

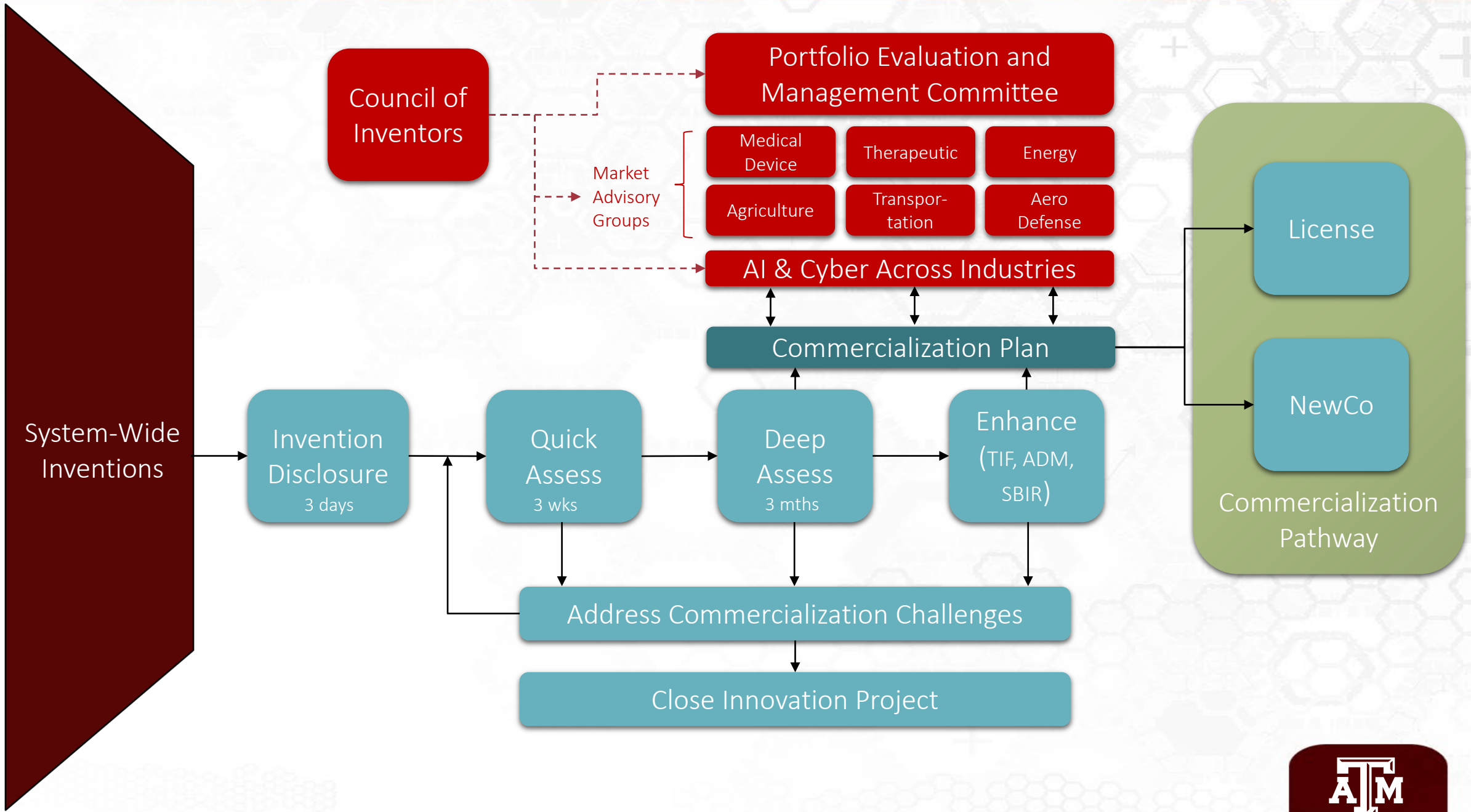


TEXAS A&M  
**INNOVATION**

Supporting Inventors and Commercializing  
Innovations Across The Texas A&M University System

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# IP Review of Sponsored Research Agreements

- Sponsored research very valuable contributor to IP creation.
  - Many sponsors are potential commercialization partners.
- Review agreements with non-standard IP terms.
  - With OGC, process for Vice Chancellor to approve.
  - Exception for “testing” agreements.
  - Working on other exceptions.

# IP Review Considerations

- IP language = fair:
  - Does language provide appropriate IP rights to Texas A&M?
  - Does language provide reasonable opportunity for sponsor to obtain IP rights to support their commercialization needs?
- SOW review
  - Is the work described in the SOW likely to create IP with valuable commercial potential?
  - Is the SOW highly prescriptive such that Texas A&M's role is simply to execute the SOW?
    - Vendor.
  - Does the SOW anticipate Texas A&M making intellectual contributions?
    - Development partner.

# Fair Market Value

- As a not-for-profit, we are obligated to receive “Fair Market Value” in exchange for grant of IP rights.
- Most SOW budgets are based on personnel hours and equipment usage.
  - Do not include consideration for grant of IP rights.
- Conceptually difficult to define value of IP that will be created in the future.
  - Preferred approach, option to negotiate for future IP rights,
  - Option terms include significant preferences to the sponsor,
  - Partnership relationship should lead to additional preferences to the sponsor.

# PI Guidance for IP

- PIs often have close, long-term relationships with their sponsors: exactly what we want.
- IP rights to sponsors can lead to restricting research beyond length of sponsored agreement.
- If SOW does not describe creation of IP, then IP that is created should not be included in sponsored work.

# Questions?

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