R&D in Canada and has facilities in Europe and the United States. Through its subsidiary in the UK, it has participated in two EUREKA projects, including one in which it was the lead company, and three BRITE/EURAM projects<sup>77</sup>. Although it has three plants in the U.S., it has not had much success in gaining access to government-sponsored technology development programs in that country.

This firm has experienced some frustration with the bureaucracy involved in the European-based projects in terms of the approval process and with the lack of a market orientation. The UK office commented that targeted funding of R&D in laser technology had not led to market opportunities so much as it had increased the number of competitors in a market that is still largely undeveloped. However, the firm did say that participation had helped to strengthen relationships with partners, led to a broadened product development perspective and increased the firm's network of contacts.

With regard to the funding, it found that the EUREKA program created some delays in project implementation because of the requirement to seek funding from each company's national government. Some governments were more timely in the disbursement of research funds than others. For example, one company was still left waiting for funds three years after the project was scheduled to commence! In the case of Framework Programs, on the other hand, the funding comes from one source (the EC Commission), so that every eligible partner starts off on relatively the same footing.

## Product Development & Technology Transfer in Europe

Another company participated in one aspect of a EUREKA project called Mermaid. The firm has a unique product which is a type of water quality monitoring instrumentation. Due to the fact that this product is unique in the world, it was able to gain access to this project with the assistance of some Canadian government funding which covered communications and some marketing costs. All of the R&D was conducted in Canada, except for the field testing.

As a result of their participation in this \$10 million project, the company has developed a more sophisticated version of its own product. A prototype was recently sent to Germany. The firm reports that the Germans are satisfied with the product.

**Policy Staff** 

<sup>&</sup>lt;sup>77</sup> EUREKA programs cover near market research in semiconductors, high-definition television and new road and traffic systems. BRITE/EURAM is a sub-program of the FPs which funds research in advanced materials and manufacturing technology.