

UK Innovation Survey

Purpose of the Questionnaire:

The purpose of this questionnaire is to collect information about innovation in the UK between 2002 and 2004. To be able to compare enterprises with and without innovation activities, we request all enterprises to respond to **all** questions, unless otherwise instructed.

The results of this survey will be published, free, on the Department of Trade and Industry website: www.dti.gov.uk and the National Statistics website: www.statistics.gov.uk

If your enterprise is part of a larger corporate group, please answer all questions **only** for those units in the UK for which you are responsible.

An enterprise is defined as the smallest combination of legal units that is an organisational unit producing goods or services, which benefits from a certain autonomy in decision making, especially for the allocation of its current resources. An enterprise carries out one or more activities at one or more location. An enterprise may be a sole legal unit.

Information Required and Definition of Innovation

This questionnaire asks for information relating to innovation activities. For the purpose of this survey,

Innovation is defined as major changes aimed at enhancing your competitive position, your performance, your know-how or your capabilities for future enhancements. These can be new or significantly improved goods, services or processes for making or providing them. It includes spending on innovation activities, for example on machinery and equipment, R&D, training, goods and service design or marketing.

Where possible, answers should be provided relating to activity during the three **calendar years** 2002 to 2004. Where precise figures cannot be provided for the calendar years, **your best estimates are acceptable**.

Completing your return

This questionnaire will be scanned, therefore please:

- Complete in **black ink**
- Ensure letters and numbers are printed and centred within each box
- **Do not** use commas or dashes
- **Do not** cross sevens or zeros

for example 1,702,000 =

Please give details of the person we should contact with any queries about this return

Please use block capitals

Name of person to be contacted if necessary

Telephone no. Ext.

Fax no.

General information about your enterprise

1. **Is your enterprise¹ part of an enterprise group?** (A group consists of two or more legally defined enterprises under common ownership. Each enterprise in the group may serve different markets, as with national or regional subsidiaries, or serve different product markets. The head office is also part of an enterprise group.)

Please one box only

Yes

No 0100

If your enterprise is part of an enterprise group, please answer all further questions only for your enterprise in the UK. Do not include results for subsidiaries or parent enterprises outside of the UK.

2. **In which geographic markets did your enterprise sell goods and/or services during the three year period 2002-2004?**

For each option please one box only

	Yes	No	
Local/regional within the UK ²	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0210
UK ³	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0220
Other Europe	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0230
All other countries	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0240

3. **Which of the following best defines the main customers for your enterprise's goods and/or services during the three-year period 2002-2004?**

Please one box for the most appropriate option

Other businesses	<input checked="" type="checkbox"/>	0310
Public sector	<input checked="" type="checkbox"/>	0320
Consumers	<input checked="" type="checkbox"/>	0330

4. **Was your enterprise established after 1 January 2000?**

Yes

No 0400

¹ See definition of an enterprise on page 2

² Within approximately 100 miles of your enterprise

³ Within the UK but more than 100 miles away from your enterprise

Product (good or service) innovation

A product innovation is the market introduction of a **new** good or service or a **significantly** improved good or service with respect to its capabilities, such as quality, user friendliness, software or subsystems. The innovation must be new to your enterprise, but it does not need to be new to your market. It does not matter if the innovation was originally developed by your enterprise or by other enterprises.

5. During the three-year period 2002-2004, did your enterprise introduce:

	Yes	No	
New or significantly improved goods. (Exclude the simple resale of new goods purchased from other enterprises and changes of a purely cosmetic nature)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0510
New or significantly improved services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0520

If no to both options above, please go to question 9, otherwise:

6. How were these products (goods or services) developed?

Please one box only for the most appropriate option

Mainly by your enterprise or enterprise group	<input checked="" type="checkbox"/>	0610
Mainly by your enterprise together with other enterprises or institutions	<input checked="" type="checkbox"/>	0620
Mainly by other enterprises or institutions	<input checked="" type="checkbox"/>	0630

7. Were any of your product innovations during the three-year period 2002-2004:

	Yes	No	
New to your market? Your enterprise introduced a new good or service onto your market before your competitors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0710
Only new to your enterprise? Your enterprise introduced a new good or service that was essentially the same as a product already available from your competitors in your market	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0720

8. Please estimate how your total turnover ⁴ in 2004 was distributed between the categories below. (Informed estimates are acceptable here)

Products introduced during 2002-2004 that were new to your market	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/>	%	0810
Products introduced during 2002-2004 that were new to your enterprise but not new to your market	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/>	%	0820
Products introduced during 2002-2004 that were significantly improved	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/>	%	0830
Products that were unchanged or only marginally modified during 2002-2004 (include the resale of new goods or services purchased from other enterprises)	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/>	%	0840
Total turnover in 2004	<input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="0"/>	%	

⁴For Credit institutions: Interests receivable and similar income, for insurance services: Gross premiums written

Process innovation

Process innovation is the use of new or significantly improved methods for the production or supply of goods and services. The innovation must be new to your enterprise, but it does not need to be new to your industry. It does not matter if the innovation was originally developed by your enterprise or by other enterprises. Purely organisational or managerial changes should not be included - these are covered at question 23.

9. **During the three-year period 2002-2004, did your enterprise introduce any new or significantly improved processes for producing or supplying products (goods or services) which were new to your enterprise?**

Yes

No 0900 → Please go to question 12

10. **How were these processes developed?**

Please the most appropriate option

Mainly by your enterprise or enterprise group

1010

Mainly by your enterprise together with other enterprises or institutions

1020

Mainly by other enterprises or institutions

1030

11. **During the three-year period 2002-2004, did your enterprise introduce any new or significantly improved processes for producing or supplying products (goods or services) which were new to your industry?**

Yes

No 1100

Effects of innovation

12. How important were each of the following effects of your product (good or service) and/or process innovations introduced during the three-year period 2002-2004?

Degree of importance

Please one box for each category

	Not relevant	Low	Medium	High	
Increased range of goods or services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1210
Entered new markets or increased market share	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1220
Improved quality of goods or services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1230
Improved flexibility of production or service provision	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1240
Increased capacity for production or service provision	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1250
Reduced costs per unit produced or provided	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1260
Reduced environmental impacts or improved health and safety	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1270
Met regulatory requirements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1280
Increased value added	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1290

Innovation activities and expenditures

13. During the three-year period 2002-2004, did your enterprise engage in the following innovation activities?

Please one box for each category

		Yes	No	
Intramural (in-house) R&D	Creative work undertaken within your enterprise on an occasional or regular basis to increase the stock of knowledge and its use to devise new and improved goods, services and processes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1310
Acquisition of R&D (extramural R&D)	Same activities as above, but purchased by your enterprise and performed by other companies (including other enterprises within your group) or by public or private research organisations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1320
Acquisition of machinery, equipment and software	Acquisition of advanced machinery, equipment and computer hardware or software to produce new or significantly improved goods, services, production processes, or delivery methods	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1330
Acquisition of external knowledge	Purchase or licensing of patents and non-patented inventions, know-how, and other types of knowledge from other enterprises or organisations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1340
Training	Internal or external training for your personnel specifically for the development and/or introduction of innovations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1350
All forms of Design	Expenditure on design functions for the development or implementation of new or improved goods, services and processes. Expenditure on design in the R&D phase of product development should be excluded.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1360
Market introduction of innovations	Activities for the market preparation and introduction of new or significantly improved goods and services, including market research and launch advertising.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1370

Sources of information and co-operation for innovation

16. How important to your enterprise's innovation activities during the three-year period 2002-2004 were each of the following information sources?

		Degree of importance				
		Not used	Low	Medium	High	
Internal	Within your enterprise or enterprise group	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1601
Market sources	Suppliers of equipment, materials, services, or software	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1620
	Clients or customers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1630
	Competitors or others enterprises in your industry	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1640
	Consultants, commercial labs, or private R&D institutes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1650
Institutional sources	Universities or other higher education institutions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1660
	Government or public research institutes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1670
Other sources	Conferences, trade fairs, exhibitions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1680
	Scientific journals and trade/technical publications	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1690
	Professional and industry associations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1610
	Technical, industry or service standards	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1611

Please one box for each category

17. Did your enterprise co-operate on any of your innovation activities with other enterprises or institutes during the three-year period 2002-2004? Innovation co-operation is active participation with other enterprises or non-commercial institutions on innovation activities. Both partners do not need to commercially benefit. Exclude pure contracting out of work with no active co-operation.

Yes

No 1700 → Please go to question 19

18. Which types of co-operation partner did you use and where were they located?

Type of co-operation partner

Please all that apply

	Local/ Regional within UK ⁵	UK national ⁶	Other Europe	All other countries
A. Other enterprises within your enterprise group	<input checked="" type="checkbox"/> 1811	<input checked="" type="checkbox"/> 1812	<input checked="" type="checkbox"/> 1813	<input checked="" type="checkbox"/> 1814
B. Suppliers of equipment, materials, services, or software	<input checked="" type="checkbox"/> 1821	<input checked="" type="checkbox"/> 1822	<input checked="" type="checkbox"/> 1823	<input checked="" type="checkbox"/> 1824
C. Clients or customers	<input checked="" type="checkbox"/> 1831	<input checked="" type="checkbox"/> 1832	<input checked="" type="checkbox"/> 1833	<input checked="" type="checkbox"/> 1834
D. Competitors or other enterprises in your industry	<input checked="" type="checkbox"/> 1841	<input checked="" type="checkbox"/> 1842	<input checked="" type="checkbox"/> 1843	<input checked="" type="checkbox"/> 1844
E. Consultants, commercial labs, or private R&D institutes	<input checked="" type="checkbox"/> 1851	<input checked="" type="checkbox"/> 1852	<input checked="" type="checkbox"/> 1853	<input checked="" type="checkbox"/> 1854
F. Universities or other higher education institutions	<input checked="" type="checkbox"/> 1861	<input checked="" type="checkbox"/> 1862	<input checked="" type="checkbox"/> 1863	<input checked="" type="checkbox"/> 1864
G. Government or public research institutes	<input checked="" type="checkbox"/> 1871	<input checked="" type="checkbox"/> 1872	<input checked="" type="checkbox"/> 1873	<input checked="" type="checkbox"/> 1874

⁵ Within approximately 100 miles of your enterprise

⁶ Within the UK but more than 100 miles away from your enterprise

Continued overleaf

Barriers to innovation

19. During the three-year period 2002-2004, how important were the following factors as constraints to your innovation activities or influencing a decision not to innovate?

Degree of importance

Please one box for each category

		Factor not experienced	Low	Medium	High	
Cost factors	Excessive perceived economic risks	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1901
	Direct innovation costs too high	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1902
	Cost of finance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1903
	Availability of finance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1904
Knowledge factors	Lack of qualified personnel	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1905
	Lack of information on technology	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1906
	Lack of information on markets	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1907
Market factors	Market dominated by established enterprises	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1908
	Uncertain demand for innovative goods or services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1909
Other factors	Need to meet UK Government regulations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1910
	Need to meet EU regulations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1911

Enterprises with no innovation activity

20. If your enterprise had no innovation activity during the three-year period 2002-2004, please indicate why it has not been necessary or possible to innovate.

	Yes	No	
No need due to prior innovations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2011
No need due to market conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2020
Factors constraining innovation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2030

Protection methods for innovation

21. For the three-year period 2002-2004, please indicate the importance to your enterprise of each of the following methods to protect innovations?

		Degree of importance				
		Please <input checked="" type="checkbox"/> one box for each category				
		Not used	Low	Medium	High	
Formal	Registration of design	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2110
	Trademarks	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2120
	Patents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2130
	Confidentiality agreements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2140
	Copyright	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2150
Strategic	Secrecy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2160
	Complexity of design	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2170
	Lead-time advantage on competitors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2180

Public support for innovation

22. During the three-year period 2002-2004, did your enterprise receive any public financial support for innovation activities from the following levels of government?

Include financial support via tax credits or deductions, grants, subsidised loans, and loan guarantees. Exclude research and other innovation activities conducted entirely for the public sector under contract.

	Yes	No	
Local or regional authorities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2210
Central Government or devolved administrations (including their government agencies or ministries)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2220
If yes, did your enterprise claim a tax credit for R&D performed between 2002 and 2004	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2230
The European Union (EU)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2240
If yes, did your enterprise participate in the EU's 5 th (1998-2002) or 6 th (2003-2006) Framework Programme for Research and Technical Development	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2250

27. If you would like to make any comments on your approach to innovation, or if you would like to provide us with any feedback on this questionnaire, please feel free to do so in the box below:

2700

28. How long has it taken you to complete this questionnaire?

Include: any time spent extracting information from your accounting systems and collating data over and above normal accounting operations.

Hrs Mins 2800

Thank you for your co-operation