

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

ACTION REQUEST

EXH	MOTION <i>Newman</i>
	SECOND <i>Malyard</i>
	ACTION APPROVED BY THE REGENTS
NOTE: SEP 15 2005	

Subject: License Agreement between the University of Michigan and McCreadie Group, Inc.

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 Medical School Conflict of Interest Board. A plan for management of the possible risks associated with the conflict of interest was then developed by the Board and agreed to by the parties involved in this agreement.

This proposed license agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Scott McCreadie and Barbara McCreadie are both employees of the University of Michigan ("University") and partial owners, directors and officers of McCreadie Group, Inc. 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.

Background:

Mr. Scott McCreadie, Staff Associate, Medical Center, UMH Hospital Pharmacy Services and Dr. Barbara McCreadie, a Research Investigator in the Department of Orthopaedic Surgery, are partial owners of a for-profit company called McCreadie Group, Inc. ("McCreadie Group"). McCreadie Group was originally formed to commercialize one software package called PharmDoc.net and desires to license the following software technology from the University:

UM OTT File No. 3138, WebIDS (Scott McCreadie, Michael McGregory, Burgunda Sweet, Helen Tamer, Roberta Tankanow, Rivka Siden)

Parties to the Agreement:

The Regents of the University of Michigan and McCreadie Group, Inc.

License Terms Include:

License terms include giving McCreadie Group an exclusive license with the right to grant sublicenses. McCreadie Group will pay a royalty on sales. 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 Agreement may be amended by consent of the parties. University procedures for approval of these changes will be followed and additional review by the Conflict of Interest Review Committee will be done as appropriate.

Pecuniary Interest:

The pecuniary interests of Scott and Barbara McCreadie arise from their ownership interest in McCreadie Group. Mr. Scott McCreadie has waived any personal participation in the sharing of revenue received by the University. Dr. Barbara McCreadie is not an inventor on the technology file being licensed.

Net Effect:

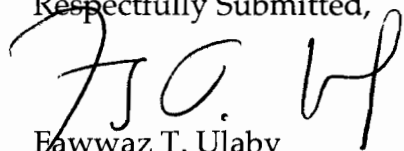
The Office of Technology Transfer has negotiated and finalized the terms of a world-wide exclusive license agreement for the software program related to UM OTT File No. 3138 for all fields of use.

McCreadie Group will obtain 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 License Agreement between the University and McCreadie Group, Inc.

Respectfully Submitted,



Fawwaz T. Ulaby
Vice President for Research

September 2005