



Board of the USTAR Governing Authority

**Location: James L. Sorensen Building
University of Utah
Room: SMBB 2660**

**Tuesday, November 4th 2014
4:45-5:00 PM**

AGENDA

Welcome Greg Bell
Confluence Observations GA Members
Other Business GA Members



**Board meeting of the USTAR Governing Authority
11-04-2014 Meeting Minutes – Approved**

Governing Authority Members Present: Greg Bell (Chair), Rich Lunsford, Susan Opp, and Florian Solzbacher (by phone)

Excused: Derek Miller, Val Hale (Vice Chair), Ron Mika, David Lockwood, Richard Ellis, and Neil Ashdown

USTAR Staff Present: Ivy Estabrooke (Executive Director), Jim Grover, Koa Perlac, and Jillian Hunt

Others Present: Christian Volmar (USU), Christian Iverson (USU), Greg Jones (UofU), and Andy Buffmire (UofU)

Mr. Bell welcomed everyone to the meeting. At this time the GA did not have a quorum.

Mr. Bell wanted an explanation of the point for the USTAR Confluence.

Dr. Estabrooke spoke of the USTAR Confluence. The intent of the meeting was twofold; one was to meet the statutory requirement and commitment to the legislature that we would review the entire portfolio on an annual basis.

Ms. Opp stated that it is irresponsible to not review the portfolio on an annual basis. We need to be able to see where the funds are being invested. Mr. Lunsford agrees and adds this creates more of an accountability for the teams to show their research as well as the milestones reached. He felt there was a clear line between the teams who have a distinct path and direction to get to commercialization and those who have an abundant amount of research still trying to find the direction. Dr. Estabrooke agrees there is a distinct line between those who are ready to commercialize in the next 3-5 years versus 20 – 30 years. Reviewing the presentations we are able to see which teams need more support with prototyping and commercialization. As well as which teams need help with focusing on one direction or do we need to wean them off.

Dr. Estabrooke stated second intent was to get teams that are on the same campus or in the same state and working on similar challenges or different approaches to start talking to each other. There were several teams with clear connection points that need to be made that will strengthen opportunities. We need to have a strategy and decide whether we want competing teams or do we want them to be working together. She will work with the universities to see why they are not already collaborating.

Mr. Bell mentioned we need to think about is how we find areas of research and candidate researchers for USTAR consideration. Is that something we do to complete the department chairs suite of researchers as they would like, or do we as USTAR board members and staff look at more closely and in partnership with the institutions, we need to play a heavier role in the process. Dr. Solzbacher agrees we need to play a heavier role. We have seen today some teams have a great division that seem to have a real commitment to translating the technologies at different stages and some teams that are more abstract concepts. It is important we take a

Utah Science Technology and Research Initiative



second look as the Governing Authority as to what people are doing. We need to try to forge teams on a case by case basis and make sure both sides equally look good.

Mr. Lunsford mentioned many of the presentations were speaking about head count and hiring. If we had part of our team involved in the decision and trying to understand if the personnel is mission critical to the project or could you invest the money in the project itself or into other things. In areas that USTAR has some investments in have a say in headcount. If we were to audit the headcount we would likely find that there are several people who are not currently mission critical. Is there a way to free up more funds to emphasize in areas we need to? Dr. Solzbacher we want to look at what the positions are. We need to make sure in some cases we are looking at what positions they are creating and to hold the universities accountable for those positions.

Mr. Bell states the universities need to be holding the research teams more accountable. Mr. Jones, to provide an example of team collaboration and commercialization, suggested we put together a one day tuberculosis summit and bring in ten national level experts to validate for USTAR and the university if this is a real solution or one of many. Then we can look at how we move it forward in a big way. Ms. Opp suggests having an industry partner to be able to accelerate it to market. Mr. Bell stated it would provide the business case to go the Legislature to ask for more funds.

Dr. Estabrooke mentioned we hosted the sub appropriations meeting at the USTAR building. We have received positive feedback from a couple of Legislature. They were happy we are starting to track and hold the teams accountable as well as provide metrics of personnel. Also, being able to move money to provide some seed funding or focus on big bets. We will be drafting a one pager of recommendations of what authorities we would like to have to be able to do so. Mr. Bell states that he was not aware of the cost and scale of the Nanofab and how critical it is for everyone. From the charter now legislature wants us to be doing PI specific team sort of work. Dr. Estabrooke states the legislatures want us to be moving forward. Mr. Bell questions if there is line items to acquire common infrastructure and equipment. Mr. Grover explains statutorily USTAR focused on putting resources towards researchers the outputs are purely IP and there is not much room in legislation right now to take credit for working with industry. Dr. Estabrooke added from the Legislative committee is providing us an opportunity for USTAR to recommend clarifications to the program to have the authority to do what we need to do. It was clear from that committee their goal for USTAR is commercialization. Changes can be made to the statute to allow us to do what we need to for commercialization.

Mr. Bell stated he would like a process written up on how to look at these different teams critically and letting go the teams that will not be able to produce. Mr. Jones states that when we commit to a tenured faculty they are the universities for life. We cannot cut teams we have a contractual obligation for tenure. The conversation needs to be this cluster is not really doing USTAR work and should be moved from USTAR line items to university line items. Mr. Lunsford asks how difficult is it for them to build teams and how do we get permission for to add to the team. Mr. Jones explains the recruitment process and it can be modified. The standard recruitment package is a 5 year commitment and startup funds that can include personnel costs. The only salaries hooked to that cluster at the end of five years are tail supporting faculty salaries. Based on the MOU's currently in place states the teams stay together for 5 years. Ms. Opp asks if they can change the subject research if the PI feels it is not working out. Mr. Jones

Utah Science Technology and Research Initiative



answered, PIs who are not recruiting federal grants to carry on the 5 year startup package natively start to change the direction of their research. We could have 2 or 3 year startup packages. However, if we change the recruiting packages we are changing who will be interested in those packages. When the research teams are speaking about adding head count many of them have received federal grants and will be loading those up with personnel. Mr. Lunsford states there are some projects on tracks with accountability and potential. How can we as USTAR help accelerate and fund these specific projects to commercialization? The other decisions about headcount can be diverted to help fund the project.

Dr. Estabrooke recommended we have a subcommittee formed around the licensing contracts to help take a look and evaluate the licensing of USTAR technology. This will allow for awareness at the GA level as well as give the opportunity for GA to have input in those licensing deals. We would suggest having Mr. Mika, Mr. Miller, and Dr. Solzbacher for their expertise on the subcommittee. As we look at the metrics and governments structure in the statute this is one place that the GA needs more oversight and transparency as they are being negotiated and renegotiated. Staff can provide a lot of the work but to have a subcommittee they can review and add their expertise.

Mr. Bell suggested we have the GA meet with the universities either together or separately to go over projects and goals. We need to grow closer with the universities to understand what is going on. Mr. Jones agrees we need to have this relationship with between USTAR and the universities. Dr. Estabrooke added from a governance perspective it is State taxpayers money that puts up the investment and takes the risk and therefore we need to have more transparency into the process at the Universities. How are licenses negotiated and when a company goes in and out of default those agreements, the GA needs to be aware to protect the taxpayers money. The big bet is the IP licenses will pay back to the state in the long run.

Mr. Bell stated he still does not understand exactly what the TOIP does. He feels he has not seen any of the successes that have come from them. Dr. Estabrooke stated there are a couple of teams that came to the sub appropriations to explain what the TOIP teams have done for them. We did a survey for the companies TOIP worked with to find out how USTAR has helped them. More information will be provided in the next GA meeting.

Dr. Solzbacher stated we should enforce having more industry involvement so that one PI does not invest into many small things and can no longer manage them.

Mr. Bell brought the meeting to a close.