

SUBMITTED BY:

**STEPHEN M. LANIER, PH.D.
VICE PRESIDENT FOR RESEARCH**

**UNIVERSITY CONTRACT TO LICENSE A TECHNOLOGY TO
TRIMARAN PHARMA, INC., A COMPANY CO-OWNED BY A
COLLEGE OF PHARMACY & HEALTH SCIENCES FACULTY**

RECOMMENDATION

The Administration recommends the Board of Governors authorize the President or his designee to contract with TRIMARAN PHARMA, INC., to enter into an exclusive license for commercialization of the intellectual property encompassing the Technologies collectively titled, “Triple – Reuptake Inhibitors for Indications Including Depression, PTSD.”

BACKGROUND

Aloke Dutta, Ph.D., professor, Department of Pharmaceutical Sciences, Wayne State University has developed methodologies related to *in vitro* Triple Reuptake Inhibition. The technologies have been disclosed to the university and are described in WSU Tech ID 03-671 and embodied in issued patents US 7915433, US 8017791 B2 (Continuation in Part), US 8519159 B2 (Continuation), US 8841464 B2 (Divisional), US 897189 (Continuation), EP 1976381 B1 (Nationalized PCT), and EP 1734948 B1 (EPO).

Trimaran Pharma, INC. was founded and incorporated in Delaware in September, 2015. It is the intent of TRIMARAN PHARMA, INC. to further develop the technology for research and clinical applications and to become a leading company in the provision and use of targeted Triple – Reuptake Inhibitors for the treatment of depression, PTSD, and other related neurological disorders.

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 the 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 authorized the President, or his designee, to contract with TRIMARAN PHARMA, INC., of which Dr. Alope Dutta holds an equity position to grant TRIMARAN PHARMA, INC. an exclusive license for the Technologies collectively known as “Triple – Reuptake Inhibitors for Indications Including Depression, PTSD.”

- (i) The parties involved in the contract are Wayne State University and TRIMARAN PHARMA, INC.
- (ii) The contract will provide:
 - (a) An exclusive, worldwide royalty bearing license.
 - (b) Financial consideration of:
 - (1) Option issue fee of \$5,000.
 - (2) 5.0% of TRIMARAN issued and outstanding common capital stock.
 - (3) Annual license maintenance fee of \$10,000 beginning on the second anniversary of the Effective Date and payable each year the first commercial sales are completed.
 - (4) Royalty rate of 2.5% of Net Sales of License Products for the first \$500 million of net sales; 2.0% for the next \$500 million of sales, and 1.5% for all net sales in excess of \$1 Billion.
 - (5) Beginning with the 4th anniversary of the effective date Licensee will pay WSU minimum annual royalties of \$20,000, \$30,000, \$40,000, \$40,000, \$50,000, and \$60,000 for year 6 – n.
 - (c) No University employees are assigned in connection with the licensing contract.

(iii) Dr. Dutta’s pecuniary interest consists of an OWNERSHIP INTEREST, with WSU employee holding 20% equity interest in TRIMARAN PHARMA, Inc., and will therefore have the potential to financially benefit from the commercial success of the company, including the commercialization of the University’s Technology known as “Triple – Reuptake Inhibitors for Indications Including Depression, PTSD.”