Country Report

CI SMEs Survey in Bulgaria

The Survey was conducted as a part of a project I-CIA of SMEs with the financial support of the EU Lifelong Learning Programme, Leonardo da Vinci - Transfer of Innovation. The aim of the I-CIA of SMEs project is to develop a vocational training course to educate staff of SMEs to increase their competitiveness and share in the global market by using open and distance learning and training methods. The first survey was conducted in Bulgaria in the period September – October 2014. CCI-Vratsa distributed the predifined questionaire of 8 questions among 46 Bulgarian SMEs and this versions requires about 10 minutes for responding. The suvey process was cancelled for re-working of the content.

The new questionaire consist of 3 parts: ***General Information*** – 6 questions, ***Micro Level*** (SME Internal Environment) – 13 questions and ***Mezzo Level*** (SME External Environment) – 6 questions with total number of 25 questions. The last version of the Survey Questionnaire was translated from English into Bulgarian, adopted and spred among more than 65 companies with main activities related to Metal and Construction industry sectors. This larger version requires quite more time to respond to all the questions and to choose from the given options. Moreover it was not an easy task in the middle of December, during that too busy period for Bulgaria before Christmas and New Year Holidays to take additional attention by the CEOs and other responsible companies representatives to respond actively to the Survey. Finally at 22 of December 2014 we collected 45 filled-in questionnaires.

General Information Report Results

The 6 questions in the Bulgarian text of this part are fully corresponding to the SMEs Law[1], Accountancy Act[2], EU legislative acts for SMEs[3], the information gathered in this survey is and will be kept strictly confidential and have to be used only for the I-CIA of SMEs WP3 Needs Analyses purposes

According to the summarized survey sheets we have responses from 28 companies in the `1. Metal` sector and 17 from the `2. Construction` sector as shown in figure 1.

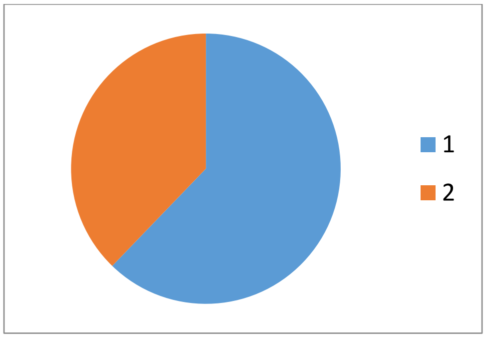

Figure 1

From our CI Survey respondents 12 are micro companies, 15 are small and 18 medium. The share of the medium is the biggest one as shown in figure 2.

[1] Promulgated Official in State Gazette, issue 84/24.09.1999, last actualization issue 43/29.04.2008
[2] Promulgated Official in State Gazette, issue 98/16.11.2001, last actualization issue 100/19.11.2013
[3] http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index_en.htm

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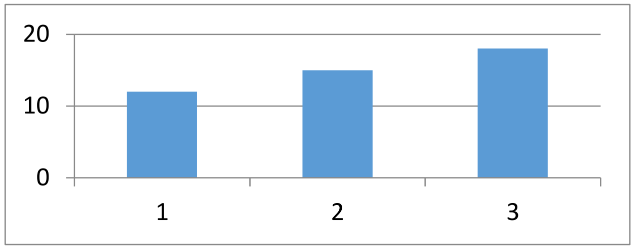
Figure 2

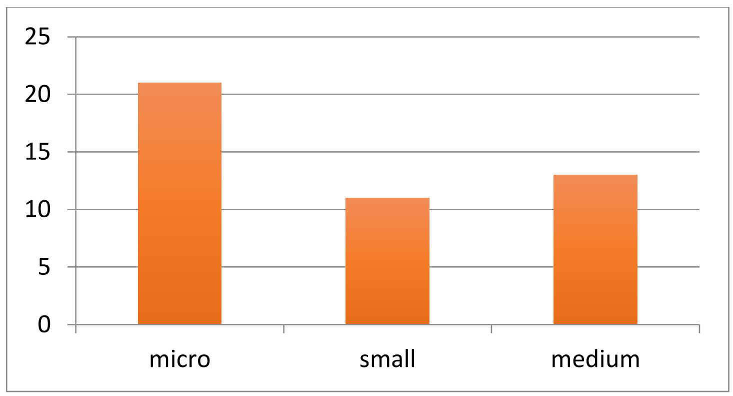
Size (employees nr.)		
upto 10	upto 50	upto 250
12	15	18
1. micro	2. small	3. medium



As per turnover (2013) 21 are micro, 11 small and 13 medium (See figure 3 for turnover size).

Figure 3

Turnover (2013)		
Ranges in EUR	**SME Size**	**Number**
≥ 1 994 069	micro	21
≥ 9 970 345	small	11
≥ 49 851 723	medium	13



In controversy to the employees' number size here the share of the micro and the medium enterprises is larger.

Micro Level Report Results

Some key performance indicators within the company are included in the Micro Level; part of the Survey intending to discover the keys to producing effective and actionable intelligence

Results to **Question 1** ` Which of the following statements best describes your company?` :

The survey shows that the company website is mostly used to support the customers relations (see figure 4 and the table 1 here below):

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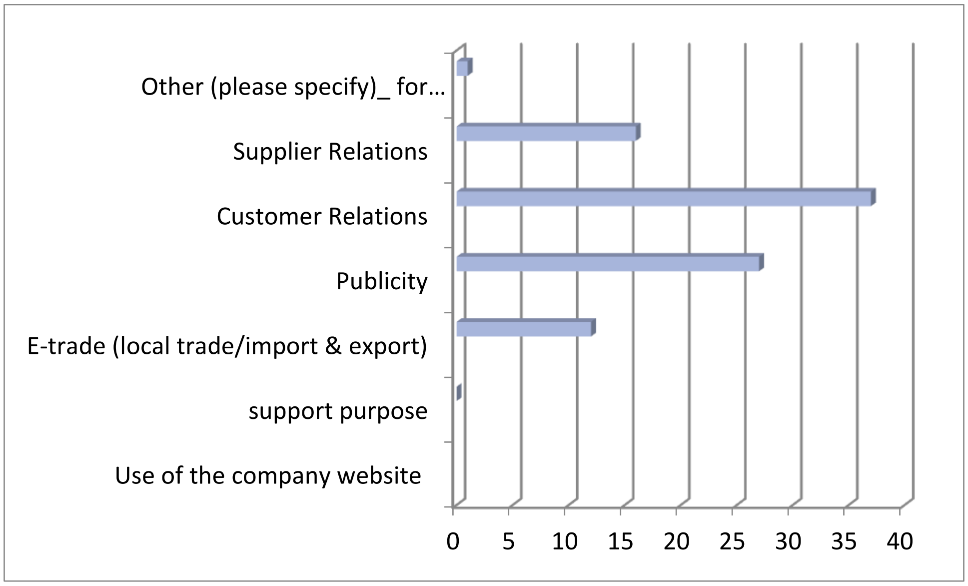

Figure 4

Table 1: **Use of the company website**

Support Purpose	Mark number
E-trade (local trade/import & export)	12
Publicity	27
Customer Relations	37
Supplier Relations	16
Other (please specify)_ for Communication	1

The picture of the information channels in most active use is summarized in the next table:

Table 2: **Information channels in active use**

Information channel	Mark nr.
Subscription to trade portals (local/international)	10
Subscription to sectoral publications	12
Subscription to news channels (Reuters etc..)	3
Membership to trade and/or sectoral associations	32
Subscription to sectoral reports	21
Social media coverage (Facebook, LinkedIn, Twitter etc…)	8

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Results to **Question 2** Estimated percentage of employees in the company is working in the fields of R&D: Engineers and technical staff and Strategy: Analysts and Experts.

In the R&D field we have 39 respondents and the average percentage is 14, 46 %

As per the Analysts and Experts developing Strategies the average percentage is 8,23 %.

Results to **Question 3** Number of training and consultancy services gained by the employees (indicated sources are internal training programs, universities, consultancy companies, public and private institutions, incl. Operative Programmes such as OP Human Resources Development)

Table 3 : **Training and consultancy services**

indicated number	sources			
	internal	universities	consultancy	institutions
431	22	16	16	20

The gathered answers from the surveyed companies are 24 and the average number of the training and consultancy services in the last years is 18.

The Results to ***Question 4*** *Use of production technologies like computer- based production, materials requirement planning, waste management etc. In our SMEs is definitely positive: only 3 have marked `No`.*

The respondents gave different number to **Question 5** Estimated percentage of raw material or work- in-process goods in finished good production cost. The cumulative indicated number is 1601 among 33 respondents and the average percentage is 48, 52 %, where eight /8/ of the respondents estimated percentage low than 5.

To the **Question 6** Estimated percentage of imported raw material or work- in-process goods in finished good 33 respondents gave average percentage of 25,90 %.

The total revenue result to **Question 7** regarding the estimated percentage of is summarized in the following table 4

Export and Import	
import	export
in total revenue of the last 5 years	
cumulative indicated number	
515	1526
18 responces	23 responces
average %: **28,61**	average %: **66,35**

In **Question 8** the SMEs were asked to name three highest volume export and import markets. And the results are summarized in the table Highest volume markets

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Table 5: **Highest volume markets**

For import	For export
	FR, UK, DE
DE, IT, TR	DE, IT, USA
GR, IT, DE	GR, IT
BG	BG
	USA, GR, HU
	BG
RU, DE, IT	
DE	RO, Macedonia, RS
	UK, Maced., NL
	BG, DE, RU, Kosovo
AT, DE	
CHINA, DE, TAIWAN	RU, NL, ES
IT, AT, RU	IT, SL, GR
TR, GR, IT	DE, RO, IT
	RS, RO
	RO, Macedonia
DE	DE
	GR, USA
EU	RU, LEBANON
RU, INDIA	RU, UK, INDIA
	DE, NEW ZEEL., RU
EU, TR	CHILI, EU
	USA, TR, HU
	IT, USA
	WEST EUOPE
IT, DE, USA	BG,RO, RU
DE	PL, RU
EU	JAPAN, ASIA
TAIWAN, CHINA,DE	ES, NL, IT
	BG
RU, TR, CHINA	S.ARAB., S.AMER.
	EU,S.AFRIKA, ASIA
DE,USA	
DE,TR,IT	IT, GR, ES
	CZ, PL, HU
FI, DE, CZ	BELARUS, RU, RO
DE, AT	DE, AT, ES

Question 9 *Number of patents and other intellectual properties owned and registered by the company*

The average number of registered patents and other IPP by the company is 2. Here has to be noticed that 23 companies have responded which less than a half of the total number of the surveyed enterprises.

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Question 10 *Number of patents and other intellectual properties transferred and used by the company*

The average number of the transferred patents and other IPP used by the company is 1,6 . Here has to be noticed that only 19 companies have responded which again less than a half of the total number of the surveyed enterprises.

Question 11 *Number of technology transfer undertaken by the company in the last 5 years*

The average number of the technology transfer undertaken by our surveyed companies in the last 5 years is 3. And to this question 25 companies have responded.

The sources of the technology transfer are as well as from the country (local transfer) as from international sources . To the **question 12** we the collected responses are different with diverse sources: 4 companies have marked Bulgarian sources and 16 enterprises have filed most of the EU countries as Italy, France, Austria, Netherlands, Belgium, Spain, Greece, Russia, Germany, Swiss but also sources outside Europe like USA and Israel. Some have registered not any concrete, in the questionnaire there is marked `International` sources.

In **Question 13** the SMEs were asked to *estimate percentage of R&D spending of your company in total expenditures (average in last five years).* 15 SMEs have responded to this question and as average estimated percentage of R&D spending of the companies in total expenditures in the last five years the result is 7***%.***

Mezzo Level Report Results

In the third part of the Questionnaire referring to the Mezzo Level the questions are designed to serve for identifying the intelligence sources in the external environment and they referr to the relations among the parties in the value chain.

To the **1st Question** *How strong is the competition in the sector in which your company is mainly working (1 being "no competition" and 5 being "highly competitive")* we have received clear answers as summarized in the next following table 6:

How strong is the competition in the sector in which your company is mainly working?				
1	2	3	4	5
0	**1**	**8**	**12**	**21**

Although 3 SMEs didn`t marked any range the result is definitively clear, about the half of our companies are operating in highly competitive environment. One SME has marked range `2` corresponding to "not so much competition" and no one "no competition" in the sector.

To the **2nd Question** where the companies are asked to *rate the competitiveness of the company in the respective sector (1 being "very weak" and 5 being "very strong").*

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Table 7: ***Competitiveness of the company in the respective sector***

2. Please rate the competitiveness of your company in your sector				
1	2	3	4	5
1	**1**	**8**	**18**	**14**

The results are summarized in table nr. 7 The competitiveness in the sector is "very strong" for 33 % of the surveyed enterprises where the majority of the them, 42 % are working in definitely competitive sector.

*The **3rd Question** is " Please name the first three leading companies of your sector".* Table 8 is showing at a glance all the given answers.

Table 8: ***Name the first 3 leading companies of the SME's operating sector***

Legend: n.e.= no entry; x=not identified

In the world	In your country
	Diema
Filtrocs, Ukon, Sterivalves	Tomika metal, Biomashinostroene, Hraninvest
Krones, Sidel, S.Plasit	Alaeksandris, Ulmer, Boshtrade
Holcim, Lafarge, Cemex	Holcim BG, Gumirek
n.e.	MramorBerkstoune,HemusMarbloe,Balkanstone
Marigali, Toshiba, Mitsui	Toplofikacia, Neochim
	Elana, Talveg, E.MC.
AquaTech, Ochsmann-Chemie	Jivas, ChemOxide
Behringer, AET Entwasserungstech., PWN	Chugunoleene, RTR, OMK Holding
n.e.	n.e.
GeneralElectric	n.e.
Philips, Siemens, Liebherr	SiemensBG, Teletek, ABB BG
BuderusGuss, Wolf, Intertek	*Ihtiman, UniversityDevelopmentBases*
n.e.	
n.e.	CaroTrading, Stanilov, DelfinProekt
Antolini, Margraf	Berkstone, Hemus-M, Predsednik
n.e.	n.e.
n.e.	ViK JSCs
Agrisaw, GansuSeeds	Edima, Aya
n.e.	Centromet
Indiana, Maweni, HIS	JotovStone, Bulned, StoneBuild200
Siemens, ABB, Schneider	StartEngeneering, Elina, Kastiva
Supervisir'sControl	KronospanBG, LukoilBG, MVEC Elana
GEA Group, TetraPak, SPX	n.e.
Toyota, Linde	EnergoremontHolding, BalkancarHebar
n.e.	n.e.

Grantax, Nelda, Aliboni Granilati	PMG Stone, Hmus Marble
Borealis, Lyondellbasell, Sabic	Panayot Pejchev, Lotos2002, Rubik
MEGA, Enerpac, SPX	ToshevGalving, EvromarketGroup, GenataEngeneering
Universities, ScientificCenters	Chamber.of.architecsts'members
n.e.	BetonCV, Sitistroi
n.e.	BayerBG
ABL Technology, Chiron-Werke	ZMM Vratsa
n.e.	n.e.
n.e.	TRS-94, Talbeg, Simmex
n.e.	TehemServices, Nelbo, ElTest
Philips, Osram	x
n.e.	n.e.
n.e.	n.e.
Leviton, Panasonic, ALPS Electric	Elpo AD, TD Kabelsnab AD
n.e.	n.e.
n.e.	n.e.
Sircatene, C.R.C.	Balkan-Iskar, Radina-M
Kemppi, Hypertherm, Optrel	Fanuc
n.e.	n.e.

The **4thQuestion** from the Mezzo Level Part of the Questionnaire is *"How important is for success of your company collaboration and cooperation between your company and other business stakeholders in the following fields (1 being unimportant and 5 being extremely important)?"*

Here is important to be noticed that the results are summarized as per the 11 sub-questions to question 4.

4.1 Company information and capabilities				
1	2	3	4	5
0	1	2	5	**32**
5 without any mark				

4.2 R&D				
1	2	3	4	5
1	6	5	13	**16**
4 wothout any mark				

4.3 Design				
1	2	3	4	5
2	**9**	8	11	11
4 without fixed range				

4.4 Acquiring/developing new technology				
1	2	3	4	5
1	4	6	**15**	12
8 missed to mark a range				

4.5 Production				
1	2	3	4	5
1	6	4	8	**20**
6 not marked				

4.6 Product innovation				
1	2	3	4	5
1	*0*	*9*	***18***	*11*
Total collected answers:				*39*

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4.7 Trade				
1	2	3	4	5
0	3	11	8	**14**
Total collected answers:				36

4.8 Logistics				
1	2	3	4	5
0	6	12	**15**	7
Total collected answers:				40

4.9 Financing				
1	2	3	4	5
0	8	9	6	**19**
Total collected answers:				42

4.10. Marketing				
1	2	3	4	5
0	6	7	14	**15**
Total collected answers:				42

4.11. Training				
1	2	3	4	5
0	7	**13**	9	9
Total collected answers:				38

In **the 5th Question** the SMEs were asked to *"Check if cooperation exists with the given local players".* The answers to the 11 sub-questions are given in the figures here bellow. The total number of the respective collected answers is also included.

`5.1` Company information and capabilities							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
23	7	19	10	6	17	5	3

`5.2` R & D							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
6	0	6	2	**14**	5	11	2

`5.3` Design							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
11	1	7	1	5	4	5	0

`4.4` `Acquiring/developing new technology							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
8	2	7	0	3	7	**10**	0

`5.5` `Production							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
22	8	**22**	2	0	4	2	3

`5.6` Product innovation							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
10	2	5	1	4	2	7	1

`5.7` Trade								`5.8` Logistics								`5.9` Financing							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance	Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance	Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
25	8	19	1	0	2	0	2	14	6	**19**	1	0	1	0	1	5	0	1	4	1	2	1	**21**

`5.10` Marketing							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
21	8	17	3	1	5	1	1

`5.11` Training							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
4	2	6	**13**	**13**	10	6	0

The **6th Question** from the Mezzo Level is referring to *"The existing cooperation with the respective international players,* which is actually the last question in the I-CIA of SMEs Survey. This question has also 11 sub-questions. In order to present the results in more clear way they are summarized and presented in the next following figures:

`6.1` Company information and capabilities								`6.2` R & D								`6.3` Design							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance	Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance	Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
14	6	9	3	1	2	2	0	**5**	0	4	4	3	5	5	0	**10**	0	5	0	2	1	2	0

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`6.4` `Acquiring/developing new technology`							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
6	2	4	0	2	1	4	0

`6.5` `Production							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
14	2	9	1	0	1	0	0

`6.6` Product innovation							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
11	3	7	1	2	3	3	1

`6.7` Trade							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
18	2	**18**	0	0	0	1	0

6.`8` Logistics							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
11	3	**18**	1	0	1	1	0

`6.9` Financing							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
1	0	0	2	1	1	1	**5**

`6.10` Marketing							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
7	3	3	3	0	0	0	1

`6.11` Training							
Customer	Competitor	Supplier	Public Institutions	Universities	Chambers, Sectoral Associations	Research Institutions	Finance
2	1	**5**	0	2	3	4	0

Remarks to the Country report

The total sum of the results in the columns of each of the sub-questions to questions 5 and 6 is not always equal to 45 because not every of the surveyed companies has responded/marked an option in the respective cell(s).

The highest number/result is highlighted in bold. For example regarding the existing cooperation with the respective international player in the Marketing field the majority of the surveyed SMEs have outlined the collaboration with their Customer(s), see figure `6.1`.

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