

World Knowledge Forum 2012

October 9th, 2012, Edward Jung: Innovation MegaProjects-Addressing 21st century Challenges with Innovation Ecosystems

Edward Jung, the cofounder and CTO of Intellectual Ventures, wants to help solve all of the world's problems.

Mr. Jung spoke at the World Knowledge Forum on Tuesday, detailing what he referred to as an "innovation ecosystem." Creating an innovation ecosystem, he stated, is a way to address the challenges currently facing various global industries.

"Governments must protect economies more than ever before, and the way that they can do this is by creating innovation ecosystems," he said. To put it simply, governments must create large-scale, coordinated systems to deal with any upcoming economic instability.

Mr. Jung cited such industries as agriculture, energy, and television as formerly stable industries that are fast becoming susceptible to disruption, perhaps within the next twenty years. The ongoing patent wars between Apple, Google, Samsung, and others are viewed as evidence of disruption in the mobile phone industry. The auto industry may also be approaching its tipping point, Mr. Jung claimed. "The mobile commerce patent wars are just the tip of the iceberg."

He pinpointed the cause of such disruption to three main culprits. "There has been a tectonic shift in the innovation landscape due to disruptions from new technologies, new companies, and new nations," he said. Mr. Jung elaborated on the third factor, noting, "Many of the key inventions in the past hundred years were produced by one country – the United States. In the future, this will no longer be the case." He pointed to recent innovations from India and China as evidence for the possible end of American dominance.

In light of these developments, Mr. Jung sees future innovation as an open market, stating that "no single country is going to be able to take advantage of these disruptions."

Mr. Jung then streamlined his innovation ecosystem into a three-step process.

"First, there needs to be a vision for the innovation ecosystem," he said. His examples for this vision include autonomous vehicles, green buildings, and smart aging technology. After the vision is decided, he said "the government must commit to deploying substantial capital and time."

Intellectual Ventures itself has committed to an innovation-ecosystem project that will not bear fruit for twenty-five years, according to Mr. Jung. He sees this deployment of capital as a self-sustaining process. "Once you have this commitment, the government can leverage R&D spending in order to encourage innovation."

Innovation ecosystems being able to secure a nation's economic future is the culminating goal of this process.

Mr. Jung also sees innovation ecosystems as helping small retailers compete in the current large-scale economic climate. "They don't have the technology or capabilities to compete with the big-box retailers. Cities should offer that to help out small businesses," he said.

Innovation Megaprojects, the title of Mr. Jung's approach, seeks to provide countries, cities, and companies with the means to implement these innovation ecosystems. Solving such dilemmas as providing a clean water supply and streamlining the agricultural supply chain are some of the projects his company has advised on.

According to Mr. Jung, the solution isn't construction, but rather coordination. "Some people get it, and others don't. The habit for all countries is to try to build Silicon Valley. Not even the U.S. has been able to replicate that."