

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: License Agreement between the University of Michigan and Beijing Zenithnano Technology Co., Ltd.

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 Lingjie Jay Guo is both an employee of the University of Michigan (“University”) and a partial owner of Beijing Zenithnano Technology Co., Ltd. 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. Lingjie Jay Guo, a Professor in the Department of Electrical Engineering and Computer Science – EECS-ECE Division, is a partial owner of a for-profit company called Beijing Zenithnano Technology Co., Ltd. (the “Company”). The Company was formed recently to commercialize Ultra-Thin Doped Noble Metal Films for Optoelectronics and Photonics Applications and desires to license from the University of Michigan the University’s rights associated with the following technology:

UM OTT File No. 6237, entitled: “Ultra-Thin Doped Noble Metal Films for Optoelectronics and Photonics Applications” (Inventors: Lingjie Jay Guo, Cheng Zhang)

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 Beijing Zenithnano Technology Co., Ltd.

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 as well as in collaborations with other research institutions. 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. Guo arise from his ownership interest in Beijing Zenithnano Technology Co., Ltd.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a license agreement for patents related to UM OTT File No. 6237 for all fields of use. Beijing Zenithnano Technology Co., Ltd. will obtain use 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 Beijing Zenithnano Technology Co., Ltd.

Respectfully submitted,



S. Jack Hu
Vice President for Research

September 2018