



AUSTRALIAN DESIGN ALLIANCE

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Entrepreneurs' Infrastructure Programme
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Australian Design Alliance Submission – Establishment of the Entrepreneurs' Infrastructure Programme

The Australian Design Alliance (ADA) welcomes the opportunity to comment on the establishment of the Entrepreneurs' Infrastructure Programme.

Australian Design Alliance

The ADA was launched in 2010 as a representative voice for the design industry and an advocate for good design: by working with government and industry on a national design policy vision; promoting design education at all levels; and profiling case studies on the value of design.

The ADA's vision is to develop a culture of design in Australia that seeks to contribute to economic competitiveness, innovation, creativity and sustainability. Its mission is to achieve greater recognition and valuing of Australian design by governments, business and community, plus greater innovation and collaboration within the design sector together with the application of strategic design approaches across all sectors.

In its first three years the ADA has expanded its membership to include engineering, architecture, building design, film, theatre and event design, along with its original members spanning graphic design, urban planning, landscape architecture, product and industrial design, interior design, fashion and textile design, visual arts, craft and media arts.

This collective commitment by so many professional bodies is unique, representing some half a million designers working in small to medium businesses and embedded in large corporations. There is no other organisation in the world that has managed to set aside

individual agendas and work together for the big picture – a new vision for an Australia made better by design for all Australians.

That is why we believe that design is a discipline that is essential for a competitive business culture. Great design is a must-have requirement for new products and services to succeed in the market.

The value of design to a more competitive Australia – Integrating DESIGN for competitive business

Design as strategy is an important input to create businesses that are innovative and competitive globally. This is why the ADA supports initiatives such as design integration programs that work with business to identify ways that they can change and innovate to put them in a competitive position for future growth.

Catherine Livingstone, a member of the Prime Minister's Business Advisory Council and Patron of the Australian Design Integration Network writing about the recent report by Professor Sam Bucolo and Peter King, [Design for Future Manufacturing Competitiveness](#) said:

What is clear ... is that the adoption of design-led innovation must become mainstream if Australia is to address the challenges of the structural economic shifts the nation currently faces. ... To achieve the necessary broad-based adoption, design-led innovation principles will need to be incorporated throughout education and in industry practice. Design-led innovation is not merely a set of tools for firms to adopt, but a mindset embedded inside the culture of firms and within the stakeholders who support them.

To that end the government can play an important role by creating incentives for industry to adopt design-led innovation. The Entrepreneurs' Innovation Program is one such opportunity and by including in each of the streams, eligibility criteria that relate back to the adoption of a design mindset, best practice in business management, integrated research connections and commercialising ideas, design-led innovation can be achieved.

Furthermore the design professions can support this growth through their responses to meet the eligibility criteria using design processes that seek to understand consumers and translate that understanding into innovative products and services that directly address and meet consumer needs.

The ADA recognises the importance of providing ongoing professional development to designers and design educators to enable them to understand how business is changing and to assist in positioning them to be more globally competitive. ADA advocacy work will ensure that this information filters through to educators and advisors about the role of design as a source of competitive advantage.

At the same time design businesses themselves are ready to support the eligible sectors including the advanced manufacturing sector. With the knowledge and capability to work with advanced materials in creating new innovative products, designers in Australia can compete successfully on the world stage across multiple sectors. It is this ability to engage

across the disciplines to solve problems through a design process that creates exciting opportunities.

The EU Commission has recognised the importance of design as a key discipline and activity to bring ideas to the market, in the Commitment 19 of the Innovation Union, a flagship initiative of the [Europe 2020 Growth Strategy](#). On 23 September 2013, the Commission published a Staff Working Document titled [Implementing an Action Plan for Design Led Innovation](#). This has also provided UK Design Council with 3.8 million pounds to lead a consortium to deliver the European Design Innovation Platform (EDIP) – a project to increase the use of design for innovation and growth across Europe, financed by the European Commission.

The various pilot initiatives trialed around Australia, including the valuable contribution by the Government's Creative Industries Innovation Centre, and the Victorian Government's [Design to Business D2B](#) recognise the proven value in the New Zealand model, introduced a decade ago, and the benefits of design integration programs.

Business Management

The focus on bringing together all of the information, advice and services available to business from the three levels of Government is critical and is a welcome initiative.

Research Connections

The ADA believes that there is a real need for more targeted research into the contribution and value of design. Research of this nature will enable business and governments to better understand the value of strategic design for improving competitiveness and economic growth. The ADA supports initiatives that enable a research focus on particular business needs as well as research that assesses the capacity and contribution of different sectors.

Some useful evidence on the proof of success of a design-led approach is summarised by New Zealand's [Better by Design](#):

- The World Competitive Forum's Global Competitive Report (2012) showed that 19 of the 25 countries ranked top in terms of competitiveness had a broad value chain i.e. not only did they produce their product or service, but they also implemented product design as well as marketing sales, logistics and after-sales services.
- Evidence that design can help command a premium price was measured in a study carried out by the UK Design Council (National Survey of Firms, 2005). It showed that only 21% of design-led firms competed on price compared with nearly half of the firms that did not use design (45%).
- Another Design Council study (The Impact of Design on Stock Market Performance, 2006) found that design engaged companies listed on the London Stock Exchange outperformed the FTSE by 200% over a 10-year period.

Commercialising Ideas

The design professions are critically linked to the commercialisation of ideas. Design processes to establish the commercial viability of new products and services are imperative.

The ADA is supportive of this approach and would welcome the opportunity to have further input into its implementation. Design and design integration are critical for transforming the automotive sector, finding new ways to utilise expertise and continue the viability of manufacturing in this sector.

Design Policy

The promotion of design and its importance to a country's economic competitiveness is an increasing trend in a global context. Governments in the United Kingdom, Korea, Taiwan, India and China are investing millions of dollars in strategic design promotion and the development of national design policies. These countries have concluded that successful economies of the future will be those that drive new design thinking and research, and use professional design to generate innovative solutions to complex social and environmental problems.

The ADA is acutely aware of the issues facing the Australian industry sector. On behalf of the design sector we stand ready to support the government in this competitive global environment. We are committed to working together to develop a national policy for design that encompasses these initiatives and would assert Australia's considerable skill and leadership position in design-led innovation.

The ADA would welcome the opportunity to contribute to the development and implementation of this program and how it fits into broader initiatives to support future design-led economic growth.



Lisa Cahill
Executive Director