



The University of North Carolina

GENERAL ADMINISTRATION

POST OFFICE BOX 2688, CHAPEL HILL, NC 27515-2688

STEVEN LEATH, Ph.D., *Vice President for Research*

Telephone: (919) 962-4619 • Fax: (919) 843-4942 • E-mail: sleath@northcarolina.edu

Constituent Universities
Appalachian State
University

East Carolina
University

Elizabeth City
State University

Fayetteville State
University

North Carolina
Agricultural and
Technical State
University

North Carolina
Central University

North Carolina
School of
the Arts

North Carolina
State University
at Raleigh

University of
North Carolina
at Asheville

University of
North Carolina
at Chapel Hill

University of
North Carolina
at Charlotte

University of
North Carolina
at Greensboro

University of
North Carolina
at Pembroke

University of
North Carolina
at Wilmington

Western Carolina
University

Winston-Salem
State University

Constituent High School
North Carolina
School of Science
and Mathematics

An Equal Opportunity/
Affirmative Action
Employer

September 8, 2009

To: Members of the Board of Governors

From: Steven Leath

Re: Innovation and technology development initiative

For nearly three decades, several UNC campuses have put time, effort and resources into *technology transfer* – the commercialization of university discoveries. You may be familiar with products like the DEET-free bug repellant developed at NCSU, or a UNC-Chapel Hill start-up company that makes bandages that can stop bleeding but not adhere to the wound. These innovations improve quality of life and create jobs in North Carolina and beyond. But, for all of the intellectual horsepower we've got residing in our campuses, these success stories are too few and too far between. The time is now to make it easier to do the right thing – to get these technologies out to help people, and to work together, as a university system and state, towards change that we all care about. Innovation and technology development is an area where we cannot afford to miss out on a shared vision for what we can do in and for North Carolina. UNC Tomorrow has enabled us to proactively re-envision *technology development* in a way that will bring greater benefit to citizens in North Carolina and beyond.

There has never been a better time to focus on innovation and technology development on our campuses.

- The economy is hurting.
- Industry partners, big and small, told us that their normal ways of doing business are changing in order to stay competitive and keep the economy strong.
- These partners are looking to work with universities more often and in unprecedented ways.

I am pleased to share with you a copy of the report, *Innovate – Collaborate – Accelerate: The UNC Vision for Innovation and Technology Development*. This report reflects the findings and recommendations of three teams, led by the UNC research and economic development offices with valuable help from IBM, and including over 30 individuals from across UNC and the public and private sectors.

In this climate and for the future, universities must have a different attitude and mindset about their role in innovation and local and global economies. UNC Tomorrow is allowing us to readily take on that mindset and through this initiative. As President Bowles shared with the Chancellors at their August 31 meeting, we have a plan to work over the next year

to set in place the following foundational changes that are required in order for UNC to commercialize more university discoveries and to do so faster and better than anyone else:

1. Determine what our research strengths are – We must focus our attention on areas where we can be world class – at the campus and system levels. We heard loud and clear from corporate partners that it is not good enough to say “we’re good a nanotechnology” – every university says that. We must know and communicate what we are best at in order to attract fruitful partnerships in research and commercialization.
2. Incentivize and reward technology development – We must ensure that the efforts of faculty to move ideas out of the lab and into the world, and often in concert with collaborators, are recognized and rewarded as scholarship. This will make UNC stand out among other institutions as a place where innovators can find a home.
3. Make the process of technology transfer go faster and better – When we can develop and share quick, easy agreements like the UNC Chapel Hill Carolina Express License, we should. When we can establish people to be in regular contact with key companies, like NC State has done, we should. When we can pursue open collaborative development, we should. These ideas may mean some concessions up front, but from our work on the report, we know these approaches yield far greater returns for all on the back end.

Our Chancellors are putting together teams of their best innovators, visionaries and partners to implement the six report recommendations over the next year. When we revisit this effort with you in a year, you will see us working to build North Carolina’s economy and leadership in several areas of strategic focus that build on campus and system-level strengths. You will see campuses that are ready to take our great minds and research to the next level, as well as new models for bringing our expertise to the market and society more quickly and simply. I look forward to updating you on progress and accomplishments.