

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the
Regents
November 21, 2013

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and ImBio, 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 a Proposal Approval Form that then triggered a review by the Medical School Conflict of Interest Board. A plan for management of the possible risks associated with any conflicts will be developed and approved by the Board and agreed to by the parties involved, prior to execution of any Agreement between the parties.

The proposed agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professors Brian Ross and Alnawaz Rehemtulla are both employees of the University of Michigan ("University"), and partial owners of ImBio, LLC ("ImBio"). The law permits such Agreements provided they are disclosed to the Board of Regents ("Regents") of the University of Michigan and approved in advance by a 2/3 vote .

Background:

Dr. Ross, a Professor in the Departments of Radiology and Biological Chemistry, Medical School, and Dr. Rehemtulla, a Professor in the Department of Radiation Oncology, Medical School, are the partial owners of a for-profit company called ImBio, LLC (the "Company"). The Company wishes to fund a project in the University's Department of Radiology under the direction of Dr. Galban and with participation by Dr. Ross. The Company has received an award from the National Institutes of Health and wishes to provide a subaward to the University through the Small Business Innovative Research (SBIR) program. The purpose of this project, entitled "CT-Based Biomarker for Diagnosis of COPD" (13-PAF02924), is to develop a commercial parametric response mapping (PRM) diagnostic software application and to validate PRM as a surrogate marker of patient health status using images and patient information obtained from the NIH-sponsored clinical trial COPDGene. University personnel will provide technical and material support for the development of the software and validation of the biomarker.

Agreement Terms:

The terms of the Agreement will conform to University policy. The period of performance for the project is approximately 3.5 years. The amount of funding support will not exceed \$783,730 for the Agreement.

Impact of the Agreement

The Agreement will support an effort by Drs. Galban and Ross to use their expertise and University laboratories, as well as other University resources to develop a commercial PRM diagnostic software application and validate PRM as a surrogate biomarker of prognostic metrics of COPD.

Recommendation:

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 will be negotiated in conformance with standard University practices, I recommend that the Board of Regents approve of the University entering into this Agreement with ImBio, LLC.

Respectfully submitted,

A handwritten signature in cursive script that reads "Stephen R. Forrest". The signature is written in black ink and is positioned above the printed name.

Stephen R. Forrest
Vice President for Research

November 2013