

## **SUPPORT OREGON'S INNOVATION ECONOMY EXTEND THE SUNSET ON THE UNIVERSITY VENTURE DEVELOPMENT FUND**

Since 2007, the University Venture Development Fund (UVDF) has accelerated the research conducted at Oregon's public universities into new businesses and provided significant student experiential education. Over the last six years universities have raised nearly \$7 million from private sources to transfer new technologies developed at university labs into commercially viable products and startup companies. **It is an important tool for moving innovations out of the lab and into the economy, and because it is the only tax credit with a payback provision, it has no projected impact on revenue.**

### **A simple plan with no projected long term revenue impact and major payoffs for**

**Oregon's economy:** The UVDF provides a tax credit for donors who choose to support the commercialization of promising university discoveries and campus-based entrepreneurial education. Private donors give to university-controlled funds aimed at promoting innovation, translational research and incubating start-up companies. This fund creates jobs, stimulates the economy, and makes local communities stronger. Uniquely, it pays the state back for the tax credits: The UVDF provides that 20 percent of the licensing revenue received by the universities from firms that received UVDF funding will be returned to Oregon's Treasury.

**Support emerging start-ups by extending the sunset and simplifying the tax credit:** The UVDF is set to sunset this cycle. Oregon's public universities ask that you extend the sunset on this important program by 6 six years to maintain this vital tool in Oregon's start up economy. Extending the sunset will also provide more stability for donors and help the programs to grow.

Additionally, to simplify the program for donors, Oregon's public institutions are proposing to change the distribution of the tax credit from three years to one year. To align with expected increases in capital raised with the change to a one year timeline and to further stimulate entrepreneurial activity, the institutions are also asking to increase the total dollar amount of tax credits available through UVDF to \$15 million.

**UVDF works –strong start-ups are proof of its effectiveness:** The UVDF has raised nearly \$ 7 million and distributed to projects that include:

- Perpetua Power, Corvallis, growing company based on a thermoelectric technology from the Pacific Northwest National Laboratory with roots in the UO's Technology Entrepreneurship Program.
- SweetSense, a PSU startup, is developing low-power, remotely programmable sensors with an initial focus on the monitoring of technologies deployed in the developing world.
- Inpria Corporation, an OSU startup, has developed a new way to create thin films for displays and other large-area electronics using low-cost printing processes.
- OHSU has created a new INVENT educational series focused on innovation and entrepreneurship training for medical students, graduate students and others at OHSU
- Programs at OSU, UO, OHSU, and PSU that train the next generation of tech entrepreneurs.

**The institutions have repaid \$500,000 to the treasury with repayments expected to increase as new businesses start to mature.**

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