



## CIB TG85: R&D Investment and Impact

### Outcomes of Webex 10 - Tuesday, 25 June 2013 (3-4 pm Perth, Western Australia time)

**Attendees:** Bakens, Wim; Bougrain, Frédéric; Bröchner, Jan; Hampson, Keith (Coordinator); Haugbølle, Kim; Heyblom, Tom; Kraatz, Judy (Speaker, Coordinator); Sanchez, Adriana (Secretary); and Støre Valen, Marit.

**Apologies:** Airaksinen, Miimu; Bottura Barros, Mercia; Cardoso, Francisco; Chapman, Robert; Chi, Seokho; de Oliveira, Lucia Helena; Dewulf, Geert; Kadefors, Anna; Lehtiranta, Liisa; Leiringer, Roine; Mikkonen, Virpi; Nenonen, Suvi; Nüsse, Gregor; Robinson, Aminah (Coordinator); Shen, Geoffrey; Slaughter, Sarah; Staub, Alexandra; Thomas, Ken; and Wilkinson, Suzanne.

**PRESENTATION** – Judy Kraatz, Senior Research Fellow, QUT, Brisbane, Australia – *Leveraging R&D Investment for the Australian Built Environment: Case 4, Private Sector Investment in R&D:*

- The fourth case study of the project [Leveraging R&D Investment for the Australian Built Environment](#) focuses on the private sector investment in Australia. The previous three case studies carried out in 2012 were focused on the public sector
- This case sought to answer questions that arose from the three previous cases with respect to: (i) nature of the investment (relation to firm size; change in focus; incremental or transformative; and technical and process innovation); (ii) motivation (impact of R&D tax concessions and motivation for increase in private sector investment since 2001); (iii) mechanisms (role of strategic relationships; dissemination methods; and skilling and training); and (iv) impact
- 61 respondents to the online survey. These participants were found through the internal SBEncr database and desktop research in order to secure a cross-section of the supply chain including: consultants, contractors and designers. The survey was followed by a series of interviews. The target was to sample different sizes of firms including Small and Medium Enterprises (SMEs), as well as to obtain responses from civil works and building. However, it was difficult to attain an even split in this sub-sectors
- The findings will continue to be analysed over the next few weeks in conjunction with the interview outcomes. It is a very small sample size and therefore results cannot be directly extrapolated to the whole sector but the results are certainly providing an interesting case. The 6 follow up interviews were carried out with 2 consultants, 2 contractors and 2 suppliers.

#### Discussion

- This research is still ongoing, results will be published later this year
- In Australia there is an [R&D tax concession](#) that enables firms to claim 150% tax rebate on any 100% pure R&D expense. This makes R&D affordable for firms in the middle range size. What constitutes R&D and can go into this rebate is a major theme of discussion in Australia. When the government refers to R&D encouragement policies and funding they do not only refer to direct funding but also include this tax concession. It is also quite an effective program that has helped achieved the higher private R&D investment observed in the past few years (for more information please refer to [Thomas Barlow's report](#)).
- SMEs in Australia are classified as 5-199 employees (micro: 1-4, small: 5-19 and medium: 20-199). Key drivers across firm types seem similar yet the areas of research are different. This might be due to the way the answers were grouped; the survey used open-ended questions. Note that contractors are a slightly different from consultants and suppliers, in that the contractors look to improve WH&S, which aligns with their interest in business management

and innovation. Consultants and supplier market related drivers are reflected on their interest in improving their business systems/BIM and materials, respectively.

## TG85

### General

- The TG85 contribution to the *CIB World Building Congress 2013* (WBC13) was extraordinary with a full-house session, the launch of the industry publication by Australia's Chief Scientist Ian Chubb and the commendation received from the CIB Programme Committee. Keith thanked all members for their contribution to these great achievements. Additionally, the WBC13 was a great opportunity for members to socialise and connect in a different context. There are two new members who joined at the congress: Linda Kestle from New Zealand and Paul Dettwiler from Switzerland. The photograph of the attending members receiving the commendation was published at the [SBEnrc website](#)
- The *7th Nordic Conference on Construction Economics and Organization* had about 80 attendees, among them researchers from Brazil and Australia via video conference. Several TG85 members attended as well. Keith and Kim congratulated Marit and her team for the organisation, with a nice balance between informal and formal activities. The next conference will be held in Tampere, Finland on June 2015 and will be co-organised by the TG85 member Suvi Nenonen. More detailed information will be circulated to the TG85 members at a later date
- All authors have provided the final draft of their chapters and Keith is reviewing them over the next month. The final manuscript will be handed over to the publishers later this year. The draft of the first 3 chapters and last chapter will be made available to all interested authors for review before sending to the publishers
- The industry publication *Investing for Impact* is available [online](#) in a low resolution version (~3MB), a higher resolution version is available on request as well as physical copies (contact [Adriana](#) if interested). The CIB will also include this publication in their next newsletter and site
- The theme of the coming WebEx will be: Where to from now? – The TG85 in 2014

### CIB TG85 Webinar Series

- In addition to the Webinar series, it was proposed that past member presentations would be edited to be made available through Youtube by the CIB. However, members explained that the presentations were originally developed only for internal discussion with other TG85 members and it would not be adequate to use them for a different purpose. It was also noted that some of the material presented in this presentations was not published yet and therefore opening it to a wider audience would not be appropriate. It was also proposed that past presentations could be edited by the CIB and then each speaker could give their approval before it goes public. However, some members expressed that they would prefer not to publish the presentations at all and do the series of Webinars in a more professional way
- It was proposed that the Webinar series should be postponed to the second half of 2014, after the Alberta conference and book launch. It was also proposed to try to find more resources to make a professional video similar to those produced by [BRANZ](#). SBEnrc might be able to find funds for this later next year for 3-4 webinars that could suit SBEnrc's and CIB's professional standards. It was also proposed that if sufficient funds are available, the videos produced could include short clips of key industry players such as CEOs and policy makers.

### KEY DATES

- **23 Jan 2014** – CIB Conference in Alberta

### NEXT MEETING

- Tuesday, 15<sup>th</sup> October 2013 at 9 pm Perth Time.

*Your participation has been terrific; we appreciate the efforts made by everyone in the Task Group that have led to our significant achievements!*