

Turning ideas into business

CHEMICAL CLUSTER LUDWIGSHAFEN The aim of the initiative chem2biz is to make the start-up and growth phase easier for new businesses and companies in chemical-based segments, to strengthen Ludwigshafen as a business location and to continue to expand the chemical cluster.

The chemical cluster in Ludwigshafen on the Rhine river in Germany is known around the world for its outstanding achievements and innovations. BASF has its roots here and operates its biggest production site worldwide. Here is the original Verbund production where energy and waste flows, logistics and infrastructure are intelligently connected. This network generates efficient value adding chains of basic chemicals all the way to high performance products. For more than 140 years, innovative ideas and creative minds have been the engine behind what is today the world's biggest integrated chemical complex in Ludwigshafen. But BASF started off in a small way too, when Friedrich

Engelhorn founded the Badische Anilin- & Soda-Fabrik – BASF – here in 1865. Then as now the rule is: if you decide to start your own business, you will find yourself facing obstacles, particularly in the early phase, which will often be hard to overcome without help. This is what lies behind the chem2biz initiative – a public-private partnership between BASF SE and the TechnologieZentrum Ludwigshafen am Rhein GmbH/BIC Rhein-Neckar-Dreieck (TZL) – founded in Ludwigshafen in 2004 together with the Rhineland-Palatinate Ministry of Economics, Transport, Agriculture and Viniculture, and the City of Ludwigshafen. The aim of the initiative is to make the start-up and growth phase easier for new busi-

nesses and companies in chemical-based segments, to strengthen Ludwigshafen as a business location and to continue to expand the chemical cluster. Start-ups and small and medium-sized companies can use the existing infrastructure of the world's biggest chemical site and at the same time get the expertise they need to put their ideas and innovations into practice. This removes one of the first big hurdles for companies – high investment costs. Needs-based rents reduce their capital requirements and make them more competitive.

From start-up to success story

One of the first to make use of the benefits of chem2biz was Dr. Volker Schäfer. The



Participate in the Success of the German Chemical Industry

Germany
Europe's Prime Location for Innovation and Production

Source: Bayer AG

A supplement presented with ICIS Chemical Business

INVEST IN GERMANY

Germany offers all the elements for a successful move:

- a developed infrastructure
- novel business models
- strength in innovation and
- a well-established clustering concept

For further information

Invest in Germany Headquarters
T. +49 30 200 099-0
F. +49 30 200 099-111
chemicals@invest-in-germany.com

www.invest-in-germany.com

All are described in detail in this 36-page special publication, through interviews with over 20 senior industry leaders.

Read all about why they invested, and continue, to invest in Germany.

For your own copy, email:

chemicals@invest-in-germany.com





Print: Phenex Pharmaceuticals AG

Executive Director Thomas Hoffmann (left), Dr. Thomas Schlüter and Chairman Dr. Claus Kremoser (back) in their chem2biz laboratory.

successful developer of additive systems founded Schäfer Additivsysteme GmbH with his wife in the TZL in 2003. The company develops modern, environmentally compatible products made of renewable raw materials, which very quickly established themselves on the market for additives for the lubricants, rubber and plastics industries. The company buys special dispersions for its products from BASF. Schäfer's relationship with BASF also gave him access to a broad network of experts and contacts, which meant that he was able to concentrate on his work and invest fully

in his company's growth from day one. The original husband-and-wife team has now expanded into a team of six. Schäfer Additivsysteme GmbH is currently making particular use of the TZL's advisory services, which are part of chem2biz's service portfolio. "The personal support we get with regard to publicity and financial assistance programs are very important for us," explains Volker Schäfer. Schäfer is currently planning to collaborate with BASF on novel additive systems that protect against UV rays. Further growth is already on the horizon: with chem2biz's help, the young com-

pany plans to build a new laboratory and office building on Ludwigshafen's technology mile. In just a few years, the small start-up has become an established company that in turn now boosts Ludwigshafen's role as a chemical location. "Success stories like Schäfer Additivsysteme GmbH should encourage other entrepreneurs to take the first step," says Frank Nissen, chem2biz project manager, who is convinced that "the chem2biz initiative offers the ideal conditions for turning a chemistry-based idea into a business."

Ludwigshafen Verbund Site – more than just a chemical park

The customers of chem2biz profit from the extensive expertise of the chemical cluster in Ludwigshafen. In regular meetings, the companies can establish contact with other start-ups, exchange experiences, build networks and create synergies.

Energiebüro Umwelttechnologie GmbH (EBU) is the kind of start-up that has identified synergies and understood how to use the existing infrastructure for its own growth. EBU is developing a technology to extract electrical energy and synthesis gas from biomass. This process closes the gap between the recycling and disposal of carbon compounds and is thus a perfect fit with the Ludwigshafen site's Verbund principle. In collaboration with BASF, EBU began in 2005 to develop and test a laboratory facility. The two partners now plan to further expand the facility. "We value the efficient cooperation with BASF, utilize their engineering capacities and safety-

"We have broadened our assistance"

The state of Rhineland-Palatinate provides extensive assistance to companies, which chem2biz customers can also take advantage of, says Dr. Ulrich Link of the Ministry for Economics, Transport, Agriculture and Viniculture.

CR: Mr. Link, what kind of assistance does Rhineland-Palatinate offer small and mid-sized companies as well as start-ups in the chemical sector?

Dr. Link: In partnership with the state development bank (ISB), we offer small and mid-sized enterprises comprehensive assistance programs that can support them in virtually all business projects. They range from low-interest loans and guarantees to funding for investments and operating capital to venture capital participation



and grant programs targeted above all at technology companies and deployed in particular to fund innovative ideas and business start-ups.

What is the aim of the assistance?

Dr. Link: The main aim is most definitely to create and secure jobs in Rhineland-Palatinate. This therefore goes hand in hand with the goal of further enhancing the competitiveness of our businesses, promoting the development of new products and processes, strengthening corporate investment activity and

supporting viable company start-ups.

Who is entitled to assistance and what criteria are your decisions based on?

Dr. Link: Any company can on principle receive assistance. The criteria depend on the particular program. In technology, one crucial factor is the degree of innovation but also the eventual marketing and application possibilities. For start-ups, the key factor for us is the feasibility and plausibility of the business concept, plus the expertise and experience of the people behind it. I should add here that we have broadened our approach to assistance and, beyond purely company-specific tools, are also looking at assistance for sector-specific clusters and networks – such as Ludwigshafen's chemical cluster.



Print: chem2biz

Frank Nissen, chem2biz project manager: "Turning ideas into business."

But the advantages of the chemical site are not just used by start-ups. Small and mid-sized enterprises also profit from chem2biz's services. Chemical trading company Klaus F. Meyer GmbH, founded in 1982, operates a laboratory on the BASF site as part of the chem2biz collaboration. A chemist from the company, which has customers in more than 40 countries, is conducting research into trifluoromethanesulfonic acid. "The site's infrastructure, such as waste management center, fire department

related services. All the necessary operating media are immediately available plus access to professional and swift laboratory analyses," says Kurt Kleta, Managing Director of EBU GmbH.

and accident and emergency care were the reason we chose the BASF site. Additional factors were the dry nitrogen available in the laboratory, access to the lab equipment storage facility and analytical services," explains Dr. Holger Franke, head of KFM's Technical Department. Alongside the outstanding infrastructure on the BASF site, chem2biz's unique feature is its partnership with the TZL, which means that it offers much more than other chemical sites. In addition to chemical-sector expertise, the concept also provides personalized assistance in commercial matters. This is where the TZL comes in. Its advisers assist companies with start-up and financial advice, help them with corporate strategy and growth management issues and identify potential synergies. For energy company EBU, the TZL contacts have already led to joint projects with other developers. "We are now getting enquiries from all over Europe from potential partners interested in working with us on the extraction of hydrogen from biomass," says EBU's Kurt Kleta.

and accident and emergency care were the reason we chose the BASF site. Additional factors were the dry nitrogen available in the laboratory, access to the lab equipment storage facility and analytical services," explains Dr. Holger Franke, head of KFM's Technical Department.

Alongside the outstanding infrastructure on the BASF site, chem2biz's unique feature is its partnership with the TZL, which means that it offers much more than other chemical sites. In addition to chemical-sector expertise, the concept also provides personalized assistance in commercial matters. This is where the TZL comes in. Its advisers assist companies with start-up and financial advice, help them with corporate strategy and growth management issues and identify potential synergies. For energy company EBU, the TZL contacts have already led to joint projects with other developers. "We are now getting enquiries from all over Europe from potential partners interested in working with us on the extraction of hydrogen from biomass," says EBU's Kurt Kleta.

chem2biz

Companies working in the field of chemistry, nanotechnology, new materials, biotechnology as well as process technology are given a modular full-service package in the start-up and growth phase. Advisory services such as business plan, funding and grants, but also marketing and sales, are provided via the TZL. Along with infrastructure in the form of laboratories, offices or pilot plant space, BASF provides top-notch technical services on its site. "This means that before they start entrepreneurs can focus completely on their business concept without having to invest up-front in lab facilities and equipment," says chem2biz project manager Frank Nissen.

chem2biz also offers more than others with regard to financial support. The initiative is jointly funded by BASF and the TZL's shareholders – the Rhineland-Palati-

Wasseranalytik

NANOCOLOR®

CSB-Analytik mit NANOCOLOR®

- CSB-Bestimmung gemäß ISO 15705
- Schnell-CSB in 30 Minuten
- Zahlreiche CSB-Teste mit unterschiedlichen Messbereichen
- Hochwertige NANOCOLOR® Photometer und Thermoblöcke für eine schnelle und sichere Analytik



MACHEREY-NAGEL



MACHEREY-NAGEL AG · Postfach 214 · 4702 Oensingen · Schweiz
Schweiz:
MACHEREY-NAGEL AG
Tel.: +41 (0) 62 388 55 00
Fax: +41 (0) 62 388 55 05
e-mail: sales-ch@mn-net.com

Deutschland
und international:
Tel.: +49 (0) 24 21 96 90
Fax: +49 (0) 24 21 96 91 99
e-mail: sales-de@mn-net.com

Frankreich:
MACHEREY-NAGEL EURL
Tel.: +33 (0) 3 88 68 22 68
Fax: +33 (0) 3 88 51 76 88
e-mail: sales-fr@mn-net.com



www.mn-net.com



Print: Schäfer Additivsysteme GmbH

Dr. Volker Schäfer presents two samples of modified natural oils.

nate Ministry of Economics and the City of Ludwigshafen – and offers attractive support packages. This convinced Phenex Pharmaceuticals AG to move its headquarters to the chem2biz laboratories in Ludwigshafen. Phenex conducts research into the drug target class of nuclear receptors aimed at developing new drugs for applications in metabolic diseases; the company is funded largely through projects partnered by international research groups. “It was above all the fact that the science park was in Rhineland-Palatinate that persuaded us to move to Ludwigshafen, because some of our funding comes from VRP Fonds – Venture Capital Rheinland-Pfalz,” explains Dr. Claus Kremoser, chairman of Phenex Pharmaceuticals.

Elara Pharmaceuticals GmbH followed a similar route. In 2006 the company was spun out of Heidelberg’s EMBL (European Molecular Biology Laboratory) and moved to the chem2biz laboratories in Ludwigshafen, where it develops cancer treatments.

Advisory services are another form of

assistance. This is mainly carried out by the TZL but the network includes other initiatives. chem2biz works, for example, with the Wissensfabrik – Unternehmen für Deutschland e.V. (Knowledge Factory).

The knowledge factory

The Wissensfabrik – Unternehmen für Deutschland e.V. (Knowledge Factory) is an open platform for companies, educational institutions and initiatives that want to promote and share knowledge as the key to greater economic growth. Today, the business network has 62 German companies working towards more education and entrepreneurship in Germany. They support young entrepreneurs as part of a mentoring program and in the business start-up competition “Weconomy” together with German business newspaper Handelsblatt. The Wissensfabrik is also involved in more than 700 educational partnerships with kindergartens, elementary schools, secondary schools and universities. In 2007, German president Horst Köhler became patron of the Wissensfabrik. “Making Germany more attractive as a business location and helping young companies to create jobs in Germany – these are also BASF’s goals. That’s why we are committed to the mentoring program in the Wissensfabrik. We want to support budding entrepreneurs on their path to independence and give them professional assistance and advice,” states Dr. Jürgen Varwig, Director Quality Management BASF Group.

More than 60 German companies are involved in the Wissensfabrik and members from the chemical and pharmaceutical industry include BASF, Boehringer Ingelheim, Evonik, Follmann, Grafe, Rudolf Chemie and Südchemie AG. The aim is to promote and share knowledge as the key to economic growth. In 2006, the Wissensfabrik launched a mentoring program, in which budding entrepreneurs introduce themselves to the Wissensfabrik, which then looks for an appropriate mentor

TZL – Technology Center Ludwigshafen

The TZL – Technology Center Ludwigshafen am Rhein GmbH / BIC Rhein-Neckar-Dreieck was founded in 1990 by its shareholders, the state of Rhineland-Palatinate and the City of Ludwigshafen, with the aim of promoting business start-ups and business growth in the Ludwigshafen area and driving structural change. In 1994, the TZL’s consultancy team moved into Ludwigshafen’s technology mile and has since assisted in around 90 start-ups. “Due to the outstanding survival rate of over 80 percent, 400 long-term jobs have been created and secured,” says the TZL’s managing director Klaus Dillinger.

among its member companies and establishes contact. From this time on, the mentor provides professional support and advice. One of these young entrepreneurs is Dr. Reinhard Ulrich, who wants to manufacture piezoelectrical materials, which can later be used as ultrasonic sensors. These feature piezoelectrical composites made of piezoceramics and plastic. It’s not that he didn’t have the ideas – where his creative mind had problems was in building a business. Here he was helped by Dietmar Zieger, a retired Bosch employee and Wissensfabrik mentor. Together Zieger and Ulrich fleshed out the concept and optimized the business plan. The bank’s funding approval came in December 2007 and Ulrich can now move into premises on the chem2biz site, where he can test the quality of his products and develop his technology. This makes Ulrich yet another promising young entrepreneur following the Ludwigshafen tradition of ideas that are both innovative and worth supporting in order to develop into a successful company.

Advertisement

PRÄZISION!



Fichtenhagstrasse 4, CH-4132 Muttenz 2
Telefon +41 (0)61 467 91 20, www.von-rohr.ch

Armaturen AG

von Rohr