COMMERCIALISATION OF INTELLECTUAL PROPERTY

Plymouth University

Process:

The University has an approved governance process for undertaking the commercialisation of Plymouth University’s Knowledge Base and its intellectual capital. The process recognises the University’s IP Policy, Terms and Conditions for staff & students and the Schedule of Delegated Authority.

The simple ‘gated’ steps explained below, give an overview of the processes contained within the governance procedures and these serve to provide you with a simple overview model of the University’s IP commercialisation processes and what is involved. The process given below also includes a Glossary of some of the more common terms use throughout this process.

The Faculty of Science and Engineering (FoSE) has a dedicated IP Commercialisation Committee, as a mechanism to encourage and focus the faculty’s research impact agenda, which was formed in early 2016.

The University’s Commercialisation ‘Life Cycle’ (high level)
The University’s Commercialisation ‘Life Cycle’ (detailed overview)

1. **Innovation Disclosure**
   - **Meet**
     - Premeet information
     - Initial meetings
     - Explain Policies & Processes
   - **Disclose**
     - Capture innovation disclosure
   - **Assess**
     - Impact on PU
     - Determine the added value to the FoSE & PU

2. **Initial Business Case**
   - **Assess**
     - Triage
     - Novelty
     - Alignment with FoSE priorities
     - Risks
   - **Resource**
     - Support?
     - Budget & investment?
     - Options?
   - **Approval**
     - Commercial case
     - Project Action Plan
     - Conditional approval & delegated authority

3. **Protection**
   - **Options**
     - Mechanisms of protection
     - Key licence terms
   - **Protection**
     - Registration
     - NDAs
   - **Approval**
     - Triggers for assignment
     - Approval

4. **Commercialisation**
   - **Plans**
     - Resources
     - Strategy
     - Select the exploitation mechanism
   - **DD**
     - Compliance with Policies
     - Contractual Implications
     - Approval

5. **Impact**
   - **Execution**
     - Stakeholder return
     - Monitor & Review
   - **Investment**
     - Stakeholder return
   - **Close out**
     - Stakeholder return
The **Innovation Disclosure** stage allows the University to review formal innovation disclosure and to have an opportunity to meet the inventor(s).

It is at this initial stage that the IP management process will be explained.

1. **Meet:**

   There must be an initial meeting between a representative from the University's IP Commercialisation Team and the ‘inventor’, to explain how to proceed and comply with the IP Commercialisation process. Further meetings may be necessary to maintain a dialogue and develop a joint action plan.

2. **Disclose:**

   Complete an **Innovation Disclosure Form**. Once complete and approved by the Head of School/Faculty, this simple form will trigger the opportunity for the University to assess the idea.

3. **Assess:**

   An assessment of the impact and added value to the University will be made and a decision on how best to proceed will be taken. This assessment may include specific IP due diligence and feedback from Frontier IP Group (the University's IP Commercialisation partner) who will receive copies of all Innovation Disclosure Forms for formal comment and input.
The Initial Business Case stage allows the University to assess each idea, to carry-out a triage of the opportunity and where appropriate, to build the business case for progression. It is at this stage that a business case and Project Action Plan are prepared to gain approval to progress the idea towards commercialisation. Any Initial Business Case will be prepared by the IP Commercialisation team with support from Frontier IP Group. The following is an overview of the process steps.

1. Assess:
The idea is assessed for novelty, alignment with University priorities, innovation, freedom to operate, risks and possible strength of protection. Formal IP protection will be considered and the most appropriate mechanism recommended providing adequate protection for future opportunities. Formal IP registration will be subject to budgets, potential return on investment and the approved business case. Preliminary checks are made to ensure that the University does not infringe on anyone else’s IPR.

Each initiative will be assessed and prioritised against the University’s strategic objectives. There will be a number of potential outcomes from triage of the idea:

a) The opportunity is deemed to be aligned to the University’s mission and priorities.
b) The opportunity is deemed to be of interest to the University but is not aligned to priority areas.
c) The opportunity is not of interest to the University.

2. Resource:
a) Where the opportunity is deemed to be aligned to the University’s mission and priorities, the IP Commercialisation team will work with the inventor to evaluate the idea, identify options, consider costs and make recommendations.

The resources required (financial investment, technical support, access to instrumentation or facilities, management and commercialisation activities) for each opportunity to progress will be assessed. Where feasible, resources will be brokered/allocated in line with strategic priorities and available budgets, on a phased basis, with appropriate checks put in place to monitor progress.

The SMART Action Plan will capture project milestones, measures of success, deliverables, timelines and accountabilities. When the idea or technology is deemed to be sufficiently robust (and where relevant formal IP registered) the commercialisation strategy will be developed.

b) Where the opportunity is deemed to be of interest to the University but is not aligned to priority areas, the IP Commercialisation team will still follow a similar process as above, but with a
lower priority. Such lower priority projects may attract investment and resource, proportionally to the scale and value to the University.

c) Where the idea is not of interest to the University the inventor will be ‘free’ to proceed with the idea in their own time, without resource support from the University. As appropriate the IP Commercialisation team will signpost the inventor to other forms of support where applicable.

The IP Commercialisation team will confirm in writing that the inventor has the endorsement of the University to proceed and where appropriate the IP will be assigned.

3. **Approval* (to proceed):**
This will be subject to sign-off by the University, based on the initial business case. It is at this stage that conditional approval to proceed with a commercialisation plan (e.g. external licence agreements or incorporation) will be given and delegated authorities set for key roles, responsibilities and accountabilities.

*(Approval* to proceed. This is the earliest stage when the University's Senior Management will see the opportunity and be asked to decide formally whether to proceed (Sign-off). Conditional or ‘in-principle’ approval will give the IP Commercialisation Team the ‘green-light’ to proceed but to address certain agreed issues and conditions at a later stage).
The Protection stage allows the IP Commercialisation Team and professional agents to review the novelty of the IP and critically evaluate it. Potential mechanisms for protecting the IP will be considered. Formal IP registration will be considered and the best fit for each idea adopted. Occasionally, progressing an idea without formal IP registration, may be the preferred option.

This process and associated activities will be undertaken by the IP Commercialisation team. The following is an overview of the activities:

1. **Options**: will be considered for the optimal protection mechanism for each disclosed idea. Protection budgets will be calculated and investment sought.

2. **Protection**: – where formal registered protection is deemed to be the preferred option, (subject to institutional priorities and funding) measures will be taken to protect the IP. Where non-registered protection prevails a bespoke strategy will be developed.

3. **Approval**: to proceed will be based on the initial business case and the strength of the protection secured. Triggers for IP assignment will also be identified where a spin-out company is licenced to exploit UoP IP.
4 Commercialisation

The Commercialisation stage is where the IP Commercialisation team drive the original idea forward. The University Executive Group (UEG) will be informed of progress, risks, opportunities and plans for commercialisation. The IP Commercialisation team will review the commercialisation options presented and their ultimate sign-off (Approval) will be sought from UEG in order to proceed with the preferred exploitation vehicle/mechanism. At this stage, the IP Commercialisation team will prepare a suitable paper for approval and sign-off by UEG.

It is at this critical stage that the future of the IP commercialisation will be determined, before final approval from Senior University Management (UEG).

The following is an overview of the activities:

1. **Due Diligence**: a full commercialisation check list will be completed. An internal term sheet will be adopted setting out clearly the key terms and conditions of any commercialisation, including any considerations and beneficiaries. An initial management team will be appointed at this stage.

2. **Plans**: Building on the Project Action Plan a detailed commercialisation plan will be produced, based on known and anticipated factors.
   - Spin out/in company.
   - Trading through the University’s subsidiary company, UoPEL.
   - Third party licence agreement(s)/ assignment.
   - Sale of IP

3. **Seeking approval**: the key approval steps within this stage include the signing-off of the Initial Term Sheet and agreement and sign-off of the Strategy & Commercialisation Plan.

(It is at this critical stage that the future of the IP commercialisation will be determined. Therefore, an internal ‘term sheet’ will be created as part of the gate 4 process, which will include ‘sign-off’ by all appropriate parties including the key academics/originators, other investors as necessary. It is at this Stage that the ‘conditions’ stipulated at Stage 2 above would be addressed).
The **Impact** stage consolidates on the earlier permissions to proceed and considers the investments (resources and financial) required to progress the idea/opportunity to commercial implementation. A bespoke commercialisation team will be identified with authority to develop and execute the business/delivery plans.

1. **Investment** – the institutional investment in resources will be examined and specific business/delivery plans developed to also ascertain pre-incorporation and post spin-out financial investment needs. Raising financial investments will also be undertaken in accordance with the approved plans.

2. **Execution** – the IP Commercialisation team will be accountable for the implementation of the plans.

3. **Close Out** – realisation of the return on investment, with periodic monitoring and reviews.
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<thead>
<tr>
<th>Glossary</th>
<th>Definition</th>
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<tr>
<td>Business Case</td>
<td>A business case captures the reasoning for initiating a project or task. It is normally presented as a well-structured written document, or presentation. The logic of the business case is that, whenever resources such as money or effort are consumed, they should be in support of a specific business need.</td>
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<td>Business Plan</td>
<td>A business plan is a formal statement/documentation of a set of business goals, the reasons why they are believed attainable, and the plan for reaching those goals. It may also contain background information about the organization or team attempting to reach those goals.</td>
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<td>DD</td>
<td>Due Diligence: is a term used for all the checks and evaluation of a business, IP or persons prior to signing a contract, or an act with a certain standard of care. It can be a legal obligation, but the term will more commonly apply to voluntary investigations.</td>
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<td>Delivery plan</td>
<td>The delivery plan sets out the governance structure and the actions, with timescales and responsibilities, that will be taken to support the implementation of the project</td>
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<td>FTO</td>
<td>Freedom to Operate: the limits of commercial activity which do not infringe upon others' intellectual property rights</td>
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<td>IBC</td>
<td>Initial Business Case</td>
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<td>IBD</td>
<td>Internal Business Development</td>
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<td>ID</td>
<td>Innovation Disclosure</td>
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<td>Innovation Disclosure Form</td>
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<td>IP</td>
<td>Intellectual Property</td>
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<td>IP Commercialisation team</td>
<td>Intellectual Property Commercialisation team made up of staff from Research &amp; Innovation</td>
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<td>KE&amp;IPComm</td>
<td>Knowledge Exploitation and Intellectual Property Commercialisation</td>
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<td>Mgmt</td>
<td>Management</td>
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<td>MTA</td>
<td>Material Transfer Agreement</td>
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<td>NDA</td>
<td>Non-Disclosure Agreement</td>
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| Term sheet | A bullet-point document outlining the material terms and
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<th>UEG</th>
<th>University Executive Group</th>
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**More information:** [www.plymouth.ac.uk/intellectual-property](http://www.plymouth.ac.uk/intellectual-property)