

Techno matchmaker

Back in the land of Arcadia, people would rely on barter economy and stay clear of any potentially hazardous cutting-edge technology, aware of the human capacity of turning sophistication into an accident waiting to happen. Is progress really doomed? Not so, says Per Baverstam.

In difficult times – a profound financial crisis here, a catastrophic nuclear accident there, revolution and uncertainty – people tend to focus on good ol’ times, leaving one wondering if the answer to any kind of hardship must lie in the celebration of a much simpler way of living. Per Baverstam, a Swedish MIT-educated engineer turned businessman, firmly believes, and has done so for the past 27 years, that technology, “like money, is nothing more or less than neutral – you make it good or bad as you choose”. Considering the success of his consultancy firm, specialised in the still niche market of technology intelligence services, one can only assume that for Baverstam, technology has turned out to be good indeed.

Birth of a notion

For Baverstam, the story began in 1982 when he completed his studies with a Ph.D. in Material Science and Engineering from the famed Massachusetts Institute of Technology. He first went on to work for McKinsey. Drawing on this experience, as well as subsequent consulting jobs, Per Baverstam developed new and innovative approaches for serving global manufacturing companies, leading him to establish Baverstam Associates in 1990 and building up a large client base for the firm since then. So, what does “technology intelligence services” actually mean then? The firm, headed by ten PhDs, Baverstam included, aims at providing cli-

ents value in areas ranging from new product development to new business development through a better-thought use of technology.

By what one can guess is a natural preference on the founder’s part, the consultancy firm focuses on manufacturing companies – all types of manufacturing-related technologies, particularly materials technologies and manufacturing process technologies, as well as biomaterials. This may sound very high-tech and sophisticated, but it really does make good business sense: what Baverstam’s company really does is act as a third party, a kind of detective firm that will seek and find the best existing technology to assist in doing better business via product development or process improvements, whether this technology be available within the client’s business industry or not. And this is where the rationale behind Baverstam’s services really stand out: he sagely remarks that “the same kind of business problems can arise in very different industries, problems that can be solved by the same technology,” a fact that he likes to call “a commonality”.

Per Baverstam’s business stand is not necessarily revolutionary. Rather, it is based on the simple yet effective observation that “there is no need to reinvent the wheel when what you are looking for is already out there”. Baverstam and his associates have noticed that good ideas and good technologies know no boundaries and can actually

be easily applied within and across industries. What they do is hunt down the right technology for their client, with the firm belief that you should be “as open as possible; what we really are fighting is what we call among us the NIH factor – Not Invented Here. Companies have to understand that they might be successful, and big, but the world will always be bigger”.

Tapping into the immense world’s reserve of ideas and technologies can lead to surprising mix-and-match: Baverstam recalls the case of a med-tech firm, lets call it XMed, that was interested in buying a company oper-

ating within the same industry and which had developed and patented a specific technology. XMed was forced to look into other solutions as the buying price was much too high. Baverstam’s firm remarked that the same technology (a cooling system), was used in the computing industry and was perfectly adaptable to the medical device field. And so XMed was able to file a patent to apply the technology to its own field, creating a new route to enter a market that was previously out of reach for them.

This process of swapping technologies, and ultimately ideas, is the kind of intellectual game that really gets Per Baverstam going. He is clearly quite taken by the possibility of “crossing boundaries, and moving away from a tradition of compartmentalised education and way of doing business”. In the old days, he notes, “you had to choose which side of the business and technology you fell and that was basically the end of the story”. He decidedly dislikes this mindset, which might explain why a MIT engineer graduate ended up creating his own business instead of pursuing a career within the comfort zone of a lab.

The neural point

From this strategic point of view, Baverstam actually holds a prime seat to witness the evolution of the technology market. He sees, for example, how technology development is speeding up, especially under the pressure from Asia. “Since this continent is geared towards competitiveness and has looser intellectual property rules than what one can witness in the US or in Europe, businesses in these regions can only survive if they speed up their innovation processes,” a crucial element for which Baverstam’s savoir-faire can come handy. “Some companies, such as Apple, are much better at this than others; the point is actually for these others to learn from them,” enthuses Baverstam, true to his motto of cross-boundary learning, or “cross-fertilisation,” as he likes to call it.

Yet from his prime businessman/technology expert position, Per Baver-

stam has also witnessed another trend, which he hopes can turn into ground swell: the rise of clean technologies. This is where Baverstam’s – and many others, for that matter – positive view of technology makes the most sense, because this is one of the areas where technology can actually prove to be productive, and even make a real difference. Sensing that this is a trend not to be ignored, Baverstam Associates also launched the Boston Cleantech Venture Day devoted to green technologies, which takes place in Boston, the city of the company’s headquarters. It offers yet again prime insight into cur-

“There is no need to reinvent the wheel when what you are looking for is already out there.” (Per Baverstam)

rent and future trends in clean technology and aims to attract people and companies interested in a growth sector. “What we see is that 60 to 80 percent of clean technology innovations are devoted to energy production,” says Baverstam, “while the rest focuses on pure environmental improvements such as recycling”.

The Boston meeting provides these innovative companies with an opportunity to meet venture capitalists and strategic partners who will help take their ideas one step further. It is interesting to see that what the general public often considers the vanguard of green energy, such as wind power or solar energy technology firms, are not coming anymore to the Boston meeting since they are actually now well-established businesses. Green technology future now actually takes the form of algal-based, tidal-powered and river-flow renewable energies, or smart-grid softwares, electricity networks that can intelligently integrate the behaviour and actions of all users connected to it – generators, consumers and those that do both – in order to efficiently deliver sustainable, economic and secure electricity supplies.

Per Baverstam is quick to dispel any illusion that a clear leader »»»



Who, with what, how and when combined equals success

to replace traditional energy supply sources is emerging. "The focus is on a variety of sources, not a single one. Even on a local scale, multiple sources of energy are developed instead of simply targeting one". Right now, the targeted aim is to "reduce the use of fossil fuel" and develop as many green technologies possible to achieve this. As such, this year's Boston meeting, scheduled for November 3, 2011 will

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not have a specific headline, but instead will act as a forum to exchange ideas and encourage the innovation flow towards greener, cleaner, and, in a word that is bound to be on everyone's mind, safer energy supplying technologies.

Beyond buzzwords

Sustainable technologies for sustainable businesses and sustainable growth can be summed up in three easy words: green, clean and safe. Baverstam does not mind taking this shortcut, on the contrary. "Not all large corporations act green or operate on the basis of clean processes," he says, "but the point of such meetings is actually to show them that some processes can actually be greener and more efficient," which is obviously the most pervasive argument when it comes to clean technologies and clean businesses in general. "Sustainability has for too long been a marketing term used by most companies to get a clear conscience," he says, "and yes, they would do something to be perceived as greener, but they would do so kicking and screaming". This attitude guaranteed to be anything but sustainable for that matter. Baverstam remarks that "technology solutions that are both sustainable and financially rewarding are still elusive, otherwise all companies would go for them instead of being forced into this trend. For example, pollut-

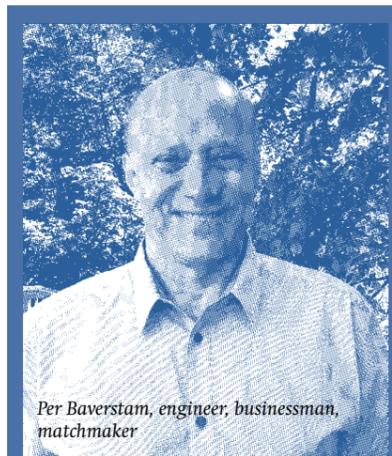
ers still do not bear the cost of their own pollution".

Economic experts will recognise here a classic case of negative externalities. In this case it is clearly a social cost. The environment is particularly subject to the problem of negative externalities since it is a common good, and as such, free – no one has to pay for it, hence the cost of harming it is almost never borne by the culprit. This is known as the "tragedy of the commons," since attributing property rights to common goods, and thus a price to pay for damaging them, is notoriously difficult if not impossible. Baverstam agrees that this is indeed "at the root of the problem since big corporations still mostly only operate in terms of financial profitability" – or losses. Legislation has often been deemed the only possibility to address this problem – traditional economic theory dictates intervention by government when market failures such as externalities arise. But this will not change attitudes from *within*, and therefore likely not in the long run. Baverstam hopes that new clean technologies will in time be able to offer financial rewards to companies, but the issue right now is that they still have more to lose than to gain during "the transition period" from traditional to clean and green technologies.

This echoes the words of Michael Porter (also see p. 19 in this issue), the Harvard Business School Professor and champion of a new way to approach capitalism with his "shared value" concept: "Firms have largely excluded social and environmental considerations from their economic thinking. They have taken the broader context in which they do business as given and resisted regulatory standards as invariably contradictory to their interests. Corporate Social Responsibility programmes have emerged largely to improve firms' reputations and are treated as necessary expenditures."

A negative externality is an action of a product on consumers that imposes a negative side effect on a third party.

Porter shares Baverstam's beliefs in the power of technology to bring about good, and actually enthuses that "there are unmistakable signs of change; efforts to minimise pollution were once thought to inevitably increase business costs – and to occur only because of regulation and taxes. Today there is a growing consensus that major improvements in environmental performance can often be achieved with better technology at nominal incremental cost and can even yield net cost savings through enhanced resource utilisation, process efficiency, and quality". Porter, who advocates for a new way of doing business, argues that "not all profits are equal. Profits involving a social purpose represent a higher form of capitalism, one that creates a positive cycle of company and community prosperity". Somewhere between the various stakeholders is Per Baverstam, and he is one of those looking for a way to make technology work for everyone. «««



Per Baverstam, engineer, businessman, matchmaker

Spreading the news

Baverstam Associates has created an annual event that will take place in Geneva – home of the European base of the Baverstam consultancy firm – geared towards promoting and speeding up technological innovations within large companies. The gathering, known as the Geneva Corporate Innovation Forum, is now in its second year and will take place on October 6, 2011. It focuses on topics such as organising business for innovation, industrial design, and tools for innovation. It aims at diffusing information and ideas, sharing case-studies, best practices and experiences to boost up internal innovation processes.

Breakout shots

Social media are only as good as you can make use of them, which is why technophiliacs become ecstatic when, say, a country throws out a dictator with some help from Facebook. For most cyber-community devotees, even getting together for a coffee remains a pipe dream. One young French photographer, however, did manage to launch an excitingly creative mystery tour.

What is virtual space other than a seemingly eternally extendable continent only limited by the amount of electricity available to the whirring servers. But eternity is a long time and endlessness has neither centre nor limitations. Thomas Überschlag (b. 1974 in Saint-Louis, Alsace), artist, photographer and obviously a high-octane thinker, suddenly noticed that what bothered him with his Facebook page was a fundamental paradox about the virtual age that pretends to give while taking: "So many photographers, models, make-up artists, hair people, stylists, so many people passionate about photography grouped together and yet imprisoned in this virtual space without any geographical limits."

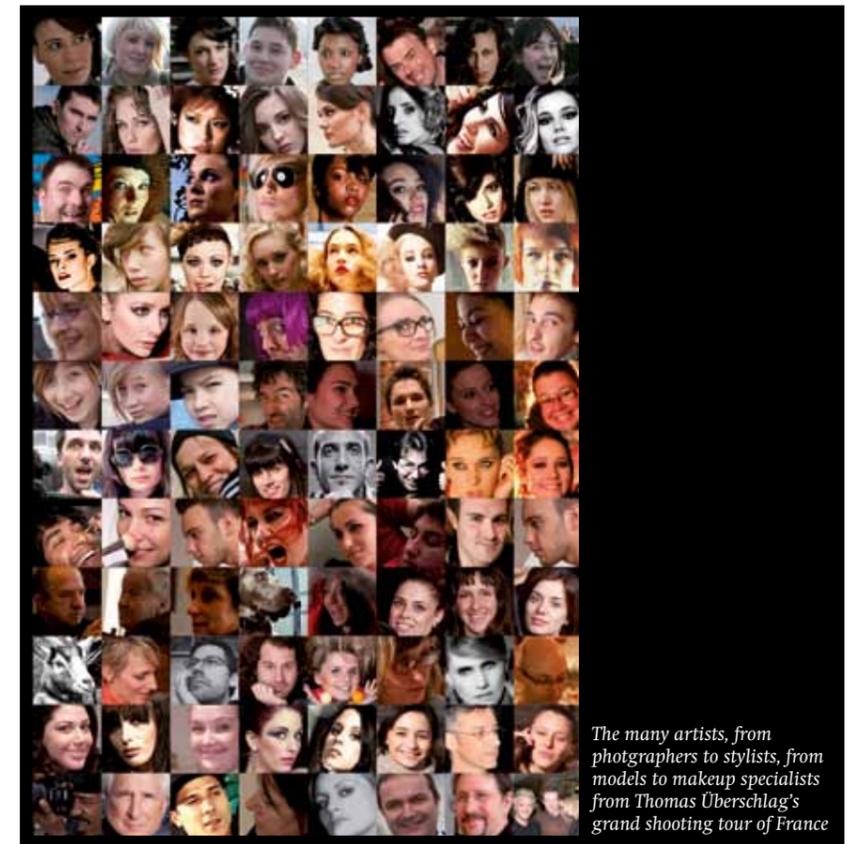
So he decided to set the limits by actually travelling. He packed up his family – including his three children – in a recreational vehicle and completed a "Tour de France of Photography". A win-win for everyone concerned: The family saw the great variety of France's landscapes and urban gems, while he had a chance to stop here and there for a few "serendipitous" shootings with fellow collaborators in unusual settings. The Facebook effect surprised him: "Within a few days, my idea developed such momentum that I barely had time to be surprised," says Überschlag, "the collaborations started up all around the country, in Deauville, Bordeaux, Toulouse, Montpellier, Marseille... It was the birth of the 'Tour de France of Photography' or TDFP2011".

The next task was to find sponsors for the trip, set up the collaborations, define the itinerary and organise an event for the launch. It was a time of feverish activity,

with little sleep but a great deal of excitement and happy memories. The sponsors started coming in sharing Überschlag's enthusiasm for the project and signing up for partnerships. The trip began on 19 February and lasted 15 days. Over a distance of nearly 4,000 kilometres, Thomas Überschlag met about 100 people who participated in the project. In all, twelve collaborations were held with photographers, vid-artists, models, make-up artists, hairdressers and stylists in some unusual locations. "I was received by generous and gifted people who worked hard to make

sure that the collaborations were up to snuff. Professional models posed, with hair and make-up done by pros, dressed by stylists, sometimes in a luxury hotel, at other times in a château, always in the sights of passionate photographers. Lots of new friendships, laughs and great moments of sharing and complicity."

The following shots give a glimpse of the great adventure and a taste of the TDFP2012, which is already in the pipeline. Follow the photographer on www.photos.artom.biz and www.facebook.com/artom.biz «««



The many artists, from photographers to stylists, from models to makeup specialists from Thomas Überschlag's grand shooting tour of France