

Office of the President

TO THE MEMBERS OF THE COMMITTEE ON FINANCE:

DISCUSSION ITEM

For Meeting of November 15, 2012

REPORT OF THE WORKING GROUP ON TECHNOLOGY TRANSFER

BACKGROUND

Following the discussion of the University's Technology Licensing Program at the January 2012 meeting of the Committee on Finance, Chair Lansing established, at the President's recommendation, a Working Group on Technology Transfer with a charge to examine the University's technology transfer function to ensure it commercializes a greater number of inventions and technologies while receiving a fair share of revenues or equity.

The Working Group was chaired by Regent Makarechian and included Regents Varner, De La Peña, Mendelson and Regent Emeritus Hallett.

After interviewing a wide range of stakeholders – including University researchers, technology transfer directors from UC, both public and private peer institutions, and selected UC chancellors – the Working Group identified best practices and associated strategies to enhance patents and licensing to maximize revenue potential from technology transfer activities. Based on those best practices, the Working Group makes four recommendations:

- **Invest in Technology Transfer** - To maximize revenue potential, UC must invest resources. Increased funding for all elements of technology commercialization including operations, patents, translational research, and early-stage investment in UC start-ups will enhance the revenue potential of inventions developed by UC's research enterprise.
- **Orient Campus Operations for Client Service** - Campuses should review and ensure that their technology commercialization operations function as high performing service-oriented departments, which support a culture of entrepreneurship and innovation within the research enterprise.
- **Establish Local Advisory Boards** - Campuses should consider establishing local advisory boards of experienced faculty, alumni, and business leaders who can help educate and mentor faculty and student entrepreneurs, and when appropriate advise local technology transfer offices on commercial potential of new disclosures.
- **Establish a Regents Ad Hoc Committee on Technology Transfer** - The Regents should establish an Ad Hoc Committee on Technology Transfer to monitor systemwide efforts to enhance technology commercialization.

The Working Group concluded that achieving more effective technology commercialization requires UC to invest in technology transfer in conjunction with creating an institutional culture that supports the entrepreneurial aspirations of faculty and students and that doing so will allow UC to further its public service mission, create a stimulating environment for our faculty and students, and unleash the full revenue potential of inventions created by UC's preeminent research programs.

Regent Makarechian will summarize the findings of the Working Group. The report of the Working Group is attached.

(Attachment)