

New Book Sheds Light on UGA PRESIDENT ADAMS CONTROVERSY



In today's competitive environment for grants and funding, universities are ever more challenged to ensure their faculty scientists' inventions make it to market profitably; sometimes compromising their own ethics and policies.

Pulitzer Prize winner Rich Whitt's final work of investigative journalism, *Behind the Hedges - Big Money and Power Politics at the University of Georgia*, exposes just such an instance. The conflicting imperatives of university technology transfer policies are illustrated in the questionable actions by UGA President Michael F. Adams in Chapter 11 of *Hedges*, entitled *The Kaswan Imbroglia*.

This chapter discusses the monetization (buy-down) of royalties due to UGA from pharmaceutical giant Allergan for the dry-eye invention Restasis®. Dr. Kaswan, a UGA professor and faculty researcher, invented this breakthrough drug which was initially developed as a treatment for chronic dry-eye, but has now been found to remedy a great variety of other ocular disorders. While Kaswan was recognized as the Inventor of the Year by her alma mater in 1998, she was kept in the dark about negotiations leading to the monetization sale of her invention immediately after FDA approval. As a result, uninformed university officials naively sold the royalty stream on Restasis for far less than its true value. This resulted in a loss of royalties to the university and its inventor that exceeded \$220 million dollars.

Although Whitt spent over two years investigating UGA for material for his book, he didn't uncover any information regarding Dr. Kaswan, Restasis or the royalty buy-down deal. But when he read an Atlanta Business Chronicle article on this worst-case scenario in intellectual property tech transfer, Whitt immediately contacted Dr. Kaswan to request an interview.

After meeting with Dr. Kaswan and doing some preliminary follow-up, Whitt decided that her story must be a part of his book. He spoke to his publisher, New South Books, and pushed back the book's release date to allow him time to conduct a more thorough investigation of the Kaswan controversy.

While researching Dr. Kaswan, Whitt discovered that she was recognized by the University of Virginia's Patent Foundation as discovering one of the University Inventions that Changed the World. What's more, he found that Restasis is the most profitable innovation to ever emerge from the halls of UGA, surpassing all other inventions combined. Whitt was surprised that he had never heard Kaswan's name or UGA's in conjunction with the blockbuster drug and wondered why UGA had not trumpeted the discovery and its faculty inventor.

Once he read the lawsuits between UGA, UGARF and Dr. Kaswan, Whitt found part of the answer he had been seeking. Dr. Kaswan's subject matter expertise in her invention was shunned by UGA's Research Foundation when they entered into royalty monetization talks with Allergan without her knowledge. More of the answers Whitt sought were in court documents, sealed at Allergan's request. The journalist was able to get some of the files unsealed, but many files still remain closed to public scrutiny today.

More than an exposé on UGA and Michael Adams, this chapter is an indictment of the role of money and power in the balancing act of good faith and fair dealing in university intellectual property commercialization. However, based on recent comments from university representatives denouncing the book's findings, the issues raised may remain unanswered by UGA and Adams.

