Editorial

Investments and digitalisation are energising the economy

Tampere Region’s economy is export-driven, and the main products are investment goods, so the dips and peaks of the global economy are clearly visible also in the historical light. This economic review shows signs of very strong growth. It is not about the occasional successes, but having favourable conditions in all major industries.

Tampere Region experienced the second consecutive year of growth in 2016. Turnover of all divisions rose by a moderate 3.1 per cent. The end of 2016 saw very rapid growth in industry, and during the first half of 2017, the technology industry’s turnover increased by 8.8 per cent and exports by 11.3 per cent.

Economic forecasters have already spoken about stabilising growth, but we have no reason to press the brake for fear of worse expectations. Tampere Region still has great potential for continued growth. We are a very attractive region and our population is growing strongly. Generous public investments are creating the conditions for private investment. The merging of Tampere University, Tampere University of Technology and Tampere University of Applied Sciences will energize the development work with businesses. In addition, manufacturing industry is investing heavily in digitalisation by recruiting a wealth of experienced ICT experts.

Business development, investment promotion and marketing communications to strengthen the vitality of the region are undertaken and supported by Business Tampere, formerly known as Tredea. In addition to the name change, Business Tampere is much more than before: its Visit Tampere subsidiary began operating at the beginning of 2017, and now offers tourism services and marketing. Together, they form a dynamic duo that works for and is available to all our companies, colleges and other business developers in the region. The content and story of Tampere Region is solid, and it is important to express them clearly and coherently. The way we work together is reinforced, further fuelling the vitality of the region.

The national goal is to make Finland the world leader for artificial intelligence. There is no better place than Tampere Region to be an artificial intelligence constructor, leading developer and test laboratory. Let’s grab this opportunity together and ensure once again our place as a pioneer and global trend setter!

Harri Airaksinen
CEO
Business Tampere
Standard Industrial Classification TOL 2008
The turnover, export, and salary information in this review is based on data delivered by Statistics Finland’s tailored trend indicator service. The main source of information is Finnish Tax Administration’s payment control data which covers all VAT registered businesses and all employers that pay salary on a regular basis. The information is calculated at the level of companies. The information in this review is based on data delivered by Statistics Finland’s tailored trend indicator service on September 21st 2016.
Sandvik Mining and Construction is a manufacturer and developer of products and machines for rock drilling, quarrying, crushing, breakage and material handling. Currently, the company employs over 1,000 people in Tampere. Sandvik has two other factories, one in Lahti and the other one in Turku.

Sandvik is an increasingly important player and employer in Tampere Region. Following the company’s recent major organisational restructuring and new management, the company has invested particularly in the operations of the Tampere mill.

“Our activity in the region will focus, in the years to come, on an innovation centre for drilling machines, in which we will invest a total of €18 million. There has been similar activity here before, but this is the first time that we are investing in it properly,” says Petri Liljaranta, Vice President of the Sandvik plant in Tampere.

The investment focuses on product development and testing of borehole products using the innovation centre’s own test well. At the same time, the production machinery will be overhauled.

Work for local professionals
Over the past year, Sandvik has recruited some 100 employees, most of them installers. In summertime, the factory employs dozens of seasonal workers, mostly students. According to Liljaranta, one of Tampere Region’s strengths is the versatile top-class education that produces future professionals for different fields. Of course, there will always be something that could be improved on.

“Even though we cooperate with educational institutions in many diverse ways, we sometimes worry about the low number of young people ending up in our sector. There are many great companies in the area to work with. Many people have had an outdated image of industry and will be pleasantly surprised to find how clean our working environments are and how sophisticated our ergonomics. More effort could be made to change this image overall, and locally. It benefits the region if graduates are employed near their place of study. Much work remains to be done,” Liljaranta’s outlines.

A balancing act
According to Liljaranta, the prospects at the Tampere plant look good thanks to the new investment.

“Mining is a cyclical industry. Metal prices have an impact, so they must be closely monitored. It is challenging to manufacture large and complex products for stock, so we always need a customer order before we start manufacturing. During boom, we need to be able to respond to demand quickly and in quieter periods, we need to find a balance. The future looks nice and bright in this region. That is a good basis on which to start building,” Liljaranta sums it up.
The company that is today known as Haarla Oy is well known to the residents of Tampere. Founded in 1962, the company first focused on paper and pulp industry as a supplier of raw materials, chemicals and machinery. Over the decades, operations have been extended to various other industries, and the company is now managed by a whole new generation.

“When entering the 21st century, a younger generation has taken over at the helm, and the company is evolving fast. Its business has expanded extensively in various industries and increasingly to international markets also. Acquisitions has contributed to this internationalisation. Looking ahead and focusing on the future are prominent features in Haarla’s operations,” explains Tiina Mustaniemi, Operative Director of Haarla.

Haarla Oy offers its customers various value-adding raw material and technology solutions, such as measurement and optimisation solutions or product concepts. The company’s customers represent a wide range of industries from mechanical wood industry to mining industry.

Roots in Tampere
Tampere is an essential part of Haarla’s history. According to Mustaniemi, Tampere Region continues to be a great place to operate in, especially considering the domestic market. Therefore, Haarla would like to stay in Tampere Region.

“The central location of Tampere is ideal for the domestic market. The compact university city also offers good opportunities for cooperation with educational institutions, which we are already doing extensively. This cooperation could be further deepened with universities, for instance, and provide students with more work experience opportunities. The employment of future experts must be ensured, for the city’s development to continue. Now we are in a good shape,” Mustaniemi outlines.

The developing Tampere Region is naturally a good place for a company like Haarla to continue operating in.

“The development of Tampere has also helped Haarla grow and develop. The attractive university city draws people and experts, and this benefits businesses all over the region,” explains Mustaniemi.

The development of the region is, indeed, strongly linked with Haarla’s development.

“As a company, we strive to be ahead of times and to offer our customers solutions that they may not have even thought about themselves. Our way of thinking is therefore very similar to elsewhere in Tampere Region – we look fearlessly to the future and are pioneers in our sectors,” concludes Mustaniemi.
FROM WORDS TO ACTIONS

Dream Hostel, the only privately-owned hostel in the centre of Tampere, opened its doors in 2010. At that time, Ville Virkki, the company’s founder and managing director, embarked in hospitality industry with his wife, even though neither of them had any experience in this field previously. Over the years, their initial inexperience in the sector has turned into a resource.

“Ryanair flew to Pirkkala at the time the Dream Hostel began operating and, overall, tourism as an industry was at its peak. At that time, there was no hostel in Tampere, even though there was a dire need for it. We therefore decided to meet that need and establish a much-needed hostel for Tampere. In 2014, we also opened a hotel,” explains Virkki. Today Dream Hostel & Hotel offers its services increasingly to Finnish travellers. According to Virkki, the biggest challenge is in changing people’s perceptions of the company.

“Finns have strong perceptions and prejudices about hostels. They are often purely based on past horror stories from abroad. We will play a part in changing these perceptions, as it is possible to have high quality hostel accommodation. Our work on changing this perception will continue and have a significant impact on our marketing,” adds Virkki.

Working connections

Good flight connections are vital for a tourism business. Virkki says that he is happy with the current efforts to secure working flight connections for Tampere Region.

“In 2012, 75 per cent of our visitors were foreigners, now this figure is 40 per cent. Air transport has a significant impact on operators in this sector. If Tampere is to become a tourist destination, this should be kept in mind.”

According to Virkki, the development of Tampere Region requires action.

“You must keep moving all the time and think about new business models. I believe talking alone is not enough – we need action! Nothing will happen if development is only talked about in meetings. I will work to ensure that Tampere Region remains in motion and will continue to develop as a tourism destination as well. Tourism brings money to the city and it is not possible to move it to China, so it must be invested in.”

Next, Virkki plans to make Tampere the Finnish sauna capital. To that end, a public sauna will shortly be opened next to the hostel/hotel.

“I believe in Tampere Region’s appeal and want to create a sauna phenomenon locally. Hopefully the Laukontori sauna project will also be realised soon. I believe that when you dare to dream big, those dreams will come true,” sums up Virkki.
BROUGHT TO TAMPERE BY A SENSE OF ADVENTURE

Mokkamestarit is a speciality coffee and tea company established in Tampere in 1990. Mokkamestarit is a pioneer in its field, as it is the first highly specialised Finnish company in the sector. According to President Reija Paakkinen, the company ended up in Tampere purely by chance.

“When younger, I sought my own place in the world. I then met the company’s other owner, and we soon found a common tune with coffee. At that time, Robert Paulig had started to introduce specialty coffees in Helsinki and partly for that reason, we wanted to locate our own business elsewhere. Tampere seemed suitable, even though we did not have any ties to the city. We were young and adventurous, and this was the right place for Mokkamestarit,” Paakkinen explains.

Open and tolerant atmosphere

The entire sector values the development of Tampere Region and associated projects. “There is a positive atmosphere in the region and people’s minds are open to new things. It is obvious to us when we launch new speciality products in our coffee shops. People are interested in knowing and experimenting new, different products. The city is developing, and the people with it,” Paakkinen explains.

Logistically, Tampere Region offers good opportunities for wholesale. Good connections make it easier for retailers of Mokkamestarit to trade anywhere in Finland.

Plenty of opportunities

There is a coffee shop boom in Tampere. According to Ms Paakkinen, more attention should be paid to the skills of the entire sector in terms of further training. It would be particularly important to get young people interested in the sector and, above all, to understand the opportunities it offers.

“Coffee is no longer just coffee, and food is not just food. They are more. The coffee sector alone offers a variety of career paths ranging from coffee refining to roasting to barista work. The current trend needs to be utilised even more, to inspire young people to carve a career for themselves in the industry. The opportunities and career paths are endless,” enthuses Paakkinen.

Paakkinen’s opinion about Tampere Region for an entrepreneur is unambiguous. It does not take her long to think of an answer.

“I feel at home here and I want to continue doing business here. It has never occurred to me to go elsewhere. The region’s development is fabulous, but it is even more fabulous to be involved, and to be part of that development.
BUSINESS SERVICES
TOL K (64-66): financial and insurance activities, TOL L (68): real estate activities, TOL M (69-75): professional, scientific and technical activities, TOL N (77-82): administrative and support services

In 2016, the turnover of business services in Tampere Region increased by 8.9 per cent. In the first half of 2017, turnover increased by 7.1 per cent compared to the same period in 2016. Nationally, the increase was 6.4 per cent in 2016. In the first half of 2017, turnover increased by 7.3 per cent compared to the same period in 2016.

Turnover 2016 estimate €2,822 million
Change in turnover 8.9%
Operators 2016 7,201
Change in turnover 1st half of 2017 7.1%

FROM TAMPERE REGION TO THE WORLD

Forciot has only operated for a couple of years, but despite being a new company, it has already gained a worldwide reputation. The company offers solutions to its customers in the field of wearable electronics and IoT (Internet of Things). Now, the focus is on the detection of power and pressure and the integration of technology into various products.

“We have worked on a demo product of our technology, which can be integrated into the insole of a shoe to measure powerlifting and stepping, among others. This technology is helpful for top athletes who want to optimise their performance and for people who are recovering from operations. With the technology we have developed, the patient and their doctor can remotely access the information in real-time to assess the patient’s gait following surgery. It enables healing to be monitored,” the CEO of Forciot, Maria Alm, explains.

The main idea of the technology is that the electronics needed for measurement are integrated into the product, such as a shoe, where it is carried discreetly. The goal is to make measuring easy and effortless.

Professionals of many fields
The Forciot team has been built around professionals in various fields. Experienced professionals in the consumer electronics field include people from Nokia and Microsoft. Wearable electronics experts have been found directly at Tampere University of Technology. Alm sees one of Forciot’s key strengths to be its diverse skillset.

“From the very beginning, we have deliberately brought together people from different backgrounds. The company’s diverse skillset has enabled us to come this far in such a short time. There is a lot of expertise in the region,” Alm adds.

In addition to the physical products, Forciot designs software and assists in the integration of electronics. There are plenty of applications for sensor technology in sports, health care and industry.

International attention
Forciot has also gained international recognition. At the Mobile World Congress Americas event in San Francisco, Forciot was the only Finnish company among the 15 most promising start-ups. In its own category of IoT, Forciot is the only European nominee, so this is a great acknowledgement.

“It’s been good to be a start-up in Tampere Region. We have great cooperation with local actors such as Tampere University of Technology, Tampere University of Applied Sciences and Tekes. Forciot hopes to be able to continue having flexible use of TUT’s and TUAS’s extensive laboratories and equipment to develop this technology further.”

Air transport to gain importance in the future
As the urban area develops and new businesses grow and become more international, we hope the number of flights to and from Tampere-Pirkkala airport increases. Tampere is an interesting city from a global point of view and a fine example of how important courage is for development,” Alm sums up.
RAPID GROWTH

ASUA, which was established in 2012, has grown rapidly during its years of operation. The one-man renovation company has become a multi-skilled company employing 20 people, and nowadays focuses on indoor air quality renovations. ASUA’s Managing Director, Jarno Hämäläinen, says that the years have gone fast and the company has grown steadily.

“The journey to this point has been a relatively easy one. Growth will obviously also bring challenges, when the number of employees increases, and responsibility is delegated to others. Luckily, we have a motivated group of trusted employees who work hard and develop operations! In the construction sector, indoor air problems have increased in recent years and this is also acknowledged by the media. This has been reflected in ASUA’s orders as increased work load.

“We have actively invested in being able to perform indoor air renovations, and strengthening the relevant skills in our company. At present, half of the renovations we undertake are indoor air renovations, and the trend seems to grow. We have an indoor air engineer on staff, and we look to recruit more skilled people to perform this work,” Hämäläinen says.

Jobs available
According to Hämäläinen, the biggest challenge facing the company now concerns premises.

“The challenge remains to find suitable premises close enough to Tampere. At present, we operate from two different locations, one of which contains a warehouse and the other containing an office. We have not found suitable premises yet that would contain both. However, I believe that a solution will be available soon. Tampere is a good vibrant city, with good connections to the surrounding municipalities,” explains Hämäläinen.

Construction industry is currently doing well. Large ongoing projects in Tampere Region keep professionals in the sector busy, which sometimes reflects negatively on construction companies.

“Construction workers in Tampere Region are currently heavily employed. In recruiting, you soon notice that there seems to be more employment available in the industry than there are employees. Labour shortage will further increase the attractiveness of the region, but from the entrepreneur’s point of view, the situation is challenging. Hämäläinen will continue to invest in Tampere Region.

“Tampere, and the entire Tampere Region, is a positive area for operations. The service network is comprehensive, and everything is near. Next, I shall contact the University of Applied Science to map out our cooperation possibilities. Right now, we have a job for a young engineer, who could do their Bachelor’s work for us and afterwards, work full-time. There are a lot of possibilities out there when you yourself keep active.

CONSTRUCTION

TOF 41-43: building construction, civil engineering and specialised construction activities

Construction sales in Tampere Region were positive in 2016, with an increase of 11.0 per cent compared to 2015. During the first half of 2017, turnover increased by 11.6 per cent compared to 2016. Nationally, the increase was 8.5 per cent in 2016. In January-June 2017, the increase was 10.2 per cent compared to 2016.

| Turnover 2016 estimate | €2,479 million |
| Change in turnover | 11.0% |
| Operators 2016 | 3,786 |
| Change in turnover 1st half of 2017 | 11.6% |

“LARGE PROJECTS UNDERWAY IN TAMPERE REGION KEEP PROFESSIONALS BUSY.”
The global information and communication technologies provider Huawei founded a new R&D unit in Tampere in the autumn of 2016, focusing on audio and imaging technologies of consumer products. The unit employs some 60 experts at the Hervanta Campus Arena.

The willingness of the giant company to move to Tampere was boosted by the availability of highly skilled professional workforce in appropriate research fields. In the Campus Arena, experts develop camera solutions as well as imaging and audio algorithms for various Huawei consumer electronics products. The company has close research cooperation with Tampere University. The R&D unit has also stimulated the employment prospects of the region, and dozens of people have already found a job on the Campus.

“Huawei has become one of the largest companies in Finland in just a few years. All in all, the Finnish research and development units currently employ more than 240 people. Our growth rate in ICT has been sky high - in 2015, it was as high as 183 per cent,” explains Mikko Terho, Director of Huawei’s Center for Research and Development in Finland.

Hervanta is a part of Huawei’s broader research and product development unit focusing on mobile technology. The Customer Relationship Manager of Business Tampere, Oula Välipakka, considers the investment to be significant for the entire region. In his view, placing a global player such as Huawei in Tampere is a great message to other operators in the sector and further strengthens the ICT ecosystem in the region.

“As a business environment, Tampere Region has a lot to offer, including universities that produce excellence and enable highly diverse research and business co-operation. This is a world-class operating environment,” says Välipakka. Getting new foreign investment in the area takes years. The arrangements with Huawei took almost five years of negotiations.

“Huawei is a good example of how long-term negotiations are needed to get new foreign investment in the region. The work is now bearing fruit,” explains Kari Kankaala, Development Director of the City of Tampere.

Tampere Research and Development Unit is Huawei’s second unit in Finland. The first unit was set up in Helsinki. In April 2017, the company increased its services in Tampere Region by opening Koskikeskus Service Center, which provides customer service and repair services for all Huawei devices. There are also new phone models and accessories available for sale.

The Tampere Research Center was established in cooperation with the Tampere University of Technology, University Properties of Finland Ltd, the City of Tampere, Business Tampere and Invest in Finland.
MANUFACTURE OF CHEMICALS, RUBBER AND PLASTIC PRODUCTS
TOL 20-22: manufacture of chemicals and chemical products, manufacture of pharmaceuticals and medicines and manufacture of rubber and plastic products

In 2016, turnover of chemicals and rubber products manufactured in Tampere Region remained at the previous year’s level, with an increase of just 0.6 per cent. In the first half of 2017, turnover increased by 2.0 per cent compared to the same period in 2016. Countrywide, the trend was similar: After a moderate 0.6 per cent increase in 2016, turnover increased sharply, reaching 10.9 per cent in January-June 2017.

| Turnover 2016 estimate | €1,685 million |
| Change in turnover | 0.6% |
| Value of exports 2016 | €896 million |
| Change in exports 2016 | 0.3% |
| Operators 2016 | 144 |
| Change in turnover 1st half of 2017 | 2.9% |

TEXTILE INDUSTRY
TOL 13-15: manufacture of textiles and clothing, leather and leather products

The turnover in textiles, clothing, leather and leather products decreased in Tampere Region in 2016 by a total of 3.0 per cent compared to the previous year. Nationally, turnover in the sector increased by 2.9 per cent. Increase in the first half of 2017 in Tampere Region was 1.9 per cent, while nationally the figure was 4.0 per cent.

| Turnover 2016 estimate | €279 million |
| Change in turnover | -3.0% |
| Value of exports 2016 | €134 million |
| Change in exports 2016 | -5.2% |
| Operators 2016 | 352 |
| Change in turnover 1st half of 2017 | 1.9% |

FOREST INDUSTRY
TOL 16-18: manufacture of sawn timber and wood and cork products, manufacture of paper, paper and board products

In 2016, turnover of forest industry in Tampere Region decreased by a total of 1.1 per cent. In the first half of 2017, turnover also decreased by 4.5 per cent. Countrywide, turnover was positive in 2016 (3.4 per cent). In January-June 2017, turnover was 4.2 per cent higher compared to the same period in 2016.

| Turnover 2016 estimate | €2,439 million |
| Change in turnover | -1.1% |
| Value of exports 2016 | €1,394 million |
| Change in exports 2016 | 0.9% |
| Operators 2016 | 409 |
| Change in turnover 1st half of 2017 | -4.5% |

TRANSPORT
TOL 49-53: land transport and pipeline transport, water and air transport, warehousing and transport services

In 2016, turnover of transport services in Tampere Region increased by an impressive 8.1 per cent. In the first half of 2017, an increase of 8.6 per cent was recorded. Countrywide, turnover of transport services increased by a total of 0.1 per cent. In January-June 2017, there was an increase of 5.4 per cent compared to the same period in 2016.

| Turnover 2016 estimate | €1,378 million |
| Change in turnover | 8.1% |
| Operators 2016 | 1,735 |
| Change in turnover 1st half of 2017 | 8.6% |
All economic indicators have recently shown positive signs. Exports have also shown signs of healthy growth. According to the SME barometer, last spring reinforced the strong, positive expectations.

The growth of Finland’s economy is cyclical and is not based on structural changes that should be executed with respect to the size of the country’s public sector and any labour market reform. Growth must be based on positive development of stable economic structures, which in turn would help alleviate Finland’s indebtedness.

According to the SME barometer published in September, the cyclical outlook in Tampere Region is still positive, but at the same level as last spring. Similarly, prospects for the economy have continued to grow nationally.

The barometer reading for number of employees is positive, but Tampere Region remains behind the national figures. The number of companies seeking to grow is also behind the national figures. The peak of expectations for strong turnover and profitability of companies has been reached and in Tampere Region, a downward trend has started. Growth in the region is also weaker than in the rest of the country. By contrast, companies in Tampere Region have invested and hired staff and sought new markets over the past 12 months more than SMEs nationwide.

The SMEs of Tampere Region have been slightly less keen to introduce new industries and business models than similar businesses in the rest of the country. Instead, our SMEs have clearly sought to achieve renewal by means of more traditional measures.

Although the development expectations of Tampere Region are somewhat weaker than those of the rest of the country, they are still positive. Structural reforms are now needed to ensure that growth can happen independent of the economic cycle.

**Pasi Mäkinen**
CEO
Tampere Region Entrepreneurs


The SME barometer illustrates the views of Finnish SMEs about general economic development and individual companies’ economic development. The barometer surveys the expectations of companies for the next 12 months and is published twice a year.
The city of Tampere was the pioneer of an electronic innovation voucher system and the first in Finland to introduce it to the business community. Since the autumn of 2016, companies have been able to apply for a grant of a maximum of €5,000 in support of their innovation and internationalisation. New jobs have already been created thanks to the innovation vouchers.

With an innovation voucher, an enterprise can acquire a service that will create a new business opening or a step in the right direction if it supports growth, internationalisation, or digitalisation. The grant is paid directly to the service provider.

Hypcom is a manufacturer of hyperbaric chambers for divers and hospitals, based in Tampere, and more than 90 per cent of the company’s product are being exported. Harri Toijanen, CEO of the company, has for a while contemplated the idea of introducing the company’s products to the international audience through video presentations. The solution came in the form of Ideoiva Oy, a provider of education and information support videos, which offers video packages for online communications and training in exchange for an innovation voucher.

Tips for an escape game from a smart system
Escape games are becoming increasingly popular. Room Escape Finland, piloted by Ville Salonen in Tampere, seeks to become the industry’s top player. The company now has a redesigned tips system, thanks to the innovation vouchers. The innovation voucher enabled the tips system to rise towards the top of the company’s long list of things to do.

The tips system was devised by Toni Jyrkinen, of the software house Leonidas, who was able to use his skills and learn new things, such as the use of sensors.

Increased exports and new jobs
Business Tampere’s innovation vouchers have stimulated the region’s business life. By the spring of 2017, a total of 104 services had been delivered, 76 companies had started exporting or expanded to new markets and 33 companies had increased their turnover. In addition, 13 new jobs had been created.

In the autumn, applicants were required to have a domicile or at least an office in Tampere Region, which further strengthened the innovation vouchers’ connection with the region’s business strategy. The innovation voucher is a regional pilot project funded by the municipalities of Tampere City Region and the Council of Tampere Region (ERDF).
Accessibility, attractive educational institutions and a growing, vibrant regional centre were identified as the strengths of Tampere Region in the survey of the strengths of Finnish regions, published last spring. The study was conducted by OwalGroup on behalf of Finland’s Ministry of Employment and the Economy. In Tampere Region, the strengths identified in this survey are well-known and have played a strong part in strengthening the vibrancy of the region.

An attractive network of educational institutions is important not only for attracting young people to the area, but also for building the regional competences and for joining international networks. The level of expertise in Tampere Region is nationally high. Research and development investments in Tampere Region are significantly higher than average, and the region also ranks highly when measured by research and development intensity. Good logistical accessibility also plays a key role, especially when considering the companies operating internationally.

Continuing efforts are made to maintain and develop these strengths. Tampere3, which brings together higher education institutions, offers more international and diverse skills for the future needs of society and working life. The development of logistics connections, such as a third rail track and improved air connections, is an important competitive factor in export and population growth.

When updating Tampere Region’s regional programme, attention has been paid to emerging strengths and opportunities. In a future review that was conducted during the update, local actors considered resource wisdom to contain a growth potential. The region has also strong competence in the field of bio and circular economy, and new business opportunities are emerging around these.

Familiar strengths such as manufacturing industry and long R&D traditions are a solid foundation for future development. At the same time, the actors in the regions are boldly involved not only in exploiting, but also in creating technologies that shape the operating environment, such as 3D manufacturing. The future in Tampere Region is driven by bold growth. The region’s courage is based on the ability to seize new opportunities as a pioneer, and not as a backhand.

Competitive profiles of the regions

Source: Alueiden vahvuuksien analyysi, TEM julkaisuja 24/2017
According to the OECD assessment made this year, Finnish innovation policy is at crossroads. Finnish public investment in RDI has been on a downward path for years and the long industrial slowdown and restructuring have led to cuts in private investment also.

At the same time, studies have shown that 70 per cent of productivity growth, which explains the rise in Finnish living standards, is due to innovation. According to the OECD, Finland needs a new R&D vision and determined and well-executed implementation thereof. We cannot afford to ignore innovations.

The analysis made by the OECD did not come as a surprise to the Tampere Region. Many of the findings in the analysis have been identified in the region’s joint situational picture in recent years and solutions for them have been sought with a pioneering approach.

The change in the scale and financial structure of the innovation activity has been strong in Tampere Region. Tekes funding for research institutions has collapsed and the Nokia cluster has emerged as new, smaller-scale businesses. As a response to change, universities have sharpened their profiles, sought funding from the Academy of Finland and the EU, and have improved their success in these funding aspirations.

The OECD calls on Finland to step up the steering and effectiveness of research and innovation policy and to intensify the interaction between universities, research institutes and businesses. The emergence of a new university community in Tampere is the country’s most important structural reform with real impact. It must receive the support and funding it needs from the state.

The OECD also recommends the development of new private and public sector strategic partnerships. For years Tampere Region has been implementing and steering the country’s most interesting partnerships. Managing and facilitating partnerships has become one of Tampere Region’s innovation-profiling talent and the established operating models are reused in different themes. For example, in the development of circular economy, partnership activities have already brought rapid results, with the Eco3 region emerging as a nationally recognised key project.

When coming to crossroads, you must take the right turn. The choices made in Tampere Region have been modern and in line with recent recommendations. We have excellent prerequisites for creating and implementing Finland’s new innovation vision.

Petri Räsänen
Director of Innovation and Future Development
Council of Tampere Region

More information http://pirkanmaantalous.fi/innovaatiotilannekuva