The Digital Hub Initiative in brief

What exactly is the Digital Hub Initiative?

The Digital Hub Initiative, launched by the Federal Ministry for Economic Affairs and Energy, seeks to support the establishment of digital hubs in Germany. The underlying idea of establishing hubs is that cooperation between companies and business start-ups within a small area (like in Silicon Valley) will boost innovation, not least in the digital age. In order for this to happen, Germany needs to create hubs with an international reputation where German and international start-ups, scientists, investors and established companies work together and benefit from each other's expertise. In order to make it easier for the hubs to connect with one another and exchange knowledge and expertise, a joint brand (de:hub) and a joint Hub Agency run by RCKT have been created. Hamburg, Munich, Cologne, Frankfurt, Berlin, Dortmund, Dresden/Leipzig, Karlsruhe, Stuttgart, Mannheim/Ludwigshafen, Potsdam and Nuremberg/Erlangen are part of the Digital Hub Initiative. Although each city focuses on a particular industry, the idea is that clusters will emerge where other industries can bring in their expertise as well.

Rather than creating new hubs, the Federal Ministry for Economic Affairs and Energy seeks to build upon existing strengths by fostering creative networking in Germany and by raising the profile of the digital hubs abroad through a major international marketing campaign.

Why does Germany need 12 hubs?

Cutting-edge research, successful corporations and leading start-ups with money to spend – Silicon Valley pools excellent IT knowledge and skills from all sectors. In Germany, this knowledge and expertise is not amalgamated in one central place. However, this does not mean that the knowledge and expertise does not exist. Dynamic start-ups, international market leaders operating in established industries and renowned scientific institutions are scattered all over the country. In order to take account of Germany's wide range of different strengths, several hubs are needed. However, some focus is needed, therefore, the number of hubs to be selected has been restricted to 10 to 12.

What are the objectives of the Digital Hub Initiative?

The Federal Ministry for Economic Affairs and Energy's Digital Hub Initiative aims to network the hub locations. This networking is to take place at different levels: Within individual hubs, start-ups need to be networked with scientific institutes, SMEs and large corporations. Beyond this, individual hubs need to be networked with one another in order to speed up the development of innovation and drive forward the digital transformation. Particularly in cities that have a strong manufacturing base, there are often no links between established companies and innovative start-ups. Closer cooperation benefits both sides: start-up companies can provide established companies with fresh ideas and established companies can provide young start-ups with advice and facilitate contacts.

In addition, the hubs are also to serve as platforms for engaging in dialogue with global market leaders and potential foreign investors. In order for this to work, we need to create hubs with an international reputation that are attractive for international start-ups, scientists, companies and investors. The Federal Ministry for Economic Affairs and Energy is therefore developing a creative international marketing campaign in cooperation with the Hub Agency and GTAI to convince international start-ups to set up their business activities in Germany. We want to demonstrate that it is here that they have the best conditions for industry-oriented and engineering-oriented thinking and working and where the challenge is to link this up with state-of-the-art digital solutions and products.

What are the challenges that potential hub locations need to meet in order to become part of the initiative?

The hubs need to be based in regions where companies that are considered to be global market or innovation leaders in their industry and industry-specific research and educational institutions are based. Other important criteria include having a start-up community or a network of persons that can serve as mentors or advisers. Each individual hub needs to seek to develop an excellent international standing.