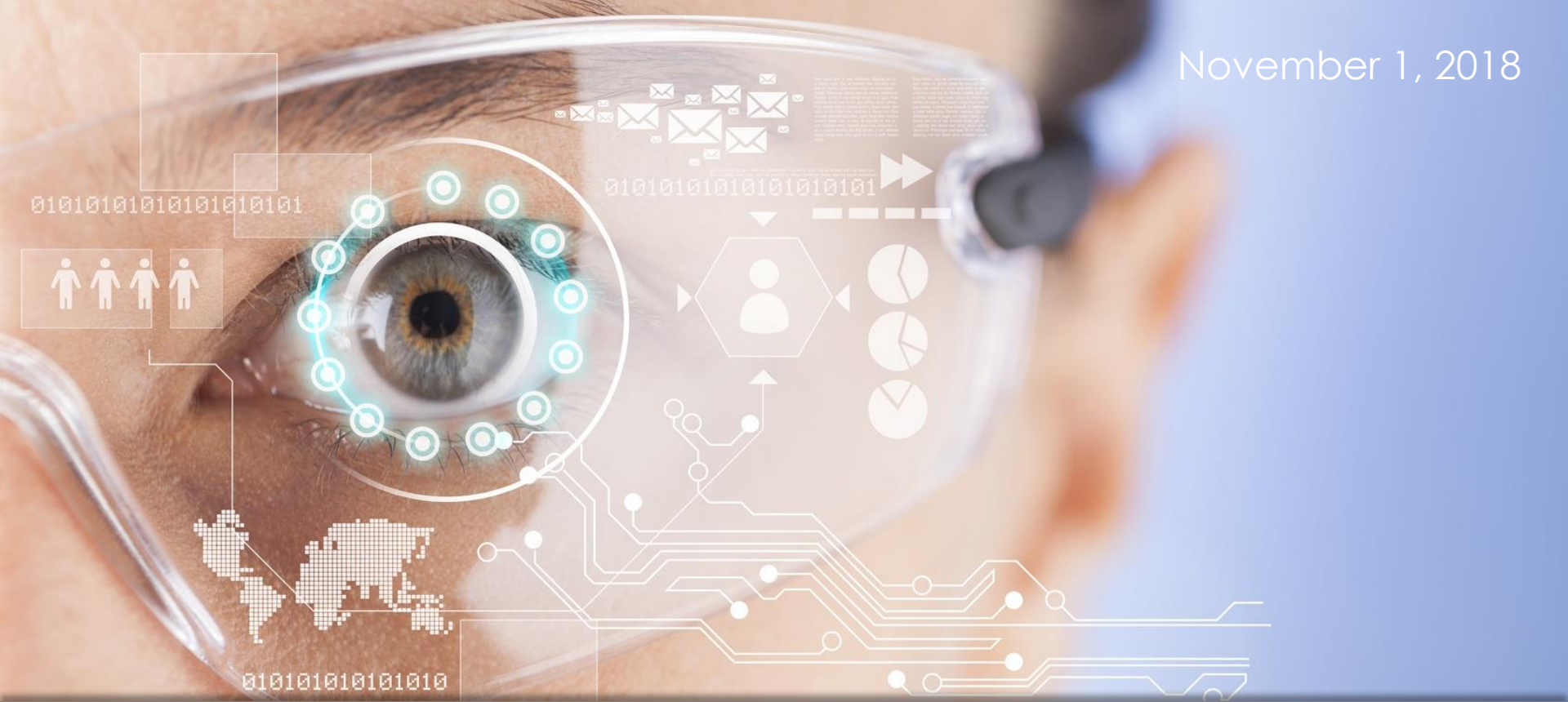


November 1, 2018



# THE FUTURE OF TECHNOLOGY DEVELOPMENT AND COMMERCIALIZATION

## THE INVESTOR PERSPECTIVE



JON ROBERTS, MANAGING DIRECTOR

# TOPICS

1. Introduction
2. Why are we here?
3. National Trends
4. Understanding Tech Commercialization





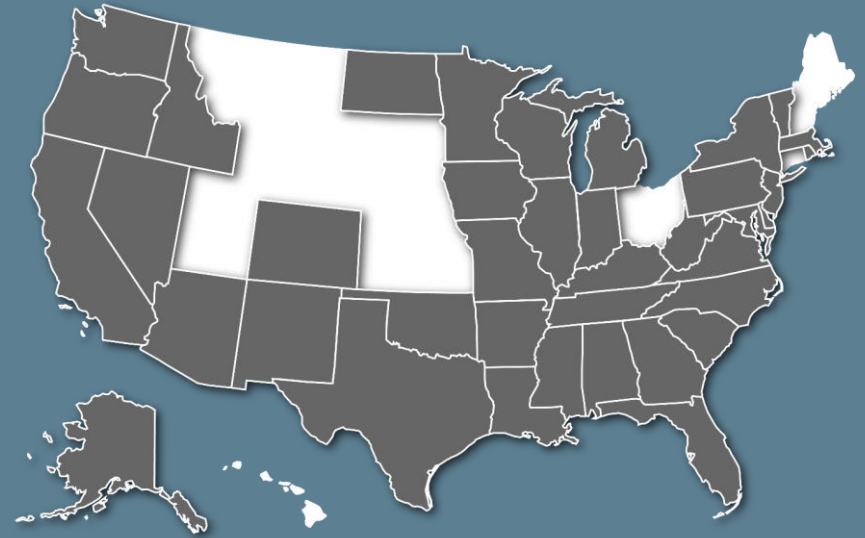
# 1

# INTRODUCTION



## TIP STRATEGIES

Founded in 1995,  
we have over 20 years  
of experience in over  
300 communities across  
40 states & 4 countries.



Three principals with a total staff of 12.

Committed to holistic thinking & sustainable development.

# Austin & Seattle offices with global reach.



## **Jon Roberts**

*Principal and Managing Director*  
TIP Strategies

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### **The Investor Perspective:**

Prior to joining TIP, Jon was the lead investor for the Oregon Technology Fund (Red River Brewing Company, 1988).

Jon managed two start-up technology companies: Fiberlite Composites and LifePort Inc. LifePort was subsequently acquired by Sikorsky.

Jon also served on the boards of several startup technology companies and on state task forces and gubernatorial committees.

2

# WHY ARE WE HERE?



# TECH COMMERCIALIZATION MATTERS



Investment



Jobs



Cluster Growth



3

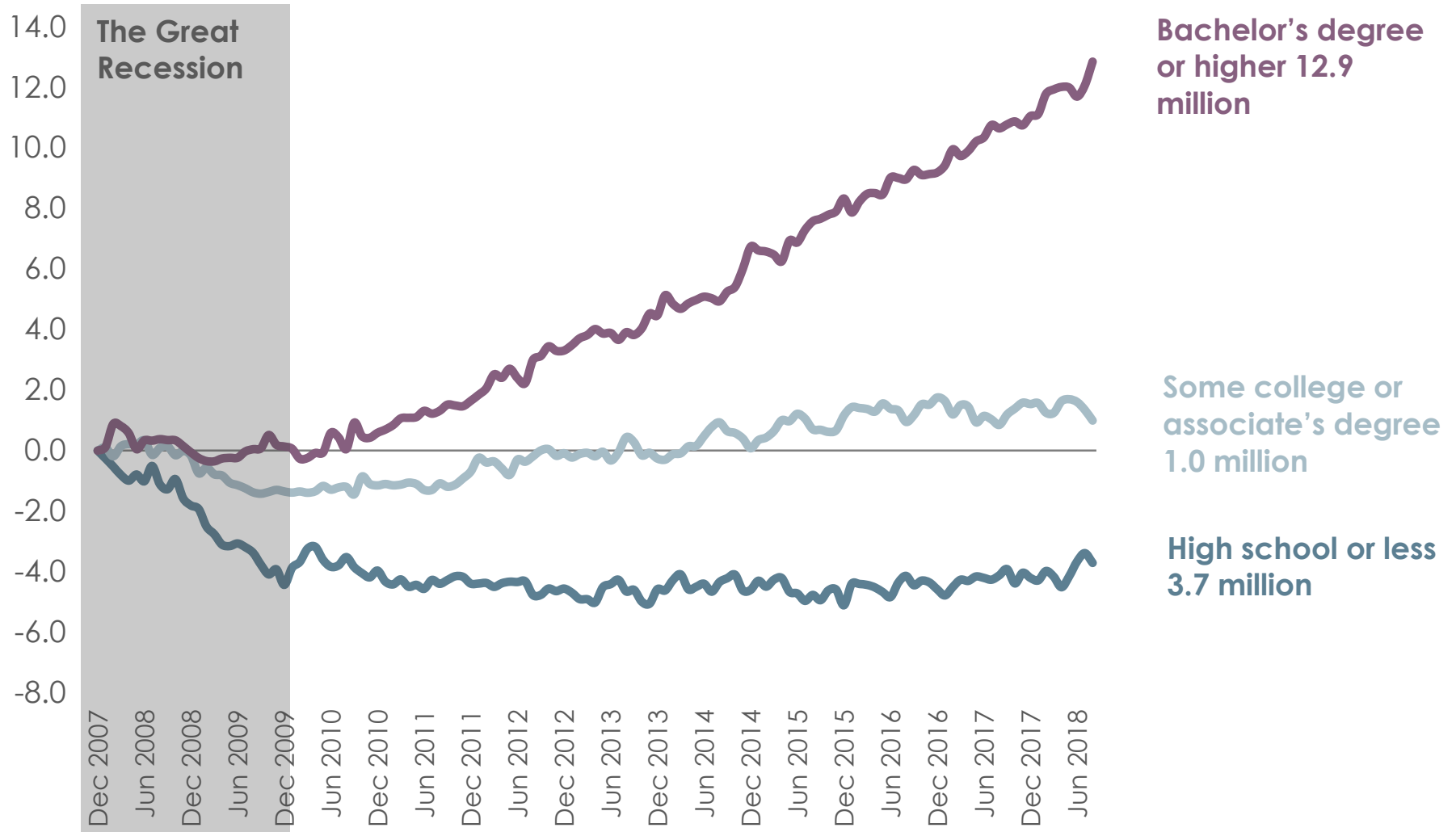
# NATIONAL TRENDS





# RECOVERY BY EDUCATIONAL ATTAINMENT

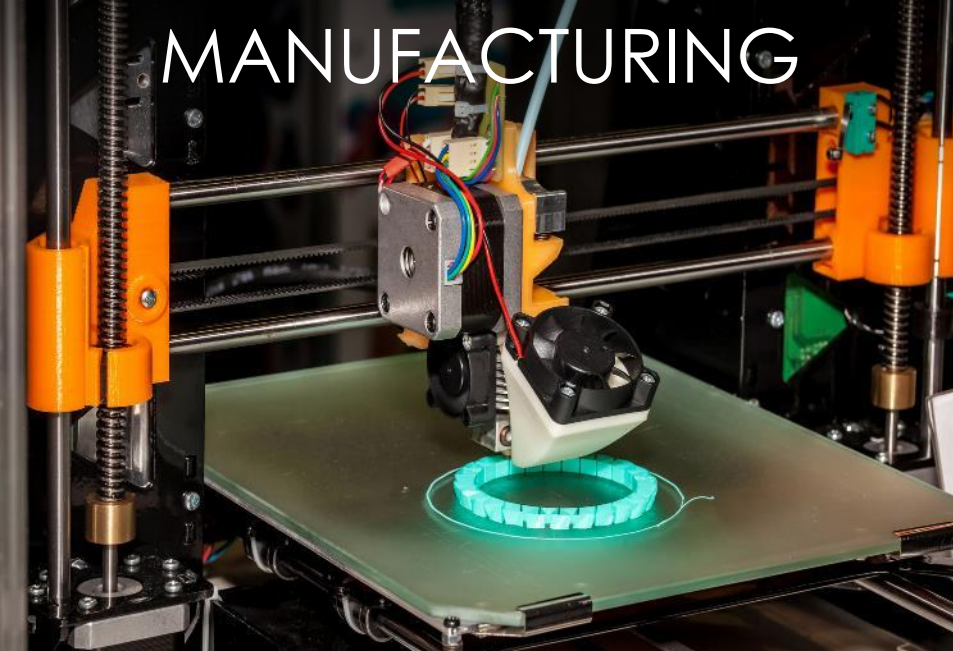
Cumulative Change in Employment (millions) Since the Great Recession



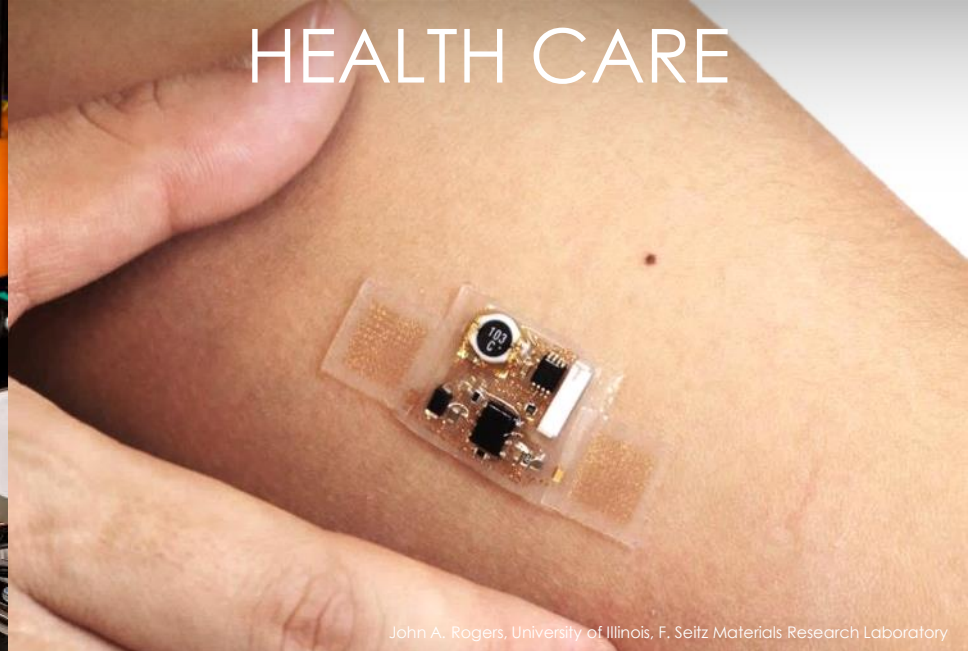
Source: US Bureau of Labor Statistics, Household Survey (Current Population Survey); National Bureau of Economic Research.

Note: Employment is seasonally adjusted and includes all workers age 25 and older.

# MANUFACTURING



# HEALTH CARE



John A. Rogers, University of Illinois, F. Seitz Materials Research Laboratory

## TECHNOLOGICAL DISRUPTION



# ENTERTAINMENT



# TRANSPORTATION

# GEOGRAPHIC INEQUALITY OF HIGH-TECH VENTURE CAPITAL

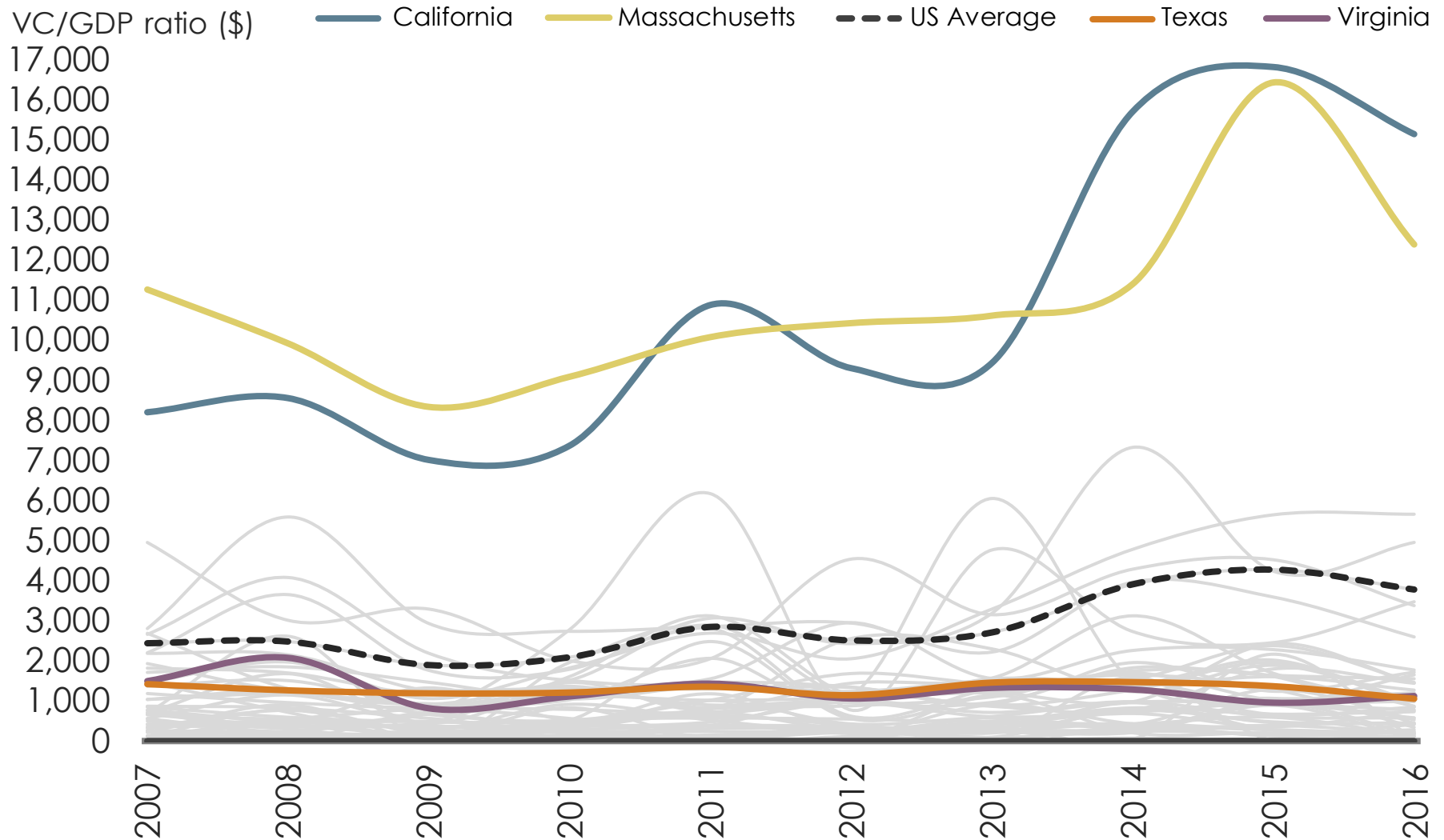
Metros with more than a billion dollars in venture capital investment in 2017

Metro	VC Investment 2017 (millions)	Share of US Total 2017
<b>San Francisco</b>	<b>\$25,215</b>	<b>33.20%</b>
New York	\$12,344	16.25%
Boston	\$8,737	11.50%
<b>San Jose</b>	<b>\$8,345</b>	<b>10.99%</b>
Los Angeles	\$6,545	8.62%
Chicago	\$1,839	2.42%
Seattle	\$1,734	2.28%
Washington	\$1,551	2.04%
Austin	\$1,174	1.55%
Atlanta	\$1,157	1.52%
Miami	\$1,043	1.37%



# INTENSITY OF VC DISBURSEMENTS

Venture capital disbursed per \$1 million of GDP

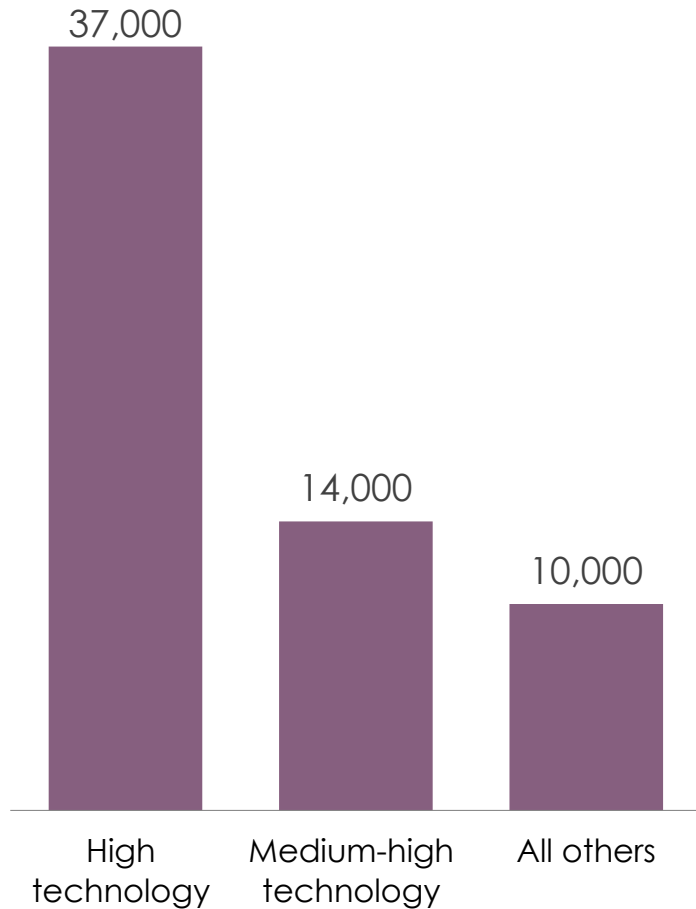


Source: National Science Board.

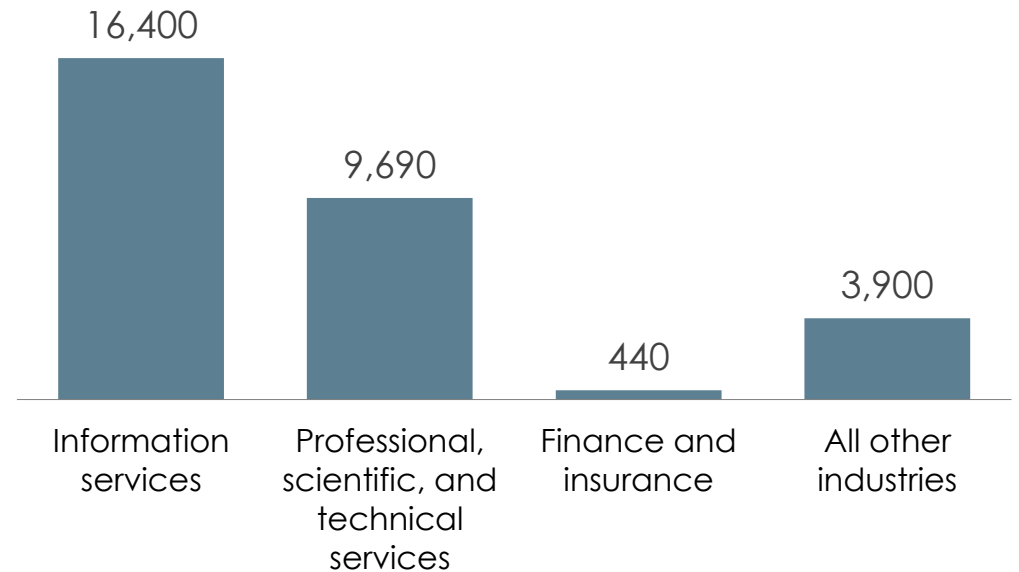
# USPTO PATENTS GRANTED

By Selected US Industry, 2015

## MANUFACTURING



## NON-MANUFACTURING



# EXPECTED TRENDS IN 2018

Prominent Sectors Investors are Likely to Invest Their Money in

- Blockchain Technology
- Artificial Intelligence Businesses
- Pop-up Stores
- Voice-centric Devices
- Subscription-based Products



# 4

## UNDERSTANDING TECH COMMERCIALIZATION



# SOURCES OF TECH COMMERCIALIZATION

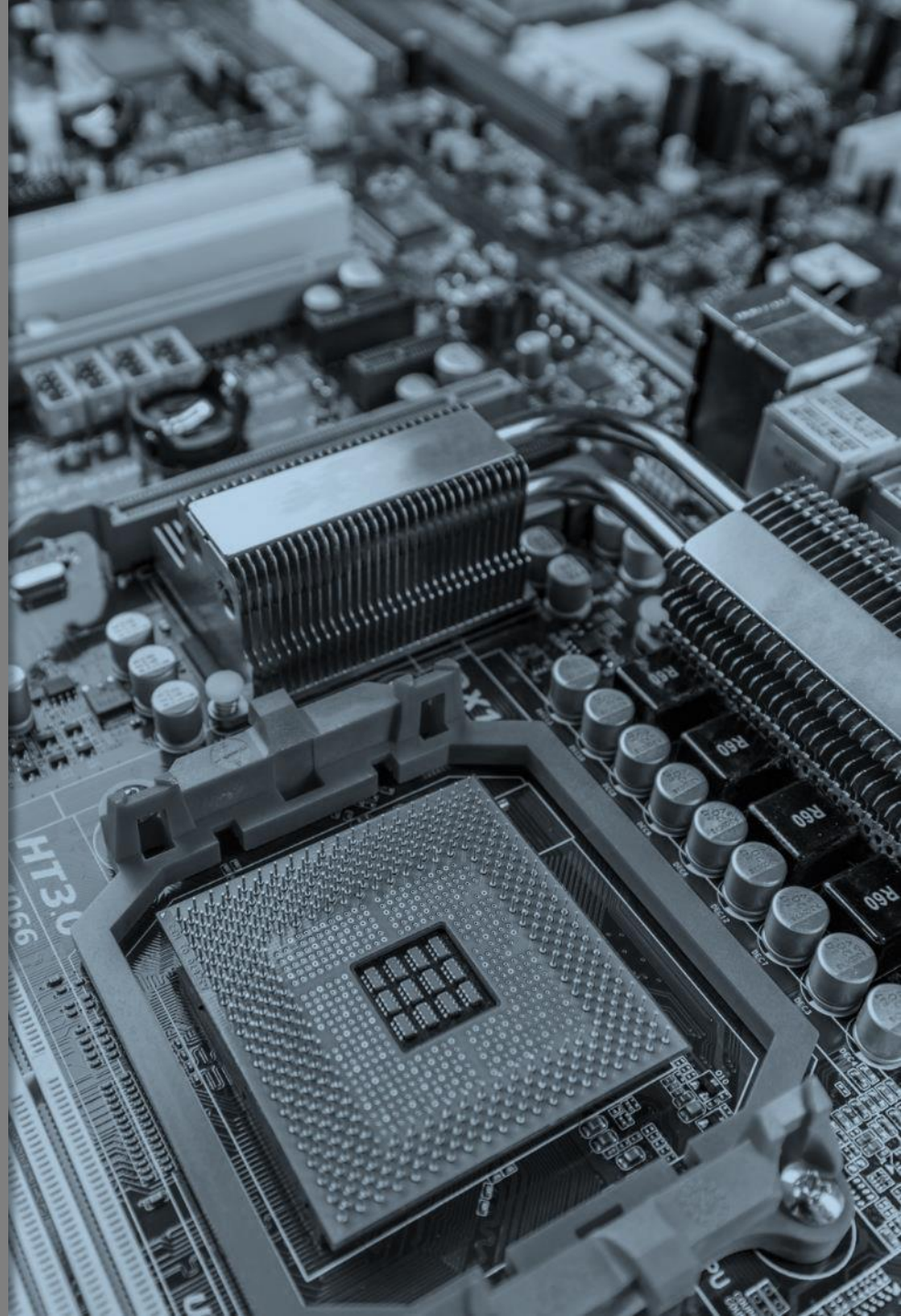
Universities

Corporations

Institutes

Government (Military)

Individuals



# UNIVERSITY-DRIVEN COMMERCIALIZATION

Technology is typically commercialized through a license agreement in which the university grants rights in a specified technology to a third party for a period of years.

License agreements require the licensee to meet certain performance milestones and compensate the university.

The university shares this compensation with the inventors.



# WHAT ARE THE TYPICAL STEPS IN THE PROCESS?

Step 1: Research

Step 2: Invention disclosure

Step 3: Assessment

Step 4: Patenting

Step 5: Identifying potential licensees

Step 6: Negotiation

Step 7: Licensing

Step 8: Revenue & commercialization

*Note: these steps can vary in sequence and often occur simultaneously*

*EDOs have to think locally,  
but...*

What does it mean to keep  
technology local?



# CASE STUDY

## **Cornell SC Johnson College of Business Named; \$150 Million Donation to Cornell University**

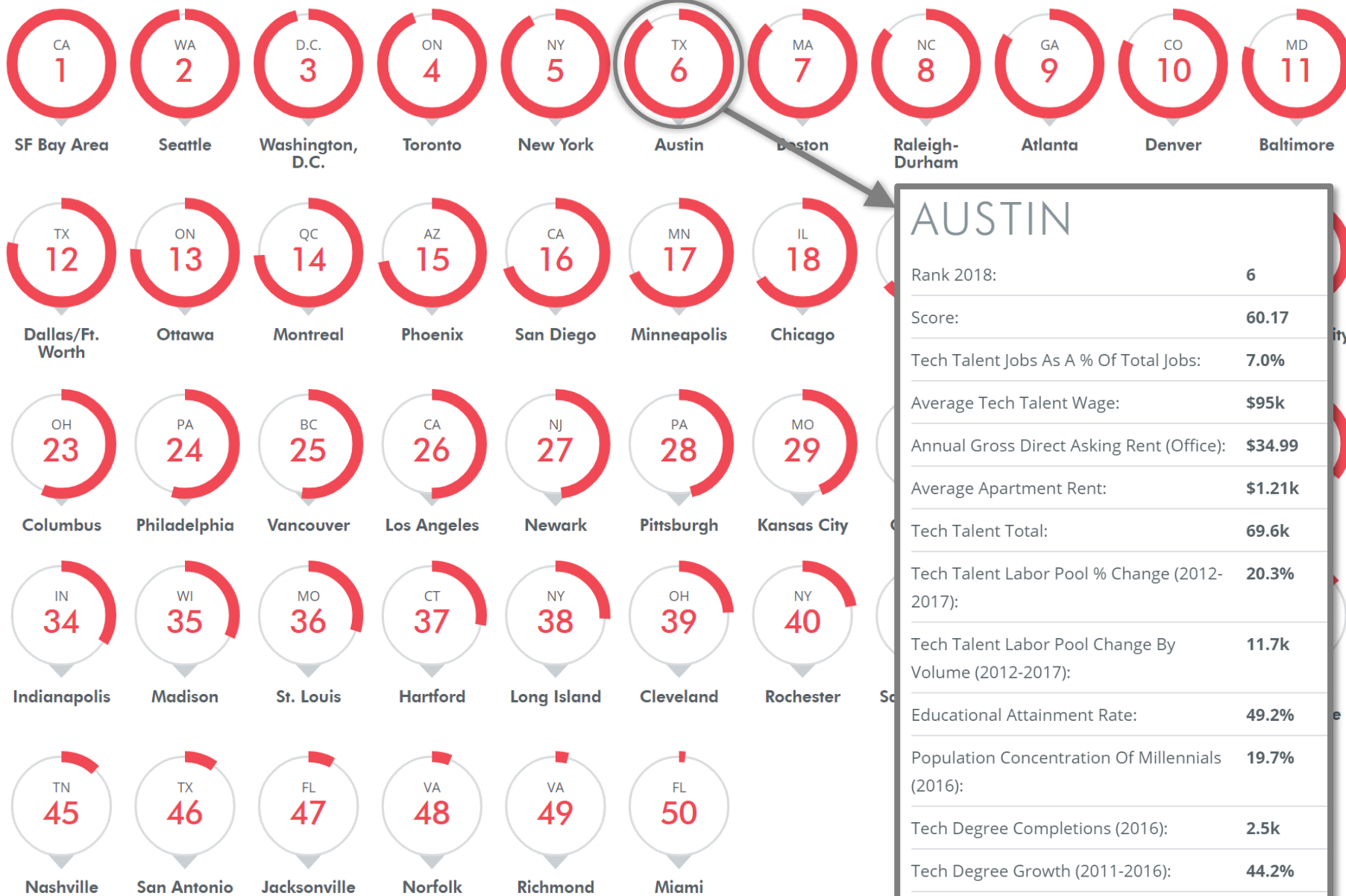
January 31, 2017

Fisk Johnson and SC Johnson Give Largest Donation in Cornell's Ithaca Campus History

How do we compete locally  
to win the technology?

If you don't have the talent,  
you will probably be fighting  
a losing battle.





## AUSTIN

Rank 2018:	6
Score:	60.17
Tech Talent Jobs As A % Of Total Jobs:	7.0%
Average Tech Talent Wage:	\$95k
Annual Gross Direct Asking Rent (Office):	\$34.99
Average Apartment Rent:	\$1.21k
Tech Talent Total:	69.6k
Tech Talent Labor Pool % Change (2012-2017):	20.3%
Tech Talent Labor Pool Change By Volume (2012-2017):	11.7k
Educational Attainment Rate:	49.2%
Population Concentration Of Millennials (2016):	19.7%
Tech Degree Completions (2016):	2.5k
Tech Degree Growth (2011-2016):	44.2%
Brain Drain or Gain:	1.2k
Office Rent Cost (AVG RENT X 75,000 SF):	\$3m
Tech Talent Wages (AVG WAGE X 250	\$24m

CBRE

TOP-RANKED AND MOMENTUM TECH TALENT MARKETS  
TECH TALENT ANALYZER 2018













# A VISION FOR COLLABORATION

Access, Inclusion, And Collaboration Are Keywords For The  
Innovation District

The Innovation District's anchors at Ascension Seton Healthcare, Central Health, and Dell Medical champion new approaches to community access, integrated health, and value-based care.





-  Study Area
-  Area of Influence (~1/4 mile)
-  Downtown PID Boundary
-  Downtown Austin Plan Boundary
-  Existing / Proposed Parks and Open Space
-  Waller Creek TIF
-  Master Plan or Initiative Area
-  Recently Completed Project
-  Emerging Project
-  Schools / Colleges & Universities

