

Innovation @ Berkeley

Garwood Center for Corporate Innovation
Haas School of Business, University of California, Berkeley

SPRING 2014 ISSUE



Silverado Resort & Spa, Napa Valley, CA

FEATURED STORY 1st ANNUAL WORLD OPEN INNOVATION CONFERENCE

DECEMBER 3-5, 2014

“Engaging World’s Leading Innovative Corporations with Academic Scholars to Address Today’s Business Challenges”

Continued, page 2



IN THIS ISSUE

- PAGE 1** - 1st annual World open Innovation Conference
- PAGE 2** - New Course from Garwood, Fall 2013
- PAGE 3** - Berkeley Innovation Forum 2013
- PAGE 4** - Global Engagement
- PAGE 6** - Innovation in India
- PAGE 7** - Community Engagement
- PAGE 8** - Berkeley-Haas’ Most Accomplished and Innovative Alumni Event
 - Honored by Thinkers50
 - Corporate Business Model Innovation Conference
 - Garwood’s Research Proposal Awards
 - Research at Garwood

OPEN INNOVATION IN INDIA

In Spring 2014, the Garwood Center for Corporate Innovation initiated a new course: India Travel Study Program UGBA 193i, Open Innovation in Emerging Economies. The new course, led by Professor Solomon Darwin, gave students an opportunity to travel to India and learn about how open innovation is being practiced in India. Students immersed themselves in India’s Open innovation processes, and returned with innovative solutions of their own. *Continued, page 6*



1st ANNUAL WORLD OPEN INNOVATION CONFERENCE

Innovation is poised at the nexus of theory and practice. Close observation of industry innovation practices Open Innovation, which in turn has contributed to the evolution of academic thinking on innovation. Too often, managers practice open innovation with little or no knowledge of the topic, while academics often cling to their ivory towers, and ignore the efforts being done for an organization to improve itself. What is needed is a vehicle to bridge the gap between theory and practice in open innovation.

To that end, we announce the 1st Annual World Open Innovation Conference. This conference will bring together practicing managers and academic scholars, and seeks to foster stronger connections between the two. Our goal

is to invite the world's leading innovative organizations to come forward with their open innovation challenges and achievements, to then share their knowledge and experience with our academic colleagues. We also invite all academic scholars to come and present their own research on the topic, and consider how their results might improve upon the performance of already established organizations. Ideally, each will leave with a greater understanding of the other's work, and with strategy on how they might advance their own.

For more information, visit our website:
corporateinnovation.berkeley.edu

HAAS CLASSES FROM GARWOOD, FALL 2013

UNDERGRADUATE COURSE OPEN BUSINESS MODELS & OPEN INNOVATION



The undergraduate program in Open Innovation emphasized idea generation and out of the box thinking by providing creative business model solutions. Below are the participating companies:

PARTICIPATED CORPORATE EXECUTIVES



EW MBA COURSE OPEN BUSINESS MODELS & OPEN INNOVATION



The EW MBA program emphasized execution and implementation in business model innovation. Students were challenged to utilize both their creative and tacit knowledge. They created open business models for the following multinational companies:

PARTICIPATED CORPORATE EXECUTIVES



BERKELEY INNOVATION FORUM FALL 2013



Willy Shih
Keynote speaker, Harvard



Amy Bunszel
Vice President, Autodesk



Dan Cherian
General Manager, Nike



Mark Donavon
VP, Nestle Purina PetCare



Om Nalamasu
CTO, Applied Materials

The Fall Berkeley Innovation Forum (BIF) was held on October 23-24, 2013, at the University Club at Memorial Stadium, Berkeley, CA. The first day of the conference began with a Welcome by Professor Henry Chesbrough. Special Keynote Speaker, Professor Willy Shih, Harvard Business School, delivered a powerful talk on "Restoring American Competitiveness." Berkeley-Haas MBA and Undergrad students presented projects on "Open Innovation and Business Model Challenges." Students presented their challenges on flip charts, soliciting ideas from BIF Innovation Officers.

BIF Talk #1 Open Innovation Process at Nike: Dan Cherian, General Manager of Sustainable Business, engaged the audience on Nike's journey in open innovation and lessons learned along the way.

BIF Clinic #1 Open Innovation Process at Autodesk – Amy Bunszel, VP of AutoCAD Products spoke passionately about their

innovation processes, current challenges and potential barriers for successful implementation. Members heartedly participated and provided innovative solutions.

BIF Panel #1 Open Innovation in Big Data - Trends and Challenges. Panel members consisting of SAP, Visa, UnitedHealthcare and Autodesk provided insightful takeaways from our members.

BIF Panel #2 Open Innovation in Emerging Countries - Trends and Challenges. Consisting of Goodyear, Nike and Standard Chartered Bank shared their approaches to operate in emerging markets.

BIF Talk #2 Open Innovation at Nestle Purina PetCare: Mark Donavon, VP of Innovation & Emerging Growth captivated the audience on how open innovation is put to use within Nestle, and what corporate culture was needed to adapt.

BIF Clinic #2 Enhancing Applied Materials' Business Model: Om Nalamasu, CTO, Applied Materials, presented a difficult challenge. BIF members enthusiastically engaged and presented out-of-the-box ideas.





JAPAN November, 2013

A seminar by the Japan Silicon Valley Innovation Forum, comprised of NEDO and Japanese enterprises, held in Santa Clara, CA. Professor Chesbrough delivered a lecture on benefits and challenges of open innovation.



INDIA January, 2014

UGBA 193i class visited India as part of its curriculum to learn about open innovation in emerging economies. Students were offered challenges by the following companies: Apollo Hospitals, GE, IBM, Philips, SAP & Xerox.



COLUMBIA November

Professor Henry Chesbrough visited INNPalsa (Government)

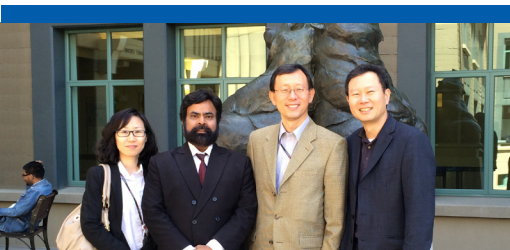
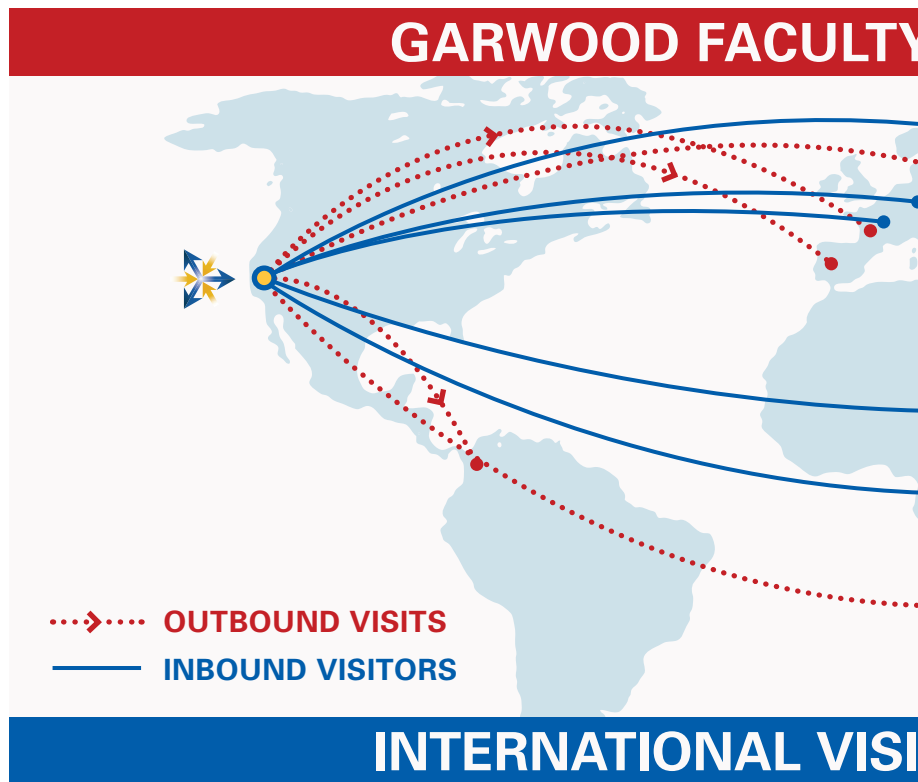
<https://www.youtube.com/>

COMPANIES VISITED BY PROFESSOR CHESBROUGH

Telefonica
SPAIN
 Telefonica Disruptive Council

TOTAL
FRANCE
 Energy Workshop

FUJITSU
JAPAN
 Open Innovation Workshop



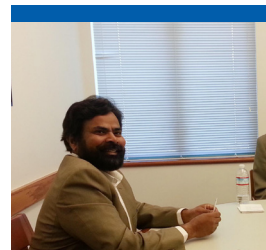
KOREA March, 2014

LG executives visited Garwood to learn about incorporating open innovation processes to their business model.



GERMANY April, 2014

BASF, the world's largest chemical company visited Garwood Center. Professor Darwin lectured on advantages of Open Innovation strategies and concepts.



FRANCE March, 2014

Faurecia the 6th automotive parts manufacturer in the world visited Garwood Center for solutions to their challenges.



ber, 2013
orough interviewed by
nt Agency).

watch?v=V4ttGdi7md0



smart city expo WORLD CONGRESS

SPAIN November, 2013

Professor Chesbrough was invited to Smart City Expo in Spain hosted by the World Bank. Participants shared experiences and learned about innovative projects designed to promote provision of public services in partnership with citizens via technology.



NORWAY April, 2014

Thirty board of directors from Gjensidige Forsikring ASA, Norwegian insurance company, visited Garwood to get an intensive education on open innovation.



Y INVITED TO SPEAK



TORS TO GARWOOD

COMPANIES INVITED BY PROFESSOR CHESBROUGH

InnovationManagement.se

SWEDEN

Innovation Management



JAPAN

Gakushuin University

SIEMENS

GERMANY

Technology-To-Business Center

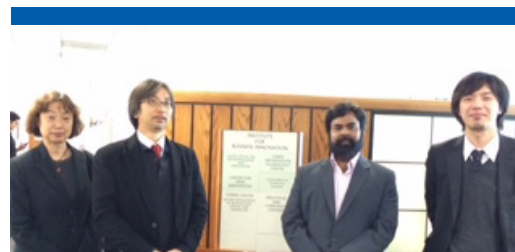


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largest international
manufacturers in the
d to seek innovative
rrent business prac-



NORWAY March, 2014

BI Norwegian Business School's MBA students engaged with Haas Undergrads in solving business model challenges of emerging economies during regular class sessions.



JAPAN March, 2014

NAMURA Research Institute, Japan's largest consulting and IT consulting firm, visited Garwood for a potential collaboration.



INDIA

Berkeley-Haas undergraduate students who took “Open Innovation in Emerging Economies” focused on the topic of Frugal Innovations or Jugaad Innovations. This innovation represents products and services that are offered at low cost/high quality, creating “Value for Many” vs. “Value for Money” with models that are more relevant to the majority of customers in the emerging markets. Jugaad models were created in India and have the potential to disrupt the high margin business models in the developed world. They promote sustainable approaches to preserve our planet in addressing some of the world’s grand challenges.

Students were exposed to models that originate in the emerging economies with global appeal to eventually impact models of the developed world. Some of these models focused on innovative solutions in healthcare services, tele-medicine, medical equipment, solar energy, battery technology, refrigeration, cookery, prosthetics, and many more.

BANGALORE

Bangalore is India’s Silicon Valley, a vibrant innovative hub for all IT/electronics related developments. It attracts a rich pool of professionals, top research centers, and clinical partners. It is also in close proximity to rural regions allowing access to study several frugal innovations at work in Indian villages.



INAUGURAL DINNER



Dr. Maria Carkovic & Professor Solomon Darwin



Dean Richard K. Lyons



Dr. Erika Walker



Students visited **APOLLO HOSPITAL**, a local clinic that provides free healthcare services. The students were able to witness a real-time tele-medicine conference with Apollo Hospital doctors. Doctors explained the effectiveness of tele-medicine, particularly for people living in rural areas. Tele-medicine models allowed for more frequent patient appointments without replacing regular patient care. The students exposure to the work of Apollo Hospitals left a deep impression, and a greater understanding of how low-cost business solutions can be used in large-scale business models.



THE DREAM:IN WORKSHOP WITH INDIAN MBA STUDENTS

Students shared ideas to come up with a sustainable and profitable business model that incorporates open innovation. They exchanged insights with local Indian MBAs on business model innovation ideas.





HAAS ALUMNI WELCOME

Mr. Rakesh Singh, Citrix director, gave students an overview of India's current business and socioeconomic landscape. Singh spoke about India's current transition – in education, the younger generation is increasingly becoming more aware and convinced of the significance of literacy.



THE CHALLENGE: "HOW CAN COMPANIES SUCCESSFULLY AND PROFITABLY OPERATE IN THE TUMKUR DISTRICT?"

The Haas group delivered their final presentations to a panel of executives spanning from Apollo Hospitals to design institutions at IDIOM. In the Tumkur District, approximately 67% of the population lives in rural villages. Haas Students, divided into six groups and proposed business models to address the main points of the Tumkur District. The six teams presented their business models and innovative solutions for how they would start new companies in the district of Tumkur.

The ideas ranged from a company that helps the entire fishing industry run more smoothly and make fish healthier; a trash collecting firm that works with recycling companies to create reusable materials; and establishing tele-medicine units in rural areas that lack access to health-care services.

TRAVEL TIME LINE JANUARY 3-12, 2014

- DAY 1**
Mr. Rakesh Singh's lecture
Xerox & IDIOM Visit
- DAY 2**
Apollo Hospitals visit
- DAY 3**
SELCO Innovation
and IDIOM
- DAY 4**
DREAM:IN Workshop
- DAY 5**
SAP and Apollo Hospital
- DAY 6**
Philips & CITRIX visit
Apollo Special event
- DAY 7**
IBM Visit
- DAY 8**
Final Presentation Day
- DAY 9**
UGBA193i Reflections
and Recap
- DAY 10**
Indian Cultural Immersion

COMMUNITY ENGAGEMENT



VSP LEARNS ABOUT OPEN INNOVATION

On December 6, 2013, Professor Darwin was invited to speak about Open Innovation to VSP executives. VSP is a forward thinking company, and is exploring new areas for expansion, including google glass.



CPAs LEARN ABOUT OPEN INNOVATION

The California Society of Certified Public Accountants is the largest statewide professional association of certified public accountants in the United States. On March 14, 2014, Professor Darwin was invited by the CalCPA Education foundation to teach about open innovation from the Balance Sheet Management perspective.



GARWOOD PARTICIPATES IN CEE PROGRAMS

Professors Jerome Engel and Solomon Darwin participated in teaching an Executive course in "Creating and Leading on Innovative Business Culture". Professor Darwin taught the open innovation module of the course.



CREATIVE INNOVATION: On December 3, 2013, the Garwood Center participated in the creative innovation student led event. Professor Solomon Darwin moderated the discussion between distinguished group entrepreneurs: Sung Hu Kim, Nikhil Arora, Sahil Jain, Prakash Janakiraman. The panel discussion was designed to provide students and the faculty with insight on building successful innovative products. Participants learned how to execute and iterate on their ideas and ultimately deliver the best experience for their customers.



UNIVERSITY OF THE PACIFIC & SKYLINE COLLEGE

In the Spring Semester of 2014, Professor Solomon Darwin was invited to speak at the University of the Pacific and Skyline College to share his life story, which is a journey in Open Innovation.

MOST ACCOMPLISHED AND INNOVATIVE ALUMNI EVENT



On March 19, 2014, Adobe CEO Shantanu Narayen, MBA 93, hosted a special event to acknowledge the most innovative alumni. 80 special alumni were invited, and Professor

Chesbrough (PhD 97) participated in the panel discussion with Clarence So (MBA 98, EVP Mobile), Kira Makagon (MBA 96, RingCentral), and Greg Greeley (MBA 98, Amazon).



THINKERS
50

HENRY CHESBROUGH HONORED BY THINKERS50 GLOBAL RANKING OF MANAGEMENT THINKERS

Professor Henry Chesbrough made the 2013 Thinkers50 global ranking of management thinkers. He ranked 37 on the list and was short-listed for a Distinguished Achievement Award in the innovation category. He is known as the father of open innovation and author of several books on the subject. This is the second time in a row he has made it on the Thinkers50 biennial ranking.

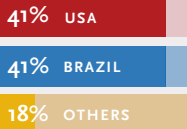
EXECUTIVE EDUCATION: BUSINESS MODEL INNOVATION



The Garwood Center for Corporate Innovation collaborated with the Center for Executive Education to offer an innovation course with three experts: Steve Blank, Henry Chesbrough, and Alex Osterwalder, with the best talents in one place,

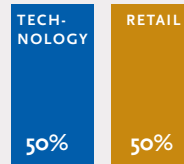
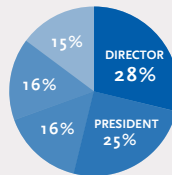
corporate executives were provided with innovative business ideas and suggestions on how to generate business models. Participants were introduced to new concepts in business model innovation, open innovation strategies, and the application of startup models in a corporate context. In order to create and restructure teams to inspire innovation, the program guided participants to reshape their thinking, their assumptions, and business strategies.

PARTICIPANT PROFILE



9.2

HOW LIKELY IS IT THAT YOU WOULD RECOMMEND UC BERKELEY EXECUTIVE EDUCATION TO A FRIEND OR COLLEAGUE?



GARWOOD'S RESEARCH PROPOSAL AWARDS

Funded in part by the generous bequest of the Garwood family, and also supported by ongoing contribution from numerous companies, the Garwood Center is in the first favorable position of being able to support faculty-led research proposals that reflect the corporate innovation mission of the Center. The Garwood Center for Corporate Innovation provided grants up to \$15,000 each to fund the research of faculty members.

AWARDED RECIPIENTS

JOSE GUAJARDO Third Party Ownership in the U.S. Solar Energy Market.

ANDREEA GORBATAI Evaluating Open Business Models in the Marketplace.

ADAIR MORSE Financial Naivete and Credit Constraints: Randomized Evidence from Small Business in the U.K.

CRISTINA BANKS Healthy Workplaces Guide & Principles.

NOAM YUCHTMAN Impact of Anti-Poaching Agreements in Hi-tech.

CALIFORNIA MAGAZINE FEATURED DR. SOHYEONG KIM'S RESEARCH



The story of postdoctoral fellow at Garwood was written as a featured Cal Alum. Dr. Kim studied the world renowned restaurant, Chez Panisse, as a successful case of Open Innovation Ecosystem, as her dissertation research. This study highlights the importance of creating a collaborative community to practice open innovation at the business ecosystem level in the context of California cuisine movement