European Digital Forum Visits
Munich, Free State of Bavaria, Germany

On 17-18 July 2014, at the invitation of the Bavarian Ministry of Economic Affairs and Media, Energy and Technology, a representative delegation of the European Digital Forum visited Munich, the capital of Bavaria. The delegation was led by Ann Mettler, executive director of the Lisbon Council, and Valerie Mocker, senior researcher in startups and entrepreneurship at Nesta.

The Munich area is home to many world-leading industrial companies, outstanding sector-specific clusters and accelerators (high-tech, bio-tech, aerospace) and a plethora of dynamic tech startups. In April 2014, a European Commission study identified the Munich area as the top European leader in ICT excellence, which is linked to R&D activities, to the ability to take knowledge to market (innovation) and to building a business environment around this innovation. In order to mirror this richness and diversity of the Bavarian ecosystem, the Ministry prepared a comprehensive programme. It started immediately upon arrival of the delegation at the Munich Airport.

The head of the Airport’s ICT division demonstrated the “InfoGate” system, a highly efficient, multifunctional information and navigation instrument with extensive functionality, providing a personal interaction with users speaking different languages. The system was initially conceived by students at the Ludwig Maximilian University of Munich, at the Institute of Mobile and Distributed Systems. Whilst the University developed a prototype, the system was further fine-tuned and commercialised by Munich International Airport. It has proven to be a resounding success. The airport is working on its advancement, and in the meantime is preparing to roll it out in other airports across the world.
This served as a natural introduction to the exploration of the regional tech entrepreneurship scene. The delegation visited UnternehmerTUM, a world-leading centre for innovation and business creation at the Munich University of Technology (TU München). UnternehmerTUM is a self-standing legal entity, academically positioned under the academic umbrella of TU München, and is sponsored jointly by the Bavarian Ministry of Economic Affairs and Media, Energy and Technology and a German philanthropist, who wishes to support tech entrepreneurship.

At this most impressive business incubator and accelerator, the European Digital Forum was welcomed by its CEO, Dr. Helmut Schönenberger, who outlined the vision and strategy of UnternehmerTUM and presented the challenges and opportunities that the Bavarian regional ecosystem faces. Heads of entrepreneurship education, entrepreneurship network and investment fund of UnternehmerTUM engaged in a lively debate with the delegation. One of the latest UnternehmerTUM initiatives is a 3D printing centre of excellence, developed jointly with research institutes and industry.

The European Digital Forum leadership was offered an opportunity to follow pitches of three Munich-based tech startups. Solutions conceived and commercialised by young entrepreneurs range from personalisation of newspapers and magazine articles in a convenient app to digital engineering simulations and complex client management systems for retailers. The fact that startups focus not only on consumer products and services (such as apps), but also on the adoption and usage of new technologies in industry is thanks to the vibrant ecosystem and presence of large industrial multinational companies in the region. Moreover, UnternehmerTUM works in close collaboration with top research institutes, such as the Max Planck Society and the Fraunhofer Society, covering both basic and applied research.

In essence, UnternehmerTUM is a focal point, where industrial companies, research institutes and entrepreneurs come together and let brilliant ideas thrive. Young entrepreneurs shared their best experiences in terms of coaching, facilitation and provision
of facilities from the part of UnternehmerTUM. Startups are nurtured and celebrated by the Bavarian government. UnternehmerTUM is expanding its activities and building a new high-tech business incubator.

On the other spectrum of corporate activities in Bavaria are large industrial corporations. Against this backdrop, The European Digital Forum delegation met with senior leadership teams at BMW, Intel and Telefónica.

**Intel Corporation**, an US-based multinational semiconductor chipmaker, has been historically a technology company. As senior representatives of Intel acknowledged, entrepreneurship, even within corporate walls, is key. Entrepreneurship is in the company’s DNA. The company is reaching out to the tech entrepreneurial community, contributes to the regional ecosystem and invests in digital literacy.

**Telefónica Digital** is a globally operating business division of Telefónica. The global telecom operator is radically redefining itself, seeking to take advantage of the opportunities of the digital world and to further advance the company growth through R&D, venture capital, global partnerships and digital services such as cloud computing, mobile advertising, data communication services (M2M) and eHealth. A wide variety of projects Telefónica Digital is advancing was presented to the European Digital Forum delegation. They are smart grids and smart cities, connectivity and connected cars, mobile advertisement. Telefónica’s accelerator programme Wayra, present in 40 locations worldwide, helps young people leverage opportunities offered by the digital age.

A senior representative of** BMW** underscored the transformative change that digitalisation brings to traditional industries and manufacturing. BMW is an excellent example of automotive company where digital technologies penetrate. BMW has been continuously and unrelentlessly pushing technology into its cars and digitalising its production process.
Another “traditional” sector, being revolutionised by digital technologies is healthcare and biotech. The European Digital Forum delegation visited **BioM Munich Biotech Development**, the dynamic core of the Bavarian biotech cluster, and held a mutually engaging conversation with its CEO Prof Dr Horst Domdey. Big pharmaceutical, engineering and IT companies (SAP, Siemens), SMEs and research institutions (Max Planck) work together in the cluster on the cutting edge solutions of electronic medicine (e.g. e-health apps). Recently, the cluster launched an ambitious research programme on personalised medicine. It is a medical model that proposes the customisation of healthcare using molecular analysis, with medical decisions, practices, and products being tailored to the individual patient.

The visit to Munich culminated in a high-level roundtable at the **Bavarian Ministry of Economic Affairs and Media, Energy and Technology**, under the patronage of Deputy Minister-President of Bavaria and Bavarian Minister Ise Aigner. The delegation met government officials entrusted with the Digital Bavaria strategy. The government leadership introduced public policies aimed at building a dynamic and all-inclusive, digitally-powered ecosystem providing a stimulating creative environment to startups, “mittelstand” (German SMEs), and large multinational corporations, in close collaboration with research institutions and academia. A recently adopted Bayern Digital strategy is a forceful step forward in the right direction. Ann Mettler, executive director of the European Digital Forum highly praised the Bavarian government for its success in digitalisation of the industrial base (what is commonly known in Germany as “Industrie 4.0”). The Ministry and the European Digital Forum explored collaboration opportunities and have committed themselves to work together.
The trip to Munich was concluded with a visit to **Hubert Burda Media GmbH**. This German privately held, family-owned global media company with its origins in printing and magazine publishing, is today among Europe’s largest publishers and leading consumer-internet companies. A flagship initiative of Hubert Burda Media is Digital Life Design (DLD), a global conference network, a platform for an exchange of future visions and experiences, driven by the mission to create a network of innovation, digital prospects, science and culture. The European Digital Forum and Hubert Burda Media see a lot of potential in collaboration.

**Concluding remarks:**

- The delegation has witnessed countless impressive examples of a smoothly functioning knowledge transfer from top institutes, like Max Planck and Fraunhofer, into leading companies.
- Digital is not an isolated sector; it permeates all facets of the contemporary economy. There is a need for exchange among senior executives from various sectors on the role digitalisation plays in transformation of traditional industries.
- The importance of data in developing new business models, both within established companies as well as startups. In virtually every meeting, participants expressed the need to leverage data to drive forward a new generation of innovations and discoveries, from areas as diverse as the connected car and personalised medicine to tailor-made news services.