

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and NOTA Laboratories 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 Proposal Approval Form which then triggered a review by the UMOR Conflict of Interest Review Committee. A plan for management of the possible risks associated with the conflict of interest was then developed and approved by the Committee and agreed to by the parties involved.

This proposed agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professors Mark E. Meyerhoff, Mark A. Zacharek, Marc B. Hershenson, and Umadevi S. Sajjan are all employees of the University of Michigan ("University"), and partial owners of NOTA Laboratories 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:

Mark E. Meyerhoff, PhD, a Professor in the Department of Chemistry, Mark A. Zacharek, MD, an Associate Professor in the Department of Otolaryngology, Marc B. Hershenson, MD, a Professor in the Department of Pediatrics and Communicable Diseases, and Umadevi S. Sajjan, PhD, a Research Assistant Professor in the Department of Pediatrics and Communicable Diseases, are partial owners of a for-profit company called NOTA Laboratories LLC (the "Company"). The Company wishes to fund a National Institutes of Health (prime) STTR Phase I project entitled "Low Molecular Weight Arginine-Rich Peptides Derived from Protamine as Agents to Increase Sinonasal Nitric Oxide Levels in Treatment/Prevention of Rhinosinusitis" (ORSP# 16-PAF05661) in the Department of Chemistry under the direction of Drs. Mark Meyerhoff and Umadevi Sajjan. The purpose of this project is to study the effect of low molecular weight peptides on killing certain bacterial bio-films.

Agreement Terms:

The terms of the Agreement conform to University policy. The period of performance for the project is approximately one (1) year. The amount of funding support will not exceed \$129,000. Since research projects are often amended, this agreement includes provisions for changes in time and scope. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

Impact of the Agreement

The Agreement will support an effort by Drs. Meyerhoff and Sajjan to use their expertise and University laboratories, as well as other University resources to study the effect of low molecular weight peptides on killing certain bacterial bio-films.

Recommendations:

This matter has been reviewed and approved by the UMOR Conflict of Interest Review Committee. 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 University's entering into this Agreement with NOTA Laboratories LLC.

Respectfully submitted,



S. Jack Hu
Vice President for Research

April 2016