

GCRI INTERVIEW

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What are some of the best ways to create and maintain a culture of entrepreneurship at universities?

Universities differ considerably, and I doubt that there is a magic approach that works equally well for all types. Take the example of Germany's "Technische Universitäten" where contact to industry, practice projects, and regular transfer of prototypes and technologies to innovative firms are quite common. In such an environment, it may be much easier to instill a culture of entrepreneurship than at universities with a classical spectrum of faculties. In the first case, interest in new technologies provides a common platform – with tournaments, start-up competitions and events that are advertised on the campus, you can have tremendous impact and instill in students and faculty considerable interest in entrepreneurship. In the second case, there is more heterogeneity – and maybe also more variety of ideas and approaches. At LMU which has a number of excellent faculties in the humanities and social sciences, we have found it helpful to signal to students from these subjects that any kind of entrepreneurial idea is welcome. We will support students pursuing social entrepreneurship projects just as much as we support a young team aspiring to become a global commercial company.

Coming back to your question, I think three aspects are essential. First, entrepreneurship should never be understood as a narrow concept – it is more about realizing one's dreams than about money, and ideally it involves aspects that all students, researchers, and faculty should be able to relate to. Second and equally important: it is not possible to create a culture of entrepreneurship without involving entrepreneurs. You need more than academic attention to the phenomenon of entrepreneurship – although this has become a topic of serious scientific study, as it should. At LMU, we have by now a large number of practice lecturers who contribute their time and experience to teaching and to supporting student projects. And finally, nothing will move in a university without the support of enthusiastic students and committed faculty. At the LMU Entrepreneurship Center, we have had the good fortune of working with a highly motivated group of entrepreneurship ambassadors among the faculty. And we have opened our doors to students who want to bring in new ideas, concepts and issues. Beyond these three points – it is hard just work.

What are some of the greatest challenges academics face when they try to commercialize their research?

In many cases, the professor who is stepping completely out of her or his academic role is the rare exception. By and large, it is post-doctoral researchers or former doctoral students who become the entrepreneurs and actively pursue the new businesses based on research that they have been involved in at the university. The professors may very well have a non-

executive role in the start-up, and their support is usually extremely helpful. An important challenge is to bring the intellectual property that the team has generated and that is usually in the hands of the university back into the start-up. Venture capitalists pay a lot of attention to this point. Another aspect is to find experienced team members who are willing to join the founders in their endeavor. And finally – there is the search for financial means that can keep the startup afloat or – hopefully – support the growth process.

Which framework conditions that benefit start-ups and young businesses would you like to see implemented in Germany?

By now, Germany offers great support to start-ups and young business in the very early phase of their development. The EXIST Founder Stipends or Technology Transfer support programs developed by the Federal Ministry of Economics and Technology (BMWi) have turned out to be quite effective. But the provision of private capital is still problematic. The German tax code and regulation of venture capital are – by the standard of Scandinavian or other Continental European countries – not competitive. Some measures are currently pending at the EU level, since the Commission has raised concerns about their impact. That is a frustrating state of affairs. While the Federal government has recently introduced some urgently needed support for business angels, tax transparency for VC funds and unlimited use of loss carry-forwards by young firms are still elusive in Germany.

After the successful launch of the German Silicon Valley Accelerator in early 2012, can you envision a German Silicon Alley Accelerator in New York City?

Envisioning such a scenario is easy – after all, New York has become a hotspot of entrepreneurial activity. Moreover, for some German start-ups which want to enter the U.S. market, NYC may be an excellent location. Beyond the visions – this is a very practical question of setting up a support system for German entrepreneurs. I am optimistic that it can be done. Stay tuned.

On a final note, what advice do you have for young entrepreneurs?

Before giving advice, let me congratulate them – it is entrepreneurs who change and shape the world. The advice – look for experienced advisors and mentors willing to support you. And if in doubt, just imagine thinking back to this moment in 20 years, realizing that there was a unique opportunity. You may fail with this venture. But you may also achieve something that is truly unique.