

AlpBioEco

Regional Implementation Guidelines

Lombardia – BM: **Herbal Pacifier**



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INTRODUCTION

The ecosystems of the Alps are exposed to environmental problems caused by economic activities and climate change. Moreover, agricultural business, producers and manufacturers in the European Alps face fierce competition on the global marketplace. There is an enormous potential for green ecological growth and workplace creation due to the development of a sustainable bio-economy. Innovative use and value of regional resources strengthens regional business. Currently not all bio-economic potential is used. One problem is that many supply chains in the European Alps are not sufficiently connected. Many waste and by-products are not used, they are just dumped or composted instead of reusing them to develop new products in accordance with a good ecological Recycling Management.

In addition, there is a lack of coherent policies and strategies to support bio-based supply chains. This is exactly where the project AlpBioEco comes into play: It fosters a territorial development of the agricultural sector using innovative methods, above all innovation for small and medium-sized businesses and strengthens economy and cooperation in the European Alps.

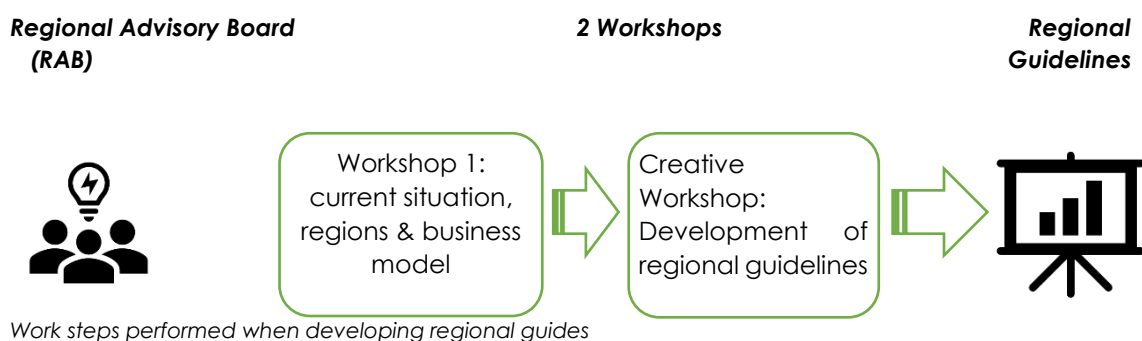
The overall goal of AlpBioEco is to foster a sustainable economy and support the markets and competitiveness of a bio-based economy in the European Alps. It focuses on supply chains of bio-based food and plant extracts. The project works especially on walnuts, apples and herbs which were analysed to identify their potentials. AlpBioEco uses „open innovation concepts“ to develop proper business concepts for different regions.

The following guide should speed up the implementation of these business models and the development of bio-economy in the Lombardy region. The guide provides clear recommendations for involved decision makers in politics and economy like different Chambers, Clusters and Research Institutions. On the other hand, the guide is also directed to all those producers and businesses that are searching for market niches and further development. A detailed guideline shows all steps for implementing new business models – from market research to product development. It includes important facts about raw material and financial funding to facilitate the implementation of the new business model.

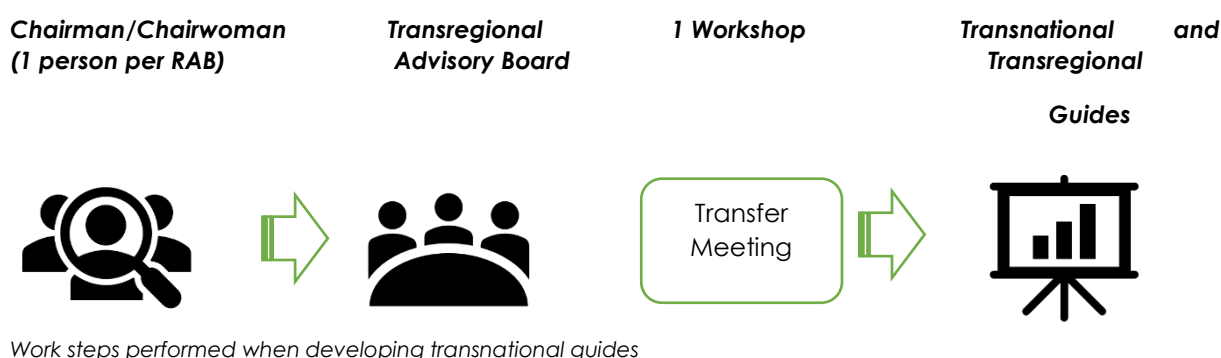
METHODS

In order to develop a guide for all project regions, which specifically focuses on AlpBioEco's business models, Regional Advisory Boards (RAB) for each of the 10 regions were created. The RAB consists of experts from different fields (politics, economy, regional development, agriculture, food production, food supply, legal representatives of interests). The experts provided their expertise and jointly contribute to the validation and implementation of the business model. The RAB dynamically connects all relevant stakeholders of a region in order to create and foster new supply chains and new opportunities that have not been taken into account previously.

The first step was to collect information from a region and show the current situation. This was made by the RAB in different workshops under the supervision of an AlpBioEco project partner. Second step was to develop a common vision of how to elaborate recommendations for politics based on the project. This was the focus of a second workshop with creative methods like for example: Lego Serious Play®, Mural Tool or PESTEL. Due to the current pandemic situation (Covid 19) some of the meetings were held online or in a hybrid version.



A chairman/chairwoman was nominated for each RAB. This chairman/chairwoman is responsible for presenting and discussing the elaborated recommendations at an international meeting, the so-called „Transnational Transfer Meeting“. In this meeting not only the regional guides are presented, but also a transnational and transregional guide is developed. In this guide's transnational and transregional guidelines the project regions are presented as role models and pioneer regions and serve as model regions for others.



Overview Members RAB Lombardy Region

Role	Name	Business/ Organisation	Sector	Network
Chairwoman	Marika Mazzi Boem	X23 srl	SME	international
Member RAB	Ludovico Monforte	Unioncamere Lombardia	Political	international
Member RAB	Alessandro Creazza	University LIUC	University	regional/national/international
Member RAB	Barbara Conte	Chamber of Commerce of Varese – responsible for environment and sustainability	Chamber of Commerce	regional
Member RAB	Sonia Barani	ITKAM	AlpBioEco project partner	international

DESCRIPTION OF THE BUSINESS MODEL: HERBAL PACIFIER

The implementation of this business model is about the production of a herbal pacifier made of organic rubber. The dummy contains vessels with Alpine herbal fluids and can be used to treat the most common disorders of early childhood (toothache, colic, insomnia, skin diseases, etc.). The herbal pacifier can be divided into two different products, which can be purchased together or separately: a dummy made of organic and eco-sustainable materials and vessels containing herbal fluids. Once the therapy is finished, the vessels can be returned to the point of sale through a returnable vacuum system inspired by the "Pfand"- system of German-speaking countries.



During the validation and implementation phase, we collaborated with an entrepreneur of South Tyrol, expert in the Alpine herb value chain that is interested in the development of innovative products to foster local small-scale economies. Since the herbal pacifier can potentially be used to treat a variety of disorders, we first needed to select a health claim to focus on for the pilot project. In order to gauge the interest of the target group in the product and to find out which early childhood ailments are the most difficult to treat, ITKAM carried out a market analysis involving both parents and experts who accompany the parent in early childhood: paediatricians, midwives and pharmacists. The results will be shortly available on the project website.

BUSINESS AND MARKETING OPPORTUNITIES

The herbal pacifier can be used to treat a variety of early childhood ailments, including insomnia, toothache, colic, cough, etc. Potential customers are parents that buy the product for their babies. In particular, the typical consumer is a medium-to-high income parent that is environmentally aware and accustomed to buying biological and organic products. Pediatricians and midwives also play an important role, as they often advise parents on products to buy for early childhood. The herbal pacifier is a totally innovative product: if traditionally dummies are a comfort device for babies, in this case it is used to treat pain in a totally natural way using herbs as raw material. This product is regionally replicable and enables promoting small-scale economies: for pacifiers sold in South Tyrol, Alpine herbs can be used, for pacifiers sold in France, Provençal herbs, and likewise for other regions. The herbal pacifier can be sold as a botanical product in organic shops and supermarkets, pharmacies and herbalist shops, both online and offline.

ADDITIONAL INFORMATION AND CONTACTS

You can find additional information about the Herbal Pacifier business model here → <https://www.alpine-space.eu/projects/alpbioeco/en/activities-results/innovative-business-models/herbal-pacifier>

If you want to get more information about the herbal pacifier business model or on our related research activities, you can contact the following AlpBioEco project partner from Italy: →

Italian Chamber of Commerce for Germany, ITKAM, Sonia Barani sbarani@itkam.org | <https://www.itkam.org>



STATUS QUO

BIO-ECONOMY STRATEGIES

European bio-economy strategies compared

Four students from the University of Hohenheim analysed and compared selected national bio-economic strategies (France, Austria, Germany, Slovenia and Italy) for the development of a sustainable bio-economy as part of their Master's degree in Bio-economy. A comparative overview of the strategies can serve as a basis for the development of proposals to improve the existing strategies and to facilitate the innovation and implementation process of sustainable, ecologically innovative business models and to promote interregional and interdisciplinary cooperation in the Alpine Space.

The working team observed that the elaboration of bio-economic strategies is at different stages of development in the different countries. A few countries have not defined a bio-economy strategy or do not set up action plans following the strategy. The strategies are also highly dependent on the background against which they were drawn up, for example, Germany concentrates strongly on the industrialisation of the eco-economy, while in France the strategy was published by the Ministry of Agriculture and accordingly sets the focus here.

Italian bio-economy strategy

Italy defined a national strategy for sustainable development in 2017, in accordance with the European Union's intention to achieve sustainable development goals by 2030.

Italy's national strategy is divided into 5 macro-areas: sustainable regeneration of territories, sustainable mobility and territorial cohesion, energy transition, quality of life, circular economy. These macro-areas put the human being at the centre and aim at the promotion of healthy and balanced lifestyles, the design of fair living conditions, the promotion of actions aimed at human development and life-long learning.

(<https://www.agenziacoesione.gov.it/comunicazione/agenda-2030-per-lo-sviluppo-sostenibile>)

As highlighted by the comparative study carried out by the students of Hohenheim and available for download on the AlpBioEco website, the Italian sustainability strategy identifies the reuse of bio-residuals as a major issue. Italy identifies as a priority the increase in recycling and reuse of waste. Similarly, Italy aims to reduce food waste by 50% by 2030.

Bio-economic strategy of the Lombardy Region

Following the adoption of the National strategy for sustainable development, Italian regions are called upon to develop a sustainable development strategy at regional level.

The strategy for the sustainable development of the Lombardy region is currently being elaborated and is expected to be completed by the end of 2020/beginning of 2021.

In preparation for the publication of the strategy, the Region adopted the Lombardy Protocol for Sustainable Development signed in September 2019 with local stakeholders. Lombardy aims to become Italy's "sustainable locomotive". The stakeholders who sign the protocol commit themselves to contribute to ensure the conservation of biodiversity and to boost circular economy, green energy and the development of sustainable mobility.

(<https://www.openinnovation.regione.lombardia.it/it/lombardia-ricerca/strategia-sviluppo-sostenibile/protocollo-lombardo-per-lo-sviluppo-sostenibile>).

Furthermore, in order to raise awareness and to involve the general public in the development of the sustainability strategy, Lombardy launched in 2019 a public consultation. About 2300 citizens

took part in the survey and collaborated to select the main objectives of the Regional sustainability strategy.

Among the most important objectives were mentioned:

- support for the development of sustainable production and consumption models;
- support for sustainable agriculture and environmental safety
- environmental sustainability (living in an unpolluted environment)

Furthermore, according to the participants the regional strategy should focus on:

- the promotion of an optimal work life balance;
- the promotion of an inclusive, ecological and ethical culture;
- the development of sustainable mobility;
- the banning of disposable packaging;
- promoting education projects in schools;
- increasing the support for start-ups

[\(https://www.svilupposostenibile.regione.lombardia.it/\)](https://www.svilupposostenibile.regione.lombardia.it/)

RAW MATERIAL

Alpine herb production is a niche sector and for this reason, it is little dealt with in statistics and literature.

More information can be found about the production of medicinal plants in Italy, which, despite being a decidedly marginal sector, is characterized by a strong dynamism and considerable entrepreneurship. Among the most practiced cultures are peppermint (about 250 Ha), lavender (220 Ha), chamomile (about 200 Ha), oregano (100 Ha), passionflower, lemon balm, fennel, sage.



The most consolidated processing chains are those of distillation and drying. There are also companies that produce extracts directly.

The rules for those who transform herbs into finished products are very articulated and complex, and this has a great impact on the actual possibilities of selling the finished product: from herbs it is possible to produce food, cosmetics and supplements. Each area has its own regulations in terms of laboratories, authorizations and controls, which are not impossible but certainly not within everyone's reach.

The main uses are food (herbal teas, cooking and food flavourings), food supplements (or phytotherapeutic) and pharmaceuticals, use in cosmetics, green chemistry (colours, insecticides, etc.) and animal nutrition - limited but constantly growing.

A limited number of wholesale, intermediation and industrial processing companies operate in this market, as well as a large number of subcontractors and trademarks. The crucial link in the sector is certainly the purchase of wholesale raw materials, currently in the hands of four to five companies in Italy, including some multinational giants, which are able to strongly influence the price of herbs.

In the last few years, however, the market has been distinguishing itself in two distinct areas where new prospects have opened up for small growers. On the one hand, a market of industrial raw materials at low prices and large quantities (10-100 t/year/product) persists, to which only a few companies with large extensions and experience can aim. On the other hand, however, the market for quality, organic, niche and super-niche products is expanding, treated in modest quantities (100 kg - 10 t/year/product) but paid prices of up to four times the industrial quality price. (FIPPO - Italian Federation of Officinal Plants Producers)

ASSESSMENT OF MARKET AND CONSUMER BEHAVIOUR

Alpine herbs can be used as raw materials for a variety of products in different sectors: pharmaceuticals, cosmetics, green building, food etc. The development of new products makes it possible to diversify the commercialization of herbs and to achieve a higher margin and turnover for growers. Within the AlpBioEco project, pilot activities have been carried out to implement the herbal pacifier business model.

One of the main problems identified is the reaction of the customer to such an innovative product. In order to sound out the interest of the target group - in this case parents of toddlers and experts accompanying the parent in early childhood, i.e. midwives, paediatricians and pharmacists) - a market research was carried out by ITKAM, in collaboration with the company RCM solutions.

This research involved about 90 parents and 20 experts, mainly resident in the South Tyrol region. The questions proposed were aimed at:

- investigating the interest of the target group in this type of product, and the necessary conditions for its purchase and use;
- identifying any market gaps in the treatment of early childhood disorders.

Participants were first asked to identify the most problematic and difficult to treat early childhood disorders, giving each of the proposed disorders a score from 5 to 10 (where 5=not problematic at all and 10=extremely problematic).

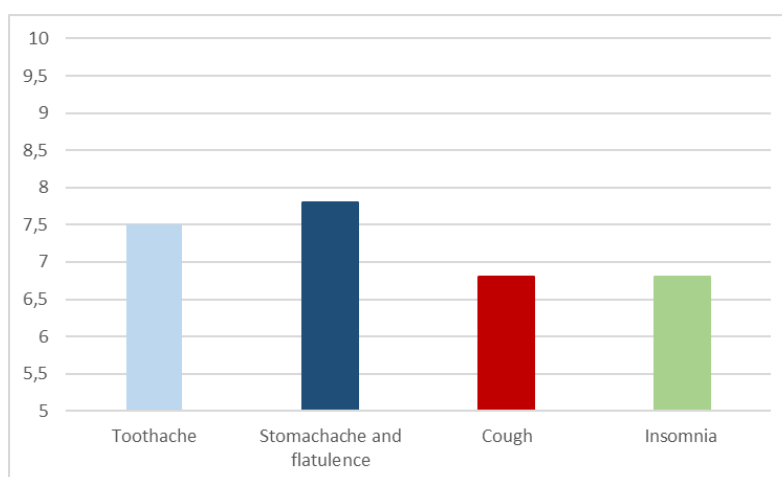


Figure 1: Most difficult early childhood disorders to treat according to the target group, on a scale from 5 to 10

One of the reasons why bellyache and flatulence seem to be the most difficult disorders to treat is the lack of satisfactory products on the market. As many as 43% said that the products available for the treatment of this disorder are not satisfactory. Products to treat this disorder appear to be few and ineffective.

Afterwards, parents and experts were asked whether they would be in favour of using a herbal dummy for the treatment of early childhood ailments. 75% of parents have declared themselves fundamentally in favour of purchasing such products. The main reasons for buying /not buying it are summarized in the following tab.

I would buy it, if...	I would NOT buy it because...
... It is <u>effective</u> and <u>not too expensive</u>	... herbal fluids are <u>not suitable</u> for <u>small children</u>
... It has <u>no collateral effects</u>	... I am <u>against the use of dummies</u>
... It has been <u>adequately tested</u>	... my babies <u>reject the dummy</u>
... it <u>tastes good</u>	

Around 75% of pharmacists and 50% of the medical staff interviewed were in favour of using a herbal dummy.

However, the following aspects are crucial for placing such a product on the market:

- the product must satisfy the appropriate toxicological and quality standards;
- must not contain added sugar;
- must have no side effects;
- must have a pleasant taste;
- the price must not be excessive (it is recommended not to exceed 9 € for the dummy without vessels);
- the product must be regional.

The full results will be soon available on the project website.

RESEARCH AND DEVELOPMENT

Based on the results of market research it is possible to select the health claim of the prototype. The next necessary steps are the definition of the alpine herbs to be used, the form of the fluids and the doses.

The experts participating in the business model validation workshop, held in April 2020, provided us with interesting information on the subject.

First of all, it may be useful to consult the fact sheets published by the [EMA \(European Medicines Agency\)](#). These factsheets give indications about the therapeutic applications of the herbs, the European countries in which they are commercialized and in which form, as well as the side effects. EMA fact sheets enable to verify the known therapeutic properties of the herb families grown for instance in the Lombardy Region.

Secondly, the experts advised to carry out benchmarking activities by consulting the products already on the market of important European companies such as [Flora](#) and [Pranarom](#). These companies produce excellent quality essential oils, which are already chemotyped and used for therapeutic purposes (for example in cough syrups). It is possible to analyze which herbs and essential oils are used in these products, which have already been officially approved, some of them for products for children.

An important organization to consult is also the [CREA](#) (Council for Agricultural Research and Analysis of Agricultural Economics), which can shed light on current legislation regarding medicinal plants in the Lombardy Region.

LEGAL FRAMEWORK

In Italy there has been for a long time a certain legal vacuum regarding the cultivation, processing and marketing of medicinal plants.

At the Italian level the reference legislation dated back to 1931. This law was obsolete and subsequent provisions, often fragmentary, had not substantially clarified the sector as a whole.

Due to the legislative vacuum, many herbs or herbal preparations are in fact marketed with different authorisations ranging from food to medicine. An herbal product in Italy may be included, according to the indications for use, in different categories: medicine, food (food supplement), product herbal, healthy or cosmetic. It can therefore happen that the same plant or its preparation is present on the market at the same time as a drug, food and herbal product. (Nutricity: Italian Nutritional and Health Network).

Following requests from operators in the sector, following several unapproved bills, a law governing the cultivation, harvesting and first processing of medicinal plants was adopted in 2016 (Legge 28 luglio 2016, n° 154)

Despite this, the entrepreneurs participating in AlpBioEco complained about the lack of a real regional quality protocol for the sale of Alpine herbs as medicinal plants.

FUNDING POSSIBILITIES

During the preparatory meetings for the Lego Serious Play Workshop, held on 22 October 2020, experts from our Regional Advisory Board helped us to draw up a list of funding opportunities for entrepreneurs interested in developing eco-sustainable business models.

According to our experts, there are and are numerous possibilities of financing, if the idea that the entrepreneur wants to put it into practice is well structured and concrete, as well as innovative.

The possibilities are different depending on whether it is a **start-up** or a **mature company** that wants to develop a new line of eco-innovative business.

Incubators and Accelerators

The main option for eco-innovative start-ups is to turn to an incubator, which allows the entrepreneur to enter a driving ecosystem and access funds and networks.

Lombardy is the first region in Italy for the number of startup incubators and accelerators. According to the EconomyUp website there are more than 30, including one (the PoliHub) which is among the five best university incubators worldwide.

The main incubators and accelerators include, in addition to the PoliHuB of the Milan Polytechnic, the [B4I \(Bocconi4Innovation\)](#), [ComoNEXT - Innovation Hub](#), [Bio4Dreams](#) and [Fondazione Filarete](#).

An initiative worthy of mention is that of the [C.LAB](#), developed by LIUC University in collaboration with the ComoNExT incubator. The C.LAB is a physical space where university engineering and economics students can propose innovative ideas to be developed with the support of ComoNExT.

The C.LAB is also aimed at local companies, which can scout out innovative ideas and offer students their collaboration to jointly implement business models.

Crowdfunding, venture capitals and business angels

A possibility to finance an eco-innovative business model is to use crowdfunding (reward based or equity based).

The creation of campaigns is simplified by the existence of numerous platforms that allow the entrepreneur to raise a sum (sometimes even a large amount) of money with less risk. Crowdfunding is also a useful tool to sound out the interest of the target group and possibly collect the first feedback on the product before its actual launch.

Another possibility is private equity, turning to business angels and venture capitals.

In order to encourage investment in innovation, the Italian Government has included in the "Relaunch Decree" law of 17 July 2020 a tax relief package for those who invest in innovative start-ups and SMEs. Investors can receive up to 30% (companies) and up to 50% (individuals) of tax credit.

Tra i maggiori Business Angels Club attivi in Italia si contano [IBAN](#) (Italian Network of Business Angels), il [Club degli Investitori](#), ed [Italian Angels for Growth](#)

European, national and regional call for tenders: the support of the Chambers of commerce

Both at European, national and regional level there are numerous calls for tenders that provide access to funds for the implementation of eco-innovative products. However, it is often difficult for companies:

- to navigate the jungle of calls for proposals to find out which ones they have access to and which are the most suitable;
- to write a successful application.

The network of chambers of commerce (both local and European) offer free services of monitoring and call for tenders selection as well as support in the preparation of the application.

The Brussels office of [Unioncamere Lombardia](#) (umbrella organisation of the chambers of commerce of Lombardy) offers this type of service in relation to European calls for tenders. In addition, the Brussels office also offers a search partner service and feasibility analysis of the idea, including pitch training and business model review. The local chambers of commerce also offer valuable support for participation in regional and national calls for tenders.

The last call published by the Lombardy region to promote ecological transition closed in April 2020. The initiative is aimed at promoting and upgrading the innovation and the competitive repositioning of entire sectors with respect to the markets with a view to a circular economy through support to:

1. Projects that promote the reuse and use of recycled materials, products and by-products from production cycles as an alternative to virgin raw materials, reduction of waste production;
2. Eco-design: projects that take into account the entire cycle.

This call for proposals made it possible to finance around 40 projects.

SUMMARY TABLE

This table is filled in by the RAB based on their experiences, assessments and level of knowledge. Since this advisory board is made up of people from different disciplines with perspectives from many directions, this table will provide a good overview of the current situation in the region with regard to the business model.

The term "excessive / unproblematic" defines that these areas are available to such an extent that the BM implementer only has to select without a lot of work in the search or that the framework conditions are in such a way that they no longer need to be changed to ensure implementation of the BM.

The term "too less / problematic" includes all those areas in which changes have to be made so that the BM can be implemented.

	excessive/ unproblematic	sufficient	middle	Too less/ problematic
Raw material in the region		✓		
Raw material producers in the region		✓		
Market and consumer		✓		
Competing products			✓	
Dealer and Trader		✓		
Interested project partner		✓		
Possible processors and implementers of the BM		✓		
Research institutions in the area of the BM		✓		
National research / national experts		✓		
International research / International experts		✓		
Legal framework				✓
Promoter of the business idea (stakeholders / areas / people)			✓	
Regional funding	✓			
National funding	✓			
International funding	✓			
Research funding		✓		
Project development funding	✓			
Market maturity / marketing promotion			✓	
Additional financing possibilities	✓			

GUIDELINES FOR STAKEHOLDERS

In order to facilitate sustainable innovation in the territory, it is primarily necessary to promote the enhancement of the institutional environment. Institutional stakeholders play a crucial role in the promotion of eco-innovation in their region and for this reason, they need to be fully aware of the real needs of SMEs that are eager to transform their business model in the perspective of circular economy. These guidelines are addressed to all actors, both public and private, who have a role in promoting innovation in the territory: universities, research centers, political institutions, chambers of commerce, universities, etc. These recommendations are formulated in the first instance to support sustainable innovation in the herbal value chain, but their application can also be extended to other domains.

The guidelines were developed with the help of the members of our Regional Advisory Board during the Lego Serious Play Workshop held in virtual mode in October 2020.

STRENGTHS OF THE REGION

The Lombardy region has a very innovation-friendly ecosystem, for a number of reasons:

- As stated in the Lombardy protocol for sustainable development, Lombardy aims to become the **“sustainable locomotive”** of Italy. With this in mind, regional institutions actively **promote dialogue between public bodies, companies, the world of research and the general public**. In November 2020, the first Regional Forum for Sustainable Development was held online, during which the Lombardy Region invited citizens and companies to contribute to defining the role of institutions in promoting sustainable development.
- Lombardy has a dynamic manufacturing industry that is receptive to innovation. In 2020, according to the European Patent office, Lombardy is the twelfth most innovative region in Europe and the most innovative in Italy.
- Lombardy promotes entrepreneurship, encouraging the founding and development of start-ups in its territory. **Lombardy is the leading region in Italy in terms of number of start-ups and number of incubators**. There are more than 30 incubators in the region, one of which, the PoliHub, is in the top five of the best university start-up incubators worldwide.
- The **regional chamber system** is well structured and offers free services to promote sustainable innovation. The local Chambers of Commerce and the umbrella organization Unioncamere assist the Lombard entrepreneur in drawing up the business plan, in the search for regional, national and European tenders and in drafting the application.
- Entrepreneurs have access to a **variety of sources of financing**, both public - through calls for tenders - and private - in the form of crowdfunding or equity. Calls for tenders are regularly launched in support of SME innovation, the success rate of which is quite high.

RECOMMENDATIONS FOR THE STAKEHOLDERS ON THE IMPLEMENTATION OF INNOVATIVE BM

Although Lombardy has characteristics that make it a good environment to facilitate innovation, with the help of our RAB we have highlighted points that can be improved to ensure that local SMEs adhere more deeply to the principles of the circular economy.

First of all, our experts have pointed out that for many entrepreneurs, in the agriculture but also in other sectors, the circular economy still remains a rather abstract concept, which is seen more as a risk than a potential. It is therefore more necessary than ever that institutions promote and implement **raising awareness activities** that make local SMEs aware of the positive effects of the ecological transition on the competitiveness of their company. It is only if companies are convinced of the benefits and opportunities offered by the circular economy that it will be possible to give a concrete boost to sustainable innovation.

During the RAB's meetings it emerged that funding opportunities in Lombardy are numerous and relatively accessible. Many entrepreneurs though, especially in the agricultural sector, find it difficult to unravel the jungle of regional, national and European funding opportunities. To find calls for tenders, select those best suited to your business and fill out application forms can be very complicated if you do not have specific knowledge. It is therefore necessary to **promote in a more active way the role of the chamber of commerce system as an actor that allows access to funding**, accompanying the entrepreneur from the selection of the calls for tenders to the submission of the application.

Furthermore, as we mentioned in the previous sections, Lombardy ranks first in Italy for the number of start-up incubators. Incubators play a fundamental role in the creation and development of start-ups: the entrepreneur who is admitted to an incubation programme finds himself/herself in a driving ecosystem, which provides him/her with know-how, tools, networks and opportunities. The entrepreneur at the head of an SME that intends to create a new eco-innovative product or to transform its business model cannot take advantage of the opportunities offered by incubators. Despite some initiatives (see C-Lab of the LIUC University and ComoNext), there is a lack in Lombardy of **a physical and virtual place that becomes a workshop for innovation and assists entrepreneurs in the ecological transition**. It is therefore recommended to create a network of HUBs (at least one of which is dedicated to agriculture) where entrepreneurs in the various sectors can exchange ideas with and learn from other entrepreneurs, universities, research centres and institutional actors, in order to make sustainable innovation in their business easier and more effective.



Guidelines for institutional stakeholders

IMPLEMENTATION OF THE BM HERBAL PACIFIER IN THE LOMBARDY REGION

The implementation of the herbal pacifier business model is interesting for the regional territory for several reasons:

- through the diversification of business lines and the added value gained, local producers of alpine herbs would become **more competitive**.
- The business model includes the **development of two products**, which can also be sold and used separately: the dummy made of organic material and herbal fluids with therapeutic properties. The dummy could also be used as a medical device, for example to administer medicines and possibly vaccines to young children.
- The business model is **scalable**: herbal fluids can be used for therapeutic purposes for a variety of discomforts and applied to different target groups.
- This product responds to the **demands of the market** and the target group: the market analysis we carried out showed that for many parents, sustainability plays a rather important role in the choice of products to buy (as long as the price is not excessive).
- The development of bio-based business models helps to convey an important message of **systemic thinking**, namely that human wellbeing is intimately linked to the wellbeing of the ecosystem.

Moreover, the development of this business model reflects some of the key points of the national sustainable development strategy and sustainable development goals:

- to finance and promote **sustainable research and innovation**;
- improving the **efficiency of resource use** and promoting **circular economy** mechanisms;
- reduce the production of waste and promote the market for **secondary raw materials**;
- guaranteeing the sustainability of the **entire agricultural supply chain**;
- promoting **responsible consumption and production**.

GUIDELINES FOR SMALL AND MEDIUM ENTERPRISES

For a successful business development from the idea to the market-ready product some steps are necessary. The following roadmap provides an overview of the most important points that need to be considered for the implementation of the BM “herbal pacifier”. More detailed information on the availability of raw materials, possible implementation partners or even funding schemes and framework guidelines can be found in the first part of this guide. The information presented here will support you with the first steps towards the implementation of your business idea and enable initial assessments to be made with regard to raw material research, environmental and market analysis.

Roadmap



START



1. During the AlpBioEco project, preliminary analyses were carried out to validate the feasibility of the business model. Are you an entrepreneur and are you interested in implementing the herbal pacifier starting from our outputs? In this roadmap you will find step-by-step indications about the steps already achieved and those still to be done.



2. Take the results of our market analysis as a reference and, if you think it is necessary, carry out a survey on a larger scale to gauge the interest of your target group and receive initial feedbacks. Based on the results, select a health claim for the prototype and determine which herbs to use, in what form (e.g. hydrolytes, aromatherapy etc.) and in what doses. Inform yourself at the outset about the necessary authorizations, certifications and tests required for marketing, so that you can better plan the timing and your further steps.



3. In order to develop a prototype, a preliminary research and development phase is required, which needs funding. Find out about public and private financing possibilities at regional business support institutions. To know more about the organizations that can support you in your funding search, see the dedicated section in the first part of this guide.



4. In order to develop the product you will need the support of several partners in your territory: a network of alpine herb growers who supply the raw material, a bio-rubber producer with whom you can collaborate for the production of the dummy, a university or research centre who will support you in the development and testing phase.



5. Once you have found your partners, proceed with the planning and implementation of the prototype. Make sure that the product meets the quality standards required by European regulations and ensure that you obtain the necessary certifications. If necessary, think about registering the product by means of a patent.



6. At this point, it is necessary to plan the market launch of your product. Consider whether to test your prototype with a small-scale launch so that your potential customers can give you feedback to help you improve your product before a large-scale launch. Think carefully about the distribution channels you want to use, the partners who will support you in marketing your product and the marketing channels you want to use. Make sure that your company has the necessary expertise to plan a successful entry of its product into the market and, if not, consider whether you can rely on external experts. You will probably need a new round of funding to start marketing your product. Perhaps you will consider crowdfunding and equity as funding sources.



7. Once relations with suppliers, distributors and other partners have been defined, it's time for the market launch. Define precisely your target customer and accompany the product's market launch with a targeted marketing campaign to reach your potential customers and inform them about the uniqueness of your product.



8. At the end of the journey, you will have launched an innovative and eco-sustainable product on the market, helping to diversify your production lines, increase innovation in the Alps and avoid waste in the herb value chain. Well done!



Interreg Alpine Space



Alp Bio Eco



ABOUT US

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