

Business from technology



Promoting Innovation by Public Procurement

International Seminar on Innovation
Procurement

16 February 2012

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Picture: www.eliaskokoelmat.fi



Picture: www.xtimeline.com

Case NMT & Nokia

- The public telecom operator (PTO), as a **competent procurer** of technologies played a key role in building the success of Nokia.
- The PTO also acted as a **competent user** related to the development of key technologies in switching and cellular networks, as exemplified by the building of the DX 200 switching system and its further adaptation to the cellular NMT-standard.

Source: Palmberg 2002

Case Azimuth thruster & the marine industry



Picture: ABB

- Joint technology development between Finnish Maritime Administration (FMA), ABB and Masa-Yards.
- ‘Azipod’ thruster
- The FMA vessels as testbeds
- FMA’s commitment to purchase
- Application to large ships e.g. multi-functional ice breakers
- Finland now the leading producer with a turnover of 500 M euros
- Rolls-Royce Oy, Steerprop Oy and ABB Oy Marine

Source: Tammiaho 2009



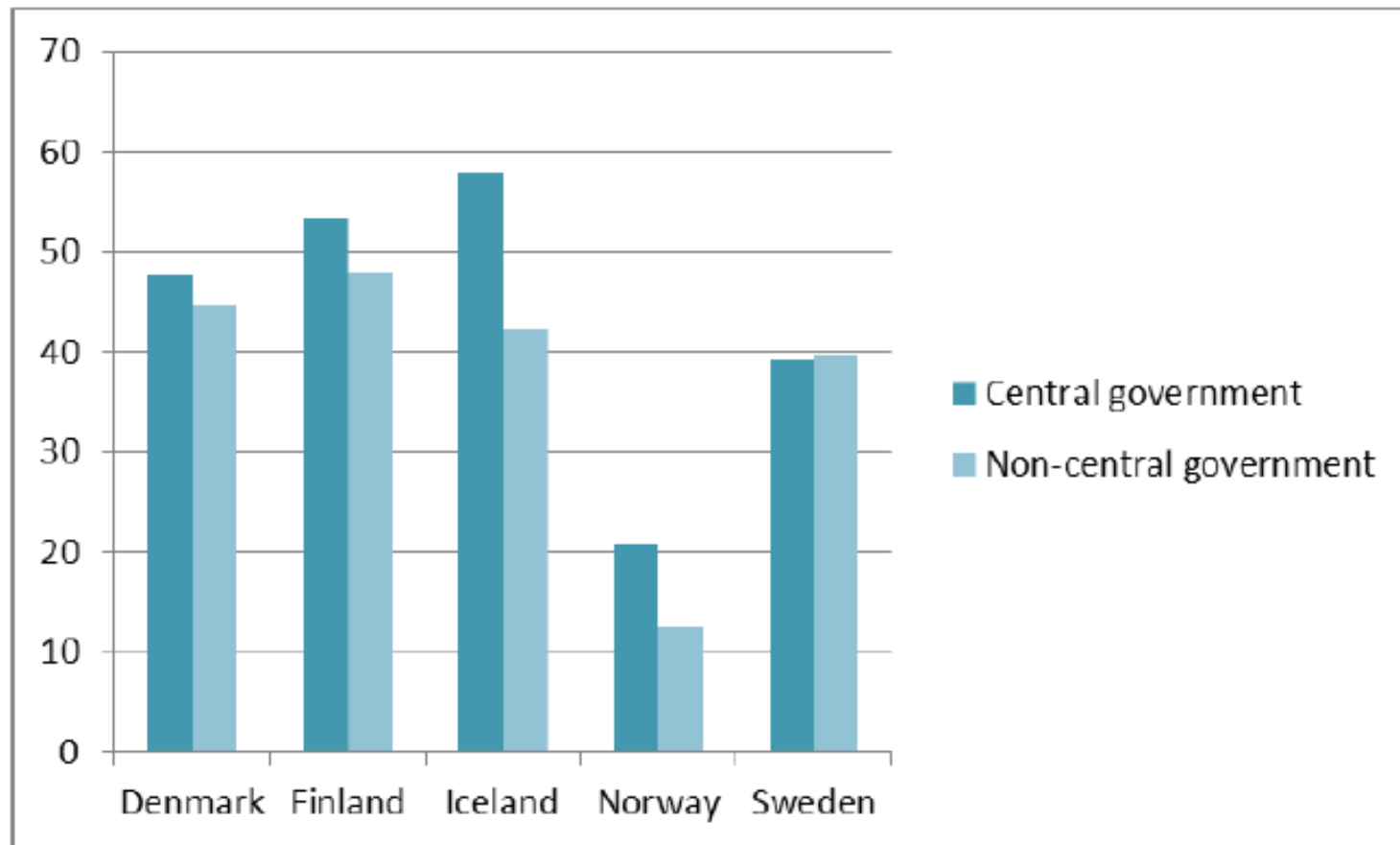
Pictures: Tekes

Innovation and public procurement

1. Innovation criteria in tenders
 - Functional requirements
 - Innovativeness as an award criteria
2. Innovation in the contracts
 - Incentives and sanctions
 - Life cycle models
 - Sharing of IPR
3. Procurement methods promoting innovation
 - Competitive dialogue
 - Framework contracts
 - Design contests
4. Pre-commercial public procurement
 - Linking R&D and procurement



Figure 11: Use of procurement in promoting innovation



Measuring Public Innovation in Nordic Countries, 2011

Procu-Inno project

- Survey to procurers and firms
- Case studies
- Framework for managing innovation procurement
- Pre-commercial procurement
- Collaboration platform for practitioners
- International collaboration
- Website: www.vtt.fi/sites/procuinno



