



ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY

100 Main Street, Suite 450, Little Rock, Arkansas 72201 (501) 324-9006

**MINUTES OF THE 99TH MEETING OF THE
ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY
BOARD OF DIRECTORS
TELECONFERENCE
NOVEMBER 16, 2001**

CALL TO ORDER

The meeting was called to order at 1:30 p.m. by Mr. D.W. May, Chairman of the Board. The meeting was held via teleconference, originating in the Authority's conference room.

A quorum of Board members participated, including: Dr. Merlin Augustine, Mr. Jonathan Davis, Dr. Mary Good, Mr. J. Wylie Harris, Ms. Sue McGowan, Ms. Cynthia Moten, Mr. Ron Roberts, Dr. Neil Rutger, Ms. Melinda Saunders, Dr. Harry Ward and Mr. Rickey Williams.

Staff members present included: Ms. Melissa Adams, Dr. John Ahlen, Mr. Bob Alvey, Mr. Kevin Carr, Ms. Lydia Carson, Ms. To Chan, Mr. Les Lane, Dr. Herb Monoson, Mr. Chuck Myers, Ms. Amy Scivally and Ms. Alma Valley.

Visitors participating in the teleconference: Liz Clark from the National Institute of Standards and Technology.

Mr. May welcomed Cynthia Moten to the Board. Ms. Moten replaced Dr. Gene Aist as the Director's designee from the Department of Higher Education.

APPROVAL OF MINUTES

Mr. May presented the minutes from the September 21, 2001 Board meeting. Dr. Augustine made a motion for the approval of the minutes. Mr. Roberts seconded the motion; the Board gave its unanimous approval.

PRESIDENT'S REPORT

Dr. Ahlen reported that his written report was not sent to Board members in the prepacket, but they could request that a copy be sent to them.

INVESTMENT COMMITTEE REPORT

Ms. Sue McGowan presented the Investment Committee Report.

Draft Resolution 02-03

Draft Resolution 02-03 would provide seed capital funding, in the amount of \$410,000, for ContourMed, Inc.

ContourMed, Inc. has developed an improved process for making breast prosthesis for clients.

The initial technology utilized by the company required that a plaster cast impression of the client's breast be made. The new process involves using a proprietary 3-D, laser-scanning technology. This process takes only 45 minutes to one hour. The new prosthesis is lighter weight and captures the shape, skin tone, slope and contour of the client's intact breast.

Mr. Lane provided additional background information. The Authority first funded this company in 1996 under the Technology Development program. It was one of the first companies spun into the UAMS incubator. The company has put into place a top-notch management team. The company has always been current on its note with the Authority. Arkansas Capital Corporation has committed \$1.5 million to the deal.

Before making a motion for approval, Dr. Ward stated that he would abstain from considering this project because of its connection to his campus.

There being no further discussion, Ms. McGowan made a motion for the approval of Draft Resolution 02-03. Mr. Roberts seconded the motion. There were 11 yes votes, one abstention. The motion carried.

INDUSTRY COMMITTEE REPORT

Ron Roberts presented the Industry Committee report.

The Center Performance Review for the Network was held on October 30 at the Capital Hotel in Little Rock. The Industry Committee attended as well as the Network staff and John Ahlen.

The review was productive and professional. There was a 30 minute presentation by Lydia followed by a question and answer session. Then the panel met privately.

The panel came back with seven major points for the Network: the Network needs to strengthen partnerships; the panel expressed its satisfaction with Lydia and the Network staff; they noted the enthusiasm of the committee; the panel stressed that the Network needed to define a business model; the staff needs to ensure that the operating, marketing

and strategic plans are in place and consistent; the Industry Committee needs additional resources to help them, an advisory committee consisting of manufacturers.

The panel recommended that the Network be moved to the normal two-year review cycle and the funding be continued.

Mr. May stated that the committee and Lydia did a very good job.

Mr. Roberts stated that the Network had received the panel's turnaround report that outlined what the panel had discussed.

OLD BUSINESS

Mr. Harris stated that at an earlier meeting, he asked the staff to look into the royalty agreements done by the Authority.

Mr. Lane stated that he has been meeting with the UA System's legal counsel on this issue. The UA System is interested in revisiting this issue.

NEW BUSINESS

Mr. May made committee assignments for the upcoming year.

Executive Committee: D.W. May, Melinda Saunders, Harry Ward, Chairs of Each Committee

Research Committee: Harry Ward, Chair; Joel Anderson, Merlin Augustine, Charles Hathaway, Neil Rutger

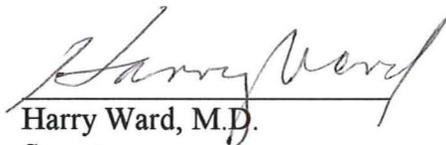
Investment Committee: Sue McGowan, Chair; Jonathan Davis, J. Wylie Harris, Cynthia Moten

Industry Committee: Ron Roberts, Chair; Mary Good, Melinda Saunders

ADJOURNMENT

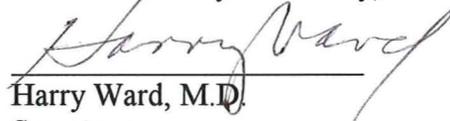
There being no further business to conduct, the meeting was adjourned.

Respectfully submitted,



Harry Ward, M.D.
Secretary
Board of Directors

Approved by the Board of Directors
on this 18th day of January, 2002



Harry Ward, M.D.
Secretary
Board of Directors