



**INNOVATION**  
*sustainable islands' growth*  
**INNOVATION**  
*croissance durable des îles*

The connectivity  
between innovation,  
collaboration and  
funding models

## Topics:

- Complexity of Innovation
- Innovation impact on business
- Private sector funding of innovation
- Public sector funding of innovation

# Applied Innovation

Idea +

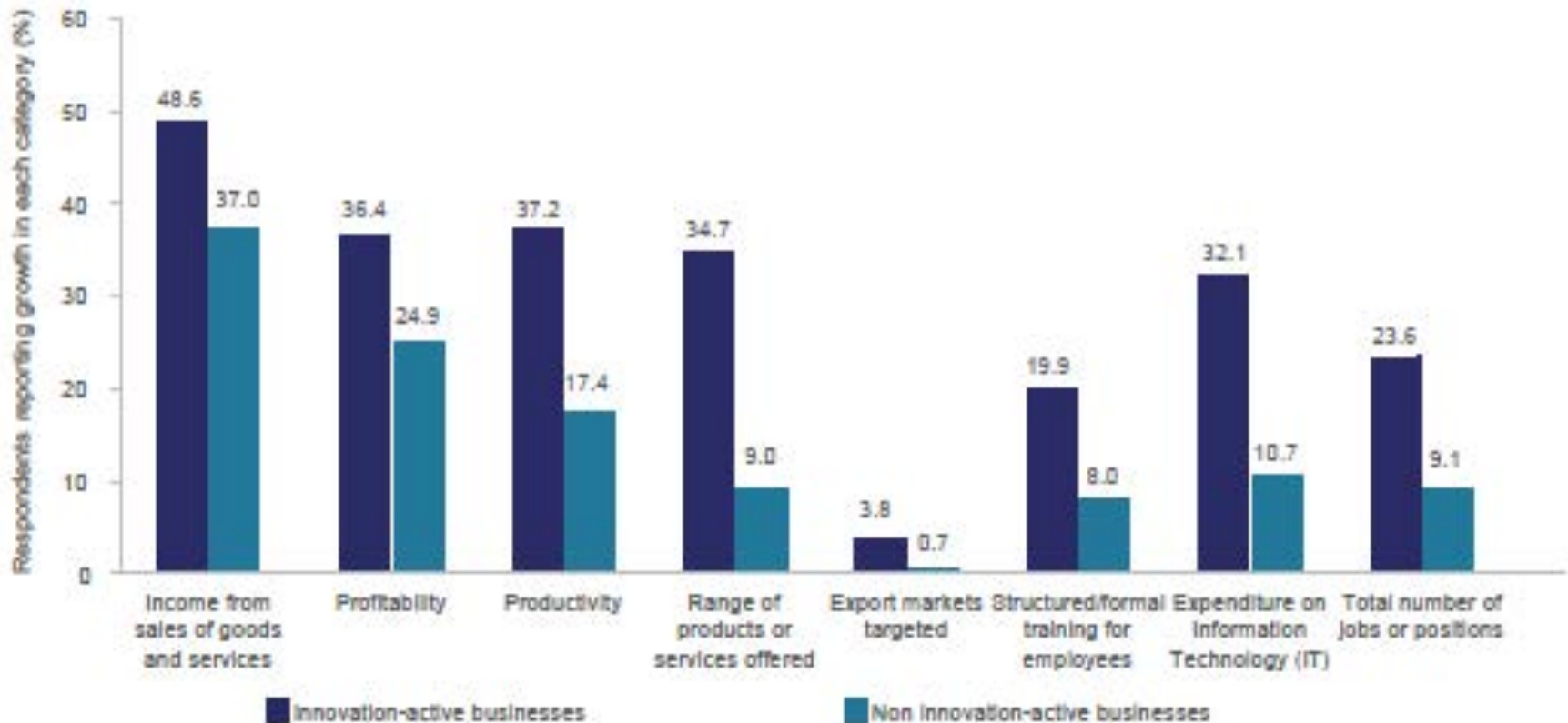
## Resources & Effort

Leadership  
Development process  
Infrastructure  
Internal Partners  
External Partners  
Funding models  
IP  
Business tools  
etc

= value creation

# Why do we need to innovate?

**Innovation increases business performance, 2006–07 to 2011–12**



Source: ABS (various) Selected characteristics of Australian business, 2006–07 to 2011–12, cat. no. 8167.0, ABS, Canberra

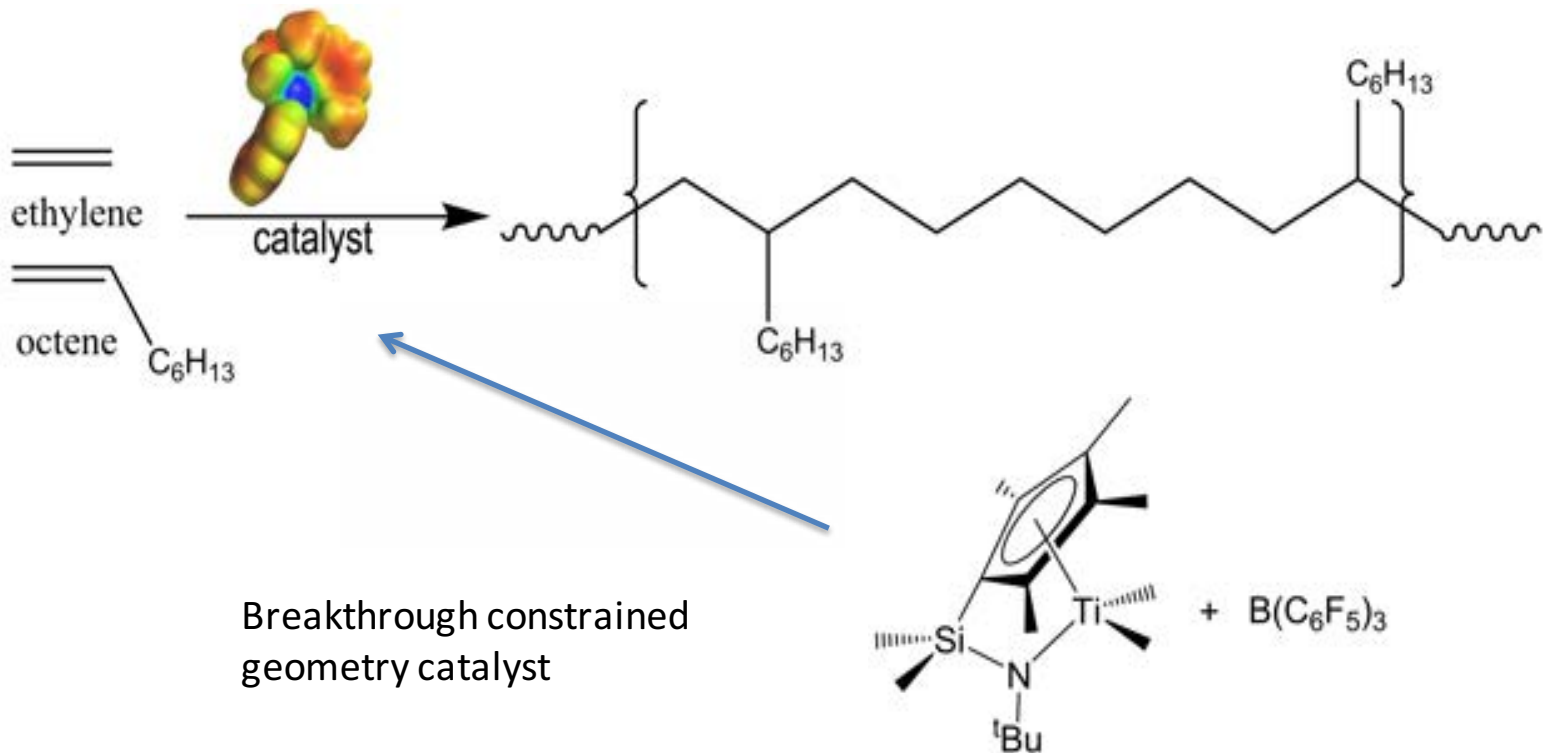
## Private sector Innovation funding

- Many misconceptions regarding private sector funding of innovation
- Successful approaches
  - Strong technology leadership and technology strategy alignment
  - Managing the right balance of expectations of returns
  - Compete for funding using business measures
  - Holistic approach to innovation – consumer insights to end of life
  - Portfolio and horizon mapping of innovation activities
  - Strategic partnering for large scale projects
  - Strategic technology out-sourcing for specific expertise



# Industry Innovation Example

Dow Chemical - Catalyst breakthrough



Technology driven innovation in plastics. Dr. Jim Stevens - <https://www.aau.edu/WorkArea/DownloadAsset.aspx?id=11352>

# Product Platform

## Custom Polyolefins

### Polyolefin Products Launched Using New Catalysts



AFFINITY* Polyolefin Plastomers	1993
ENGAGE* Polyolefin Elastomers	1994
ELITE* Enhanced Polyethylene	1996
NORDEL*IP EPDM (Solution Process EPDM)	1996
AFFINITY* Adhesives	1998
INDEX* Interpolymers	1999
Thermoplastic Polyolefins (TPO's)	2000
INSPIRE* Performance Polymers	2000
Gas Phase Polyethylene (Sold to BP)	2001
Slurry Phase Polyethylene (Sold to Univation)	2001
DOW XLA* Elastic Fibers	2002
NORDEL* MG EPDM (Gas Phase EPDM)	2002
VERSIFY* Propylene Plastomers and Elastomers	2004
INFUSE* Olefin Block Copolymers	2007

# Public Sector Innovation funding

- Clarity around the purpose of the funding
- Linked to strategy versus adhoc
- Behaviour based funding
  - TVP voucher: collaboration and use of research infrastructure
  - Procurement based funding e.g. market validation
  - Cluster/collaboration based funding e.g. Innovation network
  - Partnering based funding e.g. CAESIE priming grants
  - Funding supporting social impact programs – crowd funding



## Funding of Collaborative innovation

The **Chemicals and Plastics Manufacturing Innovation Network and Training Program** is led by Monash University and the Plastics and Chemicals Industries Association (PACIA) and underpinned by support from the Victorian Government and 20 industry members that are a combination of multinationals and SMEs.



## Summary

- There is no one-size fits all model of innovation
- Innovation funding can have many sources depending on scale, complexity and impact.
- Innovation funding is best when it takes into account desired behaviours as well as products and services
- Collaborations can play a significant role in innovation funding and innovation outcomes