Date(s) of Visit: February 5, 1986

File: Univ. of Utah

INDUSTRIAL LIAISON PROGRAM:
Tentative Schedule

VISITORS

Name: J. Winslow Young Title: Director, Patent & Product,

Organization: Development, Univ. of Utah, Salt Lake 801/581-7792

REASON FOR VISIT: Univ. of Utah has equity positions in small and start-up firms. (See attached paper re: Univ. activities) He hopes to encourage closer university/industry relationships. In his visit he wants to discuss w/OPTI how we view the innovation process and the role of market needs in the process.

SUGGESTED MEETINGS	TIME	PLACE	ALTERNATE TIME OR PLACE
D. Bracken	3:00	4817	
J. Williams			
L. Felker			
E. Robertson	12:30	4821	
S. Miller			
P. Goodman			
F. Haynes			
J. Heizer	3:30	4823	
N. Latker	9:30	4837	
T. Lettes	2:00	4827	
W. Nelson			
M. Rubin			
G. Underwood	1:00	4816	
C.A. Meares	11:00	7413	
Other: Dick Johnson	10:00	4814-B	
Tip Parker/Joe Allen	8:30-9:30	4837	
Lunch:	11:30	Cafeteria	

If you wish to change the schedule or make other suggestions, please call Elizabeth Robertson at 377-5585.

#4057p

ACADEMIC CAPITALISM
AT THE UNIVERSITY OF UTAH

J. Winslow Young, Director
Patent and Product Development Office

Academic capitalism, whereby academic research encourages economic growth, is thriving at the University of Utah. At least three dozen companies have been created based upon technology from the University. Since 1981 the University of Utah Research Foundation acting on behalf of the University has also negotiated an equity position in twenty-five of these emerging companies as part of the license.

The artificial heart represents one facet of the technology transfer program of the University of Utah. The exciting advances being made in its ongoing development could only have resulted from the efforts expended through a commercial enterprise. We have 64 active license agreements, 24 of which are with company startups and reflect an equity position with an additional 22 agreements in the review stage, 14 of which have proposed equity positions.

In addition to the artificial heart these emerging companies are supporting research and/or are providing commercial products in the following areas of medical technology: wearable artificial kidney, artificial arm, synthetic vascular graft, artificial ear, subcutaneous peritoneal access device, nerve repair prostheses, iontophoretic drug delivery, biocompatible materials, high frequency ventilator, anesthesia delivery, anesthesia monitoring, surgical laser control, cell culture, ultrasound imaging, pharmaceutical software, magnetically suspended blood pump, artificial fallopian tube, artificial urinary tract, and medical sensors. Venture capital attracted by these emerging companies is estimated to be in excess of thirty million dollars of which approximately 10% has been directed back into the University in the form of grants and sponsored research projects.

The technology is transferred by a license. In any license arrangement great care is taken to assure that there is no adverse affect on the academic/research mission of the University. Specific attention is directed to the areas of freedom to publish and conflict of interest.

The new companies created around technology transferred from the University of Utah use various techniques for obtaining the necessary funding to support their product development activities. As a general rule, since these companies are so new and their technologies so innovative, they

have not been successful in obtaining funds from conventional venture capital sources for their initial capitalization. Alternate funding mechanisms have included private placement, sales of research services, software sales, public offering, internal funding by the principals, merger with a publicly traded shell, and direct investment by a large corporation. Ultimately the growth of these emerging companies will result in their being able to utilize the more conventional sources of capital such as public offerings, venture capital, investment banks, and the like.

In conclusion, while the University of Utah is clearly not a commercial enterprise, it does recognize its important position as a technology resource and has taken an affirmative position in making that technology available to the commercial sector.