

# GMA



*Representing the Makers of the World's Favorite Food, Beverage and Consumer Products*

## **Product R&D:**

# ***Innovation, Trade-offs and Avoiding Unintended Consequences***

- Bill Greggs -



[www.gmaonline.org](http://www.gmaonline.org)

# Innovation

- “ Innovation is:
  - Improving products
  - Improving life
- “ Innovation means substitution
  - Of an ingredient or a component
  - Of multiple ingredients or components
  - Of the entire product with a different product
- “ Classic examples in Lighting
  - Oil/gas lanterns → Incandescent light bulb
  - Carbon filament → Tungsten filament
  - Vacuum → Inert gas
  - Incandescent → Compact Fluorescent → LED

# Lighting Innovation





# What does innovation look like?



# What does innovation look like?

## Product R&D Process – Continuous Improvement





# What does innovation look like?



# What does innovation look like?



**Genius is 1% inspiration and 99% perspiration.**

**- Thomas Edison, 1903**

*Where is the Product R&D perspiration ???*



# Multi-Factorial Evaluation Matrix

Companies consider ALL of these factors within the Product R&D process

## (i) Safety (human and environmental)

- Public Health Impacts, incl. sensitive subpopulations
- Environmental Impacts
  - Water quality impacts
  - Air emissions
  - GHG emissions
  - Waste/End-of-Life Disposal
- Toxicological endpoints
- Physicochemical properties

## (ii) Performance and Value

- Product function/performance (to include compatibility)
- Useful Life
- Economic impact
- Consumer Acceptance

## (iii) Lifecycle/Resource utilization

- Material/Resource Consumption
- Water conservation
- Energy inputs (Production, In-use, and transportation)
- Energy efficiency

**Without data,  
how can we reach any  
definite conclusions?**

**- Thomas Edison**

## (iv) Other

- Availability/sourcing
- Manufacturing capability
- Regulatory compliance
- Stakeholder communication
- ...

# Multi-Factorial Evaluation Matrix

Evaluation Elements	
Safety	Public Health - Sensitive Subp.
	Environmental - Water - Air - GHG - Waste/End Life
	Product function / performance
	Useful Life
Performance - Value	Economic Impact
	Consumer Acceptance
	Material/Resource Consumption
	Water conservation
Lifecycle - Resource Utilization	Energy inputs (production, in-use, transportation)
	Energy Efficiency
	Availability/sourcing
	Manufacturing capability
Other	Regulatory compliance
	...

Use the Matrix in each Product R&D Process Step



# Screening Alternatives

(Narrowing to a Few Alternatives for Assessment)

Possible  
Alternatives  
Screening

Evaluation Elements		Baseline	Alternative 1	Alternative 2	Alternative 3	Alternative 4	Alternative 5
Safety	Public Health - Sensitive Subp.						
	Environmental - Water - Air - GHG - Waste/End Life						
Performance - Value	Product function / performance						
	Useful Life						
	Economic Impact						
	Consumer Acceptance						
Lifecycle - Resource Utilization	Material/Resource Consumption						
	Water conservation						
	Energy inputs (production, in-use, transportation)						
	Energy Efficiency						
Other	Availability/sourcing						
	Manufacturing capability						
	Regulatory compliance						
	...						

# Screening Alternatives

(Narrowing to a Few Alternatives for Assessment)

Possible  
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Performance - Value	Product function / performance						
	Useful Life						
	Economic Impact						
	Consumer Acceptance						
Lifecycle - Resource Utilization	Material/Resource Consumption						
	Water conservation						
	Energy inputs (production, in-use, transportation)						
	Energy Efficiency						
Other	Availability/sourcing						
	Manufacturing capability						
	Regulatory compliance						
	...						

**RELEVANT  
Parameters**

Selection for  
Assessment

# Selection of RELEVANT Parameters for Assessment

Evaluation Elements		Baseline	Alternative 1	Alternative 4	Alternative 5
Safety	Public Health - Sensitive Subp.				
	Environmental - Water - Air - GHG - Waste/End Life				
Performance - Value	Product function / performance				
	Useful Life				
	Economic Impact				
	Consumer Acceptance				
Lifecycle - Resource Utilization	Material/Resource Consumption				
	Water conservation				
	Energy inputs (production, in-use, transportation)				
	Energy Efficiency				
Other	Availability/sourcing				
	Manufacturing capability				
	Regulatory compliance				
	...				

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# Selection of RELEVANT Parameters for Assessment

Evaluation Elements		Baseline	Alternative 1	Alternative 4	Alternative 5
Safety	Public Health - Sensitive Subp.				
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	Useful Life				
	Economic Impact				
	Consumer Acceptance				
Lifecycle - Resource Utilization	Material/Resource Consumption				
	Water conservation				
	Energy inputs (production, in-use, transportation)				
	Energy Efficiency				
Other	Availability/sourcing				
	Manufacturing capability				
	Regulatory compliance				
	...				



# Evaluation Comparative Assessment



Evaluation Elements		Baseline	Alternative 1	Alternative 4	Alternative 5
Safety	Public Health - Sensitive Subp.				
	Environmental - Water - Air - GHG - Waste/End Life				
Performance - Value	Product function / performance				
	Economic Impact				
	Consumer Acceptance				
Lifecycle - Resource Utilization	Material/Resource Consumption				
	Water conservation				
	Energy Efficiency				
Other	Manufacturing capability				
	Regulatory compliance				
	...				

**Without data,  
how can we reach any definite conclusions?**

- Thomas Edison

# Decision-Making Trade-Offs

What we all hope for...

Evaluation Elements		Baseline	Alternative 1	Alternative 4	Alternative 5
Safety	Public Health - Sensitive Subp.	Red	Green	Green	Yellow
	Environmental - Water - Air - GHG - Waste/End Life	Green	Yellow	Green	Green
Performance - Value	Product function / performance	Green	Red	Green	Yellow
	Economic Impact	Green	Yellow	Green	Green
	Consumer Acceptance	Green	Red	Green	Green
Lifecycle - Resource Utilization	Material/Resource Consumption	Green	Green	Green	Green
	Water conservation	Green	Green	Green	Green
	Energy Efficiency	Green	Green	Green	Red
Other	Manufacturing capability	Green	Green	Green	Yellow
	Regulatory compliance	Yellow	Green	Green	Green
	...				

# Decision-Making Trade-Offs

The real world ...

Evaluation Elements		Baseline	Alternative 1	Alternative 4	Alternative 5
Safety	Public Health - Sensitive Subp.	Red	Yellow	Green	Yellow
	Environmental - Water - Air - GHG - Waste/End Life	Green	Yellow	Yellow	Red
Performance - Value	Product function / performance	Green	Red	Green	Yellow
	Economic Impact	Green	Yellow	Green	Green
	Consumer Acceptance	Green	Red	Yellow	Green
Lifecycle - Resource Utilization	Material/Resource Consumption	Green	Green	Red	Green
	Water conservation	Green	Green	Yellow	Green
	Energy Efficiency	Green	Green	Green	Red
Other	Manufacturing capability	Green	Green	Green	Yellow
	Regulatory compliance	Yellow	Green	Red	Green
	...				

*This is a massive simplification...*

# Decision-Making Trade-Offs

## “ Decision Principles

- Safe for humans, environment
- Meet consumer needs
- Comply with all regulations
- No significant lifecycle impacts
- ...

## “ Decision rules

- Fixed set of rules?
- Fixed criteria?
- Fixed framework?

# Unintended Consequences

## “ Unexpected Trade-Offs

- Product R&D gone wrong?
- Overlooked details?
- Ill-considered political mandates?
- Newly developed criteria?

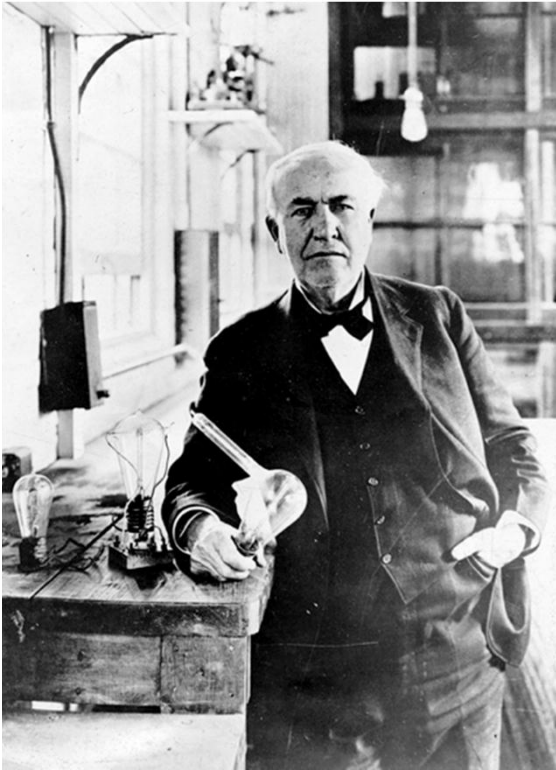
## “ Examples of Trade-Offs

- Fuel: Tetraethyl lead → Methyl tert-butyl ether → Ethanol
- Refrigerants: Anhydrous ammonia → CFC R-12 → HCFC R-22 → R-410A
- Textiles: Flammable materials → Fire retardancy standards
- Solvents: Methylene chloride → 1-bromopropane
- Polio Vaccines: Injection → Oral
- Lighting: Incandescent bulb → Compact fluorescent → LED
- Insecticides: Arsenicals → DDT → Organophosphates

**Just because something  
doesn't do what you  
planned doesn't mean  
it's useless.**

**- Thomas Edison**

# How do we minimize the potential for Unintended Consequences?



**Genius is 1% inspiration and 99% perspiration.**

**Accordingly, a 'genius' is often merely a talented person who has done all of his or her homework.**

**- Thomas Edison, 1903**

***Do all of the Homework !***



# How do we minimize the potential for Unintended Consequences?

Rigorous use of the Product R&D Process and Multi-Factorial Evaluation Matrix !



Evaluation Elements	
Safety	Public Health - Sensitive Subp.
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Other	Availability/sourcing
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	...



# Thank You!

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**GMA**

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