

SUBMITTED BY: STEPHEN M. LANIER, PH.D., VICE PRESIDENT FOR RESEARCH

**UNIVERSITY SUBCONTRACT TO MSTM LLC,
A COMPANY WHICH IS PARTIALLY OWNED BY A WSU EMPLOYEE
FOR A PROJECT FUNDED BY THE NATIONAL SCIENCE FOUNDATION**

RECOMMENDATION

The Administration recommends the Board of Governors authorize the President or his designee to enter into a contract for research from MSTM, LLC, a start-up company organized to exclusively license for commercialization the intellectual property encompassing the limited liability company under the laws of Delaware and having a principle place of business in Newark, Delaware. This contract will be to perform services under a National Science Foundation Small Business Technology Transfer Program Phase II Solicitation FY 2016-2018 award to MSTM, LLC entitled STTR Phase II: Novel Ionization Process for Materials Characterization Using Mass Spectrometry.

BACKGROUND

MSTM, LLC received an award from the National Science Foundation entitled STTR Phase II: Novel Ionization Process for Materials Characterization Using Mass Spectrometry. The research under this award is to develop fundamental understanding of novel ionization processes to facilitate commercialization of these methods that were developed and patented jointly by Wayne State University and University of the Sciences in Philadelphia, Pennsylvania.

MSTM, LLC was founded in 2013 by Sarah Trimpin, Ph.D., professor, Department of Chemistry in Wayne State University's College of Liberal Arts and Sciences, and Charles N. McEwen, Ph.D., Houghton Endowed Professor of Chemistry & Biochemistry, University of the Sciences, to commercialize the technology developed by Drs. Trimpin and McEwen. The founders of MSTM, LLC are recognized experts in mass spectrometry.

Under the subaward from MSTM, LLC, Wayne State University will execute a number of experiments related to advancing the new ionization technology for addressing research and commercial needs using mass spectrometry at Wayne State's Department of Chemistry facilities including office and laboratory space and use of instrumentation in laboratories. These experiments will be conducted by Department of Chemistry research staff, including a postdoctoral fellow funded by the award and under the direction of Dr. Trimpin.

Michigan Conflict of Interest law requires specific sunshine procedures of 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 MSTM, LLC totaling \$227,295 with Wayne State University.

- i. The parties involved in the contract are Wayne State University and MSTM, LLC.
- ii. The contract, in the amount of \$227,295 is in support of the performance of a research program. WSU will conduct the following experiments:
 - Determine best matrix combinations working with MSTM, LLC manual platform.
 - Assist in developing the ionization technology for automation and validating the technology with MSTM, LLC automation platform.
 - Develop methods to minimize cross contamination to increase throughput.
 - Apply automation technology to surface analysis using the novel ionization methods.
 - The Wayne State University Department of Chemistry facilities will be used to execute these experiments.
 - The contract will have an initial term of 24 months, with an estimated start date of October 1, 2016.
 - The research will be conducted by two postdoctoral fellows funded by this contract and under the direction of Prof. Trimpin. Prof. Verani will act as a faculty associate to oversee the subaward and to prevent any conflict of interest that may arise in the conduct of the research.

- iii. The pecuniary interest is based on Dr. Trimpin's 45% ownership interest in MSTM, LLC.