



Honorable Timothy Carroll
Clerk of the House of Representatives
Room 145
State House
Boston, MA 02133

September 30, 2026

Honorable Michael D. Hurley
Clerk of the Senate
Room 335
State House
Boston, MA 02133

Dear Mr. Carroll and Mr. Hurley:

As required by Chapter 75, Section 43(f), we are pleased to “submit to the Clerks of the Senate and the House of Representatives a detailed report of the activities of the [University of Massachusetts] laboratories within ninety days after the end of [the] fiscal year.” Fiscal Year 2026 is the twenty-ninth year of such annual reports required by the legislation, which transitioned the biologic laboratories of the state laboratory institute from the Department of Public Health to the University of Massachusetts. This report may be supplemented as necessary prior to the filing of the Fiscal Year 2027 report.

If you have any questions, please contact Terence R. Flotte, MD, UMass Chan Medical School, 55 Lake Ave. North, Worcester, MA 01655, (508) 856-8992.

Sincerely,

DocuSigned by:

David D. McManus

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David D. McManus, MD ScM MBA
Chancellor
University of Massachusetts
Chan Medical School

Signed by:

Terence R. Flotte

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Terence R. Flotte, MD
Dean, T.H. Chan School of Medicine
Provost and Executive Deputy
Chancellor
University of Massachusetts
Chan Medical School



A REPORT OF THE ACTIVITIES OF MASSBIOLOGICS FISCAL YEAR 2026

AS REQUIRED BY CHAPTER 75, SECTION 43(f)

SUBMITTED TO
CLERK OF THE HOUSE OF REPRESENTATIVES
&
CLERK OF THE SENATE

September 30, 2026

BY MASSBIOLOGICS of the
UNIVERSITY OF MASSACHUSETTS
CHAN MEDICAL SCHOOL

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1. INTRODUCTION

This report is submitted, as required by Chapter 75, Section 43(f), on the activities of the MassBiologics of the University of Massachusetts Chan Medical School. This is the twenty-ninth year of such annual reports.

The following sections provide the required information as follows:

Part 2, Prior Fiscal Year (FY26) Information, as indicated by legislation, describes the patents, licenses and agreements entered into; status of existing agreements; royalties and other benefits; and expenditures, current assets and liabilities. This section includes two schedules: (1) FY26 Statement of Revenues and Expenditures and Other Changes and (2) FY26 Balance Sheet. Included here is information related to appropriated funds for the prior fiscal year, as required by the legislation.

Part 3, Financial Plans, presents projected revenues and expenses. A three-year projection is included.

2. PRIOR FISCAL YEAR (FY26) INFORMATION

This section of the report presents the specific information indicated in the legislation related to the prior fiscal year (FY26: July 1, 2025 - June 30, 2026). This is the twenty-ninth full year in which MassBiologics has operated within the University of Massachusetts. The effective date of the transfer to the University of Massachusetts was January 1, 1997.

a. Patents and Licensing

MassBiologics did not have any patents issued in FY26.

b. Collaboration and CDMO Service Agreements entered into:

MassBiologics Contract Development and Manufacturing Services in FY26 include:

Completing activities for one existing client (Sparing Vision), and continuing activities for one existing client (PTC). Additionally, one short-term new agreement with Cure Rare Disease (CRD) was executed in FY26. Total CDMO revenue recognized in FY26 was \$11.7M.

c. Status of existing agreements, royalties and other benefits/challenges

MassBiologics had the following major existing agreements in FY26.

Medimmune (formerly Molecular Vaccines), license for Synagis, a therapeutic for respiratory syncytial virus (RSV) signed Aug. 1, 1989. Medimmune is a wholly owned subsidiary of AstraZeneca Pharmaceuticals, and divested US rights to Synagis to Swedish Orphan Biovitrum (Sobi) in January 2019. On August 12, 2025, Sobi announced that it would discontinue sales of Synagis by the end of that year. This was the result of competing anti-RSV products with longer durations of action (Beyfortus from Sanofi and AstraZeneca and Enflonsia from Merck).



Medimmune (formerly Molecular Vaccines), license for CytoGam, a therapeutic for Cytomegalo Virus signed April 23, 1990. Medimmune sold CytoGam rights to ZLB Behring (part of CSL Behring) Nov. 8, 2006. Saol Therapeutics acquired CytoGam rights from CSL Behring Aug. 6, 2019.

Bristol Myers Squibb, formerly Medarex, has a Collaborative Development Agreement signed April 17, 2002, with a public company (Medarex) and has led to discovery of several antibodies. Commercial licenses are in place that grant MassBiologics commercialization rights to these antibodies, including the treatment of rabies, *C. difficile*, Lyme and ETEC.

A Materials Cooperative Research and Development Agreement (M-CRADA) was entered on Jan. 30, 2004, with the CDC for rabies and then extended until Jan. 30, 2006. Subsequently, that agreement evolved into an Inter-Institutional Agreement that was executed in August 2005.

Merck Exclusive License Agreement was signed April 20, 2009, for antibodies against *C. difficile*. This agreement remains in place and support of commercialization of MassBiologics' proprietary *C. difficile* antibodies.

Serum Institute of India License and Collaboration Agreement was effective Sept. 27, 2006. This agreement remains in effect for the development and commercialization of a rabies monoclonal antibody for the treatment of rabies.

Commencing in FY24 and continuing into FY26, our MassBiologics and UMass Chan facilities, in Mattapan and Fall River, respectively, underwent certain regulatory inspections. These activities were successful with the approval of PTC client product Upstaza/Kebilidi from the following regulatory agencies: FDA, HPRA, ANVISA, Israel and Taiwan.

A future business plan is under development. This plan will seek to direct the efforts of MassBiologics toward the current need for biologics in the gene therapy space. It will reflect the specialized technical expertise required for this type of biologics manufacturing and will continue to meet statutory compliance.

d. Revenues, expenditures, assets and liabilities

On the pages that follow, please find two schedules: (1) FY26 Statement of Revenues and Expenditures and Other Charges and (2) FY26 Balance Sheet. This information is reviewed as part of the University of Massachusetts annual audit and is included as part of comprehensive financial reports made to the University of Massachusetts' Board of Trustees. Financial activities are also reported to the Office of the State Comptroller.

When reviewing these schedules, please note:

- License and Royalty Fees represent such payments received for CMV-IGIV, and monoclonal antibodies to RSV, rabies and *C. difficile*.

The Plant Fund includes cumulative capitalized equipment purchases and building improvements.

The core activities of MassBiologics remained consistent through FY26. In calendar year 2008, MassBiologics received its licensure from the FDA to bring its new production facility online. MassBiologics continued to manufacture clinical material in the new facility to support its IND activities.

The production facility is located at the old Boston State Hospital location. This location was authorized by the legislature in July 2000 and opened October 2005. To support the costs of the facility, Worcester City Campus Corporation borrowed in FY02 in reliance on its lease with the University of Massachusetts Chan Medical School acting on behalf of MassBiologics. The plant fund represents payment of the lease payments supporting the bonds, as well as other capital costs associated with Worcester City Campus Corporation, UMass Chan and the

capital needs and operations of MassBiologics.

In FY15, the University, determined that the previously constructed Massachusetts Accelerator for Biomanufacturing (MAB) facility (located at 1240 Innovation Way in Fall River, MA), developed under the guidance of the UMass Dartmouth campus would be a better strategic fit if it were configured as a cGMP manufacturing resource for the development of vectored therapeutics under the operational control of UMass Chan. Grants totaling \$10M from Massachusetts Life Sciences Center and MassWorks were invested in the facility to support the cGMP requirements of vector manufacturing.

In FY17 and FY26, the outstanding bonds related to the facilities discussed were refinanced, thereby reducing future debt service payment.

e. MassBiologics Advisory Board

MassBiologics' enabling legislation [Chapter 334 of the Acts of 1996] that effectively transferred the oversight and operation of MassBiologics to the University of Massachusetts included a provision that called for the establishment of an advisory board to "advise the president and the board of trustees of the university with respect to the operation of the biologic laboratories."

The statute sets certain parameters on the Advisory Board's composition by stipulating the following membership conditions: (1) the commissioner of public health or designee; (2) the director of the childhood immunization program of the Department of Public Health; (3) the dean of the Medical School of the University or designee; and (4) the dean of the School of Public Health of the University or designee. In addition to the four *ex officio* positions listed above, the statute further stipulates that the president of the University has the authority to select three to five other members to the Advisory Board, so long as the University appointments include at least one "consumer" and one "practicing pediatrician" or "other physician specializing in family medicine."

The MassBiologics Advisory Board's membership was reconstituted and strengthened with a number of new members. The Massachusetts DPH Commissioner identified two senior colleagues to join the Advisory Board: Jessica Zeidman, MD, Deputy Commissioner and Chief Medical Officer, DPH; and Angela Fowler, MD, MPH, Associate Medical Director for Vaccine Preventable Diseases, DPH. Drs. Zeidman and Fowler occupy DPH's two *ex officio* seats on the Advisory Board. In addition, the University approved the appointment of two other individuals to fill the consumer role stipulated in the enabling legislation: Katherine Luzuriaga, MD, Vice Provost for Research, *UMass Memorial Health Care Chair in Biomedical Research*, Professor of Molecular Medicine, Pediatrics and Medicine, and Director of the UMass Center for Clinical and Translational Science, UMass Chan Medical School; and Gregory Volturo, MD, Chair and Professor of Emergency Medicine and the *Richard V. Aghababian, MD '74 Chair in Emergency Medicine* at UMass Chan Medical School, who is serving in his second term on the Public Health Council.



With these value-added additions, the MassBiologics Advisory Board's membership includes the following:

David McManus, MD ScM MBA (*Ex Officio*)

Chancellor, UMass Chan Medical School

Terence R. Flotte, MD (Practicing Pediatrician)

Executive Deputy Chancellor, Provost and Chief Research Officer, UMass Chan Medical School;

The Celia and Isaac Haidak Professor of Medical Education & Dean, T.H. Chan School of Medicine

Anna Maria Siega-Riz, PhD (*Ex Officio*)

Dean, School of Public Health and Health Sciences, UMass Amherst

Jessica Zeidman, MD (*Ex Officio*)

Deputy Commissioner and Chief Medical Officer, Massachusetts Department of Public Health

Angela Fowler, MD, MPH (*Ex Officio*)

Associate Medical Director for Vaccine Preventable Diseases, Massachusetts Department of Public Health

Katherine Luzuriaga, MD (Consumer)

Vice Provost for Research; *UMass Memorial Health Care Chair in Biomedical Research*; Professor of Molecular Medicine, Pediatrics and Medicine; Director of the UMass Center for Clinical and Translational Science, UMass Chan Medical School

Gregory Vulturo (Consumer)

Professor and Chair of Emergency Medicine; *Richard V. Aghababian, MD '74 Chair in Emergency Medicine*, UMass Chan Medical School

The Advisory Board convened for a formal meeting on July 29, 2026, during which the members received updates on the gene therapy market, MassBiologics operations and budget projections for FY26 and FY27. The Advisory Board will meet again in November 2026.



University of Massachusetts Biologic Laboratories
Statement of Revenues, Expenditures and Other Changes
For the Period July 1, 2025 through June 30, 2026
(Unaudited)

	CURRENT FUND	APPROPRIATED FUNDS	TOTAL
REVENUE AND OTHER ADDITIONS:			
Product Sales	11,699,785	0	11,699,785
Royalty Fees and Interest	8,248,048	0	8,248,048
Other Income	0	0	0
Total Revenue and Other Additions	19,947,833	0	19,947,833
EXPENDITURES AND OTHER DEDUCTIONS:			
Salaries	5,762,348	0	5,762,348
Fringe Benefits	1,744,253	0	1,744,253
Supplies and Services	31,515,312	0	31,515,312
Depreciation	1,441,367	0	1,441,367
Total Expenditures and Other Deductions	40,463,279	0	40,463,279
Net Increase/(Decrease) Before Transfers	(20,515,446)	0	(20,515,446)
Nonmandatory Transfers			
Transfers	377,438	0	377,438
Total Transfers	377,438	0	377,438
Other Changes			
Excess of Restricted Receipts over Transfers to Revenue	0	0	0
NET INCREASE(DECREASE) FOR THE YEAR	(20,138,008)	0	(20,138,008)
Fund Balances at Beginning of Year (7/1/26)	990,107	0	990,107
FUND BALANCES AT END OF YEAR	(19,147,901)	0	(19,147,901)



University of Massachusetts Biologic Laboratories
Balance Sheet
As of June 30, 2026
(Unaudited)

	CURRENT FUND FY26	PLANT FUND FY26	TOTAL FY26
Assets			
Cash	(24,041,652)	0	(24,041,652)
Accounts Receivable	4,436,636	0	4,436,636
Prepaid Expenses	7,723,629	0	7,723,629
Buildings & Equipment	0	8,362,987	8,362,987
Total Assets	(11,881,388)	8,362,987	(3,518,401)
Liabilities			
Accounts Payable	4,672,502	0	4,672,502
Employee-Related Accruals	251,175	0	251,175
Other Liabilities	10,705,823	0	10,705,823
Total Liabilities	15,629,500	0	15,629,500
Fund Balances	(27,510,888)	8,362,987	(19,147,901)
Total Liabilities and Fund Balance	(11,881,388)	8,362,987	(3,518,401)

Financial Plans



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Medicine for better lives

University of Massachusetts Biologic Laboratories
Summarized Projected Revenues and Expenditures For the Fiscal
Years Ending June 30, 2027 through June 30, 2031
(Unaudited)

Budget:

- Each year, the University develops an annual operating budget that is presented to the Board of Trustees. The FY27 budget will be reported, along with the forecast, in an amendment to the report once the forecast is complete.
- Additionally, each quarter, a year end projection is developed reflective of actual results plus assumptions for the remainder of the fiscal year.
- The first quarter FY27 projection will be completed after the close of Q1 (9/30/26) and presented to the Board of Trustees in December along with the forecast.

Forecast:

The forecast for the period FY28-31 is currently being developed and an amendment to the report will be provided once that forecast is completed.



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