

Management Response

Evaluation of the Intellectual Property Mobilization Program

Overall comments on the report:

The Interagency Evaluation Steering Committee noted that, although the evaluation employed five lines of evidence, the report is overly reliant on the findings and opinions gathered in the mini-case studies. The evaluation report acknowledges, in a section on *Data Limitations and Reliability*, that the extent to which the evaluation is able to assess the impact of the program is limited because program funding is one source of funding among many, but also that the validity of the findings are challenged by the fact that two key lines of evidence (the mini-case studies and the on-line survey of stakeholders) are open to response bias. While some steps were taken to control for response bias (e.g., probing case study interview respondents for specific examples of impacts), the evaluation's heavy weighting of the views of program beneficiaries weakens the ability of the report to substantiate conclusions and recommendations regarding continued support for the program.

For the most part, the evaluation confirmed management's assumptions and reflected information gathered through previous surveys about the program and its impact on the academic community's ability to transfer technology and knowledge to the user sector. Some of the information collected in the report can be used by the granting councils as they discuss potential initiatives related in support of commercialization. For example, new data on the overall financial situation of the Industry Liaison Offices/Technology Transfer Offices (ILOs/TTOs), and information from the case studies, provide insights into the challenges faced by academic institutions. Confirmation that the grant recipients seek higher levels of unrestricted support is less useful, as this is already known to management. Overall, this report is mixed in its usefulness to management, as the recommendations provided limited insight into future directions for the program (i.e., how the program should evolve).

The Intellectual Property Mobilization (IPM) program was initiated to serve as a catalyst to promote technology transfer activities in universities and has been successful in meeting this goal. Technology transfer activities have now been seeded across the country, and the next steps in commercialization require significantly larger investments. Other funding sources now exist to continue these important activities. As IPM support is now relatively small in terms of the overall funding to the technology transfer offices, the need for IPM funding support has decreased. It is appropriate that this program be terminated and the resources redirected.

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Recommendation	Response	Comments	Action Plan	Responsibility	Timeline
<p>Recommendation 1: The IPM program should be continued. The design of the program should continue to encourage ILOs/TTOs to network with other institutions and pursue knowledge mobilization activities. Salary support for IP professionals should remain an eligible cost in the IPM design.</p>	<p>Agree _____ Disagree -√-</p>	<p>The Intellectual Property Mobilization (IPM) program has contributed to accelerating technology and knowledge transfer in Canada. It serves to connect academia and industry, and speed innovation.</p> <p>The program fits within the Government of Canada's S&T Strategy and supports the translation of knowledge (generated in universities and colleges) into commercial applications that create wealth for Canadians and provide social and/or environmental benefits.</p> <p>Beyond fostering closer collaboration and networking between academic institutions and the user sector, one of the program's greatest contributions has been increasing the skills of technology management professionals. For example, graduates of IPM funded internship programs complete placements in universities/colleges, commercial ventures and financial organizations. These well trained graduates are highly sought after by venture capital firms and SMEs, as well as academic technology transfer offices. The IPM internship programs are developing Canada's future technology commercialization leaders and greatly contributing to Canada's Entrepreneurial Advantage.</p> <p>The IPM program was initiated to serve as a catalyst to promote technology transfer activities in universities and has been successful in meeting this goal. Technology transfer activities have now been seeded across the country. Other funding sources and new models launched, such as the Centres of Excellence in Commercialization and Research (CECR) program, continue these important activities. As IPM support is now relatively small in terms of the overall funding to the technology transfer offices, the need for IPM funding support has decreased.</p> <p>The eligible expenses in any initiative undertaken by NSERC, CIHR and/or SSHRC, with regards to supporting commercialization, must suit the objectives of that initiative, while ensuring optimum use of funds. Eligible expenses must be determined in the context of the other sources that may also be available to support professional staff involved in commercialization.</p>	<p>NSERC will continue to work with the community, CIHR, SSHRC and other stakeholders to support innovation through its spectrum of programs.</p> <p>Given that the IPM program has achieved its catalyst goal, it is timely to consider other means of support.</p> <p>The IPM program will be terminated.</p>	<p>NSERC with CIHR and SSHRC</p>	<p>N/A</p>

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<p>Recommendation 2: The program should encourage applications from institutions with complementary research strengths in addition to applications based on geographic proximity.</p>	<p>Agree _√_ Disagree ___</p>	<p>The IPM program is flexible and can support IPM networks that are based on geographic proximity, as well as those that are focused on a particular research area or industrial sector. There are examples of both models reflected in the current awards, although the alignment related to complementary strengths is less prevalent.</p>	<p>The IPM program was already able to accommodate such focused proposals.</p> <p>See Recommendation #1 Action Plan regarding the future of the IPM program.</p>	<p>NSERC with CIHR and SSHRC</p>	<p>N/A</p>
<p>Recommendation 3: If the granting agencies strongly believe in the need to support technology and knowledge transfer at Canadian institutions, they should consider either reducing the IPM cost share ratio below 50-50 or make exceptions for some applications, to recognize the significant challenge that institutions face in contributing at least half of the funding required to conduct activities proposed in IPM applications.</p>	<p>Agree ___ Disagree _√_</p>	<p>As stated in the evaluation report, IPM funding accounted for only five percent (on average) of the annual budgets of ILOs/TTOs that participated in the evaluation. The IPM program does not require “matching” funds, but does expect the partnering institutions to share in the costs of the proposed activities. The IPM program is flexible, and the contributions from the institutions can be in cash or in-kind. Although some institutions have chosen to do so, they are not required to seek “new” funding from outside sources in order to receive funding under the IPM program. The institutions can use their existing funding (e.g., A-base or Indirect Costs Program funding) to share in the costs of their IPM projects.</p> <p>The program literature could have been revised to make the cost-sharing requirements clearer.</p>	<p>See Recommendation #1 Action Plan regarding the future of the IPM program.</p>	<p>NSERC with CIHR and SSHRC</p>	<p>N/A</p>

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<p>Recommendation 4: IPM program management should consider investigating why applications are not exhausting available IPM funding. The program may wish to consider meeting with TTO/ILO Directors to understand why. The program may need to invest in additional managerial resources to conduct such an exercise.</p>	<p>Agree _√_ Disagree —</p>	<p>The IPM program only funds excellent, peer-reviewed proposals. The peer review is conducted by technology transfer experts (peers).</p> <p>The situation referred to was a one-time event, as all other previous competitions exhausted the available funds. The program's budget in 2005 was \$19.3 million (over three years). In 2005, we received over \$32.6 million in requests; however, based upon peer review and the excellence criterion, the selection panel recommended only \$17 million in funding. As a result, a second call for proposals was made in 2006 to allocate the remaining funding. All of the IPM funding was allocated as a result of this second call.</p>	<p>The granting agencies will continue to consult with and advise the community in the preparation of quality applications for any commercialization programs.</p> <p>A recent internal reorganization at NSERC, which acts as the lead agency for the program, has resulted in the creation of a new division of Knowledge and Technology Transfer. Additional human resources have been added to focus on commercialization initiatives.</p> <p>See Recommendation #1 Action Plan regarding the future of the IPM program.</p>	<p>NSERC with CIHR and SSHRC</p>	<p>N/A</p>

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<p>Recommendation 5: Assuming that funding in future competitions can be exhausted, NSERC should then consider pegging IPM funding at a fixed percentage of its research grants budget. CIHR and SSHRC should consider adopting a similar commitment to IPM funding levels.</p>	<p>Agree — Disagree _√_</p>	<p>As explained in the evaluation report, the funding environment has changed since the IPM program was launched in 1995. For example, the Indirect Costs program was introduced in 2001 to help Canada's universities and colleges cover a portion of the costs of administering and managing top-notch research activities. The cost of managing intellectual property was a critical component to justify the creation of the Indirect Costs program.</p> <p>Many additional funding sources have also emerged in recent years (Regional Development Agencies, Provincial funds, the federal Centres of Excellence in Commercialization and Research program, etc.) that assist in the support of this activity. In addition, the granting agencies have other programs that support the transfer of knowledge and technology through the support of public-private partnerships.</p> <p>NSERC currently invests about 25 percent of its budget in the support of innovation-related activities: university-industry partnerships and commercialization activities, such as proof of concept. The goal of the IPM program is achieved through this investment and these programs, as well as through other sources of support.</p> <p>NSERC is currently developing its Strategy for Partnerships and Innovation, and CIHR is reviewing its commercialization strategy. The outcome of these studies will determine future investments in commercialization-related activities.</p>	<p>See Recommendation #1 Action Plan regarding the future of the IPM program.</p>	<p>NSERC with CIHR and SSHRC</p>	<p>N/A</p>