

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: License Agreement between the University of Michigan and MemryX 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 Professors Wei Lu and Zhengya Zhang are employees of the University of Michigan (“University”) and partial owners of MemryX 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. Wei Lu, a Professor in the Department of Electrical Engineering and Computer Science (EECS – ECE Division), and Dr. Zhengya Zhang, an Associate Professor in the Department of EECS – ECE Division, are partial owners of a for-profit company called MemryX Inc. (the “Company”). The Company was formed recently to commercialize a Memory Processing Unit and desires to license from the University of Michigan the University’s rights associated with the following technologies:

UM OTT File No. 7123, entitled: “Field-Programmable Crossbar Array for Reconfigurable Computing” (Inventors: Wei Lu, Mohammed Affan Abdelrahim Zidan)

UM OTT File No. 7427, entitled: “Sparse Coding With Memristor Networks” (Inventors: Fuxi Cai, Chao Du, Wei Lu, Patrick Sheridan)

UM OTT File No. 2018-329, entitled: “Memory Processing Unit (MPU)” (Inventors: Wei Lu, Mohammed Affan Abdelrahim Zidan)

UM OTT File No. 2018-488, entitled: “General-Purpose Compute-SRAM for In-Memory Compute Applications” (Inventors: Jacob Botimer, Thomas Chen, Shimong Song, Zhengya 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 MemryX 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 Drs. Lu and Zhang arise from their ownership interests in MemryX 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 Nos. 7123, 7427, 2018-329, and 2018-488 for all fields of use. MemryX 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 MemryX Inc.

Respectfully submitted,



S. Jack Hu
Vice President for Research

February 2019