BioMed Valley Partnership Summary

BioMed Valley Partnership is an arrangement between UMKC, the Stowers Institute and the University of Kansas with the goal of generating endowment-based funding to support basic cell and molecular biology research. The Founding Partner is Stowers, and KU and UMKC are Research Partners.

Structure

- Non-profit corporation, BioMed Valley Corporation (“BVC”).
- BVC has initial working capital of $10,000,000.
- Board of Directors consists of Chancellors from UMKC and KU and enough additional members to constitute a majority appointed by Stowers as Founding Partner.
- BVC will engage in fundraising activities on behalf of the partnership, and will establish a for-profit corporation, BioMed Valley Discoveries, Inc. (“BVD”), to commercialize and market discoveries made by participating scientists of the Research Partners.
- BVD has initial working capital of $50,000,000.

Discoveries

- Exclusive licenses of discoveries by research scientists designated as participants by the Research Partners to be given to BVD.
- Proceeds from the discovery are to be shared 50/50 between the BVD and the Research Partner, which agrees to pass its share on to the participating scientist.
- BVD’s profits are to be distributed from time to time to the endowments supporting the activities of the research scientists.

Endowments

- Initial endowments of $2,000,000 for UMKC, $2,000,000 for KU, and $1,000,000 for Stowers.
- Additional funds will be added according to a formula in the agreement, and may come from fundraising and/or profits generated by the commercialization of discoveries through BVD.
- BVC will provide 3.5% of the market value of each endowment to the Research Partner on an annual basis.

Scientific Advisory Board

- A Scientific Advisory Board will be established by the Board of Directors of BVC
- Each Research Partner has the right to designate participating scientists subject to approval by the Scientific Advisory Board
- The Scientific Advisory Board will evaluate the research of the participating scientists to ensure that it meets the required standard of scientific excellence in Basic Cell and Molecular Biology Research. Research must be approved to receive endowment support.