

Development Committee Update
SURA Board of Trustees Meeting
May 2006

JLab Technology Commercialization Program

We continue to build the Jefferson Lab technology commercialization program with a new focus on effective management, marketing and licensing of our inventions. We are now regularly using the Inteum IP Management database that SURA purchased and installed to manage the intellectual property at JLab. The database handles all aspects of invention disclosure management, including web-based inventor interfaces, CRADA and WFO agreements, patent management, licensing payments, marketing efforts, and the like. The JLab Technology Review Committee (TRC) hosted a seminar in January, attended by 75 lab inventors, to promote our new approach to technology transfer and to provide training on the invention disclosure interface. Since the system allows access from any remote location, each user (whether here in DC, at UVA, at JLab, or anywhere else) can have real-time access to any piece of information about our intellectual property and licenses (see www.jlab.org/invent). This new system has allowed the TRC to efficiently review and triage disclosures, and thus to reduce backlog of inventions to just a few months' worth of disclosures waiting to be patented or returned to inventor, a level well within acceptable DOE standards and lower than any previous time in recent history.

We continue to build our relationship with the UVA Patent Foundation, who is now an integral part of our market analysis and marketing efforts for intellectual property disclosures from JLab. The TRC and SURA are pursuing a number of new licensing opportunities currently, including an RF cavity technology medical imaging technologies. We are also pleased to see growing royalties from several of our licensees, including Dilon Technologies for their scintimammography equipment, and EyeOnScience, a startup that makes and sells ion pump controllers.

Member University Tech Transfer Opportunities

We have continued providing our universities with expanded opportunities to promote their technologies for licensing and joint research and development. Two events are particularly of note: the SURA-DFJ Mercury seed stage investment fund, and sponsorship for the World's Best Technologies Showcase in March 2006.

For years, our members have indicated that one of the most pressing needs for their technology transfer efforts is for seed stage funding for fledgling startups. These companies often consist only of the inventor and perhaps one member of the management team; they have very little if any capital; but they own the rights (through licensing from the university) to a very promising technology that represents a huge market opportunity. These companies typically fall "in the funding gap" – too early for typical Venture Capital (VC) investments, but not eligible for grants or contracts that would typically fund R&D efforts at universities. At the November 2005 SURA Board of Trustees meeting, the Development Committee voted to pursue the creation of a mechanism to fill this gap. Thus, SURA has now established a relationship with VC firm DFJ Mercury to provide investments between \$100-500,000 for such early-stage startups. This program will begin with a pilot solicitation (see

email attachment – sent March 22, 2006 to SURA members and JLab) for one or two investments from DFJ Mercury, with SURA having the option to join as co-investors but under no obligation to do so. All investment criteria will be based on established metrics used by the private sector capital investment firms and will be provided only to startup companies, not universities or individual researchers. If successful, then we will expand it to include other VC firms with the ultimate intent of creating an actual fund (targeted at \$20 million under management) for making ongoing investments in SURA member spinouts. DFJ Mercury is a Houston, TX-based, established affiliate investment firm of Draper Fisher Jurveston, a billion-dollar VC firm in San Jose, CA. We are excited about the tremendous near-term and long-term opportunity this represents not only for our schools and JLab but also for SURA as a means of fulfilling our mission while at the same time potentially reaping financial rewards for our investments.

Terahertz Technologies

SURA will be hosting the third annual SURA Terahertz Applications Symposium in June 2006 (see attached Draft Agenda and more information at www.sura.org/terahertz). We welcomed 17 speakers and nearly 60 attendees from across the US, the UK, and Japan to Washington, DC, to last year's event. This year the speakers included a number of the world's leading terahertz authorities, including returning speakers from Rice University, RPI, JLab, Intel, DARPA, and Picometrix, as well as newcomers from organizations such as Corning, VTT (Finland), Insight Products, Lumera, Brookhaven and Sandia National Labs, and QMC (UK). We continue to be involved in the terahertz user lab activities at JLab's FEL, and one of the most exciting opportunities to result from last year's Terahertz Applications Symposium is the response from the Air Force Research Laboratory (AFRL) attendees. As a direct result of the SURA Terahertz Symposium, we are now actively engaged with them to fund a program for developing biological hazard radiation standards related to terahertz exposure, utilizing the facilities at Jefferson Lab. We have completed a memorandum of understanding and are now working to make final arrangements for testing to commence this summer. The entire field of terahertz is poised to explode in the next 5-10 years as more advances in sensors, detectors, and sources are developed and a growing number of solutions in homeland security (http://www.anl.gov/Media_Center/News/2006/news060321.html) and medical imaging (http://www.teraview.com/ap_oncology.asp) come to the market.

IT and Coastal Partnerships

The IT and Coastal (SCOOP) programs continue to grow, driving the need for greater cooperation with the Development Committee and the Business Development role at SURA as they strive to connect with the industrial and commercial communities and build viable, long-term funding models to sustain their growth. Accordingly, we have been working closely with the Coastal and Ocean Research communities represented by CORE, JOI and SURA on the IOOS RFQ response, particularly as it involves our formalized partnership with winner Lockheed Martin as the lead organization on the RFQ.