

ACTION REQUEST

Subject: Option Agreement between the University of Michigan
and CubeWorks, Inc.

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 Dennis Sylvester, Professor David Blaauw, Professor David Wentzloff, Professor Prabal Dutta, Yoonmyung Lee and Zhi Yoong Foo are all employees of the University of Michigan (“University”) and partial owners of CubeWorks, 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. Dennis Sylvester, a Professor in the Department of Electrical Engineering & Computer Science (EECS), Dr. David Blaauw a Professor in the Department of EECS, Dr. David Wentzloff, a Professor in the Department of EECS, Dr. Prabal Dutta, a Professor in the Department of EECS, Yoonmyung Lee, Assistant Research Scientist in the Department of EECS, and Zhi Yoong Foo, a Doctoral Candidate in the Department of EECS, are the partial owners of a for-profit company called CubeWorks, Inc. (the “Company”). The Company was formed recently to commercialize an Ultra-Low-Power Crystal-Less Ultra-Wide Band Transceiver and an ESD Clamp Circuit for Ultra-Low Power Applications, and desires to option from the University of Michigan the University’s rights associated with the following technologies:

UM OTT File No. 5655, entitled: “Ultra-Low-Power Crystal-Less Ultra-Wide Band Transceiver with Digital Baseband” (David D. Wentzloff, Kuo-Ken Huang, Elnaz Ansari, Ryan R. Rogel, Jonathan K. Brown)

UM OTT File No. 5953, entitled: “ESD Clamp Circuit for Ultra-Low Power Applications” (Dennis Sylvester, David Blaauw, Yoonmyung Lee, Yen-Po Chen, Jae-Yoon Sim)

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 CubeWorks, Inc.

Agreement Terms Include:

Agreement terms include granting the Company an Option to further evaluate the subject technologies and, upon meeting specific milestones, the ability to negotiate an exclusive license with the right to grant sublicenses. The Company will pay an Option fee to the University.

The University will retain ownership of the optioned technologies and may continue to further develop them and use them 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 Drs. Sylvester, Blaauw, Wentzloff, Dutta, and Mr. Lee and Mr. Foo arise from their ownership interest in CubeWorks, Inc.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of an Option agreement for patents related to UM OTT File Numbers 5655 & 5953 for all fields of use.

CubeWorks, Inc. will obtain use 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 Option Agreement between the University and CubeWorks, Inc.

Respectfully submitted,



Stephen R. Forrest
Vice President for Research

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