NDRC is of strategic importance as we grow Ireland’s new economy. Their approach of testing, trialling and taking risks is exactly the kind of approach we need to take.

Ireland has the technology expertise, and we need to use it to our advantage. We are amongst the most successful countries globally for technology and innovation. We continue to attract leading multinationals to our shores and our domestic ICT sector is developing apace. NDRC is key to this success and I look forward to seeing it continue to prosper.

*Eamon Ryan TD, Minister for Communications, Energy and Natural Resources*
CHAIRMAN’S STATEMENT

Paul McCambridge, Chairman

NDRC is a unique enterprise, dedicated to accelerating research from idea to income, and positioned as a nexus between research, industry and venture investment. Having reported the establishment of our investment platform last year, in this Annual Report we present our progress and successes for 2009 – 2010.

From inception our intent was to design and create a collaborative innovation process, drawing on best practice internationally, with a clear focus on specific local challenges, and directed at realising Ireland’s smart economy. Our successful start up was strongly endorsed this year by an independent international review panel which scrutinised the work and progress to date.

DEDICATED TO ACCELERATING RESEARCH

With intimate engagement in projects and continuous assessment of prospects, NDRC drives down investment risk. The team’s commitment to the goals of the enterprise ensures that projects are responsive to market demand. Where collaborations demonstrate significant potential, our team accelerates the commercialisation ramp, and, inevitably, where viable prospects cannot be established, we will terminate investments, ensuring our portfolio is optimally directed towards success. On behalf of the Board, I congratulate the work of this expert team, led by CEO Ben Hurley.

As Chairman, I offer my personal thanks to the Board of Directors, all of whom give their time and vast expertise freely in the leadership and governance of NDRC. From the highest levels of academia, commerce and finance the Directors ensure impeccable governance of the enterprise, while balancing the strong commercial approach NDRC has taken to its operations; driving process improvements and adapting to the environment.

While external challenges remain intense, this year has shown that the application of NDRC’s model yields results. We are well positioned to deliver further commercial transitions for all collaborators and with a unique combination of management, legal, collaborative and evaluation tools, the Board and I are confident that the momentum built up over the last year will continue.

NDRC addresses a significant market and economic gap in the identification and development of early stage technology in Ireland [...] and compares well with international comparators.

NDRC International Review Panel, September 2009

FROM START-UP TO SOLUTION

We have transitioned from a start-up phase to become an enterprise that is both part of the solution in Ireland, and – as we set international technologies and markets in our sights – a contributor to the international technology transfer market. This year, we have enhanced our pipeline with new technologies (6 new projects with €1.7m committed investment), we have introduced new programmes of varying scale and stage, and, despite our young age, we have started to see the earliest results.

From day one NDRC has had a single goal: to create market capital by translating research outputs. As the Irish Government and the EU introduce new policy instruments targeted at commercialising research and transforming the enterprise base, NDRC is demonstrating that we can build on these actions to assist with the creation of Ireland as a global innovation hub.
NDRC is an independent enterprise dedicated to accelerating research from ideas to income. Our collaborative approach with technology and business innovators drives greater collective success while cultivating bolder attitudes towards invention and investment.
Catalyser

NDRC’s Catalyser programme enables collaborations between NDRC, academic partners and industry partners to translate research outputs into defined product offerings in identified markets.

The tailored Catalyser programme enables projects with a clear vision and collective know-how to develop intellectual property through to commercial success, regardless of whether an idea arises from an industrial need or is generated in a research institution.

Through Catalyser, NDRC collaborates in a continuum of translational research activities all targeted at bridging the gap in knowledge, expertise and investment that separates innovations from the marketplace. And the accelerated commercialisation of research ideas at NDRC is achieved through a unique range of management, legal, collaborative and evaluation tools that ensure the most effective ecosystem for multi-disciplinary and multi-party research.

All Catalyser projects are unincorporated joint ventures between NDRC, academic groups and companies, and NDRC’s framework uniquely manages collaborations with shared goals. Our approach ensures that projects are continuously assessing prospects through a process which links technical development, commercial assessment and user involvement. With the NDRC team deeply embedded in all our projects, we are developing a core expertise in best practice collaborative innovation.

LaunchPad

LaunchPad is NDRC’s entrepreneurial internship programme; a three month platform from which to accelerate early stage ideas to market launch. It is targeted at emerging start-up promoters in the digital space, providing:

- A special purpose environment alongside start-up peers
- Expert mission guidance and hands-on support from experienced entrepreneurs
- Workshops and meetings with the right people in the right networks
- Investment to support projects through the 3 month programme

The programme is the only accelerator programme of its kind in Ireland, supporting entrepreneurs with academic links to get their ideas to market.

NDRC provides a high level of commercial support for its project participants compared with other similar organisations worldwide. The support and commercial mentoring provided by NDRC throughout the whole project lifecycle should lead to a cadre of future entrepreneurs and business leaders.

NDRC International Review Panel, September 2009
NDRC partner in IBM’s SmartCamp Competition
NDRC commercialisation workshops as part of Innovation Dublin 2009
Microsoft and NDRC launch the Azure Academy for Cloud Computing series
NDRC launches new accelerator programme, LaunchPad
Evaluation of proposals submitted to last call 2009 for LaunchPad and Catalyser applications

FEASIBILITY PHASE:
GETTING EARLY STAGE VALIDATION FOR GOOD IDEAS

MUTEBUTTON & METALABS

All NDRC Catalyser projects begin with a front-end validation phase to determine the technical maturity of an idea, but moreover to assess the market demand for the product and to plan the product roadmap. This critical phase determines next steps for a project – whether that next step is moving to core development and business planning with NDRC, transitioning directly to a market launch, or returning back to base to undertake further research.

This year’s winner of Enterprise Ireland’s ‘One to Watch’ Award, Ross O’Neill of NUI Maynooth, is working with NDRC at this early stage to establish the commercial feasibility for his potentially groundbreaking treatment for tinnitus sufferers. The MuteButton project is a collaboration between NDRC and NUI Maynooth, currently seeking to establish initial validation through a pilot trial of the prototype with tinnitus sufferers in Dublin.

Similarly, the MetaLabs project is carrying out validation work to establish the route to market for its video analytics tool that creates rich timecoded metadata to drive online video search. The project collaborator, Moving Media Ltd, won ‘Best Newcomer with International Potential’ at the Digital Media Awards in 2010 for the MetaLabs project. Moving Media and Dublin City University (DCU) are working with NDRC on the validation phase that builds on the video analysis work undertaken at the Centre for Digital Video Processing at DCU.

LaunchPad is the kind of thing we need to be doing more and more of. If you’re in the technology or internet space you have to think global, and this is something that Irish entrepreneurs are very good at.

Barry Maloney, Partner, Balderton Capital

Between January and April, NDRC worked with the first LaunchPad cohort, guiding these aspiring entrepreneurs to succeed in the marketplace. With 23 participants taking part, a significant number gained external validation for their product during the programme, with half launching a prototype and trialling with users. Almost 20 mentors worked with the teams to hone their ideas and take them to the next step. With over 80 applications to participate in the programme during 2009 / 2010, NDRC’s LaunchPad is clearly tapping an unmet need in Ireland’s innovation ecosystem.

(L–R) Paul Campbell, founder of LaunchPad start-up Ketchup; Ben Hurley, NDRC CEO; Noel Ruane, LaunchPad Co-ordinator; Stuart Cheney, LaunchPad graduate
**LocalSocial wins Collaboration of the Year Award at Irish Software Association Awards**

Minister Eamonn Ryan visits and commends NDRC’s work on virtual worlds for immersive learning.

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**CORE DEVELOPMENT PHASE:**

**DEEP VALIDATION, OPPORTUNITY & CORE DEVELOPMENT**

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**HEARTPHONE**

HeartPhone – a collaboration between BiancaMed Ltd, Crofton Cardiac Systems Ltd, NDRC and University College Dublin (UCD) – is a connected healthcare solution which measures, monitors and manages the weight of congestive heart failure patients in the home. Over 7 months this year the product has been tested with patients at St Vincent’s University Hospital. Results demonstrate an 80% reduction in hospital readmissions for congestive heart failure patients.

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**TECH INNOVATION**

For congestive heart failure patients, abrupt weight gain is a clear indicator of deterioration of the heart condition. As a mobile phone enabled healthcare system, Heartphone accurately tracks ‘at risk’ changes in a patient’s weight. The scalable system uses a combination of existing technologies to provide a flexible solution that can support a wider remote healthcare monitoring system. Using a set of expert rules the system detects patient deterioration with greater subtlety than existing systems.

The tool is easy to use, and non-invasive for the patient. The patients actively participate in monitoring their own condition which reduces anxiety and increases the patient’s comfort and security.

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**BUSINESS INNOVATION**

Taking the telemedicine sector alone, remote patient monitoring targeting the home and mobile individual is estimated to be a $1 billion market, and growing to a multi-billion dollar opportunity. As a remote patient monitoring service, HeartPhone operates in the home telehealth market. This market is currently close to a $5.6 billion level, continuing to grow at close to 70% for at least the next three to five years.

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**MARKET OPPORTUNITY**

Remote patient monitoring enables the remote management of a clinical condition through the capture and delivery of diagnostic information, alerts and care information. Potential customers of HeartPhone include healthcare organisations (such as hospitals, clinics, nursing homes, general practitioners and homecare agencies), insurance providers, government healthcare agencies, plus the individual chronic heart failure sufferers and their caregivers.

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**JLIZARD**

JLizard took part in the first LaunchPad programme, between January and April 2010, progressing from concept to the launch of their product, LogEntries, to a trial market in June 2010.

Trevor Parson and Villiam Holub, who were previously postdocs at UCD, saw LaunchPad as a useful route to develop their technology and business plan. During their time on the programme they founded JLizard and are now expanding the opportunities for their product. LogEntries is a cloud based software service that visualises log files generated by software programs and automatically identifies errors. With their low cost solution, JLizard expect to make a disruptive impact on the log management market, which is currently growing considerably. Providing a cloud based service also gives them instant access to a global market.

LaunchPad supported Trevor and Villiam to accelerate their idea to an investable proposition. In April 2010 JLizard were the only pre-revenue company selected to pitch at an ISA / IVCA event. In June 2010, JLizard were shortlisted to pitch for investment at Dublin Web Summit.

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The LaunchPad ‘Lift off’ pitches entrepreneurs vs VCs in a battle for funding and survival. The event helps publicise the life of a business builder highlighting real skills and talents that must be developed for success.

Jonathan Siegel, founder and CEO of Rightcart
TRANSITIONING PHASE:
EXECUTING OPPORTUNITIES TO DELIVER OUTCOMES

VIZI

VIZI is a collaboration between NDRC, Twelve Horses Ltd and UCD. The VIZI team are developing a product that will bring data to life, and allow clients to see their customers in a whole new way. VIZI is an online SaaS (Software as a Service) customer intelligence platform that enables users to work through large quantities of data to achieve powerful business insights. VIZI does it all in real time through the user’s web browser.

TECH INNOVATION

As marketers shift their focus to incorporate more online touchpoints, they need integrated and interactive marketing suites with a single view of the customer across all marketing programmes and from multiple data sources. Existing Enterprise Marketing Platforms, CRM systems and Business intelligence systems fall short on these expectations.

VIZI complements existing customer data systems by enhancing data analysis and presenting underlying complexities in a visually compelling format. VIZI presents the user with immediately accessible knowledge that can be used to justify marketing spend and optimise the customer experience.

MARKET OPPORTUNITY

The opportunity for VIZI arises at the integration point between data visualisation, business intelligence and interactive marketing, a market worth an estimated US$1.3 billion by 2014. Companies in the retail, financial services, telecommunications and public sector markets are likely to present the biggest opportunity for VIZI. There is also huge scope for enterprise marketing solution providers to integrate VIZI into their marketing suite and up-sell the analytical and visualisation capabilities.

PRODUCT VALIDATION

Validation activities to date have helped VIZI to hone its horizontal and vertical focus, route-to-market strategy and business model.

Between February and April 2010 VIZI demonstrated the solution to 9 companies in the customer communications/business intelligence space. The demo discussions reiterated the problem-solution which characterises VIZI’s focus, with participants showing excitement and enthusiasm for the features and functionality they experienced.

In July 2010 VIZI commenced an intensive data trial with a large utilities provider in Ireland to prove that it can work with huge volumes of data, from any source, in any format, to answer any business question. This ongoing trial sees the system taking in 250,000 lines of data each day, storing, managing and analysing data and presenting answers to business questions in a compelling and useful way.

POINT THE WAY

Point the Way is a new start up company to emerge from LaunchPad. The founders, John Ryan and Dr Tim Walsh came into NDRC with a novel idea for a product to improve navigation for the blind and visually impaired, capitalising on new developments in mobile, navigation and location technologies.

Through their time on the programme, John and Tim built a proof of concept prototype with the support of the National Council for the Blind in Ireland, who sit on their Advisory Board.
TECH INNOVATION

Existing deficiencies of devices, headphones and an individual’s hearing combine to significantly reduce sound quality to the user. Further the huge increase in consumer portable audio listening has created a significant opportunity for providing personalised listening technology based on unique hearing profiles, devices and headphones.

The ctone technology obtains the specific profile of the listener’s audio device or system, headphone response and binaural personal hearing ability across the entire human hearing range. The resulting profile is used to adjust an audio stream in real-time to compensate for any human and system deficiencies.

The suite of ctone products includes a fully functioning PC based solution; a Pro Audio version available as a DigiDesign plug-in; a web enabled version and an iPhone version.

MARKET OPPORTUNITY

ctone’s vision is to be recognised by the consumer market as the Dolby of personalised audio. Its goal is to pursue real long-term improvements in personalised consumer audio quality and licence its technology all along the consumer audio value chain and in particular to technology providers focused on delivering audio quality (DTS, Dolby, SRS) and manufacturers of consumer devices (PC, headset manufacturers).

CTONE

A collaboration between ClearTone Technologies Ltd, NDRC and UCD, over the last year the ctone team have refined the technology, conducted user trials and validated the technology with key players in the consumer audio value chain.

ctone has developed software to enhance audio quality and provide a personalised listening experience, principally targeted at personal entertainment devices. The product has formally undergone trials with a variety of professionals and consumers and has been shown to deliver a noticeable perceived value and preference to those who tested the product. In more than 95% of user tests across all age categories and music types ctone was preferred (tested independently by Trinity College Dublin, 2009).

BUSINESS INNOVATION

The potential commercial impact of this technology is significant. Across the consumer technology space, the industry is moving to address audio quality. ctone is addressing this issue in a manner not currently available in the market. In short, ctone has built a sales opportunity pipeline of over €1,000,000 through a focused sales strategy of targeting a top 25 list of early adopters of new audio technology.

On the basis of proving the viability of the technology, they are now focusing on optimising navigation from a blind person’s perspective while also preparing their commercial strategy.

Having won follow on investment through LaunchPad, Point the Way are currently in discussions with the Royal National Institute of Blind People (RNIB) in the UK, telecoms companies, handset manufacturers and other partners with a focus on improving the independence and quality of life of blind people.
HAUNTED PLANET STUDIOS

Established in early 2010, Haunted Planet Studios is a start-up company which has spun out of an NDRC collaboration with Dr Mads Haahr, Trinity College Dublin. The project developed a game engine for location aware mobile gaming.

The company has licensed the game engine, and Haunted Planet Studios has completed successful trials of the first product at a reference site in the UK, with significant results demonstrating strong user engagement with the game.

MARKET OPPORTUNITY

The planned Haunted Planet Studios product suite provides an important and unique new visitor experience for historical and leisure sites around the world. The ‘Ghost Hunt’ series offers both an excellent enhancement and revenue generator for major visitor attractions. Suitable for older children, teenagers and adults, the games provide real excitement while bringing the history and heritage of locations to life.

GLIDEBOOKS

Glidesys Technologies Ltd were part of the first LaunchPad programme, during which time the team made significant progress towards sales.

The Glidesys team has developed the Glidebooks service, a combined mobile and online application that provides a full solution for managing a mobile and geographically disparate workforce, offering a real-time job snapshot for companies with a mobile workforce.

During their time on the LaunchPad programme, as well as expanding the product across the main smartphone platforms, the team have also deployed the prototype application with 4 beta customers.
**LOCALSOCIAL**

LocalSocial provides a software infrastructure to integrate location, proximity, events and social network information on a mobile phone device to enable a range of compelling offerings for advertising partners, mobile application developers and the end user.

In late 2009, LocalSocial was awarded ‘Collaboration of the Year’ by the Irish Software Association. A collaboration between NDRC, Rococo Software Ltd and UCD, the project output has been licensed to collaborator Rococo Software and has attracted follow-on investment for roll out to a global market.

**MARKET OPPORTUNITY**

Over the course of the last year, the LocalSocial collaborators accelerated from a strong idea based on a gap in the market, to a commercial grade platform that has been licensed to an Irish company with a strong track record in the area of mobile phone peer-to-peer connectivity and with backing from an international company with a global footprint.

**BUSINESS INNOVATION**

The solution is a tool that can add value to the following customers:

- Social networks seeking to add both practical and fun features to their mobile social applications and to their own platform.
- Phone manufacturers seeking to add richer connectivity and networking to support their phones.
- Mobile game developers seeking to incorporate new functionality that combines real-world gameplay with social-world gaming.
- Marketers, especially those using proximity marketing solutions in retail, seeking to offer richer, user-controlled, opt-in marketing experiences to end users.

Their beta customers span a fire safety firm, a veterinary firm, a company that installs and maintains water treatment plants, and a university campus, with a combined test user base of about 250 users.

Glidebooks also built out their advisory board, bringing on board Sean O’Sullivan of Rococo Software Ltd and Jamie McCormick, a specialist in online marketing, preparing themselves for a fundraising round, and pitching the idea to angel and VC investors. The company also has follow on funding of €80k from enterprise support bodies, Enterprise Ireland and South Dublin County Enterprise Board.

**TECH INNOVATION**

LocalSocial provides a simple way to associate something we all carry with us (a phone) with one or more social identities that we maintain online. It wraps together a core functionality in proximity and social network connectivity in to an easy to use Developer Library, enabling the creation and deployment of a wide set of mobile scenarios.

As well as development of an on-device framework for developers to create rich proximity applications in a fraction of the time otherwise required, the team created two applications that sit on the framework and demonstrated the heart of the value proposition.

LaunchPad is an absolutely A-class programme. It combined top speakers with focused management in order to expand the capabilities of early stage technology startups. We received excellent advice on product differentiation, sales and tech marketing and overall Glidebooks enhanced its value proposition.

Dr Andronikos Nedos, Dr Raymond Cunningham, Directors, glidebooks.com
LaunchPad graduating start-up Jlizard shortlisted to pitch at Dublin Web Summit

Call for Catalyser projects closes

The DEN Catalyser project begins work at NDRC on optimisation for gas storage

CATALYSER ACTIVE PORTFOLIO:
INVESTMENT COMMITTED TO TECHNOLOGY SPACES

ICT & Internet Security €0.3m
Software Engineering & Data Management €3.7m
Digital Content Technologies €4.6m
Human Technology Interfaces €4.3m
TOTAL COMMITTED INVESTMENT €13.7m

CATALYSER ACTIVE PORTFOLIO:
PIPELINE OF INVESTMENT MATURITY

Feasibility – testing the feasibility of an idea by getting early validation
Core Development – main part of a project’s development
Transitioning – moving towards commercialisation
Transitioned – concluded a commercialisation event (spin out and/or licence)

CATALYSER ACTIVE PORTFOLIO:
MARKET DOMAINS WITH TOTAL COMMITTED INVESTMENT

Healthcare
6
€4.6m

Entertainment & Media
6
€2.7m

Environment
1
€0.5m

Telecoms
3
€2.1m

Retail
1
€0.1m

Financial Services
3
€0.9m

Total
40%
30%
22%
10%
0%

NO. COLLABORATIONS = 20

€ INVESTED
NDRC evaluation of proposals to LaunchPad

The PajR Catalyser project begins work at NDRC on language processing for connected health

Second cohort of LaunchPad participants move into NDRC

NDRC and Rococo Software Ltd sign licence deal for LocalSocial technology

CATALYSE R ACTIVE PORTFOLIO:
LENGTH OF PROJECT TIMINGS

19 months Avg. length of project

12 months Avg. age of project

LAUNCHPAD PROJECTS:
% OF OUTCOMES ACHIEVED BY PROJECTS

Finance raised 27%
Meetings with investors 91%

User trialling 45%
Generating revenue 45%

Prototype launched 45%
Customer(s) secured 45%

LAUNCHPAD PROJECTS:
NO. OF MARKET DOMAINS

Entertainment & Media 3
Business Services 4
Healthcare 3

(INVENTORIUM)

Inventorium is an NDRC collaborative initiative with Technium CAST, Bangor, targeted at stimulating digital sector innovation. This three-year €2.6m European funded programme produces events, activities and interventions, focused on the digital sector and interregional development between southeast Ireland and northwest Wales.

Inventorium’s mission is to disrupt traditional sector based innovation silos by building a space where diverse cross-community perspectives can inform and encourage the creation of sustainable businesses.

HIGHLIGHTS IN 2010 INCLUDE:

• Two symposium events resulting in 15 pre-incubation state business concepts / ideas

• Two workshop events resulting in 9 well formed ideas, 5 of which are being progressed into ‘Pitch Ready’ concepts

• Two early stage ideas external to Inventorium have been incubated and mentored into a ‘Pitch Ready’ state and are seeking funding at present

• A series of Mobile Application workshops focusing on the opportunities presented by these devices within the Education, Entertainment, Environment, Health and Tourism sectors

It is especially encouraging to see how the organisation has successfully seeded genuinely innovative projects with a rigorous approach to applicability and sustainability - crucial dimensions of activities necessary to see Ireland through this period of recession but also to project new possibilities for the future.

Declan McGonagle, Director National College of Art and Design, Dublin
GREEN SHOOTS SHOW PROMISE OF COLLABORATIVE MODEL

Ben Hurley, CEO

NDRC is a results focused entity, as befits an enterprise with a mission to create market capital value – true, sustainable, productive, economic value for the Irish economy – and as such, I am pleased to present results and their import in this year’s report.

BRIDGING THE GAP
NDRC pursues its mission through a visionary approach to collaborative innovation. In essence, we accelerate technology transfer from academic research to commercial launch through what we term ‘collaborative translational research’. By bringing together scientific and commercial expertise in outcome-oriented collaborations, our model bridges the gap between promising research-led technologies and commercially-investible prototypes. Crucially, not only does NDRC provide the fundamental structure of the bridge that spans the gap, but also participates in the collaborative and somewhat hazardous journey from one side to the other in order to ensure optimal outcomes for collaborators and for the Irish economy.

NDRC’s focus for the reporting period has been to build on the investment platform established in the previous period and progress the enterprise’s operational capability to fulfil its mission. Despite our relatively young age and despite widespread acknowledgement that ultimate outcomes from research commercialisation still take time, we are proud to report early delivery of ultimate outcomes.

SECURING & CREATING JOBS
In this context, the year 2009 – 2010 has been another impressive year for NDRC. Just a couple of short years since inception, we are reporting successful commercialisation in the form of a new company spinout and licences. Albeit modest in quantum at this early stage of existence, these results are highly significant in terms of demonstrating the credibility of NDRC’s model. The impact of these outcomes is the creation of new jobs and security for existing jobs, impacts unlikely to have been achieved without NDRC expertise, investment and participation.

The establishment of a viable start-up company in the form of Haunted Planet Studios as an NDRC spinout is a watershed accomplishment for the enterprise this year, and an excellent example of how our collaborative translational research approach to technology transfer adds value to prior research endeavours, in this case the research of Trinity College Dublin. Through Haunted Planet Studios real, smart economy jobs are being created in an area that shows promise of export-led growth.

Sean Baker, Chair of the Irish Software Association, Co-Founder and former Chief Scientist, Iona Technologies

The NDRC is a practical linkage between industry and third level institutions, helping to translate earlier research into commercial opportunities. It’s exciting to be working at that interface.

NDRC is focused on achieving primary results in the form of commercialisation events, next-stage follow-on investment for projects in our portfolio, and strong industry partnerships, recognition and contribution. Given the company’s nexus positioning, we have also focused on performing strongly in connectivity and reach.
**Adding Value**

Incremental validation is an ongoing focus of NDRC developments, made possible by our direct participation in projects and our intimate guidance and oversight framework. This validation leads to vital follow-on investment that will take opportunities to the next stage, and our successes to date provide independent proof that market value has been created.

A further watershed accomplishment is the signing of an agreement for our LocalSocial investment. Follow-on investment is an integral element of NDRC intellectual property licensing and in this instance, the LocalSocial collaboration between NDRC, UCD and Rococo Software was both successful in securing an agreement to licence the project output, and in positioning Rococo to raise and commit follow-on investment to the further development and productisation of the technology.

Moreover, a number of graduates from NDRC’s LaunchPad programme have successfully secured follow-on investment as a direct result of validation activities undertaken within LaunchPad. This achievement is all the more noteworthy given that it was NDRC’s first execution of this programme, which was conceived on foot of NDRC experience and observations of global best practices. In addition, results in the form of leading indicators of potential value creation reported upon last year have each shown growth, yielding improved prospects of further positive outcomes down the line. We have increased our numbers of collaborating entities, and the number of pipeline opportunities; we have grown our platform in terms of number of projects and size of portfolio under management; and we have significantly increased the number of prototypes, user trials and demonstrators delivered by our collaborations as they continue to progress.

**Launchpad is a powerful catalyst to stimulate the development of a whole new generation of Irish software application companies.**

Ellen Hazelkorn, Director of Research & Enterprise and Dean of the Graduate Research School, Dublin Institute of Technology

Moreover, a number of graduates from NDRC’s LaunchPad programme have successfully secured follow-on investment as a direct result of validation activities undertaken within LaunchPad. This achievement is all the more noteworthy given that it was NDRC’s first execution of this programme, which was conceived on foot of NDRC experience and observations of global best practices. In addition, results in the form of leading indicators of potential value creation reported upon last year have each shown growth, yielding improved prospects of further positive outcomes down the line. We have increased our numbers of collaborating entities, and the number of pipeline opportunities; we have grown our platform in terms of number of projects and size of portfolio under management; and we have significantly increased the number of prototypes, user trials and demonstrators delivered by our collaborations as they continue to progress.

**NDRC is at the heart of the effort to translate Irish research projects into viable commercial entities. The practical, hands on approach of their staff ensures that transition is accelerated for the most promising research projects.**

Clare Dillon, Microsoft Ireland

We are also proud to report four awards for our collaborative endeavours in the last year. Significantly these prizes have all been awarded for the commercial potential of our collaborations.

**Stimulating Innovation**

As a nexus entity drawing multiple parties together in effective collaborations, NDRC’s network connectivity and reach is an important factor in support of the core mission. NDRC’s reach now extends to 34 collaborating partners from across Ireland and internationally, and to well over 200 people actively engaged with the centre, a metric which excludes significant additional
numbers of people who have benefited from the NDRC proposal evaluation and feedback process.

**OPERATIONALLY PRIMED**
The pipeline view of NDRC’s investment platform (see diagram on pp 10) depicts a portfolio of projects at varying phases of the collaborative translational research lifecycle. The number of projects approaching commercialisation (or ‘transitioning’) increased considerably in the past year, while sourcing of ideas has identified new prospects that will keep the pipeline primed for future results.

As well as having targeted results that speak to the value of NDRC’s endeavours, we are open to learning from review and assessment. An independent review by an international panel of experts in digital technologies, commercialisation and venture investment concluded that they were ‘impressed by the progress of NDRC … to develop a strategic vision of its role in promoting value creation in the economy and addressing structural and market failures to promote knowledge transfer. NDRC is an excellently run organisation, led by quality management’. This amounts to a powerful endorsement that we are on the right track to further results.

**NDRC is an excellently run organisation, led by quality management.**
NDRC International Review Panel, September 2009

NDRC’s increasing experience of accelerating research innovations towards successful commercialisation led to the introduction of a new programme (LaunchPad), and improvements to both our existing programme (Catalyser) and our execution processes. These improvements are important, and demonstrate the priority we place on leveraging our learnings and experience back into our model of operation, and the stronger operational capability we achieve as a result.

**The ramp up of NDRC activities has been rapid and successful during the last twelve months and the number and quality of proposal submissions reflects the growing reputation of NDRC as a vibrant centre for translational research.**
Jim Devine, President Dun Laoghaire Institute of Art, Design and Technology

**STRATEGIC FORESIGHT**
NDRC took the decision early in its lifetime to focus on achieving results that are relevant to Ireland’s changing economic circumstances and these results are a testament to that early vision. Moreover, in terms of impact, the results reported herein are ahead of original expectations of NDRC. Nonetheless, the acceleration of research from ideas to income is still not going to be an overnight solution, which makes it all the more important that we hold our nerve, and continue to invest in building this economic capability.
SUCCESS, PARTNERSHIPS & PEOPLE

It has been a privilege to continue leading the further development of NDRC, particularly because NDRC results are due to people and teamwork. Two groupings of people deserve particular recognition, namely the motivated and expert team that comprises NDRC employees, and our collaborative partners from both industry and academia. I would like to take this opportunity to congratulate these team members for the results achieved, and thank all of them for their dedication and contribution.

I also wish to thank our Chairman, Paul McCambridge, our Board of Directors – all experts in their fields who continue to apply their strategic insight, tremendous experience and great commitment to the benefit of an innovation-led economy for Ireland – and the five member institutions of NDRC, namely Dublin City University, Dun Laoghaire Institute of Art, Design and Technology, the National College of Art and Design, Trinity College Dublin and University College Dublin.

NDRC’s success is based on partnership in multiple forms. I would like to thank our funding partners, namely the Department of Communications, Energy and Natural Resources. I wish to recognise that NDRC achievements, being founded on collaborations, are made possible by both earlier stage and later stage investors, comprising public funding agencies and various members of the private investment community.

While being pleased to report impressive results from NDRC, our experience gained to date indicates tremendous further potential ahead, and with it, new challenges to overcome. We look forward to facing those challenges and further tapping the potential that exists, thereby playing our part in creating the environment for systemic innovation in Ireland led by dynamic innovators with fresh ideas and bold vision.

As a new member of the NDRC Board I have been particularly impressed with the quality of staff within NDRC to advise and support our selected investments/projects. This hands-on business experience is the key differentiator of NDRC as a centre to translate research into commercial reality. By bringing third level research, industry and investment together in a practical way, NDRC is central to building the ecosystem necessary to maximise Ireland’s opportunity and existing investment in technology.

Philip Sharpe, Chairman, Danu Technologies Ltd

I also wish to thank our Chairman, Paul McCambridge, our Board of Directors – all experts in their fields who continue to apply their strategic insight, tremendous experience and great commitment to the benefit of an innovation – led
NDRC’s principal activity in pursuit of its mission is to invest and participate in multi-year collaborative innovation activities. NDRC’s primary source of income is a concession agreement with the Irish Government.* NDRC invests these funds in joint venture collaborations with industry and academic partners. NDRC leverages its investments through contributions from collaborators to create collaborative innovations of growing capital value. NDRC also secures additional funding from other external sources.

NDRC is committed to best practice, and that commitment is reflected in our ethos and all the activities reported herein. Earlier parts of this report provide details on the investments and activities of NDRC. Financial performance is very strong. By September 2010 NDRC had approximately €11.4m of capital commitments in 20 Catalyser joint venture projects, and €500k in 20 LaunchPad entrepreneurial internship investments.

In keeping with our best practice ethos, NDRC’s operational efficiency is vigilantly managed to ensure maximum capital is available for investment in collaborative innovation. As a result, NDRC invests 80% of its available capital in collaborative translational research. NDRC limits its investment management, support and administration costs to 20% of expenditure. These include the essential services that are associated with any independent legal company.

NDRC prepares its financial statements on a calendar year basis and in accordance with the requirements of the Companies Acts. NDRC’s audited financial statements for year ended 31 December 2009 are available from NDRC and the Companies Registration Office.

* NDRC acknowledges funding received from the Department of Communications, Energy and Natural Resources
Paul McCambridge – Chairman, NDRC & Managing Director, Maxim Integrated Products Ireland

Ben Hurley – Chief Executive Officer, NDRC (National Digital Research Centre) Ltd

Dr Sean Baker – Software Industry Consultant, Chair of the Irish Software Association, Co-Founder & former Chief Scientist, Iona Technologies

Dr James Callaghan – Associate Director, Trinity Research & Innovation, TCD

Dr Jim Devine – President, IADT

Clare Dillon – Developer and Platform Group Lead, Microsoft

Prof Ellen Hazelkorn – Director of Research and Enterprise, DIT

Prof Mark Keane – Chair of Computer Science, UCD

Prof Eugene Kennedy – Vice President for Research, DCU

Aengus McClean – Vice President & Managing Director, AOL Global Operations Ltd

Prof Declan McGonagle – Director NCAD, Dublin

Gearóid Mooney – Director, ICT Commercialisation, Research & Innovation Business Unit, Enterprise Ireland

Mark O’Donovan – Director, Raglan Capital

Philip Sharpe – Chairman, Danu Technologies

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