



FOR INFORMATION

PUBLIC

OPEN SESSION

TO: Business Board

SPONSOR: Professor Vivek Goel, Vice-President, Research & Innovation
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PRESENTER: Same as above.
CONTACT INFO:

DATE: January 24, 2019 for February 4, 2019

AGENDA ITEM: 2

ITEM IDENTIFICATION:

Application of Inventions Revenue to the Drucker Family Innovation Fund

JURISDICTIONAL INFORMATION:

Pursuant to Section 5 (1.) (b.) of the Business Board *Terms of Reference*, the Business Board has responsibility for review from time to time of the asset allocation for the investment of University funds.

The University's *Inventions Policy* allows the Vice-President, Research & Innovation to contribute Connaught Inventions revenue to alternative investments in exceptional circumstances and "in consultation with relevant stakeholders and communicated to the Business Board of Governing Council".

GOVERNANCE PATH:

1. Business Board [for information] (February 4, 2019)

PREVIOUS ACTION TAKEN:

N/A

HIGHLIGHTS:

Professor Daniel Drucker, from the Departments of Medicine and Laboratory Medicine and Pathobiology, has provided a generous gift of \$2 million to establish an endowment fund to be known as the Drucker Family Innovation Fund.

HIGHLIGHTS continued:

The contribution is contingent on the University of Toronto and the University Health Network (UHN) each matching the donation dollar for dollar. As a result, the combined Fund will be an endowment of \$6 million. The Fund will be launched as part of the lead up to the celebrations marking the 100th anniversary of the discovery of insulin. The revenues from the commercialization of insulin significantly contributed to the success of Connaught laboratories.

The University of Toronto's contribution will come from the inventions revenue generated by Prof. Drucker's discoveries that would otherwise flow to the Connaught Fund, as per the University's *Inventions Policy*, beginning immediately and continuing until the \$2 million match is achieved. The Connaught Committee discussed and approved this plan at their meeting on December 19, 2018. The combination of the generous donation from Prof. Drucker, the level of royalty revenue and the upcoming anniversary represent a very exceptional circumstance.

Prof. Drucker has contributed to the discovery of drugs that are used to treat diabetes and other endocrine disorders. To date, the Connaught Fund has benefited through receiving over \$7.4 million through the royalties generated by these inventions. It is anticipated that future revenues for the Connaught Fund will be several times the \$2 million required for this match.

Income generated by the Fund will support an annual grant competition open to faculty members across all divisions of the University affiliated with the Banting and Best Diabetes Centre and faculty members in the Department of Medicine at Mount Sinai Hospital and UHN. Individual grants of up to \$50,000 will be awarded. The number of these awards available per year will be dependent on the annual income generated from the fund.

The annual competition will be under the direction of an advisory committee appointed by the Dean of the Faculty of Medicine. The membership of the advisory committee will include the Director of the Banting and Best Diabetes Centre, Chair of the Department of Medicine, the Physician-in-Chief at Mount Sinai Hospital, the Physician-in-Chief at Toronto General Hospital and the Vice-Chair of Research in the Department of Medicine.

Additional information on Professor Drucker and his inventions can be found at the following link, <https://www.utoronto.ca/news/his-study-paved-way-drugs-help-millions-including-his-mother-law>. Of note, Professor Drucker was the recipient of a Connaught New Staff Grant in 1987.

FINANCIAL IMPLICATIONS:

See above.

RECOMMENDATION:

For information.

DOCUMENTATION PROVIDED:

- None