

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Subject: License Agreement between the University of Michigan and HiPer Fiber, LLC

Action Requested: Approval of License 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 UMOR 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 license agreement (“Agreement”) falls under the State of Michigan Conflict of Interest Statute because Professor Sherif El-Tawil and Dr. Yuh-Shiou Tai are both employees of the University of Michigan (“University”) and partial owners of HiPer Fiber, LLC. The law permits such an Agreement provided it is disclosed to the Board of Regents (“Regents”) of the University of Michigan and approved in advance by a 2/3 vote.

Background:

Dr. Sherif El-Tawil, a Professor in the Department of Civil and Environmental Engineering, and Dr. Yuh-Shiou Tai, a Visiting Research Scientist in the Department of Civil and Environmental Engineering, are the partial owners of a for-profit company called HiPer Fiber, LLC (the “Company”). The Company was formed recently to commercialize technologies that create striated fibers to be used as a material in ultra-high-performance concrete and desires to license from the University of Michigan the University’s rights associated with the following technologies:

UM OTT File No. 2018-361, entitled: “Striated Steel Fibers” (Inventors: Sherif El-Tawil, Yuh-Shiou Tai)

UM OTT File No. 2018-452, entitled: “Method for Striating Steel Fibers” (Inventors: Sherif El-Tawil, Yuh-Shiou Tai)

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 HiPer Fiber, LLC

Agreement Terms Include:

Agreement terms include granting the Company an exclusive license with the right to grant sublicenses. The Company will pay a royalty on sales.

The University will retain ownership of the licensed technologies and may continue to further develop and use them 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. El-Tawil and Tai arise from their ownership interest in HiPer Fiber, LLC.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a worldwide exclusive license agreement for the technologies related to UM OTT File Nos. 2018-361 and 2018-452 for all fields of use. HiPer Fiber, LLC will obtain use and commercialization rights to the above listed University technologies.

Recommendations:

This matter has been reviewed and approved by the UMOR 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 Agreement between the University and HiPer Fiber, LLC.

Respectfully submitted,



S. Jack Hu  
Vice President for Research

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