

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Sponsored Activity Agreement between the University of Michigan and Applied Morphomics, Inc.

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. A plan for management of the possible risks associated with the conflict of interest was then developed and approved by the Board and agreed to by the parties involved.

This proposed sponsored activity agreement (“Agreement”) falls under the State of Michigan Conflict of Interest Statute because Professor Stewart C. Wang is an employee of the University of Michigan (“University”), and a partial owner of Applied Morphomics, Inc. (“AMI”). 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:

Stewart Wang, MD, PhD, a Professor in the Department of Surgery, Medical School, is the partial owner of a for-profit company called AMI (the “Company”). The Company wishes to fund a sponsored activity entitled, “Data Transfer to Applied Morphomics,” (ORSP #18-PAF08141) in the Department of Surgery under the direction of Dr. Stewart Wang. The purpose of this agreement is to allow Dr. Wang to facilitate the transfer of a limited data set necessary to utilize an existing piece of University owned intellectual property identified as OTT file #4834. AMI is in the process of obtaining an exclusive license to that intellectual property and this agreement will be ancillary to the license agreement.

Agreement Terms:

The terms of the Agreement conform to University policy. The period of performance for the project is approximately one (1) year. The amount of funding support will not exceed \$7,000, which includes a data recovery fee. Since research projects are often amended, this agreement includes provisions for changes in time and scope. 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. Wang, as well as other university resources, to prepare, assemble, and transmit the data.

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 University's entering into this Agreement with Applied Morphomics, Inc.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'S. Jack Hu', is positioned above the printed name.

S. Jack Hu
Vice President for Research

July 2018