

MINUTES OF THE WORK SHOP AT CERIM LAUNCH CONF INCLUDING SUMMARY OF GROUP ACTIVITY

May 5th 2009 Bratislava



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2. PARTICIPANTS'S LIST

Name	Name
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Poglajen Manca	Gabrielsson Nils
Prucher Christian	Glatzova Eva
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Rak Rafael	Mayhoffer Tobias
Häfner Peter	Mühlegger Robert
Imrich Richard	Magyan Eva
Palszegu Tibor	Csikos Peter

3. AGENDA

1. Short Welcome
2. **Block 1** - Work Packages and activities
 - Overview of the activities in P2-P3 (Nils Gabrielsson, inno)
 - Results of WP2: Website and communication plan (Robin Grankvist, inno)
 - Results of WP3: country surveys (Manca Poglajen, IRI UL)
 - Next steps of WP3: country surveys (Manca Poglajen, IRI UL) and Policy Conference (Christian Prucher, ITG Salzburg)
 - Preparation of WP4: Study visits (Peter Csikos, ValDeal)
3. **Block 2** – Administrative issues of the project
 - Administrative issues of the project (Kirsten Petersen, inno)
4. **Press Conference** at Small Congress Centre (Ivan Chodak, SAS; Rüdiger Werp, PVA-MV)
5. **Block 3** - Setting the stage for a successful TT model.
 - Presentations of CE technology transfer models – different perspectives
 - PVA-MV AG (Rüdiger Werp)
 - IRI UL (Manca Poglajen)
 - ValDeal (Peter Csikos)
 - Key challenges for technology transfer- Group activity (5 groups)
 - Summary and discussion (Nils Gabrielsson, inno)

4. MINUTES OF THE MEETING

1. Welcome

- Ivan Chodak opens the meeting and welcomes all participants.

2. Block 1 – Work Packages and activities

- Overview of the activities in P2-P3 - Nils Gabrielsson (inno) opens with discussing the agenda of the work shop, which has slightly changed comparing to the planned one (the agenda in this document is the actual one). He then moves on with an overview over performed and up-coming activities in P2 and in P3. Detailed information can be found in Nils' presentation (attachment as presentation #1) and in the rest of the minutes below.
- Results of WP2: Website and communication plan - Robin Grankvist (inno) gives an overview of the communication activities defined in the communication plan and illustrates the project website. Particularly the project website receives very good feedback from the partners. The presentation contents are illustrated in the attachment (presentation #2)
 - The website will be updated 4 times per year. Prior each update a questionnaire will be mailed out for every project-partner to fill in, in order to simplify the up-date.
 - The communication plan is designed in two layers. The common layer defines purpose and goal of the communication activities, target audiences on an overview level and gives an overview of communication tools, key messages and how to evaluate performed activities. It also comprises a rough time plan with partner-common communication activities. The common layer should then be modified by the project partners to fit their specific communication needs. This modified communication plan is the partner-specific layer. The common communication plan can be found on the website.
- Results of WP3: country surveys - Manca Poglajen (IRI UL) illustrate the results of the country surveys and underlines delays in the achievements which are due to administrative problems. The presentation contents are illustrated in the attachment (presentation #3)
 - Each partner's RTT reports should be sent to Manca till the 5th of July and then a jointly summarisation will be developed till August. Partners will be contacted through Skype in June and in July for any clarification and the progress of the report.
 - Each project partner describes 2-5 TT-models and sends them to Manca by 5th of July. On the level of the project, 2-5 good-practice TT-models in total will be chosen in July through consultation with partners. The models will be summarised in a report finished by inno in September and presented at the policy seminar in Salzburg in October.
 - Each partner should by 5th of July send profiles of TT-organisations in their regions to Manca. In total 150 TT-organisations will be published on-line on the CERIM website.

- Next steps of WP3: Policy Conference - Christian Prucher (ITG Salzburg) gives an overview of the contents and aims of the “Innovation Policy Conference 2009” which will be held in Salzburg (Austria) on October 21st-23rd 2009. During the three days there will be an open conference to which key target audiences should be invited, a seminar and a work shop with focus on innovation policies as well as an external innovation-prize ceremony held for Salzburg’s best entrepreneurs. Parallel to this conference a Steering Committee Meeting should be organised. The presentation contents are illustrated in the attachment (presentation #4)
- Preparation of WP4: Study visits - Peter Csikos (ValDeal) gives an overview of the two planned study visits. The first study visit is planned for London the first week of September 2009. Technology transfer experts from various organisations and intermediaries in the TT process, such as business angels, VCs etc are planned to be visited. The suggestion is to do all these visits (combined with a partner Workshop) during three days (2 nights). The second study trip is planned to the US during early spring 2010. The presentation contents are illustrated in the attachment (presentation #5)

3. **Block 2** – Administrative issues of the project

- Administrative issues of the project - Kirsten Petersen (inno) summarises the most important administrative aspects of the project. As many administrative activities could not be started due to delays at the JTS, these aspects were discussed with Mr. Mühlegger and Ms. Trochimiak, who attended the meeting.

Deadline for the first progress report is 010709.

The presentation contents are illustrated in the attachment (presentation #6)

Furthermore, the report status of all PPs was questioned, with the following results:

LP: The reporting is ongoing; some questions about the overhead are still to be cleared.

PP2: The reporting is ongoing; 1/3 of the budget was planned for this reporting period.

PP3: The reporting is ongoing; the budget planned for this reporting period was not completely disbursed.

PP4: The reporting is ongoing; 1/3 of the budget was planned for this reporting period.

PP5: The reporting is ongoing; the FLC is foreseen in 2-3 weeks.

PP6: The reporting is ongoing; in order to carry out the FLC, the PA is needed.

PP7: The report is done. It will be sent out in the next days.

PP8: The reporting is ongoing; some questions about the overhead are still to be cleared.

PP9: The reporting is ongoing; in order to carry out the FLC, the PA is needed.

PP10: The Italian FLC system is still under construction.

4. **Press Conference** at Small Congress Centre (Ivan Chodak, SAS; Rüdiger Werp, PVA-MV)

- The lead partner through Rüdiger Werp (PVA-MV) and the launch conference-organising partners Ivan Chodak and Marian Janek (both SAS) held a press conference where the CERIM-project was presented. Participants from the press were 9 Slovakian journalists coming from regional and national newspapers and a radio station. At the moment no media coverage has been identified.

5. **Block 3** - Setting the stage for successful TT models.

- In this framework three different TT models were presented:

All presentations were about how the different organisations work with technology transfer and how they are organised internally and externally through cooperation.

 - The German Model of the PVA-MV AG (Rüdiger Werp, see presentation #7)
 - The Slovenian Example of IRI UL (Manca Poglajen, see presentation #8)
 - The Hungarian history of ValDeal (Peter Csikos, see presentation #9)

- Key challenges for technology transfer - Group activity (5 groups)
 - The participants of the conference were divided into five groups and were said to define and discuss key challenges for technology transfer. The identified challenges were presented in front of the entire group and then jointly synthesized into the summary report “Group activity – Key Challenges” (presented below). Conclusions from this exercise will function as input for future CERIM activities (e.g. conferences, or study trips).

- Summary and discussion (Nils Gabrielsson, inno)
 - Nils Gabrielsson briefly summarized the group-discussions and referred to the summary-report “Group activity – Key Challenges” presented below.

5. GROUP ACTIVITY: IDENTIFICATION OF KEY CHALLENGES FOR TT

The participants of the launch conference in Bratislava were divided into five groups and were said to define and discuss key challenges for technology transfer. The identified challenges were afterwards presented in front of the entire group. Through a joint synthesis, the identified challenges are grouped into the following five different **key areas**, which are explained in more detail below:

- (1) Cooperation,
- (2) Policy environment and regulations,
- (3) Financing,
- (4) Performance of a TTI's actions,
- (5) Organisational characteristics and capabilities of TTIs.

5.1. Cooperation

Cooperation may in particular take place between (I) TTIs, (II) a TTI and another organisation (like a PRO, a venture capital organisation or a private company), or (III) a PRO and a venture capital organisation or a private company. The cooperation between organisations implicates however different challenges for the involved partners. Besides the question of how **synergies** can be created and a **critical mass** can be achieved, further challenges regarding cooperation were identified through the groups.

In the initial phase of cooperation activities, the **lack of trust** between the organisations plays a main role in hindering technology transfer. Where cooperation is not based on long-term relationships, the involved organisations may find it difficult to share highly sensible knowledge about technologies and processes with mainly unknown partners. Especially younger TTIs may not have a network with strong ties often implying trust between the partners.

One of the first challenges accruing when setting up an *independent* TTI is its **acceptation** by university management, researchers and industry. These three groups need to get an understanding of the work and benefits of independent TTIs before accepting and using them.

Furthermore, the **set-up of private-public partnerships** between industry and a PRO is often a challenge for TTIs. On the one hand it is often difficult to find relevant partners and to build up a trustworthy relationship with them. On the other hand legislation and patent issues are sometimes hindering when it comes to partnerships between a private and a public organisation. This challenge may worsen with an increasing number of involved PROs and private companies.

Another identified challenge concerning cooperation is the **coordination of different initiatives for technology transfer or research and development**. This implies the coordination of different partners in initiatives with different scales and targets. Coordination platforms targeting this challenge are not typical for all regions in Central Europe. Whereas Austria has such a good functioning platform, Germany does not have one at all (see draft version of "CERIM – Analysis of RTT situation" from IRI UL).

5.2. Policy environment and regulations

Even though the transfer of scientific and technological know-how into valuable economic activity has become a high priority on many policy agendas, there are still challenges remaining for TTIs concerning

this field. Legal issues like regulations and policies can both simplify technology transfer and the cooperation between involved organisations, but at the same time also hamper them.

Two key challenges were identified through the group discussions. One of them is that **regulations of PROs** can hinder technology transfer in different manners. Researchers may e.g. not be allowed to stay at the university, if they want to commercialise their inventions. Thus, they can be forced to leave the university (therefore losing their status) when setting up an own business to market a technology. Another regulation complicating technology transfer may be the restriction for funding, i.e. a determination of the share a PRO is allowed to receive from different financial sources (percentage public/private funding). Even independent TTIs may be part of regulations. Regions may e.g. force researchers to use a specific independent TTI for activities regarding patenting or setting up industry-collaborations even though the researcher has good industry connection himself. This may result in resistance of researchers to transfer their technology to the industry.

A second key challenge concerning policy environment and regulations is the **lack of incentives for researchers** to participate in R&D-programmes aiming at fostering technology transfer. Not only financial incentives like rewards related to licensing or equity may convince researchers to commercialise their technology, but also non-financial incentives like the creation of personal networks. However, the development of appropriate schemes considering both financial and non-financial incentives is a challenge for TTIs in Central Europe.

5.3. Financing

Both public and private financing is often crucial for the development of an innovative spin-off into a commercial success. Whereas two of the five groups at the launch conference see financial issues not as a major challenge, there exist three main challenges according to three other groups. First and seen as most important are **financing gaps** between the different phases of spin-offs. Gaps were identified between (I) public funding sources and angel investors on the one side and (II) angel investors and venture capital or company investments on the other side. Therefore, a different amount of funding can be provided for different start-up phases, which may result in financial challenges within phases with less funding possibilities. As a separate challenge the **lack of pre-seed and seed funding** was named by one group.

Additionally, PROs are often reluctant towards technology transfer as the **financing** of such activities is difficult to solve concerning both internal and external funding sources. PROs may thus consider technology transfer as too extensive, costly and risky.

5.4. Performance of a TTI's actions

TT-activities and related actions span many different fields, which require broad knowledge and experience from basic research to marketing. This implies tremendous challenges for a TTI.

One major question that came up during two group discussions is how **successful and efficient screening** should be performed, i.e. the appropriate selection of innovations and researchers. It seems to be difficult for TTIs to find criteria to evaluate the relevance of both innovations and researchers.

Before conducting the screening, the search of innovations and researchers (i.e. the scouting) is crucial. To achieve a sufficient **linkage between the scouting and screening process** was however also described as challenging for TTIs.

A further key challenge for TTIs is to discover means to change the **attitudes of researchers** towards technology transfer. Researchers often lack entrepreneurial spirit and are not interested in commercialising their inventions. What makes it more complicated for TTIs is that the researchers' attitudes are often grown over time and therefore difficult to change. Thus, they also influence the way of how a TTI markets technology transfer and itself towards researchers.

Even the development of a sufficient **marketing** strategy towards (possible) investors and industry partners may be challenging for a TTI. Innovations as well as the TTI itself need to be presented and

promoted in an adequate way, but TTIs often lack the knowledge as well as approaches for the development and implementation of such marketing actions.

To react on fast changing needs of the industry, competitors or other market conditions, a TTI requires processes that allow for **flexibility**. Especially when it comes to speed of actions such as fast patenting, it is a challenge for TTIs to know how this could be achieved.

As an important challenge in this field one group pointed out the **evaluation of performed actions** and of the success of the TTI. For TTIs it seems to be difficult to identify success criteria, to evaluate their actions and processes and on this basis to foster organisational learning. The collection and promotion of relevant performance data such as the amount of acquired funding, the number of new jobs created or the number of patents issued may however influence the acceptance of a TTI, especially when it is acting as independent unit. Thus, to cope with this challenge should be one of the main tasks of a TTI.

It may further be challenging for TTIs to figure out how cooperation with TT-related actors (e.g. VC, industry, researchers) could also be of **benefit for daily activities**. This involves the transfer of certain knowledge and processes arising from cooperation to daily activities of a TTI, if this results in the improvement of current actions.

5.5. Organisational characteristics and capabilities of TTIs

Already the **set-up phase** of a TTI can be challenging, both in case of TTIs being independent or those connected to PROs. This is closely linked to the field of cooperation, as possible partners may due to their age be in a very different stadium of development (e.g. regarding their experience). However, solutions need to be developed by TTIs to master these differences.

As a TTI acts as a mere middleman and is dependent on the cooperation and outputs of other actors, its **organisation and responsibilities** thus become rather indistinct. Thus, the organisational set-up and the composition of the team coping with technology transfer needs to be optimised. The decision of which responsibilities a TTI should have may also be seen as difficult to make.

Another internal aspect, which is considered as challenging by TTIs, is to act **flexible** and with regard to **long-term perspectives** at the same time. Although there is a need for flexible actions, TTIs should not think on a short run. Flexibility means fast (re)action to industry or market needs, but also involves thinking beyond the short-term perspectives, e.g. by planning of how innovations can be transferred to further applications or by maintaining contacts with a PRO. Additionally, the formation of start-ups is time consuming and may take longer than it is required in order to react adequately to industry or market needs. To guarantee both flexibility and the consideration of long-term perspectives may thus be challenging for TTIs.

The **lack of competence and experience** of the TTI's staff is another factor being difficult to cope with. This applies e.g. for the areas of marketing and public relations, as people working in TTIs often have an education in sciences or related fields.

While product-based innovations are referred to relatively often, TTIs have only a few or no experiences when it comes to technology transfer within the **service sector**. Differences existing between both types of innovations are challenging for TTIs as they require the acquisition of new knowledge e.g. through new partnerships.

5.6. Summary

The above challenges pointed out during the group discussions at the launch conference in Bratislava will function as relevant input for future CERIM-activities (e.g. conferences, study trips). Additionally, they can be used to identify good-practice TT-models and to evaluate the performance of the project partners.