countries have bolstered educational centers, their young people no longer are dependent on the United States for advanced training.

And if foreigners do choose to study in the United States, they have more reasons for returning home. In many countries with reformed economies, salaries for professors and researchers have escalated significantly.

When Xiao-Yin Jin was working at the Shanghai Industry Foundation in 1990, his annual salary was less than $1,200 in U.S. dollars. “And I held a full professor position at the time,” says Jin, a visiting scholar at Georgia Tech’s Technology Policy and Assessment Center. Today, Chinese professors in key universities earn more than $12,000 per year, he says.

Chinese professors can further increase their income by doing government or industry-funded research, where a portion of grant money (about 10 to 15 percent) is available as salary or bonuses. Another incentive, government policies encourage scientists to become entrepreneurs, Jin adds. If a researcher’s innovation can be used to start a business, the organization is tax-free for three to five years.

Continued on page 12

Georgia Tech Launches New Commercialization Initiative

BY JOHN TOON

Georgia Tech has launched an aggressive new commercialization initiative designed to streamline the handling of intellectual property, accelerate the licensing of technology and make the Institute’s resources more readily accessible to business and industry.

The new initiative, to be known as Georgia Tech Commercialization Services, will also expand the transfer of technology to Georgia companies while providing stronger marketing and management for Georgia Tech’s rapidly growing intellectual property portfolio.

Stephen Fleming, a successful Atlanta investor and entrepreneur, will head up the new unit as Chief Commercialization Officer. A Georgia Tech graduate with private-sector experience at AT&T Bell Laboratories and Northern Telecom, Fleming has been a partner in two Atlanta-based venture capital firms, and has managed investments in more than 20 start-up companies.

“Better commercializing the technological innovations we develop will enable Georgia Tech to have a larger impact on the local, state and national economies,” says Provost Jean-Lou Chameau. “To accommodate continued growth in our intellectual property portfolio, we need a more effective commercialization process, one that is worthy of the kind of institution we aspire to be.”

FEWER FOREIGN STUDENTS

From 1994 to 1998, the number of Chinese, South Korean and Taiwanese students pursuing doctoral degrees in the United States dropped 19 percent, reflecting greater educational capabilities abroad. During the same period, the number of doctoral students staying in their own countries nearly doubled.

More restrictive immigration policies since 9/11 have also taken a toll. The total number of foreign students on U.S. campuses dropped 2.4 percent in the 2003-04 school year — the first decline since 1971-72, according to the Institute for International Education.
Over the past decade, Georgia Tech’s research program has more than doubled in size and the institution has set records for the number of patents filed, technologies licensed and start-up companies formed. The Advanced Technology Development Center (ATDC), Georgia Tech’s science and technology incubator, has won broad recognition for helping build the state’s technology community through support of start-up companies.

“Our new commercialization initiative will speed the transfer of technology from Georgia Tech and make it easier for outsiders — including entrepreneurs and potential corporate partners — to work with us,” says Wayne Hodges, vice provost for Economic Development and Technology Ventures. “Moving more technology out into the community will lead to the formation of more start-up companies, create new high-paying jobs and help revitalize existing enterprises.”

According to Hodges, the new initiative will:

• create a clear process for the commercialization of technology developed by faculty members and students, and facilitate collaboration with experienced entrepreneurs in launching new companies;
• provide a consistent set of expectations for business and industry partners who wish to commercialize Georgia Tech research; and
• help Georgia companies develop the new products and processes they need to compete in world markets by transferring technology innovations developed at Georgia Tech and partner organizations.

As chief commercialization officer, Fleming will be responsible for the complete commercialization process, including evaluation of invention disclosures, marketing of Georgia Tech intellectual property and assistance to faculty members interested in starting companies.

According to a recent survey by the Association of University Technology Managers, Georgia Tech ranks first among U.S. universities in the rate of technology licenses granted to start-up companies. Overall for fiscal year 2004, Georgia Tech licensed technology to 15 start-up companies, received 35 patents, filed 277 invention disclosures and brought in $2.3 million in revenue.

@ Read more at: gtresearchnews.gatech.edu/newsrelease/commercialization.htm

“Innovation is a riskier initiative compared to quality management or lean manufacturing. Quality and lean strategies make facilities more productive, so financial savings can occur fairly soon. In contrast, innovation requires significant upfront investment, especially for new products, and rewards are not immediate. Yet while risks may be higher with innovation, so are the rewards. Innovative firms are more profitable, with average return-on-sales being 1 percent higher. What’s more, annual salaries at innovative firms average $10,000 higher than firms competing on low price.”

— Jan Youtie, senior research associate, Georgia Tech’s Community Research and Policy Services