University of Illinois TEDupdate

Report to the Technology and Economic Development Committee

FY09
Q1

Research Park at the University of Illinois

Since opening **EnterpriseWorks** (EW) in 2003, 47 startup companies have graduated from the incubation facilities at UIUC:

- 85% are still in business
- 58% are in Illinois; 49% are in Champaign County
- 21% (10 companies) are in the Research Park with combined annual revenues over $20 million and 174 employees
- 26% have licenses from the UI's Office of Technology Management (OTM)
- 19% have accepted equity financing from IllinoisVENTURES
- The average tenancy has been 2.3 years
- 8-10 new startups moved in to EW each year, and 8-10 companies graduated out of EW

Two high-profile startups recently graduated into the Research Park:

SmartSpark Energy Systems flagship product is the SolarBridge micro inverter which outputs AC from a solar panel directly to the grid. The company recently leased 7,400 sf in the Research Park to house its 16 employees.

Riverglass Inc.'s data mining software (recently featured in ***Crain's Chicago Business***) is being used by the Illinois State Police, the U.S. Department of Defense, and the Las Vegas Metropolitan Police. The company has 31 employees and recently leased 4,400 sf of space in Research Park.

OTM: FY09 Year to Date and FY08 End of Year Results

	FY 2008 Total			FY 2009 Year to Date		
	Chicago	Urbana	Total	Chicago	Urbana	Total
Disclosures Received	120	244	364	28	69	97
U. S. Patents Filed	184	181	365	45	41	86
U. S. Patents Issued	16	38	54	4	5	9
Licenses & Options	18	43	61	2	8	10
Licenses to Start-Ups	5	6	11	0	1	1
*Royalties Earned	$4.477M	$4.235M	$8.712M	$2.178M	$1.232M	$3.41M
Patent Cost Reimbursement	$0.266M	$0.899M	$1.165M	$0.049M	$0.393M	$0.442M
Non-University Share	$0.577M	$0.178M	$0.755M	$0.001M	$0.000M	$0.001M
**Net for Distribution	$3.637M	$2.816M	$6.453M	$1.922M	$0.855M	$2.777M

*In FY08 $1,481,855 was distributed to inventors, and $2,635,673 was returned to the campuses and campus units.
**FY09 year to date, $825,329 was distributed to inventors, and $1,747,849 was returned to the campuses and campus units.

OTM Licensed Start-Ups

Broadband Distance Systems Inc. licensed an algorithm designed to enhance power allocation in telecommunications systems that use multicarrier modulation protocol. It was acquired by Rim Semiconductor Company with the belief that combination of technologies will help telephone companies offer new video and data services.

InstaRecon, Inc. is a supplier of technology and services to imaging scanner equipment makers and supply chain partners, increasing the computational efficiency of image reconstruction in CT, PET, SPECT, and MRI.

iSense Corporation is dedicated to the development and manufacture of a minimally-invasive continuous glucose monitor. iSense has built a portfolio of intellectual property through a combination of licensing agreements, partnerships and self-funded research.

Pattern Insight provides information technology professionals with scalable solutions to intelligently analyze, search, and mine valuable information contained in technical data. Their solutions help to reduce the cost of operations and technology development and mitigate risk.

LK4 LK4 Technology Corporation licensed the University's web accessibility wizard, a technology that provides a simple way to create web versions of Office documents that are more accessible and usable by everyone, including people with disabilities.

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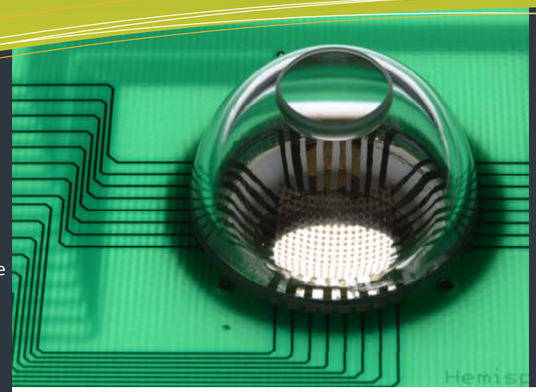


this issue

Heart, Brain and Eyes -- for bendable and stretchable silicon, the possibilities are endless…

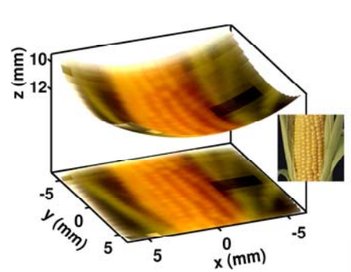
Dr. John Rogers, a professor of chemistry and materials science and engineering, has developed a technology that can be used to create devices such as a bendable pacemaker or a sensor for the brain that can detect seizures before they begin. The first step toward human application is an artificial retina that works like a lens on a camera.

As reported in cover stories in both the September 22 edition of *EE Times* and the August 7 issue of *Nature*, Rogers based the design of the camera on a human eye – which has a simple, single-element lens and a hemispherical detector. The camera integrates such a detector with a hemispherical cap and imaging lens to yield a system with the overall size, shape and layout of the human eye.

Rogers and his team made the camera by first molding a thin rubber membrane in the shape of a hemisphere. The rubber membrane is then stretched with a specialized mechanical stage to form a flat drumhead. Next, a prefabricated focal plan array and associated electronics are transferred from a silicon wafer to the tensioned, drumhead membrane. When the tension is released, the membrane returns to its original shape. This process compresses the focal plane array, causing specially designed electrical interconnects to delaminate from the rubber surface and form arcs, pinned on the ends by detector pixels.

These deformations accommodate strains associated with the planar to hemispherical transformation, without stressing the silicon, as confirmed by mechanics modeling performed by researchers at Northwestern. The array package is then transferred to a matching hemispherical glass substrate. A lens and a camera connected to external electronics finalizes the process. Though low resolution, the electronic eye still produced a recognizable picture.

This technology has been optioned by the startup company, **MC10 Inc.**, an electronic materials company that combines several proprietary technologies to make responsive devices and products. The technical approach underlying these devices have been designed and engineered by several top academic thought leaders in material science and chemistry. The business model of the company is to broadly advance its core technologies to address product opportunities in a variety of industries. MC10 is a combination platform-product company.



OTM Licensed Start-Ups

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NanoSi Advanced Technologies
The company's silicon nanoparticles have several pivotal characteristics that may enable solar application.

GeeYee Inc. empowers companies and organizations to learn, discover and benefit from the opinions and experiences of others regarding brands, products and services by applying its patent-pending, feature-based sentiment analysis technology to extract, summarize and quantify unstructured opinions from User Generated Content (UGC) found in review sites, forums and blogs on any subject matter at the feature and attribute level.

Steady Sleep Rx Co. ("SSRx") The strategy of SRRx is to build a pipeline of products, all aimed at treating the cause of sleep apnea, an irregular central neural output patterning to the respiratory system. Traditionally this condition has been treated with medical devices that are uncomfortable and have a very low compliance rate. Sleep apnea affects 15 to 18 million people in the US and is a billion dollar market in the US and $1.5 billion globally.

WebScalers provides solutions to various business problems associated with online search coverage, quality, and effectiveness. The technology is based upon collaborative research and development between universities and the company and is funded by the National Science Foundation and can deliver in time-sensitive and location-specific information from surface and deep Web. The technology platform can be used to build various industry-specific vertical applications.

Intelligent Instrument
Magneto-elastic stress sensor company.

Sanogene Therapeutics Inc. utilizes breakthrough ribonucleic acid interference (RNAi) technology to develop biopharmaceutical products for incurable cancers.

Prezista™ Leads the Next Generation of HIV Drugs

HIV mutates quickly, which can rapidly render drugs ineffectual. The FDA granted accelerated approval for the anti-HIV medicine, Prezista™, in June 2006 and has indicated its use in salvage therapy, a form of treatment given after an ailment does not respond to standard treatment. For the thousands of patients with multi-resistant strains of the HIV virus, Prezista™ is proving a potent option in their fight against the disease.

Possessed of a novel molecular structure, Prezista™ is always co-administered with ritonavir, a protease inhibitor which slows the breakdown of the drug in the body, and other antiretroviral agents.

They work together to minimize the risk of a patient developing resistance to the drugs. Prezista is one of two second-generation protease inhibitors providing a major advance in drug resistance.

PREZISTA™
(darunavir 300 mg) tablets

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Prezista™ was developed at the University of Illinois by **Dr. Arun Ghosh** of the Department of Chemistry (now at Purdue University) with support and collaboration from the National Institutes of Health. In 1999, Prezista™ was licensed to Tibotec Therapeutics, a division of Ortho Biotech Products, L.P.

Nancy Sullivan Named Technology Management Director at Chicago

Nancy Sullivan has been named director of the Office of Technology Management located at the Chicago campus subject to Board of Trustees approval.

Sullivan was the senior director of business development for KeraCure, an early-stage biotechnology company currently in clinical trials of a cell-based device for treatment of chronic wounds. Previously, Sullivan was director of the Women's Entrepreneurial Life Sciences Initiative at Northwestern University.

Sullivan said she was eager to begin her new position November 3.

"UIC has a strong research foundation in many important areas. Life sciences research has the potential to provide life saving cures for deadly diseases as well as to create new biotechnology-based businesses," she said.

"In addition, the OTM will increase licensing revenues to UIC, offer services to assist faculty and staff to commercialize their research and serve as a tangible benefit in the recruitment of top research professors," she said.

Sullivan earned her MBA and M.S. in biotechnology from Northwestern and her bachelor's degree in business administration from Loyola University.

LES Deals of Distinction Award™

The University of Illinois shared the honor of the Licensing Executives Society **Deals of Distinction Award™** presented at the LES Annual meeting in October.

The Industry/University and Government Laboratory Interactions (IUGI) Sector winner was a partnership led by UC-Berkeley in collaboration with Lawrence Berkeley Laboratory and the University of Illinois, that was selected as the recipient of a $500M, 10-year grant from the Energy Biosciences Institute.

The partnership is unique in scope and the deal enables the partners to leverage complimentary skills, expertise and resources in a way that has the potential to result in the development of novel energy sources and solutions that could significantly benefit the global community.

EDEN PARK ILLUMINATION

Eden Park Illumination Develops Brightest Flat Light

Eden Park Illumination, Inc. was founded in May 2007, by Professors **J. Gary Eden** and **Sung-Jin Park** and **IllinoisVENTURES**. The company is an innovator in the research, development and commercialization of Microcavity Plasma (or "Microplasma") lighting technology.

This platform technology provides a new and proprietary, ultra-thin light source which offers unique advantages over both traditional light sources (incandescent and fluorescent) and the newer lighting technologies - light emitting diodes ("LED") and organic light emitting diodes ("OLED").

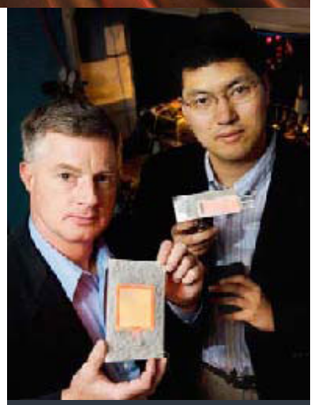
This lighting technology is distinctive from existing light sources and Eden Park Illumination will open up new opportunities for general illumination as well as architectural lighting. In addition to producing light levels suitable for illumination applications and being very energy efficient, Microplasma is a clean energy, mercury-free light source with a long expected lifetime.

IllinoisVENTURES, LLC

Total funding to date now approximately $25.7 M with over 10:1 "leverage" of third-party investor and grant funding.

Summary		Total (Since January
Clients:	Engaged Consultatively	994
	Receiving Developmental Funding	61
***Funding:**	Dollars Approved	$25,700,000
	Dollars Funded*	$24,950,000
	Additional 3rd Party Co-Investments, Grant Funding	$246,000,000*

*Excludes $110M raise by Phoenix Coal



Eden Park Illumination's progress has accelerated considerably over the last several months and the company has achieved several milestones:

January 2008 - moved R&D operations to Enterprise Works and began prototype development.

April 2008 - hired Philip G. Warner as President and CEO. Prior to joining Eden Park Illumination Mr. Warner held a number of senior national and international management positions with Philips Lighting in the United Kingdom, the Netherlands (Philips Global HQ), and North America.

May 2008 - Clara Powell joined the company as the Vice President of Marketing and Business Development.

July 2008 - Eden Park Illumination celebrated the grand opening of its new Corporate and Marketing Operations in Somerset, NJ.

September 2008 - Major breakthrough as Eden Park demonstrates an early prototype of an ultra-thin flat light tile giving the light output equivalent to fluorescent lighting.