

## **Strength through Cooperation**

## Mittelstand (SME) 4.0 - Competence Center for IT Economy

The Mittelstand (SME) 4.0 - Competence Center for IT Economy informs the medium-sized IT industry and promotes networking and the implementation of cooperative business models. The core task of the competence centre is the networking of medium-sized IT companies and their IT solutions.

Digitalization and networking affect all businesses, regardless of the company size or business sector. While large companies are always on the go, SMEs sometimes struggle by answering questions like "What are the real opportunities through digitalization for my business?" or "How can I make a successful transition?".

However, SMEs account for 99% of all businesses in Germany and thus form the backbone of the German economy. Therefore the Federal Ministry for Economic Affairs and Energy assists small and medium-sized enterprises in the digitalization process by implementing 25 Mittelstand (SME) 4.0 - Competence Centers across the country. These facilities illustrate the opportunities that digitalization can create and how these can be successfully implemented in practice.

While digitalization is not only about technology, software is often the enabler for the digital change. Therefore a strong IT SME economy is not only economically a plus in itself, but also the important driving force behind the digitalization of the entire economy. The requirements for software are tremendously different. Where standard software is not sufficient, tailor-made solutions are needed. SMEs in the IT sector are specialized in the distinct requirements of their customers. Typical fields of activity are customizing standard software or providing specialized software for specific tasks of their customers.

However, customers tend to reduce complexity by using all-in-one solutions or at least just have a few IT-Partners. SMEs often lack the capability to offer all-in-one solutions or even provide entire ecosystems. But in analogy to other business sectors, cooperation is a great opportunity for SMEs to remain competitive. However, combining different software solutions and operating cooperate business models, lead to specific challenges.

Mittelstand- Digital

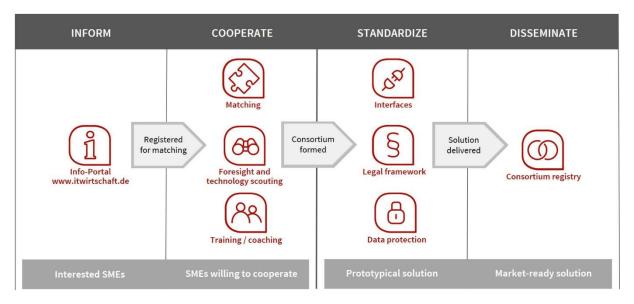
Gefördert durch:





- This is where the Competence Center for IT Economy (German Acronym: KIW) supports companies: The KIW connects small and medium-sized IT companies with each other on a technical and entrepreneurial level. The KIW offers support in the following areas:
- Finding cooperation partners, whose software products complement each other this creates new markets and increases added value.
- Clarifying legal questions of the cooperation, such as liability, data protection and guarantee – this creates legal security for all parties involved.
- Supporting the technical implementation of connected hardware and software applications, such as open interfaces and standards, cyber security and cloud capability – this creates high-performing all-in-one solutions for the customer.
- Recommending methods for the strategic orientation of companies with regard to future product and technology developments – this creates security for the future development of companies and new business models for tomorrow.

The vision behind the KIW is a significant reduction of the total cooperation effort by building up toolboxes for these specific challenges. Ad-hoc cooperations to achieve a minimum of time to market is the long-term objective.



The Competence Center for IT Economy is part of the "Mittelstand Digital" Initiative of the Federal Ministry of Economics. Mittelstand-Digital (www.mittelstand-digital.de) informs small and medium-sized enterprises about the opportunities and challenges of digitization and enables them to use all services free of charge.



