

# Managing Contract Research and Industrial Interaction with a University

**Tomsk 13<sup>th</sup> October 2006**

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**Imperial Innovations**



success



experience



diversity

# Imperial Innovations

- **Technology commercialisation and investment company founded by Imperial College**
- **July 2006 Flotation on AIM raised over £26m million**
- **Imperial College retains 59% ownership**
- **April 2005 Private Placing raised £10m net for Imperial Innovations**
  
- **Unique and strong corporate development**

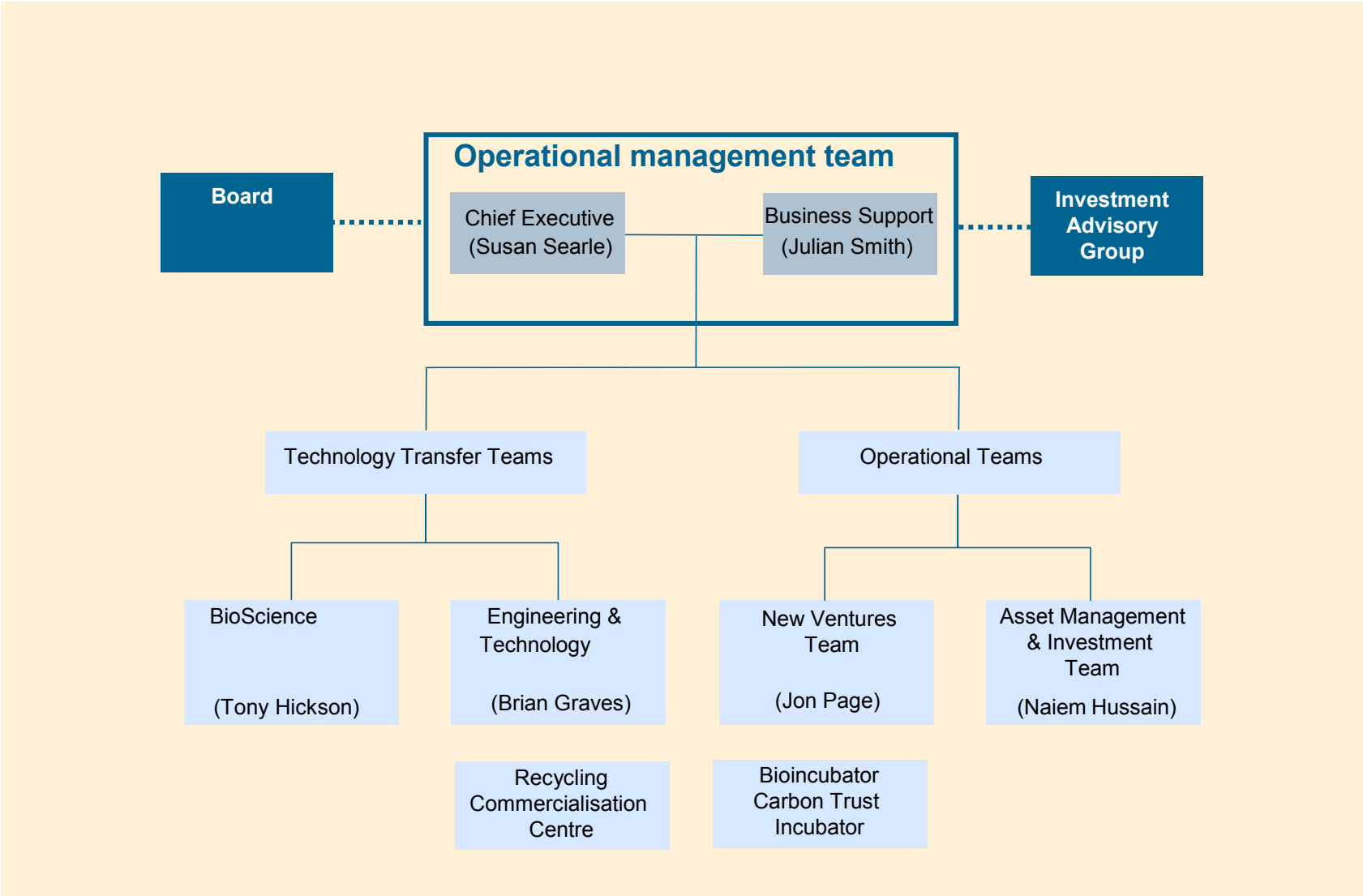
# Assets

- **Equity holdings in over 60 spin-out companies**
  - **over 96 license agreements**
  - **204 patent families under management (over 2,000 patents filed)**
- **Total of 43 employees based in South Kensington**
- **Integrated business model**
  
- **Critical mass in deal flow and capability**

# Innovations – Activities

- **c200 invention disclosures per year**
- **Building business propositions**
- **Carbon Trust and Waste and Resources Action Programme (WRAP) Commercialisation Services contracts**
- **Bioincubator on South Kensington Campus opened July 2006**
- **Income generation**
  - **IP licence deals – upfront fees, milestones, royalties**
  - **IP equity – formation, incubation and exit**
  - **Investment equity – invest downstream**

# Organisation Structure



# The Relationship between Business and Universities

- **What does business want?**
- **What does the university want?**
- **Who contributes what?**
- **Getting the deal structure right.**

# What does Business want?

# What does Business want?

- **Results that provide competitive advantage.**



# Competitive Advantage

- **Addresses a company need, cost effectively.**
- **Staying ahead of the competition**
- **Adds value**

# Understanding the Value of Expected Results

- **New Products**
  - Incremental
  - Fundamental
- **Process Efficiency**
- **New Business Model**

## What does the University want?

- **Funded research and publications**
- **Financial return on Intellectual Property created**
- **Strategic partnership**
- **Market knowledge and access**
- **Consultancy**

# Getting the Deal Structure Right

- **Research contracts**
- **Strategic Collaborations**
- **Licences**
- **Product Sales**
- **Joint Ventures**
- **Commercialisation Services**

# Research Contracts

- **Who contributes what?**
- **Background IP**
- **Funding**
- **Inventive contribution**

# Research Contracts

- **Who owns what?**
  - **Background IP**
  - **Arising IP**
  - **Exploitation Rights**

## Strategic Collaborations

- **Institute of Biomedical Engineering (IBE)**
- **£10m from investment fund to fund the IBE**
- **Funds a full time Technology Transfer Executive**
- **IP owned by Imperial**
- **Investment fund receives revenue and equity share**

# Licensing and Product Sales

- **Proof of Concept**
- **Exclusivity**
- **Field**
- **Royalties-When and How much?**
- **Price**



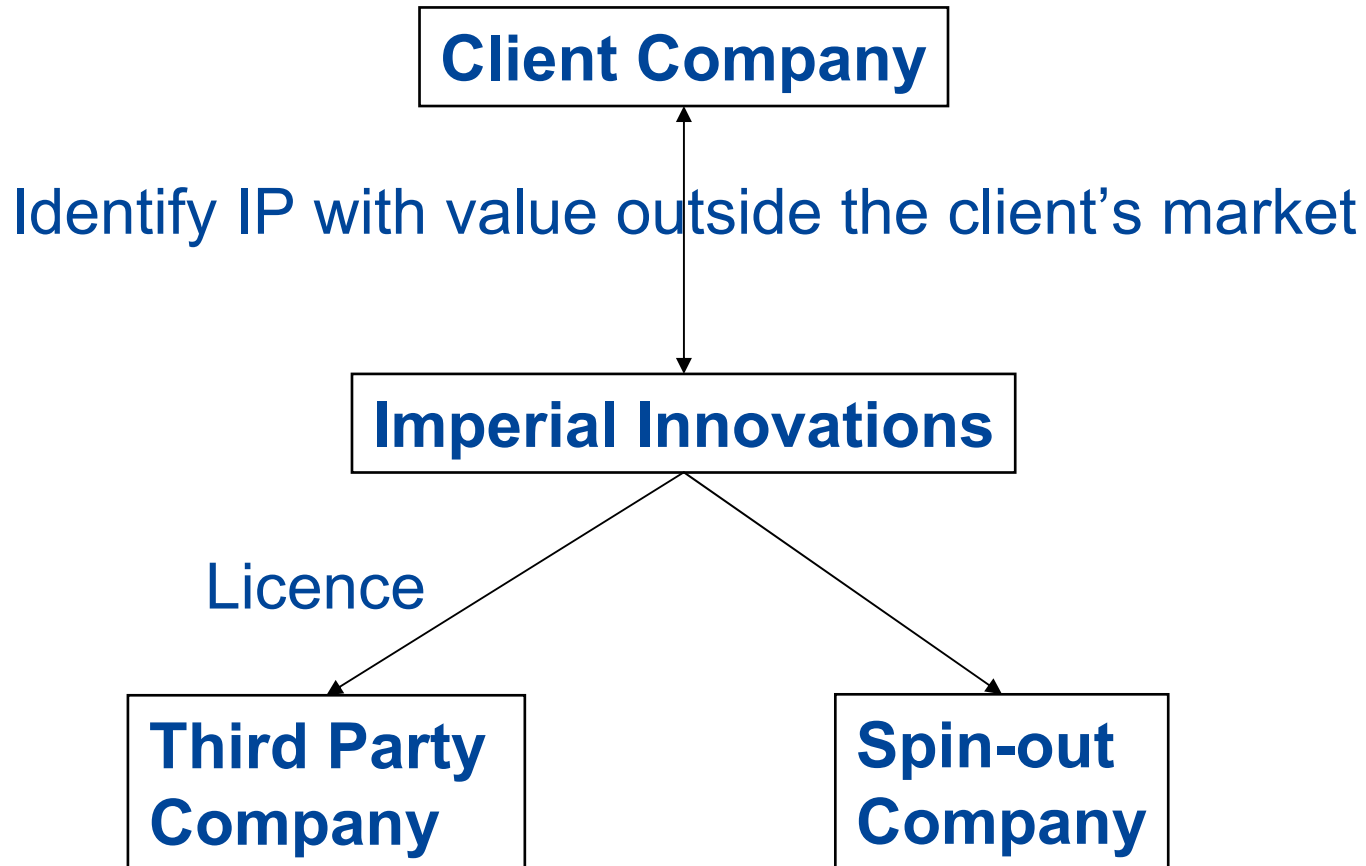
# Research Contracts-Ideal Terms

- **University owns arising IP**
- **Grant access rights to business sponsor Inside/Outside Field**
- **Publication rights**
- **Free use rights for research and teaching**
- **Financial return-When? How much?**

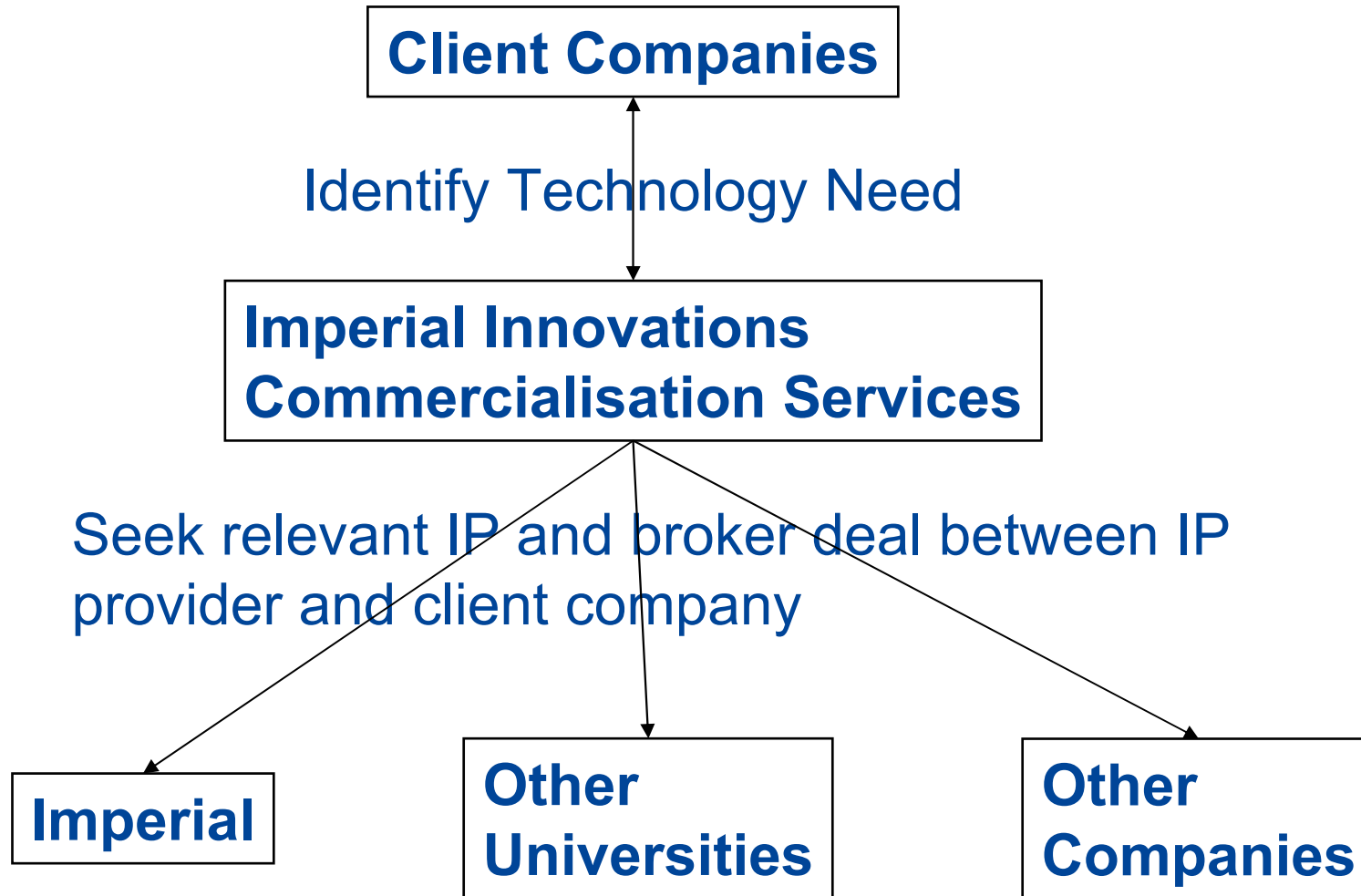
# Commercialisation Services

- **Commercialising non-core IP**
- **Intelligent solution management**

# Commercialising Non-Core IP



# Commercialisation Services



# Summary

- **Understand business needs**
- **Be flexible in structuring a deal**
- **Be sure to deliver**