



ASTP

**National
Associations
Advisory
Committee**

ASTP White Paper endorsed by NAAC

Catalysing Change:

Exploring trends and strategies to
enhance the spin-off process in Europe

October 2024

Many thanks to the authors of this report

Art Bos, President, ASTP

Jurgen Joossens

Michael Karle

Laura MacDonald

Laura Spinardi

Christian Stein

Tsvetelina Yorgova

Background/Contest

Spin-offs and start-ups play an important role in Europe's innovation system. Their importance extends beyond economic benefits, such as turnover, jobs, and investments. They impact resilience by contributing towards long-term competitiveness and regional development.

Research institutes are an important source of spin-offs and start-ups. The way they resource the creation of these spin-offs and start-ups impacts both their number and success rate. Such resources are critically dependant upon both the proper support framework and effective policies and guidelines. The current knowledge about successful support structures and effective policies and guidelines is not used and disseminated sufficiently in Europe.

ASTP calls on EU government, national government, local government and research institute leadership to invest in the establishment of strong support structures and effective policy. ASTP provides insights into best practices and recommends that such best practices are used as a basis to build on. ASTP does not seek to harmonise framework conditions but recognises that the most successful solutions need to be tailored to the environments of different countries, regions, and institutions.

Key recommendations proposed by the ASTP and endorsed by NAAC

The National Associations Advisory Committee (NAAC) conducted a survey among its members to assess current policies, guidelines, and support for spin-offs.

The NAAC survey identified trends across different national jurisdictions and R&D frameworks, suggesting a consensus on basic best practices.

These practices are consistent with established guidelines. ASTP key recommendations from this survey are:

Best Practice recommendations for Research

Institutes:

- Sufficiently resource the knowledge and technology transfer processes
- Adopt KT/TT policy documents which establish the institution's mandate and goals for KT/TT
- Commit to spin-off and start-up support mechanisms with personnel, capacity and means
- Adopt spin-off and start-up policy
- Adopt guidelines on the conditions for making IP available to spin-offs and, communicate in a clear and transparent manner on all these 5 points.

Best Practice recommendations for making IP available to spin-offs:

- Licensing of IP in early phases of spin-off (instead of assignment of IP at the start)
- Rights for research and education use are retained by Research Institute
- Use-obligation for the spin-off with clear milestones (use it or lose it)
- No freedom to operate (FTO) warranties by Research Institute

- Use equity as compensation for absence of front-loading elements in the license (and in cases where equity is not possible or preferred, virtual shares, exit fees, or success fees could be included in the licence agreement).

Specific funding focused on the translation of innovative research results into spin-offs is also advocated. This would help research institutions implement and accelerate their spin-off activities. Possible funding could include grants to increase the commercial potential of research projects (i.e. Proof-of-Concept” grants), as well as tools to enable institutions to provide seed investment and coaching to help researchers transition into entrepreneurial roles.

Conclusion

The establishment of clear, transparent, and supportive frameworks for the spin-off and start-up process in research institutes is essential for fostering innovation in Europe. These recommendations by ASTP should facilitate better support systems and structures for the creation and growth of spin-offs and start-ups, ultimately driving resilience and competitiveness across Europe.