



*Training seminar*

***MANAGEMENT OF INTELLECTUAL PROPERTY RIGHTS***

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***PART 7  
IPR MANAGEMENT IN FP7 AND MARIE CURIE ACTIONS***

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# ***IP ISSUES IN FP7***

***A. Legal Base of the 7<sup>th</sup> FP: Decision 1982/2006/EC***

***B. Participation Rules (Regulation (EC) No 1096/2006) including IP issues***

*Direct applicable and legally binding for everyone*

***C. Grant Agreement (FP7 Grant Agreement - Annex II General Conditions)***

*Agreement between the Commission and the participants on rights and duties*

***D. Consortium Agreement (CA)***

*Agreement among the partners (Duty to agree on a CA, unless otherwise specified in the call)*

*Shall not affect participants' obligations to the Community and to another arising out of the Regulation or the grant agreement*

*Agreement on IPR should definitely be part of the CA*

*Internal organisation of the consortium*

*Settlement of internal disputes, pertaining to the Consortium Agreement, etc.*

## ***IP IS A STRATEGIC FACTOR IN FP7***

### ***Before Project***

- ***Proposal preparation, incl. plan for the Use and Dissemination of Foreground***
- ***Defining project-related know-how***
- ***Defining IP-protected areas***
- ***Negotiating a CA***

### ***During Project***

- ***Strategy for protection & management of foreground***
- ***Granting of access rights***

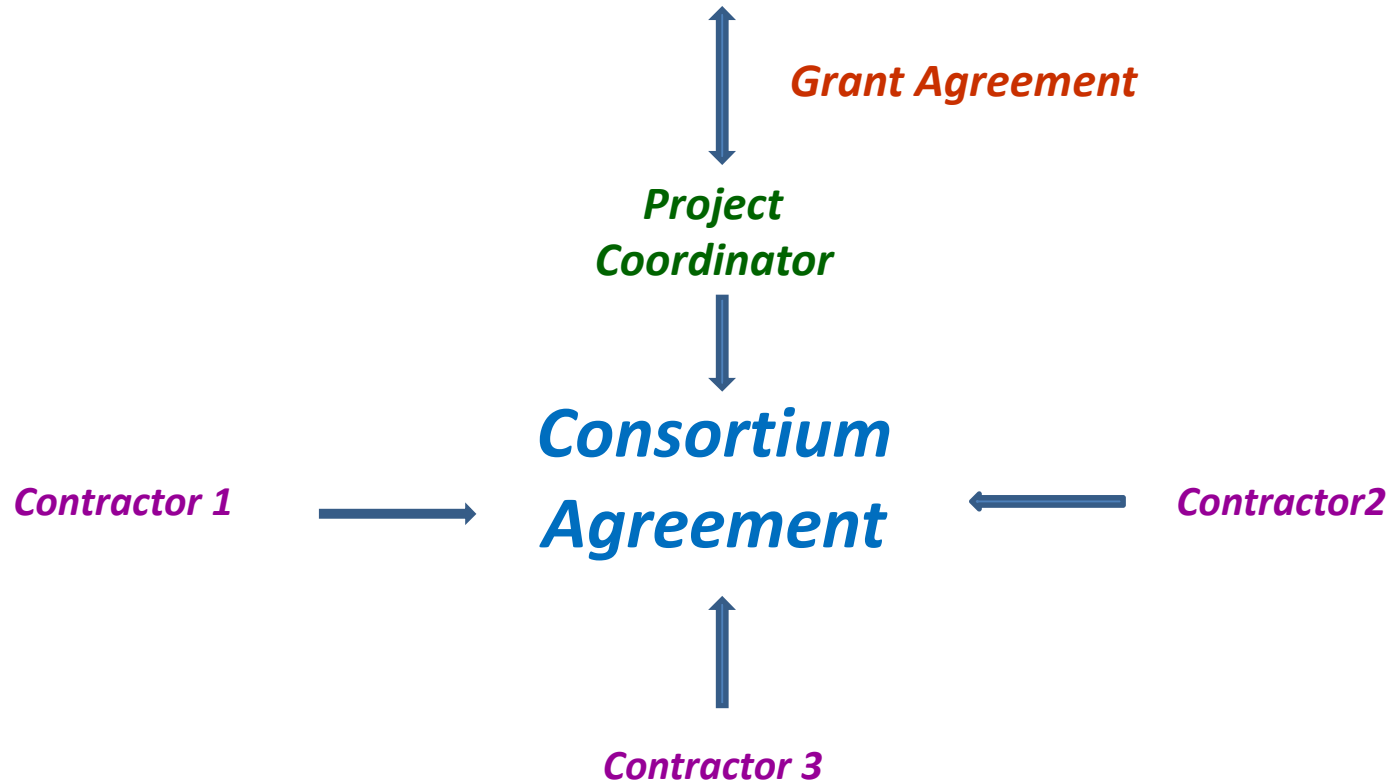
### ***After Project***

- ***Protection of generated IP***
- ***Exploitation of the results***
- ***Dissemination***

***IPR IS A STRATEGIC FACTOR AT ALL STAGES OF A PROJECT***

# *LEGAL FRAMEWORK FOR IPR IN FP7*

## *European Community*



# ***IP MANAGEMENT IN FP7***

## ***DEFINITIONS***

### ***1. Participants and third parties***

- a. Participant***
- b. Consortium***
- c. Third party***
- d. Legal entity***
- e. Coordinator***
- f. Grant Agreement (GA) (core agreement + annexes + special clauses)***  
***Public funding contract concluded between the participants and the EC, largely based on standard provisions***
- g. Consortium Agreement (CA)***  
***Private contract concluded between the participants to specify or supplement the provisions of the GA***

***Guide to intellectual property rules for FP7 projects***

***[ftp://ftp.cordis.europa.eu/pub/fp7/docs/ipr\\_en.pdf](ftp://ftp.cordis.europa.eu/pub/fp7/docs/ipr_en.pdf)***

# **IP MANAGEMENT IN FP7**

## **DEFINITIONS (cont.)**

### **2. Background and Foreground**

#### **a. Background**

- *Information and knowledge (including inventions, databases etc) held by the participants prior to their accession to the EC grant agreement, as well as any IPRs which are needed for carrying out the project or for using foreground.*
- *Remains the property of the participant that brings it to the project*
- *Participants shall inform each other on any limitations to access background*
- *The CA may clarify what to be defined as necessary and identify which background is made available to the project*

#### **b. Foreground**

- *The results, including information, materials and knowledge, generated in a given project, whether or not they can be protected*
- *Each participant is the owner of the results it generates during the project implementation*
- *Participants may modify the ownership regime*
- *Participants must conclude a joint ownership agreement to deal with the allocation and exercise of the joint ownership*
- *Personnel rights to be taken into consideration*

# IP MANAGEMENT IN FP7

## DEFINITIONS (cont.)

### 2. Background and Foreground

#### c. Transfer of ownership

- *A participant may transfer ownership of its foreground (pass all its obligations to an new owner)*
- *The envisaged transfer should be notified to the other participants which may object if their access rights are not preserved*
- *No notification for transfers towards specifically identified third parties may be agreed*

#### d. Licensing

- *A participant may grant an exclusive license to foreground (or background) but the other participants shall waive their access rights in writing*
- *The EC may object to transfer/exclusive licensing to third parties established in third countries to safeguard European interests.*

# **IP MANAGEMENT IN FP7**

## **DEFINITIONS (cont.)**

### **3. Access rights, Use and Dissemination**

#### **a. Access rights**

*Licences and user rights to foreground and background*

#### **b. Use**

*Direct or indirect utilization of foreground in further research activities, other than those covered by the project or for developing, creating and marketing a product or process or for creating and providing a service.*

#### **c. Dissemination**

*Disclosure of foreground by any appropriate means other than the resulting from the formalities for protecting it and including the publication of foreground in any medium.*



## ***FP7 ACCESS RIGHTS***

	<b><i>BACKGROUND</i></b>	<b><i>FOREGROUND</i></b>
<b><i>Needed to carry out the project</i></b>	<b><i>Royalty-free unless otherwise agreed before the grant agreement is signed</i></b>	<b><i>Royalty-free</i></b>
<b><i>Needed to exploit own foreground</i></b>	<b><i>If a participant needs them for using its own foreground: Royalty-free or on fair and reasonable conditions (to be agreed)</i></b>	

## ***IP MANAGEMENT IN FP7***

### ***CONFIDENTIALITY***

- ***A general obligation of confidentiality applies to all participants for information exchanged during the execution of the project and identified as “confidential”***
- ***The confidentiality obligation persists up to 5 years after the project end***
- ***It is crucial to preserve confidential data, until protection and use activities have been planned (and implemented)***

## ***IP MANAGEMENT IN FP7***

### ***PROTECTION OF FOREGROUND***

- ***Each participant shall protect its own foreground if commercially or industrially applicable***
- ***When a participant is not interested in protecting its foreground it shall transfer it to another entity that is willing to protect it***
- ***If nobody is interested in protecting the foreground, the Commission shall be informed before any dissemination activity takes place***

## ***IP MANAGEMENT IN FP7***

### ***DISSEMINATION OF FOREGROUND***

- ***The participants shall disseminate the foreground as swiftly as possible, but filing a patent is not considered as a dissemination***
- ***Dissemination activities shall be compatible with IP protection, confidentiality obligations and the legitimate interests of the owner(s) of the foreground (45 days prior notice of any dissemination activity to the other participants)***
- ***The participants shall ensure the visibility of the EU funding***

## **NOTIFICATION REQUIREMENTS IN FP7**

	Notifications to the Commission	Objections by	Notifications to other participants	Objections by
<b>Dissemination of foreground (incl. publications)</b>	No (except where foreground is capable of industrial or commercial application and is not protected – Article 44.2 RfP / Article II.28.3 of GA)		Yes (Article 46.4 RfP / Article II.30.3 of GA)	
<b>Transfer of ownership of foreground</b>	No  (except for transfers or exclusive licences if a special clause is inserted in GA but this may exclude transfers or licences intended by beneficiaries not receiving EU funding – Article 42.5 RfP – but remember Article 18.6 RfP <sup>53</sup> -)	No in most cases  Yes, for transfers to third parties in “non-associated” third countries (Article 43 RfP / Article II.27.4 of GA) but this may exclude transfers or licences intended by beneficiaries not receiving EU funding if a special clause to this effect is inserted	Yes – prior notice (except in case of : – “authorised” transfers to a specifically identified third party under Article 42.3 RfP / Article II.27.2 of GA, or – overriding confidentiality obligations such as in M&A (Article 42.3 RfP / Article II.27.2 of GA))	Yes, if the access rights of other participants are affected (Article 42.4 RfP)
<b>Granting of licences to third parties</b>		No in most cases  Yes, for granting exclusive licences to third parties in “non-associated” third countries (Article 43 RfP / Article II.32.8 of GA) but this may exclude transfers or licences intended by beneficiaries not receiving EU funding if a special clause to this effect is inserted	No  (except where access rights are affected (Article 48.5 RfP / Article II.32.3 of GA) or under the default joint ownership regime (Article 40.2 RfP / Article II.26.2 of GA))	No

## ***IP MANAGEMENT IN MARIE CURIE***

***IP provisions for MC are mainly stated in the:***

- ***Rules for participation***
- ***Annex II (Mono-beneficiary or Multi-beneficiary)***
- ***Annex III (relevant action to the PEOPLE grant agreement (GA) model)***
- ***The provisions are equivalent to the general IP provisions of the standard GA. The Annex III introduces the legal basis for the relationship with partner institutions, where appropriate, and provides the basic rules applicable to the researchers***

## ***IP MANAGEMENT IN MARIE CURIE***

- ***In all types of actions, the beneficiaries shall sign an agreement with the researcher to detail his/her participation in the project (including the necessary IP related provisions).***
- ***In any case, the beneficiaries shall ensure that the researcher enjoy access rights to background and foreground needed for his/her activities under the project (on a royalty-free basis)***
- ***The beneficiaries must inform the researchers of any restriction affecting the granting of access rights as early as possible.***
- ***The beneficiaries shall ensure that confidentiality obligations regulating the project are extended to the researchers . In this respect, the beneficiaries should try as much as possible to reconcile their interest on the protection of foreground with the researcher's activities.***

## ***IP MANAGEMENT IN MARIE CURIE***

- ***In multi-beneficiary projects, beneficiaries may also (have to) sign a Consortium Agreement among themselves.***
- ***Where foreseen in the relevant actions, the beneficiaries and the partner institutions should sign a Partnership Agreement with the activities of the researcher during the secondment***



# *IP MANAGEMENT IN MC*

## *EU GRANT AGREEMENT PROCESS*

*Negotiation  
and proposal preparation*



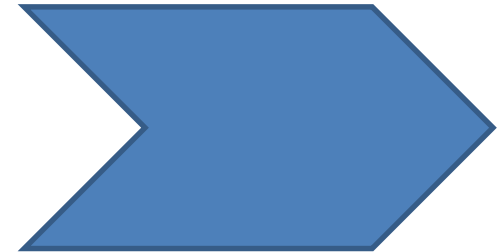
- *Confidentiality Agreement*
- *Consortium Agreement*
- *Partnership Agreement*
- *Agreement with the researcher*

*Project  
implementation*



- *Access rights*
- *Joint ownership Agreement*

*Exploitation of results*



- *Licensing*
- *Assignment*

# ***MODELS CONSORTIUM AGREEMENT***

***Currently there are 4 FP7 model agreements:***

➤ ***DESCA - Academic RTD - [www.desca-fp7.eu](http://www.desca-fp7.eu) – 4 models “DEvelopment of Simplified Consortium Agreement”, offers a reliable frame of reference for project consortia***

➤ ***EICTA - Communications industry - European Information, Communications and Consumer Electronics Industry Technology Association [www.eicta.org](http://www.eicta.org)***

➤ ***IMG4 - ASD, Aeronautics and defense industry***

➤ ***EUCAR – European Council for automobile R&D***

***Not official, not drafted or approved by the EC  
Shall always be used as examples and adapted to specific needs***

# CASE STUDIES

## Case 1: International Outgoing Fellowship (IOF)

- An International Outgoing Fellowship takes place from a Dutch host institution.
- During the project, the researcher spends its secondment period at a third party partner institution in the U.S.
- During the secondment period in the U.S., the fellow generates foreground which is capable of commercial exploitation.

### Questions

- Who owns the generated foreground? The researcher, the U.S. partner institution or the Dutch host institution?
- Should the foreground be protected? By who?
- If the foreground will be protected by a patent, how should be dealt with the rights, interests or claims of all involved 3 parties?

# CASE STUDIES

## Case 2: Initial Training Network (ITN)

- *In an ITN, the first 2 years of a fellowship take place at a Dutch host institution.*
- *Subsequently, the researcher (PhD) spends 6 months at a Polish host institution, and 6 months in a German company.*
- *In the German company, the researcher generates foreground which is capable of industrial application.*
- *The German company wants to protect the foreground by patent application.*
- *The researcher wants to publish the results for its PhD.*

### **Question**

*Can the researcher and the company both realize their plans?*