Managing Your Intellectual Property

Lynne Hollyer
Associate Director
U.C. Berkeley Industry Alliances Office
Lhollyer@berkeley.edu
www.IPIRA.berkeley.edu
IPIRA and OITA

- **UCB Industry Alliances Office**
  - Handles incoming research funding, materials and data and works with industry to establish and support research relationships

- **UCB Office Of Technology Licensing**
  - Performs IP management, develops IP and marketing strategies, negotiates IP contracts and also handles outgoing intellectual property such as materials and data

- **UCSF’s Office of Innovation, Technology & Alliances**
  - The two offices work in the same way for UCSF community
What We Do at IPIRA

• The IAO completed 345 industry sponsored research agreements in FY 2014
• And signed 314 Material Transfer agreements for research materials
• In FY 2014 the OTL managed:
  • 198 patent invention disclosures
  • 1,531 total active inventions
  • 344 active license agreements
  • 687 active U.S. patents
  • 610 active foreign patents
  • Total income was $6,718,000
Ownership of IP

- The University owns all IP created using campus resources and created under University grant or contract funding
- All UC employees sign the Patent Acknowledgment when they are hired and assign IP to the campus
- Student work, not falling in one of the above categories, is owned by students
Patent Facts

- A patent does not create “freedom to operate”
- You have freedom to operate if no one else has the right to stop you (blocking IP) from using a technology or invention
- Patents provide a “negative right” that gives the holder the right to prevent others from using an invention
- UC patents technology, but does not make, use or sell products-UC always looks for a licensee
- Most companies do not share royalties with employee inventors, but Universities do.
- At UC 50% of net royalty income goes to the University, 35% is shared by the inventors, 15% goes back to the inventor’s department.
More Patent Facts

• Who is or who isn’t an inventor is a matter of patent law and is determined by patent lawyers based on who makes an inventive contribution to conception or reduction to practice

• To be patentable an invention must be novel, unobvious and useful
  – “Obvious” - could a person of ordinary skill come up with what you’ve invented?

• If the University does not file a patent application:
  – The technology goes into public domain if published, and further work can be performed to further the invention
  – In rare cases, the University could assign the technology back to inventor

• UC licenses only patented technologies, and does not license know-how
Utility Patent

- Approximately 90% of the patents issued by the USPTO in recent years have been utility patents, also referred to as "patents for inventions".
- A Utility Patent is issued for the invention of a new and useful process, machine, manufacture, or composition of matter, or a new and useful improvement.
- It generally permits its owner to exclude others from making, using, or selling the invention for a period of up to twenty years from the date of patent application filing, subject to the payment of maintenance fees.
To Patent or Not to Patent

- If an invention is patentable, is it marketable and of interest to a licensee?
- Evaluate the overall potential of the IP
  - Is there an industry sponsor on hand to license?
  - How does the technology stack up against competitors?
- Develop IP strategy
  - Should we file?
  - Where should we file? (U.S, International)
  - Type (Provisional, Non-provisional)
- Determine when and how to market and license
Patent Costs

• A provisional patent lasts for one year and usually costs between $3K and $10K (fees paid primarily to patent law firm)
• A patent application costs from $20K per country
• An issued patent can cost from $40K for filing and prosecution per country

• At UC, inventors don’t pay patent costs, since UC owns the IP UC pays and is reimbursed if licensed
Licensing Strategy

• Exclusive vs. non-exclusive
  – Significant investment required to reach market?
  – Early stage?
• Field of Use
  – Can it be used in multiple industries?
  – Applications (e.g. research, diagnostics, therapeutics)
• Territory/Geographies
  – Limited vs. worldwide
Licensing: Incremental Steps

Common Steps (simplified)

- CDA Letter Agreement
- Patent Life is Term
- Typical license fees

- Option Agreement
- 1-3 Year Term
- Fees – agreement to pay patent costs

- License Agreement
- 3-6 months Term
- Fees – agreement to pay patent costs

- Market IP
- Evaluate IP

- Relationship Complexity

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Best Practices

• Plan ahead. **Always** keep your PI in the loop.
• If you think an invention will result from your work, call your Technology Transfer Office before you submit a publication or disclose the invention to the industry sponsor.
• Disclose your invention to the TTO - the TTO does not delay publication, but protects your invention and IP rights.
• Publication before filing will result in a public disclosure, US patent law provides limited ability to patent after publication, almost all other countries bar patent rights if published first.
Ways to Connect with Industry

• Use the Bio-E Alumni Network
• Later stage students can join the Berkeley Post-Doc Industry Exploration Program (PIEP) http://piep.berkeley.edu/
• Talk to your PI, talk to your fellow students
Contact Us With Questions!

• UC Berkeley Intellectual Property and Industry Research Alliances:
  – Lynne Hollyer (lhollyer@berkeley.edu) Industry Alliances Office
  – Terri Sale (terri.sale@berkeley.edu) Office of Technology Licensing
  – Irvin Mettler (imettler@berkeley.edu) Office of Technology Licensing

• UCSF Office of Innovation, Technology & Alliances:
  – Irene Shin (irene.shin@ucsf.edu) Industry Contracts Division
  – Kent Iwamiya (kent.iwamiya@ucsf.edu) Industry Contracts Division
  – Karin Immergluck (karin.immergluck@ucsf.edu) Technology Management
  – Todd Pazdera (todd.pazdera@ucsf.edu) Technology Management