

## **Guidelines for Industry Sponsored Research and Service Agreements**

**June 3, 2003**

Industry provides funding for a range of projects at CWRU. These projects include research and service activities. Research projects often involve a significant intellectual contribution on the part of CWRU that can lead to an invention or discovery. As such, sponsored research agreements should contain terms that protect the intellectual property rights of the university. Nevertheless, these agreements should also recognize that the industry sponsor may also make significant intellectual contributions to the research and any invention or discovery and that their rights may also need to be protected. In addition, the agreement should provide for the interest of the industry sponsor in using the results of the research for internal and/or commercial purposes.

Service projects, on the other hand, do not typically involve a significant intellectual contribution on the part of the university that results in an invention or discovery. Often, they simply require testing or evaluating the sponsor's proprietary product, fabricating a product per the sponsor's specifications, or providing the company access to specialized equipment or facilities. As such, sponsored service agreements do not need to be as concerned with protecting the intellectual property rights of the university.

Recognizing the different nature and expectations associated with these two classes of projects (i.e., research and service), CWRU has developed two boilerplate agreements that differ with respect to the terms related to intellectual property protection. For the sponsored research agreement, ownership of intellectual property is determined by whose employee or agent made or generated the subject invention. Background and project intellectual property are distinguished, sole and joint ownership conditions are acknowledged, and licensing options based upon use (e.g., internal or commercial) are described. The sponsored service agreement, on the other hand, is silent with respect to intellectual property.

In sum, these two agreements are meant to facilitate industry-sponsored projects. The sponsored research agreement contains intellectual property language that is "business friendly" rather than categorically stating that the university owns all intellectual property and the only option for the company is an exclusive license. The sponsored service agreement recognizes that there are projects of interest to industry that do not involve discovery, but rather simply involve providing a service (e.g., testing a company's compound in an animal model or modeling a company's product using specialized university equipment). Hence these agreements do not need to address intellectual property concerns.

The following guidelines can be used in deciding which agreement should be used:

### **Sponsored Research Agreement:**

- Project involves exploratory research
- Faculty and/or staff likely to make a significant intellectual contribution that could lead to an invention or discovery
- Peer-reviewed publication likely
- Presentation at scientific meeting likely

### **Sponsored Services Agreement:**

- Project does not involve exploratory research and it is unlikely that faculty and/or staff will make a significant intellectual contribution that could lead to an invention or discovery
- Faculty and/or staff are simply providing a service based on their expertise, e.g., testing, evaluation, interpretation, fabrication, use of specialized equipment
- Peer-reviewed publication unlikely
- Presentation at scientific meeting unlikely