

Chapter 7

Observations and Recommendations

1. CSIR is a premier R&D agency in India and most of the CSIR laboratories do have international exposure of varying degrees. The inclination and orientation towards international marketing and exports of R&D services, nevertheless, is lacking in most of the laboratories. In the course of the discussions that were held with the laboratories, most were, however, found enthusiastic about the opportunity to export their R&D services. Some of the leading laboratories do have interactions with international clients and are keen to approach the international marketing of R&D services in a more systematic manner.
2. It was realized that CSIR laboratories are now able to accrue financial reserves known as 'lab reserve' from the earnings through contract research and technology licensing etc. collectively known as 'external cash flow (ECF)'. Directors of the laboratories who are responsible for maximizing ECF are also entitled to incur expenditures from 'lab reserves' for business development activities of the lab. The Directors are also empowered to approve foreign deputation of their scientists for the purpose of business development, participation in scientific conferences etc. CSIR guidelines also permit the Directors to utilize their 'lab reserve' for foreign deputation of their scientists for the purpose of business development. Thus, CSIR has apparently created necessary pre-conditions for a successful strategy of developing a portfolio of export of R&D services. Yet, this facility has been, hitherto, availed only very nominally for international business development. It can be recommended, therefore, that CSIR should evolve a well thought out business plan / strategy for augmenting international marketing of R&D services-specific targets in a given time frame keeping in view the developments taking place globally as a result of WTO / GATS negotiations.
3. The level of international exposure in some of the individual laboratories needs to be increased substantially. This can be done by encouraging these laboratories

to increase their participation in international conferences and workshops and to interact with international delegations visiting India. Corporate thrust and direct support in this direction may be considered by CSIR along with an agenda of international marketing of its knowledgebase and R&D services.

4. With a view to give a competitive edge to CSIR laboratories required for export of R&D services, it is recommended that CSIR management should encourage adoption of 'corporate-culture' in its laboratories with due debureaucratisation and restructuring.
5. It is recommended that to give thrust to the corporate strategy, CSIR may evolve a structure or framework in which the activities related to exports of R&D services will be coordinated at two levels; i.e. at the corporate level as well as laboratory level. As an integral part of this strategy and structure, appropriate systems comprising of both formal and informal procedures, including institutional objectives, compensation systems, management information systems, and capital allocation systems, etc. are recommended to be worked out.
6. With establishment of an appropriate setup, it is recommended that a specific budget for export of R&D services should be specifically allocated for all laboratories. This would include the creation of a centralized nodal body, i.e., the International Marketing Division for R&D Services (IMDRDS) – at the corporate / headquarters' level and a corresponding separate cell within each laboratory, i.e., the International Marketing Unit (IMU) – for the purpose of international marketing of R&D services. Each IMU would work in unison with the IMDRDS and would be linked to the IMDRDS through a corporate Intranet, to ensure speedy communication and connectivity.
7. The IMDRDS may use the services of marketing and management professionals and consultants, along with Directors, Heads of Departments and eminent

scientists of the CSIR system. The responsibilities of the IMDRDS would involve the following:

- a. The IMDRDS would be responsible for the collection of market information in connection with the following:
 - Identification and benchmarking of various R&D services from individual laboratories or on a collective basis.
 - Competitor analysis and identification of potential customers for the identified R&D services in the targeted countries.
 - b. Development of marketing strategies including determination of appropriate marketing mix on behalf of the individual laboratories would be carried out by the IMDRDS based on the inputs provided by each IMU.
 - c. The organization of Scientific delegations to targeted countries and periodic international interactive meets which can provide a platform for identification of potential customers, market information for relevant marketable R&D services of CSIR would be undertaken by the IMDRDS or the IMUs on a case to case basis.
 - d. The IMDRDS would also be responsible for establishment of linkages with concerned agencies in the targeted countries, along with Indian High commissions / consulates / embassies abroad, and High commissions / consulates / embassies of the targeted countries in India for the development and updation of a country-wise databank for the international marketing of R&D services.
 - e. Strategic alliances or partnerships with sister laboratories and / or other institutions, and industry for project marketing should be promoted at the corporate level by the IMDRDS.
8. The responsibilities of the IMUs would involve:
- a. To undertake the development and updation of a country-wise databank pertinent to the services of the individual laboratory. This databank can be developed through the following:
 - i. Market surveys,

- ii. Services of consultants,
 - iii. Establishment of linkages with concerned agencies in the targeted countries,
 - iv. Subscription to online commercial information centers
 - b. To identify potential customers in the targeted countries.
 - c. To remain in touch with the latest developments in the areas pertaining to each individual laboratory's core competency with a view to exportable R&D services.
9. Appropriate 'Orientation Workshops' aimed at inculcating ethos of international marketing of CSIR knowledgebase and R&D services need to be developed and organized. This task would also need to be handled by IMDRDS / IMUs jointly for CSIR scientists, visiting abroad on selective basis.
10. CSIR should maximize its earning by contracts from abroad as also highlighted during discussions in some of the Parliamentary Standing Committee meetings. IMDRDS / IMUs may evolve a combined plan of international marketing of contract research and R&D services.