

Request for offers: External support to Baltic Blue Biotech Alliance partners on business model development.

Danish Technological Institute (DTI) is making a request for offers within the scope of the INTERREG Baltic Sea Region project, Baltic Blue Biotechnology Alliance (ALLIANCE), Work Package 3.5 “ALLIANCE permanent institutional and business setup”. The applicant should be familiar with the paradigms of EU-funded projects and with public and private financing mechanisms for SME’s.

1. Background

The **ALLIANCE project** is co-funded by the Interreg Baltic Sea Region (BSR) programme under the European Regional Development Fund (ERDF). It runs from March 2016 – February 2019 and has a total budget of €3.4 million, of which €2.7 million is provided through the ERDF. The project consortium unites 26 partners from across the Baltic Sea Region and is led by the GEOMAR Helmholtz Centre for Ocean Research, Kiel. The consortium comprises research institutions, businesses, networks, technology parks and business development institutions.

Blue biotechnology is a sector that has great scope and potential as Europe moves towards a bio-based economy. New drugs, biofuels, food and supplements are some of the impressive outputs from blue biomass, which remains largely untapped and in its infancy. One prominent challenge in getting blue biotech products market-ready is that no BSR country alone can provide all the resources and expertise necessary to complete the journey from idea to finished product. The aim of the ALLIANCE is to bridge this gap by developing and implementing optimal transnational product development chains. This will enable efficient use of and comprehensive access to a variety of facilities, resources and expertise available within the region and beyond, by pooling national capacities. In the ALLIANCE project, we have created a functioning network of experts, working alongside “client” cases, we follow a needs-based approach and have developed a genuinely useful **integrated service offer (ISO)** together with the cases.

The ALLIANCE project aims to satisfy the needs of two main target groups; 1) the current ALLIANCE institutional members and 2) SMEs, research entrepreneurs and other commercial actors. Moreover, it is the ambition of the current ALLIANCE project to continuously expand the ALLIANCE network by involving, inviting and including more relevant Blue Biotech partners into the overall ALLIANCE work. The heart of the ALLIANCE ISO is a web-based platform that will hold information on different service fields offered by the ALLIANCE. These fields include analytical techniques, research infrastructure, bio-resources (e.g. strain collections), business development and legal services as well as a communication platform.

One of the overall objectives of the ALLIANCE is the development of blue biotech products through integrated, transnational value chains. Pathways for specific products to be developed are established by connecting actors and resources across the BSR. To do so, we match our

cases to services, facilities and experts they need to take their idea to the next level. Not only do we look for the right partners to advance a case, we also help to create the necessary financial, legal and organisational conditions for the product to be realised within the BSR transnational product development chain. Successful cases in which partners have helped the progress towards a fully developed product will serve as models of how blue biotech value chains can work across the BSR.

The current ALLIANCE project experience gained by working with the concrete cases is used to streamline the ISO in terms of: identification and recruitment of new cases, case mentoring, partner search (e.g. through specific pitching and matchmaking events), market research advice, business development, marketing, legal and financial advice (including indication of relevant service providers in this field). The ALLIANCE is also informing public and private decision-makers of developing trends and encouraging them to prioritise actions and investments to meet future demands within the sector.

2. The Work

In order to continue to be able to provide the ALLIANCE ISO after the current INTERREG financed project ends, it is necessary to develop an appropriate business model as, although the ALLIANCE partners may choose to continue to operate on a not-for-profit basis, the ongoing service provision will require an independent financial basis and structure, which is not reliant on INTERREG finance. The skills and facilities of the ALLIANCE partners need to be financed, both in order to ensure the feasibility and continuation of the partnership, but also to be sufficiently financially accessible to companies. The institutional set up and related business plan will create the basis for the future collaboration agreement between current and future ALLIANCE partners.

The contractor will be expected to work together with the ALLIANCE partners to determine an accurate basis for the development of pricing systems and business model(s) and will involve:

- Identification of partner competences (consultancy, mentorship, man-hours) and pricing of these
- Identification of partner facilities (e.g. research facilities, equipment, lab-time, pilots-sites) and pricing of these
- Development of pricing models for the services offered
- Identification of market target groups
- Analysis of the market demand for services
- Analysis of possible business models for financing such services
- Analysis of suitable funding sources, private as well as public (or indeed lack of these!)
- Formulation of services to facilitate eligibility for national funding programs, despite the pan-Baltic nature of the network service

Based on the synthesized results of the work, pricing systems and business models will be developed for an ALLIANCE "biotech2business" assistance formula as well as a permanent ALLIANCE Integrated Service Offer. It is expected that the contractor will work with ALLIANCE partners through interviews and that interim results and models will be presented and discussed in one or two round tables involving at least once also the financial and legal departments of ALLIANCE partners (incl. case owners).

3. The Output

The output will be a written business and implementation plan for a sustained ALLIANCE Integrated Service Offer for publication online, which is developed jointly with the help of the ALLIANCE partners. The business and implementation plan should span about 20 pages. All rights related to the use of the outputs shall reside with the ALLIANCE consortium and DTI.

4. Available budget

The budget for the described work is €20,000, to be paid upon delivery of the output.

5. Award criteria for the procurement

The following criteria will be weighted when determining the winning offer:

- Quality of concept and approach to delivering the requested services
- Price, including a transparent calculation of the hours estimated to carry out the services
- References/relevant examples of experiences in business development services, professional details of those consultants to be involved in the work.
- Prior experience of working with / for transnational cooperation projects
- Prior knowledge about the biotechnology sector will be considered an asset.

*Please note that participation in the next ALLIANCE partner meeting in Copenhagen, Denmark on the morning of the **11th April 2018** is expected.*

6. Suggested time frame for the realisation of the contract: April 2018 – November 2018

7. Application procedure

Please send your offer, no later than **Friday 9th March 2018** to:

Senior Project Manager, Hilary Karlson, hika@teknologisk.dk, Danish Technological Institute, cc: project coordination office ea@submariner-network.eu; kaz@submariner-network.eu

We look forward to hearing from you!

You will hear from us regarding our decision by March 15th 2018.

Read more about the ALLIANCE and its cases at: www.balticbluebioalliance.eu

Attached: Baltic Blue Biotechnology Service Offer Brochure (pdf)