The UM Office of Technology Transfer (OTT) is the University unit responsible for transferring research discoveries to business and venture partners. Each year, it launches an average of 10 startups and signs over 100 agreements with companies. These activities have led to the launch of over 115 new start-up ventures since 2001. These results reflect not only the dedication of the UM Tech Transfer staff—which numbers approximately 25—but also the support of university administration, which two decades ago incorporated technology transfer and economic development into the vision of the university.

To create a central hub for startup ventures, OTT created the Venture Center (VC) in 2002 as a central point of access for entrepreneurs and venture funding partners seeking to create new start-up ventures based on technology developed by University researchers. VC staff have all the tools necessary to create fundable teams, leverage existing programs, and ultimately launch companies with high growth potential. The VC has a core staff of experienced venture creation specialists and integrates the many support services into four areas: business development, talent, funding, and other resources (see figure on page 4).

BUSINESS DEVELOPMENT

The VC Business Formation Group examines new business opportunities using a three-stage evaluation process. The Assessment stage considers startup feasibility and the commitments required of the inventor. The Business Planning stage seeks to fully define the product/service by examining the business model, markets and customers, intellectual property protection, and the technology status.

The Business Formation stage includes writing the business plan, forming a startup team, and connecting with funding sources.

Started in 2000, OTT’s TechStart internship program has helped dozens of UM business development projects move forward with the assistance of interdisciplinary teams of entrepreneurial graduate students. The program accepts as many as a dozen interns annually, all of whom work full-time from May through July. Working in small teams, each student works on two or more projects simultaneously. Every project presents unique challenges, but teams generally conduct competitive analysis, interview industry insiders, identify market needs, and ultimately make recommendations regarding launch strategy. This program, in partnership with the Zell-Lurie Institute and the Center for Entrepreneurship, provides a great educational experience, valuable business development resources for our projects, and an increased opportunity for regional employment for our students after graduation.

TALENT

The Mentors-in-Residence (MiR) program seeks to leverage local entrepreneurial talent for the benefit of UM startups by having seasoned entrepreneurs “embedded” within the tech transfer team to provide opportunity assessment and venture development services. Presently, OTT employs six Mentors-in-Residence. With decades of industry experience, these individuals
help guide University ventures toward successful launch by assisting with business modeling, customer needs assessment, and connections to customer prospects and venture partners. MiR appointments can run as long as 18 months, with each MiR working approximately 20 hours per week.

The Catalyst Resource Network is a worldwide network/database of talented people that have made commitments to either paid or unpaid opportunities to assist University technology projects. There are five roles for talented advisors. Industry experts offer unpaid assistance to ventures for short periods of time, such as discussions or inquiries. Mentors are industry or technology leaders willing to volunteer several hours a month to coach UM inventors, entrepreneurs, and students. Consultants become paid contractors on due diligence issues for which a venture lacks sufficient internal resources. Potential managers are candidates for long-term leadership commitments to a company. Finally, qualified students can be volunteers or paid interns for a firm, under supervision from VC staff.

**FUNDING**

The VC can help startups apply for the Michigan Initiative for Innovation and Entrepreneurship, a competitive gap funding program at the state level to address market validation issues, such as prototype/concept testing and market analysis. Funds awarded range from $5K to $100K. The VC has also created a network of over 200 regional and national venture capital and angel partners. Michigan Invests in New Technology Start-ups (MINTS), created in 2011, positions the University as co-investor—with qualified venture firms—in promising UM start-ups. An analysis by the UM Investment Office of the returns from startups launched by OTT led to this initiative. The MINTS program can invest up to $1 million alongside a lead venture capital firm in early-stage ventures launched from OTT. The program could inject up to $15 million during the next decade into such ventures.

**RESOURCES**

The Venture Accelerator was launched in January 2011 and enables University faculty to start their own companies while accessing expert help to become successful. It provides late-stage UM ventures with world-class laboratory and office space adjacent to the talent and business services of the Venture Center in our North Campus Research Complex. It has filled up rapidly, and is presently home to 18 companies.

**SUCCESS**

As whole, the Venture Center has produced a steady-stream of high potential startup opportunities for entrepreneurs and our venture capital partners. Over the last 10 years, the Center has launched 98 new startups (one every five weeks) providing job opportunities and economic advantages for the region. Here and across the globe, more UM technologies were licensed to companies in 2012 than ever before. In FY 2012, OTT worked with university
researchers on 368 new technologies, executed 123 option/license agreements with industry, and submitted 145 patent applications. The 368 new inventions reported by researchers in fiscal year 2012 was another record high, demonstrating the broadened participation of UM faculty in tech transfer activities. The University also reported that 101 U.S patents were issued in fiscal year 2012, and $13.4 million in licensing royalties were received— providing funds to reinvest in research and innovation. Eleven new startup ventures—eight of which are headquartered in Michigan—were launched in fiscal year 2012 with the guidance and resources of the OTT Venture Center.

**Michigan Venture Center**