





Key note address by Max Stadler Chamber of Crafts for Munich and Upper Bavaria

Congress win13

Festspielhaus Bregenz, Nov. 29, 2013

Dear ladies and gentlemen, Dear guests and colleagues,

I have the honour to welcome you on behalf of the Lead Partner of this project and its team. We are glad to see that so many of you, even from non German speaking countries, have come to Bregenz and its wonderful festival hall to participate in this ambitious event.

For many of you it may have been a long way to come here, and also for us it has been a long way – in terms of project development and project activities. Our way started in 2009 in launching the forerunner project AlpHouse to which many of you have already contributed, and it continued in 2012 by starting the current project AlpBC, which forms the background of this congress. In the framework of this project, this event is the first of a series of regional symposia all over the alpine space, and I would like to thank Ms Sabine Erber, Ms Beatrix Dold and the entire team of Energieinstitut Vorarlberg for their excellent preparation and organization work.

Let me say a few words on our project AlpBC from the perspective of the Lead Partner, the Chamber of Trade and Crafts for Munich and Upper Bavaria. We represent the interests of small and middle sized enterprises both on the political level and on the current support level by offering training, information and counselling. Throughout the alpine space, the rural labour market is dominated by these small and middle sized enterprises, which usually are really small crafts workshops with often less than 5 employees and often engaged in the construction sector in various ways. They are small, but they are the backbone of the economy in mountain areas, along with tourism and few other sectors. So to strengthen them means to strengthen the whole region as a place for working, living and recreation.

But: When we want to support them we have to face 3 current challenges:

1. The first one is that they are threatened by the competition of big enterprises from outside the alpine space, which produce on national or even international scale, thereby being able to make cheap offers, which – especially in public procuring procedures – in the end often turn out to be a bad bargain for their clients. The big enterprises may be able to capitalize on large-scale effects, but they cannot provide the same continuous individual service as a local contractors can do.

So the reply to this first challenge is to help regional and local SMEs to understand and







fully capitalize on their strengths and their unique selling proposition as producers and service providers on the local market. – This is what we have fruitfully begun in the project AlpHouse.

- The second challenge is that a great deal of innovation today comes from big think tanks and R&TD centres. This results in potentially leaving the SMEs behind in terms of not being able to present the most advanced products or services and not being able to apply state of the art techniques.
 - So the reply to this second challenge is to help SMEs and especially crafts enterprises and other local firms to get access to the newest knowledge and up-to-date technologies. This will enable them to offer innovative products and services, because and that is their strength they know the needs and situation of their local customers best. So they can apply new knowledge in a *to the point* manner. This support in knowledge transfer is what we have begun in the project AlpHouse and what we continue on a bigger scale within the project AlpBC.
- 3. The third challenge is the menace of **climate change and ecologic deterioration**. This is a global challenge, and it may sound strange to relate it to small alpine enterprises embedded in small local economic structures grown over generations. But this is actually their big talent and advantage, which is dearly needed in this historic situation. These small-scale economic networks can provide what is needed most right now:
 - Resilience to external pressure,
 - Carefulness in dealing with the local environment and
 - Long-term responsibility for the social, economic and ecologic **well-being** in local communities.

So the reply to this third challenge is clear: We have to support small-scale economy, especially Regional Closed Loop Economy and regional loops of natural resources and production cycles. — This is what we have begun in the new project AlpBC, and it will be a central focus of this event here in Bregenz with its two primary subjects of "Regional Closed Loop Economy" and "Regional Value".

We all see that we are facing big challenges and that we need to act. I hope this congress will provide some insights and will instigate new forms of networking that will give us fresh energy and new tools to deal with these challenges and to act skilfully.

I wish you all a good time here with interesting inputs and motivating encounters.

Thank you.