

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents

April 19, 2007

ACTION REQUEST

Subject: Option Agreement between the University of Michigan and InmaTech

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 which then triggered a review by the OVPF Conflict of Interest Review Committee. A plan for management of the possible risks associated with the conflict of interest was then developed by this Board and agreed to by the parties involved.

This proposed option agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor Thompson is both an employee of the University of Michigan ("University") and a partial owner of InmaTech. 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. Levi Thompson, a Professor in Chemical Engineering, is the partial owner of a for-profit company called Inmatech. Inmatech was formed recently to commercialize transition-metal catalysts and their applications, and desires to option the following technology from the University:

UM File No. 1746: entitled: "Transition Metal Carbide and Nitride Water Gas Shift Catalysts" (Mr. Cory Phillips, Dr. Dong Moon, Mr. Jeremy Patt & Dr. Levi Thompson )

UM File No. 2446 and 2542, entitled: "Carbide/Nitride Based Fuel Processing Catalysts" (Mr. Chang Kim, Dr. Shyamal Bej, Mr. Jeremy Patt & Dr. Levi Thompson)

UM File No. 2866, entitled: "Reducibly Oxide Based Catalysts" (Mr. Chang Kim, Dr. Shyamal Bej & Dr. Levi Thompson)

UM File No. 2992, entitled: "Fully CMOS Compatible Micro-Fuel Cells for Portable Device Power" (Mr. Andre Taylor & Dr. Levi Thompson)

UM File No. 3291, entitled: "Thermal Integration Strategy for Hydrocarbon Fuel Processor"(Mr. William Northrop & Dr. Levi Thompson)

UM File No. 3628, entitled: "Catalysts for NOx Selective Catalytic Reduction with Reformate" (Mr. William Johnson & Dr. Levi Thompson)

UM File No. 3682, entitled: "Catalysts for Hydrogenation of edible oils"  
(Thompson)

Parties to the Agreement:

The Regents of the University of Michigan and InmaTech

Option Terms:

Option terms include giving InmaTech an option to an exclusive license with the right to grant sublicenses. 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. 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. Thompson arise from his ownership interest in InmaTech.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a world-wide exclusive option agreement for patents related to UM OTT File Nos. 1746, 2446, 2542, 2866, 2992, 3291, 3628 & 3682 for the fields of use of catalysts for the processing of automotive combustion fuels or products, in the design and manufacture of fuel cells, and for the hydrogenation of oils for food, fuel and other industrial applications.

InmaTech 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 Option Agreement between the University and InmaTech.

Respectfully Submitted,



Stephen R. Forrest  
Vice President for Research

April 2007