



Patents Hit Record High in Academic Research Environment as institutions Pursue More Non-traditional Funding Sources and Partnerships to Develop Innovations, Study Shows

WASHINGTON, DC – February 11, 2020 – Research institutions posted a record number of patents to protect the next generation of academic intellectual property, according to AUTM's Annual Licensing Activity Survey, which this year polled 198 US universities, hospitals and other research institutions.

The key findings of AUTM's 2018 Annual Licensing Activity Survey:

- 828 new consumer products born from academic research entered the market.
- 7,625 US patents were issued in 2018, the most-ever reported in the Survey, as research institutions invest in and protect intellectual property arising from academic research.
- Total research expenditures from sources outside the federal government and industry grew to \$71.7 billion, an increase of 5.1% over 2017, and a 13.8% increase over the past five years.
- 1,080 start-ups were formed in 2018, directly impacting local economies, with almost 70% of the new businesses remaining in their institution's home state.

Federal Government Must Continue Investing

Every year, universities across the United States develop inventions – more than 400,000 in the last 28 years – from lifesaving drugs to strawberry varieties. These innovations are licensed by technology transfer offices to companies for commercialization, and are the genesis of thousands of new companies, resulting in both benefits to society and solid economic impact.

This American innovation was unleashed in 1980, with the passage of the Bayh-Dole Act, which unlocked taxpayer-funded discoveries made in universities, hospitals and other research institutions. However, now entering the 40th year since its passage, the share of federal investment in research is down to 57.6%, from more than 70% when the survey was first published in 1991. The declining share in federal funding is troubling; there is a linear relationship between research funding and inventions, so less funding results in fewer inventions downstream.

“We need our legislators and policymakers to continue providing a reliable framework composed of both strong research funding and reliable intellectual property laws, to efficiently



move ideas to the marketplace and give investors the confidence to back entrepreneurs,” said AUTM Chair Richard Chylla.

Fresh Ways to Fund Research

As federal and industrial funding have remained relatively flat, the Survey data shows institutions are successfully pursuing more non-traditional funding sources and partnerships. The biggest funding change in 2018 came from non-classified research dollars, which includes grants from nonprofits, and state and city governments, up 7.6% from 2017 and an increase of 24.7% over the past five years.

Broadening Reach with Non-exclusives

The number of non-exclusive licenses — which allows any number of licensees to use the same intellectual property — and options topped 5,400 in 2018, up 28.8% from the previous year. That’s three times more non-exclusive licenses than two decades ago. Tech transfer offices are getting more creative, branching into areas like data and software.

“This trend bears watching in light of legal changes that may negatively affect the strength of patents,” said Ragan Roberson, Chair of AUTM’s Metrics and Surveys portfolio, which produces the Survey.

Building Entrepreneurial Ecosystems

For the second year in a row, tech transfer institutions formed 1,080 start-ups based on university intellectual property. While the record level of start-up formation underscores a continued focus on local entrepreneurial ecosystems, the year-over-year plateauing after a decade of steady growth may point to both investors and tech transfer offices becoming more selective.

Research Expenditure Benchmarks

New in 2018, AUTM included a Peer Group Comparison based on research expenditures and used the National Science Foundation’s Higher Education Research and Development survey to divide the population into eight categories based on research funding.

To read the full report visit: autm.net/licensingsurvey

About the Survey

The AUTM Licensing Activity Survey gathered data on a broad sample of US research institutions including 170 universities, 27 hospitals and one technology transfer firm. With 28 years of collected data, the AUTM Licensing Survey provides the definitive benchmark for



measuring the impact of academic research innovation. The survey is available on the [AUTM website](#). Also available is AUTM's [technology transfer infographic](#) on driving the innovation economy. If you'd like to go beyond the data provided in the Survey, consider AUTM's [STATT Database](#).

About AUTM

AUTM is the nonprofit leader in efforts to educate, promote and inspire professionals to support the development of academic research that changes the world and drives innovation forward. Our community is comprised of more than 3,000 members who work in more than 800 universities, research centers, hospitals, businesses and government organizations around the globe. To learn more about AUTM, visit www.autm.net.

Media Contact

For more information or an interview, please contact:

Paul Stark
AUTM Marketing and Communications Director
pstark@autm.net
+1-847-686-2361

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