

“Critical National Needs in New Technologies”

The National Academies – April 24, 2008

Christine A. Gulbranson, PhD MBA

Director, Advancing Innovation

“Every individual that we can inspire, that we can guide, that we can help to start a new company, is vital to the future of our economic welfare.”

— Ewing Kauffman

KAUFFMAN

The Kauffman Foundation

Enabling Commercialization Through Proof of Concept Centers

DESHPANDE CENTER
FOR TECHNOLOGICAL INNOVATION



Not just gap funding

- Prioritization of commercially viable projects
- Expertise in developing commercial plans
- Focused commercialization education
- Small level of funding
- External outreach
- Focused in engineering

Lessons – build a sustainable model



von Liebig (UCSD) & Deshpande (MIT) Centers Comparison - 11/07

	The von Liebig Center	The Deshpande Center
Location	UCSD – Jacobs School of Engineering	MIT – School of Engineering
Initial funding	\$10 million Gift in 2001 from the William J. von Liebig Foundation	\$17.5 million Donation in 2002 from Jaishree and Gururaj Deshpande
Budget	~\$1.2 million per year <ul style="list-style-type: none"> • Administrative Staff ~\$475K • Grants ~\$420K • Advisors' Salary ~\$240K • Academic Courses ~45K 	~\$1.7 million per year <ul style="list-style-type: none"> • Administrative Staff ~\$320K • Grants ~\$1.3M • Operational Expenses ~\$80K
Amount of grants	Seed Funding – \$15K - \$75K	Ignition Grants – ≤\$50K Innovation Grants – ≤\$250K
Total amount of grants awarded	Over \$2.8 million	Over \$7 million
Number of proposals funded	66 Projects Approximately 11 grants per year 35 percent-60 percent approval rate of proposals	64 Projects (78 Grants, 39 Ignition Grants, 39 Innovation Grants) Approximately 16 grants per year Approximately 18 percent approval rate of proposals
Time period of accepting proposals	1-2 proposal rounds per year (spring and fall)	2 proposal rounds per year (spring and fall)

von Liebig (UCSD) & Deshpande (MIT) Centers Comparison - 11/07

	The von Liebig Center	The Deshpande Center
Advisory services	6 Advisors work at the center approximately 1 day a week Advisory services available to all faculty and research staff at Jacobs School independent of funding considerations	Pool of 50 volunteers are assigned as advisors in the Catalyst Program
Networking events	The "von Liebig Forum: Profiles in Innovation" – speaker series that showcases entrepreneurs, scientists, and innovators. Open House – informal gathering for UCSD and business community Community Workshops – i.e. IP transfer between University and Industry Lunches – Award luncheon/networking event Other events, including seminars and additional speaker/presentation events	IdeaStream Symposium – Networking event for grant recipients, venture capitalists, entrepreneurs, and other researchers Open House – Informal gathering for MIT and business community Catalyst Party – Informal gathering of grant recipients and Catalysts Other optional events, including Ignition Forum, joint seminars with student groups, and team-building events
Educational programs	4 graduate-level courses to introduce engineering students to entrepreneurship (Venture Mechanics, Enterprise Dynamics, Applied Innovation, Corporate Entrepreneurship for Global Competitiveness). Over 400 students and graduate student interns have enrolled in at least one of these courses.	I-Teams Course – Collaboration with MIT Entrepreneurship Center that consists of teams with 3-5 science, engineering, and management graduate students evaluating the commercial feasibility of innovation research emerging from MIT research labs

von Liebig (UCSD) & Deshpande (MIT) Centers Comparison - 11/07

	The von Liebig Center	The Deshpande Center
Number of start-ups and licenses	16 Startups, 4 Licenses	10 Startups, 1 License
Number of employees in startups	64+	150+
Capital leverage	Spinouts have acquired over \$71 million in private capital	Spinouts have acquired \$88.7 million in private capital
Sustainability	Percentage of University royalty income from the commercialization of any technologies that receive Center services University support and private donations, targeting \$2 million by 2008 and \$10 million by 2010	Donations from companies that have spun out Future private donations

Enabling Commercialization Through Proof of Concept Centers Conclusions

DESHPANDE CENTER
FOR TECHNOLOGICAL INNOVATION



- Small level of funding creates tremendous impact
- Active mentorship & center team involvement
- Technology commercialization education
- Strong external social network

**Recommendation – allot % of all Federal R&D funding toward
supporting this model**