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Successful Technology Transfer Offices are Service Oriented

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# Successful Technology Transfer Offices are Service Oriented

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Last year I published “12 Critical Components of University Technology Commercialization: Making Knowledge Useful and the University Competitive”. The breadth and magnitude of the response was surprising. Since then I have been invited to present on the topic at several conferences and universities. When I present, I often lead with statements such as “it is common for faculty and administrators to dislike their tech transfer offices (TTO); TTO’s do a lot to earn that sentiment.” This statement, sadly, is so true it usually coalesces my audience and draws undivided attention.

This perception can be changed. I believe that the very structure of the TTO has a lot to do with its efficiency, effectiveness and service-orientation. Specifically, if a TTO is evaluated strictly on its annual income from inventions, it must necessarily select inventions with a short-term return. The TTO will hesitate to spend money to protect inventions unless they can identify likely licensees. Further, they will necessarily be biased against startups since the recovery of patent expenses will be even less likely in the short run.

A traditional TTO reports to the head of research. While it is true that intellectual property is the result of successful research results, its future success in commercialization is impacted by its outward orientation. The compliance nature of research is inward looking, as are usually the metrics associated with research.

Let us look at some components of the commercialization process in the order that must take place:

1. Research.
2. Intellectual Property Protection.
3. Papers/Presentations.
4. Licensing to Existing or Startup Companies.

Often in their rush to publish, faculty lose their ability to protect their invention. This can be overcome only when:

1. Faculty have confidence in the abilities of their TTO because these characteristics exist:
  - a. Well-documented and transparent processes
  - b. Enthusiastic and optimistic personnel
  - c. Efficient use of resources
  - d. Effective and getting things done
  - e. Customer service orientation
  - f. Timely execution of activities
  - g. Clear and frequent communication
2. Faculty have a good working relationship with the TTO.
3. Faculty understand that commercialization is part of the reward system. (tenure/raises)
4. The university is perceived to fairly compensate their faculty with respect to licensing or royalty revenues.

If TTOs are not considered by faculty to be partners in seeing that successful research results have impact, faculty may avoid them altogether. Under this scenario faculty, who are driven by impact, may just “give away” their invention to industry ready to make use of it. The faculty don’t realize that their invention is not theirs to give away—rather it belongs to the university. The university loses the asset and any revenue stream. The faculty lose the revenue stream also—but they never believed they would have had one if the TTO handled their IP.

TTOs must be collaborators with faculty and capable of realizing impact with faculty inventions. To this end, universities should apply the Net Promoter Score to TTO's and perform routine customer satisfaction surveys of faculty and deans who work with the TTO. This measurement should be a public score for everyone to see.

Traditional TTO's success is measured by licensing revenues and sponsored research dollars, but they need to be considered a service to faculty, a cost of attracting and retaining the best faculty and graduate students. Then they would be perceived differently. When TTO's have a service orientation toward faculty they also have it with industry and this results in more collaboration. This collaborative attitude with faculty and industry creates the framework for industry-sponsored research dollars. It also adds to the perception that the university encourages commercialization, which attracts faculty who want to make a real impact and graduate students who are more entrepreneurial than their predecessors. It is a virtuous cycle.

Referring to an earlier point, since commercialization is outward facing, some universities create a leadership position such as "vice-president of economic development" and the TTO often reports to that position. Bottom line is that when the research is ready for patenting, it leaves the VPR's office and moves to a commercialization office, which is within the office of economic development. This outward facing function sends a clear message to industry that the technology transfer function is all about real impact. It also rids the TTO of the any confrontational attitude that attorneys might bring to their work in TTOs.

Another structure gaining popularity a university spin-off technology transfer unit, which operates as a independent non-profit company. That non-profit would have an executive director and a board—a useful board whose connections help inventions find licensees. Various universities now use this model.

My paper "12 Critical Components" has an important tagline "making knowledge useful and a university competitive". The technology transfer office, whatever its structure, is uniquely positioned at a university to drive sponsored research projects by demonstrating its ability to forge partnerships—first with faculty—and second with industry so that industry looks to the university for solutions to the challenges they face. Collaboration requires a service orientation.