

SUBMITTED BY: EZEMENARI M. OBASI, PH.D., VICE PRESIDENT FOR RESEARCH

**UNIVERSITY SUBCONTRACT TO LICENSE TECHNOLOGY TO A
COMPANY OWNED BY A
COLLEGE OF ENGINEERING FACULTY MEMBER**

RECOMMENDATION

The Administration recommends that the Board of Governors authorize the President or her designee to enter into an option with Perpetual Sciences, LLC, a Michigan Limited Liability Company for an exclusive option for an exclusive license for commercialization of the intellectual property encompassing the development of a “Solid State Shunt Valve with Active CSF Outflow Regulator.”

BACKGROUND

Carolyn A. Harris, Ph.D. is currently an associate professor of Chemical Engineering and Materials Science in Wayne State University’s College of Engineering. Her laboratory addresses shunt failure through clinical data examination with collaborators, benchtop in vitro models that test causation under physiologic conditions observed in hydrocephalus, in vivo rodent and piglet models, and through a translational effort that combines this work for clear correlation of shunt failure from patients. She is well-known for building a seven-center biobank of explanted failed shunts from patients and serves as scientific chair for the International Society for Hydrocephalus and Cerebrospinal Fluid Disorders.

Dr. Harris’ research has resulted in multiple technologies related to hydrocephalus shunts, including the Solid State Shunt Valve with Active CSF Outflow Regulator (WSU Tech ID 21-1651), which was filed March 15, 2023 as PCT/US2023/064427.

Dr. Harris organized Perpetual Sciences, LLC as a Michigan Limited Liability Company Michigan in 2022 to develop and commercialize novel shunt technologies to treat hydrocephalus. Dr. Harris is the single member of the company located at 69 Vendome Road, Grosse Pointe Farms, Michigan, 48236.

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 Perpetual Sciences, LLC.

- (i) The parties involved in the contract are Wayne State University and Perpetual Sciences, LLC.
- (ii) The contract will provide that:
 - (a) Scope: An option to acquire an exclusive, worldwide royalty bearing license.
 - (b) Duration: The term of the option shall be for twelve (12) months with the opportunity to extend for a further period of twelve (12) months upon payment of additional consideration.
 - (c) Financial Consideration: An initial option fee of \$1,000.
 - (d) No University employees are assigned in connection with the licensing contract.
- (iii) Dr. Harris' pecuniary interest consists of a one hundred percent (100%) ownership of Perpetual Sciences, LLC. Dr. Harris will therefore have the potential to financially benefit from the commercial success of the company. Dr. Harris has filed a Financial Conflict of Interest with the Office of Research Integrity.