Creating a National market for Innovation: 
the role of collaboration between
the Public and Private sector

Jaime L. Amsel, Ph.D. Israel
Creating a National market for Innovation: the role of collaboration between the Public and Private sector

Jaime L. Amsel, Ph.D. Israel
Israel...

Inhabitants: almost 8 million.
Number of High Tech companies: More than 3K.
Number of annual start-ups: more than 200.
Clarifying Concepts...

Entrepreneurship

Innovation

Knowledge
Knowledge
Lightest Material on Earth
Is this Innovation?
Innovation is...

Innovation = Implemented Ideas

• For Businesses = Profit

• For NGO’s and Gov’t = More Service for Less

• For Both = Learning, at each iteration it gets better
It’s Risky Territory... are you ready?

- More than 86% of new product ideas, never make it to market.
- Of those ideas who do get to the market, between 50% to 70% fail.
- Out of 3000 ideas 1 gets successfully deployed.

Deloitte Research – The innovation paradox.
It’s Risky Territory... are you ready?  

Not opting for innovation gives certainty:  

**certain deterioration!**
“No, I can’t be bothered seeing any crazy salesman. We’ve got a battle to fight.”
RESOURCE LEVERAGE MAP
Innovation is a **SOCIAL** process, not a Technological one.

Gov’t has a **major** role to play. All branches: Science, Education, Trade, Culture...even **Finance**
Really Fast Train
3 C’s of Effective Policy

1. **COHERENT**
   - 1. Core Competences
   - 2. Other National Policies

2. **CONCENTRATED**
   - 1. Specific Topic Areas
   - 2. Specific Geo Areas

3. **COORDINATED**
   - 1. Global Trends
   - 2. Inter-Institute *Coopetion*
4 Levels of National Innovation:

1. Regional/Community/Area
   - National: 1
2. Inter-organizational
   - National: 3-5
3. Intra-organizational
   - National: 5-7
Market Creation...
It’s better to create a market by pull than by push

Push is default Gov’t thinking, are we talking Innovation?
Retentivity!
Retentivity!
VIRTUOUS IDEA CYCLE
Idea matching

Gizmos Inc

T-shirt saying "make it happen"

Tree of money

Light bulb with a person inside it
Who are the Players?

- Idea people
- Entre-Intrapreneur
- ?
- NGO’s
- Govt’
- Businesses
There is one missing player

Idea people

Entre-Intrapreneur

? 

NGO’s

Govt’

Businesses
IME’s: Idea Matching Entities

PPVCP’s
What we need to match

1) Ideas
2) Resources
   a) Knowhow
   b) Knowwho
3) Learning/Improvement/Feedback cycle

1) Procedural
2) Financial
3) Technical
4) Decision Making
5) Negotiation
Business Model

- Revenue from...
- Market segment...
- Key partners
- What is the value proposition?
- What Resources are required?
- Operational Costs?
- Activities...
PP’s: What’s to learn?

- The most difficult: learn to share risk
- The most challenging: learn from risks taken
PP\textsuperscript{VC}P’s: Advantages

1. Attract varied Investors & Increase investment
2. Develop Investment Management Expertise
3. Develop a Culture of Managed Risks
PPIDP’s: Advantages

1. Proactively search for Ideas & Development
2. Small Investment – Big Innovation Pay Off
3. Develop a Culture of Actionable Knowledge
PP’s: Success Factors

1. Shared Risk/Investment/ROI

2. Learning – Database and Knowhow belong to...

3. Have *competing* PPVC’s & PPID – many small

4. Business area specific

5. **Not dependent** upon Academic Organizations
PP’s: Success Factors - 2

6. Carefully SELECT your areas: topic & geo

7. Carefully SELECT your partners

8. Long Term Learning Perspective – Best Practices round tables

9. Jointly promote national competitions on diverse areas

10. Participate in International Competitions.
Innovation Rule

It is better to ask for forgiveness than to ask for permission!
Thank you very much!

Vielen Dank!

Grazie Mille!

Merci Beaucoup!

Muito Obrigado!

Jaime Amsel, Ph.D.
www.ceo.co.il
www.poiesys.co.il
www.innovablabla.com
jaime@poiesys.co.il