

Technology and Business Resources in Michigan

Introduction

As business lawyers, we are always being asked to assist our clients in solving problems and planning for the future. Although choice of entity, tax planning, succession planning, and contractual issues often fill up the majority of our work for business clients, we should also be cognizant of other opportunities that may have value for these companies.

This issue's column focuses on a number of resources that are available to both entrepreneurs and established businesses in Michigan. Some are specific resources and opportunities that have been made available by the State of Michigan. Businesses also have opportunities to obtain cutting-edge technologies from our universities.

The MEDC

Although Michigan is often considered a difficult place to do business, the State of Michigan has, in fact, many resources to help businesses expand or locate in the state. The foremost of these organizations is the Michigan Economic Development Corporation (MEDC). The MEDC identifies its mission as keeping good jobs in Michigan and attracting more of them. It also represents itself as the "most effective business development corporation in the nation today." Both the mission statement and the claim come from the MEDC Web site (medc.michigan.org). This site is both user-friendly and rich in resources for existing and prospective businesses. The MEDC is to be commended on its activities and efforts on behalf of Michigan businesses, and this is a resource you should not miss.

The Life Sciences Corridor Initiative, which seeks to make Michigan one of the leading states in biotechnology and pharmaceutical research, is also under the auspices of the MEDC. This initiative has been

funded by the state's settlement with the tobacco companies and is currently receiving general public attention because of a ballot initiative that would preclude funding from the settlement proceeds.

The presence of two major pharmaceutical companies, coupled with specific support by private research organizations and the Michigan universities, might very well make life sciences a significant activity in the State of Michigan. Although the project is still in its infancy and requires substantial investments in scientific infrastructure and funding for new ventures, the Life Sciences Corridor Initiative has resulted in significant collaboration and cooperation among

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the Michigan universities. This is something to keep on eye on in the future.

Michigan Broadband Development Authority

The State of Michigan also has a number of initiatives to support specific types of business development. One is the Michigan Broadband Development Authority, which began business earlier this year and is considering applications for loans to finance the construction of the networks for high-speed Internet (also known as "build out" of broadband infrastructure) in Michigan. This was part of a package

of bills signed into law last year, specifically to facilitate the deployment of high-speed Internet access statewide. The authority is under the auspices of the Michigan Department of Treasury, and a number of resources are available on the treasury portion of the State of Michigan Web site. The URL for the Broadband Authority is somewhat lengthy and complicated, so I recommend that you simply go to www.michigan.gov and type in "Broadband Authority" in the search location.

Technology Transfer Opportunities

Universities have often been bastions of pure academic research without concern for commercialization. Most universities that engage in scientific, engineering, or similar research will develop, over time, a portfolio of technologies that are usually protected by patents. These have often sat on the shelf. The present economic realities, however, require universities to consider opportunities to capitalize on this research. Universities have also seen the benefits of providing technologies to entrepreneurs to help start-up companies and organizations.

Michigan universities are focusing many of their efforts on commercialization of these technologies. The process, known as "technology transfer," usually involves the licensing of technologies to businesses in exchange for a license fee or royalty. Increasingly, however, universities are also willing to take equity positions in entrepreneurial organizations or to be flexible on financial arrangements.

Most Michigan universities operate sophisticated technology transfer offices. The University of Michigan office has a strong group of licensing and business professionals who are willing to explore ways in which the technology portfolio can provide opportunities for industry and entrepreneurs. The University of Michigan's technology transfer Web site (www.techtransfer.umich.edu) has substantial information about commercialization and a large searchable database about available technologies.

Similarly, Wayne State University, Western Michigan University, and Michigan State University can assist your clients by providing technology and inventions. The Wayne State Technology Transfer Office also has an official home page (www.techtransfer.wayne.edu). This site has a number of its forms, publications, and available technologies on its home page. The Michigan State University Office of Intellectual Property (www.msu.edu/unit/oip) similarly has a wealth of information about the University's

commercialization goals and mission, its policies, and a database of available technologies. Western Michigan University's site on intellectual property and technology transfer (www.wmich.edu/ovpr/intell-property.html), coordinated by the Office of the Vice President for Research, can also lead you in the right direction.

The above are only some of the resources available for businesses. Business lawyers of the twenty-first century should be familiar with these opportunities to help ensure

the ongoing growth and competitiveness of their business clients.



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