

**SUBMITTED BY:**

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VICE PRESIDENT FOR RESEARCH**

**UNIVERSITY CONTRACT WITH MR INNOVATIONS, INC.,  
A COMPANY OWNED BY A WSU EMPLOYEE**

**RECOMMENDATION**

The Administration recommends that the Board of Governors authorize the President or his designee to enter into a subcontract agreement with Magnetic Resonance Innovations, Inc. (hereinafter "MR Innovations"), a company owned by Dr. E. Mark Haacke, related to a grant from the Biogen Idec MA, Inc.

**BACKGROUND**

Dr. E. Mark Haacke, a faculty member in the Department of Radiology in the School of Medicine, is the president of MR Innovations, a for-profit organization. Under the auspices of the Biogen Idec MA, Inc. (hereinafter referred to as the Primary Agency), an award of \$1,107,324 (direct and indirect costs) was made to Wayne State University titled "A Study of Noninvasive Methodologies to Measure Blood Flow and Oxygenation as Potential Biomarkers in Adult Sickle Cell Disease Patients" (hereinafter "Research Program"), with Wayne State University as the lead institution and MR Innovations as a partner for the project. Work under the grant will be supported by a prime contract at Wayne State University with a subcontract to MR Innovation.

By entering into the subcontract, the MR Innovation will receive up to \$150,000 over a twelve month period in support for work to be performed by personnel at MR Innovation. The principal investigator on the WSU subcontract is Dr. E. Mark Haacke.

The purpose of this study is to determine whether noninvasive imaging techniques, such as magnetic resonance imaging (MRI) and other methods can detect a difference in blood flow and oxygen levels in subjects with sickle cell disease (SCD) compared to healthy control subjects. Brain blood flow will be assessed as the primary objective. One treatment used to manage SCD symptoms is red blood cell exchange transfusion. This study will examine whether MRI can detect a difference in blood flow and oxygen levels before and after RBC exchange in subjects with SCD in order to model whether a therapeutic intervention normalizes blood flow. Susceptibility weighted imaging data will also be collected to be able to detect and quantify cerebral microbleeds and blood oxygen consumption in the brain with quantitative susceptibility mapping. Dr. Haacke receives no remuneration from this project in his position at MR Innovations but does receive support for his position at WSU.

Further, WSU's Financial Conflict of Interest Committee has reviewed Dr. Haacke's financial status at MR Innovations and presented him with a contract to sign related to full disclosure for any presentations or representations. Dr. Haacke has agreed to the conditions and signed this contract.

The University does not have any ownership interest in MR Innovations.

Michigan Conflict of interest law requires specific sunshine procedures in order for a University employee, or a company owned by a University employee, to contract directly or indirectly with the University:

- A. The employee must disclose any pecuniary interest in the contract to the Board, and the disclosure must be made a matter of record in the Board's proceedings.
- B. The contract must be approved by a vote of not less than two-thirds of the full membership of the Board in open session.
- C. The Board's minutes must report:
  - i. The name of each party involved in the contract.
  - ii. The terms of the contract, including duration, financial consideration between parties, facilities or services of the public entity included in the contract, and the nature and degree of assignment of employees of the public entity for fulfillment of the contract.
  - iii. The nature of any pecuniary interest.

If the board approves this recommendation, the minutes will report as follows:

The Board of Governors authorizes the President or his designee to contract with MR Innovations, an organization of which Dr. E. Mark Haacke is president, to perform a Biogen Idec MA, Inc. service subcontract with standard terms regarding the ownership of inventions developed during the Research Program.

- i. The parties involved in the contract are Wayne State University and MR Innovations.
- ii. The contract will provide that:
  - a. MR Innovations shall perform a service subcontract in an amount up to \$150,000 (inclusive of standard overhead costs). The University will retain ownership of its discoveries relating to the technology resulting from the Research Program. Any unused funds will remain with the prime contract at the University;
  - b. The term of the subcontract will extend through July 31, 2016 unless extended by the parties. The agreement may be terminated by the University in the event of an uncured breach of the agreement by the MR Innovations;
  - c. An employee of WSU, Dr. E. Mark Haacke, from the Department of Radiology, will function as the principal investigator.
- iii. MR Innovations is a small for-profit entity with stock. It is not a public company. It has no liquid assets.