
M E M O R A N D U M

TO: INTELLECTUAL PROPERTY SUBCOMMITTEE
FROM: ELONA BAUM
SUBJECT: STRATEGIC PARTNERSHIP FUNDING PROGRAM
DATE: SEPTEMBER 9, 2011

On August 24, 2011, the Intellectual Property Subcommittee convened to discuss the concept plan for the Strategic Partnership Funding Program, a component of the Opportunity Fund. A number of suggested changes to the concept proposal for the program were suggested. These changes have been incorporated below in a proposed motion for consideration of the IP Subcommittee at its upcoming meeting on September 27, 2011.

The proposed motion is as follows:

Recommend approval by the Governing Board of the Strategic Partner Funding Program concept proposal, with the following parameters:

- i) A Program Announcement will be posted announcing the funding program.
- ii) Applications will be accepted on a rolling basis and reviewed by the Grants Working Group approximately two times per year.
- iii) Eligible projects will be:
 - a. Both existing projects in good standing and new projects (meeting the requirements of Proposition 71).
 - b. Projects at any stage of research and development that fall between basic research through and including Phase II clinical proof of concept studies.
 - c. Only those projects which have third party commercial validation will be considered. Forms of such validation may include a term sheet or letter of intent with a pharmaceutical or large biotechnology company (provided a binding agreement is entered into prior to the disbursement of CIRM funds), and/or significant investment from venture capital, disease foundation funding or other sources of third party or government funding, including SBIR funding.
- iv) The Strategic Partner Funding Program shall receive \$30 million in funding which shall be dedicated solely to projects funded under this particular program. Per project awards shall be a maximum of \$10M, excluding funding

- for technology transfer/patenting support. The per project funding amount may be increased at the discretion of the IP Subcommittee;
- v) The term of awards made under this program is a maximum of four years (unless extended at the discretion of the IP Subcommittee).

STAFF SUGGESTION:

- vi) Request that staff advise the Board regarding the amount of funding that would be required for the other two components of the Opportunity Fund and at a minimum approve \$35M for the Opportunity Fund, with \$5M being dedicated to patent and technology transfer support.