

DIFASS GOOD PRACTICE FACT SHEET NO 26, Hampshire 19 September 2013
WORKSHOP THEME: INTELLECTUAL PROPERTY AND HUMAN CAPITAL

PROGRAMME: Knowledge Transfer Partnership
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1. SUMMARY OF GOOD PRACTICE

▪ Overview & Aims

A UK wide programme launched in 2003, **Knowledge Transfer Partnerships (KTPs)** are one of a variety of collaborative ways in which Universities support and work with businesses. KTPs are a **three way partnership** between a company, a 'knowledge base' and a KTP Associate **helping businesses to improve their competitiveness and productivity through the better use of knowledge, technology and skills already residing within the UK Knowledge Base** i.e. higher education institutions/universities, colleges or publically/private research organisations.

Aiming to meet a core strategic need and to identify innovative solutions to help participating business grow, KTPs generally result in increased profitability for business partners as a direct result of the partnership, either through improved quality and operations and/or increased sales and access to new markets. KTPs aim to:

- ✓ Facilitate the transfer of knowledge through projects undertaken by high calibre, recently qualified people under joint supervision from a business and an academic institution.
- ✓ Provide company-based training for recently qualified people to enhance their business and specialist skills.
- ✓ Stimulate and enhance business-relevant training and research undertaken by the academic institutions.
- ✓ Increase the interaction between businesses and academic institutions and raise awareness of the contribution higher education i.e. Universities can make to business development/growth. .

▪ Key Resources

– Programme Partners

Technology Strategy Board (TSB) set up to accelerate economic growth by stimulating and supporting business led innovation, funding/authorising body for KTPs.

Department for Business Innovation & Skills (BIS), government department responsible for economic growth, with its state funding for the programme is routed through the TSB and associated agencies.

Partnership Approval Group (PAG), representative group from the University/TSB meeting every 2 months to assess applications.

Funding: Funding Body & SME Contribution

£150M state funding for UK wide Knowledge Exchange activities 2012/3. (Viewed as key investment, level of investment retained despite economic/financial constraints). Typical annual KTP project budget is £60K with SMEs contributing 33% and larger businesses 50%. This includes the cost of training, equipment and consumables passed to the KB on completion.

- **Eligibility Criteria.** KTPs support a broad cross-section of UK firms, regardless of size in any business sector.
- **Terms and Conditions.** The scheme is aimed at innovative projects of clear strategic relevance to business. Projects must demonstrate a sound business case; a clear knowledge transfer and a step change in innovation and be stimulating and challenging for all three partners. Any **Intellectual Property** arising from the KTP is **retained by the company**.

2. IMPLEMENTATION

KTPs are based on a relationship formed between a company and an academic institution ('Knowledge Base' partner), which facilitates the transfer of knowledge, technology and skills to which the company partner currently has no access.

Each partnership employs one or more recently qualified people (known as an Associate) to work in a company on a project of strategic importance to the business, whilst also being supervised by the Knowledge Base Partner. The three key players involved in a KTP are:

- **Company partner**, usually a company (including not-for-profit).
- **Knowledge-based partner** a higher education institution e.g. university, college or publically/privately funded research organisation.
- **KTP Associates**, each partnership employs one or more high calibre Associates (recently qualified people), postgraduate researchers, university graduates, or individuals qualified to at least NVQ (Level 4) or equivalent, transferring the knowledge the company is seeking into the business via a strategic project.

▪ **Key Steps - How it Works**

More than 140 different knowledge bases including the University of Portsmouth participate in KTP schemes which work across a wide range of academic disciplines, degree subjects and industry sectors. Projects run from 26 weeks to 3 years.

STEP 1	The business and knowledge base partner jointly submit an expression of interest (EOI) to the KTP Adviser employed by the TSB to support KTP projects in the region.
STEP 2	Preparation of application with guidance from KTP Adviser a formal application is made to the Partnership Approval Group (PAG) for assessment/approval.
STEP 3	Successful proposals funded , the knowledge base partner and business recruit an Associate i.e. a graduate with the specific expertise required for the project. The Associate is employed by the knowledge base partner
STEP 4	Project located at business premises with continued input from an Advisor. The knowledge base supervisor spends approximately half a day per week working on the project.

The application process is considered difficult with decisions taking up to 6 months. At least 2 people per business are involved in delivering the technical support

▪ **Key Stats UK KTP Scheme 2010/11**

KEY MEASURE	ESTIMATED TOTAL
Applications Accepted	222
Funding Granted to successful SMEs	£34M
SME Investment	£24M Match Funding £93M
Live Partnerships	1,176
Live Projects	1,234
New Jobs Created	1,300

JS Humidifiers a successful SME and UK market leader in the field of humidification and related technologies used the KTP scheme to help it increase its market share in new and existing markets through a better understanding of its strengths. The KTP project produced a detailed business analysis and facilitated the streamlining of many of its processes. Establishing flexible reporting tools and a thorough understanding the company's income streams also provided a robust platform for assessment of new business opportunities, resulting in 22% increase in sales and 75% increase in profits.

3. KEY LEARNING POINTS & OPPORTUNITIES

Legacy benefits include a wide range of evidenced economic and commercial benefits for each of the partners involved.

– **What worked well**

Businesses have reported a significant return on investment arising from the scheme, with government investment/funding expected to result in additional profit, new jobs, annual exports further business led investment in research and development and plant and machinery.

Development of long term relationships with businesses involved/cross selling of other services.

– **Challenges/Weaknesses**

Difficult application process with decisions taking up to 6 months

Raising awareness of the KTP programme amongst graduates/recruiting them onto the scheme.

▪ **Transferability**

– Opportunities: viewed as highly transferable to other regions

– Threats: reduction in state funding

FURTHER INFORMATION:
DIFASS You Tube Channel <http://www.youtube.com/watch?v=53ssssmbetM>
Knowledge Transfer Partnerships <http://www.ktponline.org.uk/>
Technology Strategy Board www.innovateuk.org
_connect <https://connect.innovateuk.org/web/guest/home>