

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

**UNIVERSITY SUBCONTRACT FROM A COMPANY WHICH IS PARTIALLY OWNED BY A
WAYNE STATE UNIVERSITY EMPLOYEE**

RECOMMENDATION

The Administration recommends the Board of Governors authorize the President or his designee to enter into a contract with DS Biotech, LLC, a Michigan Limited Liability Company. This contract will be to perform research services related to the in vitro validation of LMTK3 as a novel target for killing ovarian cancer cells and not normal cells using LMTK3 monoclonal antibodies and LMTK3 specific peptides.

BACKGROUND

Ghassan Saed, Ph.D., professor of Obstetrics and Gynecology in Wayne State University's School of Medicine, previously disclosed intellectual property to the university as described in WSU Tech ID 16-1322 and WSU Tech ID 20-1580 as embodied in US patent 10,336,827 and patent application, Serial No 16/417,456.

Dr. Saed has founded and solely owns a startup company, DS Biotech, formed to conduct research and development related to the development of anticancer therapeutics. DS Biotech was recently awarded a contract from Temple Therapeutics (Temple) to determine the activity of certain anticancer antibodies and peptides (developed by Temple) on the LMTK3 target. Dr. Saed wishes to subcontract the studies to Wayne State University.

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 enter into a contract with DS Biotech totaling \$100,000 to Wayne State University.

(i) The parties involved in the contract are Wayne State University and DS Biotech, LLC.

(ii) The contract will provide:

- a) Scope: Use of all ovarian cancer and normal cell lines in Dr. Ghassan Saed's laboratory at Wayne State University to test the killing efficacy of the LMTK3 peptides and compare it to killing efficacy of LMTK3 monoclonal antibodies, and also determine the MTD dose.
- b) Duration: The contract will have an initial term of twelve months, with an estimated start date of January 1, 2021.
- c) Financial consideration: The contract will provide for 15% of Dr. Saed's salary effort and the salary for one full time research assistant.
- d) University facilities to be utilized: The experiments will take place in Dr. Saed's laboratory on the second floor of the C.S. Mott Center for human growth and development, Department of Obstetrics and Gynecology.

(iii) Dr. Saed's pecuniary interest is based on his ownership of DS Biotech. Dr. Saed's share of DS Biotech is 100%, and he will therefore have the potential to financially benefit from the commercial success of the company. Dr. Saed has entered into a Financial Conflict of Interest Management Plan as approved by Wayne State University's Financial Conflict of Interest Committee.