

## **2008 Innovations Awards Program APPLICATION**

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ID # (assigned by CSG): 08-E-07DE

**Please provide the following information, adding space as necessary:**

State: Delaware

Assign Program Category (applicant): Economic Development (Use list at end of application)

1. Program Name: Intellectual Property Business Creation Program (IP Program)
2. Administering Agency: Delaware Economic Development Office
3. Contact Person (Name and Title): Ken Anderson, Entrepreneurial and Small Business Support Director
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5. Telephone Number: 302-739-4271
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7. E-mail Address: kenneth.r.anderson@state.de.us
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[http://dedo.delaware.gov/business/patent\\_portfolio/index.shtml](http://dedo.delaware.gov/business/patent_portfolio/index.shtml)
9. Please provide a two-sentence description of the program. The IP Program emerged from a portfolio of patents donated to the State of Delaware by two legacy Delaware companies – DuPont and Hercules. The purpose of the program is to link entrepreneurs with these intellectual property packages for the purpose of commercialization and new business creation in Delaware.
10. How long has this program been operational (month and year)? Note: the program must be between 9 months and 5 years old on March 1, 2008 to be considered. The program commenced following the first donation of patents by DuPont in December, 2005.
11. Why was the program created? What problem[s] or issue[s] was it designed to address? This program was created to foster entrepreneurialism and new business creation in Delaware utilizing intellectual property donated from Delaware businesses. Small business and emerging technologies provide one of the greatest opportunities for economic development and economic vitality in Delaware; the Development Office created this program to address these needs.
12. Describe the specific activities and operations of the program in chronological order.  
Summer 2005 – The State of Delaware and DuPont announce partnership program in which DuPont will make an \$80 million capital investment in its legacy Delaware research and development facility, donate 250 intellectual property packages to the state, and conduct biotechnology seminars with Delaware high school students. Hercules commits to capital investment in Delaware and donates 5 intellectual property packages to the state.  
Spring 2006 – Work to assess and classify commercialization opportunity of patents begins.  
December, 2007 – First licensing agreements signed for two DuPont patents by team of entrepreneurs who commit to starting their business in Delaware.
13. Why is the program a new and creative approach or method? First known program in which a state has been the recipient of intellectual property to be used for the purpose of creating new businesses.

14. What were the program's start-up costs? (Provide details about specific purchases for this program, staffing needs and other financial expenditures, as well as existing materials, technology and staff already in place.) The patent portfolio required contracted assessment by industry experts. In addition, the patent maintenance fees required immediate funding. These and all other start-up costs have been incurred through the Development Office's existing operating budget.

15. What are the program's annual operational costs? The program's annual operating costs are approximately \$150,000 which includes patent maintenance fees and Development Office staff to administer the program.

16. How is the program funded? The program is funded by the existing budget of the Development Office.

17. Did this program require the passage of legislation, executive order or regulations? No If YES, please indicate the citation number.

18. What equipment, technology and software are used to operate and administer this program? The patent portfolio is promoted through the DEDO website. Standard office equipment is required to operate and administer the program.

19. To the best of your knowledge, did this program originate in your state? If YES, please indicate the innovator's name, present address, telephone number and e-mail address. Yes, Director Judy McKinney-Cherry and Karley Sessoms, Executive Assistant, are the program's innovators. 99 Kings Highway, Dover, DE 19901. 302-739-4271.

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20. Are you aware of similar programs in other states? If YES, which ones and how does this program differ? No, Delaware believes that it is the first and only of its kind.

21. Has the program been fully implemented? If NO, what actions remain to be taken? The program was considered to be fully implemented upon execution of the licensing agreement with the entrepreneurial team; however, the program continues to evolve to meet the program purpose and goals.

22. Briefly evaluate (pro and con) the program's effectiveness in addressing the defined problem[s] or issue[s]. Provide tangible examples. Effectiveness measured by execution of a licensing agreement has been met; however, long term goals center on creation and sustainability of new businesses utilizing the technology. We expect to see these longer term benefits several years in the future.

23. How has the program grown and/or changed since its inception? The IP Program, once an innovative program housed within the Development Office, is now recognized as a core component of the Development Office's Delaware Emerging Technology Center, designed to support the creation of an entrepreneurial ecosystem, acceleration of the technology transfer process and commercialization throughout the State, and enhance the identification of qualified entrepreneurs and innovators in the public, private and non profit sectors for participation in the program, for the purposes of creating new emerging technology businesses and jobs in the State of Delaware.

24. What limitations or obstacles might other states expect to encounter if they attempt to adopt this program? Full understanding of value and opportunity of intellectual property to meet needs of state and/or other recipient agency as well as extensive costs related to patent maintenance fees and assessment of the intellectual property.