

From the Office of the Minister



Department of  
**Enterprise, Trade  
and Investment**  
www.detini.gov.uk

NETHERLEIGH  
MASSEY AVENUE  
BELFAST  
BT4 2JP  
Tel: 028 90 529452  
Fax: 028 90 529545  
E Mail: private.office@detini.gov.uk  
**INV 888-12**

Sandra Overend MLA  
Room 308  
Parliament Buildings  
Stormont  
BT4 3XX

28 January 2013

Dear Ms Overend

**NSMC TRADE AND BUSINESS DEVELOPMENT SECTORAL MEETING  
28 NOVEMBER, 2012**

**ASSEMBLY STATEMENT 14 JANUARY, 2013**

During my Assembly Statement made on 14 January, 2013 I confirmed that I would obtain information in relation to your question concerning two of InterTradeIreland's new programmes (i) the Innovation Challenge Pilot Programme and (ii) the Elevate Pilot Programme. You requested information relating to the timings of the pilots, the targets and how Northern Ireland will specifically benefit from both programmes.

Please find attached at Annex A an overview of each programme including the requested timings, objectives for both programmes, the targets and an explanation of the benefits of both programmes to Northern Ireland.

I trust that this response will provide you with the information you require.

I will arrange for a copy of the letter to be sent to the Speaker's Office and a copy will be placed in the Assembly Library.

Yours sincerely

**Arlene Foster MLA**  
**Minister of Enterprise, Trade and Investment**

## **ANNEX A**

### **THE INNOVATION CHALLENGE PILOT PROGRAMME**

**Dates 1 August 2011 to 30 June 2012**

#### **Key Objectives**

The programme provides a cost-effective opportunity to affect substantial innovation and a step-change in company performance.

The programme aims to:

- Markedly improve the competitiveness and profitable growth of companies based on improved and sustainable innovation management and innovation performance;
- Provide a programme for enhanced innovation that InterTradelreland, Invest Northern Ireland and Enterprise Ireland can endorse and adopt as a client engagement model.

#### **Benefit to Northern Ireland**

Government objectives in Northern Ireland and Ireland concentrate on developing an innovation-driven economy that maintains competitive advantage and increases productivity. The "Management Matters in Northern Ireland and Republic of Ireland" report, commissioned by DETINI, DEL, ITI, INI and Forfas concluded that there was a deficit in management practice in firms across both jurisdictions.

The programme is to address this deficit and is consistent with InterTradelreland and wider government objectives. It will assist with their achievement through embedding sustainable innovation practices that will deliver transformative impacts for the participating companies.

Challenge is designed to help companies learn a highly effective system for doing innovation in a reliable repeatable way using a proven method, 'Fail Fast, Fail Cheap' to move ideas into sales with less time, money and risk.

Invest NI and Enterprise Ireland are co-operating with InterTradelreland as members of the steering group overseeing the delivery of this innovative programme, and all agencies are learning from the experience of running the pilot initiative.

## **Targets**

- Selection Workshop, attended by up to 100 companies to hear about the programme and also the benefits of a systematic approach to innovation;
- Network Workshop, attended by 15 companies to outline the thinking, practices and tools of the programme;
- Intensive Engagement programme over 6 months, where up to 10 companies, selected on the basis of a presentation, receive company specific mentoring to develop and embed innovation capability;
- Expected return on investment is 25:1 for those companies who participate in the intensive engagement phase of the programme.

## **THE ELEVATE PILOT PROGRAMME**

**Dates 1 April 2011 to 31 March 2012**

### **Key Objectives**

Elevate is a programme to accelerate the growth potential of micro-enterprises taking the first steps towards cross-border trading. The programme provides assistance of up to £5,000 for the following cross-border activities:

- Identification of Sales leads
- Sales Negotiations
- Market Research
- Advice on the Development of Marketing Materials.

Preference is given to companies with 10 employees or less.

### **Benefit to Northern Ireland**

Increased export activity is a priority of both governments. This programme is to help micro businesses take the first steps on the export ladder by helping them enter the cross-border market.

It will address the slump in domestic demand – at the time of approval in March 2011 the Business Monitor identified 54% of micros reporting a fall in sales in last quarter, 53% cited reducing demand is either a large or very large issue. In terms of the need to export was a very different experience of exporters (28% reported increase in sales) compared to those relying on the domestic market (where only 14% reported an increase).

From a wider policy perspective there is a need to encourage more companies to move from dependence on the local market to becoming export focused. The cross-border market is a first step to exporting and therefore a key market for small firms.

### **Targets**

- 50+ companies assisted annually
- 75% of companies assisted will be first time exporters
- £1.7 - £2m increase in sales in participating companies over 2 years
- 30% of companies moving on to exporting to other markets within 2 years
- 100 new or sustained jobs
- Overall Return on Investment of 8-10:1