

## Newsletter # 1 – February 2009

Hi there,

Sometime around April last year the team at Dynamic Horizons thought it would be a good idea to start a regular newsletter. We then promptly forgot about it....

It has been said that only 8 percent of New Years Resolutions are kept. Well, know this; we are committed to this newsletter being part of that 8 percent! (Never mind doing more exercise and drinking less...those resolutions didn't last a week)

This first edition for 2009/ever starts with a couple of serious articles, then showcases some upcoming events before introducing an innovation we honestly believe will rival the iPod (unfortunately not one of ours).

And it finishes with a competition where you can win some wine so make sure you skim all the way to the end!

As we are new at this, we would also love to hear your feedback. Too many articles? Not enough? Anything you would like to tell us please just email [tim@dynamichorizons.com](mailto:tim@dynamichorizons.com)

### Innovation during a Recession

Unfortunately innovation is falling down the list of priorities for many Australian businesses.

One reason for this is obvious. Times are tough. But focussing on cost-cutting and day-to-day operations (while ignoring new opportunities) is a risky way to go. Granted, your business may have to adjust to changing economic landscape, but once the necessary adjustments have been made you can't afford to sit on your hands until everything gets better.

No doubt many of you have already heard the argument that "*a downturn is the most important time to innovate*". That doesn't make it easier to convince the bosses to keep pursuing new ideas, especially when they've got more pressing issues on their mind.

Recognising this, we went looking for evidence to prove innovating in a recession *is* the right thing for your business to do... and we found some!

First is a great research article from Innosight, comparing revenue growth of innovative versus non-innovative companies during the last three US recessions. You guessed it, the innovative companies performed consistently better, especially during the 2000 to 2002 recession where average revenue growth was up to 36% higher than the non innovative companies. View the full article [here](#)

Second is a 2003 report by Keith Roberts with the apt title; "What strategic investments should you make during a recession to gain competitive advantage in the recovery?" Reviewing data on 1000 companies from a 30 year collection period, Roberts found that companies that spent more on innovation during economic downturns saw return on capital employed rise 23.8% during the recovery, compared with 0.6% for those that slashed spending. The full report can be purchased from Emerald [here](#).

Finally is an in-depth article by Andrew Razeghi at the Kellogg School of Management. Razeghi provides examples of successful innovations launched during recessions and also

summarises the results of several reports supporting investment in innovation in tough economic times. Download the full article [here](#).

We hope these resources give you the ammunition you need to convince the powers-that-be to continue investing in innovation...even if they still think the sky is falling in!

## **Innovation Challenges**

In addition to economic pressures, we believe there is another reason Australian businesses are turning away from innovation. Put bluntly, many companies talk about innovation but few invest the time and effort needed to make it happen. Hence it's no surprise that they fail to achieve the desired outcomes.

It takes more than a couple of brainstorming sessions to think up and commercialise innovations. And sending a few staff members to a two day training course won't cut it either.

To achieve real results from innovation, organisations need to establish a program that rigorously uncovers, develops and implements ideas that positively impact the business, its customers and its employees.

Our Innovation Challenge Program has been used by several Australian companies to do just that. The Innovation Challenge is a seven month program that uses a competition framework to uncover substantial ideas and train teams of employees in building those ideas into successful innovations. Companies that have implemented the Innovation Challenge Program have launched innovations contributing millions of dollars to their bottom line, as well as significant environment and social initiatives.

For more information, download an Innovation Challenge flyer [here](#).

## **Blue Ocean Strategy Symposium – Melbourne 3 March, Sydney 5 March**

Margaret Manson at InnoFuture has developed another intriguing event, this time hosting a one day symposium with Professor Chan Kim, co-author of the best selling Blue Ocean Strategy book.

If your business is stuck in the red ocean of bloody, head-on competition, then this workshop is for you. In a nutshell, Blue Ocean Strategy provides a set of frameworks and tools that help companies move into new markets and make the competition irrelevant.

Dynamic Horizons is organising a corporate table for the Melbourne workshop on 3 March. If you would like to join us (at a reduced rate compared to individual tickets) contact us on (03) 9350 3678 or email [tim@dynamichorizons.com](mailto:tim@dynamichorizons.com)

For more information please visit the InnoFuture [website](#).

## **Innovic's Next Big Thing Award**

Innovic's Next Big Thing Award 2009 for new inventions and innovations is now open!

This year's Next Big Thing Award offers \$60,000 in cash & prizes and over \$100,000 of promotion for your invention, including a six week exhibition of finalists at Melbourne Museum. Categories include sustainability/green, innovation excellence, community benefit and people's choice.

To find out more or enter visit [www.nextbigthingaward.com](http://www.nextbigthingaward.com) Applications close 16 March 2009.

## Australian Institute for Commercialisation - TechFast Program

The Australian Institute for Commercialisation still has a couple of places left in its free TechFast Program.

TechFast is designed to help Victorian firms collaborate with other businesses to work on innovation opportunities. Its government funded (that's why its free) and supported by the Victorian Department of Innovation.

TechFast is for established businesses (preferably SMEs) which have identified a commercial opportunity and want to grow by innovating or improving an existing product or service to capture the new opportunity, and who need external help. AIC consultants work with you to define business needs and then scour the country looking for smart collaborators, researchers or other technical businesses who want to assist in the innovation project. Once a suitable partner is found, AIC will also facilitate an effective working relationship between the collaborating parties.

Download more information about TechFast [here](#)

## The best thing since the sliced iPod (?)

They said it couldn't be done, but we reckon we've found an innovation that will give the iPod a serious run for its money.

Well, not really... but this site is well worth a visit. [Very clever.](#)

## What are these?

Finally, check out the picture below and see if can figure out what it's of:



Want to find out? This [website](#) will tell you all about it...very cool!

Kind Regards,

The Dynamic Horizons Team