

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Option Agreement between the University of Michigan and Advanced Lidar Semantics, 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 Nicholas Kotov is both an employee of the University of Michigan (“University”) and a partial owner of Advanced Lidar Semantics, 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. Nicholas Kotov, a Professor in the Department of Chemical Engineering, is the partial owner of a for-profit company called Advanced Lidar Semantics, Inc. (the “Company”). The Company was formed recently to commercialize lidar systems that support autonomous vehicles and desires to option from the University of Michigan the University’s rights associated with the following technologies:

UM OTT File No. 6621, entitled: “Kirigami Nanocomposites” (Inventors: Nicholas Kotov, Terry Shyu)

UM OTT File No. 7574, entitled: “Materials-Sensing LIDARs for Robotics, Drones, and Vehicles with Different Degrees of Automation” (Inventors: Ryan Branch, Minjeong Cha, Wonjin Choi, Sharon Glotzer, Wenfeng Jiang, Nicholas Kotov, Douglas Montjoy, Brian Shahbazian, Matthew Spellings, Lizhi Xu)

UM OTT File No. 2018-451, entitled: “Kirigami Chiroptical Modulators for Circular Dichroism Measurements in Terahertz and Other Parts of Electromagnetic Spectrum” (Inventors: Gong Cheng, Wonjin Choi, Nicholas Kotov, Theodore Norris)

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 Advanced Lidar Semantics, Inc.

Agreement Terms Include:

Agreement terms include granting the Company an exclusive option for the next 12 months to obtain an exclusive license. The Company will pay an option fee and reimburse patent costs during this period.

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. Kotov arise from his ownership interest in Advanced Lidar Semantics, Inc.

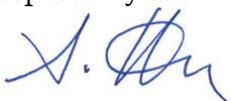
Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of an option agreement for patents and other IP related to UM OTT File Nos. 6621, 7574, and 2018-451 for all fields of use. Advanced Lidar Semantics, Inc. 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 Advanced Lidar Semantics, Inc.

Respectfully submitted,



S. Jack Hu  
Vice President for Research

February 2019