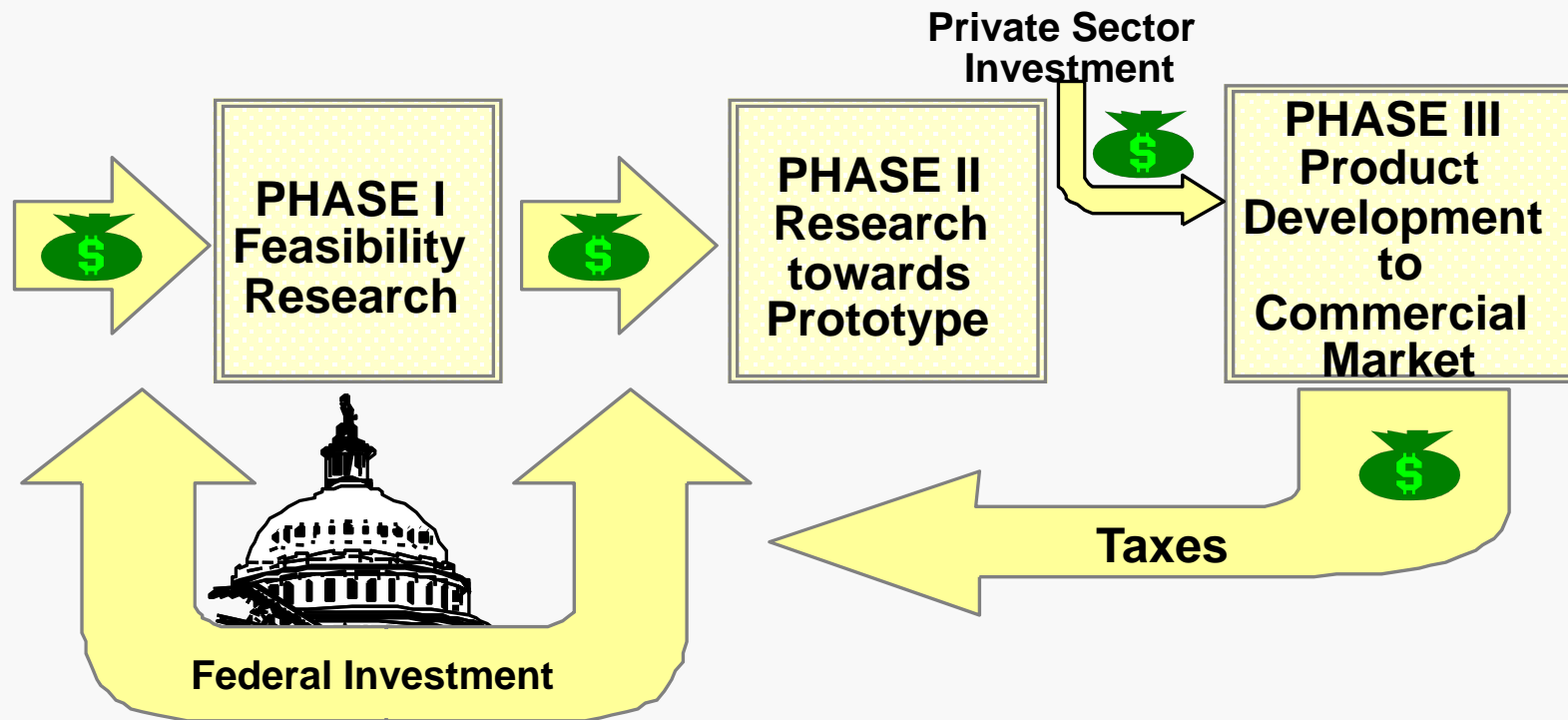


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SBIR/STTR Commercialization Workshop

Ervin Allen, Jr.
Technology Counselor
SBTDC

SBIR The Big Picture



Commercialization Reason For Being

- A. SBIR/STTR program must lead to a technology, product or service that can be sold to the public or private sector.

- B. SBIR/STTR recipient must:
 - 1. Embrace this reality.
 - 2. Shift focus from “staying stuck in the R&D phase” to a demonstration of business model construction in moving technology into the market place.

Commercialization: Elements to Consider in SBIR/STTR Application

- A. Case must be presented for achieving “return on investment” (ROI)
- B. Viable product or process will be produced and sold
- C. Commitment of private sector funding
- D. Begin the SBIR/STTR process with the end in mind

Presentation Overview

- A. What “commercialization” is.
- B. What commercialization involves.
- C. Assessing commercialization potential.
- D. Commercialization strategies/paths.
- E. Business planning and launching the venture.

What Is Technology Commercialization?

- A. Finding
- B. Evaluating
- C. Developing
- Raw technical ideas/concepts into profitable products and services

What Commercialization Involves

- A. Product and production development
- B. Market and marketing development
- C. Financial development and private funding

Assessing Commercialization Potential

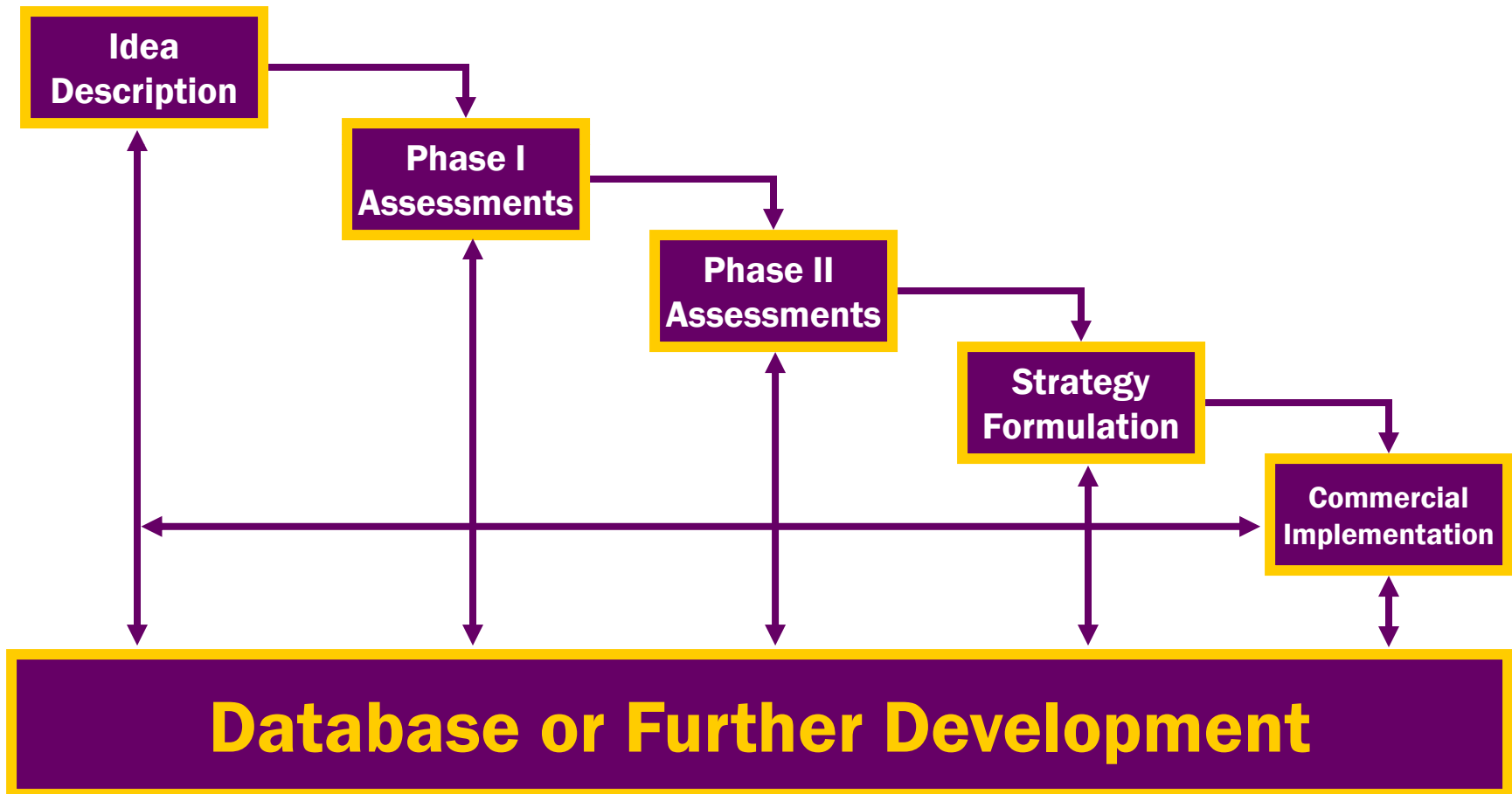
- A. Legal assessments
- B. Markets/marketing assessments
- C. Team/organizational assessments
- D. Technology assessments
- E. Operations assessments
- F. Financial assessments

Commercialization: Legal Assessments (Potential)

- A. Can product/process be patented? (Yes or no)
- B. Effectiveness of patent protection
- C. Can product/process be copyrighted? (Yes or no)
- D. Effectiveness of copyright protection
- E. Can product/process be trademarked?
- F. Effectiveness of trademark protection
- G. Is trade secret protection available and effective

Commercialization: The Algorithm

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Commercialization: Marketing Assessments (Potential)

- A. Competition – direct/indirect (weak/strong)
- B. Market partners/allies (none/numerous)
- C. Market size (small/large)
- D. Expected market share (small/large)
- E. Market growth (small/large)
- F. Product attribute advantages (limited/extensive)
- G. Relative selling price (high/low)

Commercialization: Marketing Assessments (Development)

- A. Existing channels of distribution (strong/weak)
- B. Established use (limited/extensive)
- C. Segment clarity (defined/unknown)
- D. Segment desirability (low/high)
- E. Communicability (difficult/easy)
- F. Trial-ability (difficult/easy)
- G. Market research-ability (difficult/easy)
- H. Market knowledge of team (limited/extensive)

Commercialization: Team Assessments (Potential)

- A. Entrepreneurial experience (limited/extensive)
- B. Team skills and project requirements
(weak/strong)
- C. Team stability (weak/strong)
- D. Timing for team (poor/good)

Commercialization: Team Assessments (Development)

- A. External support (limited/extensive)
- B. Technical network (limited/extensive)
- C. Technical development support
(limited/extensive)
- D. Business network (limited/extensive)
- E. Business development support
(limited/extensive)

Commercialization: Technology (Potential)

- A. Performance advantage (none/superior)
- B. Cost advantage (low/high)
- C. Technology platform (limited/extensive)
- D. Range of R&D group expertise
(limited/extensive)

Commercialization: Technology (Development)

- A. Development strategy and roadmap
(none/developed)
- B. Stage of development (idea/prototype)
- C. Technical feasibility issues (unknown/clear)
- D. Complexity of development (high/low)

Commercialization: Operations (Potential)

- A. Critical components measurable (no/yes)
- B. Skills required to produce
(standard/specialized)
- C. Systems required to produce
(standard/specialized)
- D. Adequacy of supply base (marginal/strong)

Commercialization: Operations (Development)

- A. Sufficient quality exists in product (low/high)
- B. Reliable processes established for production (low/high)
- C. Scalability and time sufficiency (no/yes)
- D. Flexibility to product changes (low/high)

Commercialization: Financial (Potential)

- A. Products short-run cash flow potential (low/high)
- B. Products long-term cash flow potential (low/high)
- C. Products overall risk level (low/high)
- D. Overall financial value of product (low/high)

Commercialization: Financial (Development)

- A. Access to financial markets and funding sources (limited/extensive)
- B. Knowledge of total business costs (unknown/known)
- C. Knowledge of product demand elasticity (unknown/known)
- D. Knowledge of major financial risks in product development and production (unknown/known)

Commercialization Strategies and Paths

- A. Joint ventures
- B. R&D partnerships
- C. Marketing & distribution agreements
- D. Licensing agreements

Commercialization: Licensing

- A. An agreement between two parties through which the first party, the “licensor”, allows the second party the “licensee,” to make use of the licensor’s IP.
- B. Venture backed companies rely on licensing to achieve major portions of their business plan.

Commercialization: Business Planning and Launching the Venture (Early Stage Commercialization Analysis)

- A. Technology and product
- B. Management
- C. Market – timing and fit
- D. Competition
- E. Financials
- F. Risk
- G. Business economics

Commercialization: Business Planning and Launching the Venture (Later Stage Business Analysis)

- A. Size of market (large addressable)
- B. Unique sustainable competitive advantage (intellectual property)
- C. Management team
- D. Tested concept (test market results/revenue stream)
- E. Viable exit strategy



Commercialization: Business Planning and Launching the Venture (Assistance Sources)

Small Business and Technology Development
Centers (SBTDC)

- Commercialization assessment counseling
- Business plan development counseling
- Funding identification and preparation counseling