

# Better understanding of business opportunities lowers the barriers to nanotechnology transfer

**A major challenge for nanobusiness is to find a unique selling proposition, out of a diverse range of possible applications. Potential investors need better understanding of nanotech-related business opportunities. A clear commercial focus is key to ensure investors' control of the source and level of finance needed. This is a key insight from the ProNano project analysis of barriers to the commercialization of nanotechnologies.**

Researchers typically define nanotechnology research outputs as 'platform' technologies with a diverse range of applications. Moreover, nanotechnology is often an enabling technology used to improve existing products rather than create entirely new products. The wide range of potential applications typically associated to nanotechnologies can bring forward remarkable business opportunities but it can also turn into risk if not properly understood and prioritized. Among researchers, there is still a widespread lack of market understanding and assessment of the real business benefits associated with each application.

On the other hand, investors' understanding of nanotechnology is at an early stage, compared to more established business sectors. Typically, investors are focused on the commercial potential of the end-product and little concerned about the underlying technology being "nano" or not. What they need is a clear assessment of market potential and control of the source and level of finance needed. They will be reluctant, if they don't understand very well the business opportunities that nanotechnology brings. Even more, some investors fear that the "nano promise" may be unjustified as it happened with the "dot com bubble". Investors need to be assured of nano's commercial potential and benefits.

These are key insights from the analysis of barriers to the commercialisation of nanotechnology carried out by the EC funded project ProNano (Promoting Technology Transfer of Nanosciences, Nanotechnologies, Materials and new Production Technologies, DG RTD FP7 248219). Within this project a group of ten advisor companies are supporting researchers in the nanotechnology field to turn their results into commercially viable services, products or processes. ProNano has looked for new actions to reduce barriers and pro-actively develop routes to commercialisation from an early stage.

According to the ProNano advisors, the challenge for nano-businesses is to clearly set market priorities within the range of potential applications coming from nanotechnological innovation: investors need market validation. Businesses should be able to identify their own 'unique sales proposition'. The common denominator for problems concerning turning nanotechnology into a commercial venture is not the technology but the definition of a suitable business model able to attract investors. This problem is seriously underestimated. Through a clearly defined business model, which is coherently based on the strength of the technology itself as well as on the market value the technology may have, nanotechnological results may attract appropriate financing. As was the case with biomedical innovations, it will take time for researchers to break down the barriers and bring their nanotechnological innovations to the market.

ProNano is helping the entrepreneur in developing a coherent finance raising strategy linked to market and customer prioritisation.

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