

OPEN INNOVATION

as an opportunity of growth
and meeting for young
talents in Southern Italy

PROCEEDINGS OF THE MEETING

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L'OPEN INNOVATION come occasione di crescita
e di incontro per i talenti del Mezzogiorno.
Atti del Convegno

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The meeting on Open Innovation, promoted by the Studies' Centre of the Unione Industriali di Napoli, the Neapolitan Branch of the Industry Union, was a very meaningful, and most of all, insightful opportunity, well in advance of the times. The themes of widespread innovation, which came to Italy and its southern regions only very recently, is something absolutely new and the long wave coming from North America is breaching only now into Europe. However, following the meeting held in May, the first influx of information can be definitely felt in the multiplying websites on the topic and in a strong, albeit still confused, online participation to the discussion concerning these topic, invaluable from the preparatory viewpoint. Sothern Italy, as it can be inferred from the following contributions, can be particularly fit for such an innovation. First of all, because of the particular, substantial difficulty of its situation, Sothern Italy can be the European beachhead of a new system; if Open Innovation finds a way there, it will enter the rest of the continent more easily. Furthermore, any consideration on opportunity aside, such a new method and the spreading of a logic involving grassroots participate solutions, revolutionizing old convictions; southern Italy, using such a tool may turn some of its most consolidated liabilities into assets and unheard possibilities for its future. Namely, the great availability of creativity and ingenuity, mostly within the youth, can be meaningfully enhanced by a system of online open cooperation, thus tackling the haemorrhage of talents that currently impoverishes Sothern Italy of one of its most valuable resources. The economic structure of Southern Italy itself can take advance of such a new tool in the face of the fragmentation and the prevalence of SMEs within its enterprises and firms. Open Innovation is by no means about rediscovering the "small is beautiful" theory or about cancelling the responsibility involved in local development,

two approaches whom actually condemned Southern Italy to a deeper and deeper rift both with the rest of Italy and the more dynamic areas in Europe. The true new asset is in the fact that what once was a burden may become, by means of this powerful aggregation system, an opportunity for impulse and development. Enterprises, even the smallest of them, may take advantage of a new and cheap – if not free, based on the principles of freeconomics – endowment of services and knowledge, allowing them to “join the system” as well, getting out of a condition of inferiority and isolation, giving their share in making the market grow. Widespread innovation appears particularly apt in promoting a truly positive change in Naples and in the whole of Southern Italy, introducing a new model of open participation and a catalysis process focusing on enterprises, persons and markets. It appears therefore possible to reason and act in the face of a “critical mass”, produced by the progressive aggregation of all the subjects involved in the field, able to represent a viable macroeconomic alternative to the productive desert plaguing Southern Italy, while at the same time stimulating new development strategies there. More than everything else, the rapidity of the change that can be implemented and its being a bottom-up process, enhanced by a network dimension are the main features defining both the usefulness and the pervasiveness of this innovation wave. Naples and Southern Italy must be able to understand and catch the full sense of Henry Chesbrough’s words, according to whom «a world filled with opportunities and risks awaits those brave enough to set off for this journey». With a meeting on Open Innovation, the birth of an association focusing on this very theme (Napoli Open Innovation, www.napolioopeninnovation.it) and in publishing this volume, we begin our journey. We hope that many may join us in it.

Amedeo Lepore
*University Professor at the Università
degli Studi di Bari and at the LUISS in Rome, Italy
President of the Napoli Open Innovation Association*

The people who have already seen it working compare it to a tsunami. We are talking about Open Innovation, a revolution conquering consciences and behaviours, changing everything everywhere it arrives.

Do we have to fear it? Only if we remain anchored to the old structures of protection. The house we are used to will crumble and bury us under the debris. This will not happen if we will be able to accept and make this philosophy our own. It is indeed a violent wave, going from a continent to another, and we must learn to ride it. It is unwise to close our eyes in its wake, and wrong to underestimate it.

Open Innovation is based on worldwide sharing of solutions for each and every kind of problem. It runs in the invisible wires of the net, it cancels distance, enhances difference and turns liabilities into assets. Those who have already tasted these tools and their effects talk about the elation of a system turning all its players into winners, be they seekers or givers of answers. These roles can be turned upside down *ad infinitum*. The old saying about a camel being an horse drawn by a workgroup is completely put away. Collective intelligence and the power of a mass become the engine of the world. Ideas are everything.

Does it mean to forsake the fruits of one's intellect? Not at all, it's all about taking advantage of it to the fullest. Within the Open Innovation, immaterial property is more valuable than bricks.

Enterprises, even the smaller ones, can rely on the attention and knowledge of hundreds of researchers, be they professionals or not, in solving their specific problem(s), as these researchers actively seek solutions. Therefore, young people, even those hailing from the remotest lands, can have their spotlight trusting their value and without the pressures of a society that remains closed and enemy of any merit. This opportunity is not a feeble one. Asking the masses and

receiving their suggestions by means of proofed working schemes enterprises can be renewed, cities may be improved and organisations revamped. Unlike us, still closed into and plagued by suspicion, envy and spite.

Alfonso Ruffo
Editor of the Il Denaro newspaper

The initiative to support and enhance the value of Open Innovation was brought to my attention by Amedeo Lepore some time ago due to my status as Director of Studies' Centre of the Unione Industriali di Napoli, the Neapolitan Branch of the Industry Union. Following that, I thought of a moment of dialogue between everybody involved, with a good-sized focus, as since quite some time, the Studies' Centre implemented a series of thematic meetings on single subjects. In our opinion, a specific place must be reserved to Open Innovation and to knowledge management and circulation between university and enterprise. The focus on Open Innovation follows our studies on enterprises' social responsibility, in particular the relationship between men and women viz. management roles within the productive sector. I think it would be useful to look with interest and faith to the Open Innovation sector to give new life to the enterprises' system. Since longtime, the issue of transferring knowledge from the University to the enterprises in a quick and effective way, as knowledge is produced in the former and applied and implemented in the latter.

Exploiting Open Innovation in productive contexts is a great theme and competitive challenge for Southern Italy, in order for the enterprises to bridge that gap still existing with other zones in Italy and to implement a technology transfer that could be very relevant within our economic context. It is then imperative that enterprises come to know all the advantages Open Innovation can give and begin to capitalize such a resource at their best. Because it is only this way that our enterprises can look at the future.

Ivano Russo
*Director of the Studies' Centre
of the Unione degli Industriali di Napoli*

Amedeo Lepore

*University Professor at the Università degli Studi di Bari
and at the LUISS in Rome, Italy*

This meeting, extremely keen on Open Innovation and on its potential, hosted by the Studies' Centre

of the Unione degli Industriali di Napoli, is a first opportunity for confrontation and dialogue between people involved in several research sectors – such as me, an economy historian –, in web 2.0 and net-economy. A new, vast field of action opens before us and, by virtue of the “communication revolution”, allowed by the development of the Internet in the last two decades, within it mass participation in solving problems concerning innovation in processes and products, as well as enforcing new ways to intend knowledge and its management. Crowdsourcing, i.e. the main staple of Open Innovation is born when “a firm asks and indistinct community to carry out on their behalf a task they before entrusted to their employees”, according to the definition given by “Wired”.

It is a new form of collaborative research, allowing many persons and organisations to contribute in an unheard-of advancement in knowledge, within global economy. By means of these tools, it is not only possible to improve the standard of enterprise business initiatives in themselves, but also to employ an instrument allowing to parcel out in small, diffused tasks big focused ones and creating new value, moving its focus beyond the enterprise. Furthermore, in a wider sense, this innovative method will revolutionise in many fields, the process of cognitive and scientific elaboration, its contents and objectives; it is therefore possible to minimise the times and costs necessary to achieve results and, furthermore, allow institutions, organisations and individuals to satisfy their needs for knowledge, solutions to complex problems and taking part in a new step of augmenting collective knowledge and its factual applications. InnoCrowding, the social network led by Alexander

M. Orlando, developing at an international level in order to spread Open Innovation's practice and culture in order to realize a more and more involving collaborative network, is one of the most advanced realities in the field, coupled with InnoCentive (and other such realities, exponentially growing on the web). The comparison and dialogue we begin here with the other bank of the Atlantic is critical, even if it is just a first step towards widespread Open Innovation and analysing the initiatives undertaken by its main actors. To this first step others must follow, involving focused meetings with the world of university, enterprise, skills and professions in order to widen and expand the opportunities offered by enacting and generalizing such a working method in our country. Anyway, the starting point of this change and its promotion must be our territory, the realities of Naples and Southern Italy, considering the opportunities offered by Open Innovation by

giving full value to our peculiar past but all the more by allowing the best and most shining part of our South to take full responsibility to the future. The past of our great Southern land has deep roots

with both phases of positive protagonism and the persistence of a gap with the rest of Italy, at least during the last 150 years. The defining factor of this situation has been a constantly unequal relationship between South and North, except when the "Southern issue" has been tackled by means of nationwide strategies aiming at the industrial development of the whole Southern region by means of structured policies able to effectively tackle dualism by means of extraordinary interventions. Such a scenario is currently well beyond us because, after the Cassa per il Mezzogiorno, no other such initiatives have been implemented. On the contrary, steps have been taken in a direction that not only did not succeed in solving the problems, but, on the contrary seriously aggravated them. The current times have, alas, seen the worst image of Southern Italy prevail, unfortunately mostly because of Neapolitan events, an image of a reality completely disgregating. A territory represented

by its decline, its backwardness and its worst issues, its inability to cope with a deeply changing world. Therefore, Southern Italy risks to be left to its own devices.

Nevertheless, we may try and start again from a positive idea of development for this part of the country by means of innovative initiatives, being not only top-down. First of all, an innovative approach is needed because our situation is a very peculiar one, one in which, because of background reasons – i.e. because of economic compatibilities of the State, but, more than anything else, because of the delegitimation of Southern Italy's institutions and politics – there is no good environment for national intervention in this macroarea. Southern Italy did not give a good account of itself; on the contrary Southern Italy expressed sub-par policies and governance, putting its fate in jeopardy. The “rejection” of Southern Italy was also due to the fact that the Northern half of Italy had its own “issue”, based on their firm will to do away with bureaucratic and administrative red tape, renewing the competitiveness of its productive structure towards development policies, focusing attention and forcing Italy's hand to leave its South alone. In the face of the serious difficulties which may force or direct general decisions, to be able to turn around the negative trends for the South a change, intended as a discontinuity with the past, thoughtfully checking those opportunities by means of which the South, by retaining its full-fledged role, may go back on a positive path. On this topic, knowledge buildup and management in an overview of a bottom up growth can very well represent a good tool for a true rising of the South, all the more if the path towards a new paradigm is walked on. Open Innovation is an opportunity in this direction. It is an idea-strength able to pull the South out of the aforementioned negative situations, that should be part of the past, and not of

the current history of this country. The fate of the South is linked to its capacity to emancipate and grow, opening to those areas that, both in Europe and in the world, are already undertaking deep transformations. South Italy alo-

ne lacks the tools to solve its problems either in itself or within the boundaries of Italy. The new model of international competition requires in fact the adoption of global dynamics, inserting even the North/South dualism still plaguing Italy in a wider, updated context. This done, the opportunity offered by Open Innovation can shine in all its power in a society as difficult and complex as that of Southern Italy, and for any similar market, where, despite a situation of backwardness, the presence of talent and creativity can be not only a well-used novelty, but a considerable advantage. The tools of knowledge economy, particularly the net, can greatly stimulate the birth and growth of a system in which the centre stage is for seekers and solvers, i.e. those having problems to solve (firms, first of all) and those having ideas, knowledge and ingenuity to find the most advanced solutions (i.e. “brains” and researchers): such a structure, featuring a strict relationship between *knowledge* demand and supply, can find in Southern Italy a particularly favourable area. And this is so for two fundamental reasons: the first one is the international crisis, the second is the net in itself, able to point out everyone’s merit and skills, allowing to put different subjects and realities on equal footing. Internet is indeed the expression of an open world, where anyone having ingenuity, culture and creativity can give his or her effective contribution towards making the success of an innovative idea a reality, can enter a virtuous circle and establish him-or herself quickly. A new model may substitute the “Northern” one, i.e. the one based on value (re)production only within a firm, with a new one entertaining relationships with said firms’ internal management and their market, i.e. its consumers and users, where an increase in activity and liquidity makes a meaningful difference. At the same time, the current crisis is not only a drawback but also a turning point able to bloom opportunities. This crisis is in fact rebuilding the international balance and reconfiguring the way the production and service systems work. Within this framework, the opportunity to make ideas a reality not only by means of the intervention of small groups of experts

or offices in a firm but also by a shared participation of talents, innovation and ideas. Two are the main theoretical starting points to understand this path more deeply. The first is Chris Anderson's study on *The Long Tail*, all the more useful because, besides using a method very similar to what scholars of economic history employ, i.e., analysing in a quantitative and serial manner economic phenomena, realising a theoretical definition based on real events, effectively indicated an interpretation of the passage from the old system based on market and mass production to a system in which niche markets, if aggregated, may represent a viable and meaningful alternative to the previous system. This also points a way towards understanding and answering the needs of Southern Italy; the fact that there many small autonomous initiatives bloom, some of them

highly innovative, can allow to detect a small piece, born here, of the internationally-spread long tail. The second important reference points to Coimbatore Krishnarao Prahald, who analyzed the distribution of income like a pyramid, whose base is no longer an indistinct mass or like a part of the world population needing only assistentialistic interventions. Considered as a whole, not in the singularity of the individuals making it up, but as a representative of the majority of the low-income world population – the four billion people living with less of 2 \$ per day have in fact been considered –, the base of the aforementioned pyramid gets another meaning; this sizable part of the world population may in fact become an huge market. Based on this easy-but by no means ordinary- analysis a whole series of strategies and interventions – many of which concerning private enterprise – that somewhat substituted the old welfare politics. Suffice it to think of microfinance and of its impact on the international scene, or take a glimpse of some of the very important initiatives some multinational corporations implemented on behalf of the least developed countries, such as by realizing monodose products, apt to satisfy a demand that is both huge and fragmented.

Focusing on such opportunities, a good path for the

South of Italy may be traced. The South may in fact very well treasure on its strengths and try to capitalize on them. Its regions in fact show the great drawback of a widespread presence of “brains”, skills and creativity which shine only outside such a context; in Southern Italy, where a system able to let them make use of their skills is absent, such “brains” are wasted. Crowdsourcing, networks and Open Innovation may, on the other hand, can indeed help in making these skills grow and mature considerably. Those point appearing as weaknesses (a fragmented market and the presence of a structure mostly based on SMEs, etc.) can turn into advantages at the beginning of this new phase, where grassroots innovation, the spreading of knowledge in a “peer-to-peer” system, can represent a new frontier or, at the very least, give a contribution to a new kind of development in the area of Southern Italy, and towards making the people acting in the area more responsible. Given these aims, it is possible to build a new, wide, initiative for both Naples and the whole of Southern Italy.

Costantino Formica *President of Cesvitec*

I consider myself a “new friend” of Open Innovation and I owe my presence here to Amedeo Lepore. We met some time ago, during another meeting on innovation. We started a common path towards reflection and action and here we are. I feel involved in this not only professionally but also because of my institutional role. Being a management consultant, I consider myself a broker for innovation. And I am also the president of a special firm involved in technology transfer and acting within the Neapolitan Chamber of Commerce. Therefore, I am strongly interested in Open Innovation. Until now, the buzzword has been to transfer technology and knowledge where they are present and produced and then tackle patents and intellectual property.

Open Innovation offers us a new, different approach. Innovation brokers like us must take into account this new perspective before globalisation leaves us behind. We pursue since a long time. We should make special efforts towards producing ideas turning us into anticipators.

Concerning Open Innovation, we are facing a scenario of a certain import. It will bring on radical changes; first of all, the contours of international competition will blur as if we want to be open to innovators by virtue of the *web 2.0*, we must know that a right idea and solution may come from anywhere in the world. Besides, the need to strengthen the competitive environment the firms operate in. Obviously, the relation between the problem of intellectual property and its keeping, but given the necessity of spreading knowledge amongst those who need it, albeit not having the necessary resources, must be rethought in fairest terms.

There is also the opportunity that only the zones with the highest enterprise and industry concentration, those inserted in better-managed zones. Therefore, we should consider the so-called “regional and district dimension of enterprises” and, to stimulate new conditions of growth,

strongly bet upon innovation in this particular zone of production and productive concentration. We must anyway bear in mind that within system-affecting actions, nothing can happen without a renewal of PA as well. Thinking about an innovative, competitive environment would not make any sense without being able to rely on Public Administrations, at least as an element encouraging and pushing territorial innovation.

Concerning foreseeable changes, we should, of course, expect a spreading of those methods involving problem solving and problem setting. There is no standard method on that; everyone involved has their own and such a development should be seen as a positive element for innovation of the SMEs.

A trend in reducing research costs may then verify, and this may very well prelude to further encouragement and accession towards innovation on the SMEs' part.

How do SMEs access innovation today? By means of what instruments and opportunities? What roles do brokers have? I am not referring to institutional brokers, as it is the case with Cesvitec or the Chamber system alone. But also to those performing, we should say, a first-level promotion in training on, and supplying services for, innovation.

There are fairs as well, where first contact between client and dealer and innovation is often established. There is no enterprise or firm not involved in innovation, most of all because of its tight and positive link both with its dealers and customers. A natural growth of internal technological skills then occurs, or an acquisition by copy, or by benchmarking, to use a more sophisticated word. But also by imitation. An interiorisation of innovation. Open Innovation changes all this, first of all because the need for innovation cannot be a random or blind one. Firms must understand what must be brought out and what must instead be kept in. Firms, through networking, can tap a collective reservoir of culture and intelligence, enhancing their possibility of agreement, mostly with clients and users. Until now innovation happened, in most cases, without clients and users.

Different practices are currently spreading but they are not a staple; therefore I think that some work may be in order in experimenting with these new tools, especially knowing that firms will have to face several problems in implementing them. The historical drawbacks connected with an entrepreneurial culture still unfit for SMEs and their scope of competition; we must overcome individualism and the well-known financial difficulties, the mistrust against academia and researchers in general, the closed-door policy towards cooperating with the external world and with the main actors enacting this change. Facing these new perspectives, traditional brokers offer just information, sensitivisation, availability of data banks, training and someone, as it is the case with Cesvitec, technological platforms supporting knowledge management. Very few amongst the traditional brokers perform some scouting, a practice very useful to assess the possibilities, both individual and collective, offered by University and research. Only recently, with a specific agreement between the Università Federico II, the Chamber system and the Cesvitec, we succeeded to have an idea of the status of research within the aforementioned Università.

With things as they are, we are doomed not to get very far; we have the issues to valorise those technologies and promote a specific marketing strategy. Enterprises and firms are not always able to achieve that, as they are concerned with products and not with an effective way to transfer technologies. Territorial innovation must then assume, and post haste, a new meaning and perspective, resulting in a new balance between the people governing the State, be they responsible for local communities or territories, and the people governing enterprises and firms; local PAs refuse to help innovation by trusting enterprises alone and financing them. Nothing else. The firms themselves are unable to offer new tools and procedures that might be easier and therefore really useful to sustain the entrepreneurial competition system. It may seem audacious to take as reference the *Living Labs*, those creativity workshops born in the USA and spread to the main European cities. These are tools for

territorial integration the PA join in and constitute a significant tool in developing research and innovation. Considering its opportunities, Cescvitec, being a Chamber structure, gives life to integrated focus groups, where all the responsibilities and skills for research converge, in order to set up management profiles. In order to effectively tackle such a serious problem, it is necessary to standardise the paths for training and growing skills. We will not get far without a culture of merit and the opportunity to let skills and competences grow. Such a message is not received, not only in the Campania Region but in the whole of Italy, where a steady set of qualifications and their recognition, as in other regions and countries is still absent.

In such a context, the necessity for three “revolutions”, knowing fully well that only in the medium/long range some appreciable results can be seen. First of all, overcoming the digital divide is imperative. We need not know the national statistics by heart to realize that Italy, despite having a good position regarding Internet alphabetisation, it has one of the lowest when it comes to the use of the Internet. Furthermore, we must open up, on the international arena, not only to import and export of good and services, but to a continuous exchange of knowledge, representing a strategic element for growth. Thirdly, it is imperative to do away with all individualistic behaviours drawing back entrepreneurial and economic liberty. The animal world, for one, features countless examples of group work, as scientific articles and documentaries amply attest. Such example should spark reflection on human activities and relations as well, on the economic universe and, in particular on Italian SMEs, who may start a cultural and management revolution based on networks, partnerships and a more intense productive and territorial integration.

Antonio Prigiobbo
Digital designer

I am a creative and, better still, I am a designer of digital products. My contribution will use a plurality of languages; therefore, it may be different from the others and some of its meaning might be lost when it will be translated into just words on a page. I would be pleased if my contribution could follow the generative rhythm of the “serendipity” which brought me to Open Innovation and here now, but I would also like to stress the fact that, in this very moment, I could be anywhere in the world; thanks to the ICT, what happens is “beyond the sense of where”.

Open Innovation is a sector of innovation linked to new technologies, new languages and to the translation of real into virtual and back again, canceling territorial distances.

I am beginning my contribution by thanking some people, because it is thanks to them, and to their having a hand, in their different way, into the activity I developed. I was “born” an IT expert, then I explored the new media as part of the communication technology and generators of new languages, and then arrived to the design of digital services, always following the path of creativity.

To create innovation, and to turn it into a value of both social and market capital, it is important to share knowledge; sharing knowledge and meeting people, “products/contents”, words having multiple meanings. In such an economy, information is a product. Everything we do, both in the real and the online world, manifests itself as a relationship between knowledge, persons and products. In order to generate knowledge, it is imperative to create relations between these three factors. All of this must translate into information.

To act within a globalised world, run by knowledge-based economy, we must understand how can we govern the aforementioned factors, as they are the foundation bricks of knowledge. In particular, we can have our or another’s

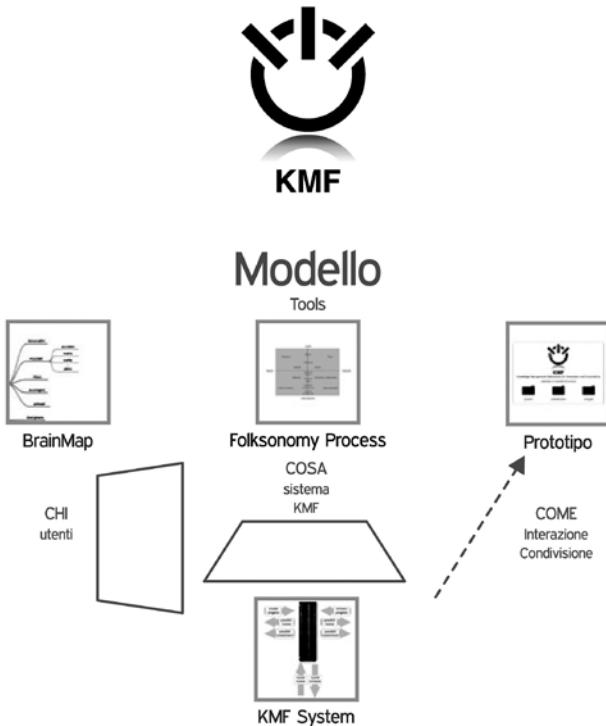
product, or having a relationship with someone sparked by a common interest, but if we want to produce knowledge based on these “assets” of ours, then we must commit to memory the information involving them and, if we so decide, share these information with other people. Social networks are based on such logic and now give us all the opportunity to open up our knowledge and “assets” to share them.

One of the bases of Open Innovation is the principle of open source. This term designates, in IT, any software whose authors allow free modification and study thereof by other, independent, programmers. Such an approach is based on the assumption that the knowledge of the single is a limited one, and therefore it cannot be compared to collective knowledge. Neither the descriptive rules of IT, nor the social logic of new media can warrant the development of knowledge-based economy. Therefore, I trained also in the field of service design. Project culture and design tools are the base to develop a prototype of a knowledge management folksonomy platform, itself the final step of my degree course in Industrial Design. KMF is an Open Innovation generator, because it is a digital system to share knowledge, based on applying the tools of knowledge management to the logic of folksonomy. By means of this digital platform, its users can become providers, producing knowledge feeding the system managing it.

KMF is an open digital system, based on tools open to a bottom up contribution, i.e. the people involved (folks) give relevance to the contents they upload to the platform. Folksonomy is, therefore, a “grassroots” way to classify contents/information/products, collaboratively created by the users involved who, by means of keywords and tags, show the statistic relevance of the sharing of the concepts these words represent.

When I met Alexander Orlando, five years ago, I thought from the first that, in order to create real Open Innovation without turning it into an elite philosophy, technologic experts able to generate languages capable of communicating

the new potential users and to make them communicate with one another. KMF can be a living example of technology to make the principle of Open Innovation active. It is currently still a prototype, as we need both economic and human resources in order to implement it with the Woom group. During my dissertation with my supervisors, Patrizia Ranzo and Carla Langella, we hypothesized that a good sector to develop it could be design applied to sustainable innovation. Therefore, the users of the system to put together, even based on georeferentiation, would have been designers, research centers on materials (and not just them), the firms producing ecosustainable artifacts, resource producers (particularly those involved in recyclable materials and potential buyers who, by means of this system could express their needs, and therefore content providers as well.



This specific work had as its goal to put a productive chain within a system within a well-defined territory, the Campania Region. But the stage where the technologies of Open Innovation operate is open, as are the tools to implement it.

The limit of creativity is giving it a space to act in. The more Southern Italy makes good use of its creatives, the more it can afford them the opportunity for them to compete on a global stage. And I think this is the real goal of Open Innovation.

Lucio Iaccarino*General Coordinator for Think Thanks*

First of all, we are very happy that the Neapolitan branch of the Industrials' Union hosted such an important meeting, because Open Innovation is, more than a tool, a truly binding instrument on whose behalf industries, especially the highly technological ones, are prone to operate. The fact that "research" and "innovation" must be amongst the main factors contributing towards economic development is a widespread assumption. These two terms, if not fully substitutable, at the very least prepare each other. Nevertheless, "research" and "innovation" do not exhaust the field of those actions firms must undertake to be competitive on the market. The turning point lies in the Open Innovation itself, a true revolution in management, opening the boundaries of firms and developing innovation among the lines of sharing, participation and involvement. There will be a paradigm shift from the firm investing within its boundaries towards an economic subject capable of capturing from its environment all that knowledge needed to keep or expand its market quotas.

Open Innovation is actually a management principle based on gathering information from the world, generating actions and innovations that are permeable to the more widespread sets of skills. More on the point, the majority of the big firms already has a *R&D Department*, whereas Open Innovation is based upon building *Connections & Development* departments, concerning themselves with building external relations to join in the productive process. The invite to join in the innovative process is more and more reliant on the inter-nets' crowd, asking them to propose ideas and solutions to solve a firm's issues and problems. The know-how and the knowledge thus produced by a strategic use of networks (be they telematical, friendship-, social- or work-based) or by crowdsourcing can change the ways a firm has to detect skills on the job market.

My own entrepreneurial experience is not so far from such a paradigm, as the firm I am in was born smack in the middle of this turning moment. Therefore, I will try and show you the fallout Open Innovation has on the entrepreneurial challenge I began coordinating just a few years ago. Its name is Think Thanks and, from its name onward, we propose a word game recalling intelligence in enterprise choices, that can be translated with expressions such as “please think about it” or “thanks for the thought”, and the like. We are a pocket Neapolitan firm, active in producing knowledge in the following three fields: Research and Communication, Management Assistance and Training. Our slogan can further clarify our field of competence: «We undertake research when research becomes an undertaking».

My own role indicates an openness, as in having an open mind towards confrontation; I am this firm’s Coordinator, not the CEO and in such a function I do coordinate various intelligence, more often than not bigger than my own. These professionals are located all around the world and Think Thanks involves them in its activities by means of variable incentive and prizes, based on the amount of every single endeavour. Our difference with respect to other firms operating in the field of communication is our attempt to hybridize communication and scientific research. Such is a particularly hard challenge because we try to make a business out of that knowledge tracking *latu sensu* back to social sciences, i.e. anthropology, law, economy, philosophy, social psychology, political science, sociology, history and urban studies. Think Thanks is therefore open, in the sense that it is a cultural enterprise operating by a boundary of openness to put before everything else. Giving an example of a cultural product by ThTh will further clarify the terms in which Research and Communication contaminate each other. During the management of a scientific event, i.e. a meeting, ThTh can intervene on both the more traditional aspects, i.e. location, catering and lodging for participants and on the production on *ad hoc* knowledge to be used during the meeting. In the latter case, one or more Think Thank

researchers work on behalf of their clients, enhancing the scientific programme of the events with all the knowledge elements the client may require and be pleased with.

Those elements may concern the separation on national law concerning the subject of the meetings, or the international impact of data concerning the main topics of a meeting we helped set up and manage. Actually, all our communication projects are supported by an array of scientific market data (such as context analyses, output market analyses, competition analyses, customer satisfaction and the like) based on a synergic exchange between researchers and creative members of our staff.

The idea of having no barriers between knowledge is a fundamental, especially in setting up a business, or a communication, plan and considering the same issues from different viewpoints can very well produce added value, helping control unforeseen consequences, improving the outcome of each communication (sensitization, divulgation, promotion or prevention) campaigns. This means that, on each single project, *equipès* made of experts and researchers currently available on the relevant networks Think Thanks employs. We do not carry out consulting, but we “assist technically” firms, organisations and professional people by creating a staff having different skills and qualified for the requested jobs. At the same time, following also a more down-to-earth approach, we strive to be *open* even by being transparent about our researchers-communicators; by connecting to our website, everyone can read their *curricula*. Think Thanks devotes great attention to the training and the update of the intelligences crossing its path. It is for them that we organize periodical meetings which keep getting more and more open, where we plan our future researches and share with external staff members, as well as with our own, the outcome of our previous projects and studies. In order to give you an idea of what such a thing is like, in the Plenary of ThTh, 15 or 20 researchers word together for two days, intensively working and discussing the tools and the methods to be used, improving them where necessary. In order to constantly enhance

Think Thank's products. We firmly believe that investing towards research in a view using Open Innovation is critical to obtain comparative advantages in both the medium and the long run and, besides allowing the outside people interested to see firsthand what we do, it will allow us to expand our activity and our network of professional, both in the national and the international arena in the long run. By means of such networks, we can cover the majority of Italian Regions.

Our paradigm, the one we mainly move in, is based on relationships in which online networks carry out a function of democratisation. Throughout the web, access to knowledge becomes much more democratic and open to a multitude of subjects. We are involved in such a process as both actors and observers; therefore we try to understand and monitor grassroots participation processes, both on the market and in the private sphere. The web possesses infinite information and opportunities, sprung by net-surfing and to this the huge opportunities for data cataloguing and processing. The passage to web 2.0 multiplied interactive mechanisms such as those involving subscribing to a feed and having access to selected knowledge. The next step from there involves knowledge sharing. Therefore, "get feed" and "share feed" are the two cornerstones inspiring network usage. Taking, selecting and then sharing generates a sizable, spread-out, know-how now belonging to the daily activity of Think Thank's researchers-communicators.

We have a soft spot for social groups, network and organisations, all realities we study by means of approaches like social capital, group analyses, emotional marketing and storytelling. Our horizon is, in fact, one of slow marketing, i.e. the necessity to slow down the flurry of information consumers are subject to. The challenge Think Thanks is about to undertake concerns the study and the adoption of procedures allowing consumers to relent a bit on the innumerable responses to communicative stimuli coming from commercial advertising.

Therefore, our research focuses on restoring those approaches based on human relationships, using the innumer-

able word-of mouth techniques, either face-to face or on the Internet. One of the bases of our action is observation of the behaviours of consumers, citizens and citizens in order to catch their attention for decidedly longer periods compared to the standards. We build involving experience related to brands, we activate popular juries to gauge public policies, we measure behaviours, we carry out qualitative research to explore social behaviours in depth. At the end of the day, we develop research able to limit stemming from the contemporarity of social, advertising and

political messages. This way, slow marketing revamps many of the tools of qualitative research, such as participant observation, interviews, focus groups and the like.

A final example on an open process may clarify some of the previous considerations. Talking in greater detail about the *Mezzogiorno e un quarto* documentary, the diamond point of ThTh's projects, aimed at "moving on" the issues commonly linked with Southern Italy. In producing it, ThTh's researchers tried to outdo each other to define the initiative's theoretical frame. The most active amongst them gained a seat in the scientific committee. Likewise, our logo too has been a cooperative product, choosing the one more compliant with the concept we had in mind.

From the dialogue among creatives and researchers the format of the event (two experts and a moderator) was born and further discussion was also open, meaning that 14 intelligences, acting on a national level, joined forces in telling Southern Italy as they saw it; these debates were then filmed at the Think Thanks Documentation Center and the research team took upon themselves to build the seven questions the debates ran around. Therefore, the discussion was not entirely freeform but focused on these questions, forwarded to the chosen contributors beforehand, to make sure they touched every point of the debate. After filming, the answers and the issues whom had emerged from the first were then interwoven in the second debate and so on, thereby improving the level of knowledge. One of our researchers then filmed some questions by external experts, project-

ing them during the debate. The studies and the materials thus collated were then advertised on Facebook, reaching and actively involving 1500 people, an astounding result, since ThinkThanks is in Bagnoli, in the suburbs of Naples and is in a peripheral area of the system. *Mezzogiorno e un quarto* is now underway to become a documentary, enriched by new contents and stimuli, as it constantly pries open and revolutionises the age-old issues of discussion on Southern Italy. It may very well become, after the documentary is published, a web tv format as well.

Daniele Dalli*Professor at the Università degli Studi di Pisa*

This is a subject I would like to discuss only after having tackled another topic, one requiring attention concerning distributed systems of production, or creativity and how inputs can be balanced, i.e. the contribution every single individual bestows to such systems.

Since there are people involved in, and supporting, these social systems, who gains from the economic output of these activities?

Some scholars believe that the participation of individuals to these systems is essentially narcissistic. I am involved in systems of Open Innovation and social production because I am interested in them, I care about having a recognized role within these communities and I usually do not care whether someone could gain an economic result from what I do within these contexts. My reward lies in the fact that, within these community, I have a primary role by virtue of the value, originality and success of the ideas I carry on. Other scholars, instead, elaborated different, very articulated, models, based on the assumption that the reason for taking part and having success within these models lies in the fact that gaining a good reputation within Open Innovation and open participation systems, albeit not producing a profit, may be used by those involved to gain better jobs (and therefore a better pay) by using such gained reputation as a career-booster. This is akin to the model developing in the open source software sector, where those who worked there then moved to more traditional markets, receiving significant money for their work.

The existence of such systems brings us to consider the fact that they have a nature that is, directly or indirectly, an economical one, involving incentives and rewards that motivate individuals to take part in the system. Such incentives may be social, economical or technical in nature, which explains their far and wide dissemination in the interna-

tional industry and services landscape. This is besides a fair redistribution of the economic output of these initiatives, proportional to the contribution effectively given.

It is also true that there are cases where this redistribution takes place (some firms recognize rewards to their external consultants, in proportion to the economic results achieved) or ensuring free circulation for the results of this activity (Creative Commons licenses, and the like).

This issue fails to find a place also in management literature, despite in some cases of the wider social peer-to-peer production there are cases where appropriation does not take place. Some systems do exist, where individuals cooperate with one another to give each other some services that will not give them, immediately, some sort of profit. Some of those we studied, and they appear interesting; I will give here just one, meaningful, example: Couchsurfing. It is a worldwide community, made up of people offering or requesting hospitality at someone else's house, enjoying their host's unique eye on the city, rather than using hotels, pensions and the like. For example, because they do not want to use an hotel, such s the wonderful one the Industry Union let me stay in, or a B&B, to spend a weekend in Naples. The host gets no economic incentive to perform his or her function, but the guest may reciprocate in the future, as coachsurfers have no bond of reciprocity. No one pays a penny, there is no direct or immediate payment. Maybe in the future, when the community will be more developed, the managers of this community will have an incentive towards selling their website spaces for advertisement, but this still does not happen.

Other such examples are file sharing systems, eating away day by day at copyright logics.

They eat away, for example, at those traditional systems by means of which big groups, for example in the discography sector, seized a cultural product partly crowd-developed, by means of the support the masses give to artists, and so on. File sharing is a system of recovering those values music fans had a hand in developing and the discography majors "cashed in".

I think that the systems we are discussing stand because of an objective trade-off between individual incentives of an economic nature, but also because of ethical values, supporting and feeding more innovative and participation-based systems.

This said, I would like to operate a short step back, in order to explain my viewpoint on the role of institutions in the world of social production and – more specifically – of Open Innovation. I am an University professor, teaching in Pisa. I teach also in other, foreign universities, in graduate, post graduate and Ph.D. courses. I mention it because, professionally speaking, English has become my first language. The system I work in compelled me to make this shift. To learn Open Innovation, one must know English. Everybody, in fact, calls Open Innovation by its English name, also in other languages. On this, getting back to one of the previous contributions, if there is a revolution we should carry out – and by “we” I mean people working in public institutions such as mine, but also every social institution and association concerning itself with public interest and issues –, it is that of language. More than technological issues and network access (I think that promising young people can find access to a network, provided they have the necessary will and quick thinking, if that helps with the blossoming of their skills), we should support and promote knowledge and speaking of English, and not on a basic level. Knowledge of English is necessary to work, and a highly specialized level thereof is needed. I am telling this because in the University I teach in, as it happens in others, we carry out English language courses (concerning economy, marketing, statistics, etc), aimed at *Socrates* and *Erasmus* students but, at the end of the day, we find in the classroom two mostly two kinds of students; one is that of East European students, often not involved in an *Erasmus* or a *Socrates* project, coming to Italy with or without their families and studying with their Italian colleagues, and the other is made up of Italian students that, despite their Italian, come to attend a course taught in English. And the with the latter kind we discussed

a very delicate problem; i.e., they'll be shortly put on the jobs' market in Italy, where they will find people who spent the first part of their existence in a country other than Italy, they speak their own tongue, they will quickly learn Italian and they speak also English. It's not about our brain drain, as our best young intelligences go abroad, it's about the entry in our market by brains linguistically better than ours. And on this issue – linguistic skills – we should invest in order to reap a positive fallout on the development of those “open” systems we are now talking about as well. You may have noticed that the previous contributions were filled with English terms and that's not a coincidence.

Now I would like to devote a few minutes to the more professional issues. My field is that of management disciplines and, in particular, my focus has, for a while, been on open management models, referring to small industries or industrial districts in particular. Henry Chesbrough did not have imagined his book on Open Innovation yet when in Italy the studies focused on how SMEs of the more traditional sectors had learned, in time, to manage productive processes in an open way as well, by means of subcontracting, productive decentralisation, system specialisation and so on. My own mentor, Professor Varaldo, but also many other professors of economy, industrial economy and management, studied how, in the sectors of leatherworking, shoemaking, clothes, etc., open models of management have developed, where every single enterprise has its own role within a productive routine, network or constellation, as someone calls it, where exchanges between some of the units are vital to achieve some of the common goals. And the literature on the subject was and is fully aware of the fact: years ago Priore and Sabel, not to mention Porter, came to Italy to study the workings of the local productive routine, how managing the value chain can have an inter-firm dimension and how the governance of these processes can be managed. I am discussing this because nowadays the applicability of some North-American models to Italy (especially its Southern part) is a very debated topic, even if it

has probably been us who taught them these modes of production management to those who set their industry on the model of the big integrated enterprise. And a skill such as ours becomes all the more important when capitalism shift from a Fordist model to a post-Fordist or post-industrial one, as Enzo Rulliani and his school teach us.

Therefore, considering skills, structures and resources, I see no great problems towards the reception of a an open logic in our industry. Italian industry (and industry of Soth-ern Italy) has many examples of local production based on many forms of decentralised production. Therefore, we do not have a DNA incompatible with that of these processes. The problem is that the main models of Open Innovation and InnoCrowding have as their main aim some activities our enterprises are traditionally weak on, i.e., innovation, creativity, dominance on technological variables and the like. Traditionally, our firms carry out a little R&D and therefore, as Mr. Formica said, we continued pursuing models and actions coming from other contexts, where such activities are instead very developed.

To this I would like to add that a third field in which the model of crowdsourcing and lean production develops is that of added-value activities, resulting not only in the creation of new products, models or new technical and technological solutions, rather it concerns soft variables in marketing and communication, concerning my professional field more specifically. Once the product has been invented, it is necessary to market it with a certain probability of success and the necessary resources may very well come from skills that Italian SMEs usually do not have or provide. The open logic in this field can be seen, for example, when customers are called upon to act as “ambassadors” of a product and, under an adequate incentive, may spread it amongst others consumers. Or they might act following a peer-to-peer logic, making their knowledge available on the Internet to help other consumers to help solve their problems with using a product, as it is the case for example with technical forums concerning cell phones, computers, etc.). These are aggrega-

tion forms that enterprises, but also consumers, employ and encourage firsthand on the Web, giving an extremely wide audience some problem-solving mechanisms that, directly or indirectly, increase the value of those products they refer to. All this is to say that Italian firms, albeit having a certain skill and aptitude towards open processes, though concerning traditional, *operations*-linked activities in the manufacturing sector. The new processes we are currently learning to use are somewhat similar to those previously employed, but they are applied to new variables such as innovation, creativity and technology; and on these we may have to bridge our gap. Furthermore, many activities, although not *tout court* linked to technological innovation, but intertwined with product commercialisation and communication, able to generate added value, not necessarily requiring a technological competence, but it is needed to pursue and enhance a certain knowledge of marketing, communication and the like. I think that, seen from there, Open Innovation and crowdsourcing may be a good opportunity for an industrial tissue made of SMEs. I also believe this opportunity could foreshadow a new scenario for workers moving on both the national and the international level through platforms like InnoCrowding and finding their way by using a profession that is not innovative in itself but follows innovative paths between work supply and demand.

Alexander M. Orlando*President and CEO, InnoCrowding group*

I would like to thank you all for having joined us on a Monday morning and such a shining sun outside.

I just arrived from the US and I wonder if innovation can exist also here in Italy.

Since long time, all the main Italian industries are our customers. Open Innovation is a new planet; better still, a new continent. The eighth continent of the world. In other worlds, it is a superior form of intelligence because it comes from the masses. In this room we have two catalysts as I is the case with Ivano Russo and Amedeo Lepore, a “champion” like Antonio Prigiobbo and other people who gave life to something new in the wake and on the path of Open Innovation. These people bring out precisely that kind of added value able to show us what Open Innovation is. The main theme is in fact that “us” are more clever than every one else, taken singularly. That’s the first factor triggering our reflection. This simple datum is enough: during the last US Presidential Elections, John McCain decides to use YouTube for his campaign, but he employs it too late, losing the election. Two months later, also the Italian Chamber of Deputies decides to try the same experiments the Americans undertook. In the world in general, and in particular in that of Open Innovation, two kinds of personalities can be met: the leaders, who open the road for innovations, and the followers, who prefer to thread the path the pioneers opened. The objective fact every one of us experiments every day is that creativity exists everywhere. Not too earlier, we talked about language. It is true, English is the language, because English is common to us all. I will then show how, by some practical examples, how did we use language to our advantage. Some days ago I lectured at the Università di Bari. The first thing I did has been to check if creativity exists within common people. The result has been that twelve of the forty persons present, although wary and a bit scared, brought

out some remarkable peaks of creativity. This means that, when people get stimulated, creativity always emerges.

Everyone seems to have some kind of financial problem; maybe someone needs to sell more products, while others may look for a new method to build a different world. Every problem has solutions; learning to fraction a problem to solve it is very important. Open Innovation does not allow a solution to all our problems; if we were to ask how to find water on the Moon, I am sure no solver would answer. The first true challenge is to learn thinking against the current, just like in this example. Two people must climb a mountain and each of them has a backpack, skis and mountain boots. Suddenly, a very hungry bear appears and one of the two climbers removes his gear, putting some sneakers on. The other says: «Don't you know a bear is quicker than a human?». «Sure» – the first one replies – «But I just want to get away from you, so that the bear may catch you instead». This funny scene helps us understand a basic concept: making things before all the others is what counts, before getting overpowered. Many talk about it. Many PRs turn to our firm and they are all visible on the web. The drawing Antonio used before is an expression born of Open Innovation and it's about turning an art into an art of words, an art of keywords. And these words may indicate to you the contexts where crowdsourcing and Open Innovation are used.

From crowdsourcing to InnoCrowding. Jeff Howe decides to use the word crowdsourcing on “Wired” magazine, and this word becomes synonymous with “creation by the masses”. From that moment on, a veritable social network people, big as a continent, comes into the light. Many social networks are created outside enterprises in order to get inside them.

I spent the last two years with InnoCentive, a firm born of a particular idea by Eli Lilly, a pharmaceutical firm employing 7000 persons, all of them very clever. Eli Lilly had a problem with a molecule. Therefore, they decided to publish online a challenge, with a prize of 3000 \$ in order to get an answer and solve the problem. What happens then? Some-

one from a faraway country, with a barely passable English, sends in a mathematical formula. This person, having a specialization in a field opposite those of chemistry and medicine, solves a problem, allowing Eli Lilly to produce

Pharmaceuticals that are particularly useful in tackling pulmonary diseases. And so Innocentive was born, specializing in those subjects concerning medicine, with a foray in the business world during the last two years. It can rely on highly competent people and begins making promotion. But at the same time, it understands it must also take advantage of other social networks. And this is the true cornerstone of Innocentive's blog. I always believed SMEs make up the mass of innovation. Google was actually born of two people, not thirty-thousand. And Outlook was born likewise. Innovation comes from the individual, not from big firms. Make no mistake, what happened in our case was that we knocked on the door of every prospective customer of ours and proposed to them a pilot project, something completely innovative. It was born of the crowd, which dictated us what to do. InnoCentive allowed us to take a part of their system to adapt it to SME brands, to the "masses". Then we divided our territory into two zones; one where firms having an internal involvement exist, and the other where firms tap external resources and take them internally. Both Philip Morris and P&G are longtime adopters of Open Innovation and they use a true process of innovation. Similarly to a finance department, these firms employ also an Open Innovation department and director. Some firms, as it is the case with Philip Morris and P&G, demand highly-specialized innovation and to achieve it, they proceed from without to within, first by understanding what the masses and their wishes are, and only then they carry out innovation. Many of you may not know all the firms involved with innovation, but all of you surely know eBay. Some of these firms are very similar to those in Italy. They are SMEs as well. Therefore, having examined the situation in all the six continents and having carried out programmes in several languages, we understood that Henry Chesbrough had and

idea called Open Innovation. It was not a pizza, you could not eat, neither touch it, but it existed. How can we give life to something completely intangible? And on that we based our “dissecting”, i.e. the fractioning of this idea within the product/service cycle. We declared that three phases exist: the propedeutical phase, product development, and its launch. And then the new idea is triggered. Everyone of us can say: «I want to see if the world reacts or not». A politician could say: «I want to be famous on the Internet», or someone like me deciding to reach two millions and a half. How can I achieve such a thing?

The second step is having someone offering creativity, proposing us something we did not think about, something completely innovative. This was the birth of BerryQuest, an idea I and other three people developing software for the BlackBerry patented. Everything was born on LinkedIn and by exchanging ideas on Twitter, i.e on two of the most famous social networks of our time. I inserted my request, announcing my will to achieve something new – Berryquest – and I had help from a veritable tribe of people having in common a BlackBerry or an Iphone. From there, planning is my next stage. How can I do everything I intend to? How can I obtain the information allowing me to carry out this endeavour? If it is a product, I want to have the opportunity to create a prototype, touch it and show it to people. Such an offer was entirely lacking from the offer catalogue of our competitors. Our Technoboard presents new ideas in their purest state; they are ready to be financed or adopted by other firms. Not only that, our board contains also all those prototypes discarded, as they were considered unfit by the requesting firm upon their launch. Our board contains over 7400 technologies, be they for sale or licensed. BerryShout! is, on the other hand, a true “word of mouth” system applied to cellphones; therefore a sort of cellphone-based Twitter. On a geo-demographic level, since every BerryShout! subscriber gains a unique profile, the word of mouth is immediate. At the end of this chain, the product is ready, someone available to market it has to be found.

This is the easier part, but the main ingredient, money, is still lacking. How can a small firm achieve such a goal? In the US, crowdsourcing is massively present, as it allows two things, and the first is that the masses contribute to worthy projects.

How many of you here could pay for a coffee? No one? It is an euro, right? But if we ask 400 thousand persons, that coffee becomes something much bigger.

The Rockefeller Foundation gave us its contribution for our project, telling us: «Prepare the content and we will finance it». If this project is accepted by the masses, can it be carried on and become something new? In the US there is no habit to look at a project, then decide to give it some help to start it up and see where it goes. In the UK, when a person or a firm go bankrupt, they cannot open a new commercial activity for six years. In the US, someone who did not go bankrupt at least three times does not even get considered by venture capitalists. Identifying the nature of the problems is fundamental; by viewing them in every aspect, one can understand what is going to happen later.

First of all, a goal must be defined.

Goals such as getting a new PC or creating a new Apple are not eligible within the Open Innovation framework; what works here is fragmenting the problem, dissecting it in its smallest particulars. It is a precisely-defined goal; not aggregating a product, but fractioning the problem we intend to solve.

First of all, the request of solution/innovation must be detected: each of us can join in any phase of Open Innovation and present his or her request for a new idea. Or I may be a venture capitalist and wonder if investing in a certain product would be a good idea. Then a prize must be set up; this is very important and worth repeating; no one will ever give us an idea, if the prize isn't at least equivalent to what is offered. It is then useless to post ambitious solutions/innovation requests with a prize of just 100 \$. No one would answer our request. We already saw and tested this. The next step consists of fractioning the request into sev-

eral phases. We carefully analyze the content of the request to extract keywords and techniques in order that everyone may understand what's it about. In fact, one of the basic tenets of Open Innovation lies in the fact that the request of innovation/solution is not done to the experts of a given sector, but to those working in collateral areas, in order to stimulate creative thought and let them think in a way that is absolutely innovative. Only then the text of the request is published online on our portal- with no indication of the requesting firm- and from there it goes directly to a virtual room where the problem-solver, i.e. the person who intends to solve the problem, begins working on it. When the text of the solution/innovation request (contest) is approved by the client, it is bereft of any information pointing to the requester's identity. The requests are then sent to the solvers chosen to work on them. In all these phases, both the identity of the problem solver and that of the solution seeker are protected to the maximum.

One of the problems the activity on the Internet originates is precisely that of understanding who first proposes a solution, and therefore protecting his or her identity. Solvers initially accede just to the general part of the request, containing just a generic description of the request, for example that the seeker is looking for a new flower. From there, the solver (or solvers) get to the second phase

involving the signature of a non-disclosure agreement, allowing them to access reserved, and more precise, information on the request, contained in a private virtual room. Only then, the solver(s) can decide to work on the project or not, as only then the information necessary to understand the exact nature of the request has been gathered, and the solvers(s) can indicate what materials they need to go on. The solution seeker can decide to use one or more solvers for his or her request and divide the prize accordingly. In this phase, the proposals for solutions/innovation come, and they may range between 0 and 27.000. per request. Once all the answers by the solvers have been gathered, the phase of proposal selection begins. During this phase, it must be

decided if the solutions that arrived are worthy of examination. Only then, the problem solver and the solution seeker meet each other in person. You may think that this may kill the secret and make the non-disclosure agreement void. That does not happen. There is no secret in Open Innovation; what exists is the motivation of both problem solvers and solution seekers.

But let us get back to BerryShout! Blackberry is a fruit, and it is said that it stimulates creativity; if a child eats blackberries in the morning, he or she will grow more clever. By means of the BerryShout! service, we may ask the masses to express their opinion and answer some mini-surveys, by sending an SMS up to 162 characters long. It is a very simple system, and here are some examples of what can we achieve with it: look for a new slogan, a new name or launch a demographical research. For example, suppose I am a motorcycle producer and I want to ask people aged from 32 to 35 and loving jazz music to create a new slogan. The person belonging to the BerryTribe may decide to give his or her contribution directly on the Net. BerryTribe is the first *social network* to pay those users taking part in it by giving their contribution. 90% of them are businesspeople or people whose job involves travelling.

BerryQuest! was born to answer common needs. In the first phase of the test, 500.000 people answered and the servers crashed. We expected an answer by 50.000, not 500.000 persons! We asked a new name for Nike, and the world went literally crazy. When the answers arrive, the BlackBerry server analyzes them all, and conducts mathematical analysis to detect the most used name. But what does happen when two people come up with the same name? Who wins? He or she who sent the SMS first wins the prize. Each participant gets a BerrySeed, once accrued, they can be converted into prizes such as cellphones, computers, vacations, and the like. All this exists solely thanks to social networking. The people who took part in such endeavours are all part of Open Innovation and all invisible. How can Open Innovation be applied in a firm? If innovation does not

come from within, then the second level cannot be reached. The success coming from the publishing of a request on our portal is something tangible: it can be a widening of the market, involving the possibility to produce more goods and services, and therefore more work opportunities. The value we offer is in the diversity of the solvers. The innovative project begins from the single firm department, climbing then to the second level, the one involving the whole firm and from there to the external resources of an enterprise (be they a consortium, a panel of experts, Universities, the consultants we know and the like). If no satisfactory answer comes from this circle of resources immediately outside the firm, then InnoCrowding will find a heterogeneous group of professionals and fans able to provide a variety of new answers, both expected and unexpected. What we presented today is a project that is already two years old. Only 1% of our solvers is from Italy. Some months ago “La Repubblica”, an Italian newspaper, asked a girl from Bologna, Italy, who solved a very important problem, why did she decide to take part in a contest. And the answer was that she did not do it just for an economical reason, but also to gain some notoriety. The reason why I am here today is that I met Antonio by means of Open Innovation and social networks and from there, through the Web, a “word of mouth” spread. Open Innovation does not only look at a product or a method to enhance selling, it is also a catalyst. The last example I would like to make is that of Cordova, Alaska. In 1989, Exxon Valdez spilled more than 10 tons of oil in the Alaskan seas. For 10 years, the best scientists and academicians did not succeed in finding a way to separate oil and water, as the latter turned to ice. Jim Davis, a brick-layer, finds and creates a solution. He writes it on a piece of paper and then sends it by fax, He succeeded in solving a problem who plagued and absorbed many people for ten years, by applying what he had learned in separating water from concrete. Every day there are problems, old and new. The websites on Open Innovation are wonderful and they offer prizes ranging from 5.000 to 250.000 \$. This morn-

ing I read in a newspaper that wages in Italy are low. They may be low, but there is the opportunity for us all to explore a still virgin land: that of widespread innovation. Many of you believe that only those boasting particular diplomas and a wide range of experience can access Open Innovation. I believe, on the contrary, that anyone, no matter his or her race, job, age and place of living, can teach us something new and to propose things we do not know. Don't stop here. We made a fantastic presentation. How many of you will have a visible profile? How many of you will start speaking English, the language of Open Innovation? Even if many suppose to know English, at least in its written forms, sometimes the requests are so specialized that understanding them, and therefore offer a fit solution, becomes very hard. To solve the language problem, InnoCrowding enlisted the help of expert linguists entrusted with the task of translating the content of innovation requests from one language to another. This is the time of the "perfect storm", it is a good moment to embrace Open Innovation: an economic crisis is taking place and creativity is exploited to the maximum. It is only necessary to understand how to get to Open Innovation and to the social networks activating it. Therefore, I invite you to ask me your questions on Open Innovation, even those you deem more far-fetched.

