

**CERAM Research  
Queens Road Penkhull  
Stoke-on-Trent ST4 7LQ  
England**

**Tel: 44 01782 764444**

**Fax: 44 01782 412331**

**Email: [powdermatrix@ceram.com](mailto:powdermatrix@ceram.com)**

**[www.powdermatrix.org](http://www.powdermatrix.org)**

Lambert Review of Business-University Collaboration  
1 Horse Guards Road  
London  
SW1A 2HQ

Dear Richard,

Thank you for the opportunity to contribute to the consultation exercise on business – university collaboration.

PowdermatriX is one of the most recent Faraday Partnerships, having come into existence in October 2002. However, we have been very active in the intervening period, so that with over 70 individual meetings with firms – 60 of which have become members of the partnership, and with contact established with around 25 separate universities, we are able to draw on a reasonable base of information in responding.

In response to the specific questions posed in your outline of the consultation:

1) Many of the companies we have interviewed already have experience of collaboration with universities. Particularly with smaller companies, this collaboration is frequently based on the geographic proximity of the organisations, or on personal links. This often appears to be effective, but as a consequence, companies are frequently unaware of the range of alternative sources. Few have sufficient resource to review comprehensively the published literature. The consequence is wasted research effort in the universities whose work is not recognised, and poorly directed resource by companies which may not collaborate with the most effective partner.

We believe that the role of intermediate organisations in signposting to active research centres is key to bridging this gap.

2) The main barrier to strengthening relationships from the industry side is simple lack of resource, both in terms of the time available to develop relationships, and the ability to fund research and development activity. Only the larger companies can afford the luxury of staff dedicated to managing their relationships with academe.

From the university perspective, we hear that among the drivers for academic staff, RAE is predominant, and that little personal or corporate benefit is evident from devoting resource to collaboration.

3) There does not seem to be an issue with the quantity or quality of graduates available to the industry sectors we serve. Universities report difficulty in recruiting and retaining UK postgraduates.

4) The introduction of tax credits is welcome, but does not yet seem to have had significant influence on companies' policy.

Finance is one of the strongest barriers to interaction. Companies are reluctant to fund any other than R&D with a short payback. Although they may recognise the value of longer term research, they do not influence its direction because they do not fund it. EPSRC funding decisions are still predominantly academically based, and appear to have little regard, among the other criteria, for the potential industrial impact of the work.

In addition to the comments on the specific questions, there are several other pertinent points:

- The effect of regional funding mechanisms is to facilitate local interactions. These may not always be the most beneficial, but collaboration outside the region is generally not as easy
- Under the prospective changes in university research funding, the range of technology support and provision is likely to be narrowed. The universities which will benefit are not necessarily those which offer the best interactions with industry: conversely, some with good records of interaction will be unable to continue to do so. This situation seems to be at odds with the objective of the review.
- Several different types of intermediate organisations exist in the UK. Many of these have demonstrated their value in drawing industry and universities together, coordinating activities, signposting and brokering. Successful models already exist, including the Faraday Partnerships. To set up competing mechanisms to those already extant will dilute the effect of all and fail to benefit from the good practice which is available. It would therefore seem sensible to concentrate resource in those models which are already proving themselves effective, whether this be encouragement through tax credits, or other changes to the financial environment, rather than to try to reinvent the wheel.

Yours sincerely

John Liddle

Director