

OPENING STATEMENT
The Honorable Steven M. Palazzo (R-MS), Chairman
Subcommittee on Space and Aeronautics
Hearing on
Spurring Economic Growth and Competitiveness through NASA-derived Technologies

Thursday, July 12, 2012

I would like to begin by thanking our witnesses for taking time from their busy schedules to appear before us this morning and share their insight about the role NASA has played in spurring technologies that yield economic growth and keep America at the forefront of global technological competitiveness. I realize you and your staff devoted considerable time and effort preparing for this hearing, and I want you to know that your expertise will help inform this Committee and Congress during the coming months and years.

In the public media, discussions of NASA's general contributions to society are often distilled down to Tang and Teflon. Yet, NASA-derived technologies have paved the way for innovative advances in the medical field, environmental stewardship, and public safety. Today's hearing will only skim the surface in highlighting the direct economic and societal benefits investment in NASA has generated. Since 1976, NASA has documented well over 1,700 successful examples of technology transfer and commercialization. But despite decades of demonstrated success, NASA's budget has remained essentially flat even as other R&D agencies are seeing increases. Investment in NASA's technology transfer activities, however, has seen a drastic decline in recent years.

A recent NASA Inspector General audit on NASA's technology and commercialization efforts concluded that NASA has missed opportunities to transfer technologies and that industry and the public have not fully benefited from NASA-developed technologies. The IG found a general lack of awareness among NASA program managers about the technology transfer and commercialization process and that many personnel did not understand the range of technologies that could be considered as technological assets. Furthermore, the report found that the number of patent attorneys and dedicated Innovative Partnership Office staff – and related funding – was insufficient given the technology transfer and commercialization potential. The IG recommended NASA implement a review of the policy process and implement new procedures and training requirements to ensure NASA personnel were fully aware of the process and their responsibilities. The IG also recommended that NASA reassess the allocation of resources for technology transfer. This Committee will follow closely NASA's implementation of these recommendations.

The IG report took a look at formal NASA processes in place, but it begs the question – does technology transfer happen in other, informal ways? And if so, how can NASA best marry

entrepreneurs with the technologies it has already developed or those it may still need for future missions? Exploring both traditional and nontraditional means for technology transfer to the private sector is equally important if we hope to leverage space technology development as an engine for economic growth and U.S. competitiveness.

Today's hearing will explore positive examples of partnerships between NASA and the private sector yielding American-made technologies beneficial to both NASA's space exploration mission and to society as a whole. We will also examine what strategies and programs NASA uses to disseminate technology into the private sector and identify the greatest challenges the private sector has in working with NASA to more quickly transition ideas into new products.

I look forward to today's discussion, and wish to again thank our witnesses for their presence.