

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.**

Dr. Henry has developed, with no outside funding, an algorithm for clustering words from text that can be used as part of a software product for sorting electronically stored information, such as documents, email, and text messages, into categories base on the content, or meaning, of text in the electronically stored information. Dr. Henry is working to commercialize a software product that contains, in part, this intellectual property protected by UM copyright.

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

Dr. Joel Henry, Professor of Computer Science

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

Agile Legal Technology LLC a Montana limited liabilitycorporation

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 LLC or other governing board of the business entity.
- c. The employee to accept employment from the business entity.
- d. Other. Please explain.

4. 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 benefits to U of M and the State of Montana arising from the proposed research and activities of Agile Legal Technology are:

The first relationship sought will be to allow Agile Legal Technology to license the clustering algorithm developed by Dr. Henry in his position as Professor of Computer Science. The licensing agreement will allow Agile Legal Technology to utilize the algorithm in a larger commercial software product. An option agreement has been executed providing payment for the option to license the algorithm. If Agile Legal Technology LLC exercises this option royalties from revenue obtained through use of the software product of up to 10% will be paid to U of M.

By allowing this University-private sector relationship to be established, intellectual property developed by University faculty can be used to grow a Montana-based company, will set an example for other entrepreneurs from the University looking for opportunities for commercialization of their innovations and creations, and will generate goodwill for University employees and the private sector. The University will incur no net cost by entering into the proposed licensing agreement.

It is expected that at some future date additional research by Dr. Henry will be useful to Agile Legal Technology LLC and that UM will desire additional licensing agreements and obtain additional royalties. While there exist no definitive revenue projections at this time, Dr. Henry is engaged in research to automate collection of electronically stored information across a network which, if successful, would be of great interest to Agile Legal Technology LLC. The relationship with Agile Legal Technology LLC brings a new collaboration and many possibilities for copyrights and patents. This is also an opportunity to broaden the research landscape at UM and the region, while providing the potential for economic development.

Agile Legal Technology LLC anticipates utilizing computer science and law students as summer employees and interns beginning in May 2014. Such employees may be critically important to Agile Legal Technology LLC in establishing and growing as a cutting edge business.