


SMEs IN INTERNATIONAL COOPERATION

KEY FACTORS FOR SUCCESS





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WHY THIS GUIDE?

This booklet provides comprehensive guidelines for small- and medium-sized enterprises (SMEs) that are looking to begin a EUREKA project or join an existing venture. It will lead you through the entire process of initiating or joining a project, including a checklist of things to think about during the procedure. This guide will help you identify key areas of concern that can arise during any research and development collaboration. It will also help you determine what should be included in a Consortium Agreement (a legal agreement between parties) upon which the collaboration will usually be based. **Please note that this is a guide only, it does not supply all the answers.** It is advisable to seek professional legal advice when entering into any such arrangement. Although the checklist is comprehensive, you may encounter different combinations of events or other situations that are not mentioned here.

EUREKA is of particular interest to SMEs because it is:

- Highly flexible
- Works with a 'bottom-up' structure
- Avoids bureaucracy
- Employs simple rules
- Provides a basis to begin commercial collaborations across geographical borders

Running an international project successfully means dealing effectively with different cultures and different languages. This is best achieved by ensuring a clear objective, appropriate structure and effective management during the entire project timeframe. Successful projects need good planning and hard work.



ABOUT EUREKA

EUREKA was established in 1985 with the objective of strengthening European competitiveness in the world market and raising the profile and level of European technologies. This is realised through the promotion of European industrial cooperation in market-oriented R&D projects, aimed at the creation of advanced technology applications.

As a result, EUREKA has become a catalyst for pan-European cooperation between enterprises and research institutes across Europe. This cooperation is primarily aimed at bringing products, processes and services to the market. Due to its **bottom-up** approach (projects are always defined by participants), EUREKA complements other European initiatives such as the EU Framework Programmes, COST, ESA and CERN.

EUREKA is a pan European network represented in Member countries by **National Project Coordinators** (NPCs). They assist in the search for suitable partners, the setting up of the structure of each EUREKA project, and providing contacts with potential public and private sources of finance. **No central EUREKA fund exists.** General communication is carried out through the **EUREKA Secretariat** in Brussels, Belgium, which provides information, international coordination and maintains the **EUREKA project database**.

EUREKA is active in many technological areas. Around some particular topics, ventures are organised in **Umbrellas** and **Clusters**. An Umbrella describes a number of projects around a particular topic area that are organised into a network. Although part of this network, all projects are individual in their implementation, management and financing. The initiative for such Umbrellas is taken by partners in several EUREKA Member States. Clusters are essentially set up, organised and managed by larger European companies around specific strategic topics. SMEs play an active role in both these types of projects.

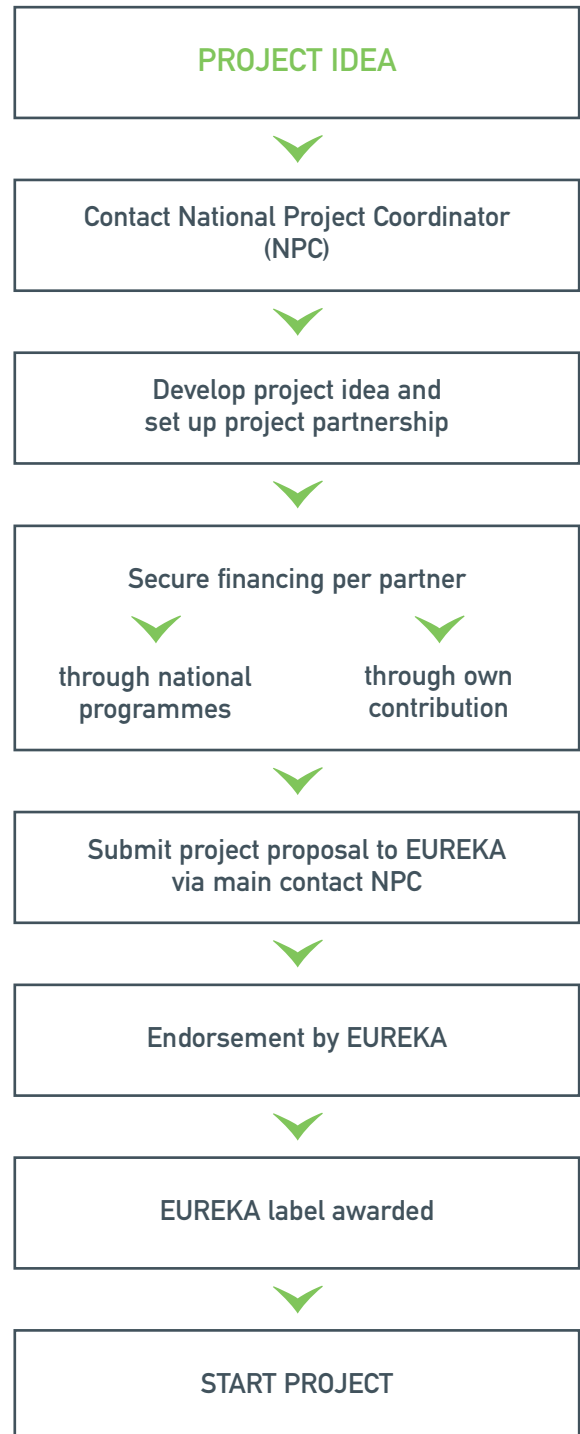
The main advantages of EUREKA projects are:

- Projects can be launched in virtually **all technological areas**. They must have a civilian nature.
- Projects are **bottom-up**: the partners are totally free in their choice of topic, partner(s) and timeframe, provided there is market potential for their idea. They are never bound to a strict research programme and there are no centralised calls for proposals.
- Project participants retain complete ownership of Intellectual Property Rights (IPR).
- EUREKA projects can be of **any size**, ranging from several hundred thousands of euro to tens of millions. However they should involve a minimum of **2 independent partners** from **2 different EUREKA Member States**.
- EUREKA is **very flexible**: projects are approved approximately four times per year and the **EUREKA label** (EUREKA's seal of approval) is awarded once a year, at the end of the current Chair's term of office (this is usually in June).
- There are only **limited reporting obligations**. EUREKA tries to be as **non-bureaucratic** as possible.

SETTING UP A EUREKA PROJECT

There are three main phases in the setting up of a EUREKA project:

- **Project:** as illustrated in the chart.
- **National:** the NPCs provide support in the setting up of a project and assist in the search for local public and private funding.
- **EUREKA:** for a project to be awarded the EUREKA label it must be directed at a product, process or service with a civilian purpose and include participation from more than one EUREKA member country.



DURING THE PROJECT PHASE

Participation in EUREKA is possible in three ways:

- By setting up your own consortium
- By joining an existing project
- By joining a Cluster project

A EUREKA project usually starts with a business idea. This idea has to be transformed into a concrete project description (generally split into a **definition phase** and an **implementation phase**). This description highlights adequate market prospects and clear objectives; it details the involvement of sound partners from different EUREKA member states and outlines proper project management, including a realistic budget, the availability of sufficient resources and a solid cooperation agreement. These six elements are known as the **key factors for success**.

Finance, both private and public, may be sought to reduce the financial risks of the undertaking.

Rather than initiating your own venture, you can also join an existing EUREKA project, if it is open to new partners. To find which projects are open, you can simply search the EUREKA database using the search phrase: *“All projects looking for partners”*.

To join a Cluster as an individual partner, you should contact partners involved in that Cluster directly; contact details are available on the EUREKA website.

DURING THE NATIONAL PHASE

For the duration of a project, project initiators should stay in contact with the National Project Coordinators (NPC) of the countries involved. Your NPC will guide you through the entire process of undertaking research, informing you of the different steps to be taken and help you to find public and private financing for the project.

NPCs attend **EUREKA Project Meetings** 4-5 times a year at which all new projects are discussed and EUREKA labelling is prepared.

The NPC can also help you to find partners by putting your project proposal on the EUREKA website under: *“Propose an idea”*.

DURING THE EUREKA PHASE

Every request to initiate a EUREKA project should be accompanied by:

- a **letter of intent** or **Memorandum of Understanding (MoU)**
- a project description as laid out in the **Project Application Form**. This form can be downloaded from the EUREKA website and the proposal can be submitted electronically by email to the NPC.

With the agreement of the governments concerned, the project proposal then enters a **period of circulation**. This circulation period enables additional countries to express the interest of other participants to join the project. Additional applications can then be filed, within the framework of the national (funding) programmes. Once all applications have been received, the NPC of the coordinating country will make an assessment of the whole project following common guidelines developed by the EUREKA network and known as **Project Assessment Methodology (PAM)**. At the end of the circulation period (usually the next EUREKA project meeting), and when financing of the project has been assured, NPCs can formally agree to the project. When agreed, the project then goes to EUREKA's High Level Group for endorsement as an official EUREKA project and awarding of the EUREKA label.

KEY FACTORS FOR SUCCESS



Much has been written about how to be a successful innovator, far too much to be able to cover in this guide. However, there are some basic criteria that you should think about and some universal principles that you can apply to any idea or inspiration in order to assess whether it would form a sound basis for a project. These principles are based on best practice and, although given equal weight here, each will have a different significance at different stages of the project.

1. MARKET OPPORTUNITIES

Although the advancement of technology leads to the development of some projects, in EUREKA's experience, most successful innovations come as a result of a clear market need for a particular piece of research. This need may change whilst the project is in progress or may differ from country to country. It is however important that from the outset all industrial partners involved in the project have a clear understanding of the market they are in and the sort of market advantages they hope to gain by undertaking the research.

CHECKLIST

- Do you have a clear idea about the possible markets which may be created or expanded as a result of the technological developments you are hoping to achieve via this project?
- Will you be capable of exploiting these results from both an investment and commercial point of view?

2. CLEAR OBJECTIVES

If a collaborative research project is to succeed all objectives must be clearly stated from the start. These objectives provide the link between technical feasibility and market opportunity and lay the foundations for a detailed work plan. Projects with poorly defined objectives almost always lead to inefficiencies in coordination and a waste of both time and effort. Often this then leads to a decrease in the motivation of those involved.

The project should comprise a small number of central themes (what is the project about?) and should be **focused, realistic and achievable**. Successful projects incorporate both clear goals and a degree of flexibility to allow changes if necessary.

Based on the broader objectives, you will need to develop a more detailed list of aims which can then be translated into the practical requirements necessary for the project to succeed. Requirements should include **functional specifications** that identify the technologies to be developed and the level of performance required; **cost and price specifications** that indicate how much the market is willing to pay for it. Both specifications are usually linked to a **business plan** which will contain more detailed projections and a proposed strategy for the commercialisation of the results of the research.

It is important to distinguish between **short-, medium- and long-term objectives**. However, they should all be built on a common basis and should not contradict one another as they underpin the project's overall objectives.

Whilst creating a strategy for the commercialisation of results, you should also check whether the expected results of the research can be exploited without infringing third parties' intellectual property rights.

If you are to fully exploit the potential intellectual and commercial benefits of the project, the **work undertaken by each participant should at all times remain aligned to the project's overall technical and commercial strategy**. Coordination between technological, commercial and production strategies is key to the project's eventual success. If work proposed is within the boundaries of the core strategy and core competences, it is not only more likely to be properly resourced but will also receive much stronger support from top management.

All objectives should be detailed in the Consortium Agreement (see page 11).

CHECKLIST

- Are the objectives of the project clear to all partners?
- Do all partners fully agree on the objectives?
- Are the objectives sufficiently concrete and measurable?
- Is the project within the core activity of each of the partners?
- Is the project aligned to the commercial strategy of each of the partners?

3. FINDING THE RIGHT PARTNERS

The partnership must be formed with the aim of bringing together teams with **complementary**, rather than overlapping skills.

Partners may complement one another **horizontally** (ie they may have a different market orientation or different technological competencies) or, as is most common, the partnership may be more **vertical**. That means that it is based on a vertical market relationship between partners who have a full or partial combination of 'knowledge suppliers' (universities, component manufacturers, system assemblers and users). To date, the majority of successful projects have been based on vertical partnerships. **Users** have an important role to play in that they provide a market pull that helps to shape the direction of the project.

For a stable and efficient structure to be set up each partner must **add value** to the partnership and also feel that they are able to gain a reasonable share of the benefits. An arrangement in which one side gains too great a share of the rewards can quickly produce discontentment within the partnership and most likely lead to its collapse.

Successful partnerships are to a large extent based on the choice of partners and the way in which they are chosen. The success of inter-organisational partnerships in particular is dependent not only on the individuals concerned but how they interact. Good inter-personal links between the partners can ensure the smooth passage of work and offer greater potential for intellectual synergies between teams.

CHECKLIST

- › Does the partnership contain all the skills necessary to complete all project tasks adequately?
- › Is there too much overlap between some of the partners?
- › Does each of the partners offer sufficient added-value to the project?
- › Are suppliers and end-users foreseen in the consortium?
- › Have the financial stability and technological capabilities of all industrial partners been verified?
- › Is there a good balance between the investment made by each partner and their potential reward?

4. PROJECT MANAGEMENT

Project management is a fundamental part of the implementation of project **objectives**, it helps control and monitor the project's **timeframe** and also manages **costs**. Whoever takes on the role of project management will usually also be responsible for the organisation of general project meetings and will take and distribute minutes of those meetings.

Project management in international collaborative research can be demanding and time consuming. Given the complexity and unpredictability of the research tasks involved in this kind of research, it is also not easy to define in a simple procedure. Best practice is to ensure that an **adequate structure** is put into place from the beginning. This structure will allow for the effective coordination of activities and provide a basis for discussion and agreement of strategic issues.

For many projects, a **Project Leader** or **Project Coordinator** is designated. The leader or coordinator acts as the main contact point for the project. This means that they are responsible for the EUREKA assessment and for the organisation, general follow-up and planning of the project. To take on this role, an individual should have relevant experience, in particular in the coordination of projects involving a number of different partners. The Project Leader should also keep close contact with the main NPC throughout the project. If appropriate, the Project Leader can be assisted by an internal or external **Management Team** to help them in the accomplishment of day-to-day tasks. And depending on the size of the project, a **Steering Committee** may be set up. This committee, in which all partners are usually represented, provides overall direction for the project. Members of the committee are also responsible for making final decisions based on agreement between partners. For most projects work is divided into a number of **work packages** and each package is assigned a **Work Package Leader**. The leader ensures that all the work within the work package is completed adequately and that progress is reported to the coordinator.

CHECKLIST

- › Has an adequate management structure been created to ensure the effective execution of the project?
- › Has the role of each of the management actors (ie Project leader, Steering Group, Work Package Leaders etc) been sufficiently described and have these persons been identified?
- › Have proper channels been arranged for communication between partners, funding organisations and national offices?

5. RESOURCES AVAILABILITY

A lack of adequate resources, together with a change in market conditions can mean that some EUREKA projects fail to meet their full potential.

There are three types of resources you should consider:

- › Financial
- › Technical
- › Human

Each is of critical importance to the success of a project.

Financial resources

For a project to succeed the funds must be both available and adequate. Inadequate funding can significantly reduce the speed of innovation which in turn almost certainly limits its impact on the market.

At the outset of the project, participants must look realistically at the possible cost of undertaking the research and determine how those costs can be met. Financing can be through internal (own) resources or external (public or private) sources, or a combination of these.

It is preferable to first determine the amount of funding that can be obtained **internally**. Within EUREKA, the process of accessing external **public funding** at a national level can be somewhat uncertain as some lack of synchronisation of funding systems exists. With regard to **external funding**, many factors can affect the extent to which it is available and obtainable. These factors include variations in national banking and financial sectors, the size of the firms involved and the type of funding being sought. In almost all cases, you will need to show a sound **business plan**.

Technical resources

Each partner will be expected to bring sufficient technical resources to the project, to support the work proposed.

Human resources

The success of almost any project is strongly influenced not only by available funding, but also having the right people in the team. Most successful projects are associated with key individuals. Identifying such individuals is not always easy. You should take into account their personal qualities and skills. These should include technical ability, commercial awareness, organisational skills – and of course enthusiasm.

All resources whether financial, technical or human should be available for not only the research process itself, but also during the validation of the resulting technology through testing. Validation is a critical step between prototyping and commercialisation. In particular the financial resources required by validation can be huge.

CHECKLIST

- Have adequate general and specific partner spending plans been established?
- Does each partner have the ability and skills to realise their specific scientific/technical tasks?
- Have project partners acquired sufficient financial resources to execute the project fully, including validation of the technology?
- Do the researchers and technicians assigned to the project by the project partners have the necessary skills and expertise to make it a success?

6. PARTNERSHIP AGREEMENT

In preparing for a EUREKA project one of the first tasks is to write a **Memorandum of Understanding (MoU)** and a **Confidentiality Agreement**. These are generally written by the project partners. The MoU describes the purpose of the project in broad terms and expresses the willingness of the partners to collaborate. The confidentiality agreement assures partners of a protected exchange of information. Both agreements are signed by all participants in the project.

Before beginning the actual project, it is advisable that you put in writing a more detailed arrangement. This **Consortium Agreement** should cover some or all of the following:

- Objectives of the project
- How the project will be implemented
- Terms of confidentiality and publication of results
- Organisational structure
- Project funding
- Protection and ownership of the resulting technology
- How results will be exploited
- Liability

This **Consortium Agreement** is discussed in detail on page 11.

CHECKLIST

See next chapter: Negotiating a Consortium Agreement

NEGOTIATING A CONSORTIUM AGREEMENT

By the end of the preparation phase, it is usual and preferable to establish a **legal agreement** among the partners, called a **Consortium Agreement**. This agreement spells out all aspects of the collaboration which have not already been dealt with in the project contents. You may also decide to create a **legal form of collaboration** for example, joint venture, EEIG (European Economic Interest Group) for the exploitation of the results. This can be created at the beginning of the project or during its execution and can be signed by all or some of the partners.

Below are some guidelines for the proper creation of a Consortium Agreement. It is vital that the exact terms and conditions of the project be described in sufficient detail in the agreement in order to prevent misunderstandings and also to confirm the rights of the partners towards exploitation of the results.

When negotiating a Consortium Agreement, it is important to bear the following in mind:

- Successful cooperation agreements take a long time to plan and negotiate: If you want yours to succeed, take the appropriate amount of time and make sure the right people are consulted.
- Negotiations should be based around a sound and clear strategy of where all partners want to go.
- The advantages of taking part in the project must outweigh the disadvantages, for all partners.
- The agreement needs to comprehensively cover what to do when things go wrong as well as when they go right.
- Remember that the complex international legal environment can make it extremely difficult to enforce the rights of a weaker party. What to do in these circumstances must be laid out in the agreement.
- For the endeavour to succeed all partners must live up to the terms of the agreement.
- Even the best written contracts cannot guarantee that there will be no power imbalance between participants.
- The agreement is just a prerequisite – it is not the project.

We strongly recommend that you seek the assistance of a legal advisor and possibly a patents lawyer when setting up a Consortium Agreement.

THE MAIN PARTS OF THE CONSORTIUM AGREEMENT

All must be discussed by all partners

Objective of the project

- *object of the contract/scope of the cooperation.*
- *principles of cooperation:* a description of the basic principles governing cooperation between partners.

Implementation of the project

- *responsibilities of each participant:* description of the responsibilities of each of the project participants in the implementation of the research project.
- *contribution of the parties:* definition of the contribution (personnel, facilities, equipment, materials, etc) of each participant with reference to the detailed R&D programme as well as allocation of tasks, both attached as annexes.
- *disclosure of know-how:* preliminary disclosure of existing or background technology owned by partners or from third partners, if applicable, in order to ensure all participants can fulfil their full contribution to the project.
- *mutual assistance:* how much and what kind of assistance participants are obliged to give to each other in order to secure the proper execution of the project.

Confidentiality and publications

- *confidentiality undertakings:* to what extent information disclosed to participants under the project is to be considered as secret, confidential or proprietary.
- *publications and communications:* specify any embargo on publication or communication to third parties. Indicate how these confidentially undertakings will be enforced between the participants (control and remedies).

Organisational structure

- *form of grouping:* indicate the legal form of grouping (if any) between the participants as well as the status of each participant (consortium, joint venture, European Economic Interest Group).
- *subcontract:* are participants allowed to subcontract parts of the research to outsiders? Is approval by other participants required? What minimum obligations should be assured by subcontractors and what rights do they have to the results of the work performed? Should subcontracts be disclosed to other participants if no approval is needed?
- *project management:* provision for an adequate and appropriate project management structure, describing the tasks and responsibilities at each level (Coordinator, Steering Committee, Management Team, Work Package Leaders, etc). How and when will meetings be planned? How will decisions be made (majority or unanimously)? Will decisions be formally approved by all participants?
- *review procedures:* description of review and control procedures that allow for the verification of work done and progress achieved by participants and by subcontractors, if any.
- *additional participants:* establishment of a procedure for the creation of additional project planning and modifications to agreed plans. Under what conditions can additional participants join the agreement or existing participants withdraw from the agreement or existing partners reduce or increase their contribution to the project? Should a venture capitalist or investment bank be party to the agreement?

Funding the project

- *budget:* how and to what extent may participants adjust the agreed budget when funding requirements change because project milestones cannot be reached within the given budget? Are participants obliged to bear additional expenses themselves if their allotted budget is insufficient? Should participants keep a separate set of accounts that report actual spending on the project? Will they be obliged to submit proof of their actual spending to the other participants?
- *common expenses:* participants may create a limited fund for certain common expenses that can be made by the Project Leader and the Management Team. Define what common expenses will be shared and to what extent.
- *government support:* indicate whether the execution of the project is dependent upon financial support obtained by each of the participants from their respective governments. Will the agreement cease to have effect if no support is obtained within a certain period of time?

➤ **Protection and ownership of results**

- *background information*: will participants retain ownership of their existing know-how and inventions or will a transfer of ownership of some existing or background technology take place at the end of the project?
- *foreground information*: will know-how or inventions developed as a result of the research remain the property of the participant who developed the research or be owned jointly by all participants?
- *protection of knowledge*: it is essential to determine how the results of the research will be protected and how intellectual property rights such as patents will be managed and distributed between the participants. If it is impossible to determine this from the outset, adequate rules and procedures to do so later on must be provided for.
- *security management*: each participant should indicate that they will never knowingly infringe any third party rights in performing their part of the project.

Exploitation of results

- *exploitation of results*: determine how results will be exploited and the role of each partner in the exploitation. This is an extremely important part of the entire project and should be given adequate attention, not only during negotiation of the agreement but also in the drafting of a business plan. Will participants exploit the results jointly or separately? If separately, who exploits what?
- *licence agreement*: if one participant owns all the know-how and patents, other participants may wish to be granted exclusive or non-exclusive licences. Specify the nature, scope and limitations of these licences and determine the applicable terms and conditions in a separate licence agreement. If each participant owns a part of the patent(s) or know-how, mutual licences may have to be granted. Consider whether royalties are needed to compensate unequal contributions to the project or in the allocation of ownership rights.

Liability

- *damages or injury to goods or persons*: consider to what extent a participant should be held liable when damage or injury is caused to goods or persons belonging to another participant within the framework of the implementation of the project. Try to cover all possible liabilities.
- *remedies and penalties*: determine which solutions or penalties will be called upon if a partner(s) fails to perform their part of the project or is in breach of contract. In addition agree on which solutions or penalties will be applied in case of bankruptcy or unauthorised withdrawal from the project.
- *force majeure*: a hardship clause should be drafted by a legal advisor (and included in the agreement) covering the possibility that changed conditions or unforeseen events may adversely affect the performance of a participant or their ability to fulfil contractual obligations.

Final clauses

- *duration and entry into force*: specify the date of entry into force of the agreement as well as its term or duration.
- *renewal or exclusion*: determine conditions required for the renewal of the stated contract period or the exclusion of a participant from the ongoing project.
- *termination*: under what circumstances are participants authorised to terminate the agreement or to withdraw from the project?
- *jurisdiction*: determine the governing law for the project.

Annexes to the Consortium Agreement

- *project description*: a detailed description of the entire work plan should be included, detailing workpackages, tasks, methodologies, milestones, deliverables, planning and role description for each partner.
- *technical annexes*: a comprehensive description of each of the technical aspects of the project should be added.
- *spending plan*: establish a spending or expenditure plan specifying the total estimated cost of the project. This should include a budget detailing per year and per item the expenses available to each participant during the project period.

ANNEX

EUREKA information: www.eureka.be

The EUREKA website provides information on topics of interest to SMEs and larger international organisations including:

- An up-to-date list of countries that have joined the EUREKA Network
- A project database detailing all ongoing EUREKA projects
- Relevant publications and how to acquire them
- Information on national funding and how to access it
- Details of available private capital

EUREKA GLOSSARY

Announced project	Term attributed by the EUREKA Ministerial Conference to a project which meets all the EUREKA criteria.
Associated country	Status awarded to non-European countries in the Mediterranean region wishing to participate in EUREKA.
Bottom-up	EUREKA's approach to project management. Project participants decide themselves on project content, its partners, duration, area of expertise, financing and how results will be exploited.
Chair	The Chair rotates annually between EUREKA members; the handover takes place at the end of June. The Chair organises Network meetings, and focuses on maintaining and developing EUREKA's strategy.
Circulating project	Term attributed to a project which meets the EUREKA criteria and is being evaluated for EUREKA labeling.
Cluster	Large project defined by a set of strategic objectives, usually with a large number of participants. A Cluster is run by industry in self-organisation. It envisages a potential budget which in the course of setting up Strategic Projects, is filled with funding throughout its lifetime.
Endorsed	Term attributed by the HLG (see below) to a project which meets all EUREKA Project criteria and for which financing has been secured.
ESE	EUREKA Secretariat – Coordination office based in Brussels which supports the EUREKA Network. ESE manages the EUREKA project database, central communication activities, helps define EUREKA strategy and drafting documents. ESE ensures consistency and continuity within EUREKA.
EUREKA label	Acknowledgement of quality attributed to a project for fulfilling the EUREKA project criteria: <ul style="list-style-type: none">➤ involving organisations from at least two EUREKA members, one of which is from industry;➤ aims to result in a considerable technological advance in its sector, resulting in a product, process or service for civil use;➤ assures the technical, managerial and financial resources for the project.
Hanover Declaration	Official document which lays down the principles EUREKA is based upon.
HLG	High Level Group made up of representatives from ministries or national agencies in each EUREKA Member state which monitors the progress of the Initiative and the implementation of ministerial decisions.
NPC	National Project Coordinator. EUREKA representative based in each member country.
NIP	National Information Point. EUREKA information office based in a non-member European country, which intends to join EUREKA.
PAM	Project Assessment Methodology. Common evaluation methodology used to assess the quality of the EUREKA project portfolio.
Umbrella	Mechanism set up to generate projects within a thematic area.

KEY FACTORS FOR SUCCESS – CHECKLIST

1. Market opportunities

- › Do you have a clear idea about the possible markets which may be created or expanded as a result of the technological developments you are hoping to achieve via this project?
- › Will you be capable of exploiting these results from both an investment and commercial point of view?

2. Objectives

- › Are the objectives of the project clear to all partners?
- › Do all partners fully agree on the objectives?
- › Are the objectives sufficiently concrete and measurable?
- › Is the project within the core activity of each of the partners?
- › Is the project aligned to the commercial strategy of each of the partners?

3. Partners

- › Does the partnership contain all the skills necessary to complete all project tasks adequately?
- › Is there too much overlap between some of the partners?
- › Does each of the partners create sufficient added-value to the project?
- › Are suppliers and end-users foreseen in the consortium?
- › Has the financial stability and technological capabilities of all industrial partners been verified?
- › Is there a good balance between the investment made and the potential reward for each partner?

4. Project management

- › Has an adequate management structure been created to ensure the effective execution of the project?
- › Has the role of each of the management actors (ie Project Leader, Steering Group, Workpackage Leaders etc) been sufficiently described and have candidates been elected?
- › Have proper channels been arranged for communication between partners, funding organisations, and national offices?

5. Resources

- › Have adequate general and specific partner spending plans been established?
- › Does each partner have the ability and skills to realise their specific scientific/technical tasks?
- › Have the project partners together assured sufficient financial resources to execute the project fully, including validation of the technology?
- › Do the researchers and technicians assigned to the project by the project partners have the necessary skills and experience to make it a success?

6. Partnership/Consortium Agreement

- › Successful cooperation agreements take a long time to plan and negotiate: If you want yours to succeed take time and make sure the right people are consulted.
- › Negotiations should be based around a sound and clear strategy of where all partners want to go.
- › The advantages of taking part in the project must outweigh the disadvantages for all partners.
- › The agreement needs to comprehensively cover what to do when things go wrong as well as when things go right.
- › Remember that the complex international legal environment can make it extremely difficult to enforce the rights of a weaker party. What to do in these circumstances must be laid out in the agreement.
- › For the endeavour to succeed, all partners must live up to the terms of the agreement.
- › Even the best written contracts cannot guarantee that there will be no power imbalance between participants.
- › The agreement is just a prerequisite – it is not the project.

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