

Press Release

Brussels, 7 November 2014

Commissioned by UK Business Secretary, Vince Cable, technology entrepreneur Dr Hermann Hauser's report identifies the RTO model as a successful model to foster innovation and calls on UK Government to create 30 RTOs Catapult Centres by 2030.

EARTO very much welcomes Dr Hermann Hauser's report published on 5 November 2014¹ as a key and positive review of the RTO model. The report provides a strong endorsement of the current progress of the UK's Catapult Centres and calls for the Government to expand the Catapult network following "size and scale seen in competing nations" such as other European Union countries.

In his first report published in 2010², Dr Hauser recommended the creation of an elite network of "technology and innovation centres" following the RTO model, i.e. non-profit research & technology organisations with mixed funding from public, competitive and contract research sources at approximately 1/3, 1/3, 1/3. He pointed out the German EARTO Member Fraunhofer as a role model. The report also explained that this network of UK RTOs would "enable industry to exploit new and emerging technologies" by promoting "translational research", which aims to close the gap between basic science and practical applications. This report led to the setting up of the Catapults' network in the UK in 2010, with the UK House of Commons Report 2011³ understanding UK RTOs as "national research centres" which "must be funded consistently and at significant scale over time if they are to deliver the economic impact of which they are capable."

The newly published 2014 Hauser Report now reviews the Catapults' network and sets out nine recommendations for UK ministers on the future scope, shape and ambition of the network, currently composed of seven Centres⁴. The [High Value Manufacturing Catapult](#) – one of the current seven Centres – and its [Manufacturing Technology Centre](#) are already active members of EARTO. The clear positive impact of UK's newly established RTOs on the country's economy and innovation performance calls for further investments and support to UK RTOs. Mr Hauser also calls on the UK Government to create one to two new Catapult Centers a year, leading to 20 RTOs centers by 2020 and 30 RTOs centers by 2030.

EARTO hereby congratulates its UK members for such a positive review. EARTO also commends the UK Government for the success of the Catapult Centres and for its recognition of the need to support applied research using the RTO model in order to strengthen its national innovation system.

EARTO invites UK and European decision-makers to carefully consider the findings of the Hauser report 2014 in setting-up further research and innovation policies. Hauser's new Recommendation 2 clearly states that "public sector funding must be prioritised to maintain the current 1/3, 1/3, 1/3 funding model for existing successful Catapults". This recommendation can simply be extended to most Member States and European Institutions.

EARTO President Ms Maria Khorsand welcomed the report: "The Catapult network is an ambitious tool to foster innovation in the UK and this report should serve as warning for all European Member States: your economy needs your national RTOs, use and support them well! RTOs have as mission to help companies overcome key barriers to innovation and the Catapults are no exception. They have helped the UK to catch up and strengthen the country's innovation ecosystems. As highlighted in EARTO's latest policy paper⁵, the very nature of RTOs allows them to work as "connectors" between academia and industry, being the perfect partners for Governments to support existing or build new effective innovation ecosystems."

¹ [Hermann Hauser Report 2014](#)

² [Hermann Hauser Report 2010](#)

³ [UK House of Commons Report 2011](#)

⁴ [Catapults official website](#)

⁵ [EARTO Recommendations for Future EU Research and Innovation, Oct 2014](#)

Notes to Editors

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Research and Technology Organisations (RTOs) have a distinct mission and a key role in the knowledge and innovation economy: they produce, integrate and transfer science and technology to help resolve the grand challenges of society and support Europe's industrial competitiveness. RTOs occupy nodal positions within innovation ecosystems, bringing together key players across the whole innovation chain, from fundamental to technological research, from product and process development to prototyping and demonstration, and on to full-scale implementation in the public and private sectors.

EARTO is the European trade association of the Research and Technology Organisations (RTOs), a non-profit organisation founded in 1999. EARTO groups over 350 RTOs with a combined staff of 150,000, an annual turnover of €23 billion, special equipment and facilities to a value of many € billions and more than 100,000 customers from the public and private sectors annually. [EARTO Corporate Video](#)

EARTO Members in the UK are:

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