



Commercialization and Regional Economic Development

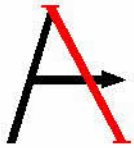
**Accelerating University
Commercialization Timelines
Alameda Innovations LLC**

“partners in successful commercialization”

A Why University Commercialization?

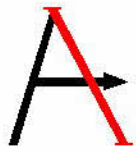
Where inventions happen

- **Large enterprises continue to cut research**
 - GE's R&D declined from 10% to 2% over 40 years
 - Focus on product improvements
 - Most university IP not ready for productization
 - Reduced licensing of university IP except for litigation purposes without actual product revenue
- **Startups focus on product development** not revolutionary developments from new inventions
 - Startup investors push for short time-to-revenue
- **Universities are last bastion of US research**
 - Many basic inventions occur at universities
 - Rarely do those inventions get to market
 - Most inventions are lost as reports on shelves



Why Improve University Commercialization?

- About 0.5% of university inventions are utilized to generate commercial products (per market data)
- Products enabled by those 0.5% of inventions create many high-value US jobs
- Studies indicate about 5% of current inventions could become commercial products – but status of corporate licenses and current processes make that unlikely
- **Increasing commercialization moderately could create over a million new US jobs /year.**



Dual Valley of Death – Few Exits

Traditional risk capital model is broken

- Most believe it will be 4+ years before a new approach evolves naturally after economic downturn
- **Extended reduced US startup rate allows global competitors to build competitive commercialization capability and build workforce**

