

Unit 5

1 Before you read, choose the correct definition (a or b) for the words/phrases in bold in these sentences. Then read the article to check your answers.

- 1 Design and innovation are **intrinsically linked** and often work together.
 - a completely different
 - b very closely connected
- 2 Design companies don't always have the **resources** to spend on developing their ideas.
 - a finance
 - b employees
- 3 Not all suggestions **make the grade**, but the team knows that we listen to their ideas.
 - a are tested
 - b are successful
- 4 The engineers made a model of the design but we needed to produce 1,000 for our customer and it was too expensive **scaling up** production.
 - a increasing the amount of materials required to produce a larger number of products
 - b saving money by using more than one manufacturer to produce products
- 5 Small companies can save money if they work **collaboratively**, for example by sharing ideas or equipment.
 - a together
 - b in competition

2 Complete the sentences with words/phrases from Exercise 1.

- 1 Some of the best designs are a result of the team working _____ and sharing ideas.
- 2 We researched the equipment and _____ that we needed to complete the project and then we agreed a budget.
- 3 Good looks and usefulness are _____ when designing products for the home.
- 4 Eduardo didn't _____ in his exams last term but his latest work shows significant improvement.

3 Read the article quickly and match the sub-headings (1-5) with the sections of the article (A-D). There is one extra sub-heading which you don't need to use.

- 1 What challenges do small design firms face? _____
- 2 What are design skills used for? _____
- 3 How do small design companies work together? _____
- 4 How much finance is required? _____
- 5 What should good design and innovation do? _____

4 Read the summaries of sections A-D. Replace the words in italics with the words in the box.

critical distribution visionary work spaces

- A There are many *imaginative* design companies that create interesting products for their customers by using existing or future trends. _____
- B Production and *delivery* to customers and retail outlets is expensive for small companies. _____
- C Finance is *essential* to help small design companies to grow. _____
- D Some companies work together by sharing *offices or design studios*. _____

5 Decide if the statements are true (T) or false (F).

- 1 The design sector doesn't have enough companies with interesting ideas.
- 2 For small companies, investment is particularly important during the later stages of development.
- 3 Innovation requires time and money to experiment on ideas that work and also on ideas that don't work.
- 4 William Mitchell believes that finance for small design companies is essential to help them develop and have future success.
- 5 4C Design think that if a product looks good then it doesn't always need to be useful.
- 6 The main reason that designers and engineers need more funding is to spend time creating effective marketing campaigns.



The funding dilemma for small design firms

By Steve Hemsley

A Design and innovation are intrinsically linked, with both able to significantly improve business performance.

5 The design sector is full of visionary companies and individuals using their skills to develop products and services for their clients, solving problems or connecting with consumers in a particularly effective way. Great designers could be tapping into a trend or predicting a new demand from customers.

B However, design companies face unusual challenges, particularly when they are small businesses. Anything new requires investment at an early stage of its development, and smaller design businesses can struggle to support their R&D strategy and facilities. 10 Without the resources to spend on great new ideas – and on ideas that never make the grade – it's easy for innovation to stagnate as a business struggles to juggle the demands of sustaining existing client work with developing their product range or breaking new markets.

15 Often, an SME* in the design or engineering sector will produce an innovative idea which proves incredibly popular. However, scaling up production or distribution can be a real challenge or even impossible without adequate funding.

C 4C Design are successful innovators who understand how important future investment will be if they are to reach their full potential. 4C Design's founder, William Mitchell, 20 says funding is critical to continue expanding. He believes that no product design or engineering company can survive without innovation, but he stresses that any invention or creative advance must solve a real problem.

25 'I have always been excited by design and I appreciate products that work well, look good and have been put together well,' he says. 'But we do have a natural filter within the consultancy to only work on projects that use innovation to create something new and useful. It essentially has to solve a problem and not just clog up your life.'

D Many SME design companies are keen to work more collaboratively with similar businesses. There is a trend, for example, for designers to support each other by sharing ideas and even work spaces. But smaller design and engineering firms need investment 30 to enable them to devote their time and expertise to doing what they do best creating great products.

*Small or Medium Enterprise