

Creating a market “Pull” dynamic for biobased industrial products

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The United States is a nation rich in natural resources including plants, animals, solar, wind, water, oil, gas, and coal. While present economies are primarily petroleum based, new technologies and an increasing environmental awareness are causing our economy to shift to one based on plant matter and other renewable materials. This dynamic will help improve sustainable farm production of raw materials and help to ensure a corresponding demand for such materials. Benefits of this dynamic could be increased value for agricultural products, increased employment in rural communities, and increased capital investment in rural communities.

The U.S. Federal Government, through its various agencies and activities, annually purchases billions of dollars of industrial products. A significant opportunity exists for the federal government to catalyze the acceptance and use of biobased industrial products through the purchase of alternative products that are derived from renewable agricultural materials resulting in their increased use within government, industrial, commercial, and residential sectors

Efforts associated with new product introduction and acceptance is typically organized in two distinct camps: market push and market pull. The “market push” dynamic is led by the developers and providers of new products and frequently is characterized by a scattered market introduction based on lack of market understanding and is more frequently met by a very skeptical market. On the other hand, the “market pull” dynamic is led by existing consumers of products who clearly articulate their need and establish clear parameters for the acceptance of new or alternative products. This “market pull” dynamic can frequently accelerate the success of new products in the marketplace.

Using a systems approach to the “market pull” dynamic, *CTC* has defined a process to help accelerate the use and acceptance of biobased industrial products in government and commercial markets. The elements of this process are: increased awareness, technical review, consumer requirements, demonstration/validation/verification, life cycle analysis, and user acceptance. The use of Internet based information systems can facilitate greater exchange of requirement definition from federal government user communities. In addition, easy to access Internet systems can enhance new product awareness and acceptance by the federal government acquisition personnel. Finally, biobased industrial products can achieve an increased participation in acquisition activities by being integrated into the federal government’s electronic commerce acquisition systems.

The purpose of this paper and presentation is to highlight various federal government electronic commerce initiatives, illustrate a first step to improve the awareness of biobased industrial products to the federal government acquisition personnel (being conducted by *CTC* on behalf of and in conjunction with the U.S. Department of Agriculture), and highlight ways to integrate biobased industrial products with the federal government electronic commerce acquisition systems.