Minutes[*]

Faculty Consultative Committee
Thursday, December 18, 2003
1:15 – 3:30
300 Morrill Hall

Present: Judith Martin (chair), Gary Balas, Jean Bauer, Susan Brorson, Charles Campbell, Tom Clayton, Gary Davis, Arthur Erdman, Dan Feeney, Mary Jo Kane, Marvin Marshak, Fred Morrison, Jeff Ratliff-Crain, Martin Sampson, Carol Wells

Absent: John Fossum, Emily Hoover, Marc Jenkins

Guests: Associate Vice President Richard Pfutzenreuter, Vice President Kathleen O'Brien, Brian Swanson (Office of Budget and Finance); President Robert Bruininks; Vice President David Hamilton, Greg Brown (Office of the General Counsel), Acting Assistant Vice President Tony Strauss (Patents and Technology Marketing)

Other: Kathryn Stuckert, Lynn Holleran (Office of the Chief of Staff), Lori Anne Williams (University Services), John Ramsay (American Council on Education Fellow)

[In these minutes: (1) stadium feasibility study; (2) discussion with the President (stadium, administrative structure); (3) incubators and start-up companies]

1. Stadium Feasibility Study

Professor Martin convened the meeting at 1:20 and turned to Associate Vice President Pfutzenreuter to lead a discussion of the stadium feasibility study that the University had commissioned. (For the formal comments about the study, see the 12/16/03 minutes of the Committee on Finance and Planning. These minutes will cover only the discussion at this meeting and the points not contained in the earlier minutes.)

Mr. Pfutzenreuter reviewed the sequence of events that led up to the study. The University has been considering the stadium question since the Vikings approached it in December, 2000. The University went through the effort of reviewing the possibility of a joint-use stadium; the Vikings (and the University) found that it would not work. The President said the University would return to the stadium question later. The University knew last August that the state political leaders were talking about a stadium so decided it needed to address the issue and commissioned the feasibility study.

The reason that some action was necessary is because the lease with the Metrodome expires in 2011, it will take 4-5 years to build a new stadium, and the University has to be sure it has a place to play football. It pays nothing to play in the Metrodome; the Twins pay little, and the Vikings are the ones who carry most of the facility expenses. They have looked into the costs of the Metrodome were the University the sole owner; with deferred maintenance and annual operating costs, it would not be cheap to

[*] These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate or Twin Cities Campus Assembly; none of the comments, conclusions, or actions reported in these minutes represents the views of, nor are they binding on, the Senate or Assembly, the Administration, or the Board of Regents.

run, Mr. Pfutzenreuter said. The University would probably be unable to schedule a lot of other events to generate revenue (given the large number of event venues in the Twin Cities), and the building would probably be a drag on the University's budget.

The stadium is projected to cost $222 million ($160 million for the building itself). In terms of the funding, the University has not settled on any particular amount that should come from any particular source, Mr. Pfutzenreuter related. The President has taken the position that it should be funded primarily from non-public sources (fund-raising, sponsorships, and so on). Student contributions could be a component of the funding, as could a few other sources. The study showed net new revenues, but the President has said he prefers not to plan on using those revenues to pay the stadium debt and would rather use them to reduce the University's contribution to athletic department operating costs. Mr. Pfutzenreuter solicited questions from Committee members.

Professor Marshak said he had only one problem with the study; he said he believes the University will build a stadium and that he sort of supports it. But it would be nice to stop pretending that it will save football and that there will be a lot of people coming to games who are not coming now. There were 60,000+ fans at the Michigan game this year because the team was winning--that is why people come to games. Students basically support a stadium, but when he has asked them if they will go to games, the answer is essentially "no." It would be nice to have honesty in the study; this is an academic institution, he concluded.

Mr. Pfutzenreuter agreed that a new stadium would not "save" Gopher football; it must have a winning program to be successful. But the President sees the stadium as a center of activity on campus. There are now a lot more students living on campus than there were when the games were in Memorial Stadium. He said he believes that if there were a stadium on campus, freshmen would go to the games because they could walk over. The projected average attendance of 50,000 would be a step up from current levels. If the students contribute to the cost of the stadium, however, there should also be a tangible benefit to them (e.g., free admission to games, up to perhaps 10,000 or 12,000 students). The benefits should also include other kinds of events for those students who may not be interested in football games, Professor Martin commented.

Professor Kane challenged Professor Marshak's view. She said she supports the stadium but has not heard anyone say that it would solve problems in football or make it a winning program. This is an issue broader than whether the team goes 6-5 or 8-3, although there is an indirect relationship between the quality of the facility and the ability of the coach to recruit better athletes. It would put the coach in a position to assemble a better team. It is important, however, to consider the alternatives. Unless the University is going to get out of the Big Ten, which is unrealistic, unless the University pursues the option of an on-campus stadium, it will be stuck in the Metrodome or forced to get in bed with the Vikings, which would be a disaster. The students are not likely to go to Blaine or Eden Prairie, Professor Martin observed. And if the University is in a joint stadium with the Vikings in Blaine or Eden Prairie, and the Vikings subsequently leave, the University would then be stuck in a distant suburb for its games.

Vice President O'Brien agreed that it is important to consider where the University will be after 2011. That is the reason for the feasibility study, she said. Because the joint-use stadium will not work, and because there was interest in an on-campus stadium, the University conducted the feasibility study to determine what such a stadium might be. The study answers the questions, within an order of magnitude. Now when the stadiums are discussed at the state level, the University has information on an alternative;

before it did not. Without the information, the University would be a pawn in the discussions; now it will not be. It is difficult to predict where the state discussions will go--and they could go on a long time. It would be irresponsible of the University not to be informed about its own options, she said.

Mr. Pfutzenreuter said that Mr. Sanford, the putative donor, would be holding a press conference to announce a proposal by Opus for a stadium that would cost $100 million. Opus, he noted, has never built a stadium. Mr. Swanson told the Committee that the University's architects had reviewed the Opus proposal and were extremely skeptical. The University, in comparison, relied on Turner Construction, a premier construction company that has opened 9 stadiums this year, and the organization from which the experts draw their numbers. The University also looked at the cheaper stadiums around the country and found that when one updates the numbers, the cost is within $3-4 million of the projected cost of the on-campus stadium.

What is the goal of such an announcement, Professor Marshak asked. To make the University look bad? That appeared to be the consensus. Professor Martin said that this was the fourth or fifth stadium discussion she had been in over the last few days; she said it was her impression that the University's feasibility study was a pretty solid document. One can quibble with the attendance and revenue projections but on balance the cost analysis seemed solidly researched.

Professor Campbell repeated what he had said at the Finance and Planning Committee meeting two days earlier: The Regents adopted a set of principles governing a stadium, the first of which was that its funding would not compete with the University's three-fold mission. He said he found it hard to believe that raising $222 million would not compete with funding for the University's academic mission.

Professor Ratliff-Crain commented that there seems to be a fair amount of inevitability surrounding the stadium. It is smaller than the joint-use Gophers-Vikings stadium plans, but it is still a substantial building. Why is it designed to house so few other functions and with large parts of it mothballed for most of the year? Is the idea to prepare space so that they could be put to other uses in the future? Or will the building only be a shell, used for part of the year? People recall that there were research facilities in Memorial Stadium, Mr. Swanson said, and the architects have told the University it could put anything it wishes in the new stadium--but that it would be cheaper to build a separate building. It would cost more per square foot to enclose, heat, and make usable the space in the stadium than it would be to build a new building, Vice President O'Brien confirmed.

Mr. Swanson said the University had challenged the architects to design the stadium so it could be used as much as possible; it will accommodate soccer and use by recreational sports. It will also have a large club space that could be used for dinners and mid-sized conferences. The suites could be used for job fairs or conference break-out sessions. They are trying to make it as flexible as possible without increasing the cost.

The campus is land-locked and the stadium uses a lot of land, Professor Ratliff-Crain observed. They paid attention to that problem, Mr. Pfutzenreuter said. This proposal takes up much less land than the joint-use stadium would have; one could put the equivalent of six Molecular and Cellular Biology buildings around this version. They are paying attention to land use so that the stadium does not use up all the available land. And the University is also acquiring land around the campus. One advantage of this stadium, compared to the joint-use stadium, is that it leaves land for future use, Vice President

O'Brien agreed. It also creates an athletic facilities district with a plaza between it and the rest of the campus.

Professor Marshak said, looking at the site of the campus, that parkers will have to walk past the stadium to get to campus. Ms. O'Brien said they did not want to put the parking lots against the campus. She reported on the Georgia Tech stadium, which is right in the middle of the campus but one would not even know it is there, even though it has occupied the same site since 1903.

Professor Morrison said that one element detracts from the feasibility study: The attendance numbers are not credible. The revenue projections are based on average attendance of 50,000, which assumes the stadium will be full for every game. He said he did not believe that it would be, and not with fans who are buying full-priced tickets. The University must face the fact that in the last analysis, the stadium will run a deficit. It should be candid about that fact. This is not a reason not to build the stadium, but the report is not credible as it stands. Professor Morrison also suggested that they look at the possibility of making the entire stadium a shell, as proposed for two of the sides. Eliminate the club and suites; the University is building a football stadium, not an entertainment complex.

To the last point, Mr. Pfutzenreuter said that this how stadiums are now being built--with club seats and suites--and older stadiums are being remodeled to add them. Are they driving up the cost, Professor Morrison asked? Vice President O'Brien said that the major cost driver is the total number of square feet. Some amenities cost more money, but eliminating them would not bring the cost of the stadium itself down from $160 million to $100 million. Cutting them out might save money, but those amenities also generate revenue.

In terms of attendance data, Mr. Pfutzenreuter said that the Iowa and Wisconsin games will always be full and that students will fill up the rest of the seats. But they do not pay full price, Professor Morrison pointed out. The projections assume student attendance will increase from about 8,000 per game to about 12-13,000; are the increased ticket sales projected at $35 per season (for students) or at full price? Dealing with student prices and attendance will be an iterative process, Mr. Pfutzenreuter said. The premise behind Professor Morrison's questions is that the numbers are ambitious, Ms. O'Brien said. They tried, however, to be conservative. They recognize that the Twin Cities does not compare to Ann Arbor or Columbus; the projections are predicated on current sales plus an increase with a new facility and the population in the area. They hired a national expert, Mr. Swanson added, who helps organizations size facilities in terms of ticket sales, the market, and so on. They looked at other metropolitan areas with professional sports teams and determined that college football teams draw, on average, 1.6% of the population. With 50,000 seats, the data suggest the University is under-building the stadium.

Professor Morrison said he thought the cost estimates were likely quite accurate; he continued to express doubt about the revenue projections. Mr. Pfutzenreuter agreed to the extent that no one knows what the appetite for purchasing one's own seat is for Gopher football games. At the University of Louisville, Vice President O'Brien reported, people were willing to pay $25,000 plus the price of the ticket for their own seats. And it is in club seating, Professor Erdman commented, where donors will want to sit for games at the end of November.

Could the stadium be used for basketball, Professor Erdman asked? It could not, Mr. Swanson said. The President, who had entered the meeting room at this point, added that there would be enormous operating costs to make the facility dual-use.

Professor Martin thanked Vice President O'Brien, Associate Vice President Pfutzenreuter, and Mr. Swanson for joining the meeting, and said the Committee may wish to speak with them again in the future.

2. Discussion with the President

Professor Martin turned now to the President to discuss, briefly, the stadium, and then other matters.

The President said he recognized this was the worst time to talk about a stadium, but it may also be the best possible time, because if the University does not talk about it now, it may have nothing to talk about later. The University is a member of the Big Ten, it will continue to play Division I-A football, and it should be a player in the stadium talks in the state, not just told what to do. He said he believed the people in the state are more concerned about the University than about the Vikings or the Twins, but at the same time the University must be careful not to get on a slippery slope of too much capital debt. If, however, the University does due diligence, the alternatives to an on-campus stadium are GRIM. If one adds up the numbers, it is cheaper to build an on-campus stadium than it would be for the University to assume ownership of the Metrodome. If the Vikings build a suburban stadium for $500 million, and the Gophers are forced to play in it, but then the Vikings leave, the University could be stuck with a stadium distant from the campus with significant operating costs. The University must think about academic and community issues, the President said, and he asked the Committee to help think about them.

The President turned next to the organizational structure of parts of central administration and reviewed a plan to realign responsibilities and titles. He said that he felt there were problems when he served as Provost, and shared this view with President Yudof, but concluded he should not make changes when he was serving as interim president. The proposed changes will not increase the number of vice presidents (although they may add a couple of positions at lower levels, they will largely revenue-neutral because there will be savings in other places), and they will strengthen certain functions. The President and the Committee discussed the proposed changes for some while. Committee members were largely supportive of the proposals, although Professor Ratliff-Crain raised a number of questions about the reporting lines for the coordinate campus chancellors.

Some of the changes are related to the budget and finance areas and Mr. Pfutzenreuter's office; the President suggested that the Committee on Finance and Planning should look at those proposals.

Professor Morrison said that even with the changes, there will still be too many people reporting directly to the President. He suggested moving the reporting lines of some of the positions. The President agreed with the point and said he would rethink some of the reporting lines.

Professor Martin asked the President if he would return to the Committee in January to discuss the 2004-05 budget. He would, he said, and it should also be taken up by the Committee on Finance and Planning. Professor Martin also asked that the two committees be involved as early as possible in the discussions of the biennial request. The President agreed, and said he would like the discussions to start before the summer.

Professor Martin thanked the President for joining the meeting.

3. Incubators and Start-Up Companies

Professor Martin now welcomed Vice President Hamilton to discuss incubators and start-up companies. She noted that the Committee had been provided copies of the draft minutes of the discussion of these topics at the Senate Research Committee and Senate Committee on Finance and Planning earlier in the week.

Vice President Hamilton thanked Professor Martin for the opportunity to speak with the Committee and noted that he had had many meetings in the last few weeks to discuss these issues. Dr. Hamilton first introduced Acting Assistant Vice President Strauss (Patents and Technology Marketing, or PTM), and Mr. Brown from the General Counsel's Office. He then explained that this series of discussions came about because he put on the docket of the Board of Regents for discussion, at the Board's request, an item about technology parks, incubators, and the University. It became clear that the Board did not understand clearly the issues associated with patents and technology and with commercialization of intellectual property--and the issues are complex. He concluded that if the Board did not understand what was going on, it was likely that many others did not, either. As a result he asked to be on the agendas for the Research Committee, the Finance and Planning Committee, and this Committee. Because of timing and a few mishaps, the other two committees did not in each instance have the background materials they needed to conduct a thoughtful discussion.

Dr. Hamilton said that there were two elements to what he wished to accomplish at this meeting. First, purely as a matter of information, he wanted to report on the creation of the Office of Business Development (OBD), a normal administrative change within a vice presidential office. He said he felt it an important change in order to broadcast to the business and venture capital communities that the University was serious about the development of its intellectual property. He said he has been making the change in consultation with the venture capital community, although it is not funding the office. The changes are intended to strengthen certain functions within the office of the vice president.

The second element is related to the incubator for start-up companies. The University has an obligation, under the Bayh-Dole Act, to commercialize intellectual property that the University generates (with federally-funded research). As a consequence of Bayh-Dole, by commercializing that property, the University is also required to distribute the royalties back to the inventors and the institution. On this last, the Regents' policy provides that 1/3 goes to the inventor, 1/3 to the department, and 1/3 to the Office of the Vice President for Research. The latter funds reside in the Vice President's office and are not part of the general budget allocation process.

There are internal (institutional) restrictions on how the money can be used by the Vice President for Research. The central administration views the intellectual property income like tuition and state funds, which puts constraints on their use (e.g., the University does not use tuition or state funds to invest outside the institution). But royalty money is different, Dr. Hamilton said; because of Bayh-Dole, the University must use money to benefit education and research (and it has been funneled to the 21st Century Fund for graduate fellowships, to a research infrastructure fund that will total about $30 million, to other infrastructure needs, to the libraries to make up the shortfall for on-line journal subscriptions across all disciplines, and so on).

Now it is time to look beyond what the University has been doing, Dr. Hamilton said; there is a need for a mechanism to support start-up companies begun by faculty or by others who are using University intellectual property. The original idea was to fund a business incubator with University money on University land, but that idea contains significant conflict-of-interest problems. As a result, Dean Elde set up a not-for-profit 501(c)(3) organization, University Enterprise Laboratories (UEL), that is independent from the University. Dr. Hamilton emphasized that it is independent; it has nothing to do with the University and it is important to build a firewall between such organizations and the University in order to reduce the likelihood of conflicts of interest.

At the same time there is a need in the University, especially apparent in the biomedical sciences, to support start-up companies. A lot of faculty want to start them and need a place for two or three years to develop the product to the point where it can be successful. When a company incubates in an incubator, the University would have no role in running it, would not invest in it, and would provide no funds for its ongoing operations--that is where venture capitalists come into play. Dr. Hamilton mentioned the fact that there are already start-up companies occupying space on the St. Paul campus (which is not ideal, even though they pay for the space), and that University-owned equipment in Biodale supports faculty research and is also used by companies, for a fee. That is not unusual, he noted; IT departments rent equipment to outside companies; it is a way to help pay for replacement equipment.

Dr. Hamilton told the Committee that he and others concluded that if the University is to step up the pace of the commercialization of its intellectual property, it needed UEL so that start-up companies have a place to begin. The companies would pay rent to UEL. They would be able to use the equipment in Biodale (and would have to go there to use it; the equipment will stay on campus for the benefit of University faculty). He would like the University help the incubator become established so that companies can move in and out. It would do so by taking a long-term lease on space in UEL for OBD. It will be advantageous to have OBD adjacent to the start-up companies. The University would take a ten-year lease, at rates very favorable to the University, and would make an up-front payment of $1 million. In addition, he would like to provide $1 million over four years for the general operating costs of UEL.

Professor Wells said that she had looked at the provisions of Bayh-Dole and was surprised to be informed at this meeting that the University has an OBLIGATION to commercialize its intellectual property. She said that she read Bayh-Dole as granting permission, not obligating the institution. Where is the requirement codified, she asked. Mr. Brown explained that the Act strongly encourages commercialization of inventions/discoveries that result from federally-sponsored research and that it restricts the income to research and education. It does not require that all the funds be used for commercialization but it also does not allow the University to use the money for football, for example. Mr. Brown agreed that there is no OBLIGATION, although he noted that the federal government may step in if a product is not licensed to an American company or if the institution does not commercialize a discovery, but there is no firm obligation to commercialize and a consequent penalty if the institution does not do so. But many other universities are commercializing their intellectual property while the University has not been, so there have been lost opportunities, Professor Martin said.

The University has not been giving faculty the opportunity to get start-up companies going in incubators, Dr. Hamilton said. But it does not have to do so, Professor Martin said. The problem, Mr.

Brown explained, is that many discoveries/inventions will not be commercialized by large, established companies, so the way to commercialize federally-funded research outcomes is to license start-ups. If one accepts the premise that start-up companies are the best and only way to commercialize certain kinds of intellectual property, then the University can legitimately spend money on vehicles (such as incubators) to aid start-up companies.

Professor Martin said it is important to note that Bayh-Dole is linked to research supported by federal funds; many faculty do not have such funds, have no obligation to commercialize research, and do not produce anything that anyone would want to commercialize anyway. Dr. Hamilton responded that he had been at a meeting where one expert on intellectual property said that there is commercializable property in nearly every department of a university. That may be, Professor Martin said, but in most liberal arts departments the best the faculty member can hope for is to get a book published.

There are certain realities about commercialization and royalties that have to be understood, Dr. Hamilton said. Most start-up companies (perhaps 8 of 10) fail. He wants OBD to mentor nascent companies better in order to allow them to get to the point where they are less likely to fail. Frequently, royalty income depends on a "big hit," such as Ziagen for the University, which generated $38 million last year. And when the patent runs out, that income will no longer be there, Professor Martin pointed out. Dr. Hamilton agreed and said that is why the University should be running as fast as it can to find something to take its place. There are things in the pipeline that might do so, but the University must be active in trying to find those "big hits."

Professor Ratliff-Crain said that an incubator may provide a major impetus for attracting and retaining high-powered faculty, and may allow the University to capture royalty income later. But he expressed concern about the firewall and wondered how the University would reap the benefits of discoveries if there is a firewall. The University would not benefit from UEL, Dr. Hamilton said; it would benefit from start-ups that have University intellectual property licensed to them.

The University has not been a leader in incubators, Professor Erdman commented, while RPI, for example, has been in the business for 25 years. How the University should go about the effort has been the issue in recent meetings, along with concerns about the firewall and conflicts of interest. Both he and Professor Feeney serve on the Academic Health Center conflict of interest committee; he said he believes there will always be the potential for a conflict of interest and this is a good time to clean up the policies that deal with them. Professor Feeney is also on a group looking at institutional conflicts of interest, Dr. Hamilton reported; these discussions can inform the deliberations of that group.

Professor Campbell reported that the Finance and Planning Committee has discussed these issues twice and will do so again. From these previous discussions, he said he had the impression that the University was not putting money into the operation of UEL, but then he read the prospectus, which says the University is contributing $2 million. Vice President Hamilton said that UEL had no authorization to say anything like that and the prospectus has created considerable anger. The University will do some things. For example, UEL has identified a building on the transitway owned by the City of St. Paul that it can use. The University had planned to lay cable along the transitway and will now add a node to allow UEL access. Parking wants to put a bus stop there. These will be infrastructure improvements that will benefit UEL. But to say that UEL is receiving $2 million from the University is a fabrication.

His impression from the Finance and Planning discussions, Professor Campbell said, is that it is absolutely wrong to view UEL as having a significant potential for producing a replacement for revenues from Ziagen because the probability that that will happen is very low. One does not justify UEL on the basis that it might produce another Ziagen, Mr. Strauss agreed, although one can have a reasonable hope that it would. The effort to support start-ups is not premised on the assumption that the University will earn $10 million or more in equity or royalties. But the effort must go beyond the break-even point because there are risks. No matter the size of the "hits," there are other reasons for supporting start-ups. One is Bayh-Dole; Mr. Strauss said he agreed with Mr. Brown's description of Bayh-Dole but even if the Act does not say a University MUST commercialize its intellectual property, doing so is inherent in what the federal government expected; the flip side is that if universities do not do a good job, the federal government will take back the intellectual property or even repeal Bayh-Dole. Another provision of the Act requires universities to give a licensing preference to small businesses (not particularly start-ups, but start-ups may often be the only viable way to give preference to a small business because existing small businesses usually have no capacity to take on new technologies for product development).

A broader justification, beyond Bayh-Dole, is related to the service aspect of what the land-grant mission is all about. The University must take research and scholarly study and get it to the public. A vast amount of that occurs through teaching, publications, students graduating, and so on, but another element of it is commercialization of intellectual property. That is part of serving the state.

This is a VERY complex topic, Professor Wells said, and so is Bayh-Dole. She said she has talked with NIH about the Act and whether it should be repealed; it has a lot of different aspects and ramifications. She said she believes the incubator facility is a good idea but it is complex; one important question is how students would be treated. She also said she was concerned that it would be going to the Regents so soon. Dr. Hamilton said that the Regents require two steps, first a presentation for information (in February) and then action (in March). The docket materials for the February meeting will be due shortly after spring semester begins; this may be a significant enough issue that perhaps the Regents should be asked to delay consideration. The only question is whether a delay will have an impact on UEL. But he said he would be more comfortable if there were more time to talk about the issues.

Her concern, Professor Martin said, is that no one is saying this is a bad idea and the University should not do it, but there are a lot of issues that require attention; rushing the proposal to the Board in February and March may be too fast. It is better in the long run if there is understanding of this proposal within the University, especially in the parts that have nothing to do with it in order that they do not oppose it because they do not understand it. It is better to move more slowly. Dr. Hamilton said this was sage advice, and he said he would try to get information to those for whom the proposal has no effect.

Mr. Brown said the question that is most important is whether it is a good idea for the University to be authorized to support commercialization vehicles for intellectual property. This does not just mean UEL; it is only an example. Should the University spend money on incubators and technology parks? He said he has been hearing a lot of concern about investment in COMPANIES, but that is not what the University will be doing. This effort is driven by the University's mission, as Mr. Strauss mentioned; if one agrees that getting inventions out and helping start-up companies to do so is relevant to the mission, University assistance is a good thing. If the answer is yes, then the question is under what conditions and safeguards the activity should be undertaken. The administration has proposed some; are there others?

There are a lot of questions about how this would proceed, Professor Wells said. She said she supports the concept, but how what would be the interface with faculty? With students? How would faculty work there without a conflict of interest? Will students be able to publish thesis work that might involve proprietary items? There are a lot of issues that need time for discussion. Dr. Hamilton said all of those questions but one can be answered; he said he could not respond to the Graduate School issue and whether students could work at a start-up company and do their theses on their work. But that is peripheral to what they have been talking about; the benefits for students can be defined. Another issue is liability for injury that occurs during studies, Professor Ratliff-Crain said. That is why a firewall is needed, Dr. Hamilton said. If there are 20 issues surrounding this proposal, 14 of them are things the University should be talking about anyway, Professor Erdman commented.

Dr. Hamilton said he would return to the Finance and Planning and the Research committees and then come back to this Committee. Professor Martin said he should return when the two committees are comfortable with the answers to the questions they raised.

Professor Martin thanked Dr. Hamilton and his colleagues and adjourned the meeting at 3:45.

-- Gary Engstrand

University of Minnesota