



The Oxford to Cambridge Arc

Struggles in Partnership!

(A short Play in three Acts)

Dr. Nicholas J.O. Miles
Executive Director
Oxford to Cambridge Arc Ltd

'OECD workshop on partnerships for development and diffusion on innovation', TRENTO, Italy, 30.01.08 – 01.02.08

The Oxford to Cambridge Arc – 'Inspiring Innovation for Britain'



What is the O2C Arc Initiative?

- Established in 2003 by 3 regional development agencies (SEEDA, EEDA and EMDA)
- The ARC vision was demanding,
"to create one of the most successful knowledge based economy in Europe, with world leading aspirations"
- The Arc organisation works with public and private sector representative of the knowledge community (e.g. HEIs, high technology companies, government) in order to implement the vision. The Arc is a public-private partnership initiative.
- But - Budget small; two people employed (part-time) in 2003

The Oxford to Cambridge Arc – 'Inspiring Innovation for Britain'

2

Where is it? - Within the Greater South East region of the UK, and North of London



- Greater South East is **THE** economic Powerhouse of the UK and one of **THE** powerhouses of Europe.
- Huge assemblage of high technology companies, world class HEIs and highly skilled human capital in the O2C Arc.
- Next door to Europe's major Global City - London

The Oxford to Cambridge Arc - 'Inspiring Innovation for Britain'

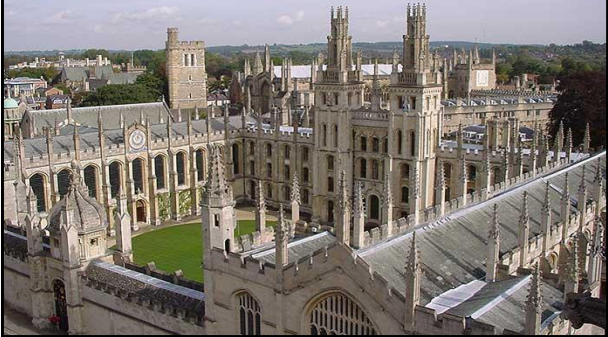
2

What does it do? Responding to Globalisation & Promoting the KBE by:

- **Promoting collaboration amongst the stakeholders thereby aiming to:**
 - Overcome the 'critical mass' problem by collaborating domestically and internationally
 - Secure a key position within global innovation-industrial platforms and the 'global network of innovation regions'
- **Highlighting complementarity within the Arc area** - e.g. IP generating 'poles' (Oxford and Cambridge) and technology using / business muscle O2C Arc centre
- **Building a Common Sense of Purpose for the O2C Arc area, and benchmarking against peer group.**

The Oxford to Cambridge Arc - 'Inspiring Innovation for Britain'

The O2C Arc is a **'research environment'**
that is second to none in the World



The O2C Arc is a **'lifestyle advantage'**
second to none in the World



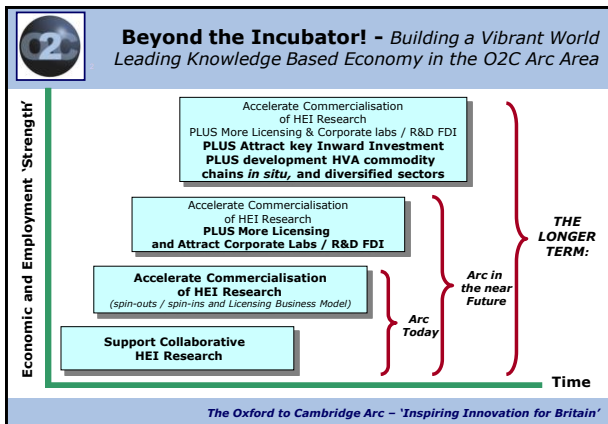
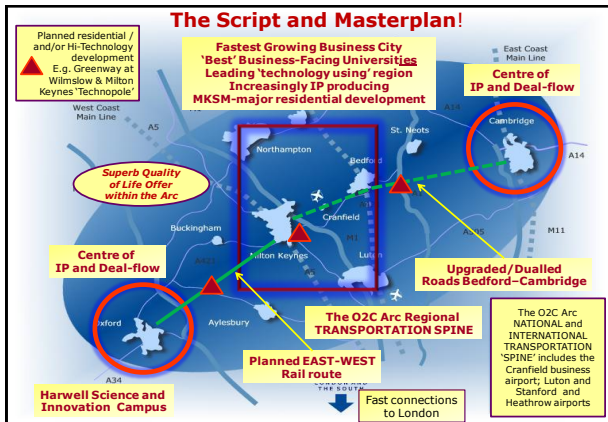
The O2C Arc's **applied research activities** are second to none in the World



Mix Superb Research and Innovation Assets and Lifestyles Advantages – get DEAL-FLOW!

Company Name	Acquirer	Date	Deal Value (£m)
Cambridge Antibody Technology Plc	AstraZeneca Plc	May-06	642
KuDOS Pharmaceuticals Ltd	AstraZeneca Plc	Jan-06	121
Arakis Ltd	Sosei Co	Aug-05	107
Active Hotels Ltd	priceline.com Inc	Sep-04	90
Meridica Ltd	Pfizer Inc	Sep-04	70
Alphamosaic Ltd	Communications	Sep-04	69
i2 Ltd	ChoicePoint Inc	Jan-05	52
UbiNetics Ltd	Aeroflex Inc	May-05	42
Inca Digital Printers Ltd	Dainippon Screen Mfg	Jun-05	30
Cambridge Biotechnology Ltd	Biovitrum AB	Mar-05	30

The Oxford to Cambridge Arc – 'Inspiring Innovation for Britain'





A complicated (and fractious) set of Players!

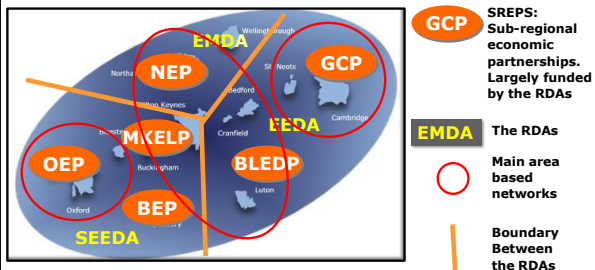
- 3 RDAs – SEEDA, EEDA, EMDA
- 6 Economic Partnerships (*Bucks, Beds and Luton, MK, Northampton, Oxford and Cambridge*)
- 5 main Chambers of Commerce
- 4 area based professional networks and *numerous* sector networks / consortia
- 8 universities, and a number of colleges of further education (no to mention the schools!)
- A range of research institutes, science parks, enterprise hubs, incubation centres and business parks.
- The private sector – over 3,000 high technology / knowledge intensive companies, from 'corporates' to SMEs
- City and District Councils and Central Government!

The Oxford to Cambridge Arc – 'Inspiring Innovation for Britain'



A Complicated Stage!

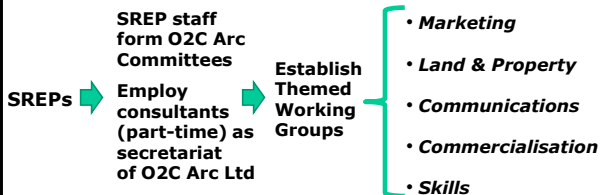
(and not all of it can be seen by the 'audience'!)



The Oxford to Cambridge Arc – 'Inspiring Innovation for Britain'



ACT ONE: Public Sector Dominated, Area Based Partnership (2003-2005)



The Oxford to Cambridge Arc - 'Inspiring Innovation for Britain'



Audience reception not favourable!

- Working groups replicated SREPs activities – so why bother?
- Vision too broad at start – covered everything!
- Territorial competition for funds dominated – SREPs had separate and often competing agendas
- Universities – competed more times than collaborated!
- RDA backed / public sector dominated initiative – private sector not very impressed deluged with initiatives!
- Arc initiative no powers, puny budget – so where's the leverage?
- BUT Successful INSPITE of our actions! Due to great HEI + marked Private Sector strengths

The Oxford to Cambridge Arc - 'Inspiring Innovation for Britain'



Press Reaction – The Reviews!

“The majority of those interviewed felt that there were too many public sector bodies and public-private partnerships tasked with assisting businesses and promoting the 'knowledge economy'....'Who is coordinating the efforts?... I can't see a clear structure of delivery.... There's a huge number of networks....where's the vision and strategy that brings this all together'... were **common comments**”. Source: Deloitte-GHK survey of firms for the O2C Arc Company; November 2006

The Oxford to Cambridge Arc – 'Inspiring Innovation for Britain'



ACT TWO: Public Sector lead, Sector Driven Initiatives (2006-2008)



- ✓ **Partial Success:**
- **O2C Arc focus on 'innovation' and international connections.**
 - **Doesn't replicate or compete with the SREPS**
 - **Working sector consortia – private sector interested**
 - **Attracting corporate sponsorship** (e.g. Ties that Bind – O2C Arc and India initiative)

The Oxford to Cambridge Arc – 'Inspiring Innovation for Britain'



ACT THREE: A focus on the GSE region, working with sector consortia (2008 onwards)

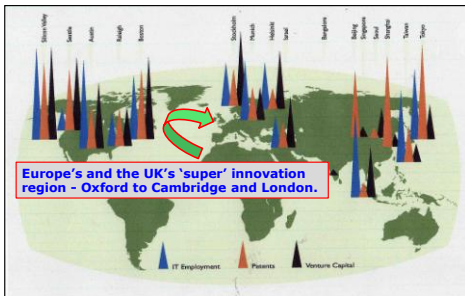
O2C
Arc Ltd

- **Involve London**
(Major centre of finance, channels to market)
- **Work with Sector Consortia**
- **Dovetail Actions with Technology Strategy Board**
- **Becomes a Major GSE initiative**

➔ **O2C Arc Ltd becomes LOC Ltd**

The Oxford to Cambridge Arc - 'Inspiring Innovation for Britain'

The innovation economy is characterised by and driven by the rise of a global network of some 15 'innovation regions', each with distinctive and complementary specialisms creating opportunities for sustained growth through reciprocal upgrading

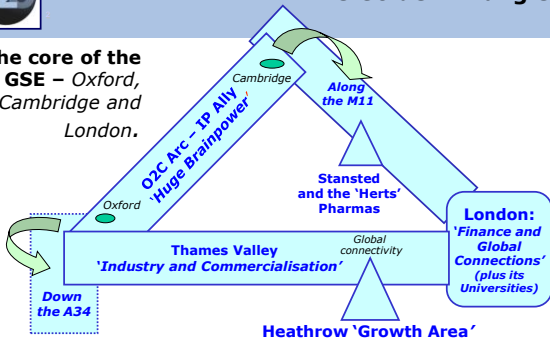


The Oxford to Cambridge Arc - 'Inspiring Innovation for Britain'



The Golden Triangle

The core of the
GSE – Oxford,
Cambridge and
London.



The Oxford to Cambridge Arc – 'Inspiring Innovation for Britain'



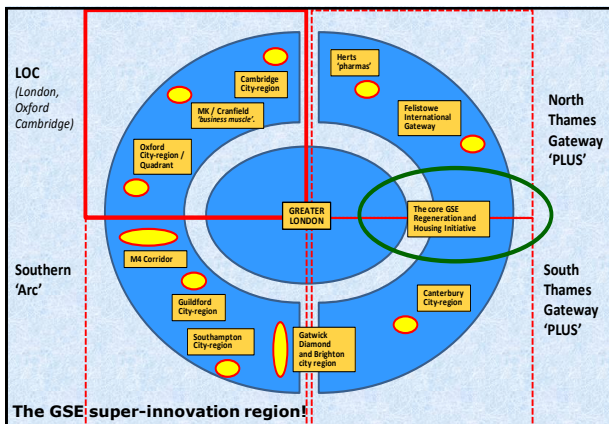
The Golden Triangle Vital for the UK. Vital for Europe!

The 'Golden Triangle' is crucial for the success of the European innovation economy. This area is one of Europe's innovation powerhouses e.g.;

- It is home to Europe's top 4 universities
- It has 4 universities in the world's top 10!
- It is the site of Europe's largest health technology cluster
- It is the site of the world's leading financial centre

In 2006 the vast majority of the 1.75 billion Euros of funds applied by Venture Capitalists in the UK found a home in the Golden Triangle (and the UK topped the rankings in Europe for the application of VC funds). **The Golden Triangle is, in effect, Euro-Innovation Region No 1!**

The Oxford to Cambridge Arc – 'Inspiring Innovation for Britain'



Brief Conclusions – *Lessons for public-private partnerships and the innovation economy?*

- **Let the (local and regional) public sector focus on place making (a vital component of the innovation ecosystem – note the importance of QofL)**
- **Focus organisations such as the O2C Arc on innovation and the private sector - Do so with sector consortia**
- **Focus on innovation-industrial platforms**
- **And the position (current and potential) of your firms in global innovation-industrial platforms – international (European) collaboration is important.**
- **Remember that competitive advantages are being eroded faster than ever before and past success goes not guarantee future success**

The Oxford to Cambridge Arc – 'Inspiring Innovation for Britain'



**Thank you
for your Attention**



Nicholas J.O. Miles BA MA PhD **T: 44 (0) 1908 353990**
FRGS **M: 44 (0) 7720045506**
Executive Director **W: www.oxford2cambridge.net**
O2C Arc Ltd **E1: nicholas.miles@mkelp.co.uk**
1st Floor CBX11 **E2: njomiles@blueyonder.co.uk**
406-412 Midsummer Boulevard
Milton Keynes, MK9 2EA, UK

The Oxford to Cambridge Arc - 'Inspiring Innovation for Britain'