

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: License Agreement between the University of Michigan and GreenMark Biomedical Inc.

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 Joerg Lahann is both an employee of the University of Michigan (“University”) and a member of the Board of Directors of GreenMark Biomedical Inc. 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. Joerg Lahann, a Professor in the Department of Chemical Engineering, is a member of the Board of Directors of a for-profit company called GreenMark Biomedical Inc. (the “Company”). The Company was formed recently to commercialize compositions, formulations, devices, and methods for the early detection and treatment of tooth decay and desires to license from the University of Michigan the University’s rights associated with the following technology:

UM OTT File No. 6799, entitled: “Orally Administered Sensing Particles”
(Inventors: Joerg Lahann, Nathan Jones, Brian Clarkson, Sywe-Ren Chang, Agata Czajka-Jakubowska)

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 GreenMark Biomedical Inc.

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 and reimburse patent costs. The University may receive equity in the Company, along with the right to purchase more equity.

The University will retain ownership of the licensed 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. Lahann arise from his leadership role in GreenMark Biomedical Inc.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a worldwide exclusive license agreement for patents related to UM OTT File No. 6799 for all fields of use. GreenMark Biomedical Inc. will obtain use and commercialization 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 GreenMark Biomedical Inc.

Respectfully submitted,



S. Jack Hu
Vice President for Research

June 2018