

### Case Study 1.1. Business Development centers at Ghent University

**CRITICAL AREA OF FOCUS 1:** “Scouting ideas/technologies from the PRO and incentivizing researchers to disclose IP”

**BEST PRACTICE FOR:** “Innovation Scouts” **AIMED AT:** TTOs/PROs

**UNIVERSITY:** Ghent University (Belgium) **TTO:** DISCOVERe (Business Development Center)



#### The context:

Established in 1817, Ghent University is one of the major Belgian universities with over 41,000 students and 9,000 employees. The university's 11 faculties are composed of 117 faculty departments. UGent TechTransfer is the central Technology Transfer Office (TTO) of Ghent University. It was established in 1998. The UGent TechTransfer has a team of about 30 people with broad industry experience. In addition to the central TTO, the University established in 2008 a network of Business Development Centres focused on particular technological fields.

#### The problem:

One of the problems encountered by the central TTO was the necessity to deal with too many different technological fields in a generalist University such as UGhent. The lack of sufficient expertise and industry network in a particular field of research was increasingly becoming a problem with respect to scouting promising inventions and favoring their business development. There was a pressure of getting more patents, but many of these patents remained unexploited due to the absence of adequate business development activities. Another problem was related to a perceived communication barrier between the “central” office and the “decentralized” scientists and researchers. This perception limited the engagement of researchers in the technology transfer process.

#### The solution:

The solution to the abovementioned problems was the creation in 2008 of a bivalent system, where the TTO was complemented by a set of new Business Development Centres (BDC), so to place scouting and business development activities closer to researchers. Each BDC focused on a particular technological/industrial field. Initially, with the financial support of the Flemish Government, 5 centres were created, that positively applied to an internal Call of the University. Today, there are 21 BDC in various technological areas (i.e. Energy and Cleantech; Materials; Electronics and Photonics; ICT; Medical; Pharma; Biotech; Food). A particular set of research groups, called consortia, is linked to a certain BDC. Each BDC has an Innovation Manager who acts as Key Account Manager for the researchers, also in their relation with the TTO. Although the BDC are an internal part of Ghent University, they are not managed by the central TTO and have a very high degree of independence. The central TTO acts as a back-office or an expert service provider for them. The Innovation Manager supports the researchers of the group in various ways, by identifying opportunities with high commercialization potential (internal scouting), by facilitating contacts with industry (external scouting), by helping them with developing their technologies (Proof-of-concepts, tests, etc...) or applying for funding.

The internal scouting activity of Innovation Managers of BDC can be divided in two types:

1. Reactive/active scouting for valuable opportunities through university network and resources, matching these with industry insights built during contacts with industry;

2. Pro-active – setting up own strategic research programs focusing on high unmet industry needs, engaging strong research groups with expertise related to such needs.

For instance, in the case of DISCOVERe (the BDC assisting researchers in translating innovative biomedical and pharmaceutical research) the Innovation Manager undertakes technology development programs based on opportunities arising from classical research, characterized by bottom-up flow. The innovation manager is either contacted by a group of researchers or contacts them himself to solicit ideas. One method for him to identify projects is to scan through the list of granted basic research projects or titles of PhD theses. Upon identification of ideas with commercialization potential, the business developer meets the researchers to discuss the project. If a project seems promising it is put into a monitor list and researchers are regularly contacted to receive updates about the progress. The Innovation Manager manages also his network of industry contacts that can give him some opinions about the project and its attractiveness for a particular industry. Such external scouting activity is also an important component of the Innovation Manager's tasks, and it is maintained also through regular participation to major Industry Fairs. If the project is found to be promising it gets to the development track. Currently there are 10 Technology development programs ongoing and 5 projects are listed up in the monitor list of DISCOVERe. As a part of pro-active technology scouting, DISCOVERe sets up also Strategic research programs that focus on very risky research projects in which industry is highly interested. These projects are supported in the application for research funding from the Innovation program financed by the Flemish government. In the past 7 years, 4 of such Strategic research programs were set up and are currently ongoing.

The incentive system for engaging researchers in technology transfer at the University of Ghent has a component centered on the royalty income distribution scheme. The net income (once costs are deducted, such as patent and consultancy costs) is distributed among the TTO (20%), the department or laboratory from which the invention originates (50%) and the inventors (30%).

Moreover, increasingly indicators of innovation activity (i.e. number of patents, funding from industry) are required to apply for research funding, at the University or the national level. Although they play a minor role in the assessment, they can become relevant when the difference among projects is limited. In the past, there were discussion at the University level about the opportunity to consider technology transfer activity for career advancement of researchers, but this was not implemented and the decision was to give priority to classical scientific activity.

### Alignment to PROGRESS-TT:

This case is a good illustration of the “Innovation Scouts” Best Practice in PROGRESS-TT Critical Area of Focus 1 “Scouting ideas/technologies from the PRO and incentivising researchers to disclose IP”.

The implementation of the practice lead to successful results in terms of scouting and technology transfer activity. Since 2008, when BDC were established at Ghent University, the number of invention disclosures increased from about 50-60 to about 100-120 per year. University patenting activity increased at a similar rate, rising from around 30 patent applications to around 60 patent applications. Moreover, BDC became more effective in developing partnerships with companies. In particular, 5 out of 10 Technology development programs currently managed by the BDC DISCOVERe have partner companies that pay for the development costs and have option clauses for the exploitation of the technology in their agreements.

The experience of BDCs and of DISCOVERe is instructive to other TTOs for several reasons.

First, it shows how having technology transfer experts with innovation skills close to researchers is constructive to build a climate of trust and collaboration with researchers and to lower the communication thresholds.

Second, it shows that the specialization of BDC and their proximity to research groups can help avoiding some pitfalls which can characterize a centralized and generalist TTO.

Third, it suggests the importance of engaging in proactive scouting activity, trying to match strengths and skills of research groups of the university with technological needs perceived as highly relevant in the industry. Innovation managers thus play a role of gatekeepers, and external scouting activity are equally important for them in order to build a network of potential partners and raise awareness on the industry needs.

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