

# Co-operation beats competition



Co-operation not competition is the route to SME success. The partners in E!1799 EUCOPET created a modular framework for R&D co-operation and enjoyed a 150% leap in profits



**SMEs are flexible, full of ideas, react fast: they are lead by committed entrepreneurs and supported by motivated employees. Yet they may still lose out because they lack the size to survive in the commercial jungle.**

**The EUREKA project EUCOPET created a co-operative model to allow SMEs to join forces through R&D.**

The idea for EUCOPET developed in a conversation between two brothers, Stefan and Wolfgang Kaiser, one General Manager of a heating company, the other a university scientist. According to Stefan "Independent research shows that while 60% of SMEs may be engaged in some sort of co-operation over sales, fewer than 17% collaborate in R&D."

The EUREKA project brought together six small manufacturers of electric heating elements in Germany, Ireland, Italy, USA and Spain. In spite of mutual competition in products and markets they created their future jointly, free of distress, free of fear, convinced of the advantages of co-operation.

The most important result of this project was the development and realization of a co-operation platform, which allowed the participating companies many opportunities for working together either as teams, individual companies or across the complete EUCOPET network.

The EUCOPET co-operation platform is modular in design and consists of technological, organisational and qualification

and motivational (human resources) bricks. These bricks are not simply theoretical constructs. They are practicable and verified tools for approaching, designing, as well as operating and maintaining co-operative relationships.

## Explosion of business

Using this platform the partners developed new product innovations and reached an enlarged international market. "By linking and supplementing our individual sales networks in EUCOPET, we were nearly overwhelmed by a virtual 'explosion' of business, from a 30% decline in business to 150% growth in the following four years," explained Stefan Kaiser of German partner Friedrich Freck.

The partners have not only combined to develop a new mini-tubular coil heater but also merged their entire combined range to become a "virtual" supplier.

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Frank Wilson of Irish partner Ceramicx added "the EUCOPET project propelled the development of understanding between the partners. None of us are perfect but we can teach one another."

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**Stefan Kaiser,**  
Friedrich Freck, Germany



**EUREKA**

Participating countries  
Germany, Ireland, Italy  
Budget: 1.75 MEuro

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