

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and Prehab Technologies, LLC dba as Prenovo

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 agreement (“Agreement”) falls under the State of Michigan Conflict of Interest Statute because Professor Stewart Wang, Ms. June Sullivan, and Mr. Nicholas Wang are employees of the University of Michigan (“University”), and partial owners of Prehab Technologies, LLC, doing business as Prenovo. 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, June Sullivan, MBA, an Administrative Manager Associate in the Department of Surgery, and Nicholas Wang, a Graduate Student Research Assistant in the Department of Computational Medicine and Bioinformatics, are the partial owners of a for-profit company called Prenovo (the “Company”). The Company wishes to fund an NSF (prime) STTR Phase I project entitled “A Fully-Automated Endoscopic Scoring System for Ulcerative Colitis,” (ORSP #19-PAF06794) in the Department of Computational Medicine and Bioinformatics under the direction of Dr. Kayvan Najarian. The purpose of this project is to address technical challenges prior to commercialization of an automated video analysis system to replicate the existing Mayo scoring system for ulcerative colitis.

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 \$113,630. 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. Najarian to use his expertise and University laboratory, as well as other University resources, to improve informative frame classification, better estimate camera location, and differentiate bleeding due to disease and bleeding induced by biopsy.

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 Prehab Technologies, LLC dba Prenovo.

Respectfully submitted,



Rebecca Cunningham
Interim Vice President for Research

July 2019