EE Times:

$3.6 billion IT research program approved in Europe

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LONDON — Europe has outlined and approved a program of collaborative research in IT, with plans to roughly double the budget of a forerunner program, to more than 3 billion euro (about $3.6 billion).

The new program, known as ITEA-2, follows on from the Information Technology for European Advancement program (ITEA), and is set to run from 2007 for eight years. It is aimed at continuing the work of ITEA to support European companies maintain independence in software-intensive systems for embedded applications.

The ITEA-2 program intends to mobilize a total of 20,000 person-years over its full eight-year duration, double that of the existing ITEA program. The first call for projects is set for 2006, to ensure a smooth transition from ITEA, and funding proportions are expected to be the same as in ITEA with governments putting up 35 percent to 40 percent of the funding and industry paying the balance. The project is expected to support job creation in automotive and aeronautics, the digital consumerization of the home, healthcare and medical systems.

ITEA, which began in 1999 and is due to end in 2006, is set to spend 1.2 billion euros (about $1.4 billion) and deploy 9,500 person-years of R&D in 85 projects having involved more than 450 partners from large and small companies, research centers and academia in 23 countries. On average 35 percent to 40 percent of the funding comes from national governments with industry spending 60 percent to 65 percent, an ITEA spokeswoman said.

As with the original ITEA, and hardly surprising with the amount of government money on offer, ITEA-2 has widespread support from Europe's leading technology-based companies. Supporters and likely project participants include: Airbus Industrie, Alcatel, Barco, Robert Bosch, Bull, DaimlerChrysler, Italtel, Nokia, Philips, Siemens, Telvent, Thales and Thomson. The total annual turnover of the ITEA-2 founding supporters is around 380 billion euro (about $455 billion) and the companies have over 1.5 million employees, of which more than 200,000 are in R&D, mainly carried out in Europe.

"ITEA 2 is essential to maintain the momentum built up by the current highly successful ITEA program in a dramatically changing world," said ITEA chairman Rudolf Haggenmueller, in a statement. "The second wave of the digital transition will be deeper and more transformational than ever, with intelligence literally everywhere. Global competition will be ever tougher with increasing shift of both production and research offshore and the very real challenges to Europe posed by China and India."

The original ITEA program was launched as a parallel to MedeaPlus, the pan-European microelectronics R&D program, out of a fear that Europe was trailing Japan and the United States in software R&D. Europe has traditionally been strong in embedded software, but the globalization of technology was bringing a number of Europe-based multinationals under pressure.

However, ITEA has been subject to cuts in the early part of this decade. The program was originally budgeted at 20,000 person years and spending of 2.4 billion euros ($2.9 billion) but in the aftermath of the economic downturn in 2001 through 2003 the projects were hit by budget cuts by many participating nations (see Oct. 7, 2003, story). At the time a number of ITEA executives expressed concern that the program was falling below a critical mass to allow Europe to compete with companies such as Microsoft.

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