

Competitiveness Policy in Denmark

Telecommunication Cluster in Northern Jutland

Case (B)

Intelligent Transport Systems

In the second half of the 2000s, the organization of the Danish regional economic and business policy was changed considerably.

A Regional Growth Forum was established in each region with designated members from business, knowledge institutions and public authorities and chaired by the regions elected mayor.

Growth Forum advised the elected regional councils on multi-year business strategies and proposed specific industrial policy initiatives. The regional councils could only allocate funds based on the recommendations of Growth Forum.

Each region had to enter into a partnership agreement with the government. The partnership agreement between The Northern Jutland and the Danish Government from June 20, 2008 said the following about Intelligent Transport Systems¹:

The Parties agree to explore if - at national level - it is possible to develop and promote an intelligent traffic systems to roads, amongst other things for the sake of future environmental and climate.

Based on the Infrastructure Commission's recommendations the Government will propose an investment plan for the infrastructure in 2008. There has, as part of the preparation of the investment plan, been dialogue with actors from ITS Northern Jutland, ITS Denmark and Centre for Intelligent Transport Systems (CITS) at Aalborg University regarding experience and skill in Northern Jutland.

¹Intelligent transport systems are systems and technological devices that help to relieve traffic and make transport of people and goods better, more environmentally friendly and safer. ITS can be deployed at sea, on land and in the air.

In cooperation with the Region of North Denmark, CITS, the North Jutland Traffic Company and companies Growth Forum will develop and apply intelligent traffic systems amongst other things to support reduction of CO2 emissions from transport and furthermore exploit the commercial potential of ITS. This would include an exploration by Growth Forum of the possibilities to develop the region into a "test site" for technical and practical application of intelligent traffic systems on a larger scale.

The parties (the government and the North Denmark Region, ed.) agree that the Northern Jutland experiences and skills can be involved in any nationwide effort in the ITS field.

As described in case A the consolidation of the mobile phone industry in the mid-2000 led to reductions in the North Jutland telecommunications cluster and many development engineers lost their jobs

A group of software engineers, who had lost their jobs when the American company Texas Instrument closed their facilities in Northern Jutland, had noticed the high priority of ITS in the regional development strategy. They contacted the region and Aalborg University to discuss business opportunities in ITS.

The discussions with the region and the university convinced the group of engineers about the possibilities in ITS and they formed a new company, Intrasys, which intended to develop applications to open ITS platforms.

Until then ITS systems had been closed systems developed for a particular client (e.g. a major transportation company). There were not any examples of open digital platforms for applications and services as the platforms known at that moment from the mobile phone market.

Intrasys contacted another Northern Jutland ICT company, Gatehouse, a leader in closed ITS systems, and asked if they were interested in collaboration and developing an open platform. The two companies contacted Aalborg University in order to discuss cooperation opportunities between the three parties.

Furthermore the municipality of Aalborg was asked if they would collaborate to a large-scale experiment with ITS.

The intention was to build and test a system that would be able to deliver an overall picture of the exact location of the municipality's cars and allow the cars to communicate with each other (e.g. if two cars are heading towards the same address or to avoid car crashes).

An agreement was made between the four parties; Intrasys, Gatehouse, Aalborg University and Aalborg Municipal.

After the understanding with Aalborg University and Aalborg Municipal the two companies sent an application to the Growth Forum for co-financing the development work. The application was approved and the project received co-financed through the EU Structural Funds as well.

In 2011, the development work was almost completed and the testing period was about to get started using the municipality's cars.

If the project was successful, the system would be the first of its kind with an open platform where everyone in principle could develop applications and offer services in the same way as known from the mobile phone market.

References:

Andersen, Michael Bondo. Owner, Gatehouse A/S

Gelsing, Lars. Associated Professor, Aalborg University

Jensen, Lars Horsholt. Cluster Manager, Brainbusiness ICT-North Denmark

Jørgensen, Brian. Co-founder, Inntrasys

Lemvig, Morten. Head of Office, The North Denmark Region

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