

## ATP Helps Firms Build New Capabilities and a Broader Social Network for Innovation

*Highlights from "Program Design and Firm Success in the Advanced Technology Program: Joint Venture and Single Participant Projects and University Participation," by Michael Darby, Lynne Zucker, David Waguespack, and Andrew Wang*

### ATP Promotes Social Capital for Industrial Innovation

- ATP not only provides funding, but also promotes "institution-building" for innovation.
- ATP enhances a firm's social network for R&D by encouraging and supporting cooperation and collaboration in R&D across firms, academic institutions, federal laboratories, and other organizations.

### ATP Builds the Social Basis and Context for Innovation

- Economic interactions are embedded in social relations and connections.
- Close contact among researchers engaged in collaborative R&D relaxes boundaries among firms and enables information flow among firms, particularly the transfer of tacit knowledge.
- Personal and organizational interaction provides a basis for trust and cooperation, which enables productive collaboration.

### Participation in an ATP Project Can Have Wider Positive Effects on the Firm

- ATP supports novel and frontier R&D projects that enhance a firm's broader R&D capability and strategic direction that would not have occurred without ATP's support.
- Firms that participate in ATP projects learn how to collaborate and partner with other firms, a benefit that goes beyond the project level to the firm level.
- Developing collaboration and alliance building skills is a critical capability for firms in today's business environment.
- ATP has a positive impact on innovation as measured by the number of patents that firms apply for and receive.

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