

SUBMISSION FORM

University System/Employee Intellectual Property Joint Participation
MUSP 407

This form is to be submitted with any Board of Regents item whereby a campus seeks the approval of an agreement with or arrangement regarding an employee pursuant to 20-25-109 MCA and Regents Policy 407.

When the submission concerns matters of trade secrets or confidential business information, or any other matter entitled to privacy under state or federal law (e.g., the federal statute known as Bayh/Dole) the submitting campus may request consideration of the submission, in whole or in part, in executive session.

The submitting campus should also provide the Commissioner a copy of the contract(s) that form the basis for the cooperative arrangement for which approval is sought. Submission of the contract does not indicate a conclusion that all or part of the contract is a public document and the question of whether it is in whole or in part protected from public disclosure will be evaluated on a case by case basis.

1. Summarize the nature of the intellectual property that was developed by the employee seeking approval. Indicate the sources of funding for the research that resulted in this invention.

The IP was developed by Lisa R. Mills prior to employment at UM, and was significantly improved upon by employee as part of employment at UM, and comprises the development and testing of best practice standards for tea production to reduce the negative impacts of tea production on wild Asian elephant populations globally. This IP formed the basis of the standards of certification under the Certified Elephant Friendly™ program.

2. a. Name(s) of the university employee(s) involved.

Lisa R. Mills

- b. Name(s) of business entity(ies) involved.

Elephant Origins, LLC

3. The university and employee(s) are seeking approval for (check as many as appropriate):

- a. The employee to be awarded equity interest in the business entity.
- b. The employee to serve as a member of the board of directors or other governing board of the business entity.
- c. The employee to accept employment from the business entity.

- d. Other. Please explain.
4. a. Summarize the nature of the relationship between the university and the business entity (e.g., the entity is licensing the intellectual property from the university, the entity is co-owning the intellectual property with the university)
The intellectual property was created prior to UM employment by Lisa R. Mills, and was significantly improved upon during the time of UM employment. The business entity and the university have executed a Licensing Option Agreement granting a limited license for the entity's internal evaluation of the IP rights as well as the entity's option to negotiate a royalty-bearing, exclusive license with the University of Montana.
- b. The proposed duration of the agreement or arrangement:
The Licensing Option Agreement expires in 18 months.
- c. The conditions under which the agreement may be terminated or dissolved:
The terms of any Licensing Agreement are negotiated at the time the option is exercised. The License Option Agreement will terminate if the entity and the university are unable to successfully negotiate a Licensing Agreement within 90 days after the entity exercises its option.
5. Explain specifically how the University System or the State of Montana will likely benefit from the agreement or arrangement.
- a. *The tech transfer of this IP supports the university mission to apply scientific knowledge to address global challenges and to promote entrepreneurship.*
- b. *Royalties will benefit the University of Montana.*
6. Summarize the financial terms of the agreement or arrangement. Include:
- a. The value, nature and source of the University's and employee's contribution.
Lisa Mills developed the intellectual property prior to employment at the University of Montana, however, Ms. Mills has significantly improved the intellectual property during her employment at the University of Montana.
- b. The anticipated revenue to be generated by the project and the time line for generating such revenue.
Elephant Origin, LLC, expects to generate sustainable annual revenues within the next 18 months, some share of which will be related to the IP under consideration. The University of Montana will earn a royalty on net revenues at a rate to be negotiated when the entity exercises its license option.
- d. The manner in which revenue and expenses will be shared by the parties.
The IP agreement with the university states that Elephant Origins, LLC, will bear the expenses related to the IP. Net royalty income will be share in accordance with BOR Policy 401.2.
- e. The nature of each party's equity interest in the project. If none, so indicate.
Lisa Mills holds 100% equity in Elephant Origins, LLC