

## Innovation activity, 2006 - 2008<sup>1</sup>

The survey on enterprise's innovation activity was carried out in framework of the Sixth European Community Innovation Survey (CIS-2008). The data refer to all enterprises of 10 or more employees in the following economic activities (NACE rev.2): Mining and quarrying, Manufacturing; Electricity, gas, steam and air conditioning supply; Water supply; sewerage, waste management and remediation activities; Wholesale trade, except of motor vehicles and motorcycles; Transportation and storage; Publishing activities; Telecommunications; Computer programming, consultancy and related activities; Information service activities; Financial and insurance activities; Architectural and engineering activities; technical testing and analysis.

Nearly a quarter of the Bulgarian enterprises (23.9%) have been fulfilled innovation activity over the period 2006 - 2008. These enterprises have been introduced new or significantly improved products at the market, they had been implemented new or significantly improved processes in their enterprise, or at least carried out innovation activities aiming at introducing product or process innovations.

During the reference period, 14.6% of enterprises introduced new or significantly improved goods or services at the market. In 2008, 30.2% of total turnover belongs to these product innovations.

The share of the turnover of new or significantly improved products not only for the enterprises but also for the market amounts to 7.8% of total turnover. At total, 6.2% of the enterprises introduced market novelties at the market.

New or significantly improved processes have been introduced in 14.6% of the enterprises. These process innovations includes new or significantly improved methods for manufacturing goods or services, logistics, delivery or distribution methods and new or significantly improved support activities.

Industries (NACE rev.2) Size classes	Total number of enterprises	Of which			
		Innovation active enterprises *	Product innovators	Product innovators with market novelties	Process innovators
Total	15 832	23,9	14,6	6,2	14,6
Industry	9 412	29,2	17,6	7,2	18,1
Services	6 420	16,3	10,2	4,8	9,6
10 - 49 employees	12 172	20,3	12,4	4,7	11,9
50 - 249 employees	3 101	32,0	19,6	9,8	20,8
250 and more employees	559	59,2	36,1	18,2	40,4

\* Enterprises with product and/or process innovation and/or ongoing or abandoned innovation activities.

Only 9.5% of all innovation active enterprises have been received public financial support for their innovation activities.

Every seventh enterprise have been implemented organizational innovations (15.2%), one out of ten enterprises introduced marketing innovations (10.5%). 18.4% of all enterprises have been introduced at least one of these two types of novelties.

The inclusion of organisational and marketing innovation as equivalent to the product and process innovations (according to recent changes in standard methodology) resulted in increasing the share of innovative enterprises to 30.8% in 2008.

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<sup>1</sup>Innovation is a new or a significantly improved product (good or service) introduced to the market or the introduction within an enterprise of a new or significantly improved process. Innovations are based on the results of new technological developments, new combinations of existing technologies or the utilization of other knowledge acquired by the enterprise.

Innovations may be developed by an innovating enterprise or by another enterprise. However, purely selling innovations wholly produced and developed by other enterprises is not included as an innovation activity, nor is introducing products with purely aesthetic changes.

Innovations should be new to the enterprise concerned: for product innovations they do not necessarily have to be new to the market and for process innovations the enterprise does not necessarily have to be the first one to have introduced the process.

Enterprises with innovation activity include all types of innovators, namely product innovators, process innovators, as well as enterprises with ongoing and abandoned innovation activities.