PRESS RELEASE

Independent Report Says Europe Needs to Expand Mission-Driven R&D for Tackling Industrial and Societal Needs

Brussels, 4th December 2012

FOR IMMEDIATE RELEASE

On 4th December 2012, EARTO presented the findings of an independent study commissioned from Technopolis Group. The study reviews the scientific literature on the links between research and innovation and examines how governments elsewhere in the world spend on R&D - and considers the implications for Horizon 2020.

The study, conducted by the Technopolis Group, demonstrates that Europe needs to balance its spending on research and innovation more towards problem-solving research and towards supporting post-research activities critical for enabling and accelerating innovation, such as pilots, demonstrators, first applications, etc.

EARTO President J.H.J. Mengelers said: "This is an important report. It is a reminder to our political decision makers that innovation is about more than just excellent science. It is about exploiting the whole stock of knowledge – existing technologies as well as new knowledge – to fashion practical solutions to our pressing societal problems and to exploit new economic opportunities. It tells us that Horizon 2020 must remain resolutely focussed on innovation, must balance its spending strongly towards mission-driven, problem-solving research, and must have a governance structure to make sure that that happens."

The study was released at the award ceremony for the 2012 EARTO Innovation Prize, which went this year to **VTT Technical Research Centre of Finland**, which has made a breakthrough in biomass-based bio-oil production with an innovative, intelligent process that marks the beginning of a new era in the energy sector. VTT's totally new technology makes the commercial production of bio-oil financially viable for the first time. About to be implemented on an industrial scale, the process will enable significant bio-oil production capacity by 2020 - the year by which Europe must achieve 20% of its final energy consumption from renewable energy.

The independent EARTO Innovation Prize jury highly commended **JOANNEUM RESEARCH**, based in Graz, Austria, for its dOFM innovation, which enables tissue samples giving an entire biochemical picture of the impact of a drug to be taken directly from the target site in the human body, opening up new horizons in pre-clinical and clinical drug testing.

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Notes to Editors

A copy of the report can be found here: http://www.earto.eu/activities-and-

services/publications.html

RTOs (Research and Technology Organisations)

The core mission of Research and Technology Organisations is to harness science and technology in the service of innovation, to improve quality of life and build economic competiveness.

RTOs occupy nodal positions within innovation eco-systems, 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.

RTOs 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 **commercial income** from exploiting these capabilities for businesses and public-sector clients. http://www.earto.eu/about-rtos.html

EARTO

EARTO is the **European trade association** of the Research and Technology Organisations, a non-profit organisation founded in 1999. **EARTO represents 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 an EARTO member, which have high social and/or economic relevance, innovative originality, demonstrated practical application and viability.

The prize competition is adjudicated by an independent jury which in 2012 comprised:

- Jan A. Dekker, President of KIVI NIRIA (Royal Dutch Society of Engineers), former President of EARTO, former President of TNO, The Netherlands
- Leopold Demiddeleer, President of EIRMA, Director of Future Businesses, Solvay, Belgium
- Satu Hassi, Member of the European Parliament
- Richard Hudson, founder and publisher of Science|Business, United Kingdom and Belgium
- Allyson Reed, Director of Strategy and Communications, Technology Strategy Board, United Kingdom

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

The **Technopolis Group** is a private consultancy with 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 and the European Court of Auditors, national ministries and departments, research organisations, research councils, and associations and federations. Further information can be found here: http://www.technopolis-group.com/cms.cgi/site/expertise/index.htm

VTT Technical Research Centre of Finland is the biggest multi-technological Research and Technology Organisation in northern Europe. With its staff of 3,000, its unique research facilities and extensive global co-operation networks, it provides leading-edge technology solutions and innovation services. VTT works to enhance its customers' competitiveness and competence, creating the prerequisites for society's sustainable development, employment and well-being. For further information: www.vtt.fi

JOANNEUM RESEARCH is a Research and Technology Organisation with a 30-year track record in cutting-edge research for business and the public sector at international level. It has a total of nine research units in Graz, Vienna and other Austrian towns and 457 employees. It collaborates closely with regional universities and focuses on applied research and development and knowledge and technology transfer. Specialist areas include materials, health, information and communication technologies, natural resources and sustainable development, and economic and innovation policy studies. For further information: www.joanneum.at