



ATTORNEY GENERAL OF TEXAS
GREG ABBOTT

April 11, 2014

Ms. Cynthia Tynan
Office of General Counsel
The University of Texas System
201 West Seventh Street
Austin, Texas 78701-2902

OR2014-06073

Dear Ms. Tynan:

You ask whether certain information is subject to required public disclosure under the Public Information Act (the "Act"), chapter 552 of the Government Code. Your request was assigned ID# 519433 (UT OGC No. 154130).

The University of Texas Health Science Center at Houston (the "university") received a request for copies of technology transfer agreements executed by the university during a specified time period, specifically including descriptions and additional information regarding the technology being licensed and sold, and documentation regarding the royalties or other payments received pursuant to those agreements. You claim the submitted information is excepted from disclosure under sections 552.101 and 552.104 of the Government Code. Additionally, you state release may implicate the proprietary interests of third parties. You state you notified the third parties of the request and of their right to submit arguments to this office as to why their information should not be released.¹ See Gov't Code § 552.305(d); see also Open Records Decision No. 542 (1990) (determining that statutory predecessor to section 552.305 permits governmental body to rely on interested third party to raise and explain applicability of exception to disclosure in certain

¹The third parties notified pursuant to section 552.305 are: Amplify Education, Inc.; Astrotide, Inc.; Decisio Health, Inc. ("Decisio"); Education 2000, Inc.; Enzo Life Sciences; Film Ideas; Lakeshore Learning Materials ("Lakeshore"); Liberty Source; Insight Media, Inc.; Metryx, L.L.C.; NanoMedical Systems, Inc.; NIRF Imaging, Inc.; ORI Community and Evaluation Services; Panamab, Inc.; Riot Creative Imaging; Salix Pharmaceuticals, Inc.; SimulTOF Systems; Teachscape, Inc.; Terra Nova Films; TexTeach, L.L.C.; ThermaRX, Inc.; the University of California at San Francisco; and Zymo Pharmaceuticals, L.L.C. ("Zymo").

circumstances). We have received comments from Decisio, Lakeshore, and Zymo. We have considered the submitted arguments and reviewed the submitted information.

Section 552.104 of the Government Code protects from required public disclosure “information that, if released, would give advantage to a competitor or bidder.” Gov’t Code § 552.104(a). The purpose of section 552.104 is to protect the interests of a governmental body in connection with competitive bidding and in certain other competitive situations. *See* Open Records Decision No. 593 (1991). This office has held a governmental body may seek protection as a competitor in the marketplace under section 552.104 and avail itself of the “competitive advantage” aspect of this exception if it can satisfy two criteria. *See id.* First, the governmental body must demonstrate it has specific marketplace interests. *See id.* at 3. Second, the governmental body must demonstrate a specific threat of actual or potential harm to its interests in a particular competitive situation. *See id.* at 5. Thus, the question of whether the release of particular information will harm a governmental body’s legitimate interests as a competitor in a marketplace depends on the sufficiency of the governmental body’s demonstration of the prospect of specific harm to its marketplace interests in a particular competitive situation. *See id.* at 10. A general allegation of a remote possibility of harm is not sufficient. *See* Open Records Decision No. 514 at 2 (1988).

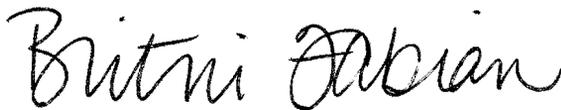
You assert that the university has specific marketplace interests in the information at issue because “[t]he [u]niversity is a competitor in the marketplace with regard to research discoveries and subsequent licensing of technologies discovered and patented.” You state that in the present situation, the university “is providing a ‘service’ or ‘good’ by licensing its inventions” to these third parties. You further state the university is involved in ongoing negotiations regarding pricing and marketing with its licensees as amendments become necessary to protect the interests of the university. You inform this office that the responsive information contains details about the development of certain research technologies, pricing and commercial information, and the terms of the agreements that reflect the approach taken by the university when negotiating its licensing contracts. You explain that if the competitive information regarding these technologies or the terms under which they were developed and licensed were made public, it would undermine the ability of the university to market its research discoveries and to optimize the financial benefit of its investment for the state because the university would no longer be on equal footing with private companies in the research field. Having carefully considered all of your arguments, we find that you have demonstrated that the university has specific marketplace interests and that the prospective release of the responsive information poses a specific threat of harm to the university’s interests in a particular competitive situation. We therefore conclude that the university may withhold the responsive information in its entirety under section 552.104 of the Government Code.²

²As our ruling is dispositive, we need not address any of the remaining arguments against disclosure.

This letter ruling is limited to the particular information at issue in this request and limited to the facts as presented to us; therefore, this ruling must not be relied upon as a previous determination regarding any other information or any other circumstances.

This ruling triggers important deadlines regarding the rights and responsibilities of the governmental body and of the requestor. For more information concerning those rights and responsibilities, please visit our website at http://www.texasattorneygeneral.gov/open/orl_ruling_info.shtml, or call the Office of the Attorney General's Open Government Hotline, toll free, at (877) 673-6839. Questions concerning the allowable charges for providing public information under the Act may be directed to the Office of the Attorney General, toll free, at (888) 672-6787.

Sincerely,



Britni Fabian
Assistant Attorney General
Open Records Division

BF/tch

Ref: ID# 519433

Enc. Submitted documents

c: Requestor
(w/o enclosures)

Mr. G. Gray Hancock, III
President
Decisio Health, Inc.
6500 Main Street, Suite 1020
Houston, Texas 77030
(w/o enclosures)

Mr. Jonathan A. Claypool
Assistant Manager
Zymo Pharmaceuticals, L.L.C.
17062 Murphy Avenue
Irvine, California 92614
(w/o enclosures)

Ms. Jessica Perez
Vice President of Administration
Lakeshore Learning Materials
2695 East Dominguez Street
Carson, California 90895
(w/o enclosures)

Mr. Marvin Vestal, Ph.D.
SimulTOF Systems
60 Union Avenue
Sudbury, Massachusetts 01776
(w/o enclosures)

Education 2000, Inc.
2703 East Commercial Boulevard
Fort Lauderdale, Florida 33308
(w/o enclosures)

Mr. Ram Salazar
Riot Creative Imaging
6300 Gulfton
Houston, Texas 77081
(w/o enclosures)

Dr. Adan Rios
Panamab, Inc.
6310 Mystic Bridge
Houston, Texas 77030
(w/o enclosures)

Mr. Andrew Whiteley
Enzo Life Sciences
10 Executive Boulevard
Farmingdale, New York 11735
(w/o enclosures)

Mr. Rick Scruggs
Salix Pharmaceuticals, Inc.
8510 Colonnade Center Drive
Raleigh, North Carolina 27615
(w/o enclosures)

Mr. Mark Atkinson
Teachscape, Inc.
71 Stevenson Street, 5th Floor
San Francisco, California 94105
(w/o enclosures)

Ms. Nancy Bergstrom, Ph.D.
TexTeach, L.L.C.
5 Greenway Plaza, Suite 1450
Houston, Texas 77046
(w/o enclosures)

Film Ideas
308 North Wold Road
Wheeling, Illinois 60090
(w/o enclosures)

Mr. Askar Kuchumov, Ph.D.
Astrotide, Inc.
21 Breezewood Drive
Orchard Park, New York 14127
(w/o enclosures)

Ms. Eva Sevick, Ph.D.
NIRF Imaging, Inc.
9029 Rolling Oak Court
Montgomery, Texas 77316
(w/o enclosures)

Mr. Chris Arthun
ORI Community and Evaluation Services
1776 Millrace Drive
Eugene, Oregon 97403
(w/o enclosures)

Mr. Jim Vanden Bosch
Executive Director
Terra Nova Films
9848 South Winchester Avenue
Chicago, Illinois 60643
(w/o enclosures)

Mr. Eduardo Barrera
Liberty Source
2101 South I.H. 35, Suite 410
Austin, Texas 78741
(w/o enclosures)

Mr. Haider Hassan
ThermaRx, Inc.
710 North Post Oak Road, Suite 204
Houston, Texas 77024
(w/o enclosures)

Ms. Elana B. Joffe
Vice President
Acquisitions & Development
Insight Media, Inc.
2162 Broadway
New York, New York 10024
(w/o enclosures)

Mr. Shawn Rubin
Metryx, L.L.C.
42 Lexington Avenue
Providence, Rhode Island 02903
(w/o enclosures)

Mr. Randy Goodall, Ph.D.
NanoMedical Systems, Inc.
4401 Freidrich Lane, Suite 307
Austin, Texas 78744
(w/o enclosures)

Mr. John Arbolino, Jr.
Procurement and Contract
The University of California, San
Francisco
1855 Folsom Street, MCB Room 304,
Box 0910
San Francisco, California 94142-0910
(w/o enclosures)

Amplify Education, Inc.
55 Washington Street, Suite 900
Brooklyn, New York 11201-1071
(w/o enclosures)

Ms. Anna DiGabriele Petti
Senior Patent Counsel
Enzo Biochem, Inc.
527 Madison Avenue
New York, New York 10022
(w/o enclosures)