

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Sponsored Activity Agreement between the University of Michigan and EVOQ Therapeutics 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 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 Committee and agreed to by the parties involved.

This proposed sponsored activity agreement (“Agreement”) falls under the State of Michigan Conflict of Interest Statute because Professors James J. Moon and Anna A. Schwendeman are employees of the University of Michigan (“University”), and partial owners of EVOQ Therapeutics 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 J. Moon, an Assistant Professor in the Department of Pharmaceutical Sciences, and Dr. Anna A. Schwendeman, an Assistant Professor in the Department of Pharmaceutical Sciences, are partial owners of a for-profit company called EVOQ Therapeutics LLC (the “Company”). The Company wishes to fund a sponsored activity entitled “EVOQ General Services Agreement” (ORSP# 17-PAF04460) in the Department of Pharmaceutical Sciences under the direction of Drs. Moon and Schwendeman. The purpose of this project is to synthesize lipid-based nanoparticles that are loaded with immunostimulatory molecules and protein subunit antigens.

Agreement Terms:

The terms of the Agreement conform to University policy. The period of performance is approximately three (3) years. The amount of funding support will not exceed \$50,000. Since such agreements are often amended, this agreement includes a provision 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 Drs. Moon and Schwendeman to use their expertise and University laboratory, as well as other University resources, to synthesize lipid-based nanoparticles for potential therapeutic purposes.

Recommendations:

This matter has been reviewed and approved by the UMOR Conflict of Interest Review Committee. 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 EVOQ Therapeutics LLC.

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

October 2017