

## Technical Assistance Facility (TAF) for Industrial Modernisation and Investment

### CASE STUDY: DEVELOPMENT OF AN INTEGRATED BUSINESS MODEL TARGETING MULTIPLE MARKET SEGMENTS

**Project name:** DE-RE Manufacturing for Circular Economy

**Partnership name:** Efficient and Sustainable Manufacturing

**Geographical coverage:** Lombardy (IT), Flanders (BE), Saxony (DE), Basque Country (ES), Tampere (FI), Emilia-Romagna (IT), Norte (PT), Scotland (UK)

**Estimated investment volume:** EUR 7 million

**TAF support extended:** business expert support



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#### Project objective

The De & Re-manufacturing investment project (DERE-M) aims at developing a network of demonstration and service infrastructure to support circular economy innovations and new investments in the field of composite materials, focusing on glass and carbon-reinforced plastic recovered from the disused wind energy systems.

#### Impact of TAF services

- ✓ The project received TAF business expert support between March and September 2020. The main outcome of the support was the validation of the project business case and the **development of an integrated business model** for the pilot action.
- ✓ The original business plan encompassed several fields of application represented by the use cases. The TAF team supported the project promoter in the validation of the business opportunities of the initiative, by **restricting the application sectors to a specific market segment** - wind-turbines - with potential for replication.
- ✓ The validation of the wind-turbines business case led to the development of **two diverse business models**, for diverse customers, stakeholders, and types of actions including development, pre-competitive and competitive elements and associated types of financing sources.
- ✓ Based on the two business models the DERE-M Business Initiative-DEREMBI was conceived to integrate three pillars: ecosystem development in fiber re-use, de-risking (test-before-invest), and ready-to-launch business initiatives.
- ✓ DEREMBI is foreseen to be managed under a single management unit, a Special Purpose Vehicle (SPV). The concretisation of a business-driven model through the DEREMBI initiative enabled the extraction of market value from the technicality of the proposed idea, bringing it closer to future bankability.
- ✓ After the completion of the TAF support, the project has progressed into application stage for **external financing**.

#### Lessons learnt for other S3P-Industry projects

The delivery of TAF services highlighted the importance of clearly defining the end-users and placing them at the centre of the project rationale. It showed how crucial it is to comprehensively identify and assess the preferences of the actors involved in the prospective value chain(s), as well as the multiple elements that feature the target market sectors.

Whereas the DERE-M experience demonstrated that the **development of multiple value chains for different types of offerings can be achieved under a single, integrated business model; the validation of such model on all targeted subsegments is the foundation for the establishment of a solid and sustainable business model**.

For more information, please check the TAF page at: [https://eisma.ec.europa.eu/technical-assistance-facility-taf-industrial-modernisation-and-investment\\_en](https://eisma.ec.europa.eu/technical-assistance-facility-taf-industrial-modernisation-and-investment_en)

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