

# **STOB regions Interreg Europe Interregional policy learning event report**

## **Thematic of “Different target groups of potential buyers”**

**STOB Regions 4<sup>th</sup> Interregional Policy Learning workshop and peer review**

**March 21st- 22nd 2018, Plovdiv, Bulgaria**

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## Overview

The two-day Interregional policy learning event addressed the thematic **“Different target groups of potential buyers”**. The event was organized and hosted by the Regional Development Agency with Business Support Centre for Small and Medium-sized enterprises at the Grand Plovdiv hotel in Plovdiv, Bulgaria Finland on the 21st- 22nd March 2018. The workshop and peer review were attended by 42 participants from the project partners and Bulgarian stakeholders.

## Brief from STOB regions’ project application

The one-day workshop will cover the topic "different target groups of potential buyers (buyer from universities / employee buyout / migrant buyers / female buyers / buyers from other countries (internationalization of ToB) ". For university graduates it can be an interesting alternative to take over a business instead of starting an own. But also, the employees of the company could jointly-buy the business.

Women are underrepresented as buyers, while migrants become a growing target group. All these target groups and potential buyers have different backgrounds and qualifications. The partners will discuss experiences with different strategies on how to address the groups, e.g. on how to attract more women as buyers. The project partners will also discuss if buyers from other countries are an option if the SME doesn't find a successor at home.

## Meeting Itinerary

### Day one - Interregional workshop 21st March 2018

#### 9:30 – 10:00 Registration

42 participants were registered from project partners and Bulgaria stakeholders and lectures. Welcome speeches, reminder of the 2-day programme, and of the focus of the workshop “Different target groups of potential buyers”.

Moderator: Mr. Velizar Petrov, Executive Director of Plovdiv Regional Development Agency with Business Support Centre for Small and Medium-sized Enterprises

#### 10:00 – 10:15 Welcome speech and General Presentation of Plovdiv Region

Mrs Evelina Apostolova, Regional Vice Governor of Plovdiv Region

*Transcript of key points:*

On behalf of the Regional Governor of Plovdiv, Mr. Zdravko Dimitrov, and on behalf of myself, it is my great honour and pleasure to welcome most warmly all of you – representatives of regional ministries, departments and institutions, business organizations and leading universities from all partner countries (Bulgaria, Germany, Denmark, Poland, Finland, Romania, Spain and Slovenia) implementing the project STOB Regions – Succession and Transfer of Business in the Regions, co-funded by the Interregional Cooperation Program INTERREG EUROPE 2014-2020.

In the Government Program (2017-2021), and personally for me, business development as well as job creation and preservation is a top priority for achieving balanced regional development. In recent years, we have

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witnessed a steady growth of the economy with an increase in direct investment, including in the Plovdiv region.

Business transfer is a crucial stage of a company development as well as of entrepreneur's life cycle. A great deal of attention is paid to starting a new business, but for the progress and already created jobs it is equally important to ensure the continuing development of existing businesses. In this regard, the state has a special role to play in supporting businesses through timely and adequate measures tailored to the needs of the sector. Understanding the importance of succession and transfer of the business in the region, we fully support the project activities as well as the impact it is expected to have on the National Strategy for the Promotion of Small and Medium-Sized Enterprises in Bulgaria 2014-2020.

### **10:15 – 10:45 Welcome speech and General Presentation of Plovdiv Region**

Mrs Evelina Apostolova, Regional Vice Governor of Plovdiv Region presented Plovdiv Region – A Presentation

*Transcript of key points:*

Plovdiv Region is the second largest region in Bulgaria and includes: 18 municipalities, 209 settlements, 18 towns

Key sectors characterizing the structure of the economy in the region: agricultural production, production of food and tobacco, production of rose oil, perfumery and cosmetics, processing of fruits and vegetables, production wine (from own production) , production of metal products, production of textiles and clothing, production of paper and cardboard, production of chemical products and fibers, production of machinery and equipment, metallurgy , production of plastic products;

In Plovdiv Region are based more than 36 000 enterprises, among them: micro enterprises – 91,9%; small enterprises – 6,6%; medium enterprises - 1,3%; large enterprises - 0,2%.

Plovdiv Region is characterized by a significant concentration of enterprises and a high number of foreign investments, which is increased considerably over recent years. Trakia Economic Zone is one of the largest economic projects in Bulgaria. It is situated in the Plovdiv Region and includes 6 industrial zones.

### **10:45 – 11:15 Thematic lecture: Universities and Business transfer**

Prof.Iordanka Aleksieva PhD,Vice-Rector for International Integration and Qualification Improvement at University of Food Technologies, Plovdiv

*Transcript of key points:*

UNIVERSITY BUSINESS TRANSFER, Prof.Dr. Y. Alexieva, University of Food Technologies - Presentation  
Founded in 1953 as the Higher Institute of Food and Flavour Industries (HIFFI), today the University of Food Technologies combines modern techniques with traditional concepts and dynamic approach to teaching and research.

The flexible model of teaching and research, applied by the UFT in the 21st century is developed within the Qualification Framework of the European Higher Education Area and is designed to meet the demands of a rapidly changing context of education and professional experience on a local, European or global level.

University Business Transfer is defined as an opened system. UFT considers not only the actual knowledge and technology transfer but also the environment surrounding it.

There has been a change in the way companies think about their competitiveness. As a result of the increasing role of knowledge and the development of knowledge-based, the interest in knowledge transfer from the higher education institutions is increased.

UNIVERSITY BUSINESS TRANSFER:

Knowledge Transfer Partnerships; Publications and events; Collaborative research Consultancy; Incubators; Start - up accelerators; Technology transfer office; Knowledge transfer centres .

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Knowledge transfer works best when people meet to exchange ideas, which helps them to identify new opportunities.

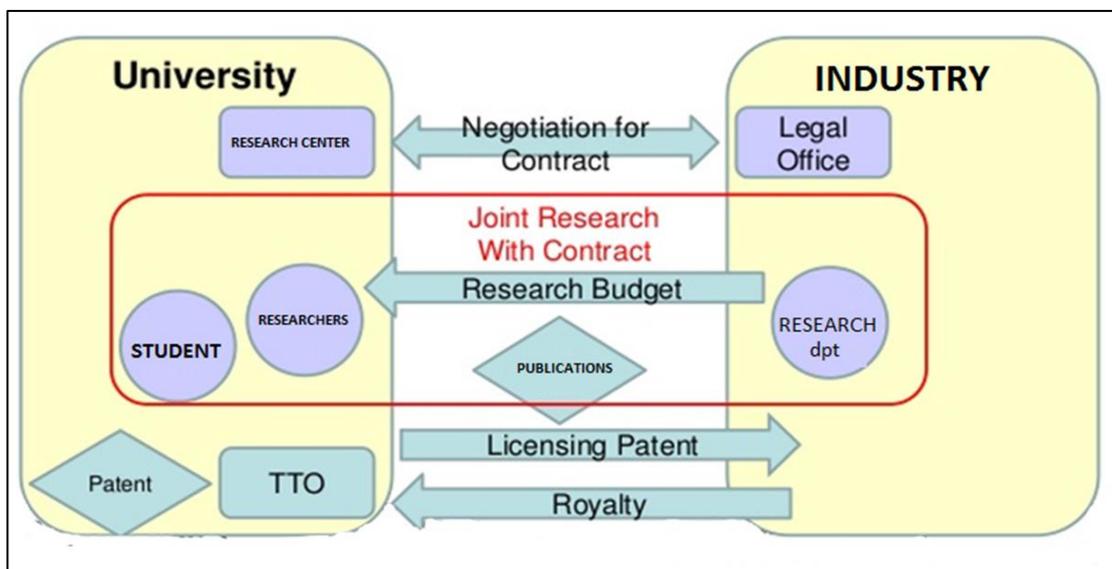


Figure 1: University business transfer model

### 11:15 – 11:45 Thematic lecture: Basic legal and psychological problems of business succession

Dr. Dobrina Prodanova PhD, Chairwoman of Boar of Directors, Chamber of Commerce and Industry – Plovdiv

#### *Transcript of key points:*

The regional Gross Domestic Product (GDP) is 7.9 % of the total country's, which is, in fact, one of the highest for Bulgaria. The sector of services constitutes more than half of the value-added amount of the region. The agricultural sector constitutes a small portion of 7.8 %.

According to Eurostat, 98% of businesses in Europe are small and medium, and family businesses account for 60% of all businesses and provide over 50% of total employment. According to data of the National Statistical Institute for 2016, 92.6% of the 297 267 registered companies are companies with up to 9 employees, and these are mainly family businesses, which means that 275 270 are mainly family businesses. In the South-Central Region, about 20% of all family businesses in the country are registered and employed. In the case of Plovdiv, this data for 2015 is as follows: The share of family business according to the survey is 9.75% or 10073 enterprises. The figures for 2016 show that out of a total of 37,383 companies, the share of companies with up to 9 employees is 92% or 34,392. Some 1,000 new firms are registered annually. If we go back in 2000, 20010 companies were active in the Plovdiv region.

The distinguishing characteristics of the regional economy are the varieties of production. The main production sectors include food, beverages and tobacco production, metallurgy and production of metal items, textile and garment production, paper and cardboard production, machine building, chemical substances and plastic materials production. The main industrial centers of the region are Plovdiv, Assenovgrad, Karlovo, Stamboliiski, Purvomai, Sopot, and Luki. The agricultural sector includes the development of increased productions of vegetables, tree-planting, vineyards, and wheat.

The most important priorities for the economic development of the municipality: Increasing the competitiveness of the companies in the field of industry and services; Development of the research activities, technological development and innovation in the municipality; Support of the approved companies; Support for the development of the business infrastructure; Formation of rapid economic growth zone; Formation of

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regional clusters and networks (at least three clusters – food industry, textile and garments industry and biotechnologies); Revival of the unused industrial zones; Formation of public-private partnership and initiatives for economic development; Improvement of the access and the development of the information and communication technologies in the field of public services and the services for SMEs; Increasing the quality of the labour force; Achievement of attractive and prosper tourism; Development of the cultural, business and sport tourism; Development and modernization of the local infrastructure; Improvement of life quality in the Plovdiv municipality; Insurance of public order and security.

Business as a specific socio-economic structure in time and space is not eternal. Its creation and transfer /development, transfer and closure/ are influenced by many factors of a different nature:

- Legal / legislative, tax, accounting
- Social / educational level, family maintenance, marital status
- Economic / profitability, competition, credits
- Organizational / transport, digitization
- Psychological / health and cultural status, experience, kinship, property / Political / lobbies, contacts, participations, dependencies
- Intra-state and international/quotas, limits, custom duties, tariffs, projects

Transfer of family business

- Succession
- Transfer / sale
- Change / ownership, management, form, seat, structure, subject
- Insolvency / bankruptcy

Closure

- Reasons for succession
- Types of traders, according to the Bulgarian Commercial Law
- Stages in the business succession process
- Transfer Needs
- Transfer Emotions

- Unresolved problems at European level:

Training of business transfer consultants; lack of business transfer textbooks and programs; transfer as a subject of own business; differences in the legislation of the companies legal forms; promotion of transfers to third parties; support the family transfer with appropriate tax measures; tax incentives for heirs; transparent business transfer markets promotional transfer offers authenticity control; personal data and anonymity protection cross-border transfer monitoring measures

### **11:45 – 12:15 Coffee break**

### **12:15 – 13:30 Presentation of the partners' contributions**

*Transcript of key points:*

1. **Presentation: Good practices in succession and transfer of companies. "Target group of potential buyers"- Andalucía Emprende, Spain**

Andalucía Emprende, is an agency of the Junta de Andalucía (regional government), whose mission is, to promote entrepreneurial culture.

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A Territorial network of centers, for support to business development (CADE), which offers personalized attention to companies and entrepreneurs .

12,699 companies, had been created (42.10% promoted by women), that have generated 15,299 employments and made an investment of 144.7 M €.

5,206 actions have been implemented in the field of promoting entrepreneurial culture, in 434 Municipalities with a total of 125,180 participants.

8 entrepreneurship fairs, with 6,967 participants who presented 275 entrepreneurial projects.

137 events of university training in 11 Universities with 6,485 participants.

41,182 users have received Information and assistance, who have launched 14,541 entrepreneurial initiatives, creating 6,495 companies.

Around 1 % of business created has been employees buy-outs

Only the agricultural area experimented a growth of 6,5 %, in successions (generational relay).

### ***Lessons learnt***

The partner present Good practices in the Broadcast and succession of Companies in Andalusia, is based on:

The cooperative spirit existing in our Autonomous Region is strong. The cooperatives are "The economy with a human face."

Important ecosystem of organizations working for the development and promotion of the Social Economy (CEPES, FAECTA, CADES, Chambers of Commerce ...).

Law of Andalusian Cooperative Societies, as the facilitating instrument of business and employment.

The "single unemployment payment" and other financial resources are key in the process.

Extensive management skill training for the new entrepreneurs.

The model of transmission of companies, as a model of generation of quality employment, maintaining the rural population and generating wealth.

If the business model works, the company works and goes from generation to generation.

Andalucia Emprende provides a wide variety of methodologies and tools, to define the business model, improve the business viability and seek funding to sustain the company and employment in the Region.

Continuous support by a network of experts until the consolidation of the companies .

2. Presentation: Young company succession through personal vision, qualification and common acting; A good practice example from GERMANY for the topic „target groups of potential buyers“ Dr. Matthias Kirbach, Brandenburg Invest (WFBB) Germany

Support structures

- Federal: ESF financed program - Promotion of qualification and coaching

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measures for start-ups (since 2001)  
30 counselling projects in Brandenburg (4 different elements)

: Individual support by project; External advisors for consultancy services and business coaching; Networking and marketing activities; Using a standardized process; Financial conditions: Expenditure for project personnel; Indirect expenditure (flat rate up to 15% of staff expenditure); Expenses for external consultants (up to € 900 per day)

- National grant- and finance programs: for founders including successors and SME's, e.g. ERP programs etc.

The process includes:

- - Initial talk with transferee and transferor
- - Development Center
- - Individual advisory support
- - Business plan

Discussions:

Questions from Slovenian partner about the system for applying, who can apply, is it free of charge?  
Answers from Sandy Morgan followed.

### 3. Different target groups of potential buyers in Region South Denmark

The situation

- Transfer of approx. every third firm the next years
- Many small businesses has to transfer (craftsman and service)
- Lack of qualified buyers
- Lack of funding
- Experience with support for entrepreneurs and growth companies No experience with "different target groups of potential buyers" The idea

1. Identify potential in "different target group of potential buyers"

Students; Women; Migrants, Unemployed

2. Use of knowhow from the entrepreneur support

Training courses, Funding program, Onsite support, Mentoring

3. Integrate in STOB recommendations 2019

Objectives of the program

- Increase the number of qualified buyers
- Increase the diversity of buyers
- Ensure the transfer of small craftsman and service companies in the region Contribute to the transfer funding and development of small businesses in the region

### 4. Different target groups of potential buyers ,BSC Kranj, Slovenia

## Overview of current situation

- Slovenia doesn't have example of good practice in this field
- Selling of companies is carrying out privately – there are no programs to promote or support that
- 83 % of all companies are family-run businesses, which are not particularly interested to sale their company
- Weak entrepreneurial culture – most of the businesses are very traditional, most of them are craftsman

*Programs which support target groups*

Support for succession process

We are at the beginning of active promotion of succession process

Many events for promoting succession (mostly educational) and promoting best practices Idea of voucher system to help SME's with business transfer

Within the project we would to make pilot project for 5-7 SME's in cooperation with SPIRIT Slovenia (Public Agency for Entrepreneurship, Internationalization, Foreign Investments and Technology) and external expert: a self-aid group of then family business teams of two members: older and younger generation representatives (special attention to women successors)

In 20 group/individual sessions we plan to prepare Succession plan for next generation

In this way we will get first hand experiences and results for preparing useful Action plan and help our entrepreneurs

**13:30 – 15:00 Lunch – Restaurant at the Maritsa river****15:00 – 15:40 Presentation of the partners' contributions**

#### 5. Challenges for women entrepreneurs/Diaspora Startup Romania Dan Melinte, Ilfov County Council / Octavian SERBAN ,Ministry of European Funds

*Challenges for women entrepreneurs , General data about women entrepreneurs*

According to the National Trade Registry, the number of women that are either shareholders or associates in a business has increased over the years, from 409.000 in 2014, to over 482.000 at the beginning of 2018.

Using the criterion of age, most women entrepreneurs are identified in the category of 40- 49 years (29%). Other age groups: 30-39 years (27%), 50-59 years (18%), over 60 years (16%), under 29 years (10%) According to official data made available by the National Institute of Statistics, the unemployment rate of women at the level of Ilfov County has decreased constantly, from 2.8% in 2010, to 1.4% in 2015.

*Programs aimed at developing the skills of women entrepreneurs*

The programme for the development of entrepreneurial culture at the level of women managers active in small or medium enterprises (programme funded by the state budget) The „Woman Manager” programme, developed by the Ministry for Business Environment, Trade and Entrepreneurship. (total budget for 2018, approx. 250.000 Euro). This programme was launched in 2012.

Multiple entrepreneurship courses developed by private companies.

Questionnaire addressed to women entrepreneurs Diaspora Start up

#### 6. Educational programme for the future owners / Comprehensive tool for all groups in the process of succession, Malopolska, Poland, Anna Wojsa-Świetlik

87% of the owners of family business in Poland want to hand over their business within the family BUT Only 6,3% of the successors want to take over the business

The Center for Family Enterprises (CFE) at the Cracow University of Economics:  
center for the research on the functioning and development of family firms  
unit developing and offering educational programmes for current and future leaders of family firm

*Good examples from other countries:*

-The Family Business Academy - the Cyprus International Institute of Management

-Family Business Governance - Institut d'Administration d'Entreprise de Bordeaux (France), Alberto Falck di Strategia delle Aziende Familiari Università' - Bocconi University (Italy), The Owner's Programme run by FBN Sweden

-The training programme 'Ownership and working in the board' - Finnish Family Firms Association with the Spanish Instituto de la Empresa Familiar / IESE

-Target participants: successors preparing for the generation shift; successors already working in a family business; successors managing family businesses; successors considering their future in the family business; successors active outside the company

HR TOOLS FOR 7 GROUPS OF STAKEHOLDERS participating in the process of succession: SENIOR; SUCCESSOR(S); MENTOR OF THE PROCESS; FAMILY; WORKERS; EXTERNAL MANAGERS

### 7. Good practice & some thoughts for discussion on the theme of target groups of potential buyers, Kainuun Etu Oy, Kainuu, Finland

A good practice example from Finland for the topic of target groups of potential buyers"

Generation shift business transfers scheme in rural production MAVI good Practice

Lessons learnt

- - Mainstream initiative
- - Sectorial prioritization and buyers' pool
- - Operationally linking the quadruple helix (industrial expertise present)
- - National and regional levels; linkages to the most advanced of the EU provisions as well
- - Comprehensive package
- - Qualifications requirement
- - GP concept WORKS and is TRANSFERRABLE

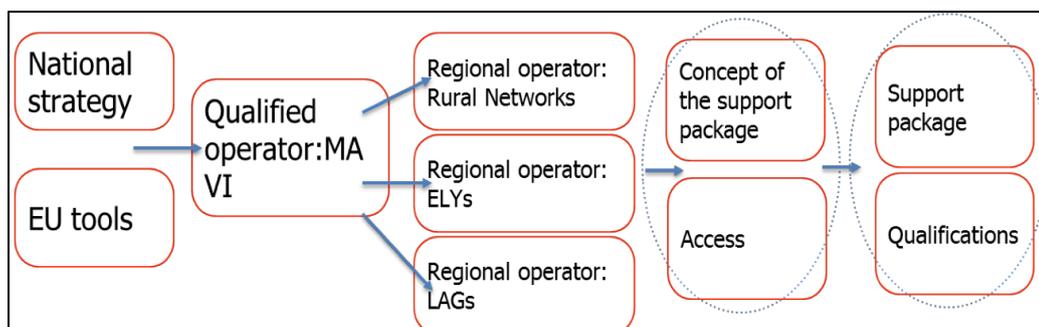


Figure 2. MAVI (FI) good practice model

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The partners discussed: Increase diversity of buyers; basic experience about doing business ; preferences to domestic or international; Including succession into SMEs system; entrepreneurial skills; identification of different potential target groups; Transfer funding; Are there differences between target groups when buying a company;

### **17:10 – 18:00 Steering Group Meeting**

The Lead Partner informed the partnership about the Second Project Report. Some partners do not respond on time to email correspondence and are late with the FLC. She proposed to communicate on Skype individually or other type of communication.

The partners agreed to be strict with responding.

### **19:00 – 21:00 Dinner – Restaurant Gastronom in the city**

## **Day two - Peer Review March 22nd 2018**

### **Location: Plovdiv, Grand Hotel Plovdiv**

**9:00 – 12:00 – Walkshop. Regional good practice examples: Craft companies in Old Town – “Street of the Crafts”, “House of Distillation”, and other notable examples.**

**12:00 – 13:30 Lunch and a good practice example – Family Restaurant and Hotel Odeon (in the city) 14:00 Back to Grand Hotel Plovdiv**

**14:00 – 14:30 Introduction of the regional situation: National Statistical Institute Project "Family Business Statistics in Bulgaria" / Family Business Book 2017**

Presentation: STATISTICS OF FAMILY BUSINESS IN BULGARIA, Aleksandar Tonkov, Communication manager RDA BSC SMEs Plovdiv

A project of the National Statistical Institute of the Republic of Bulgaria under an agreement for the implementation of the activity "Family business statistics" with the European Agency for Small and Medium Enterprises (EASME).

In 2015 active family businesses are 25% of all active enterprises in the country

The survey results show that the added value of the family business in Bulgaria to GDP is 10.5%. Employment in family business accounts for 16.23% of total employment in the country. The share of the turnover of family businesses in the total turnover of all companies in the country is 12.42%.

In 2015. the largest share of family businesses in the Trade sector; repair of motor vehicles and motorcycles - 40.3% (41 694 enterprises). The Sector Professional and Scientific Research - 9.3%, and Manufacturing - 8.6%. At the same time, the share of family enterprises in the mining sector is the smallest - less than 0.1%.

The geographic distribution of family business in Bulgaria according to the NUTS 2 classification is: - South-eastern region– 15%

In 2015, the number of employees in the family business is 399414 people. The results of the survey show that in sector G – Trade, repair of cars and motorcycles 31.3% of the persons employed in family enterprises,

in sector C - Manufacturing - 27.0%, in sector I - Hotels and restaurants - 7.2%, and in sector F - Construction - 6.8%

For 2015, the survey results show that gender employment is 45.7% for women and 54.3% for men. The share of female managers is 39% and male managers are 61%.

Almost 50% of the employees in the family business are concentrated in five areas: Sofia (capital) - 83 785, Plovdiv - 40 842, Burgas - 23 607, Varna - 28 792, and Blagoevgrad - 19 064 persons employed. The smallest is the share of the employed in the family business in the districts of Silistra - 3,901 employees (0.98%), Razgrad - 4,109 (1.03%), Targovishte - 4,422 (1.11%), Vidin - 4,440 (1.11%) and Pernik - 4 540 (1.14%).

*Active family businesses in 2015, broken down by legal form:*

- Limited liability companies - about 64%
- Associations and other legal forms - about 3%
- Sole traders - about 33%
- The first published book on family business in Bulgaria published by the Association of Family Business – Bulgaria.

*The book includes good practices of 8 companies:*

- Ataro Clima - Plovdiv
- Velomania
- Winery Vila Melnik
- Production House Global Group Medical Technics Engineering Parshevitsa
- Rozaimpex - Plovdiv
- Tandem

### **14:30 –15:00 Introduction of the regional situation: Business organizations in Bulgaria and business transfer**

Presentation: Plovdiv Regional Craft Chamber - Mrs Toni Simidchieva - Chairwoman of Regional Craft Chamber, presented by Velizar Petrov

Regional Chamber of Crafts Plovdiv was restored with the Crafts Act in 2002.

In the Regional Craft Chamber there are 1769 craftsmen from 129 crafts. The masters of folk artistic crafts are 142 people. Within the framework of our chamber are craftsmen from Karlovo, Sopot, Asenovgrad and other settlements from Plovdiv region.

In the spirit of the Crafts Act, it works with municipal and regional structures to preserve the traditions of our cultural heritage and to create a favourable environment for the training and work of all craftsmen in the region.

Some of the activities:

- Training in crafts;
- Handicraft Center "Bakalova House", in which craftsmen in different crafts demonstrate their skills;
- "Street of crafts" - four houses on Strumna Street in the Old Town, where master craftsmen create, demonstrate and train in their craft;
- Annual Spring, Autumn, and Children Fair of Crafts, accompanied by Planners in various crafts.

*Good practices*

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- Petrakievi family - folk musical instruments
- Dramovi Family - create and weave with wool, cotton, silk, flax and bamboo
- Tony Simidchieva – hotel & restaurant

### **15:00 – 15:30 Introduction of the regional situation: Promotion and support SME Tools**

Presentation: Bulgarian Small and Medium Enterprises Promotion Agency (BSMEPA), presented by Mrs. Veselina Velcheva , Regional representative of Executive Agency of Small and Medium-sized Enterprises, Plovdiv

#### National SME Promotion Strategy - 2014-2020

The implementation of the Strategy's objectives is crucial for changing the structure of the Bulgarian economy from low to medium-tech activities to the development of high-tech sectors and intensive knowledge services.

Main Priority areas:

Improving access to finance for SMEs;

Providing and maintaining a legal and business environment supportive to timely payments in commercial transactions;

Opportunity ("second chance") for entrepreneurs in difficulty to complete the old and start a new business;

Improve conditions for access to external markets for SMEs, especially outside the EU;

Promoting innovative SMEs and investment in innovation

New opportunities for correct entrepreneurs

Strategic Goal 2020

Entrepreneurs bankrupt honestly, can quickly and easily close the business failed and start a new one.

Society tolerates and encourages a second chance for enterprising.

Criteria : Time to close the business; Cost of closing down business; Public support for the second chance

Transfer of business: Measures aimed at smooth administration of the transfer of business: public campaigns, mentoring schemes of the process, creating a fund to Bulgarian Development Bank to finance the process of transfer of business.

Guidelines for urgent action:

Reduction the deadlines for closing a business within less than one year. If the application of this measure is presented with the useful information to the public, its introduction will impact indirectly on the state of the indicator criterion 2.3.

Providing the necessary legislative changes to ensure the closure of bankrupt business within one calendar year.

More efforts are needed to improve public opinion about second chances. The population should be informed that entrepreneurs who have gone bankrupt once honestly starting new businesses actually create more sustainable enterprise. The fact that statistics at European level proves.

### **16:00 - 18:00 Panel discussion with participation of all partners / Regional SWOT (incl. evaluation and recommendations)**

## Results of the Regional SWOT analysis

The results and input for the regional SWOT analysis of the Plovdiv region from all project partners is displayed below.

<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>• - Size and diversity of the region</li> <li>• - Rich historical background – one of the oldest cities in Europe</li> <li>• - Low unemployment rate/ High employment</li> <li>• - Bulgaria is politically stable</li> <li>• - Good educational base</li> <li>• - European Capital of Culture 2019</li> <li>• - Tourism</li> <li>• - History-old city</li> <li>• - Multicultural</li> </ul>	<ul style="list-style-type: none"> <li>• - Brain drain</li> <li>• - Young people leaving</li> <li>• - Centralized control of Sofia</li> <li>• - Low degree of innovativeness- result of insufficient cooperation between business, academic and universities</li> <li>• - Insufficient investments in R/D</li> <li>• - Low degree of entrepreneurial culture</li> <li>• - Loans from banks for Business transfer</li> <li>• - Lack of adequate infrastructure</li> <li>• - Lack of promotion</li> <li>• - Infrastructure</li> <li>• - Language barriers</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• - Geostrategic position</li> <li>• - Regional re-structure</li> <li>• - Return programmes for migrants</li> <li>• - Bigger Plovdiv airport</li> <li>• - Plovdiv 2019 Together/ Cultural heritage</li> <li>• - Planned legislative changes</li> <li>• - Achieving of minimal administrative burden</li> <li>• - Business transfer services</li> <li>• - Universities insulators</li> <li>• - Great number of universities</li>   <li>• - Organic agriculture</li> <li>• - Mountains</li> <li>• - Low costs of HR</li> <li>• - Good education</li> <li>• - Infrastructure financing</li> </ul>	<ul style="list-style-type: none"> <li>▪ - Transport infrastructure</li> <li>▪ - Lack of workforce</li> <li>▪ - Depopulation/ Demographic challenge – emigration, negative growth</li> <li>▪ - Lack of support to consolidation of micro businesses</li> <li>▪ - Copy pasting practices from West without respect of regional aspect</li> <li>▪ - Seasonality</li> <li>▪</li> </ul>

## Results of the Recommendations session

The partners presented their recommendations as follows:

### Slovenia

- Supporting craft and art
- Keep thinking "small first"

### Finland

- Co-operation to deepen into more operational level (Research – Business)
- Build further on historical heritage/ strengthen quality of cultural profile/ increase attraction to upscale segments of visitors
- Benefit smartly from EU funding / adopt working GPs/ develop co-operation with complimentary /stronger regions – WIN – WIN

### Denmark

- Re-migration of Bulgarians from abroad
- 2019 Culture – Branding / Tourism
- Development organic agriculture
- Financial Development - for family
- Micro industry
- Working on Lack of workforce

### Germany

- Use the potential of Plovdiv universities (high qualified people)
- Business incubators for succession
- Innovation, digitalization
- Install a central contact point / platform to get information about business transfer

### Spain

- To focus in key sections and large industries but do not forget of micro-business and family business

### Poland

- Build common mechanism related with succession consulting; entrepreneurs have to be advised how to build on exit strategy right into their business plan
- The longer you get to spend on succession planning the smoother the transition is likely to be
- Different regions / countries have different issues to be tackled. Trying to find a common solution we have to take into consideration that we cannot fit in the same pot relatively young central Europe economies and well-structured fully-grown western economies
- Different strategy of succession for the first penetration of Central Europe entrepreneurs – the most popular way of succession, e.g. Poland after 30 years of economic transformation is the passing business to the heir (almost 90%)

### Romania

- Improve promotion activities

**18:00-19:00 Communication Team Meeting****John Wideman from Kainuun Etu Ltd. presented the STOB Regions Project Communications Strategy, Ensuring Effective Project Communication**

This strategy document outlines the approach taken by the project partnership to ensure effective communications, both internally and externally. Its aim is to provide clarity for partners on the project aims, objectives and deliverables as well as a single point of reference for communicating key project milestones.

Topics and communications tools discussed include: Project Wiki, External Communication, Marketing and Publicity, Project Website, Newsletter, Social Media, Interregional Workshops, Dissemination and Valorisation, Press Release

**Parallel Stakeholder Meeting**

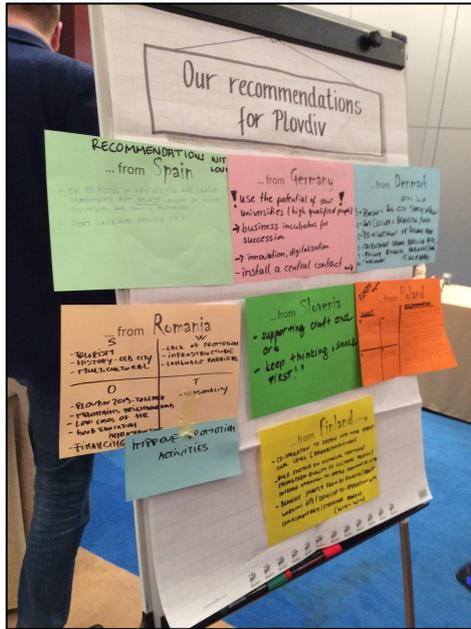
A parallel Stakeholder meeting took place with stakeholders from partners' countries.

**19:00 – Interregional Policy Learning Event officially concludes.****Communications output as part of the 4<sup>th</sup> IPL**

A news article and press release of the 4<sup>th</sup> workshop can be found on the STOB regions Interreg Europe website through the following link: <https://www.interregeurope.eu/stobregions/>

As part of a renewed communications strategy, social media accounts for IE STOB Regions project were created (twitter, Facebook and YouTube) prior to the event to ensure wider communication dissemination of the project and the event itself.

Appendix



Picture 1. interactive workshop recommendations summary



Picture 2. Interactive workshop SWOT analysis summary