



On the road to a world class institute sector

Nine challenges for competitiveness and renewal

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“The industry research institutes, under the ownership of RISE Research Institutes of Sweden Holding AB, are to be internationally competitive and work for sustainable growth in Sweden by strengthening the ability of trade and industry to compete and renew.”

Comprehensive aim in the Government's letter of intent

RISE Holding is an owner company that partly or wholly owns industry research institutes. Our core process is corporate governance. With strategic governance, we can develop and renew the sector into a sustainable world class institute sector and attain our main aim, which is to increase the competitiveness of trade and industry and Sweden's growth.

In order to reach our aim and act successfully on a global arena, we have begun our journey towards achieving a world class Swedish institute sector.

Our most important challenges in the next few years are:

1. Discussions with trade and industry

“Parts of Swedish trade and industry need the Institutes as a research and development resource in order to have access and be able to rapidly export new technology to the market, especially the more environmentally friendly technologies. Small and medium enterprises (SMEs), in particular, need the Institutes to be able to strengthen the knowledge content in their operations.”

Prop. 2008/09:50

The work of the research institutes in research, development and innovation means that research results are created, refined and brought about in a number of fields at the request of their customers. The aim is to create businesslike advantages and strengthen the competitive and innovative capacity of industry. In order to be able to function as a strategic research and innovation partner for a company in a

climate of global competitiveness, a research institute has to proceed from the needs of that company and its external environment, when it comes to both its present and future needs.

Especially in times of economic crisis, it is crucial for that company's R&D partner to be prepared on a long-term basis, to have state-of-the-art technology and broad expertise in what it offers, and to possess extremely good knowledge of the external environment. Our main task is to carry out continuous strategic discussions with trade and industry in order to identify the requirements for sustainable technology and communicate them to the institute sector.

There is a great potential for collaboration among small and medium enterprises that lack the resources, by themselves, to find an innovation partner. We are going to seek out these companies and hold discussions with them on a regular basis.

2. Alliances with seats of learning

“It is of particular importance that collaboration between the Institutes and seats of learning is strengthened and that their roles are developed.”

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“Industry research institutes are to develop their expertise and collaborative network strategically in order to contribute to the strengthening of the competitiveness and renewal of trade and industry, together with the position of the institute sector in the innovation system.”

The Government's letter of intent

The seats of learning in the country, i.e. universities, technical institutes and university colleges are the main providers of expertise and project partners for research institutes. It is at universities and technical institutes that the country builds knowledge and expertise that can be processed at an institute and it is from there that personal resources can be obtained for activities, either on a flexible exchange basis or as a shared resource in various innovation projects.

It is important to be clear about the division of roles between the university and the institute in joint projects for promoting an efficient co-operation, whose effects can be measured in trade and industry and in society. The role of the institute is to have an applied focus on excellence in development and innovation, while the focus of a seat of learning lies in academic research, training, education and knowledge development.

RISE Holding will motivate participants in the innovation system to collaborate, by building strategic alliances with seats of learning. One way of strengthening the motivation for strategic collaboration and promote the mobility

of people between seats of learning and institutes is to encourage collaborative projects.

3. New financing system

“The following are included in the Company’s task: together with industry research institutes in the structure, to produce strategies in common for the development of the structure of an institute, disperse and utilise possible means of restructuring, produce and continually develop criteria for this dispersal and distribute the strategic instruments for the development of expertise at the institute (...).”

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The fundamental financing of the sector was considerably increased at the beginning of 2009 in order to attend to the internationally viewed low level of financing that has treated the Swedish institutes harshly for a long time. This increase is seen by the Government as an important step towards establishing a reinforced collective institute sector and stronger institutes as players in the Swedish innovation system.

RISE Holdings has the task of developing a new efficiency oriented finance system for the institute sector, with satisfactory financing of the strategic development of expertise as well as powerful tools for measuring and evaluating the advantages.

We see that one of our important tasks is to build alliances with other financiers in the world of research, in order to optimise the value of an active institute sector on an innovation intensive research scene.

4. Effects and benefits

“RISE Research Institutes of Sweden Holding is to report back to the Swedish Government Offices (Dept. of Trade & Industry) (...) about how the system for the following-up of effects and instruments for expertise that were invested in have been drawn up in collaboration with experts in effect evaluation (...) the result of the following-up of effects, using the instruments of expertise at the Institutes, (...) how the investments by the Institutes are strategically assessed for being able to contribute to strengthening the competitiveness of trade and industry, especially when it comes to small and medium sized enterprises.”

The Government's letter of intent

Value creating R&D activities and innovations with benefits to trade and industry are the key concept in the operations of the institute. The holding company disperses public means to support activities and will measure and give an account of the effects and benefits attained on a sector level.

Credibility in society and in discussions with owners demands that the beneficial aspects of the activities are emphasized and communicated. RISE Holding will develop tools for evaluating and utilising the available channels for communicating the advantages of institute research work, so that the information contributes to sustainable values in the renewal of trade and industry. Annual reports, sustainable reports, documentation of accounts and publishing on the web site are some of the channels for dispersing information.

5. Increased internationalisation

“The industry research institutes ought to participate in an international research context, to an increasing extent. One priority issue concerns participation in the EU Framework Programme for R&D.”

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To meet the challenges globally, demographically and economically, industry research institutes need to broaden their operations, even outside Swedish borders. The research customers, i.e. trade and industry, have already done this and, today, purchase more R&D and innovations from abroad than they do in Sweden. The institute sector in Sweden has to be a competitive alternative for purchasers of R&D.

The Swedish research institutes have to be stronger players abroad than they are today. This can occur in various ways. One natural way of increasing the internationalisation of the institute sector is to intensify an international presence that is evaluated as strategically valuable, for example, in the comprehensive EU Framework Programmes for research and development. EU co-operation requires resources. RISE Holding will support ventures in EU collaboration, so that Swedish involvement will increase in the future.

International customers are a case in point. One way of meeting global trade and industry is to increase its collaboration with international institutes. This is already taking place today, to a certain extent. However, there should be an increase in collaborative alliances with foreign partners. A certain number of institutes have set up subsidiaries abroad and, in so doing, they have ensured their own presence in another country.

6. Continued structure development

“The industry research institute sector is to have a suitable structure for being able to contribute effectively to strengthening the competitiveness and renewal of trade and industry.”

The Government’s letter of intent

“Several institutes that today stand completely or partly outside IRECO AB should have closer ties to it.”

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Since the beginning of this current millennium, the holding company has been working for an efficient and integrated structure for the Swedish industry research institutes. Some twenty institutes have come together in four research companies in order to elucidate what they offer customers, to make their operations more efficient, to extract synergies and eliminate unnecessary overlapping. The changes in structure have been successful and the institutes have shown better results than they have for a long time.

RISE Holding has inherited its owner's task to continue this value creating development and renewal of the structure of the institutes. This means that we, in consultation with the various owners of the institutes, namely the industry, will continue to develop the institute sector in such a way that it will contribute to the value and benefit of its operations and its customers.

7. Collaboration and efficiency

“The holding company is to work for offering or contributing to the co-ordination of functions and services that several institutes have need of.”

The Government's letter of intent

Researchers at research institutes work in very different fields, when it comes to materials, techniques, technologies, products and services for customers from different lines of business and branches of industry. At the same time, we see the need for an increase in cooperation concerning administrative processes and issues of policy, legal support, advice on IPR related and EU related matters, financial and responsibility related control functions and risk handling, as well as communication and marketing activities.

The institutes, interested parties and holding company owners have a lot to gain from emphasizing synergies and the opportunities for collaboration and from actively working with them transparently and long-term. RISE will promote synergies and efficiency by allowing similar kinds of expertise in the institutes to cooperate to a greater extent, by means of identifying and promoting mutual matters.

8. Extended quality concept

“As it is for seats of learning, one prioritised undertaking is to develop excellence in training, education and research. For the institutes, it should be as equally important for them to strive for excellence in development and innovation.”

Plan of action DS 2007:39

Academic research results are traditionally evaluated, according to a certain number of citations and publications in a scientific context. At seats of learning,

the main emphasis is on research for academic qualifications and the concept of quality is defined in the same way.

The research at institutes proceeds from industrial and societal needs. An evaluation of results is closely connected to the beneficial effects for trade and industry and society. To assess the applied research on just grounds, we would like to see an extended quality concept that also includes its beneficial aspects. Institute excellence means an increase in benefits and value that can be measured in business terms. The achievements of the institutes, such as powerful innovation parties in the innovation system and the effects in trade and industry and society, are to be evaluated from the aspect of their unique qualifications.

9. Respected brand name

“The question of name should be made the most of, in order to bring the expanded circle of institutes together, as well as to create a propriety name for the Swedish institute sector that is built on a coherent structure as well as on the incoming institutes (...) there is important symbolic value in drawing attention to a new start for the institute sector in this way.”

Plan of action DS 2007:39

“The brand of the collective industry research institute sector is to have a good reputation and to be well known among the interested parties.”

The Government's letter of intent

The new national propriety name of the Swedish institute sector is RISE Research Institutes of Sweden. The propriety names of the institutes will remain under its umbrella. RISE is being used in a context, when it is appropriate and desirable to appear unified. IRECO Holding is simultaneously changing its name to RISE Holding.

RISE is to be a sustainable brand for a strong, respected research and innovation player that contributes to benefits and value in trade and industry and society. With this name, the aim of the holding company is to make the sector well known and respected in and outside Sweden. Swedish institutes are to be seen as businesslike, solid collaborative partners and the sector is to be an attractive recruiting field and processing station for those with both the more recent and senior areas of expertise.

RISE - Swedish Research Creating Growth

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Creating Growth*



A sustainable world class institute sector

RISE Holding is an owner company that wholly or partly owns industry research institutes. Our core process is corporate governance. With strategic governance, we are able to gather together, develop and renew research institutes into a sustainable world class institute sector, which is the main aim of our operations.

We have identified five governance tools that we work with on a daily basis:

- *We identify the needs of trade and industry and strengthen their influence on our strategic choices.*
- *We develop the financing of the strategic development of expertise in the institutes.*
- *We work through boards of directors and on election committees.*
- *We represent the entire institute sector to other interested parties, with a strong brand name.*
- *We follow up and account for the results, when it comes to economy, finance, benefits and sustainability.*