

ACTION REQUEST

Subject: Material Transfer Agreement between the University of Michigan and 3D Biomatrix, LLC.

Action Requested: Approval of Material Transfer Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Technology Transfer while reviewing the technology transfer agreement that then triggered a review by the OVPR Conflict of Interest Review Committee. A plan for management of the possible risks associated with the conflict of interest was then developed and approved by this Committee and agreed to by the parties involved in this plan.

This proposed Material Transfer agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professors Shuichi Takayama and Nicholas Kotov are both employees of the University of Michigan ("University") and partial owners and officers of 3D Biomatrix, LLC. The law permits such an Agreement provided it is disclosed to the executive officers and approved in advance by a 2/3 vote of the Regents of the University of Michigan.

Background:

Dr. Takayama, Professor of Biomedical Engineering, and Macromolecular Science and Engineering, College of Engineering, is a member of the Scientific Advisory Board of 3D Biomatrix, LLC, and Dr. Kotov, Professor of Chemical Engineering, College of Engineering is also Founder, Chief Technology Officer, and member of the Board of Directors of 3D Biomatrix, LLC (the "Company"). The Company was formed to commercialize 3-dimensional cell culture devices and desires to obtain samples from the University associated with the following technology:

UM OTT File No. 5308, entitled: "Imaging and Transfer Plate for Analysis and Manipulation of 384 Hanging Drop Microtissue Spheroids" (Inventors: Shuichi Takayama, Stephen P. Cavnar, Gary Luker, Emma Salomonsson and Kathryn E. Luker)

The Office of Technology Transfer selected the Company as a University partner and negotiated the terms of the proposed Agreement in accordance with University policy and its accepted licensing principles.

Parties to the Agreement:

The Regents of the University of Michigan and 3D Biomatrix, LLC.

Agreement Terms Include:

Agreement terms include approving the transfer of samples to the Company for internal use and evaluation. The University will retain ownership of the technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. Standard disclaimers of warranties and indemnification apply, and the Agreement may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

Pecuniary Interest:

The pecuniary interests of Drs. Takayama and Kotov arise from their ownership interest in 3D Biomatrix, LLC.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a material transfer agreement for samples related to UM OTT File No. 5308.

3D Biomatrix will obtain use to the above listed University technology for internal use and evaluation.

Recommendations:

This matter has been reviewed and approved by the OVPR Conflict of Interest Review Committee. In light of this disclosure and our finding that the Agreement was negotiated in conformance with standard University practices, I recommend that the Board of Regents approve the Material Transfer Agreement between the University and 3D Biomatrix, LLC.

Respectfully submitted,



Stephen R. Forrest
Vice President for Research

March 2012