

**THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION**

ACTION REQUEST

Subject: Commercialization Agreements with the University of Michigan

Action Requested: Approval of Commercialization Agreements

Preamble:

Statutory conflicts of interest situations were identified by Innovation Partnerships while reviewing commercialization agreements that then triggered a review by the Medical School Conflict of Interest Board and/or the UMOR Conflict of Interest Review Committee. Plans for management of the possible risks associated with the conflicts of interest will be developed and approved by the Board and/or Committee and may require agreement by the parties involved.

These proposed commercialization agreements (“Agreements”) fall under the State of Michigan Conflict of Interest Statute because employees of the University of Michigan (“University”) have outside activities, relationships, or interests in the companies described in Attachment A. The law permits such Agreements provided they are disclosed to the Board of Regents (“Regents”) of the University and approved in advance by a 2/3 vote.

Background:

These companies were formed to commercialize University technologies and desire to option, license, or reassign the University’s rights associated with them. Innovation Partnerships selected these companies as University partners and negotiated the terms of the proposed agreements in accordance with University policy and its accepted licensing principles.

Agreement Terms Include:

The University will retain ownership of the optioned, licensed, or reassigned technologies and may continue to further develop and use them internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreements. Standard disclaimers of warranties and indemnification apply, and the Agreements may be amended by consent of the parties, such as adding related technology. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate. Terms specific to each Agreement are described in Attachment A.

Net Effect:

Innovation Partnerships has negotiated and finalized the terms of the option, license, or reassignment agreements for patents, technology, or content related to University technologies for particular fields of use. The companies will obtain the right to evaluate, use, and/or commercialize the University technologies. The net effects specific to each Agreement are described in Attachment A.

Recommendations:

These matters have been reviewed and approved by the Medical School Conflict of Interest Board and/or the UMOR Conflict of Interest Review Committee. In light of this disclosure and our finding that the Agreements were negotiated in conformance with standard University practices, I recommend that the Board of Regents approve the Agreements between the University and the companies outlined in Attachment A.

Respectfully submitted,



Rebecca Cunningham
Vice President for Research

February 2023

Attachment A

Agreement #1

License Agreement between the University and Decimal Code, LLC Reviewed by the Medical School Conflict of Interest Board		
<u>Innovation Partnerships Intellectual Property File Information</u>		
Number	Title	Inventors
2019-010	Automated Anesthesia Billing Application	Sachin Kheterpal, John Vandervest, Michael Burns, Nirav Jitendra Shah, Leif Saager, Anik Sinha, Jay Jeong
<u>Background</u>		
Decimal Code, LLC was formed to commercialize and develop software applications that automate procedural medical billing and identify lost billing and revenue generation opportunities and desires to license the University's rights associated with the technology listed above.		
<u>Net Effects</u>	<u>Agreement Terms</u>	
<ul style="list-style-type: none">● Worldwide exclusive● Patents and copyrights● All fields of use● Right to commercialize	Decimal Code, LLC will: <ul style="list-style-type: none">● Obtain the right to grant sublicenses The University will: <ul style="list-style-type: none">● Receive equity in Decimal Code, LLC● Retain the right to purchase more equity in Decimal Code, LLC	
<u>University Employee; University Title; Relationship with Decimal Code, LLC</u>		
<ul style="list-style-type: none">● Michael Burns; Assistant Professor, Anesthesiology; Partial Owner● John Vandervest; Data Architect Staff Specialist, Anesthesiology; Partial Owner		

Agreement #2

License Agreement between the University and Esanik Therapeutics, Inc. Reviewed by the Medical School Conflict of Interest Board

Innovation Partnerships Intellectual Property File Information

Number	Title	Inventors
2021-099	Autophagy Inhibition via Targeting of PIKfyve Potentiates Immune Checkpoint Blockade in Prostate Cancer Therapy	Arul Chinnaiyan, Yuanyuan Qiao
2023-234	ESK981 treatment for autophagy-dependent cancers	Arul Chinnaiyan, Yuanyuan Qiao
2023-238	ESK440 treatment for neuroblastoma	Arul Chinnaiyan, Seema Chugh

Background

Esanik Therapeutics, Inc. was formed to develop small molecule compounds to treat cancer and desires to license the University's rights associated with the technology listed above.

Net Effects

- Worldwide Exclusive
- Patents
- All fields of use
- Right to commercialize

Agreement Terms

Esanik Therapeutics, Inc. will:

- Obtain the right to grant sublicenses
- Pay a royalty on sales
- Reimburse patent costs
- Pay an upfront fee

The University may:

- Receive equity in Esanik Therapeutics, Inc.
- Retain the right to acquire/purchase more equity in Esanik Therapeutics, Inc.

University Employee; University Title; Relationship with Esanik Therapeutics, Inc.

- Arul Chinnaiyan; Professor, Pathology; Partial Owner
- Gilbert Omenn; Professor, Computational Medicine and Bioinformatics; Member, Board of Directors

Agreement #3

**License Agreement between the University and Graham-Bermann Programs LLC
Reviewed by the UMOR Conflict of Interest Review Committee**

Innovation Partnerships Intellectual Property File Information

Number	Title	Inventors
2021-508	Mood Lifters for Kids: A wellness Program to Improve Psychological and Behavioral Well Being	Sandra Graham-Bermann, Patricia Deldin

Background

Graham-Bermann Programs LLC was formed for the development and commercialization of the Mood Lifters Kids program content and desires to license the University's rights associated with the technology listed above.

Net Effects

- Worldwide exclusive
- Copyrights
- All fields of use
- Right to commercialize

Agreement Terms

The University will:

- Obtain the right to receive equity in Graham-Bermann Programs LLC
- Obtain the right to receive a liquidation fee in Graham-Bermann Programs LLC

University Employee; University Title; Relationship with Graham-Bermann Programs LLC

- Sandra Graham-Bermann; Professor, Psychology; Partial Owner

Agreement #4

**Option Agreement between the University and Precision Trauma, LLC
Reviewed by the Medical School Conflict of Interest Board**

Innovation Partnerships Intellectual Property File Information

Number	Title	Inventors
2020-129	Device for Control of Non-Compressible Abdominal Hemorrhage	Jeffrey Plott, Mohamad Hakam Tiba, Kevin Ward, Brendan McCracken

Background

Precision Trauma, LLC was formed to commercialize hemorrhage-control solutions and desires to option the University's rights associated with the technology listed above.

Net Effects

- Worldwide exclusive
- Patents
- All fields of use
- Evaluation Only

Agreement Terms

Precision Trauma, LLC will:

- Reimburse certain patent expenses

University Employee; University Title; Relationship with Precision Trauma, LLC

- Kevin Ward; Professor, Emergency Medicine; Partial Owner