



10  
YRS

INNOVATION  
NORWAY

FROM PROPOSAL  
TO PROFIT  
2013-2014

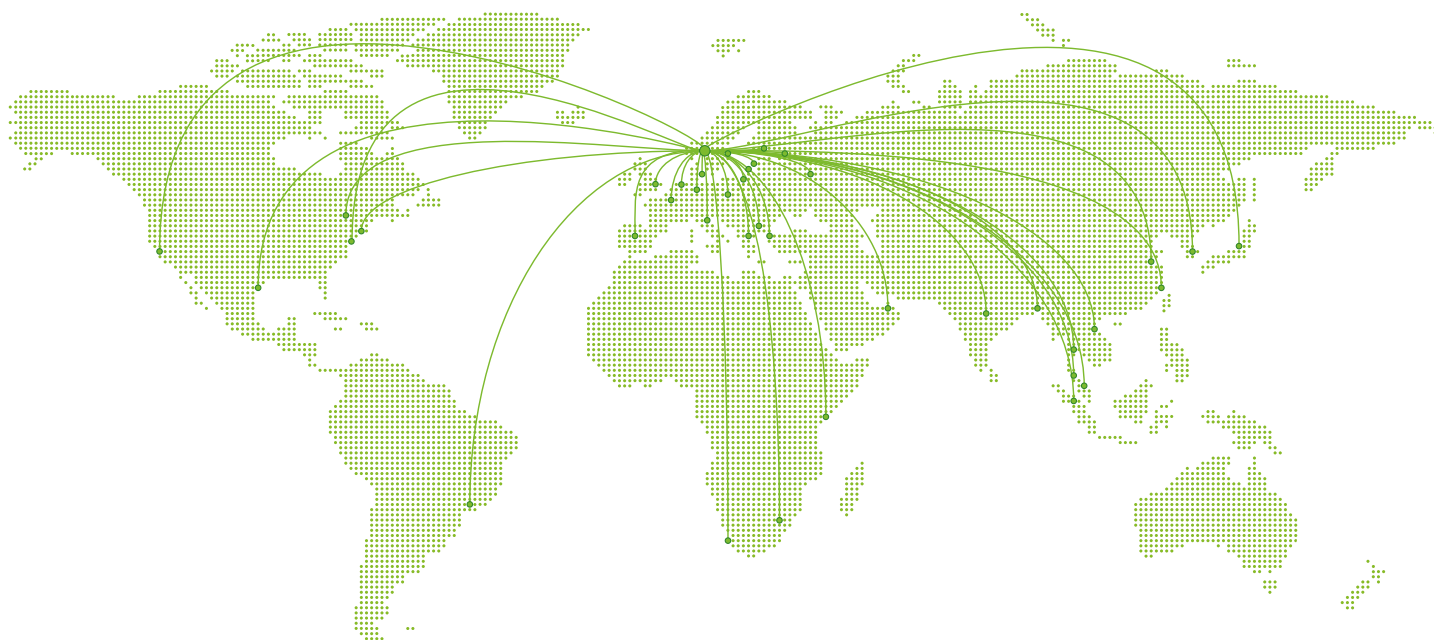
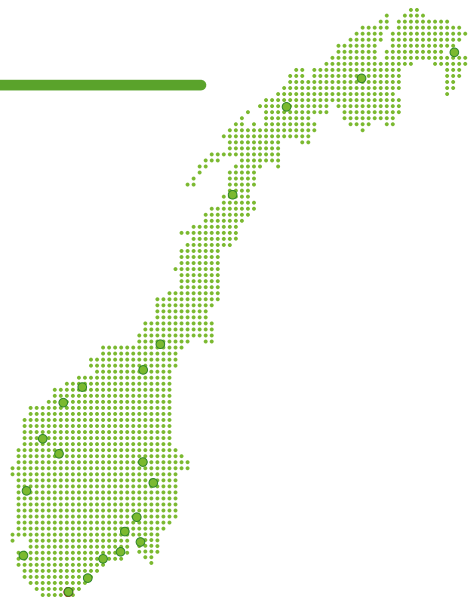
# INNOVATION NORWAY

Innovation Norway is the government's most important instrument for innovation and profitable business development throughout Norway.

Our vision is to give local ideas global opportunities. We have offices in every county in Norway and in 35 countries around the world.

Our programmes and services are intended to create successful entrepreneurs, more enterprises with a capacity for growth and more innovative business clusters.

The Ministry of Trade, Industry and Fisheries owns 51 per cent of Innovation Norway, and the county municipalities own 49 per cent.



# WE SUPPORT YOU WHERE YOU ARE – AND WHERE YOU WANT TO BE

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## Effective support

There is one thing that Innovation Norway is passionate about and works to achieve every day: To improve Norwegian business and industry. A new survey shows that we are succeeding, and that our services have measurable, positive effects for our customers. Among other things, we contribute to more enterprises surviving the start-up phase and achieving higher growth in turnover, increased productivity growth and improved profitability.

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## Available to you

Your nearest Innovation Norway office is there for you, and knows the needs of your industry and region.

Our offices abroad have expert knowledge of local conditions, and our employees can help you connect with the right people and businesses in order to enter new markets.

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## Our goal: Your results

Your success is the measure of whether we succeed in carrying out our mission: To promote business and economic development throughout Norway that is profitable both to business and to society.

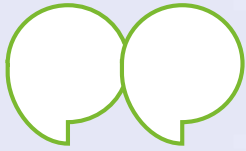
Norway needs more successful entrepreneurs, more enterprises with a capacity for growth and more innovative business clusters to maintain and improve our welfare. Norway needs you, and we want to help you to succeed.

### How do we know that we are succeeding?

Innovation Norway and Statistics Norway have collaborated on developing a method to calculate the effect of the support we provide for our customers.

The figures are based on extensive data, in which Statistics Norway has defined control groups of comparable enterprises that have not received support, and then compared them with Innovation Norway's customers.

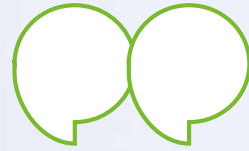
The figures in this brochure are from 2013. You can find a more detailed description of the method and the basic data in our annual report for 2013. See [www.innovationnorway.no](http://www.innovationnorway.no)



We have had a fantastic collaboration with Innovation Norway since our company's early phase in 2003. Both the financial assistance and advice we received were important contributions to us. Our collaboration is still very useful, and Innovation Norway's expertise recently contributed strongly to a successful operation in Brazil.

RUNE HADDELAND, CEO OF QUICKFLANGE, TVEDESTRAND.

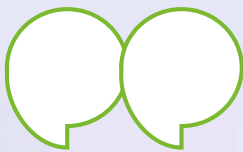
*Quickflange has developed a method for attaching a pipe to a flange without welding, which reduces risk in the oil and gas industry.*



As an entrepreneur, you must be a 'stayer' and have cash. Without the support from Innovation Norway support, I don't know if I would have dared to take on the challenge.

CECILIE FROSTAD, ENTREPRENEUR AND NURSE, OSLO.

*Frostad has developed PenHygienic, a hygienic instrument holder for professionals in health care.*

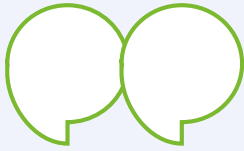


Development projects are rarely profitable from day one – but Arena Rewarding Winter Experiences was.

NILS H. OPSAHL, CEO OF THE NORDIC GROUP, HARSTAD.

*Arena Rewarding Winter Experiences is a business cluster consisting of 45 travel and tourism enterprises in Northern Norway. The cluster has specialised in Northern Lights and Arctic winter experiences for tourists from all over the world.*

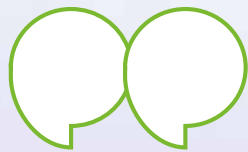




I received excellent help from two different mentors via Innovation Norway. My first mentor helped me raise capital and prepare a business plan in the start-up phase. Now that I am in the growth phase, I have a new mentor who helps me with sales and industry know-how and is a sparring partner I can really trust. The help of my mentors has given my company more well-thought-out solutions and better results. Moreover, I have avoided the biggest pitfalls.

SILJE RABBEN, MOSE INNOVATION, TRONDHEIM (NOMINATED FOR THE 'FEMALE ENTREPRENEUR OF THE YEAR' AWARD 2013).

*MOSE is the world's first automatic solution for efficient oil and chemical spills recovery.*



Our experience shows that long-term industrial funding is difficult if you do not have Innovation Norway on board as the principal bank. The industry needs investors who are both competent and patient.

KJERSTI KLEVEN, OWNER AND CHAIR OF THE BOARD OF KLEVEN MARITIME AS, ULSTEINVIK.

*Feature article in local newspaper Sunnmørsposten on 1 April 2014. Kleven Maritime designs and builds advanced offshore vessels that operate all over the world.*

# WE NEED MORE SUCCESSFUL ENTREPRENEURS

As society develops, new market opportunities arise. In order to make use of these opportunities, we need new ideas, new products and new processes. Start-ups are important driving forces for such change, innovation and restructuring of the economy. That is why Norway needs more successful entrepreneurs.

## Support that helps



**FIVE YEARS AFTER** receiving support from Innovation Norway, 80 per cent of the entrepreneurs are still active. By comparison, 70 per cent of those in the control group are active.



**ENTREPRENEURS WHO HAVE RECEIVED SUPPORT** from Innovation Norway have seen their turnovers increase by nearly 21 percentage points more than the control group per year during the three-year period after receiving support.



**THE NUMBER OF EMPLOYEES WORKING FOR** entrepreneurs who have received support from Innovation Norway has increased by 11 percentage points more than in the control group per year in the three-year period after receiving support.

## Grants and expertise

In order to help entrepreneurs release their growth potential, Innovation Norway has in recent years increased the size of start-up grants in the earliest phase.

At the same time, we find that the grants are not the only form of support that is valuable for the entrepreneurs. Entrepreneurs need networks and sparring partners in the start-up phase. Our advisers offer assistance in assessing and developing their business model, set requirements for market orientation and provide general support for the entrepreneurs.

In recent years, we have strengthened our advisory services by introducing several new services such as the Mentoring service for Entrepreneurs and our Global Entrepreneurship programmes.

## Do you have an idea you would like to discuss?

Call our helpline for entrepreneurs.



Tel. **800 50 789**  
(from Norway only)  
09:00–15:30 CET  
(Mon–Fri)





PHOTO: ERIC CLEMENT

**FACTS**

Anne-Marthe Dalseide's company Propio received a start-up grant of NOK 800,000 and two rounds of Innovation Norway's mentoring service, as well as a development contract worth NOK 1.4 million.

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## SELF-PROPELLED CLEANING

With the support of Innovation Norway, Anne-Marthe Dalseide has developed a new concept for cleaning seismic cables.

When a seismic vessel charts the sea bed on its search for oil and gas, it pulls seismic cables behind it. These cables are at risk of barnacles growing on them, which could interfere with the signals and increase the weight. This can lead to the cables detaching, which means that the vessel has to be taken out of operation.

Today, cables are cleaned manually. This process is risky, expensive and time-consuming. The Jellyfish Concept is an instrument that is placed on the cables and is self-propelled during cleaning. It requires no machinery, chemicals or maintenance and has replaceable wearing parts.



Innovation Norway has been one of the most important contributing factors for this project. I have especially benefitted from the mentoring service. It is probably the best service Innovation Norway has to offer in the start-up phase.

**ANNE-MARTHE DALSEIDE, FOUNDER OF PROPIO**

# WE NEED ENTERPRISES WITH CAPACITY FOR GROWTH

Enterprises with a high level of growth are important for the long term development of Norwegian society. They contribute to high productivity growth, creation of new jobs, a dynamic economy and increased competitiveness.

## Support creates growth



**ENTERPRISES** who received support from Innovation Norway had 8 percentage points higher growth per year during the three-year period after receiving support than the control group.



**VALUE CREATION** in enterprises that received support from Innovation Norway increased by just over 5 percentage points more per year compared to the control group during the three-year period after receiving support.



**ENTERPRISES** that received support from Innovation Norway had just over 3 percentage points higher productivity growth than enterprises in the control group.

## Financial support and know-how

Many enterprises need to improve their market orientation and to reduce risks in order to increase their growth potential.

Innovation Norway provides financial support, business profiling and networking, business development and market orientation.

An early orientation towards international market entry increases the possibilities for successful growth.

We challenge the enterprises at an early stage to consider how they can utilise such business opportunities, provide them with international market insight and facilitate their entry into new markets through our international offices.





PHOTO: BORREGAARD

**FACTS**

Borregaard has received NOK 58 million in funding from Innovation Norway's Environmental Technology Enterprises Financing Scheme to develop a new production method throughout the entire innovation process from idea to pilot plant.

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## TURNING FORESTS INTO GREEN GOLD

With the support of Innovation Norway, Borregaard has developed new technology for the production of valuable green biochemicals from forest waste, straw and chippings.

The traditional company Borregaard originally manufactured cellulose and paper. Through an extensive restructuring process, Borregaard has now developed a demonstration facility for new technology.

By rationalising operations and using renewable biological raw materials, Borregaard utilises technology in a way that makes the wood processing industry globally competitive.

By using local raw materials, expensive and environmentally harmful transport is avoided, and profitable local jobs are created.



The Environmental Technology Enterprises Financing Scheme has provided crucial risk reduction. This increases the possibility of profitable full-scale production, and we retain control of our idea.

**GISLE L. JOHANSEN, SENIOR VICE PRESIDENT,  
R&D AND BUSINESS DEVELOPMENT  
AT BORREGAARD**

# CLUSTERS CREATE BETTER BUSINESS

When several businesses cooperate closely on the basis of common interests, they create more favourable conditions for development of ideas, sharing of knowledge and increased competitiveness at home and abroad.

## Attractive clusters

# 3400

**IN 2013** more than 3,400 enterprises and almost 350 knowledge communities have been active participants in business clusters supported by Innovation Norway.

# 106

**IN TOTAL** Innovation Norway has supported 106 big and small collaboration and restructuring projects in 2013, including 35 business clusters (Arena projects and Norwegian Centres of Expertise projects).



**EXTERNAL EVALUATIONS** show that our cluster programmes, business networks and restructuring processes achieve their goals. These services are in strong demand.

## Stronger together

Business networks and business clusters create new opportunities:

- Knowledge links: Tailored education programmes through strategic collaboration with educational institutions
- Host attractiveness: Creates favourable conditions for investments and establishments in Norway
- Collaboration: Clusters collaborate across sectors, technologies and regions

## Different forms of collaboration

Innovation Norway operates business networks where enterprises that wish to enter into binding strategic cooperation can receive support to establish meeting places and collaborative measures.

Enterprises that want to establish a cluster can get support through Innovation Norway's cluster programmes Arena, Norwegian Centres of Expertise (NCE) and Global Centres of Expertise (GCE).

If extraordinary efforts are required in a municipality or region in order to restructure the local business community, Innovation Norway can provide support in the regional restructuring process.



PHOTO: AAKAS

**FACTS**

Windcluster Norway has received a total of NOK 11.3 million in grants from Innovation Norway as part-funding of operational costs and joint activities in the cluster project. The cluster has also received advice and participated in management development programmes through the Arena programme and Innovation Norway's district offices.

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**RE-ENERGISING THE WIND ENERGY INDUSTRY**

With the support of Innovation Norway, the cluster project Windcluster Norway (WCN) has become a powerhouse for research and technology development in wind energy in Norway.

WCN was included in the Arena programme in 2010. Since then, 50 new enterprises have joined, and the cluster now counts 73 members. The cluster cooperates closely with the strong R&D and knowledge environment in Trondheim.

WCN's goal is to strengthen the members' competitive position internationally and to reduce wind energy costs through commercialisation of R&D and innovation.

WCN has initiated six start-up enterprises and more than 30 projects, and has attracted five foreign companies.



Windcluster Norway has established a unique group of key enterprises and partners with extensive experience from the international wind power industry.

LEIF RØV, BUSINESS DEVELOPMENT MANAGER,  
AAK AS

# GROWTH WITHOUT BORDERS

Internationally oriented enterprises are both more innovative and more productive. Norway is a small market, and companies with ambitious plans for growth must look to international markets.

## The way out



**71 PER CENT** of Norwegian export goes to our ten most important export markets, which are also our nearest markets. These are in turn important stepping stones on the road to more demanding markets.



**1,5 PER CENT** of Norwegian export enterprises are 'Born Globals', companies that achieve a high export share of turnover shortly after their formation.



**INNOVATION NORWAY** has offices in 35 countries. The offices abroad provide enterprises with advice, market insight and contact networks in the local markets.

## Global opportunities

Innovation Norway encourages enterprises to pursue international business opportunities at an early stage. Networks, market insight, positioning, cost management and ownership are important success factors for international growth.

Our employees are located all over the world and cooperate closely with our Norwegian offices. Together, we offer advice and expertise to Norwegian enterprises that want to enter the global market. We can assist in developing a strategy and help you to decipher the cultural codes, find the right partners and establish good networks.

Innovation Norway also gives Norwegian enterprises the opportunity to participate in joint stands at important trade fairs or to participate in delegation trips to countries that are relevant and important to Norwegian business and industry.





PHOTO: BETH AMANN

**FACTS**

Innovation Norway runs an Innovation House in the cities of San Francisco, Rio de Janeiro and Shanghai. In London, Innovation Norway has an agreement with TEA, TechCity UK Executive Accelerator, for workspaces.

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## INNOVATION HOUSE IN SILICON VALLEY

In the heart of the technology centre Silicon Valley, you will find Innovation House, established and run by Innovation Norway.

Norwegian technology companies that wish to target the U.S. market can rent a workspace and become part of an active and ambitious co-working office environment and a network based on trust, where everyone helps each other.

Several enterprises are now well established in the U.S. market. Innovation House has housed about 40 technology enterprises and investors since it opened in 2011.



Entering the U.S. market is a challenge, and we have benefitted a lot from being a part of Innovation House Silicon Valley. Innovation Norway in the USA has helped us to start our commercialisation process. There is a great demand for our products in Asia, and therefore we are now expanding to the east and will join Innovation House Shanghai.

HAAKON BRYHNI, CTO OF ELLIPTIC LABORATORIES

# PUTTING NORWAY ON THE MAP

Norway is a small country, and to become visible, we need a clear and unique profile. Marketing Norway as a travel destination is one of Innovation Norway's main assignments.

## Many visitors



**IN THE SUMMER SEASON** of 2013, tourists spent about NOK 25 billion in Norway, of which accommodation and spending during the trip are the greatest expenses.



**MORE THAN HALF** of the income from travel and tourism, almost NOK 14 billion, goes to the travel and tourism industry outside the big cities.



**IN 2013**, Innovation Norway's most important marketing channel, [visitnorway.com](http://visitnorway.com), had 22 million visits.

## Value creation in the travel and tourism industry

One of Innovation Norway's most important tools in marketing Norway as a travel destination is the award-winning travel portal [www.visitnorway.com](http://www.visitnorway.com). The portal is Norway's biggest travel and tourism portal, and participating companies reach millions of potential guests each year.

We also carry out national and international marketing campaigns to bring international tourists to Norway and to encourage Norwegians to discover their own country during holidays.

Spectacular nature experiences attract both Norwegian and international tourists. We cooperate with the private travel and tourism industry on comprehensive packages that give tourists even more opportunities for different types of experiences on their trip.

In addition to nature experiences, Innovation Norway focuses on culture and history. Our rich cultural scene makes the country attractive and vibrant. It also creates ripple effects in the local communities and increases value creation in the travel and tourism industry.





PHOTO: DISNEY

### FACTS

In autumn 2013, Innovation Norway entered into an agreement with Disney on the marketing of the film 'Frozen'. The agreement gives Innovation Norway exclusive rights to use creative elements from the film, as well as the Disney logo and brand in the marketing of Norway as a travel destination.

## SUCCESSFUL DISNEY COLLABORATION

The animation film 'Frozen' is inspired by Norwegian landscape, culture and architecture and has tempted many foreigners to choose Norway as a holiday destination.

Norway is on the list of '2014's Hot Destinations' in the USA and is considered one of the ten most popular holiday destinations for American families. Consequently, the number of visitors to [visitnorway.com/us](http://visitnorway.com/us) has tripled, search for flights to Norway has increased by 153 per cent, and 1,900 bookings have been made with the airline Norwegian.

VisitNorway's partners also report good results. For example, Fjord Tours doubled its sales in the American market in the beginning of 2014, and the Hurtigruten coastal express has increased sales by 24 per cent.

'Frozen' won the Oscar for Best Animated Feature and is now one of the five bestselling films of all time.



It is wonderful to see that the film is doing so well. 'Frozen' has really put Norway on the map, and the collaboration with Disney has yielded a fantastic payoff for the Norwegian travel and tourism industry.

PER ARNE TUFTIN, TRAVEL AND TOURISM  
DIRECTOR, INNOVATION NORWAY

# BUSINESS OPPORTUNITIES THROUGHOUT NORWAY

Norwegian business and industry is diverse, and the challenges and opportunities vary from place to place. One of Innovation Norway's tasks is to create business development in the regions.

## Regional results



**ENTERPRISES** that have received regional development grants have 5 percentage points higher growth in revenue per year than the control group.



**ENTERPRISES THAT HAVE** received regional development grants have seen their number of employees grow by 2.1 percentage points more per year than the control group.

## Regional efforts

A considerable part of value creation in Norway and the potential for new production can be found in the regions. At the same time, the distances between partners, markets and capital pose a challenge to many Norwegian enterprises.

One of Innovation Norway's tasks is to create business opportunities in these areas. Funds have been earmarked for extra efforts for this purpose.

Innovation Norway allocates grants and loans targeting rural areas in order to contribute to local growth, restructuring and development.

## Innovative agriculture

One of Innovation Norway's tasks is to ensure agriculture-based business development and renewal of Norwegian agriculture. Increased productivity in agriculture creates growth and more profitable jobs. A thriving agricultural sector maintains population in rural areas and preserves an important cultural heritage.

We support the development of Norwegian agriculture through county rural development funds and programmes such as the Wood-based Innovation Programme and the Development Programme for Local Food and Agricultural Tourism.

The funds Innovation Norway allocates to the agricultural sector are made available through the agricultural negotiations, the Reindeer Husbandry Agreement and the national budget.



PHOTO: CATHRINE DOKKEN

**FACTS**

Brimi sæter has received funding of NOK 1 million over a three-year period through the Development Programme for Local Food and Agricultural Tourism, and NOK 150,000 through the Design Programme to develop new packaging and logo.

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## SUMMER PASTURE FARMING

The entrepreneurs at Brimi sæter are living the dream of the good life at the summer mountain pasture farm and tempt tourists with a genuine Norwegian food experience in idyllic surroundings. In addition to their modern cheese dairy, they now offer a summer pasture farm café, restaurant and accommodation.

They focus on producing unique products based on old breeds of cattle and sheep and free-range pigs. The traditional summer pasture farm products are sold in their farm shop, at the Farmer's Market and through the local food distributor Gudbrandsdalsmat. This year, they will open their own shop in Lom.

Brimi sæter shows that it is possible to engage in food production and processing in combination with traditional farming and achieve good results.



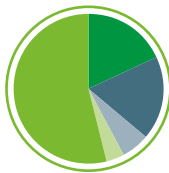
The great thing about the growth financing programme is that it is flexible and emphasises operational costs rather than investments. We have a good dialogue with Innovation Norway and have received valuable input during the process.

**HANS BRIMI, ENTREPRENEUR, BRIMI SÆTER**

# TOGETHER WE CREATE THE NEW NORWAY

Innovation activities worth nearly NOK 17 billion.

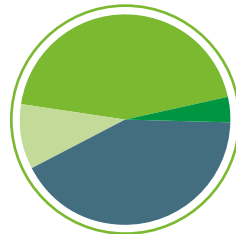
**The Parliament allocates**



**NOK 3.1 billion**

Through Innovation Norway, the government provided more than NOK 3 billion in funding for business development all over Norway in 2013.

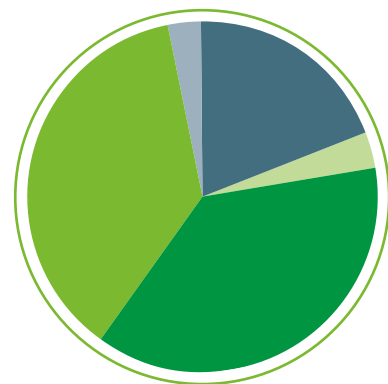
**Innovation Norway delivers**



**NOK 5.9 billion**

The allocations from the Parliament and the county authorities, in combination with loan schemes, allows Innovation Norway to fund businesses with a total of nearly NOK 6 billion.

**Businesses innovate**



**NOK 16.7 billion**

Funding and support from Innovation Norway helped generate almost twice the amount from business and industry. Including the money from Innovation Norway, nearly NOK 17 billion were invested in innovation activities in 2013.

- County municipalities
- County Governors
- The Ministry of Local Government and Modernisation
- The Ministry of Agriculture and Food
- The Ministry of Trade, Industry and Fisheries

- Guarantees
- Low risk loans
- Innovation loans
- Grants and advice

- Self-financing
- Other private funding
- Customer partners
- Other public funding
- Innovation Norway

**To create enterprises with a potential for growth and to develop business and industry, good forces must work together.**



# WHAT CAN WE DO TO HELP YOU?

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We're here to move your project forward.

Our job is to contribute to your success as a customer of Innovation Norway. The results achieved by you and your enterprise are also a measure of our success. Our aim is to be a driving force for increased value creation. We fulfil this role by maintaining a good dialogue with you as a customer, challenging your business model and offering services and working processes adapted to your needs.

We connect start-ups, enterprises and business clusters and share knowledge about international business opportunities.

Together we can create opportunities for new and profitable businesses in Norway.

## **Funding**

We offer loans, grants, guarantees and equity.

## **Advice and expertise**

We offer advisory services and courses to raise your competence.

## **Network and business branding**

We offer valuable contacts and help with business branding.



Find your nearest office at  
[innovationnorway.no](http://innovationnorway.no)

**CONTACT US!**

**Innovation Norway**

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Our vision is to give local ideas  
global opportunities