

Find a partner to chip in ideas

One company's unused invention could be another's goldmine thanks to technology transfers, discovers **Sandra O'Connell**

WHEN Ciaran Connell, the chief executive of semiconductor firm DecaWave, was looking for an antenna to put on a microchip, he didn't have the technology to do it himself — but he knew a man who did.

"We were lucky in that the world's leading expert in antennas happens to be based at the Dublin Institute of Technology [DIT]," said Connell.

A technology transfer between the two means that DecaWave's super precise new chips can do everything from locating sick pigs in a piggery to within 10mm to delivering guided tours to your mobile phone at an art gallery.

Pre-launch interest in the devices is such that he believes the start-up firm is on track to sell 100m units in 2013 at €2 each.

All it cost him to get hold of the technology he needed was €12,000. The remainder of the €60,000 development project costs were picked up by the state, through Enterprise Ireland, and the DIT, with the latter securing a revenue stream from future sales in return for its input.

DecaWave would have got to this stage anyway, says Connell, but the technology partnership with the college "just made it a whole lot easier".

Lack of internal resources is no barrier to developing technologies, as long as you are prepared to enter a partnership.

In this respect, one of the first ports of call should be one of Ireland's technology transfer offices (TTO). Established in 2007, there are about 10 of these in the country's third-level colleges and institutes of technology.

Businesses and entrepreneurs looking for good ideas to commercialise should

monitor their websites regularly, says Tom Flanagan, who heads the DIT's TTO.

"These carry listings of technology for licensing. Keep an eye on them and, if you see something that relates to your business, get in touch," said Flanagan.

If you decide to take things further, a TTO can help you apply for an Innovation Voucher from Enterprise Ireland that is worth €5,000. Usually that amount is enough to complete a small project or scope out a larger one.

At that stage, TTOs can help you to apply for Innovation Partnership funding, under which up to 80% of the bill for larger technology projects is footed by the state.

Speculative calls are welcome, according to Jacinta Thornton, of the TTO at Galway

University. "We have business development officers who go out looking for suitable businesses with which to partner, but that can be a little like searching for a needle in a haystack," she said.

"For small firms that don't have the staff to develop technologies in-house, the TTOs are a great resource so I would urge them to pick up the phone and let us know what their needs are."

Another alternative is to approach a larger firm that has developed, but not commercialised, various technologies.

Through Enterprise Ireland's technology partnering programme, the state development agency gets to view innovations that some of the world's biggest businesses no longer wish to pursue but which they may license out to others, says Gerard O'Flynn, who leads the initiative at Enterprise Ireland.

"My work involves accessing the

portfolios of global corporations, such as Microsoft and HP, to try to identify interesting technologies and business opportunities to bring to Irish companies and entrepreneurs," said O'Flynn.

This involves not just spotting these opportunities, but matching them to existing businesses or entrepreneurs, and helping to establish the resulting spin-out company. In doing so, he has turned the technology transfer on its head.

"Technology transfers have traditionally been demand-driven, where a company needed a particular technology and went looking for it. What we do is much more about identifying opportunities from the supply side," he said.

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Anu Sahni, the chief technical officer at Softedge, an IT firm that employs 29 people at bases in Dublin, Newry and Delhi, was one of the first European companies to partner with Microsoft in this way.

Working with Microsoft IP Ventures,



the Irish company developed a product to allow users of MS Word to embed images, including video, in Word documents.

While the product never generated enormous revenues for Softedge, according to Sahni, the technology partnership resulted in other benefits, including a very close working relationship with the American giant and an invaluable imprimatur that has helped open doors as a sales tool.

"Technology licensing is important because, for us, collaboration is the way forward," said Sahni.

Another good starting point for those looking to engage in technology transfer is the European Commission's Enterprise Europe Network. It has several offices in Ireland, including one run by the Dublin Chamber of Commerce, through which Irish businesses can seek innovations of benefit to their business, or new business applications for their innovations.

It gives access to Europe's largest database of cutting-edge technologies, containing more than 13,000 profiles that bring together research and commercial applications, and is updated weekly.

Finally, if looked at from the right angle, you might also find your firm has created technologies that could be licensed.

Pearse Coyle, of CorporateSpinouts.com, sees it all the time: "One of the biggest opportunities out there is where a small firm has developed technology for a client which the client intends to use itself, but has no interest in commercialising."

By having successfully introduced it into your client firm, you have already, by definition, proved there is a market for it, he points out. "What's more, your client then becomes a referenced customer" — an invaluable tool for future sales.

Such technology transfers are too often overlooked, even by engineering or IT firms, because they don't see themselves as companies that create a "product".

"They don't think they can use the intellectual property involved because of contractual agreements with clients. But they almost always can, if they approach the matter correctly," said Coyle. "Any non-commercialised piece of technology that is in use in earnest by a good-sized firm is an opportunity for technology transfer. It has already passed an empirical market test."

Ronan Minogue, of Ability Software, realised this after he devised new computer systems for insurance companies here and in the UK. "We are a consultancy business but we realised through our

work that all the existing systems in the insurance sector are transaction-based, not customer-focused, and that these now all needed upgrading in light of a desire from all insurers for better customer interaction," he said.

Minogue is now looking to commercialise the technology that the firm has devel-

oped and sell it as a product. Even better, doing things this way means that the development costs of the product were borne by the client companies involved.

"Before this we concentrated on selling consultancy services, in which we are limited by the number of hours we can put into a project," said Minogue.

"[Having] a product will create a whole new revenue model and our experience in the industry has shown us there is mileage there."

■ More details at www.innovationvouchers.ie, www.enterprise-europe-network.ec.europa.eu and www.enterprise-ireland.com



FERGAL PHILLIPS



Connell, left, and William McFadden of DecaWave got state funding and teamed up with the DIT to develop chips

