

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Regental Action Required Under the State of Michigan Conflict of Interest Statute

Action Requested: Authorization for the University to enter into an agreement with Brio Device, LLC (University of Michigan Employees, Laura L. McCormick, Ph.D., Douglas G. Mullen, Ph.D., and Sabina Siddiqui, M.D., Partial Owners)

Background:

The University of Michigan Office of Technology Transfer seeks approval to enter into an agreement with Brio Device, LLC ("Brio") for the development of an airway management medical device prototype designed to improve intubation success rates and reduce ramifications from improper tube insertion as a step toward commercializing the technology.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Laura L. McCormick, Ph.D., Engineer II, is a University temporary employee with the Department of Surgery, Section of Pediatric Surgery; Douglas G. Mullen, Ph.D., Project Senior Manager, is a University employee with the Michigan Nanotechnology Institute for Medicine and Biological Sciences; and Sabina Siddiqui, M.D., Clinical Lecturer, is a University employee in the Department of Surgery, Section of Pediatric Surgery. Drs. McCormick, Mullen and Siddiqui would be parties to the agreement as partial owners (members) of Brio.

However, the Statute allows the University to enter into such agreements if the following conditions are met:

- a) The public servant promptly discloses any pecuniary interest in the contract to the official body which has power to approve the purchase, which disclosure shall be a matter of record in its official proceedings.
- b) The purchase is approved by a vote of not less than 2/3 of the full membership of the approving body in open session without the vote of the public servant making the disclosure.
- c) The official body discloses the following summary information in its official minutes:
 - i) The name of each party involved in the contract.
 - ii) The terms of the purchase, including duration, financial consideration between the parties, facilities or services of the public entity included in the purchase, and the nature and degree of assignment of employees of the public entity for fulfillment of the purchase.
 - iii) The nature of any pecuniary interest.

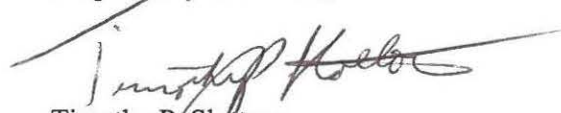
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its Office of Technology Transfer and Brio.
- ii) The agreement is for the development of an airway management medical device prototype designed to improve intubation success rates and reduce ramifications from improper tube insertion. The time period is twelve months at a cost of \$38,000.
- iii) The pecuniary interest arises from the fact that University of Michigan employees, Laura L. McCormick, Douglas G. Mullen, and Sabina Siddiqui are partial owners (members) of Brio.

Laura L. McCormick, Douglas G. Mullen, and Sabina Siddiqui have met state law requirements with the disclosure of their pecuniary interest and formal appointment arrangements with the University of Michigan. Requirements, if any, that may be applicable under the Medical School's or OVPR's Conflict of Interest Committee's procedures are separately analyzed and managed.

We recommend that the Board of Regents approve the agreement between the University of Michigan and Brio subject to requirements, if any, that either the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,



Timothy P. Slottow
Executive Vice President
and Chief Financial Officer

May 2013