

ITEM 149-2001-R1110

Authorize Request For Employee Participation In Company Under Regents Policy 407; Montana State University-Bozeman

THAT

The Board of Regents of Higher Education approves MSU- Bozeman part-time employee David Arathorn's ownership of an equity interest, board of director position, and employment in General Intelligence Corp, a company having its principal place of business in Bozeman, Montana, in accordance with board policy, state law, and in accordance with a license agreement with MSU.

EXPLANATION

David Arathorn, is a part-time (currently .05 FTE) Research Professor at MSU. David Arathorn seeks approval of his equity ownership (sole owner) in, board membership and officer position with General Intelligence Corp. MSU is in negotiations with General Intelligence Corp. to license technology developed, in part, by David Arathorn in his capacity as an MSU employee. The intellectual property will be utilized in accordance with the license agreement to be negotiated with MSU. Under Policy 407 and MCA 20-25-109, university employees must have board approval to serve as officers, employees, or members of a governing board, or to hold equity in a company which has an agreement with, or shares ownership of intellectual property with, the university, relating to the development, licensing or commercial exploitation of that intellectual property.

MSU benefits from this approval. MSU-developed technology will be licensed with the intention of commercialization, providing the potential for resulting royalties; useful technology which stabilizes and dewarps video streams from an ophthalmological instrument, improving performance for the benefit of patients, will be transferred to a Montana-based business; a Montana-based business will have the use of new technology which may result in the company's growth; and the local economy may benefit, including jobs for Montana graduates and students.

ATTACHMENTS

N/A

ITEM 149-2001-R1110 (continued)

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EQUITY INTEREST/BUSINESS PARTICIPATION SUBMISSION FORM
REGENTS POLICY 407

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

If any 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.

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

David Arathorn, a part-time Research Professor in the Department of Computational Biology. He is generally a .05 FTE employee.

- b. Name(s) of business entity(ies) involved and its contractual relationship with the university or other public agency.

General Intelligence Corp.

2. Summarize the nature of the intellectual property that was developed by the employee(s) seeking approval.

The technology is used to stabilize and dewarp video streams from an ophthalmological instrument, resulting in improved retinal scanning.

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

X a. The employee has or will be awarded equity interest in the Business Entity.

X b. The employee who is serving or may serve as a member of the board of directors or other governing board of the business entity.

X c. The employee to accept employment from the Business Entity.

4. How will approval of this relationship contribute to the objectives of the university's technology transfer and intellectual property development programs?

Arathorn, through General Intelligence Corp, wishes to develop and commercialize the technology described above. General Ingelligence Corp. is a Montana-based business, potentially providing local economic development, including jobs for Montana graduates and students. This approval will facilitate the transfer of useful MSU-developed technology into the larger community.