Overview of the Portuguese Entrepreneurship Ecosystem – A Special look to the Creative Industry's sector

CINetwork's Project Interim Report

Portuguese team

Introduction

Entrepreneurship may be considered a buzzword in daily news and people conversations in Portugal. Main international reports on entrepreneurship state the interesting Portuguese situation, and progresses made in this field. This is true for entrepreneurship in general terms, but it is particular sensible for entrepreneurship in the Culture and Creative Industries' Sector.

In 2011 the cultural and creative industries in Portugal employed about 77.000 persons representing around 1,6% of total employment in Portugal.

Between 2000 and 2011 this industries have created more than 22.000 jobs in Portugal, although they have lost about 4.000 jobs in the same period, in line with the general decrease in employment observed in the overall economy.

The estimations point to about 53.000 companies operating in Portugal, in 2011, in cultural and creative industries with a business volume of around 5,6 billion euros (INE, 2012).

Exports in the Creative Industries have also raised within the last years (Mateus, 2013), as shown in the graph below that compares exports in this industries with GDP per capita in different countries:

Gráfico II.4.
Produção ©riativa e nível de vida: posicionamento internacional de Portugal e da UE | 2013

Nota: O nível de vida corresponde ao produto interno bruto em paridades de poder de compra pelas estimativas do FMI para 2013, exceto Chipre para 2012. A produção ©riativa corresponde à pontuação deste critério de avaliação do índice mundial de inovação. O nível de vida de Luxemburgo (1.º na produção ©riativa) e do Qatar (22.º) extravasa o limite considerado no gráfico.

Fonte: Sociedade de consultores Augusto Mateus & Associados com base em FMI e Cornell University, INSEAD e OMPI (2013)

I - Entrepreneurship framework in Portugal

The overall context for entrepreneurship in Portugal is positive or very positive and has evolved favourably in the recent decades (OECD 2013). Examples on programs in national education (e.g., secondary education) as well as in higher education abound and a wide array of training schemes exists that are supplied by the public and the private sectors.[1]

This conclusion is less so for the creative industries sector for which experts expect much progress for the coming future. However, we may observe some initiatives and training programs specially dedicated to the Cultural and Creative Industries, mainly in the Northern part of Portugal, and particularly originated within the Serralves Foundation (Fundação Serralves, 2008). We may conclude that this sector is in a catch up process benefitting from the general positive culture towards entrepreneurship and the renewed

[1] See the national program for entrepreneurship education in schools, Projeto Nacional de Educação para o Empreendedorismo – PNEE, which is still e reference in educative programs at public schools, http://www.dgidc.min-edu.pt/educacaocidadania/index.php?s=directorio&pid=151, last consulted on 16-2-2014 and private training schemes like http://www.empreende.pt/.

interest gained very recently in several policy measures. There is already an abundance of institutional and support structures, especially in the main urban areas (IAPMEI, 2012).

If we look at the physical infrastructures for entrepreneurship, in general terms and according to the GEM 2013 Global Report, the satisfaction in Portugal is higher than the EU average (4.4 versus 4.0 on a Likert 0-5 scale) (GEM 2013: 47). There is also a clear progress on the institutional front, financial support, training programs and counselling.

The general environment is favourable to entrepreneurship and start-ups, and steadily improving (GEM 2013, Macrometria 2013). According to the Amway 2013 report, the contemporary historical and dominant view on entrepreneurship in Portugal was characterized by fear of risk. But this has not always been the case, if we think about the Portuguese expansion in the 15 century, namely across the African Seaborne and Asia. What about now? There is an obvious attention for national and local authorities for stimulating activities related to entrepreneurship, technological transfer, start-up incubators, technological parks and multiple other kinds of support. This evolution is positive.

Self-employment is important in Portugal, reaching 16% for women and 24 for men in 2011, keeping in an intermediary position between Greece (23% and 36%) and Spain (10% and 19%) respectively (OECD, 2013, pp. 65-72). For seniors, Portugal has a self-employment rate of 85% but only 3% for the youth or age between 14 and 24 (OECD, 2013, pp. 65-72).

According to recent OECD data (OECD, 2013, pp: 25-27), the number of firms created, in 2010 or the latest year available, in Portugal is superior to countries such as Belgium, the Netherlands, Canada; whereas these other countries have higher GDP and with the exception of Belgium have much higher population. This means that there are a lot of firms existing or created in Portugal every year, even more so if we considered the positive relationship associated between GDP and number of firms. Most of the firms are individual businesses in the case of Portugal and more than half are firms with less than 20 employees (OECD, 2013, pp: 29-31).

For created firms, some statistics are worth emphasizing. The legal form of firms created in Portugal most recently (2010 from OECD 2013, pp: 43) reveals the importance of sole proprietorship both in the industrial sector and the services. Something that is also true for creative industries. If we compare with other countries such as Spain, Italy Romania or Luxembourg, Portugal has a higher proportion of sole proprietorship for both sectors, industry and services.

If we compare the churn rate (difference between birth rate and death rate) in the service sector between 2007 and 2010, Portugal had a higher rate than Canada, Spain (30% versus 19 and 20) and with the steep economic downturn, Portugal dropped to the rate of Spain which remained unaltered (20%) and Canada dropped to 17. To give just an order of comparison, the USA, with a high creation of start up and faster destruction of firms, dropped from 19 to 17%. This means the difference between creation and destruction is narrowing and in the case of Portugal the decrease staggering, the highest one from the available data (OECD 2013: 49).[2]

However, some progress needs to be made for deepening the practice of supporting entrepreneurship and moving beyond the incubators and technological parks and buttress action and promising entrepreneurial projects.

There are already success stories in entrepreneurship. More needs to be done to be divulgated and associated to a more pro-active culture of entrepreneurship. This is especially true for the creative industries clusters. Creative people or artists, on the one hand, and managers, on the other hand, seem to be educated and live in different planets or ecosystems. There is a lack of integration between these two worlds. Some progress has been made with initiatives such as Serralves in Oporto and Lx Factory in Lisbon and other initiatives related to Higher Education institutions (Fundação Serralves, 2008). However, much needs to be done in this regard.

II - Supporting Infrastructures of Start-ups and SME's

1. Regional business concentration

Historically, it is difficult to link the business or sector local or regional concentration to entrepreneurship in Portugal. In fact particular cases of local or regional business concentration in Portugal are not responsible to any specific entrepreneurship hub, that enhances business opportunities top both industries and entrepreneurs. However, it is suggested that for some sectors of entrepreneurship such proximity is positive (Fontes, 2003).

Nevertheless, it becomes visible that in the last 4 years, municipalities try to enhance the creation and development of creative hubs, linked to local industries. More and more this becomes evident in several regions of Portugal (one of the most emblematic examples being the municipality of Cascais). Within this increasing local movement, it is observable that several international forums are being organized on a local basis, held in several municipalities with the main objective of promoting future collaboration and meeting spaces of production and creative incubation at a regional, National and European level, and thus, encourage the exchange of experiences on the needs in terms

[2] The data for the industrial sector give the same results.

of infrastructure, business models, skills and management training and education of these organizations.

As for the above mentioned, there is a clear intention to create the foundations for the development of an international network of spaces dedicated to the promotion of a creative economy and also to enhance the discussion of public policies to support the basis of an appropriate development of the creative sector within the new framework of EU programming.

2. Supporting services

Usually new entrepreneurs are competent in specific technical domains, or show a deep knowledge in a particular market segment, but they often show a significant lack of management and organizational skills. Focused on unique innovative skills, they often forget that they need a strategy, an attractive product or service, a commercial and a distribution programme, and a supporting financial management in order to cope adequately with market demands.

It does not result clear on this phase what in fact are relevant supporting services to entrepreneurship hubs in general and creative industries in particular. Nevertheless in a study carried out in Lisbon (Macrometria, 2013) it is highlighted that such hubs should have good access to basic infrastructures one of which is internet connections. Likewise, according to Mateus (2011), following an international benchmark study about entrepreneurship support practices and instruments, a significant part of the success of this process passes by a strong a clear emphasis on communication and quality of spaces available for entrepreneurship.

In general, according to the GEM 2013 Global Report, the satisfaction about physical infrastructures for entrepreneurship in Portugal is higher than the EU average. This indicates clearly that, in general terms, the quality and number of such infrastructures is good. Nevertheless it does not come clear, at this point, if that satisfaction includes an adequate regional or local distribution of such infrastructures.

This analysis does not consider also the particular situation for the Creative Industries Sector. However, considering the interviews that we were able to conduct with different national experts on entrepreneurship, and particular those responsible for different Programs and Entrepreneurship institutions in Portugal, there is a general opinion that there exists clearly an adequate infrastructure for the development of entrepreneurship in the Creative Industries. In fact, different officials from these institutions reported that they consider that apparently there is even a lack of demand for Services from the potential entrepreneurs within the Creative Industries Sector, compared to the institutions available (especially in some regions of our country) to provide these services.

Definitely, everybody seems to agree that the lack of infrastructures to support entrepreneurship is not a question in Portugal. This may even call for a need to better coordinate services among the existent institutions, which may conduct to the close of some of the presently existent.

3. Number of operating start-up incubators

According to the last figures available, from 2013, there were about fifty incubators operating in Portugal, mainly dedicated to start-up businesses. These incubators are spread throughout the country, but we may observe a higher concentration of them in the littoral areas and also nearby the main commercial and industrial areas. However the perception held is that in fact only a small percentage of those is in fact relevant in terms of effective activities (translated into the number of companies created).

Within the older EU's framework program, entrepreneurship programs often included the creation of a physical space for the setup of an incubator. Therefore, we usually observe the spread of incubators in different physical spaces. However, due to some lack of demand, in fact some of the existent incubators are not effectively operating nor developing much effective entrepreneur projects or adding any effective support to new projects. This happens in general entrepreneurship projects and also, specifically in projects for the creative industries' sector.

Another interesting phenomenon that is possible to observe is that, as these infrastructures depend largely on local isolated municipality initiatives, they are not usually fully coordinated with National programs for entrepreneurship. This reality also happens specifically with creative industries.

4. Do incubators deliver effective support to entrepreneurs and to entrepreneurship?

In order to formulate a commentary on this issue, one must separate different levels of support: we suggest to segregate (i) the seed stage, (ii) the start-up stage and (iii) the later stage.

Existent infrastructures are usually more effective in supporting the seed and start-up entrepreneurship projects than latter stage projects. However the situation changes when we consider the financial support. We may observe that the financing of early stage projects is generally much lower than the later stage projects.

According to the last information available, seed and start-up projects just receive in average, about 30% of total government program's financing dedicated to entrepreneurial projects in Portugal.

Generally, in terms of financial support, however, Portugal is recognised for its huge advance in terms of mechanisms, institutions and even Business Angel's support to entrepreneurs. These facts supports the conclusion that financial problems in terms of lack of resources, either equity or debt, might be the reason to a strong failure rate in earlier stages but that does not mean that financing and financial instruments are not available.

It must be highlighted that creative industries linked to a cultural environment are generated by entrepreneurs that usually show a significant lack of management and organization skills, and the support they get from incubators in earlier stages, although crucial could be insufficient at this point. However, a fine tuning of this conclusion needs to be conducted, since we are not able to conclude effectively if the reason for this situation remains on the incapacity of existent incubators and other entrepreneurship institutions to effectively support the needs of entrepreneurs (which we hardly believe), or lacks on the incapacity of entrepreneurs, or would-be entrepreneurs, to identify adequately what are their needs, and ask it to the existent institutions (that we tend to believe that is the more effective reason).

5. Impact of National, Regional and Local policies for Entrepreneurship in Portugal

In the last few years there has been a clear national orientation towards the promotion of entrepreneurship. This has taken place through the set-up of different initiatives whose more emblematic remain on the creation of a National Strategic Program for Entrepreneurship and Innovation (Program +e+i, at: http://www.ei.gov.pt/programa/). The aim of such inter-ministerial program is to enlarge and incentive the birth of new innovative businesses mainly oriented to exports, and also the creation of networks, such as the mentoring network, that enhance such orientation. This is done not only by promoting and/or consolidating the necessary infrastructures to enhance entrepreneurship, but also through the promotion of entrepreneurial education programmes in different learning stages (from the primary school and the high school, to the higher education programs), the set-up of specific financing programs for entrepreneurship (e.g. the Ignition Entrepreneurship Program from Portugal Ventures, available at: http://www.ei.gov.pt/iniciativas/detalhes.php?id=30) whose call ends at the end of February 2014. This program also recognises the role and promotes the consolidation of the Portuguese business angels' network, and the establishment of a national mentors' network (http://www.redenacionaldementores.pt/index/), available to potential and established entrepreneurs.

This general national policy is complemented with local initiatives carried out by several municipalities that create the necessary physical infrastructures to gather new initiatives in entrepreneurship, not only on general terms, but also focused in creative industries. In this specific area, creative industries have local roots, linked often to cultural issues, but such infrastructures and networks are raised with the aim of giving a global dimension to such industries.

Therefore we must conclude that the impact of national and local policies has had positive effects on entrepreneurship. However, due to a lack of valid and economically feasible projects that are presented to incubators, the results are not yet at a desired level.

III. Day to day activities of entrepreneurs

Entrepreneurship is crucial for the economic growth and job creation (EC, 2013). Entrepreneurship education may represent a crucial step for the development of the less developed economies or for the job creation in some economies in recession.

In Portugal education in entrepreneurship is a relatively new addition to the general education curricula, starting mainly in 2003 or 2004 (Redford, 2006). However, presently entrepreneurship education is explicitly recognized as a cross-curricular objective at all school levels. It is however not compulsory as such. The Ministry developed between 2006 and 2009 a National Project for Entrepreneurship Education (PNEE)[3] (Eurydice, 2012). After several changes, this Plan is presently at an advanced stage of conclusion, and it is expected to be implemented within the next school year of 2014-2015.

A National Strategy for Entrepreneurship is currently in the final stage of development under the auspices of the Ministry of Education and Science. Entrepreneurship should be implemented in the school curricula from the first school years, to complement.

One of the interesting practices to stimulate entrepreneurship learning from the most basic school levels is represented by the INOVA contest (http://www.dgidc.min-edu.pt/educacaocidadania/index.php?s=directorio&pid=298), promoted by the national Entrepreneurship Program +e +i.
INOVA is a contest launched basically for school children from the first to the third cycle of studies (from 6 to the 14 years old) to stimulate entrepreneurship culture at private or public schools or even training centres.

The so-called "Passport for Entrepreneurship" (http://www.passaporteempreendedorismo.pt/noticias/22/) is another important initiative that is being implemented through the +e +i Program. This Passport is available for young entrepreneurs (or potential entrepreneurs) that already have a degree and can give them

[3] More information on this program may be available at: http://www.dgidc.min-edu.pt/educacaocidadania/index.php?s=directorio&pid=48 (only PT).

access to the national mentoring network, in order to let them develop their ideas and transforming them into viable projects.

Mentoring works mainly through informal networks, promoted in particular by incubators. In general, mentors come from both success cases of entrepreneurship, or even from senior managers from success companies that use their experience to help young entrepreneurs mainly regarding market access, the development of networks of contacts, or even some specific management needs (e.g. marketing or finance).

One may refer also to good practices of mentoring, offered by some particular incubators like DNA Cascais (http://www.dnacascais.pt/), Instituto Pedro Nunes (http://ptti.ipn.pt/pages/ptti), where initially was based Critical Software, one of the most known cases of entrepreneurship success in Portugal; or even UPTEC PINC (the incubator from Oporto University, at: http://uptec.up.pt/en/corporate/uptec/creative-industries-center).

Some good practices may also be referred on the level of management support offered by incubators, with some initiatives like the interim management board or even the risk mitigation model offered by DNA Cascais, being copied by different institutions. At the regional level, besides Cascais. It is also interesting to refer the case of Lisbon that has promoted different regional initiatives that complement the national programs, based on the creation of institutions specially dedicated to the promotion of entrepreneurship. Good examples of this are the cases of LX Factory (at: http://www.lxfactory.com/PT/lxfactory/), or the Lisbon Start-up incubator (at: http://startuplisboa.com/).

Another interesting initiative may be observed through the Portuguese Industrial Association (AIP – Associação Industrial Portuguesa) project "Portal do Empreendedor (Entrepreneur's Portal, at: http://www.empreender.aip.pt/?lang=pt&page=info_geral/info_geral.jsp) who's aim is to collect information on, and to promote entrepreneurship among young people and it is recognized as a best practice from EU.

In spite of these initiatives/Programs, one may realise that official networking support and combination of different skills with different entrepreneurs does not occur so frequently. In fact sharing services and business opportunities is not often explored by the initiative of young entrepreneurs. However one may observe that the most active incubators incentive these type of knowledge exchange and support, which tends to occurs in an informal way rather than through formal existent networks.

The outcome of this observation is that there is a long path to go in what relates to sharing support services in order to reduce setup cost and, also, a lot of shared business opportunities is not fully explored due the cultural shape of typical entrepreneurs.

We realize that established entrepreneurs usually present a lack of capacity to clearly identify the domains where they, or their businesses most present a lack of skills. This role is often done by the incubators, that usually detect the weaknesses of the proposed business models that are presented to them, and that usually start networking procedures both to find the adequate training offers or even the most adequate available persons to team-up with original entrepreneurs and to propel their businesses.

Although it already exists an interesting offer of formal courses in different knowledge domains to help entrepreneurs, in Portugal we may say that it still persist a gap between the training needs and the long life training offers to be delivered without recurring to the traditional in class training. Also, formal offers are usually delivered through long periods of time that do not comply with the entrepreneurs' needs and availability.

Regarding this market situation, eLearning courses may have a nice niche market to explore, and we are assisting to the development and offer of such type of deliveries, like the low cost "training packs" from "Criar Empresa" (Entreprise creation, at: http://criarempresa.net/all-deals/).

When talking about training in entrepreneurship, it seems important to refer to the following aspects that worth consider regarding developments in this field:

- The need to better present the successful entrepreneurial projects from a more realistic point of view, i.e., by presenting also the pitfalls and the problems that successful entrepreneurs have been able to cope with and to overcome;
- The need to clearly develop soft skills regarding, for instance: organization; team building and management; critical thinking; problem solving; and management under resource-constrained circumstances.

Besides the training offers and the referred infrastructure to support start-ups and entrepreneurial projects, we should refer other incentives to the entrepreneurial spirit, in general, and particularly in the Creative Industries' sector, like the national contests that are spreading all over the country during the year.

In this domain, a special remark within the Creative Industries goes to the "Prémio Nacional das Indústrias Criativas" (or "The National Prize for the Creative Industries", available at: https://www.facebook.com/PremioIndustriasCriativas).

In Lisbon it is also important to refer to the practice of Beta-I and, in particular, to their Lisbon Challenge, a very interesting entrepreneurship contest (at: http://beta-i.pt/).

On the Creative Industries, it is interesting to mention the rise up of a newly created incubator mainly dedicated to this industry start-ups (Oliva Creative Factory , at: http://www.olivacreativefactory.com/) at the same time that we notice the decrease of activity in one of the first virtual incubators dedicated to this industry, i.e. the inSerralves incubator (at: http://inserralves.pt/en/).

IV. Entrepreneurship networks

Portuguese entrepreneurs' networks are essentially informal and based upon personal contacts. We focus our attention in networks established in the following business sectors: biotechnologies, renewable technologies for electricity production, information and communication technologies (namely software applied to communication technologies) and 'cultural' business sectors.

In biotechnologies networks entrepreneurs' collaboration aims mainly the access to scientific knowledge which can reduce risk when entrepreneurs create and develop their businesses (Salavisa et al, 2011; Sousa et al, 2008). Universities have the leading role in these knowledge networks. Most of the firms share the same partners in order to identify and explore innovation opportunities, particularly in molecular biology where a health cluster has been promoted (most of molecular biology firms are in health business sector). This network integrates universities and national and multinational firms (pharmaceuticals, medical devices, and clinic trials). The 'bridges' with firms have been developed by six Portuguese universities and three foreign universities performing the role of informal knowledge providers. Universities and respective local research centres eased admission of entrepreneurs' spin-off firms into research communities whose access would have been difficult for newcomers, enabling participation in less formal knowledge exchanges as well as common research projects (Fontes, 2007). Other situation regarded entrepreneurs that had been previously involved in knowledge co-production in foreign organizations as researchers or graduate students. These contacts renewed the collaboration in order to assure continuity to previous projects or to explore new opportunities based on these projects. The facilitators were ex-professors, supervisors, or colleagues from graduate studies abroad, or even ex-partners involved in previous research projects. They provided access to their own scientific networks, acted as credibility enhancers, and they also provided critical information on potential partners or relevant research (Fontes, 2007; Fontes, 2003).

In non-carbon renewable technologies with application in electricity production sectors, collaboration of small spin-offs with established firms is conducted in order to reduce risk and create shared opportunities for growth (Fontes et al, 2012). For wave sector firms with industrial exposure, experiments involved extensive financial resources and complex infrastructures that a small firm cannot obtain by itself. These resources are often possessed by large firms or consortia that lead demonstration projects of large scale. These critical settings were essential to small firms since they provided a test bed to improve its technologies and simultaneously a market for its products and services. Solar and wave sector firms with none or less industrial exposure, initially used forms of technology signalling (patents, university connections) and attempted to gain the interest of influential companies which were used as references to sources of funding, partners or clients. Regarding wind sector's small firms, we can observe an interest of ex-utilities in watching technological developments that deviated from their core competence and yet appeared to have some potential. This resulted in specific contribution to small firms' development (e.g., access to facilities and human resources), credibility and advice. In the same sector, the technology was developed by a European consortium integrating an ex-utility that denoted an interest in keeping a watch on a technology that constituted a potential extension to its core wind area. In solar sector's small firms, a first opportunity to achieve a real-world installation was provided by a partnership with a foreign research oriented solar company interested in new solutions. This resulted in commercialization endorsement, market contacts and legitimacy. Finally, new wind sector small firms that are typical specialized suppliers of services aimed to improve the performance of the incumbents' core business. Competition with incumbents was unlikely given the low risk of expropriation (imitation is difficult) and the different set of competences involved. Early stages internationalization were developed in wind plant installation projects led by internationalized incumbents, which were instrumental for the firms' penetration in some markets (idem).

In Portuguese creative industries we observe remarkable differences regarding information and communication technologies networks (businesses in digital media like software for communication technologies) and 'cultural' networks (architecture, arts, handicraft, fashion design, cinema and video, music, theatre): whereas information and communication technologies networks are dynamic and have potential for development, 'cultural' networks are almost absent and need higher quality business projects.

In networks of industrial software applied to communication technologies, entrepreneurs collaboration strive for obtaining inputs and advise directed to identify and explore new opportunities for innovation, to have access to technological and scientific knowledge, and to support management and strategic firm decisions (Salavisa et al, 2011). Firms constitute the most relevant origin of resource utilization and they have a leading role in knowledge networks. Informal networks permitted searching for immediate practical problems (market segments information, access to clients) and for long-term problems (strategy implementation, market segments identification) (Capaldo & Fontes, 2001). Mobile communication companies (TMN, Vodafone and Optimus) and a multinational (IBM) are brokers that provide new information for small firms regarding innovation and technological and scientific knowledge. The broker role is particularly important in the case of a large company whose size, reputation and credibility make it a preferential partner to foster innovation and knowledge diffusion by establishing links between universities and national firms. Strong links between spin-offs and parent organizations (mostly firms) are based on multiplex ties (ties which result in more than one type of knowledge flux) and informal connection between national and multinational firms of the same sector (e.g. firms for software development) (Salavisa et al, 2009 ; Salavisa et al, 2011).

Portuguese entrepreneurship culture was, until recently, essentially closed and not favourable to network dynamic. Contrary to 'cultural' businesses, however, mainly information and communication technologies businesses have been undertaking a change in entrepreneurs' behaviour for information and resource exchanges, common projects and exploration of informal networks for business creation and development. A recent inquiry (Cardoso et al, 2010) directed to 30 entrepreneurs of Portuguese COTEC SME Network - of which 63.3% represented the information and communication technologies sector – revealed this kind of dynamic. The main advantages mentioned by entrepreneurs members of this network were innovation stimulation (66.7% of total SME inquired), access to pertinent information (66.7%), greater social recognition and promotion of the company (63.3%), access to new knowledge and to training networks (43.3%), closer contact with other start-ups and spin-offs (50,3%) and better access to innovations within their own business sector (43.3%). In terms of resource sharing, a large number of SME (73.3%) considered that the network fostered a continuous innovation culture and 63.3% mentioned cooperation with other companies in the network. Of the companies that cooperated with others, 47% stated cooperation with others to foster innovation and 53% referred that cooperation resulted in creation of new business opportunities.

'Cultural' networks of entrepreneurs present a weak dynamic. Although entrepreneurs have talents with potential, networks lack a human resource 'critical mass' for quality business projects and entrepreneurs are not well organized in terms of effective collaboration. Frequently there is a juxtaposition of creator/promoter role and consumer role. Informality is often due to agents condescendence that is inherent to a 'tradition' of subsidize dependency and lack of professionalization. The almost absence of network dynamic is also related to difficulties in projects survival, financial sustainability and market penetration (Fleming et al, 2010).

Online social networks and face-to-face relations complement each other for creation and development of informal networks. The advantages of information and communication technologies are generally accepted and used in research and business, namely to identify and establish first contact with potential partners and to manage day-to-day 'routine' relationships. Moreover, the success of firms' internet strategies implies providing better information for purchase decision, attracting and retaining visitors to firm online presence or addicting them to the possible new offerings (e.g repeated purchases rewards) (Porfírio et al., 2012). As we saw above, direct personal contacts are necessary to support strategic decisions, periodic coordination and business development – e.g. project re-assessment, discussion of less defined problem, transmission of less codifiable knowledge or personal relations enrichment. Firm internationalization can imply displacements of people for shorter or longer periods inherent to temporary co-location (Fontes et al, 2012 ; Salavisa et al , 2011 ; Fontes 2007).

Our perception is that Portuguese entrepreneurs establish favourable relationships with foreign entrepreneur cultures. This factor enables informal contacts for business development and networking. Since this research line is less explored for the Portuguese case, we intend to highlight current practises based upon a questionnaire directed to diverse institutional key-actors responsible for National Entrepreneurship programs, incubators, business angels, venture capital.

CONCLUSIONS – Some questions about Lace Market and lessons to learn

In our visit to Lace Market – Nottingham, we believe that it will be very important, to clarify the following questions:

- How does history, culture and heritage influence entrepreneurship in Lace Market?
- When did it all start and why?
- Is the creative industry framework changing in Lace Market, or is it stable?
- How does the informal network of entrepreneurs, or would-be entrepreneurs, relate and create synergies in their relationship with local municipality and local institutions related with Creative industries?
- How can an informal network like such that apparently exists in Lace Market be translated into a virtual network? Can it, or can't it be done?
- How does the informal Lace Market's entrepreneurship network relate with mentors? There exists a formal mentor's network in Lace Market?
- How the local municipality promotes entrepreneurship? Are there local incubators dedicated to the Creative Industries?
- What are the main regional/local policies to promote entrepreneurship? How they translate into entrepreneurship tools? Do they come from or depend of national policies or are they fully autonomous?
- What are the effective training needs of presently established Lace Market's creative entrepreneurs? Do they ask for training after they start theirs businesses? Do they get it? Are there offers available with the adequate flexibility to their needs?
- What are the creative industries that are most progressing in Lace Market? And what are those that have declined in the last two-three years?
- Does it exists a really creative cluster in Lace Market, or are there different clusters in this industry? What are the most promising?
- Are there grants/subsidies to promote cultural activities within the overall creative industries?
- Are there financing facilities to promote entrepreneurship in the creative industry sector in Lace Market?

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