



Collaborative R&D Guidelines

1. Purpose

These draft guidelines outline R&DCO's potential participation in collaborative R&D and business projects with other R&D organisations and the ownership, sharing, and commercial development of resulting intellectual properties. They do not cover potential relationships with industry consortia or Commercial Research Centres.

2. Introduction

Any organization's intellectual property ("IP") is sensitive, proprietary, confidential, and may be of potential strategic and commercial value. Such intellectual property may be vested in a substantial body of knowledge which has been developed over many years at a considerably expense.

Sensitivities can arise which can cause serious misunderstandings with respect to potential business relationships, access to, and the ownership (and commercialisation) of jointly developed IP in collaborative R&D arrangements.

3. Business Development Objectives

In participating in collaborative R&D arrangements and business ventures, R&DCO seeks to:

- Act in a manner that will protect the respective interests and rights of each of the parties while preserving the good reputation of R&DCO and its partners in the marketplace,
- Participate in world-class R&D related to R&DCO's mission provided that R&DCO has the appropriate resources and scientific staff to support the R&D, and
- Build a world-class portfolio of intellectual properties to be further developed by:
 - Additional applied R&D as part of R&DCO's deployment of its scientific capability to industry, and
 - Commercialisation activities through start-up companies, spin-off companies, sale and/or licensing.

R&DCO commercializes technology developed or acquired by R&DCO, for the benefit of R&DCO, its stakeholders, its employees, and business partners.

R&DCO's particular portfolio interests have been published in a separate statement.

4. *R&DCO IP Policy*

Précis: As a condition of their employment, all R&DCO staff have executed an agreement concerning confidentiality and assignment of all intellectual property developed during the course of employment to R&DCO.

Inventions and discoveries made by R&DCO staff, other than during the course of a contract or R&D funded by a client, are the sole property of R&DCO.

The ownership of inventions and discoveries made by R&DCO staff during the course of R&D funded by third parties, in whole or in part, is determined by an appropriate agreement.

R&DCO staff are eligible to participate in potential commercial returns from IP, as members of venture teams, through R&DCO's Technology Innovation Awards program.

In general, R&DCO's potential partners have similar ownership and revenue sharing policies in force.

5. *Collaborative R&D Guidelines*

In considering whether to enter into collaborative R&D arrangements, R&DCO will take into consideration:

- The “goodness-of-fit” with R&DCO's core business, strategic and commercial interests,
- Core business and R&D interests of each party and how such interests may be enhanced as a result of the collaboration,
- The proposed R&D plan, body of knowledge, and principal investigators supporting the R&D,
- That any resulting technology which might be developed as a result of the collaboration should have:
 - *Innovation*: exhibit a new design, application or feature and be protectable by international patent laws
 - *Technical Significance*: solve an important industry problem or be a significant improvement over the current art
 - *Utility*: technically feasible, cost effective and transferable to a readily identifiable end-user market

6. Joint IP Guidelines

- Questions of inventorship are resolved by referral to the appropriate patent statutes or best IP practices.
- In case of sole inventorships, each party may elect to file patent applications as it so chooses.
- In case of joint inventorships, R&DCO prefers that one party be responsible for filing applicable patent applications and proceeding with any related commercialisation efforts if it agreed that patent filings are appropriate.
- In prioritizing commercial interests, R&DCO follows a hierarchical sliding scale. That is, if the underlying or base technology resides with R&DCO, then R&DCO retains first rights to develop or commercialise the technology. Value-added improvements resulting from joint R&D are then properly included in a portfolio market approach to commercialisation.
- R&DCO offers quid pro quo on the assignment of joint IP rights as such rights relate to each party's business interests, specifically
 - R&DCO seeks assignment of any IP rights relating to its underlying technology, core business and portfolio interests,
 - R&DCO is willing to assign its IP rights to any party whose core business interests more properly are encompassed by the said rights PROVIDED THAT:
 - Appropriate provisions of confidentiality are enforced,
 - Each party has the right to use any IP royalty-free for its own research purposes,
 - Each party shares in any resulting proceeds from commercialisation efforts with third parties,
 - Academic publication and credit for development of IP is recognised after appropriate IP processes are completed,
 - The party has the appropriate resources, experience, and a business plan to commercialise the assigned IP,
 - R&DCO retains the right to void the assignment and recover its IP if the assigned party fails to perform and meet agreed milestones in the business plan,

such assignment of rights and divisions of potential proceeds to be the subject of a formal agreement.