IAMB
International Academy of Management and Business

Motorsport Industry: driving innovation and industry diversification

New knowledge development and knowledge sharing

By

Riccardo Paterni (Entrepreneur at Synergy Pathways)

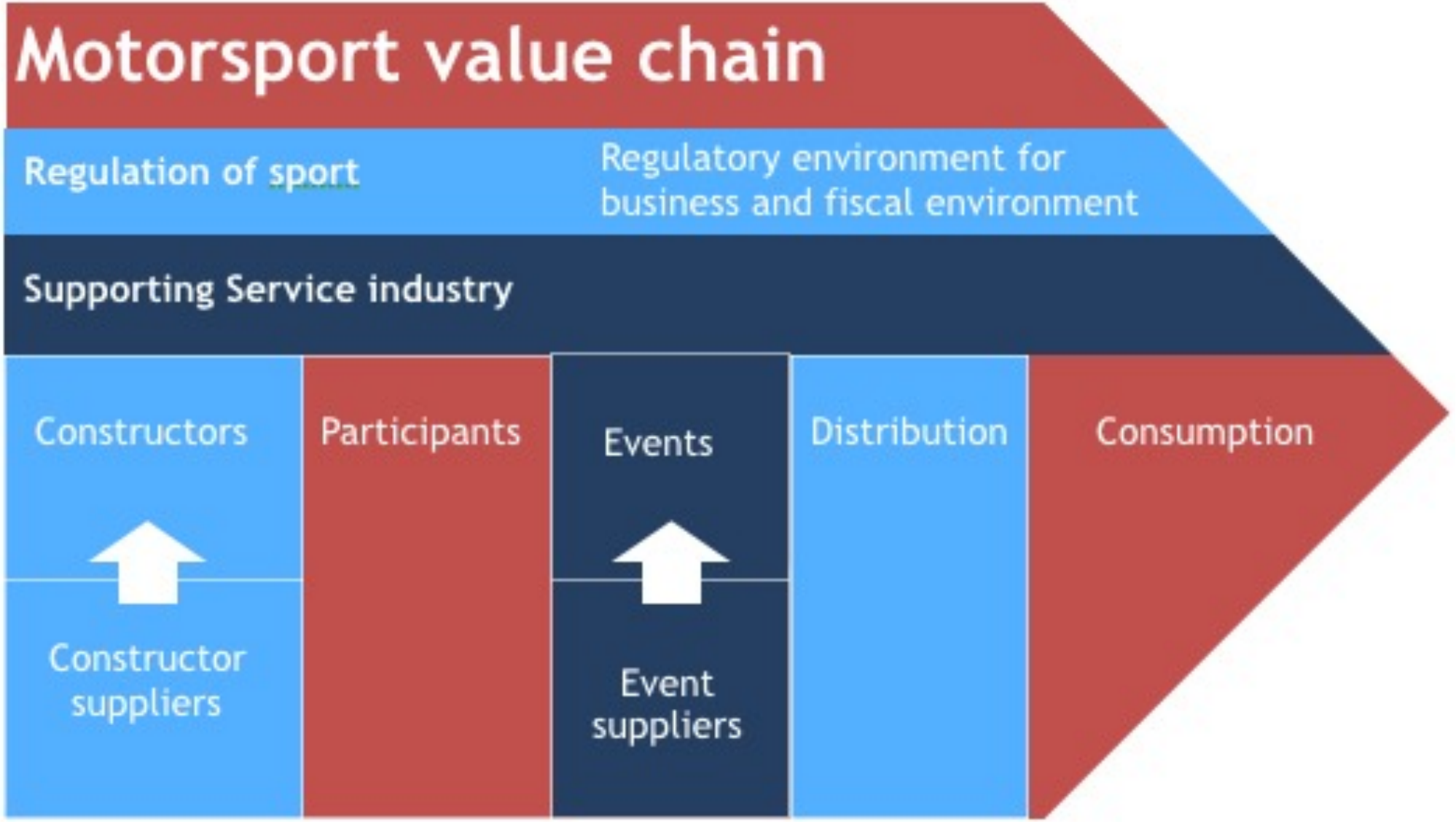
Dr.Tim Angus (Honorary Research Fellow, Center for Business in Society, Coventry University)

with Gabriele Testi (Motorsport journalist)

The global **Motorsport Industry** comprises:

- ‘**motor**’: meaning the provision (construction and preparation) of cars and bikes and;

-‘**sport**’: meaning the infrastructure including clubs, circuits, promotion, insurance and so on which are needed to participate in, spectate, or view the sport.


Motorsport value chain
Regulation of sport
Regulatory environment for business and fiscal environment
Supporting Service industry
Constructors
Participants
Events
Distribution
Consumption
Constructor suppliers
Event suppliers

Motorsport Industry **Data**:

Global Turnover: above $ 100 billion *

(Formula 1 organisational and media rights currently sold at above $ 8 billion)

Global Audience Formula 1: approximatively 400 million - only behind FIFA World Cup and Olympic Games

Global Motorsport events: 56 across 29 countries *

Thousand of yearly events at the national and regional level all over the world

* (Henry et all., 2007)

Motorsport dynamics and lessons for management:

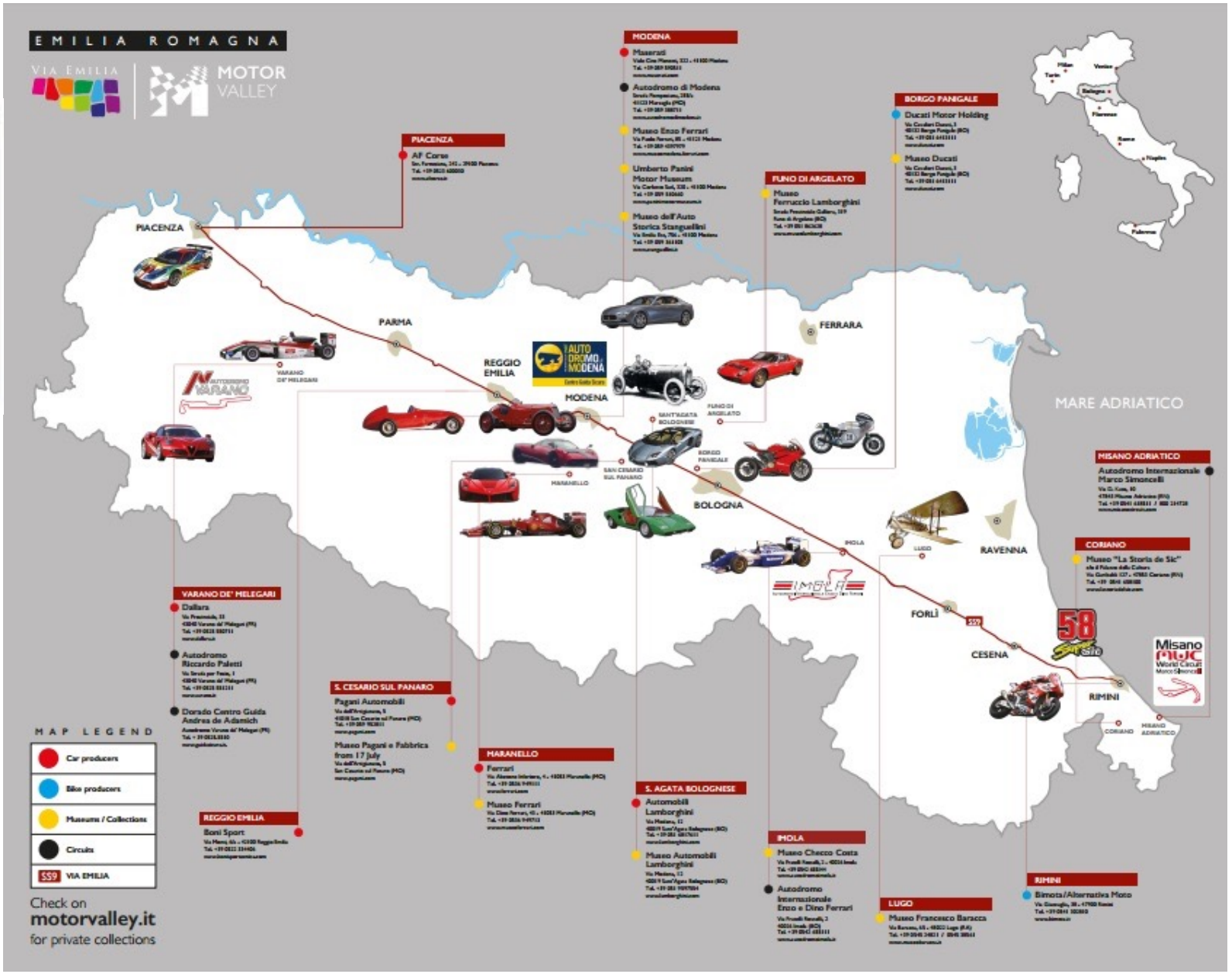
- **Know-how** generated and developed through a synergetic mix of **highly skilled human capital** and **high level technological Capital Investment**;

- Concrete understanding and **implementation of innovation**;

- Marked systematic capability to **share know-how with other industries**.

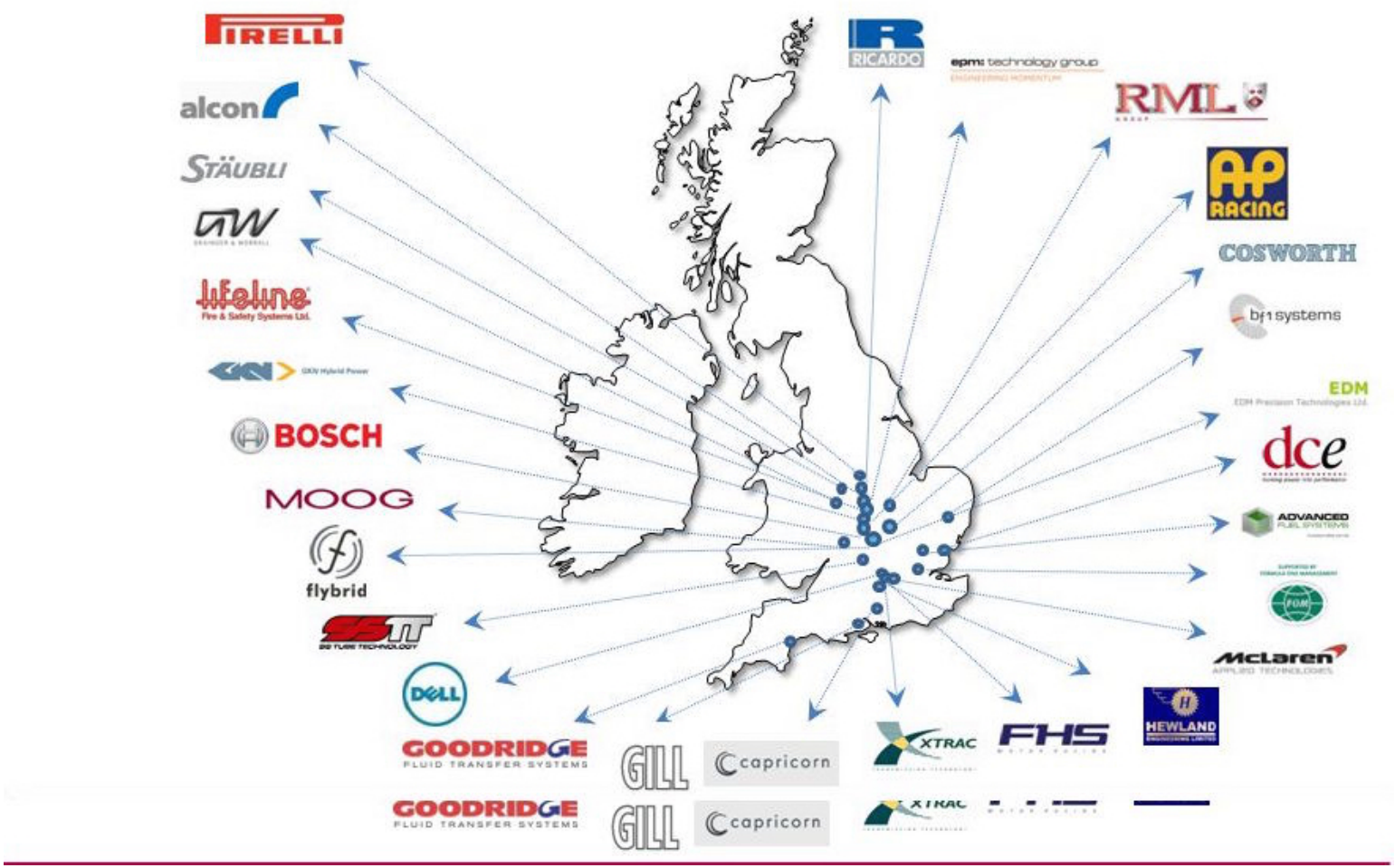
Key Historic and Current Global Regions for Motorsport Industry presence and development:

Italy and **United Kingdom**



- since early 1920s / traditional mechanical craftsmanship and racing focus
- very active from a supercar manufacturing / racing and touristic point of view

Motorsport Suppliers



- since 1950s / aviation industry technology / ex-military aviation airfields
- turnover £ 9 billion and 41.000 employees in 2012

Know-how generated and developed through a synergetic mix of highly skilled human capital and high level technological Capital Investment

Case study

COSTRUZIONI NOVICROM

Italy

High precision machine tooling for small batches productions or prototyping (friendship & concurrent entrepreneurial development Enzo Ferrari - Iliano Parrini)

> since 1947 continuos investment on the latest technology (Invested 20 % of yearly turnover)

> utilised by highly skilled workmanship (90 % of employees Technical Diploma and University Degrees - average seniority well above 30 years)

SINCE 1947

COSTRUZIONI NOVICROM

KNOWLEDGE DEVELOPED, APPLIED & DYNAMICALLY SHARED ACROSS SECTORS

aviation

motorsport

SINCE 1947

COSTRUZIONI NOVICROM

KNOWLEDGE DEVELOPED, APPLIED & DYNAMICALLY SHARED ACROSS SECTORS

PRESENT TIME...

aerospace / aviation / defense

PIAGGIO AEROSPACE

LEONARDO

GE Aviation

motorsport / automotive

Ferrari

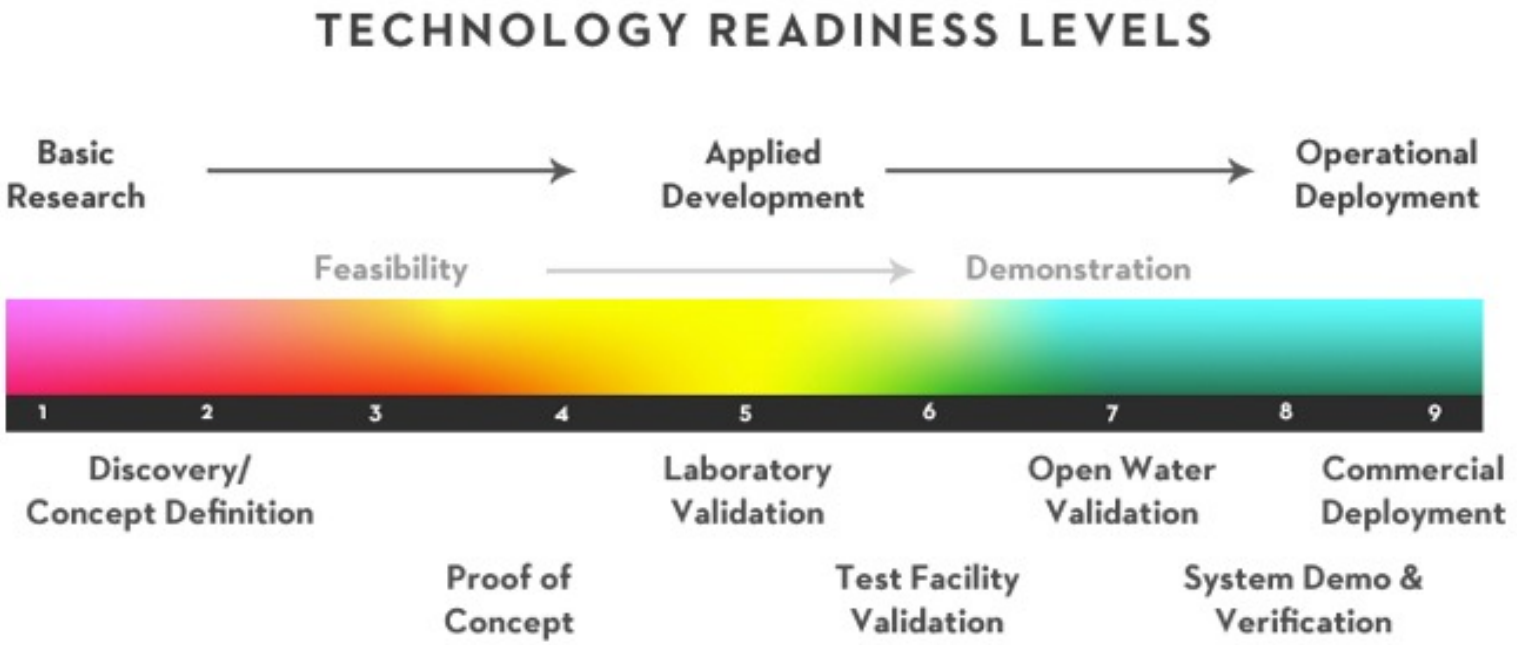
DUCATI

aprilia

MASERATI

Concrete understanding and implementation of innovation

INNOVATION: APPLYING ORIGINAL THINKING TO SOLVE PROBLEMS AND/OR CREATE VALUE FOR MARKETS



MOTORSPORT MANUFACTURERS: CAPABILITY TO ACCELERATE THE 4 TO 7 TRL PHASES ESSENTIAL IN TODAY'S AUTOMOTIVE INNOVATION

Concrete understanding and implementation of innovation

INNOVATION: APPLYING ORIGINAL THINKING TO SOLVE PROBLEMS AND/OR CREATE VALUE FOR MARKETS

MOTORSPORT MANUFACTURERS: CAPABILITY TO ACCELERATE THE 4 TO 7 TRL PHASES ESSENTIAL IN TODAY'S AUTOMOTIVE INNOVATION (AND NON ONLY…)

Case study

ycom®

Italy

Entire project innovation cycle in motorsport and beyond: design, development, carbon fiber manufacturing, testing, racing

Opel Motorsport

Audi Sport Official Supplier

AMG

DAC WORLD CHAMPION

LOTUS