

Ventures and Licenses: Moving Our Technology into the Marketplace

BusinessWeek dubbed SRI International “Spin-Off City”— an innovation engine that creates new ventures and licenses capitalizing on breakthrough technology developed at SRI. An independent research institute founded by Stanford University in the heart of Silicon Valley, SRI has created and launched more than 40 ventures with a total market capitalization that exceeds \$20 billion.

In addition, we have developed hundreds of high-value licenses: every day, people around the world use innovative products that SRI pioneered, including the computer mouse, the Internet, and HDTV.

SRI licensees range from large corporations to mid-size firms and small start-ups that are spearheading new technologies and products. Our licenses are in the growing areas of cleantech, infotech, biotech, and advanced materials.

Three of our ventures are now public companies, and many others have been acquired. Our ventures are funded by some of Silicon Valley’s top venture capital firms, such as Mayfield Fund, Morgenthaler Ventures, Menlo Ventures, and U.S. Venture Partners.

SRI’s stock in trade is innovation. We discover new scientific principles, develop novel approaches, design new products for clients, and bring new technology to market.

“SRI is a world-class innovation center, creating industry-leading ventures that continue to change the world. Their disciplined innovation process for creating ventures is unparalleled. They are an outstanding partner, and we are proud to work with them. Our doors are always open to SRI.”

—*Gary Morgenthaler*

*Managing Director
Morgenthaler Ventures*



Our Systematic Innovation Process

At SRI, innovation is a discipline refined over more than two decades, assuring repeatable success in our R&D and in commercializing our technology.

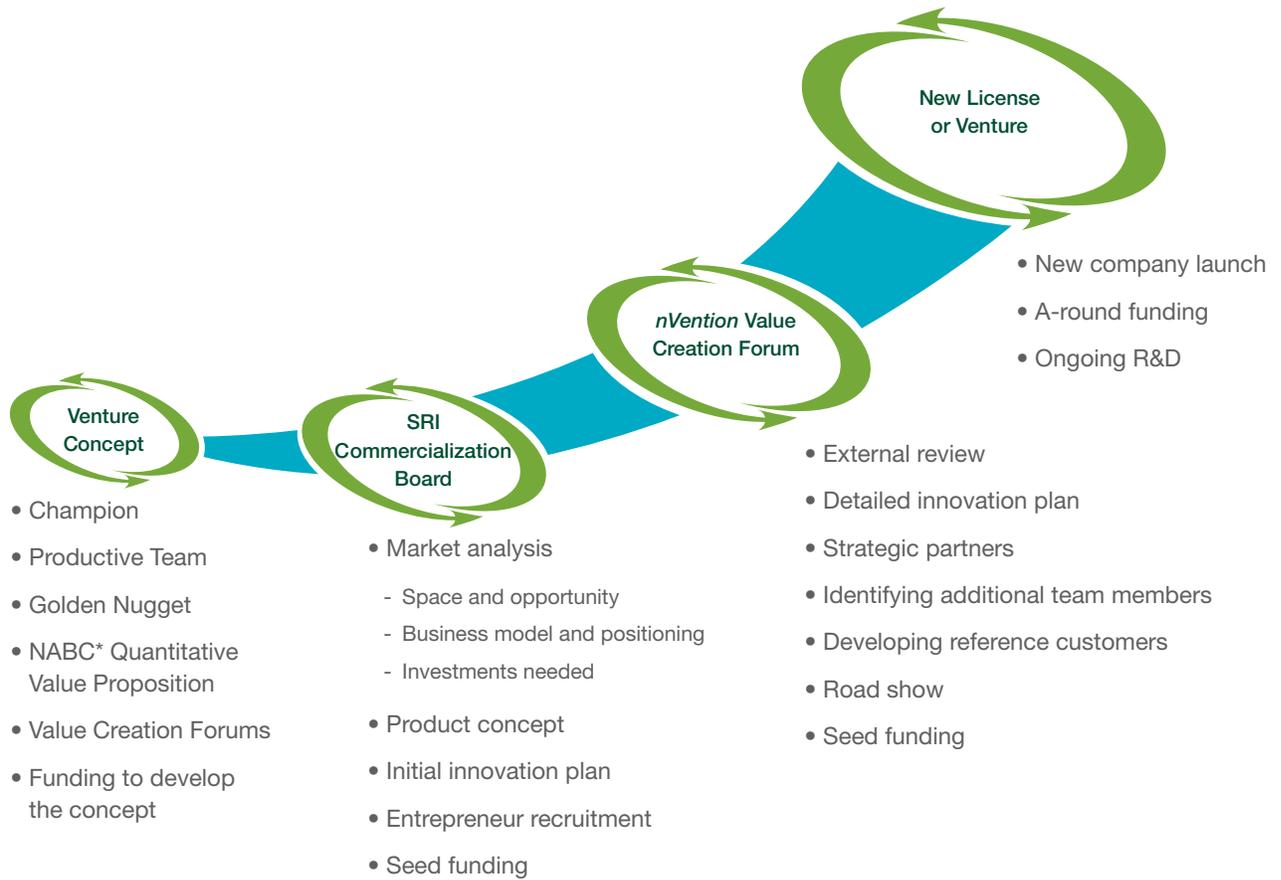
Our approach to creating ventures and licenses is a leading model for the nonprofit research sector. Rather than *pushing* our technology advances into markets, we meet important market needs with SRI-developed technology solutions.

SRI’s process to create a venture or license (illustrated on the next page) includes identifying a disruptive market opportunity and important need, developing a “golden nugget” solution that has a sustainable competitive differentiation, and creating a business plan that brings the value proposition to life.

In the case of ventures, we recruit an entrepreneur-in-residence, assemble the entrepreneurial team, assist in obtaining venture investment, and launch the new company.

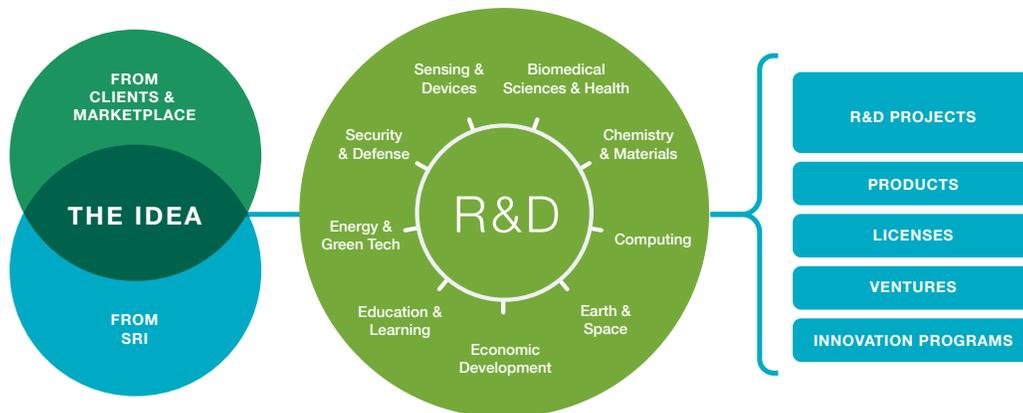
For licenses, SRI advances opportunities beyond patents. We often develop the technology into a prototype or product, identify customers, and even begin the revenue stream.

SRI's Process for Creating Ventures and Licenses



* Definition of the Needs, Approach, Benefits(per cost) and Competition.

SRI's Business Model



DRIVEN BY SRI'S FIVE DISCIPLINES OF INNOVATION®



SRI's electroadhesive wall-climbing robot

Robotic arms in a modular surgical platform



“SRI has become the best organization in the world in taking its technology and creating businesses... they have developed an excellent process for going from technology, to products, to markets, that fits well with what venture capitalists want to see.”

—David Ladd
Former Managing Director
Mayfield Fund



SRI spin-off Siri, Inc., acquired by Apple, offers a virtual personal assistant for smart phones. It automates routine tasks based on voice input for more intelligent web interaction.

SRI's Venture Portfolio

Publicly Traded



Surgical robotics



Speech recognition for customer service



DNA testing services*



Electrodeshesion for materials handling



Innovative robots for manufacturing/service*

Information Technology



Electronic signature solutions



Travel search and planning



Customer service tools*



Video-on-demand services**



Digital imaging system



Educational gaming platform



Wireless mesh networks*



Stray voltage detection services



Video enhancement systems



LCD technology*



Iris biometric identification*



Virtual personal assistant*



Enterprise social media technology*



Technology for K-12 and higher education



Smart calendar for iPhone



Real-time web video streaming and sharing



Next-generation personalized web search tool and planning



Panoramic image editing software*

Advanced Materials



Electroactive polymers*



Metal print and plate manufacturing



Digital color printing applications*



Super-bright LED light engines*



Environmentally friendly light products



Optical network components



Anti-counterfeiting systems



Portable power systems**

Bio/Medical



Drug dispensing system*



Glucose monitoring system



Drug discovery



Disposable hearing aid*

*Acquired or merged ** Dissolved

nVention: A Strategic Partnership with Leading VCs

As part of the venture creation process, SRI works closely with the venture community to benefit from its financing and company-nurturing skills.

SRI's nVention Advisory Board comprises seasoned venture capitalists from premier firms. They provide strategic advice in technology areas such as information technology, advanced materials, power and energy, nano-technology, and medical devices. They also support the business process with market knowledge, business opportunity analysis, industry and customer contacts, and recruitment of executive teams.

Although nVention board members have no preferred investment rights, they benefit from exposure to advanced technology in SRI laboratories and from a first look at new venture concepts. Board members have frequently invested in our spin-offs.

View the current list of nVention board members at www.sri.com/engage/ventures/nvention-advisory-board.

Contact Us

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About SRI International

SRI International is a nonprofit research and innovation center headquartered in Silicon Valley. Government and business clients worldwide come to SRI for pioneering solutions in biomedical sciences and health, chemistry and materials, computing, education, economic development, energy, security and defense, robotics, sensing, and more. We provide research, laboratory and advisory services, technology development and licenses, deployable systems, products, and venture opportunities. Our innovations have created new industries and marketplace value, and lasting benefits to society.

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