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SFC introduces innovation scheme to help business

The Scottish Further and Higher Education Funding Council (SFC) is investing £100,000 in an innovation scheme to help Scottish universities work with small to medium sized enterprises (SMEs).

The scheme can be used to offset costs for a broad range of collaborative activities to support business growth, including developing innovative, new products and processes, new service development, improved production process, new business model development, technology audits or experimental testing and measuring.

Small businesses play a major role in Scotland's economy and the aim of SFC's innovation scheme is to encourage new partnerships between universities and business. By drawing on their world-class research and expertise, universities in Scotland can help SMEs resolve a business issue quickly and efficiently and increase their competitive position. The outputs may lead to improvements in product quality, creation of an 'innovation culture' or productivity gains for the business. The innovation scheme has been modelled on similar schemes which have been adopted successfully in other parts of the UK and in Europe.

The new scheme will be administered by *Interface – The knowledge connection for business*, a national programme supported by the SFC, who match-make businesses with expertise, skills and research facilities at Scotland's universities and research institutes. *Interface* has helped many businesses to join up with universities to provide business solutions – examples include:

- Glasgow Caledonian University and the Universities of Glasgow and Dundee helped a distiller with historical research and brand design to develop a new whisky;
- the University of Strathclyde and Glasgow School of Art carried out a feasibility study for the development of eco-friendly insulation; and
- Napier University helped a sheet music publisher to deliver traditional Scottish music lessons online.

Universities can identify and approach SMEs themselves or use the services of *Interface* to link up with businesses. Each university can apply for a minimum of £500, and up to a maximum of £5,000 and the SME is expected to match fund SFC's contribution. This funding will enable small, bespoke projects, such as feasibility studies or access to facilities, get off the ground as a foundation to long-term relationships. The focus will be across all company sectors and all university disciplines from arts and humanities to science and engineering.

Mark Batho, Chief Executive of SFC said of the scheme: "Scotland's universities have excellent research and academic expertise and it is important that we create new opportunities for them to exchange ideas and their knowledge with SMEs. Other innovation schemes that are in place around the UK tend to focus on giving grants to SMEs to buy expertise from universities. We wanted to turn this around and encourage universities to seek out SMEs to provide solutions for their business. We see several benefits to this scheme; long-term business relationships are established and new products and processes will contribute to our economy."

Fiona Hyslop, Cabinet Secretary for Education and Lifelong Learning added: "We are determined to do what we can to help individuals and businesses deal with the pressures they are facing due to the current economic climate. This scheme, which is very much in line with the Scottish Government's Economic Recovery Plan, will help small and medium businesses draw upon the expertise within Scotland's world class universities.

"It will help further co-operation between universities and businesses and enable them to develop new and innovative products which will contribute to our ongoing efforts to secure the future of these businesses, safeguard jobs and contribute to the economic recovery of Scotland's local and national economies."

Ends

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Notes to editors:

- the £100,000 is being allocated from SFC's £2 million Strategic Priority Investment in Research and Innovation Translation (SPIRIT) grant line which was created in 2008-09. SPIRIT funds selected projects that are a strategic priority as defined by the Government, the Research Council, or SFC from 2008-09 academic year;

- we use the term ‘universities’ to refer to Scotland’s 20 universities and higher education institutions which together represent the university sector;
- attached is a case study which shows how Interface has helped business and universities to work together. Other examples of the broad range of companies across many sectors who have already benefited from establishing productive partnerships with universities can be found at www.interface-online.org.uk/view_item.aspx?item_id=2064;
- Interface – the knowledge connection for business – was set-up in 2005 and is funded by SFC. Additional support is provided by the Scottish Government to include the seven research institutes in Scotland. It is a central point of access for industry to Scotland’s research base that provides a unique service designed to address the growing demand from businesses wanting to engage with academia for knowledge and expertise. More information can be found at www.interface-online.org.uk/;
- SMEs registered in Scotland are eligible to partner with a university under the innovation scheme. SMEs employ between 1-250 employees and have an annual turnover of less than £35 million;
- the Scottish Further and Higher Education Funding Council (SFC) is responsible for allocating £1.6 billion of public funds each year to colleges and universities in support of Scottish Government priorities. SFC was established by the Scottish Parliament in 2005 and is a non-departmental public body of the Scottish Government;
- the Council’s funding contributes towards the costs of learning and teaching, skills development, research, innovation and other costs such as staff, buildings and equipment in Scotland’s 20 universities and higher education institutions (HEIs) and 43 further education (FE) colleges. The Council also provides resources to enable colleges to offer bursaries to students on non-advanced courses; and
- the Council’s strategies are aimed at contributing to its corporate plan vision of a dynamic, entrepreneurial and internationally competitive Scotland, whose people are amongst the most skilled and educated of any of our competitors, and whose colleges and

universities are world-class contributors to economic, social and cultural development.

For further information please visit our web site at www.sfc.ac.uk

The case study below shows how Interface has helped business and universities to work together

Interface - The knowledge connection for business Case Study Research Collaboration Annandale Distillery Company Ltd. 2008

Interface - The knowledge connection for business Sources experts in history to develop whisky brand

Whisky making is a long established industry usually associated with distilleries in the Highlands of Scotland, but a local entrepreneur in Dumfries & Galloway plans on breathing fresh life into the long derelict Annandale Distillery based in the Lowlands, near Dumfries.

David Thomson has purchased the distillery which first opened in the 1830's and remained at the forefront of lowland whisky production until it closed in 1919. Now, almost 90 years later, the newly formed Annandale Distillery Company Ltd. is a step closer to restoring the historic distillery buildings to their former glory with its new whisky brand, an integral online visitor 'experience' and plans for a single malt lowland Scotch whisky.

Financial assistance from Historic Scotland and The Scottish Government through a Regional Selective Assistance (RSA) grant has helped start the project, but David was keen to identify academic help to undertake historical research pertaining to the locale of the distillery and culture in its area. This would involve delving into areas such as the evolution and history of the lowland Scots language

and emigration patterns from the region. This research was central to brand ethos and important in developing a memorable online visitor experience and as David explains "as well as producing high quality whisky, it is important that the brand has meaning and value."

David approached Interface – The knowledge connection for business, as an excellent source to access academics with knowledge pertinent to his project. "The team immediately grasped the key elements and arranged meetings with three academics specialising in quite distinct areas that met my requirements."

Interface identified a renowned linguist who specialises in Scots language studies, John Corbett, Professor of Applied Language Studies at the University of Glasgow. After a discussion with David Thomson about his marketing vision, Professor Corbett drew on his knowledge of the history of the Scots tongue to produce copy that was informative, yet light and witty, for use in Annandale's promotional material and website.

Interface also introduced David to Dr Billy Kenefick, a senior lecturer in



For further information on Annandale Distillery Company Ltd. please visit www.annandaledistillery.com

"I am so grateful Interface brought together this range of extraordinary academic talent. Each project has its own challenges and the research has been pivotal to keeping the developmental phase on track. I was intrigued to see if the academic teams were up to such a challenging task, and so far I am very impressed. Trying to identify experts myself, would have taken me a significant amount of time, but Interface pulled out all the stops to surpass my expectations."

David Thomson, Owner,
Annandale Distillery Company Ltd.

Interface - The knowledge connection for business

Sources experts in history to develop whisky brand

modern Scottish and British history at the University of Dundee, who examined the broader migration patterns across Scotland from the early nineteenth century through to the late 1930s and the preferred destination of Scots throughout the world during that period.

This is of particular importance to David, since the Single Malt Lowland Scotch whisky produced at the Annandale Distillery will be sold globally (either through the website or an international network of drinks distributors)

and he has identified that a key target will be consumers around the world with Scots heritage and ancestry. By populating the website with historical facts and figures from the history of emigrant Scots, these consumers can relate to their forefathers migration to colonies such as Australia, New Zealand, Canada, USA and South Africa.

Indeed, the migration from the Borders was of special significance, since Annan was a significant emigration port in the 1700s and 1800s, either offering direct sailings

to the colonies or later as a 'feeder port' linking-up with larger vessels bound from Liverpool.

The third academic Interface brokered a partnership for was Professor Malcolm Lochhead, Fellow in Design at Glasgow Caledonian University, who contributed to the initial ideas on brand design and development. It is also likely that Professor Lochhead will soon be invited to discuss the design of a plaid for the distillery.



About Interface - The knowledge connection for business

There is a wealth of world-class technology, skills and research facilities available within Scotland's universities and research institutes.

With established links to thousands of world-class leading experts, Interface finds and introduces companies to the perfect academic partner.

Interface overcomes the challenge facing companies in understanding what is available or who to contact

in academia, for R&D or expertise capabilities by matching relevant expertise to specific business requirements.

Collaborating with academic partners brings significant business benefits:

- Develop innovative new products, services and processes
- Improve performance using technological advances
- Increase competitive advantage in key markets

- Enhance profitability in existing and new markets

Many companies don't know that innovative solutions to help their business grow can be developed with academic assistance.

Interface is here to help make the right connections for businesses.

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