

ACTION REQUEST

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

Action Requested: Authorization to enter into Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Research and Sponsored Projects while reviewing the Proposal Approval Form which then triggered a review by the Medical School Conflict of Interest Board and UMOR Conflict of Interest Review Committee. A plan for management of the possible risks associated with the conflict of interest was then developed and approved by the Board/Committee and agreed to by the parties involved.

This proposed agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professors James Geiger and Shorya Awtar are both employees of the University of Michigan ("University"), and partial owners of FlexDex, LLC. 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:

Dr. James Geiger, a Professor in the Department of Surgery at the Medical School, and Dr. Shorya Awtar, an Associate Professor in Mechanical Engineering at the College of Engineering, are partial owners of a for-profit company called FlexDex, LLC (the "Company"). The Company was formed recently to commercialize a minimally invasive surgical tool and has obtained an option from the University. The Company wishes to fund a NSF (prime) SBIR Phase II project entitled "Enhanced Dexterity Minimally Invasive Surgical Platform-Phase II" (ORSP #14-PAF04263) in the Department of Surgery under the direction of Dr. Geiger. The purpose of this project is further developing and commercializing the above referenced UM optioned technology.

Agreement Terms:

The terms of the Agreement will conform to University policy. The period of performance for the project is approximately twenty-four (24) months and the amount of funding support is anticipated at \$65,035. Since research projects are often amended, these agreements include provisions for changes in time, amount, and scope of each supported project. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

Impact of the Agreement:

The Agreement will support an effort by Dr. Geiger to use his expertise and University laboratory and other University resources to develop and validate a low-cost, minimally invasive laparoscopic surgical tool that provides the enhanced dexterity and intuitive control currently seen only in multi-million dollar surgical robots.

Recommendations:

This matter has been reviewed and approved by the Medical School Conflict of Interest Board and UMOR Conflict of Interest Review Committee. In light of this disclosure and our finding that the Agreement will be negotiated in conformance with standard University practices, I recommend that the Board of Regents approve the University's entering into this Agreement with FlexDex, LLC.

Respectfully submitted,



S. Jack Hu  
Interim Vice President for Research

March 2014