

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

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

Action Requested: Approval of Patent 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 Brian Ross, PhD and Alnawaz Rehemtulla, PhD are both employees of the University of Michigan (“University”) and partial owners of Invenshure, 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. Brian Ross, a Professor in Radiology and Biological Chemistry, and Dr. Alnawaz Rehemtulla, a Professor in Radiology and Radiation Oncology at the Medical School, are partial owners of a for-profit company called Invenshure, LLC (the “Company”). The Company wishes to obtain an option from the University of Michigan the University’s rights associated with the following technology:

UM OTT File No. 5930, entitled: “Bub1: A Novel Target for Inhibition of TGFbeta Signaling” (Inventors: Brian Ross, Alnawaz Rehemtulla and Shyam Nyati)

The Office of Technology Transfer selected the Company as a University partner and 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 Invenshure, LLC.

Agreement Terms Include:

Agreement terms include granting the Company an exclusive option to the technology. The Company will reimburse ongoing patent costs, perform technical diligence, and provide a business plan that describes the Company’s intention and ability to develop and commercialize the licensed technology. Terms of the

subsequent license agreement would include a royalty on sales and reimbursement of patent costs.

The University will retain ownership of the licensed 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. Brian Ross and Alnawaz Rehemtulla arise from their ownership interest in Invenshure, LLC.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a worldwide option agreement for patents related to UM OTT File No. 5930 for all fields of use. Invenshure, LLC will obtain evaluation 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 Invenshure, LLC.

Respectfully submitted,



S. Jack Hu
Interim Vice President for Research

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