

# ATP-Funded Projects are Realizing Commercial Success<sup>1</sup>

## Summary of Commercialization Activity:<sup>2</sup>

- A little over half of the companies in single applicant projects reported at least some revenue (or experienced reduced costs of production) from their ATP-funded technologies.
- As a subgroup, small companies from single applicant projects have been particularly successful at commercializing their ATP-funded technology with over 7 out of 10 projects resulting in at least some revenue (or reduced cost of production).
- In almost 6 out of 10 joint venture projects at least one member reported some revenue (or experienced some reduced costs of production) from their ATP-funded technologies.

## New Products or Services:<sup>3</sup>

- Approximately 4 out of 10 projects report revenue from at least one product or service created with ATP-funded technology.
- 75% of those companies reported one new product or service,
- 20% reported two new products or services, and
- 5% reported three new products or services.

## Commercial revenue reported by 61 companies for 81 products created or enhanced by ATP-funded technology over the last 2 years is as follows:<sup>4,5</sup>

- 39% were less than \$1 million,
- 30% were between \$1 and \$5 million,
- 22% were between \$5 and \$20 million,
- 7% were between \$20 and \$50 million, and
- 2% were greater than \$100 million.

<sup>1</sup>Data collected for this fact sheet came from two rounds of interviews. The interviews occurred approximately two years after their ATP project ended. The first set of interviews cover ATP projects that started after Oct. 1, 1993, and ended by December 31, 1997. The second set of interviews cover ATP projects that started after Oct. 1, 1994, and ended by December 31, 1998. The combined rounds covered 178 companies representing 114 single applicant and 22 joint venture projects. EAO collects data from companies who received an ATP award at two, four and six years after ATP funding ends.

<sup>2</sup>From Part 2-1 Post-Project Survey, answers to the question, "Has your organization earned any revenue (or experienced reduced cost of production) to date as a result of its ATP project?"

<sup>3</sup>From Part 2-2 Post-Project Survey, answers to the question, "Has your organization earned any revenue from a new or improved product as a result of the ATP project?"

<sup>4</sup>In some cases the technology developed by the ATP project represents only a portion of the product sales reported.

<sup>5</sup>Four companies refused to disclose the actual dollar amount in sales.



The few products with very large sales compared with the many products with small to moderate sales is reflected by the fact that the average level of sales exceeds \$10 million per product while the median level of sales is just \$1.4 million.

### New Process Technologies:

- 8 of 10 companies developing process technologies with ATP-funded technology report multiple customers; this is consistent with ATP's mission of financing enabling technologies.
- 3 out of 4 companies report lower costs of production for their customers and, of those, half of them report a large decrease in costs (versus a small decrease in costs).

### Licensing Activities:

- Licensing of ATP-funded technologies are contributing to ATP's goal of technology diffusion.
- Total licensing royalties amount to about \$21 million to date, with \$17 million coming in just the last year, suggesting that growth in licensing revenue is starting to accelerate.

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