

The Benefits of Standards

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raising standards worldwide™



- **UK**

BSI's portfolio of formal standards:

- Contributes £2.5 billion annually to UK GDP
- Has contributed £75 billion since 1948
- Accounts for 13% of UK labour productivity growth
- Standards are an important part of the international technology transfer process

Source: DIUS Empirical Economic of Standards 2005



• Germany

- Econometric study found standards contribute 1% of GNP
- Standards help disseminate new ideas, products and technologies
- Standards have positive influence on innovation potential
- Company survey found 84% of companies use European and International standards as part of their export strategy

• Australia

- 1% increase in standards stock increases economy wide productivity by 0.2%
- Water & electrical industries benefit by AUS\$1.9bn p.a. through standards establishing networks and accessing these networks

“Standards are crucial to sustainable development, they are invaluable in helping countries develop their economies and build capacities to compete on global market. Standards make a positive difference to our world.”

Former UN Secretary General, Kofi Annan

Mission:

- Secure a step-change in the *understanding* and *use* of *standards & standardization*, for the benefit of *Business*, *Government* and *Society*.

Activities:

- Business engagement – SME and big business
- Government engagement
- Promotion of standardization to education sector



- UK
 - Regulations costs UK businesses £100bn p.a (10% GDP)
 - Government committed to reduce burden of regulation. Standards seen as a means to simplify regulation and focus on risk
- EU: 22 New Approach Directives including, electromagnetic compatibility, and radio & telecoms – all based on state of the art performance focussed specifications

- 2003 UK public sector procurement was £120bn
- UK target of procurement efficiency savings of £21.4bn over 4 years
- Standards simplify the purchasing process through clearly defined and consistent requirements

- Standards help innovation by:
 - Establishing common vocabularies
 - Disseminating new technologies
 - Consideration of health, safety and other aspects
 - Performance specifications
- *Sainsbury Review* into UK science and innovation policies (Oct 2007)
 - Standards seen as part of the national innovation ecosystem, influencing the rate of innovation



- A provider of communications solutions and services operating in 170 countries, with a turnover of £19.5bn and 100,000+ employees
- Uses standards to help create the future market and avoid alternative & technical formats
- BT used standards to help establish the viability of e-commerce for their own, their customers and their customers' customers benefit. This activity alone is estimated to save the company £20m each year

- A leading provider of IT solutions to retailers and retail banking with a turnover of £1.1bn and more than 7,000 employees
- Subsidiary, Datalect Group implemented ISO/IEC 20000 IT Service Management Standard
- Benefits include:
 - Improved service levels
 - Closer working of the organizations departments
 - Reduction in complaints



Global IT giant with 38,600 employees in more than 100 countries with a turnover of £11.2 billion

Heavily involved with standardization spending c.\$20m p.a. to be involved with more than 80 standards organizations including ISO, IEC and open source organizations

Involvement by Sun to:

- Aid innovation
- Propel wider industry forward
- Provide users with long term technical stability

“Successful standards expand opportunities for the entire industry”

Do standards deliver benefits?

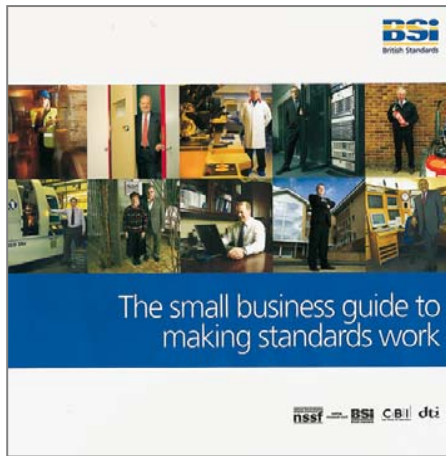
- Pivotal in stimulating innovation, creating value, effective procurement and reducing the regulatory burden
- Significant contribution to increasing trade, improving efficiencies and mitigating operational risk
- Delivering solutions to ever-changing issues
- Support business, government and society

Are Standards Important?

- Standards exist to make life safer and more efficient and to facilitate trade
- Standards are powerful tools supporting innovation and increasing productivity (see later buckling analysis)
- Standardization promotes forceful competition and enhances profitability
- Standards allow companies to:
 - Attract and assure customers
 - Create competitive advantage
 - Develop and maintain best practice
- Standards are a respected badge of quality
- Standards are powerful marketing tools

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Further Support



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