UIRF Annual Report
FY | 2009

TECHNOLOGY COMMERCIALIZATION

Technology commercialization spans the realm between academic research and the commercial marketplace of products and services. Ideas can lead to research grants and potentially to new inventions. The function of a technology commercialization group is to find and protect those inventions, and then help to form a bridge between the research and potential industry partners. Tools used in this process are patents, copyrights, and licensing. UIRF manages the technology commercialization process for the University of Iowa.

About UIRF

The University of Iowa Research Foundation (UIRF) is a nonprofit corporation that commercializes University of Iowa (UI) developed technologies and inventions through licensing and new startup company formation, and manages the subsequent revenue stream. UIRF is a self-funded organization whose primary functions are:

• Intellectual Property (IP) Management: advise faculty and staff on their ideas and inventions and then protect those inventions through patents and copyrights; and negotiate appropriate intellectual property terms for University grants and contracts.

• Licensing: find industry partners to commercialize UI inventions.

• New Ventures: work with faculty to identify and help develop new high growth UI startup companies suitable for venture capital financing.

UIRF Annual Report
FY 2009 Performance
Invention Disclosures 70
U.S. Patent Applications Filed 69
U.S. Patents Granted 31
Exclusive Options & Licenses 15
Non-Exclusive Options & Licenses 15
Total Options & Licenses 30
Interinstitutional Agreements 3
Material Transfer Agreements 147
Confidential Disclosure Agreements 77
Division of Sponsored Research Consults 60
Clinical Trials Office Consults 5
Copyright Consultations 1
Copyright Disclosures 2

Portfolio Snapshot as of July 1, 2009
TOTAL ACTIVE TECHNOLOGIES 560 100%
Active Technologies Optioned/Licensed 121 22%
TOTAL PATENTS & APPLICATIONS 580 100%
U.S. Issued Patents in Force 348 60%
U.S. Patent Applications in Prosecution 232 40%
TOTAL LICENSES - By Field
Life Science & Medical Licenses 261 94%
Eng & Physical Science Licenses 5 2%
Chemicals & Materials Licenses 2 1%
Information Technology Licenses 4 1%
Copyright Licenses 6 2%

TOTAL LICENSES - By Entity
Licenses to Small Entities 130 47%
Licenses to Start-ups 28 10%
Licenses to Large Entities 120 43%

FY 2009 Financials
INCOME
Royalties & License Fees 23,560,163 42,922,081
Patent Cost Recovery 4,084,635 2,833,887
Iowa Values Fund Grant 383,583 88,550
Interest 472,831 445,638
UI Support 73,717 -
Total Income 28,574,929 46,290,156

EXPENSE
Royalty & Fee Distributions 17,761,174 31,198,355
Patent & Legal Fees 4,077,914 5,099,732
Compensation 1,437,316 1,583,232
Business & Tech Development 507,611 121,211
Other Expenses 432,852 658,626
Total Expense 24,816,867 38,661,056

License of Inventions by Major Category
LICENSED INVENTION & COPYRIGHT DISCLOSURES FY 2009

Life Science & Medical Licenses 107 88%
Eng & Physical Science Licenses 4 3%
Chemicals & Materials Licenses 2 2%
Information Technology Licenses 4 3%
Copyright Licenses 4 3%

Five Year Performance

Service Agreements & Consultations
3 Interinstitutional Agreements
2 Copyright Disclosures
1 Copyright Consultants
5 Clinical Trials Office Consults
60 Division of Sponsored Research Consults
77 Confidential Disclosure Agreements
147 Material Transfer Agreements
**News & Events:**

**February ’08** — SantusHuman Inc. is formed as a new startup company based on the work of UI Center for Computer Aided Design, led by Dr. Karim Abdel Malik. The CEO is Jay Johnson. http://www.santushumaninc.com/corporate-profile/history/

**September ’08** — Medical Imaging Applications, LLC (MIA) has completed Phase II of NIH SBIR research project entitled “3D Analysis of MR-imaged Arterial Cartilage,” and is now commercializing the software package. As a result, a software package for quantitative analysis of cartilage thickness of the knee joint was developed and is currently being commercialized. This package uses intellectual property licensed to MIA by the UIRF as well as intellectual property developed jointly by the University of Iowa and MIA. Patent protection for the above-mentioned IP is pending.


**October ’08** — Startup company Voltesia Inc. was formed to commercialize the magnetically modified materials patent portfolio invented by University of Iowa professor Dr. JohnaLeddy. UIRF Entrepreneur-in-Residence David Dorheim signs on as interim CEO. http://research.uiowa.edu/uirf/assets/pdfs/UIRFAnnualReport08.pdf

**November ’08** — VIDA Diagnostics Inc., a University of Iowa Research Foundation licensee and leader in medical image analysis software, announced that it has secured $950,000 in venture equity funding from the Iowa First Capital Fund II via Corridor Management Co. VIDA is located at the UI’s Technology Innovation Center. Corridor Management, led by Dennis Wangeman, is located in Cedar Rapids, IA. http://www.news-releases.uiowa.edu/2007/June/060407ventureequityVIDA.html

**November ’08** — VIDA Diagnostics announces regulatory approval on its primary product, the Pulmonary Workstation 2.0, a lung analysis tool for COPD, emphysema and asthma in the emerging pulmonary device market that is expected to grow to nearly $3.8 billion by 2011. http://www.vidadiagnostics.com/press.htm

**February ’09** — Santus Human Inc. receives $150,000 award from the Iowa Department of Economic Development via the Demonstration Fund. This Fund provides critical grant funding for product proof of concept work in Iowa startup technology companies. http://www.santushumaninc.com/news/

**January ’09** — UI startup companies Terpennoid Therapeutics, Exemplar Genetics and ASL Analytical prep to move into the new Bioventures Center. http://enterprise.uiowa.edu/researchpark/index.php?option=com_ufi_new&id=29&option=by_ordering

**April ‘09** — UI startup company Viewpoint Molecular Targeting receives a $20,000 grant from the American Cancer Society for the “Development of Ga-68 labeled RNA aptamers for targeting prostate specific membrane antigen for in vivo imaging of prostate cancer.”

**July ’09** — UI startup company Terpennoid Therapeutics receives $150,000 award from Iowa Department of Economic Development via the Demonstration Fund, which will be used to synthesize a new brain cancer drug for analysis of the drug’s ability to inhibit cancer cell growth. http://www.iowalifechanging.com/documents/showdoc.php?id=articleid=4328

**FY09 Financing Events for Iowa Startups Based on University of Iowa Intellectual Property:**

<table>
<thead>
<tr>
<th>Type of Funding</th>
<th>FY09 Amount</th>
<th>R&amp;D Grants</th>
<th>Iowa Proof of Concept Grants</th>
<th>SBIR/STTR Grants</th>
<th>Seed or Series A Financing</th>
<th>Series B, C, + Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>$7,364,000</td>
<td>$975,000</td>
<td>$375,000</td>
<td>$414,000</td>
<td>$5,600,000</td>
<td>$ -</td>
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</tbody>
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**What Happens to Licensing Income?**

Income from licensing of UI innovations is distributed to these groups according to the UI intellectual property policy (see http://www.uiowa.edu/~our/opsmanual/v.3.0/html/3.133).

- First $100,000 of net income is paid to the inventors
- 25% paid to inventors as taxable income
- 15% paid to inventors’ department(s)
- 15% paid to inventors’ college(s)
- 20% paid to a research enrichment fund managed by UI Vice President for Research
- 25% retained by the UIRF for operating expenses

**SFY09 UIRF Board of Directors:**

**UI BOARD MEMBERS**

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Barry Butler, Dean College of Engineering
Michael Kienzle, Professor, Department of Internal Medicine
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Curt Nelson, Entrepreneurial, Equity Dynamics
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