

*Update to the 2006 report
Design Policy and Promotion Programmes
in Selected Countries and Regions*



GLOBAL DESIGN WATCH 2008

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EXECUTIVE SUMMARY

Designium published a report on national design programmes for the first time in 2003. This report looks at the design policies of selected countries in order to survey the impact of design policy measures and investments on national design competitiveness. India and Switzerland are included as new countries in this report. The design policies of chosen countries and the strategic content of their programmes will be monitored in the future every few years by drawing up design rankings using the design indicators selected for this report. This report examines the current situation and compares it to the situation in 2005/2006.

In 2002 the New Zealand Institute of Economic Research (NZIER) assessed the design competitiveness in its study *Building a case for added value through design*, selecting indexes from the WEF competitiveness report and drew up a design ranking on that basis. Two of the indexes used by NZIER in 2002 were dropped from the WEF competitiveness report, so we chose a new combination of design-related indexes to be used in this report and the previous report in 2006. This type of design competitiveness ranking emphasises the impact of immaterial spending on design competitiveness.

Factors examined in this report are: the main objectives and implementation of design programmes, the measures used for promoting national design, and the organisations they are targeted at. The data was obtained from public sources on the Internet.

The real *winners* compared to the situation in 2005 are the Republic of Korea, Sweden and Austria. Ranking has been *steady* for Denmark, which remains in fifth place. The trend has been *downward* for the USA, which fell from second to seventh place, and France, which fell from sixth to tenth place.

In the Nordic region, Finland, Sweden and Denmark were very even again, with their relative positions within two tenths of a point, but when comparing the ranking to the figures for 2005, Finland has fallen, Denmark has remained stationary, and Sweden has improved its ranking.

1 PREMISES

This report looks at design policies of countries selected for this study. The principal objective of the study was to compare the effects of national design programmes on national competitiveness in the design sector. In 2002 the New Zealand Institute of Economic Research (NZIER) published a study called *Building a case for added value through design*¹ with a design ranking drawn up using indicators from the World Economic Forum's *Global Competitiveness Report*².

According to the NZIER report, the competitiveness of design is based upon the use of design by businesses and upon the maximisation of economic performance.

2 GOALS

The previous report³ by Designium on national design programmes was published in 2006. The present report covers all the countries included in the previous report and India as a new country. The aim is to monitor the design policies of these countries and the strategic content of the programmes, drawing up design competitiveness rankings using selected indicators at intervals of a few years.

3 RESULTS

The data for this report on national design programmes and design promotion was gathered from public sources on the Internet. Factors examined here are the main objectives and implementation of national design programmes, the measures used for promoting national design, and the organisations they are targeted at.

For this and the previous report in 2006, we at Designium have sought a new combination of design- related indexes from the WEF report and drawn up a design competitiveness ranking on that basis. Design Competitiveness Ranking 2007 is based on an average of seven design competitiveness related indexes.

3.1 National Design Programmes and Strategies for Design Promotion

This is the third time that Designium examined national design policies and drew up a design ranking on the basis of WEF indexes. Designium's reports in 2003 and 2006 aimed at laying a foundation for long-term evaluation and analysis of the development of national design policy and design promotion programmes. The next table displays emphasis on five different aspects of national design programmes in selected countries in alphabetical order. The aspects are (1) scope of promotion, (2) funding of design policy and promotion programmes, (3) main objectives (4) implementation, and (5) main actors of design programmes. Since the report in 2006, new national design policies out of the selected countries have been formulated in Australia (as a part of Standards Strategic plan), India and the United Kingdom.

¹ Building a case for added value through design, NZ Institute of Economic Research 2003

² World Economic Forum, The Global Competitiveness Report 2001/2002

³ Global Design Watch 2006

TABLE 3.1 National design programmes and promotion

Country / focus	Funding / appropriation	Main objectives	Implementation	Main actors of design programmes
Australia National and regional promotion of design Regional design programme Standards Australia Strategic plan 2007-2012 (Design assessment and promotion)	Government, State Councils / Victoria state, Standards Australia	<ul style="list-style-type: none"> - Enhance the competitiveness of Victorian industries by raising awareness of design Standards Australia <ul style="list-style-type: none"> - Promoter of excellence in design, innovation and product assessment through design awards and other design promotion initiatives - International design awards program established, implemented and embraced by Australian design industry - National design promotion initiative established including implementation of a national and international design promotion website focused on promoting Australian design nationally and internationally 	<ul style="list-style-type: none"> - Developing program promoting partnerships between designers and industry. - Establishing a physical or online "one-stop-shop" for industry information about design - Integrating design awards into other industry awards programs - Promoting Victorian design strengths at international conferences and events - Identifying design export opportunities and developing designers' export capability - Better alignment of design education with industry skill needs Standards Australia Australian International Design Awards	National design organisations, design education, together with regional design programmes under the management of State Councils
Denmark * National design programme 2004-2007	Government 40 million DDK €5.4m for design promotion in 2005-2008 -Danish Design Centre €1.7m annually - €2.7m for research allocation to a Design Fund over the four-year period 2005-2008	<ul style="list-style-type: none"> - Branding Danish design on national and international levels - To nurture development whereby the economy and design in Denmark can prepare themselves for future challenges - To promote access by the business sector to design information and tools - To improve research and education in design 	<ul style="list-style-type: none"> - New strategy for DDC to enhance the international competitiveness of businesses and to promote innovation and growth - Founding of a design research centre - Promote the professionalism of design service provision - Ensure high standard of research and education - design:PARTNER® and design:FORUM® concepts for design and innovation 	DDC and design industry

* National design programme, prepared in co-operation with the government and design interest groups (mainly the industry and design organisations)

National design programmes and promotion

Country / focus	Funding / appropriation	Main objectives	Implementation	Main actors of design programmes
Estonia * national design programme	Government (proposal prepared by Danish Ministry of Economic and Business Affairs)	Developing the design sector to strengthen the competitiveness of businesses and the economy and to improve the quality of life	Department of Development in the Estonian Academy of Arts	Government, design industry
Finland * National design programme 2005	Government, national institutions, businesses -TEKES, for applied research €27m -Academy of Finland, for basic research €2m	<ul style="list-style-type: none"> - To improve competitiveness by raising the standard of design education and research - To safeguard the sustainability of research - To invest in the internationalisation and structural change of design consultancies and strengthening of the design business sector - To develop design communications - To monitor the development of design systems 	<ul style="list-style-type: none"> - Research programmes of TEKES and the Academy of Finland -Designium, the new Centre of Innovation in Design 	Leading design universities, government, industry
Germany Institutionally led promotion	Government, businesses	Exporting design know-how and expertise to the economy, politics, culture and public life	<ul style="list-style-type: none"> -The German Design Council -The Design Zentrum Nordrhein Westfalen -red dot design award 	Government, design professionals, industry
Hong Kong * National design programme	Government	<ul style="list-style-type: none"> - To promote design and innovation in value added for product development - To accelerate the transition of Hong Kong industry from OEM to ODM and to implement the main objective of the programme with the support of industry - To improve the status of young designers and to increase the public esteem of design 	<ul style="list-style-type: none"> -DesignSmart Initiative -InnoCentre 	Government
India * National design programme	Government	<ul style="list-style-type: none"> - Enhance tangible and intangible quality by design to position India as original "design provider" and "creative manufacturer" in the world markets 	<ul style="list-style-type: none"> -Setting up of India Design Council - Sector-specific initiatives through Design Centres - Setting up International Design Expo and Domestic Design thrust through Good Design Mark 	Government

* National design programme, prepared in co-operation with the government and design interest groups (mainly the industry and design organisations)

Country / focus	Funding / appropriation	Main objectives	Implementation	Main actors of design programmes
Ireland * National design programme	Government	<ul style="list-style-type: none"> - To develop design infrastructure - To promote the use of design by SMEs in innovation and product development - To increase professionalism in design industry 	<ul style="list-style-type: none"> -Design Ireland (www.designireland.ie) -The Designers Training Skillnet programme 2006-2008 	Government, design professionals
Italy Local design programme and programme for the promotion of design	The economy, government	To support local businesses and design consultancies in creating local production and brands	<ul style="list-style-type: none"> -design.italia portal www.design-italia.it www.design-library.it 	Regional businesses and design universities
Japan * National design programme 2003	Government	<ul style="list-style-type: none"> - To promote international exchange through design - To support the strategic use of design in brand building - To support the use and development of design - To establish and develop the infrastructure of design information - To strengthen design rights - To manage human resources in practice - To promote general interest in design 	<ul style="list-style-type: none"> - International Design Business Promotion Projects promoting design-related activities and industries - fostering public awareness of design values, presenting future visions, and accelerating international understanding and cultural development through global exchange programs.(JDF) -Good Design Awards 	Government, The Japan Design Foundation (JDF), The Japan Industrial Design Promotion Organization (JIDPO), International Design Center NAGOYA
Republic of Korea * National design programme 1993-2007	Government	<ul style="list-style-type: none"> - To expand the base of the design industry - To train world-class designers - To strengthen local capability for design innovation - To strengthen the capability of design research and product development - To develop international design exchange and strengthen co-operation in North-East Asia 	<ul style="list-style-type: none"> -To establish, maintain and finance design infrastructure -International Design School for Advanced Studies - The KIDP Centre opened in 2006 - designdb.com portal - GD Award (Good Design) - e-Design Academy - 16 Design Innovation Centers and 3 Regional Design Centers 	Government

National design programmes and promotion

Country / focus	Funding / appropriation	Main objectives	Implementation	Main actors of design programmes
Netherlands * National design programme 2005-2008	Government Budget €2.6m – 3.7m 2005-2008	<ul style="list-style-type: none"> - To nurture and develop Dutch design - To chart the design sector in the Netherlands -Economic, social and international development -Development of design infrastructure 	<ul style="list-style-type: none"> - Design promotion, academic networking and a design incentive plan -Survey of the design sector 	Premsele
New Zealand * National design programme 2003-2008	Government	<ul style="list-style-type: none"> - To use design to acquire better competitiveness -To integrate design into decision making in all areas 	<ul style="list-style-type: none"> - Better by Design programme to promote the strategy to export-focused businesses and the design community 	National design organisations, design industry, manufacturing industry
Norway * National design programme 2002-2010	<ul style="list-style-type: none"> -Government, budget 2002–2005 -National design campaign, €6m -To promote the adoption of design in Norwegian industry and economy, €9m -To improve design expertise (re-search and training), €750,000 	To increase the market share on global markets	<ul style="list-style-type: none"> -Cross disciplinary research centre -Good Design Label and awards -National design campaign -Innovation Norway 	Government, design education and tourism businesses
Singapore * National design programme	Government EU, Government, Regional, businesses SVID €2.7m, projects €3.2m (2007-2009)	<ul style="list-style-type: none"> - To integrate design in businesses, to promote design in the private and public sector - To develop a thriving, professional design community - To make Singapore a global design hub - To nurture design culture and awareness 	Design Singapore Council Design for Internationalisation and Iconic Design Initiative programmes	Government
Sweden * National design programme 2006-2010, SVID	Government will fund ten national three-year projects that started in 2005, €6.8m	<ul style="list-style-type: none"> -To improve the understanding of SMEs regarding design methods and their utilisation -To take the needs of buyers into consideration in the acquisition of design services -To create competitive advantage on strategic growth areas 	<ul style="list-style-type: none"> -Design för Innovation -Design for all -Forum for design information exchange 	National design organisations

* National design programme, prepared in co-operation with the government and design interest groups (mainly the industry and design organisations)

Country / focus	Funding / appropriation	Main objectives	Implementation	Main actors of design programmes
United Kingdom National design strategy 2008–2011 The Good Design Plan	Government, industry Annual grant from the Department for Innovation Universities and Skills (DIUS)	<ul style="list-style-type: none"> - Build the UK's capacity to innovate and deliver world-class brands, products and services by supporting the effective use of design in business and the public sector - Drive the development of new solutions to UK social and economic challenges and involve communities in designing local services - Boost high-level skills in design to support a competitive creative economy and a thriving UK design sector - Champion the value of good design and its importance to social and economic success - Be recognised as an exemplar design institution for our influence, impact and enterprise 	<ul style="list-style-type: none"> - Extending Designing Demand to benefit business across the UK - Develop a specialised version of the Designing Demand Innovate service for universities to enable technology transfer - Develop a transformational programme to support public service innovation - Ensuring that Designs of the time (Dott) has local and national impact and legacy - Launching a National Design Skills Alliance in collaboration with Creative & Cultural Skills and the design sector - Deliver an annual review of existing and new design policy - Raise awareness of sustainable 'good' design through a public promotion programme - Expanding research and knowledge programme, including a national research forum - Support the design industry and promote design awareness by launching an annual series of international conferences and seminars 	Government, Design Council; private and public sector partners
United States Promotion of design in organisations on a national scale	Design companies, private and corporate donations, several federal sources	<ul style="list-style-type: none"> - Promote the benefits, awareness, and value of design in business and society (IDSA) -To expand design awareness of corporate management, design professionals and the public sector through education and training (Corporate Design Foundation) -Sponsor, conduct and promote research -Make accessible a design management body of knowledge -Educate and foster interaction among design managers, organizational executives and managers, educators, and public policy makers -Be a public advocate for the economic and cultural (societal) importance of design (DMI) 	<ul style="list-style-type: none"> -Develop an umbrella plan to promote the value of design to business and society (IDSA) -Influence and develop collaborations between design, business and others schools or disciplines to further the understanding of design through multidisciplinary courses -Conduct research that examines the relationship between design and business success -Promoting individual design and business success stories -Demonstrate design's value to businesses by offering conferences, workshops and other educational programs (Corporate Design Foundation) -Organizing seminars and conferences, conducting research and case studies, training design professionals - Establishment of an annual research grant for research in the area of design management (DMI) 	Design businesses, design organizations

3.2 *Design Competitiveness Ranking 2007, 2005 and Design Ranking 2002*

Design Competitiveness Ranking 2007

1. Germany	6.1
2. Switzerland	6.1
3. Japan	6.0
4. Sweden	5.9
5. Denmark	5.9
6. Austria	5.7
7. Finland	5.7
8. United States	5.7
9. Korea, Rep	5.7
10. France	5.6

Sources: World Economic Forum 2007,
Global Design Watch 2008

Design Competitiveness Ranking 2005

1. Japan	6.2
2. United States	6.2
3. Germany	6.1
4. Switzerland	5.9
5. Denmark	5.8
6. France	5.7
7. Finland	5.7
8. Sweden	5.7
9. Belgium	5.6
10. Austria	5.6

Sources: World Economic Forum 2005,
Global Design Watch 2006

Design Ranking 2002

1. Finland	6.3
2. United States	6.2
3. Germany	6.1
4. France	6.1
5. Japan	6.1
6. Switzerland	6.0
7. Netherlands	6.0
8. Sweden	6.0
9. Denmark	5.8
10. United Kingdom	5.8

Sources: World Economic Forum 2002,
Building a case for added value through design,
NZ Institute of Economic Research 2003

Design Competitiveness Ranking 2007 is based on an average of seven design competitiveness related indexes, on a scale of 1 to 7. As originally in NZIER 2002 and the DESIGNIUM 2003 and 2006 reports, the indexes were sought from the WEF report to describe the state of design competitiveness. The design ranking components are listed on table 3.2. In 2002 NZIER based their design ranking on five WEF index components (see page 14)

TABLE 3.2: *Top 20 of Growth Competitiveness Index Ranking, Design Competitiveness Ranking and Design Indexes 2007 and 2005*

Country	Growth Competitiveness Index ranking 2007	Growth Competitiveness Index ranking 2005	Design Competitiveness ranking 2007	Design Competitiveness ranking 2005	Design average 2007	Design average 2005
United States	1	2	7	2	5.7	6.2
Switzerland	2	8	2	4	6.1	5.9
Denmark	3	4	5	5	5.9	5.8
Sweden	4	3	4	8	5.9	5.7
Germany	5	15	1	3	6.1	6.1
Finland	6	1	8	7	5.7	5.7
Singapore	7	6	15	16	5.3	5.3
Japan	8	12	3	1	6	6.2
United Kingdom	9	13	13	11	5.5	5.6
Netherlands	10	11	11	13	5.6	5.5
Korea, Rep	11	17	9	14	5.7	5.4
Hong Kong SAR	12	28	20	21	5.1	4.9
Canada	13	14	23	20	4.9	5.0
Taiwan, China	14	5	18	15	5.2	5.4
Austria	15	21	6	10	5.7	5.6
Norway	16	9	19	22	5.1	4.9
Israel	17	27	14	12	5.4	5.5
France	18	30	10	6	5.6	5.7
Australia	19	10	27	29	4.5	4.5
Belgium	20	31	12	9	5.5	5.6

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Sources: World Economic Forum, The Global Competitiveness Report 2007/2008 and 2005/2006, Global Design Watch 2006

TABLE 3.3: *Design Competitiveness Ranking components*

Country	Growth Competitiveness Index ranking	Company spending on research and development	Nature of competitive advantage	Value chain presence	Capacity for innovation	Production process sophistication	Extent of marketing	Degree of customer orientation	Design average	Design Competitiveness ranking
United States	1	5.8	5.4	5.5	5.4	5.6	6.3	5.7	5,67	7
Switzerland	2	6.1	6.3	6.3	5.8	6.1	6.0	5.9	6,07	2
Denmark	3	5.5	6.2	6.0	5.5	6.0	5.9	5.8	5,84	5
Sweden	4	5.7	5.9	6.2	5.9	6.1	5.9	5.8	5,93	4
Germany	5	5.8	6.3	6.2	6.1	6.3	6.2	5.8	6.1	1
Finland	6	5.3	5.8	5.7	5.8	6.0	5.3	5.7	5,66	8
Singapore	7	5.1	5.3	5.4	4.5	5.6	5.5	5.6	5,29	15
Japan	8	5.8	6.0	6.2	5.9	6.3	5.7	6.1	6,0	3
United Kingdom	9	4.9	5.7	5.8	5.1	5.4	6.3	5.4	5,51	13
Netherlands	10	4.9	5.7	5.7	5.3	5.8	5.9	5.6	5,56	11
Korea, Rep	11	5.6	5.5	5.7	5.5	5.6	5.8	5.9	5,66	9
Hong Kong SAR	12	4.4	5.1	5.6	4.2	4.8	5.7	5.8	5.09	20
Canada	13	4.5	3.9	4.0	4.8	5.2	6.0	5.6	4.86	23
Taiwan, China	14	4.8	4.7	5.2	4.8	5.5	5.2	5.9	5.16	18
Austria	15	4.9	5.8	6.0	5.4	5.9	5.9	6.1	5.71	6
Norway	16	4.6	5.2	4.2	5.0	5.6	5.5	5.5	5.09	19
Israel	17	5.5	5.6	5.3	5.4	5.3	5.5	5.2	5.4	14
France	18	4.8	5.7	6.0	5.5	5.8	6.0	5.4	5.6	10
Australia	19	4.2	3.8	3.2	4.0	5.2	5.9	5.5	4.54	27
Belgium	20	4.8	5.8	5.7	5.1	5.9	5.6	5.7	5.51	12
Malaysia	21	5.0	4.5	5.0	4.5	4.9	5.4	5.5	4.97	22
Ireland	22	4.8	5.4	5.2	4.4	5.3	5.5	5.4	5.21	16
Iceland	23	4.6	5.3	4.5	4.5	5.3	5.4	5.6	5.03	21
New Zealand	24	3.8	3.9	3.9	4.2	4.7	5.5	5.5	4.5	29
Luxembourg	25	4.5	5.5	5.3	4.7	5.5	5.3	5.5	5.19	17

Country	Growth Competitiveness Index ranking	Company spending on research and development	Nature of competitive advantage	Value chain presence	Capacity for innovation	Production process sophistication	Extent of marketing	Degree of customer orientation	Design average	Design Competitiveness ranking
Chile		3.3	3.6	4.0	3.5	4.7	5.5	4.9	4.21	35
Estonia	26	3.8	3.4	3.8	3.7	4.4	5.1	5.3	4.21	36
Thailand	27	3.6	3.4	3.9	3.3	3.8	4.9	5.3	4.03	41
Spain	28	3.4	4.2	4.9	3.8	4.7	5.6	5.0	4.51	28
Kuwait	29	3.1	3.8	3.4	2.6	4.3	4.9	5.1	3.89	45
Qatar	30	3.6	4.0	3.9	2.9	4.8	4.5	4.5	4.03	42
Tunisia	31	3.8	4.1	4.4	4.1	4.3	4.9	5.1	4.39	32
Czech Republic	32	4.0	3.5	4.7	4.3	4.7	5.1	4.8	4.44	31
China	33	3.9	3.3	3.7	3.8	3.3	4.0	4.4	3.77	49
Saudi Arabia	34	3.5	3.6	4.3	3.5	4.5	4.4	4.6	4.06	40
Puerto Rico	35	3.9	5.0	4.0	3.7	5.2	5.9	4.9	4.66	26
Unit. Arab Emirates	36	3.3	3.7	3.9	3.0	4.5	5.3	5.0	4.1	39
Lithuania	37	3.4	3.9	4.7	3.6	4.2	4.7	5.2	4.24	34
Slovenia	38	4.2	4.4	5.0	4.7	4.5	4.9	5.2	4.7	25
Portugal	39	3.3	3.5	4.3	3.9	4.2	5.0	4.8	4.14	37
Slovak Republic	40	3.4	3.0	4.0	3.4	3.9	4.6	4.6	3.84	48
Oman	41	3.9	4.1	4.4	4.0	4.6	4.0	4.9	4.27	33
Bahrain	42	2.6	3.5	3.5	2.2	3.8	4.4	4.9	3.56	50
South Africa	43	4.2	3.4	3.4	3.7	4.1	5.6	4.6	4.14	38
Latvia	44	3.3	3.3	3.7	3.3	3.9	4.6	4.9	3.86	47
Italy	45	3.1	5.5	5.6	4.7	4.8	5.0	4.8	4.79	24
Hungary	46	3.2	3.5	4.4	3.7	4.2	4.5	4.3	3.97	43
India	47	4.2	3.3	4.6	4.0	4.3	5.2	5.1	4.46	30
Jordan	48	3.1	3.6	3.9	3.1	4.1	4.2	5.1	3.87	46
Barbados	49	3.3	4.9	4.1	3.0	3.6	4.5	4.3	3.96	44
	50									

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3.3 *Design Competitiveness Ranking components*

The 2002 NZIER design ranking included the indexes Extent of branding and Uniqueness of product design listed by the WEF. Uniqueness of product design was dropped from the list after the 2001/2002 competitiveness report, and extent of branding was last included in the WEF report for 2004/2005. Compared to the original ranking list of New Zealand, we have included design-related indexes on a broader front in the present report. The purpose of the new ranking is to take into account also the impact of immaterial spending on design competitiveness. The design competitiveness ranking above has seven indexes instead of five. The selected indexes measure the elements of competitiveness on a broader scale: the status of production processes, the effects of product design, marketing and after sales services on international competitiveness of export companies and their placement in the value chain.

The indexes used in the ranking are listed below, together with the questions put to the evaluators of the countries selected in the WEF report.

Company spending on research and development

Companies in your country (1 = do not spend money on research and development, 7 = spend heavily on research and development relative to international peers)

Nature of competitive advantage

Competitiveness of your country's companies in international markets is primarily due to (1 = low cost or local natural resources, 7 = unique products and processes)

Value chain presence

Exporting companies in your country are (1 = primarily involved in resource extraction or production, 7 = not only produce but also perform product design, marketing sales, logistics, and after sales services)

*Capacity for innovation **

Companies obtain technology (1 = exclusively from licensing or imita-

ting foreign companies, 7 = by conducting formal research and pioneering their own products and processes)

*Production process sophistication **

Production processes use (1 = labour-intensive methods or previous generations of process technology, 7 = the world's best and most efficient process technology)

*Extent of marketing **

The extent of marketing in your country is (1 = limited and primitive, 7 = extensive and employs the world's most sophisticated tools and techniques)

Degree of customer orientation

Firms in your country (1 = generally treat their customers badly, 7 = are highly responsive to customers and customer retention)

* These indexes were included in the NZIER report from 2002.

The following two indexes were included in the NZIER report from 2002

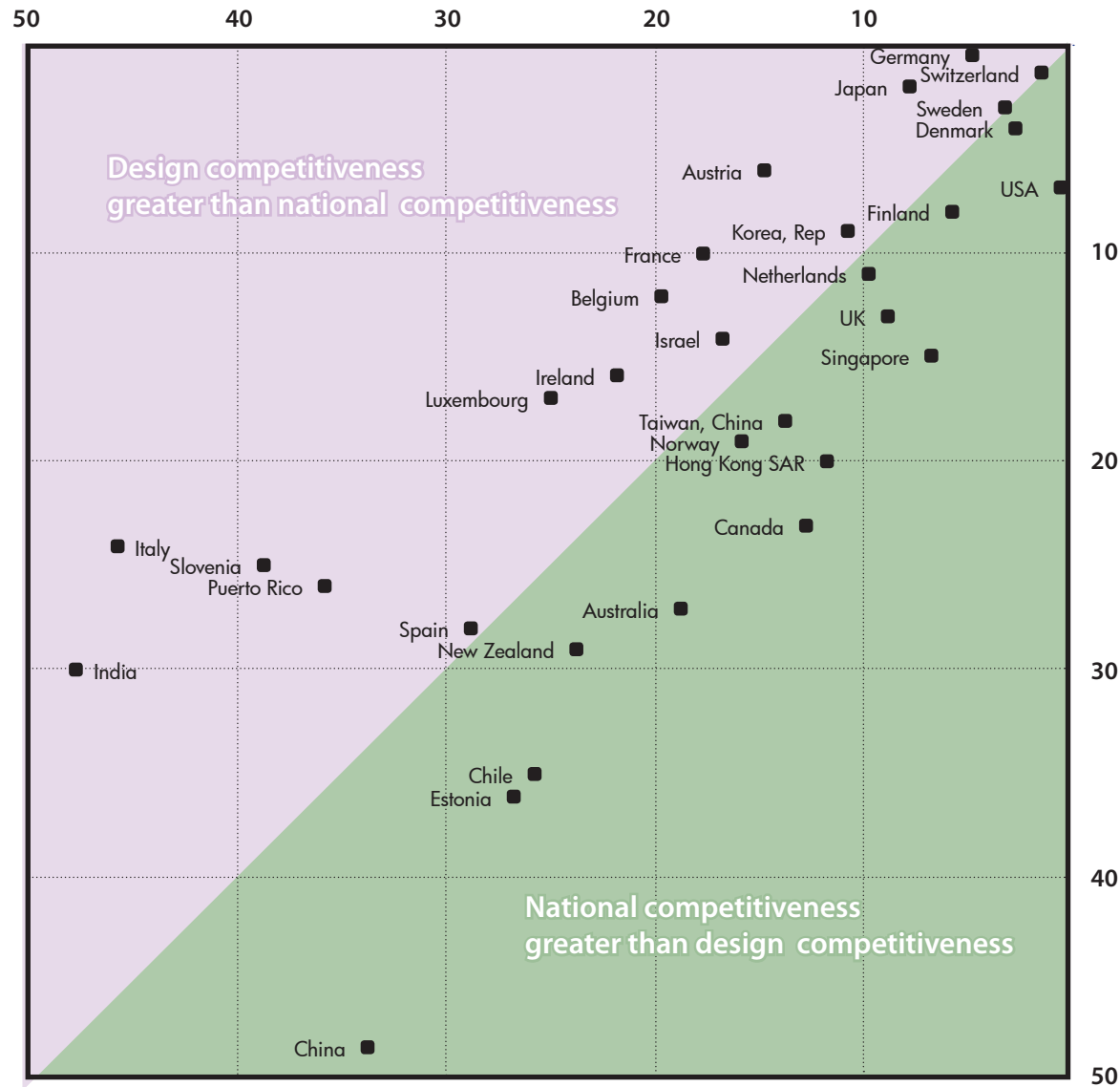
Extent of Branding

Companies in your country that sell internationally (1 = sell into commodity markets or other companies that handle marketing, 7 = have well developed international brands and sales organizations)

Uniqueness of product designs

Product designs are (1 = copied or licensed from abroad, 7 = developed locally)

TABLE 3.4: National Competitiveness and Design Competitiveness Ranking



14
15

In the figure on the left we have compared the national competitiveness of leading countries against their design ranking to show the correlation between national competitiveness and level of design.

Source: World Economic Forum, The Global Competitiveness Report 2007/2008

TABLE 3.5: Design policy and promotion timelines

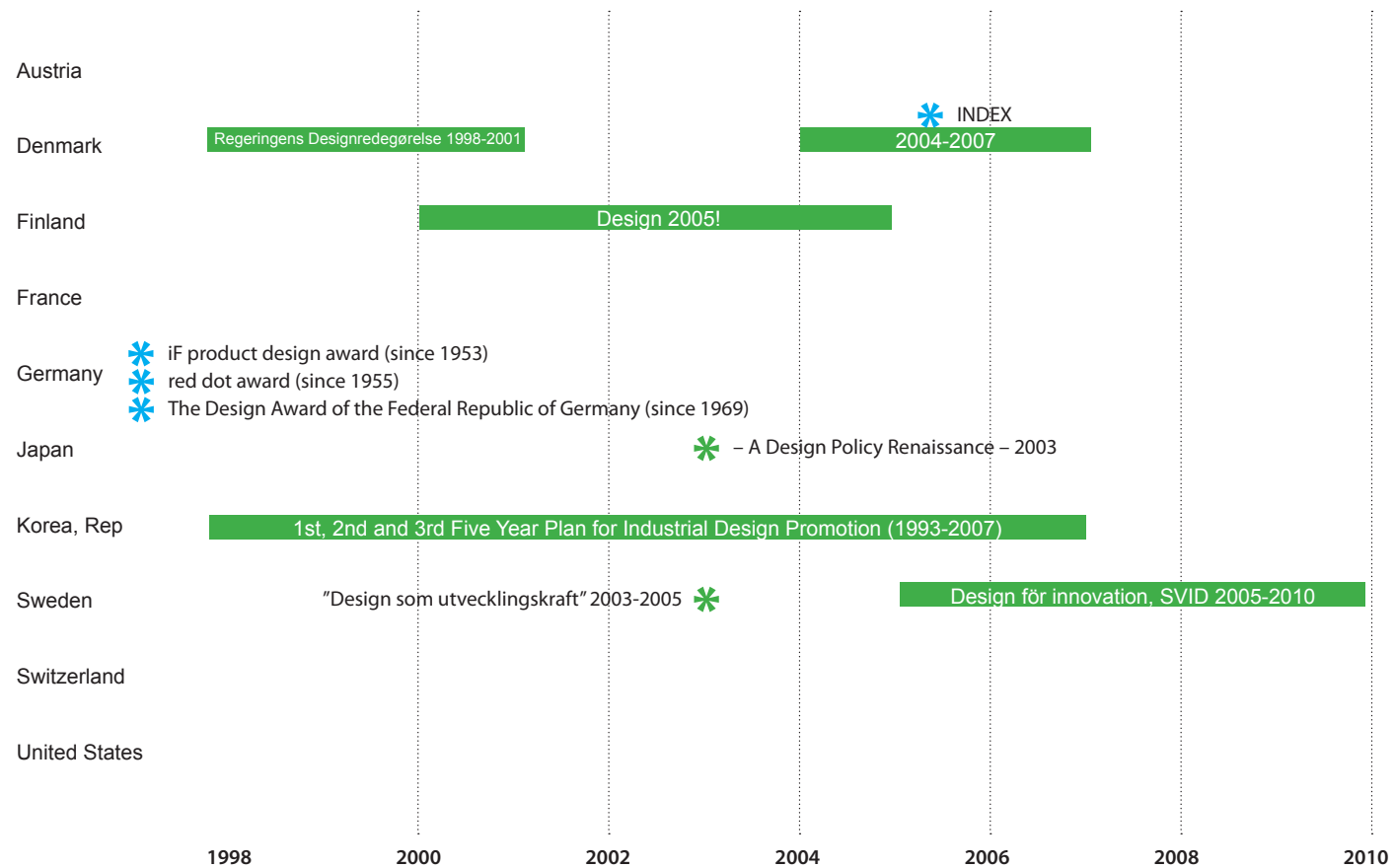
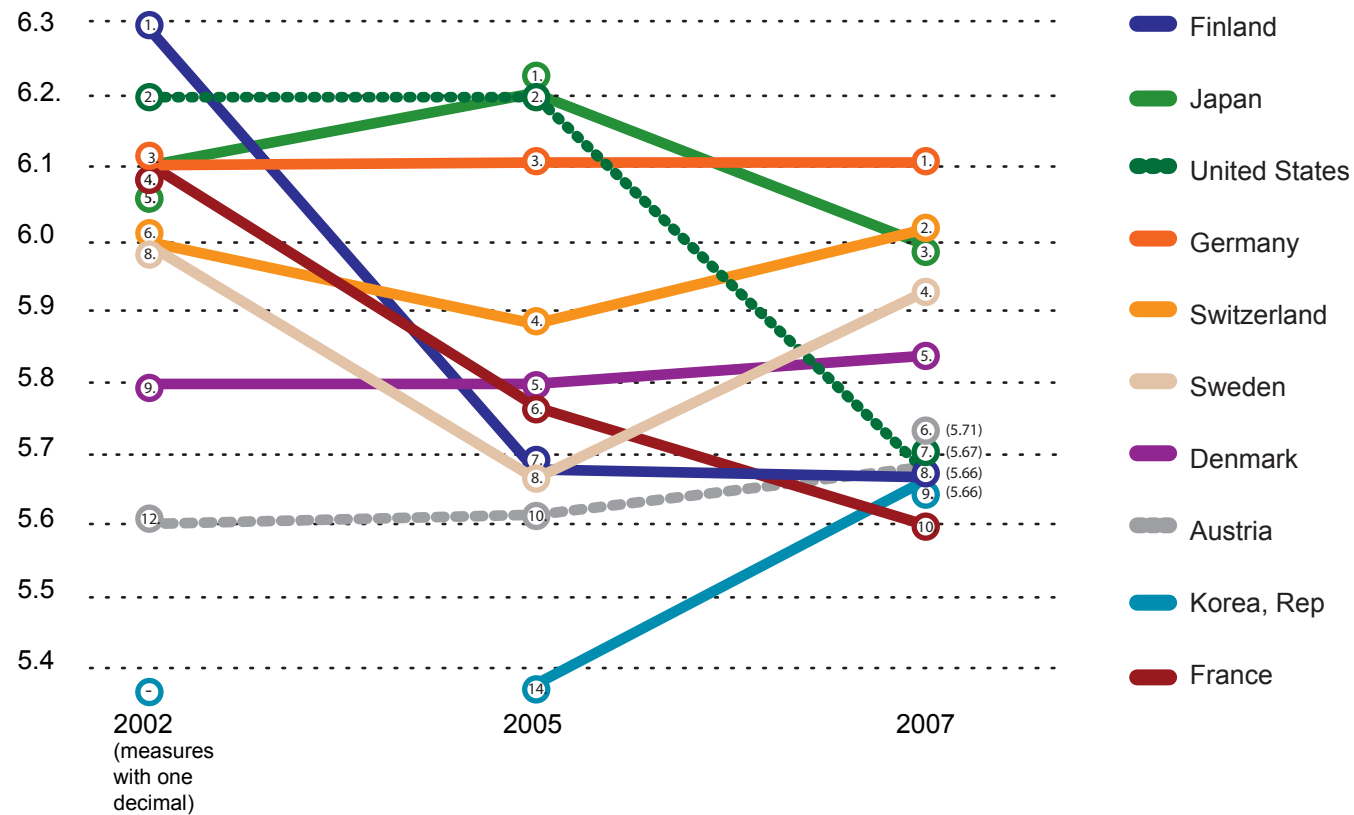


TABLE 3.6: Design Competitiveness Ranking 2002, 2005 and 2007 (among top ten countries in 2007)



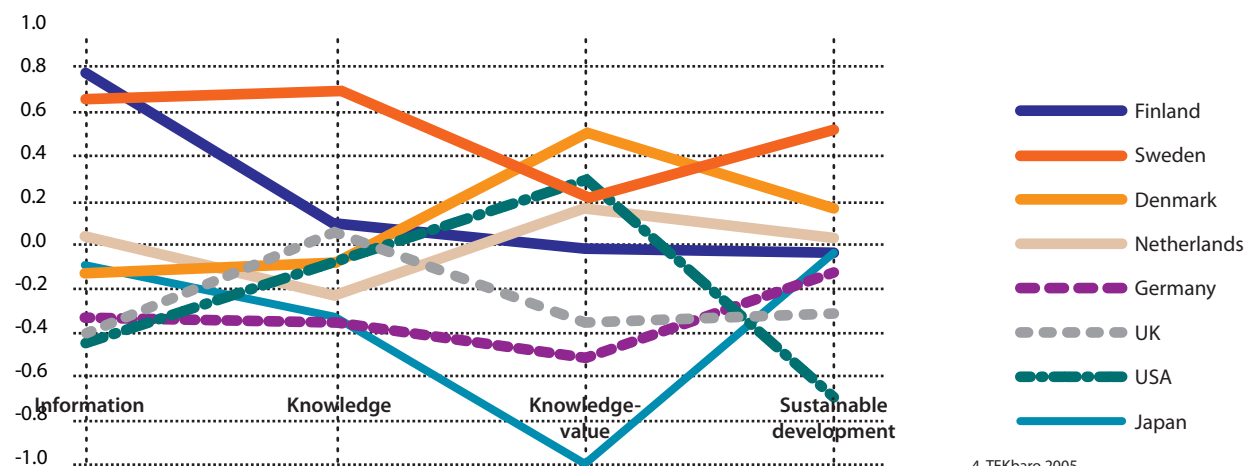
3.4 Innovation competence

The technology barometer⁴, published by the Finnish Association of Graduate Engineers TEK and VTT Technology Studies, is an annually published instrument that measures the state of technological and scientific expertise and development in a given country. The technology barometer indicates the development of a society from an information society to a knowledge society and further to a knowledge-value society. In the *TEKbaro2007* Finland was placed at the top in the information society ranking. In the knowledge society ranking Finland was rated as the second country after Sweden. However, in the knowledge-value society ranking Finland received an average rating of being fifth in the reference group. As was stated in the *TEKbaro2005*, Finland can still be described as a basic producer of knowledge.

The technology barometer has the following explanation for the different society levels:

"In an **information society**, the production, processing, dissemination and exploitation of information play a central role. In the barometer, the definition for an information society is focused around the investments in human and intellectual capital (...), the level of basic education and schooling, and the skills and knowledge of the general public in a nation, and both private and public investments in research and development.

TABLE 3.7: Profiles of sample countries on their transition from an information society to a knowledge society and sustainable development



A **knowledge society** produces commodities of high knowledge value. Knowledge and expertise constitute a crucial element in production, with information and communication technologies comprehensively supporting interaction, the dissemination and exploitation of knowledge, and the provision and accessibility of services. In the technology barometer, knowledge society measures assess the gearing of investments in human and intellectual capital towards science and technology, the use of information and communication technologies, and the outcomes of these investments.

A **knowledge-value society** is an advanced form of both information and knowledge societies. Innovation, technology development, economic regeneration, openness to new ideas and their active exploitation are all inherent elements contributing to the basic values and culture in the society. Our measure of knowledge-value society focuses on entrepreneurship and venturing, innovation networking, and adaptations of innovative practices in a nation."⁵

"The technology barometer measures the objectives of **sustainable development** with the aid of three indicator entities: social cohesion in the society in question, environmental protection action taken by businesses and authorities, and the actual state of the environment."⁶

Sample nations' performance with respect to information society, knowledge society and knowledge-value society measures. The value 0 describes average performance. The more positive/negative the value of a country, the better/inferior its position is relative to the other countries for that measure.

Figure: TEKbaro 2007

4 TEKbaro 2005
5 TEKbaro 2005
6 TEKbaro 2007

4 CONCLUSIONS

Comparing the new design indexes with the situation in 2005 shows that Germany has taken the first place. Each of the three times when these rankings have been made Germany has scored 6.1. In 2002 and 2005 Germany was third, but now the same score lifted Germany to the top. In general, the indexes are very similar when compared to the scores in 2005, but major changes have taken place between countries. In 2005 the Nordic region, Finland, Sweden and Denmark, were very even, with their relative positions within two tenths of a point, which is the case this year too, but now Sweden and Denmark have been able to raise their scores. Finland remains at 5.7, but has fallen one position to eighth place, right after the United States which has fallen from second place to seventh place.

4.1 *Changes in Design Competitiveness Ranking*

The real winners compared to the situation in 2005 are Republic of Korea (+5), Sweden (+4) and Austria (+4). Germany and Switzerland climbed to the top improving their rankings two places upwards.

The Republic of Korea has improved its ranking from fourteenth to ninth place. The constant design policy of the Republic of Korea in 1993-2007 seems to have been successful. In 2007 Korea hosted the world's largest design event, Design Korea 2007 and the International Council of Societies of Industrial Design (Icsid) has announced Seoul to be the World Design Capital (WDC) in 2010.

Ranking has been steady for Denmark. After striving to keep its 2005 results Denmark has renewed its 5th place. Denmark has invested heavily in the visibility of design, in the promotion of the Danish design brand, and in the development of interaction between designers and businesses. The Danish Ministry of Culture will support the promotion of Danish design with €5.4m in 2005–2008.

The trend has been downward for the United States, which fell from number second to seventh place. The trend seems to be slightly downward for France (-4), Japan (-2) and Finland (-1) among the top ten countries in the Design Competitiveness Ranking.

APPENDIX

Sources: National and regional design programmes and design promotion

National/regional:	Sources:	Accessible at:
Australia / Victoria	the State of Design – Future Directions (Victoria state government, 2004)	http://www.business.vic.gov.au/busvicwr/_assets/main/lib60040/06_design_future_directions.pdf http://www.dia.org.au
Denmark	Denmark in the Culture and Experience Economy — 5 new steps The Danish Growth Strategy	http://www.oem.dk/publication/dk-culture/experience_economy.pdf http://ddc.dk http://www.danishedge.dk http://www.indexaward.dk
Estonia	Establishing the basis for the elaboration of the Estonian design policy measures. 2003.	http://www.mkm.ee/failid/Disainiuuringu_loppraport.pdf
Finland	Report of the monitoring group of the Design 2005! programme	http://www.minedu.fi/julkaisut/kulttuuri/2004/tr11/tr11.pdf
Germany	German Design Council IF design awards red dot award The Design Zentrum Nordrhein Westfalen The Design Award of the Federal Republic of Germany	http://www.german-design-council.de http://www.ifdesign.de http://www.red-dot.de www.designpreis.de
Hong Kong	The DesignSmart Initiative	http://www.designsmart.gov.hk http://www.info.gov.hk/info/hkin/innovation.pdf http://www.hkdesigncentre.org http://www.innocentre.org.hk
India	National Design Policy	http://nid.edu/download/national_design_policy.pdf
Ireland	ICSTI Statement Design and Development	http://www.forfas.ie/icsti/statements/0304_des_dev_stmt/030414_icsti_design_development_statement_s.pdf
Italy / Lombardy, Milan	POLIMI Verganti, Roberto, Design as brokering languages, the role of design in the innovation strategy of Italian firms	http://www.polimi.it

Country		Accessible at:
Japan	Design as the Short Route to Brand Establishment —A Design Policy Renaissance— 2003	http://www.meti.go.jp/policy/human-design/downloadfiles/revised_press(point).pdf http://www.jidpo.or.jp/en/ http://www.idcn.jp/
Netherlands	Shaping New Attitudes, policy plan 2005-2008	http://www.premisela.org/pdf/policyplan2005-2008.pdf
New Zealand	Success by design, Better by design program	http://www.nzte.govt.nz/common/files/design-strategy.pdf http://www.betterbydesign.org.nz/
Norway	Design som drivkraft for norsk næringsliv. Rapport fra Utvalget for Næringsrettet Design, 2001. Period: 2002-2010. Norwegian Design Council	www.norskdigital.no
Singapore	The DesignSingapore established in 2003	http://www.mica.gov.sg/mica_business/attachment/ERC_SVS_CRE_Chapter3.pdf?sid=131&cid=1300 http://www.designsingapore.org
The Republic of Korea	3rd Five Year Plan	http://designdb.com/english/kidp/policy/down/The3rdFiveYearPlan.pdf http://www.gd.or.kr/eng/index.jsp
Sweden	Design för innovation Långsiktig satsning på design som utvecklingskraft för Sverige Förslag till verksamhetsinriktning för SVID, 2006–2010.	http://www.svid.se
United Kingdom	The Good Design Plan 2008-2011 The Department of Trade and Industry, The Design Policy Unit Design Council British Design Initiative	http://www.designcouncil.org.uk/en/Design-Council/1/What-we-do/The-good-design-plan/ http://www.britishdesign.co.uk http://www.dit.gov.uk/design , http://www.globaldesignonline.com
United States	Design Management Institute (DMI) Corporate Design Foundation Industrial Designers Society of America, IDSA Policy Manual - June 2007	http://www.dmi.org http://www.cdf.org http://www.idsa.org

APPENDIX

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