

Technology Transfer – The Indian Perspective!

August 2, 2019

This post was published on September 15, 2014.

We hear a lot about technology transfer these days, particularly with Prime Minister Modi's recent visits to Japan, with whom India is negotiating collaboration opportunities in the area of infrastructure, defense and energy. Technology transfer refers to the transfer, assignment or licensing of various forms of Intellectual Property developed by one person, organization, university or even a country to another. The reason for transfer is to promote public good through the development of IP into useful and usable goods or services that in turn, promote economic growth.

Leading universities, primarily from industrialized countries, generate rich IP which then is disseminated to society through private partnerships. The United States, being the primary example of an economy investing significantly into university based research and development, provides incentives to the university and to inventor(s) to jointly benefit from the commercialization of such innovations. The US passed the Bayh Dole Act in 1980 to speed up the process of commercializing federally funded university research. The Act fostered greater collaboration between universities and the private sector, leading to significant industrial growth.

India is also in the process of joining the league of elite countries that have passed bills to promote university technology transfer. The Protection and Utilization of Public Funded Intellectual Property Bill 2008 (PFIP) was envisioned to create an incentive for Indian universities to generate IP

and a means for its utilization. Though introduced in 2008 the bill is yet to be enacted. If it will provide the impetus for Indian universities and research organization to increase innovation is to be seen. Though there are a good set of publicly funded universities and institutions in India with talented scientists, the framework for transferring technology through private partnership is yet to evolve.

What is the motivation that Indian universities should have in setting up technology transfer offices? We understand from studying the US model that IP licensing earns back approximately 4% of the university's expenditure on research, annually. This is hardly a significant revenue stream. Licensing revenue can be viewed as an option to offset some of the research expenditure but it certainly cannot fund the entire research budget. However, what it does do is provide motivation for university faculties to innovate with the possibility of an invention that might be patentable, which a partner might be able to convert into a product, and therefore generate revenue. A portion of this revenue, the university and faculty would have a right to. Successful commercialization also provides publicity for the university and inventors, which could open doors for additional research funding and increased academic repute.

In a knowledge driven economy with competition being global, India cannot rest on its laurels of being a theoretical training ground. The enactment of PFIP could be a spark, but there is a fundamental change occurring that dictates that universities prioritize research and development, generate IP, commercialize such IP, and build a sustainable revenue model to support the university's growth, ultimately societal growth. Many Indian universities are quickly setting up technology transfer office to capitalize on this trend.

Source: here and [here](#)

Image: from [here](#)