Intellectual Property & Technology Transfer
Welcome to the Sub-group on IP and Tech Transfer
We are delighted you have joined us!

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University of Massachusetts

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Georgia Institute of Technology

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Council on Governmental Relations

J Hannigan  
HHMI

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University of California
IP and Technology Transfer is one of the central themes in the research funder-performer relationship.

From the Pre-meeting Survey Results we know that the major challenges regarding IP policy are a key concern for both funders and performers.
Recognizing the Common Purpose
The IP and Tech Transfer Sub—group Was Formed.

Finding Cures

Meeting National & Global Challenges

Stewardship of Resources for Research

Making the World a Better Place
Purpose and Goals

Intellectual Property and Technology Transfer Sub-group

......explore enhancing and improving research engagements and collaborations between research-funding foundations and research-performing institutions.

......focus on developing common understandings, identifying opportunities to streamline processes, examining policies and costs, and exploring ways to foster effective technology transfer.
Purpose and Goals

Intellectual Property and Technology Transfer Sub-group

Goals:

• Identify agreed-upon principles that underlie the parties’ mutual interests.

• Identify areas of divergence in needs, policy, and practice between funders and research performers.

• Examine best practices and examples of innovative relationships.

• Endeavor to identify approaches that respect the constraints and missions of both parties while achieving the common goals.
The IP and Technology Transfer Survey

Now that we know intellectual property terms are a concern for both research funders and researcher performing entities, what specifically are the issues that are most significant?

<table>
<thead>
<tr>
<th>What topics or issues are problematic?</th>
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</thead>
<tbody>
<tr>
<td>What are your constraints?</td>
</tr>
<tr>
<td>What topics or issues are usually not a concern or easy to resolve?</td>
</tr>
<tr>
<td>What delays or prevents coming to agreement?</td>
</tr>
</tbody>
</table>
For a range of provisions typically found in research agreements, which are:

- Rarely the topic of negotiations; the parties generally agree
- Sometimes the topic of negotiations; the parties are generally able to come to agreement easily
- Sometimes or frequently the topic of negotiations; the parties often have difficulty coming to agreement
Respondents

40 responses

Entities:
27.5% funding
72.5% performing
Key Findings: Group 1

3 issues were considered “rarely” an issue by more than 58% of respondents and were seen as “sometimes or frequently” a difficult topic by less than 11%:

- Disclosure requirements (e.g., disclosing inventions to the sponsor)
- Conflicts of interest
- Disposition / Abandonment of patent protection
### Key Findings: Group 1

<table>
<thead>
<tr>
<th>Conflicts of Interest</th>
<th>Disclosure Requirements</th>
<th>Disposition/Abandonment of patent protection</th>
</tr>
</thead>
<tbody>
<tr>
<td>64.1%</td>
<td>56.4%</td>
<td>55.3%</td>
</tr>
<tr>
<td>10.3%</td>
<td>10.3%</td>
<td>5.3%</td>
</tr>
</tbody>
</table>

- ≥58% Chose Rarely a Difficult Topic
- ≤10% Identified as Sometimes or Frequently a Difficult Topic

- Rarely the topic of negotiations; the parties generally agree
- Sometimes or frequently the topic of negotiations; the parties often have difficulty coming to agreement
### Key Findings: Group 2

≥40% Chose Sometimes a Topic/Generally Able to Agree
<16% Identified as Sometimes or Frequently a Difficult Topic

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Topic Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>60.5%</td>
<td>Patent decisions and patent costs; Costs for protection of IP</td>
</tr>
<tr>
<td>60.5%</td>
<td>Ownership/disposition of other research results</td>
</tr>
<tr>
<td>57.9%</td>
<td>Publication Rights</td>
</tr>
<tr>
<td>56.4%</td>
<td>Sharing of research materials</td>
</tr>
<tr>
<td>52.6%</td>
<td>Research use of IP by funder or performer</td>
</tr>
<tr>
<td>48.7%</td>
<td>Ownership of new IP</td>
</tr>
</tbody>
</table>

Sometimes the topic of negotiations; the parties are generally able to come to agreement easily

Sometimes or frequently the topic of negotiations; the parties often have difficulty coming to agreement
Key Findings: Group 3

≥40% Chose Sometimes a Topic/Generally Able to Agree
≥16% Identified as Sometimes or Frequently a Difficult Topic

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Control of Licensing</th>
<th>Scope of definition of IP</th>
<th>Access to background IP</th>
<th>Disclosure of licensing efforts</th>
<th>Joint ownership of IP absent joint inventorship</th>
</tr>
</thead>
<tbody>
<tr>
<td>63.2%</td>
<td>18.4%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>53.8%</td>
<td></td>
<td>25.6%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>45.9%</td>
<td></td>
<td></td>
<td>18.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>43.2%</td>
<td></td>
<td></td>
<td></td>
<td>16.2%</td>
<td></td>
</tr>
<tr>
<td>41.0%</td>
<td></td>
<td></td>
<td></td>
<td>17.9%</td>
<td></td>
</tr>
</tbody>
</table>
Key Findings: Group 3

To borrow from UIDP, “Moderately Contentious”
More than 40% find these sometimes the topic of negotiation and a number of characterize them as difficult to resolve.

<table>
<thead>
<tr>
<th>Publication Rights</th>
<th>Access to background IP</th>
</tr>
</thead>
<tbody>
<tr>
<td>(right of performers to publish research results; Right of funders to review publication for potentially patentable subject matter)</td>
<td>Ownership &amp; disposition of other research results</td>
</tr>
<tr>
<td>Joint ownership of IP absent joint inventorship</td>
<td></td>
</tr>
</tbody>
</table>
Joint ownership of IP absent joint inventorship

- Sometimes or frequently the topic of negotiations; the parties often have difficulty coming to agreement: 17.2%
- Rarely the topic of negotiations; the parties generally agree: 44.8%
- Sometimes or frequently the topic of negotiations; the parties are generally able to come to agreement easily: 17.2%
- Sometimes or frequently the topic of negotiations; the parties often have difficulty coming to agreement: 37.9%

Access to background IP

- Sometimes or frequently the topic of negotiations; the parties often have difficulty coming to agreement: 21.4%
- Rarely the topic of negotiations; the parties generally agree: 42.9%
- Sometimes or frequently the topic of negotiations; the parties are generally able to come to agreement easily: 21.4%
- Sometimes or frequently the topic of negotiations; the parties often have difficulty coming to agreement: 35.7%

Publication Rights

(right of performers to publish research results; Right of funders to review publication for potentially patentable subject matter)

- Sometimes or frequently the topic of negotiations; the parties often have difficulty coming to agreement: 17.9%
- Rarely the topic of negotiations; the parties generally agree: 53.6%
- Sometimes or frequently the topic of negotiations; the parties are generally able to come to agreement easily: 17.9%
- Sometimes or frequently the topic of negotiations; the parties often have difficulty coming to agreement: 28.6%

Ownership & disposition of other research results

(e.g., data, prototypes, and other tangible and intangible research results)

- Sometimes or frequently the topic of negotiations; the parties often have difficulty coming to agreement: 17.9%
- Rarely the topic of negotiations; the parties generally agree: 57.1%
- Sometimes or frequently the topic of negotiations; the parties are generally able to come to agreement easily: 17.9%
- Sometimes or frequently the topic of negotiations; the parties often have difficulty coming to agreement: 25%
Key Findings: Group 4

Two items in the survey were identified as sometimes or frequently the topic of more intense negotiation:

• Provisions for patient access
• Royalty sharing, distribution, and use for research
<table>
<thead>
<tr>
<th>Rarely; Generally Agree</th>
<th>Sometimes; Generally Able to Agree</th>
<th>Sometimes or Often; May be Difficult</th>
</tr>
</thead>
<tbody>
<tr>
<td>33.3%</td>
<td>40.7%</td>
<td>25.9%</td>
</tr>
</tbody>
</table>

Patient access to resulting drugs, devices, diagnostics and cures including requirements to flow license terms to licensees that require: (1) reasonable effort to assure patient access, (2) reasonable efforts to establish patient assistance program, (3) mechanism to assure patient access.

| 10.3%                   | 41.4%                             | 48.3%                               |

Royalty issues / sharing / distribution; Use of royalties for future research

**Group 4 Details**
These findings are consistent with those of the larger group pre-meeting survey which found:

<table>
<thead>
<tr>
<th>Non-Profit Funders</th>
<th>Research Performers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objectives:</strong></td>
<td></td>
</tr>
<tr>
<td>• Strengthen rights to royalties/equity</td>
<td>• IP may come from mixed funding</td>
</tr>
<tr>
<td>• Maximizing the impact; make sure treatments reach people</td>
<td>• “March-in&quot; complicates licensing</td>
</tr>
<tr>
<td><strong>Uncertainty in negotiations:</strong></td>
<td>• State laws create challenges</td>
</tr>
<tr>
<td>• What is reasonable to ask for?</td>
<td>• Non-profit funders are representing for-profits, where the for-profit terms are restrictive on IP policy and provide lower IDC.</td>
</tr>
<tr>
<td>• Recoup our investment?</td>
<td>• Willingness to find &quot;middle ground“</td>
</tr>
<tr>
<td>• Negotiate case-by-case?</td>
<td>• Impact of NERF on marketability</td>
</tr>
<tr>
<td><strong>Restrictions:</strong></td>
<td>• Overreach on return on investment</td>
</tr>
<tr>
<td>• Board mandates for IP treatment</td>
<td>• Compliance difficulty?</td>
</tr>
<tr>
<td></td>
<td>• Do requirements compromise mission?</td>
</tr>
</tbody>
</table>
This is not the first time or only group considering these issues.

Cultivating, Negotiating, and Managing Research Agreements with Philanthropic Organizations

Kathy Ku, Stanford University

Discussion for Today

• Are the results of the survey generally valid?
• Are there other considerations that should be added?
• Priority of issues to address.
• For Group 3, is it possible to identify model clauses and provisions?
  – Would it be useful for Group 1 & 2?
• Can we identify the principles and perspectives of each party for Group 4 issues?
Next Steps?