

### ***SERVICES FOR INDUSTRIAL AND COMMERCIAL ACTIVITIES (SAIC)***

These services will also have a special budgetary and accounting status in order to avoid the rigidity of university or research organizations administrative regulations associated with their status as public institutions. The SAIC associated with a given establishment should help to clarify the taxation arrangements for technological transfer activities by distinguishing the profit-making activities of the establishment from other, non-profit activities. The following arrangement will be adopted:

- SAICS will bring together industrial and commercial (for-profit) activities in a single line of business directly related to the establishment, but distinct from its public service (i.e.: not-for-profit) activities (which include continuing education);
- SAICs will be administered by a director, under the university's chancellor;
- the university/establishment will have discretionary power to recruit short-term or permanent personnel to operate its SAIC;
- SAICs will have a flexible budgetary and accounting framework to manage effectively industrial and commercial activities;
- Company tax on their profit-making activities will be reduced as a result of discounting SAIC salaries, who will be deemed to be paid separately by the Government;
- it will be possible for local communities to exempt SAICs from professional taxes; and
- the establishment of an adapted VAT system for SAICs will be facilitated.

SAICs have already been established in 6 universities, Lille-1, Rennes-1, Paris-13, Le Havre, Saint Etienne and Strasbourg-1. A second call for bids will be issued in February 2002. Each chosen university will receive financial assistance of €150K to start up their SAICs.

### **Towards an innovation agency**

The Ministry of Research believes, however, that these measures in support of innovation and of the creation of innovative SMEs would benefit from the creation of an innovation agency. This proposed innovation agency would take over and expand the responsibilities of ANVAR by managing - and enhancing - the various assistance programs for the staffing and funding of startup companies, programs that are now spread between the French Ministries for Industry, Research, and ANVAR. It would also facilitate contacts between innovation players, particularly in networks for technological research and innovation (RRIT). Because of its strong local presence, its national involvement in supporting innovation and its role at the European level, ANVAR could usefully fulfill this function.

**Increased partnership with communities** Local communities, and above all regions, are the preferred partners for supporting innovation. Their increased involvement in the research and development stream of government-region contracts attests to this. The 31 business incubators for innovative technology businesses, all linked with public research organizations, have greatly contributed to the development of economic activity at the local and regional levels for the last two years.

Two recent examples are indicative of such a trend, one involving the ***Synchrotron SOLEIL***, and the other the creation of three new ***Centres de nationaux de recherche technologique*** (CNRT) [national centres for technological research].

### **SYNCHROTRON SOLEIL**

The agreement, signed on February 5, 2002, covers the allocation of financing for the