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4                   FORMAL HEARING

5

6   In re: Joy Laskar, Ph.D., )  
      )

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9                   Volume IV

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11                  Transcript of Formal Hearing, Volume IV,  
12   before Cathey H. Sutton, Certified Court Reporter,  
13   held at Georgia Institute of Technology, Centennial  
14   Research Building, 400 10th Street, Atlanta,  
15   Georgia, on the 31st day of March, 2011, commencing  
16   at the hour of 9:12 a.m.

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19                  Deb Puckett & Associates  
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21                  Atlanta, Georgia 30342

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1 DISCLOSURE

2 STATE OF GEORGIA

3 COUNTY OF FULTON

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6 Pursuant to Article 10.B of the Rules and  
7 Regulations of the Board of Court Reporting of the  
Judicial Council of Georgia, I make the following  
disclosure:

8 I am a Georgia Certified Court Reporter.

9 I am not disqualified for a relationship of  
interest under the provisions of O.C.G.A.  
10 9-11-28(c).

11 I am a representative of Deb Puckett &  
Associates.

12 Deb Puckett & Associates was contacted by  
13 the offices of Georgia Institute of Technology  
to provide court reporting services for this  
14 proceeding.

15 Deb Puckett & Associates will not be taking  
this proceeding under any contract that is  
16 prohibited by Georgia law.

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22     Cathey H. Sutton, CCR B1354  
       Certified Court Reporter  
23     Date: March 31, 2011

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1     APPEARANCES OF COMMITTEE MEMBERS:

2     Leon McGinnis, Ph.D. -- Chair  
       Linda Viney, Principal Research Engineer  
3     Sigrun Andradottir, Ph.D.  
       Sean Thomas, Research Technologist II  
4     John Marshall, Esq., Panel Advisory Counsel  
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5     APPEARANCES OF COUNSEL:

6     On behalf of the  
       Georgia Institute  
7     of Technology:     Kathryn Wasch, Esq.  
                           Jessica Sentz, Esq.  
8                             Office of Legal Affairs  
                           Georgia Institute of Technology  
9                             760 Spring Street  
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10                             Atlanta, Georgia 30308  
  
11                             Rebecca S. Mick, Esq.  
                           Senior Assistant Attorney General  
12                             Georgia Department of Law  
                           40 Capitol Square  
13                             Atlanta, Georgia 30334

14 Also present: Patrick Jenkins, Associate Director  
of Internal Auditing, Client Representative

15 - - - - -

16 On behalf of Joy  
Laskar, Ph.D.: Craig M. Frankel, Esq.

17 LeAnne M. Gilbert, Esq.  
Gaslowitz Frankel, LLC

18 303 Peachtree Street, NE  
Suite 4500

19 Atlanta, Georgia 30308

20 Craig A. Gillen, Esq.  
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21 Suite 1050  
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22 Atlanta, Georgia 30305

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24 Also Present: Hugh Hudson, Ph.D.  
American Association of University Professors

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1 CHAIRPERSON MCGINNIS: Mr. Frankel, the

2 floor is yours.

3 MR. FRANKEL: We are still waiting to see

4 if we can get statements and/or witnesses.

5 Hope springs eternal. Let me introduce a

6 couple of exhibits first. We had introduced

7 previously Exhibit No. 10. We found a signed

8 copy. And so the other one wasn't signed so I

9 would like us to replace the unsigned copy with

10 a signed copy.

11 We talked about the \$90,000 payment to the  
12 Georgia Tech Foundation. I would like to  
13 introduce an exhibit that shows that. This is  
14 just the Bank of America proof of that.

15 CHAIRPERSON MCGINNIS: This is Exhibit?

16 (Document was marked for identification as  
17 Laskar Exhibit No. L235.)

18 MR. FRANKEL: Two thirty-five. We also  
19 found, when looking, another \$10,000 payment  
20 from Sayana to Georgia Tech Research  
21 Corporation, GTRC, for \$10,000. We'd like to  
22 introduce that as Exhibit 350.

23 (Documents were marked for identification  
24 as Laskar Exhibit Nos. L350 and L238.)

25 MR. FRANKEL: There was some discussion

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1 regarding the payment for co-ops and what they  
2 got when their research was used for Sayana and  
3 other things. We would like to introduce  
4 Exhibit 238, which is the 2007-2008 annual  
5 report for GEDC, I'm sorry, ECE. And I would

6 note -- sorry. Give you all of them.

7 And I would note for your interest on Page  
8 10 you'll see three of the co-op students who  
9 actually work on this and were paid for by  
10 Sayana who actually were concerned cofounders  
11 and were going to get ownership interest in  
12 Sayana, Bevin Perunama, Saikat Sarkar, and  
13 Padmanava Sen. And so in addition to being  
14 able to use the research for their own  
15 dissertations and their own work, as part of  
16 their participation they were being listed as  
17 co-founders.

18 I've just gotten word from my colleague  
19 that Paul Hasler is not available to testify  
20 but he is available to sign a sworn statement.  
21 I have an unsigned copy of a sworn statement  
22 that he is signing as we speak. My paralegal  
23 is on her way to get the signed statement, and  
24 when I get the signed statement I'll replace it  
25 for the unsigned statement. Is that okay?

2 MR. FRANKEL: So I would introduce,

3 it's --

4 CHAIRPERSON MCGINNIS: No objection.

5 MR. FRANKEL: -- Exhibit 351, and I would  
6 like to read that into the record.

7 (Document was marked for identification as  
8 Laskar Exhibit No. L351.)

9 MR. FRANKEL: This is the statement of  
10 Paul Hasler. "My name is Paul Hasler. I am  
11 over 18 years of age and under no disability.  
12 I am giving this sworn statement based on facts  
13 within my personal knowledge.

14 "I am a professor in the School of  
15 Electrical and Computer Engineering, ECE, at  
16 the Georgia Institute of Technology.

17 "I have founded two start-up companies,  
18 GTronix and Neuromorphix, during my affiliation  
19 with Georgia Tech.

20 "As a Georgia Tech start-up company, also  
21 known as a spin-out, GTronix was eligible for  
22 automatic membership in GEDC. GTronix was not  
23 required to pay membership dues for its GEDC  
24 membership because it was a start-up through

25 Georgia Tech.

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1 "Three of the co-founders of GTronix were  
2 my graduate students at the time GTronix was  
3 started.

4 "Neuromorphix also was a Georgia Tech  
5 start-up company and eligible to receive  
6 automatic membership in GEDC without having to  
7 pay membership dues.

8 "It is my understanding that some of the  
9 benefits of GEDC membership include the right  
10 to use Georgia Tech computers on a dual-use  
11 basis, access and use to laboratory equipment,  
12 space and equipment, access and use of CAD and  
13 other design tools, and access and use of space  
14 within the TSRB if available.

15 "Georgia Tech faculty are allowed and  
16 encouraged to utilize laboratory resources to  
17 develop technology in their lab and/or research  
18 group to where it could be commercially  
19 transitioned, either through licensing or  
20 start-up activities. In fact, many of my

21       colleagues in the ECE have utilized Institute  
22       resources for developing technology to a level  
23       for commercial transition attempt. It is my  
24       understanding that this is standard practice or  
25       procedure at Georgia Tech.

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1           "It is my understanding that it is  
2       standard practice and procedure for ECE and  
3       Georgia Tech to use unrestricted funds,  
4       VentureLab funds, and gifts to pay for research  
5       in the fabrication of building block and  
6       prototype chips to be used in student  
7       dissertations and faculty peer review journals  
8       and other publications and presentations. When  
9       such research is developed at Georgia Tech,  
10      whether unrestricted or restricted funds were  
11      used, Georgia Tech does not look for, does not  
12      ask for reimbursement of such costs by a  
13      start-up company subsequently licensing these  
14      approaches as opposed to asking for  
15      reimbursement of cost for items such as patent  
16      expenses, which is required. It is common

17 practice at ECU and Georgia Tech for start-up  
18 companies to provide research prototypes to  
19 customers for evaluation and testing, including  
20 prototype integrated chips, often at no  
21 additional cost to the start-up company so long  
22 as the chips cannot be resold for commercial  
23 use. This is all part of the collaboration of  
24 commercialization process at Georgia Tech. One  
25 mission of GEDC was to improve this process at

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1 ECE."

2 I have tried to procure the testimony of  
3 numerous witnesses. Most have said no. I did  
4 have the opportunity to talk to Herb Lehman,  
5 the founder of Yamacraw and one of the founders  
6 of the GEDC. He talked to me and told me what  
7 he was going to say. I prepared a statement.  
8 He has now declined to appear, and he's also  
9 declined to sign the statement, though he's  
10 told me it is true. And though this is not  
11 evidence, for purposes of appeal I would like  
12 to proffer the testimony of Dr., of Herb

13 Lehman's for use on appeal.

14 MS. WASCH: I object to that. He's not  
15 here. He hasn't testified. Mr. Frankel cannot  
16 testify regarding --

17 MR. FRANKEL: I am not seeking to testify.

18 It is a proffer. A proffer is evidence that is  
19 used to perfect the record on appeal so that we  
20 can say the absence of Dr. Lehman was a  
21 procedural flaw. It's not meant to influence  
22 this committee. I'm acknowledging it is not  
23 evidence. I'm making a proffer for the legal  
24 purpose.

25 CHAIRPERSON MCGINNIS: We're not subject

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1 to the usual rules of evidence here, and if  
2 this is not something that's going to be useful  
3 to the panel, I'm not sure that we need it.

4 MR. FRANKEL: I appreciate your position.

5 CHAIRPERSON MCGINNIS: This is not the  
6 point at which --

7 MR. FRANKEL: Correct.

8 CHAIRPERSON MCGINNIS: This is not really

9           a legal proceeding.

10           MR. FRANKEL: No, I understand that. But  
11           the appeal process that works here is if you  
12           make a recommendation and the president follows  
13           it and we are dissatisfied, we are entitled to  
14           appeal it to the Board of Regents. The Board  
15           of Regents can only look at what's presented  
16           here.

17           If we want to identify a flaw, the  
18           standard procedure in evidence is to make a  
19           proffer of evidence. It is not evidence; it is  
20           not to be considered, but therefore it's  
21           included in the record for use on appeal if  
22           there's appeal. That's all I am trying to do  
23           is perfect the record for appeal if there's an  
24           appeal.

25           I'm acknowledging up front this is not

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1           evidence that you may consider, but I'm  
2           entitled to introduce it into the record as a  
3           proffer of evidence so that it can be used on  
4           appeal.

5 MS. WASCH: I would agree with that if it  
6 had been signed. It's not been signed.

7 MR. FRANKEL: A proffer of evidence can be  
8 offered by the lawyer to state what he believes  
9 the testimony will show. That is entirely  
10 proper under the Georgia Rules of Evidence, and  
11 obviously we're not bound by the Georgia Rules  
12 of Evidence.

13 CHAIRPERSON MCGINNIS: If you would like  
14 to hand that in marked as an exhibit but not  
15 read into the record, that's fine.

16 MR. FRANKEL: That's totally fine. Might  
17 I, when you're not present, read it into the  
18 record, have it be in the record, read into the  
19 record but not while the committee --

20 CHAIRPERSON MCGINNIS: I prefer not since  
21 Mr. Lehman is not here and he declined to sign  
22 it.

23 MR. FRANKEL: Then we will mark Exhibit  
24 352 and enter into the record as a proffer of  
25 testimony. At that point we have no other

1           witnesses and no evidence.

2           (Document was marked for identification as  
3           Laskar Exhibit No. L352.)

4           CHAIRPERSON MCGINNIS: Anything else from?

5           MS. WASCH: No further evidence.

6           MR. MARSHALL: You guys need a minute to  
7           get your thoughts together for closing?

8           CHAIRPERSON MCGINNIS: Is 15 minutes  
9           adequate for closing? Would you like some  
10          additional time?

11          MR. FRANKEL: I'm more than happy to go  
12          now or I'm more than happy to take the 15  
13          minutes, whatever --

14          CHAIRPERSON MCGINNIS: I'm asking time --

15          MS. WASCH: Duration --

16          CHAIRPERSON MCGINNIS: -- since we  
17          finished here at 9:22 and a half --

18          MR. FRANKEL: Oh, I'm sorry, the length of  
19          the thing?

20          CHAIRPERSON MCGINNIS: Yes.

21          MR. FRANKEL: You had told me 15 minutes  
22          and I'll comply. If you want to give longer,  
23          more than happy.

24 MS. WASCH: I'm prepared to deal with 15  
25 minutes. That's fine.

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1 CHAIRPERSON MCGINNIS: Okay. Let's take a  
2 15-minute break and then we'll hear the  
3 closings and then we'll adjourn and the  
4 committee will go to another location to start  
5 its deliberations and you can do your  
6 synchronization of the evidence.

7 MR. FRANKEL: Terrific.

8 MS. WASCH: Thank you.

9 CHAIRPERSON MCGINNIS: We'll start back at  
10 9:40.

11 (A recess was taken from 9:22 a.m. until  
12 9:42 a.m.)

13 CHAIRPERSON MCGINNIS: We're ready for the  
14 closing.

15 MR. MARSHALL: They can choose to go last.  
16 They can choose to go first.

17 CHAIRPERSON MCGINNIS: Yes, it's your  
18 choice. You can go first or last.

19 MS. WASCH: I'll go last.

20 CHAIRPERSON MCGINNIS: Okay. Mr. Frankel.

21 MR. FRANKEL: Always unusual procedures to  
22 do administrative hearings, and one of the  
23 unusual procedures we did was we did written  
24 opening statements, which we have submitted to  
25 you. And we, of course, had a difficulty doing

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1 these because we had no idea what the witnesses  
2 would say. We had never been able to access  
3 them. We had never had cross-examination. But  
4 we went ahead and we tried our best. We tried  
5 our best to say what we thought the witness  
6 would show.

7 And I went over this last night, and with  
8 some exceptions pretty much everything we said  
9 that was anticipated to be shown was shown. So  
10 I encourage you when you go back to your  
11 deliberations to look at the charges, at our  
12 opening statement, and to see whether you agree  
13 with me whether they were done.

14 I'd like to talk specifically about the  
15 charges. The first charge says that, accuses

16 Dr. Laskar of professional incompetence by  
17 causing the Institute to spend money to benefit  
18 Sayana, including entering into research  
19 agreements that required Sayana to buy chips,  
20 and it goes on, causing them to buy chips for  
21 the purpose of Sayana, I mean for the purposes  
22 of giving them to ETRI. That's the first  
23 allegation.

24 So let's talk about this. The testimony  
25 up front by numerous people, including Drs. May

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1 and Jilda Garton and Dr. Allen is that when  
2 chips are used it's totally okay to use  
3 unrestricted funds to pay for chip fabrication,  
4 totally appropriate. And when it's used for  
5 academic research for dissertations and other  
6 things, that's okay too, in fact, the proper  
7 method.

8 Dr. Allen pointed out though can you use  
9 it later, and the question was are start-ups  
10 allowed to use what's in the dissertations.  
11 And he made a distinction. There's a

12 distinction between licensed information and  
13 public domain information and that information  
14 is where it remains relatively consistent.

15 All of the chips here, 100 percent, all  
16 one point approximately four or five million  
17 dollars of chips, every single one of them was  
18 used in a public, public domain document and  
19 dissertations in peer review journals and in  
20 presentations. And you have these exhibits.  
21 It's Exhibit, and I encourage you to look at  
22 it, if I can find it, Exhibit 212 lists all of  
23 the publications, all of the dissertations.  
24 There's hundreds of them.

25 And the testimony was clear even through

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1 Mr. Hurd that that is a hundred percent totally  
2 appropriate for the university to pay for it,  
3 including the cost of the chips that went into  
4 it. The cost has benefited student research.  
5 And the cost is in the public domain. Sayana  
6 is allowed to use the information. But of  
7 course Sayana had a license.

8                   So first I really want to emphasize that  
9                   when we are talking about stealing the money,  
10                  the allegedly stealing of the money, it's  
11                  \$1,089,000 is what Tech paid, what Dr. Laskar  
12                  is accused of doing. There's no dispute about  
13                  that number. Mr. Hurd agreed to it, and that's  
14                  summarized at Exhibit 213. That was it  
15                  appropriate for the university to pay for the  
16                  fabrication of chips that benefited student  
17                  research that went into the public domain.

18                  Ms. Garton, Mr. Hurd reluctantly,  
19                  Dr. Allen, Dr. May all testified that that was  
20                  wholly appropriate. So we really, we could  
21                  stop there. But let's not.

22                  They also testified that even if it wasn't  
23                  appropriate for the university to pay, if you  
24                  have unrestricted funds in the department,  
25                  whether they come from GRA, the Georgia Tech

1                  Foundation, or VentureLab, or private gifts,  
2                  that if these are unrestricted funds within the  
3                  department it's entirely fair and appropriate

4           for the department, the GEDC, to use that for  
5           the fabrication of chips and research. It's a  
6           totally appropriate thing.

7           In fact, the VentureLab proposal says that  
8           you can not only fabricate chips for use in the  
9           start-up and not just in general, actually  
10          specifically said it regarding Sayana, and you  
11          can give them to customers for them to use, to  
12          test, and otherwise specifically says  
13          prototypes. And remember what Mr. Hurd said,  
14          all of the chips that he saw were prototypes.  
15          All of them were building blocks. It's totally  
16          appropriate.

17          What, we've looked at the numbers, we've  
18          heard testimony from different people talking  
19          about what unrestricted funds were given to  
20          GEDC that related to Sayana or unrestricted and  
21          could be used for that type of purpose, and  
22          there was more than \$1,089,000 available of  
23          unrestricted funds at GEDC.

24          We know we had the \$150,000 at VentureLab  
25          fund. We know we had for a period of time a

1           million dollars of unrestricted funds from the  
2           provost's office that could be used, according  
3           to Dr. Allen, any way. And we know that there  
4           was \$300,000 every year for three years for  
5           GRA. So it was more than ample unrestricted  
6           funds in GEDC to pay for these chips. And  
7           that's a totally appropriate use of  
8           unrestricted funds.

9                 In fact, when trying to solve the Samsung  
10          problem, Ms. Garton and virtually everyone else  
11          who talked about it, Mr. Hurd said it's totally  
12          appropriate to use unrestricted foundation  
13          funds to pay for Samsung's debt, even though  
14          Samsung's debt included the production and  
15          fabrication of chips for a GEDC member that is  
16          an industry member, a company. That would be a  
17          totally appropriate use of, of funds.

18                 So we're looking at this. The accusation  
19          is that he used funds to purchase chips to go  
20          to ETRI. And the answer is it's wholly  
21          permissible; it's exactly what's used. The  
22          chips should be used. The cost of paying for

23           chips that are fabricated to be used in student  
24           dissertations and faculty research that's put  
25           into the public domain is appropriate for the

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1           university to pay for it. And it's the  
2           university's burden, not somebody else's. Even  
3           if not, there was more than adequate funds  
4           within the unrestricted funds of GEDC which can  
5           be used for fabrication.

6           And finally we went over in great detail  
7           what Sayana actually contributed. We went over  
8           the actual chips. We went over each of the ten  
9           runs, and each of the ten runs showed, we went  
10          over it with Mr. Hurd in detail, does he have  
11          any evidence other than the ones we showed that  
12          went to ETRI, those four invoices. He said no.  
13          I said could you look at it and actually see  
14          the chips that are still here and measure them  
15          to know what was given or not given. He said  
16          yes, we could but no, we didn't.

17          One might ask why they didn't, but we know  
18          for a fact that numerous chips stayed at

19           Georgia Tech and weren't given to ETRI. Now,  
20           we can't, we haven't, don't know the  
21           measurements yet but you could just measure it,  
22           it's just math. But we do know that the only  
23           evidence before you were those chips that went  
24           to ETRI, and that's on Exhibit 214; and we've  
25           listed them. Three hundred and nine thousand

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1           dollars of chips went to ETRI. That's the only  
2           evidence before you.

3           And the evidence before you is of that  
4           \$309,000 that that, and the total chip runs,  
5           and it's Exhibit 29, I'm sorry, Exhibit 215, we  
6           know it's undisputed and we showed you the bank  
7           statement that \$499,000 of the chips were paid  
8           for by Sayana and only a million eight before  
9           the charge was done and essentially apparently  
10          200,000 more was paid by Georgia Tech.

11          So even if we're going to charge Sayana  
12          for the chips that went to ETRI, which frankly  
13          I think violates Georgia Tech policy, these  
14          should be paid for by unrestricted funds and

15 should be paid for because the chips went into  
16 research. But even if Sayana is supposed to  
17 pay for them, Sayana paid more than its fair  
18 share. Three hundred nine thousand dollars of  
19 value, four hundred ninety-nine they actually  
20 paid. Of the total amount of chips that the  
21 university got, the Institute got, they got  
22 \$1.44 million of chips. The evidence is  
23 undisputed that a hundred percent of those  
24 chips went to, exclusively to the university,  
25 and they only paid either 1.3. So I really

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1 think that answers that.

2 Let's talk about the \$50,000 invoice.

3 Mr. Hurd said on Page 67 of his transcript, I  
4 actually have a copy of all the transcripts.

5 Y'all don't have the transcripts. But he said  
6 that the accounts payable department approves  
7 all invoices. And he said no invoice is paid  
8 unless the accounts payable department approves  
9 it. I draw your attention to Exhibit GT880.

10 It's the invoice. The invoice is from CMP.

11           Everybody's acknowledged that it's valid and it  
12           came from CMP.

13           And it says on its face that it's for GT  
14           2007, July 2007. It says on its face that it's  
15           for a past due invoice. There's no dispute.

16           There's no dispute that that is the invoice  
17           that was approved by the accounts payable  
18           department and that that was a check written by  
19           Georgia Tech in January a month later. So I  
20           think though there's a lot of hullabaloo about  
21           the \$50,000 invoice, the truth is Mr. Hurd  
22           testified to that the invoice is fine.

23           The complaint is regarding an alleged  
24           falsified quote, and it sure looks like that  
25           quote was falsified. What we don't have here

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1           is any evidence that Dr. Laskar falsified it.  
2           The charge is that he caused it to be  
3           falsified. But what I asked Mr. Hurd, is there  
4           any evidence that he told anybody to do  
5           anything. The answer was no. And when we  
6           looked at Kathy Beam's interview, she said that

7           Chris Evans told her to do it and she did it.

8           That's Charge 1.

9           Charge 2 that they diverted and falsified

10          membership agreement, let's remember

11          Ms. Garton's testimony. The membership

12          agreements are forms. The membership agreement

13          that was shown to you, the only allegation is

14          that the attachment, the actual membership

15          agreement was falsified and the only alteration

16          that was talked about, that was the fact that

17          they put where you pay your money to the

18          Georgia Tech Foundation.

19           But Ms. Garton also testified that when

20          you pay a membership fee for the education for

21          a nonsponsored membership, you actually pay it

22          to the Georgia Tech Foundation. I find it hard

23          to believe that inserting where you pay the

24          money to the education, for an education

25          research grant is somehow falsifying anything.

1           There was also testimony from everybody

2          who talked about this subject that the decision

3           as to whether a gift would be made as a gift  
4           with no deliverables and no string attached or  
5           whether it would be made as a sponsored grant  
6           where there would be deliverables is a decision  
7           that needs to be made by the sponsor. So BAE  
8           chose what it chose. Qualcomm, which never  
9           actually signed anything because it ultimately  
10          decided it didn't have money, chose what it  
11          chose. And there's nothing wrong with them  
12          choosing.

13           And there's nothing wrong with Dr. Laskar  
14          or anybody else saying here are the  
15          differences. And you saw the e-mail trail.  
16          The e-mail trail shows that Dr. Laskar told you  
17          here's the difference. The difference is if  
18          you are an education and you give an  
19          unrestricted gift, you don't get deliverables.  
20          But you, like anybody else, could use the  
21          results of our otherwise research in the same  
22          area.

23           So if we're already doing the research,  
24          you might want to use an education grant. If  
25          you want to do something special where you

1           direct the research and you own the property,  
2           obviously Georgia Tech owns it too and you can  
3           use it, then you use a sponsored grant. But  
4           all of that is actually decided by the grantor,  
5           by the gift maker.

6           On the third charge that Dr. Laskar  
7           falsified 2007 and 2008 and 2009 conflict of  
8           interest forms, the testimony was that if  
9           Dr. May had a question he would ask a question,  
10          he never did. But the testimony was also  
11          clear, Ms. Garton said on Page 28 of her  
12          deposition, and I will quote for you, "You knew  
13          from what Dr. May or Dr. Allen had told you or  
14          from other sources that they were all well  
15          aware of the relationship between Sayana and  
16          Dr. Laskar, right?" The answer was yes.

17          No one had any confusion regarding  
18          Dr. Laskar. It was standard practice for  
19          start-up companies for the professor to have  
20          equity ownership. No one questioned on the  
21          VentureLab form when Dr. Laskar openly

22 disclosed all of his relationship with Sayana.  
23 No one questioned when we got the annual  
24 reviews, the five-year reviews, for GEDC where  
25 it openly disclosed this. There was no

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1 confusion whatsoever in the institution about  
2 Dr. Laskar's relationship.

3 And we know this because in 2010 when  
4 Ms. Garton got involved, it was not at issue  
5 here, but when he did the computerized one and  
6 she asked questions, can I get any  
7 clarification, the first time to ask  
8 clarification, he gave her clarification. She  
9 had no problems with it. In fact, she  
10 testified she already knew that. She already  
11 knew that he was a president, founder, and  
12 equity holder in Sayana. It just wasn't on the  
13 form. I would suggest that is technicality  
14 over substance.

15 Charge 4 talks about the hundred percent  
16 of time. It is no dispute that many of the  
17 students and professors that work on the ETRI

18 project and other projects also work for  
19 Georgia Tech. The question is are they allowed  
20 to use their consulting time, their non Georgia  
21 Tech time to work. The answer, according to  
22 everybody that testified, is yes.

23 So the only question left is what was the  
24 definition of load when you're talking about a  
25 percentage of your time. Is that a percentage

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1 of all your working time available or just, or  
2 just time that's outside of Georgia Tech?  
3 Mr. Hurd said he never asked for the  
4 definition, wasn't allowed to ask for the  
5 definition. Mr. Jenkins said he wasn't  
6 instructed to ask for the definition. He  
7 didn't have the duty to ask for the definition.

8 But at the end of the day the only  
9 definition of load that's before this panel is  
10 the definition given by Mr. Lee in a signed  
11 statement, which says load means the amount of  
12 time that is available outside of Georgia Tech.  
13 And that's what he was referring to, and that

14 evidence stands uncontradicted.

15 So we are left with the last allegation,

16 Charge No. 5, that Sayana benefited and

17 therefore Dr. Laskar benefited by using Georgia

18 Tech offices, laboratory space, equipment,

19 computer networking resources without proper

20 authorization and without paying for it. Well,

21 we all heard the testimony of Dr. May that was

22 clear and unequivocal yesterday.

23 What he said, he seemed to be the only

24 witness who hadn't been coached in advance.

25 And he said, and I had him repeat it because I

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1 was so worried that maybe he'd misunderstood

2 he. He said that any GEDC member, any

3 start-up, gets to use the facility, the TSRB

4 building, no one pays for rent. Everybody gets

5 to use the computers, the CAD machines, the

6 laboratories; that's the purpose. Dr. Hasler

7 said this. In fact, so did Dr. Allen.

8 Everybody has testified that it's part of

9 the process to use those materials. We showed

10 you e-mails and some other documents where  
11 others were using it, including Axion,  
12 Dr. Allen's company. Dr. Allen didn't say wait  
13 a second, it's wrong to use the CAD materials.  
14 When we saw Agilent, who bought one of the CAD  
15 tools and made it available to other industry  
16 representatives, no one said, including  
17 Dr. Allen, who was copied on the e-mail, that's  
18 wrong.

19 Everything we have seen is that everybody  
20 believes, understood it was practice and  
21 procedure. And of course if we look at the  
22 bylaws, and I recommend you to do that -- it's  
23 Exhibit 7 of ours; it's Exhibit GT57, Georgia  
24 Tech -- it shows that one of the benefits is  
25 access to laboratory equipment and other

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1 things.

2 Now Garton, Ms. Garton, tried to say  
3 access means you can look at it. And we know  
4 lots of people came and looked at things. In  
5 fact, Mr. Hurd acknowledged that ETRI had a

6 research contract that was actually a sponsored  
7 contract and actually had the right to come  
8 onto campus and see and observe the research  
9 facilities, like anyone else, like Texas  
10 Instruments, Microsoft, and everybody else.

11 But at the end of the day Dr. May and  
12 others said that all the people who used space  
13 at TSRB didn't have to pay for it. There were  
14 no cost centers; there were no bills; there  
15 were no contracts. And the testimony here  
16 today, yesterday, and the day before was there  
17 is not a single invoice, a single cost center  
18 entry, or a single request, or a single check  
19 that they can point to you today for anybody  
20 ever to have used the CAD equipment and the lab  
21 equipment and the computers. Not any evidence  
22 before you.

23 And the reason why there's not any  
24 evidence before you is because it wasn't  
25 required. It was a benefit of GEDC membership,

2 just like Dr. May said in his testimony, just  
3 like Dr. Allen said in his testimony, just like  
4 it's identified in the GRADP document, just  
5 like it said in the VentureLab document.  
6 That's exactly what you wanted, collaboration  
7 and the ability to build upon it.

8 So I think we have one question that I  
9 anticipate Georgia Tech is going to focus on  
10 greatly, which is, well, we have no evidence  
11 that Sayana really was a GEDC member, but we  
12 do. We do. First, we have a documentation  
13 from, it's Exhibit 10, from the Center.  
14 There's been no one that said this is not true.  
15 That says from 2007 forward they were a member.

16 Second, we have the testimony of  
17 Dr. Hasler that says start-ups and GEDC,  
18 start-up companies are automatically GEDC  
19 members, and that makes sense. In fact,  
20 they're getting money from the university and  
21 VentureLab and other things to try to promote  
22 their product, including making prototypes and  
23 everything else, so why would you charge them  
24 when in fact this is a benefit. So you have

25 that from Dr. Hasler.

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1           We also have the fact that during this  
2       time frame the GEDC bylaws expressly allow the  
3       payment of money in kind. And from 2007 to  
4       2008 Sayana paid, and this is undisputed,  
5       \$178,000 in co-op expenses that would otherwise  
6       have been paid for by the co-op office or GEDC.  
7       And there's no dispute that Sayana paid this  
8       \$178,000 in kind contribution. There's no  
9       dispute that it made a \$90,000 contribution in  
10      2009. These are no disputes; these entitled  
11      you for membership.

12           And, finally, we know that it's undisputed  
13      that it also complied with its licensing  
14      requirements. Ms. Garton acknowledged that  
15      Sayana has paid over \$200,000 in patent  
16      expenses. Where do we go here? Where we end  
17      up is we've got a company, Sayana, and we've  
18      got a professor, Dr. Laskar, who has brought  
19      in, according to the request to admit that we  
20      introduced, over \$70 million of research funds

21 to the Institute.

22 He's brought in Sayana that has the  
23 ability, and he's brought and developed a  
24 60-gigahertz chip developed over many, many  
25 years, long before Sayana -- this is in the

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1 request to admit and in his CV and it's in the  
2 report from the GEDC -- that shows this is a  
3 history that could really be a great  
4 development for the Institute. And they made  
5 great investment in this.

6 The numbers, if you add them up, \$500,000  
7 paid for chips, though they really had no legal  
8 obligation to do so, \$200,000 paid in patent  
9 expenses, \$170,000 paid in co-op fees, \$90,000  
10 paid to, as a research, as a, to the Georgia  
11 Tech Foundation as a gift, \$10,000 paid  
12 directly to GTRC, almost a million dollars paid  
13 for by Sayana.

14 At the end of the day this would be a boon  
15 for Georgia Tech. It's a 5 percent owner and  
16 recently because of recent events now almost a

17        10 percent owner of Sayana. This technology,  
18        if workable, would make millions for the  
19        university. Right now I think it's probably  
20        going to, on a projection to make zero for the  
21        university for Sayana is effectively killed,  
22        Dr. Laskar's reputation is effectively killed,  
23        and he's not going to be able to do  
24        60-gigahertz innovation before other people get  
25        to it first.

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1           All of this because he allegedly stole  
2        chips and caused chips to be fabricated for  
3        ETRI when in fact that's expressly allowed.  
4           All of this because he allegedly used research  
5        facilities and equipment, which he's allowed to  
6        do. This isn't right.

7           I ask you politely and humbly, please  
8        recommend that this invasion stop. Tell the  
9        president, tell him clearly, tell him loudly,  
10       tell him unequivocally this is not how Georgia  
11       Tech should treat its professors. When we make  
12       a deal with this professor, we need to follow

13           that deal and allow Dr. Laskar to return to  
14           campus as a tenured professor and allow him to  
15           continue what has been a remarkable career in  
16           chip design and electrical engineering.

17           I apologize. I obviously took 20 minutes,  
18           and I apologize for that.

19           MS. WASCH: Not really a good place to do  
20           it. There, that's taped so I won't trip over  
21           it. Nothing kills your closing like tripping  
22           over the wire.

23           Good morning. Thanks for your patience  
24           over the past few days. Georgia Tech's  
25           relationship with its faculty is built on

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1           trust, and that trust was betrayed by  
2           Dr. Laskar. He used Georgia Tech funds,  
3           employees, and students for the benefit of his  
4           company, Sayana Wireless.

5           We've heard a lot over the past couple of  
6           days and during Mr. Frankel's closing about  
7           GTRC's license of technology to Sayana. That  
8           license is not the problem. It's not even

9           really the issue here. The issue is that  
10          Georgia Tech paid for everything that Sayana  
11          did.

12           The first charge that we made was neglect  
13          of duty. And we presented evidence to you in  
14          the form of a discussion via e-mail between  
15          CMP, Kathy Beam, and others saying pay up or  
16          we're going to cut you off and you're not going  
17          to get any more chips. There was also an  
18          e-mail from Dr. Panel to Dr. Laskar stating you  
19          need to get a quote, otherwise we're not going  
20          to be able to pay for our 2007 and 2008 chip  
21          lines. And that e-mail was sent in 2009.

22           Prior to Dr. Laskar asking Dr. Allen to  
23          approve this payment for \$50,000 to CMP,  
24          Dr. Allen did approve that payment. He  
25          approved it based upon lies told by Dr. Laskar.

1           And you have that e-mail in the evidence before  
2          you as well.

3           Dr. Laskar said GEDC was going to have to  
4          shut down if we don't get this money, it's

5           going to be for future chip runs that we can  
6           continue to make advancements in technology.  
7           Dr. Allen said okay, make sure the students  
8           don't have to suffer the consequences, I am  
9           going to get you the \$50,000. That \$50,000 was  
10          paid based upon a quote from Kathy Beam.

11           In spite of Mr. Frankel's assertion to the  
12          contrary, Mr. Frankel is not a witness under  
13          oath here, nobody knew that \$50,000 was going  
14          to be used for prior debts. That's why  
15          Dr. Laskar lied to Dr. Allen again and again  
16          until he got the \$50,000. That \$50,000 was  
17          paid to CMP as a partial payment for the past  
18          due charges that were attributable to the chips  
19          used by Sayana as building blocks.

20           The description on that forged quote, I'm  
21          sorry, on the invoice submitted to accounts  
22          payable for processing did say GT July 2007.  
23          That would not necessarily have meant anything  
24          to an accounts payable clerk. Dr. Allen never  
25          saw it. Why did he forge a quote? Well, the

1       usual process for payment is a quote, purchase  
2       order, and payment. To make it look like a  
3       current chip run instead of something that had  
4       happened two years earlier, they needed a  
5       quote.

6                  Dr. Pinel e-mailed Dr. Laskar and said we  
7       need a quote for \$50,000 so we can start  
8       reimbursement for the unpaid 2007 and 2008 chip  
9       runs. Dr. Laskar was a party to that  
10      deception, even if he didn't directly order  
11      Ms. Beam to manufacture that quote. He was the  
12      director of the center; he's responsible for  
13      its finances.

14                 Sayana has been in business since 2006.  
15                 Their first contact with ETRI began in August  
16                 of 2006 and the first payment to CMP wasn't  
17                 until April of 2009. Even a kid running a  
18                 lemonade stand knows you need some capital to  
19                 start. You need lemons; you need sugar; you  
20                 need water; you need a place to do business.  
21                 They didn't have any of those things.  
22                 Everything was paid for by Georgia Tech.  
23                 We showed you earlier a document with CMOS

24 development summary, a Sayana document. The  
25 large majority of these chips were paid for by

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1 Georgia Tech and then they were used to further  
2 the research Sayana performed to satisfy its  
3 contractual obligation to ETRI. And for  
4 commercial use you say well, ETRI couldn't  
5 resell the chips. Okay. But ETRI paid Sayana  
6 \$150,000 on a 2006 contract, 165,000 on the  
7 2007 contract, and 300,000 on Phase 1 of the  
8 2008 contract. It's all in the public domain.  
9 Why would ETRI pay anything? It just doesn't  
10 make sense.

11 Commercial use doesn't require ETRI to  
12 resell the chips. It requires only that Sayana  
13 get money for the chips and the IP that were  
14 paid for by Georgia Tech. In the CMOS  
15 development history, there's the first chip in  
16 May of '06. Georgia Tech paid; Sayana paid  
17 nothing. They were shipped to ETRI under the  
18 Sayana contract. We've gotten an  
19 acknowledgment from ETRI saying they received

20 it. Sayana was not a member of GEDC at this  
21 time.

22 September of '06, again Georgia Tech paid  
23 everything and Sayana paid nothing. Sayana  
24 was still not a member of GEDC at this time.

25 Georgia Tech, January '07, hundred percent

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1 paid by Georgia Tech. Shipped parts of this to  
2 ETRI in '07 contract. We've gotten  
3 acknowledgment of receipt by ETRI. Again,  
4 Sayana's not a member of GEDC, even if you  
5 believe that Chris Evans at the time of this  
6 tape-out.

7 October of '07, Georgia Tech pays  
8 \$177,000. Sayana pays nothing. April of '07,  
9 Georgia Tech, 143,000, Sayana, nothing. June  
10 of '07, Sayana did pay for this run in April of  
11 '09. Again, Sayana was not a member of GEDC at  
12 the time of the design and tape-out on this  
13 chip.

14 July of '07 Sayana paid. Parts of it  
15 were shipped to ETRI under the '07 contract

16 and, again, Sayana still wasn't a member of  
17 GEDC at the time of the design and tape-out  
18 on the chip. I'm sorry, GT 2 in July of  
19 '07.

20 Georgia Tech paid \$50,000 in January 2010,  
21 and that's the payment process that started  
22 with the fake quote. Not a member of GEDC at  
23 the time of the tape-out. Then January of '08  
24 Georgia Tech paid \$248,238. Sayana paid  
25 nothing. Not a member. April of '08, \$224,927

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1 paid by Georgia Tech. Sayana's still not a  
2 member of GDEC. October of '08 Georgia Tech  
3 pays. Sayana pays nothing. Shipped to ETRI  
4 under the '08 contract. July of '09, we didn't  
5 pay anything for that one. Sayana paid a  
6 hundred percent. They became a GDEC member in  
7 February of 2009. That's Charge 1.

8 Charge 2 is altering contracts. Yeah,  
9 there were no signed agreements bound with BAE,  
10 but there was testimony on this point. We also  
11 have evidence on this point. We showed you an

12 e-mail from BAE saying the agreement had been  
13 signed. Mr. Hurd and Mr. Jenkins testified  
14 that they found evidence that contracts were  
15 destroyed or at least not kept by GDEC. And  
16 the center and its documents were controlled by  
17 Dr. Laskar.

18 The Qualcomm negotiations, Qualcomm  
19 actually said they wouldn't agree to  
20 Dr. Laskar's demands for a gift because they  
21 needed a sponsored research agreement, not a  
22 gift.

23 Charge 3, false swearing. There was no  
24 disclosure of ownership interest on the 2007,  
25 2008, and 2009 conflict of interest forms.

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1 Founder and advisor doesn't mean owner. How do  
2 you believe it wasn't important to disclose the  
3 ownership interest? It's not our duty to ask  
4 further questions about the conflict of  
5 interest form. The conflict of interest form  
6 is the question. And how many times do we have  
7 to ask him to get him to tell the truth?

8           He also gave advice to Dr. Pinel on how to  
9       fill out Dr. Pinel's conflict of interest form.  
10      On that he showed he knew what the rules were.  
11      He gave Pinel the right advice, but he didn't  
12     follow it himself.

13           Dr. Laskar is Sayana. He played an active  
14     role in the management, the direction, and he  
15     signed the contract. He negotiated the  
16     contracts. He directed the employees. And he  
17     used his GT e-mail account to do all of it.

18           When Ms. Garton specifically asked him about  
19     his role, he provided false information about  
20     the overlap of Sayana and Georgia Tech  
21     employees.

22           And that leads to Charge 4. Honestly,  
23     we've got the affidavit from Mr. Lee of ETRI.  
24     He wasn't here; he wasn't available for  
25     cross-examination but just think about it. The

1       theory that a hundred percent time means  
2       100 percent of the time I devote to Sayana is  
3       flat-out silly. It renders the contract

4           meaningless. What does a hundred percent time  
5           mean? Hundred percent of the time I want to  
6           work for Sayana? It's nonsensical.

7           We've shown you documents that, here you  
8           have documents showing that Dr. Pinel is at a  
9           hundred percent time, Dr. Lim is 10 percent  
10          time, students are at a hundred percent time on  
11          this contract. Dr. Pinel and Dr. Lim are our  
12          employees, being paid by Georgia Tech.

13          Same thing you have in the interim reports  
14          showing who paid, units are shipped, and Sayana  
15          is not a member. The '07 contract, again,  
16          Dr. Pinel at a hundred percent, Lim at 10,  
17          co-ops at a hundred percent. It acquires the  
18          ST magnoelectronic chips.

19          From the '07 contract, you've got again  
20          the MT chip identified as the one to be  
21          characterized. In the August '08 ETRI  
22          contract, again Dr. Pinel at a hundred  
23          percent, Dr. Dawn at 50 percent. By now  
24          the former students are full-time Sayana  
25          employees.

1                   Charge 5, use of Georgia Tech space and  
2                   resources, Sayana didn't become a member until  
3                   February of '09. They didn't even announce  
4                   their intent to become a member until December  
5                   of '08. We have evidence from Ms. Garton's  
6                   testimony that access doesn't equal use. And  
7                   you've got an e-mail exchange between Chris  
8                   Evans and Dr. Laskar where Evans listed exactly  
9                   the same membership benefits that Ms. Garton  
10                  talked about as those do.

11                  The letter from Evans worked for  
12                  Dr. Laskar, contradicted by the later evidence  
13                  showing that they only intended to become a  
14                  member in December of '08. And Dr. Hasler,  
15                  again, wasn't here or available for  
16                  cross-examination and is not the authority on  
17                  who may use funds in what way.

18                  Dr. Laskar abused the trust placed in him  
19                  by Georgia Tech. He used our resources for  
20                  Sayana's benefit. If that's not a default of  
21                  academic integrity, what is?

22                  The claim that GDEC didn't have to follow

23           the rules, well, that's based on one auditor  
24           working against. And you can't be  
25           grandfathered out against using state funds for

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1           personal business. The rules on conflicts and  
2           start-ups can be confusing and there may be  
3           gray areas, but this is not one of them. And I  
4           ask that you recommend that Dr. Laskar's  
5           employment be terminated and his tenure  
6           revoked.

7           Thank you.

8           CHAIRPERSON MCGINNIS: The last sort of  
9           administrative issue here I think is are the  
10          two of you in sync on what's been admitted and  
11          your notebooks are synchronized?

12          MR. FRANKEL: I think so. What we need to  
13          do for purposes of preservation of the record  
14          is if we can adjourn we'll make sure. If we  
15          have a problem, we'll come back to you so that  
16          we get it into the record.

17          CHAIRPERSON MCGINNIS: And we need to get  
18          a list for the committee so that we know what

19 everybody --

20 MS. WASCH: I have the list.

21 CHAIRPERSON MCGINNIS: -- the exhibits. I  
22 don't think there were any objections to any of  
23 these exhibits.

24 MR. FRANKEL: There were objections to  
25 two or three. I don't know what they

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1 were.

2 CHAIRPERSON MCGINNIS: We're going to  
3 adjourn. The hearing is adjourned.

4 (Proceedings concluded at 10:19 a.m.)

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1 C E R T I F I C A T E

2 G E O R G I A:

3 FULTON COUNTY:

4 I hereby certify that the foregoing  
5 transcript was taken down, as stated in the  
6 caption, and the questions and answers thereto  
7 were reduced to typewriting under my direction;  
8 that the foregoing pages 525 through 567  
9 represent a true, complete and correct  
10 transcript of the evidence given upon said

11       hearing; am in compliance with O.C.G.A. Section  
12       9-11-28(d) and Section 15-14-37(a) and (b); and  
13       I further certify that I am not of kin or  
14       counsel to the parties in the case; not in the  
15       regular employ of counsel for any of said  
16       parties; nor am I in anywise interested in the  
17       result of said case.

18                  This, the 9th day of April, 2011.

19

20

21                  Cathey H. Sutton, B1354

22

23

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25