB</p> <p>5 ii) STCC (lead); EI; CEB; IDA; STDC</p>	<p>held; Number of new Initiatives arising from events;</p> <p>4. Up to date list of “customers” at year end</p> <p>5 . Number of developments that have been linked up with the CEB from the Planning Department</p> <p>5 ii) Number of new companies/expanded companies who have been supported on an “holistic basis”</p>	<p>Mid 2009 - 2012</p> <p>4. Commence 2009</p> <p>5. Commence 2009</p>
5. Build on Local Strengths	<p>1. Develop South Tipperary as the “Place of Choice” for new businesses and put in place the necessary structures to deliver on this concept</p>	<p>1a..A single cross functional centre for business in the LA</p> <p>1b. A web site developed which highlights the benefits and</p>	<p>1a. STCC (Lead); CEB; EI; STDC</p> <p>1b. STCC (lead), private companies</p>	<p>1a .Single centre set up by end 2010</p> <p>1b. Web Site developed</p>	<p>1. last quarter 2010</p> <p>1b. Last quarter 2009</p>

		<p>advantages of doing business in South Tipperary with all of the relevant direct and indirect information which would be required for new businesses</p> <p>1c. A proactive facilitative role to be developed which links businesses on the ground with the relevant enterprise supports/training and mentoring</p> <p>2a. Data set of enterprise base in County</p> <p>2b. Development and maintenance of Shared Intelligence base of enterprises in the County</p> <p>3. South Tipperary becomes a market leader in the field of Green Energy</p> <p>4. More accessible positive and streamlined service from STCC</p>	<p>1c. Clonmel Business Park (lead); EI; STCC</p> <p>2. CDB County Data Unit (STCC lead; TI; HSE; STDC; STC&VF; VEC; FAS; EI; IDA; CEB</p> <p>3. STCC (lead); TI; Tipperary Energy Agency; CEB; STDC; NTCC; Private investors</p> <p>4. STCC</p>	<p>1c. Facilitative Role in place by last quarter 2009</p> <p>2. Data Unit in Place</p> <p>3. Concept developed; delivery mechanisms identified</p> <p>4. Number of businesses assisted</p>	<p>1c. last Quarter 2009</p> <p>2. Commence 2010 – complete 2012</p> <p>3. Commence mid 2009 – 2012</p> <p>4. on-going</p>
	<p>2. Development of an Enterprise database in the County</p> <p>3. Investigate the feasibility of developing a strong “green energy development sector” in Tipperary</p> <p>4. STCC to proactively and positively engage in an effective manner with proposed new businesses, expanding businesses and struggling business providing appropriate advice and support in relation to their locations, statutory requirements and</p>				

	physical infrastructural needs				
	5. Progress the concept of community enterprise parks where it is shown to be sustainable and required	5. Community Enterprise Park	5. STCC (lead); STC&VF; STDC; CEB	5. Community Enterprise park established	5. Commence 2009



CHAPTER 6: MONITORING & EVALUATION

6.0 Introduction

This Strategy serves to realise the Shared Vision for South Tipperary as expressed in the Strategy for Economic, Social and Cultural Development (South Tipperary County Development Board in 2002). In this regard, the Strategy sets out to provide a comprehensive and integrated approach to enterprise support which will serve to promote and drive enterprise & innovation in South Tipperary.

The success of this Strategy will depend on the continued involvement of the relevant partners of the County Development Board in implementing the action plans.

6.1 Implementation Framework

The commitment of the stakeholders to the Strategy is critical. Building on the relationships forged throughout the development of this Strategy, the Economic Programme Management Group will have responsibility in driving the Strategy. Comprising key representatives from the partner organizations, the Group will convene on a quarterly basis to guide the implementation and monitoring of the strategy and will promote and facilitate discussion of key issues in relation to enterprise development, act as a hub of inter-agency intelligence sharing and facilitate cross referrals.

The partners in the EPMG will provide updates on the progress of the actions for which they have the lead and feed back to their organisations. The Forum will also facilitate a mid-term review of the Strategy and decide as necessary on the need for new structures. Reports on the implementation of the Strategy will be provided from the Forum to the County Development Board.

The Community and Enterprise section of South Tipperary County Council will co-ordinate the activities of the Forum and the implementation of the Strategy.

6.2 Review process

This Strategy does not purport to be inclusive of the very extensive work undertaken by each of the individual economic agencies. The key aim of this Strategy is to accommodate/include only those initiatives which are by necessity cross agency based, which add value to the work currently being undertaken by each of the respective agencies and which meet the requirements of this Strategy - ie. to provide an integrated approach to enterprise support which will serve to drive and promote enterprise and innovation in South Tipperary.

This Strategy will inform the future of agency networking and the approach to enterprise development in the county into the future. It is expected that a review of the strategy will be carried out on an annual basis to establish progress on the actions in relation to collaborative working, achievement of targets and outputs and to ascertain the need to make adjustments to the actions to take account of ongoing changes, challenges and opportunities which impact on enterprise development. Based on the findings of this review, it may be necessary to make adjustments to goals and actions in the Strategy.

6.3 Measuring the Impact of the Strategy

It is imperative for the future of inter-agency networking and enterprise development in the county that the impact of the Strategy be carefully evaluated. The lifetime of this Strategy document is 2009-2013, however the success of the Strategy and its outcomes will have a longer-term impact in determining the direction and future of enterprise development in the county and future collaboration.

On the basis of continual monitoring and the mid 2010 review process, the Group will adopt an appropriate evaluation approach to determine the outputs and effects of the Strategy. Feedback from the partner organisations will underpin this process. This will include measuring the actual outputs against the expected outputs in the action plans. These outcomes and the success of the collaborative process will be measured against the goals which provide the guiding framework of the action plans.

APPENDIX 1: ENTERPRISE & INNOVATION SUPPORTS-ROLES OF PUBLIC BODIES

County Enterprise Boards (CEB):

CEBs offer advice, information, grants for feasibility studies, financial support for new enterprise or business expansion and soft supports such as mentoring, training facilities and management development services.

The basic criteria under which financial assistance is available from the CEBs is based primarily on factors such as the sector of the economy in which an enterprise is operating or intends to operate and the size, or proposed size, of the enterprise.

Feasibility grants of up to €5,100 are available for new business idea evaluations. Capital grants are available for up to €75,000 for machinery purchases, premises purchasing or enhancement. Redeemable Preference Share Schemes are available for limited companies. Employment grants of up to €7,500 per employee can also be used by entrepreneurs to cover labour costs for up to ten employees.

CEBs additionally facilitate initiatives and networks for women with a view to encouraging higher female participation in entrepreneurial activity.

South Tipperary Development Company

The Development Company is responsible for the delivery of the following programs throughout South Tipperary, as illustrated in Table 3.2.

Table 3.2 Development Company Programs		
<i>Programme</i>	<i>Budget</i>	<i>Duration</i>
LEADER	€1.16m	2007 - 2013
Social Inclusion (LDSIP)	€47,540	2009
Walks Scheme	€80,000	Annual
Rural Social Scheme (RSS)	€50,000	Annual

Support is provided through the Leader programmes for unemployed people setting up their own business through:

- Non repayable grants.
- Support for development of business plans and business ideas,
- Mentoring system, including sources of advice.
- Provision of workspaces, including help in obtaining enterprise incubation units.
- Rent subsidies.
- Marketing.
- Training and education in enterprise with the support of FÁS.

Aid under the Leader Programmes may take the form of support for training, development of innovative rural enterprises, environmentally friendly initiatives and exploitation of agriculture, forestry and fishing products.

Enterprise Ireland

Figure 3.1 describes the main objectives, activities, budget, and source of funding for Enterprise Ireland

Figure 3.1 - Enterprise Ireland – A Main Actor for Irish Entrepreneurship

Mission Statement

Enterprise Ireland's main objective is to accelerate the development of world-class Irish companies to achieve strong positions in global markets resulting in increased national and regional prosperity.

Main Activities:

To Focus on Irish Companies

Five main areas of activity: achieving export sales; investing in research and innovation; competing through productivity; starting up and scaling up; and driving regional enterprise.

To Foster a Culture of Entrepreneurship

Enterprise Ireland supports a range of initiatives targeted at developing a culture of enterprise, including an annual Student Enterprise Awards competition.

To Offer an Extensive Enterprise Network

An extensive network of 13 Irish offices supplemented by 33 international offices; working with entrepreneurs enabling them to compete to grow.

To Provide Assistance for International Companies

Enterprise Ireland provides assistance for international companies who are searching for world-class Irish suppliers and support international companies who want to set up food and drink manufacturing operations in Ireland.

Annual Budget (2006):

€277 million

Main Financer:

The Irish Government

With regards to financial support, EI can provide funding towards establishing, growing, and expanding an enterprise. Funding is typically made up of grants and equity *specifically intended to meet expenses in the areas of research and design, training, job creation, and acquisition of capital assets*³. Through EI two specific categories exist for financial support: High Potential Start-Ups (HPSUs) and funding

³ Enterprise Ireland (2007), *Financial Services*, Enterprise Ireland, Dublin

for exploring new opportunities. Added to this funding, EI offers supplementary financial services and advice to HPSUs including: assistance in finding non-executive or nominee directors, and seminars for improving investment profiles and business plan building.

Enterprise Ireland (EI) is committed to fostering an innovation culture and works in conjunction with the Higher Education Authority (HEA) to implement innovation strategy. EI has an explicit Regional Innovation strategy⁴ which works with Institutes of Technology (IoTs) at regional level. Through investment in research initiatives working to regionally relevant industry agendas, EI supports the development of close collaboration and interaction between Institutes of Technology and industry.

IDA

With respect to the above measures, bullet pointed in Para 4.3.4 of the main document the IDA is charged with introducing investors to local enterprise, service providers and research institutions. The IDA places an emphasis on IT and Bio Pharmaceutical sectors and provides research and capability grants, supports innovation initiatives, & works with niche companies and Innovators with a unique product or service offering. The IDA engages especially in growth policy and works with existing foreign subsidiaries in Ireland to encourage them to expand and strengthen their Irish operations, especially adding high-value business activities such as R&D.

Teagasc

The organisation is funded by State Grant-in-Aid, The NDP 2007-2013; fees for research, advisory and training services; income from national and EU competitive research programmes; and revenue from farming activities and commodity levies. Teagasc operates in partnership with all sectors of the agriculture and food industry and with rural development agencies.

Failte Ireland

Failte Ireland has the following principal areas of operation:

- To develop product offerings for both the domestic and overseas markets and lead the marketing effort to promote Irish holidays to the domestic consumer.
- To support enterprise development in Irish tourism, promoting best practice in operations, quality and standards and facilitating investment in tourism infrastructure
- To build human resource capability in the industry, investing heavily in training provision and standards across the publicly supported educational system, within Failte Irelands training network of outreach centres and also, increasingly, through Failte Irelands executive and management development programmes for the tourism industry
- Failte Ireland's 'Mergo Programme' enables trade to remain alert to and recognise opportunities in their areas of expertise. The FI innovation fund is designed to

⁴ Enterprise Ireland (2005), *Transforming Ireland's Industry Strategy 2005-2007*, Enterprise Ireland

capitalise on Innovation Opportunities as they arise to facilitate South Tipperary's Tourism Product and Advancement.

The total indicative investment under the Tourism Programme over the period 2007-2013 is estimated at €800million. This funding is broken down into sub programmes as follows:

- Investment & Marketing €35 million.
- Product Development & Infrastructure €17 million.
- Training & Human Resources €149 million.

South Tipperary Tourism Company

The South Tipperary Tourism Review 2008-2014 (the Bane Mullarkey Report) outlines the importance of the tourism industry to South Tipperary in that in 2006 over 160,000 overseas visitors came to South Tipperary & spent in excess of €66 million.

The key issues for South Tipperary over the coming years of the Tourism Review are its ability to attract more visitors and convert passing trade into longer stay visits by improving its products, accommodation and customer service.

The Tourism Review proposes the following:

- The requirement to give customers a 'need' to visit South Tipperary. To this end 'themed' produce development is the preferred way forward along with product "Bundling" as a means to achieve greater value for money.
- A need for increased consumer centricity- there is increasing consumer expectations for a high quality product.
- Cross functional training at all levels of the industry.
- Integrated product development & marketing (branded products).

South Tipperary County Council

To achieve strategic socio economic aims the Council takes account of all relevant National & Regional policies, objectives and strategies and are translated into the County Economic, Social and Cultural Development Strategy. (CDB 2002-2012).

The County Development Plan & County Spatial Strategy, through Landzoning and Strategic Policy formulation, facilitates infrastructure and services and physical development to proceed.

The CDP has proposed the following initiatives and actions to promote future economic development in South Tipperary:

- Provision of a robust Settlement Strategy to guide the future development of enterprise in the County into selected "strong" towns and villages.

- Provision of rural based enterprise policy that supports the establishment and incubation of small enterprise/industry through their formative and developing stages and once well established and growing, to encourage their relocation to appropriate enterprise centres in local towns and strategic villages where enterprise landbanks are provided for..
- Provision of “zoned” industrial/enterprise landbanks in the towns and strong villages.
- Establish a “Register” of landowners of zoned lands, to enable the Planning Authority to engage with the landowners to encourage development of these landbanks.
- Strategic Landbank Sub Committee to establish a ‘pilot’ enterprise park at an agreed location to facilitate the creation and expansion of “identified” enterprise. The pilot project to become the model for other towns and villages in the County, over time, to facilitate enterprise and innovation and foster employment and community development.
- Commitment to target infrastructural investment in identified strategic towns and villages to provide the means to facilitate enterprise development.
- Commitment to work with all stakeholders and agencies involved in enterprise and related development in the County to ensure a consensus approach to development is fostered.

APPENDIX 2: EDUCATION & RESEARCH SUPPORT FOR ENTERPRISE AND INNOVATION

Research Centres

WIT

Arc Labs The goal of the Research & Innovation Centre (ArcLabs) at Waterford Institute of Technology (WIT) is to provide entrepreneurs and early-stage ventures with the support needed to achieve success in national and international markets. The centre is also home to WIT's Centre for Entrepreneurship and is the headquarters for the Telecommunications and Systems Software Group.

The Centre for Entrepreneurship provides a framework and environment for entrepreneurs, researchers, academics and policy makers/implementers to engage in a mutually complementary manner to support economic growth and development in the South-East region. The over-riding objective of the Centre for Entrepreneurship is the development of entrepreneurship education and research. This Centre runs the South East Enterprise Platform Programme (SEEPP).

The South East Enterprise Platform Programme (SEEPP) run by the Waterford Institute of Technology Centre for Entrepreneurship in conjunction with Enterprise Ireland (EI) and Tipperary Institute (TI), is a one-year start-up business support programme.

SEEPP participants may apply to EI for CORD Funding, which represents up to 50% of the applicant's (P60/P45) salary for the previous tax year, plus a contribution towards overheads and expenses. The total EI grant is capped at a maximum of EUR30,000.

Other programmes offered by the Centre for Entrepreneurship include Enterprise Start which focuses on business start up and Female Entrepreneurship which focuses on women in business.

The Telecommunications and Systems Software Group's was established in 1997 at the Waterford Institute of Technology. Its research is focused on dramatic changes occurring in the telecommunications software industry, particularly in managing networks and in developing innovative new services for those networks.

Carlow Institute of Technology (Carlow IT)

There are also a number of active research groups within Carlow Institute of Technology (Carlow IT) which are also complemented by various campus-based specialist centres and campus companies such as the Campus Innovation Centre.

This centre offers access to small and medium sized high technology indigenous enterprises throughout the South-East region and nationally, to a range of facilities and supports that have been designed to accelerate the R & D period for new product and process ideas.

Carlow IT offers a one year Enterprise Platform Programme aimed at entrepreneurs who have a well thought out innovative business idea or technology that has the potential to be transformed into a High Potential Start Up company. The programme is intended to train graduate entrepreneurs in the skills required to establish and run their own business.

The Enterprise and Research Incubation Campus located at Carlow IT is a purposely built, fully services building providing industrial and commercial space dedicated to the growth of young knowledge-based companies. Its goal is to accelerate the development of start-up companies through a comprehensive combination of infrastructure, business support services and targeted resources before and during their formation.