



Collaborative Innovation

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Drivers for Value Creation across History

- Historically the value creation ability of an organisation was linked to its size
- Later the idiosyncratic nature of an organisations access to specific resources defined it's value creation ability
- The new view is that *value creation of a firm is determined by its linkages to other firms*



Why Collaborative Innovation?

- Definition:
Innovation is the ability to create value from inventions
- If value creation is determined by linkages, then how can a firm's innovation ability be determined in isolation of the linkages?
- Hence ***Collaborative Innovation***



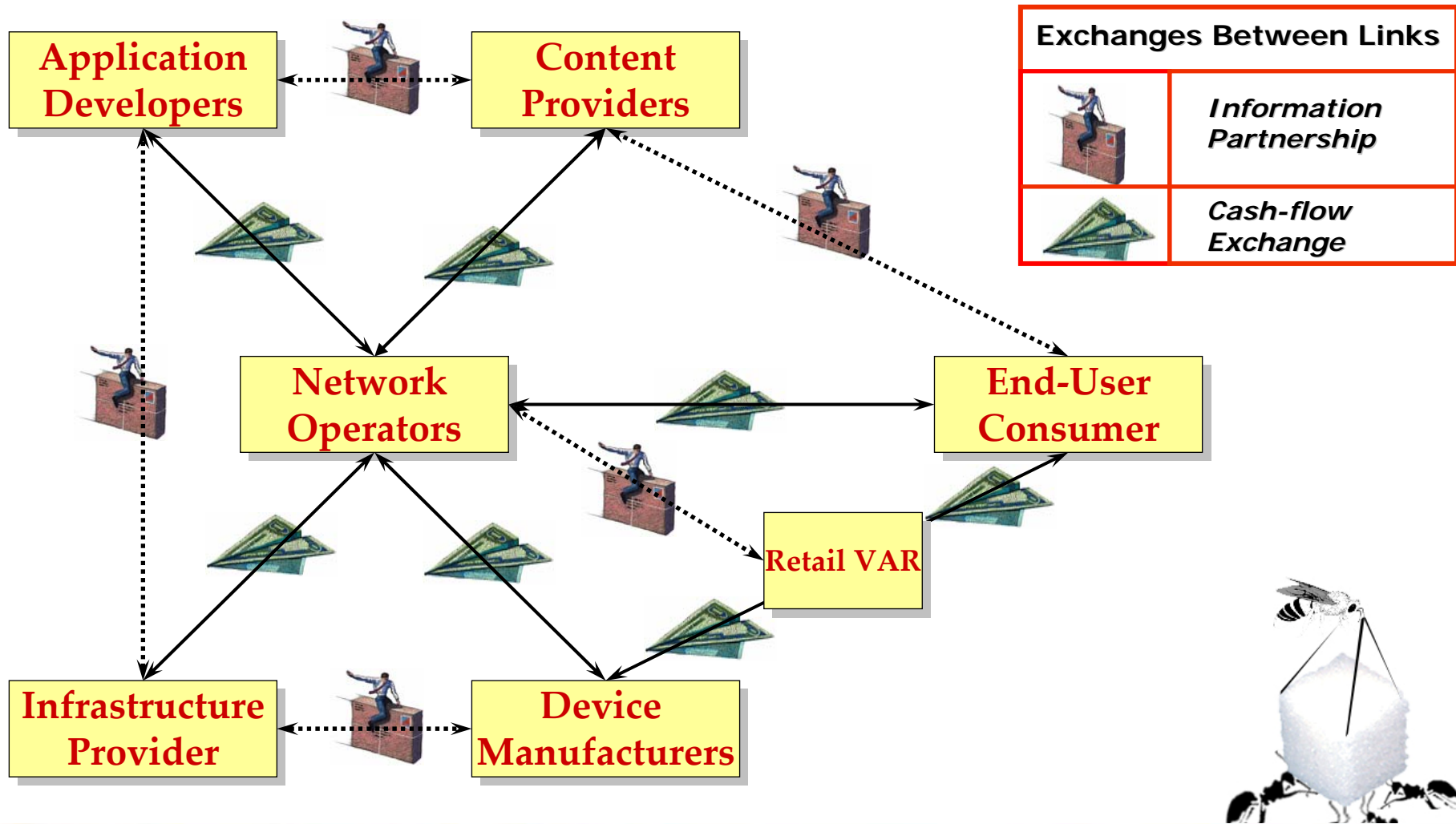
Definition of Collaborative Innovation

- Collaborative innovation begins when companies come together to solve problems and/or develop customer-centric solutions that are *beyond the scope, scale or capabilities of the individual companies.*
- Enables *business model innovation.*



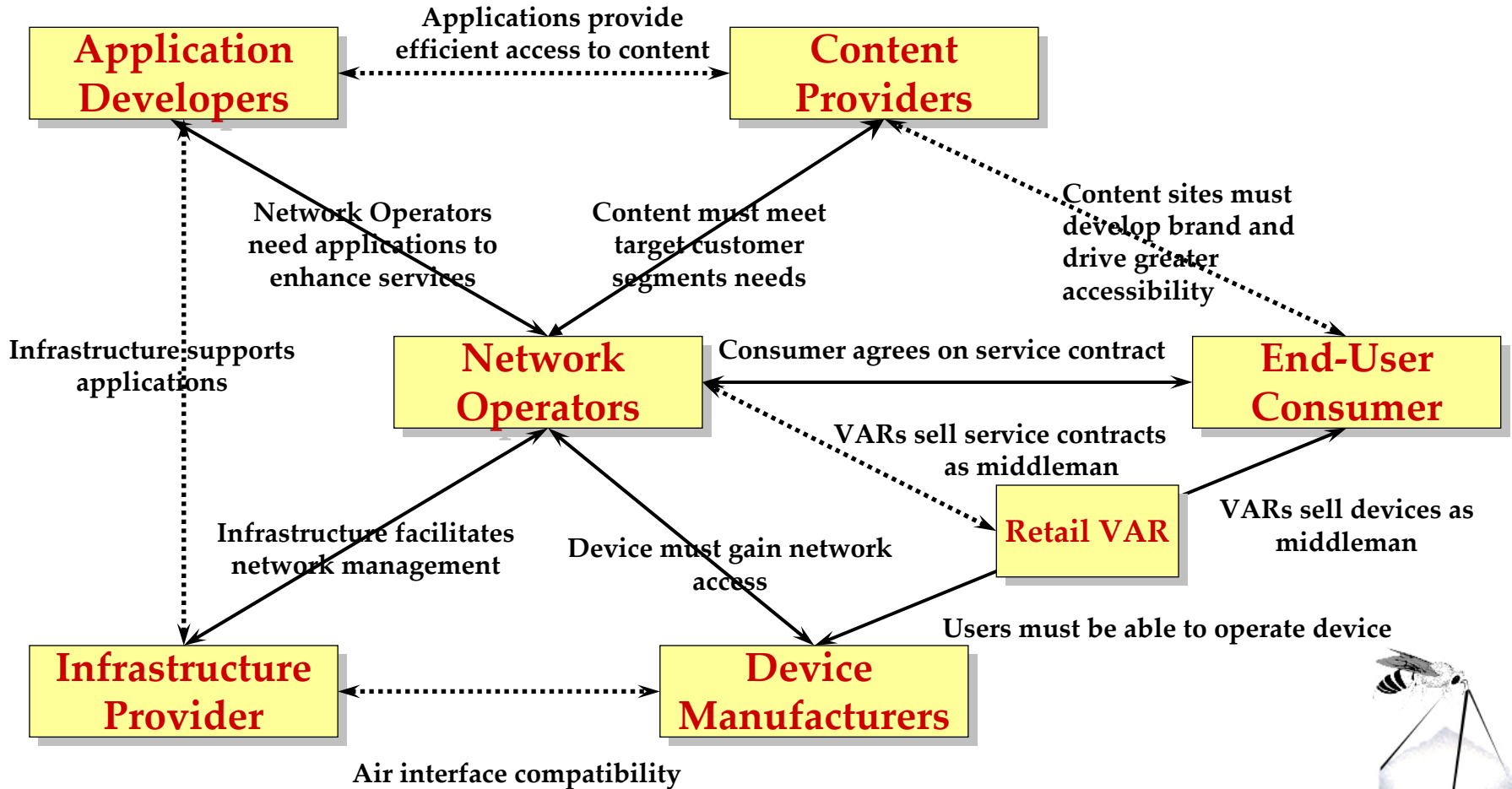
Wireless Value Network

From Charles H Fine, "ClockSpeed"



Wireless Value Network ...

From Charles H Fine, "ClockSpeed"



Swarm Creativity...

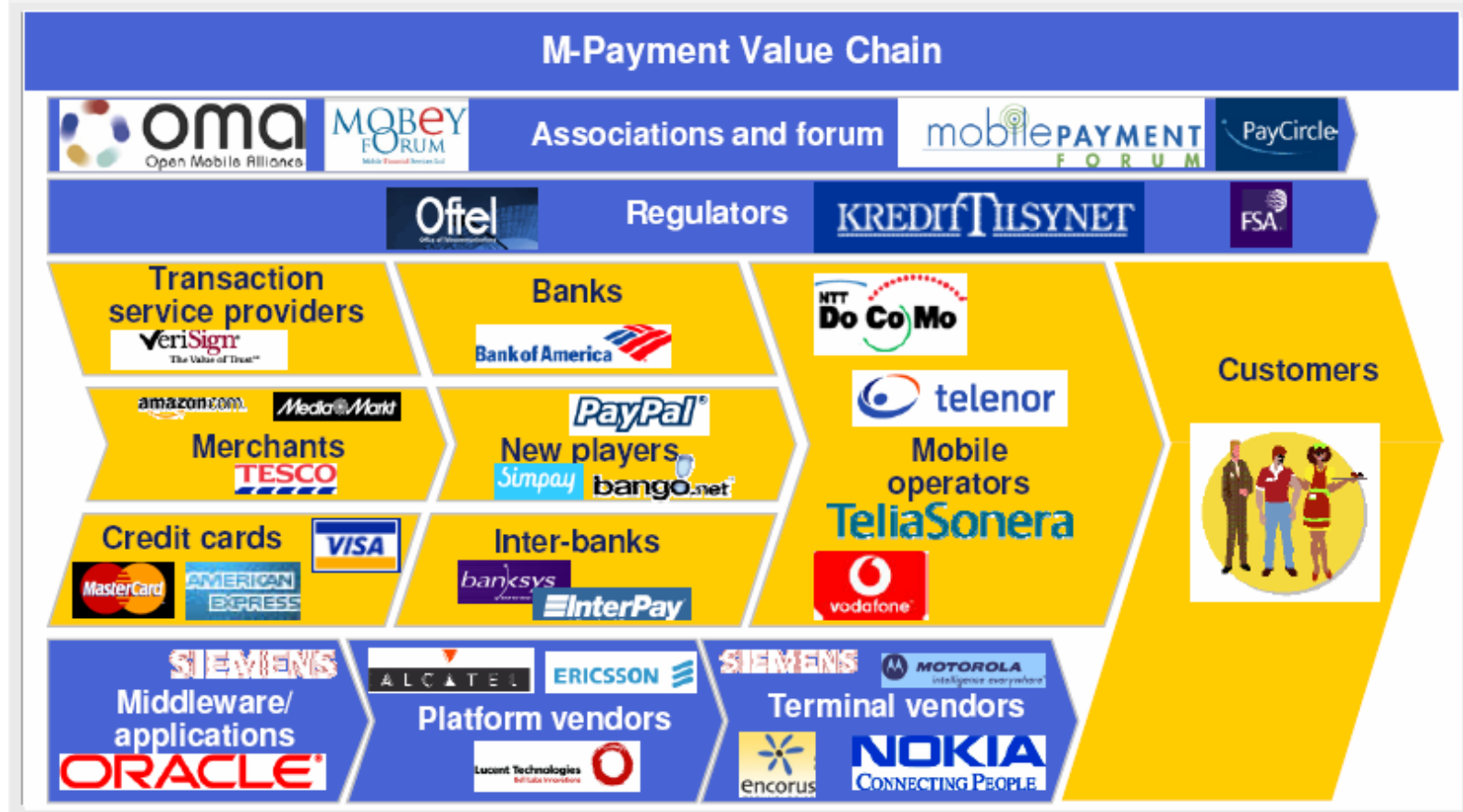
- Peter A Gloor, MIT Sloan School of Management says, “Collaborative innovation is the modern application of ‘swarm creativity’”which entails
 - Creation of self-motivated teams
 - Collective vision
 - Enabled by technology
 - Common goal
 - Sharing of ideas, information and work



Example: M-Payment Ecosystem

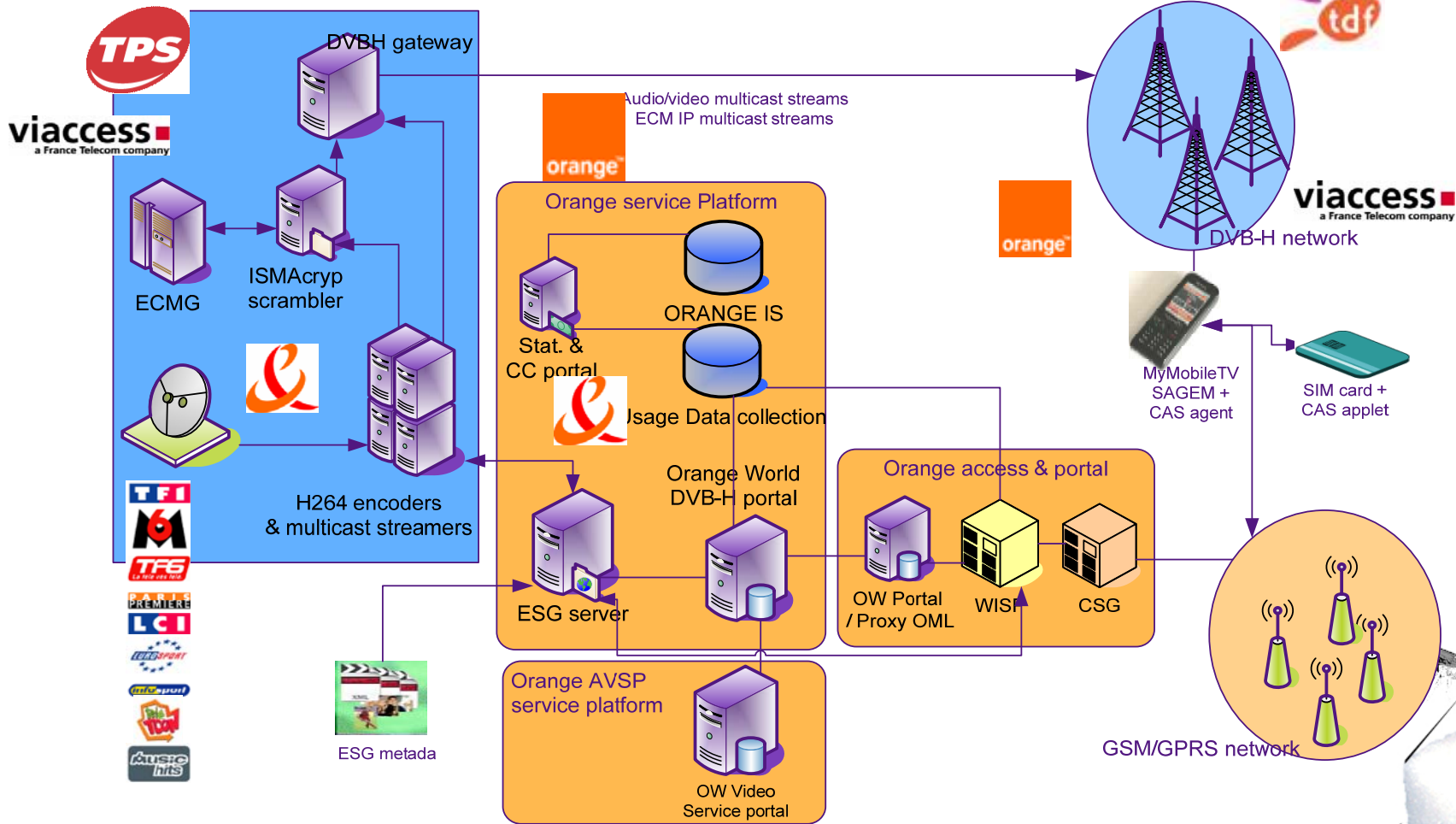
Source: Arthur D Little

The m-payment value chain involves a larger number of players than the traditional method of payment and introduces changes in the role that each of them plays



Mobile TV example

Source: France Telecom



Collaborative innovation in converging industry segments



Innovation beyond the company

- **Benefits**

- Access to markets and customers
- Higher quality
- Sharing of risk
- Financial and intellectual benefits
- Reduction in technology gap quickly
- Leveraging of shared infrastructure
- Significant scale
- Faster time-to-market and time-to-revenue
- Increased customer loyalty

- **Sources of Innovation**

- Business Partners
- Customers
- Consultants
- Competitors
- Associations, trade bodies, events
- Academia

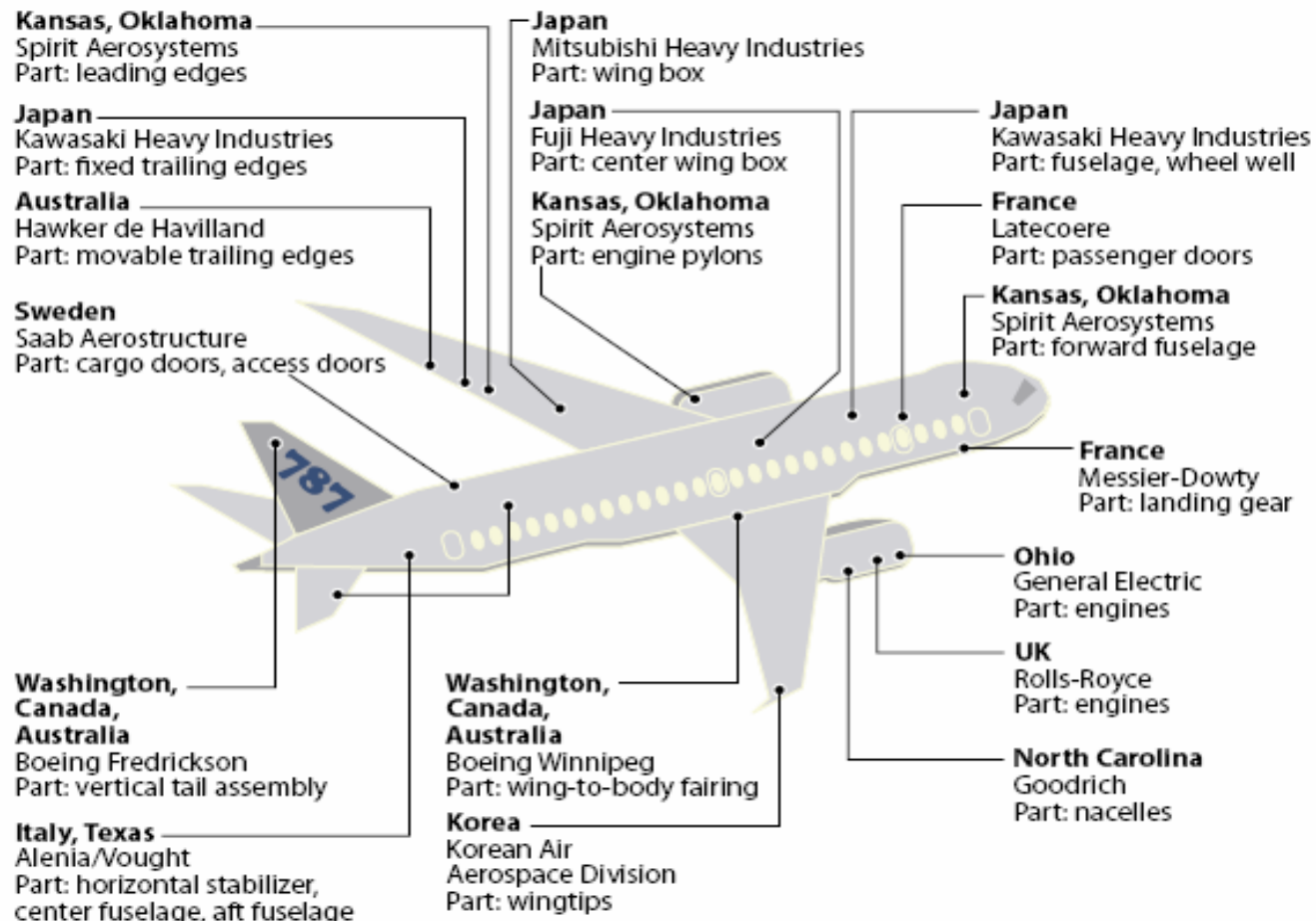


Pitfalls

- “Not Invented Here” Syndrome
- Co-ordination failure
- Risk Perception
- Opportunism and monitoring costs



Example: Boeing



Source: "Boeing: New Jet, New Way of Doing Business," *CIO Insight*, March 6, 2006

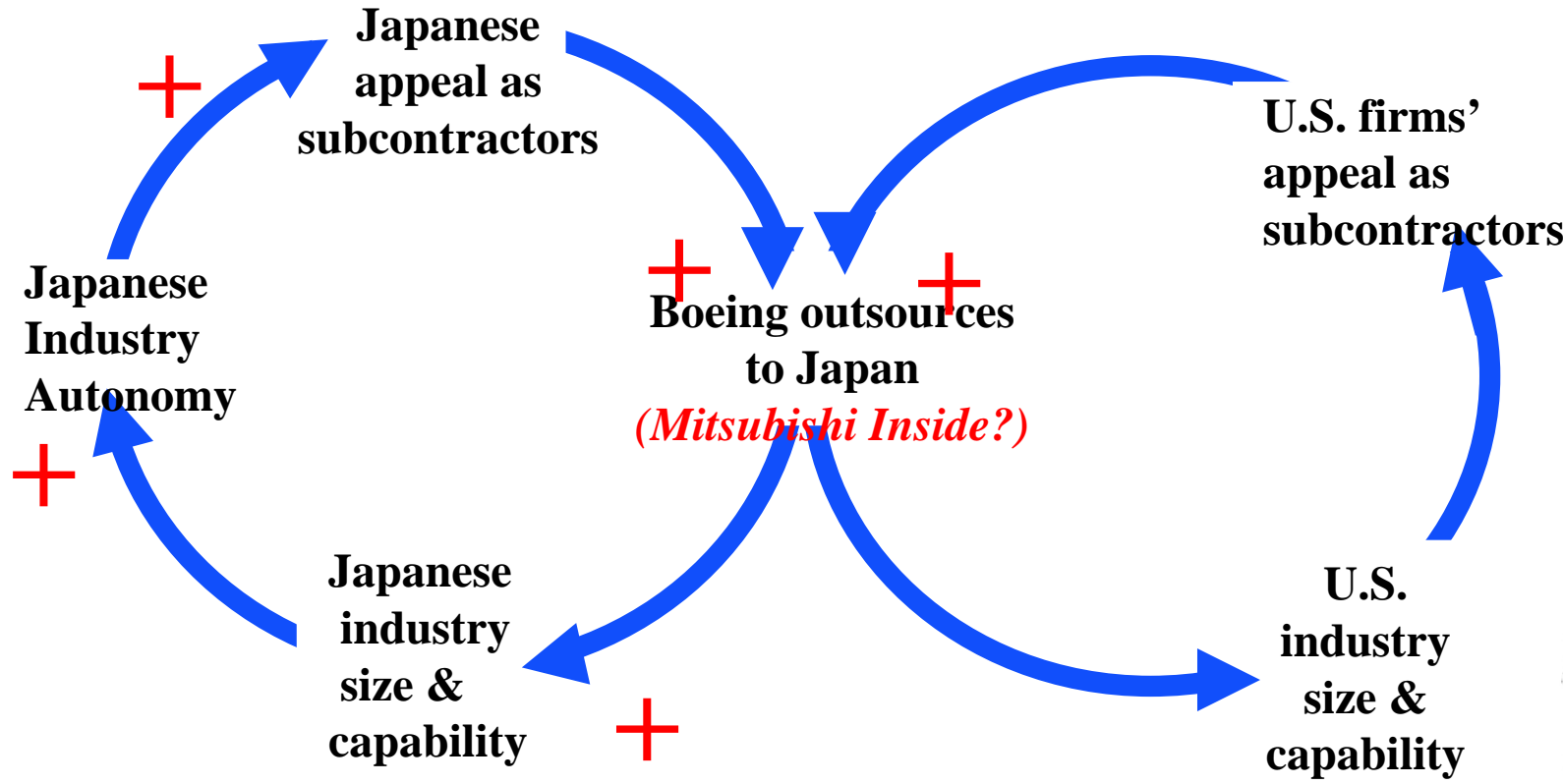
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Source: Forrester Research, Inc.



Not Invented Here Syndrome

From Charles H Fine, "ClockSpeed"



Co-ordination failure ... Airbus 380

[The Register](#) » [Science](#) »

Airbus A380 faces further delays - Wiring woes continue

By [Lester Haines](#) Published Thursday 21st September 2006 11:45 GMT

The wiring problems which [earlier this year](#) forced Airbus parent company EADS to delay delivery of its A380 by six months continue to plague the roll-out programme.

According to the BBC, EADS is planning a further six month hold-up, "again linked to wiring problems". ...

The financial impact may be severe.

Back in June, EADS estimated **annual losses of €500m between 2007 and 2010** associated with the revised delivery schedule.

Among the airlines waiting to get their hands on the 159 aircraft currently on order are Emirates (43 orders), Lufthansa (15), Qantas (12) and Virgin Atlantic (6). ®

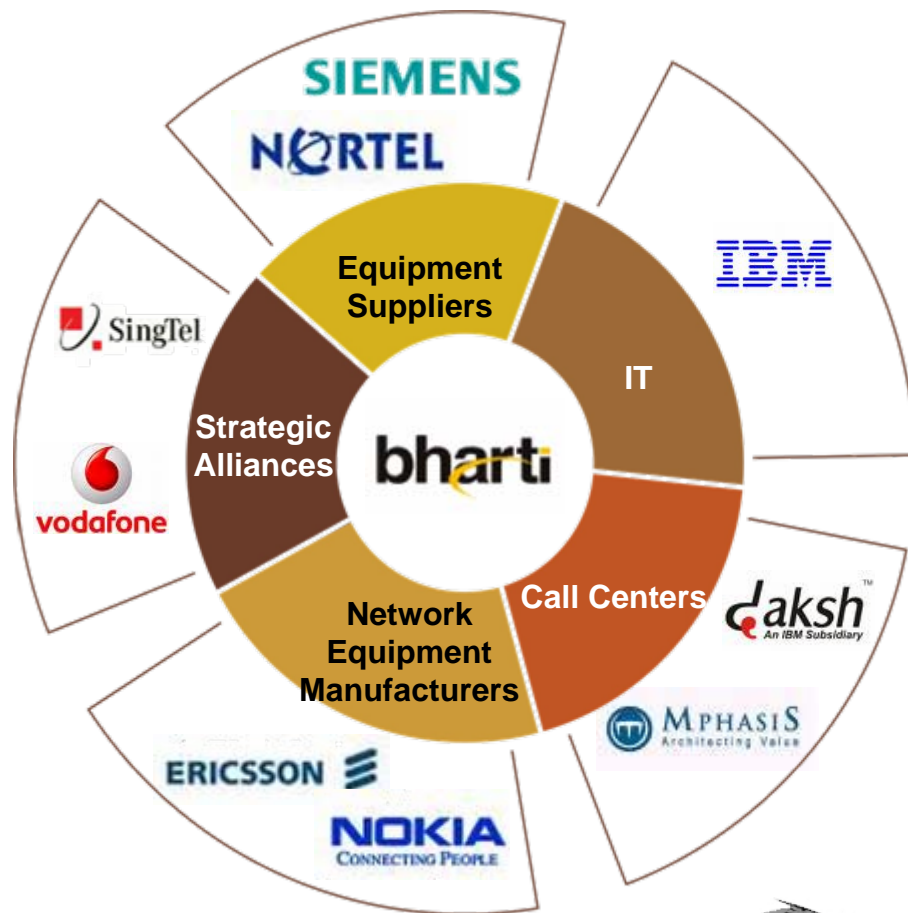


Risk Perception

Microsoft excluded from NTT DoCoMo's plans

[RETHINK IT](#), [Jan, 2005](#)

Perhaps the greatest disadvantage that Microsoft has in trying to become a major force in the mobile world is that one of the key concepts of that market, the 'ecosystem', is alien to it. ... This was made very clear recently when NTT DoCoMo, the most experienced company of all in building ecosystems, laid out new plans for its next generation handset architecture—plans that **embrace Linux and Symbian, and specifically exclude Microsoft.**



The Bharti Ecosystem

Bharti has shown great courage in outsourcing even essential operating functions



Opportunism and Monitoring Costs

- Some firms can gain disproportionately from “hold up” and re-negotiation – opportunistic behaviour (defer relation specific investments)
- Monitoring to prevent such opportunism can be costly
- Only solution is Trust
Established through Relationships ...



Where Collaborative Innovation has worked well

- Semiconductor Platforms and Software Partners
(Trusted Semi leader, Complementary software)
- Patent Pooling - MPEG, ETSI (GSM), Bluetooth, RFID
(Beating the patent trolls)
- Multi-core cell architecture for gaming consoles
(Uniting against a dominant player)
- Symbian
(Uniting against a dominant player)
- TDS-CDMA
(Government directed)
- DoCoMo
(Monopoly directed)
- Boeing
(Strong player directed)

Strong cause, Institutions for trust



Collaborative Innovation where Indian software companies have been thriving

- Semiconductor – software ecosystems
- Mobile content
- Product co-development

Cause:

Go where the talent is
Make the R&D dollar reach further
Go where the market is

Institutions for trust:

Multi-dimensional relationships
Track record – dependability
Accreditations



Sasken and TI – Collaborative Innovation in High End and Low Cost Multimedia applications

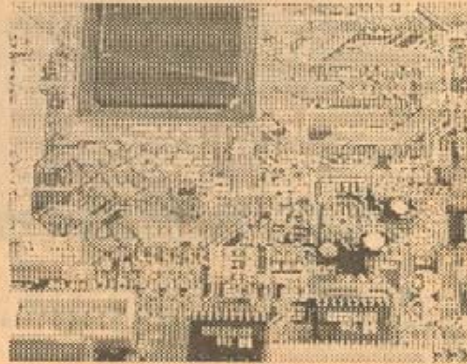
New generation products on display at Texas Instruments

BS REPORTER

Bangalore, 30 November

The opening session of the 9th Texas Instruments (TI) Developer Conference on Thursday here witnessed the demonstration of some unique applications based on TI's analog and signal processing technologies.

High definition video conferencing facility in partnership



UNIQUE APPLICATIONS

- Sasken's Application Framework ARIA, together with TI's 'LoCosto' single chip, will allow phone manufacturers to produce instruments with affordable multimedia while lowering the cost of integration and accelerating the time to market
- India's total available market for Analog by 2010 is expected to reach \$425 million with a compounded annual growth rate of 27.4 per cent

“Sasken engineers have used ARM7, TI’s lowest cost processor and managed to get a level of performance that’s quite stunning,” said Remi El-Ouazzane, GM of the 2.5G business unit at TI. “They have managed it by using very smart design and clean, innovative software.”



Sasken, TI and the DoCoMo ecosystem

Sasken's Multimedia Solutions in NEC's new FOMA phone

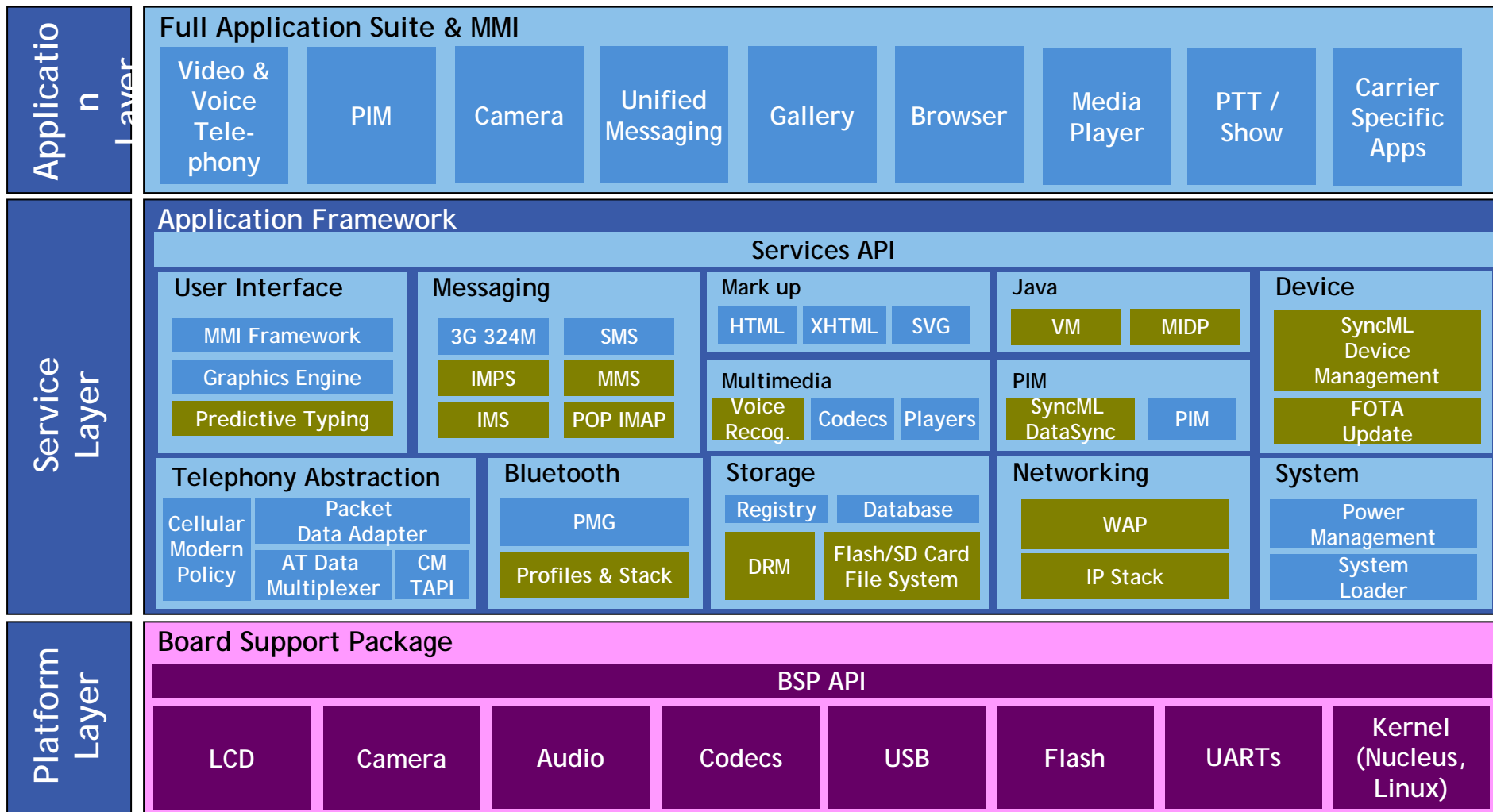
February 14, 2006, Barcelona, Spain

Sasken Communication Technologies a leading player in Embedded Telecom Software Solutions announced today that NTT DoCoMo has released a new FOMA N902i mobile handset developed by NEC in Japan with Sasken's Multimedia Solutions.

“NEC is very happy with Sasken's multimedia solutions, which enable us to deliver next generation multimedia solutions to our customers. Sasken's multimedia solutions are backed by world class support, which enable us to bring our phones at the right time into the market place” says Yoshihiko Kasai, Assistant General Manager of NEC Mobile Terminals Division.



Sasken Application Framework ecosystem



Chipset partner components

Sasken components

Third party components



Arid

A Sasken product



Lets Collaborate to Innovate

Thank You