

Approved: February 24, 2012
Date

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Susan Wagle at 8:30 a.m. on January 19, 2012, in Room 548-S of the Capitol.

All members were present except
Senator Jay Emler - excused
Senator Oletha Faust-Goudeau - excused

Committee staff present:
Ms. Margaret Cianciarulo, Committee Assistant
Mr. Reed Holwegner, Kansas Legislative Research Department
Mr. Jason Long, Office of the Revisor of Statutes
Mr. Chuck Reimer, Office of the Revisor of Statutes

Conferees appearing before the Committee:
Dr. Ken Audus, KU School of Pharmacy
Dr. Valentino J. Stella, PhD., KU School of Pharmacy

Others attending:
See attached list.

Presentation on cancer drug development

Upon calling the meeting to order, Chairman Susan Wagle announced to the Committee that Dr. Valentino Stella, PhD, KU School of Pharmacy would be giving a presentation regarding cancer drug developments at the school. But first she introduced Dean Ken Audus, also from the KU School of Pharmacy and a graduate student under Dr. Stella, who gave a brief overview of what has been happening at the school beginning with the completion of two new facilities, one at the Lawrence campus and the other in Wichita at their School of Medicine, making their class size grow from 105 to 170 students per year. He went on to say they had spent the last 3 days in northwest Kansas visiting 18 counties with 11 upcoming graduates, trying to match them with pharmacists who are looking for partners to replace them when they retire. The graduates were also learning what it takes to set up a pharmacy. Regarding the research programs, for the second time in the last three years, they have exceeded \$20M of research funding from the National Institute of Health and stating these grants bring in personnel resources for the state. No written testimony was offered.

Dr. Audus then introduced Dr. Valentino Stella, PhD., who offered a brief history of how he ended up at the School of Pharmacy beginning in 1964 when he was recruited from Australia by Dr. Takeru Higuchi to the new PhD Program at KU. His dissertation, under Dr. Higuchi, led to one of the earliest patents actually issued and the drug he developed went into testing at Park Davis, now part of Pfizer Pharmaceutical.

In 1979, he filed a patent for an anti-seizure drug known as Dylanza, the drug used to treat Grand mal seizures. He went on to tell the story of Dr. Robert Myers who made the first 100 grams of

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Fosphenytoin, also an anti-seizure drug, and how 25 years later, Dr. Myers' youngest daughter was given that drug after she fell and knocked herself unconscious.

In 1996 they patented a material used to solubilize non-soluble substances. (Making pills into liquids.) He said they filed the patent one week before Dr. Myers defended his dissertation. (The act of defending his dissertation would actually be a public disclosure and once that happens, you can no longer file a patent.) This process has evolved at KU over the years so they fully understand the process of protecting technology.

Dr. Stella went on to explain Vfend, used to treat life-threatening fungal infections, Taxol, which is used to treat breast and ovarian cancer, Geodon, used to treat a schizophrenic crises, and Lusedra, used in the stem cell program. It causes no pain on injection as opposed to Propofol. Also, he had the opportunity to work with the Gilead company out of California who had developed the Aids drug that had to be given in injection form. He helped them design a pill to give orally and is now the principle drug to treat Aids. In 1972, Dr. Higuchi was awarded a contract with the National Cancer Institute (NCI) to provide formulation for experimental cancer drugs identified as promising candidates. In 1983, Dr. Stella took over the contract and of the 17 drugs that have gone to clinical trials at NCI, either went out to market or to major clinical trials, 8 of these drugs were formulated at KU.

Financially, the State of Kansas provides him no resources to run his research program, but they do provide infrastructure. He went on to explain what it costs him to have a graduate student in his lab for the year. And any money they do get, they have to pay the State 45% or the university to maintain their infrastructure.

Lastly, he explained the Bioscience and Technology Business Center including

1.) Regarding Phase I – when they built it they thought it would take them 4 years to occupy, but they had it fully occupied in 18 months.

2.) Phase II they hope to have completed this 30,000 square foot facility by early next year and already have 9 companies wanting to move in because they have access to KU faculty, students, and they want to be on the bus route so the students they can hire can get to the building quickly,

He is hoping that what he contributes is not just science but also the energy required to help build employment in Lawrence. A copy of his presentation is Attachment 1.

The Chair thanked Dr. Stella and Dean Audus and asked the Committee for questions which came from Senators Wagle, Steineger, Lynn and Marshall including: how many faculty members and how many graduate students do you have? (7 to 8 graduate students for each of the 13 faculty members.) Regarding, Phase II, who owns the incubator? (It is actually owned by BTBC but is on university property. The city, the university and the county each put in \$200K per year) Regarding the financial side of this, what was the drug that you were paid \$1500 for? (The anti-aids drug and the \$1500 was a consulting fee. The State

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and university has asked us to take about 20% of our time to do consulting.) Comment; cannot say enough about the incredible resources there.

Adjournment

As there were no further business, the Chair announced the meeting was adjourned. The time was 9:30 a.m.

The next meeting is scheduled for January 24, 2012.