

75th Shikoku National University Council (September 4, 2014)

Report on the State of Progress of the Shikoku Innovative and Collaborative
Organization for Industry, Academia and Government (SICO)

1. State of the Implementation of Operations (January to July 2014)

(1) Organizational Management

➤ Members Liaison Committee

The Members Liaison Committee met seven times on the following dates in order to smoothly promote the operation of the organization by looking to arrive at mutual understanding through closer contact between members. There were exchanges of opinions on the specific details in regards to the future vision and schedule of the SICO.

Jan 7 3rd Meeting (Location: Ehime University):

FY2014 Event Schedule Plan & Other Matters

Feb 5 4th Meeting (Location: Kochi University):

Creation of a Logo & Other Matters

Mar 6 5th Meeting (Location: Naruto University of Education):

Participation in the Management of Shikoku TLO & Other Matters

Apr 3 6th Meeting (Video Conference):

New Shikoku TLO Officers Plan & Other Matters

Apr 30 7th Meeting (Location: Kagawa University):

Division of Associate Business & Other Matters

May 28 8th Meeting (Location: Ehime University):

Creation of a Logo & Other Matters

Jul 2 9th Meeting (Location: Kochi University)

Budgetary Allocations & Other Matters

➤ Steering Committee

The Steering Committee met eight times on the following dates in order to operate and make decisions on the SICO.

Mar 3 3rd Meeting (Video Conference):

Basic Future Strategy & Other Matters

Mar 18 4th Meeting (E-mail Conference):

FY2015 Plan Record

- Mar 25 5th Meeting (E-mail Conference):
FY2012 and FY2013 Subsidiary Performance Report
- Apr 11 6th Meeting (Video Conference):
New Shikoku TLO Officers Plan & Other Matters
- Apr 22 7th Meeting (E-mail Conference):
Shikoku National University Conference Report Document
- May 9 8th Meeting (Video Conference):
Enrollment in the Japan Bioindustry Association & Other Matters
- Jun 13 9th Meeting (Video Conference):
Future Collaboration with Shikoku TLO & Other Matters
- Jul 11 10th Meeting (Video Conference):
Future Collaboration with Shikoku TLO & Other Matters

➤ Shikoku National University Council

The council made reports on the state of progress of their operations.

- Jan 24 Opinion Exchange Meeting:
State of Activities
- Apr 25 73rd Meeting:
State of Activities
- Jul 14 74th Meeting:
Budgetary Allocation

(2) Industry and Academia Collaboration and Support Matching Information System

We introduced a matching system that will become the foundation of collaboration between universities in the SICO on March 10. This makes it possible to efficiently utilize research results and information on research facilities/human resources in universities, companies and public institutions because this system collectively handles research and technical information of five universities. Currently, this system has a record of more than 3,000 contents and this is scheduled to increase in the future. Moreover, there have also been inquiries from external agencies and this has led to five research introductions. (Tokushima University: 4 introductions / Kochi University: 1 introduction)

(3) Public Relations

- Jan 27 Pamphlet Creation
We created 5,000 copies and distributed them to those relevant in universities,

companies and government agencies

Jan 30 Website and Facebook Page Creation

Jan 31 Kickoff Symposium

Approximately 130 people from companies, government agencies and universities participated in this symposium

Mar 20 Organization Collection Creation

We created 3,000 copies and distributed them to those relevant in universities, companies and government agencies

(4) Trademark Registration Application

We made an application to register the trademark of the “SICO,” the English abbreviation of the Shikoku Innovative and Collaborative Organization for Industry, Academia and Government, on April 17.

(5) Creation of an English Contract Model

We had an English contract model created for common use in the five universities in order to smoothly promote the overseas expansion of our organization on March 10.

(6) Documentation in the PDF Format

We computerized the patent-related documents of Tokushima University on March 20. This has made it possible to efficiently store and operate these.

(7) Exhibitions and Event Exhibits

We held the various following exhibitions and new technology briefings. We were able to enhance our capability of appealing to companies compared to individual exhibits by each individual university and so this led to an increase in the number of participants.

ASTE C 2014 (9th Advanced Surface Technology Exhibition & Conference)

Date: January 29 to 31

Location: Tokyo Big Sight

Shikoku Innovative and Collaborative Organization for Industry, Academia and Government New Technology Briefing

Date: February 25

Location: JST Tokyo Headquarter Annex Hall

Bio-Europe Spring 2014

Date: March 9 to 12

Location: Torino, Italy

Japan-China University Fair & Forum in China 2014

Date: March 15 and 16 & 22 and 23

Location: Beijing and Shanghai

International Pharmaceutical Raw Materials and Intermediates Exhibition (CPhI Japan 2014)

Date: April 9 to 11

Location: Tokyo Big Sight

13th International Bio Technology Exhibition (BIO Tech 2014)

Date: May 14 to 16

Location: Tokyo Big Sight

Shikoku Region Five University New Technology Briefing

Date: July 4

Location: JST Tokyo Headquarters Annex Hall

2. Integration of SICO and Shikoku TLO

(1) Formulation of the Basic Plan

■ Basic Plan

- 1) The shared areas of the business of Shikoku TLO and the technology transfer business of each university will be integrated and centralized with the SICO.
- 2) Shikoku TLO will be integrated as an external institute of the SICO and we will re-start as the Shikoku Innovative and Collaborative Organization for Industry, Academia and Government TLO Co., Ltd. (tentative name; hereinafter the SICO TLO).
- 3) Each university will entrust their technology transfer business to the SICO TLO and will pay the SICO TLO a commission and contingency fee according to the details of the business. (The SICO TLO will return royalties to the universities.)
- 4) The SICO will discuss with the Shikoku TLO about the composition of board members and shareholders in Shikoku TLO in order to stabilize the administration of the SICO TLO after the integration.

(2) Composition of Board Members

We made a request for the appointment of two new officers selected by the universities to Shikoku TLO at the SICO Steering Committee on April 11 in order to prepare for the establishment of the SICO TLO. Two new officers selected by the universities were appointed as board members by a resolution at the General Meeting of Shareholders of Shikoku TLO on June 11. Professor Sakai of Tokushima University was elected as the Representative Director & Managing Director by the Board of Directors of Shikoku TLO on the same day.

Name	Job Title	
Toru Sunouchi (Shikoku Electric Power)	Representative Director (President)	Continuing appointment
Takayuki Sakai (Tokushima University)	Representative Director (Managing Director)	New appointment
Hidenori Yahiro (Ehime University)	Director	Continuing appointment
Shoichi Gotani (Kagawa University)	Director	New appointment
Kazuhiro Sogo (Shikoku Electric Power)	Director	Continuing appointment
Kazuo Sakai (Shikoku Electric Power)	Director	New appointment

Conditions of Appointment

- The term of office shall run from the end of the General Meeting of Shareholders (June 11, 2014) to June 2015
- No remuneration

(3) Shikoku TLO External Funding Situation

Shikoku TLO expects to acquire 77.06 million yen in external funding in joint research expenses and patent licensing revenue of Tokushima University from April to July 2014.

3. Future Schedule

(1) From April 2014 (Under Implementation)

- Together with the re-training of full-time employees in Shikoku TLO, the employment of new associates and the planned reduction in the number of persons seconded from Shikoku Electric Power, we will aim to dramatically improve license revenue and external funding.
- Each university will commission business relating to technology transfer to the SICO TLO and receive royalties as the fruit of their efforts. We will start by transferring the technology transfer business of Tokushima University to Shikoku

TLO and conducting a review of the technology transfer business of the Industry, Academia and Government Collaboration Promotion Department in Tokushima University.

- Tokushima University will pay the expenses for the technology transfer activities to Shikoku TLO and conclude a contract that includes a contingency fee system with Shikoku TLO in order to transfer the technology transfer business of Tokushima University to Shikoku TLO. This initiative will be implemented on a trial basis between Tokushima University and Shikoku TLO in this fiscal year and FY2015. Upon evaluating the results of this, we will examine continuing and expanding this initiative from FY2015.

(2) From April 2015

Shikoku TLO will change its name to SICO TLO and then re-start. Upon ascertaining the results of the trial implementation of the initiative with Tokushima University, we will formulate support business content in accordance with each university and look to deployment in Kagawa University, Ehime University and Kochi University as the occasion calls from April 2015. (We will deal with Naruto University of Education for each project separately.) Moreover, we plan to employ new associates while ascertaining the status of deployment to each university at the same time.

(3) From April 2016

In addition to accelerating and increasing the sophistication of deployment to the five national universities, we will also examine expanding this initiative to other universities in Shikoku (e.g. Kochi University of Technology).

(4) Roadmap for Future Collaboration with Shikoku TLO

FY

Shikoku TLO General Meeting of Shareholders

Extraordinary

1) Change to the Company Name

2) Build a Structure Capable of Producing Revenue Independently

We will formulate a management plan to independently produce revenue

Implement the management plan

3) Build a Business Integration System with the Universities

We will transfer the technology transfer business of Tokushima University to Shikoku TLO

We will conduct a trial and examination

Tokushima University will pay the expenses for the technology transfer activities to Shikoku TLO and then conclude a contract that sets up a contingency fee system

Upon consultations with each university, we will review the agreement and examine/implement unification with the new outsourcing contract

We will continue implementation

Clarifying the Business of Shikoku TLO and the Intellectual Property Headquarters of Each University

We will investigate the division of business in Shikoku TLO and the intellectual property headquarters of each university; Shikoku TLO, SICO and the universities will hold discussions together to draft the optimal Shikoku district university model and devise the planned Shikoku district university model; each university will examine/implement re-building the functions and systems in each of the intellectual property headquarters

Deployment to Each University

Upon ascertaining the results of the trial implementation in Tokushima University, (we will formulate support business content in accordance with the policy of each university) and discuss deploying this initiative in Ehime University, Kagawa University and Kochi University (We will deal with Naruto University of Education for each project separately)

4) Composition of Shareholders

Share price evaluation

We will confirm the taxation processing method with the tax office

We are scheduled to request donations of privately owned shares in the four universities

We will examine/implement the purchase of privately owned shares

5) Composition of Officials

Ordinary General Meeting of Shareholders

Tokushima University (Representative Director and Managing Director)

Ehime University and Kagawa University (Director)

Kochi University (Director)

Ordinary General Meeting of Shareholders

We will appoint new directors and a new president centered on university stakeholders for the officer re-appointment period

6) Human Resources Plan

We will adjust the number of people seconded from Shikoku Electric Power

We are scheduled to reduce the number of workers

We have a withdrawal plan

We will employ new associates in Shikoku TLO

We will start the employment of a new associate responsible for Tokushima University

We plan to employ new associates responsible for each university while ascertaining the deployment situation to each university

4. Future Challenges

- We want to receive the donation of and purchase privately owned shares in Shikoku TLO