



Oregon
University
System

**OREGON STATE BOARD OF HIGHER EDUCATION
OUS RESEARCH COUNCIL**

MEETING MINUTES

PORTLAND STATE UNIVERSITY, URBAN CENTER BUILDING, ROOM 710
THURSDAY, SEPTEMBER 6, 2007, 10:00 A.M. – NOON

1) CALL TO ORDER/ROLL CALL

Chair Rich Linton called to order the meeting of the OUS Research Council at 10:00 A.M. On roll call, the following members answered present:

Kirby Dyess, Bill Feyerherm, John Cassady, Dan Dorsa, Wayne Embree, David Woodall (teleconference)

Absent: Nick Konidaris, Gary Tallman, and Ray Werner

Staff present: Charles Triplett

Other participants present: Brian Evans, OECDD; Bruce Schafer, OUS; Brian Wall, OSU; Scott Dawson, PSU; Dana Bostrom, PSU; Arundee Pradhan, OHSU; Don Gerhart, UO (teleconference); Chuck Williams, UO (teleconference)

2) DISCUSSION

a. Collaborative Research Updates

i. OUS Water Vision

John Cassady gave council members an update on OUS water research. OSU has between 80 and 90 faculty members working in water resources. The Institute of Water and Watersheds is one of six successful related groups to receive funding. Mike Campana was recruited from the University of New Mexico in 2006 to direct the institute. He is tasked with broadening the institute's focus and reach. There are increased conversations at the federal level – driven by Congressman Blumenauer – to make Oregon a “water state.” As a result of these federal conversations, the OSU focus is being broadened to include a system-wide water vision. Cassady noted that it's still early in the process.

Dave Woodall added that the water vision is a very worthwhile project. There is clearly a strong interest in collaborative strengths. Kirby Dyess agreed and added that the AEED Working Group identified strong research strength in this area.

Cassady said that the institute was kick started from federal funds and speculated that better alignment among OUS campuses would earn even more federal support.

Wayne Embree asked Cassady if a written description of the project vision was available. Cassady replied that the OSU vision is the only piece that is ready to be shared. Chair Linton asked Cassady if he would circulate the system vision when it's ready. Cassady agreed.

ii. OUS Climate Change

Chair Linton introduced the climate change update by reminding members of the introductory presentation given to the Council on February 5, 2007. He asked John Cassady to update Council members on the recent activities in this area.

Cassady noted that the climate change initiative evolved at a state level in the governor's task force. The OSU research committee, lead by Mark Abbott and Gail Achterman, proposed an initial budget that was allocated during the recent legislative session. The allocation is a small amount (\$170-\$108K) and is given in the second year of the biennium. The initial budget allows the recruitment of a director and the beginning of an inventory of OUS strengths in the climate arena.

Cassady said that he recently sent letters of inquiry to OUS contacts. The letter explains the background and rationale of the institute. Mark Abbott is coordinating the initial inventory of OUS activity. The institute will be administrated in the OSU College of Oceanic and Atmospheric Sciences (COAS).

Kirby Dyess asked if OGI still conducts climate research. Dan Dorsa said that Dr. Baptista is engaged in costal research at OGI.

Chair Linton said that OUS campuses are currently inventorying their faculty expertise in this area. Cassady added that Gail Achterman is supporting that work and will create a website with an inventory of faculty research and accompanying synopses.

Cassady said that the modest allocation given to the center necessitates alignment among the campuses. Dyess suggested that the climate change center consider association with the successful OSU Institute for Natural Resources.

iii. Signature Research Centers

Linton told Council members that the signature research center (SRC) agenda item was added to remind everyone of the Oregon InC process. SRCs are a key element to the Oregon InC Innovation Plan. Occasionally the Research Council may be called upon to work as a task force on specific topics. Oregon InC is having a planning retreat to focus on additional opportunity areas and continued success and support for existing initiatives.

Linton noted that financial sustainability is a critical component in the Oregon InC initiatives. It's important to manage expectations and make the strongest possible case for leveraging the state's investments. The key issue is the longer-term expectations of the SRCs. Using milestones and metrics to provide feedback on the SRC investment is critical.

Kirby Dyess said that Oregon InC did a great job of moving their proposals forward. A key question to keep in mind is how many SRCs do we want in a state our size. The Research Council is in a perfect position to weigh in on this question. Oregon has limited financial resources and strategic sustained investments are important when building an SRC.

Cassady pointed out that the new SRCs were not fully funded and cautioned that the full support of existing initiatives is important before discussing additional centers. The OTRADI SRC received a small startup budget but it's not enough to realize the full potential of the opportunity area. Cassady encouraged members to consider additional funding resources to jump start the center. He also noted that the SRC funding was channeled through OECDD rather than through OUS. If research universities are being viewed as an economic engine, why did the legislature choose to funnel research money through a separate agency?

Dyess agreed that the SRCs need to be fully funded but was less concerned about the funding channels. The legislature may have funded the SRCs through OECDD to insure that industry groups have more say on how the money is spent.

Linton said that Oregon InC made a deliberate strategic decision to separate catalytic funding from foundational funds for higher education. A strong argument can be made that the SRCs are economic development investments and therefore the funds are rightfully channeled through OECDD. It's important for this Council to help Oregon InC create realistic messages about the economic return on those investments.

Dyess pointed out that the Board of Higher Education has historically focused on teaching, not research. There's a common misperception that research is not a substantial part of the OUS budget. The OUS Research Council can influence the Board's awareness of the importance of the research enterprise.

Dyess encouraged members to work closely with Oregon InC. Pieces of the OUS budget are very synergistic with Oregon InC and the Research Council needs to make collaborative messaging a high priority.

Linton noted the limited air time that the OUS Research Council has with the Board. He proposed a joint meeting of the Council and Board and suggested that the Council develop a strategy to better engage the Board, including a pipeline of "specific asks".

Gerhart said that the legislature views SRC investments as limited duration. He suggested that it's in the state's best interest to continue supporting SRCs and to stop focusing on sunset dates.

Dyess added that state funding is very important to the perceived credibility of SRCs. State investment is often a catalyst for additional funding from federal and private sources. She speculated that the Board and Oregon InC are not aware of the connectivity of research funding.

Arundee Pradhan said that the leading indicator for innovation in the economy is university research. There's an opportunity between now and the next legislative session to educate policy makers on these types of issues.

b. Deputy Chancellor Search Update

Scott Dawson, Chair of the Deputy Chancellor Search Committee gave an update on the search process. There are six candidates scheduled to be interviewed next Friday. Kirby Dyess and Arundee Pradhan will be participating in those interviews. The goal is to select three or four candidates to bring forward for interviews with the Board, Research Council, and Provosts' Council.

Dyess said that an ideal schedule would allow the next level of interviews to coincide with the October Board meeting. She noted the potential conflict with the university venture fund press conference.

Dawson assured members that the Research Council would be integral in the final interview process. The Deputy Chancellor will be very helpful in the types of issues that have been discussed today. The ideal candidate will be a willing partner with the campuses and help to connect the dots across institutions and disciplines.

Chair Linton asked Dawson if he could share the list of interview question drafted by the search committee. Dawson agreed to send Linton the questions.

c. Technology Transfer Updates

i. Multi-Institutional Intellectual Property (IP)

Linton asked Pradhan to give an update on OTRADI and the draft multi-institutional intellectual IP policy. Pradhan said that a central question is how IP will flow between institution, OTRADI, and the OTRADI accelerator. OTRADI needs to be self sustaining so the generation of intellectual property and associated revenue sharing is critical to success. This SRC is different than the others (ONAMI, BEST) because of the core facility focus in OTRADI involving high throughput screening.

Pradhan listed several potential scenarios: existing IP being offered to OTRADI, IP being created at the request of OTRADI, and collaborative IP created through OTRADI. In each case, the IP stays with the institution. The OTRADI accelerator is given the option to license the IP through a boilerplate agreement. If the IP is created from multiple institutions, one institution will take the lead. Linton said that issues surrounding multi-institutional IP are relatively common within OUS/OHSU and there are already good examples and best practices in place. Pradhan agreed and added that DOJ was concerned about IP being transferred to OTRADI. Draft IP guidelines are under review and are close to being finalized.

Wayne Embree asked if DOJ reduced their involvement in general technology transfer issues following the Council's recommendations.

Don Gerhart answered that some issues are still under discussion but highlighted several positive changes. Legal sufficiency reviews and approvals are now conducted on the campuses. This allows greater continuity and an expanded ability to link to external counsel. There is greater decentralization overall, but there are still some challenges. Campus legal staff is constrained by its size and is constantly managing a daunting caseload. Gerhart suggested that campuses need more authority to hire additional legal counselors.

Brian Wall agreed with Gerhart's assessment and said that the required DOJ review of legal expenses has delayed payments to their patent attorneys. Dyess asked Wall and Gerhart if the DOJ reviews result in any contract changes. If the Research Council can demonstrate that the reviews do not add value, a legislative concept can be recommended to the Board. Any draft concept should include focus on two issues, no value added and delays that cost universities. Embree suggested that Research Council members consider meeting with serious candidates for Attorney General (AG).

Gerhart said that the amount of personnel time that is dedicated to ministerial functions takes FTE away from more worthy matters. Wall agreed and added that campuses should be able to add patent attorneys as needed. The current requirement to hire from a DOJ approved list is proving somewhat problematic. In a recent case, OSU was working with an attorney in an approved firm. The attorney left that firm and now OSU can no longer work with him. Getting a new firm approved is a slow process. Gerhart said that he couldn't agree more. Legal professionals move from employer to employer. To lose project expertise because someone moves from firm A to firm B is an unnecessary challenge.

Chair Linton asked the group about potential next steps. Dyess speculated that the Board would be responsive to a recommendation from the Council. They've already identified some of these issues, but haven't considered this specific scenario. Although the financial impact is relatively small, the unintended consequences are huge.

Gerhart volunteered to draft a bullet-point summary of the issues. Linton thanked Gerhart and suggested that he note the positive impact of the previous changes as well as any outstanding issues. Dyess reminded Gerhart focus on the lack of value added by the DOJ reviews and gather data to support the premise.

ii. University-Industry Demonstration Partnership

Chair Linton introduced the next agenda item and asked Chuck Williams to update the Council on the University-Industry Demonstration Partnership (UIDP).

Williams gave a brief history of the UIDP. The industry representatives are mostly from large companies. There is an interest in getting smaller companies and more universities engaged.

The focus of the most recent meeting was on innovative research agreements with industry. A turbo negotiator tool is under development. The negotiator tool discussion will be ongoing for the next couple of meetings.

Williams reported that a new issue under discussion is the examination of private use regulation 97-14. UIDP is looking for opportunities to influence the interpretation of the 2004 regulation. The UIDP is considering a draft statement, but they do not want to be a lobbying organization.

Williams said that another topic introduced at the UIDP meeting was the “Nine Points to Consider in Licensing University Technology.” The points are endorsed by the AUTM Board of Trustees and approximately 25 universities have become signatories of the document. Many UIDP participants were uncertain about what the document includes and some biotech representatives felt left out of the drafting process.

Chair Linton asked if any Oregon institutions have become a signatory to the document. Pradhan answered “no.” He noted that the document is only a set of guidelines and should be used as an educational tool. It includes practical issues like “don’t license IP that hasn’t been created.” Dana Bostrom speculated that many companies have incorrectly interpreted that the nine points are a checklist. UIDP members are concerned that they weren’t engaged in the creation of the points.

Linton thanked Williams for the update.

d. Research and Technology Transfer Metrics

i. AUTM Draft Proposal

Bostrom reported that the AUTM Board of Trustees voted to form a board level task force to review the current AUTM metrics. The trustees are concerned that the existing metrics are overused and do not accurately measure all of the impacts of university technology transfer.

The AUTM Licensing Survey began as a tool for technology transfer professionals to benchmark against each other. The primary concern is that the impact of technology transfer is much broader than the current survey is able to measure. A proposal for new measures is going to AUTM members tomorrow. AUTM is hosting a variety of events in October in Washington D.C. AUTM has invited 50 senior research officers to provide feedback on the proposal. The new metrics are scheduled to be rolled out in March for the next survey cycle. A ten page proposal document is available to anyone who wants to see it.

Bostrom said that AUTM is wrestling with evaluating policies that effect technology transfer. There are ongoing discussions with AAU and NASULGC on how best to evaluate policy. AAU is reportedly convening a metrics council.

Dan Dorsa asked why AUTM steers away from influencing tech transfer policy. Pradhan answered that AUTM was set up as an organization of individuals rather than institutions. A

result of that history is that AUTM has chosen to avoid policy discussions. AUTM is open to working in partnership with other groups who do drive policy.

Wayne Embree said that he's been an affiliate member of AUTM for a long time. He noted that only recently have technology transfer directors been given a line position in universities.

Dan Dorsa said that AUTM is missing an opportunity to affect policy change. It's unfortunate that the most knowledgeable people are not engaged in the appropriate level of conversation.

Pradhan added that at the time of the survey design – 15 years ago – the definitions were drafted with data limitations in mind. Even with the recognized limitations, AUTM offers the largest set of consistent technology transfer data anywhere.

Bostrom agreed but suggested that AUTM can make an even greater contribution. The relationship between patents, licenses, and companies needs more intensive study. She said that AUTM is engaged in discussions with the National Governor's Association, focused primarily on inventorying start-ups.

ii. OUS Performance Indicators

Chair Linton noted the time and suggested quickly moving through the remaining agenda items.

Charles Triplett gave a brief update on the OUS state-level performance measures. He distributed a draft copy of the DAS Annual Performance Report and a spreadsheet with campus-level details.

Triplett said that the current DAS measures do not accurately measure the impact of Oregon research. The Research Council is in a good position to recommend improvements in both the state- and board-level research metrics. The OUS Office of Performance Measurement and Outcomes is planning to request modifications to many of the state-level measures. The Research Council will be a valuable resource in that request. The purpose of the modifications is to focus OUS metrics on key high-level outcomes and reduce the overall number of required measures.

Bruce Schafer said that the legislature is now requiring accompanying performance metrics for every policy package. Dyess added that many of the output measures attached to various policy packages are counterproductive.

iii. October Report to OSBHE

Linton thanked Triplett for the update and asked for a final copy of the annual report to use during his October Board report. He asked Triplett to add OHSU data to the campus-level worksheet.

Linton encouraged Triplett to research peer data. He noted the difficulty in defining a peer group and suggested that Triplett begin with the OUS peer institution list. Linton cited *The Better*

World Report series and suggested case studies as another powerful tool in performance reporting.

3) ADJOURNMENT

The meeting adjourned at 12:00 P.M.