

MINUTES

WORKFORCE, RESEARCH AND ECONOMIC DEVELOPMENT COMMITTEE

Wednesday, March 5, 2008

The Committee convened at 1:10 p.m.

Committee members present: Lila Taylor, Chair, Lynn Hamilton, and Janine Pease.

Others present: Regent Hamilton, Regent Melvin, Regent Buchanan, and Regent Pease; Commissioner Stearns, Associate Commissioner Trevor, Chief Legal Counsel Swift, Kevin McRae, Frieda Houser, Tom Gibson, Brad Eldredge, Jan Clinard, Rene Dubay, Arlene Parisot, and Bruce Marks, all of OCHE; President Dennison, Bill Muse, Bill Johnston, Rosi Keller, Bob Durringer, Dan Dwyer, and Jim Foley, all of UM; Provost Dooley, Allen Yarnell, Cathy Conover, Rebecca Mahurin, and faculty representative Shannon Taylor, all of MSU; Chancellor Gilmore, and Maggie Peterson, of Montana Tech; Chancellor Groseth, MSU-N; Chancellor Storey, Susan Briggs, and Karl Ulrich, UM-W; Chancellor Sexton, Terry Iverson, and Dan Carter of MSU-B; Dean Moe, and MaryEllen Baukol of Great Falls College of Technology; Dean Bingham and Russ Fillner of Helena College of Technology; Education Policy Advisor Jan Lombardi, and Chief Business Development Officer Evan Barrett; Alan Peura Legislative Fiscal Division; President Stefani Hicswa, President Jane Karas and Chuck Jensen, and President Cargill of the community colleges; Marco Ferro of MEA-MFT.

INFORMATION

Research & Technology Transfer Report.

This information comes as a result of a 2007 Legislative Audit.

Dan Dwyer, VP for Research and Commercialization at The University of Montana-Missoula reported:

	FY2006	FY2007
R&D Expenditures	\$60,070,832	\$62,119,445
Research Salaries (Montana)	\$30,759,085	\$32,492,344
Purchased Goods/Services (Montana)	\$4,805,667	\$4,969,556
Total Direct Economic Impact	\$71,129,504	\$74,923,800

Number of Jobs (average annual salaries)	
Researchers (\$65,488)	123
Contract Professionals (\$61,627)	102
Classified (\$34,544)	89
Contract Administrators (\$57,941)	10
Graduate Assistants (\$19,000)	122
Undergraduate Students (\$11,000)	104
Temporary Staff (\$28,827)	75
Total Jobs	625

Intellectual Property	
US Patents Issued (active)	29
Active Licenses (total)	24
Active Licenses (MT companies)	15

Products Based on UM Licenses

Products Currently Produced and Sold

- PSI: high-affinity/capacity, stabile resins to capture heavy metals from water. 4-5 products are currently being sold.
- Sunburst Sensors: pressure resistant, self-calibrating sensors used to measure CO2 in deep oceans and lakes. 2 models are being sold.
- Lonza, BV: arabinogalactan (AG) used as a food additive, in drug delivery, and modified as an

immunostimulant. 2 types of AG are currently on the market.

- Roscoe Steel- a platform system to assist wildlife movement across (under) highways. 1 product.

Products Under Development

- S&K Electronics and Bee Alert Technologies are developing conditioning and monitoring systems for bees. 3 products

Products in Research Mode

- Big Sky Biotech: a virus system to deliver human genes. 1 product
- Transynaptic Technologies: small molecules to enhance nerve transmission. 3-4 products
- GT Neuropharma: small molecules to image or to inhibit neurotransmitters. 3 products.

Examples of UM Intellectual Property-Dependent Spin-Off Companies

- Bee Alert Technologies, Inc.: products to condition and to monitor conditioned bees; located in Missoula, MT; 6-7 employees; \$2-3 million R&D expenditures per year.
- Purity Systems, Inc.: products to remove heavy metals from water; located in Missoula, MT; 3-4 employees in Missoula; currently about \$400,000 R&D expenditures per year in Montana.
- Sunburst Sensors: self calibrating sensors; 2-3 employees; about \$250,000 R&D expenditures per year.

Other Companies Influenced or Enhanced by UM

- Visual Learning Systems: digital image recognition software; started in UM Computer Science Department; in Missoula, MT; about 20 employees.
- Endobiologics: vaccines and vaccine delivery; from the Division of Biological Sciences; in Missoula, T; 7 employees.
- Aquila Vision: remote sensing and satellite tracking methodology; from the School of Forestry and Research Administration; in Missoula; 6 employees.
- GCS Research/Terra Echos: software for geospatial analyses and perimeter/boarder security technology; in Missoula; 20 employees (12 in MT).

Becky Mahurin, Director of Technology Transfer, MSU reported:

- In the past year, they had over \$100 mil in expenditures
 - Of that \$66 mil was for salaries
 - \$5 mil supported student jobs
- There were 30 inventions this past year
- At the end of the last FY they had 130 licenses
 - 81 of those were with Montana companies
- They had more than 30 start-up companies in Montana in the last ten years
 - More than 12 of those were established by MSU graduate students
 - Ligocyte Pharmaceuticals is one of those
 - Employs over 50 people
 - Average annual salary exceeds \$50,000
 - Employs MSU interns from bio-tech programs
 - Employs graduates from both MSU and UM
 - Work collaboratively with MSU on over \$10 mil in research efforts
 - Licensed 7 technologies from MSU
- MSU has 87 patents issued
- Long term plan is to maintain at least 50% of licensees as Montana companies (currently have 62% as Montana companies)

PUBLIC COMMENT

There was no public comment.

The committee adjourned at 1:25 p.m.