



# Design 4 Innovation

Design Action Plan:

LIAA, Latvia



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# Regional Context

**Partner organisation**

Investment and Development Agency of Latvia (LIAA)

**Country**

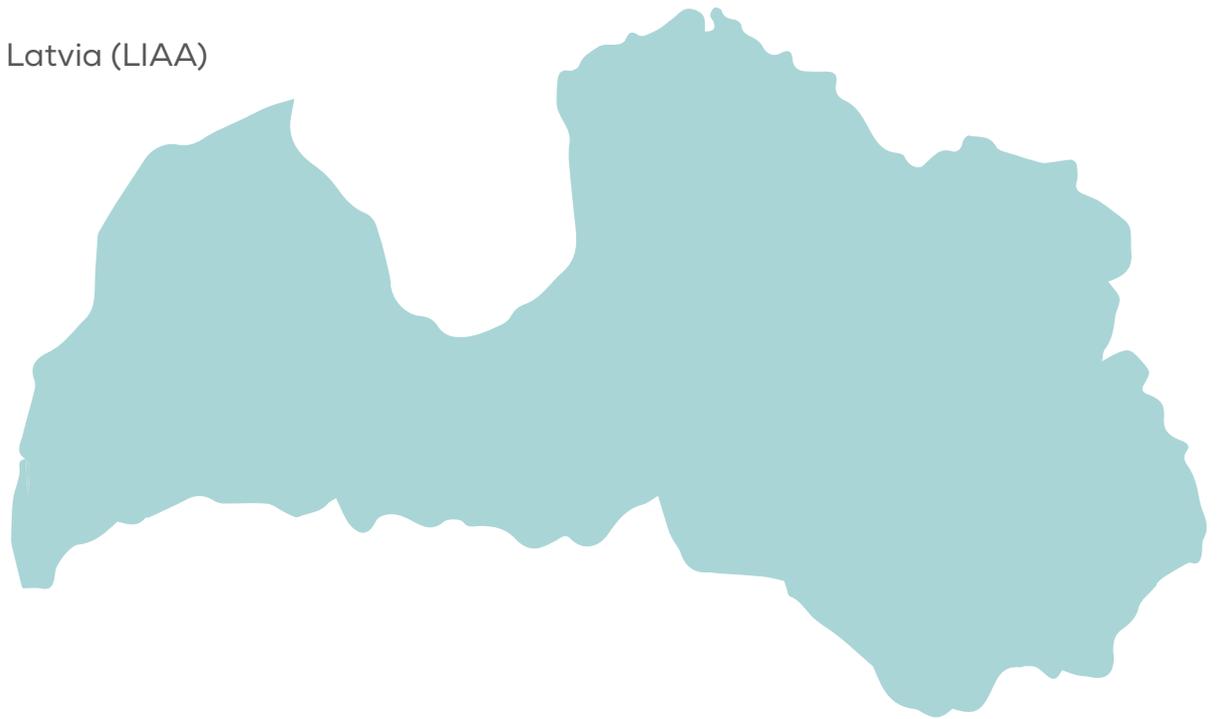
Latvia

**NUTS2 region**

Latvia

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**Latvia**

# Policy Context

## The Action Plan aims to impact

Operational Programme “Growth and Employment”  
(hereinafter – Operational Programme)

Priority Axis 3: Competitiveness of SMEs

Thematic objective 3: To improve competitiveness of SMEs

Investment priority 3.1.: Promoting entrepreneurship, in particular by facilitating the economic exploitation of new ideas and fostering the creation of new firms, including through business incubators

Investment priority 3.2.: supporting the capacity of SMEs to engage in regional, national and international markets, and innovation processes.

LIAA is working in line with the Ministry of Economics, on a daily basis collaborates closely with ministries, other public authorities and non-governmental organizations representing the entrepreneurs and other social partners.

Ministry of Economics is the Responsible Institution for developing ERDF support instruments.

By taking part in the D4I project, LIAA developed suggestions for Ministry of Economics on how to improve financial support for design-driven innovation for SMEs, and it resulted as a new financial support for SMEs - Design vouchers programme in the frame of the Operational Programme.

## Name of the policy instruments addressed

The Action plan is designed to initiate and implement the following measures:

- 1) to integrate financial support instruments for design into the Operational Programme;
- 2) to raise awareness about design as a tool for user-centered innovation for SME competitiveness. As a result, LIAA anticipates that SMEs will implement new products and services, will increase turnover and will create new jobs.

To achieve the best results for D4i project, LIAA selected a broad range of stakeholders to represent all elements of the innovation ecosystem in Latvia. The main stakeholders:

- Public organizations: Ministry of Economics, Ministry of Education and Science, Ministry of Finance, Ministry of Culture;
- Business organizations - Latvian Chamber of Commerce and Industry, Employers' Confederation of Latvia;
- The professional design sector: Design Council, Latvian Design Centre;

- Academia – Art Academy of Latvia, Riga Technical university, University of Latvia, BA School of Business and finance and Ventspils University of Applied Sciences, etc.

The activities included in the Action plan are based on the stakeholders and experts discussions in the thematic working groups, good practices of the project partners, as well as a situation analysis of Latvian design ecosystem's needs, strong and weak points: In 2013, Latvia developed a National Design Strategy – "Design for Latvia 2020". Latvia is one of only a few countries in Europe to have a design strategy. Design has been recognized as an important factor for innovation. However, there were no actions related to integrating design into mainstream innovation support. Also, Latvia is characterized by large regional disparities. A diversification of economic activity by encouraging a higher-added value activity is needed in order to diminish regional disparities.

It is needed to create preconditions for sustainable and balanced economic development in the cities and regions of Latvia by strengthening the capacity of regions and using their advantages and resources as effectively as possible.

But the problem is that there isn't a sufficient understanding of design as key element to rise SME's competitiveness. When a design component is applied in the innovation process by an SME, it is more likely that well-designed products and services will be better identified by end-users, will take bigger market share, they will have better quality products, lower production and supply costs, and they will be more sustainable. But SMEs rarely deliberately use design as a tool for user-centered innovation. We hope that implementing this Action plan will change this situation.

To develop the Action plan all project partner's good practices were collected and analyzed to find ones suitable to be implemented in Latvia. Many of them were identified as necessary for Latvia, but at the moment there is insufficient funding to implement them or they cannot be implemented within the D4I monitoring phase, for example the establishment of a Design cluster. For this reason, the best practices that might be useful for Latvia and can be implemented till end of 2021 were identified from project partners from Wales, Flanders and Galicia.

As a result, the Action plan is designed to initiate and implement the following measures to promote using design in SMEs:

1. financial support for SMEs – the Design voucher programme. This is support for SMEs up to 5K EUR with a co-funding rate of 85% for designer services to develop a new product, process and a strategy with the aim of bringing innovation into the company.
2. Non-financial support for SMEs which will increase SMEs' awareness about design as a tool for user-centered innovation and will facilitate collaboration between SMEs and designer professionals. These non-financial actions also will have effect on the Design voucher programme – it will stimulate demand for design among SMEs and therefore will increase interest about the Design vouchers programme.

The Action Plan includes 3 Actions which will be mostly implemented or initiated by LIAA and Latvian Design Center:

1. Design vouchers programme - in frame of this action it is planned to implement two subside- actions which will contribute to better programme results:
  - 1.1. Creating a database of actively practicing design professionals
  - 1.2. Organizing regular design meet-ups
2. Educational events – providing information on how design-based innovation can improve business.
3. Organization of regular “speed-dating/ matchmaking” events for designers and other industries.

Action No.1 has direct impact on the Operational Programme as Cabinet regulations regulating implementation of the activities of the Operational Programme has been changed.

Sub-actions No.1.1. and No.1.2 don't have a direct impact on the Operational Programme. But it's needed to implement them to contribute better programme results as sub-action No.1.1 will facilitate the availability of information about designers who could be potential

service providers in the Design vouchers programme as well as sub-action No.1.2 will rise interest about the Design voucher programme.

Action No.2 and No.3 are planned to be implemented by LIAA as a main implementer or cooperation partner, diverting part of the budget allocated to LIAA from the Operational Programme.

Implementation of the Actions No.2 and No.3 will be the following: during 2014-2020 ERDF programming period, LIAA is the beneficiary of several specific activities of the Operational Programme. LIAA has already submitted project applications to the Co-operation Institution and has been approved to receive ERDF budget for the implementation of the supported Operational Programme's activities, which implementation is regulated by Cabinet Regulation, for example:

- Cabinet Regulation No.692 “Regulation for the Implementation of the Activity 1.2.1.2 “Support for the Improvement of Technology Transfer System” of the Specific Objective 1.2.1 “To increase investments

of private sector in R&D” of the Operational Programme “Growth and Employment” (hereinafter – Cabinet Regulation No.692). LIAA in frame of this regulation is implementing project “Project of Technology transfer”;

- Cabinet Regulation No.287 “Regulation for the Implementation of the Activity 1.2.2.2. “Innovation motivation programme” of the Specific Objective 1.2.2 “Promoting innovation in economic operators” of the European Regional the Operational Programme “Growth and Employment” (hereinafter – Cabinet Regulation No.287). LIAA in frame of this regulation is implementing project “Innovation motivation programme”;
- Cabinet Regulation No.678 “Regulation for the Implementation of the Activity 3.2.1.2 “Promoting international competitiveness” of the Specific Objective 1.2.2 3.2.1 “Increase the proportion of exports of high value added products and services”, of the European Regional the Operational Programme “Growth and Employment” (hereinafter – Cabinet Regulation No.678). LIAA in frame of this regulation is implementing project “Promoting international competitiveness”.

But how these activities will be implemented is under the responsibility of LIAA. For example, in the case of Cabinet Regulation No.692 and Cabinet Regulation No.278 LIAA must organize different networking events for SMEs, but the decision on what kind of events (their topics, format, guest lecturers) is up to LIAA.

To implement Actions No.2 and No.3 LIAA will make changes to the projects, including design related activities/events that were not originally envisaged. Consequently, it is considered that the changes made by LIAA in the projects would also change / have impact to the Operational Programme, as there will be improved management of Operational programme by creating nonfinancial support for SME’s from ERDF budget.

Each action has monitoring indicators to follow its implementation, which will be the responsibility of LIAA. The monitoring of the Action plan implementation is scheduled to be carried out till the end of 2021.

Director of  
Investment and Development Agency of Latvia  
Kaspars Rožkalns

# Actions



# Action 1

## Design Vouchers Programme

### 1. Background

According to the “European Innovation Scoreboard 2019” published by the European Commission (<https://ec.europa.eu/latvia/news/inov-results-review-2019-year-EU-and-its-regional-innovation-capacity-improvement>), Latvia holds 24th place among the 28 European Union countries in an innovation assessment. The report also points out that compared to the previous year, Latvia has improved its innovation performance by 4.57 digits. Latvia needs to continue its work on the growth of private sector investment in R & D activities.

In order to promote investment in research and innovation and to improve cooperation with the research sector, Ministry of Economics developed an Innovation vouchers programme under the Operational

Programme, which aims to strengthen cooperation between business and science.

The Innovation vouchers programme support the financing of activities up to EUR 25 000 related to the development of new products and technologies:

- Feasibility studies;
- Industrial research;
- Experimental development, including prototyping;
- Development of industrial design for products;
- Testing and certification of a new product or technology;
- Strengthening industrial property rights for the following industrial property sites: patent of invention, design and topography of semiconductor products.

Moreover, in order to promote the use of design services directly in the development of innovation, support for the development of cooperation between designers and entrepreneurs from other sectors should be provided. The presence of design is legally linked to innovation and competitiveness, both in traditional industries, in products and services they create, and in the creative industries. Until now, there is no support instrument in Latvia that would motivate the inclusion of design component in the direction of the innovation process. In examining the experience of other countries, LIAA initiated the creation of a new support programme in which small and medium-sized entrepreneurs will be able to receive support funding for the use of the design component in the process of developing new products, services and strategies.

**Relevance to the project:** Flanders presenting financial support programme SME Wallet showed that an innovative approach to business support could lead to a good interdisciplinary cooperation model that helps to recognize the value-added of the design in the traditional sector companies.

SME Wallet - programme of subsidies to support SME's business activities, including incorporation of the strategic design into their operations, up to EUR 25,000. The scheme is run by Enterprise Flanders, a government-funded agency.

SME Wallet launched in the form of an interactive web application in 2002. It enabled SME's in Flanders to obtain subsidies of between EUR 100 and EUR 25,000 in training, advice, technological insight, advice on internationalization, coaching and strategic advice. From 2009 companies became able to claim subsidies for design projects under the programme. Following the success of the SME Wallet design projects, design management was increasingly recognized by policymakers as a valuable strategic tool for companies' growth. As a result, in 2013, design management became an eligible cost in the area of strategic advice. This meant that companies could access up to EUR 25,000 for design management advice through the programme.

It was crucial and inspiring to see how this support effected to competitiveness and growth of real SME during study visit to company, who due to SME Wallet attracted designer to company , which significant improved process in the company. After this visit LIAA started to develop Design vouchers programme which would be a new financial support in frame of Innovation voucher programme.

Sometimes SME just focuses on developing new products/technologies, but don't pay attention to product/ service design etc. But by developing Design voucher programme SME would get "full package" and there would be a good synergy between eligible Innovation voucher programme activities and Design voucher support – for SME after implanting Design voucher programme it would open opportunities to combine support for several eligible activities to achieve best result to increase their growth and competitiveness.

## 2. Action

**Year 2018. The amendments to the Cabinet Regulation No.692 necessary for the introduction of Design vouchers have been approved and entered into force on 31 August 2018:**

In order to allow SME to receive support funding for the use of a design component in the process of developing new products, services and strategies, it was necessary to develop a new financial support instrument – Design vouchers programme. The implementation of this programme required amendments to the existing Cabinet Regulation No. 692.

LIAA prepared amendments, submitted them to the Ministry of Economics, which moved them further towards the Cabinet for approval. As a result a new financial support - Design voucher programme- was approved.

Design vouchers programme is support for designer services for developing a new product, process and

strategy with a view to bringing innovation into the company.

A new product in this programme shall consist of goods and services which are completely new or have improved functional characteristics and intended uses which are new or improved at company.

When receiving support, the co-financing of companies is set at 15%, while the maximum intensity of European Union funding will be 85%. The amount of funding available for one SME enterprise is EUR 5 000. It is important that vouchers facilitate the companies' cash flow, since the SMEs only cover its share of the full price of the service, while LIAA pays the remainder of the service price by transferring it directly to the service provider.

**Year 2019.** The internal regulatory enactment for the implementation of the Design vouchers programme was developed and submitted to the Ministry of Economics: As As Cabinet Regulation No.692 determines that LIAA is responsible for developing procedures for granting the

support and criteria for design service providers which is must be approved by the Ministry of Economics.

During the process of drawing it there where organized stakeholder meetings to discuss what criteria must be and how to implement a programme so it is simple for SME's and easy to administrate LIAA.

**Year 2019-2020.** Following the drafting of all documents, publicity and educational measures will be taken to explain the objectives, nature, criteria for use of the Design vouchers programme and to motivate companies to apply for the support. LIAA will launch the first call of the pilot project and will then follow the evaluation, contracting and monitoring of project applications.

After the end of the pilot project, it is necessary to assess the results and to take a decision on the further development of the programme and on the additional allocation of funding for its implementation.

### 3. Players involved

LIAA is responsible for developing the implementing methodology, implementing publicity measures, as well as for administering the entire programme during the pilot project.

So during first pilot project LIAA will follow the results and if it will be needed to improve procedure of granting the support or criteria for design service providers there will be organized stakeholder group meeting to discuss that; changes will be submitted for approval to Ministry of Economics.

As well at the end of 2020 following the conclusion of the pilot project LIAA together with local partners and stakeholders, will analyse the situation, the indicators achieved, take a decision on the effectiveness of the pilot project and on the continuation of the programme in the event of a positive decision.

**Reasons:** Design role in the company is to add value to goods, services, and an organization as such. The use of design increases the value of economic supply.

Given both the world and Latvia's growing demand for design services and the creation of interdisciplinary teams in companies to create new products and services, activity will encourage such cooperation. Small and medium-sized businesses will be able to work better if they have a greater understanding of design. Company, together with the design expert, will study customer service principles, brand-building strategies, as well as overall the entire design and innovation process to identify key aspects that are the most important to the development of each particular company.

It is known that companies using design are more successful in focusing their products and services on customer needs, they have a stronger brand and business identity, they are having more efficient and sustainable processes, so they are more productive, growing faster and more attractive to investors. The design includes a number of methods, tools and techniques that can be used at different stages of the innovation process to increase the value of new products and services. User-oriented design thinking,

when applied to services, systems and organizations, promotes innovation in business models, organizational innovation and other non-technological innovation.

By applying design component in the corporate innovation process, it is more likely that well-designed products and services will be better identified by end-users, with take bigger market share, they will have better quality products, lower production and supply costs, and they will be more sustainable. Latvian products and services, designed together with the professional designer, will become a successful brand of export goods and national awareness, and will represent regional differences in a global context.

The results of the activity will contribute to the development of innovation, the creation of new or substantially improved products, which will contribute to the achievement of the objectives of the Latvian Smart Specialization Strategy.

#### 4. Timeframe

2020 The first call of the first pilot project will be launched at the beginning of 2020.

Monitoring of programme's implementation and if needed improvement of the programme's administration.

Evaluation of achieved results and set up decision about next call at the end of 2020.

2021 In case the first pilot project will have good results the second call will be launched in 2021

Monitoring of programme's implementation and if needed improvement of the programme's administration.

Evaluation of achieved results.

## 5. Costs

The amount of funding shall be divided into two parts: the basic funding of the programme, which is planned for companies and the funding for the administration of the programme.

The initial amount planned for the Design vouchers pilot project is EUR 100 000 of the European Union funding. The additional funding for the future design vouchers programme will be decided at the end of the pilot project, when the results of the programme are evaluated, and in case the indicators achieved, and there is a demand from the companies to continue such support.

The estimated amount for the development and administration of the pilot project is EUR 22 000.

## 6. Funding sources

Project "Project of Technology transfer" implemented by LIAA, financed from Operational programme according to Cabinet Regulation No.692.

## 7. Indicators

### Output indicators:

- Number of the launched calls for the design vouchers;
- Number of companies supported.

The assessment shall be based on the information available to LIAA.

### Impact indicators:

- Development of new products/services/networks;
- Increase in the number of jobs;
- Increase in turnover;
- Increase in export.

The performance indicators shall be evaluated on the basis of the data available in LIAA and the Enterprise Register.



# Action 1.1

## Create a Database of Active Practitioners' Design Professionals

### 1. Background

By exploring the needs of different industries and SME, it can be concluded that there is no system or scheme in Latvia for a given moment, how and where representatives of other industries can find out about the availability of design specialists, their profiles, and their past experience. Entrepreneurs who are interested in improving their product and services by innovating new ones or by transforming existing products are seeking for the opportunity to reach design specialists through their private contacts.

Sometimes the meeting is based on the recommendations of LIAA, Ministry of Culture, Design Factory of Riga Technical university or Academy of Art of Latvia. Such casual business-contact capabilities can result in success, but often lead to intractable issues,

because the designer you are addressing is either unavailable or his profile is not relevant to what you are looking for. Another case - potential user of the service cannot afford it for financial reasons. During research phase, both design and other industries note that a website or a site where information on practicing design experts is regularly maintained and updated would be useful. It would also be important to regularly gather information about young specialists who graduate from special design arts vocational schools and higher educational establishments.

**Relevance to the project:** Inspired by one of the actions included in the new support programme introduced by Galicia for the wider use of Design for Innovation 2020. As part of increasing a visibility of design professionals to businesses GAIN developed a Map of design services providers - an online catalogue to promote professional

collaboration and visibility of work between designer, companies and society.

<http://mapadesenogalego.gal/es>

## 2. Action

Activity will consist of several steps, complementary and related to each other. At the same time, taking some steps of activity is possible regardless of the outcome of others, and in parallel time. A mandatory condition is: cooperation between a number of institutions and between public and private players.

1. Since the information required for professional designers is not available together at the moment, a leader should be nominated who would take the lead in compiling it.

2. Data collection sources:

(a) in view of the fact that LIAA has an expert who has been working with representatives of creative industries for many years, it is necessary to use the information contained therein;

(b) the Latvian Designers Society, which lists and certifies its members, thereby keeping information on their profiles and portfolios;

(c) Ministry of Culture and Latvian National Culture Centre - data on Academy of Art of Latvia and professional design secondary schools, and Ministry of Education and Science - data on graduates and profiles of other higher education and vocational secondary schools with design specialization.

(d) the Enterprise Register contains information on the number of companies registered under the NACE 74.10 code, their profile, turnover, number of employees, etc.

3. The data collected should be validated by contacting each of the design players (channels and methods could be very diverse here), with their permission to include information on them in a public database (without infringing data protection requirements). It should also be agreed whether design professionals who are employees in any other sector should be included (the point of view of the specialist and employer itself is important).

4. The database should be updated regularly to keep the information up to date.

5. The database, according to the Ministry of Culture, was originally planned to be deployed on the platform FOLD.lv. According to the information currently available, the Latvian Design Centre creates its own home page, by attracting private funding, so that the database's pilot version (using Excel) will be located on [www.designlatvia.lv](http://www.designlatvia.lv) (currently in Beta).

### 3. Players involved

Latvian Design Centre as a future database developer and holder.

LIAA as a provider of information and contact provider. Enterprise Register, Ministry of Economics, Ministry of Culture, Ministry of Education and Science, Latvian National Center of Culture, Design Council, Design Factory of Riga Technical university as information providers, as far as possible.

**Reasons:** Creating a database of active practitioners' design professionals in Latvia would provide an opportunity to assess design capacity, the specific nature of the experts available, knowledge, experience, the size and structure of the projects being implemented. Knowing who design providers are and how much they are, it could be more successful to implement the Design vouchers programme developed by LIAA. It would also facilitate the deployment of the other recommended activities, for example, speeddating/matchmaking, educational activities ect. In the case of cross-disciplinary projects, reliable data

and up-to-date contacts would be available to private and public players.

The creation of a database would open up the possibility of advising specialists in design areas to be implemented for private sector purposes not only in Latvia but also outside its borders. For example, companies would be more likely to choose a collaborative partner or outsourcing provider within the limits of their business when building their exhibition stands abroad. Other types of cooperation that could arise: companies that would like to use the gamification elements in their product development could find contacts in this database for designers of digital platforms, game developers who have obtained the relevant education and are able to provide professional support to other industries.

In planning and developing new products and services, collaborative pathways could be established in time for the design expert to be present in the process development and to apply user-centered design thinking techniques already in the initiation phase. Given

that business development and growth also depend heavily on policy makers and the legislative instruments developed, the existence of a database would also benefit the public sector in order to make successful procurement of a design service by involving design expertise in its work.

#### **4. Timeframe**

The establishment of the database should start in Q4 2019 by developing the structure, template and adapting it to one of the digital solutions. Input of basic information into the database will take place in Q1 and Q2 of 2020, and will then be updated on a regular basis.

## 5. Costs

The indicative amount of the necessary funding for the first year shall be approximately EUR 11400.

For the second year about EUR 12 000 (only about 4 000 EUR is provided from the budget of the Ministry of Culture If no additional funding is found, the amount of data entered will be reduced).

## 6. Funding sources

Sources of funding identified for the implementation of the activity - state budget financing for the delegation of functions of the Ministry of Culture for the establishment and operation of the Latvian Design Centre.

## 7. Indicators

### Output indicators:

- Created database
- The number of active designers (companies and individuals) entered in the database;
- The number of design companies/studios entered in the database;
- The number of design professionals entered in the database operating in other sectors;
- The number of graduates with design education (all levels) entered in the database.

The assessment shall be based on information contained in the database developed by the Latvian Design Centre.

### Impact indicators:

- The number of participants in other related activities (speeddating, educational activities, meet-ups);
- Number of applications submitted for the Design and Innovation vouchers programme;
- Number of applications submitted for the Latvian Design Award.

The performance indicators shall be evaluated on the basis of the data available at the Latvian Design Centre, Ministry of Culture, Ministry of Education and Science, LIAA.



# Action 1.2

## Organizing Regular Design Meet-Ups

### 1. Background

Given that the design sector is evolving, plays an increasingly important role in interdisciplinary activities, it is called a mandatory component, such as innovation and expert development, organization leadership, brand and development strategies, that design needs to be mentioned more and more.

In Latvia, as in the world, different forms and types of new meetings and mutual information exchange are being introduced and works very rapidly. Meet-up evenings or afternoons, which started in Latvia in 2006/2007, have become very popular. However, until now, there has been no meet-up in which the design industry would regularly gather and meet. With the exception of the user-experience/user-interface (hereinafter - UX/UI) meet-up group, which has been

running for more than five years and has 793 members followed. It formed as an active group thanks to players from the UX/UI industry who started organizing the UX Riga conference. The other meet-up group, which also includes design professionals, is GameDev meet-ups. Both of these communities also bring together designers, but yet mostly those who work or who have digital design education, practice and experience.

Service designers are also often present there.

Designers are invited to participate in a variety of other informal meet-up events, but there is no regularity. Consequently, the creation, strengthening, development of the design community, the establishment of new contacts, the creation of networks and, in general, public awareness rising on the importance, specificity, value of design. It should be noted that there is no design association in Latvia (except for the Latvian Designers Society, but it has other operational objectives). Also

there is no creative industry association exists, and design community is not have not unified very much (possibly not a recognized leader - "locomotive"). It should also be noted that designers are in the most cases consider themselves an introverted, therefore they do prefer to work very individually.

The third initiative, which play a major role in promoting innovation and use of the new technologies, is the creation of the Open Innovation meetup group initiated by Accenture Latvia. This group is the closest to the needs of designer`s community, and to the use of design added value in innovation process, since design and innovation are not separable concepts.

**Relevance to the project:** Inspired by the study of the new support programme introduced by Galicia for the wider use of Design for Innovation 2020. One of the eleven strategic actions of the Galician 'Design for Innovation 2020' is 'Communication events and spaces for design promotion'. The conferences organized in the framework of the programme proved successful in bringing together Galician policymakers, designers

from all disciplines (graphic and visual communication, product and industrial, audiovisual and multimedia, spaces, fashion and strategy), students of this specialty and representatives of companies and other entities interested in promoting design as a tool for innovation and competitiveness in their organizations. Through organization of those events new support calls can be promoted and collaborations fostered.

## 2. Action

The activity will consist of several stages that are complementary and related to each other. A mandatory condition is: cooperation between a number of institutions and between public and private players.

1. It is necessary to meet all players together and map out the current situation, identify the leading partners and agree on further steps.

2. Partners work together to develop a plan for meet-up activities. Initial development of the meet-up themes plan need to be discussed with the existing market players and looks at the possibility of combining the Open Innovation meet-up plans. In further steps, the plan is reinstated on the basis of the initiatives of the community and cross-sectoral players themselves. As usually the list of topics to be discussed and the recommendations coming out from the meet-up participants and guests.

3. Meet-up sites can be changed by inviting existing design entrepreneurs, or those companies in which the design is already visible as present, to host these meet-ups. At the beginning stage, they should be organised at the location chosen by Accenture Latvia in the "Minox Bar" in order to ensure greater public awareness.

4. Meet-up activities should be reflected by creating a separate one or more useful by adding information on designers' inclusion in the Open Innovation meet-up group, by informing the public on the FB site, as well as in the mobile Meet-up app, so that the widest audience can find out about it. Information should also be directed through the Labs of Latvia platform, Magnetic Latvia/LIAA social networks, Latvian Design Centre and other partner channels.

### 3. Players involved

Latvian Design Centre – as an initiator and promoter of the activity;

Accenture Latvia – as a co-partner (Open-Innovation meet-up Introducer and Organiser);

LIAA – as a information distributor;

Design Commune, Latvian Designers Society , Digital Freedom Festival, TechChill, TechHub – as a information distributor among the design and start-up community.

**Reasons:** By initiating design meet-up activities, filling them with content, supporting them with technical and space provision, disseminating information on what is happening, with relatively small means could have a major and significant long-term impact:

1) Regular exchange of information shall take place through the informal meet of this type.

2) Meet-up is usually attended not only by one sector, profession, profile, but by intermediate disciplinary bodies having an interest in a particular subject,

industry, issue and so on. This provides informal meetings between networking and potential partners.

3) Meet-up topics have the possibility to forward the important policy issues initiated by the policy makers to the end-users in a user-friendly way.

4) Meet-up topics can contribute greatly to educating the general public on what design is, what quality design is, where and what examples are visible, piloted, presented, etc. Thus, the individual of society is educated as an end- user who will be able to assess the benefits of good design, both environmentally and people-friendly, and will demand the presence of design in both public services and private sector products.

5) One of the targets of the design meet-up would be the representatives of traditional, or other small and medium-sized enterprises, who could gain an informal understanding of what can be done by design, as is the case, why it should be, what value it will deliver, what results can be achieved, etc. Organizing design meet-ups can open an opportunity for audience/specific

sector, providing good practice stories and examples from real business processes (more valuable if the story is presented from both the customer and the performer's point of view).

In the light of the above, this type of activity would provide an educational, networking, exchange of experience that would save SME representatives from searching daily for such information to their own forces, encourage the use of collaborative methods to test new ideas based on design principles and help promote business development.

#### 4. Timeframe

The organization of Open Innovation & Design Meet-up may be launched in the first quarter of 2020, in agreement with the Accenture Latvia representative on the selection of topics, dates and guests/discussion participants to be invited.

During the period of 2020-2010, meet-ups could take place every other month or once a quarter (depending on the expectations and opportunities of the partners involved).

## 5. Costs

The estimated cost of organising at least 4 meet-ups during one year for the period of two years might be in between 25 000 – 27 000 EUR.

## 6. Funding sources

- State budget financing for the delegation of functions of the Ministry of Culture for the establishment and operation of the Latvian Design Centre;
- Private sector support funding (Accenture Latvia).

During each meet-up organisation, other private support funding (coffee breaks, room rentals) can be accepted

## 7. Indicators

### Output indicators:

- Defined the lead partner of the activity;
- Number of meet-up organized during a year;
- Number of meet-up speakers/sectors representing debate;
- Number of meet-up participants.

The assessment shall be based on the information obtained during the organization and events of meet-up.

### Impact indicators:

- Number of applications under the Design and Innovation vouchers programmes;
- Improved number of applications for the Latvian Design Award.

Performance indicators shall be evaluated on the basis of data available at the Latvian Design Centre, LIAA, Ministry of Culture.



# Action 2

## Educational Events: How Design-Based Innovation Can Improve Business

### 1. Background

In Latvia, serious work has been launched in the field of public education, with the aim of helping to understand not only what the design is, but also what the design ecosystem is, and how each player in interaction can influence both business development and public sector organization and state development in general. The Latvian Design Strategy 2020 has been developed, which has also been visualized in a user-friendly and easily understandable way. Latvia is a partner for international INTERREG Europe projects, where design is one of the main issues. New academic and vocational training programmes are being developed. But there is still a pressing question: how, by what means, through which channels to reach and educate all potential design service users – entrepreneurs in the private sector, representatives of public and local authorities,

policy makers. The only way to do this is by motivating that the knowledge and information obtained will help to design, develop and implement the services and products expected by the end user and those that will make a profit. The knowledge that needs to be provided is a knowledge of what the entrepreneur will gain from incorporating design components into the business strategy. Target audience for this activity - private sector players SMEs.

In Latvia, new methods and tools based on the foundations of the development of creative industries, particularly on basic design principles, to create a user-friendly, user-friendly, user-friendly, comprehensible and useful product and service, are starting to take their place. Design thinking, as a problem-solving method that can be more successful in setting up a team, planning activities, realizing innovative ideas,

has already been promoted from 2012, but only in the last two years it has been recognized as a method that can be learned by anyone, not just by a design professional. Leaders have been nominated in the public sector (State Chancellery, State Administration Schools, Ministry of Economics, Ministry of Environment and Regional Development, LIAA, etc.), whose daily work to simplify administrative processes, reduce red tape to develop more business-friendly policy documents and legal bases is being used on the end. user-centered method. Various training courses are available for public sector representatives, masterclasses, seminars, conferences are organized.

In the private sector, the interest in design thinking is high (according to information provided by design thinking experts), while each looks for their niche or for the ability to find, attract and use the expertise and skills of design thinking experts as effectively as possible. Companies address this in a variety of ways, depending on the development stage and opportunities: include design experts in their teams as employees, purchase as outsourcing to address a particular issue, submit

their challenge to Demola Latvia's student innovative platform, organize separate courses in their business, send employees in training to public workshops and workshops. Many take advantages of the opportunity to attend already paid practical workshops and masterclasses, which are organized and offered from time to time by LIAA and other partners. But these kinds of activity aren't regular and can't meet the broad demand.

Relevance to the project: Inspired by the activities of Antwerp. Powered by Creatives & De Winkelhaak. The main goal of initiative Antwerp. Powered by Creatives (APBC) which nurtures cooperation between the creative sector with other sectors, motivate Antwerp's entrepreneurs to innovate and help creative entrepreneurs grow. It is an open platform where designers, companies, education organizations and government can meet and start conversation to share or gain knowledge, launch projects and challenge or inspire others. De Winkelhaak House of C is part of APBC and provides a space for those meetings and collaborations. In De Winkelhaak everything is centered

around cross pollination, building community and capacity. The incubator organizes trainings for aspiring entrepreneurs and promotional campaigns for creative sector.

Ideas for this activity also are derived from the 5 x 5-Design Thinking Programme, developed over 10 years in Belgium in the Corrijk region, as well as by exploring the service design programme developed by Wales for SMEs and designers ("Service Design Programme for SMEs and Designers"), and drawing on the sections of the new design of the "Design for Innovation 2020" introduced by Galicia.

## 2. Action

The activity will consist of several stages that are complementary and related to each other. A mandatory condition is: cooperation between a number of institutions and between public and private players.

1. It is necessary to meet all players together and map out the current situation, identify the leading partners and agree on further steps.

2. Partners work together to develop a plan for meet-up activities. Initial development of the meet-up themes plan need to be discussed with the existing market players and looks at the possibility of combining the Open Innovation meet-up plans. In further steps, the plan is reinstated on the basis of the initiatives of the community and cross-sectoral players themselves. As usually the list of topics to be discussed and the recommendations coming out from the meet-up participants and guests.

3. Meet-up sites can be changed by inviting existing design entrepreneurs, or those companies in which the design is already visible as present, to host these meet-ups. At the beginning stage, they should be organised at the location chosen by Accenture Latvia in the "Minox Bar" in order to ensure greater public awareness.

4. Meet-up activities should be reflected by creating a separate one or more useful by adding information on designers' inclusion in the Open Innovation meet-up group, by informing the public on the FB site, as well as in the mobile Meet-up app, so that the widest audience can find out about it. Information should also be directed through the Labs of Latvia platform, Magnetic Latvia/LIAA social networks, Latvian Design Centre and other partner channels.

### 3. Players involved

LIAA as the initiator, supporter and promoter of the idea and activity;

EEN Latvia – as one of the thematic seminar organizers;

Latvian Design Centre - as a supporter of activity, content generator, instructor, member and presenter picker, information distributor;

Ministry of Economics, Ministry of Education and Science, Ministry of Culture, LIAA as potential funding enrollees/providers;

Academy of Art of Latvia, Riga Technical university, School of Economics and Culture (performance design), Vidzeme University of Applied Sciences (Augmented reality and Virtual reality design), RISEBA University of Applied Sciences (multimedia design) and professional design secondary schools – as professional design experts;

Latvian Designers Society, Ministry of Culture, FOLD, sectoral clusters and associations, as experts, case analysis examples identified.

**Reasons:** Still, a very large part of society in all sectors has a limited understanding that design is essentially a process. With this activity, they will be able to zoom in on the perception of the design service recipients that the design is not just colour and fonts, and that the designer is not just a person who designs sketches. The designers for potential partners should provide information and real experience stories about the whole process, from idea to solution, and the impacts of this solution. Then there will also be an understanding of design as a real way of solving problems, leading to measurable change. Training should gradually raise awareness of the impact of design as such and that design essentially means improving business performance, making services user-friendly and environmentally friendly, and promoting innovation by developing business strategies that include a design component.

Presenting and analysing real life cases will provide SMEs with an opportunity to assess how they should work with designers in different sectors, what are the conditions of the strengths and weaknesses of cooperation, what recommendations from practical

experience. Entrepreneurs will establish contacts with design specialists based on the views of (peer review) colleagues. Companies will be the biggest beneficiaries, as input seminars, masterclasses and workshops will have the opportunity to attract a design professionals or design thinking experts to the companies as needed, so that innovation can be introduced (new or improved products, services, business and marketing directions) on a case-by-case basis.

The winners will also be the design industry and design-thinking experts, whose knowledge will be used valuably and objectively to improve business and innovation processes, create new products and services. They will further use the experience gained and contacts in the implementation of other similar projects.

Experts and trainers from higher educational institutions and vocational schools will have the opportunity to share their knowledge with industry, to obtain up-to-date information on market trends, on the specific nature of requests, on needs. In the alternative, it will allow industry companies to meet their "design student" who will probably carry out a study on the current

SMEs in the development of high-quality diplomas. At the same time, entrepreneurs will also be able to find out what their research capacity is in Latvia and, if necessary, to address proposals to cooperate in the development of new innovations. Students, as future design professionals, will be presented in good time with sectoral specificities, challenges, development rates and global competition. Future recruitment will also be possible within the framework of cooperation.

The benefits of higher education and vocational training will be linking the real business environment to the theory already during the training process. Feedback from industry representatives will give an insight into market trends, thereby facilitating the adaptation of training programmes to the needs of the real market. Prototyping workshops will have the opportunity to work directly on the production of prototyping for SMEs, rather than before further educating entrepreneurs in the introduction of design stages, as is often the case when the company leaves to order a prototype, but the definition of pre-existing and user needs has not occurred.

LIAA and Latvian Designers Society will provide valuable information on real design applications in sectors, on SME needs and requests, and on designer offers. The general public will benefit from the overall educational process through live broadcasting and/or reading information in the media and social networks.

#### 4. Timeframe

In the period 2020-2021, the theme of design and design thinking should be included in the existing sectoral enterprise training modules, both through the creation of separate masterclasses, thematic workshops, and as part of the mini-MBA training process.

The following timetable for 2020 has been discussed with partners at a given moment (which may vary slightly according to changes in the calendar of the large measures plan):

- A series of thematic masterclasses on the theme of the added value of design or Design Thinking - 1 series (3 masterclasses);
- Mini-MBA training session includes a design component - 2 events (spring and autumn sessions);
- Thematic workshops and networking activities include tools for the development of new ideas, design thinking and creativity in order to raise awareness among entrepreneurs of the role and value of design in the innovation process - 4 events

For the year 2021 the calendar plans should be adapted to the existing plans of LIAA.

## 5. Costs

The total annual costs for the implementation of activity (9 events) are approximately EUR 47 000.  
2-year costs are approximately EUR 94 000.

## 6. Funding sources

Sources of funding identified for the implementation of the activity:

- Project "Innovation motivation programme" implanted by LIAA, financed from Operational Programme according to Cabinet Regulation No.278 (thematic masterclasses ,Mini-MBA training session)
- Within the financing available at the Enterprise Europe Network - LIAA is also a part of Enterprise Europe Network (activities for business development: seminars, matchmaking, workshops and trade missions) - including activity in the plan of thematic educational seminars for entrepreneurs.

In order to expand entrepreneurs' knowledge of key issues in exports and to increase companies' competitiveness in foreign markets, LIAA, are already organizing informative, educational seminars in a specific area that helps to boost the competitiveness of innovation ratings and entrepreneurs in external markets. A few times these themes have already

included design and design thinking issues, but they must be extended, and new themes should be developed, which include design components for educating other industries.

Possible support sub- programmes that could carry out the activity:

- business training for entrepreneurs to improve their innovation management capacity and accelerate business growth - masterclass cycles;
- business training for entrepreneurs to improve their innovation management capacity and accelerate business growth - Mini-MBA;
- measures to increase the competence of technology transfer specialists;
- seminars and training for eco-operators of start-ups;
- networking seminars;
- technological interests and measures to promote creativity.

Within the framework of the Enterprise Europe Network, funding can be used directly for the organisation of thematic workshops, which should include a design transfer to the process of developing products and services for traditional business.

## 7. Indicators

### Output indicators:

- Partners' consortium established;
- Number of thematic workshops, masterclasses/ design thinking workshops. Mini-MBA organised during the year;
- Number of sectors representing professionals (trainers) involved in activities;
- Number of sectors involved in activities;
- Number of participants on the activity during the year.

The assessment shall be based on the information generated by the introduction of activity (LIAA, Enterprise Europe Network).

### Impact indicators:

- Number of applications submitted for the Design and Innovation vouchers programme;
- Number of applications submitted for the Latvian Design Award.

Performance indicators shall be evaluated on the basis of the data available at LIAA, and Latvian Design Centre.



# Action 3

## Organisation of Regular “Speeddating/Matchmaking” Events for Designers and Other Industries

### 1. Background

By exploring the needs of SMEs in different sectors, it can be concluded that a system or scheme has not been established in Latvia for a given moment, how and where representatives of other industries can find out about the availability of design specialists, and where they can be met to discuss the possibilities of cooperation.

A large percentage of entrepreneurs are not fully informed about the design’s relevance, its added value, which can be achieved by involving a design expert for their product or service. Regional entrepreneurs have limited scope (time consumption, geographical distance) to participate in various activities, which are mainly taking place in Riga. No system has been developed to clearly identify where and when there are

opportunities to meet with an expert who is a design expert. Consequently, there is no regular possibility of educating SME’s representatives, which means developing design thinking skills, the use of design methods in the management of the company etc., which can be provided by cooperation with a design specialist in improving the existing product or creating a new one, and the development of overall competitiveness.

In the light of all the above, and also the growing demand for design services and the creation of interdisciplinary teams for both the business and the public sector (public administration, education, welfare), support is needed to allow the mutual consultation, meeting and exchange of ideas between the two sides. There is no database of active practitioners’ design professionals in Latvia available yet. There is no design “agents” network, nether strong community that can

promote design and its values. Entrepreneurs who are interested in cooperation and want to improve their products and services by improving existing ones or by creating new products are independently looking for opportunities to meet with the design industry members.

Uncoordinated and unorganized meetings are more time-consuming and uncomfortable for start-ups and small medium-sized entrepreneurs, as this requires high capacity of human resources. Public support is needed in the organization of specially planned and well-organized speeddating/matchmaking events.

Relevance to the project Inspired by a programme Galactea-Plus presented by Galician Agency of Innovation at the knowledge exchange workshop in Valletta. It is a matchmaking and networking initiative run by Enterprise Europe Network in South-West Spain. It brings together businesses and other organizations looking for collaboration. Main objective of the programme is to help SMEs innovate, grow and scale in the Single Market and internationally. Galactea-Plus

offers three types of services: expert internationalization advice on how to expand to new markets, international partner search services and innovation diagnosis for improvement of company's innovation and competitiveness management system. After registering to the network, a company (or other institution) is informed of and/or invited to participate in brokerage events, collaborative projects, business cooperation, knowledge transfer projects or tender submissions in the area of company's interest.

## 2. Action

The activity will consist of several stages that are complementary and related to each other. A mandatory condition is: cooperation between a number of institutions and between public and private players.

1. In order to ensure a coordinated and high-quality deployment of activity, the establishment of a consortium of partners and the development of a plan of regular meetings (at least once in a quarter) are important.
2. Latvian Design Centre using the information available in the design professional database (created within the activity "Creating a database of active practitioners"), draws up a list of design professionals who would agree to participate at the first pilot speeddating/matchmaking.
3. LIAA, using their data base and network of business contacts from all other sectors, invite participants to the speeddating/matchmaking event, proposing to meet their potential future partner from the design area.

4. Practical speeddating/matchmaking meetings may take place either as separate events or as part of another identified event: Building Industry exhibition "Home", International Textile Industry exhibition "Yard and Living Style", "Riga Food", Riga International Design Fair "Design Isle", "Riga Comm", Riga Fashion Week, iNovuss, Magnetic Latvia Business Forum, Creativity Week radi! week, Latvian Design Annual Award, Diplomand Days, during the events of Enterprise Europe Network. It is also recommended to think about these types of measures in regions to make it easier for start-ups and the reach of the SME service.

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5. There is an opportunity within some of such events to organize speeddating/matchmaking for young design professionals who have recently graduated from specialized professional or higher education institutions, to present their ideas, the prototypes of which have already been developed in defence of school graduation works, and which could have an interest in bringing them into life or commercialising them.

6. In cases if the success factor would work, and the two stakeholders have met, it would be desirable to further engage in dialogue with stakeholders by offering them in-depth cooperation, by attracting: (a) Academy of Art of Latvia, Riga Technical university or other academics; (b) moving the idea to one of the calls for funding; (c) motivating to apply for the Innovation or Design vouchers, if the participants match the criteria for the programme.

### 3. Players involved

Latvian Design Centre and LIAA representative, responsible for the creative industries sector, agree on the schedule for the partner consortium meeting. Latvian Design Centre and Latvian Designers Society – responsible for informing and inviting, the design industry members to participate, as well as supporting the event process.

LIAA, Enterprise Europe Network, Ministry of Culture – information and contact keeper, takes the initiative in addressing, inviting other sectors, as well as together with other partners, organizing practical speeddating/matchmaking events, conducting publicity activities, monitoring information.

Educational institutions (Academy of Art of Latvia, Riga Technical university, University of Latvia, School of Economics and Culture, Vidzeme University of Applied Sciences, RISEBA University of Applied Sciences, Design vocational schools) shall initiate a presentation of new specialist works during speeddating/matchmaking events.

Representatives of technology transfer centers – coordinate cooperation between players where further research, prototyping is needed.

Reasons:

Large and fast-growing multinationals understand the benefits of design and generally use it to create innovation and conquer new markets. Big companies don't have problems meeting and including design professionals in their teams, or even a number of design and innovation experts. But SMEs which represent the majority of market players in the context of the European Union (including Latvia), they are far less aware of the value of the design, and often they are not informed and do not know how to access good design and how to use its added value professionally. At the same time, SMEs are able to react more quickly to multidisciplinary collaboration, are more flexible in acquiring new methods and tools, more focused on exploring the needs of the user, as their final product sales have an impact on the future of the whole company. It is vitally important for SMEs and start-ups not to lose time and resources at this rapid pace

of development, trying to develop the first steps of cooperation with design and innovation professionals individually.

Speeddating/matchmaking activities, which are short but well-targeted, will be a good start in creating new partnerships, in which traditional industries, when meeting creative design experts, will familiarize themselves with them and will be provided with a professional advisory function in the designer's persona in the future. This can be an effective starting point for cooperation, both by designing new processes, by developing business, export, marketing strategies and by creating new products and services intended by traditional industries. Cooperation will contribute to the innovation capacity of companies by increasing the overall national innovation rating. This will, in turn, increase exports and competitiveness in world-class markets.

It will be a good opportunity for graduates to present and position themselves at the same time, both for the designer community and for all other sectors, providing

publicity for their diploma topics. Topics are mostly with a very deep and sustainable impact on global development, on the conservation of natural resources, on the protection of the environment, based on the basic principles of the circular and sharing economy.

The increased involvement of technology transfer centers and higher education institutions will open the possibility of bridging the gap between the needs of the sector, research opportunities, research development, prototyping capabilities and the testing process for the development of new products.

It will be more convenient and easier to carry out this activity when a Database of active practitioners' design professionals is going to be established and the design capacity available in Latvia will be evaluated, knowing the specific nature of the experts available, their knowledge, experience, the size and structure of the projects introduced.

#### 4. Timeframe

The introduction of activity can be started in Q1 2020.

For a given moment, the following timetable for 2020 has been discussed with the partners (Enterprise Europe Network, Latvian Investment and Development Agency, Ministry of Culture) (which may vary slightly according to changes in the calendar of the exhibition plan):

- International Textile Industry Exhibition (April/May)
- Riga Food (September)
- Riga International Design Isle (October)
- Riga Comm (October)
- During the iNovuss festival (August)
- During the Creative Week radi!

A similar timeline can also be formed for 2021, but must be aligned with the plans of exhibition organizers once they are already made public.

## 5. Costs

During the year, for the 6 events (approx. for 40 members) would need to budget about 21 600 EUR. In the frame of 2 years period - about 43 200 EUR.

## 6. Funding sources

Sources of funding identified for the implementation of the activity:

- project "Promoting international competitiveness" implanted by LIAA, financed from OP according to Cabinet Regulation No.678
- project "Innovation motivation programme" implanted by LIAA, financed from OP according to Cabinet Regulation No.278 including activity within the framework of the Innovation Festival iNovuss.
- within the financing available at the Enterprise Europe Network - LIAA is also a part of Enterprise Europe Network (activities for business development: seminars, matchmaking, workshops and trade missions) - including activity in the exhibition activities plan referred to in paragraph 6 (International Textile Industry Exhibition, Riga Food, Riga Comm).
- State budget financing for delegation of functions of the Ministry of Culture (Creativity Week radi! and events of the Latvian Design Award).

## 7. Indicators

### Output indicators:

- Number of speeddating/matchmaking events organized during a year;
- Number of sectors represented during speeddating/matchmaking events;
- Number of speeddating/matchmaking participants.

The assessment shall be based on the information obtained by Latvian Design Centre, and LIAA during the organizational process of the speeddating/matchmaking events.

### Impact indicators:

- Number of applications submitted for the Design and Innovation voucher programmes;
- Number of applications submitted for the Latvian Design Award;
- Number of collaborative projects initiated using knowledge transfer between industry players, university professors and students.

Performance indicators shall be evaluated on the basis of data available at the Latvian Design Centre, LIAA, Design Factory of Riga Technical university.





Project Team:

Technology Department

Investment and Development Agency of Latvia

