



## **PRESS RELEASE**

### **Independent Report Demonstrates Major Social and Economic Impact of Research and Technology Organisations**

**Brussels, 28 October 2010**

#### **FOR IMMEDIATE RELEASE**

On 27 October 2010, EARTO presented the findings of an independent study on the role and impact of European Research and Technology Organisations (RTOs) – the first of its kind at European level. The study, conducted by the Technopolis Group, demonstrates that RTOs are key actors in the European innovation system. It estimates their annual economic impact in Europe at up to €50 billion. The report also highlights RTOs' importance in tackling key societal challenges. However, the report states that governments are failing to fully leverage the innovation capability of RTOs and makes a number of important recommendations to fully exploit their potential.

The study was released at the award ceremony for the 2010 EARTO Innovation Prize, which went this year to the Fraunhofer Gesellschaft for its highly efficient concentrator module for solar panels. Commissioner for Research, Innovation and Science Máire Geoghegan-Quinn presented the 2010 EARTO Innovation Prize to the winning team, after sharing her thoughts on future direction of European research and innovation policies with the audience. The winning innovative technology has already transformed the future of solar power by doubling the efficiency of solar panels compared to conventional silicon-based cells. It is a good example of how RTOs can exploit and adapt research effectively for the benefit of society and the economy.

The report explains that RTOs build bridges between basic research and practical applications, working with both universities and enterprises to find practical solutions to key societal challenges, from security of energy supply to resource scarcity or healthy ageing. They have a track record of increasing the rate of innovation in Industry by enabling companies to go beyond the limits of their internal technological capabilities. They significantly contribute to economic growth through more effective exploitation of research and adaptation of existing and new technologies for specific applications.

And yet, says the report, RTOs are largely undocumented and their specific role is poorly understood. The study provides a clear definition of the mission and activities of RTOs and identifies an urgent need for proper official statistics about the sector in Europe, so that their key contribution to the economy and society is fully visible. The report also makes the following recommendations to unleash the potential of RTOs:

- making greater use of RTOs to produce innovation in the public and private sectors, to tackle the Grand Challenges;
- encouraging RTOs to internationalise so as to make them stronger through competition and cooperation.

EARTO President Professor Erkki KM Leppävuori said: *"This study puts a necessary spotlight on the major contribution RTOs make to economic competitiveness and social progress in Europe. It demonstrates that RTOs are essential actors in the European innovation system and give real value for money. EARTO welcomes the conclusions of this report. It will bring RTOs the recognition they deserve as key partners in the economic recovery and in the new European Innovation Union strategy unveiled a few days ago. We now look forward to the implementation of the study's key recommendations, which will further increase the major impact of RTOs on society and the economy."*

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For further information, please contact Pauline Bastidon, EARTO Policy Officer, [bastidon@earto.eu](mailto:bastidon@earto.eu), +32 (0)2 502 86 98, mob: +32 (0)4 8881 8535

### **Notes to Editors**

**A copy of the report can be found here:**

[http://www.earto.eu/fileadmin/content/03\\_Publications/TechnopolisReportImpactRTOsOctober2010.pdf](http://www.earto.eu/fileadmin/content/03_Publications/TechnopolisReportImpactRTOsOctober2010.pdf)

**Please contact Pauline Bastidon for a copy of the press pack or if you would like to receive pictures from the ceremony, featuring keynote speakers (including Commissioner Geoghegan-Quinn) and the winning team.**

### **RTOs (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 confronting society and to exploit opportunities for new wealth creation and, hence, improved standards of living. RTOs accomplish their mission through a portfolio of activities and services:

- **monitoring social and economic developments** in order to anticipate and identify future science and technology needs;
- **strategic research** to develop new knowledge and technologies for future application;
- **collaborative and contract research** to develop technologies for specific applications and clients, and
- **knowledge transfer** to ensure the widest possible diffusion and adoption of technologies

They focus on **problem- or user-orientated research** and normally **win the greater part of their funds competitively**. Typically, their funding is a mixture of **"core" subsidies**, which lets them develop capabilities and **industrial income** that lets them exploit these capabilities for the benefit of industry.

### **EARTO**

**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 €15 Billion, special equipment and facilities to a value of many € billions and more than 100,000 customers from the public and private sectors annually.

<http://www.earto.eu>

### **EARTO Innovation Prize**

The EARTO Innovation Prize rewards recent innovations, developed with a substantial input from RTOs, which have high social and/or economic relevance, an innovative originality, a demonstrated practical application and demonstrated viability. The following experts acted as members of the jury:

- Leopold Demiddeleer, President of EIRMA, Director of Future Businesses, Solvay, Belgium
- Jan A. Dekker, President of KIVI NIRIA (Royal Dutch Society of Engineers), President of Syntens (Dutch Network of Regional Innovation Centres), former President of EARTO, former President of TNO, non-executive director of several companies large and small, The Netherlands
- Richard Hudson, publisher of Science|Business, London and Brussels
- Allyson Reed, Director of Strategy and Communications, Technology Strategy Board, United Kingdom
- Satu Hassi, Member of the European Parliament

The first EARTO Innovation Prize was awarded in 2009 to TNO for their innovative “Legionella Chip”.

For further information: <http://www.earto.eu/earto-innovation-prize/>

### **Technopolis Group**

The **Technopolis group** is a European organisation with a staff of over 80 and offices in Amsterdam, Ankara, Brighton, Brussels, Frankfurt, Paris, Stockholm, Tallinn and Vienna. Technopolis provides high quality, practical, knowledge-based research, advice and management support services to policy makers and organisations responsible for putting policy into practice. Technopolis focuses specifically on science, technology and innovation and policies for economic and social development. Previous Technopolis clients include European Institutions such as the European Commission, the European Parliament or the Court of Auditors, national ministries and departments, research organisations, research councils or associations and federations. Further information can be found here: <http://www.technopolis-group.com/cms.cgi/site/index.htm>

### **Fraunhofer-Gesellschaft**

The **Fraunhofer-Gesellschaft** is the leading organization for applied research in Europe. Its research activities are conducted by 59 Fraunhofer Institutes at over 40 different locations throughout Germany. The Fraunhofer-Gesellschaft employs a staff of around 17,150, who work with an annual research budget totaling 1.6 billion euros. Roughly two thirds of this sum is generated through contract research on behalf of industry and publicly funded research projects. Branches in the USA and Asia serve to promote international cooperation.

<http://www.fraunhofer.de/en/>