

# Strategies for the Global Innovation Age



***Presentation by:***

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***Center for Accelerating Innovation***

**January 11, 2007**

**Westminister, Maryland**



# CHINA★INC

HOW THE RISE OF THE NEXT SUPERPOWER CHALLENGES AMERICA AND THE WORLD

# EXPORTING AMERICA



LOU DOBBS

Why Corporate Greed is Shipping American Jobs Overseas

# THREE BILLION NEW CAPITALISTS

CLYDE PRESTOWITZ **THE**

**GREAT SHIFT OF WEALTH AND POWER TO THE EAST**

Author of *ROGUE NATION*

# THE FLIGHT of the CREATIVE CLASS



*The New Global Competition for Talent*

RICHARD FLORIDA

Bestselling author of *The Rise of the Creative Class*

# The Past and Future of America's Economy

Long Waves of Innovation that Power Cycles of Growth



# Building the Next American Century

*The Food and Future of American Economic Competitiveness*



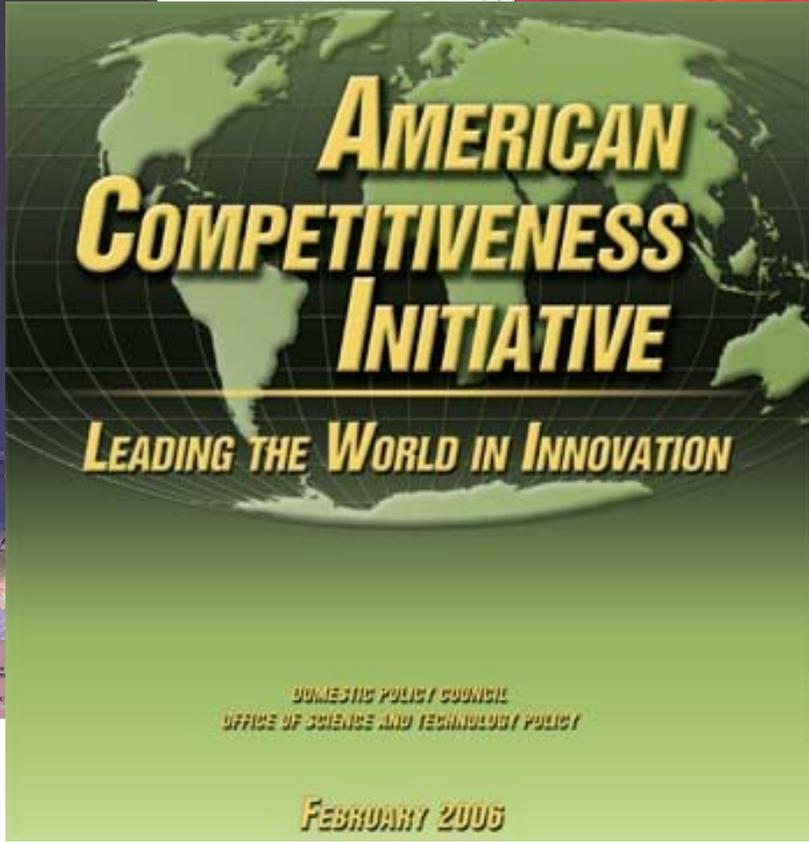
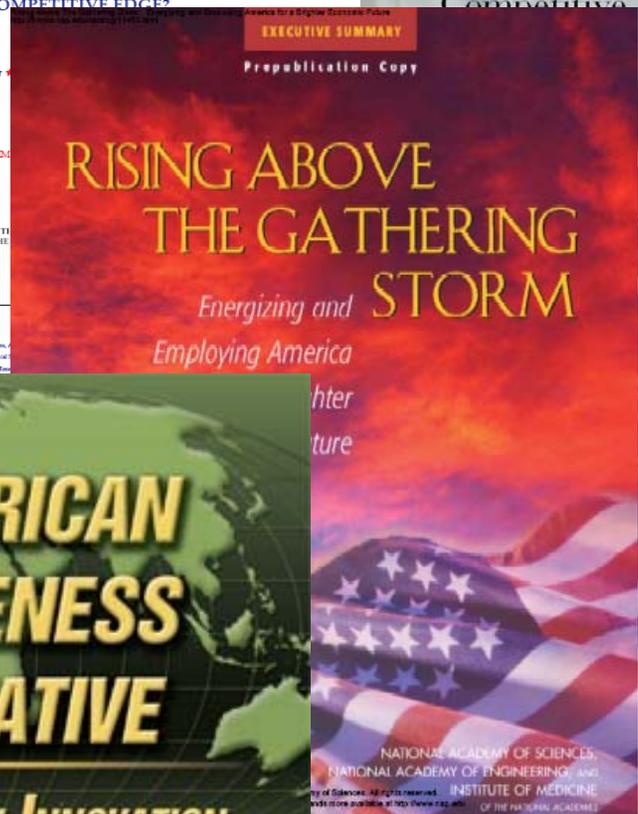
Best Recipes

The Technology Industry at an Innovation Crossroads

LOSING THE COMPETITIVE ADVANTAGE? THE CHALLENGE FOR SCIENCE AND TECHNOLOGY IN THE UNITED STATES

THE KNOWLEDGE ECONOMY: IS THE UNITED STATES LOSING IT'S COMPETITIVE EDGE?

Keeping America Competitive



Report Category: Disruptive Advanced Manufacturing Technologies

April 2005

Prepared by: The National Council for Advanced Manufacturing NACFAM, 2000 L Street, NW Suite 807, Washington, DC 20036, www.NACFAM.org



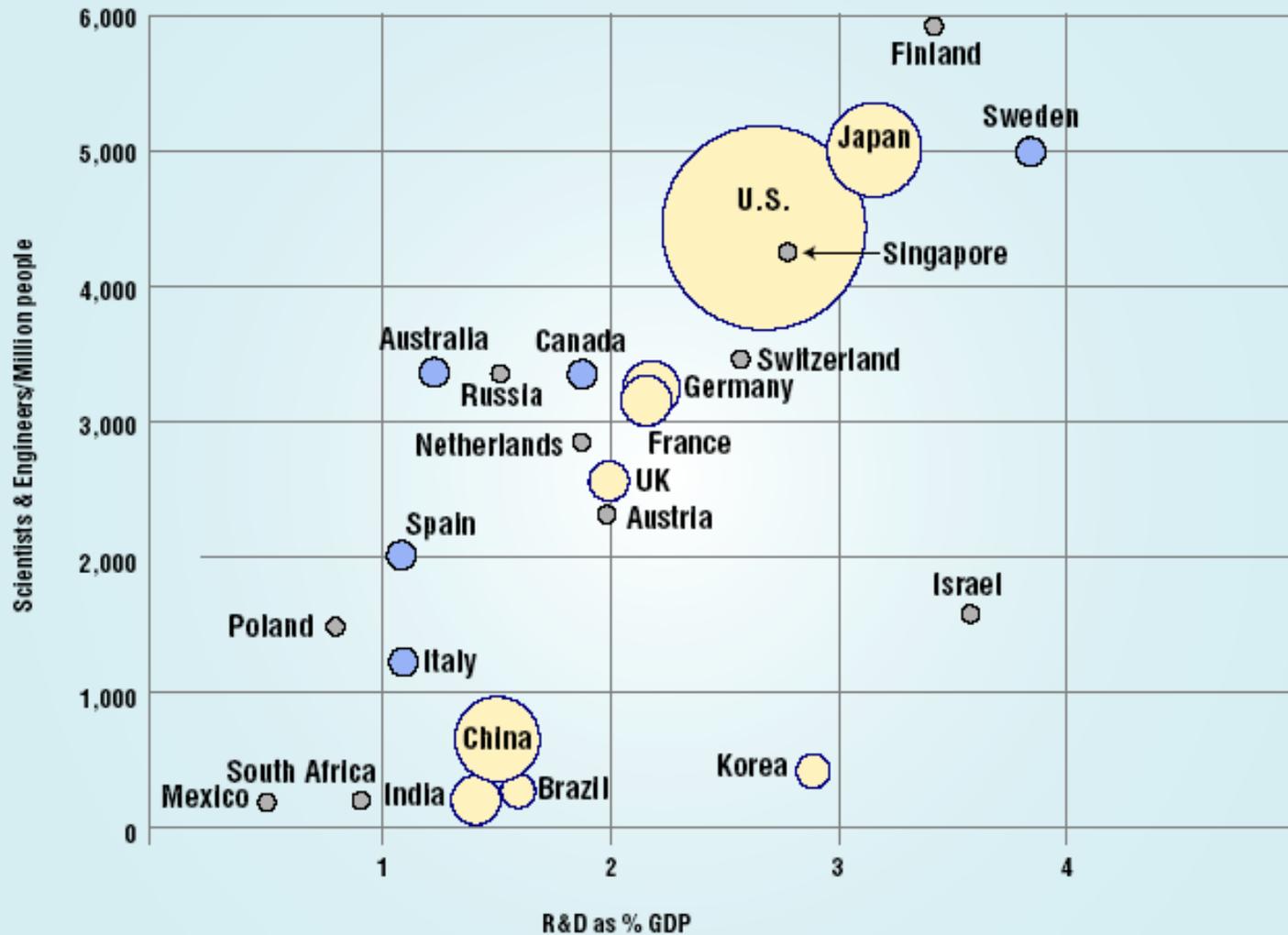
DOMESTIC POLICY COUNCIL OFFICE OF SCIENCE AND TECHNOLOGY / POLICY

FEBRUARY 2006

ON INITIATIVE REPORT



## World of R&D 2004\*

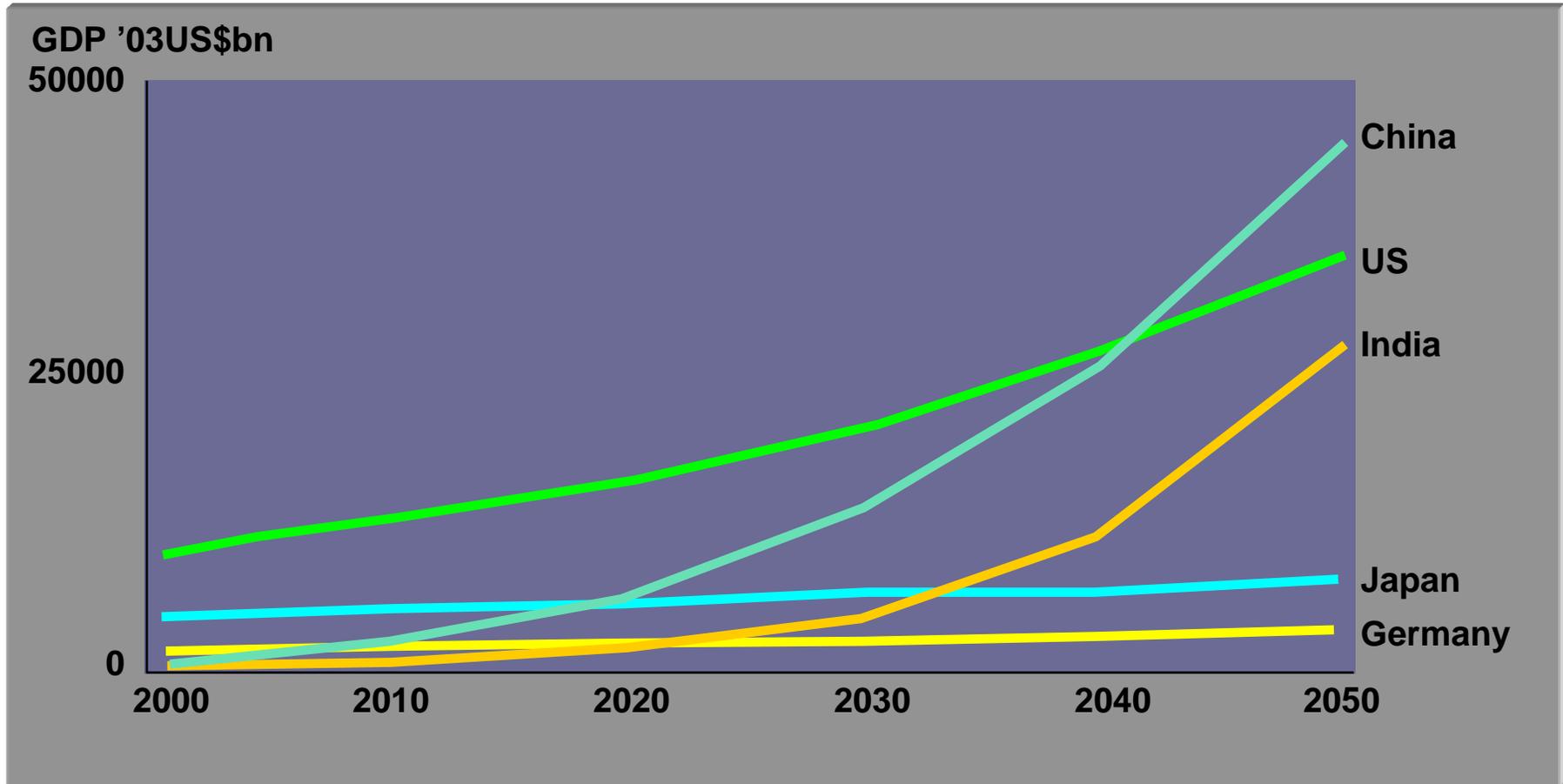


\*Size of circle reflects relative amount of annual R&D spending by country noted.

Source: R&D Magazine, Battelle, OECD, World Bank, K4D, UNESCO

# Potential Redistribution of Economic Power?

*China Overtakes the G3; India is Close Behind*



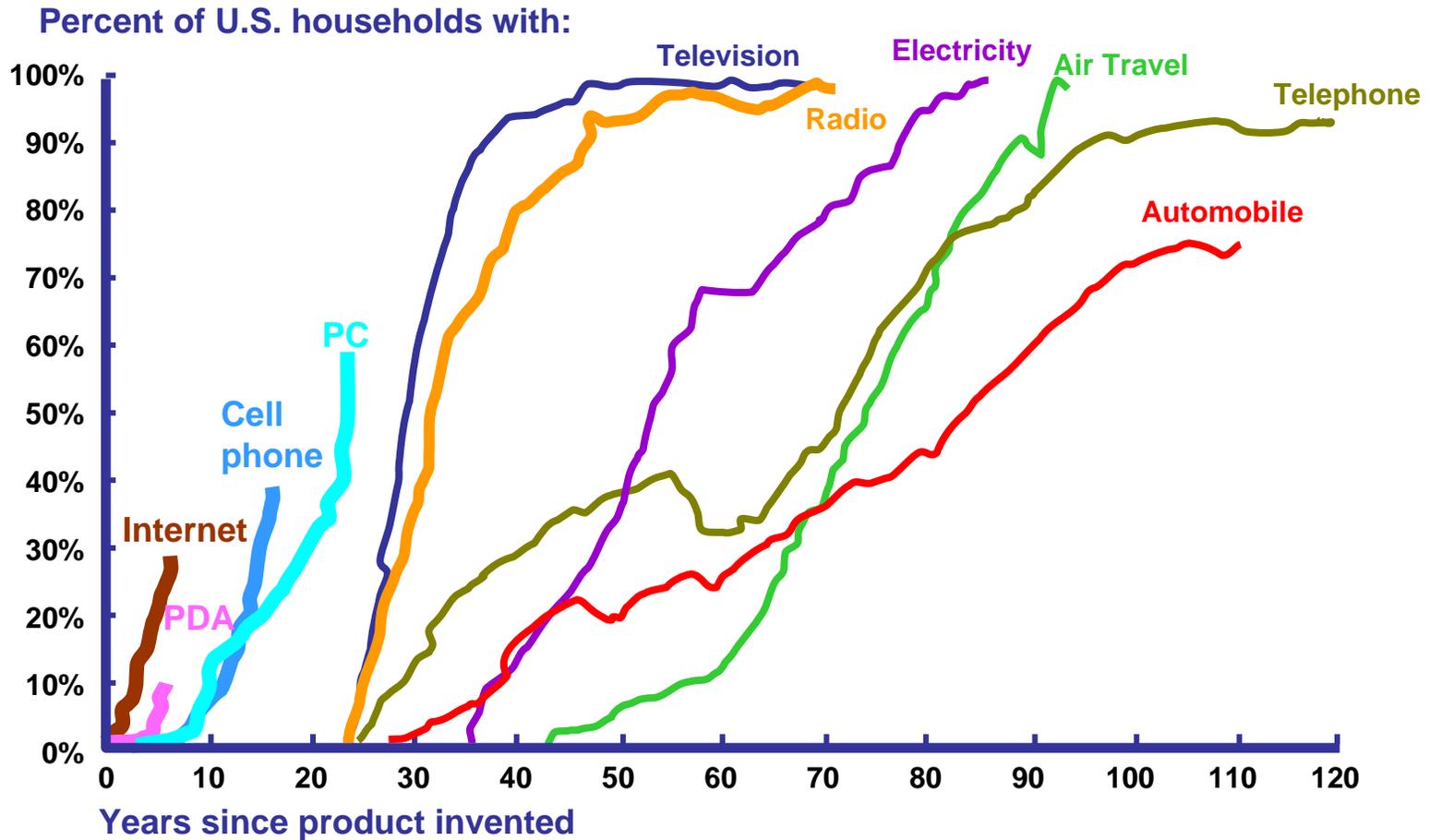
Source: Goldman Sachs, Report 99

**In which country will your company spend the most on R&D over the next 3 years?**

		<b>% Respondents</b>
1	China	39%
2	U.S.	29%
3	India	28%
4	UK	24%
5	Germany	19%
6	Brazil	11%
7	Japan	10%
8	France	9%
9	Italy	9%
10	Czech Republic	8%

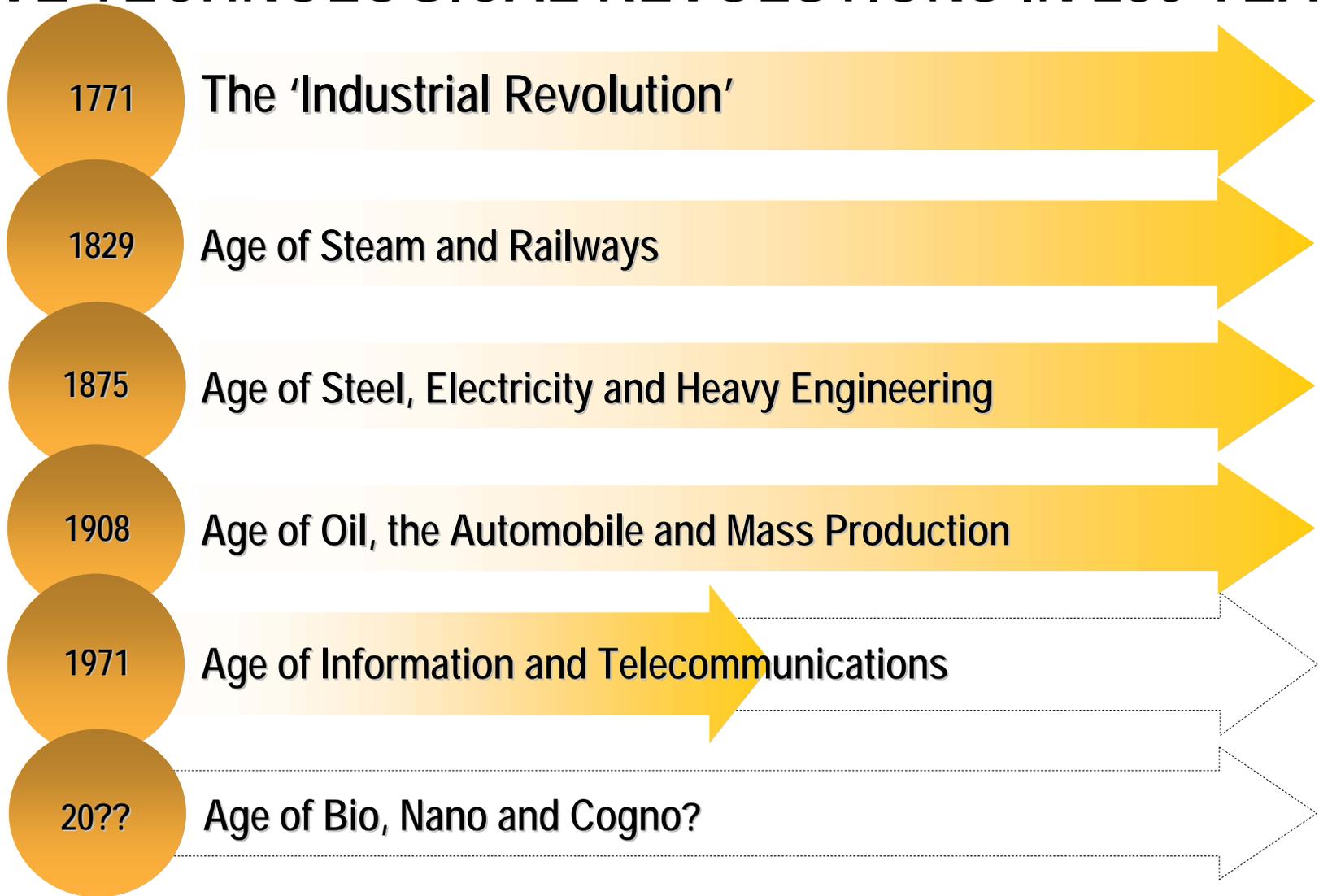
*Source: The Economist Intelligence Unit survey, 2004.*

# Innovation is Accelerating



Sources: J. Gerry Purdy's presentation "The Next 50 Years in Mobile and Wireless" at Silicon Ventures, Trade press, Industry sources

# FIVE TECHNOLOGICAL REVOLUTIONS IN 230 YEARS



*Source: Perez*

# Innovation Shifting from Inputs to Orchestration

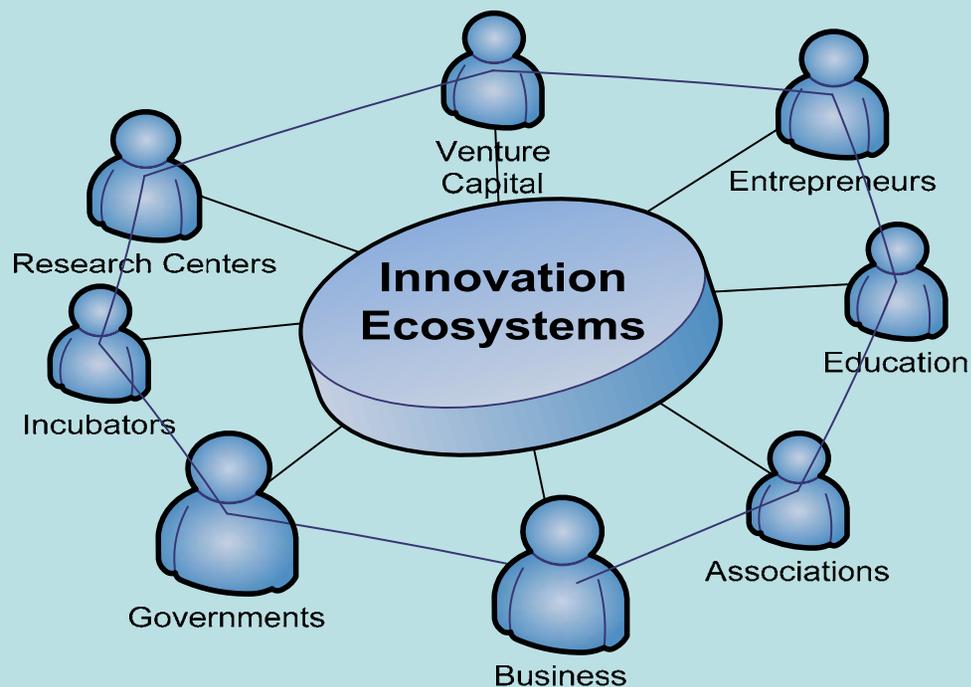
## *Linear Model*

Research

Development

Commercialization

## *Dynamic Ecosystem*

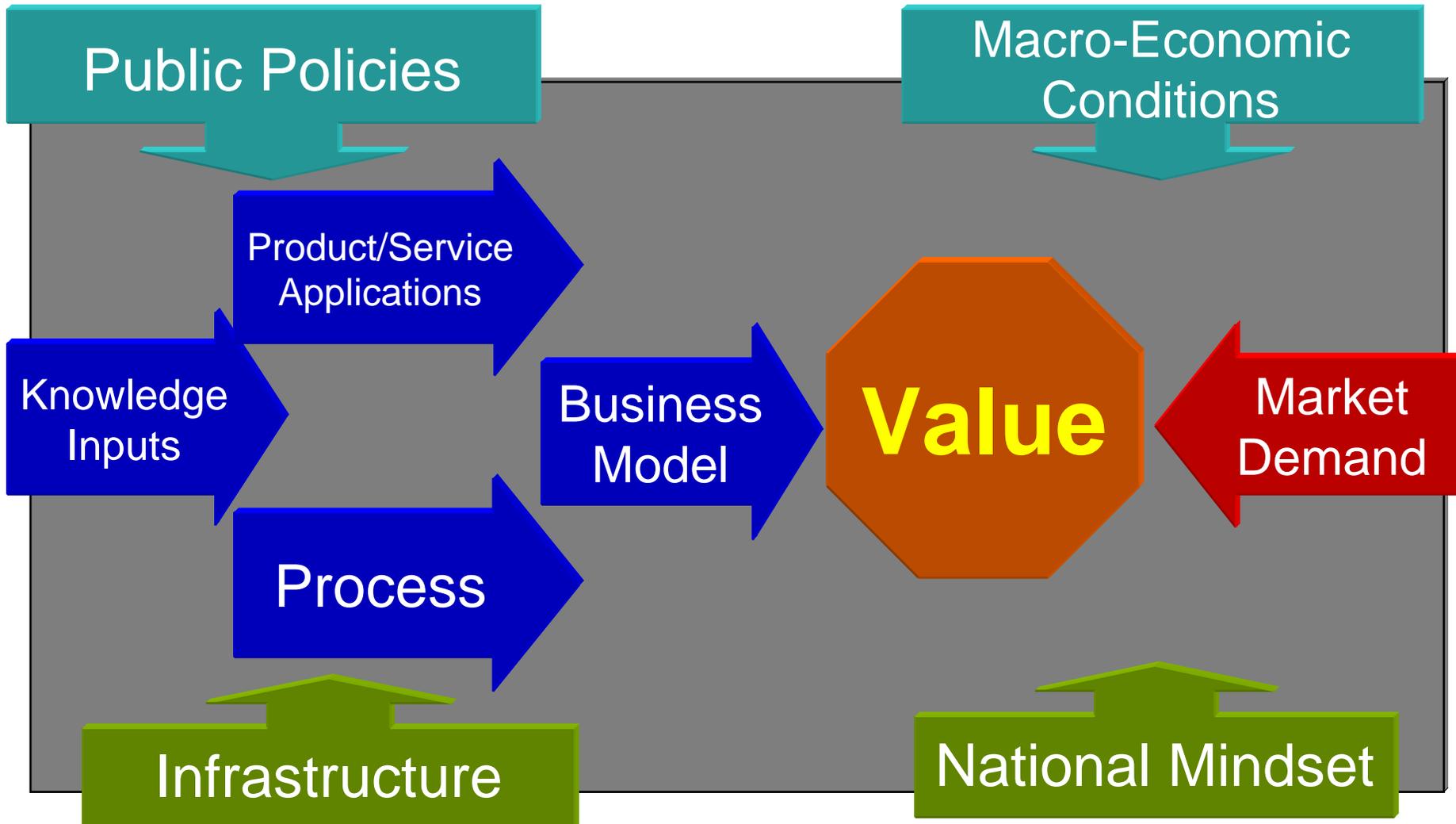


# New Innovation Perspective

<b>Closed Linear Model</b>	<b>Open Ecosystem Model</b>
<b>Not Invented Here</b>	<b>Best From Anywhere</b>
<b>Passive Customers</b>	<b>Active Co-Innovators</b>
<b>Forecast to Demand</b>	<b>Sense and Respond</b>
<b>Optimizing Cost</b>	<b>Optimizing Value</b>
<b>Current Markets</b>	<b>Expanding into New Markets</b>
<b>Own and Protect IP</b>	<b>Share and Expand IP</b>
<b>Single Discipline</b>	<b>Multi-disciplinary</b>
<b>Hierarchical Governance</b>	<b>Self Organizing Relationships</b>

# Innovation Ecosystem

## Major Subsystems and Linkages



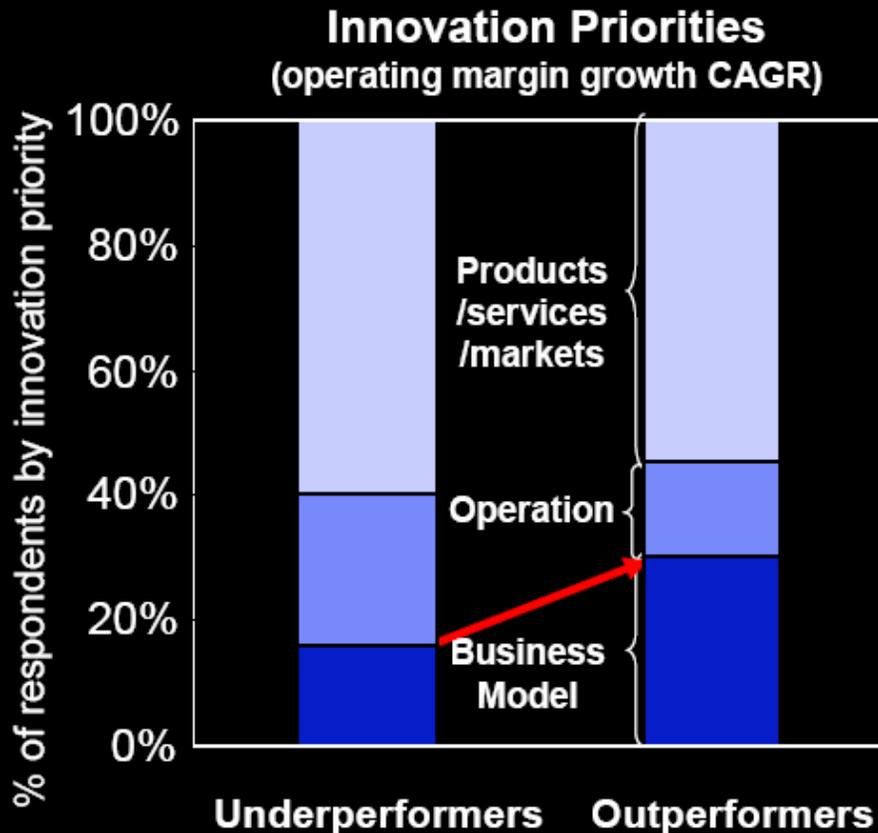
# Innovation Inside the IPOD



# Innovation Outside the IPOD



# Outperformers double their focus on the business model



*“The business model we choose will determine the success or failure of our strategy.”*

*“Products and services can be copied, the business model is the differentiator.”*

*“Our greatest focus is on business model innovation, which is where the greatest benefits lie.”*

# Innovation Hotspots

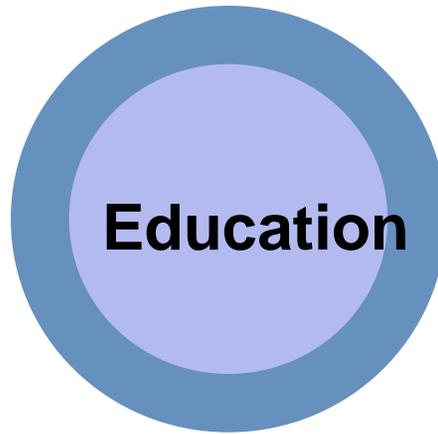


Cambridge  
Montreal  
Portland  
Edinburgh  
Atlanta  
Stockholm  
Orlando  
Singapore  
Dubai  
New York  
Bangalore  
Shanghai  
Silicon Valley

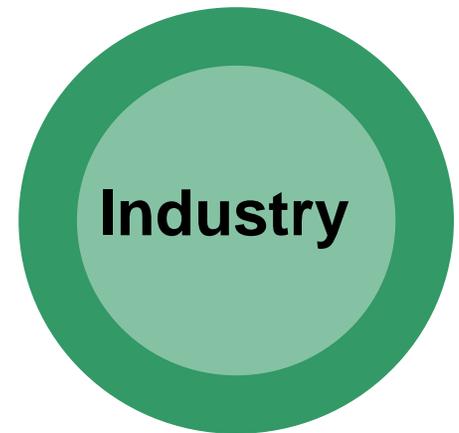
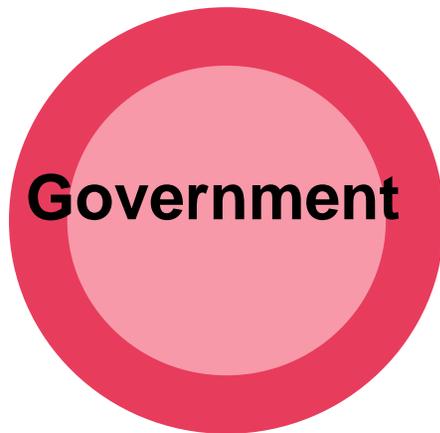
# Grassroots

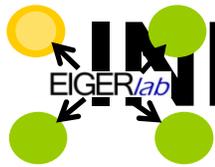


## The Rockford Innovation Initiative



**EIGER***lab*



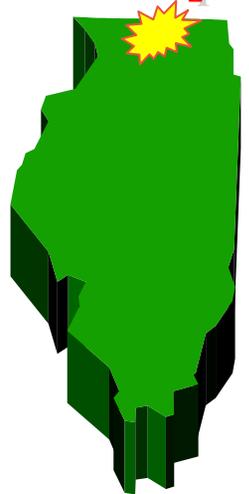


# INNOVATION ECOSYSTEM



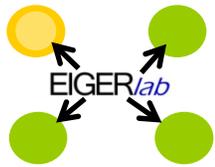
*Conversation Café focused on the  
Rock River Valley region as an  
Innovation Hotspot*

**HOT Spot**



The creative class meets to define and make action for  
improving the Innovation Ecosystem. Results at →

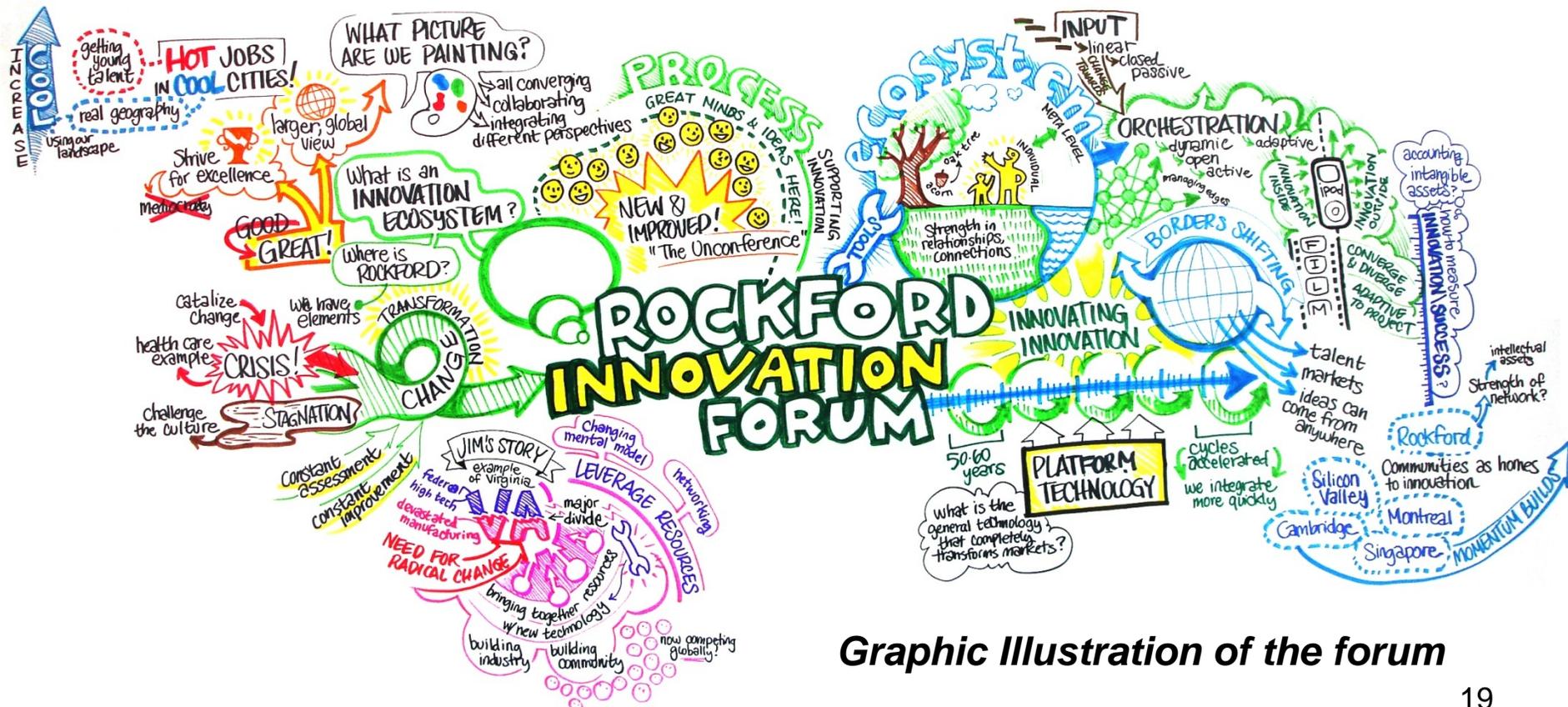
**RocoPedia**



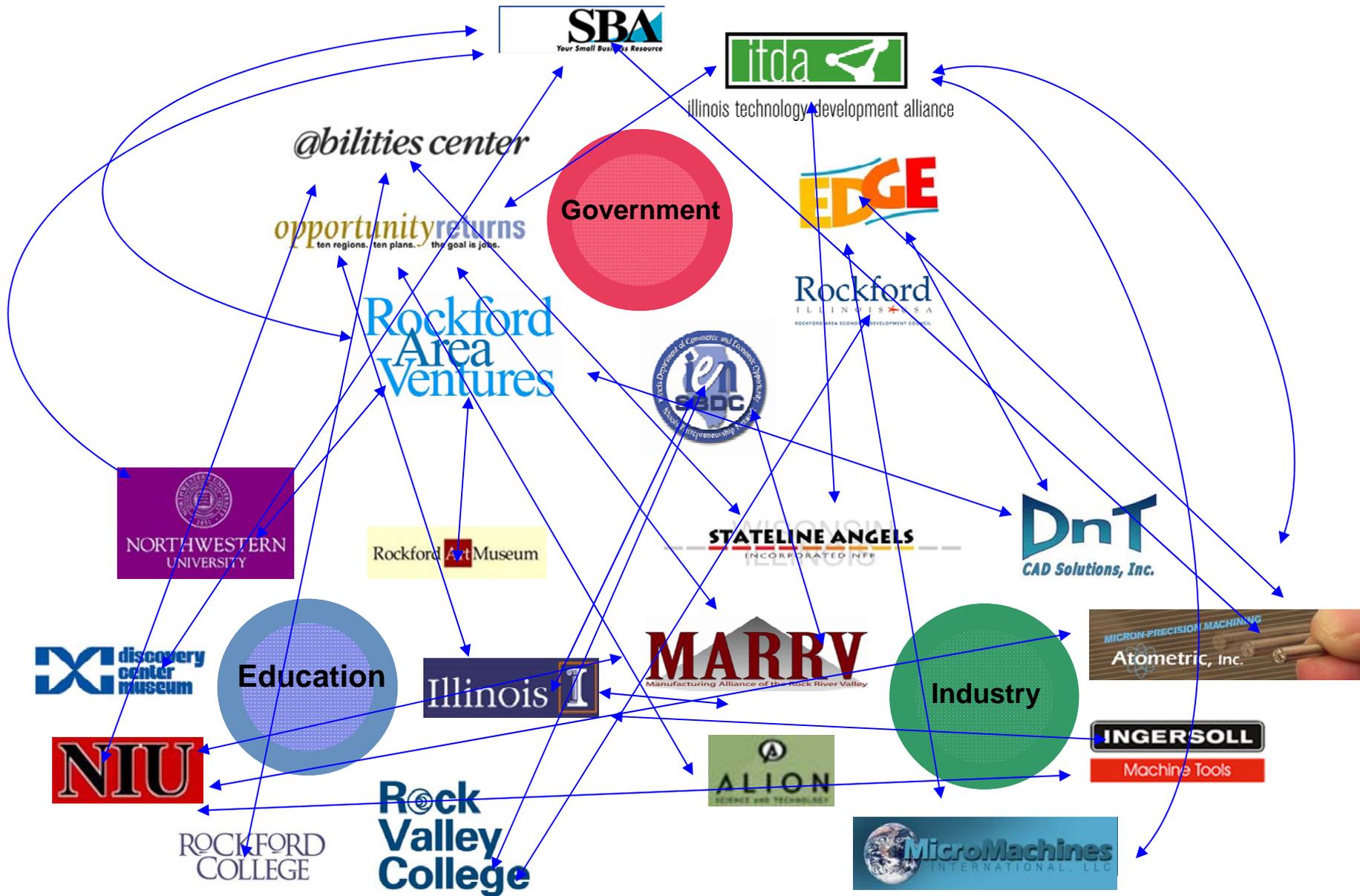
# INNOVATION ECOSYSTEM

**INNOVATION**  
forum

Conversation Café focused on development of an Innovation Hotspot

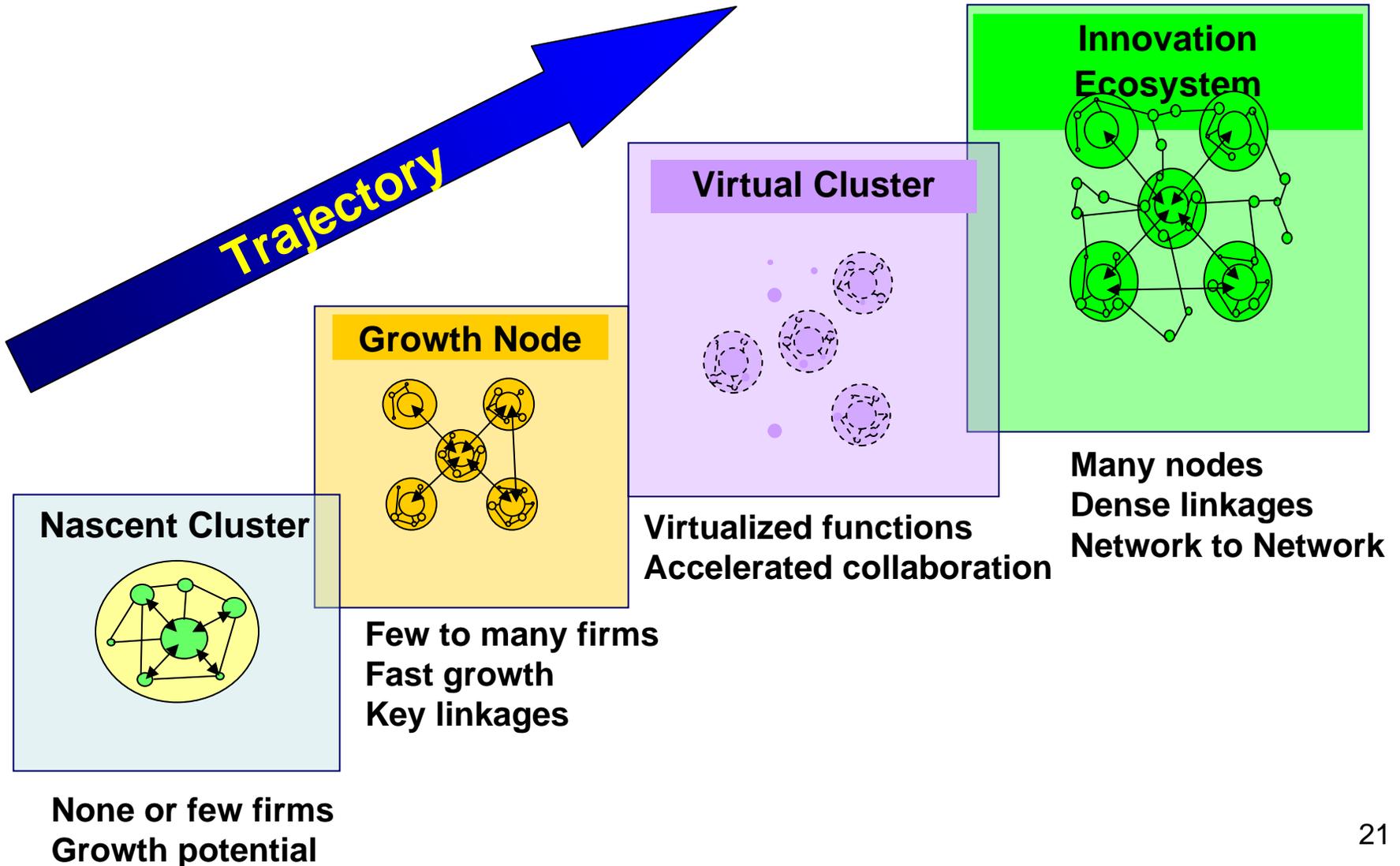


Graphic Illustration of the forum



# Relationship Spaghetti

# Innovation Ecosystems Evolve



# Concluding Points

- US innovation policy is an incomplete cocktail—boosting inputs not outcomes.
- Toward a value creation strategy.
- Real results require experimenting with new regional innovation models – designed outside the Beltway.
- ***Innovation Vital Signs*** also essential to inform strategy and policy.

# ***Thank You***

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