

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and Intellectual Gaming, LLC

Action Requested: Authorization to enter into Agreement

Preamble:

A statutory conflict of interest situation was identified by the Division of Research Development and Administration while reviewing the proposed 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 conflicts of interest was then developed by the Committee and agreed to by the parties involved.

This proposed subcontract agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Dr. Gavin Clarkson is an Assistant Professor in the School of Information and is a minority owner of Intellectual Gaming, LLC. The Company wishes to enter into a subcontract agreement. 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. Gavin Clarkson is an Assistant Professor in the School of Information and holds a ten percent (10%) interest in a small business called Intellectual Gaming, LLC (hereafter, Company). The Company desires to fund a project in the School of Information under the direction of Dr. Clarkson.

Nature of the Agreement:

The Company wishes to enter into a subcontract with the University to enable Dr. Clarkson to develop a prototype for a "Prior Art Museum" based on the Conceptual Reference Model (CRM) developed by the Commission de Documentation (CIDOC), a workgroup formed at the direction of the International Council of Museums. The Prior Art Museum developed under this Agreement will provide the structure for a database that is searchable across multiple collections and allows a three-dimensional grouping of both patent and non-patent prior art.

Agreement Terms:

The terms of the Agreement conform to University policy. The period of performance for the project is one (1) year and the amount of funding support is \$80,400.

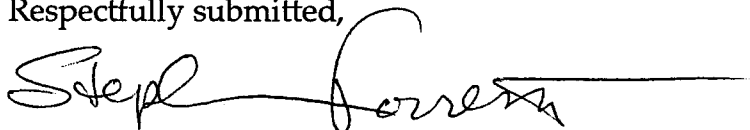
Impact of the Agreement:

The Agreement will support an effort by Dr. Clarkson to use his expertise and University facilities to develop a valuable method of organizing and retrieving a diverse set of patent and non-patent information. The system that is developed will constitute a valuable tool for grouping and displaying information that may be populated with a broad array other searchable content. The School of Information is exploring the possibility of extending this capability to Tribal Museums operated by American Indian Tribes around the country, as well as the various museums owned or operated by the University of Michigan.

Recommendation:

This matter has been reviewed and approved by the OVPR Conflict of Interest Review Committee and by the Office of the Dean for the School of Information. In light of the disclosure made in this document and our finding that the agreement was negotiated in conformance with standard University practices, I recommend that the Board of Regents approve of the University's entering into this Agreement with Intellectual Gaming, LLC.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephen R. Forrest", written over a horizontal line.

Stephen R. Forrest  
Vice President for Research

July 2006