



The research commercialisation office of the University of Oxford, previously called **Isis Innovation**, has been renamed **Oxford University Innovation**

All documents and other materials will be updated accordingly. In the meantime the remaining content of this Isis Innovation document is still valid.

URLs beginning www.isis-innovation.com/... are automatically redirected to our new domain, www.innovation.ox.ac.uk/...

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"Easy Access IP" - Universities have been doing it for years

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Introduction

In 2010 the University of Glasgow introduced what they describe as “a radical new model to accelerate the transfer of IP into commercial use. Easy Access IP offers a range of IP free of charge to companies or individuals so that they can exploit the knowledge for the benefit of UK society and the economy.”

In March 2011 the UK Intellectual Property Office backed a proposal from the universities of Glasgow, Bristol and King’s College London to develop a consortium of universities into the Easy Access Innovation Partnership.

The idea of universities giving away their intellectual property is not new, they have been doing it for hundreds of years. Today it remains the primary means by which universities deliver their unique services to the world: transferring knowledge through teaching, and publishing academic research. What is new is the idea of universities investing in technology transfer offices which invest in protecting technologies with the intent of giving away the IP in the technologies.

At Isis Innovation we have looked at this closely because it is without doubt an interesting development, and this note describes our thoughts on this approach.

We have concluded that the primary benefit of the Glasgow activity is the publicity generated for the University of Glasgow; and that the benefit to others involved will be publicity. We do not believe that in practice this will increase the take up of novel university technologies by industry.

Commentary

There are various issues that need be considered and which lead us to our conclusion.

The “Easy Access IP” approach

How does an Easy Access IP university decide if a technology is on their ‘Easy Access’ list or their ‘Commercial Deals’ list? This appears to us to be the heart of the matter and where the problems lie.

The approach on the Glasgow website is straightforward in that their ‘Business & Industry / Technology’ webpages have a list of Easy Access projects with a single set of standard non-exclusive and exclusive licence terms and a list of Commercial Deals projects inviting contact with the technology transfer office. However it is not clear how a technology is put on either list. This could be based on the nature of the technology, the TTO’s view on the commercial potential, the inventors views on the value of the technology, a reflection of the difficulty the TTO has encountered in finding commercial partners to date etc.

What is the response of the researcher inventors to their technology being put on the free list? Researchers may view this very positively in that one of their research outputs is being made freely

available to industry. Or, they may wonder why their technology transfer office is re-grading a project taken on as having commercial potential as now having no value.

The Isis (tried and trusted) approach

At Isis, if we reach a stage where we believe we will no longer be able to commercialise a technology, our approach is to offer to transfer the technologies to the inventor researchers. This may happen early on in discussions on a project, or after many years of Isis work on protecting and marketing a project. We are careful to present a clear evidence-based case to researchers for our decision; we do not advertise our decision to stop work on a researcher's project.

There is a possible argument that it is the best way to manage projects between the time that the TTO decides to drop a project and the expiry of any patent position. Our approach is to offer the technology to the researchers; and to rely on our marketing efforts to seek understanding of whether the technology is of value to industry or not.

Features and consequences

The standard agreement offered for example by Glasgow is loose in some areas. It is unlikely a company would risk investing in a strong business development programme for a new technology on these terms. So it inevitably leads to low value technology being placed on this list.

The canny commercial company may use the Easy Access IP initiative in two ways (1) wait for projects to appear on the free list and (2) challenge the university TTO's motivations in having something on the Commercial list if they want to use it, given the existence of the free list. What are their motivations; how do they decide?

There is a resource cost to the university in managing an Easy Access IP programme. An alternative for the university investing in this activity is simply to publish the ideas contained within the technologies available for free licence. The investment decision for the university is essentially an investment from the public relations department who see the opportunity for publicity.

There is a reputational risk to the university and researchers involved in that the standard free licence does not address how the licensed rights may be transferred to others or what happens if the licensee is acquired by an organisation with which the university would not normally want to do business. What will happen if more than one company wants to take a free licence; does the university TTO run a competition and select one for an exclusive licence, or offer all a non-exclusive licence. What would happen if a first exclusive licensee then sold non-exclusive licences to the rest of the industry.

Does the university TTO ask the researcher inventors/developers to sign a litigation waiver just in case a free licensee shows the technology is exceptionally valuable, the university and inventors have received nothing, and a few years on are a bit annoyed.

There are possibly also issues from a couple of other broader perspectives: would concerns be raised by research funders who may be expecting some commercial return? Are there possible issues over a charity giving away its assets?

On the PR case, the existence of the scheme may encourage companies to talk to Glasgow and good things may come from that. This may well be a motivation as UK universities are under pressure to generate stories about the impact of their research to win government funding.

Other similar activities

The University North Carolina technology licensing office website explains their adoption of a standard licensing approach – “The Carolina Express License is a standard license agreement aimed exclusively at UNC start-ups and intended to increase the number of new companies started and technologies licensed rather than maximizing financial gain. The License offers the same terms to all UNC start-ups and, while optional, offers the best possible deal available from the University in areas such as royalties--1% on products requiring FDA approval based upon human clinical trials and 2% on all other products--cash payout to the University in the event of a merger, stock sale, asset sale or IPO--0.75% of the company's fair market value--and other provisions that encourage broad commercialization of the licensed technology.”

The Express Licence is 29 pages long. The train may have left the station by the time the potential licensee has finished reading the agreement.

Isis Innovation activities

At Isis we do offer licences to certain projects on set standard terms. These are typically cases where we expect a high number of non-exclusive licensees; and some low unit value technologies where the transaction costs need to be considered. But if it has value, we do not give it away. There is a case for standard terms; but there is not a case for free standard terms.

However, at Isis we do offer free licences for academic use only of healthcare outcome questionnaires. This is to validate the questionnaires, to give them the gold standard, and to encourage uptake as part of our commercial strategy.

Conclusions

We believe that the only benefit arising from the Easy Access IP activity is publicity/public relations coverage for the university involved. The suggested benefit to industry and society is unlikely to arise due to low take up by industry and can be better served by publication of the ideas involved.

A TTO that takes up the Easy Access IP route will encounter significant difficulties in managing the message to their academic researchers as the TTO appears to advertise that certain academics' work is of no commercial value.

Maintaining the confidence of the academic community is the most important and greatest challenge for a TTO. Most important - because the TTO is entirely dependent on researchers for new ideas to commercialise; greatest challenge - because researchers are busy people not primarily motivated by commercialisation.