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1 DISCLOSURE

2 STATE OF GEORGIA

3 COUNTY OF FULTON

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9 disclosure:

10 I am a Georgia Certified Court Reporter.

11 I am not disqualified for a relationship of
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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

5 APPEARANCES OF COUNSEL:

6 On behalf of the
Georgia Institute
7 of Technology: Kathryn Wasch, Esq.
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11 Rebecca S. Mick, Esq.
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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.
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23 -----

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?

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1 CHAIRPERSON MCGINNIS: Fine.

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

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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.

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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,

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1 just like Dr. Hasler said in his statement,

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.

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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

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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

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