

Motorsport: Driving Innovation and Industry Diversification

New knowledge development and knowledge sharing

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Motorsport is not simply a sport involving racing cars, it is a complex and far reaching industry generating many billions of US dollars of global turnover each year. It has deep historical roots that go back to the very beginning of the automotive industry,

Motorsport involves a wide international network of manufactures, related components suppliers, research & development activities, related paying fans (and in most cases paying drivers) and sponsors. These invest and leverage the global media system that for some of the championships has a strong global reach (for example Formula 1 Grand Prix are the most globally followed sport taking second place only to the Soccer World Cups and the Olympics). Motorsport has a dimension that spreads from the local to the global in which many global automotive manufacturers are involved. It has a value chain that involves: constructors, participants, events, and the distribution and consumption of the sport. The total global yearly turnover for Motorsport as an industry is well above USD 50 billions (Henry et al, 2007) .

Motorsports integrated complexities are what makes it a unique business ecosystem which is similar in many respects to many other business ecosystems that might be encountered within various economic fields; such complexities are generated by many variables spanning technological aspects to regulation, the management of high levels of dynamic know-how and the shaping-up, development and management of often far reaching business models.

Motorsport requires, by default, an extremely dynamic constantly changing environment requiring a consistent focus on efficiency (relevant to financial, technological, infrastructural, organizational and highly skilled human resources management) and, at the same time, a marked and relentless focus on on-racing-track and commercial performance.

All of these characteristics make the Motorsport ecosystem a solid, concrete and at the same time continuously evolving laboratory of innovation: a laboratory in which innovation is identified and implemented in very pragmatic terms, for example, in terms of novel effective solutions to problems (racing tracks are nothing if not constant active practical and conceptual laboratories for these problems), novel products and services that are welcomed by markets.

Innovation in motorsport goes well beyond the realm of technological innovation into innovation in knowledge generation, knowledge-transfer and new business models related to new industrial and commercial realities. Industry diversification, rooted in this new knowledge production , is a natural offspring of these industrial dynamics. An additional characteristic that feeds this overall system, is the presence of specific motorsport industrial clusters (geographically comprised socio-economic networks that develop and implement new knowledge) that have been characterizing parts of the industry since its beginning and are still present today (e.g. the UK's 'Motorsport Valley and Italy's 'Motor Valley').

Motorsport and its related industrial and research & development activities has become a prime example of high level knowledge development ready to be shared among other

applications and industries. We will present case studies that represent this concept from a knowledge perspective generating far reaching business development activities by leveraging upon the constant innovation present within motorsport