

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.

Several inventions were developed by the Serban Lab and are owned by the University of Montana. Specifically:

- U.S. Provisional Patent Application Ser. No. 63/030,952, entitled “Skin Regeneration Device,” filed May 2020
- International Patent Application Ser. No. PCT/US20/39551, entitled “Thixotropic Delivery Systems,” filed June 2020

Research for both inventions and patent applications was funded by start-up funds provided by the University of Montana to Dr. Serban. Further development of the “Skin Regeneration Device” invention is funded by the Murdock Foundation Commercialization Initiation Program (RN: 202015818:08/27/2020). The “Thixotropic Delivery Systems” continues development under an NIH STTR grant (R42DC017641-02A1).

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

Monica A. Serban
Bogdan A. Serban

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

Maana Discoveries, Inc.

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

- x a. The employee to be awarded equity interest in the business entity.
- b. The employee to 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.
- d. Other. Please explain.

4. a. 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).

Maana Discoveries, Inc. was primarily founded to move technologies developed at the University of Montana into the commercial space. The company will seek to enter into patent option and license agreements with the University of Montana and maximize some of the technologies developed by the Serban lab, in addition to developing its own intellectual property.

b. The proposed duration of the agreement or arrangement.

A patent option agreement(s) generally come with one or two year terms. Any patent licenses that mature from such agreements typically run with the term of the underlying patent term, which, depending on nationality, may extended for 15 or more years.

c. The conditions under which the agreement may be terminated or dissolved.

Patent option and license agreements used by the Univ. of Montana provide for termination in the event of licensee bankruptcy or material breach. Licensee may terminate at-will with six (6) months' notice.

5. Explain specifically how the University System or the State of Montana will likely benefit from the agreement or arrangement.

a. Realized financial gains, through milestone or royalty payments, are used by the Univ. of Montana, in accordance with MUS policy, to incentivize commercialization of inventions, to cover patent prosecution costs, and to provide start-up funding for faculty members engaged in academic research.

b. The Univ. of Montana may benefit from ancillary agreements with Maana Discoveries. For example, Maana Discoveries is seeking to rent laboratory space from the University of Montana.

- c. Maana Discoveries is a Delaware corporation, intentionally based in Missoula, MT with the primary goal of boosting the local biotechnological sector, raising awareness of the local research and entrepreneurship, and creating jobs.
- d. Maana Discoveries' mission is to create and translate significant innovations that make treatments more accessible, safe, effective, and affordable to enhance health and wellness worldwide. Maana Discoveries' work will speak to the value and significance of the research that is done at the University of Montana.
- e. Dr. Monica A. Serban is one of the co-PI's of the University's National Science Foundation i-Corp grant. That program's goal is to create a STEM-focused ecosystem which successfully commercializes research and innovations. In short to accelerate the commercialization of research and innovative ideas (<https://www.umt.edu/launchpad/events-programs/icorps/default.php>). Maana Discoveries will serve as a success story for the i-Corp program, further help promote and encourage entrepreneurialism especially among women, and help secure subsequent similar grants.

6. Summarize the financial terms of the agreement or arrangement. Include:

- a. The value, nature and source of the University's contribution.

Potential patent option or license agreements would contemplate the exclusive or non-exclusive license of one or more patents owned by the University of Montana. The value of such license rights is difficult to quantify, especially in the earliest stages of commercialization. Accordingly, such agreements seek to require good-faith efforts of the licensee to pursue commercial opportunities while preserving the financial interests of both parties to increase the chances of a durable and successful relationship.

- b. The value and nature of the employee's contribution.

Dr. Monica Serban and Mr. Bogdan Serban are co-founders of Maana Discoveries. They may be paid by the company for work done on behalf of the company.

- c. The anticipated revenue to be generated by the project and the time line for generating such revenue.

Revenue generation of the medical device-type inventions of the subject patent applications will require relevant FDA and other clinical trial review. Patent license agreements will typically provide for the licensee to cover ongoing patent expenses and provide milestone payments tied to clinical trial advancement. Significant revenue streams will take several years to develop and such commercial endeavors carry considerable financial risk to the founders.

- d. The manner in which revenue and expenses will be shared by the parties.

Patent option agreements employed by the Univ. of Montana typically contemplate an expense cost-sharing arrangement with the option holder. Once the agreement matures to a license, the licensee is generally required to reimburse the university for all expenses in full. Negotiated royalty and milestone payments depend heavily on the licensed subject matter and breadth of exclusivity.

e. The nature of each party's equity interest in the project. If none, so indicate.

Dr. Monica Serban is the President of Maana Discoveries, Inc., and owns 35% of the company. Mr. Bogdan Serban is Secretary and Treasurer of the company and owns 10% of the company.