

Programmatic & Academic Vitality Narratives

- 1) Have you made any changes to your unit's annual budget development process from the response provided last year? If yes, please briefly describe the changes you've made to your unit's annual internal budget development process. If no, please answer with a simple, "no changes." *Word Limit: 500*

CoMotion creates an annual budget by:

- Reviewing actual expense trends and incorporating all expected expenditures
- Reviewing contractual royalty revenue obligations due to UW
- Meeting with all internal unit managers to ensure projected expenses and revenues are comprehensive of activities for the next 1-5 years
- Reviewing the budget with CoMotion's management to ensure that activities are in line with CoMotion and UW's mission
- Meeting with the Provost
- Adjusting the budget as appropriate based on Provost feedback, funding available, and/or changes in priorities.

- 2) Have you made any changes to your unit's strategic plan in the past year? If yes, what are 3-5 key elements of your unit's new/revised strategic plan? If no, please comment on the progress you've made in 3-5 key areas of your strategic plan. *Word Limit: 500*

CoMotion provides interconnected services in four areas:

- **IP Advising, Protection and Licensing:** Assist faculty and researchers to move their innovations towards commercialization (licensing and startups), IP protection, and public impact, by providing access to expertise, resources, and programs.
- **Training:** Provide just-in-time learning opportunities related to developing an entrepreneurial mindset, as well as access to tools, technology, and equipment needed to put ideas into form.
- **Funding and Partnerships:** Connect the University's commercialization and societal impact efforts to mentors, topic-specific experts, company builders, gap funding opportunities, and external partnerships for licensing, angel and venture capital investment, and startup grant support.
- **Startups and Incubation:** Support the creation of UW spinoff and early startup incubation with learning programs, mentoring, networking, and space across a variety of industries.

Budget reductions in previous years led CoMotion to partner with UW units to bear the cost of filing intellectual property protection. However, over the last year CoMotion has increased spending on intellectual property from internal fund sources relying less on funding from other units. CoMotion also initiated changes in the use of space to convert a CoMotion-operated MakerSpace in Fluke Hall to an incubator for startups with advanced prototyping needs. Through a partnership with the College of Engineering, this incubator will also house an entry-level Nanofabrication Clean Room.

- 3) What major obstacles or institutional barriers currently do, or will, hinder execution of your strategic plan? What are you doing to address these challenges? If no changes from your response to either component of this question from last year, please answer "no changes": *Word Limit: 250*

CoMotion's budget for FY2021 and beyond does not include rent for the third floor of the Blume building.

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CoMotion vacated the space on January 31, 2020. As of this writing, CoMotion has not been released from its rent liability by the Provost's office.

The biggest challenge for success is uncertainty in CoMotion's budget which has previously caused operational flux. Licensing Revenue will continue to decrease as royalties from the Hall patents further dwindle from \$1.8M in FY2020 to \$180K in FY2022 and \$0 in FY2025. During FY2019 and FY2020, CoMotion was fortunate to receive several unexpected Equity and Acquisition payments. However, these revenues are unpredictable and we do not foresee a rise in licensing revenue over the next two fiscal years.

Operating expenses are currently covered by CoMotion's various revenue streams and by central support with the exception of the high ROI Innovation Gap Fund program which is funded by reserves set aside from the Hall patents. CoMotion would like to see stabilization of the Provost supplemental funding by continuing the transition of these funds to permanent allocations as well as long-term support of the Innovation Gap Fund program.

- 4) Over the next year, could any of your planned strategic activities result in material changes to revenues or expenditures, faculty or staff workload, or the student experience within your unit/campus and/or another unit/campus? *Word Limit: 500*

The updated space usage in Fluke Hall and Blume 3rd floor will result in a decrease in expenditures while maintaining revenue projections.

- 5) What is your unit doing to effectively use or redeploy resources in a way that benefits your unit/campus and/or other units/campuses? *Word Limit: 500*

CoMotion has made funding of speculative patents a priority and plans to dedicate a minimum of \$1.2M annually towards IP protection costs. In FY2020, CoMotion will increase this investment to \$1.5M annually by using proceeds from unexpected equity returns.

CoMotion aims to maintain diversification of spending across UW units for both intellectual property protection and Innovation Gap Fund award recipients. We routinely connect with programs across campus to best support innovation and entrepreneurship. Examples include a partnership with the Buerk Center for Entrepreneurship to mentor and train students and promote their programs; a collaboration with BECU for funding of fintech research and entrepreneurship; a partnership with Population Health for health initiatives through the Innovation Gap Fund program; a partnership with Challenge Seattle for mobility innovation research; and a recent commitment to the NIH-funded WE-REACH program through Innovation Gap Fund matching monies.

- 6) For UW student facing units, what are you doing to improve the experience and outcomes of students on your campus or in your unit? What could the University do to support your efforts? *Word Limit: 500, Leave blank if N/A*