

Thoughts in a Nutshell:

What happens to innovation policy during the crisis?

During the COVID-19 crisis, all governments provide unlimited financial resources to sustain the economy and secure jobs. The money usually flows through two mechanisms, securing continued wage payments and through interest-free loans. That is good. In this way, the state secures both the entrepreneurial economic performance after the crisis and the purchasing power of private households.

But what happens to innovation? How can investments in development still be financed? What happens to innovative start-ups that have just spent all their money and still have no income, maybe not even a valid legal form?

There is hardly any additional public funding available here. However, it will be very important for the economy after the crisis to have intact innovative power. All the state institutions involved *must* maintain innovations and innovative companies by all means!

1. safeguard start-ups with innovative character. These are the SME that are already developing new products during the crisis and they form the innovation pool of the future economy. Compared with large and traditional companies, they cost little money to the state.
2. in order to allocate the financial help for innovation and innovative companies use the existing mechanisms for promoting innovation: national innovation agencies, contact points for technology transfer and start-up promotion. This allows better management of the government's support by increasing the state's institutional capacity.
3. create new mechanisms to accompany and support innovative projects. On the one hand, formulate your thematic calls for projects more narrowly than before with regard to technical criteria, in order to promote in a more targeted manner those technologies that your country currently needs and for which there is good potential. At the same time, however, make sure that there are open calls which respond to any kind of innovative projects without a deadline. Reduce the hurdles at the moment, both in terms of admission criteria and administrative effort.
4. institutions that have an influence on innovation and innovation assurance, e.g. the national patent and trademark office or regional innovation centres, should offer all services free of charge for the next 6 months. Forget about the goals that come from the profitcenter attitude of Lean Management. We are in a crisis.
5. combine these services with information campaigns, with marketing. This is no joke! What you advertise well now will be better received than in normal times. Also take the opportunity to update your databases.

Nations with innovative companies - large, medium and small - are more resistant to crises. Think about it!

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