UK Innovation Survey 2014 - 2016

********* TEST PRINT *********

Please write any changes to your name and address in the box below, using black ink

To be completed for: THE BUSINESS NAMED ABOVE

Dear Sir or Madam,

Please find the questionnaire for the UK Innovation Survey attached. Please complete for the period 1 January 2014 to 31 December 2016. If information is not available for calendar years, your return may cover the nearest financial years. Once complete, the questionnaire can be returned by post or fax using the details in the box below.

Innovation is at the heart of government policy to promote economic growth and productivity improvement. The information collected on the extent and type of business innovation activities, enables policy to be better designed and also provides businesses with a means of benchmarking themselves. Survey results are available at www.gov.uk/government/collections/community-innovation-survey

Please note
Your response to this voluntary survey is of great value to government, whether or not you carry out innovation activities.

We request that you complete this questionnaire for the business named above. All the information you provide is kept strictly confidential. It is illegal for us to reveal your data or identify your business to unauthorised persons.

Thank you for your co-operation,
Office for National Statistics

Questionnaire return details

To return via fax: 01633 652707
To return via post: Please use the prepaid envelope provided which is addressed to:
Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG

Contact numbers

Er mwyn gwneud cais am ffurflen Gymraeg (To request a questionnaire in Welsh) 0300 1234 921
If you would like to use our Minicom service for the Deaf 01633 815 044
To complete the questionnaire in Euros 0300 1238058
For any other queries, please contact UKIS Survey Team 0300 1238058
or go to www.ons.gov.uk/surveys

When contacting the office you may be asked for the following information

Survey code: 144  Reference number: 144 4990 0000 243T  Period: 201612

Telephone calls may be recorded for training and quality purposes

144 0005 51390 49900000243 T 00000000 A 144 201612 001

FVG144  CIS ANN
UK Innovation Survey

Purpose of this survey:
The purpose of this survey is to collect information about innovation in the UK between 2014 - 2016. To be able to compare businesses with and without innovation activities, we ask all businesses to respond to all questions, unless otherwise instructed.

Information Required
Section A - General Business Information
Section B - Innovation Activities
Section C - Context for Innovation
Section D - General Economic Information

Definition of Innovation
Innovation, for the purpose of this survey, is defined as new or significantly improved goods or services and/or processes used to produce or supply all goods or services that the business has introduced, regardless of their origin. These may be new to the business or new to the market. Investments for future innovation and changes that the business has introduced at a strategic level (in organisation and practices) are also covered.

Basis for Completion
Where precise figures cannot be provided please give your best estimates. Please complete this questionnaire for the business named on the front page. If this business is part of an enterprise group, please answer all questions for this business in the UK only. Do not include results for subsidiaries or parent enterprises.

Instructions
This questionnaire will be scanned, therefore please:
- complete in black ink.
- ensure letters and numbers are PRINTED and centred within each box.
- do not cross sevens or zeros.

144 0005 51390
144X1B
Section A - General Business Information
During the 3 year period 1 January 2014 to 31 December 2016:

1. in which geographic markets did this business sell goods and / or services? Please all that apply
   a. UK regional within approximately 100 miles of this business 0210
   b. UK national 0220
   c. European countries 0230
   d. All other countries 0240

2. did any of the following significant events or changes occur to this business? Please all that apply
   a. The business was established 0410
   b. Turnover increased by at least 10% due to merger with another business or part of it 0420
   c. Turnover decreased by at least 10% due to sale or closure of part of the business 0430
   d. None of the above 0440

Section B - Innovation Activities
This section covers changes in business strategy and practices; investments in current and future innovation and the introduction of new and improved goods, services or processes

Business Strategy and Practices
Include all new and significantly improved forms of organisation, business structures or practices aimed at raising internal efficiency or the effectiveness of approaching markets and customers.

3. During the 3 year period 1 January 2014 to 31 December 2016, did this business make major changes in the following areas? Please all that apply
   a. New business practices for organising procedures (eg supply chain management, business re-engineering, knowledge management, lean production, quality management etc) 2310
   b. New methods of organising work responsibilities and decision making (eg first use of a new system of employee responsibilities, team work, decentralisation, integration or de-integration of departments, education / training systems etc) 2320
   c. New methods of organising external relationships with other firms or public institutions (eg first use of alliances, partnerships, outsourcing or sub-contracting etc) 2330
   d. Implementation of changes to marketing concepts or strategies 2340
Innovation Investment

4.1 During the 3 year period 1 January 2014 to 31 December 2016, did this business invest in any of the following, for the purposes of current or future innovation? Please X all that apply

<table>
<thead>
<tr>
<th>Option</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Internal Research and Development</td>
<td>1310</td>
</tr>
<tr>
<td>Creative work undertaken within your business that increases knowledge for developing new and improved goods or services and processes</td>
<td></td>
</tr>
<tr>
<td>b. Acquisition of Research and Development</td>
<td>1320</td>
</tr>
<tr>
<td>Same activities as above, performed by companies, including other businesses within your group, or by public or private research organisations and purchased by your business</td>
<td></td>
</tr>
<tr>
<td>c. Acquisition of advanced machinery, equipment and software for innovation</td>
<td>1331</td>
</tr>
<tr>
<td>Advanced machinery and equipment</td>
<td></td>
</tr>
<tr>
<td>Computer hardware</td>
<td>1332</td>
</tr>
<tr>
<td>Computer software</td>
<td>1333</td>
</tr>
<tr>
<td>d. Acquisition of existing knowledge</td>
<td>1340</td>
</tr>
<tr>
<td>Purchase or licensing of patents and non-patented inventions, know-how and other types of knowledge from other businesses or organisations</td>
<td></td>
</tr>
<tr>
<td>e. Training for innovative activities</td>
<td>1350</td>
</tr>
<tr>
<td>Internal or external training for your personnel, specifically for the development and / or introduction of innovations</td>
<td></td>
</tr>
<tr>
<td>f. All forms of design</td>
<td>1360</td>
</tr>
<tr>
<td>Engagement in all design activities, including strategic, for the development or implementation of new or improved goods, services and processes</td>
<td></td>
</tr>
<tr>
<td>g. Market introduction of innovations</td>
<td>1371</td>
</tr>
<tr>
<td>Changes to product or service design</td>
<td></td>
</tr>
<tr>
<td>Market research</td>
<td>1372</td>
</tr>
<tr>
<td>Changes to marketing methods</td>
<td>1373</td>
</tr>
<tr>
<td>Launch advertising</td>
<td>1374</td>
</tr>
</tbody>
</table>

4.2 If 'Internal Research and Development' was selected at question 4.1, in which of the following years did this business invest in it? Please X all that apply

<table>
<thead>
<tr>
<th>Year</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>2675</td>
</tr>
<tr>
<td>2015</td>
<td>2676</td>
</tr>
<tr>
<td>2016</td>
<td>2677</td>
</tr>
</tbody>
</table>
5. For each of the main innovation related investments in question 4, please ESTIMATE the amount of expenditure for the YEAR 2016 ONLY. Include both internal costs and purchases from outside the business. Please round to the nearest £ thousand:

a. Internal Research and Development ........................................ £

b. Acquisition of Research and Development ................................. £

c. Acquisition of advanced machinery, equipment and software ......... £

d. Acquisition of existing knowledge ........................................... £

e. Training for innovative activities ............................................. £

f. All forms of design ................................................................. £

g. Market introduction of innovations ........................................... £

Goods or Services Innovation
Include all new or significantly improved goods or services eg improvement in quality or distinct user benefits. The innovation, although new to this business, does not need to be new to the market. Include all product innovations, regardless of their origin.

6. During the 3 year period 1 January 2014 to 31 December 2016, did this business introduce:

Please X all that apply

a. new or significantly improved goods?
Exclude the simple resale of goods purchased from other businesses and changes of a solely aesthetic nature ........................................

b. new or significantly improved services?

If No to both options above, please go to question 10

7. Were these goods or services developed mainly by:

For each category please X one box only

a. this business or enterprise group?

b. this business with other businesses or organisations?

c. other businesses or organisations?
During the 3 year period 1 January 2014 to 31 December 2016:

8. were any of your goods and services innovations: Please □ all that apply
   a. new to your market?
      This business introduced a new good or service to the market before competitors ............ □ 0710
   b. only new to this business?
      This business introduced a new good or service that was essentially the same as a good
      or service already available from competitors ................................................................. □ 0720

9. Please ESTIMATE the percentage of this business's total turnover in 2016 from goods and services that were:
   a. new to the market in 2014-2016 ............................................................ □ □ % 0810
   b. only new to this business in 2014-2016 ............................................................ □ □ % 0820
   c. significantly improved in 2014-2016 ............................................................ □ □ % 0830
   d. unchanged or only marginally modified
      Include the resale of goods or services purchased from other businesses ............ □ □ % 0840

   Total turnover 2016 □ □ □ □ 1 0 0 %

Process Innovation
Process Innovations are all new or significantly improved methods for the production or supply of goods or services.
The innovation, although new to the business, does not need to be new to your industry. Include all process innovations, regardless of their origin.

During the 3 year period 1 January 2014 to 31 December 2016:

10. did this business introduce any new or significantly improved processes for producing or supplying goods or services?
    Yes □
    No □ Please go to Question 13 0900

11. were these processes developed mainly by:
    Please □ all that apply
    a. this business or enterprise group? ............................................................ □ 1010
    b. this business with other businesses or organisations? ............................. □ 1020
    c. other businesses or organisations? ............................................................. □ 1030

12. did this business introduce any new or significantly improved processes for producing or supplying goods or services which were new to your industry?
    Yes □
    No □ 1100
During the 3 year period 1 January 2014 to 31 December 2016:

13. did this business have any innovation activities that were

- abandoned? 
- scaled back?
- still ongoing at the end of 2016?

During the 3 year period 1 January 2014 to 31 December 2016:

14. how important were the following factors in constraining innovation activities?

Please choose one box for each category

<table>
<thead>
<tr>
<th>Factor</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
<th>Not Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excessive perceived economic risks</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>2657 MRE</td>
</tr>
<tr>
<td>Direct innovation costs too high</td>
<td>X</td>
<td></td>
<td>X</td>
<td>2658 MRE</td>
</tr>
<tr>
<td>Cost of finance</td>
<td>X</td>
<td></td>
<td>X</td>
<td>2659 MRE</td>
</tr>
<tr>
<td>Availability of finance</td>
<td>X</td>
<td></td>
<td>X</td>
<td>2660 MRE</td>
</tr>
<tr>
<td>Lack of qualified personnel</td>
<td>X</td>
<td></td>
<td>X</td>
<td>2661 MRE</td>
</tr>
<tr>
<td>Lack of information on technology</td>
<td>X</td>
<td></td>
<td>X</td>
<td>2662 MRE</td>
</tr>
<tr>
<td>Lack of information on markets</td>
<td>X</td>
<td></td>
<td>X</td>
<td>2663 MRE</td>
</tr>
<tr>
<td>Market dominated by established businesses</td>
<td>X</td>
<td></td>
<td>X</td>
<td>2664 MRE</td>
</tr>
<tr>
<td>Uncertain demand for innovative goods or services</td>
<td>X</td>
<td></td>
<td>X</td>
<td>2665 MRE</td>
</tr>
<tr>
<td>UK government regulations</td>
<td>X</td>
<td></td>
<td>X</td>
<td>2666 MRE</td>
</tr>
<tr>
<td>EU regulations (including standards)</td>
<td>X</td>
<td></td>
<td>X</td>
<td>2667 MRE</td>
</tr>
<tr>
<td>Outcome of the EU referendum</td>
<td>X</td>
<td></td>
<td>X</td>
<td>2678 MRE</td>
</tr>
</tbody>
</table>
**STOP** If you did **not** engage in any innovation activities in Section B (questions 3-14), please go to question 18

**Section C - Context for Innovation**

15. During the 3 year period 1 January 2014 to 31 December 2016, how important were each of the following factors in your decision to innovate in goods or services and/or process(es)?

<table>
<thead>
<tr>
<th>Factor</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
<th>Not Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Increasing range of goods or services</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>b. Entering new markets</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>c. Increasing market share</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>d. Improving quality of goods or services</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>e. Improving flexibility for producing goods or services</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>f. Improving capacity for producing goods or services</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>g. Increasing value added</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>h. Reducing costs per unit produced or provided</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>i. Improving health and safety</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>j. Reducing environmental impacts</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>k. Replacing outdated products or processes</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>l. Meeting regulatory requirements (including standards)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>
During the 3 year period 1 January 2014 to 31 December 2016:

16. how important to this business’s innovation activities was information from:

<table>
<thead>
<tr>
<th>Category</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
<th>Not Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. within your business or enterprise group?</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X 1601</td>
</tr>
<tr>
<td>b. suppliers of equipment, materials, services or software?</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X 1620</td>
</tr>
<tr>
<td>c. clients or customers from the private sector?</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X 1631</td>
</tr>
<tr>
<td>d. clients or customers from the public sector?</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X 1632</td>
</tr>
<tr>
<td>The public sector includes government owned organisations such as local, regional and national administrations and agencies, schools, hospitals and government providers of services such as security, transport, housing and energy etc</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. competitors or other businesses in your industry?</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X 1640</td>
</tr>
<tr>
<td>f. consultants, commercial labs or private R&amp;D institutes?</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X 1650</td>
</tr>
<tr>
<td>g. universities or other higher education institutes?</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X 1660</td>
</tr>
<tr>
<td>h. government or public research institutes?</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X 1670</td>
</tr>
<tr>
<td>i. conferences, trade fairs or exhibitions?</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X 1680</td>
</tr>
<tr>
<td>j. professional and industry associations?</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X 1610</td>
</tr>
<tr>
<td>k. technical, industry or service standards?</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X 1611</td>
</tr>
<tr>
<td>l. scientific journals and trade / technical publications?</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X 1690</td>
</tr>
</tbody>
</table>
During the 3 year period 1 January 2014 to 31 December 2016:

17. did your business co-operate on any innovation activities with any of the following:

<table>
<thead>
<tr>
<th>UK Regional</th>
<th>UK National</th>
<th>European Countries</th>
<th>Other Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Please **X** all that apply

a. other businesses within your enterprise group? . . . . . . .

b. suppliers of equipment, materials, services or software? . . . . . . . . . . . . . . . . . . . .

c. clients or customers from the private sector? . . . . . . .

d. clients or customers from the public sector? . . . . . . .
The public sector includes government owned organisations such as local, regional and national administrations and agencies, schools, hospitals and government providers of services such as security, transport, housing and energy etc

e. competitors or other businesses in your industry? . . . . . . . . . . . . . . . . . . .

f. consultants, commercial labs or private R&D institutes?

g. universities or other higher education institutions? . . . . . . .
h. government or public research institutes? . . . . . . . . . . . . . . . . . . . .
During the 3 year period 1 January 2014 to 31 December 2016:

18. **If this business had no innovation activity, please indicate why it has not been necessary or possible to innovate**

   Please **X** all that apply

   a. No need due to previous innovations .............................................................. 2011
   b. No need due to market conditions ................................................................. 2020
   c. The UK does not have a business environment which encourages companies to innovate . . . . . . . . . 2030
   d. Other. ................................................................................................................. 2040

19. **What proportion of your innovations during 2014 to 2016 were protected by the following methods?**

   Please **X** one box for each method

<table>
<thead>
<tr>
<th>Method</th>
<th>None (not used)</th>
<th>Low (less than 40%)</th>
<th>Medium (40-90%)</th>
<th>High (over 90%)</th>
</tr>
</thead>
</table>
   a. Patents ......................................................... | **X**           | **X**               | **X**           | **X**           | 2650
   b. Design registration ................................. | **X**           | **X**               | **X**           | **X**           | 2651
   c. Copyright ...................................................... | **X**           | **X**               | **X**           | **X**           | 2652
   d. Trademarks .................................................... | **X**           | **X**               | **X**           | **X**           | 2653
   e. Lead time advantages ............................... | **X**           | **X**               | **X**           | **X**           | 2654
   f. Complexity of goods or services .............. | **X**           | **X**               | **X**           | **X**           | 2655
   g. Secrecy (include non-disclosure agreements) | **X**           | **X**               | **X**           | **X**           | 2656
Public financial support for innovation activities

20.1. During the three years 2014 to 2016 from which of the following levels of government did this business receive public financial support (if any) for innovation activities?

Include:
- financial support via tax credits or deductions, grants, subsidised loans and loan guarantees

Exclude:
- R&D and other innovation activities conducted entirely for the public sector under contract.

The public sector includes government owned organisations such as local, regional and national administrations and agencies, schools, hospitals and government providers of services such as security, transport, housing and energy etc.

Please select all that apply.

- a. UK local or regional authorities
- b. UK central government
- c. European Union (EU) institutions or programmes
- d. None of the above

20.2. If 'UK central government' was selected at question 21.1, what kind of financial support did this business receive?

Please select all that apply.

- a. Direct financial support
  For example: Smart or Collaborative R&D grants, work with Catapult centres, Innovation vouchers
- b. Indirect financial support
  For example: R&D tax credits, Patent box
- c. Don't know / don't remember
Section D - General Economic Information

21. Please ESTIMATE this business's total turnover for the year, excluding VAT:
   Please round to the nearest £ thousand.
   a. 2014. ............................................................... £ 2410
   b. 2016. ............................................................... £ 2420

22. Please ESTIMATE this business's total value of exports for 2016. . £ 2440

23. Please ESTIMATE this business's average number of employees for the year:
   a. 2014. ............................................................... 2510
   b. 2016 ............................................................... 2520

Skills

24. Please ESTIMATE the proportion of 2016 employees that hold a degree or higher qualification in:
   eg BA / BSc, MA / PhD, PGCE
   a. science or engineering subjects ................................ % 2610
   b. other subjects ................................................... % 2620

25. During the 3 year period 1 January 2014 to 31 December 2016, did your business employ individuals in-house with the following skills at any level, or obtain these skills from external sources:
   Please X all that apply
   a. Graphic arts / layout / advertising? ................................ 2631
   b. Design of objects or services? ................................... 2632
   c. Multimedia / web design
      eg audio, graphics, text, still pictures, animation, video etc? 2633
   d. Software development / database management? ............ 2634
   e. Engineering / applied sciences? ................................. 2635
   f. Mathematics / statistics? ......................................... 2636
26. In the box below, please write any additional comments that you would like to make.

27. 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 . . .

Please provide details of the person we should contact if we have any queries regarding the information returned on this questionnaire.

- Contact Name
- Position in business
- Telephone Number
- Ext

28. Would this business be willing to be approached by telephone by the Department for Business, Energy and Industrial Strategy or its appointed agents, to ask some further questions about innovation? . . . . . . . .

Thank you for completing this questionnaire