

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

ACTION REQUEST

EXH	MOTION: Deitch
	SET BY: Newman
	ACTION: APPROVED BY THE REGENTS
NOTE:	JUL 21 2005

Subject: License Agreement between the University of Michigan and Pipex, 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 which then triggered a review by the Medical School Conflict of Interest Board. A plan for management of the possible risks associated with the conflict of interest was developed by the Board 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 George Brewer is both an employee of the University of Michigan ("University") and a partial owner and Chair of the Scientific Advisory Board to Pipex, Inc. ("Pipex"). 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. Brewer, a Professor Emeritus in Human Genetics, is the partial owner and Chair of the Scientific Advisory Board to a for-profit company called Pipex. Pipex was formed to commercialize certain ammonium tetrathiomolybdate ("Ammonium TM") compounds for the treatment of Wilson's Disease, inflammatory or fibrotic diseases, specifically the following files:

UM OTT File No. 2169 entitled: "Copper lowering treatment of inflammatory and fibrotic diseases"

Parties to the Agreement:

The Regents of the University of Michigan and Pipex, Inc.

License Terms Include:

License terms include giving Pipex an exclusive license with the right to grant sublicenses. Pipex will pay a royalty on sales and reimburse patent costs. 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 contract may be amended by consent of the parties.

Pecuniary Interest:

The pecuniary interest of Dr. Brewer arises from his ownership interest in Pipex. He has waived any personal participation in the sharing of revenue received by the University.

Net Effect:

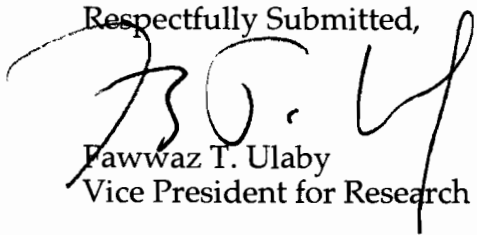
The Office of Technology Transfer has negotiated and finalized the terms of a world-wide exclusive license agreement for patents related to UM OTT File No. 2169 for the fields of use of Wilson's Disease, inflammatory and fibrotic diseases in humans.

Pipex will obtain use and commercialization rights to the above listed University technology.

Recommendations:

This matter has been reviewed and approved by the Medical School Conflict of Interest Board and a plan has been developed to manage the potential risks associated with the conflict of interest. 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 License Agreement between the University and Pipex, Inc.

Respectfully Submitted,



Fawwaz T. Ulaby
Vice President for Research

July 2005