Exhibit 1

Diagnostics for Cystic Fibrosis

Cystic fibrosis is a debilitating hereditary disease that usually strikes its victims in early childhood. During the late 1980s, UM physician-geneticist Francis Collins, who currently directs the National Human Genome Research Institute, and Dr. Lap-Chee Tsui of Toronto's Hospital for Sick Children began a joint research project in hopes of devising a method for diagnosing and eventually treating the disorder. Within two years, the researchers successfully cloned and sequenced a gene encoding a protein known as the Cystic Fibrosis Transmembrane Regulator (CFTR). They then went on to discover that a mutant form of the CFTR gene, known as Delta 508, was the most common mutation causing the disease and was present in 90 percent of cystic fibrosis patients.

Following that discovery, the University of Michigan and the Hospital for Sick Children (HSC) filed a joint patent application for the gene and the protein derived from it They also created an arrangement whereby the University of Michigan would oversee licensing activities in the U.S., the Hospital for Sick Children would take responsibility for all other licensees, and the two institutions would share royalties from these licenses.

Through the efforts of UM Tech Transfer and the Hospital for Sick Children, non-exclusive licenses have been granted to companies throughout North America and Europe. The decision to license non-exclusively has encouraged competition among diagnostic laboratories and enabled the test to be widely available at an affordable cost. While one firm is currently involved in clinical trials with a potential gene therapy product to treat affected individuals, the vast majority--14 thus far--are either performing in-house testing for individuals who wish to know their CF carrier status and/or for newborns if requested, or are developing standardized test kits that will eventually be sold to service laboratories.