

MEMORANDUM

To: Governor Bob Taft

From: Roderick G. W. Chu, Chancellor

Date: August 7, 2003

Subject: Weekly Report on Activities and Initiatives, Ohio Board of Regents

Regents Convene Council of University Technology Transfer Officers

- Technology-centered companies now produce a major share of the nation's economic growth. This fact is a hallmark of the Knowledge Economy and the foundation of your Third Frontier Project because, as we all know, vigorous economic growth thrives on technological innovation.
- So, it is no surprise that technology-based companies continually look to our universities for talented knowledge workers and new technological breakthroughs.
- Ohio's universities are addressing the challenge presented by your Third Frontier Project by significantly increasing both their research and development (R&D) productivity and their efforts to transfer the new technology discovered during the course of carrying out these R&D projects.
 - ❖ According to the National Science Foundation, in FY 2001, Ohio universities increased their total R&D expenditures to \$992 million with over one-half of this total, \$559 million, coming from federal agencies.
 - ❖ Ohio's universities have increased their share of R&D funding every year since 1985 when the Regents' Research Challenge Program was first started. In fact, on a per person basis over the past 16 years, Ohio's academic R&D expenditures have gone up to 79% of the national average from being just slightly above 50% of the average!

- The major avenues of technology transfer from universities to industry involve new intellectual property coming out of our university laboratories that is subsequently licensed to industry and, also, the movement of academically outstanding graduates and talented university faculty members into industrial research laboratories. Our focus has been on improving the first mechanism, to develop and execute licenses for new discoveries that form the basis of new commercial products.
- Thanks in large measure to your Third Frontier initiative Ohio business and industry, Ohio universities, and State government are now united more than ever before behind the shared objective of creating new jobs for Ohioans by enhancing technology commercialization using the research assets of Ohio's universities.
- Early on in this process (while The Ohio Plan was still being developed as the precursor to your Third Frontier Project), the Regents recognized that **technology transfer** is a key link in the chain connecting university research to economic growth.
- The ability of our universities to ramp up technology transfer was seen as severely hampered by two major constraints: staffing problems brought on by tight budgets and the absence of any centralized structure, or communication network, for technology transfer.
 - ❖ The situation was reminiscent of the pressures that led the Regents, some 13 years ago, to create OhioLINK, the Ohio Library and Information Network, which is a consortium of Ohio's college and university libraries with the State Library of Ohio that provides rapid access to information for anyone in the state. Today, OhioLINK stands as a well-known national model for statewide collaboration and resource-sharing.
- On May 14, 2002, Regents' staff convened the first meeting of the new Ohio Technology Transfer Officers' Council to provide both a communication network for Ohio's technology transfer officers and a centralized structure to assist them as they work out new streamlined procedures for turning faculty-student research discoveries into valuable intellectual property and, subsequently, into viable commercial products.
- The technology transfer officers now meet at least four times each year in Columbus and regularly interact via their email list serve. Key representatives of the Ohio Department of Development, the Board of Regents, and the Third Frontier Commission are included in all meetings and discussions organized by the Technology Transfer Officers' Council.
- The group has recently drafted a mission statement: *The mission of the Ohio Technology Transfer Officers' Council (TTOC) is to provide a forum for Ohio research institutions performing funded research and development activities. A common concern of these institutions (whether hospital, college or university) is the need to comply with Bayh-Dole and other complex federal laws, guidelines and regulations. TTOC members work together to share information, insight, best practices and experiences in an open and candid environment to improve the academic technology transfer function within each institution, to enhance inter-institutional collaboration, and to elevate the role, visibility and proficiency of academic technology transfer throughout the State of Ohio.*

- ❖ Presently, the technology transfer officers are working on the development of a web page to improve their external visibility and to inform their constituents, within Ohio's corporate community as well as within their own universities, colleges, hospitals, and non-profit research institutions.
 - ❖ On August 11 the TTOC has organized a working session in Columbus with representatives of Ohio's Edison Technology Centers (Omeris). The purpose of the meeting will be to develop new mechanisms and opportunities for enhancing technology transfer collaboration between Ohio's universities and Ohio's Edison Centers.
- It is significant to note that Ohio's national standing in the technology transfer arena is already on the rise (FY 2001 data provided by the Association of University Technology Managers have been normalized on the basis of R&D expenditures and then averaged for all universities in each state):
- ❖ On the basis of looking at normalized and averaged technology transfer data, Ohio is now **#6** in the nation in terms of invention disclosures filed by its university faculty and staff members.
 - ❖ Ohio is **#10** in terms of patent applications.
 - ❖ Ohio is **#1** for total patents issued.
 - ❖ Ohio is **#17** in the number of technology licenses executed with industry.
 - ❖ Ohio is **#16** in license income collected by its universities.
 - ❖ Ohio is **#17** in terms of the number of licenses and options that yield income.
 - ❖ And, most importantly for technology commercialization, **Ohio is now #7 in the nation in terms of new business start-ups formed from university intellectual property.**
 - ❖ In terms of spinning off new business start-ups from university research, Ohio is now ahead of New Jersey (#8), Louisiana (9), and Texas (#10).
 - ❖ And, Ohio is just behind Arizona (#6), Virginia (#5), Delaware (#4), Wyoming (#3), Georgia (#2), and North Carolina (#1).
- After the full set of investments for your Third Frontier initiative is in place, we can anticipate that the State of Ohio will be making national headlines for its newborn prowess in technology commercialization. And, I think our new Council of University Technology Transfer Officers will be leading the charge in this campaign to accelerate the development and commercialization of university intellectual property.

Copies to: Paolo DeMaria
Elizabeth Ross
Regents