



# KU Technology Transfer

## Promoting Innovation to Benefit Society

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## Entrepreneurship is expanding on the KU Lawrence Campus

The KU Office of Technology Transfer and Intellectual Property is working with various schools on campus to advance entrepreneurship. This issue highlights examples of KU faculty start-up companies, entrepreneurship programs and new areas of emphasis in entrepreneurship.

### Courses Introduce Students to Technology Transfer

In the Spring of 2002, a graduate level business course open to students of all disciplines was created and taught by Sanjay Mishra, Associate Professor in the School of Business. The course was designed to help students develop skills in opportunity evaluation, and understand the tasks, decisions, and discipline based knowledge that are required to take an idea to market. The course provided an opportunity for integration and extension of functional area knowledge to develop a comprehensive business plan for a technology. Students worked in inter-disciplinary teams with a principal investigator of a technology that had been disclosed to the KU Technology Transfer Office.

In the Spring of 2003, KU partnered with the University of Missouri/Kansas City and Rockhurst University to offer an interdisciplinary course which utilized technologies disclosed to the KU Technology Transfer Office. The students had the opportunity to work with new KU discoveries that were licensed into KU start-up companies or other local companies. The students analyzed new market opportunities, pricing sensitivities of those markets, limitations of the technologies, and proposed market strategies.

In the Spring of 2004, the KU Technology Transfer Office offered students in the School of Business a Consolidated Strategies course, an opportunity to work with a number of new discoveries disclosed to the office. The students selected Chat Track, a system developed at the Information Telecommunications and Technology Center (ITTC) by Susan Gauch, that archives chat messages and provides search by keyword, date, speaker and/or listener. It is designed to allow parents and corporations to monitor the activities of a single individual on a particular machine. Chat Track has been developed as both a client application and a plug-in, to allow archiving and searching of message traffic by chat servers.

### TLC Brings Together Students, Inventors, and Start-up Executives

In the School of Engineering, Biotrack entrepreneurship courses (such as the Biomedical Product Development course) will interact with a Multidisciplinary Entrepreneurship Thematic Learning Community (TLC). The Entrepreneurship TLC will be modeled in concept after the very successful existing KU SAE Formula Car team system, wherein students from all academic levels participate in the

end project goal of designing and building a race car. The Entrepreneurship TLC will be nontraditional, involving students from all levels and disciplines. Unlike most TLCs, the Entrepreneurship TLC will not focus on freshmen and sophomores in a living and learning environment. It is envisioned that the Entrepreneurship TLC will include both undergraduate and graduate students

from diverse backgrounds and disciplines. The common core of the Entrepreneurship TLC will be monthly meetings and seminars given by experienced entrepreneurs and representatives of business service organizations in the region, and interaction with nontraditional entrepreneurship based courses.

## CHECK IT OUT

### KU Start-up Companies

<http://www.research.ku.edu/techtran/startup/index.shtml>

### KU Technologies Available for Licensing

<http://www.research.ku.edu/techtran/lictech/kulc.shtml>

### Information for KU Inventors

<ftp://www.research.ku.edu/pub/tt/invdisc.doc>

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Dr. Stephen Fawcett  
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## Entrepreneurship in Education

### Pathfinder Science,

L.L.C. is an emerging science education company formed by Dr. Steve Case and Mr. Tom Baker. It is emerging from the Kansas Collaborative Research Network (KanCRN), a Technology Innovation Challenge grant from the U.S. Department of Education (1997). Garnering a collaborative research community that includes

researchers, community mentors, teachers, and students, Pathfinder Science uses a variety of technologies to facilitate the implementation of standards-based teaching principles, with the goal of fulfilling the vision of national efforts to reform science, geography, and technology education. The web site includes threaded discussion areas, orga-

nizing protocols, data submission, retrieval from interactive databases, background information on the research areas and a publication area for students to submit their own research work. The Pathfinder research community involves over 1200 schools in 30 countries and an additional 8000 individual citizen scientists.

## Social Entrepreneurship at KU: The Case of the Institute for Community Health and Development

Imagine doing good, and making a little money? Of course, many of KU's technology transfers are of this type—for instance, basic research knowledge that leads to a new drug or to an engineering solution. With these technology transfers, potential economic benefits can be anticipated. But, when the research is with an applied problem—such as with preventing substance abuse or promoting healthy lifestyles—future economic payoffs may seem unlikely. Social entrepreneurship refers to business activities that address a socially important problem or goal. One emerging example is the Institute for Community Health and Development (ICHD), a non-profit offshoot of KU's Work Group for Community Health and Development (a part of the Schiefelbusch Institute for Life Span Development and a World

Health Organization Collaborating Center). Intellectual property and social technologies developed by the KU Work Group are licensed by KUCR to the ICHD for application with local and national initiatives. Profits from licenses to use these technologies return primarily to the ICHD to support further research and development, and to help sustain the KU Work Group. Based on decades of applied research, the KU Work Group has developed a variety of "social technologies" or ways of addressing problems and goals in community health and development. One such technology is the Community Tool Box (CTB) <http://ctb.ku.edu/>; a massive (over 6,000 pages) resource that supports this work. This free, globally acclaimed resource—a finalist for the 2004 Stockholm prize—is used by citizens and

professionals from Kansas to Kenya. The technology of the CTB can be customized for community and national efforts, such as in Workstations for multi-community efforts to prevent violence or promote physical activity, thereby increasing its economic value. In another valuable feature, the online Workstations can also help document and evaluate community efforts; permitting online analysis, reporting, graphing, and co-learning across participating sites. It is anticipated that sales and support of use of this technology, most likely through a sub-license to a private company, will generate revenues that will permit the KU Work Group to continue its research, teaching, and service for years to come. The KU Work Group is directed by Stephen Fawcett and associate director Jerry Schultz.

## Entrepreneurship in Information Technology



**Veatros, Inc.** Originally started as a joint venture with the University of Kansas Information and Telecommunication Technology Center (ITTC),

today Veatros is a privately held company committed to providing customized technical research solutions that help the media business understand and protect their property. Over the past four years, a number of patented products have been created. Vid-Watch, the company's patented video processing technology developed at ITTC, compares video streams in real time, verifying that the broadcast content is run as planned. In her role as President of Veatros, Dr. Susan Gauch oversees the technical operations for the company including managing the specialized staff Dr. Gauch's primary research

field is Intelligent Information Agents. Prior to her experience with Veatros, Dr. Gauch was Chief Technology Officer and co-founder of ProFusion and inventor of the award-winning ProFusion Web search engine. In 2000, ProFusion was acquired by Intelliseek. As CTO of Veatros, Dr. John Gauch is responsible for devising creative technical solutions for the company's clients. Dr. Gauch's interests include digital image processing, computer vision, video information processing systems and online education.

## LRTC TENANT SERVICES

- Low-cost office space, conference room, and receptionist/administrative assistant.
- Broadband internet access, e-mail server/web hosting server,
- Telephone and voice-mail, network printer, copy machine, fax

## LRTC BUSINESS ADVISORY SERVICES

- Corporate formation
- Analysis: technology assessment, market research and analysis, competitor research and analysis
- Planning: business/revenue model development, strategic planning, business plan writing
- Financial: raising capital, SBIR/STTR/ATP grant writing
- Management: financial management, management assistance

The KU Technology Transfer newsletter is published bi-monthly through the KUTTNEWS list serve. This newsletter is distributed to interested KU faculty and staff, economic development organizations and others interested in learning about KU innovations.

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## Entrepreneurship in the Fine Arts

A number of universities are seeing the importance of entrepreneurial training in the Fine Arts. Some are offering degrees in Music Business, Master of Entertainment Technology, Master of Arts Management, and Performing Arts Entrepreneurship, while oth-

ers are presenting new venture workshops to aspiring entrepreneurs who wish to start a business in the arts. The KU Office of Technology Transfer and Intellectual Property is reviewing various Fine Arts Entrepreneurship models and will be holding meetings on cam-

pus with interested parties, to develop seminars on topics such as business plan development, legal aspects of new venture creation in the arts, finance, marketing, etc.

## LRTC : Local Business Incubator Partners with KU to Assist Faculty Start-ups

Lawrence Regional Technology Center (LRTC) LRTC is a business incubator that provides resources and services to high-tech start-up companies in Lawrence and surrounding areas. Its mission is to support the successful commercialization of technologies developed by the University of Kansas and by local entrepreneurs in order to help create and grow high-technology firms that will produce new, high paying jobs for the local economy. In general, ideal client candidates for LRTC will have a unique and proprietary technology that addresses unmet needs in large markets. Successful client candidates have access to LRTC's tenant services and business advisory services.

Under new leadership as of June 2002, the LRTC manage-

ment team developed and is now implementing a strategic plan to better meet the needs and earn the confidence and trust of its clients and stakeholders. Key goals of the strategic plan include improving the quality of services delivered to clients; improving collaboration among leaders from the academic, business and entrepreneurial communities; developing a new incubator facility with both office space and wet lab space; and increasing access to early-stage financing for high-tech start-ups. The first of LRTC's clients to "graduate" from the incubator was Deciphera Pharmaceuticals. Deciphera became an LRTC client in early February 2003, after relocating to Lawrence from Cambridge, Massachusetts. LRTC helped Deciphera raise capital, man-

aged Deciphera's day-to-day accounting, prepared financial models and projections, assisted with structuring and negotiating contracts, and assisted with the development of Deciphera's strategic plans.

According to Deciphera's President & CEO, Daniel Flynn, "The rapid progress that Deciphera Pharmaceuticals has enjoyed during its first six months has been in large measure due to the dedication and availability of LRTC and its staff." In November 2003, Deciphera successfully completed a deal to receive \$15M from a group of private investors, which will allow Deciphera to complete its proof of concept studies, obtain intellectual property protection, and fund business operations over the next three years.

## Cadstone, LLC

**Cadstone, L.L.C.** is a KU start-up company that is creating a suite of revolutionary design tools to help electronics developers detect and correct design defects early in the product development process. Cadstone's tools will significantly improve electronics developers' profitability in two ways. First, Cadstone's design tools will decrease product development costs by decreasing the time and expense of detecting and correcting design defects. Second, Cadstone's design tools will increase revenue by allowing products with high-quality design to get to market sooner. Cadstone is uniquely positioned to capitalize on this opportunity because there are no design tools on the market that operate at the same level of analysis as

Cadstone's tools. Cadstone's design tools are written in Rosetta, a flexible specification language developed by Cadstone's founder and president, Dr. Perry Alexander. Dr. Alexander developed the Rosetta specification language at the KU Information and Telecommunication Technology Center (ITTC). ITTC provided critical early support, dedicating funding and facilities to the development of the Rosetta language and design tools, identifying the market niche, and assessing the commercial potential for the Rosetta technologies.

With ITTC's encouragement, Cadstone became an LRTC client in July 2003. Discussing his company's relationship with LRTC, Cadstone's founder and President, Dr. Perry Alexander, said,

*"As a researcher, the thought of trying to start and finance a company is pretty daunting. I am not a businessman and have no experience in business related matters. Working with LRTC over the last year to develop a business plan, develop licensing agreements and start the process of raising capital, has been nearly perfect. The LRTC crew has worked hand-in-hand with me, complimenting my technical expertise with business knowledge that I simply couldn't find anywhere else. They worked to understand the business opportunity, helped develop a business plan, and helped negotiate with other companies interested in licensing Cadstone products. We are now in the process of raising initial capital to complete the development of our initial product line. If Cadstone is successful over the long term, it will be in large part due to our association with LRTC."*