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An extended abstract of the paper on the subject of:

**PRICING IN THE SYSTEM OF TECHNOLOGY TRANSFER**

**Problem statement.** Under the current conditions, not only manufacture of products with account of all the market requirements, but also their sale is pivotal for the economy of Ukraine. Price has always been a major tool that ensures improvement of production efficiency. Based on the essential specific features of pricing, price structuring, and price proportions, a basis for transfer market functioning, opportunities and development prospects is formed. This, in its turn, stipulates the necessity to create the background for further development of a practicable pricing mechanism for technological products and services.

**Recent research and publications analysis.** The issues of pricing in high-tech markets have been scrutinized in the works by such authors as O. Antypina, F. Bidolt, F. P. Boyer, M. Kats, D. Klinov, B. Milner, F. Peter, K. Shapiro, H. Varian and other researchers. However, the subject of main pricing factors evolution in the high-tech market, as well as that of the dominant pricing strategies, have not been explored in full yet.

**The paper objective** is a study of the special features of pricing within the system of technology transfer, determining their advantages and flaws.

**The paper main body.** Promoting a new high-tech product, the seller can not use market prices as a basis for price-setting, since the proposed innovative product simply has no analogues. On the other hand, the buyer, when considering a purchase
of a new product, is unable to compare its price with that of similar products, thus having to make intuitive decisions, which are likely to result in a refusal to buy.

Pricing in the technology and information markets has its specificity. Unlike the price of goods, which includes mandatory manufacturing expenses (raw product cost, cost of materials, cost of hired workers’ labor etc.), the price of intellectual products normally does not include expenses for intellectual labor. It means that the cost of laboratory research and the appropriate equipment, reagents, rent of premises, expenses of intellectual workers for retrieving the necessary information and other costs do not affect the commercial cost of the created technologies or IT products. Here, the key factor of pricing is the main or additional profit, which consumers of such products get during business processes.

When making assessment of intellectual property objects, the market situation of similar products is analyzed with the aim to find out whether the products are sold in the open market, and if so, what their prices are. Therefore, assessment of such products requires application of the following methods: premium profit; exemption from copyright royalty; gain in prime cost (price); cost of creation; cost of purchase; book-keeping method; fiscal authority’s goodwill formula; and speeding-up of operating assets circulation. When making estimates, it is necessary to take into account such fundamental factors as time and inflation. The pricing of a technological product also includes evaluation of external factors that affect a company’s marketing strategy in the technology market, in particular competition and state regulation of prices. The influence of the state makes itself evident in imposed taxes, penalties, and duties.

Conclusions of the research and prospects for further surveys. Research into the conceptual basis for cost and price of technology products and services has made it possible to conclude that there exist a great many factors that affect their pricing techniques. The price is formed under the influence of a system of pricing factors of different nature (economic, technical, technological etc.), which exert different impact, depending on a given situation and time period. That is why the process of pricing is related to both – production and market conditions. Limiting a
study of the essence of price, its system-forming factors and pricing methods to one approach only will lead to groundless conclusions and loss of market profit by high-tech product producers.

The issues of improving the methods for information products and services pricing with account of their quality, and techniques of assessment of manufacturing companies’ input into research, production, and dissemination of IT products will make the subject of further investigation.