

# Technology Strategy Board

Driving Innovation



## Informed Logistics

**COMPETITION FOR FUNDING**

**NOVEMBER 2009**

**INTELLIGENT TRANSPORT SYSTEMS  
AND SERVICES INNOVATION PLATFORM**

# Informed Logistics

## COMPETITION FOR FUNDING NOVEMBER 2009

### Summary

We are launching a competition, worth up to £10m, to fund collaborative projects that aim to develop innovative systems and services so that goods can move around the country more effectively.

This competition on 'Informed Logistics' is looking for project consortia to develop innovative systems and services able to affect the entire supply chain, across the whole transport network. We are encouraging innovation across the whole spectrum of goods distribution, including; rural, local, regional, national and international distribution.

Working with the Highways Agency, the Department of Transport and the Engineering and Physical Sciences Research Council we will fund projects that help cut the environmental impact of road congestion by influencing customer choices towards more sustainable goods movement, maximising intermodal freight solutions or demonstrating an integrated system approach to the movement of goods.

This competition also specifically seeks to drive efficiencies in the rail network to enable more effective movement of goods. We are encouraging projects that include local or regional test-bed sites across the UK.

Road transport is predicted to grow by 25% by 2015 and we need to support the UK logistics industry, given its importance to the UK economy as a whole, as well as address congestion and environmental issues.

### Background and challenge

The Intelligent Transport Systems and Services (ITSS) Innovation Platform helps UK businesses develop innovative products and services in response to new market opportunities that may result from Government interventions in transport. Our approach to addressing the challenges in sustainability of transport can be summed up in the question 'How can we move people and goods more intelligently?'

The challenges in the informed logistics area are:

- to understand and influence customer choices by
  - influencing customer awareness, expectation and choice in procurement of logistics services
  - encouraging behavioural change in retail services requirements
  - understanding consumer choices and their influence on logistics services for local deliveries
- address barriers to innovation resulting from the structure of the logistics industry by
  - building the business case for innovative solutions in the supply chain
  - encouraging cross business and transport sector collaboration
  - attracting expertise from outside the usual freight industries, such as the military
- optimise use of the whole transport network by
  - enabling 'joined-up' planning for effective movement of goods across the whole transport network, so existing infrastructure is used more efficiently and environmental impact reduced
  - facilitating more sustainable approaches to rural, local, regional, national and international logistics

- support the efficiency, effectiveness and competitiveness of the UK logistics industry by
  - accelerating marketable solutions that improve efficiencies in time, cost, quality and location of goods or optimise the use of vehicle capacity
  - providing realised systems that operators see value in and will want to use and buy
- accelerate efficiencies and the deployment of rail-orientated solutions by
  - increasing the capability of freight-orientated railways using existing infrastructure or optimising the use of rolling stock
  - optimising connection between modes and facilitating goods transfer between modes including supporting efficiencies in rail terminals.

### Scope

In this collaborative R&D competition we would like to encourage a wide range of market-led initiatives that:

- address issues of customer choice and their impact on the transport network
- facilitate effective use of the transport network including road, rail, air and marine
- enable effective working in the logistics industry
- support business efficiency and effectiveness
- lead to user and customer focused technology development.

We seek to accelerate developments in this area through real life demonstrations that act as a catalyst for marketable solutions.

The competition seeks to promote industry collaboration and the use of systems engineering and integration to increase efficiencies in the whole logistics network, and in particular the 'last mile' of the goods journey.



This competition particularly calls for proposals to address the barriers that currently prevent cross sector collaboration. Projects are encouraged to take a user-led innovation approach so that they can offer services that the market will want to use and buy.

Expressions of interest are invited from business-led consortia of two or more partners, from any relevant discipline, to participate in projects. Applications could cross many disciplinary boundaries and influence disparate sectors and industries. In considering diverse technologies and applications it is important that consortia recognise and mitigate risks from their convergence and also consider the safety and security of solutions.

Proposals could address some or all the following, although we encourage other approaches:

- research for more efficient or integrated systems and services for the distribution of goods
- market research that demonstrates the exploitation of informed logistics and how it will engage the operator and customer to identify future commercial opportunities
- regional demonstrations, or demonstration models for commercial exploitation
- business case modelling that demonstrates benefits and efficiencies in supply chain services or industry cooperation
- cross-sector solutions, air-to-rail, rail-to-rail, or maritime-to-rail, or a combination
- more accurate, user-friendly and flexible services for the operator and customer
- use of media and PR activity to raise the profile of new services and demonstrate their benefits widely
- use of existing information and data architectures and networks

- demonstration of how the product will work within known constraints, particularly ownership, cost, safety, quality, reliability, data security, aggregation, privacy and access.

### Other funding opportunities

Space is making a huge contribution to transport through satellite communications and positioning systems. We encourage prospective applicants to this Informed Logistics competition to consider the use of satellite communications, location and remote sensing (Earth observation) capabilities as enablers of new business opportunities in informed logistics. The Technology Strategy Board supports the European Space Agency's Integrated Applications Promotion, through which about €14m of funding is available to UK businesses and organisations.

Your project may be appropriate for this separate source of funding as well as this Informed Logistics competition. This could be a 'parallel' or follow-on piece of work.

We offer advice and guidance to help steer businesses through the application process. Please see <http://iap.esa.int> for details, and contact Michael Lawrence at [michael.lawrence@tsb.gov.uk](mailto:michael.lawrence@tsb.gov.uk) for advice.

### Funding Allocation and Project Details

An indicative £10m of funding is available for projects which will involve science-to-business and/or business-to-business interactions. Typically a project will have a total project cost of between £200k and

£4m, although no application will be rejected on the grounds of size alone.

In general, projects can range from small highly focused basic research, aimed at establishing technical feasibility, through to applied research and experimental development configured to produce technology demonstrators, or a mixture of these.

We anticipate that most of the funding will be allocated to proposals in applied research and development (attracting 50% public funding) or experimental development (25% public funding).

Projects involving industry-orientated basic research (75% public funding) will be considered but a robust case must be made to support the requested level of funding. Definitions of these categories of research can be found in the Guidance for Applicants – see [www.innovateuk.org](http://www.innovateuk.org) under Competitions.

Consortia considering submitting a proposal with a total cost greater than £2m should contact us at least a week before the closing date for the compulsory Expressions of Interest on 10th December 2009.

Projects should:

- typically last up to two years (although applications will not be rejected on the basis that they last longer than this)
- aim to implement significant change and/or have a market-ready product within three years of project completion
- include at least one partner with defined end user needs and be supported by a clear route to market and/or exploitation plan (although highly innovative projects with potentially high impact outcomes but a less well-defined route to market will also be considered)
- look to demonstrate benefits across a number of sectors.

## Application Process

The competition is run in two stages:

1. The Expression of Interest (EOI) Stage
2. Full Stage Application – by invitation only for those applications which have been successful at the EOI stage.

The Guidance for Applicants explains the process in detail. In short, applicants need to submit a compulsory EOI briefly outlining their proposal by 10th December and this will be reviewed and feedback given on 15th January 2010. Following the review we will then invite successful applicants to the full stage.

There will be an optional briefing event in London 10th November. We strongly advise anyone interested in applying to this competition to attend. For more information about this and other events and details on how to register and apply please visit our website at **www.innovateuk.org**

Please note: We require all projects to provide a non-confidential summary at the start and conclusion of the project and encourage consortia to participate in knowledge transfer and dissemination activities for two days a year during the project lifetime. Project budgets should take account of this requirement.

## Key dates 2009-10

Competition opens	<b>2nd November 2009</b>
Briefing event (optional)	<b>10th November 2009</b>
Optional Expression of Interest submission period	<b>2nd November to 3rd December</b>
Compulsory Expressions of Interest deadline	<b>10th December 2009</b>
Feedback provided by	<b>15th January 2010</b>
Feedback discussion in week beginning	<b>18th January 2010</b>
Compulsory applicants' briefing	<b>26th January 2010</b>
Registration of Intent to Submit deadline (mandatory)	<b>25th February 2010</b>
Deadline for receipt of full applications	<b>4th March 2010</b>
Decision and feedback to applicants	<b>9th April 2010</b>

## Further information

For background information on the Intelligent Transport Systems and Services Innovation Platform please see **www.innovateuk.org** under Innovation platforms.

For information about our Transport strategy see the Transport Interim Strategic Assessment at **www.innovateuk.org** under Publications

If you have any queries about the technical scope of the competition or the application process, contact:

Competition helpline:  
**01355 272155**

Email:  
**competitions@tsb.gov.uk**

## Publicity

The Technology Strategy Board frequently publicises the results of competitions and this includes engagement with the media. All applicants will be given a chance during the competition process to opt out of any publicity. Willing applicants will be asked to provide an agreed form of words for use in publicity material. E-mail [pressoffice@tsb.gov.uk](mailto:pressoffice@tsb.gov.uk) with any queries.

*The Technology Strategy Board is a business-led executive non-departmental public body, established by the Government. Its role is to promote and support research into, and development and exploitation of, technology and innovation for the benefit of UK business, in order to increase economic growth and improve quality of life.*

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