

Global Grants Project "SATURNO"

To promote and develop Lombard
entrepreneurship through
a network system

Measure D3 of P.O.R. Lombardy Region

Total amount : 20,000,000 EURO

Period : July 2003-October 2005

. OBJECTIVES OF G.G.

PROMOTE LOMBARD ENTREPRENEURSHIP through:

- 0 Dissemination of a entrepreneurial culture
- 0 Support to the creation of new companies and self-employment
- 0 The consolidation of SME's through generational transfer

THE INTERMEDIARY BODY

The Intermediary Body (I.B.) that
has managed Global Grant is
Milan Chamber of Commerce

THE INTERMEDIARY BODY NETWORK

Unioncamere Lombardia

11 Chambers of Commerce

31 Decentralized locations

9 Special Agency of the Chambers

15 P.N.I.

43 Entrepreneurial Associations

TWO FORMS OF ACTION

- o **"SERVICE" ACTIONS** aimed at financing projects presented by third parties to support entrepreneurship (Actions 1 to 5).
- o **"SYSTEM" ACTIONS** implemented directly by the I.B. to promote, sensitize, coordinate, implement and monitor the actions (Actions 6 to 8).

ACTIONS	GOALS	MODE OF DELIVERY
ACTION 1	DISSEMINATION OF BUSINESS CULTURE	TENDER VOUCHERS FOR OPERATORS PUBLIC NOTICE FOR FINAL RECIPIENTS
ACTION 2	GRANTS TO NEW COMPANIES AND SELF-EMPLOYMENT	TENDER FOR NEWCO'S / SELF-EMPLOYED (NON-REPAYABLE GRANTS)
ACTION 3	SUPPORT TO NEW COMPANY	TENDER VOUCHERS AND PROJECTS
ACTION 4	ACTION TO PROMOTE GENERATIONAL TRANSFER	TENDER VOUCHERS AND PROJECTS FOR OPERATORS
ACTIONS 5	ACTION TO PROMOTE SUPPORT MEASURES	TENDER PROJECTS FOR OPERATORS
ACTIONS-6-7-8	PROMOTION AND RESEARCH, MONITORING AND ADMINISTRATION	DIRECTLY BY THE I.B.

SERVICES PROVIDED AND FINAL BENEFICIARIES : ACTION 4 GENERATIONAL TRANSFER

WHY A SPECIFIC ACTION ON GENERATIONAL TRANSFER IN LOMBARDY ?

IN LOMBARDY MANY COMPANIES WILL, IN THE SHORT TIME, FACE THE PROBLEM OF CONTINUITY DUE TO GENERATIONAL TRANSFER:

120.000 Companies in Lombardy (16.7%) are managed by entrepreneurs
over 55 17.000 Co (2.3.%) by entrepreneurs over 70

Agriculture, Handicraft and Commerce are the “oldest sectors”

Source: Saturno Report, Le trasformazioni delle imprese in Lombardia, 2005
by Formaper

THE GENERATIONAL TRANSFER IS A DELICATE PROCESS:

5.000 Companies died because of generational problem (nov.2003-nov.2004)

Generational problem is the second cause of mortality (41.3%)

It is the only cause of death for 20.4% of total ceased companies

It is one of the causes of mortality for 20.9 % of total ceased companies

Source: Saturno Report, Le cause di mortalità delle imprese in Lombardia, 2005
by Formaper

FAMILY BUSINESS IS VERY HIGH AND THE PROCESS OF GENERATIONAL TRANSFER COMBINES AFFECTIVE AND ECONOMIC DIMENSIONS

family businesss (85%)

96.8% of ceased companies for generational transfer was family business
against 65.6% with no family members

Source: A.Vergani, Imprenditore nato, Come dare continuità all'azienda di
famiglia", Il Sole 24 Ore, 2003

Source: Saturno Report 2005

**THERE IS NOT A DIFFUSED CULTURE ON THE IMPORTANCE OF
MANAGING GENERATIONAL TRANSFER**

**THE IMPROVEMENT OF COMPETENCES IN GENERATIONAL
TRANSFER CAN BE AN OPPORTUNITY FOR COMPANY
DEVELOPMENT**

**THERE ARE SPECIFIC ACTIVITIES SOCIALLY VALUABLE FOR
LOCAL DEVELOPMENT**

**FIRST SUCH AN IMPORTANT GRANT IN LOMBARDY
ON GENERATIONAL TRANSFER**

**FIRST EXPERIENCE FOR US IN MANAGING A GRANT ON
GENERATIONAL TRANSFER (PILOT PROJECT)**

ACTION	SERVICES	BENEFICIARIES
<p>ACTION 4 Actions to assist generational transfer</p>	<p><u>Specialized consulting</u> <u>Mentoring</u> <u>Coaching</u></p> <p>MODE OF DELIVERY VOUCHERS and PROJECTS</p>	<p>SME's in business for at least 5 years; =< 250 employees; Located in Lombardy; Age of at least one entrepreneur/sharehold. >=57; In generational transfer All sectors</p> <p>Entrepreneurs/Family members/Employees/ New entrants</p>

PROJECT

- + Operators Active role in promoting the actions**
- Less market than voucher**

VOUCHER

- No requested role in promotion**
- + More market than projects**

**TOTAL AMOUNT:
2.300.000 EURO**

**TENDER PROJECT FOR OPERATORS
(1.680.800 Euro)**

**TENDER VOUCHERS FOR OPERATORS
(619.200 Euro)**

	PROJECTS	VOUCHER
TOTAL AMOUNT	1.680.800€	619.200€
N° OF SELECTED OPERATORS	27	23
AMOUNT PER OPERATOR	52.470€	41.280€
HOURS PER CO'	10 h.(min) 36 h (max)	No Min. 24 H.(max)
N° OF COMPANIES	246	180
LEGAL ENTITIES		
Corporations	41.00%	50.00%
Ditte individuali	18.00%	16.70%
Partnerships	24.10%	22.80%
Cooperative	16.90%	10.00%;
SECTOR		
Manufacture	46.60%	53.90%
Commerce	20.30%	14.40%
Tourism	8.10%	1.10%
Building	7.20%	7.80%
Other	17.80%	22.80%
SIZE	Average 20	Average 19
FAMILY BUSINESS	55.1%	67.2%

Beneficiaries	PROJECTS	VOUCHER
COMPETENCES		
Secondary School Diploma	49.00%	51.10%
University Degree	25.90%	23.30%
Other	25.10%	25.60%
ROLE		
Entrepenuer	59.00%	52.00%
Manager	26.40%	27.00%
Employee	4.20%	7.00%
External collaborator	10.40%	12.00%
n.a	0.00%	2.00%
FAMILY RELATIONSHIPS		
Family member	55.50%	64.00%
Non family member	44.50%	36.00%

- **Vouchers have been promoted by the I.B.**
- **Promotion of the list of certified Operators has been made by the I.B.**
- **Vouchers have been distributed through the network of P.N.I. (Info desk for new business of the Chambers)**

KEY POINTS

- 0 THE LIMIT OF 57 YEARS AS AGE WAS TOO HIGH
- 0 THE VOUCHER DID NOT WORK AS WE EXPECTED
- 0 THERE IS STILL A LOT TO DO TO PROMOTE AND RAISE AWARENESS
- 0 THE NUMBER AND QUALITY OF COMPETENCES OF SERVICE SUPPLIERS ON GENERATIONAL TRANSFER IS TO BE IMPROVED

KEY POINTS

- 0 FLEXIBILITY IN CHOSING THE KIND OF SERVICE TO BENEFIT FROM (SPECIALIZED CONSULTING; MENTORING; COACHING) AND THE AMOUNT OF TIME PER SINGLE SERVICE WERE FUNDAMENTAL
- 0 THE CHAMBER'S NETWORK HAS GRANTED THE INVOLVMENT OF A WIDE NUMBER OF ENTREPRENEURIAL ASSOCIATIONS (Regional and Local level)
- 0 THE NETWORK HAS GRANTED A LARGE VISIBILITY TO SATURNO G.G.

FUTURE

TAKING PART TO A WORKING TABLE STARTED-UP BY LOMBARDY REGION INVOLVING SOCIAL PARTS

Mediation services for the Transfer of Business
Facilitate Financial and Credit access

FUTURE

SATURNO BIS

Age > 50

No Voucher Tender

More dissemination action to promote awareness of timely preparation

Focus groups and training with Operators

Priority to micro-companies and handicraft

Research and best practises at national and international level

THANKS FOR THE ATTENTION

Silvia Valentini
Head of Sme's Department-Formaper
Special Agency Milan Chamber of Commerce
02-85155395-5338
valentini@mi.camcom.it

www.formaper.it / www.saturno.lombardia.it