

## San Diego CONNECT, United States<sup>1</sup>

(by Rod Shrader, United States)

### Description of the approach

San Diego CONNECT was established to facilitate the transfer of technologies from universities to industry. This program provides another rich model that could be adapted to enhance technology transfer in and around Halle. Although much of what UNIVATIONS does mimics the programs of CONNECT, a careful comparison of the two programs will undoubtedly lead to insights regarding how to strengthen UNIVATIONS and make a great program even better.

San Diego, California has proactively and aggressively become one of the most innovative places in the world. They have transformed their economy from one relying on defense contracts and tourism into one that is based significantly on academic research and high technology (primarily biotechnology and telecommunications). At the centre of this economic reinvention were the University of California, San Diego (UCSD) and its CONNECT program. UCSD CONNECT is a deliberately developed network of professional competencies focused on build-ing shared knowledge and facilitating entrepreneurial teams to establish and build entrepreneurial companies. UCSD CONNECT has developed outreach activities and programs that link science to business. Outreach activities include workshops, seminars, networking events, and awards programs.

San Diego has several research institutions (UCSD, Scripps Research Institute, Salk Institute, The Neurosciences Institute and others) that annually conduct in excess of USD 2 billion worth of basic research. These institutions produce a great deal of valuable intellectual property (IP). In order to commercialise this IP, UCSD CONNECT brings together researchers, entrepreneurs, investors, and the business community in order to form social networks to connect these disparate groups. These networks facilitated mutually beneficial learning that has resulted in in-creased competency. They also provided entrepreneurial firms with greater access to resources. This increased access to capital and expertise has been credited with helping stimulate the founding of numerous new companies and the creation of thousands of jobs in the telecommunications and biotechnology industries in San Diego. Furthermore, UCSD CONNECT has been replicated in other cities in California, Hawaii, New York, and several other countries.

Over 1 000 companies now participate in CONNECT and its programs are fully funded by membership fees, sponsorships and fees for services.

### Reasons for the success of the approach

Participants in UCSD CONNECT have cited several factors that contributed to the net-work's remarkable success. First, a severe cutback in military spending resulted in a serious economic downturn in San Diego. This created the need for new industries in the area. Secondly, CONNECT was very successful at creating an atmosphere of trust amongst participants. Third, San Diego had a critical mass of service providers such as IP attorneys and business planners, who could quickly put deals together. Ultimately, CONNECT participants have concluded that innovation is a social process that relies on interaction, serendipity, trust, and the exchange of tacit knowledge.

### The obstacles that were faced and considerations for adoption of this type of approach in Halle

What makes the CONNECT model compelling is that is has been far more successful than other programs at stimulating lasting economic development. While many similar attempt to great viable

<sup>1</sup> Source: Discussion Paper " Entrepreneurship Environment and Policies: Exploiting the Science and Technology Base in the Region of Halle", in: *OECD LEED Local Entrepreneurship Series*, January 2007.

networks to stimulate the creation of new ventures, most have, over time, degenerated into social clubs or “shark tanks” full of attorneys, accountants and other service providers looking to make a few quick dollars. Because San Diego’s CONNECT program was born of necessity it benefited from a rapid “buy in” from all relevant parties who saw participation as their best option. Other cities, like Chicago, do not face the same economic challenges San Diego faced and, therefore, do not have the same sense of urgency that leads to enthusiastic participation in new networks. The biggest challenges faced by any city seeking to implement a similar program would include getting relevant parties to participate fully, getting participants to trust one another adequately, and keeping programs focused on their missions so that they do not de-generate into social clubs or shark tanks.

**Contact details and website for further information**

CONNECT  
8950 Villa La Jolla Drive, Suite A124  
La Jolla, California 92037  
Phone: (858) 964-1300  
Fax: (858) 964-1301  
Website: [www.CONNECT.org](http://www.CONNECT.org)