

Unit Name: The Center for Commercialization (C4C)

- 1. Academic Units:** Please provide a 1-2 page description of how your unit will fund growth plans identified in the Annual Academic Plan workbook through current or anticipated incremental revenue to your unit. Please provide specific fund source names and projections (in dollars). If these plans assume additional Provost Reinvestment Funds (supplement), please make that clear in this section.
-

Not Applicable since C4C is an Administrative Unit

- 2. Academic Units:** If you are recommending the creation of a new tuition category, please identify the original tuition category, the proposed category, a suggested tuition rate for FY14 and a percentage increase for FY15. If you plan to move only a subset of your programs into a new category, please identify those programs.
-

Not Applicable since C4C is an Administrative Unit

- 3. Administrative Units:** Please provide a 1-2 page overview of your current strategic plan and include a summary of any operational risks that the UW must work to mitigate over time. Note that there are very few Provost Reinvestment Funds, so your summary should provide a clear sense of how your unit intends to minimize risk, maximize service, and if necessary, repurpose existing funds to do so.
-

Our strategic priorities, plans, and goals have not changed over the last 2 years and are shown below:

Overall Goal

At UW C4C, we believe we have opportunity to significantly contribute to the University of Washington being increasingly and more consistently recognized as the nation's premier research university, and one of the greatest research universities in the world. UW's research enterprise has grown and increased in capability and prestige as the region and state around us has grown to be a center of technology, commerce, and political leadership. In this still formative stage, C4C can be an outcome determinative differentiating attribute, one that helps vault UW into the highest echelon of academic research institutes. That level of contribution to achievement of excellence is our overall goal.

Mission

The mission of the UW Center for Commercialization is to make the University of Washington the best place in the world to do research by providing unparalleled commercialization support to our entrepreneurial researchers.

The C4C mission statement focuses on *researchers*. While our function is rooted in the protection of the University's intellectual property, the success of our commercialization programs relies on successful positive engagements with researchers. Positive interactions with C4C will inspire faculty, staff, and graduate student researchers to increasingly consider translational research and to voluntarily engage with our office. A positive feedback loop will increase the volume and quality of the commercialization opportunities at UW.

To meet our overall goal by executing our mission, we've define four high-level goals:

1. Help recruit and retain the best faculty, staff, and graduate student researchers.

We will focus on those in high-demand areas of research, where research outcomes are most likely to be of importance to society. *C4C is committed to providing the University's faculty, staff, and student researchers with unprecedented and unparalleled commercialization support, and to promoting its results.*

2. Spin-out of more high-value, success-bound start-ups that leverage UW technology.

*C4C focuses resources on attempting to increase the number of companies spinning-out of UW around UW innovations/IP. We see start-ups as having a greater potential for creating revenue, jobs, good will, and reputational gain for UW and WA. They can generate licensing revenue – if acquired, nearer term than do royalties (due to equity liquidations), create jobs, enhance UW's reputation and generate **many other benefits to UW – which is why we encourage C4C results to be analyzed** from a “total contribution” perspective. C4C's contribution includes gifts to UW by successful faculty founders or investors, and increased sponsorship of research – by industry or UW start-ups, and increased political support resulting from UW generating jobs that stay in WA. We see these benefits coming from “lifestyle” businesses as well as venture capital backed start-ups with the potential to change the world. C4C will focus on increasing the number and quality of UW start-ups through a variety of initiatives.*

3. Generate revenue that significantly exceeds the cost of C4C operations to contribute to a sustainable business model for the University. Start by architecting an interim plan for sustaining UW C4C while building a practice and pipeline of IP that will meet our longer-term revenue objective. Establish an understanding of “total contribution” (e.g. gifts from founders as well as licensing revenue).

We are investing now in initiatives which will drive revenue and diversify its sources. In pursuit of a sustainable business model, C4C is also working hard to drive down expenses and accomplish more with every budget dollar.

4. Raise the visible impact of UW discoveries regionally, at the state level, and globally.

a) **Break-through innovations that change people's lives or save them.** Universities that attract great researchers and give them support are more likely to generate break-through innovations. Doing so, and being known for it, contributes to being recognized as a top research university. All of our work is intended to drive the probability of such breakthroughs reaching the public. Our *proactive* efforts to introduce researchers to their industry counterparts are intended to lead researchers to design research programs around industry and society needs.

b) **Visibility.** *The University is continually challenged to demonstrate its impact – impact regionally, within the state, nationally, and globally. These requests often come from bodies that influence funding or policy decisions. The externally facing offices of the University need to provide integrated responses to these requests; people outside the University view the UW as a whole. Messaging is critical to expanding broad support for the University. Our researchers communicate extremely well within the academic communities; we need to carry their message and achievements to other audiences. C4C is working with OSP, Advancement, UW Marketing, External Affairs, and the Colleges to improve our collective marketing to diverse audiences. We will partner on stories about UW:*

- i. Economic impact: company starts, job creation, industry engagements
- ii. Major scientific breakthroughs
- iii. Researchers, projects, and outcomes in **strategic sectors**: e.g. Clean Tech, Global Health

4. Academic and Administrative Units: Considering your strategic plans (particularly if they assume growth) please provide a short summary (1-2 pages at most) that relates these plans to your current space assignment. In particular, you might consider the following questions when drafting your response:

- a) Does your current space inventory meet current programmatic requirements? Contrarily, does the type or quality of the space place any constraints on your ability to meet program requirements? If not, please provide specific quality or space type concerns (location, specific quality concern, etc.).
 - b) Will your unit be able to accommodate your growth plans within existing inventory of space? If additional space will be necessary, please describe the amount, type, or quality of *additional* space you may need to meet programmatic objectives and growth plans.
-

In general, C4C's current space inventory is adequate to meet current programmatic requirements. The exception to this point is the newly acquired space at Fluke Hall for the New Ventures Facility which is slated to be used as incubator space to help UW start-up companies get off the ground. There are significant modifications and build-outs planned for the existing space over the next two years which will increase the amount of wet and dry lab space for UW start-ups that need facilities like this. We have been working closely with OPB, Capital Projects, and other UW units to optimize the space that is available for C4C, and to accommodate the needs of the College of Engineering which is trying to transition several of its COE research teams from C4C designated space to other space allocated to COE.

C4C is aggressively trying to meet President's Young's goal for us to double the number of new UW start-up companies in the next 3 years. Early technical advances in the first few years for these companies is critical for them to obtain 3rd party funding which is important for their long term viability. Incubator space like the New Ventures Facility at Fluke Hall is a critical tool for the University to have to help these companies be successful. We are confident we will meet or exceed President Young's goal, and in doing so it will create high demand for access to the New Venture Facility at Fluke Hall.

- 5. Academic and Administrative Units:** Should the 2013 Legislature lift the ongoing salary freeze and allow increases, we certainly hope that state funding will be provided for GOF increases. In the event that state funding for compensation is not available, all units should have plans to cover GOF/DOF salary increases out of tuition or other fund sources. Should no tuition revenue be available to your unit, Provost Reinvestment Funds may be dispatched to provide support for increases. Please provide your units' plans to cover expenses associated with salary increases. A salary and tuition revenue model is available on the OPB website; this model is designed to give you a sense of the magnitude of the support that will be required at various percentage increases.
-

C4C currently has some DOF funds for salary, but the majority of salaries are funded from self generated revenue from the administrative fee C4C retains from licensing revenue. We also have funds from 3rd parties that fund partial FTEs for several positions. The potential salary increases would be partially funded from all of these current sources, but it is likely we would also need some Provost Reinvestment Funds.

- 6. Academic and Administrative Units:** Your unit may have identified growth plans in the Annual Academic Plan workbook; if so, as part of question 1 your unit should have included a description of the funds necessary, including Provost Reinvestment Funds, to support such growth. For this section, however, please provide specific requests of Provost Reinvestment Funds for new initiatives. Please provide a one-page summary of these requests, articulating how much funding is requested by an initiative, whether temporary or permanent funds are requested, and how the funds would be spent (new positions, systems, etc.).

C4C currently has no new initiatives planned, we are focused on executing on initiatives that began over the last 2 years.
