

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Subject: License Agreement between the University of Michigan and New Vital Signs, 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 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 license agreement (“Agreement”) falls under the State of Michigan Conflict of Interest Statute because Professor Kevin Ward is both an employee of the University of Michigan (“University”) and a partial owner of New Vital Signs, 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:

Kevin Ward, MD, a Professor in the Department of Emergency Medicine, is a partial owner of a for-profit company called New Vital Signs, Inc. (the “Company”). The Company was formed recently to commercialize wearable sensor devices and desires to license from the University of Michigan the University’s rights associated with the following technologies:

UM OTT File No. 5590, entitled: “Methods of Monitoring Intravascular Volume Status” (Inventors: Kevin Ward, Mohamad Tiba, James Blum )

UM OTT File No. 5949, entitled: “Miniature Piezoelectric Cardiovascular Monitoring System” (Inventors: Kenn Oldham, Ashwin Belle, Kayvan Najarian, Kevin Ward, Daniel Slavin, Sardar Ansari, Rodney Daniels)

UM OTT File No. 6147, entitled: “Early Detection of Severity of Hemodynamic Decompensation Using S-Transform and L1-Norm on ECG Signals” (Inventors: Kayvan Najarian, Kevin Ward Harm Derksen, Ashwin Belle)

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 New Vital Signs, Inc.

Agreement Terms Include:

Agreement terms include granting the Company an exclusive license with the right to grant sublicenses to OTT File Nos. 5590 and 5949 and a nonexclusive license to OTT File No. 6147. The University may receive equity in the Company, along with the right to purchase more equity, and the Company will reimburse patent costs.

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, 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. Kevin Ward arise from his ownership interest in New Vital Signs, Inc.

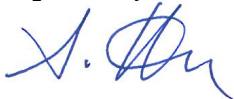
Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a worldwide exclusive license agreement for patents related to UM OTT File Nos. 5590 and 5959, and a nonexclusive license for intellectual property related to UM OTT File No. 6147, for all fields of use. New Vital Signs, Inc. 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 Agreement between the University and New Vital Signs, Inc.

Respectfully submitted,



S. Jack Hu  
Vice President for Research

October 2017