

Driving innovation through partnerships: Lessons from a public-private partnership initiative

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Demystifying Georgia Tech



Learning Objectives

The purpose of this talk is to provide a foundational understanding of the importance of collaboration through strategic and public private partnerships and its impact on the innovation ecosystem.

Learning Objectives

- Describe the difference between strategic vs. public-private partnership.
- Evaluate how the process of innovation can be accelerated in an academic environment through partnerships.
- Discuss the impact of partnering on the innovation ecosystem

Strategic vs. Public-Private Partnership

- **A strategic partnership**

- relationship between two commercial enterprises
- formalized by one or more business contracts
- usually fall short of a legal **partnership** entity, agency, or corporate affiliate relationship.

- **A public-private partnership**

- contractual arrangement between a **public** agency (federal, state or local) and a **private** sector entity.
- through the agreement, the skills and assets of each sector (**public** and **private**) are shared in delivering a service or facility for the use of the general **public**
- typically formed because one entity lacks skills that the other has; problems need to be solved

Problem:

- Medical Devices
 - Broken pipeline for medical devices
 - Adult devices are too large for pediatric patients, or appropriate pediatric device does not exist
 - Pediatric medical devices lag adult devices by 10 years (FDA)
- Limited federal funding
- No funding for applied research aimed at solving clinician's problems quickly
- Clinicians have no access to engineers, computer scientists, etc. to solve problems.

Solution: Public-Partnership is Formed



A mutually beneficial contractual alliance designed to solve clinical problems through technology, and fund research not funded by traditional federal sources.



Benefits

- Infrastructure created improves the quality and quantity.
- Engineers have access to “living lab” of a pediatric hospital.
- Ability to solve problems using a unique multidisciplinary approach, leveraging resources, reducing duplicative and expensive equipment.
- Expertise and experience of each encourages innovation.
- Complimentary skills unique to each entity provides opportunity to expedite innovation.
- Risk of performance is shared.
- Ability to fundraise for joint projects.

Yet, there is a high failure rate

BUSINESS
PARTNERSHIPS
ESSENTIAL,
BUT...
MANY FAIL



85%
OF COMPANIES SAY
THEY ARE VITAL
TO GROWTH

43%
HAVE **HIGH**
FAILURE
RATES



42%
OF PARTNERSHIPS
ARE **NOT WELL**
LEVERAGED



67% DO NOT
HAVE FORMAL
PARTNERING
STRATEGIES



45%
CAN'T MAINTAIN
A LONG-TERM
SUCCESSFUL RELATIONSHIP



Why?

Partnerships require **TRUST**

Partnerships require **SIGNIFICANT
EFFORT**

An effort that will only reap **Rewards**
if **ALL partners** believe
The Partnership is in their
long term Interest,
worth
the
Investment

Challenges

- Not everyone believes it is worth the effort.
- Who gets credit for both extramural and donor funding?
- Intellectual property agreements are complicated.
- Motives and level of commitment are misaligned.
- Difficult to allocate sufficient resources and mindshare to maintain momentum.
- Connecting clinician with engineers.

Biggest Challenge

Clash of the Cultures – Galaxy in Conflict



Addressing the Cultural Divide

Our “RARA” Moment

Recognize

- By *recognizing* each other's differences, we were able to leverage the strength of each.
 - Clinicians and engineers speak different languages and motivations are often not aligned.

"Madness is the inability to communicate your ideas. It's as if you were in a foreign country, able to see and understand everything that's going around you, but incapable of explaining what you need to know or of being helped, because you don't understand the language they speak there"

Paulo Coelho

Accept and Agree

- By ***accepting*** some things will never change, and **agreeing** on a common foundation, we were able to move forward;
 - Establish common foundation everyone can agree upon. Child Impact.

Respect

- By *respecting* the other's culture, we became a strong team
 - Starts with empathy and understanding why culture is different – this difference is often why the organization is successful.

Accomplish and Accelerate

- The result was we ***accomplished*** more than we thought possible in short period of time, and ***accelerated*** innovation.

How

- Created new role for Executive Director
 - 50/50 employee both financially and reporting
- Created new role for Chief Engineer
 - Translational role for connecting clinicians to engineers and product development
- Strong governance in place
 - Tracking at all levels
- Operating guidelines
 - Joint operations council for transparency
 - Master Research Agreement and Intellectual Property Agreement
- Funding programs
 - Keep it simple – fund what NIH and NSF won't fund
 - New and exciting funding programs for solving clinicians' problems
- Invested in new programs and processes to advance our cause
 - GCMI, Children's Scholars

Impact of the Partnership

Results

Return on investment

Of the initial partnership funds, a joint investment of \$3.2 million in seed grants resulted in a 6:1 return, or nearly \$18.6 million in extramural funding.



Total: \$18,595,699

- Center for Pediatric Innovation
- Center for Pediatric Nanomedicine
- Center for Transforming Pediatric Healthcare Delivery
- Quick Wins



Faculty: 83 total

- Center for Pediatric Innovation: 30
- Center for Pediatric Nanomedicine: 10
- Center for Transforming Pediatric Healthcare Delivery: 30
- Quick Wins: 10
- Pediatric Manufacturing: 3

Reputation



5 patents filed



54 joint publications



1,074 citations of joint research

Words of Wisdom

- Trust is imperative to a successful strategic partnership.
- Spend time building a relationship and rapport with a strategic partner.
- Remember the primary goal of the partnership.
- Ensure both parties should experience benefits as a result of the partnership.
- Spend time brainstorming potential ways you can each benefit by collaborating, and then create a document/road map outlining goals and objectives.
- Be flexible – you don't always have to be right, and it doesn't always have to be your way.
- Ask for anyone who isn't on board 100% with the goals of the partnership to be placed on other projects.
- Create a contract with terms to protect each party.