

Acquisitions as a mechanism for technology transfer

Tim Wilson

*Director, IP and Free Trade Unit,
Institute of Public Affairs*

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**AUSTRALIA'S
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Foreign investment and technology transfer

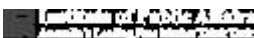
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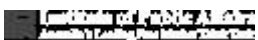
Technology transfer

- Tech transfer is tangible and intangible technology
- Gains are direct and indirect, ie 'spillovers'



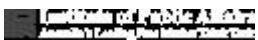
Mechanisms

- Vertical linkages
- Horizontal linkages
- Labour turnover
- International technology 'spillovers'



Drivers

- Multinationals
 - Strongest capacity to innovate and disseminate
 - Expanding internationalisation of research and development
 - conducted in non-OECD countries
 - by non-OECD multinationals
 - coupled increased internationalisation by MNEs
 - increases in international alliances



Attracting technology transfer

- Offsetting their lack of local market knowledge
- A neutral policy environment
- Restrictions undermine the capacity for technology transfer



Absorptive capacity

- Domestic policies can harm absorptive capacity
 - Restrictions on content
 - Restrictions on business
 - Restrictions on people
 - Intellectual property

