

2011 BRINGING ADMINISTRATORS TOGETHER CONFERENCE

Effective Administration to Support Commercialization of Research Discoveries

April 27, 2011

1:30pm

UIC UNIVERSITY OF ILLINOIS
AT CHICAGO

Empowering Performance & Achievement through Teamwork

Workshop Presenters

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Please ...

- Turn off cell phones
- Sign the attendance roster
- **Feel free to ask questions during the presentation**
- Complete the evaluation at the end of the workshop

Workshop Objectives

Provide a framework for understanding how you can help investigators throughout the research-commercialization cycle by engaging ORS and OTM to ensure that research discoveries can be translated into intellectual property and successfully commercialized

- Office of the Vice Chancellor for Research (OVCR) and Office of Research Services (ORS)
 - To be familiar with University General Rules regarding Research Gifts, Grants and Contracts
 - To understand the contract review process and the team effort approach
 - To be familiar with Material Transfer Agreements from the perspective of Academia vs. Industry and how the contract terms may ultimately impact the ability to commercialize
- Office of Technology Management (OTM)
 - To be familiar with the invention disclosure process with UIC Office of Technology management
 - To understand the importance of planning for successful protection of intellectual property
 - To be familiar with the process of technology licensing and commercialization

Office of Research Services (ORS)

- The Office of Research Services (ORS) is responsible for sponsored program activity, including research, instruction and public service at the University of Illinois at Chicago.
- The ORS assists faculty and staff on all stages of sponsored activity
 - ORS assists with proposal development, review and endorsement of proposals, submission of electronic proposals, negotiation and execution of contracts, reporting, receipt and processing of the Notice of Awards.
 - ORS provides interpretation of sponsor guidelines, and ensuring compliance with both agency and University policies.

Office of Research Services (ORS)

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Office of Technology Management (OTM)

- The Office of Technology Management (OTM) is responsible for managing the intellectual property generated by research and educational activities at the University of Illinois at Chicago
- The OTM actively reaches out to researchers to encourage disclosure of new innovations
 - The disclosure form helps OTM begin the process of evaluating the technology transfer potential for the intellectual property
- The OTM works closely with inventors to evaluate, protect, and commercialize University IP to help fulfill the University's mission, including economic development
- How do I work with the OTM?
 - Just email or call us – yes it is that simple!

OTM

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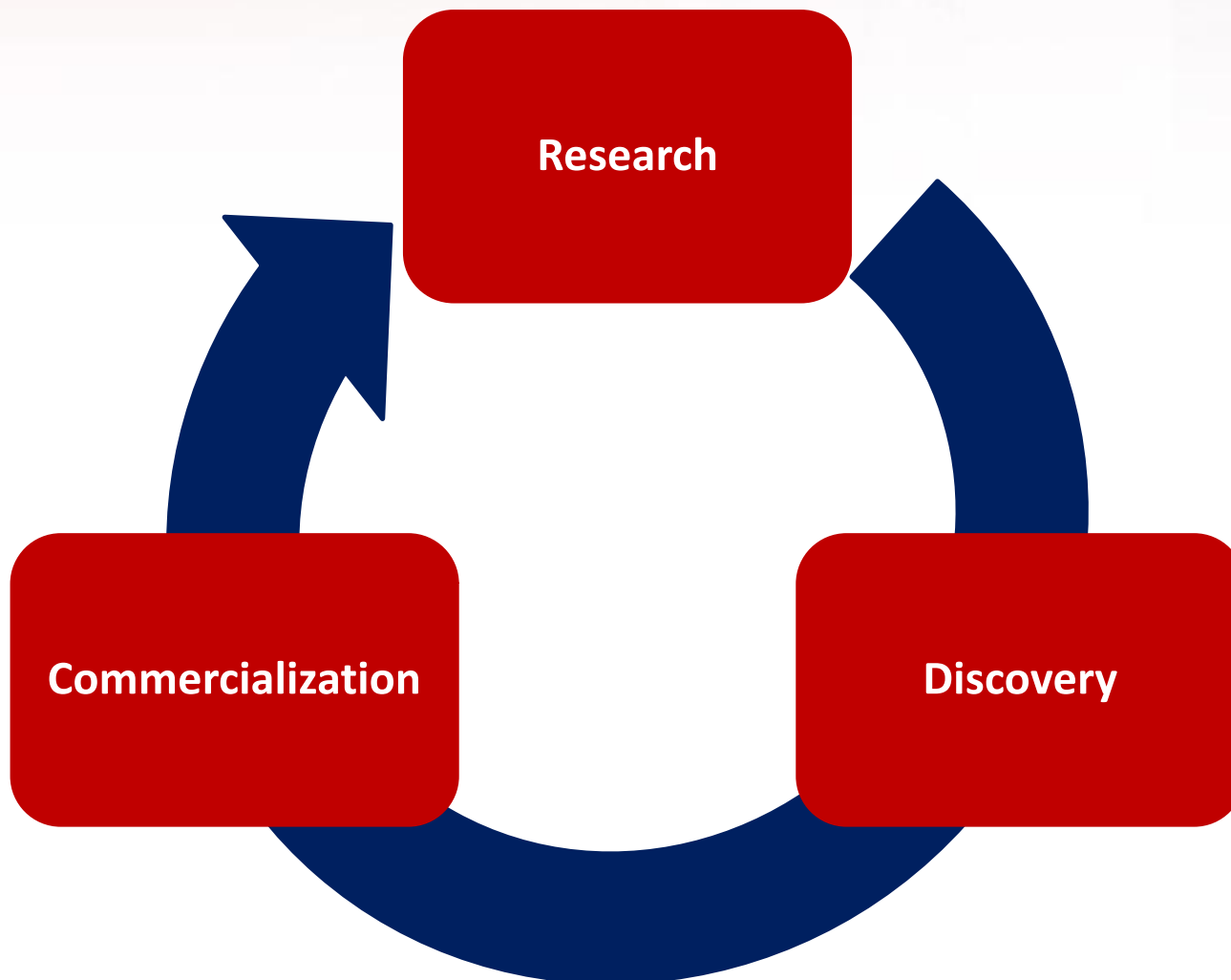
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ORS and OTM:

Serving The Research-Commercialization Cycle



Commercialization of Research Discoveries:

What are we talking about?

What is commercialization?

- The dissemination of research discoveries in the form of intellectual property (IP) rights through licensing and start-up creation
- Fulfills the University's economic development mission through the development and commercialization of new technological and scientific innovations

What is intellectual property?

- Exclusive rights granted to owners of intangible assets
 - The discoveries that result from the research at the University
- This can include:
 - Patents
 - Copyrights
 - Trademarks
 - Trade Secrets
 - Tangible Material

Commercialization of Research Discoveries:

What are the University's objectives related to IP?

- Make an impact
 - To provide protections and incentives to encourage discovery and development of new knowledge, its transfer for the public benefit and its use for development of the economy;
- Benefit financially and enhance reputation
 - To enhance the generation of revenue for the University and to provide financial and reputational benefits for the creator(s);
- Preserve ability to conduct research
 - To preserve the University's freedom to conduct research and to use the intellectual property created by that research or pursuant to an institutional initiative.



University General Rules

<http://www.uillinois.edu/trustees/rules.cfm>

- Article II. Business Organization and Policies
 - Sections 6-8 define Research Gifts, Grants and Contracts
- Article III. Intellectual Property
 - Section 2 defines Intellectual Property
 - Section 7 addresses Commercialization

Contract Negotiations

Dilbert on sales-contract negotiations

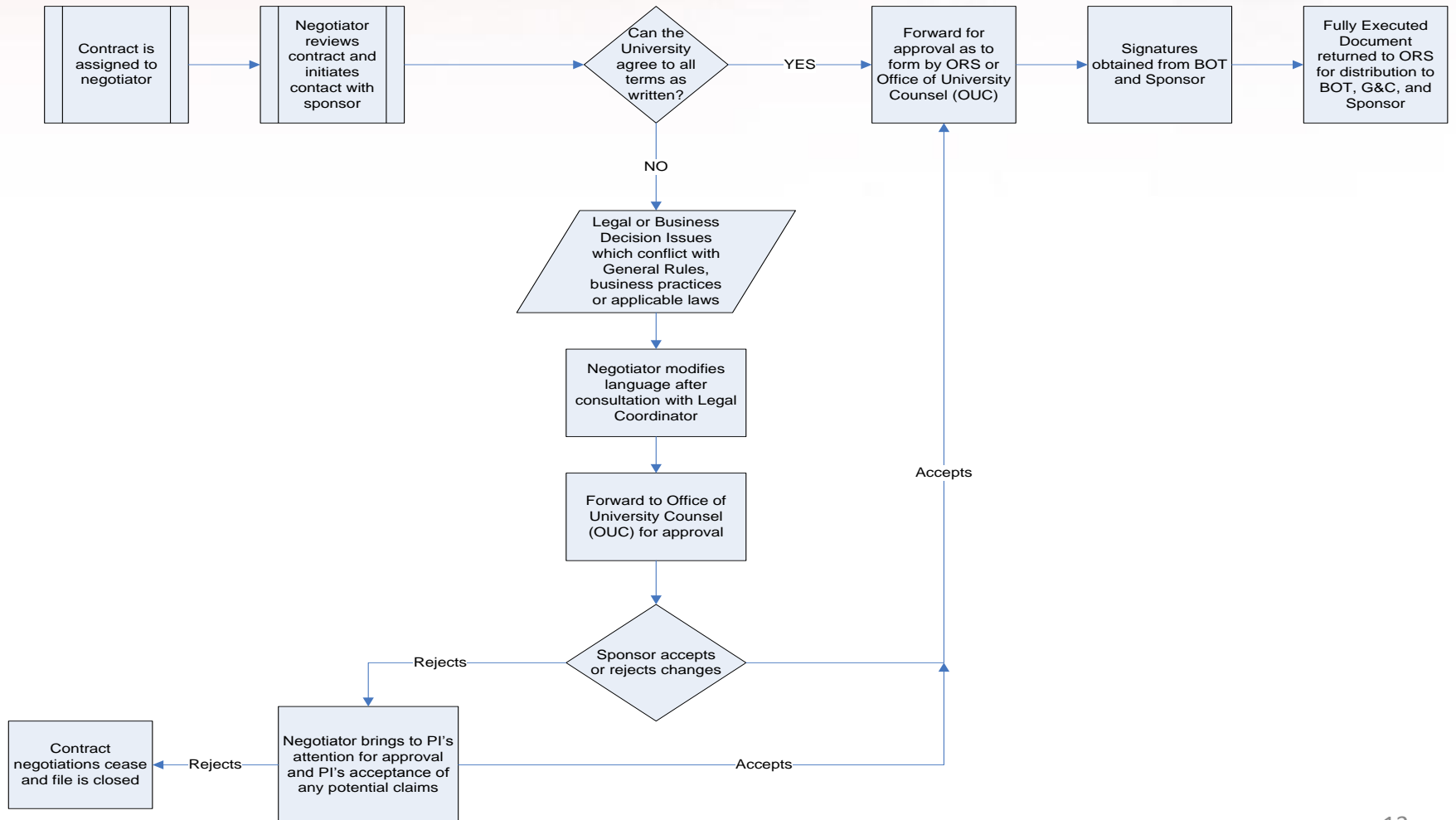
by D. C. TOEDT on NOVEMBER 10, 2009



Types of Research-Related Agreements and Implications:

- Material Transfer Agreement**
- Clinical Trial Agreement**
- Non-disclosure Agreement**
- Standard Research Agreement**
- Data Use Agreement**
- Consultant Agreement**
- Technical Testing Agreement**

ORS Bilateral Document Process



Types of Research-Related Agreements and Implications: Material Transfer Agreement (MTA)

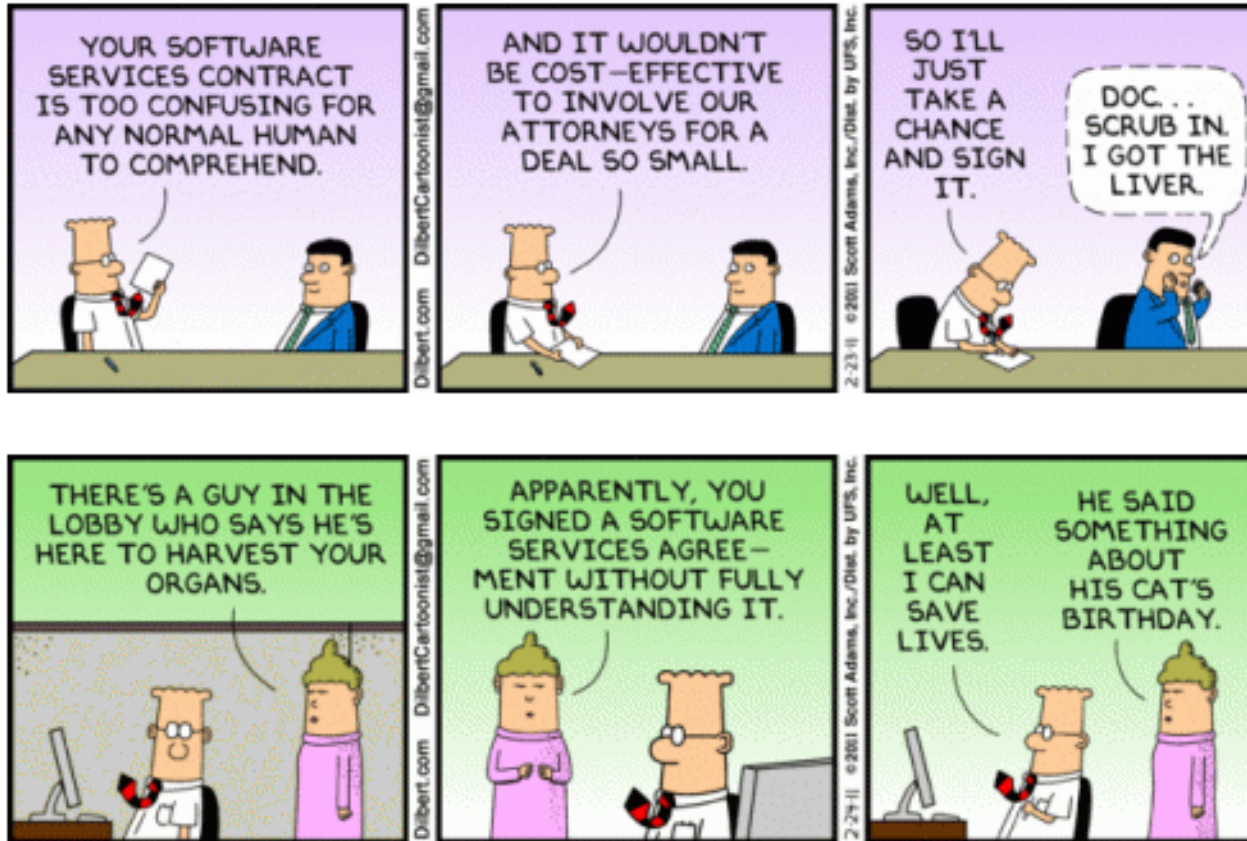
Material Transfer Agreement is the transfer of scientific material from one party to another, usually at no cost or a small fee.

- Academia
 - The National Institutes of Health and the Association of University Technology Managers (AUTM) developed standard language to simplify transfer of biological materials, issued as the **Uniform Biological Material Transfer Agreement (UBMTA)**. (autm.net)
 - NIH-recommended **Simple Letter Agreement** for material transfers between academic/non-profit institutions.
 - **Addgene** .com is a non-profit organization that serves as a plasmid repository. They use the UBMTA for their transfers.
- When the UBMTA or Simple Letter Agreement might not be appropriate:
 - When the materials are unpublished and we would like to ensure our Investigator's right to publish first;
 - When the materials have been licensed to a for-profit institution; or
 - When the materials involve third parties rights (i.e., when the material is a modification of a material received by a third party or funding received by a third party); or
 - A commercial entity wishes to receive the material; or
 - The material is the subject of a pending patent application or an issued patent.

Types of Research-Related Agreements and Implications: Material Transfer Agreement (MTA)

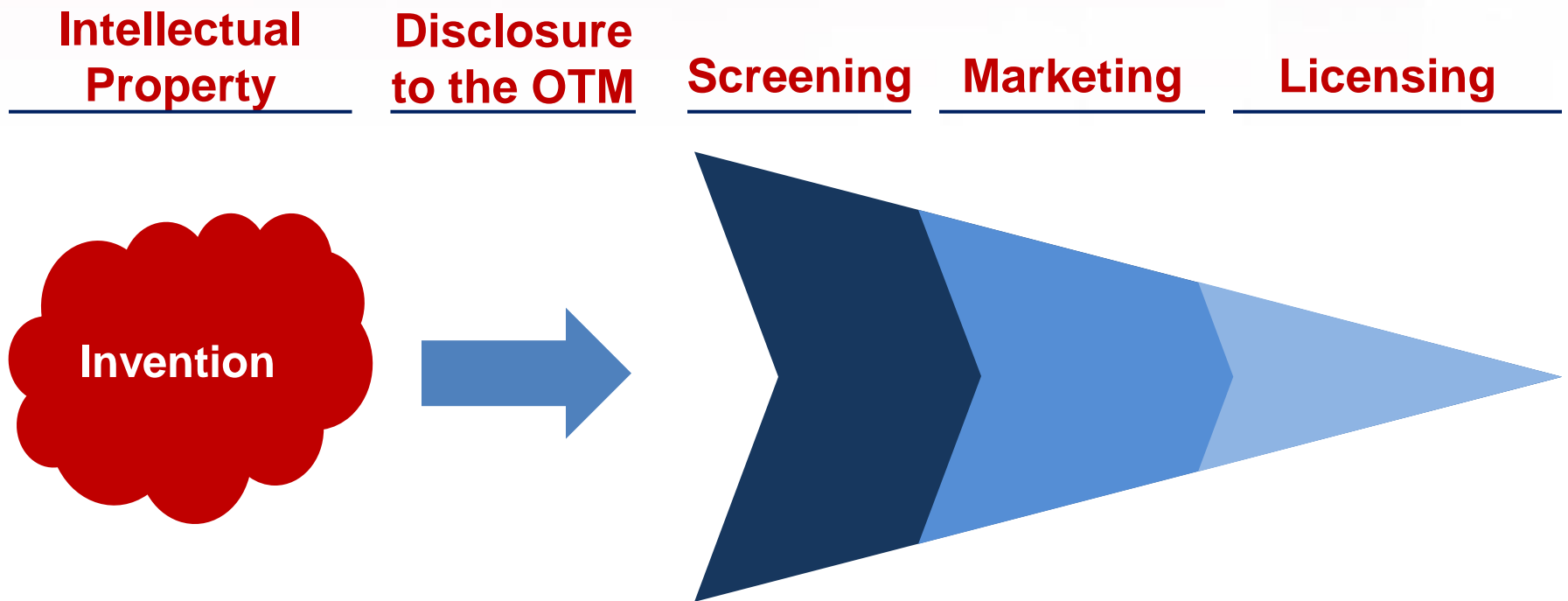
- Industry
 - These contracts often originate from the Sponsor and their main goal is to protect their IP and obtain future IP.
 - Industrial MTAs often contain language that conflicts with basic academic rights or that places unnecessary restrictions on investigators. Complex areas of negotiation may include:
 - Confidentiality
 - Publication
 - Intellectual Property
 - Indemnification

Contract Negotiations



From Discovery to Commercialization:

Partnering Throughout for Success



From Discovery to Commercialization:

Documents/Agreements to be aware of related to OTM

- Report of Research Discovery (Invention Disclosure)
- Non-Disclosure Agreement (NDA)
- Option Agreement
- License Agreement
- Conflict Management Plan*

From Discovery to Commercialization:

Protecting potential IP during the research project

- Public disclosure of inventions can affect our ability to protect inventions
 - Prior to publication or presentation, contact the OTM if there is any doubt whether something should be disclosed
 - Think of about the need for NDA's before talking to companies
- Encourage investigators to fill out disclosure form or at minimum contact OTM when they think they have a potential invention
 - Keep in mind any IP terms that are in the original grant or sponsored research agreement that will impact commercialization

From Discovery to Commercialization:

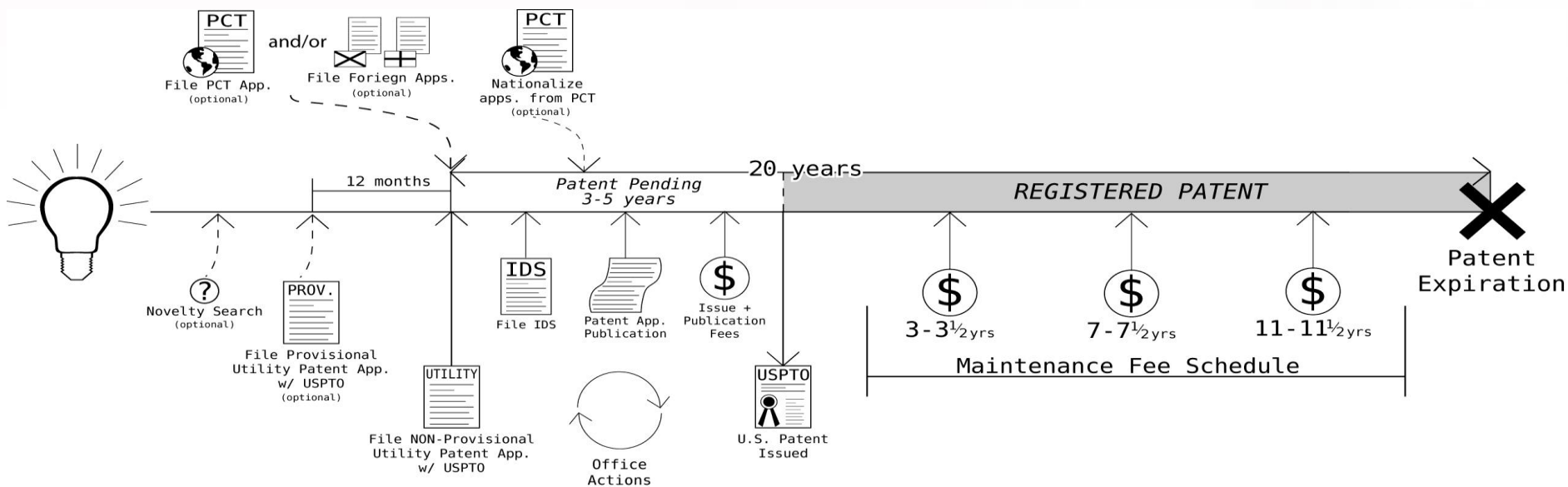
Submitting a disclosure to OTM

- What kind of information is important?
 - Who are the contributors/inventors?
 - UIC faculty, students, staff
 - Non-UIC persons
 - What is the invention?
 - Title and Description
 - Any material that helps describe the discovery?
 - Grant Application
 - Presentation or Poster
 - Manuscript
 - Any public disclosures that have occurred or are upcoming?
 - **What type of funding supporting the research?**
 - Grant and other funding information
 - **Other existing agreements that might affect commercialization?**
 - Material Transfer
 - Sponsored Research
 - Confidentiality



From Discovery to Commercialization:

How do we translate research discoveries into IP?



From Discovery to Commercialization:

Publication and its impact on patents

- Disclosure to the OTM does not alter publication timetable, but....
- **...public disclosure does affect the ability to obtain a patent**
 - Any public disclosure, prior to patenting, forfeits foreign rights
 - One year grace period from public disclosure to filing in the US
- **Examples of “Public Disclosure”**
 - Journal article on-line or in print
 - Public oral presentation
 - Posters or published abstract in a conference program guide
 - Published grant application (usually abstracts)
 - Thesis defense
 - Online blogs
 - Verbal or written communication without an expectation of confidentiality

From Discovery to Commercialization:

Other types of IP – they can be valuable too!

- We don't just handle patentable inventions
- Other University IP that can be commercialized:
 - Biological Material
 - Antibodies
 - New animal models
 - Copyrights
 - Software
 - Manuals
 - Questionnaires
 - Educational Curriculum
 - Films
 - Trademarks

From Discovery to Commercialization:

How do we commercialize IP from research discoveries?

- Option Agreements
 - Gives companies an exclusive right to negotiate a license agreement or evaluate the technology during a defined period
- License Agreements
 - Gives companies an exclusive or non-exclusive right to use University IP
 - Defines how it can be used and the terms for the right to use it
- Start-up companies formed by faculty, students, or staff can be a licensee too! (*more about this on the next slide*)

From Discovery to Commercialization:

Start-up companies and their importance

- License agreements can be executed with a new company formed specifically to commercialize the University IP
 - Allows inventors to submit applications for SBIR/STTR Grants
 - Can lead to additional sponsored research back in the University
- Conflict management plans are needed prior to signing a license
 - But conflicts can be managed
- Resources for university start-up companies
 - Chicago Technology Park
 - SBIR/STTR Grants
 - ORS and OTM can help
 - We offer low-cost SBIR/STTR Option Agreements to faculty start-ups
 - Chicago Innovation Mentors program
 - IllinoisVENTURES

From Discovery to Commercialization:

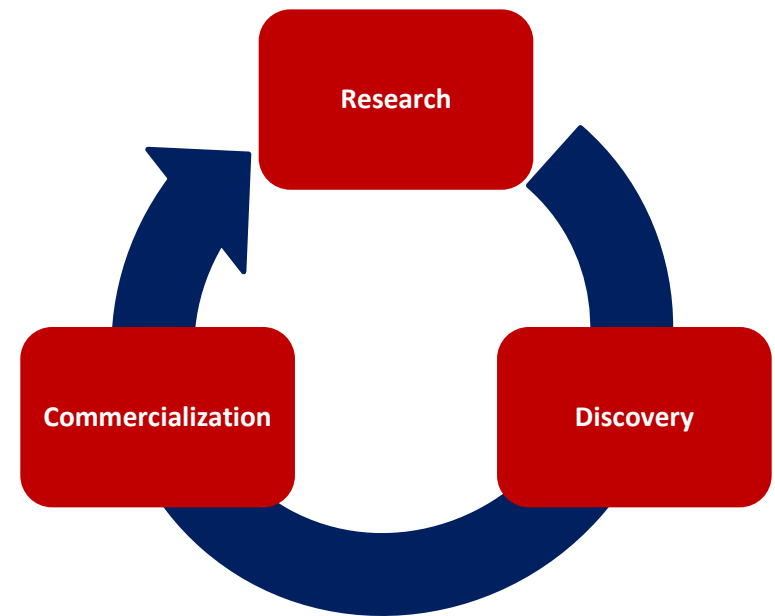
The impact of successful commercialization

- Make an impact
 - Save and/or improve lives, making a positive impact in the world
- Benefit financially
 - How do scientists and the university benefit financially?
 - 40% is shared by Inventor(s)/Contributor(s)
 - 20% returned to the School/Department
 - 40% returned to the University
 - Distribution of the Inventor share is determined by inventors/contributors

Workshop Summary

Engaging with ORS and OTM early will allow you to help investigators throughout the research-commercialization cycle to ensure that research discoveries can be translated into intellectual property and successfully commercialized

- Key questions to remember:
 - Is there previously created IP that needs to be considered in the context of new research agreements?
 - Is there new IP that will likely be created and how will the terms of the research agreement(s) impact commercialization?
 - Is there new IP that has resulted from research activities that should be disclosed and protected?
- Always involve ORS and OTM early and often
 - When in doubt give us a call!



Questions?