IP management in EU-funded collaborative research projects in Horizon 2020

European IPR Helpdesk

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International Training for the Exploitation of EU Project Results

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Bergen
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- Managing Director of **European Research and Project Office (Eurice) GmbH** – PMO (45 staff members) for international R&I projects with offices in Berlin & Saarbrücken

- **Eurice & FP7**: 35 co-ordinations; WP Leader Exploitation/Dissemination; ca. 60% of projects related to Life Sciences; N°12 of all EU SMEs

- New: 6 H2020 co-ordinations

- Founder of 3 companies/Evaluator in EC programmes

- Involved in European IPR Helpdesk activities since 2005; Coordinator of capacity building scheme in the field of IP management in the current Helpdesk

- Active member in different innovation support initiatives, such as Enterprise Europe Network or FitforHealth
HORIZON 2020
The EU Framework Programme for Research and Innovation
(2014-2020)
EU research funding – Outcome of impact assessments

• Less than 50% of industrial partners use the publicly funded applied research projects strategically

• Only about 22% of SMEs participating in EU research programs are strategic innovators

• Most academics engage with industry to further their research rather than to commercialise their knowledge

• Results are not exploited because projects were not designed for exploitation
Coverage of the full innovation chain

Industrial leadership

Societal challenges

Excellent science

- Basic Research
- Technology R&D
- Demonstration
- Prototyping
- Large scale validation
- Pilots
- Market uptake
Expectations on IP management

Expectation on sound IP management in H2020/ COSME differs according to:

- **Specific Programme** (i.e. SME instrument, Joint Undertakings with strong industrial participation)
- **Applicability of results/Technology Readiness Level (TRL)**
- **Participation of SMEs/Industry**
- **Financing Instrument** (i.e. Innovation actions/SME instrument)
- **Size of consortium/International partners**
- **Stage of proposal/maturity of project implementation**
- **Specific requirements called for in the work programme/topic description**
Why is it important to consider IP in H2020?

- The Rules for Participant establish **best efforts** commitment of participants to **exploit their own results**.

- IP and exploitation issues are subject to evaluation regarding **impact and feasibility** of the proposal.

- A **convincing outline of IP management and exploitation strategies** on individual and consortium level within the proposal is a relevant matter.

- Results of research and development activities require further and often substantial investments to take them to market, which is **appealing** if the results are well protected through **intellectual property**.

- Properly managing IP in the projects, helps participants to **avoid future conflicts** among the consortium.
Proposal evaluated by the experts “as it is” and not as “what could be”
Roadmap

How to address IP management and exploitation activities properly:

• *Knowing the rules/ Setting the science*

• *EU IPR Helpdesk services*

• *The right strategy – by Eugene Sweeney*
IP Framework under H2020
Rules and Agreements
Grant Agreement (I)

Relation between European Commission and Consortium

EU Commission

Grant Agreement

P1
P2
P3
P4
P5
H2020 – Annotated Model Grant Agreements

• General Model Grant Agreement

Section 3 addressing „Rights and Obligations related to Background and Results“

Structure:
- Core text with relevant articles
- Annotations to articles
- Examples, best practices, lists and procedures, exceptions

The document will be periodically updated with new examples and explanations, based on practical experience and on-going developments
Consortium Agreement (CA)

Regulates the relation between consortium partners (= beneficiaries)
Consortium Agreement (II)

• A legal document that regulates the internal work of the Consortium
• Mandatory for the majority of projects
• Legal basics: Grant agreement (+ Annexes)/ RfP
• Implements the provisions of the Grant Agreement/programme rules
• May in no way contradict the prerequisites laid out in the EU Agreement/programme rules; the latter always take precedence!
• The CA should be worked out during the "time to grant" at the latest; be prepared!
• Consortia are responsible for set up the governing rules; the Commission has no binding model, but... see participant portal
  - DESCA (Development of a Simplified Consortium Agreement) model; Different options/modules, i.e. related to software development
    IPCA - ICT industry; EUCAR – Automotive industry

http://www.desca-2020.eu/
Where are the rules regarding IP in Horizon 2020 to be found?
Intellectual Property rules

The IP rules in Horizon 2020 can be found in:

(i) the Rules for Participation
(ii) the (model) Grant Agreement
(iii) the applicable work programme
(iv) H2020 Online Manual: IP section is a work in progress

How to find: Participant Portal
Intellectual Property rules

Guide to IP in Horizon 2020
Specific Vocabulary
Vocabulary

Key terms in the context of Horizon 2020 projects are:

• Background
• Results
• Exploitation
• Dissemination
• Access rights
Definitions (I)

Background
Tangible or intangible input (data, knowhow, information) which is held by the project partners prior to their accession to the agreement. Includes IP as copyright, patents/patent applications (filed prior to access to agreement).

Examples: prototypes; cell lines; database rights, licences with the right to sublicense

Project partners must identify their background in writing

Results
All results which are generated under the project – whether or not protectable. Such results may include copyrights, design or patent rights, trademarks or others, and belong to the partners who have generated them.
Definitions (II)

Access rights
User rights (incl. licenses) to results or background of project partners.

Exploitation
Utilisation (direct/indirect) of results in research activities, which are **not** part of the project, as well as utilisation for further development, creation and marketing of a product or process.

Dissemination
Means through which research results are presented to the public. Official publications (e.g. patent applications) are not considered as dissemination.
Ownership of Results

• **In Horizon 2020, generally the grant agreement establishes that the results of the project belong to the participant generating them.**

• It is advisable to take appropriate measures to properly manage ownership issues, such as keeping laboratory books or other kinds of documentary evidence (e.g. a properly completed Invention Disclosure Form)

• Given the collaborative nature of most projects, some results can be jointly developed by several participants. Hence, situations of joint ownership might arise.

  > **Joint Ownership Agreements** (i.e. defining specific conditions for granting licenses or issues related to costs of protection and sharing of potential revenues); Default rule in Consortium Agreement ..
Access Rights (I)

- Each project partner has the right to **request access rights** to the other project partner’s background and results as long as it needs them in order to carry out its work under the project or to use its own results (these are **minimum access rights**).

- Shall be made in writing.

- To avoid conflicts, it is recommended that beneficiaries agree (e.g. in the consortium agreement) on a common interpretation of what is “**needed**”

- Are to be requested/granted throughout the duration and up to 1 year (or as otherwise agreed in the CA) after the end of the project for exploitation needs; Once requested, access rights may be exercised as long as they are needed for exploiting the results (e.g. until the background patent expires).

- Access rights do **not** confer the right to grant sub-licences.
## Access Rights (II)

### Granting of Access Rights

<table>
<thead>
<tr>
<th>Project implementation</th>
<th>Access to background</th>
<th>Access to results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royalty-free</td>
<td>Royalty-free</td>
<td></td>
</tr>
</tbody>
</table>

| Use of results         | Royalty-free, or on fair and reasonable conditions | Royalty-free, or on fair and reasonable conditions |
Obligations to disseminate

Project partners are obliged to disseminate the results swiftly (i.e. to scientific community/broader public) by any appropriate means and including the publication of results in any medium.

But:
- no dissemination of results may take place before decision is made regarding their possible protection, and
- all patent applications, publications or any other dissemination (also in electronic form) shall include a statement that the action received financial support from the Union – The same applies to results incorporated in standardisation activities.
Dissemination checklist

- Take a decision about the protection of foreground and all required steps
- Inform the other consortium partners in writing 45 days before the planned dissemination activities and include enough information to allow them to analyse whether their interests are affected or not. Note that this time limit can be changed (for more or less days) in the CA. Wait 30 days for any objection to the dissemination (unless otherwise agreed in the CA).
- Beware not to infringe third parties’ intellectual property rights
- Open access as a general principle of scientific dissemination
- List the dissemination activities in the Exploitation and Dissemination Plan
Open Access

**OA = online access at no charge to the end-user** (plus further distribution and proper archiving)

- to peer-reviewed scientific publications
- to research data (on a voluntary basis...)

**However, open access:**

- is *not* an obligation to publish: only if publishing is the chosen dissemination route
- does *not* interfere with the decision to exploit research results commercially e.g. patenting: discussion on open access comes after the decision to protect
- publications are *not* of a lower quality: they go through the same peer review process as other publications
Decision on IP protection (patenting or other forms of protection)

Dissemination: Research results publication

Open access

'Green' open access

Exploitation: Research results commercialisation

'Gold' open access

Research results
Open Access (II)

The European Commission has published a fact sheet and guidelines on Open Access to Scientific Publications and Research Data in Horizon 2020, that can be downloaded at:


Relevant Fact Sheet published by EU IPR Helpdesk and OPENAIRE initiative !!!!
General obligation to protect

Each beneficiary must examine the possibility of protecting its results and must adequately protect them — for an appropriate period and with appropriate territorial coverage — if:

(a) the results can reasonably be expected to be commercially or industrially exploited and

(b) protecting them is possible, reasonable and justified (given the circumstances).

When deciding on protection, the beneficiary must consider its own interests and the interests (especially commercial) of the other beneficiaries.
Protection by subject matters

<table>
<thead>
<tr>
<th>Subject Matter</th>
<th>Patent</th>
<th>Utility Model</th>
<th>Industrial Design</th>
<th>Copyright</th>
<th>Trade Mark</th>
<th>Confidential Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invention (e.g. device, process, method(^1))</td>
<td>X</td>
<td>X</td>
<td></td>
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<td>X</td>
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<tr>
<td>Software</td>
<td>X(^2)</td>
<td>X</td>
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<tr>
<td>Scientific article</td>
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<tr>
<td>Design of a product</td>
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<tr>
<td>Name of a technology/product</td>
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<td>X</td>
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<tr>
<td>Know How</td>
<td>X</td>
<td>X</td>
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<td>X</td>
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<tr>
<td>Website</td>
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<td>X</td>
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<td>X</td>
</tr>
</tbody>
</table>

\(^1\) Except methods excluded from patentability by virtue of Articles 52(2)(c) and (3) and 53(c) EPC.

\(^2\) Software patentability is still a debated issue given its exclusion as subject matter as by Article 52(2)(c) and (3) EPC.
Costs reimbursements

- **Costs of intellectual property rights** (IPR), including protecting results (e.g. fees paid to the patent office for patent registration) and royalties on access rights are eligible costs.

- **Cost** for open access publications are also considered eligible by the GA, e.g. Author Processing Charges (APCs).

- Ask your legal/financial NCP!
General obligation to exploit

Each beneficiary must — **up to four years after the project completion** — take measures aiming to ensure ‘exploitation’ of its results (either directly or indirectly, in particular through transfer or licensing by):

(a) using them in further research activities (outside the action);

(b) developing, creating or marketing a product or process;

(c) creating and providing a service, or

(d) using them in standardisation activities.
Transfer/Licensing of results (I)

Each beneficiary may transfer ownership of its results.

A beneficiary that intends to transfer ownership of results must give at least 45 days advance notice to the other beneficiaries that still have (or still may request) access rights to the results.

Unless agreed otherwise (in writing), any other beneficiary may object within 30 days of receiving notification, if it can show that the transfer would adversely affect its access rights.

In this case, the transfer may not take place until agreement has been reached between the beneficiaries concerned.
Transfer/Licensing of results (II)

The EC may – up to 4 years after project completion – **object to a transfer of ownership or exclusive licensing** of results, if:

(a) it is to a third party established in a **non-EU** country not associated with Horizon 2020 and

(b) the EC considers that the transfer or licence is not in line with EU interests regarding competitiveness or is inconsistent with ethical principles or security considerations
Routes for use/exploitation

Basic options

• Use for further research
• Developing and selling own products/services
• Spin-Off activities
• Cooperation agreement/Joint Ventures
• Selling IP rights/Selling the (IP based) business
• Licensing IP rights (out-licensing)
• Standardisation activities (new standards/ongoing procedures)
IP downstream routes/Next steps

- Understanding the scene (*Terms, Rules, Model Agreements, etc*)
- Setting the scene (Which IP provisions are negotiable?)
- Getting to know the individual interests, motivations and expectations of individual partners regarding IP management and exploitation
- Strategies and Plans to capture, manage and exploit results of H2020 projects on consortium level
- Developing the right innovation management structures
- Definition of appropriate activities and tasks to implement innovation-related activities
- Exploitation pathways, route to market, business models
All of our services are offered free of charge.
Website & Publications

• News
• Events
• Model Agreements
• Fact Sheets
• Case Studies
• Bulletin
• Glossary
• FAQs
Fact Sheets

- IP Management in Marie Skłodowska-Curie Actions
- IP Management & Open Innovation
- IP relevance in the SME instrument
- IP & Business Plans
- IP considerations for Business Websites
- IPR management in software development
- Inventorship, Authorship, Ownership
“Your guide to IP in Horizon 2020”

Contents

• Introducing Horizon 2020
• What’s new in Horizon 2020 with regard to IP?
• Your project – your knowledge – Your IP
  ▪ Getting your project started
  ▪ Implementing your project
  ▪ Concluding your project
• Our services
• Useful documents
Helpline

- First-line support
- User-friendly service provided in English
- Personalised answers to individual questions within three working days
- Wide range of IP topics: IP protection, IP management and exploitation, revision of agreements, etc.
- Understandable for non-legal experts and business oriented
Helpline

• **Understandable** for non-legal experts and **business oriented**

• Topics in H2020 (non-exhaustive):
  - Revision of MoU and non-disclosure agreements
  - Analysis of plans on exploitation and IP within proposal
  - Questions on commercial exploitation of IP
  - Revision of consortium agreement
  - Questions of IP rules in projects
  - Questions on interpretation of IP clauses in the grant agreement and other agreements...
FAQs (selection from last weeks questions)

- Ownership of results (improvements to an already existing product) in H2020
- Which model CA should be used? (Specify differences between DESCA/MCARD model templates)
- How to get IP on software? Specific issues of software ownership and exploitation (General Public Licensing – GPL)
- Exclusive licensing issues
- Confidentiality issues
- Value of Freedom-To-Operate analysis?
- IP management activities in a SME-instrument (phase 2) proposal
Training offers

• “Capacity building“: IP & Innovation Management

• Practical and comprehensive training approach

• Individual organisation of on-location training events in cooperation with multipliers/ intermediaries

• Training Catalogue

• Web-based training sessions

2014:
Over 2,500 researchers, SMEs and research managers have participated in our on-site/on-line training modules
Training modules

- Exploitation of research results - strategies and case studies
- Impact and Innovation in H2020
- Licensing and Technology Transfer
- IP Management
- Introduction to IP
- IP for Business Development
- IP in Biotech/Health
- IP & Software
Webinars 2015

• UPCOMING WEBINARS:

  • May 27, 2015: Impact and innovation in H2020 (proposal stage)
  • June 17, 2015: IP in EU funded projects
  • July 8, 2015: Maximizing the impact of H2020 Projects
Other IPR Helpdesks
EU IPR Helpdesk Ambassador Scheme

• Implementation of the EU IPR Helpdesk Ambassador Scheme

  ▪ **Intensified cooperation** with the Enterprise Europe Network
  ▪ **Appoint Network members** as local “ambassadors” of the EU IPR Helpdesk to thus foster a network of contact points across Europe
  ▪ **Aiming to increase the outreach** of the EU IPR Helpdesk towards European SMEs at regional and local level in particular
  ▪ **Privileged access** to training and info material
Overview

Find local ambassadors by clicking on the related country.

Norway 😊
Thank you.

We look forward to getting in touch with you!

For further questions and general IP advice, please contact our Helpline team:

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Phone +352 25 22 33-333 (Helpline)
Fax + 352 25 22 33-334 (Helpline)
www.iprhelpdesk.eu

For questions related to our training activities, please send us an email at:

training@iprhelpdesk.eu