

## **Innovation funding and competition: further consultation on design and implementation**

Q1: Do you agree with our proposed default arrangements for managing IPR and royalties? Do you think these arrangements work for different types of projects and activities (e.g. new technology vs. process innovation, roll-out activities etc.)?

A1: While this is a difficult area to arbitrate the provision of a Patent Attorney to support smaller organisations would be a good thing.

Q2: What alternative arrangements should we be considering for IPR/ royalties?

A2: There are open and transparent models which can be used to calculate royalties.

Q3: Do you agree with the principle that data generated through the innovation competition should be open by default?

A3: Yes

Q4: Do you agree with our proposed approach and that we should consider alternative arrangements beyond company contributions?

A4: A demonstration of a company's commitment to providing innovative solutions is in the amount they invest in their people in providing training and education. In addition company's should have a clear Innovation System ie one that is written down

Q5: Do you agree that a guideline minimum company contribution of 10% is appropriate in this context?

A5: Yes.

Q6: Do you agree with the overarching approach we set out here?

A6: A clear Innovation System that encompasses Define, Discover, Develop and Deliver phases needs to be visible

Q7: What are your views on introducing separate, proportionate, arrangements for small-scale projects? How might we define small-scale projects for the purposes of the innovation competition?

That makes sense. We define Innovation as Meaningfully Unique. That is a measure of how new and different an idea is combined with how likely someone is to invest time or money in the idea. Research shown that Leap Innovations score higher than Core Innovations on this scale and we would define projects accordingly.

Q8: Do you agree with our proposal for ensuring roll-out is at the heart of the innovation competition? How might we reward both leaders and fast followers in?

A8: Yes

Q9: What practical arrangements should we introduce to ensure adequate ring-fencing of the innovation funding?

A9: A clear and auditable Innovation System incorporating Maths. No Maths no Project.

Q10: Do you think the proposed innovation challenge approach will help better enable partnerships and collaboration between companies and third-parties, in particular smaller innovators? Are there alternative approaches we should be considering? How can we make sure this approach works in practice?

A10: Numerous studies have shown that Collaboration and Diversification result in greater success. This requires all parties have alignment to an agreed Mission and only working on Projects that are aligned with that Mission. All collaborators should appoint a Management Coach (to deal with a company's internal hierarchy), a Process Coach (to ensure that the established innovation processes are followed) and a Project Leader to drive the Project forward.

Q11: Do you agree with our proposed approach to returning funds to customers? Are there any other circumstances, not considered here, under which we might consider returning funding to customers?

A11: A company should be allowed to fail without penalty. They should however fail fast and fail Cheap. By introducing rigour at the front end of the innovation process with the introduction of Define and Discover phases allow early decision making without unnecessary costs. Again a clear auditable Innovation System will prevent money being wasted.

Q12: Do you agree with our proposed approach for managing interactions with the price review?

A12: Yes. Companies should find ways of doing Rapid Research with concept and functional prototypes as part of their innovation process before embarking on large scale trials which could impact Output Delivery.

Q13: Do you agree with our proposed amendments to the principles? Are any further amendments to the principles required to reflect our approach to outstanding policy issues outlined in this document?

A13: Yes and companies should be required to have a clear and auditable Innovation System, in writing.

Q14: Do you agree with our proposed focus, major strategic themes and overall approach for the competition? Q15: What is the appropriate split of available funding between the Innovation in Water Challenge, the main competition and enabling activities? Q16: What are your views on the feasibility of running all three types of activities in the pilot year, and on the proposed timings in Annex 3? Q17: Do you agree with our proposed approach to key implementation considerations outlined here?

A14-17: The answers to all these questions are dependent on there being a clear and auditable system in place that places collaboration, diversity and learning at it's heart. Dr W Edwards Deming famously quoted that 94% of failures are due to the System (common cause) and only 6% due to the people (special cause). Without a robust system that everyone understand how is it possible to succeed. Also a single overriding metric for measuring success which aligns back to the Strategic Mission and supporting secondary metrics is important. To this end the panel should not solely comprise experts but people across the supply chain from cradle to cradle so that all relevant supporting metrics can be considered. and data driven decisions can be made.

Thank you for taking the time to read this and I hope the perspective is useful and I wish you success in your endeavours.



