



Council on
Competitiveness

National Innovation Initiative

Dr. G. Wayne Clough, co-chair

Second Annual Emerging Technologies Conference

MIT, September 30, 2004



Council on Competitiveness

- ⇒ A forum to elevate issues of national competitiveness to the forefront.
- ⇒ Formed in 1986 by a unique convergence of two dozen leaders from universities, industries, and labor.
- ⇒ Goal: develop a national action agenda to improve economic competitiveness and raise the standard of living for all Americans.

Why is the National Innovation Initiative critical now?

- ⇒ World economic forces are emerging that will significantly impact the future of the American economy.
- ⇒ Many of the solutions will take time to develop and mobilize; we must begin now while we still have time.
- ⇒ Innovation is the “hole card” that will drive economic growth and high-wage, quality jobs.

“Innovation occurs at the intersection of invention and insight. It’s about the application of invention – the fusion of new developments and new approaches to solve problems.”



Sam Palmisano, IBM
Council on Competitiveness Annual Meeting
October 30, 2003
Co-Chair of the NII

“U.S. high-tech leadership is not guaranteed. That is all there is to it. We have it. We enjoy it. We have been here forever, but it is not guaranteed going forward. If we lose that leadership and if we don't have it as a driving force in our economy, it will have an impact on our ability to maintain and further improve our standard of living in the future. That is a reality.”

George Scalise
Semiconductor Industry Association
Member, PCAST

So, what's the answer?

“I could throw up my hands. I could shut my factory. I could turn my factory into condominiums... and just ship my manufacturing overseas, and – guess what – I can make more money... I don't think that's the right way to go... I'd like to think that we can be creative and innovative.”

Joe Fusco, Novus Fine Chemicals
Quoted in *Manufacturing in America*
U.S. Commerce Department

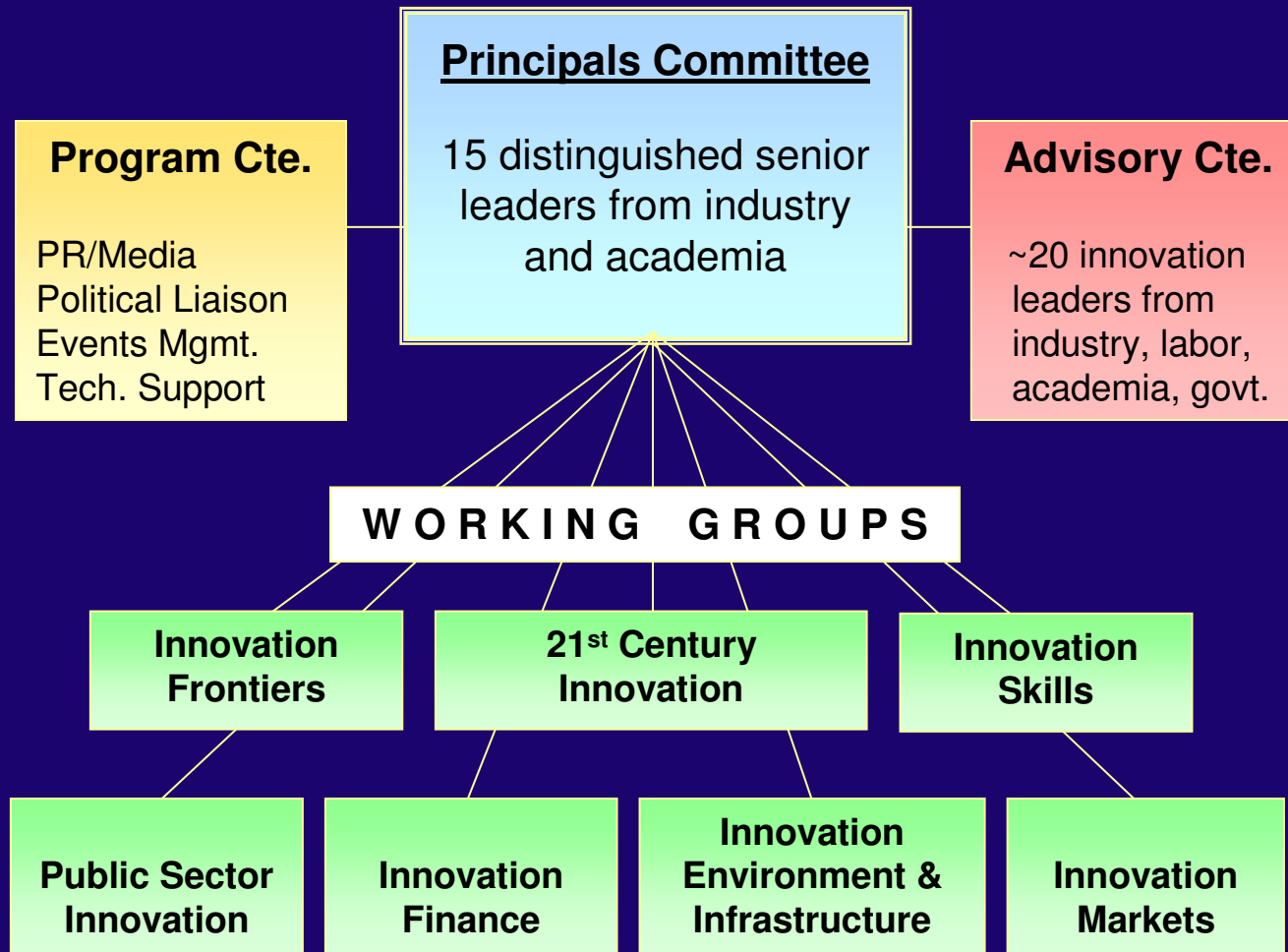
“Innovation fosters new ideas, technologies, and processes that lead to better jobs, higher wages, and a higher standard of living. For advanced industrial nations no longer able to compete on cost, the capacity to innovate is the most critical elemental in sustaining competitiveness.”

Vision Statement
National Innovation Initiative

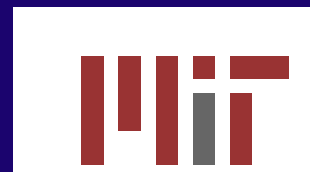
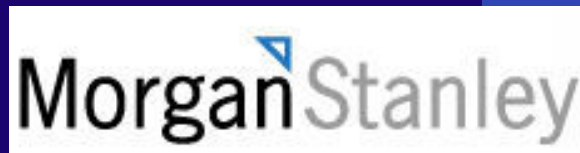
Goals for the NII

- ⇒ Bring together America's top minds on innovation.
- ⇒ Sharpen our understanding of how the innovation process is changing and how it can be harnessed for economic growth.
- ⇒ Look beyond the traditional tools for economic stimulus (monetary and fiscal policy).
- ⇒ Advocate a strategic, actionable agenda to create a fertile environment for innovation. One that respects the right and value the participation of other nations in this space.

National Innovation Initiative



Principals Committee



Working groups

21st century innovation

- ⇒ New metrics for innovation in a networked global economy.
- ⇒ Generating innovation across disciplines and industrial sectors, and at the intersection of manufacturing and services.

Working groups

Innovation frontiers

- ⇒ Identifying the critical emerging technologies that will drive future economic growth.
- ⇒ Ways to integrate new knowledge rapidly and effectively into the innovation enterprise.

Working groups

Innovation skills

- ⇒ Techniques for teaching individual creativity, problem-solving, and teaming skills and promoting cross-disciplinary interaction.
- ⇒ Ideas for steering students toward fields of future demand.

Public sector innovation

- ⇒ Encouraging governments to promote strategic partnerships among private and public sectors, universities and labor.
- ⇒ Ideas on making government more innovative.

Innovation finance

- ⇒ Incentives for private sector investments in innovation.
- ⇒ Policies and strategies to expand risk capital for entrepreneurial investment, facilitate a longer-term horizon for innovation investments, and stimulate private sector investment in research.

Innovation environment and infrastructure

- ⇒ State and national policies that encourage an innovation-friendly environment.
- ⇒ Assuring innovators access to state-of-the-art facilities and equipment.

Innovation markets

- ⇒ Access to global markets and a level playing field for all to compete.
- ⇒ Intellectual property rights, legitimacy and transparency in global marketing.

Plan of work

⇒ Time table

- Feb 2004: Working groups launched at Georgia Tech
- July 2004: Interim report “Innovate America”
- Dec 2004: National Innovation Summit in Washington, D.C.

⇒ Modus operandi

- Committee meetings
- Regional summits
- Virtual interaction through Web-based portal