

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents

April 19, 2007

ACTION REQUEST

Subject: Amendment to License Amendment between the University of Michigan and Compendia Bioscience, Inc.

Action Requested: Approval of Amendment to License Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Technology Transfer while reviewing the technology transfer amendment which 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 by the Board and agreed to by the parties involved.

This proposed amendment ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor Arul Chinnaiyan is both an employee of the University of Michigan ("University") and a partial owner of Compendia Bioscience, Inc. ("Compendia"). Daniel Rhodes, a University student, also is a partial owner of Compendia and is the Chief Scientific Officer of Compendia. The law permits such an Agreement provided it is disclosed to the executive officers and approved in advance by a 2/3 vote of the Regents of the University of Michigan.

Background:

Dr. Chinnaiyan, a Professor in Pathology and Urology, and Daniel Rhodes, a University student, are the partial owners of a for-profit company called Compendia Bioscience, Inc. Both will serve as consultants to Compendia, and Mr. Rhodes also will serve as the Chief Scientific Officer of Compendia. Compendia was formed to commercialize databases related to oncology, human protein interaction maps, and molecular concepts maps (all currently web-based applications). Compendia desires to have any rights the University may have in the trademark "Oncomine" assigned to the company.

Parties to the Agreement:

The Regents of the University of Michigan and Compendia Bioscience, Inc.

Agreement Terms Include:

Agreement terms include assigning the trademark "Oncomine" to Compendia in exchange for Compendia taking on delivery of their licensed technologies to non-profit and education institutions (previously handled by the University). 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.

Pecuniary Interest:

The pecuniary interests of Dr. Chinnaiyan and Mr. Rhodes arise from their ownership interest in Compendia. They have waived any personal participation in the sharing of revenue received by the University.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of this amendment to the previously executed license between the University and Compendia.

Compendia will be responsible for maintaining the "Oncomine" trademark and for servicing non-profit and education customers.

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 Compendia Bioscience, Inc.

Respectfully Submitted,



Stephen R. Forrest
Vice President for Research

April 2007