

What are the right (and wrong) ways for Corporations to engage with Accelerator Programs

Agenda

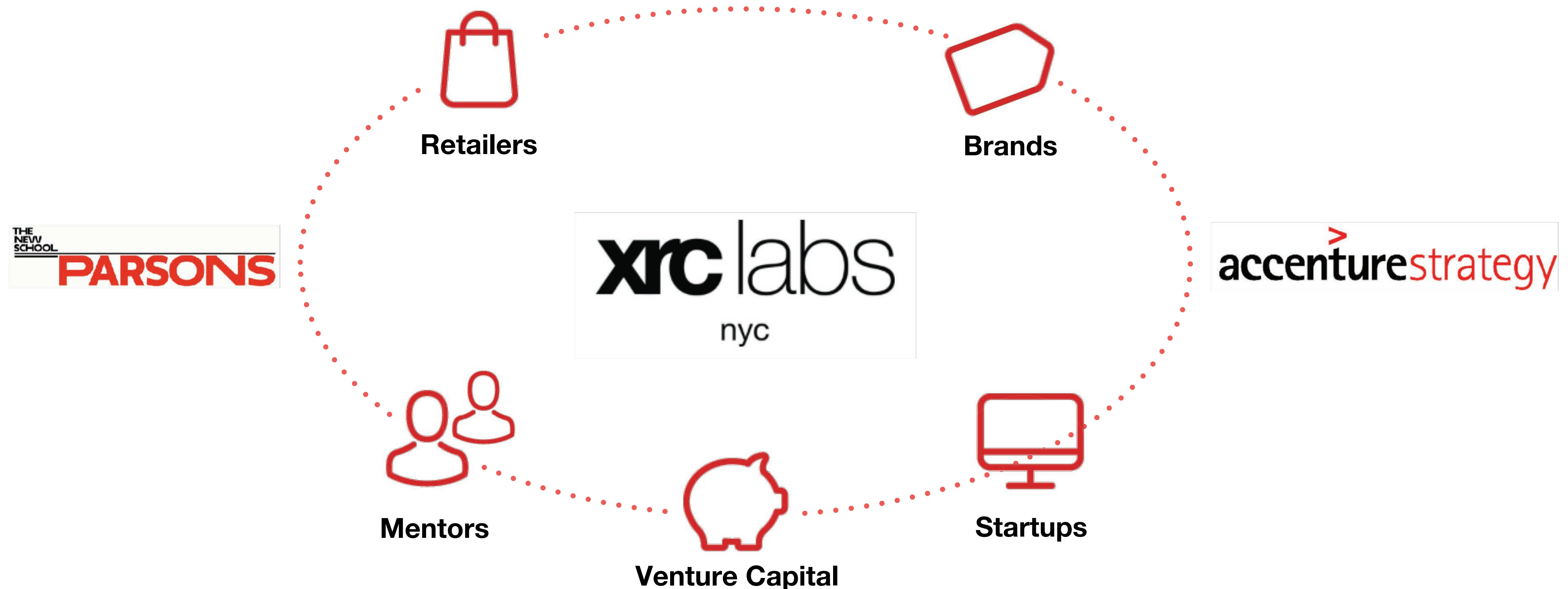
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- XRC Labs
 - Why is innovation an issue for corporations?
 - ex. Retail vs the Tech World
 - Ex. Automotive
 - Corporate Innovation
 - What is working?

To foster companies and products that innovate the face of consumer goods and retail in a rapidly changing marketplace using **design thinking** as a key driving process.

Who We Are



*XRC Labs is a **Consumer and Retail Goods Accelerator** creating a one of a kind ecosystem*



World Class Industry Sponsors



TECHNOLOGY



RETAIL

NEVER FAIL
PERFECTION IS NEVER ENOUGH
BUILT TO LAST
WE KNOW BETTER
BEG FOR PERMISSION
CLOSED, EXCLUSIVE ARRANGEMENTS

Innovation Orgs that Fail

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What do these companies have in common?

Google

CRUISE

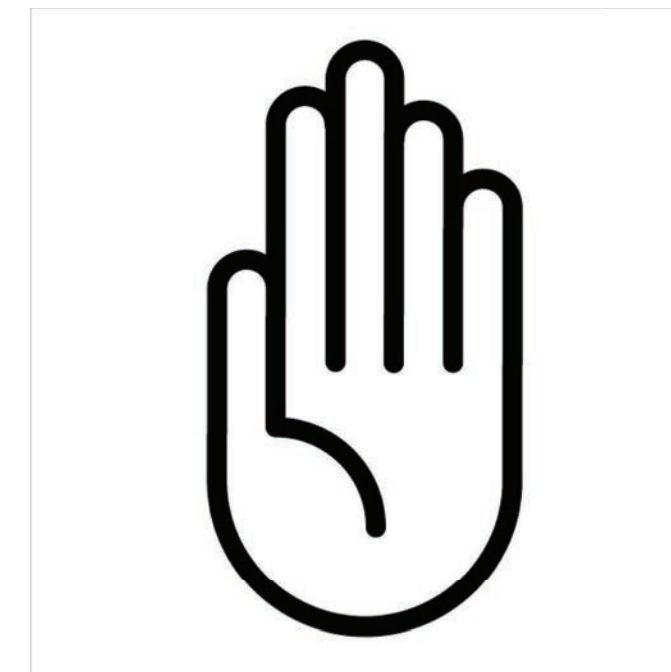
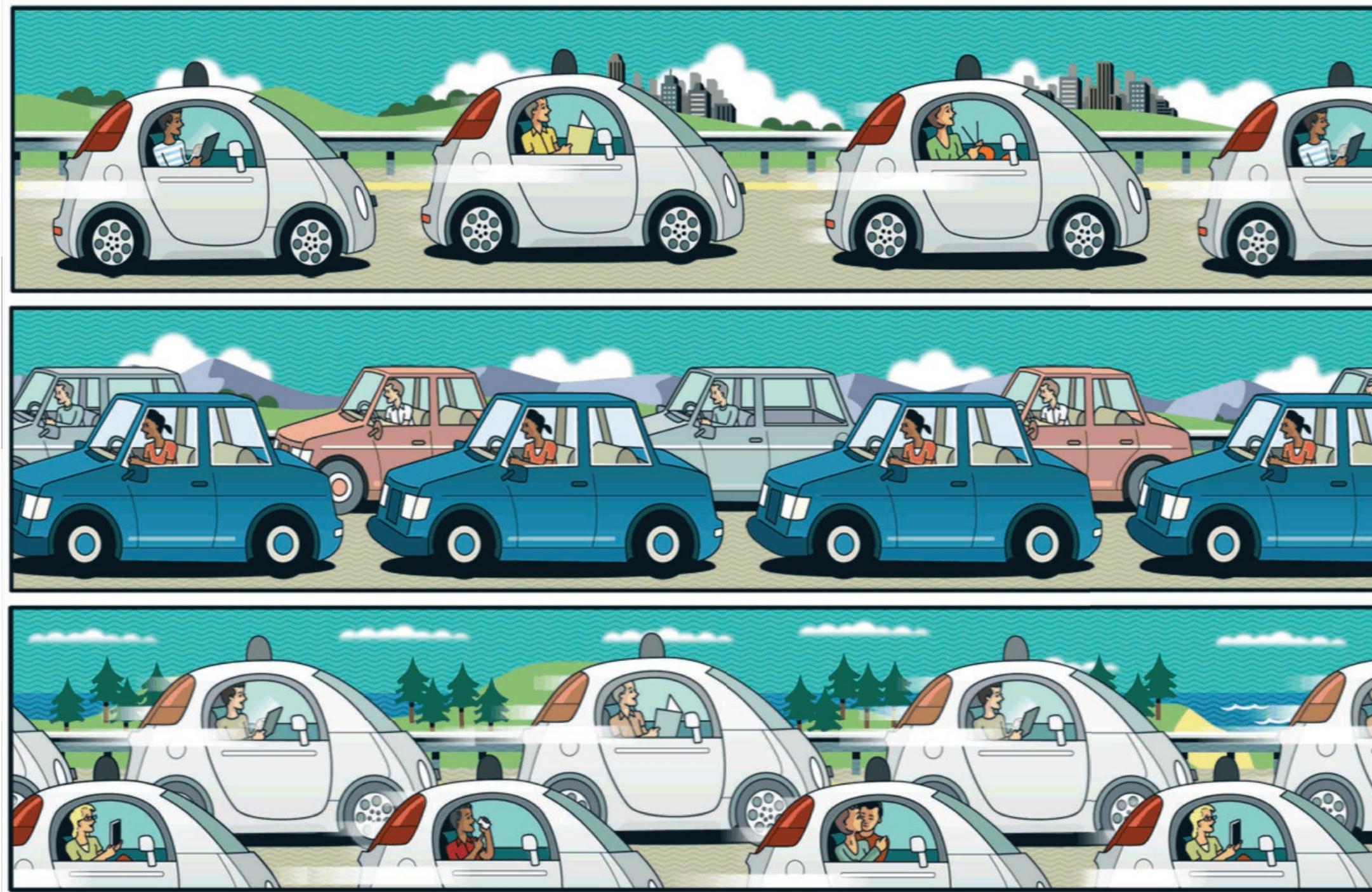


U B E R



2011 — Google to GM — Partner?

Google



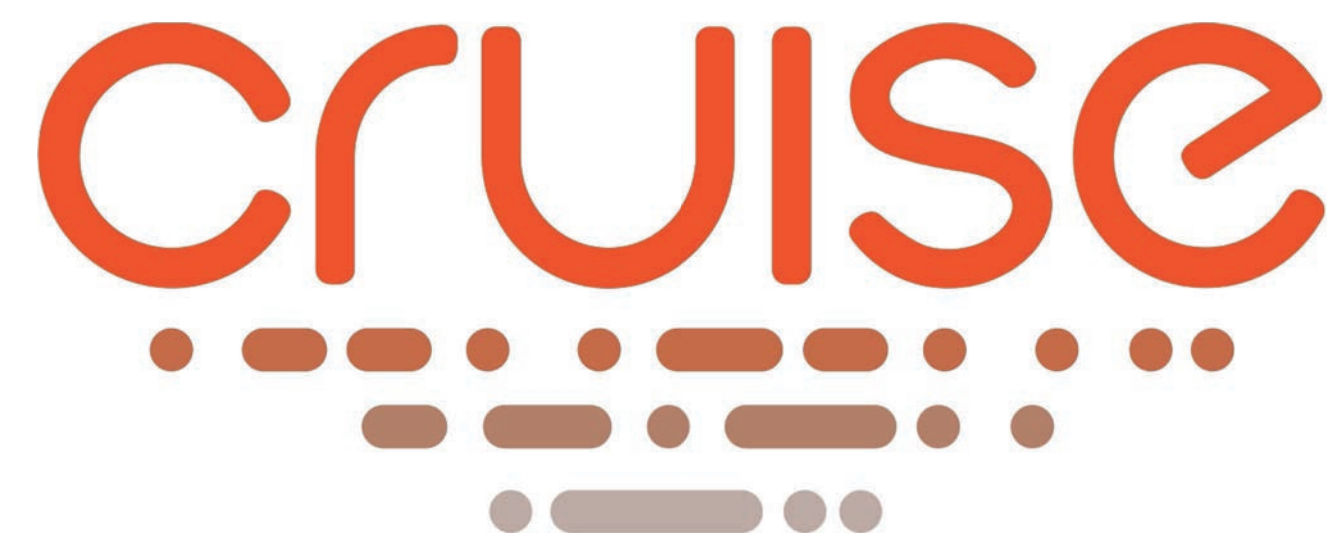
10 different 100-mile routes on public roads

2012



**“I don’t see the point” –
Sr GM Executive**

A true about face



40 people

\$581 MM



Today — Morgan Stanley Analyst



\$178 Billion



>



+



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What changed?



What business is GM in?



Massive Fail - Innovation Dept / Group...

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15

NORDSTROM



TARGET

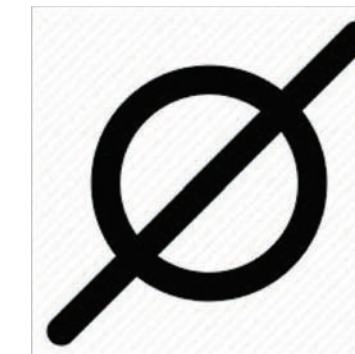
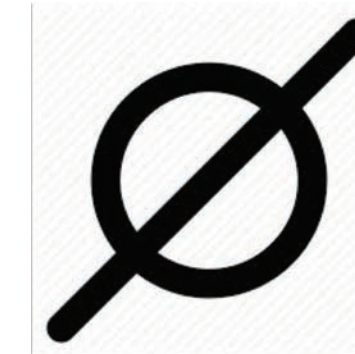


AMERICAN EAGLE
OUTFITTERS

★ macy's

Massive Fail - Business lines do their own thing

Business / Dept's

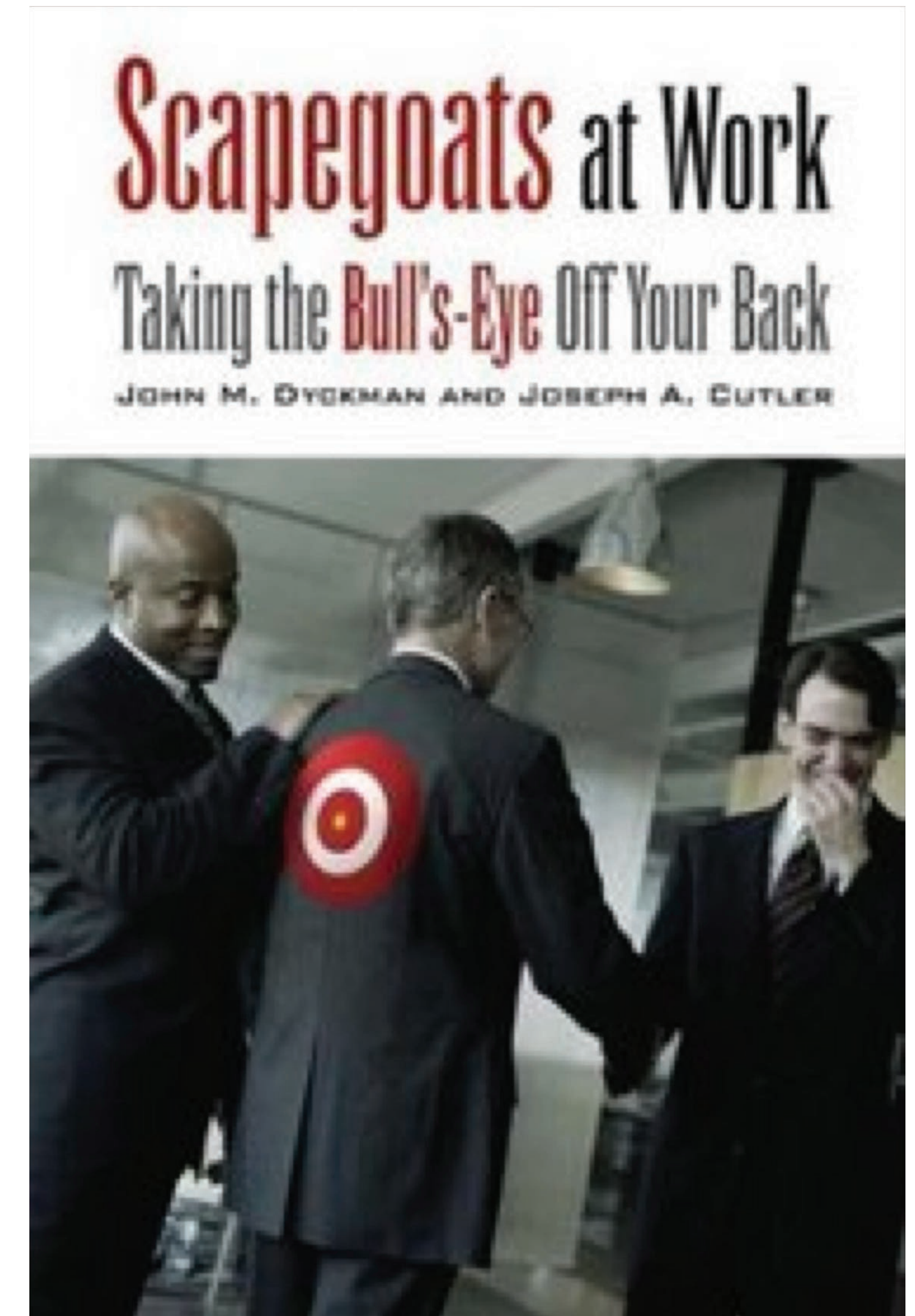


- Silos of innovation
- Massive redundancies
- No communication
- Many avoidable failures
- Or — No innovation

Innovation Org failure

Innovation Org vs Business

- “We are innovative, you are not”
- “We are special, you are not”
- “We do what we want to do, regardless of your needs”
- “We do cool things, you do boring things”

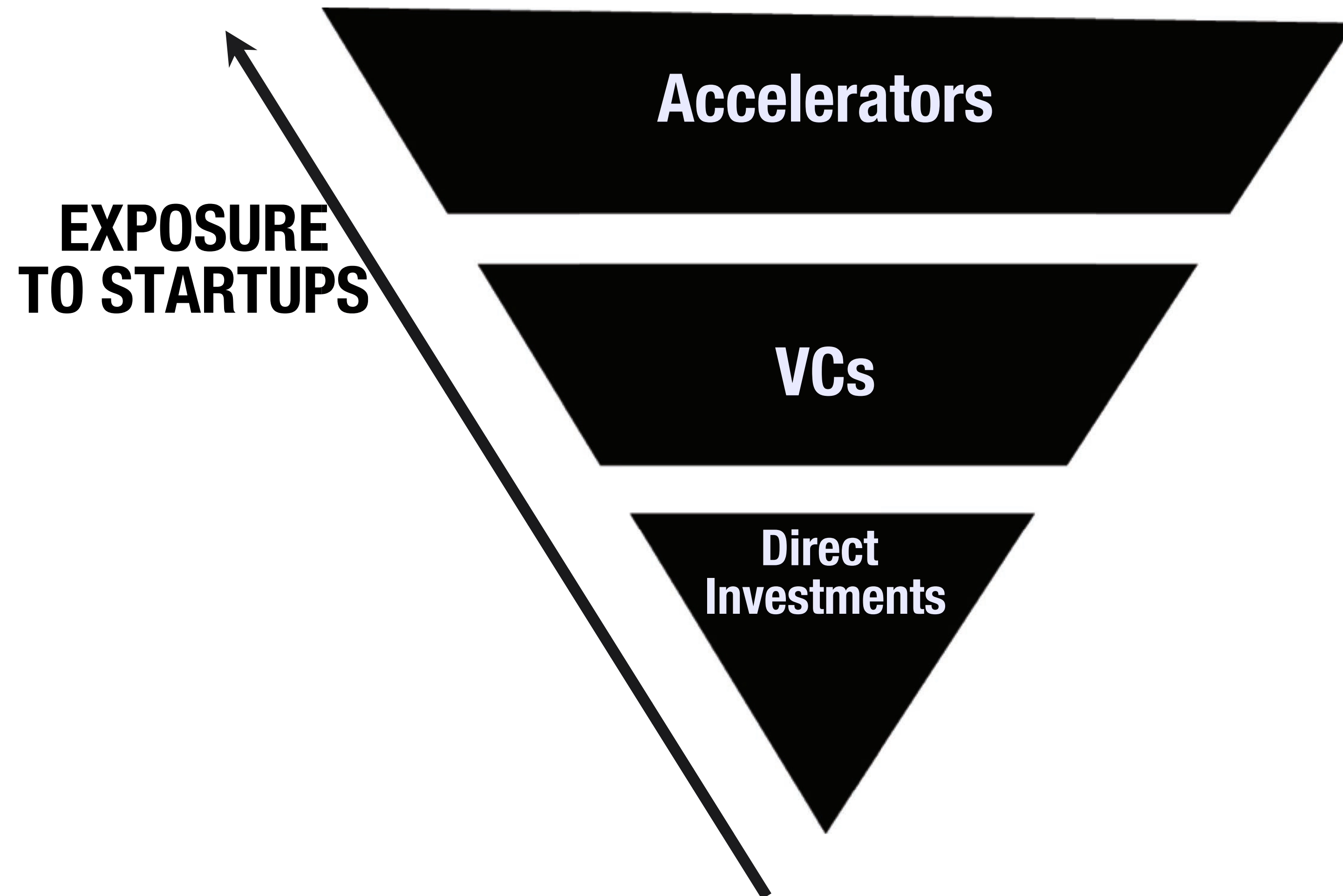




Innovation that works

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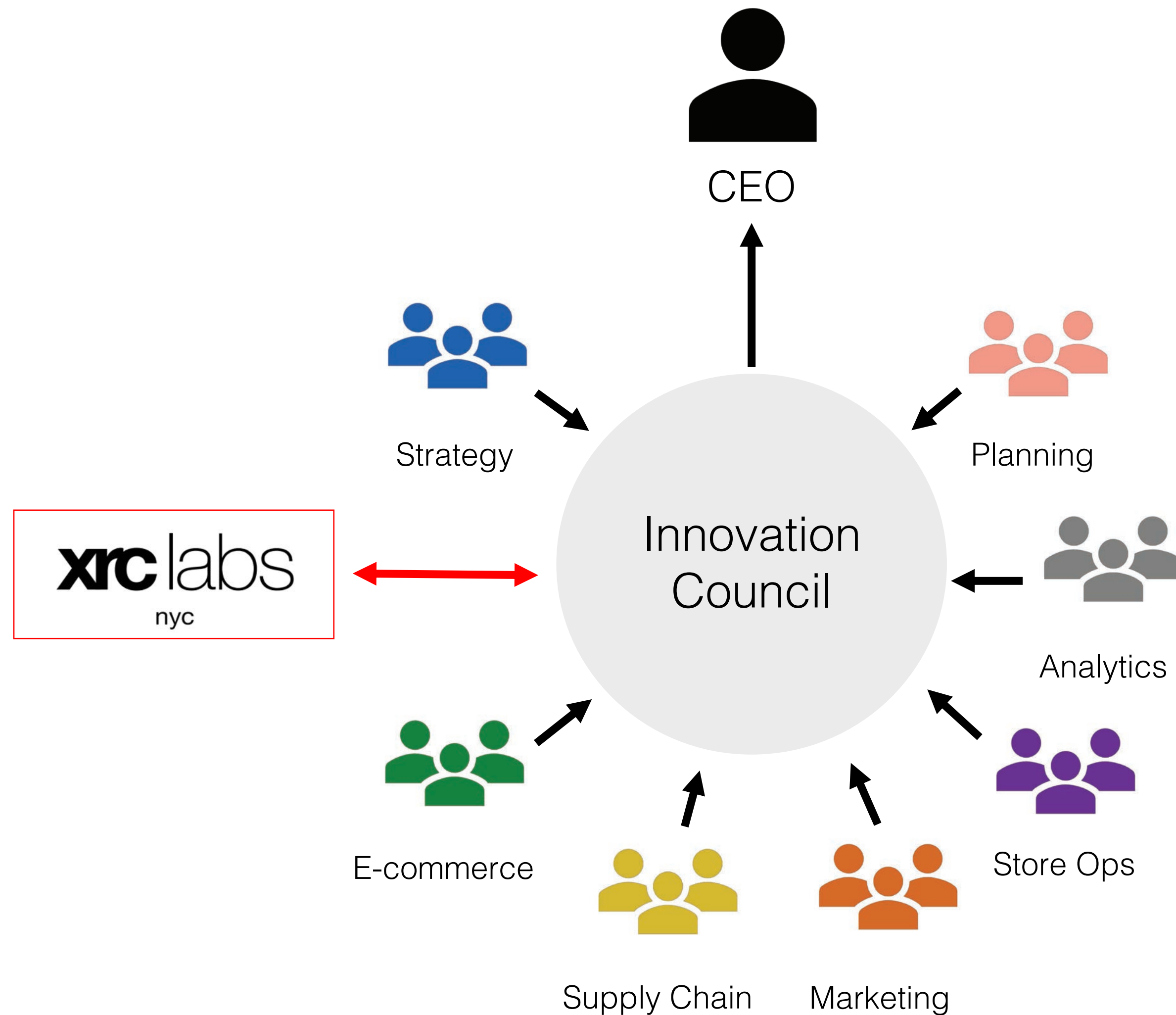
Accelerators are good vehicles to expose corporations to more innovation



/ How to work with Accelerators

- Buy don't build
 - Parallel to corporate venture challenges
 - Not core, ROI tough
- Stay vertical, look horizontal
- Invest –
 - Skin in the game matters
 - Time matters
- Organize internally to adopt innovation

Innovation Councils — Hybrid



- Shared budget and goals
- Business ownership of priorities
- Eliminates redundant effort
- Removes silos, spurs communication
- Common processes
- One company, one team

Hallmarks of an Innovative Culture

Across Business Processes

- Legal → pilot agreements vs msa's
- IT → pilot vs production architectures
- HR MBO's → Is learnings one of them?
- Time → Is time more important than money?

