

ILP HELPS BRITISH TELECOM CAPITALIZE ON ECOLOGY OF IDEAS AT MIT AND BEYOND

One of Europe's leading telecommunications companies, British Telecom has provided essential communication and IT products, services, and solutions to its customers for nearly a century. In order to keep its high tech offerings on the cutting edge and to identify new business opportunities, BT has long collaborated with researchers at universities such as MIT. During the nineties, the company established in-depth relationships with the Media Lab, the MIT Program on Internet and Telecoms Convergence, the Sloan School's Center for e-Business at MIT, and other MIT organizations. By 2000, BT's R&D arm, BTextact, sought to tap into an even wider base of skills and interests across campus, but wanted to do so systematically.

"I think of the university-industry relationship as a contact sport," says Steve Whittaker, of BTextact's Strategic University Program, "one that requires commitment and attention." To more efficiently channel that energy and focus at MIT, BT decided to join the ILP.

"We were in transition from a set of successful point relationships to a more strategic relationship," recalls Whittaker, who is based at the BT Disruptive Lab within the MIT Media Lab, "and the ILP provided a 'friend-on-campus' to help us build upon existing relationships and to explore areas with which we hadn't historically had strong links, but that were synergistic with how we were transforming the way we did business. The ILP brokered introductions and helped us to identify where our objectives overlapped with MIT research activities."

BT has since worked with the ILP to increase collaboration between BT and MIT-based research teams; to identify developments in related fields that might present new growth opportunities; to spark cooperative initiatives among its university partners, customers, suppliers, and other companies to pinpoint new growth opportunities and market sectors; and to help its managers to optimize innovation processes under evolving market conditions. "To move forward on all those tracks, you need to have a very broad set of partnerships and relationships," Whittaker maintains.

For example, when BT was exploring the potential value of radio frequency (RF) ID tagging to its business, the ILP introduced the company to MIT's Auto-ID Center and a constellation of academia and industry-based researchers who are shaping RFID technology. "They helped us to clarify and extend our strategy for Auto-ID, and to determine the products and services needed to support our customers' industries, ranging from retail to construction," says Whittaker. "Having an organization such as ILP to help us to understand developments on campus and to build relationships with different parties has been very valuable."

He notes that Auto-ID can be viewed as part of a broader effort linking the world of global Grid Computing and the Semantic Web to the "Internet of Stuff," in which ad hoc networks, \$1 web servers, and ubiquitously annotated manufactured items are integrated into the built environment. "This implies new patterns of use, new industry value chains, and new loci of value creation, as well as the formation of new industries from the convergence of information technology, biotechnology, nanotechnology, and consumer needs," says Whittaker. "At MIT elements of broad visions such as these are going on across campus, and the ILP helps us to pull together these convergent strands and to get a more holistic picture of opportunities within different industries."

During the past three years, ILP membership has enabled BT to expand its contacts well beyond the MIT campus. For instance, the ILP facilitated the company's initial engagements at the Cambridge-MIT Institute, which eventually led to industrywide partnerships, including one focused on charting the future of the telecommunications industry value chain. Meanwhile, the ILP has enabled BT to develop partnerships and exchange ideas with individual firms through its sponsorship of conferences and its introductions to other ILP members with common interests.

As Whittaker sees it, by ensuring that BT researchers and executives are fully engaged with their peers in "the ecology of ideas" percolating in the minds of scientists,

engineers, and management experts at MIT and beyond, the ILP helps to strengthen the company's capabilities in innovation and the creation of sustainable business growth.

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