

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents
April 19, 2012

ACTION REQUEST

Subject: Research Agreement between the University of Michigan and JV BioLabs, 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 the proposed agreement which then triggered a review by the Medical School Conflict of Interest Board. A plan for management of the possible risks associated with the conflicts of interest was developed by the Board and agreed to by the parties involved.

This proposed Agreement falls under the State of Michigan Conflict of Interest Statute because Professor James Varani is both an employee of the University of Michigan ("University") as well as a partial owner and Chief Scientific Officer of JV BioLabs, LLC. 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. Varani, a professor in the Department of Pathology, is the partial owner and Chief Scientific Officer of a for-profit company called JV BioLabs, LLC (the "Company"). The Company was formed to commercialize methods of profiling drugs and natural products for skin repair activity prior to safety assessment and initial clinical testing, including the analysis of specific drugs or chemical agents and their effect on skin structure and function. The company holds a license or license option to UM Technology Transfer disclosure number 4059

The Company wishes to support a research project directed by Dr. Varani in the University's Department of Pathology entitled *Monoclonal Antibodies to OFA: Therapeutic and diagnostic Potential* (University ID 12-PAF05544), which requires the use of facilities and resources of the University.

Agreement Terms:

The terms of the Agreement conform to University policy. The period of performance for the project is expected to be twelve (12) months and the amount of funding support is anticipated at \$301,413.

Impact of the Agreement:

The Agreement will support an effort by Dr. Varani to use his expertise and is University laboratory, as well as other University resources to determine if monoclonal antibodies with specificity for OFA/LRP can suppress tumor growth/induce cytotoxicity in in vitro models of murine tumor cells and human tumor cells.

Recommendation:

This matter has been reviewed and approved by the Medical School Conflict of Interest Board. In light of the disclosure made in this document and our finding that the Agreement was negotiated in conformance with standard University practices, I recommend that the Board of Regents approve of the University's entering into this Agreement with JV BioLabs, LLC.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Stephen R. Forrest".

Stephen R. Forrest
Vice President for Research

April 2012