



**SEE DESIGN**  
Sharing Experience  
on Design Support  
for SMEs

# SEEdesign Bulletin

Sharing experience on design support

Issue 3 September 2006

## EDITORIAL

Gavin Cawood and Gisele Raulik

## SPECIAL REPORT - IWDS 06

International Workshop on Design Support - IWDS 2006

Dr Povl Larsen

Supporting the Research Phase of a Design Project: Lessons to Share

Jean Schneider

Emerging Demands and Challenges for Design Support

Professor John Boulton

## RESEARCH

Evaluating the Impacts of Design Support

Dr Bruce Tether

## INTERVIEWS

Taewan Kim, KIDP – Korean Institute of Design Promotion (South Korea)

Fred Pedersen, NDC – Norwegian Design Council (Norway)

## DESIGN SUPPORT IN PRACTICE

The Design Programme (Czech Republic)

WINNOVATE Programme (UK)

## NEWS

## EDITORIAL

The publication of this third issue of the SEEdesign Bulletin marks the halfway point of the SEEdesign programme. The activities of the network have been benefiting partners and other interested parties through the sharing of knowledge and exchange of experiences in providing design support for industry via workshops, a network database, a library of case studies and the international distribution of this newsletter; with the last edition going out to 53 countries.

This issue features material discussed during the International Workshop on Design Support – IWDS 2006 – that took place in May in Cardiff, Wales. IWDS 2006 was opened by an address from Sir George Cox, Chairman of the UK Design Council, and over the following two days 93 delegates from 23 countries heard a range of international perspectives on design support and discussed the issues this raised.

Five articles are presented from IWDS speakers: Dr Bruce Tether (University of Manchester), Professor John Boulton (Product First & Brunel University), Jean Schneider (APCI - France), Fred Pedersen (Norwegian Design Council) and Taewan Kim (Korea Institute of Design Promotion).

The section on 'Design Support in Practice' presents two distinct examples of design support programmes: a short-term scheme that took place in the UK and a long-term programme from the Czech Republic. Both case studies describe processes that have successfully helped companies with the development of new products.

The number of visitors to the SEEdesign website has grown to more than 1,000 a month. This resource includes a library of case studies about the practice of design support worldwide. We are looking for more examples of programmes that help companies to make good use of design to grow the number of stories from the current 10 to 30 by the end of 2008. If you have a good case study we can publish or a support programme we can write about then please get in touch.

More than just a Bulletin of news about the SEEdesign partners and their activities, this Bulletin has been developed to share information about the practice of design support. We hope that its contents will provide you with insights and inspiration and ultimately enhance the ways in which companies in your region or country are helped and encouraged to work with design.

Enjoy your reading.

**Gavin Cawood and Gisele Raulik**  
*Design Wales*



## THE SEE DESIGN PARTNERSHIP

The SEEdesign Bulletin is produced by Design Wales as part of the activities of SEEdesign – a project part-financed by the European Union (ERDF) within the INTERREG III C Programme.

SEEdesign provides a unique opportunity for seven partners from around Europe to share their experiences of delivering design support programmes. As a consequence of developing constructive working relationships over the three years of the programme, the outcome will be the realisation of best practice models and the development of tools to measure the effectiveness of current and future projects.

**Design Wales / PDR -  
National Centre for Product Design  
& Development Research**  
Cardiff, Wales, UK  
[www.designwales.org.uk](http://www.designwales.org.uk)  
[www.pdr-online.co.uk](http://www.pdr-online.co.uk)

*Dylunio Cymru / Design Wales*



**Design Flanders**  
Brussels, Belgium  
[www.designflanders.be](http://www.designflanders.be)

design  
flanders

**The Design Centre of the Czech Republic**  
Prague, Czech Republic  
[www.designcentrum.cz](http://www.designcentrum.cz)



**Design Centre Rhone-Alps**  
Lyon, France  
[www.cdra.asso.fr](http://www.cdra.asso.fr)

CENTRE DU DESIGN  
RHÔNE-ALPES

**Experimental Centre for Furniture  
and Furnishing - CSM**  
Poggibonsi, Italy  
[www.csm.toscana.it](http://www.csm.toscana.it)



**Danish Design Centre**  
Copenhagen, Denmark  
[www.ddc.dk](http://www.ddc.dk)

**DDC®**

**University of Manchester  
(ESRC Centre for Research  
on Innovation and Competition - CRIC)**  
Manchester, UK  
[les1.man.ac.uk/cric/](http://les1.man.ac.uk/cric/)



[www.seedesign.org](http://www.seedesign.org)

# The International Workshop on Design Support – IWDS 2006

*IWDS 2006, held in Cardiff at the beginning of May, proved to be a successful event attracting about 100 delegates from 23 countries worldwide. Hosted by lead partner Design Wales, the event featured presentations from eminent speakers such as Sir George Cox from the Design Council, UK, and Professor John Heskett from the Hong Kong Polytechnic University, China. IWDS 2006 provided delegates with an excellent opportunity to learn how different countries promote design and help their companies to develop products and services. The delegates, who included the SEEdesign partners, design support practitioners, researchers and representatives from universities and design industries, also took advantage of the occasion to share their experiences and establish contacts with like-minded colleagues. In the section that follows, Dr Povl Larsen reports on the first IWDS session.*



*Photos: the SEEdesign partners, Sir George Cox, Professor John Heskett*

The first session at IWDS 2006 was dedicated to design support as a strategic tool for the development of national economies, and began with a presentation by Sir George Cox, Chairman of the UK Design Council.

Sir George was commissioned by the UK government to carry out a major review into UK business productivity and the role of design, and his report 'The Cox Review of Creativity in Business' was published in December 2005.

In his presentation, Sir George explained the reasoning behind the five distinct areas he identified in the Cox Review as needing to change in order to improve design take-up in the UK. Briefly this covered the following points:

- Roll out of the 'Design for Business Programme', which will encourage smaller companies to become involved in design by going through a two-year 'immersion programme'.
- Increase government support for design by improving the Research and Development tax credit system. Sir George recommended that the Inland Revenue change its whole approach so that it is no longer seen as a tax avoidance scheme but as an incentive scheme for business.
- Changes to both central and local government procurement. Instead of going for the cheapest solution, governments should be looking to design for new ways of problem solving.
- Encouragement for cross-disciplinary knowledge and understanding, especially between design and business education in the UK.
- Showpieces for creative skills. Where do visiting trade delegations in London go to see British creative skills? The Cox Review recommends the establishment of a number of design innovation centres, which would bring together facilities to display design, and house both static and rotating programmes, product launches, design-related bodies, professional bodies, space for education facilities and public spaces. Incubation space for small companies would also be built into these centres.

A number of questions were raised as a result of Sir George's presentation. One delegate asked if designers and design consultants should be accredited and regulated. Sir George replied that while it would seem useful to regulate the design industry, he did not see how this could be achieved if there was a dramatic increase

in the demand for 'design'. He suggested that the 'Design for Business Programme' could guide people towards reputable, properly qualified design companies.

Another delegate pointed out that in some regions in the UK many of the recommendations made by the Cox Review were actually up and running. Sir George agreed with the speaker, saying that part of the purpose of his review was to highlight examples of best practice and encourage others to make use of them. He went on to explain that one of the challenges facing the review was the need to reach smaller companies, to interest them and support them in the use of design and the benefits this could bring to their business.

Sir George concluded his presentation by identifying the importance of the Regional Development Agencies (RDAs) in promoting the Cox Review and its recommendations. Each RDA's job is to stimulate industry in their region and Sir George sees them as the best means of communicating with the business community and raising awareness, particularly amongst SMEs. ■

*Dr Povl Larsen is a Senior Researcher at PDR –  
The National Centre for Product Design and Development Research*



For more information about IWDS 2006 visit [www.iwds.org](http://www.iwds.org)

# Supporting the Research Phase of a Design Project: Lessons to Share

*An article based on the paper presented at the International Workshop on Design Support (IWDS 2006).*

*Jean Schneider*

APCI (Agence pour la promotion de la création industrielle) has recently coordinated a programme aiming at sustaining the preliminary research phase of design development in industry. Though the project did not run according to the original scheme, lessons have been drawn from the various successes and failures encountered during the process. We believe that some of these insights can be shared by other design support bodies when developing and implementing similar schemes.

## Objectives of IBC

IBC (Innovation dans les Biens de Consommations) was a programme aimed at supporting innovation in the sector of consumer goods. The two-year scheme (2002–4) was launched and funded by the French Ministry of Industry.

Based on previous research projects, and taking into consideration the claims made by many designers that their creative skills were merely used for solving short-term problems rather than delivering visions, APCI entered an application that focused on supporting the 'research' or 'conceptual' phase of design projects.

In a nutshell, the scheme was devised as an experiment in the fields of consumer or leisure goods, with a financial incentive close to 30,000 euro that would cover up to 50% of the expenses related to the development of a new concept for a product or service, for each of the 15 cases selected. This was intended to demonstrate the value of using design as a tool for 'envisioning' strategic orientations for SMEs.

The nation's budgets were frozen right after the application was accepted, and it took almost two years of turmoil before the process could restart, though it was scaled down significantly. Aside from the 'significant and expected' cut in the initial budget, some of the main alterations made to the original plan were that the support would go to the design consultancy instead of the company, and that the design-company teams had to be set up very quickly (roughly two weeks, and a maximum of 7 teams), possibly based on existing partnerships. Initially, a seminar and a steering committee were supposed to build the framework for matching the partners up in teams.

It became very clear that APCI had little say about the partners, and that our role in the initial selection was limited to evaluating the overall understanding the team partners had of the objectives of the project.

## The Process

APCI organized a general meeting with all designers in order to get a deeper knowledge of their approaches, as well as to discuss the role of APCI. Our mission was to guarantee that taxpayers' money was properly used, and that different scenarios could be developed: APCI's project managers could act for instance as methodology experts, as supervisors, as project drivers.

Looking at the diversity of objectives and projects, and given the budget that was available (which covered roughly half of one man-month of consulting), it was decided to let each case develop in its own environment, and that APCI would ensure that each individual process was in tune with the overall aims of the project.

A one-day start-up seminar allowed designers and company representatives to get exposure to experts in foresight, advanced design research, and sparked a

discussion on each project. Given the fact that the whole intention was to build and disseminate the knowledge gained (the scheme was labelled 'an experiment'), it was very important to set up from the start a 'gentleman's agreement' on the communication of the work. Designers were clearly unwilling to see their names associated with possible project 'failures', whilst companies were eager to ensure that IP would be guaranteed.

Following this event, APCI's project managers visited most of the companies on site, and had discussions with in-house staff, no representative of the design partner being there. This showed that the expectations of the companies were slightly different from what the designers had either formulated or had in mind. The major discrepancies appeared along the split between the 'long-term' approach that was implicit in the whole IBC project, and the 'short-term' management issues. To put it in management terms, the intention of the scheme was to push design at a strategic level, but projects were in fact dealing with tactical aspects. This led us to reformulate some of the objectives and refine some briefs. APCI also reported back to the ministry, in order to avoid unpleasant criticism, as some projects progressed in unexpected directions.

The process was then followed by APCI's project manager attending design-industry meetings, and interviews.



*Jean Schneider*

## Results

As the projects come to an end, the way the process developed has allowed us to make interesting observations that we will use in the future.

The seven teams that were selected were very diverse. They ranged from major manufacturers with strong world brands to a single entrepreneur subcontracting all manufacturing; high-tech electronics to classic outdoor games; family-owned businesses to companies belonging to European groups . . . On the other side, the designers' profiles were much more homogeneous, though some of them had experience of working with open-ended projects for major companies. Nevertheless, and in that respect, the situation in France is probably no different from elsewhere; it is difficult to draw a line between designers' fantasies and profound insights about the future. Boldly stated, being creative can prove a bit short when it comes to foresight, but as we found out in previous research, being able to propose tangible scenarios and visions of desirable futures is definitely a unique contribution to the shaping of change.

If we review the situation in this concluding phase, we might consider that, out of seven, two are definite failures, whereas the others have had positive results.

The reasons that prevented two teams from delivering any result can be broken down to communication and management issues. The meeting between the designers and the branch/factory marketing managers was sparked by the designer willing to get one (their) idea in the production pipeline, and the company trying to get a new concept quickly in the market. One could see there a promising attitude, but the fact is that, even though they had been in discussion with the company for a long time, the designers could never get the projects started. This detail should have rung an alarm bell: the grant attached to the project was somehow seen as an incentive by the company management to get in some innovation at a reduced cost. Both companies belonged to larger groups, and it turned out that the branch had little, if any, support from the top management to invest much into research (prototypes, tooling, etc.). This prevented projects from developing at all: one team did not finalize the contract, while the other ended up after a few months with the designer and the company management ending their collaboration. In both cases, designers did not pay attention to the gap between their goodwill and the companies' latent expectations.

This epitomizes what we somehow sense as a critical factor in the collaboration between designers and companies: when complaining about the lack of 'interest' of companies for innovative designs, designers seem to underestimate the complex expectations of the business.

Another team stopped midway. Driven by the success of a previous collaboration that opened up new markets, the company (a very small one) decided to focus on objects designed to improve senior citizens' life in their own home. There was an opportunity to use ethnographical methods, and develop a comprehensive approach to comfort, usability, etc.: a true showcase for the 'power of design'. But the company went out of business, for two main reasons: in that field, the distribution channels are very difficult to enter. Paramedical outlets were avoided because they associate negative connotations to products (ageing=handicap), and DIY retailers need to be educated about the specific requirements of ageing citizens. Moreover, regulations have a tremendous impact on market solvency. If a country's healthcare system decides to support some of the expenses attached to adapting an interior for senior citizens, then the scale of the market expands. On the design side, it proved very difficult to tackle in depth psychological issues, which might not be conveyed with enough sensitivity by the literature.

The other teams have managed well. In three cases, the first key factor was the strong commitment of both parties. This is certainly well known from the literature on innovation but it is interesting to spot the ground on which it worked. Two teams had a history of successful collaboration, and had built trust. Therefore, embarking on a longer and more adventurous project was seen as a constructive break from the routine: the social dimension of the project (words like game, pleasure, fun were mentioned) was as important as the business issues, which were there as well. In addition, the companies had an excellent knowledge of their position in the market and of their distribution networks, and good control of the production process. This

was an asset for at least one of them, as it could get the first idea almost bought before it was drafted.

The third team benefited from the limits experienced from qualitative market studies and from the strong commitment of the in-house design manager. This created a window of opportunity that allowed the external design consultancy to bring in new perspectives awaited by the management. Moreover, the design consultancy looked for complementarity, and broadened the issue to create a network of companies that could share a global study on the future of travel. This move created a set of stakeholders that are willing to pay for in-depth research, and might even drive new concepts of services or products through cross-fertilization. It is too early yet to see the results, but the effectiveness of the approach is a lesson to consider.

## Conclusions

Looking at the history of the project, some conclusions can be made. Though the project was focusing on innovation, some factors are probably relevant to many design support schemes.

Success requires trust between the two partners, and trust takes time and sensitivity to build up. What the project highlighted was that, to venture into new territories, it is better to have a good partner than an accurate map: in other words, design is not a simple service with measurable input-output factors, and cannot be treated as such. This 'unpredictability' is in line with other studies.

Foresight is not 'product design' or wild concepts. Its value does not lie in fantasies, but rather in a creative way of tweaking existing realities to make more desirable futures happen (for that matter, a company's future). Therefore, realistic resources and objectives can be committed, and the shift between tactical and strategic management issues is less noticeable, and therefore critical. It is very clear that the current time frame for decision making inside companies is becoming shorter, and that a two-year perspective is 'far fetched'.

There is a need for some tool or method to evaluate the capacities, resources, strategy and management of a company that wants to invest in new product/service development. The time span, the risks and the ultimate decisions lie with the company and its management. Being able to assess the capabilities for innovation is a strength.

On the other hand, it must be said that the design discourse still delivers a 'red-cross' message to companies, by saying that design can solve problems. This is in line with the more general discourse that conveys a message of fear: 'innovate or perish'. This is not the place to extensively analyze the reality of the threat, nor who benefits from such messages. Still, given the current situation, designers seem to be called in rather late, and therefore in situations where virtually no resources can be allocated to new product development. Having more insights on designers' skills and approaches to industry would be also an asset.

What could be remembered then is that new product development and innovation should be undertaken when the company goes well: it is too risky and too expensive to run when in a crisis. ■

*This case study reflects the views of its author, and not necessarily the views of APCI.*

*Jean Schneider works for APCI (the Agency for the Promotion of Industrial Creation, based in Paris), where he is in charge of APCI's European projects. He is also involved in the definition of a design support policy for the Ile-de-France region.*

# Emerging Demands and Challenges for Design Support

An article based on the Emerging Demands and Challenges session papers presented at the International Workshop on Design Support (IWDS 2006)

Professor John Boulton

Design Support provides a high influence, economic double hit. International evidence continues to build the case that design is a key driver to corporate success. Design is also an important employer and component within the Creative Industries sector, an area gaining in importance in many countries that are looking to culture and creativity as a means of underpinning their Knowledge and Experiential economic plans. So with design intervention you not only influence the target organisation but also build the design community – support one and you develop two.

If anyone doubts the importance of design support for economic influence, they need only look to Korea who must again win the 'Design Support World Cup'. But it is not just about big or national. There are equally many small, regional, sector or subject related schemes in operation. Gavin Cawood of Design Wales gave good examples of such initiatives that are delivering economic change in Wales. The general methodologies to deliver Design Support in the Welsh programme are similar to many approaches found throughout the world. The Design Wales schemes are regional, focused exclusively on Welsh companies, and include a rich mixture of initiatives. For example they run over 30 regular workshops each year for start-up companies and provide, in any year, over 800 one-to-one bespoke advice contacts with trained design advisors.

'Korea is half way into its Third Comprehensive Plan for Industrial Design Promotion ('03 - '07).' Director Won-ju PARK, KIDP 2003

Again regional, but with a different focus, the Essex Designers Network is predominantly self-financed by its own design membership plus some light touch government funding. It is now in its sixth year and recently launched a comprehensive Directory of Essex Designers. It offers support but financed by the design membership. Schemes with similar models are emerging in Somerset and elsewhere within the UK.

Design Support programmes in many countries and regions have also focused on industry sectors where economic decline is underway or regeneration needs to be actioned. An example in more than one country is support for design use within the ceramics industry.

## Design Support Today and the Links to Tomorrow

The global Design Support industry of today is typified by programmes similar to those above. They are predominantly government funded but some notable examples of self-funding can be found. They are aimed mainly at the Small Medium Enterprise (SME) business sector, but larger and even international companies have found their way onto the list of beneficiaries. The initiatives focus on regions, districts, cities and industries. Overall Design Support tends to be concerned with improving aspects of a country's own economic performance, a position, interestingly, which could well change in the future.

One of my favourite 'futures' quotes, usually attributed to sci-fi writer William Gibson, is 'The future is here. It's just not evenly distributed yet'.

The same can be said for emerging demands of Design Support. Many future-style

initiatives can already be seen in operation, somewhere. Take sustainability and the topic of eco-design. At the IWDS, Dr Frank O'Connor of Design Wales discussed the Welsh Government's vision of becoming an (eco)design-led nation by 2020. The long-term programme that Design Wales has initiated, to respond to this sustainability challenge, is already underway and working. Its aim is to deliver eco-design thinking into the SME sector. Is this good business sense or is it a socially or ethically motivated project? The answer probably lies in both camps and gives a strong clue to future directions.

Jean Schneider is a Project Manager within France's APCI (Agence pour la Promotion de la Création Industrielle) and has been working on the application of specific, advanced design tools. The difference here is using Design Support as a catalyst for advanced design thinking, specifically in this case the use of design as a strategic tool. Thus the direction of Support moves away from simply encouraging an SME to hire a designer, into the area of strategic business decision-making.

The European Design Centre (EDC) in The Netherlands is adding another layer to the advance tools proposition. They are providing a digital or web distance learning/resource centre for design tools. João Mena de Matos, director at EDC, sees the use of innovative design tools and creating an accessible web-based resource as one way to bring design thinking to a wider audience, particularly among the SME community. It is also interesting that the concept of improving design management performance has come into the EDC agenda and is the focus of a sixteen country study funded by the EU. The aim is simple: **'To reinforce the introduction of design management in European SMEs as a means of increasing their competitiveness through innovation'**. It is also highlighting a new and potentially critical direction through empowering potential design managers rather than simply connecting companies to design. So, Design Support is starting to move into a business and design leadership role, promoting both Innovative Tools and Design Management methods.

Design changes lives in advanced economies, but usually as a result of business or economic directed activity. The question that then arises is can design specifically apply its skills to social and cultural problems facing the world in both developed and developing countries? A big subject, but one small positive step was taken under the sponsorship of the Audi Design Foundation using design students from UK's Brunel University. The objective was to look at ways to improve the quality of life in the Favelas, a notoriously deprived area of Rio de Janeiro. The project is acclaimed as a landmark case study in bringing design (students) and communities together to find relevant problems and then generate appropriate and sustainable solutions. It worked: the question is will the next step be for other corporations or governments to fund such initiatives? My belief is that as the importance of corporate social responsibility and ethical branding increases, so companies will seek new ways to be seen to be responsible. Identifying and delivering social or cultural improvements in creative, imaginative and highly visible ways sounds a lot like Design Support.

Back in the developed world have you ever thought of the energy that could be saved if you could see inside your fridge and not spend so much time looking for that pizza with the door open?! Well Philip Henderson, a Leeds Metropolitan University graduate, did. Small idea, but an innovative solution that actually changes our social behaviour with respect to fridge door opening. You can ask the public to save energy, but you can also design a way that simply make us save energy and we won't even realise

we are doing it! So, like the Welsh eco-initiative, will this style of thinking become part of programmes delivered to SMEs and others or will governments or industry organisations take up the challenge as a public service on behalf of us all? Taking Design Support a step further into the public services, design intervention could herald a raft of initiatives in areas as diverse as crime, hospitals, schools, energy conservation, foreign aid. Interestingly in all of these areas projects, supported by national governments, are being pursued. But, true to form for our industry, they suffer from being small in scale and poorly publicised.

In direct contrast to schemes being run for large public bodies there is also emerging interest in promoting design value to the individual. The argument has always been that the SME sector is crucially important to any economy as it provides both future ideas and services today to the larger organisations. But where do SMEs come from? The answer is they are built on the ambitions of entrepreneurs. So if design could be put onto the agenda of the inventors, university researchers and others with entrepreneurial vision then companies could grow with a much better understanding of the value of design and how to use it with a growing business.

### The New Demands of a Future Design Support Industry

The Design Support industry of the near future will still be dominated by government sponsored programmes with clear economic objectives and principally aimed at SMEs. What will change is the emergence of schemes with a very different set of aims. There are four emerging areas of Design Support, which can be clearly evidenced as discussed above. They provided unique and challenging opportunities for design and could re-set the design agenda.

#### EMERGING DEMAND #1

##### Design Support as an Agent of Cultural and Social Change

This has to be seen as an important new direction not only for the beneficiaries but also for design itself. Design is often positioned as superficial and frivolous. Equally, and in total contradiction, it is seen as highly commercial and a part conspirator by the 'No Logo' generation. Whilst designers undoubtedly have good intentions, few opportunities to put that zeal to work in a social or cultural context have been recorded, at least in the public domain. The two distinct areas of action are firstly being a vehicle for change within developed countries, primarily financed by government and typically looking at topics such as sustainability. The second task is the use of Design Support to improve economic and social conditions within underdeveloped countries. Here funding becomes an interesting topic. Will it be through institutions such as the World Bank, who seem to be a design-free zone at the moment, or will global corporations and individual external governments champion design as a means of tackling social and economic problems?

#### EMERGING DEMAND #2

##### Design Support within the Public Service Sector

Public Sectors represent some of the world's largest service industries. As design moves into a lead role in the creation and improvement of commercial services so it must also look to Public Service. This is already happening to a lesser extent with many industrialised countries looking to design within public sector areas such as education, health and energy. The major change could occur when governments realise the beneficial effects that design can bring.

#### EMERGING DEMAND #3

##### Design Support as Promoter of Advanced Design Thinking

Support has to move away from simply encouraging an SME to hire a designer, into the area of strategic business decision making or at least providing some of the tools and thinking. It also has to move firmly into the 'demand side' field empowering potential design managers rather than simply connecting companies to design. The proposition is that Design Support should be firmly about a business and design leadership role, promoting both Innovative Tools and Design Management methods. Over the last ten years some areas of design have developed in scope and sophistication beyond recognition. It is now time to pass some of that thinking into a wider area.

#### EMERGING DEMAND #4

##### Design Support for the Individual

The reality is that much Design is already focused on the Individual within supported organisations. The next stage will be the development of specific initiatives aimed at key individuals: the entrepreneur, inventor, social enterpriser, university researcher.

#### Seven Challenges that have to be met by a Future Design Support Industry

There is no doubt that there is a rich and developing role for design in both society and commerce. The Design Support industry could have a key responsibility in this development as both a leader and catalyst in moving this part of the design agenda forward. However just as design is growing, so too is it becoming more complex and sophisticated.

#### Design Support 7 Future Challenges

1. Design Support as a user centred, designed service
2. Design as INNOVATION, BRAND...?
3. Understanding Design Competency
4. Finding Creative Leverage
5. Building in Sustainability
6. Using Metrics & Soft Metrics
7. Developing Knowledge, Brand & Visibility

*John Boulton © 2006*

The challenges facing the Design Support industry will not only be in recognising and responding robustly to some of the emerging demands mentioned above, but also acting in different ways not simply providing more of the same. Good examples are ensuring that support programmes are actually designed with the user in mind: thinking not just about design but also about what design delivers, whether that is more vibrant brands or improved creativity or better innovation. As Taiwan and Wales are discovering, brand might be more important and easier to access than design. Equally the design industry must also be prepared to accept that not all designers or design consultancies do the same thing or even do similar things to the same level. Thus realistic ways to identify and apply relevant design competencies will need to be explored.

*'Only through branding can we create value for businesses.'*  
*Tony K. M. Chang, CEO, Taiwan Design Centre 2004*

The left hand does not always know what the right hand is doing in both government and large organisations. It is important for Design Support to try to work with other government schemes and turn design into a default input into other schemes and initiatives. Equally governmental priorities can change within relatively short time spans. This highlights the need to think about making schemes sustainable within their own right, or with co-operation from the design community. In making the case for sustainability at an operational level and also in the broader context of all Design Support it is also critical to build the evidence. Direction relationship between scheme and tangible result may not also be feasible to achieve. But it is possible to build soft metrics into schemes which can become equally as convincing and compelling. Achieve all this and you have the beginnings of a vibrant and exciting design support industry. Except for one thing . . . telling people about the achievements. Design does not have a good record of developing its own brands and media profile. Is that something to do with the nature of designers? But if design support is to develop it will need to be heard in that most difficult of places, the public governmental arena. This is probably the greatest challenge of all. ■

*John Boulton is the Founding Director of Product First Limited and Associate Professor of Design Strategy at Brunel University, UK.*

# Evaluating the Impacts of Design Support

*In this article, Dr Bruce Tether discusses the ongoing evaluation of the impacts of design support, undertaken as part of the SEEdesign project, and reports back on the evaluation session held at IWDS 2006.*

*Dr Bruce Tether*

I began my article in the first SEEdesign Bulletin on 'Evaluating the Impacts of Design and Design Support' by stating that an important element of the SEEdesign project is the development of techniques to evaluate, as rigorously as possible, the impact of design and design support services on the performance of businesses. This remains very much the case, and we are making progress towards developing an evaluation framework. What I had not appreciated at the outset of this work, however, is the wide variety of design support mechanisms that exist, which makes the development of common evaluation tools all the more challenging. It seems that at least five modes of design support can be identified, although the SEEdesign partners only engage in four of these.



*Dr Bruce Tether*

- **Mode 1 – The direct provision of design consultancy to individual firms.**  
In this mode the design support agency acts as a design consultant. None of the SEEdesign partners provide this kind of support.
- **Mode 2 – Subsidising investments in design in individual firms.**  
Amongst the SEEdesign partners, the Czech Republic's scheme, which provides placements for designers in firms, is the clearest example of this. The Danish Design Icebreaker, which brought together designers/design consultancies and firms that had never previously used design, is another example, although this scheme has been discontinued.
- **Mode 3 – Individual counselling and advisory services.**  
Unlike modes 1 and 2, support agencies acting in this mode do not directly assist firms with their design projects, but act as advisors, first helping to identify the needs of the client firm, then (if appropriate) assisting them with the selection of designers to undertake the project. These schemes are therefore focused on the needs of the firms (usually SMEs) rather than the needs of the designers. The relationship with the client firm may cease following the 'marriage' of the firm and designer, or the relationship may continue, typically until the completion of the project. Examples of this type of support include the One-to-One Advisory Scheme provided by Design Wales, and the Design Pilot Scheme provided by the Centre du Design Rhône-Alpes, France.
- **Mode 4 – Workshops or seminars providing design advice.**  
In contrast with the previous modes, this mode does not provide one-to-one assistance, but instead brings together firms with similar needs and delivers information to them as a group. Clearly there should be economies of scale in delivering group as opposed to individual advice. Examples of this type of support include the Trend, Style and Colour Events organized by Design Wales, and the 'Design Makes a Difference Workshops' organized by Design Flanders. Other examples include seminars for 'no-design' companies organised by the Centre du Design Rhône-Alpes.
- **Mode 5 – Recognition of design achievements through awards or certification.**  
A fifth mode of design support is through endorsements, particularly through the granting of an award or certificate. This may take the form of an open competition seeking to recognise excellence in design, or the award may recognise products or indeed processes that satisfy certain criteria, such as environmental sustainability. In principle this mode is different from those discussed above in that it essentially provides recognition of a design outcome, rather than providing assistance with the design process. The extent to which the award making body is involved in the design process can vary widely, from no involvement to active partnership. Amongst the SEEdesign partners the main example of this is the Green Home scheme run by CSM, the Experimental Centre for Furniture and Furnishing, in Tuscany, Italy.

Beyond these there are a variety of ways of achieving design promotion (such as exhibitions, disseminating the results of fact-finding surveys, brochures, etc.).

Although there is no definite dividing line between design promotion and design support, the SEEdesign project focuses on design support rather than promotion.

The fact that design support is delivered in a wide variety of ways in different countries suggests that design support has been developed with little if any reference to 'best practice', and has instead been developed on an ad hoc basis in response to actual or perceived local needs. As one of the SEEdesign partners has observed: "The problem is that most of the time we don't know about each other's support programmes, and, if we do, it can be difficult to recreate them due to differences in local priorities, and finances." Beyond this, the purpose of design support can vary widely. In some cases design support is strictly aimed at enhancing the economic performance of the recipient firms and thus indirectly the area in which they are located, but in other cases design support is justified on non-economic grounds, such as maintaining or enhancing cultural values, or encouraging environmentally sustainable designs and practices. To complicate matters still further, there are schemes which are justified on multiple criteria, which makes their evaluation difficult.

Design support (and indeed design promotion) is however typically justified on the basis of market failure arguments. Market failures arise when markets do not efficiently organize production or allocate goods and services optimally to consumers. One cause of market failures is the copying of inventions or designs – if a second firm can copy at low cost the new product developed (at high cost) by a first firm, the first firm will have little incentive to develop the new good. Another cause is asymmetric information, which occurs when one party to a (potential) transaction has more or better information than the other party (e.g. the second-hand car dealer knows more about each car than any potential purchaser). Information asymmetries and the market failures associated with them are common with what economists term 'experience goods'. In contrast to a 'search good', an experience good is a product or service whose characteristics (such as price or quality) are difficult to observe in advance, but these characteristics can be ascertained on consumption. There are also 'post-experience goods', which are difficult for consumers to ascertain the quality of even after they have consumed them. Design services are certainly 'experience goods', especially when bought from a designer for the first time, and many would claim they can be post-experience goods. With experience goods the perceived quality tends to vary widely, encouraging information asymmetries and therefore market failures.

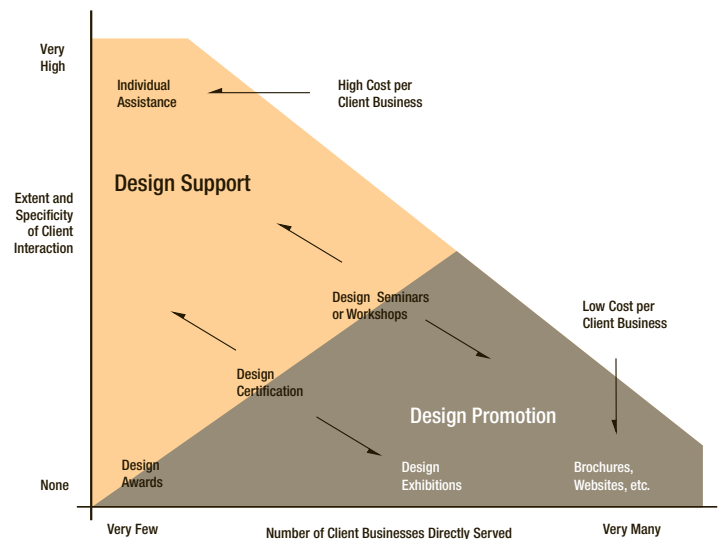
But while market failure is necessary to justify design support, it is not sufficient. Many other services (such as advertising, consultancy and research) provide '(post-)experience goods' which are equally prone to market failure and, with the exception of research, there is little clamour for using public subsidies to encourage their provision. This raises generic questions such as whether design support/promotion services should be provided at all, what should be provided free of charge, what should be subsidised, and what should be provided at market rates.

The options for design support (and promotion) range from providing services with no or little interaction with individual clients, but aiming to serve a large number of clients – this is design promotion – through to providing highly customized, individual assistance to a small number of clients. Design seminars or workshops, which address groups of client businesses with similar needs, fall between these two extremes. Meanwhile, award schemes typically involve very little direct interaction with the client firms, and restricting the number of awards granted enhances the value of the award. Certification schemes can involve greater interaction with client businesses, and there is no need to restrict the number of certified designs. Figure 1 provides a schematic representation of this.

In general, the cost per client firm can be relatively easily calculated, and this can be expected to be much greater for individual assistance than for design promotion, with design workshops/seminars falling in between. For example, the one-to-one advice provided by Design Wales has cost on average around six and a half times more than the average cost per client firm attending the Design Wales Trend, Style and Colour (TSC) Events. In other words, in Wales for the average firm assisted by the one-to-one advisory services, the same money could be spent on six firms attending a TSC event. This is a statement of fact – it does not necessarily mean the money is better spent on events than on the advisory services. It does however

suggest that developing portfolio approaches to design support (whereby firms first attend seminars or workshop then, if they still need more particular assistance, move to more focused workshops, or one-to-one advice) is likely to be more cost effective than if all firms receive one-to-one advice. It is notable that Design Wales and some of the other SEEdesign partners are moving towards these portfolio approaches.

Figure 1 A Schematic Representation of Design Promotion and Support



While the costs of providing design support can be relatively easily calculated providing records are maintained, the benefits to the client firms are much more difficult to ascertain. Ideally, we would like to know the impact of each additional piece of design support, as eventually we can expect that diminishing or even negative returns will set in. With diminishing returns, the benefits that arise from the new support, whilst still positive, are smaller than that from the previous support – this can continue until there is no benefit from any additional support. With negative returns, each additional piece of support actually produces dis-benefits. Conceptually, to optimise their activities the design support agencies would ideally like to know when diminishing returns have set in, when no benefits from the additional support is being generated and, worse still, if negative returns have set in. The great difficulty is that these patterns are likely to vary substantially from one firm to another.

To carry the work forward, and in view of the difficulties outlined in this article, the SEEdesign partnership is now developing a common questionnaire which will be sent to the firms that have received design support to gather information about that support and its impacts. At the same time the partners will themselves input information about their clients, with a view to becoming more systematic about their ability to judge whether or not clients will benefit from additional design support of various kinds. This is very much work in progress, and we will report on the findings in future editions of the SEEdesign Bulletin.

In the meantime, I will conclude this article by reporting on the 'evaluation of the impact of design support' session at IWDS 2006, which was held in Cardiff in May. The Workshop was extremely interesting, and the session included three stimulating talks.

**Ruben Schellingerhout** from the Innovation Policy Development unit in the Directorate General Enterprise and Industry at the European Commission gave a talk about Intellectual Property Rights (IPR) in innovation policy. The European Commission is a clearly a key player in developing the framework conditions which should encourage creative work through design and similar activities. In particular,

it has sought to bolster these by introducing new forms of protection such as the Community trademark and Community design right. Firms and individuals have been able to register Community Designs through the Commission's Office for the Harmonization of the Internal Market (OHIM) since 2003. The Commission also uses the evidence provided by intellectual property rights to benchmark the performance of the various European economies, and Europe as a whole, against major competitors such as the United States and Japan.

Although these initiatives are helpful, two points stand out. Firstly, the Commission seems to take a rather instrumental view that if they establish forms of IPR they will have solved the problem. This may be over-optimistic, especially for relatively weak forms of protection like design rights, which may protect against exact copies, but not against imitation. In reality, most firms either do not use IPR, or if they do, this tends to be in combination with strategic measures, such as secrecy. Secondly, it is evident that design remains relatively peripheral in the Commission's innovation policy, which continues to be dominated by concern for technological innovation, as reflected in patents and R&D activities. In my view, there is an urgent need to broaden the scope of these policies to embrace design more fully.

**Elvira Eilert** from the UK's Design Council gave a talk about the impact of design on UK businesses. It is interesting and encouraging that the Design Council has become much more active in research, despite being primarily a design promotion body and not a design support organisation. In essence the idea is that through the provision of factual information firms can reach more informed decisions about their investments in design. To achieve this, and to inform themselves and government of the extent of investments in design, the Design Council has engaged in a number of surveys and case studies of businesses in which design has had an impact. Broadly speaking, this shows that whilst an appreciation for the potential of design is growing, relatively few firms make substantial investments in design. However, the evidence also shows that firms in which design is integral outperform other firms, and that rapidly growing firms are more likely to invest in design. There is a wealth of information which arises from these studies, and the Design Council has sought to make this accessible through its 'Value of Design Factfinder' website. All this activity is very welcome, although one mildly critical remark I would make is that investments in design are likely to complement other investments (such as investments in R&D and marketing) and therefore calculating the 'pay-off' to design without considering those other investments may be misleading. This said, if it makes businesses at least think about investing in design it will have achieved an important objective.

**Susie Ruff**, who is Head of Design Promotion at the Danish Design Centre (DDC), talked about the activities of the DDC in the context of their new strategy. This will focus on providing businesses (especially SMEs) with knowledge about the use of design; encouraging the professionalisation of designers and design; documenting the economic effects of design on individual firms and the Danish economy; and developing the 'Danish Design' brand. Amongst its other activities the DDC has increased its 'fact finding' by undertaking surveys on the use of design in Danish businesses and estimating the pay-off to these investments. There are striking similarities between these activities and those of the Design Council in London, and the same mild criticism applies: design is likely to complement other investments, so the pay-off to design may not be realized without making those other investments. Nevertheless, the DDC's change in strategy away from design support to a focus on design promotion is interesting, and echoes a similar change in the focus on the UK's Design Council some years ago, with responsibility for design support being devolved to the UK's regions, and generally greatly scaled back. Wales is exceptional in its commitment, through the funding of Design Wales. These shifts in emphasis reinforce the impression that there is little consensus about need for design support or promotion, and the appropriate balance between the different forms of promotion and support. ■

*Dr Bruce Tether is a Senior Research Fellow at CRIC (ERSC Centre for Research on Innovation and Competition) and a Senior Lecturer in Innovation and Technology Management at the Manchester Business School. He is the representative of the University of Manchester for the SEEdesign partnership.*

# Taewan Kim

Taewan Kim joined the Korean Institute of Design Promotion (KIDP) in 1994. Since then, he has developed many activities, leading to a Commendation in 2005 from the Minister of Commerce, Industry and Energy for his contribution to promoting Korean design. He is currently Head of KIDP's Strategic Planning Team. In this interview, he tells us about the detailed Korean design policy and also strategies and challenges in fostering design among industry in his country.



## Your presentations at the IWDS in both 2004 and 2006 in Cardiff were very interesting. The Korean design policy raised particular interest from the audience. Could you please give us an overview of this policy?

South Korea has intensively fostered growth-driven industries for fast and effective economic growth. According to a recent IMF (International Monetary Fund) report, Korea is now the tenth economic power in GDP. Korea's GDP in 2005 was about 793 billion dollars. In the 1960s, the Korean government intensively supported light industries, such as textile, plywood and wig industries etc. In the 70s Korea fostered heavy industries, such as steel, machinery and chemical industries and so forth. In the 80s Korea's industrial policy changed towards the assembling and processing industry. In the 1990s, Korea emphasised the IT industry for economic development, such as semi-conductor, computer and communication equipment and so on. Thanks to the economic policy, the average annual rate of growth had been around 10% by the middle of the 1990s. So Korea entered into the 10,000 dollar per capita era in 1995. But last year it was just 16,500 dollars. Our economy has been sluggish since 1997 due to the financial crisis; in the end we received a relief loan from IMF in 1998. Under these circumstances in 2003, the Korean government selected knowledge-based industries as a driving force for the 21st century. They are intelligent home network, futuristic automobile, robot, design and so forth.

This is a picture of the general economy. More specifically, I can give an overview of the Korean design industry. Since the end of the 1950s, the Korean government has performed various design strategies in conjunction with the national economic development. The 1950s was the era of reviving handicraft industries and Korea performed strategies through the Korean handicraft demonstrations centre. In the 1960s Korea initiated an art on export campaign, which had some effect on packaging and advertising. From the 1970s to the 1980s, Korea worked to promote design and packaging. From the 1970s design began to emerge as a separate field from art, and in Korea the 1990s was the era of vitalising the design industry. In recent years, the Korean government has been trying to globalise its design through KIDP. The Korean government launched long-term plans for design promotion by establishing and implementing three five-year design plans up to now. The first five-year design promotion plan was announced in 1993 and its main strategies were to raise design awareness and to nurture corporate design abilities. The second five-year plan was announced in 1998. It was implemented to establish the Korean Design Centre, to expand international activities, such as ICSID 2001 Seoul, Icofrada 2000 Seoul, and to set up design innovation centres in major universities. The second plan concentrated on design promotion in terms of quality, not quantity. In 2003, the Korean government announced the third five-year plan, and based on this plan we are trying to strengthen design R&D capabilities to build regional design centres and to achieve the vision of 'Design Korea'.

## You mentioned two policy lines: industrial and design. Does the design policy form part of the industrial policy or is it a separate strategy?

Design policy in Korea is a part of Korean industrial policies. In the Korean government, the Ministry of Commerce, Industry and Energy (MOCIE) is in charge of formulating and implementing design policy, and most design policies have strong relations with industrial policies and were made for improving corporate competitiveness.

## Who is responsible for formulating the design policy in Korea?

The Design & Brand Policy Division within the Ministry of Commerce, Industry and Energy is mainly in charge of formulating design policy in Korea. This division works for the

development and promotion of Korea's design industry and its end goal is helping industries best utilise design to enhance their competitiveness.

## And who is responsible for implementing the policy?

The Korean Institute of Design Promotion (KIDP) which was established by the Ministry of Commerce, Industry and Energy.

## Can you tell us more about KIDP, its structure and its mission?

KIDP is an umbrella organisation of the Ministry of Commerce, Industry and Energy. Since its inauguration in 1970, KIDP has aimed to revolutionise the export structure of Korea, by promoting the field of design, and has engaged in a variety of activities to assist in the advancement of the Korean design industry. As a long-standing member of both ICSID and Icofrada, KIDP has hosted many significant international design events, such as ICSID 2001 and the World Best Design Exchange, with a view to enhancing the status of Korea's design on the international stage. This organisation consists of three divisions (Planning & Management Division, Design Development Division, Design Promotion Division), three domestic branches (Joongboo Branch in Daejeon, Honam Branch in Gwangju, Youngnam Branch in Busan). We have a staff of 90 people including 30 designers and our annual budget is about US\$33,000,000, composed of government grants, which make up 75% of the whole budget and our own income (renting, training, exhibition, etc). We need more income generating activities. KIDP has strongly promoted creativity, but we have not yet found a creative approach to becoming self-sustaining.

## Self-sustainability is an issue for various design centres in the world.

Yes. And to our regret, we have not yet found any good solution to self-sustainability.

## Talking more specifically about design support, can you tell us about the Design Innovation Programme? I believe this is the main KIDP programme for helping companies on the use of design.

Yes, it is one of the main KIDP programmes for reinforcing the innovative power of corporate design. The Design Innovation Programme is a service available for any company in difficulties with the design development process or financial resources. It is considered a bridge between design firms and local SMEs for their design innovation. The scheme provides a fully fledged service from design development to commercialisation and the related supporting systems include loans for making prototypes, assistance with PR, etc. KIDP also have other programmes, such as support for the development of materials, surface treatment and post-production technologies etc.

## What kind of financial incentive do companies have available?

The ceiling of financial incentive is about US\$100,000. It covers two-thirds of a total design fee that costs in design development. So, the company has to cover one-third of the fee. And if the result of the project turn out to be successful by evaluation, the company has to pay back a certain percentage of the incentive as royalty to our government. The ratio is 20% in the case of SMEs and 40% for big companies. Therefore, you can understand that KIDP's financial incentive can cover up to half of a total development fee.

**I also understand that there is a concern about improving Korean designers' capabilities – 'bridge the gap between supply and demand'. Are you pushing ahead to introduce educational programmes to foster professional designers to meet the demands of design industry? How has this been done?**

In order to bridge the gap between supply and demand, KIDP is trying to help design students adapt to the workplace in the following ways: by supporting the Chief Design Officer's lectures in the universities; by certifying credit for work experience in the field; and by increasing job opportunities by providing internships in new fields of design technologies, such as web, 3D, game design based on VR, which need sizeable workforces in the e-Biz market.

We are also selecting more than 20 'design leaders of the next generation' every year to hone their skills to that of the world standard by supporting designers to participate in top world design fairs, exhibitions and training courses in order to improve Korean designers' capabilities.

**You mentioned in your presentation that the 'Korean Design Centre was established in 2001 as a new hope for the Korean design industry'. Is the**

**Centre intended to benefit the design industry or companies in general? In what ways?**

Yes, the Korea Design Centre is serving as the centre of excellence, to create a favourable environment for Korea's design industry. It is a high tech building equipped with various design infrastructure facilities. Design associations and design companies are located in the building and in addition there is a large-scale exhibition hall, conference room, convention hall, design experience centre and library. It is about 47,000 square metres of floor space with eight storeys above the ground and four storeys below. Construction was completed in September 2001 as a new hub for Korea's design industry.

**To conclude: you are now implementing the third Five-Year Plan of the Korean Design Policy, one of the aims of which is to achieve the vision of 'Design Korea'. What is this vision?**

Achieving the vision of 'Design Korea' is innovating the national image of Korea. In other words, it includes heightening the added value of Korean products and the brand value of their manufacturers, unifying the national image of Korea, and establishing a unique design characteristic of Korea by design. ■

## Fred Pedersen

*Fred Pedersen has been a design advisor for the Norwegian Design Council (NDC) for twelve years: "My job is to help companies to come into contact with designers and to start design projects." During this period, NDC has been developing a scheme in cooperation with Innovation Norway, in order to set up the main design support mechanism in the country. In this interview, Fred tells us about this programme and the infrastructure available for design support in Norway.*



**Fred, during your presentation at the IWDS 2006 in Cardiff, you told us about this cooperation between the Norwegian Design Council and Innovation Norway (IN). What is the role and the structure of each of these organisations in your country?**

The Norwegian Design Council is the main organisation for design promotion in Norway. Our mission is to encourage and assist Norwegian industry in working with professional designers, in order to increase innovation and competitiveness. This is very important for the Norwegian Design Council: the increase of competitiveness and profitability. Companies should earn money by using designers. Compared to Innovation Norway, the Design Council is a very small organisation – 13 people – located in Oslo. It was founded in 1963 by the Confederation of Norwegian Industries and the Norwegian Export Council. It is mainly funded by the Ministry of Trade and Industry.

Innovation Norway promotes nationwide industrial development profitable to both the business economy and Norway's national economy, and helps release the potential of different districts and regions by contributing towards innovation, internationalisation and promotion. This state owned organisation employs more than 700 people and has offices in all the Norwegian counties and in more than 30 countries worldwide. The head office is located in Oslo. Their core group of clients are predominantly SMEs.

So, in this cooperation, the Norwegian Design Council contributes with in-depth knowledge of design management, design advisors and a database of Norwegian designers. Innovation Norway has the Network (national and international) and financial support available for Norwegian companies.

**We are talking about the association of a design organisation and a business support infrastructure. We constantly hear about problems encountered when these two groups (designers and businesses) meet. How did it work in Norway?**

In 1998 NDC and IN entered into a collaboration agreement. We started operation in 1999 with seminars for employees in Innovation Norway regional offices – 18 seminars all over the country – and IN appointed one contact person responsible for design in each regional office. These contacts were not used to working with design, so we had to teach them design management and they had to visit at least two companies, accompanied by a design consultant from the NDC. Following their training, the design contacts hold the initial meeting with companies who want help with design issues. They also write the design brief, which they send to NDC. We then select designers and prepare the project. This is very important for NDC, as it means that we no longer have to visit all these companies ourselves.

Before the cooperation with IN, the NDC advisors had to travel all around the country to meet the companies (and Norway with 4.6 million inhabitants is a long country with a scattered population!). It was an impossible task.

The NDC and IN design contacts meet in Oslo once a year – it's combined with NDC's annual Design Day – and study trips are arranged for the design contacts (including visits to Copenhagen and Barcelona) – it's business and it's pleasure. The pleasure is very important. It is very important to be known to different people and to get personal contact in a professional but also a social network. This is working and we now have a very good group.

**In terms of human resources, what is the design support structure currently available for companies in Norway?**

One person is responsible for design support nationwide in both IN and the NDC. I am responsible in the NDC. There is also one person responsible for design support at every IN regional office in the Norwegian counties – a total of 18 offices. For these employees design is a part-time job.

We have formed a committee on a national level with senior management from the two organisations. They meet twice a year to form the strategy for the design support and evaluate the work.

IN also has four or five full-time project managers, partly funded by regional government, who are responsible for design support in their counties and who provide advice for local companies. They write design briefs and do the referrals and that is a very great help. In the other counties, the IN contacts visit the companies, write the design briefs and NDC does the design referrals.

#### What is the financial help available for companies? Do they have to pay for NDC or IN advice?

We have a national financing scheme called Icebreaker. Companies can receive 50% of the design cost up to a limited amount. IN also have some other financing possibilities. In addition, the services offered by IN and NDC are free to companies.

#### How many companies have you been able to help this way?

Between 1999 and 2006, more than 300 SMEs from all over the country from various industries have participated in this project. More than 130 different designers were assigned to projects and more than 160 different designers got the opportunity to meet with the companies (three different designers meet with each company initially).

#### What do you consider to be the good points of this programme?

I think this project, which will continue to run for the next few years, is a success and I think there are many reasons for that success. One of the main reasons is that we have got 18 offices with a design competence all over the country. Another reason is the economic support, at least at the start of a project.

A database of more than 300 designers and good updated knowledge of Norwegian designers is important. Also it is very, very important that we give the companies a quick response. If they ask for a designer's help, we try to give them an immediate response. We visit the companies as soon as possible, maybe a week after they contact us, maybe in two or three weeks, but not longer. It is important to visit the companies when they have the need, not after two or three months, maybe they are not so interested then. Companies see the fact that support is tailored to their needs as a good point of the programme.

#### And what do you think doesn't work?

In my opinion it is negative that we cannot follow the projects closer over a longer period of time because of a lack of resources/time. Better follow-up would be a benefit both for the companies and the designers. Most of the companies are first-time design users and meeting a designer can be a meeting with a strange culture which is not always easy to cope with.

#### Providing help to companies in Norway is one of the activities of the Norwegian Design Council. Is this the main focus of the organisation?

Yes, the NDC's mission is to encourage and assist Norwegian industry in working with professional designers, in order to increase innovation and competitiveness. The services are design referrals, design consulting, promoting design, seminars and conferences, prizes and awards and exhibitions. In February 2005, we opened the Norwegian Centre for Design and Architecture in Oslo.

#### The opening of this design centre was certainly a major investment in time, financial and human resources. Did it influence the provision of support to Norwegian companies?

I do not think the centre in itself influences the provision of support to Norwegian companies. Most companies we are in touch with are located outside Oslo in other parts of the country.

#### Do you share the space at the design centre with another design organisation?

Yes, the Foundation of Design, Architecture and Built Environment. Their focus is on professionals, authorities, schools and education, business and the public. They are financed by the Ministry of Culture. We are financed by the Ministry of Trade and Industry.

#### Are there any specific benefits from this association?

The two organisations cooperate more closely than we did before and together we have succeeded in putting design higher up on the agenda in Norway. The Design Year 2005 is a good example of successful cooperation between the two organisations. Furthermore we cooperate on exhibitions.

#### From your experience in helping companies, would you highlight an initiative that was a failure?

Not all the projects are successes. We should have been more critical before we started some of the projects. We now see that not all companies have been mature for a design project. In the future we have to do a better assessment of the companies before we help them to start a design process.

#### Any ideas on how design support mechanisms might be improved?

In this project between the NDC and IN, we give priority to quantity, instead of quality. We want to support industries who are asking for design help immediately. Every company who asks us for help would at least get a meeting with us and maybe we could go into more of that with fewer companies.

The future of design support in Norway is looking promising. The objective will be to spend more time with each company, which will improve the effectiveness of our support. Companies we have been in contact for the last two or three years get better support than the companies we were in contact with in the first two or three years of the support project. We have learnt a lot and experience shows the need to go deeper into each company.

The ideal scenario would be to have full-time project leaders in all the Norwegian counties. They are close to the companies, they know the companies, they know the cultural differences between different counties, very efficient – travelling is very expensive in Norway and they are responsible for one county and they don't have to spend so much time and money on travelling. They are deeply engaged in design and I think they are good ambassadors for design all over the country.

#### Do you think it is likely to happen?

I hope it will – in the Norwegian Design Council when we started, I was the only one involved with this. After two years, another person was put on this project. By the end of 2006, we will hopefully have four man-labour years on the project in NDC.

We also now have project leaders in several counties in Norway – full-time leaders, financed by IN. We are in contact with them weekly and some of them almost not every day, but two or three times a week. We go out together sometimes, we have workshops with companies, arranging seminars and things like that together and you can see them as our hands in the community.

The increase of resources is necessary. The good news is that NDC's overall funding from the government was doubled for 2006, from EUR 1 600 000 to EUR 3 100 000.

#### To conclude, you mentioned in your presentation some challenges: 1) Define clear goals and plans for the design support and 2) IN international offices must be integrated in the Design Support programme. Could you tell me more about these?

We will give higher priority to strategic design users, develop design management tools and start new design programmes. Today we have programmes such as "Design and Food", "Design and Forestry" and "Design and Internationalisation". We plan to start new programmes such as "Design and Tourism" and "Design and Innovation". We will also develop the network further, and produce more and better design case stories.

We would like to involve IN international offices in the design programme. The aim is that they can help more companies gain access to new markets abroad. ■

# The Design Programme

(Design Centre of the Czech Republic)



In 1999 the Ministry of Industry and Trade in the Czech Republic included design support in a national scheme dedicated to improving the performance of Small and Medium Enterprises (SMEs). The Design Centre of the Czech Republic (DCCR) was tasked with operating it and since then a budget of 10 million Czech Crowns has been allocated to the Design Programme every year.

The main objective of the scheme is to help SMEs find qualified and skilled designers that can design products for them or improve on existing ones. The targets are SMEs in the field of consumer goods manufacturing.

Crucially the government of the Czech Republic considers design as a key means of increasing the quality of industrial production and realises that SMEs seldom have enough capital to employ designers. To this end, the programme can provide money for a designer's services. On average 160 projects a year are assisted, thanks to continued funding from the Czech government. For example in 2002 of the 166 applications received, 163 were approved. Many new products were developed and there was a Product of the Year Competition. In 2003 a National Prize for Design saw the designer receive a diploma and 100,000 Czech Crowns from the Minister of Industry and Trade.

Companies applying for the design subsidy must present a proposal for a new or improved product for approval to the DCCR together with a questionnaire in which they declare themselves free from debts. A special commission, which is also comprised of a representative from the Ministry, examines the proposal and has the power to approve or reject it. The DCCR offers the SME a list of designers and the actual selection is left to them. Only designers on the DCCR's database may be invited to become involved. Half of the designer's fee is paid for by the scheme, to the amount of 150,000 Czech Crowns maximum – the other half is paid for by the company. The DCCR's commission has a watching brief which enables it to monitor the designer's work for the SME. It also helps the designers in their relationship with the company with issues to do with intellectual copyright. Any new product must be ready within a year. So far 860 SMEs have applied to join the scheme, of which 650 were granted a subsidy.

The Design Programme has been contributing to the establishment of strong and competitive industries in the Czech Republic over the years. Since the political and economic changes in the 1990s, foreign goods of superior design quality have penetrated the Czech economy and native companies must be able to compete with them. In the socialist period industry was nationalised by the government whereas now it has been given back to the original owner. Unfortunately neither system generated enough capital to employ designers and so native Czech industry was just not competitive. The Design Programme has been operated by the DCCR with the aim of restoring that competitiveness by encouraging the use of a design subsidy. It is important to say that the role of the DCCR is not only to help SMEs use design as a means of increasing the quality of their products but also to help deliver improvements in the working and living environment.

Besides the important role in educating the managers and owners of SMEs about the importance of design for their businesses, the Design Programme has been achieving tangible outcomes such as creating many new products across a number of markets in the field of consumer goods. Such is their quality that many are exported to other countries and some SMEs have had to employ additional workers in order to meet demand. This has even led to the construction of new factories in some instances. For example, exports of glass have increased by 15% over the past five years and design innovations are considered to be one of the key factors behind this increase.

The Design Programme's team see few barriers to operating the project; they see the whole issue resting on new products that are well designed. In terms of formal

measurements of the scheme's effectiveness, the DCCR cites evident increases in production, an increase in the number of products exported and an increase in employment.

Although an ongoing project, the future of the Design Programme is, however, uncertain. The political and economic environment of the Czech Republic has been in a state of flux since it joined the European Union in 2004. As a consequence the programme team are expecting fundamental changes in terms of the future shape of the project. The Design Programme may finish at some point and SMEs will have to pay attention to the importance of design – even without governmental help or subsidies.

Besides financial assistance, the Design Programme helps companies with the processes of identifying designers, in setting a contract and in protecting their intellectual property rights. The Luxury Railway Seat was one of the products developed through such assistance. Manufactured by BORCAD and designed by Jiri Spaniel, the product was awarded the Czech 'National Prize for Design' in 2003. ■

*For further information please contact Dr Zbynek Vokrouhlicky or Milan Kabat at the Design Centre of the Czech Republic (vok@designcentrum.cz; milan@designcentrum.cz) or visit the website www.designcentrum.cz.*



*BORCAD's Luxury Railway Seat was one of the products developed through the assistance of the Czech Republic's Design Programme. The Design Programme helped with financial assistance and also in the process of identifying designers, setting a contract, and protecting intellectual property rights. The product was awarded the Czech National Prize for Design in 2003.*

# WINNOVATE Programme

(PDR, Wales/UK)



The WINNOVATE programme was launched in June 2004 and ran until April 2006. The aim was to encourage small businesses in West Wales and South East Ireland to use design to realise their ideas and be more innovative. During this time, the programme delivered assistance to over 60 SMEs through one-to-one mentoring and product development projects. A series of interactive workshops were also provided to complement the programme. Workshop topics included: Creating fresh ideas for your business, Marketing for Innovation, Value Engineering and Sustainable Design.

WINNOVATE was a project funded by the EU, under the INTERREG IIIA programme. It was set up to address the shortfall of product development capabilities of rural SMEs in West Wales and South East Ireland. The lead partner PDR – The National Centre for Product Design and Development Research delivered the programme in Wales with the assistance of business support providers Antur Teifi. In Ireland the project was run in partnership between the Institute of Technology Carlow and the South East Business and Innovation Centre.



*Combining the expertise from Business Support and the Creative Industries offers a real edge to SME innovation*

Interestingly, the two countries adopted different methods based on their strengths. The Irish partner, a design school, developed a series of design workshops for businesses. In Wales the strength is in consultancy so an intensive support approach was developed. This involved developing an idea for a business from a sketch to a feasible concept with a business plan, in a three-stage mechanism called Design, Develop and Support.

During the Design stage, research and planning were carried out in order to fully understand and explore the product potential and market opportunity. From this, a

design brief and specification were drafted and professional design expertise sourced. The Development stage involved an external design consultant working to the design brief to produce a number of concepts and/or a prototype. The final stage then supported the concepts with a business plan and marketing strategy. This three-stage mechanism employed the services of business advisors and design consultants, who were in addition to the WINNOVATE team formed by 10 people from the different partner organisations.

By the end of the programme participants had fully explored the potential of their idea and were in a position to make an informed decision whether to continue with the development or not. If they chose to proceed then the visual concepts and business plan could be used to apply for further funding assistance and/or to secure the interest of investors. By taking part in the programme participants became aware of the process and costs involved in developing new products and were exposed to the benefits of using professional design consultants. Participants also gained a valuable insight into business and market planning as well as design management and a knowledge of intellectual property.

The programme required a fee of £500 from the participant companies to demonstrate their commitment. Before any fee was exchanged the company had a detailed work plan written for their project so they knew what to expect. What may have appealed to SMEs was the fact that the WINNOVATE mechanism was simple to understand and had clear objectives. Companies that joined the programme had the opportunity to work with a professional design consultant to realise the ideas into visual concepts, and this was one of the key factors for the success of the programme. Another key factor was the flexible model, necessary when working with different companies. The Design Develop Support model overcame the biggest barrier to SME innovation – time. It allowed SME managers to concentrate on running their business while their idea was being developed and managed by professionals.

The WINNOVATE programme is an example of a short-term project, but it raises the question of whether it will be able to provide long term impact on the businesses. In response to this issue, Darragh Murphy, WINNOVATE project manager, clarifies: 'It is important for businesses to realise that all product development has to be customer focused and we hope the companies who engaged with the WINNOVATE programme learnt this important lesson. In the future this will allow them to be more objective about their ideas and bring in business advisors and designers at an early stage to assess the potential of their ideas without wasting time and resources.'

WINNOVATE tangible results will be measured by the number of companies who have engaged with a design discipline for the first time. The programme will be concluded with a DVD showcasing two small businesses engaged in the Design Develop Support mechanism. ■

*For further information please contact Darragh Murphy at PDR - [dmurphy-pdr@uwic.ac.uk](mailto:dmurphy-pdr@uwic.ac.uk)*



*Phil Watts of Disys Technologies, Crosshands. Disys Technologies of Crosshands in Carmarthenshire have invented a new generation of intelligent fire damper control systems. They used the Design Develop Support model to focus further development on their customer needs.*

## Service Design Seminar takes place in Cardiff

As part of the ongoing SEEdesign activities, Design Wales hosted a seminar for SMEs on 15 June, at the Wales Millennium Centre in Cardiff. The topic chosen for the seminar was Service Design, a comparatively recent concept which is fast emerging as an area of real importance for businesses. Services play an increasingly important role in a nation's economy but so far relatively few businesses have made use of Service Design to remain competitive. Service Design goes beyond the branding of a business and its products. It is a design-led, holistic and creative approach that identifies and develops where, when and how value can be added to the relationship that a business has with its customers.

The seminar featured an introduction to Service Design delivered by Oliver King of Engine, a specialist service innovation agency based in London. This was followed by presentations about the Guinness Storehouse (delivered by Ralph Ardill) and Orange (delivered by Paul Bello), two successful brands that demonstrate how Service Design has been successfully implemented into their business practices. Over 70 representatives from small companies and design agencies in Wales attended the event. ■



## New Direction for Design Support in Denmark

In September 2005, Christian Scherfig was appointed as the new director of the Danish Design Centre. He soon started a review of their programmes and, in particular, of the way that the Danish Design Centre provided support to Danish companies. As a result, the Danish Design Centre has formed a completely new strategy for its future design promotion efforts. New initiatives and campaigns will seek to strengthen the dialogue and contacts between Danish enterprises and design firms. The goal is to create results that are reflected on the bottom line. The activities will range from campaigns and seminars to workshops and network meetings focused on the possibilities and advantages in using design as a means of increasing business results. Special efforts will be aimed at small and medium-sized enterprises, which make up the majority of Danish companies, and which have a great potential for developing their business activities through the implementation of design.

With this new strategy, the Danish Design Centre aims to improve the ability of Danish companies to work with design and to develop the competencies of the design trade, thereby enhancing companies' competitiveness, both in Denmark and in the international marketplace.

'Design promotion is not just about the companies, but also very much about the design trade. On the one hand we want to provide businesses with design knowledge in order to eliminate the prejudices or obstacles that affect their approach to design. And on the other hand, we want to help designers develop their competencies to match the companies' needs more closely. In doing this, we will also seek to form a common frame of reference for design and business, something which is crucial for the competitiveness of many Danish companies and, thus, their chances in the global marketplace,' says Susie A. Ruff. Susie was appointed head of the Danish Design Centre's Design Promotion team in April and is now the Danish Design Centre's representative in the SEEdesign partnership. ■

For further information, please contact:

Head of Design Promotion Susie A. Ruff, sar@ddc.dk, tel +45 3369 3318

Project Manager Magnus Christensson, mch@ddc.dk, tel +45 3369 3348

## Design and price discussed in France

Ikea aims for good prices. Decathlon sticks to consumers' needs and profits by its mass-market. SEB Groupe relies on its brands and values. Each one, in its own way, seeks to lower worldwide pricing policies. Their design practices allow them to create new products and control costs, while keeping their prices low.

'Price as a major concern for design' was the theme selected by the Design Centre Rhone-Alps for the conference they held in Lyon, June 2006. The event attracted 150 delegates including designers and local companies, in particular SMEs. Challenged by pricing, it was an opportunity for groups such as Ikea, SEB and Decathlon, to present their designs and innovation strategies.

In line with the SEEdesign project's aim to facilitate the dissemination of experience, the minutes from this event can be downloaded from the SEEdesign website ([www.seedesign.org](http://www.seedesign.org)). ■

The SEEdesign Bulletin is the communication platform of the SEEdesign partnership and is devoted to publishing material – articles, interviews, case studies – related to the practice of design support in different countries.

The opinions expressed in the articles are those of the authors and do not necessarily reflect those of the SEEdesign partners.

**Publisher:** PDR - National Centre for Product Design & Development Research (UK)

**Editors:** Gisele Raulik, Gavin Cawood and Sarah Fish

**Design:** Blackgoat Visual Communications

### PDR/Design Wales

Western Avenue – UWIC,  
Cardiff, CF5 2YB, UK.

Tel: +44 (0)29 20 417028

Fax: +44 (0)29 20 416970

e-mail: [graulik@designwales.org.uk](mailto:graulik@designwales.org.uk)

To receive the SEEdesign Bulletin quarterly please register with the SEEdesign Network: [www.seedesign.org](http://www.seedesign.org). If you wish to unsubscribe to the Bulletin, please send a message to: [unsubscribe@seedesign.org](mailto:unsubscribe@seedesign.org)

