February 24, 2012

MEMORANDUM

TO: The Special Committee on Research:

Randal J. Kirk, Chair
Hunter E. Craig
Marvin W. Gilliam Jr.
Robert D. Hardie
Glynn D. Key
Stephen P. Long, M.D.
John L. Nau III
Jonathan B. Overdevest
Edward D. Miller, M.D., Ex Officio
Helen E. Dragas, Ex Officio

and

The Remaining Members of the Board:

A. Macdonald Caputo  Mark J. Kington
The Hon. Alan A. Diamonstein  George Keith Martin
Allison Cryor DiNardo  Vincent J. Mastracco Jr.
W. Heywood Fralin  Timothy B. Robertson

FROM: Susan G. Harris

SUBJECT: Minutes of the Special Committee on Research Meeting on February 24, 2012

The Special Committee on Research of the Board of Visitors of the University of Virginia met, in Open Session, at 1:10 p.m., Friday, February 24, 2012, in the Board Room of the Rotunda; Randal J. Kirk, Chair, presided. Present were Hunter E. Craig, Marvin W. Gilliam Jr., Robert D. Hardie, Ms. Glynn D. Key, Stephen P. Long, M.D., John L. Nau III, Jonathan B. Overdevest, Edward D. Miller, M.D., and Ms. Helen E. Dragas, Rector.

Also present were A. Macdonald Caputo, The Honorable Alan A. Diamonstein, Ms. Allison Cryor DiNardo, W. Heywood Fralin, Mark J. Kington, George Keith Martin, Vincent J. Mastracco Jr., and Timothy B. Robertson.
Present as well were Ms. Teresa A. Sullivan, John D. Simon, Michael Strine, Ms. Susan G. Harris, Paul J. Forch, Ms. Susan A. Carkeek, James L. Hilton, Ms. Patricia M. Lampkin, Marcus L. Martin, M.D., Ms. Yoke San L. Reynolds, Ms. Colette Sheehy, Thomas C. Skalak, Jeffrey Plank, Mark Crowell, and Ms. Debra D. Rinker.

**Innovation Partnerships and Commercialization: Development of UVa-facing Venture Funds**

The chair introduced Mr. Thomas C. Skalak, Vice President for Research and Graduate Studies. Mr. Skalak introduced Mr. Mark Crowell, the Executive Director for UVA Innovation and Associate Vice President for Research. Mr. Crowell described the last 18 months at UVA Innovation. He said the UVA Patent Foundation has been rebranded to become the UVa Licensing and Ventures Group (LVG). They have revised business and revenue sharing models and shifted focus from patents to deals/partnerships. They are conveying the message that the University is “open for business” and open to partnering with government and industry. He described several partnerships including Astra Zenica and others. He said they have developed a class for students on research and entrepreneurship. Over the next 18 months, they will develop a University Innovation website and blog, reach out and partner across Grounds, and connect aggressively with venture capital firms, industry, and quality partners. One program is Start-Up Charlottesville, bringing the initiatives to the community.

Mr. Crowell’s vision for the future includes innovation initiatives in all schools and units, proof-of-concept funding and expertise, and targeted/Smart partnering with high value innovation programs (e.g., “Sandbox”). They are looking for seed funding of $40-50 million to spur growth of University startups and grow startups into successful ventures, and an innovation accelerator facility to catalyze company formation and growth. He said he remains committed to creating the fund and building the facility because these are critical to creating the ecosystem necessary to grow innovation at the University.

In answer to a question, Mr. Crowell said LVG has 50 to 75 patents a year, 50 to 75 license agreements per year, and $5 to 7 million in revenue per year. Mr. Crowell said they track University startups and will present a pipeline report to the committee in the future.

In answer to another question, Mr. Crowell said the University of Virginia Investment Management Company (UVIMCO) does invest in early-stage ventures, and it would be helpful to have some funding from UVIMCO in some faculty start-ups to draw co-investors. Mr. Kington suggested developing a stable of contacts with angel investors in the area and in northern Virginia. Mr. Crowell said they are doing that now.
Mr. Skalak introduced Mr. Jeffrey Plank, Associate Vice President for Research, to give an overview on several projects and partnerships related to sustainability. Mr. Plank said human behavior and natural processes are inextricably linked, and information for optimizing these relationships is critical for multi-sector collaboration. He briefly presented three projects that epitomize this strategy.

Mr. Plank described a partnership with the National Fish and Wildlife Foundation (NFWF) in biodiversity conservation. The partnership involves eight NFWF scientists, six UVA faculty members and 42 students from the School of Law and the College of Arts and Sciences. This partnership will also result in 10 summer internships and four graduate fellowships for UVA students. Funding is for a 3-year pilot program.

A second program is Coastal Ecosystem Science, which studies the impacts of climate and environmental change on coastal regions. Karen McGlathery, Professor of Environmental Science, spoke about the partnership with the National Science Foundation’s Long-term Ecological Research Center and other partners such as The Nature Conservancy. Some breakthrough research has happened in identifying “tipping point” indicators, and developing adaptation strategies to address future scenarios.

An innovative tool for watershed management is the UVA Bay Game, in which individuals take on the roles of stakeholders. The Bay Game enables stakeholders to see how their interests may be optimized and at the same time enhance watershed conservation. There is no other simulation like this in the world. Mr. Plank showed two videos about the UVa Bay Game. The Bay Game got the University involved in the Aqueduct Alliance, made up of a number of large corporations, with the University of Virginia as the only university member, which is focused on protecting the watershed.

Upon motion, the meeting was adjourned at 2:25 p.m.

These minutes have been posted to the University of Virginia’s Board of Visitors website. http://www.virginia.edu/bov/specialcommminutes.html