Licensing and spin-off strategies

Synthesis of Questionnaire No. 1 - Q1 and Q2

14 answers
Organizations are also positioned differently in terms of the innovation process:

- some are more focused on basic research,
- others are more focused on research activities closer to markets.
2 - "Maturing" technologies in order to be closer to industrial applications

Research tends to focus on TRL 1-3,
Readiness for production tends to focus on TRL 6-7 or higher.
⇒ No organization covers the full scale alone.

⇒ as part of its TT activities, each organization, as much as possible, strives to mature its technologies by decreasing the gap with the needs of industry
⇒ need of time and funding.
3 - TTO working closely with researchers

Role of TTOs

- preparation and monitoring of R&D contracts, service delivery and licensing agreements, relationships with lawyers specialized in IP…
- assist researchers in their contractual relationship with companies
- exploration of emerging technologies in the laboratory and the search for new industrial partners for research contracts and licenses…

⇒ need significant resources, both financial and human.

Required skills

- good knowledge of scientific and academic world in order to gain the confidence of researchers, to lead awareness actions and to support them in the transfer process;
- legal expertise to ensure the link with the specialist firms;
- ability to conduct basic market research;
- good knowledge of industry and its needs…

⇒ Capacity of the TTO to work closely with the researchers : a key factor of success.
What are the key success factors of a licensing strategy?
1- R&D and IPR: changing behavior

⇒ getting researchers to report their inventions

Filing a patent or publishing?

Publications have long played an important role in the assessment and recognition of research but patents increasingly also play this role.

Increasing awareness of researchers to IP issues
⇒ protecting inventions including ones from basic research.

⇒ promote the development of awareness actions as regards IP issues toward researchers
2 - How to remain researchers involved in the tech transfer process

How do TTOs overcome the resistance of researchers and get them on board with the licensing or other efforts led?

⇒ Introduction of incentives to encourage researchers and labs to commit themselves in a tech transfer process.
3 - Develop a "commercial approach" to find new customers

The challenge: find partners interested in your technology

Different ways to look for partners:

⇒ use of personal / institutional contact network,
⇒ website, organization of visits on-site by companies,
  organization of specific events to connect with companies
⇒ promotion of the research results,
⇒ participation in various trade shows, conventions where companies are present,
⇒ evaluation of opportunities in terms of market innovations...

and creating your own clients... creating start-up!
4 - Close partnership with industry

Researchers and industry need frequent contacts to know each other,
⇒ both sides know what the technology transfer is going to be before they venture into it.

Other advantages to develop research contracts with industry

- industry side: focuses mainly on improving existing technologies and rarely leads to breakthrough innovation:
  ⇒ access to knowledge from government labs is strategic for companies in order to maintain their technological advantage
- labs side: are in contact with technological problems:
  ⇒ develop specific skills
  ⇒ access to new sources of funding

⇒ Research collaborations appear to be an essential step in any operation of technology transfer
5 - The contractual step

The goal: to sign a license contract with a partner

Key points

- internal evaluation of the technology
- idea of its added value for an industrial partner
- define what is the most adapted business model (TT, licencing, spin off... ?) and make a decision,
- If licensing, then prepare negotiations: be well informed of the market, the partner and his potential, the particular business circumstances... and not forget one's own business goal...

- a "win-win" agreement, with clear and specific terms that meet the expectations of the partners,
- (most of the time) provide the partners with a "field of use"/IP.
What are the key success factors of a spin-off strategy?
1 – Why do organization help to create start-up?

no program research opportunities and needs,
no development on demand market with established companies…

In most countries, mechanisms to help start-ups have been set up.

Added actions from organizations:

⇒ specific measures
⇒ specific team/structure to follow the projects.
2 – Set up schemes to help researchers in creating start-up

• maturation of projects
  ⇒ Internal review system of projects to choose those that are the most likely to succeed

• support for business creation from organizations (assistance in project development, financial assistance with support of the salary for a while, possibility of sharing facilities until the startup becomes productive, granting personal loans… grant licenses on patents needed in favorable conditions…)
  ⇒ in addition of the support for business creation from incubators

• maintaining close relationships between start-ups and labs

• financing of start-ups: funds through dedicated Venture Capital Cies created by the organization or other external structure
how to develop entrepreneurship among researchers?

- **promote awareness actions as regards entrepreneurship toward researchers** (promotion day for entrepreneurship, meeting with specialists of business creation...)
- **dedicated training for entrepreneurship**: business plan making, marketing training...

⇒ importance to combine different profile / skills within the team that will create a start-up (manager, financial, commercial, ... and of course scientists)
Research organizations are engaged in TT for a wide range of reasons:

* recognition for discoveries from the organization,
* compliance with national target,
* attraction and retention of talented researchers,
* local economic developments
* revenue from TT to support further research…

The priority that is given to each of these factors varies from one organization to another.

The ultimate benefits of technology transfer, however, are:
- the public benefits derived from the products that reach the market
- and the jobs that result from the development and sale of products.
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Thanks for your attention…
and now, time for discussion.