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Prof Sir Tim Wilson  
Review of Business-University Collaboration  
HEFCE Secretariat, Northavon House  
Coldharbour Lane, Bristol, BS16 1QD

18 November 2011

Dear Sir Tim

I am writing, on behalf of AIRTO to offer a contribution to the Wilson Review. AIRTO, the Association of Independent Research and Technology Organisations, is the main membership body for organisations operating in the UK's intermediate sector, delivering innovation and knowledge transfer services such as applied research, development services, independent consultancy, validation and testing, and technology incubation and financing. AIRTO has a couple of universities as well as PSREs, member-based RTOs and industry research groups within its membership. A large proportion of our non-HE members do a significant amount of business with the universities, so AIRTO is keen to contribute to the debate on business-university R&D collaborations and the skills agenda. The latter is particularly important since AIRTO members are largely people based businesses and their activities develop many of the skills that are needed to apply research outcomes to commercial business.

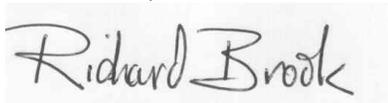
AIRTO members manage extensive networks of business contacts, including many SMEs. AIRTO believes that Research and Technology Organisations (RTOs) should work alongside universities to aid their partnerships with businesses, with RTOs being able to add particular value to SME interactions with academia. RTOs can help bridge the gaps in capability that individual companies and universities each bring to collaborations. This is one of the many ways that RTOs can help make the UK one of the best places for exploiting innovation. Other countries have recognised infrastructures to deliver such assistance e.g. the Fraunhofer Institutes in Germany, VTT in Finland, TNO in Holland etc. In the same way, the UK can make the best of its assets by encouraging a greater level of RTO involvement in university/business collaborations. The new Technology and Innovation Centres are a sign that the UK is beginning to recognise this opportunity to increase the leverage obtained from the UK's academic research base. They are in fact creating a new generation of RTOs and indeed some components of the first TIC in High Value Manufacturing are already members of AIRTO. In addition, existing RTOs already have skills needed to commercialise and apply new research and the associated technology. Increasing the number of partnerships between universities and RTOs should be encouraged as a means of driving innovation.

RTOs also have an important role to play in taking up skilled graduates in STEM subjects from the Universities, providing further employment, training and skills enhancement. AIRTO Members employ over 20,000 scientists, technologists and engineers in the UK. RTOs require a continued supply of well-trained, highly skilled, fit-for-purpose graduates. Continuation of foundational STEM subjects at secondary level (like mathematics, physics and chemistry) in the UK Higher Education system is vital to the work of AIRTO's members and to the UK's global competitiveness.

In 2008 a report by Oxford Economics on the contribution of the RTO sector to the UK economy was published (see <http://www.airto.co.uk/oxfordeconomics.pdf>). This report contains some useful examples of university/business interactions and provides an overview of the key issues associated with delivering graduate skills requirements in STEM subjects. AIRTO would like to draw this report to the attention of the Wilson Review. The RTO sector is a vital part of the innovation landscape and should be further utilised to help bridge gaps in the capabilities that companies and universities each bring to collaborations.

I would like to wish you every success in completing this important Review. In summary, optimising the conditions for university/business collaboration is an essential contribution to the creation of the best possible environment for innovation in the UK. Should you wish to explore any of the above issues in further detail, I would welcome the opportunity to discuss our perspective and experience further with the Review Panel, so please do not hesitate to contact me.

Yours sincerely



Professor Richard Brook OBE FREng  
President AIRTO