

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Option Agreement between the University of Michigan and Invenio Imaging 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 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 this Board 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 Daniel Orringer is both an employee of the University of Michigan ("University") and a partial owner of Invenio Imaging 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:

Daniel Orringer, MD, an Assistant Professor in the Department of Neurological Surgery, is the partial owner of a for-profit company called Invenio Imaging Inc. (the "Company"). The Company was formed recently to commercialize an integrated multimodal microscope with associated surgical tools and desires to option from the University of Michigan the University's rights associated with the following technology:

UM OTT File No. 6720, entitled: "Biopsy Device for Coherent Raman Imaging" (Inventors: Daniel Orringer and Matthew Spector)

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 Invenio Imaging Inc.

Agreement Terms Include:

Agreement terms include granting the Company an exclusive option with the right to negotiate an exclusive license. Under such option, the Company will reimburse patent costs and will evaluate the technology.

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. Orringer arise from his ownership interest in Invenio Imaging Inc.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a exclusive option agreement for patents related to UM OTT File No. 6720 for all fields of use. Invenio Imaging Inc. will obtain the right to negotiate an exclusive license for 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. 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 Invenio Imaging Inc.

Respectfully submitted,



S. Jack Hu
Interim Vice President for Research

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