

Innovation Strategy and Action Plan for the East Midlands 2007-2010

A strategy and action plan prepared by *emda*

2007

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east midlands innovation

bringing bright ideas to life



**Innovation Strategy
and Action Plan for
the East Midlands**

2007-2010

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Foreword

By Barry Stickings, Chair, East Midlands Innovation

Innovation is the successful exploitation of new ideas and the Government has recognised that our future prosperity must be built around an internationally competitive economy, based on technology and innovation to deliver high value goods and services. Our Regional Economic Strategy (RES) echoes this and identifies innovation as one of the regional strategic priorities. For our businesses to prosper in the future they will need to adopt innovation as a core driver of competitiveness.

In order to address this innovation challenge, East Midlands Development Agency (*emda*) has established a Regional Science and Industry Council, named East Midlands Innovation, with a remit to take the lead on developing and implementing the Regional Innovation Strategy and Action Plan (RIS). The Council is made up of individuals who occupy senior positions in organisations around the region, representing businesses, universities and the public sector.

Our aim is that the region should become a dynamic economy founded upon innovative and knowledge-focused businesses competing in a global economy.

We have some way to go to achieve this aim. Evidence set out in the RIS shows that business Research and Development (R&D) investment is concentrated in a small number of R&D intensive companies, whilst many companies undertake very little or no R&D. Equally of concern is that expenditure on R&D from Government and universities in the region is below the national average. It is not just R&D that is a challenge, the RIS also reveals that companies in the East Midlands are only half as capable as the national average at bringing new products to market. Given that 23% of the region's Gross Domestic Product (GDP) is generated by businesses manufacturing products for the market, it is clear that this low level of innovation exploitation is putting a major section of our economic base at risk.

The RIS provides a framework to coordinate future investments for greater return, aligned to strategic innovation priorities. It has set out how we address the innovation challenges facing the region by bringing together both large and small businesses and the knowledge base of universities, colleges and research institutions. Specific actions are being implemented to address the strategic innovation priorities set out in this document. These actions will be delivered over the coming years by *emda* and its partners. East Midlands Innovation is continuing to take an active role advising on possible future developments and monitoring the progress being made against the four themes set out in the RIS.



Executive summary

The RIS sets out how we will use the knowledge, skills and creativity of organisations and individuals to build an innovation-led economy as part of a flourishing East Midlands.

In a global economy where the scope to compete on a cost basis is increasingly limited, innovation is an important means to maintain competitive advantage. Innovation is the successful exploitation of new ideas but in recent years there has been a shift in the understanding of innovation. Instead of a solely technology-based process, innovation is now seen as much broader and more incremental; a process that converts ideas into new products, new services, new ways of running businesses and even new ways of doing business.

The main challenge, identified for the East Midlands in the RIS, is one of addressing its current innovation deficit. This is evident in areas such as the low levels of new product generation and by under performance in business expenditure on R&D - much of which is concentrated in a small number of larger companies.

To address this innovation deficit, four interconnected strategic themes have been identified for directing innovation investment:

- **Knowledge Exchange (The exchange):** brings together research expertise and businesses with the aim of increasing the rate and level of innovation
- **Innovation Support for Business (The support):** supports businesses (particularly Small to Medium sized Enterprises (SMEs)) to be more innovative, and drives improved productivity and competitiveness
- **Creating the Environment for Innovation (The network):** develops an integrated network of facilities, organisations and individuals, where innovation success is recognised and celebrated
- **Fostering Enabling and Emerging Technologies (The future):** utilises our research and industry strengths to identify and prioritise investments related to the future prosperity of the region.

A comprehensive action plan has been developed to implement each of these strategic themes. These actions are summarised on page 5, and outlined further in the main body of the report.

In order to deliver the RIS and coordinate the actions of the

four themes, we are establishing a number of business-led innovation Networks (iNets), focused on our regional industry and research strengths.

iNets bring together industry, research and other innovation stakeholders from around the region with strengths in selected priority sectors. The intention is to significantly raise the number and quality of interactions between innovation stakeholders and so increase levels of innovation.

Interactions are facilitated and driven by a dedicated iNet team who achieve their objectives by delivering the actions of the four themes. Each iNet is coordinated by their iNet team, who will be based in an innovation Hub (iHub), within an innovation or research centre that ensures there is a clear point of focus for the iNet's activities.

The focus of the RIS is one of concentrating the majority of innovation investment on supporting the industrial and research strengths of the region.

This prioritises the delivery of innovation support for businesses in a number of priority sectors, identified as having significant growth prospects in the region, these are: Healthcare and Bioscience, Transport, Sustainable Construction and Food and Drink.

The RIS provides a framework for innovation across the region as a whole.

East Midlands Innovation is taking a central coordinating role in the RIS, as well as monitoring its performance, whilst *emda* leads on the actions. Successful delivery of the actions, however, requires the participation of a wide range of innovation stakeholders.

the exchange

Building iNets for knowledge exchange

1. Establish business focused iNets to drive and increase knowledge exchange
2. Establish iHubs
3. Establish iNet Teams in each iHub to deliver the actions

the support

Delivering high quality innovation support for businesses

4. Stimulate the demand from businesses for innovation support
5. Stimulate the demand from businesses for innovation finance
6. Stimulate the demand from businesses for innovation skills

the network

Creating an effective environment for innovation

7. Ensure iNets are integrated into investment plans for innovation facilities
8. Develop and maintain a regional Innovation Portal
9. Encourage a culture of and positive attitude towards innovation

Fostering enabling and emerging technologies

10. Identify emerging technologies where the region can establish a leading position
11. Provide support for R&D programmes that can deliver sustainable competitive advantage for the region
12. Promote the benefits of enabling technologies and processes

the future

1. Introduction

Innovation is defined as “the successful exploitation of new ideas”¹. In recent years the importance of innovation has come to the fore as the primary driver of economic competitiveness. This comes from the recognition that companies can no longer afford to compete on the basis of cost alone. Instead companies need to respond to the emerging new economies of the world through innovating in their products, processes and services. These challenges have been recognised in a range of important European and UK policy statements, including the Government 10 year Science & Innovation Investment Framework:

“The nations that can thrive in a highly competitive global economy will be those that can compete on high technology and intellectual strength – attracting the highest-skilled people and the companies which have the potential to innovate and turn innovation into commercial opportunity. These are the sources of the new prosperity.”

In order to meet this challenge there needs to be greater levels of innovation in companies and more productive relationships between business and the science base, as well as greater investment in science and technology. The RIS sets out how we will rise to this challenge by developing the East Midlands as:

“...a dynamic region founded on innovative and knowledge-focused businesses competing successfully in a global economy”.

1.1 What is the RIS?

The RIS provides a comprehensive framework and action plan for future investment and support of innovation across our region. It brings together *emda* and regional organisations, including businesses, trade bodies, the Sub-regional Strategic Partnerships (SSPs), local authorities, universities, further education colleges, the National Health Service (NHS) and Nottingham Science City (collectively termed ‘innovation stakeholders’ in this document), and it provides a detailed contribution to the innovation priority theme of the RES. The RIS provides the basis for long term investment in innovation across our region by all innovation stakeholders. A key element is the focus on greater involvement of businesses in innovation activities.

1.2 How was it developed?

The RIS has been developed by East Midlands Innovation – the Regional Science and Industry Council. East Midlands Innovation was established in 2005 with a remit to lead the innovation agenda in the region and contribute towards a long term, sustainable, innovation-led economy in the East Midlands.

East Midlands Innovation has led the development of the RIS through a programme of research into the current state of innovation in the region. This includes studies of the innovation needs of our companies and the availability of and need for innovation infrastructure and support services². It has also been informed by multiple discussions with innovation stakeholders.

¹ Cox Review of Creativity in Business: building on the UK's strengths. November 2005

² CM International (2006) ‘Review of Physical Infrastructure Facilities to Support Innovation across the East Midlands’, Report to *emda*.

WME (2006) ‘Review of Innovation Support Services for Businesses in the East Midlands’, Report to *emda*.

1.3 How is it being implemented?

East Midlands Innovation is leading the implementation of the RIS and advises and guides *emda* innovation investment. The RIS provides a clear indication of how *emda* will target its resources and represents a statement of collective regional priorities. East Midlands Innovation will work with partner organisations to ensure that innovation support is coordinated to achieve the maximum return on investment in innovation activities. Whilst we acknowledge the national and international agendas of our universities, we also work with them to identify priority areas for joint investment that will bring greatest regional benefit.

1.4 What will it achieve?

The RIS sets out our plans to focus the majority of innovation investment on support of the business and research strengths of the region. This will be based around a business focused innovation support network that will:

- Increase the number of businesses investing in innovation
- Raise the overall level of business investment in innovation
- Improve the effectiveness of ideas commercialisation
- Recognise and build on our regional strengths to ensure sustainable competitive advantage
- Increase the frequency and value of business: university interactions
- Support the development of appropriately skilled individuals
- Raise the profile of innovators, celebrating success and learning from experience.

2. The current position of innovation in the region

There is substantial evidence to show that there are significant economic benefits to be gained from innovation. Recent research published by the Organisation for Economic Co-operation and Development (OECD)³ demonstrates that increased investment in R&D leads to more innovation and increased business productivity. Research by the Institute for Fiscal Studies⁴ also shows that patenting activity has a significant impact on the productivity and market value of firms. The research and discussions undertaken in support of developing the RIS, however, reveal a mixed picture in terms of innovation in our region.

2.1 East Midlands innovation assets and challenges

The East Midlands has existing strengths and assets that can be used to put innovation at the heart of our region's development. These include its company R&D base, the region's higher education institutions and further education colleges, and an emerging range of innovation support measures and organisations. Collectively these assets provide the foundations of an innovation network in the East Midlands.

Mixed evidence on R&D expenditure

Business R&D expenditure as a percentage of Gross Value Added (GVA) in the East Midlands compares favourably with UK levels. Specifically, business R&D accounted for around 1.8% of East Midlands GVA compared to an average of 1.4% nationally. This positive performance should, however, be contrasted with evidence that suggests that this R&D expenditure is primarily concentrated in a small number of our larger companies. Noticeably, many companies, particularly in the small to medium category, do not appear to invest in R&D.

Other indicators of R&D activity in our region suggest further areas for concern. For example, we have lower than the national average expenditure on both Government and Higher Education (HE) R&D.

Underperforming in new products and processes development

While business R&D activity is an important input into the innovation process, the key challenge facing our companies is the translation of this knowledge into commercially successful products, processes or services. However, the proportion of turnover accounted for by new or improved products in the East Midlands is amongst the lowest in the UK. Indeed just 4% of the sales of businesses in our region was due to R&D carried out recently by regional businesses, compared to an average of 9% for the UK. This suggests that East Midlands companies may be relying on older products and processes for their success. In the rapidly changing global environment, as noted above, our companies are likely to face difficult competitive challenges if this situation is not addressed.

A developing regional university knowledge base

Our region is home to a vibrant base of higher and further educational institutions. In recent years these have begun to respond to the challenge of creating stronger links to their local and regional economies through enterprise and innovation activities. This has seen institutions complementing their traditional research and teaching activities with initiatives designed to open up their expertise and resources to local companies.

Research undertaken as part of this RIS, however, reveals that companies – and particularly SMEs – often find it difficult to access support from higher education institutions⁵. Key problems reportedly faced by companies include a lack of time, resources, and knowledge of access points to higher education institutions. It is also recognised that our institutions do not always view such companies as natural 'clients'. Taken together these issues indicate that key knowledge resources in our region are not being exploited to their full potential.

Emerging physical infrastructure for innovation

Our region is currently characterised by over 40 innovation centres, incubators and science parks. Several new infrastructure facilities are also planned or under construction, potentially leading to greater access to accommodation facilities, and associated services such as business diagnosis, advice and links to innovation support and research expertise.

The rapid development of this physical infrastructure has, however, put pressure on so called 'grow-on-space' for innovative companies across our region. That is, those companies that become too big for such facilities (or reach the end of their tenancies) are frequently unable to find accommodation in proximity to the knowledge resources, often higher education institutions, of choice. While centres will invariably be meeting local needs, there is growing danger that without more effective coordination, the strategic objectives of such investments may not be fully maximised.

Innovation support for business services

In relation to other forms of innovation support services for business a broad range of initiatives have been developed in recent years. This support is provided by different organisations within the region, ranging from universities and innovation centres or incubators to local authorities and network organisations and so on. The challenge, however, is to achieve a greater simplification of innovation support, to ensure a high quality of provision and to communicate clearly to businesses. We also need to ensure better strategic coordination with business support delivered through Business Link.

Creating a stronger culture of innovation

Regions with good innovation performance have within them communities of people who thrive on innovation. This is illustrated by the growth that has taken place over the last 20-30 years in places such as Silicon Valley (USA), Singapore and the Cambridge area in the UK, which has led to a concentration of innovators and innovative behaviour. In comparison this passion for innovation does not appear to exist in the East Midlands to the same extent. Important initiatives such as Nottingham Science City will help to address this deficit, however, we need to take action across the region to create a better environment for innovation, in which innovators and more innovative behaviour are encouraged and supported.



³ R&D and Productivity Growth: Panel data analysis of 16 OECD Countries. Dominique Guellec and Bruno van Pottelsberghe de la Potterie, OECD, 2001.

⁴ Real Options, Patent Productivity and Market Value: Evidence from a panel of British firms. Nicholas Bloom and John van Reenan, Institute for Fiscal Studies, 2000.

⁵ See also emda (2006) 'RES Evidence Base: the East Midlands in 2006'.

3. An Innovation Strategy for the East Midlands

...a strategy of focusing the majority of innovation investment on proactive support of the business and research strengths of the region.

Our ambition is to develop the East Midlands as an innovation focused economy; to do this we must address deficiencies in our innovation infrastructure and processes and create an environment where businesses can flourish. To achieve this we will target and build upon our existing strengths and assets; focusing the majority of innovation investment on targeted and proactive support to the industrial and research strengths of the region's key sectors.

This RIS is based on four interlinked themes:



Each of these strategic themes is underpinned by associated priority actions. Further details about these can be found in the following sections.



3.1 Building innovation Networks for knowledge exchange – The exchange:

...we are ensuring that appropriate tools and mechanisms are targeted in the region to proactively bring together research expertise and businesses, enabling meaningful and relevant knowledge exchange, with the aim of increasing the rate and level of innovation in businesses and our research institutions.

Only a small fraction of our businesses invest in innovation and much of this is centred around a few R&D intensive organisations. Businesses do not necessarily need to be at the forefront of knowledge generation themselves. They do, however, need support to help them access existing knowledge and ideas that can help them grow and prosper in higher value markets.

Our universities already have good and productive relationships with some, especially large, businesses. However, these are not widespread across the region and there is a difficulty in engaging the SME community, whose businesses could benefit significantly from such relationships. We are therefore placing strong emphasis on recognising the innovation needs of SMEs and large businesses, ensuring they are easily able to communicate their requirements with each other, e.g. through supply chains and with universities.

We are aiming to increase the number and quality of knowledge exchanges between the region's businesses and higher and further education institutions. This will be based on more focused, coherent and accessible support for both large and small businesses across the region, increasing the level of innovation, research and knowledge exchange as a result.

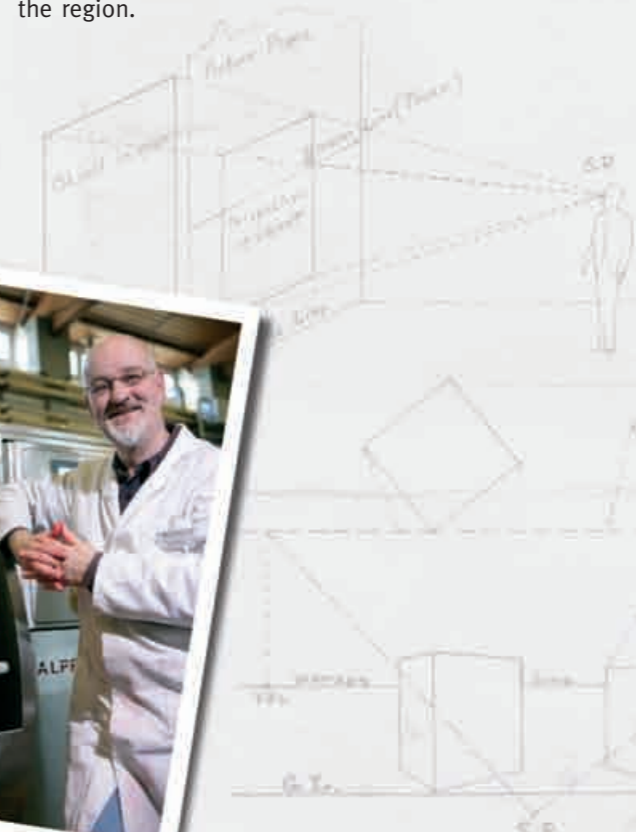
3.2 Delivering high quality innovation support for businesses – The support:

...we are supporting businesses, particularly SMEs, to be more innovative through ensuring access to targeted services, finance products and skills support, with the aim of stimulating innovation demand and so driving improved productivity and competitiveness in conjunction with Business Link.

Innovation needs to be successful if productivity is to be increased. Having a good idea is simply not good enough unless it is implemented. The evidence presented in section 2 suggests that the East Midlands currently falls behind other UK regions in commercialising new ideas. This problem is compounded by the complexity of our current innovation support arrangements, and the potential confusion amongst companies that ensues. We need to see many more of our SMEs making use of innovation support, but this is a complex area, requiring a mix of interventions. The RIS will lead to more focused innovation support and encourage better networking amongst our companies innovation service providers.

Recent research on innovation activity in our region indicates that a lack of funding is a key barrier to innovation, with some 38% of firms sampled citing it as a constraint. This is compounded by the fact that the East Midlands lacks the presence of a significant concentration of venture capital and other finance providers in comparison to other regions. Further, if our businesses are to remain competitive they will need skilled individuals to deliver the new products, processes and services to their customers. In particular we need to ensure that many more appropriately skilled and qualified individuals are retained in the region.

Our aim therefore is to ensure better access to, awareness of and demand for innovation support from companies in the region.



3.3 Creating an effective environment for innovation – The network:

...we are establishing an integrated network of innovation facilities, organisations and individuals with the aim of developing a supportive environment where innovation success is recognised and celebrated.

The region needs an environment in which knowledge focused businesses are able to flourish. Such an environment must have the physical infrastructure assets in place to maximise the potential growth of innovative businesses throughout their development. We believe it is essential to implement a strategy for innovation infrastructure to support this aspiration and ensure that such businesses are not lost to the region because of a lack of appropriate facilities.

To encourage more innovative behaviour it is essential to develop clear messages and communicate the importance of innovation to individuals. We must ensure that we can, as a region, use innovation in all its guises to generate greater economic benefits. The key point is that we want innovation to be inclusive and relevant to everyday business and to all of us. It doesn't need to be technology on a grand scale. It could be a new approach to training or the development of products, re-branding or introducing a marketing strategy. We will, therefore, promote the recognition of innovation and innovators and celebrate their successes. Within this, young people as tomorrow's innovators are an important audience for such messages.

3.4 Fostering enabling and emerging technologies – The future:

...we are utilising our research and industry strengths to identify and support enabling and emerging technologies and prioritise our medium to long term investments on programmes related to the future prosperity of the region.

The most successful economies of the future will be those that are able to respond quickly to rapid technological and market changes and that are entrepreneurial, innovative and productive. There are limited options for our businesses to compete on lowest cost and it is essential that we recognise and develop our research and industry strengths to quickly identify future technology and market opportunities. Equally we must have the capability to exploit these opportunities to ensure the survival and growth of our businesses and in so doing deliver enhanced economic prosperity.

Ensuring that the region's companies are able to respond to new technology opportunities requires effective mechanisms to assemble and monitor critical intelligence on the research strengths of our universities and the emerging technologies. To achieve this we will draw on a range of sources including market analysis, technology trends, business demand, university research expertise and knowledge exchange experience. Where possible we will look to build on university experience and industry relationships already developed, for example through EU and national research programme funding.

The RIS will also bring together innovation stakeholders to develop and implement criteria for prioritising emerging technologies for support. It will be important to look at how such emerging technology programmes can bring together different funding sources, e.g. Research Council and regional grants, to support both academic and business stakeholders.

We want the region to consistently win higher levels of public funding for emerging technology investment. To this end we will ensure innovation stakeholders, especially SMEs are supported to maximise the level of funding won from national and EU sources. This will also include supporting trans-regional and international collaboration in specific technology areas.

4 Delivering the strategy

In order to deliver the improved level of interaction across the region and achieve the aim of providing targeted and proactive innovation support to businesses, we have established four business-led iNets.

What is an iNet?

An iNet is a concentration of businesses, universities, the public sector and individuals (the innovation stakeholders) that are brought together around a shared interest in a market sector or the technologies that underpin it. The activities of an iNet are supported by a dedicated iNet team that operates on behalf of the innovation stakeholders. The intention is to significantly raise the number, and quality, of interactions between innovation stakeholders and so increase levels of innovation with the aim of impacting on the productivity, long term sustainability and growth of businesses in the East Midlands.

Each iNet is focused on one of the RES priority sectors, identified for the sustainable comparative advantage they provide to the region and the additional GVA returned versus an all-sector approach. The four iNets are:

- Healthcare and Bioscience
- Food and Drink
- Transport
- Sustainable Construction

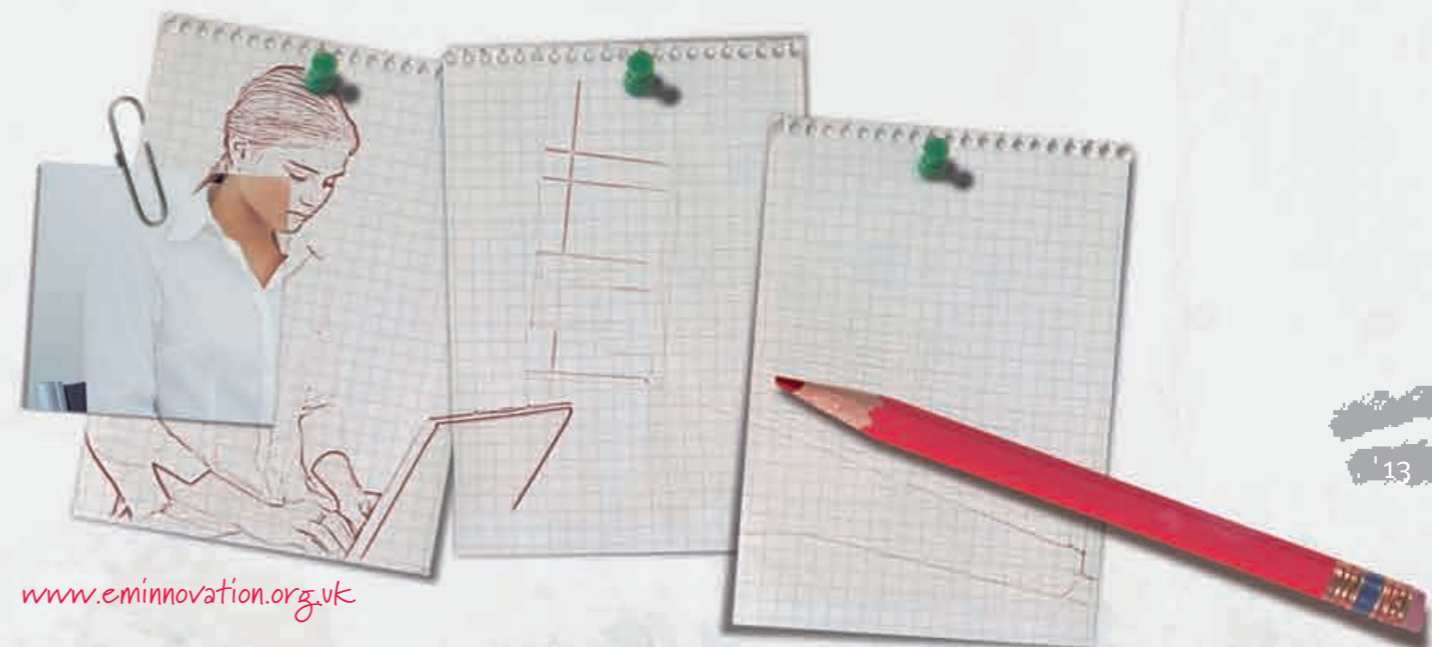
Each iNet is being supported to develop an iHub – a physical presence within an innovation or research centre – which involves both academic and business partners.

iNets are managed by a consortium, made up of organisations representing businesses, universities and other strategic partners. They include a team who take responsibility for delivering the actions underpinning this strategy. Through a

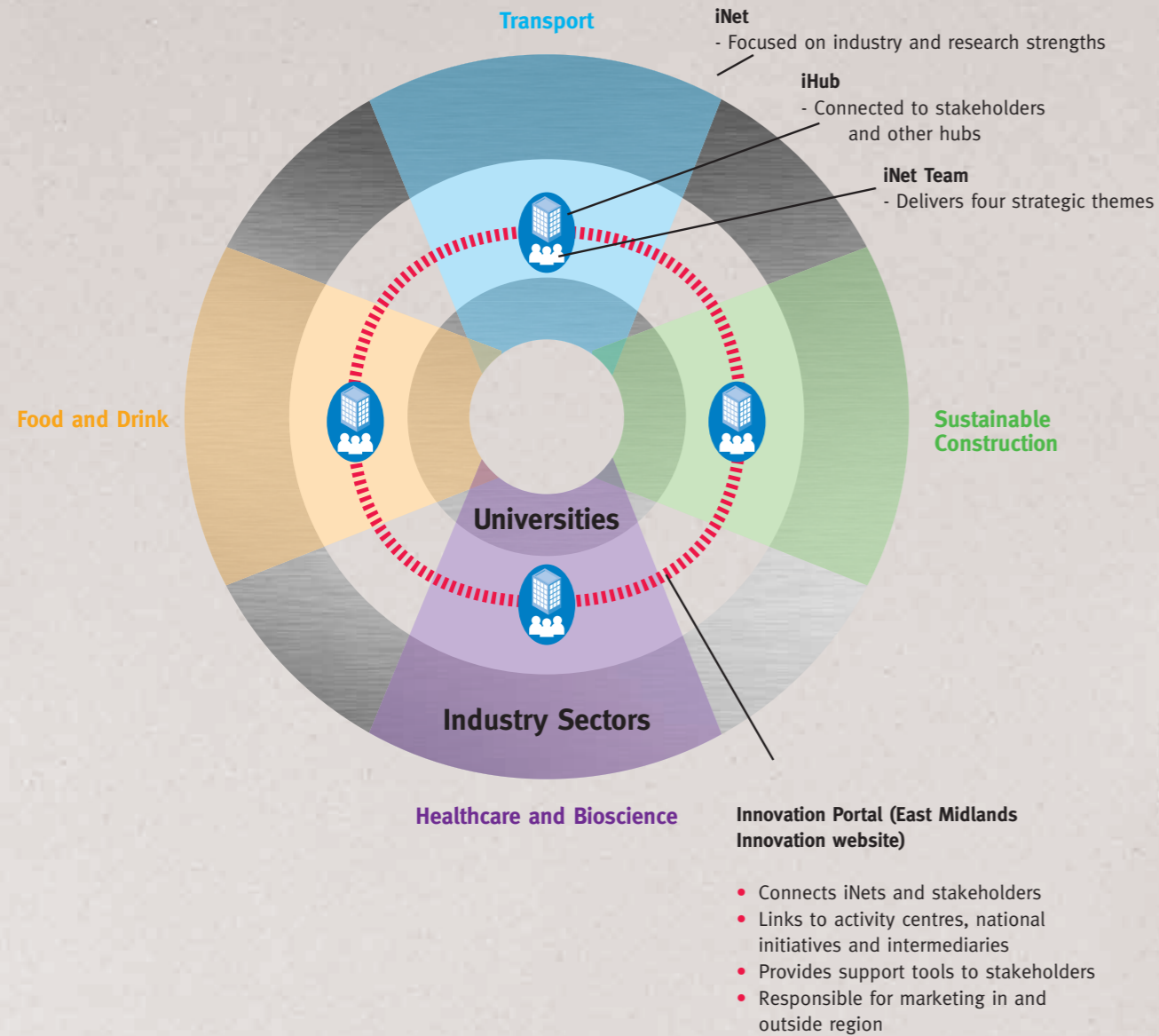
programme of networking, enabling technologies and skills events, these teams act as market makers, driving interactions and raising the level of knowledge exchange and innovation for the economic benefit of the region.

Teams are Business Link accredited and branded, they are independent of any institution and their activities are transparent and open, ensuring businesses receive the solutions most appropriate to their needs. Teams also have a high level of knowledge and experience of the technologies and industry sectors relevant to their iNet, something supported and balanced from both the industry and academic perspective by an expert Strategic Advisory Panel.

In addition, the iNets manage two special funds: the Higher Education Institute (HEI) Collaboration Fund, for research underpinning innovation involving at least two East Midlands universities; and The Innovation Support Fund, which assists businesses in securing expertise to facilitate any aspect of innovation.



iNets in action



All iNets are connected to, and promoted through the Innovation Portal. This website is the focal point within the region – and the natural point of contact for anyone outside of the region – with an interest in innovation. The portal offers a host of tools to support iNets and their innovation stakeholders, and will enable cross iNet collaboration to respond to those innovations that have wider applicability, or arise from outside of the initial iNet focus.

5 The innovation action plan

To implement the RIS comprehensive sets of actions, under each of the four strategic themes, have been developed by East Midlands Innovation, *emda* and partners. These are set out in detail in separate operating plans but in summary they deliver the following objectives:

Action 1: Establish business focused iNets to drive and increase knowledge exchange

Implement iNets around priority sectors, basing them on concentrations or centres of innovation, technological and scientific excellence in the region in order to increase the number and quality of knowledge exchange interactions between the region's businesses and higher and further education institutions. Give particular focus to SMEs and their interactions with large companies and the academic base.

Key partners: East Midlands Innovation (strategic perspective), emda (strategic perspective and resourcing), innovation stakeholders (iNet partners and deliverers).

Action 2: Establish iHubs

Designate a physical focus (iHub) for each iNet, creating a visible presence alongside an established and recognised centre of excellence for the relevant sector.

Key partners: East Midlands Innovation (strategic perspective), emda (strategic perspective and resourcing), iNet partners.

Action 3: Establish iNet teams in each iHub to coordinate activities of the iNets

iNet teams consist of full-time, dedicated and specialist advisers who facilitate and broker knowledge exchange between businesses in their sector and the knowledge base of the region. The iNet teams gather critical intelligence on organisations in their areas of focus and operate as part of the Business Link Information, Diagnostic and Brokerage (IDB) processes.

Key partners: East Midlands Innovation (strategic perspective), emda (strategic perspective and resourcing), iNet partners.



Action 4: Stimulate the demand from business for innovation support

Regular face-to-face meetings with client companies, including a diary of network events and activities, facilitate supply and demand, and drive interactions between the various innovation stakeholders. iNet teams promote these services and stimulate take up by the SMEs in the region.

Key partners: East Midlands Innovation, emda, Business Link, and other innovation stakeholders.



Action 5: Stimulate the demand from business for innovation finance

By liaising closely with the fund managers that form part of the regional access to finance initiatives, iNet teams can improve access to these funds for the client companies within their target sector. In turn, demand is created for appropriate and targeted financial support packages. This action builds on the meetings and network events and uses the Innovation Portal to promote access to innovation finance.

Key partners: East Midlands Innovation, emda, Business Link, and other finance stakeholders.

Action 6: Stimulate the demand from business for innovation skills

Through their interactions with sector clients, the iNet teams support the aims of the Employment, Skills and Productivity (esp) partnership, which seeks to deliver a more knowledge orientated regional economy with employers creating more successful and sustainable businesses and better quality employment.

Key partners: East Midlands Innovation, emda, Business Link, and other skills-related stakeholders.

Action 7: Ensure iNets are appropriately integrated into investment plans for innovation facilities

Findings and recommendations of the review of physical infrastructure for innovation in the region are disseminated to innovation stakeholders and other relevant parties, including local authorities. The key strategic recommendations and priorities established within the review can then be adopted through a strategy for physical infrastructure for innovation in the region.

Key partners: emda (strategic perspective and resourcing), East Midlands Innovation (guidance and advice), SSPs (regional partners).

Action 8: Develop and maintain a Regional Innovation Portal

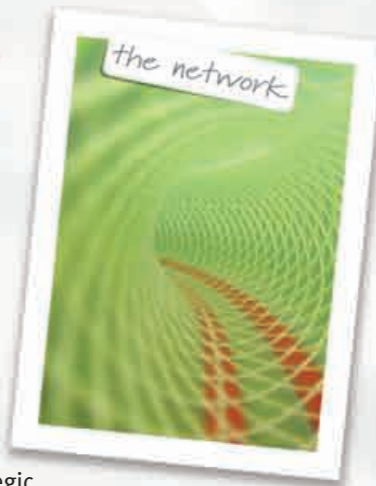
By establishing an Innovation Portal, iNet innovation stakeholders can easily access information and support services around innovation, technology and sectors. Integrated to improve the effectiveness of signposting and referrals, the portal provides a regional marketing focus for innovation and technology facilities, strengthening demand for such services and facilities from innovative companies across the region.

Key partners: East Midlands Innovation, emda.

Action 9: Encourage a culture of and positive attitude towards innovation

Effective marketing and communication of the RIS aims and objectives to SMEs, the media, opinion formers, intermediaries and partner organisations encourages more innovators. Working to identify innovation role models helps innovators harness their expertise in their own communities, localities and business networks.

Key partners: East Midlands Innovation, emda, SSPs, local authorities, universities and further education colleges.



Action 10: Identify emerging technologies where the region can establish a leading position

By liaising with the key innovation stakeholders, iNet teams are able to develop and implement criteria for selecting and prioritising emerging technologies. The teams can also identify and leverage additional funding sources to support academic and business stakeholders.

Key partners: East Midlands Innovation, emda, universities, businesses, business organisations.

Action 11: Provide support for R&D programmes that can deliver sustainable competitive advantage for the region

Establishing a shared fund to be delivered through iNets supports HEI collaborations around significant research programmes. This fund can then lever additional funding from other sources such as the Higher Education Funding Council for England (HEFCE), National Technology Strategy Calls, the Higher Education Innovation Fund (HEIF) and the Seventh Framework Programme (FP7) service.

Key partners: East Midlands Innovation, emda, universities, businesses, business organisations.

Action 12: Promote the benefits of enabling technologies and processes

By organising events for companies and other innovation stakeholders, iNets can raise awareness of the benefits of enabling technologies, in particular digital and design technologies.

Key partners: East Midlands Innovation, emda, Design Council.



6 Outputs and monitoring

To ensure we stay on course and meet all of our objectives, we will carry out a comprehensive monitoring and evaluation programme throughout the lifetime of the RIS.

Performance will be assessed at a strategic level as well as within individual action plans, with ongoing scrutiny undertaken by both East Midlands Innovation and emda's Board. A common suite of indicators will underpin an evaluation Framework that will require engagement with and input from a wide range of stakeholders.

Our initial focus will be on how well we have performed in implementing the RIS with an ongoing evaluation framework to:

- Ensure the RIS continues to be appropriate and credible for the region, in a national and global context
- Examine how the RIS influences key stakeholders and partners to the benefit of the region, and levers additional resources to realise its aims
- Identify key changes and gaps to be filled through the life of the RIS, with a focus upon delivery of the iNets and the wider action plan points
- Evidence real positive impact for business and the economy that can be attributed to the RIS
- Identify and adopt best practice from elsewhere in the UK and Europe, to evolve the RIS during its lifetime

We also aim to use evaluation as an important tool in shaping future actions at a strategic and operational level, ensuring that we capture best practice and learning from our own experiences, as well as from others, to develop the RIS beyond 2010.

Ultimately, evaluation and monitoring will be driven by real impact assessment and the real economic benefits that are brought about for the region's business and research community, based largely against our original aims and objectives.



Glossary of terms

emda	East Midlands Development Agency
esp	Employment, Skills and Productivity Partnership
EU	European Union
FE	Further Education
FP7	Seventh Framework Programme
GDP	Gross Domestic Product
GVA	Gross Value Added
HE	Higher Education
HEI	Higher Education Institute
HEFCE	Higher Education Funding Council for England
HEIF	Higher Education Innovation Fund
IDB	Information, Diagnostic, Brokerage
iHub	innovation Hub
iNet	innovation Network
NHS	National Health Service
OECD	Organisation for Economic Co-operation and Development
R&D	Research and Development
RES	Regional Economic Strategy
SME	Small to Medium Sized Enterprises
SSP	Sub-regional Strategic Partnership

Innovation Strategy and Action Plan for the East Midlands

"Innovation distinguishes between a leader and a follower"

Steve Jobs

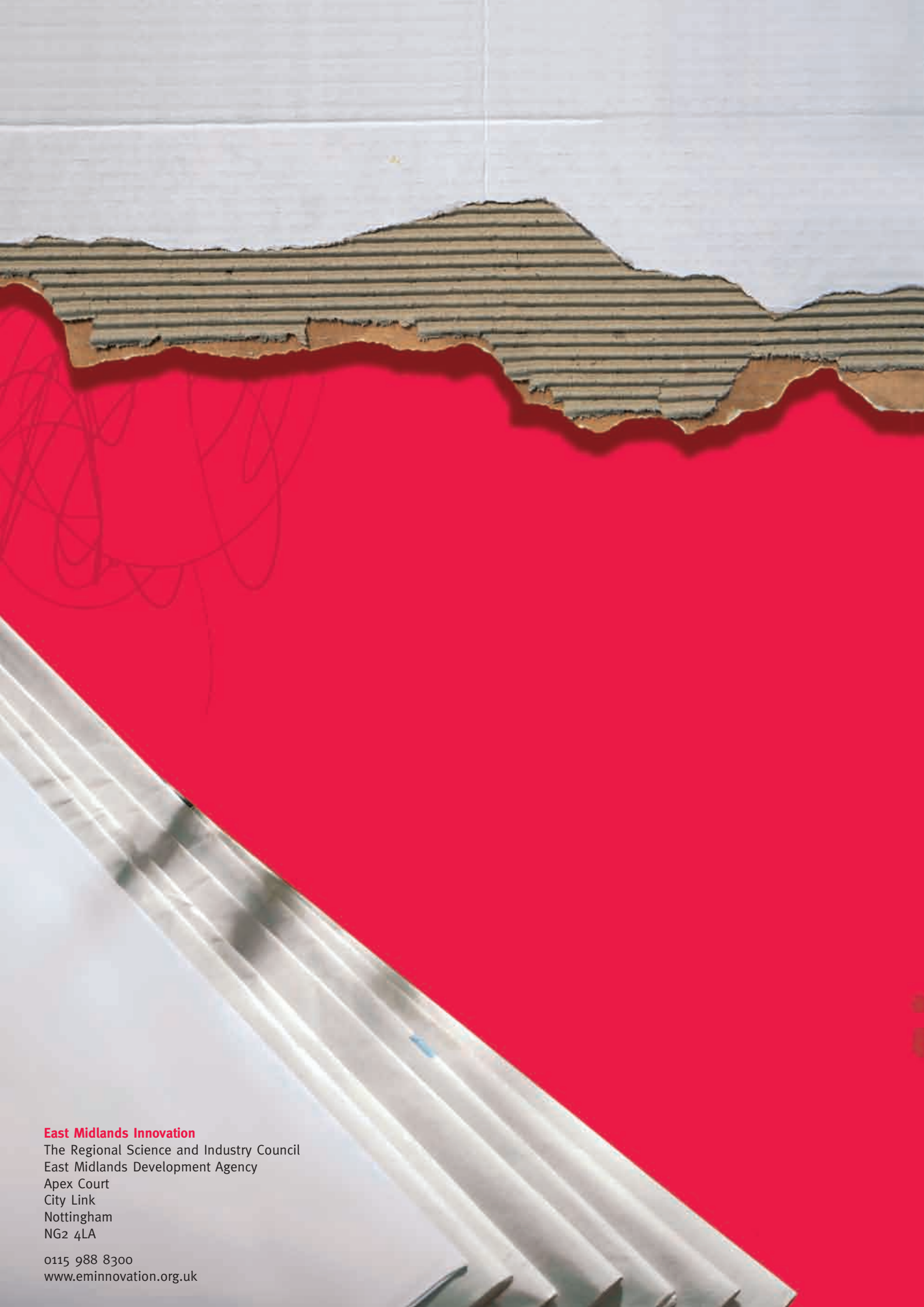
"If you do things well, do them better.

Be daring, be first, be different, be just"

Anita Roddick

"Even if you're on the right track, you'll get run over if you sit there"

Will Rogers



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