

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Master Research Agreement between the University of Michigan and Xiaoju Science and Technology (Hong Kong) Limited

Action Requested: Authorization to enter into Research Project Authorizations pursuant to the Master Research Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Research and Sponsored Projects while reviewing a Proposal Approval Form 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 then developed and approved by the Board and agreed to by the parties involved.

The master research agreement (“Agreement”) and individual research project authorizations (“Authorizations”) falls under the State of Michigan Conflict of Interest Statute because Professor Jieping Ye is an employee of the University of Michigan (“University”), and the Vice President of Research for Xiaoju Science and Technology (Hong Kong) Limited (“DiDi”). The law permits such an Agreement provided it is disclosed to the Board of Regents (“Regents”) of the University and approved in advance by a 2/3 vote.

Background:

Dr. Jieping Ye, a Professor in the Department of Computational Medicine and Bioinformatics, is the Vice President of Research of a for-profit company called DiDi (the “Company”). The Company provides one of the largest ride-sharing services in the industry. The Company wishes to support the following four (4) research projects at the University, under the Master Research Agreement previously approved by the Regents on July 19, 2018, related to research and development of ride sharing and autonomous fleet technologies:

- 1) “Post-Pandemic Rejuvenation through Team Competition and Information Intervention (Phase IV)” (ORSP #20-PAF08042) in the School of Information under the direction of Professor Qiaozhu Mei.
- 2) “Optimal Design of Driver Incentives” (ORSP #20-PAF08098) in the Department of Civil and Environmental Engineering under the direction of Professor Yafeng Yin.
- 3) “Right-Time, Right-Place: A Reinforcement Learning Approach for Idle Car Repositioning,” (ORSP #20-PAF08151) in the Department of Electrical Engineering and Computer Science under the direction of Professor Lei Ying.

4) “Urban Scenario Generation for Simulation Based Autonomous Vehicle Testing” (ORSP #20-PAF08245) in the Department of Civil and Environmental Engineering under the direction of Professor Henry Liu.

Agreement Terms:

The terms of the Agreement and Authorizations conform to University Policy. The Agreement and Authorizations’ terms cover standard procedures for performance of projects as well as provisions implementing University and federal policies related to intellectual property and publication. The Agreement, as amended, covers a six (6) year period ending December 31, 2022, with total anticipated funding from the Company to the University of not less than \$300,000 per year, or not less than \$1,800,000 over the term of the agreement.

The period of performance for each Authorization is approximately twelve (12) months. The amount of funding for each Authorization will not exceed \$100,000.00 for research and \$10,000.00 for licensing fees payable to the University. Since research projects are often amended, the Agreement and Authorizations include provisions for changes in the time and scope. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

Impact of the Agreement:

The Agreement and Authorizations will facilitate research and testing that will assist the University in developing and commercializing technology in energy storage, autonomous vehicles, and ride sharing platform management and consumer adoption.

Recommendations:

These matters have been reviewed and approved by the Medical School Conflict of Interest Board. In light of this disclosure and our finding that the Master Research Agreement and Research Project Authorizations were negotiated in conformance with standard University practices, I recommend that the Board of Regents approve of the University’s entering into the Authorizations with Xiaoju Science and Technology (Hong Kong) Limited.

Respectfully submitted,



Rebecca Cunningham
Vice President for Research

October 2020