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TRIP REPORT

INNOVATION LEGISLATION STUDY VISIT TO THE UNITED STATES OF AMERICA (WASHINGTON D.C. & BOSTON)

USAID GOVERNING FOR GROWTH (G4G) IN GEORGIA

Thursday, April 21, 2016

This publication was produced for review by the United States Agency for International Development. It was prepared by Deloitte Consulting LLP. The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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DATA

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ABSTRACT

This trip report describes the visit of the representatives of the Georgia's Innovation and Technology Agency (GITA) to the United States (US) to study US innovation ecosystem and legal framework in order to facilitate the development of the legal framework for the innovation in Georgia. The study tour, which took place in March 20-28 2016, aimed to learn about US innovation and Intellectual Property Rights (IPR) related legislation, system of technology transfer, cluster mapping etc. The delegation from Georgia had meetings with governmental agencies, technology transfer offices and other various organizations involved in innovation related activities.

ABBREVIATIONS

ARI	Angel Resource Institute
CIT	Center of Innovative Technology (CIT)
CLDP	Commercial Law Development Program
G4G	Governing for Growth in Georgia
GITA	Georgia's Innovation and Technology Agency
IP	Intellectual Property
IPR	Intellectual Property Right
MIT	Massachusetts Technology Institute
NIH	National Institute of Health of the USA
R&D	Research and Development
TTO	Technology Transfer Office
USPTO	United States Patent and Trademark Office

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I. EXECUTIVE SUMMARY

The study visit to the US aimed to present the US innovation system to Georgian colleagues in order to study innovation ecosystem and legal framework related to the protection of IPRs, technology transfer, venture funds and venture capital. Representatives of GITA (see the list of participants in Appendix A) attended meetings with representatives from both the public and private sector involved in innovation activities.

On March 21, participants visited the Center of Innovative Technology (CIT), which serves as a technology transfer office for the state of Virginia. The Georgian and American colleagues discussed issues concerning the seed and early state investments and support, funding programs, distribution of revenues, IPRs protection etc. After the meeting with CIT, the Georgian delegation had a meeting with a local accelerator program, MACH 37, which is a market-centric cybersecurity accelerator in the US. The Accelerator is designed to facilitate the creation of the next generation of cybersecurity product companies. MACH 37's unique program places heavy emphasis on the validation of product ideas and the development of relationships that produce an initial customer base and investment capital. The Georgian delegation and a representative of MACH 37 discussed possible cooperation in the field of assisting Georgian start-up companies through trainings within the MACH 37 acceleration programs. After meeting with the CIT, the delegation visited Angel Resource Institute (ARI) trustee and angel investor, Mr. Jim Hunt. Hunt gave an overview on angel investing and shared his experience funding innovative start-up companies in other countries. After the meeting, the delegation visited the 1776 Incubator and met Mr. David Zipper - Managing Director of the Incubator. Zipper made an overview of incubation programs offered and discussed with participants possibilities of further cooperation with Georgia in this regard.

On March 22, the delegation visited Germantown Innovation Center. The Center's Director, Mr. John A. Korpela, gave an overview of the Center's activities and programs. The delegation had a chance to visit a biotech incubator and talk to representatives from start-up biotechnology companies. The delegation received valuable information about the incubation process at Germantown Innovation Center. After the meeting in Germantown, the delegation had a meeting with National Institute of Health of the USA (NIH) Technology Transfer Group. Participants had questions related to the technology transfer process in NIH. Areas discussed at the meeting were: Technology Transfer Offices (TTOs), state funded projects, ownership of IPRs, and exercise of march-in clause according to the US Bayle Dole Act. The Georgian and American participants agreed to further cooperate and the NIH team expressed its readiness to assist Georgia in establishment of a national centralized TTO in Georgia, that will support commercialization of Georgian products on the national and international market. In the evening, the delegation had a meeting with Dr. Vaughan Turekian, the Science and Technology Advisor to the the US Secretary of State. Participants discussed Georgia's current innovation ecosystem and future development plans.

On March 23, the legal team of GITA had a meeting with representatives of the legal team at Morgan Lewis law firm. Participants were introduced to principles of the US legislation on protection of IPRs, federally funded research, ownership of IPRs and march-in rights. The delegation had a chance to learn more about the current legislation and legal practice in the specific fields of interest. On the same day, the Georgian team visited the Commercial Law Development Program (CLDP). Representatives of CLDP expressed their readiness to cooperate with Georgia and reviewed their programs that might assist Georgia in the following 3 areas: Regulatory framework assessment and recommendations, IPR ownership and Research and Development (R&D) policy and TTO formation. The parties agreed to communicate on these matters and create a project proposal for CLDP. In the evening, the delegation met with a representative of the US Patent and Trademark Office (USPTO) and discussed issues related to IP ownership, US patents, trademarks, patentability criteria, march-in rights, Bayle Dole Act, US IPR law and cooperation with Georgia's IP office.

On March 24, the delegation met with a legal consultant at the Wolf Greenfield Intellectual Property Law firm. Participants discussed issues related to the US patent system, protection IPRs, distribution of ownership of IPR, and areas for possible cooperation. The next meeting was held with Kurt Dassel

from Deloitte Monitor to discuss the Cluster Mapping methodology and study. On the same day, there was the meeting arranged with Ms. Maryanne Fenerjian, the Director of Technology Transfer Policy at Harvard University's Office of Technology Development. Members of the Georgian delegation received detailed information about the technology transfer process at Harvard University.

On March 25, the delegation met Mr. Josh Lerner, Chair of the Entrepreneurial Management Unit at Center of Entrepreneurship, Harvard Business School. Participants of the meeting discussed venture capital and the creation of an angel network in Georgia. The delegation also had a meeting with Ms. Nelse L. Lita, Director of the Technology Licensing Office at Massachusetts Institute of Technology (MIT). Lita gave an overview on technology transfer at MIT. The Georgian team asked many questions related to the distribution of the ownership of IPRs, technology transfer policy, revenues and invention disclosures.

The last meeting was held at the Materials Processing Center of MIT, where the delegation had a chance to learn more about MIT's programs and activities at the Materials Processing Center.

As a next step the GITA will follow the process of the adoption of the Innovation Law, as well as start working on the mechanism to establish venture capital fund and facilitate technology transfer process.

II. APPENDICES

APPENDIX A: LIST OF PARTICIPANTS AND ORGANIZATIONS VISITED

THE LIST OF STUDY VISIT PARTICIPANTS

Mariam Lashkhi - Head of International Relations and Communications Department, GITA

Salome Khachiauri - IPR Coordinator of the Georgian Innovations and Technology Agency

Nona Zubitashvili – Lawyer, Georgian Innovations and Technology Agency

Malkhaz Nikolashvili - Advisor, USAID G4G Project

Avtandil Kasradze – Deputy Chairman of the Georgian Innovations and Technology Agency

Irakli Kashbadze – Chairman of the Georgian Innovations and Technology Agency

US ORGANIZATIONS

GOVERNMENT SECTOR

Center of Innovative Technology (CIT)

MACH 37 Incubator

1776 Incubator

Germantown Innovation Center

National Institute of Health (NIH)

US Department of State

Commercial Law Development Program (CLDP)

US Patent and Trademark Office (USPTO)

PRIVATE SECTOR

Harvard University, Office of Technology Development

Harvard Business School, Center for Entrepreneurship

MIT, Technology Licensing Office

MIT, Materials Processing Center

Angel Investor, Mr. Jim Hunt

“Morgan Lewis” Law Firm

“Wolf Greenfield” Law Firm

Deloitte Monitor

APPENDIX B: TRIP ITINERARY

Meeting Schedule	
Meetings with Government Sector	
March 21, 2016	Center of Innovative Technology (CIT) MACH 37 Incubator 1776 Incubator
March 22, 2015	Germantown Innovation Center National Institute of Health (NIH) US Department of State
March 23, 2016	CLDP USPTO
Meetings with Private Sector	
March 21, 2016	Angel Investor, Mr. Jim Hunt
March 23, 2016	Morgan Lewis” Law Firm
March 24, 2016	Harvard University, Office of Technology Development Deloitte Monitor “Wolf Greenfield” Law Firm
March 25, 2016	Harvard Business School, Center for Entrepreneurship MIT, Techology Licensing Office MIT, Materials Processing Center

USAID Governing for Growth (G4G) in Georgia

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