

INNOVATION PARTNERSHIP PROGRAMME

OWNERSHIP AND EXPLOITATION OF FOREGROUND INTELLECTUAL PROPERTY CREATED IN AN INNOVATION PARTNERSHIP PROJECT

Important Notes

- This document was prepared in accordance with national policies and procedures, state aid rules and Enterprise Ireland policy.
- *At application stage*, partners need to be clear regarding their respective responsibilities in owning and exploiting Foreground IP generated within the Innovation Partnership project.
- A *Heads of Agreement* must be submitted to Enterprise Ireland as part of the project approval process.
- After project approval, funding will not be released to the college until a signed *Heads of Agreement* is submitted to Enterprise Ireland.

Useful Definitions

‡ What is Foreground Intellectual Property?

Foreground Intellectual Property refers to all patentable or potentially patentable inventions, copyrighted works, and commercially useful confidential information, samples, compounds, devices and compositions of matter created during the project.

* What is a HPSU company?

This is a classification that Enterprise Ireland applies to a **High Potential Start Up** company, a company that exhibits a clear potential to employ 10 people or more and / or achieve sales of >€ 1m within 3 years of starting to trade. To clarify if a company is a HPSU, please contact the Innovation Partnership Programme Managers for further information.

*What is Joint Foreground IP?

Joint ownership only applies to Foreground IP jointly created by both parties and is based on Background IP and Know-How that both partners committed to the project.

Framework for Intellectual Property (IP) Agreements permitted in the programme

- The programme permits a total of two different options around Intellectual Property Agreements in Innovation Partnerships:
 - Option 1:** License the Foreground Intellectual Property* from the Academic Institute
 - Option 2:** The Academic Institute and the Company share ownership of the IP via Joint Intellectual Property Management Agreement
- It is important to know that Option 2 is only available in certain very specific cases.

Option 1:

License the Foreground Intellectual Property from the Academic Institute

This agreement is the only kind of agreement that may be entered into if your company falls into one of the following categories:

1. You are a mature and profitable company who is a client of a County/City Enterprise Board.
2. You are a Start-Up company client of Údarás na Gaeltachta or Shannon Development.
3. You are a pre-HPSU* or HPSU* client of Enterprise Ireland.

Important Points for Companies to Know:

1. The college will own Foreground IP produced by college personnel *and* company personnel working in college-owned facilities.
2. The company may own Foreground IP created by an employee providing evidence is made available to show that the company person was the single creator with no input from or using college resources.
3. There is no impediment to companies seeking assignment of Foreground IP once it is assigned at Full Economic Cost.

Option 2:

The company and the college enter into a Joint IP Management Agreement around ownership of the Foreground IP jointly created* in the project.

This agreement may be entered into if your company meets the following requirements:

1. Your company is an established client of Enterprise Ireland, Údarás na Gaeltachta, Shannon Development or IDA Ireland.
2. The company is bringing background IP and know-how to the project that is absolutely necessary for the partners to develop Foreground IP.
3. The Foreground IP is jointly created by the researchers employed by both partners and is supported by evidence such as signed lab books.
4. A Joint Ownership Management Agreement is in place that will define clearly how joint IP will be managed and exploited.
 - a. Irish patent law allows joint owners to commercialise directly and independently from the other partner but requires that an owner receives consent from the other partner to licence or assign rights to the IP to a third party.
 - b. Because the college partner needs to licence the IP to third parties to commercialise it, they must be in a position to licence jointly owned IP and this provision must be included in the Agreement.

Exploitation of Foreground IP generated in an Innovation Partnership Project

1. The college has access to all Foreground IP and has the perpetual right to use Foreground IP for internal non-commercial use and teaching purposes, excluding confidential, proprietary or commercially sensitive information.
2. The company has access to all Foreground IP and will have first option to negotiate a licence to exploit the IP generated within the project within a specific time limit in their field of interest.
3. The college will have first option to negotiate a licence to exploit Foreground IP owned but not exploited by the company.
4. A *Joint Ownership Management Agreement* is in place that will define clearly how joint IP will be managed and exploited. Irish patent law allows joint owners to commercialise directly and independently from the other partner but requires that an owner receives consent from the other partners to licence or assign rights to the IP to a third party. Because the college partner needs to licence to commercialise, they must be in a position to licence jointly owned IP and this provision must be included in the Joint Ownership Agreement.

Publication of Research Results

1. The company has the right to review intended publications within a reasonable time limit and request the removal of confidential, proprietary or commercially sensitive information. The college has the right to publish research results after removal of confidential, proprietary or commercially sensitive information.

References

1. National Code of Practice for Managing and Commercialising Intellectual Property from Public-Private Collaborative Research, November 2005.
2. Funding Agency Requirements & Guidelines for Managing Research Generated Intellectual Property.
3. Community Framework For State Aid For Research And Development And Innovation (2006/C 323/01)

See also: "Putting public research to work for Ireland - Policies and procedures to help industry make good use of Ireland's public research institutions" available at:

http://www.djei.ie/publications/science/2012/Intellectual_Property_Protocol_Putting_Public_Research_to_Work_for_Ireland.pdf

Summary Tables: IP Ownership in the Innovation Partnership Programme

Agency Name	Company Type	Owner of IP Created	Offer to Company	Conditions
County Enterprise Board	Mature & Profitable	College owns Foreground IP	License Agreement	License terms agreed between both parties

Agency Name	Company Type	Owner of IP Created	Offer to Company	Conditions
Enterprise Ireland Údarás na Gaeltachta Shannon	Pre-HPSU* / HPSU*	College owns Foreground IP	License Agreement	License terms agreed between both parties
	Small Established Client	College owns Foreground IP	License Agreement <u>or</u> Joint IP Management Agreement	License terms agreed between both parties
	Medium Established Client	<u>or</u> Agrees to a Joint IP Management Agreement with Company		Joint IP Management Agreement can only apply if company is bringing significant Background IP into the project
	Large Established Client			

Agency Name	Company Type	Owner of IP Created	Offer to Company	Conditions
IDA Ireland	ALL	College owns Foreground IP <u>or</u> Agrees to a Joint IP Management Agreement with Company	License <u>or</u> Joint IP Management Agreement	License terms agreed between both parties -oOo- Joint IP Management Agreement can only apply if company is bringing significant Background IP into the project