

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents
July 17, 2008

ACTION REQUEST

Subject: License Agreement between the University of Michigan and LivingText

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 OVPR Conflict of Interest Review Committee. A plan for management of the possible risks associated with the conflict of interest was then developed by this Committee and agreed to by the parties involved.

This proposed license agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor Perry Samson is both an employee of the University of Michigan ("University") and a partial owner of LivingText. 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. Samson, a Professor in Atmospheric, Oceanic and Space Sciences, is the partial owner of a for-profit company called LivingText. LivingText was formed to commercialize alternative models for delivery of educational activities in college and K-12 markets and desires to license the following technology from the University:

UM File OTT No. 3536, entitled: "Web-based Interactive Classroom System: LectureTools" created by Professor Perry Samson, Professor Ben van der Pluijm, and programmed by Bret Squire (all UM employees)

Parties to the Agreement:

The Regents of the University of Michigan and LivingText.

Agreement Terms:

Agreement terms include giving LivingText a non-exclusive license. The University will retain ownership of the licensed technology and may continue to further develop it, use it internally, and license it to others. 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. 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 interest of Dr. Samson arises from his ownership interest in LivingText.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a non-exclusive license agreement for software related to UM OTT File No. 3536.

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

Recommendations:

This matter has been reviewed and approved by the OVPR 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 University entering into this Agreement with LivingText.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Stephen R. Forrest".

Stephen R. Forrest
Vice President for Research

July 2008