

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Option Agreement between the University of Michigan and Endectra, LLC

Action Requested: Approval of Option 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 option agreement (“Agreement”) falls under the State of Michigan Conflict of Interest Statute because Professor Roy Clarke and Mr. Nicholas Cucinelli are employees of the University of Michigan (“University”) and partial owners of Endectra, 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. Roy Clarke, a Professor in the Department of Physics, and Mr. Nicholas Cucinelli, a Research Associate II Temp in the Office of Technology Transfer, are the partial owners of a for-profit company called Endectra, LLC (the “Company”). The Company desires to option from the University of Michigan the University’s rights associated with the following technology:

UM OTT File No. 7385, entitled: “SiPM Array-Based Multispectral Optical Probes for Image-Guided Radiotherapy” (Inventors: Roy Clarke, Nicholas Cucinelli, Samuel DeBruin, Issam El Naqa, Ibrahim Oraiqtat)

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 Endectra, LLC

Agreement Terms Include:

Agreement terms include granting the Company an option with the right to negotiate an exclusive license.

The University will retain ownership of the optioned 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 Dr. Clarke and Mr. Cucinelli arise from their ownership interest in Endectra, LLC.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of an option agreement for patents related to UM OTT File No. 7385 for all fields of use. Endectra, LLC will obtain use and limited license rights to the above listed University technology.

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 Endectra, LLC.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'S. Jack Hu', is written over a light blue horizontal line.

S. Jack Hu
Vice President for Research

June 2018