



Mass Insight  
GLOBAL PARTNERSHIPS

# Strategic Partnerships: Best Practices and Regional Models

December 9, 2015

# Support and Attract Business Through Talent Clusters

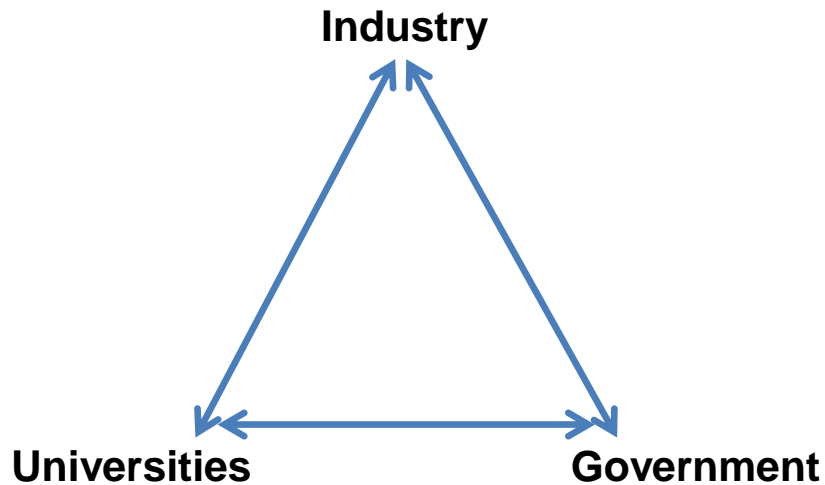
**Talent clusters** are concentrated geographic pools of talent focused on a particular technology or specialized discipline:

- ✓ **Proximity** still matters
- ✓ **Critical mass** is important
- ✓ Clusters need **stars** and **supporting talent**



Regions that are global innovation leaders and offer world-class training and education programs will attract talent clusters

# To Respond to Innovation Challenges, Involve Multiple Stakeholders



## The Innovation Triangle

Strategic alliances are key to R&D leadership and economic growth

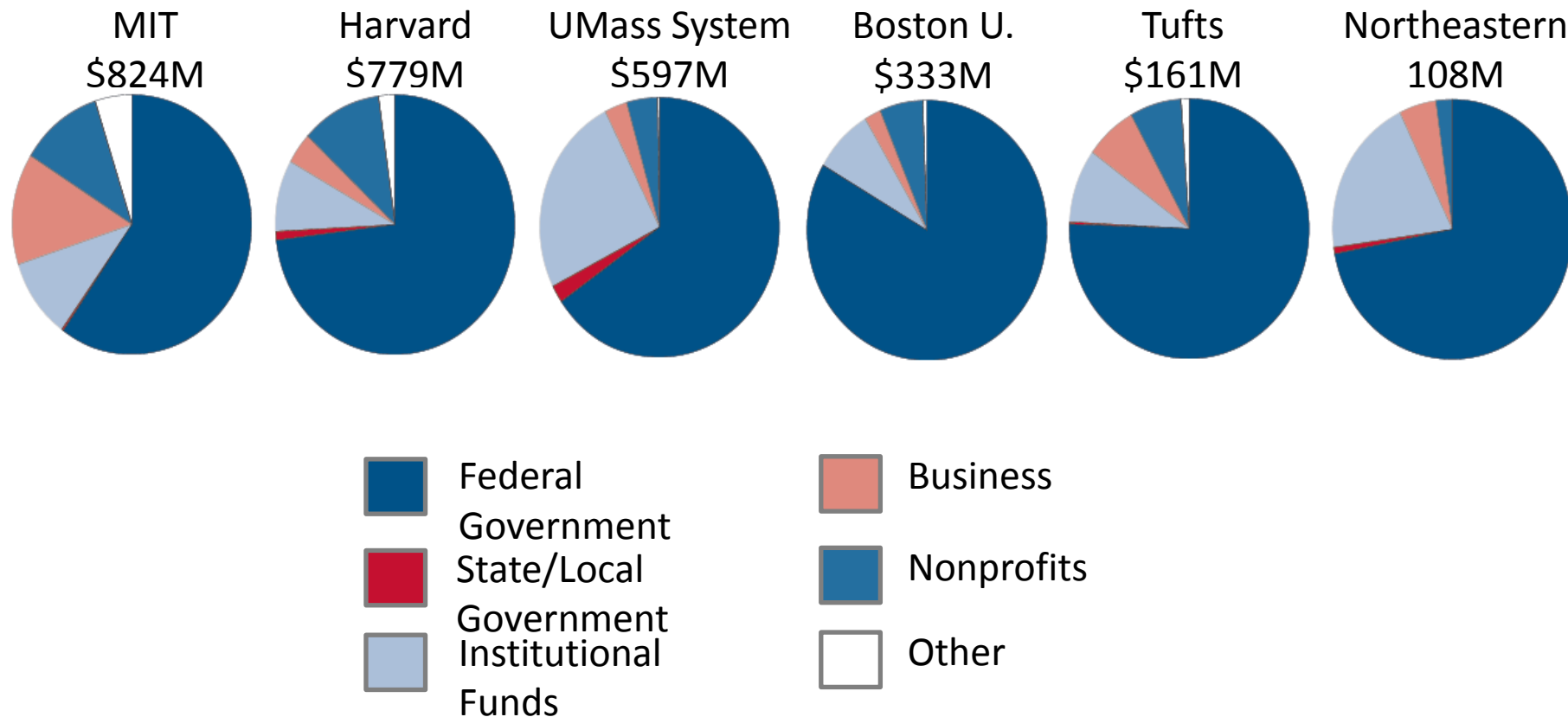
# Changes in the Innovation Eco-system are Driving Strategic University-industry Alliances

- **“Open” innovation** – Decline of internal corporate labs, corporate alliances between large and small companies
- **Technology convergence** – Innovation occurring through multi-disciplinary collaborations
- **Shared intellectual resources and facilities** – Science budgets outstrip individual capabilities and funding
- **Applied science rises** – Academic paradigm shifts as funding focuses on applications; basic science is embedded

(Courtesy of Mass Insight/Battelle Technology Road Map: “Choosing to Lead”)

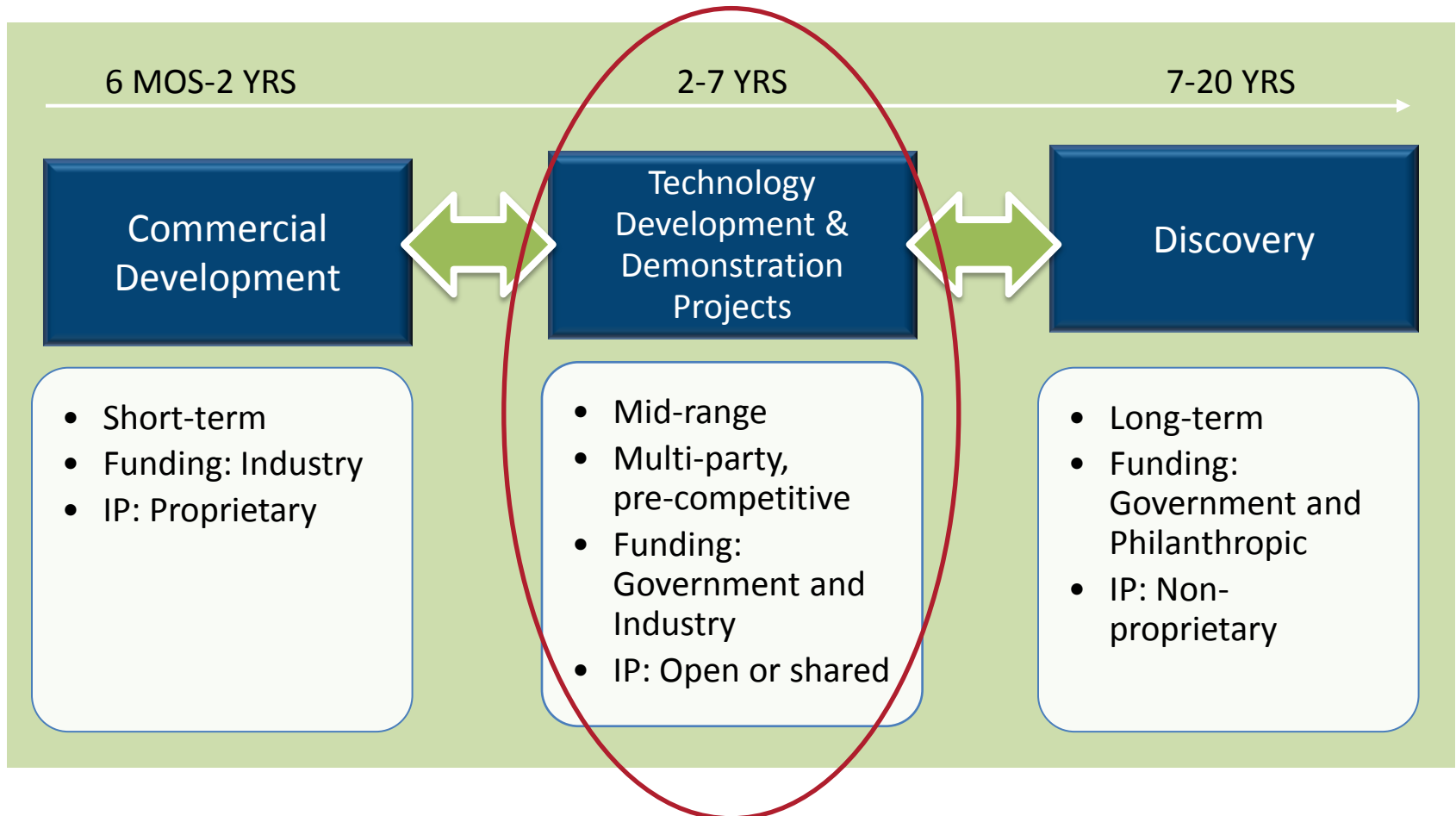
# Corporate Funded Research is Currently a Small but Growing Source for Universities – and a Priority

(Research Funding Sources for Selected Massachusetts Universities)



Source: NSF

# 2-7 Year Horizon Aligns University-Industry Interests



# MA/Northeast Should Develop a Cross-Sector Innovation Centers Strategy

## Principles for today's Centers of Excellence:



- **Explicit ties** between universities and industry
- **Challenge- and application-driven needs**
- **Shared infrastructure** between partners
- Focus on developing the **next generation of talent** alongside translational research
- **Leverage** state funds with federal and industry engagement and investment

## Examples

### Public-private:

- NNMI
- UMass Institute for Applied Life Sciences
- **Massachusetts Green High Performance Computer Center**
  - Massachusetts Open Cloud

### Private:

- Broad Institute
- Fraunhofer

Innovation Centers offer a faster path to scale and cross-sector collaboration, generating a number of benefits:

- State-wide economic impact
- Vehicles for institutional change
- Talent attraction and development
- Additional inbound investment

# Critical Success Factors for Strategic Partnerships

- Goals & Metrics
- Intellectual Property
- Resources
- Leadership/Organization
- Talent



# Goals & Metrics

# Understand Your Partner's Needs

- **Examples:**
  - **Publications and student dissertations** will almost always be important to research universities
  - **Talent and potential commercial applications** (whether in near-term or long-term) will always be important to companies

# Metrics are Critical to Success

- Important to have **consensus** and clarity on what will be measured and reported regularly
- **Example – MIT/CSAIL formally reports annually** to industry partners on its engagement activities (as well as maintaining regular ongoing communication). Focus is on previously identified priorities, including **research results, company recruitment goals and talent development, executive education, etc.**

# Intellectual Property

# IP is an Outcome, Not a Driver, of Partnerships

- **Partners should communicate clearly on the entire range of benefits**—including IP—expected to result from the collaboration and align effort accordingly
- **Industry partners report IP as one of many benefits** that come from partnerships, along with understanding the leading edge of technology development, access to talent, and other impacts.
- **Flexibility around IP issues is critical** for both companies and universities to successfully engage in strategic partnerships
- **A number of successful models begin with less stringent IP terms** and increase emphasis on management and control of IP as intensity of the collaboration increases

# Resources

# Strategic Corporate Partnerships Seek Visibility and Critical Mass in a Regional Ecosystem

- In addition to collaborations with an individual university partner, companies allocate resources and create value by embedding themselves in the regional ecosystem
- **Example – Thomson Reuters’ Data Innovation Lab in Boston** engages with the broader community:
  - Participation in tech industry groups;
  - Sponsorship of business plan competitions and other programs;
  - Engagement of start-ups;
  - Support for incubators/accelerators.

# Leadership & Organization



# A Dedicated Point of Contact is Critical at Each Partner

- In many collaborations, there is a single POC at each partner. S/he
  - typically reports to the executive-level leader,
  - is aware of all the elements of the partnership,
  - manages process and troubleshoots problems.
- **Partners are increasingly hiring staff specifically for this role**
  - ideally with both corporate and university experience – not a tech transfer officer or a technical project manager
- **Examples** - A number of alliance models emphasize **shared decision-making** (and ongoing review) of both research priorities and investments through **joint steering committees** or other formal mechanisms.

# Talent

# Build a Talent Strategy into Research Partnerships

- Both companies and universities place a **strong focus on using partnerships to develop talent**
- **Universities want students to learn from real world data**
- Companies benefit from **an up-close look at potential new employees**
- Especially true in **cross-functional areas like big data and cybersecurity** where competition is fierce
  - **State Street** is competing for talent with Amazon, Google, tech start-ups, etc.

# Master Agreements Provide a New Organizing Paradigm for Strategic Partnerships



## Old World Transactional

Identify specific technology / research challenge

Conduct national / global search for leading researchers

Engage faculty individually, or through institutions and sign bi-lateral agreements

Specific project runs its course; any follow-on projects or tangential areas of research will need further negotiation

Specific research challenge addressed; potential commercialization, depending on nature of project

## New World Strategic

Identify broad technology / research area in which a partnership could drive innovation

Identify major research institutions with multiple assets and reputations for flexible partnerships and/or identify in parallel complementary corporate partners

Develop master research agreement with all parties that “pre-permits” individual faculty agreements

Multiple projects and areas of research can be explored under the same agreement, which runs for several years.

Company’s innovation pipeline has been expanded in both expected and unexpected directions

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