

AUSTRALIAN DESIGN AWARDS A division of Standards Australia International Limited ABN 85 087 326 690 Mail GPO Box 5420 Sydney 2001 NSW Australia Telephone (IDD) +61 2 8206 6090

# INQUIRY INTO BUSINESS R&D IN AUSTRALIA

A Submission to the Standing Committee on Science & Innovation submitted by the Australian Design Awards, division of Standards Australia International.

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### **1. Summary of Recommendations**

Based on the information provided in this submission, the Australian Design Awards presents the following recommendations for further consideration by the Standing Committee on Science and Innovation: -

R1. That a greater emphasis be placed by the Australian Government on the promotion and investment in Australia's design and innovation skills and R&D activities, both nationally and internationally through the Australian Design Awards by assisting in exhibitions, conferences and educational forums.

R2. That the Australian Government recognise the Australian Design Awards as the peak body promoting design and innovation in Australia through a Memorandum of Understanding [MOU].

R3. That the Australian Government assists the Australian Design Awards in delivering case studies that demonstrate to Australian businesses, the benefits of investment in professional design in any R&D activity.

## **2. Introduction**

The Standing Committee on Science and Innovation has recognised that expenditure by Australian businesses on R&D increased by 18% over 1999-2000 to \$4.825 billion in 2000-01. Although investment in R&D has increased, as a percentage of GDP this expenditure remains significantly lower than the total investment made by business in other major countries.

The Committee is seeking comment on the following questions: -

Q1. What would be the economic benefit for Australia from a greater private sector investment in R&D?Q2. What are the impediments to business investment in R&D?

**Q3.** What steps need to be taken to better demonstrate to business the benefits of higher private sector investment in R&D?

Due to the unique position of the Australian Design Awards and the role it plays in raising the profile of design in Australian industry and the community, this submission will focus on Q3, demonstrating the need to better promote investment in Australia's design capabilities and skills in the R&D sector.

## **3. Australian Design Awards**

There is a need to co-ordinate and raise the credibility and recognition of design awards in both the design profession and the community.

(National Design Review Steering Committee, 1995: 11)

The Australian Design Awards (ADA) is Australia's only national design awards recognition program. The program was established by the Industrial Design Council of Australia in 1957 and is currently operated by Standards Australia. The ADA has been attracting, recognising and rewarding the very best products developed by Australia for more than 40 years. Our aim is to raise the profile of Australian design within Australian industry and international markets. The annual Australian Design Awards program achieves this by presenting to the Australian public and the world the best examples of Australian product design and the high quality of design expertise available to manufacturers in Australia and internationally.

The ADA is dedicated to:

- improving the awareness of the importance of product design to industry and the general public;
- promoting the benefits of professional product design in manufactured goods;
- demonstrating how important product design is to the link between invention and the commercial success of products;
- promoting innovation and a design culture in Australia.

# "Raising the profile and significance of professional product design in Australia in the development of globally competitive products"

The ADA program recognises excellence in product design in the areas of Industrial Design, Engineering Design, Furniture Design, Textile Design, Software-Electronics Design and more recently, Student Design.

The ADA operates out of the Standards Australia offices in Sydney and employs only 2 full time staff. The program is owned by Standards Australia and runs on a break-even basis with a very limited budget. The program is totally free of any commercial sponsorship apart from an association with Dyson Appliances Australia who contribute a cash prize directly to students in the recently formed Student Design Category.

Action is needed to develop a consumer process for the recognition and identification of Australian design (National Design Review Steering Committee, 1995: 13)

## Australian DesignMark<sup>™</sup> and Australian Design Award<sup>™</sup> Trademark Logos

Companies who have their products endorsed with an Australian DesignMark<sup>™</sup> and/or an Australian Design Award<sup>™</sup> receive the opportunity to licence these Trademark Logos for use in product promotion. These Marks represent more than peer recognition of good design and design excellence, they provide real commercial benefit in product differentiation and point-of-sale advantage.



Australian DesignMark<sup>™</sup> Logo



#### 4. Raising the Profile of Australian Design and Innovation

The Australian community generally has a poor appreciation of the value and potential of Australia's design capabilities and skills. The challenge is therefore to raise the status and profile of Australian design identity in both local and world markets.

(National Design Review Steering Committee, 1995: 11)

The Australian Design Awards has a key focus of promoting the benefits of professional design as an integrated strategy in any R&D activity and does so by showcasing to industry examples of products where investment in professional design has created commercial success. However, there is a need to extend this focus to the wider community and educate consumers to recognise good design through their purchasing decisions.

Products submitted into the Australian Design Awards program demonstrate that investment in professional design reduces the commercial risks associated with R&D. The ADA program effectively demonstrates to industry and the general public the benefits of investment in professional design in the development of new ideas and technologies. This investment in design lowers production costs, enhances market share and results in greater returns. These products and the creators behind them, contribute to Australia's creative wealth and prove that we have the capacity to successfully export our thinking capital to the world. These products also add to the national export wealth.

## 5. Promoting a Culture of Design and Innovation in Australia

Australian industry, in general, lacks a design culture in that much of industry is not generally aware of the role and benefits of design in enhancing competitive advantage. (National Design Review Steering Committee, 1995: 10)

The Australian Design Awards has recently formed a new Student Design Category, which recognises and rewards the outstanding talent that exists amongst young Australian designers. Education in design and technology is vital to the future of Australia – both culturally and economically. This program is supported by Dyson Appliances Australia who supply a cash incentive for students to submit their design projects. The student component of the ADA program will inspire our youth to be more aware of the role and importance of design in the wider community. The recommendations raised in this submission will help create a viable and active design profession, which can offer employment and support to our growing number of design graduates.

The Australian Design Awards has established many collaborative relationships and consults with various professional and industry bodies within Australia and internationally including: -

- The Institution of Engineers, Australia
- The Design Institute of Australia
- The National Furniture Industry Association of Australia
- The Commercial Furniture Industry Association of Australia
- The Powerhouse Museum
- The Triton Foundation
- The organizers of the annual designEX exhibition and form
- Members of Standards Australia
- International Council of Societies of Industrial Design ICSID

The program constantly evolves to ensure it remains relevant to the industry and the international developments in this area. The Australian Design Awards is the only promotional member of the International Council of Societies of Industrial Design in Australia.

### 6. International Developments in Design and Innovation Promotion

The Australian Design Awards has been involved in a number of international exhibitions, promoting Australian designed products to international markets.

Recent exhibitions include: -

• Australian Design Awards Exhibition at the International Design Forum in Singapore. (In collaboration with the University of New South Wales – October 2001)

- Australian Design Awards Exhibition and Forum in Japan Australia, Competing by Design Beyond the 2000 Olympic Games, Tokyo World Trade Centre. (In collaboration with the Japan Industrial Design Promotion Organisation - JIDPO – January 2001)
- Australian Design Awards invitation to Beijing by the Beijing Industrial Design Promotion Organisation

   BIDPO. Forum to discuss the promotion of design through the Olympic Games. (In collaboration with BIDPO July 2001)

These exhibitions were conducted at minimal cost to Standards Australia and once again, through no commercial or government sponsorship.

## 7. Prime Ministers Foreword – 2002 Australian Design Awards Yearbook

The following is a copy of the Prime Ministers Foreword for the 2002 Australian Design Awards Yearbook, which will be published in October 2002.

"Creativity and innovation are recognised worldwide as key drivers of economic and social well-being in the 21<sup>st</sup> Century. The Australian Design Awards continue to showcase the best in Australian design and provide sound evidence that these qualities continue to characterise the development of Australian industry.

The Government recognises that creativity and innovation will flourish where talented and entrepreneurial people have confidence in the environment that surrounds them. This is why we remain firmly committed to Backing Australia's Ability, the Government's five-year strategy to support Australian innovation, which was launched last year.

I note, with pleasure, that this year the achievements of young designers will be recognised with awards for Student Design. This new category will provide encouragement for the next generation of Australian designers to pursue their talents.

The Australian Design Awards, with the ongoing support of Standards Australia, play an important role in promoting Australian design and innovation nationally and internationally. This Yearbook is testament to the creativity and dynamism of Australian industry". The Honourable John Howard MP Prime Minister of Australia

#### 8. Case Study Example

The design profession bridges the differing requirements of industry, marketing, sales and investment. Professional design is the unifying element in successful R&D programs. The quality of design effort and skill has a direct impact on the commercial viability of R&D projects. With Australian Government support to help build and promote design as discussed it is possible to improve success rates for R&D and start up ventures, adding value to the Australian economy.

Tiller + Tiller is a dynamic industrial design company which practices professional product development and manufacturing. T+T has a successful track record in developing products for companies such as Sunbeam, Breville, Keycorp, HPM to name a few. Products developed by T+T go on to customers such as the CBA, NAB, Westpac, Telstra, Australian consumers and Global markets.

T+T has Asian based manufacturing clients who have recognised that design investment reduces significantly production costs and time to market. With ongoing education and promotion Australian industry could benefit from this philosophy. Currently our experience shows that it is easier to market to offshore industry than local industry. The ADA has a unique opportunity to help bridge this gap. A greater collaboration between design and Australian industry could emerge. This would have a direct effect on the commercial success of local industry in an increasingly competitive global market.

T+T is a good example of an SME, that embraces design strategically leading to the company's commercial success. It is also a good example of a small team making a big difference to Australian society. Australian Industrial design is creative and unique to the world with a strong mix of style, ergonomics and clever implementation. It is predominantly small to medium teams practicing across the country. Increased support from Government will help develop Australia's design community and build a stronger cohesive voice to support, nurture and lead R&D to successful outcomes for Australia.

The Australian Design Awards program has generated significant impact in the national industrial design market, through increased industry awareness and continued success over the past 5 years. This improving awareness has benefited our company and industry through motivating existing clients to strive for new innovation and through increased credibility via coveted Australian Design Awards, and Australian Design Marks.

Increased support for the Australian Design Awards will add to the momentum building to improve and promote design professions.

## 9. Media

The Australian Design Awards has recently received national media recognition for its strong efforts in promoting the ingenuity, sophistication and global competitiveness of Australian Design (as seen below) and continues to seek ongoing support like this to further enhance its program year by year.









# **10. References**

In March 1995, a National Design Review Report was commissioned by the Federal Government through AusIndustry. The review was prepared by the National Design Review Steering Committee through the Australian Academy of Design, which was formed in 1990. The Academy of Design has since been disbanded and many of the recommendations were never acted upon.

For more information regarding the Australian Design Awards, please visit our website: -<u>www.designawards.com.au</u>