Learnings in Industry-University Research Agreements

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Potentially critical issues

- Confidentiality
- Ownership of IP
- Foreground vs background IP
- Publication rights
- Place of jurisdiction
- License terms
- Royalties
- Cost sharing models (patent filing)
- Third party obligations
- Different pace of management body
The early drug development pipeline

Target Identification → Assay Development → Lead Discovery → Lead Optimization → Preclinical Development

The value to industry of results generated during this process

The impact of owning IP
# Ownership of IP from sponsored research

## Key interests

<table>
<thead>
<tr>
<th>Industry</th>
<th>University</th>
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<tbody>
<tr>
<td>To ensure that IP to compounds are not lost or minimized</td>
<td>To ensure results can be published in peer-reviewed journals</td>
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<tr>
<td>May seek tech transfer</td>
<td>Tech Transfer might conflict with publicly funded activities</td>
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<td>Broad IP country coverage for multinational organizations</td>
<td>Potential for limited country coverage</td>
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<tr>
<td>Advancement of applied science</td>
<td>Advancement of basic science (applied science in certain cases)</td>
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<td>Management of IP for commercial research</td>
<td>Management of IP in public interest</td>
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<tr>
<td>Industry may seek non-exclusive arrangements (excluded: compounds)</td>
<td>Academia seeks exclusive arrangements</td>
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License terms, Funding models (1)

Industry

- Dedicated employees funding preferred
- Funding should be split into packages related to deliverables
- Milestones are acceptable but should reflect the maturity of the project
- Royalties should reflect the value and the maturity of the project
- Exclusivity only in late stage collaborations or when sponsor’s compounds are used
### License terms, Funding models (2)

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<tr>
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<td>Fee for service</td>
<td>Newly generated IP is owned by sponsor</td>
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<tr>
<td>Collaboration with separable background and foreground IP</td>
<td>Industry receives commercial rights to use the results of the collaboration</td>
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<tr>
<td>Collaboration with joint IP</td>
<td>Industry and University co-own rights to results, prosecution negotiable</td>
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<tr>
<td>Collaboration combined with Tech Transfer</td>
<td>First right to license after completion of collaboration</td>
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<td>MTA</td>
<td>Needs clear definitions of expected results and use by both parties</td>
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Successful collaborations need.....

- Specify list of needed IP
- Define background IP
- Bring all negotiating parties to the table early
- Limit university background IP to such needed for the collaboration
- Determine ownership and rights to use and/or to market
- Obtain Freedom to operate to use and/or to market
- Define needs of potential sublicensees (in case of affiliates)
- List all terms upfront (if possible)
- Address IP filing rights and costs upfront