

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Option Agreement between the University of Michigan and iReprogram, LLC

Action Requested: Approval of Option Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Technology Transfer while reviewing the technology transfer agreement that 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 this Board and agreed to by the parties involved in this plan.

This proposed option agreement (“Agreement”) falls under the State of Michigan Conflict of Interest Statute because Professor Indika Rajapakse and Dr. Lindsey Muir are employees of the University of Michigan (“University”) and partial owners of iReprogram, 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:

Indika Rajapakse, PhD, an Assistant Professor in the Department of Computational Medicine and Bioinformatics, and Lindsey Muir, PhD, a Research Investigator in the Department of Computational Medicine and Bioinformatics, are partial owners of a for-profit company called iReprogram, LLC (the “Company”). The Company was formed to develop and commercialize a mathematical-based approach to determine the optimal mixture and precise temporal delivery of transcription factors to transform human, animal, or plant-derived cells to any desired type of human, animal, or plant cell, respectively, for the treatment of human and animal diseases or for agricultural purposes, and desires to option from the University of Michigan the University’s rights associated with the following technology:

UM OTT File No. 7027, entitled: “Control Approach to Cell Reprogramming” (Inventor: Indika Rajapakse)

The Office of Technology Transfer selected the Company as a University partner and has negotiated the terms of the proposed Agreement in accordance with University policy and its accepted licensing principles.

Parties to the Agreement:

The Regents of the University of Michigan and iReprogram, LLC

Agreement Terms Include:

Agreement terms include granting the Company an option to negotiate an exclusive license with the right to grant sublicenses. The University shall receive equity in the Company as part of any future license agreement, along with the right to purchase more equity.

The University will retain ownership of the optioned technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. Standard disclaimers of warranties and indemnification apply, and the Agreement 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.

Pecuniary Interest:

The pecuniary interests of Drs. Rajapakse and Muir arise from their ownership interest in iReprogram, LLC.

Net Effect:

The Office of Technology Transfer has negotiated a worldwide exclusive option agreement for a patent related to UM OTT File No. 7027 for the fields of use of treating human and animal diseases and enhancing the growth and taste characteristics of food crops. iReprogram will obtain use and commercialization rights to the above listed University technology.

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 Agreement between the University and iReprogram, LLC.

Respectfully submitted,



S. Jack Hu
Vice President for Research

May 2018