

Annual Report 09

BTO™

GUIDING GOOD IDEAS

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Introduction

Successful research-based innovation is a crucial hallmark of a knowledge based society. This has been stressed in the most recent governmental research report, and pursued and stimulated a number of ways by Norwegian authorities.

One of them is the FORNY programme funding the Norwegian technology transfer offices to promote new technology, concepts and methods to generate new value as oil and gas production decrease. Since the establishment of BTO in 2005, the company has had a sound development leading onto yet another affirmation of its role as one of the national top performing technology transfer offices in 2009. The FORNY programme combined with a professional staff and persistent strategy and support of the owners and partners have been vital for this success.

Innovation has many faces and perhaps the most demanding is the establishment of new companies based on novel ideas and business concepts. This is often compared to giving birth to and raising a child; it takes effort, time and a lot of support before the child is able to get along by itself. Healthy regional development needs to encompass survival mechanisms for new business areas and concepts in addition to innovation within established industries and areas. Regional business development plans need to include strategies on how exploit new possibilities not fully known at the time of writing. The history is full of examples on how small seeds have grown to successful global businesses and social development, but yet also how possibilities have been lost due to lack of attention and strategies.



Geir Anton Johansen, Chairman of the Board. Photo: UIB

Bridging the gap between research and industry is not only a question of funding innovation projects as such; it also requires functions and competence that takes time and funding to develop. The Bergen region can take pride of cutting edge research groups that have proved themselves capable of providing ideas for new start-up companies and radical innovation with leading competition properties. Successful long-term innovation requires interaction between and joint effort of research institutions, government and industry; it is not a task any one or two of these three can pursue alone.

Professor Geir Anton Johansen,
Chairman of board
*(Head of Department of Physics and Technology,
University of Bergen)*

Guiding Good Ideas

BTO contributes to social and economic growth by giving ideas life. BTO gives qualified and competent advice and ensures that researcher, the research institutions and society benefits from this process.

Recent milestones

BTOs managing director appointed ASTP board member

A major milestone for BTO happened in 2009 when our managing director Anders Haugland got the honour of being appointed board member of the Association of European Science & Technology Transfer Professionals (ASTP). His role in the organisation is Vice President Professional Development.

We consider this appointment a great recognition for BTO, having our managing director chosen with a position at the core of decision makers concerning European research based innovation. His position strengthens the possibility to put Bergen and Norwegian research based innovation on the map, and to influence the present and future profession of technology transfer in Europe and worldwide.

ASTP is a non-profit organisation for technology transfer professionals to meet and share experiences on a regular basis. The mission of ASTP is to professionalize and promote technology and knowledge transfer between the European science base and industry. The organisation consists of about 800 members from 42 countries mostly from Europe, but also US, Canada, Asia, Middle-East and Africa are represented.

New company profile launched spring 2009

Spring 2009 BTO concluded a project redefining the company brand. This work was done in cooperation with the design agency Haltenbanken AS. The result was a new visual profile for our company which included new logo and defining the company idiom, e.g. the slogans "BTO - Guiding good ideas" and "BTO - Increase the value of your research". We believe the new profile communicate our company core values very well.

New ideas campaign

During a week in February 2010, BTO had a campaign where we visited all research institutions, informed about new funds available while offering buns and coffee. Our purpose was to get acquainted with new people at the research institutions, to refresh old acquaintances, and hopefully get notified about new ideas with commercial potential. Our experience is that the campaign was quite successful. Besides getting a small tasty treat, employees at the research institutions got useful information about our services and financial possibilities, and got a chance to win an iPad. BTO was benefitted with several new ideas with commercial potential, which are now among our promising commercial projects. We hope our efforts were considered a positive experience for researchers and employees too, as we plan to repeat this campaign soon.



Photo: Haltenbanken

Hammertech AS – measurement solutions for the oil & gas industry

Demand for energy is in constant growth. In order to maintain high energy demands, oil & gas companies have to look for better production techniques. Many companies are trying to find ways how to increase the extraction productivity. Hammertech offers solutions to some of these issues. Hammertech is a niche company that will offer innovative solutions to better utilise the oil and gas extraction process.

Hammertech meets industry demands

Hammertech's main focus is to provide oil & gas companies with Flow Measurement solutions topside, subsea and down hole. The products are based on a new technology, the High Magnetic Field Detection System, in order to optimize the separation process and measure pipeflows. The products are the Level Profiler and the Water Fraction Meter, and they possess great advantages compared to existing methods.

Products ready for market

- The Level Profiler measures the level and gives full real time information of fluids, emulsions, foam and gases in separation tanks with high accuracy. The system can be interfaced with already existing control systems combined.
- The Water Fraction Meter is a metering solution that can be applied on the oil or gas pipes and measures the fraction of the water in oil/gas/water mixture independently. This system can be used both in the oil continuous phases and the water continuous phases. The leading method today is to use two different measurements principles (capacitance, conductivity or microwave) to cover both of these phases. Hammertech will have one measurement principle that will cover both.

Company expanding

Since its founding December 2009, Hammertech has focused on getting their products ready for market, and to decide the best strategic industrial partners. At the moment the company is in the process of negotiating an agreement with a mayor oil company concerning the industrialization of the Level Profiler and the Water Fraction Meter. In order to bring the company to the next level and meet the anticipated demands from industry, they are planning to expand the staff with three new employees by the end of 2010.

“Primarily we need a competent project manager, and we hope to have the right person joining our team by the end of summer”, says CEO Trond Thomassen.

The Hammertech technology is invented by Professor Erling Hammer from the Institute of Physics and Technology, University of Bergen. Professor Hammer has been involved in several commercialisations throughout the last three decades, and several of these have developed into prosperous companies. He was one of the founders of Fluenta AS, which was later acquired by publicly traded Roxar ASA (acquired by Emerson in 2008). He has developed several successful products for the oil & gas industry.

“My goal was never to commercialise, but to educate new students and develop new principles”, says professor Hammer

COMPANY: Hammertech AS
CEO: Trond Thomassen
ESTABLISHED: Fall 2009
INVENTOR: Professor Erling Hammer
RESEARCH INSTITUTION: Institute of Physics and Technology (UiB)

www.hammertech.no

“My ambition is that the company will grow and provide new measurement principles for both production and for environmental issues”

Founder and inventor Professor Erling Hammer

From left: Trond Thomassen, Erling Hammer, Arnfinn Tveit. Photo: Erlend Haukeland

“METAS product potential makes it possible to monitor and conserve the ocean floor environment while at the same time exploit the resources below the ocean floor”

Founder and inventor Terje Torkelsen



Photo: Metas

METAS – solutions for subsea monitoring and acoustic data collection

Marine Ecosystem Technologies AS – METAS – develops and manufactures underwater devices which use acoustic sensors for monitoring the subsea environment concerning presence and location of biomass (e.g. zooplankton or fish), sediments, or pollutants (e.g. oil spill). In addition, sensors for temperature, water pressure, salinity, and current speed can also be integrated.

The product portfolio comprises four main devices:

- The Acoustic Buoy is a free floating sensor carrier which can be placed in the whole water column from the surface to 1.500 meter of depth. It enables precise species-specific fish stock estimates and does not require or disturb surface vessels.
- The Searching Lander is a sea-bottom deployed sensor base to monitor the behaviour of biomass related to ship and trawl traffic. It also serves for environmental monitoring in conjunction with subsea activities of the petroleum industry.
- The Communication buoy is a surface buoy providing internet communication between subsea Landers with connected instruments and operators onshore. The surface buoy can also provide power to the Lander system.
- The Multi-Usage System for Towed vehicles (MUST) is a mooring device for research on different fish species and zooplankton. Maximum towing depth is 1.000 meters; the position can be controlled and stabilized from the vessel via rudders.

Quick success

METAS was established June 2009, and managed to manufacture and deliver products to their first customers only a few months later. This quick delivery was possible due to the initial development of the current product portfolio at the Institute of Marine Research. The company was able to generate revenues of NOK 8mill in 2009, making METAS the most successful of the nine spin-out companies BTO established in 2009.

International market – local value creation

The products are produced and manufactured in the Bergen region, with local suppliers for most of the parts needed. This is a result of the METAS ideology and business strategy to support local business.

“Core of our business idea is value creation for the region: to support local business and contribute to create new regional employment opportunities. This is very important for me personally”, says founder and researcher Terje Torkelsen

METAS has already had an impact on local industry; some of their suppliers have been able to avoid employee layoff during the challenging times after the finance crisis, due to orders from METAS.

Customers worldwide

The company’s flying start seems to continue. So far this year (May 1st. 2010), METAS has generated revenue of NOK 14mill. At the moment their focus is to conclude a large order for delivery and subsea deployment in Angola. In the spring of 2010, METAS had a major delivery for an oil company in Brasil.

METAS has managed to conclude an exclusivity agreement with SIMRAD on the use of the eco sounder technology which METAS offer.

“SIMRADs technology is the standard (95%) world wide within this sector, so this is an agreement we are very satisfied having concluded”, says Torkelsen.

COMPANY: Marine Ecosystem Technologies AS
CEO: Olav Birkeland
ESTABLISHED: July 2009
FOUNDERS: Terje Torkelsen
Olav Birkeland
Olav Rune Godø
RESEARCH INSTITUTION: Institute of Marine Research

www.metas.no

“Our main focus now is on finalizing the product, and installing this at Haukeland University Hospital, where we run our pilot project”

Stian Karlsen, Head of R&D, Cospit AS



COMPANY: Cospit AS
CEO: Svein Ove Strømmen
ESTABLISHED: September 2009
FOUNDERS: Svein Ove Strømmen
Gunnar Baatrup
Jo Erling Riise Waage
Stian Karlsen
Håkon Leinan
**RESEARCH
INSTITUTION:** Haukeland University
Hospital
www.cospit.com

Cospit – meeting platform for multidisciplinary medical teams

Doctors face an ever increasing amount of information that is located in several systems, which makes critical information difficult accessible. Cospit has developed a computerized meeting platform to be used when multidisciplinary teams of doctors are evaluating a specific group of patients. The platform integrates within existing systems to fetch and present data nicely, and provide mechanisms for planning, organizing, evaluating previous decisions and following up meetings.

Structures vital information from multidisciplinary meetings

Cospit’s meeting platform solves the problem in which it filters out the significant information doctors need, and leave out information that is mostly of no interest. The meeting platform focuses on the workflow and guides the user through the program; it assists in the follow-up of the patient and will alert the team if the expected treatment is not conducted. Furthermore, it integrates with other systems, avoiding the need to log the same information several times.

Cospit will be the only tool needed when running multidisciplinary meetings. Cospit has a common interface for all necessary tasks in multidisciplinary meetings and ensures timely follow up on patients. Cospit structures the data which makes it helpful for research and quality improvement.

Global ambitions

Cospit’s vision is to be the worldwide leading supplier of meeting platform software to the medical sector for meetings where patient evaluation is in focus. The initiative to start Cospit came from a thankful patient who saw an opportunity to give something back to the hospital where he was treated. As a consequence Cospit was established in 2009. Cospit participated and held a stand at the European Multidisciplinary Colorectal Cancer Congress 2010.

*From left: Håkon Leinan (Creative Director),
Jo Waage (Chief Medical Advisor)
and Stian Karlsen (Head of R&D)
Photo: Magne Sandnes*

Increase the Value of Your Research

Commercialising research results by transferring knowledge from theory to products and services is an effective way to increase the value of your research. This will create synergies benefiting society as a whole.

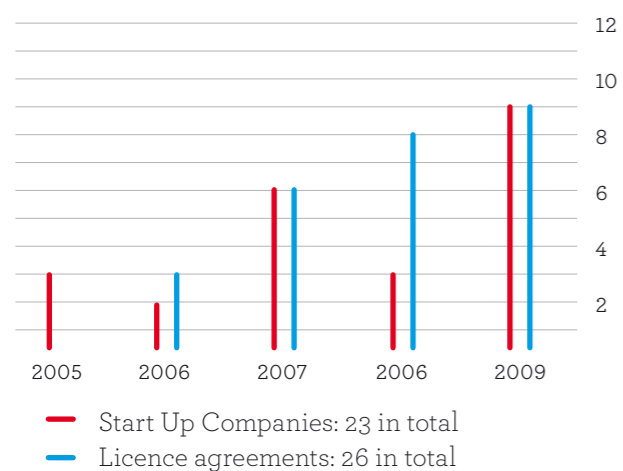
Annual Report from the board of BTO 2009

Company activity

BTO supports 8 research institutions in Bergen in the commercialisation of research results, and works proactively to inspire a culture for innovation. BTO's purpose is to be a centre of expertise, and on behalf of the owners and partners, secure, administer and refine intellectual property and other assets related to research results and research processes.

Since the founding in 2004, BTO has grown and developed; now counting 12 full time employees. BTO has also employed 4 interns from the Norwegian School of Economics and Business Administration (NHH). The professional follow-up on the interns has been executed by an associate professor from NHH subleased 20 % to BTO for this purpose. Including the interns, the staff constituted of 12,7 full time equivalents in 2009.

License agreements and new companies



Year of records

2009 was a year of records for BTO. Our efforts resulted in 18 commercialisations, which is the highest number of commercialisations we have achieved in one year. Nine of these were new spin-off companies, also a record in company establishment, and the other nine were licence agreements. We managed to obtain a peak in revenue for our portfolio companies, totalling of NOK 17, 5mill in 2009.

According to the Research Council of Norway's FORNY program, BTO was ranked third overall of the 12 innovation actors within their system. Our performance shows that BTO continues to be among the top-performing technology transfer offices in Norway.

BTO also launched a new visual profile in 2009, including new logo and slogans.

Ownership and organisation

BTO is owned by the Haukeland University Hospital and the University of Bergen by 40% each, and the Institute of Marine Research by 20%.

In the assessment and follow-up of the commercialisation process, BTO cooperates with the Bergen University College, Christian Michelsen Research, the National Institute of Nutrition and Seafood Research, Uni Research AS and Nofima Ingredients.

Work environment

No injuries or accidents have been reported within BTO in 2009. Surveillance of absence is performed according to national laws and regulations.

Gender balance

By the end of 2009, 38% of the staff at BTO was women. Equal opportunity policy is considered when employment and salary issues are treated.



The Board of BTO: Geir Anton Johansen, Anne Sissel Faugstad, Grete Rusten, Ernst Omenaas, Reidar Toresen. Photo: Erlend Haukeland

Financial status

The profit of 2009 shows a surplus of NOK 340.810,- after tax. This earned capital will be added to the equity. It is the Board's view that the presented annual income statement, balance and notes give the complete and sufficient information necessary to validate the financial status. No events that have occurred after 31. December 2009 is of importance in judging the accounting and financial status for 2009.

Bergen 21. June 2010. The Board of Bergen Teknologioverføring AS

Geir Anton Johansen
Chairman of the Board

Ernst Omenaas
Board member

Reidar Toresen
Board member

Anne Sissel Faugstad
Board member

Grete Rusten
Board member

Anders Haugland
Managing Director

Financial Statement

INCOME STATEMENT

OPERATING INCOME AND EXPENSES	2009	2008
Operating Income	27 107 703	29 423 511
Total operating income	27 107 703	29 423 511
Payroll expences	10 213 275	7 505 927
Depreciation and amortisation expences	155 199	13 925
Other operating expences	16 465 858	21 682 394
Total operating expenses	26 834 332	29 327 571
	237 372	9 594
FINANCIAL INCOME AND EXPENSES		
Interest income	16 142	563 454
Other financial income	90 576	11 095
Interest expenses	-1 959	-1 824
Other financial expenses	-32 948	-52 419
Net financial income and expenses	217 088	503 891
Operating profit before tax	490 460	59 983
Tax on ordinary result	149 650	18 613
Operating profit after tax	340 810	4 137
Extraordinary income and expenses	0	0
PROFIT OF THE YEAR	34 081	4 137

Til generalforsamlingen i Bergen Teknologioverføring AS

REVISJONSBERETNING FOR 2009

Vi har revidert årsregnskapet for Bergen Teknologioverføring AS for regnskapsåret 2009, som viser et overskudd på kr 340.810. Vi har også revidert opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til anvendelse av overskuddet. Årsregnskapet består av resultatregnskap, balanse, kontantstrømpstilling og noteopplysninger. Regnskapslovens regler og god regnskapsskikk i Norge er anvendt ved utarbeidelsen av regnskapet. Årsregnskapet og årsberetningen er avgitt av selskapets styre og daglig leder. Vår oppgave er å uttale oss om årsregnskapet og øvrige forhold i henhold til revisorlovens krav.

Vi har utført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder revisjonsstandarder vedtatt av Den norske Revisorforening. Revisjonsstandardene krever at vi planlegger og utfører revisjonen for å oppnå betryggende sikkerhet for at årsregnskapet ikke inneholder vesentlig feilinformasjon. Revisjon omfatter kontroll av utvalgte deler av materialet som underbygger informasjonen i årsregnskapet, vurdering av de benyttede regnskapsprinsipper og vesentlige regnskapsestimater, samt vurdering av innholdet i og presentasjonen av årsregnskapet. I den grad det følger av god revisjonsskikk, omfatter revisjon også en gjennomgåelse av selskapets formuesforvaltning og regnskaps- og intern kontrollsystemer. Vi mener at vår revisjon gir et forsvarlig grunnlag for vår uttalelse.

Vi mener at

- årsregnskapet er avgitt i samsvar med lov og forskrifter og gir et rettviseende bilde av selskapets økonomiske stilling 31. desember 2009 og av resultatet og kontantstrømmene i regnskapsåret i overensstemmelse med god regnskapsskikk i Norge
- ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av regnskapsopplysninger i samsvar med lov og god bokføringsskikk i Norge
- opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til anvendelse av overskuddet, er konsistente med årsregnskapet og er i samsvar med lov og forskrifter.

Bergen, 11. juni 2010
 Deloitte AS

Olav Revheim
 statsautorisert revisor



“We view the internship as an effective way of recruiting young, talented people to our expanding network of new businesses”

Managing director Anders Haugland.

Opportunities for students

As a growing company, BTO is always looking for talented young people with a good business understanding. It is important for us to have a close relationship with students since we believe they are the future business development managers. Since 2008 BTO has given students from the Norwegian School of Economics and Business Administration (NHH) the opportunity to work as business analysts part-time alongside their studies.

Valuable Resources

The learning curve is steep, and the students are included in the start-up projects from very early on. Their main tasks are market analysis, financial budgeting, business model development and company valuation.

“Being updated on the projects gives me a sense of involvement in and ownership of the project. I then get more motivated to deliver a good work and share my opinion concerning the project” says Santi Effendi, PhD student, NHH.

The hiring process is thorough, and BTO makes sure they get the best students. The students become a natural part of the work environment at Marineholmen Technology Park.

“My colleagues in BTO allow and motivate me to make up my mind independently about the projects and how we can assess and commercialize it” says Matthias Flach, master student, NHH.

Expanding network

When Barbara Salopek ended her internship, she received a job offer from BTO. She is now working as a business executive assistant.

“Since the very first day at BTO I got involved in several projects within different industries. I found this opportunity very challenging and exciting as it enabled me great variety in work and steep learning. Moreover, I highly appreciate the instant investment BTO puts into interns and its employees through different conferences and courses we are free to attend,” says Barbara Salopek

According to managing director Anders Haugland, the internship functions as a recruitment channel, and it gives BTO an impression of those who would like to work for one of the start-up companies in our network.

BTO interns visit the European Space Research and Technology Centre (ESTEC) together with BTO consultant/NHH associate professor Tor Aase Johannessen

Looking forward



*Anders Haugland,
Managing Director, BTO.
Photo: Magne Sandnes*

In December 2009 BTO celebrated our five years birthday. A lot has happened during these years. BTO has developed and grown, and our results and impact is increasing year by year. BTO has evolved to become a full-service operation, employing many strategies to move research results in Bergen to new products and services.

The demand for our services shows that there is a need for us. What will the next five year period be like? More of the same? Most likely not – we are delivering top results in the national championship* – but that is not enough if we want to continue deliver top results. Technology transfer is a global activity and will continue to be so. The researchers and their institutions in Bergen deserve to have the same level of support regarding these aspects as their international colleagues. BTO has recognised this and we are motivated to pursue new opportunities. Some trends we anticipate we will face during the next years:

- Most of the potential future blockbuster technologies will need to enter a global marketplace to unleash its potential. It will take the best brains, network and tools to get there. Future business development will rely on us being able to build and activate a national and international network of experienced business developers in order to effectively match market needs and opportunities to new technology and inventions.

- The term “patent trolls”** has come to stay, and their share presence will alter the way we work. On our way to success we will need to deal with them, hopefully not in court.
- The closer we get the industry and research institutions to work together, the more commercial opportunities will come our way.
- We will need to deal with the fact that the media picture is more and more tabloid, and that we will need to follow up along these lines to become and stay visible.

- New technological developments will open new and improved ways to get and share information, cooperate on projects and recruiting people to take on the different challenges.

The future is by definition uncertain, and the only thing that is for certain is that the list is neither complete nor right. Nevertheless, I really believe that the next five years will be challenging, fun and hopefully rewarding. Follow us on the web, twitter or the next big thing.

Create Economic Growth

A successful company creates economic growth. The extended effects of BTO’s work will play an important part in the growth and expansion of any region. A region with interesting and expansive industry will attract more competent workers who in turn will create increased economic growth.

* Ranking according to Research Council of Norway FORNY programme

** “Patent trolls” are entities that buy and develop large portfolios of patents in order to generate license income and other fees

Focus 2010

Stipend competition

Spring 2010, BTO and Sparebanken Vest announced a stipend competition to grant the four best new ideas from research in Bergen a stipend worth NOK 100 000,- each.

“The industry and commerce in the Bergen region is facing new challenges and opportunities through the major changes happening with the world economy. We must face this by developing and make use of new knowledge. Therefore it is important to create better connection between research and industry”, said bank director Harald Queseth at the Visjon Vest department of Sparebanken Vest, when announcing the stipend competition.

26 new ideas from outstanding researchers entered the competition, and jury had a challenging job deciding the four winners. The jury emphasized to award the projects where the prize would make a difference that the prize money would help bring the project forward. And that the idea will create significant value for society if they succeed.

The stipend competition was financed by Visjon Vest at Sparebanken Vest, and organised by BTO. Several of the projects entering this competition are now part of BTO project portfolio, which we evaluate for commercial potential. What the winner contributions share, is a major international potential. If the succeed, the products they describe will lead to game changing for the area of subject. These four projects are therefore among our main focus this year.

New nanoproduct for oil industry

Winner contribution no 1 describes a new nanoproduct with potential of several areas of applications, for example to be used in the oil industry. The product will have several benefits: faster response time and higher accuracy than existing products. Professor Bodil Holst and researcher Christian Bergfjord from the Institute of Physics and Technology are inventors of this project. Professor Holst is leader of the nano technology group at the University of Bergen. Bergfjord concluded his master degree in 2009.

Molecules in chronic inflammatory diseases

Winner contribution no 2 describes an idea using molecules in therapy and in diagnosing chronic inflammatory diseases. Inventors are Associate Professor Bengt Erik Haug, Centre for Pharmacy, and researcher Nathalie Reuters, Department of Molecular Biology.

New idea for cost-effective PET detectors

Winner contribution no 3 describes a technology that would make the development of PET detectors more cost-effective and better. Inventor is Professor Gerald Eigen from the Department of Physics and Technology.

Improved processing of seismic data.

Winner contribution no 4 describes a method for better and faster processing of seismic data. Inventor is Associate Professor Henk Keers from the Petroleum Geosciences Group, Department of Earth Science. Keers has extensive experience as researcher from reputable research institutions as Princeton, Berkley and Cambridge. He has also previously worked in industry before returning to research again.

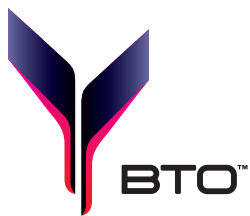


“...BTO has opened doors for us that we never had thought of before...”

Professor Bodil Holst

From left: Christian Bergfjord and Professor Bodil Holst, Associate Professor Bengt Erik Haug (researcher Nathalie Reuters not present), Associate Professor Henk Keers, and Andrea Eigen who received the prize on behalf of her husband Professor Gerald Eigen. Photo: Ørjan Deisz, BT.





GUIDING GOOD IDEAS

BTOs owners and partners: University of Bergen | Helse Bergen | Institute of Marine Research
Bergen University College | Christian Michelsen Research | NIFES | UNIFOB | Nofima AS

DESIGN BY: HALTENBANKEN TEXT BY: BTO PRINTED BY: SCANNER GRAFISK

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