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**ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY**

100 Main Street, Suite 450, Little Rock, Arkansas 72201 (501) 371-3554

**MINUTES OF THE 29TH REGULAR MEETING OF THE  
ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY'S  
BOARD OF DIRECTORS  
LITTLE ROCK, ARKANSAS  
MARCH 4, 1988**

**CALL TO ORDER**

The meeting was called to order at 1:41 p.m. by Dr. Joe Nix, Vice Chairman of the Board, in the Conference Room of the Department of Higher Education, Little Rock, Arkansas. Board members present included Mr. William Bowen, Dr. Joycelyn Elders, Mr. Harry Truman Moore, Mr. Louis Ramsay, Mr. John Troutt, Mr. Jerry Webster, Dr. Bill Willingham, and Dr. Paul Marion.

Visitors included: Ms. Carol Griffey, Editorial Services; Ms. Carla Johnson Kimbrough, Arkansas Gazette; Mr. Jerry Seiff, Manager, Genesis Incubator, University of Arkansas at Fayetteville.

**APPROVAL OF MINUTES**

Presenting the draft minutes from the January 22, 1988 board meeting, Dr. Nix asked if there were any additions or corrections. There being no corrections, the minutes were approved as distributed.

**PRESIDENT'S REPORT**

Dr. Ahlen presented the president's report (Appendix A), and noted that it was a brief report due to the short length of time between the last board meeting and the March 4 meeting.

Dr. Ahlen commented on the NCTR information included in the president's report, and relayed to the Board that a video tape of the program, "Science Is Golden," which was aired on AETN, February 28, is available should any board member wish to view the program. He directed the Board's attention to the two handouts in the booklet: (1) an updated list of the

Board of Directors, and (2) the 1987 report from the National Advisory Board of First Commercial Bank. Dr. Ahlen asked the Board to note the suggestions to the Authority on page 18 of the report and indicated that it may be appropriate at a future board meeting to discuss these suggestions.

Mr. Webster asked if anything had been done regarding establishing a coordinating office for federal science and technology funds. Alice Smith stated the agenda is being further developed, and she has been dealing with a shortage of travel funds; until this issue can be resolved, the project is essentially on hold. Dr. Ahlen elaborated that the issue is more than just travel funds, that funds for subscription materials totaling approximately \$1,000 are not available, and the objective of establishing better working relationships with the staffs of the congressional delegation in Washington and the research offices of the large federal agencies that award the R&D funds is directly affected by the lack of travel funds.

#### INVESTMENT COMMITTEE REPORT

Mr. Moore presented Draft Resolution No. 88-8 (Appendix B) for the Board's consideration. The Resolution provides for a seed capital investment of \$125,000 from the investment fund of the Authority in a technology-based enterprise called Nthography (a tenant in the GENESIS incubator facility in Fayetteville) whose president is Mr. Gene Wirges. The purpose of this enterprise is to provide low altitude aerial photography products, still and video, for a world-wide market.

Mr. Jim Benham and Mr. Gerald Seiff addressed the Board regarding Nthography and provided background information. Mr. Moore stated two additions to the wording of Draft Resolution No. 88-8 and moved for its approval. Dr. Elders seconded the motion, and the Board unanimously approved Resolution No. 88-8 with the additions as stated. (See final copy of Resolution 88-8 which was renumbered as Resolution No. 88-7, Appendix B.)

Jim Benham announced to the Board that Ms. Megan DeLamar has been hired to fill the position of Finance Program Manager for the Authority and should begin work on March 21, 1988.

**PLANNING COMMITTEE REPORT**

There was no report from the Planning Committee.

**RESEARCH COMMITTEE REPORT**

In Dr. Hart's absence, Dr. Elders, research committee member, presented the Research Committee's recommendation regarding Draft Resolution No. 88-6 which is a proposal providing a tax credit to the Allen Canning Company for supporting applied research.

Dr. Elders stated that after discussing Resolution 88-6, the Research Committee did not believe it necessary to offer a separate resolution for each tax credit application since Act 759 already states that tax credit will be given to businesses supporting applied research.

Therefore, the Research Committee declined offering Resolution 88-6 for approval; on the basis of the Committee's recommendation, Dr. Elders moved that the Board grant Dr. Ahlen the authority to issue and process the tax credit applications in accordance with Act 759 as these requests are received. The motion was seconded by Mr. Bowen, and unanimously approved by the Board.

Dr. Elders presented Draft Resolution No. 88-7 for the Board's approval (Appendix C). Draft Resolution No. 88-7 is an applied research project by Dr. Wesley A. Burks of University of Arkansas for Medical Sciences, entitled "Allergenicity of Major Component Proteins of Soybean," which is to be funded in the amount not to exceed \$23,075 and co-sponsored by Ross Laboratories. The purpose of the project is to delineate the relevant antigens in soy protein and to further characterize immunologically-mediated adverse reactions to soy products. The determination of the allergic component of soy will allow for modifications to possibly lessen the allergic response and increase soy utilization. The motion was seconded by Mr. Jerry Webster and unanimously approved by the Board.

(Dr. Ahlen asked the Board to note that since Resolution 88-6 was not approved, Resolution numbers 88-7 and 88-8 will change accordingly; Resolution 88-7 will be renumbered as 88-6, and Resolution 88-8 will be renumbered as 88-7.)

**OLD BUSINESS**

Dr. Nix formally presented to Mr. Bowen Resolution No. 88-1 which commends Mr. Bowen for his distinguished service as Chairman of the Board of Directors of the Arkansas Science and Technology Authority from August 21, 1986 to September 11, 1987.

Dr. Ahlen directed the Board's attention to the letter extending the Board's support for the proposed Arkansas Risk Science Research Center (Appendix D), and conveyed to the Board the thanks he received from the persons drafting this proposal.

Dr. Ahlen relayed to the Board the following statistics regarding the Authority and its accomplishments:

Twenty-two basic research projects have been funded (14 of these are closed); the total investment is approximately \$775,000. The follow-on grants totaled approximately \$500,000. Over 40 scientific articles have been prepared and published.

Twelve applied research projects have been funded totalling slightly over \$350,000. For each of these dollars there has been at least one matching dollar from private sources. In addition, the follow-on grants for this work totaled almost \$300,000. Twelve papers have been published.

Five incubator projects have been funded; one paper has been published on business incubators.

Two seed capital investments have been made which have created 41 jobs.

The Authority has funded research on rice, poultry virus, tomato wilt, spinach, and cotton which has resulted in 62 counties in Arkansas benefiting from this research.

Mr. Bowen stated these are examples of statistics that should be presented to the Senate Taxation Committee and the similar committee in the House as we think about budgeting for 1989. (It was requested that a summary of these statistics be made available to each Board member.)

Mr. Webster requested that a report be given at each board meeting on the 1988 priorities established by the Board at the Planning Session in 1987. These two priorities are the Science and Technology Corridor and the Coordinating Office for Federal Science and Technology Research in Arkansas.

Dr. Ahlen pointed out that these priorities are in addition to the already established programs of the Authority that must continue on a daily basis. Dr. Ahlen indicated he could have reported on the Corridor effort, but the information would have been somewhat premature. Dr. Ahlen stated that a booklet has been put together for the Corridor effort which incorporates the first step for the coordinating office effort. This preliminary booklet outline was reviewed by Mr. Bowen and Mr. Ramsay, and Dr. Hart edited the booklet and made suggestions; it is almost ready for broader distribution. The Governor has been apprised of the Board's priorities. The basic outline of the booklet has three components: (1) establishing a private leadership organization perhaps in the form of a foundation, (2) developing a public sector agenda that goes beyond the efforts of a single agency, and (3) establishing a venture capital pool much larger than our seed capital fund. Resource documents are being put together to demonstrate that this does not need to be studied any longer; the studying has been done. The Wilowe Institute has expressed great interest in the Corridor and has offered its support. There has also been correspondence from other agencies.

Dr. Ahlen stated that he will present a more detailed report at the next board meeting.

#### **NEW BUSINESS**

Next Meeting of the Board of Directors is scheduled for May 20, 1988.

Dr. Marion offered the conference room facility of the Dept. of Higher Education for future board meetings should the Authority wish to use it.

March 4, 1988

Mr. Bowen urged the Authority's staff to contact Joe Henson, a native Arkansan who is President and CEO of Prime Computing and who has served on the Massachusetts High Technology Council, to request his advice and counsel toward the Corridor project.

Mr. Webster suggested that appropriate congratulatory statements, either by resolution or letter, be given to members of the Board for professional achievements.

**ADJOURN**

There being no further business, the meeting adjourned at 2:30 p.m.

Respectfully submitted,

Harry Truman Moore  
Secretary  
Board of Directors

Approved by the Board of Directors on this 20th day of May, 1988.



Harry Truman Moore  
Secretary  
Board of Directors

HTM:kb

**ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY**

100 Main Street, Suite 450, Little Rock, Arkansas 72201 (501) 371-3554

M E M O R A N D U M

TO: Board of Directors  
Arkansas Science and Technology Authority

FROM: John W. Ahlen *JWA*  
President

DATE: March 4, 1988

SUBJ: President's Report

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**ADMINISTRATIVE PROGRAMS**

1. Executive Program. The Authority's Board met January 22 in Jonesboro. Six members were present. After a tour of the East Arkansas Business Incubator, the Board heard presentations from each of the five incubator managers from around the state. Two research grant projects, one basic and one applied, were approved. Resolutions making the science and technology corridor and an office of research coordination special priorities of the Board were also considered and passed.
2. Information from NCTR shows that 559 people are employed resulting in a payroll of \$18.3 million annually. NCTR's purchases of local goods/services totals \$6.2 million annually. With an indirect stimulus of goods/services reaching \$7.3 million annually, the total impact equals \$98.0 million annually for payroll and goods/services.
3. Communications Program. ASTA submitted a report of its 1987 achievements for the Arkansas Gazette's Progress Edition, and produced the Winter newsletter which featured ASTA's new business incubator at Jonesboro and the funded research on causes and potential cures for osteoarthritis.
4. ASTA contacted public affairs professionals at ASU, UAF, Hendrix College and UAMS to tell them that scientists from their schools were being featured in the upcoming AETN special on Arkansas' EPSCoR scientists. (The program credits Marion Staab of

ASTA for her assistance with the program; Dr. John Ahlen, ASTA president, is interviewed on the program.)

5. The Arkansas Gazette published a well-written and illustrated report on some ASTA-funded research using cactus moths to control the spread of cactus infestations on North Arkansas pasture-lands. ASTA worked with the reporter in developing this article.

#### STATUTORY PROGRAMS

6. Basic and Applied Research Grant Programs. The following proposals have been reviewed and sent to the Research Committee: Project 88-A-0001, "Allergenicity of Major Component Proteins of Soybean" by A. Wesley Burks, Arkansas Children's Hospital; Project 87-B-0006, "Existence and Asymptotic Behavior of Solutions to Infinite Delay Equations" by W.H. Summers, University of Arkansas at Fayetteville; Project 88-B-0002, "NMR Imaging of Elastomeric Materials" by Richard A. Komoroski, University of Arkansas for Medical Sciences.

7. Four proposals, 88-B-0001, 88-B-0003, 88-B-0004 and 88-B-0005, are out for review.

8. Technology Transfer Program. Alan Gumbel submitted a plan to create the Arkansas Technology Development Network, an organization designed to encourage cooperation among the state's technical assistance, training assistance and business assistance programs. Work began on the Arkansas Technical Resource Directory.

9. Business Incubator Program. The Little Rock Technology Center had its first advisory board meeting on February 5. Members appointed by the UALR Chancellor are Charlotte John, Felton Lamb, Jerry Damerow, Dr. Beadle Moore, City Director Buddy Villines, and John Ahlen. Proposed entry and exit policies were considered and will be voted on at the March meeting.

10. On February 19, John Ahlen and Alice Smith attended a press conference announcing a partnership between Southern Arkansas University's Business Center with Arkla Gas. Bob Graham has established this program to train Arkla field personnel to encourage local industry to pursue federal government procurement opportunities.

11. Alice Smith, Chuck Myers and Bob Graham traveled to Salem on February 24 to propose the SAU business planning workshops as a model for identifying local entrepreneurial types in North Arkansas. This approach will be discussed at the NABIS Advisory Board meeting on March 1.

12. Seed Capital Investment Program. Jim Benham and Bill Parks have interviewed several applicants for the finance program manager position.

13. Jim Benham spoke at the Small Business Development Center's seminar on Financing Alternatives, and attended meetings with five different entrepreneurs from around the state.

14. SBIR Assistance Program. NSF PHASE I grants for FY '87 were released in early February. Two Arkansas companies submitted proposals; neither were funded. Recent press releases concerning agency solicitations have drawn responses by several SBIR potential companies. The Department of Health and Human Services and the Department of Transportation solicitations are being reviewed for topic/company matches. Chuck Myers met with representatives of Conway and Little Rock companies concerning SBIR proposal submissions.

15. Jim Benham and Chuck Myers traveled to Mountain View and met with representatives of a company interested in SBIR and possible financing and target markets that could aid business expansion.

16. Chuck Myers met with a group called Project Enterprise on February 23 at Jonesboro. The group is composed of Chamber of Commerce members from Jonesboro, Paragould, Pocahontas, Walnut Ridge and Trumann, who are interested in economic development in Northeast Arkansas. Common goals and Authority programs were the focus of the meeting.

#### PLANNING AND SPECIAL PROJECTS

17. John Ahlen served as a panelist at U.S. Representative Beryl Anthony's Economic Summit meeting on January 28 at Lake DeGray. Alice Smith also attended.

18. Chuck Myers and Alice Smith met with Ted Callaway of the Little Rock office of the Small Business Administration on February 5 to discuss common goals in providing small business assistance.

19. On February 10, John Ahlen, Joe Gentry and Alice Smith made presentations to a group of state and federal government economic development agencies. The meeting was hosted by the local office of the Housing and Urban Development Administration.

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## RESOLUTION NO. 88-7

PROVIDING FOR THE SEED CAPITAL INVESTMENT OF MONIES FROM THE INVESTMENT FUND OF THE AUTHORITY IN A TECHNOLOGY-BASED ENTERPRISE IN ARKANSAS.

WHEREAS, ACT 859 OF 1983, as amended (the "Act"), authorizes the Authority to participate in the initial capitalization of technology-based enterprises through purchases of their qualified securities;

WHEREAS, pursuant to the Act, the Authority has created the Seed Capital Investment Program (the "Program") to foster the formation and development of innovative, technology-based business enterprises that will stimulate the economy of Arkansas through increased employment and leveraging of private investment;

WHEREAS, NthOgraphy has submitted an application under the Program requesting an investment in the amount of \$125,000 to provide a portion of its initial capitalization;

WHEREAS, NthOgraphy's initial capitalization includes \$90,000 in cash from its principal and other investors and \$75,000 in equipment provided by its principal; and \$60,000 is reasonably expected to be available from sources other than the Authority;

WHEREAS, NthOgraphy qualifies as an "enterprise" as defined by the Act, in that its principal place of business is located in Fayetteville, Arkansas and it proposes to engage in manufacturing and the provision of services involving a significant amount of technology;

WHEREAS, based upon NthOgraphy's application and the results of an investigation conducted by the Authority's staff, the Board hereby finds that:

- (1) the proceeds of the requested investment will be used only to cover a portion of NthOgraphy's initial capitalization,
- (2) NthOgraphy has a reasonable chance of success,

- (3) obtain financing or binding commitments for financing from sources other than the Authority in an amount not less than \$60,000, which monies shall be applied to NthOgraphy's initial capitalization,
- (4) show evidence of the employment of key management personnel,
- (5) show evidence that the contractual agreement between NthOgraphy and its retail dealers, suppliers, component manufacturers, and other appropriate parties includes language which protects NthOgraphy's proprietary properties;
- (6) provide monthly progress reports to the manager of Genesis which reports would detail the requested amount of advances from the investment proceeds, which advancements would be made subject to the approval of the Genesis Manager and the President of the Authority;

all of which shall be provided or done to the Authority's satisfaction.

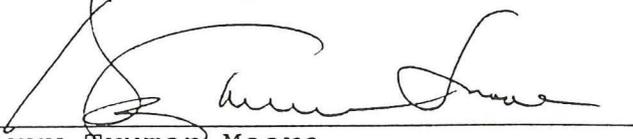
THAT the Investment Committee of the Board is hereby authorized on behalf of the Authority to prepare investment documents covering the transaction authorized hereby, which documents shall meet all requirements contained in the Act and shall include such provisions as, in the judgment of the Committee, are necessary or desirable to protect the Authority's investment in NthOgraphy. The Committee is further authorized on behalf of the Authority to negotiate with NthOgraphy such terms and conditions as are appropriate to the investment authorized hereby.

THAT the President of the Authority is hereby authorized on behalf on the Authority to execute and deliver all documents relating to the loan authorized hereby.

BE IT FURTHER RESOLVED;

THAT all of the above policies are subject to the action of the Board of Directors within the framework established by Act 859 of 1983 as amended.

APPROVED by the Board of Directors  
on this 4th day of March, 1988

  
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Harry Truman Moore  
Secretary of the Board of Directors



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RESOLUTION NO. 88-6

PROVIDING THE APPROVAL FOR THE FUNDING OF ONE APPLIED RESEARCH GRANT PROPOSAL BY THE BOARD OF DIRECTORS OF THE ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY.

WHEREAS, Act 859 as amended empowers the Arkansas Science & Technology Authority to establish and administer an Applied Research Grant Program; and

WHEREAS, Act 571 of 1987 includes an appropriation of \$1,800,000 for funding basic and applied research in Arkansas' colleges and universities; and

WHEREAS, Act 890 of 1987 includes an appropriation of \$314,000 for fiscal year 1987-88 for funding business incubator and basic and applied research in Arkansas' colleges and universities; and

WHEREAS, there are sufficient unencumbered funds in the aforementioned appropriations; and

WHEREAS, proposals were solicited in accordance with rules and guidelines for the Program; and

WHEREAS, proposals were reviewed for eligibility and completeness by the Authority's staff; and evaluated on the basis of scientific merit by peers in appropriate fields of science; and

WHEREAS, the Research Committee is committed to recommending to the Board of Directors those proposals that have clear economic development potential and are ranked as being scientifically meritorious; and

WHEREAS, the Research Committee finds that it is appropriate for the Authority to fund only proposals that are of limited time duration;

NOW THEREFORE BE IT RESOLVED;

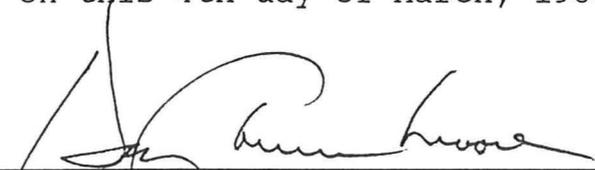
THAT the Arkansas Science & Technology Authority's Board of Directors approves for funding the following proposal:

PROPOSAL NO. 88-A-0001, "Allergenicity of Major Component Proteins of Soybean," by Dr. A. Wesley Burks of the University of Arkansas for Medical Sciences and cosponsored by Ross Laboratories in the amount not to exceed \$23,075.

BE IT FURTHER RESOLVED:

THAT all of the above policies are subject to the action of the Board of Directors within the framework established by Act 859 as amended.

APPROVED by the Board of Directors  
on this 4th day of March, 1988.



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Harry Truman Moore  
Secretary to the Board of Directors

**ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY**

100 Main Street, Suite 450, Little Rock, Arkansas 72201 (501) 371-3554

January 29, 1988

Dr. John E. Pauly  
Vice Chancellor for Academic  
Affairs and Sponsored Research  
University of Arkansas  
for Medical Sciences  
4301 West Markham  
Little Rock, AR 72205

Dear Dr. Pauly:

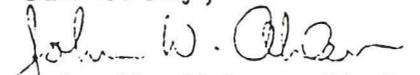
On behalf of the Board of Directors of the Arkansas Science & Technology Authority, I am writing to support the proposal for an Arkansas Risk Science Research Center. The Board formally adopted a motion of support at its January 22, 1988 meeting.

The rationale for support is that the Authority's mission is to develop the State's scientific and technological resources. The proposed Risk Science Research Center by the University of Arkansas for Medical Sciences supports this mission. Furthermore, the proposed Center would allow the optimum use of diverse and unique state and national institutional resources located in Arkansas.

The proposed Center would be unique in the nation and is consistent with strategies for increasing R&D expenditures in the state and efforts for promoting technology-based economic development.

It is appropriate that the award being sought is a planning grant. Because of the strength and diversity of individual institutional resources, the planning period will allow a much stronger, formal proposal to be prepared.

Sincerely,

  
John W. Ahlen, Ph.D.  
President

JWA/jgm



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**UNAPPROVED MINUTES OF  
INVESTMENT COMMITTEE MEETING  
MARCH 3, 1988**

The Investment Committee met on March 3 at 4:00 p.m. at the Authority's office located in the Technology Center in Little Rock. Members attending the meeting were Chairman H.T. Moore, Louis Ramsay, and Jerry Webster. Also attending was Jerry Seiff, manager of the Genesis Incubator. Staff members present were Dr. John Ahlen and Jim Benham.

The Committee met to hear and discuss a presentation by Gene Wirges, principal owner of Wirges Enterprises, Inc., d/b/a Nthography. Mr. Wirges addressed the Committee on possible financial assistance from the Authority.

Mr. Wirges presented slides taken with his mini blimp system and his elevated tripod systems. He discussed patents that he has applied for but are still pending. He also described his dealer contracts and talked about existing dealers and those pending and other interested parties. H.T. Moore asked to see a copy of the contract. After careful study, Mr. Moore suggested to Mr. Wirges that he incorporate a strong proprietary agreement to protect his technology and proprietary information. Mr. Wirges agreed to this suggestion.

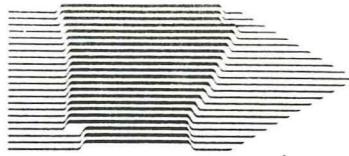
H.T. Moore explained the resolution to the other members and Louis Ramsay emphasized the need to add the condition that a stronger contract be adopted by the company. All members agreed.

Mr. Webster asked for additional information and was given a copy of the company's business plan for his study. Mr. Webster suggested that the Committee meet at 12:00 noon before the board meeting on the following day and that no action be taken by the Committee today. All members agreed. Mr. Webster excused himself from the meeting.

Mr. Wirges then showed additional slides and explained some special equipment that he had displayed for the Committee members. He also discussed markets and future products. Mr. H.T. Moore said that because he had been a photographer for a newspaper, he could really appreciate the innovation that Nthography brings to the industry.

The meeting adjourned at 5:30 p.m.

*John Ahlen*



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**UNAPPROVED MINUTES OF  
INVESTMENT COMMITTEE MEETING  
MARCH 4, 1988**

The Investment Committee met on March 4 at 12:00 noon in the conference room of the Department of Higher Education located in Little Rock. Committee members present were Chairman H.T. Moore and Jerry Webster. Staff members attending included John Ahlen and Jim Benham; Jerry Seiff, manager of the Genesis Incubator also attended.

Jerry Webster asked questions concerning the products, technology and financial support from other sources. He also asked questions about the use of funds statement. These concerns were addressed by H.T. Moore, Jim Benham and Jerry Seiff.

A royalty agreement was discussed by the members and staff as a possible financing vehicle. Jim Benham advised the Committee that the Authority's legal counsel is researching the possibility of the Authority using a royalty agreement as a financing mechanism.

The Committee decided to set up a checking account that requires two signatures for withdrawal of funds with the Bank of Fayetteville. The entire amount of financing will be deposited into the account for the systematic withdrawal of advancements for Nthography. Prior to a withdrawal of funds, Nthography must get the approval of the incubator manager; the Authority's President must give his permission to the Genesis Incubator Manager for the withdrawal, and both, the incubator manager and the Authority's president, must sign the check before a withdrawal of funds can be made.

H.T. Moore explained to the Committee that Board action is needed today to approve the investment in Nthography and that the Board resolution gives the Committee the authority to act on its behalf in the drafting of legal documents and in the negotiation of terms and conditions to the investment. The Committee decided that it would work closely in order to tightly fit the investment documents to meet the needs of Nthography and still protect the Authority.

The meeting adjourned at 1:30 for the Board meeting.



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UNAPPROVED MINUTES  
OF THE  
RESEARCH COMMITTEE MEETING  
March 4, 1988

The meeting was called to order at 1:15 p.m. in the small conference room at the Department of Higher Education by Dr. Joe Nix. Dr. Joycelyn Elders was the other committee member present.

Dr. Joe Gentry, Vice President Research, presented the first application for tax credit under the Research and Development Tax Credit Program to the Research Committee and announced that another company would be submitting an application before the next board meeting. The difficulties companies face in coordinating their applications to coincide with tax deadlines and board meetings were discussed. Because approval under the Research and Development Tax Credit Program is implied when the Board of Directors approves funding for an Applied Research Grant, the Committee agreed to recommend to the Board of Directors that Dr. John Ahlen be given the authority to approve the applications for tax credit without the Board's approval of individual resolutions.

The Research Committee discussed three research grant proposals:

- \* 88-A-0001, "Allergenicity of Major Component Proteins of Soybean," by Dr. Wesley Burks of Arkansas Children's Hospital and the University of Arkansas for Medical Sciences. Dr. Elders spoke highly of Dr. Burks and of the potential rewards for both the soybean industry and for the health community. The Committee voted to recommend that the Board of Directors fund this project.
- \* 87-B-0006, "Existence and Asymptotic Behavior of Solutions to Infinite Delay Equations," by Dr. W. H. Summers of the University of Arkansas, Fayetteville. Dr. Gentry noted that one member of the Science Advisory Committee and one of the reviewers remarked on the lack of economic benefit to the state. Dr. Nix stated that although research to extend the limits of knowledge of a subject is worthwhile, the Board of Directors is under internal constraints to fund research with some sort of

economic development potential. The Committee voted not to present the proposal to the Board of Directors.

- \* 88-B-0002, "NMR Imaging of Elastomeric Materials," by Dr. R. A. Komoroski of the University of Arkansas for Medical Sciences. Dr. Gentry reminded the Committee that Dr. Komoroski had received funding for an earlier project that had received higher scores. Dr. Elders mentioned that one reviewer had pointed out that the research was applied, not basic. Because of the concern about low scores and the nature of the research, the Committee voted not to present the proposal to the Board of Directors.

There being no further business, the meeting was adjourned at 1:28.