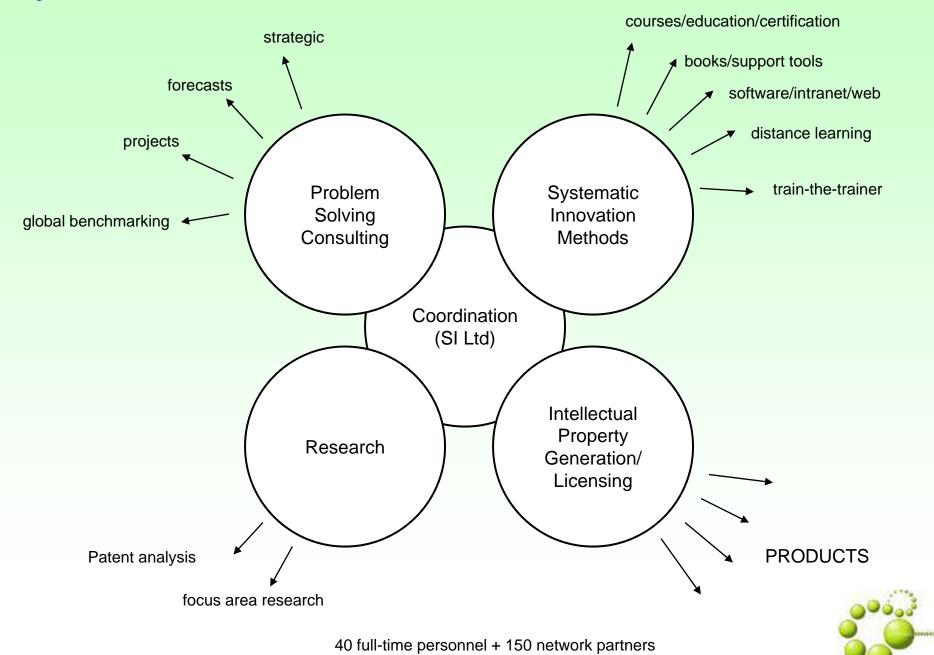


# Innovation in small and medium businesses: Myths and Opportunities

**Darrell Mann** 



#### **Systematic Innovation - Overall Business Model**



#### The Luckiest Company On Earth?

In the last three years we have conducted innovation projects with Blue-Chip & SME companies in:

- India
- China
- Malaysia
- South Korea
- Australia
- New Zealand
- Saudi Arabia
- Denmark
- UK
- USA

- Turkey
- Ireland
- Austria
- Switzerland
- Finland
- Belgium
- Thailand
- Philippines
- Italy
- Mexico





#### HM TREASURY

HEIDELBERG-

BAE SYSTEMS



coopman,

















DELPHI







**DEC4THLON** 



corus



























VOUR PARTNERS IN I

**GlaxoWellcome** 

































Honeywell











**Hong Kong Productivity Council** 







Unilever

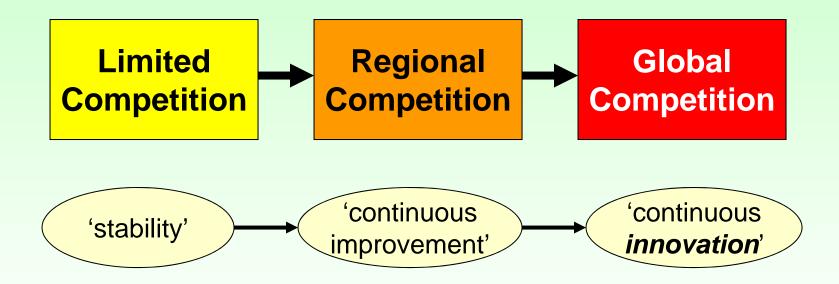






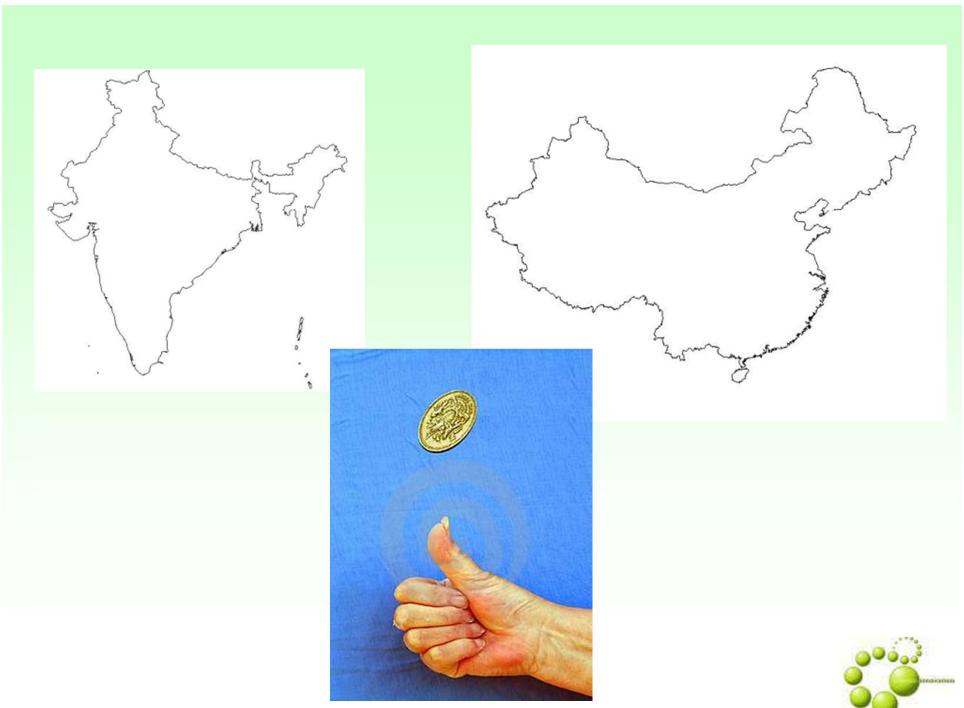


# An Accelerating World: The Innovation Imperative

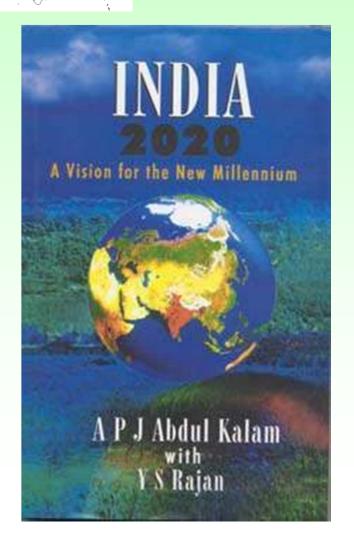


"Almost every single major innovation has run counter to the prevailing common sense"

**Lewis Wolpert** 



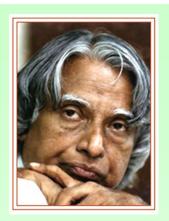
#### **Core Competences**



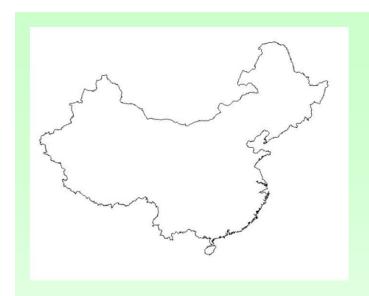
- \* Infra-structure transport
- \* Infra-structure telecoms



- materials
- electronics
- software/infotech
- sensors
- \* Industry
  - Pharma
  - 'Cleaner chemicals'
- \* Emerging
  - Biotechnology
  - Biodiversity



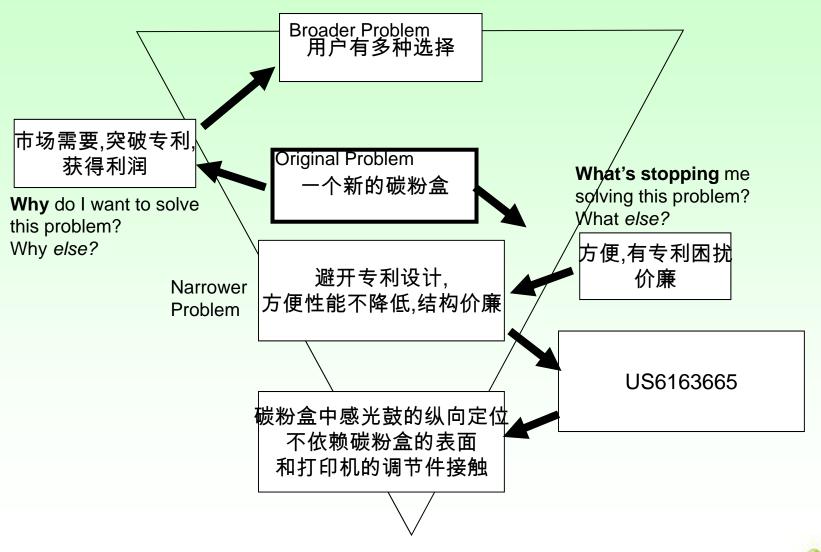








#### What Is The Problem?



(NB: procedure may be repeated to broaden or narrow the problem to more levels)
The aim of this sheet is to get you to think about what your problem is, and at which level you are going to try and solve it

#### StarLite – All in One Karaoke System





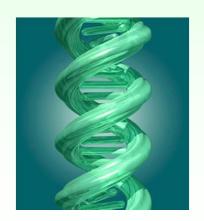
P2150RW 21" TV/DVD+RW Video Recorder STARLITE



- 4/3/05 Cosmetic file received
- 14/3/05 Design review meeting
- 30/3/05 Preliminary pcb drawing
- 7/4/05 Tooling start meeting
- 7/4/05 3D drawing finish1
- 5/4/05 2D drawing finish
- 16/4/05 Final PCB drawing
- 30/5/05 1st try shot
- 2/6/05 1st eng sample
- 8/6/05 1st try shot comment
- 18/6/05 2nd try shot
- 21~22/6/05 PP ( Pre-production )
- 27/6/05 2nd try shot comment
- 4/7/05 3rd try shot
- 8/7/05 Final try shot
- 12/7/05 Mass Production start



## **Innovation DNA**





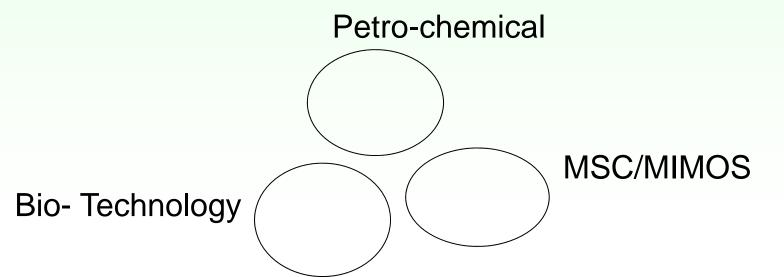
#### **Some Innovation Statistics**

- \* over 80% of innovations fail before they reach the market
- \* over 90% of those innovations that do reach the market will also fail
- \* Over 90% of innovations are delivered late, over-budget or to a lower quality than was originally planned
- \* Over 90% of collaborative innovations fail



# Developing Strengths In 'Niche' Nations Malaysia Core Strengths







## Myths:

Asian Cultures Are Not Creative

Asian companies copy



### Malaysia – 'Flush'n'Go'









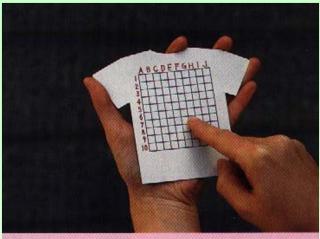
When was the last time something made you go 'wow!'
?

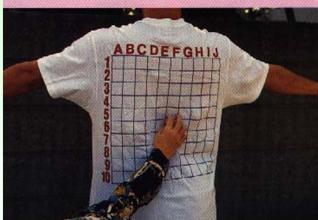


#### Why Do Some Things Succeed And Others Fail?

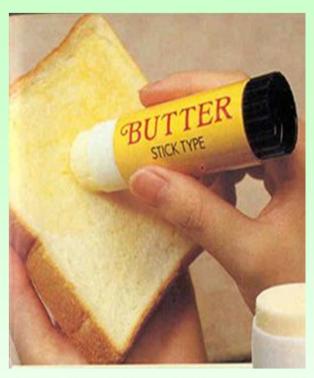














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#### Segway ('Re-Inventing The Wheel')



Dean Kamen's attempt to re-define 'personal transport'

Projected US market size: 25 million units

Anticipated production rate 10,000 per week

Actual sales; <1000 units in 2 years







www.activglass.com





SANYO has now succeeded in implementing its Electrolyzed Water technology cultivated in SANYO's Water purifying bacteria-removing device into the Fully-Automatic

"Wash with Ultrasonic Waves and Electrolysis" washing machine. By combining Electrolyzed Water's dirt dissolving and bacteria-removing properties with the cleansing power of Ultrasonic Wave technology SANYO has brought to realization the World's first "Zero-Detergent course" washing machine.

## SANYO Introduces the Worlds First Zero-Detergent Electrolyzed Water Cleaning Powered Washing Machine

Allows the option of "Detergent Course" or "Non-Detergent Course" according to the extent and type of dirt

#### Michelin 'Tweel'











#### Myth:

Innovation is about new technology





#### 'LifeStraw'





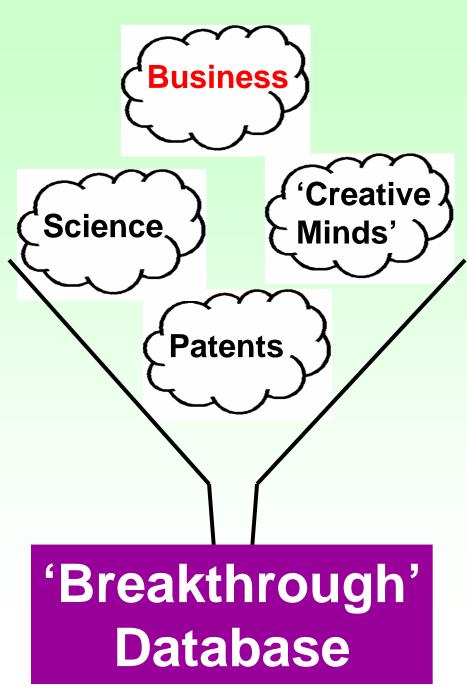




#### **Self-Timing Egg**



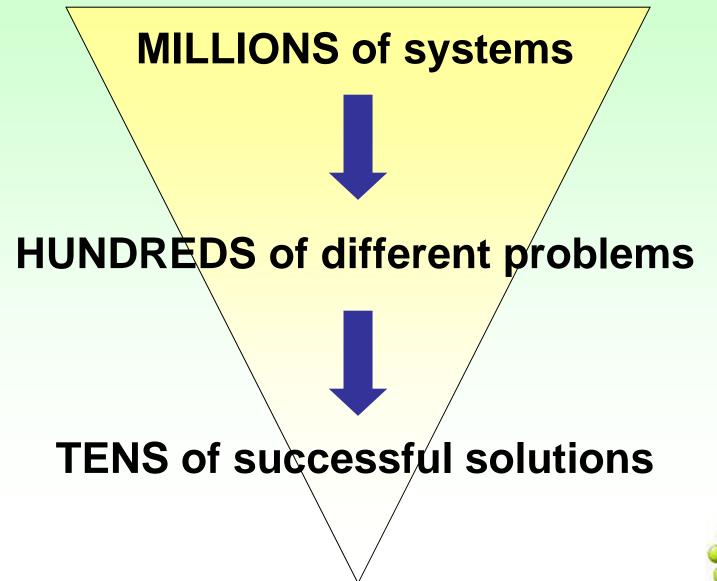


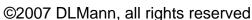


Distillation of best practices extracted from all fields of human endeavour



What we have been doing since 1996 is analysing as many sources of knowledge as we can about what makes something successful or not. This is what we find after having studied close to 3 million successful innovations:





#### Myth:

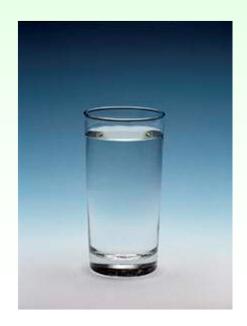
Innovative ideas are the result of random 'Eureka' moments





# Remove Water from glass

#### Without touching the glass





# Knowledge from all fields

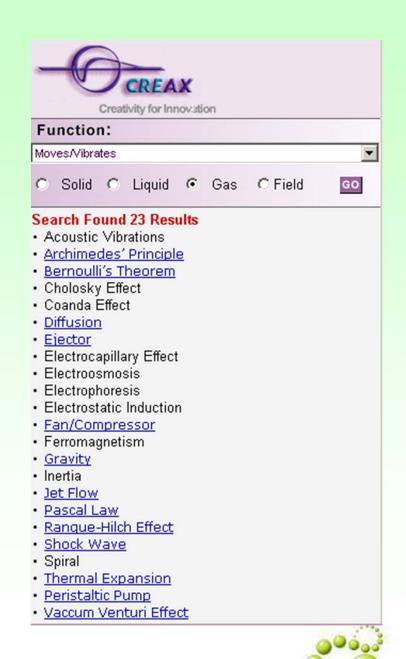
Absorption Electroosmosis Osmosis **Acoustic Cavitation** Pascal Law Electrophoresis **Electrostatic Induction Acoustic Vibrations** Resonance Archimedes' Principle Shock Wave Ellipse Bernoulli's Theorem Spiral Evaporation Brush Constructions Force Oscillations Superfluidity Funnel Effect **Surface Tension** Capillary Condensation Gray NOW Inertal Thermal Expansion Capillary Evaporation Capillary Pressure Thermocapillary Effect Coanda Effect Thermomechanical Effect Ionic Exchange Iet Flow Ultrasonic Capilary Effect Condensati**n** It as of ic Vibrations Coulomb's La rer iz Force Use of foam Deformation Magnetostriction Mechanocaloric Effect Electrocapillary Effect Wetting



# Other Means of Delivering The 'Move Air' Function

# Classifying knowledge by function rather than by alphabet. CREAX is constructing the largest database of functions enabling you to access the world's knowledge within seconds. Select Function Solid C Liquid C Gas C Field

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#### Problem Solving And 'Ideal' Design Solutions





#### Myth:

Innovation requires massive resources





#### **Root Causes...**



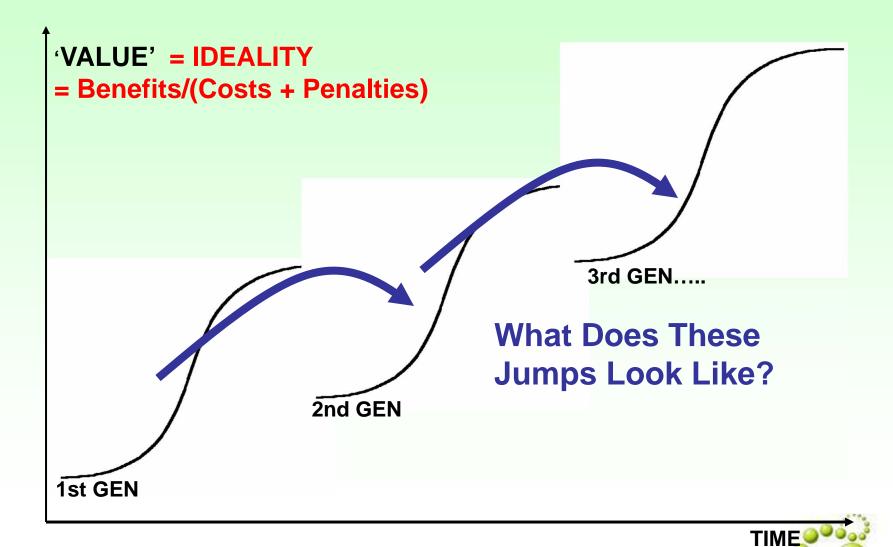
80% likely that the 'root cause' of your problem is that your system has hit a limit

## System Evolution

- Evolution is not random
- It follows certain patterns
- Different Stages can be predicted
- This knowledge can help solve problems
- It can also help define strategic opportunities

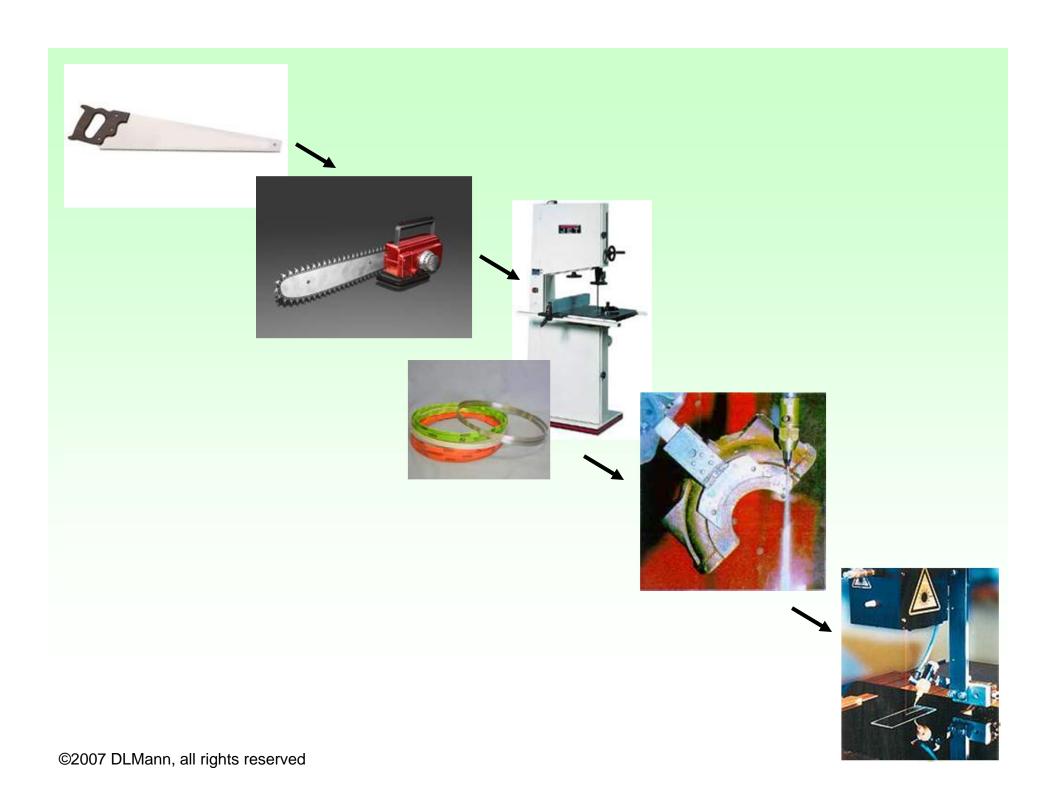


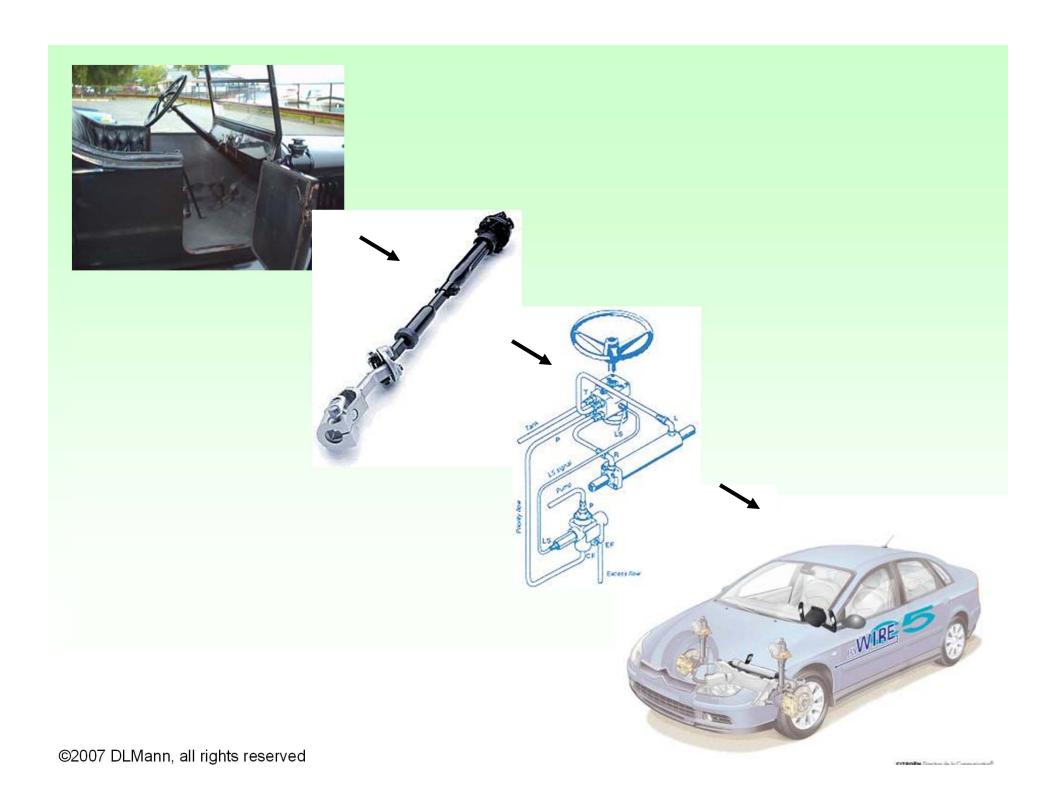
#### **Evolution Occurs Through Discontinuous Shifts...**

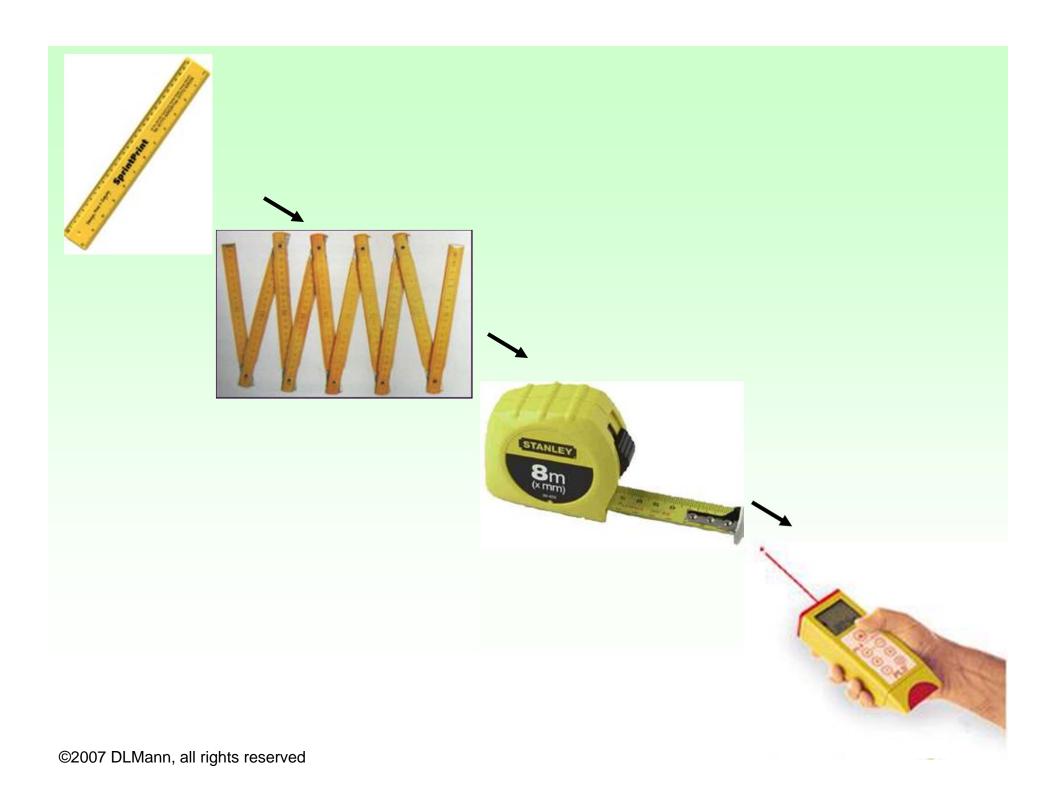


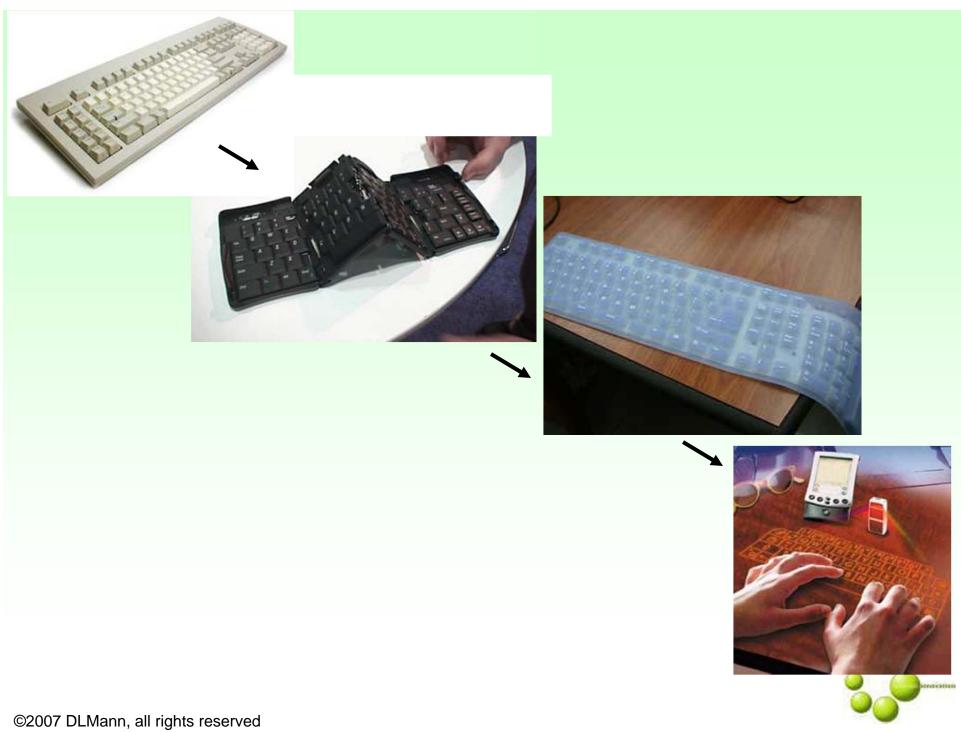


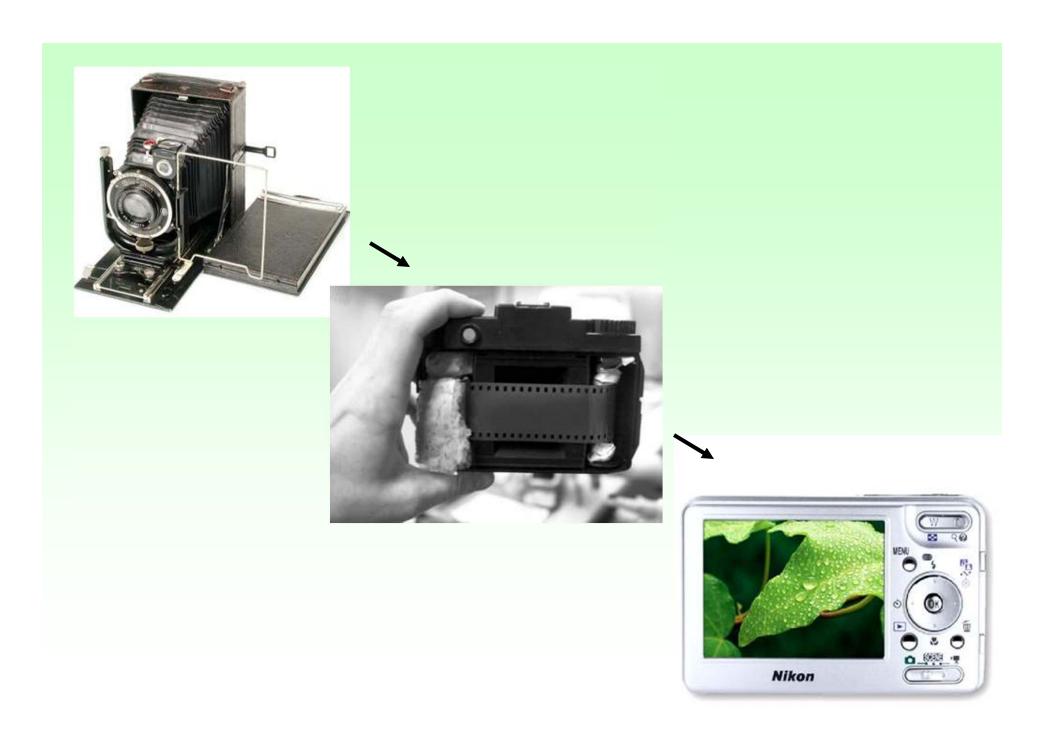




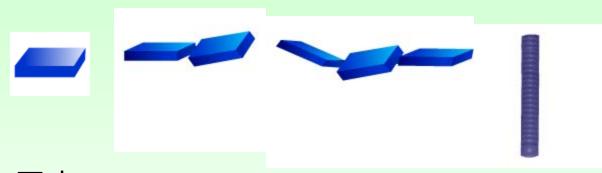








# 演變趨勢:動態化





固定 系統

活動連接 系統

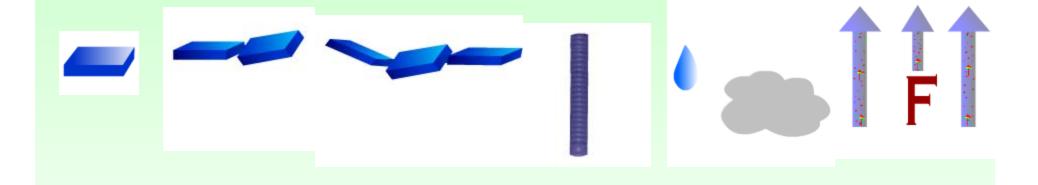
全自由度 系統

液壓或空壓 系統

場效應 系統



#### **Trend: Dynamization**



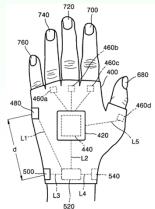
Immobile Single Joint Multiple Joint

Completely flexible

Liquid Gas

Field

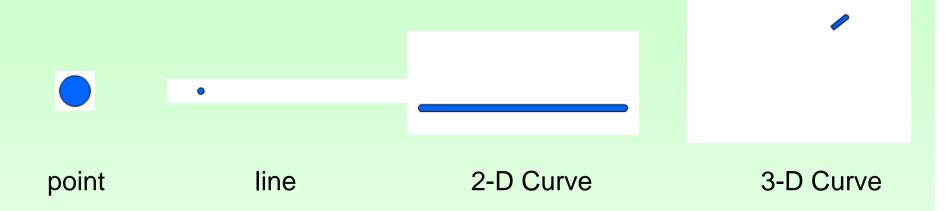








#### **Trend: Geometric Evolution Of Linear Constructions**



#### **Trend: Surface Segmentation**

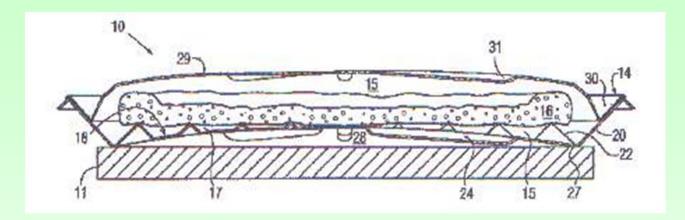


Smooth surface

Smooth surface (Surface with protrusions in 2D) Rough surface (Surface with protrusions in 3D) Rough surface with active elements



#### **Business Implications**



6 employees

1 Systematic Innovation Toolkit

\_

**\$14M** royalties



## **Asking Big Questions:**





Could we design a domestic boiler/air-conditioner with 650% energy efficiency?



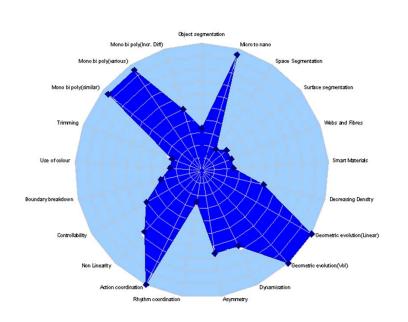
### 'Breakthrough On Demand'

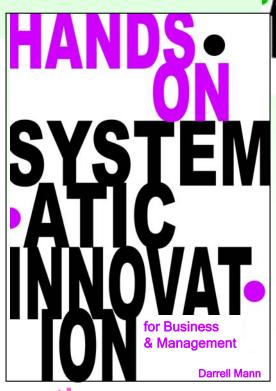


- 1) Ask the big question
- 2) Imagine someone already solved a similar problem
- 3) Global consumers are all attracted to 'wow' solutions
- 4) 'wow' solutions can be predictably generated
- 5) Those with the biggest desire to succeed will win

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- Strategic Studies
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- •IP Generation/Design-Around
- •IP Strategy









# Standing On The Shoulders Of Giants no matter how far a person can go the horizon is still way beyond you