

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents
April 19, 2012

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and PicoCal, Inc.

Action Requested: Authorization to enter into Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office for Research Sponsored Projects while reviewing the Proposal Approval Form which then triggered a review by the OVPR Conflict of Interest Review Committee. The Committee concluded that the proposed agreement presents minimal risk and approved it with disclosure as sufficient management.

This proposed agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor Yogesh Gianchandani is both an employee of the University of Michigan ("University") and an owner and member of the Board of Directors of PicoCal, Inc. The law permits such an Agreement provided it is disclosed to the executive officers and approved in advance by a 2/3 vote of the Regents of the University of Michigan.

Background:

Dr. Gianchandani, a Professor of Electrical Engineering and Computer Science, and Mechanical Engineering, College of Engineering, is an owner and member of the Board of Directors of a for-profit company called PicoCal, Inc. (the "Company"). The Company was formed recently to develop innovative micro-machined sensors and actuators for semiconductor, nanotechnology, material characterization and biological applications. The Company has received an award from the National Science Foundation to create micro-machined probes for localized nanomanufacturing.

Agreement Terms:

The terms of the proposed Agreement conform to University policy. The Company wishes to enter into a subcontract with the University to enable Dr. Khalil Najafi, Professor of Electrical Engineering and Computer Science, College of Engineering, to direct the project and assist in the development of this probe. Dr. Najafi has no financial or management interests in the Company. The period of performance for the project is an eighteen (18) month period and the amount of funding support is \$60,000. Since research projects are often amended, these agreements include provisions for changes in time, amount, and scope of each supported project. University procedures for approval of the terms and conditions governing this work will be followed and additional conflict of interest review will be done as appropriate.

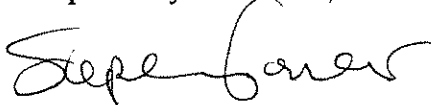
Impact of the Agreement:

The Agreement will support an effort by Dr. Najafi to use his expertise and University resources to facilitate the generation and evaluation of a new probe to assist in the manufacture of nanotechnology by controlling the growth and orientation of nanostructures.

Recommendation:

This matter has been reviewed and approved by the OVPR Conflict of Interest Review Committee. In light of the disclosure made in this document and our finding that the Agreement will be negotiated in conformance with standard University practices, I recommend that the Board of Regents approve of the University's entering into this Agreement with PicoCal, Inc.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephen R. Forrest". The signature is written in a cursive style with a large, stylized initial "S".

Stephen R. Forrest
Vice President for Research

April 2012