

**ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY**

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

**MINUTES OF THE 41ST MEETING OF THE  
ARKANSAS SCIENCE AND TECHNOLOGY AUTHORITY'S  
BOARD OF DIRECTORS  
LITTLE ROCK, ARKANSAS  
MARCH 16, 1990**

**CALL TO ORDER**

The meeting was called to order at 1:50 p.m. by Mr. Harry Truman Moore, Chairman of the Board, in the conference room of the Department of Higher Education, Little Rock, Arkansas.

A quorum of Board members was present and included Mr. William Bowen, Mr. Harry Truman Moore, Dr. Betty Overton, Dr. Don Pederson, Mr. John Troutt and Dr. William Willingham.

The Authority's executive staff attending the meeting included Dr. John Ahlen, Mr. Jim Benham, Dr. Joe Gentry and Ms. Alice Rumph Smith. Other staff members attending included Melissa Adams, Al Grijalva, Jacqui Klodt, Anita Millard, Mary Moon, Chuck Myers, Stacie Nunn and Marion Staab.

Visitors attending the meeting included Ms. Eleanor Spiegel from the Kellogg National Leadership Program; Dr. Karl David Straub from the Veterans Administration Medical Center; Phil Price from the Governor's office.

**APPROVAL OF MINUTES**

Mr. Moore presented the minutes from the January 19, 1990 meeting for approval. Mr. Bowen moved that the minutes be approved. Dr. Pederson seconded the motion; the Board gave its unanimous approval.

**INVESTMENT COMMITTEE REPORT**

Mr. Bowen brought before the Board a motion to increase the Authority's legal contract with Wright, Lindsey and Jennings Law Firm from \$5,000 to \$7,500 a year. Mr. Moore reminded the Board that the contract must be approved in increments and this was not a major increase.

Mr. Bowen made a motion to approve the increase of the legal contract. Dr. Pederson seconded the motion; the Board gave its unanimous approval.

Mr. Bowen stated the Investment Committee met on March 16, 1990 (Appendix 1, Investment Committee Minutes, March 16, 1990). The Investment Committee recommended for approval the following resolution.

#### **DRAFT RESOLUTION 90-9**

Draft Resolution 90-9 provides for the seed capital investment of monies in Swain Distribution, Inc. in the amount of \$200,000 provided that Swain Distribution, Inc. meets the contingencies stated in the resolution.

Before the Board took action on the resolution, Mr. Moore asked Jim Benham, Vice President Finance, to give the Board background information on this investment.

Swain Distribution, Inc. is a company based in Searcy, Arkansas. They manufacture acoustic, non-destructive monitoring devices that measure structural fatigue. One example would be measuring fatigue in aerial man-lift units used by utility companies. The device can also measure fatigue in fiberglass, metal and other types of materials. Mr. Benham stated that Swain is seeking an investment of \$200,000 from the Authority.

Mr. Moore stated that this is the most complete deal that the Investment Committee has brought before the Board in terms of background information received and details that were worked out in advance.

With no further questions, Mr. Bowen made a motion for the approval of Draft Resolution 90-9. Dr. Overton seconded the motion; the Board gave its unanimous approval.

#### **PLANNING COMMITTEE REPORT**

Mr. Troutt reported to the Board that the planning retreat was scheduled for Thursday, March 29th at the University Conference Center in the Excelsior Hotel. Draft agendas were passed out to the Board.

#### **RESEARCH COMMITTEE MEETING**

Dr. Willingham stated the Research Committee met on Wednesday, March 14 (Appendix 2, Research Committee Minutes, March 14, 1990) and recommended for approval the following resolutions.

Before the resolutions were presented, Dr. Willingham reminded the Board of the two types of grants under the research program, applied and basic research grants. An applied program requires the proposal to have an industry co-sponsor and the basic program does not require an industry co-sponsor.

Draft Resolution 90-7 provides for the funding of the following proposal:

PROPOSAL NO. 90-A-03, "Determination of the Inheritance of Factors Contributing to Beef Cattle Resistance to Arthropods," by Dr. C. Dayton Steelman of the University of Arkansas, Fayetteville, in the amount not to exceed \$26,920.00. This project is cosponsored by Granada Genetics, Inc., in the amount of \$28,525.00.

Dr. Willingham made a motion for approval of Draft Resolution 90-7. Mr. Troutt seconded the motion. Dr. Pederson stated that UAF was the institution of his affiliation. The Board gave its unanimous approval.

Draft Resolution 90-8 provides for the funding of the following proposal:

PROPOSAL NO. 90-A-04, "Allergenicity of Rice Protein," by Dr. A. Wesley Burks of the University of Arkansas for Medical Sciences, in the amount not to exceed \$29,180.94. This project is cosponsored by Ross Laboratories, Inc., in the amount of \$29,180.94.

Dr. Willingham made a motion for approval of Resolution 90-8. Mr. Troutt seconded the motion; the Board gave its unanimous approval.

Draft Resolution 90-10 provides for the funding of three centers of applied technology along with matching funds from the National Science Foundation's Experimental Program to Stimulate Competitive Research (EPSCoR). Before the Board considered approval of this resolution, Dr. Willingham asked Dr. Karl David Straub, Chairman of the EPSCoR Committee, to give the Board additional information on the EPSCoR project.

Dr. Straub stated the original idea behind EPSCoR was to enable groups of Arkansas scientists to compete at the national level for major funding. To accomplish this, it takes financial support.

EPSCoR was established by the National Science Foundation as a five-year program, from 1980 to 1985, for the improvement of science in Arkansas. Recently, the National Science Foundation reopened competition among the original EPSCoR states for another round of funding, this time requiring a dollar for dollar match from state sources.

Fifty groups of scientists applied for research support through EPSCoR. Out of those 50 applications, four proposals were chosen to be submitted to the National Science Foundation for consideration, two at the University of Arkansas at Fayetteville and two at the University of Arkansas for Medical Sciences. Out of the four, three proposals were chosen by NSF for funding: a group studying protein chemistry in the chemistry department at the University of Arkansas at Fayetteville; a group studying neuro-sciences at UAMS; a group studying molecular-biology

of aging at UAMS. The money will be split approximately into thirds.

Dr. Straub also informed the Board that the National Science Foundation award was made in the amount of \$560,00 the first year and \$600,000 the second year. This money is contingent upon a matching amount from another source, such as ASTA.

Dr. Willingham made a motion for approval of Resolution 90-10. Mr. Bowen seconded the motion; the Board gave its unanimous approval.

On behalf of the Board, Mr. Moore expressed gratitude to Dr. Straub for his work with ASTA and EPSCoR.

#### **NEW BUSINESS**

##### **SUGGESTED BOARD MEETING DATE**

Mr. Moore directed the Board's attention to the next Board meeting scheduled for May 18, 1990. He also reminded the Board of the planning conference on March 29, 1990.

#### **PRESIDENT'S REPORT**

Before the President's Report, Dr. Ahlen asked Dr. Joe Gentry, Vice President Information, to give the Board some background information on follow-up funding that had resulted from research grants awarded by ASTA.

ASTA awarded two applied research grants in cooperation with the Arkansas Poultry Federation, one for \$10,000 and another for \$8,000. As a result of this funding, Embrex awarded two grants to the University of Arkansas at Fayetteville. One grant was awarded to their Poultry Science Department for \$80,000 and one grant was awarded to the Biochemistry Department for \$9,000.

Another example of follow-up funding is Dr. Wesley Burks of the University of Arkansas for Medical Sciences and Children's Hospital. Dr. Burks received a grant from ASTA three years ago in the amount of \$23,000 for the study of allergenicity of soybeans. As a result of that grant, Dr. Burks received a follow-on grant from NIH that amounted to \$410,000 over a five year period.

#### **NATIONAL BIOTECHNOLOGY COOPERATIVE**

Ms. Alice Rumph Smith, Vice President Information, reported on the industry forum that was held on March 8, 1990 in Little Rock. The forum drew approximately 20 industry participants including firms from Iowa, California, Alabama, Texas and a key representative from the USDA. Ms. Smith stated the forum went very well and the results were positive.

The due date for the final report to the National Toxicological Research Center is May 7th. After the final report is submitted, FDA/NCTR will begin reviewing the

information compiled from the survey to determine if the NBC project is feasible. From the preliminary results, Ms. Smith said that the response seems to be positive. ASTA will have the final results of the survey before the Board meets again in May.

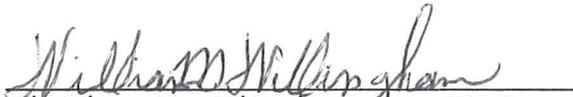
#### STAFF PRESENTATIONS

In preparation for the March 29th Board Planning Meeting, the ASTA staff gave presentations to the Board. Board members were given the 1990 Board Reference Book that had been prepared by the staff. This book provided the Board with a complete overview of ASTA and its programs. Staff made presentations concerning their duties and programs.

#### ADJOURNMENT

With no further business to conduct, the meeting was adjourned at 3:00 p.m.

Respectfully submitted,



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William M. Willingham, Ph.D.  
Secretary  
Board of Directors

Approved by the Board of Directors  
on this 17th day of May, 1990.



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William M. Willingham, Ph.D.  
Secretary  
Board of Directors

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