Guidelines for a Call for Expressions-of-Interest (EoIs) from Manufacturing SMEs/Mid-caps
# HISTORY OF CHANGES

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<tr>
<th>Date</th>
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<th>Author</th>
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INTRODUCTION TO BETTER FACTORY

Better Factory is an EU initiative to help Small and Medium sized (SMEs) European manufacturers to enter new markets. For SMEs to explore new markets Better Factory provides:

- **Reduction of production cost** by optimising the use of production resources (material, space, energy, water, machines, labour, logistics, etc.) and production planning. Better Factory will connect manufacturing SMEs with companies who have proven technologies in production optimisation.

- **Redesigning of products** so they can be easily customised or personalised for individual customers. Better Factory will connect manufacturing SMEs with experienced design artists.

- **Financial and business consultancy** to improve production, develop new products and create new business strategy.

The SME will be given access to Robotics and Automation MarketPlace (RAMP – [www.RAMP.eu](http://www.RAMP.eu)). RAMP is a Business-to-Business (B2B) internet marketplace for the manufacturing SMEs. Through RAMP, manufacturing SMEs can buy production automation technologies, purchase product design services, and hire financial and business consultants.

To test and validate the transfer of technology and services on the RAMP, Better Factory is launching a Knowledge Transfer Program. In the Knowledge Transfer Program, Better Factory will select 8 manufacturing SMEs, 8 Technology Suppliers and 8 Artists. Each consortium of these trio (manufacturing SME + Technology Supplier + Artists) is referred as a Knowledge Transfer Experiment (KTE). KTEs will be supported to design new product lines and deploy automation solutions in the factory.

Better Factory will provide EUR 200,000 and full support to the manufacturing SME to explore the possibilities of optimising their production and improving their products' design. If you are interested in improving your product design and improving your production apply to our Open Call for the Expression of Interest.
2 OVERVIEW AND SUMMARY OF THE OPEN CALL PROCESS

These guidelines summarise the main features of the Call for Expressions of Interest (EoIs) as a preliminary step to apply to the 1st Better Factory Open Call that will end up with the selection of 8 KTEs.

This Call for EoIs will be open from 18 January 2021 at 00:00 CET until 18 March 2021 at 17:00 CET.

With this Call for EoIs, Better Factory is looking for Manufacturing SMEs and Mid-Caps willing to redesign their current products and services together with product design Artists and automation Technology Suppliers, and optimising their production cost.

The following industrial manufacturing sectors are prioritised:

- Plastic and Rubber;
- Furniture and Wood;
- Food and Agriculture;
- Construction;
- Metal and Machinery;
- Textile and Leather.

Manufacturing SMEs and Mid-Caps are invited to submit their EoIs in the Better Factory Open Call.

The main objective of EoIs is to find the best product design and production optimisation challenges. The Manufacturing SMEs/Mid-Caps will then be joined with product design Artists and automation Technology Suppliers to ensure that a successful KTE can be created.

The steps of Better Factory Open Call are as follows:

2.1 Expressions of Interest submission

Every SME/Mid-Cap will be required to complete a set of questions which will enable us to contact you and verify if you meet the eligibility criteria to participate in Better Factory. Next to basic information and legal information you will be asked to provide information which will serve as a starting point for the matchmaking process.

2.1.1 Project information

Description of key activities

What products do you produce? For which market verticals and geographical areas? What position do you occupy within the value chain?

Description of key challenges and ambitions

What key challenges and ambitions does your organisation hold in relation to:

- Product innovation (diversification of portfolio / improvements / personalisation / individualisation / artistic design / co-design / innovative aesthetics)
- Optimisation of production process (material, space, energy, water, machines, labour, logistics, etc.)

What are the barriers you face today with achieving these challenges?

Sector

Select the sector your company operates in from the dropdown list (list of domains as shown above).
Describe what steps, strategies and which tools you have already undertaken in order to address your product design and production optimisation.

**Motivation**

Describe what benefits you expect and what opportunities you will tackle from collaborating with an artist on innovating around your product portfolio and with a technology supplier on optimising your current production process.

**Key value drivers**

Select which value drivers are most important for your company to realise growth. An overview of the drivers in the dropdown list is provided below.

<table>
<thead>
<tr>
<th>Value driver</th>
<th>Path to innovation</th>
<th>System</th>
<th>Focus</th>
<th>Description</th>
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<tbody>
<tr>
<td>Improve productivity</td>
<td>GREEN &amp; CARE</td>
<td>A smarter economy</td>
<td>Leveraging technology to create economic value</td>
<td>The improved ratio of an aggregated output to a single or aggregated input in a production process. Increasing the efficiency of production. Producing more [of existing] with the same or less input.</td>
</tr>
<tr>
<td>Efficient use of</td>
<td>GREEN</td>
<td>A smarter economy &amp; a cleaner biosphere</td>
<td>Designing distributive processes and value chains</td>
<td>Maximising the supply of money, materials, staff, and other assets by a person or organization in order to function effectively with a minimum of wasted resource expenses. Using the earth’s limited resources in a sustainable manner while minimising environmental impact.</td>
</tr>
<tr>
<td>Cleaner production</td>
<td>GREEN</td>
<td>A cleaner biosphere</td>
<td>Contributing to the energy transition</td>
<td>Organisational or technological improvements that help to reduce energy use or suggest better energy-use choices from generation to end of life.</td>
</tr>
<tr>
<td>Reduce waste</td>
<td>GREEN</td>
<td>A cleaner biosphere</td>
<td>Regenerating the flow of materials from linear to circular</td>
<td>Minimisation of waste at its source [e.g. through upcycling or reusing] to minimize the quantity that must be treated and disposed of. Usually achieved through better [eco] product design and/or process management.</td>
</tr>
</tbody>
</table>

Source: [www.artdriveninnovation.eu](http://www.artdriveninnovation.eu)

2.1.2 **Resources**

**Description of assets**

Are you willing to test the technology directly in your factory? What machines, systems, robots, etc. will be used during the Technology Transfer Experiment.

**Description of skills**

Who from your organisation will be involved in the project? Describe their role, experience and skills briefly.

2.2 **Matchmaking process**

2.2.1 **Registration in RAMP**

After the EoI has been submitted, Manufacturing SMEs/Mid-Caps will be pre-selected according the criteria described in section 4.

The selected manufacturing SMEs will be informed via e-mail and will be invited to register on RAMP. Better Factory will provide support during the process.

Then the matchmaking process with design Artists and the Technology Suppliers, will start.

2.2.2 **Contacting Artists and Tech suppliers**

The matchmaking will happen on the RAMP. The Manufacturing SME/Mid-Caps will be continuously supported by members of the Better Factory consortium to ensure a right matchmaking.

2.3 **Joint proposal**

Once the matchmaking process is completed, Manufacturing SMEs/Mid-Caps, Technology Suppliers and Artists will be supported to create a joint proposal to be submitted to the Better Factory Open Call for Full Proposals.

The Better Factory Open Call for Full Proposals will be launched in May 2021.
In this Open Call for Full Proposals, applicants will apply as consortia composed of **1 Manufacturing SME/Mid-Cap + 1 Artist + 1 Technology Supplier**.

Better Factory will provide the template for the full proposal and will support the selected applicants to create the full proposal.

The evaluation of the proposals will be done in the following steps:

- Proposals submission
- Eligibility checks: Proposals which do not comply with the ‘eligibility criteria’ will be excluded from shortlisting at ‘Eligible Applicants List’.
- Internal evaluation: individual evaluations of submitted proposals, resulting in the ‘Ranking List’
- Consensus meeting: The ‘Selection Committee’ will check then the best proposals scored in previous phase.
- Jury Day: A Jury Day will be organised, to which finalists will be invited to present their projects.

After the Jury Day, once validations have been done, and before starting any activity, each selected consortium will sign a Sub-Grant Agreement.

![Proposals Submission Diagram]

**Result:** Sub-Grant Agreement

### 2.3.1 Selection process for Knowledge Transfer Experiments

Eligible KTE applications will be composed of consortia of:

- **One Manufacturing SME or Mid-Cap**
- One Technology Supplier
- One Artist

Each proposal will be evaluated by 2 internal experts, appointed according to the specific characteristics of the KTEs. The best 16 proposals will be invited to the Jury Day, where the candidates will pitch in front of the Selection Committee composed of the core partners of the Better Factory consortium.

The Evaluation criteria will be detailed in the Guide for Applicants when the joint-proposal Open Call is launched, containing at least the following:

1. **EXCELLENCE** will evaluate:
   - **Ambition/Innovation:** The applicants will have to demonstrate to what extent the proposed experiment is beyond the State-of-the-Art. Differentiation in terms of innovation and originality of targeted artistic work and developed vision in relation to the technology will also be assessed.
   - **Co-creation** contributions of artistic and technology suppliers.
   - **Soundness** of the technical approach and credibility of the proposed methodology.

2. **IMPACT** will analyse:
• The Market opportunity addressed by the applicants.
• A clear competition analysis.
• Commercial Strategy and Scalability, as well as the contribution to RAMP Marketplace.

3. IMPLEMENTATION will consider:
• Team: demonstrate management and leadership qualities. The team should be balanced and cross-functional, with strong background and skills.
• Art-tech congruency: synergy between technological challenge and artistic thematic and methodological approaches.
• Resources: demonstrate the quality and effectiveness of the resources and underline the benefit of solutions already offered by Better Factory Project under RAMP.

All applications will be assigned a score from 0 to 5 for each criterion which will be reflected by the evaluators in an Individual Evaluation Report. A Ranking List will be elaborated according to the final average scores and passed to the next phase.

CONSENSUS MEETING

The Selection Committee, formed by core partners and 2 Better Factory experts, will decide by consensus (or majority vote of ⅔), and based on the ranking gotten as result of the Evaluation, the List of finalists.

JURY DAY

A Jury Day will be organised, to which finalists will be invited to present their proposals. After the event, the Jury will select the winners and include them in the Provisional List of recipients and Reserve List.

The awarding criteria will be detailed in the Guide for Applicants when the joint-proposal Open Call is launched.

The Provisional List of recipients will go through the validation procedure to check whether all formal requirements are met. Once positively validated, each ‘Applicant’ will sign the Sub-Grant Agreement under a ‘lump sum model’. The Sub-Grant Agreement will include, as an annex, the Individual Mentoring Plan for each project. This document establishes, among others, the KPIs and Deliverables that will be considered when evaluating the KTEs’ performance at the milestones review, as well as the budget.

MILESTONE REVIEWS AND DELIVERABLES

The Mentoring Committee will evaluate the KTEs performance at the Milestone Review (established every time a payment is due), according to the following criteria:

• Deliverables quality.
• Business performance indicators.
• Technical performance indicators.
• Deadline Compliance.

The Mentoring Committee proposal will be reviewed and validated by the Selection Committee.

The Financial Support will be paid against the Deliverables included in the ‘Individual Mentoring Plan’ and based on the results of the Milestone Reviews.

Each consortium that completed a given stage will receive the grant corresponding to that stage. Payment amount will be known before the end of the project so all participants will be aware of it before they join the Programme.

2.3.2 What do we offer?

As mentioned before, Better Factory will fund 8 Knowledge Transfer Experiments (KTEs) via Open Call.

Up to EUR 200,000 (total lump sum) will be distributed to each one of the selected KTEs, based upon the successful delivery of technical and business reports along the 16-month Technology Transfer Program. This lump sum will be distributed among the KTE partners as follows:
• Manufacturing SME or Mid-Caps: up to EUR 50,000
• Artists: up to EUR 50,000
• Technology Suppliers: up to EUR 100,000

In addition to the funding, Better Factory will provide following support services:

• Connect with correct design Artists and automation Technology suppliers.
• Get **EUR 50,000** for executing your experiment in a consortium with one Artist and one Tech Supplier.
3 EoI ELIGIBILITY CRITERIA

All Manufacturing SMEs have to abide to all general requirements described in the Guidelines in order to be considered eligible for Better Factory preliminary call.

3.1 What types of entities are eligible?

Better Factory is looking for Manufacturing SMEs and Mid-Caps legally established in an eligible country as defined in 3.2.

A Manufacturing SME will be considered as such if it complies with the Commission Recommendation 2003/361/EC (available here: http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition_en). As a summary, the criteria which define a SME are:

- **Headcount** in Annual Work Units (AWU) less than 250;
- **Annual turnover** less or equal to EUR 50 million OR annual balance sheet total less or equal to EUR 43 million.

Regarding Mid-Caps, there is no common EU definition. For the purposes of Better Factory, we are defining a Mid-Cap as:

- A company that is not an SME and has a headcount of up to 3,000 AWU.

Please note that an SME or a Mid-Cap owned by a company bigger than a Mid-Cap – i.e. having a shareholder with more than 50% of the shares whose headcount is higher than 3,000 – will be considered as a Big Company and will not be able to apply to this Call for EoIs.

3.2 Eligible countries

Only SMEs and Mid-Caps legally established in any of the eligible countries will be eligible for the Better Factory calls. The eligible countries include:

- **The Member States of the European Union**: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden;
- **H2020 Associated Countries**, as identified in Article 7 of the Horizon 2020 Regulation: Iceland, Norway, Albania, Bosnia and Herzegovina, North Macedonia, Montenegro, Serbia, Turkey, Israel, Moldova, Switzerland, Faroe Islands, Ukraine, Tunisia, Georgia and Armenia.
- **United Kingdom**: EC and UK have entered into a Cooperation Agreement which allows UK entities to participate in the Horizon Programme until 2027. However, please note that the entry into force of the said Agreement is subject to the approval of the European Parliament. The decision of the European Parliament will be made in June 2021 at the latest.

3.3 English language

English is the official language for the Better Factory open calls. The proposal must be in English in all its mandatory parts in order to be eligible. If the mandatory parts of the proposal are in any other language, the entire will not be eligible.

If only nonmandatory parts of a proposal are submitted in a language different from English, those parts will not be evaluated but the proposal is still eligible.
4 EoI PRE-SELECTION CRITERIA

4.1 Innovative challenges and technologies addressed in the EoIs?

DIHs will nominate a dedicated person to be the contact with potential applicants. These Contact Points will provide information, from a technical point of view (i.e. challenges to be addressed, technologies to be used, etc.) Better Factory project will take care that all information supplied to any proposer is equally available to all.

The EoIs which already have a potential solution in the market will not be selected for the project but will be put in contact with potential providers for addressing their specific needs.

4.2 Who does the pre-selection?

As soon as the Manufacturing SMEs EoIs are submitted the Better Factory partners will review the EoIs and will select the most innovative challenges defined by the applicants.
5 SUBMISSION SYSTEM

5.1 How to submit the EoI

Expressions of Interest need to be submitted through the our Better Factory call microsite.

Before applying, applicants need to be registered or create an account to FundingBox, as shown in the following screenshot:

After signing in, the applicant will be able to start a new application or edit an existing one. EoIs can be edited as many times as wished until the deadline. EoI submitted by any other means will not be pre-selected.
The application includes the sections shown in the following screenshot. All the sections and topics marked with a star (*) are mandatory. Data provided should be actual, true and complete and should allow the assessment of the EoI.

Only the information included in the application form and in the attachments to the form will be considered. It is the applicant's responsibility to include all the necessary information in the form, which is available in Word format if working off-line is needed before fulfilling the online application.
EoIs can be received throughout the 2-month call for submission period, and applicants will be announced about the results after the weekly pre-selection process. The Call will be continuously open for applications, as the objective is to have a wide pool of EoIs from Manufacturing SMEs/Mid-Caps.

Only EoI submitted before the deadline will be accepted. After the call closure no additions or changes to received EoI will be considered.

The deadline for the submission of EoIs is 18 March 2021 at 17:00 CET.

5.2 Multiple submissions

Only one Expression of Interest per entity can be submitted to Better Factory in this call.

If more than one EoI per applicant is identified by the Better Factory team, only the first proposal which has been submitted in order of time, will be potentially pre-selected.
6 SUPPORT FOR THE APPLICANTS

For more information about the 1st Better Factory Open Call, please check our Better Factory call microsite.

For further information about the Call, in case of any doubts regarding the eligibility rules, the information in the application form, or if you encountered technical issues or problems with the online submission tool of applications, please contact the Helpdesk space.

When contacting the Helpdesk, please include the following information in your e-mail message:

• your username, telephone number and your e-mail address,
• details of the specific problem (error messages you encountered, bugs descriptions, i.e. if a dropdown list is not working, etc.),
• screenshots of the problem.

For updates and project news, please visit our Better Factory website.
7 GENERAL DISCLAIMER

1. Participation in this Call for EoIs is voluntary and if the Manufacturing SME/Mid-Cap does not participate in it, it does not mean it will not be able to participate in the First Better Factory Open Call for KTEs. Especially Manufacturing SMEs can compose a consortium with Artists and Technology Suppliers who have not participated in this preliminary call and are not registered in RAMP.

2. A pre-selection under this Call for EoIs is not equal with selection to perform the a KTE. Submitting a joint application to the First Better Factory Open Call for KTEs and being selected by the BETTER FACTORY Consortium is the general requirement to receive Financial Support to Third-Parties (FSTP).

3. Thanks to participating in this Call for EoIs, the pre-selected applicants will benefit from the support of the BETTER FACTORY Consortium:
   a. To find the right partners to compose a competitive consortium (matchmaking process),
   b. To get a continuous support in the preparation of the proposal.
H2020 Innovation Action – This project has received funding from the European Union’s Horizon 2020 research and innovation programme under grant agreement No 951813