Sharing IP with the consortium

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The Central IP Service (CIPS)

- Providing advice to all Commission services on IP aspects of their activities
- Managing the IP portfolio of the Commission (trademarks, patents, logos...)
- Helping in technology transfer activities of Commission's technology
- Coordinating a network of IPR correspondents in all DG's

- Hosted with DG JRC
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Intro – what's in a title? "Sharing IP with the consortium"

- Sharing – when?
  - Even before signing any agreement
  - Also after the agreement is over

- Sharing - what?
  - What members already have or have access to ("background")
  - What members will be creating ("results")

- Sharing – how?
  - Via co-ownership
  - Without co-ownership
Intro – what's in a title?
"Sharing IP with the consortium"

- IP covers many things:
  - Copyright
  - Including copyright on software
  - Inventions (patents)
  - Data, datasets, databases
  - Confidential information
  - Trade secrets, know-how
  - Trademarks, domain names
The contractual context, the GA

- The Grant Agreement (GA) contains rules on "sharing IP with the consortium"

- The consortium agreement (CA) may not deviate from the GA

- The CA will customise the rules to the specific project
The rules in the grant agreement

- **Access to background:**
  - **Obligation to identify:**
    - Positive list, negative list
  - **Obligation to give access to other members:**
    - Royalty-free for implementing tasks under the action
    - On fair & reasonable terms for exploiting their own results
  - Somehow equivalent to a licence agreement
  - Sometimes rather a non-disclosure agreement
  - Not necessarily access by all members to all background
The rules in the grant agreement

- **Ownership of results:**
  - Results owned by the member who generated them
  - Joint ownership (automatically) if:
    - Results generated jointly and
    - Impossible to establish respective contributions or
    - Impossible to separate contributions.
    - If so: obligation to have a written joint ownership (JO) agreement
  - Only after results were generated, possibility to agree on another mechanism than joint ownership
The rules in the grant agreement

- Obligation to **protect** the results
  - Different routes
- Obligation to **exploit** the results
- Obligation to **disseminate** the results (open access), not at the detriment of protection
- Possibility to **transfer** ownership or **licence** the results
- Rights of **access** by members to the results
  - Royalty-free for implementing their tasks under the action
  - Fair and reasonable conditions for exploiting their own results
In addition to the GA, the consortium agreement

- What about derivative works created on the basis of the background? Are they "results"?
- If co-ownership is chosen as a solution:
  - Have a joint ownership (JO) agreement
  - More freedom to agree after results have been generated
  - Make sure at least the following is regulated:
    - Decision-making process between co-owners regarding all issues:
      - Choice of appropriate protection scheme
      - Rights of co-owners to use results
      - Rights of co-owners to exploit results (licensing, spin-off, joint ventures...)
      - Rights of co-owners to disseminate results
In addition to the GA, the consortium agreement:

- If co-ownership is chosen as a solution:
  - Make sure at least the following is regulated:
    - Decision-making process between co-owners (prior info, votes, veto...)
    - Equal shares or not?
    - Freedom to still go "your own way" in the future
    - Who can/must sue in case of infringement?
    - How are royalties & damages shared?
    - Can one sell its shares? Pre-emption right for the others?

- And remember: ownership is often a source of conflicts!
In addition to the GA, the consortium agreement:

- If co-ownership is NOT chosen as a solution:
  - Who owns the results?
  - Compensation for this transfer?
  - Rights of other members, via a licence:
    - To use results for the project
    - To exploit result after/outside the project
What if the CA does not contain any clause?

- The GA imposes rules (binding all GA signatories)
- The applicable law will apply by default:
  - Which laws? Preferably BE laws?
  - What do these laws provide?
- No harmonisation of contract law in the EU, on:
  - Rights of co-owners to grant licences
  - Rights of co-owners to grant exclusive licences
  - Rights of co-owners to sue
  - Differences regarding IP regime (copyright, patent, trademark)
Recommendations for consortium members

- Make sure they have rules in place
- Co-ownership situations are a regular source of disputes
- Even though not all situations can be covered in advance
- Have mechanisms to deal with unforeseen events:
  - Decision-making processes
  - Alternative dispute resolution (ADR) schemes
Recommendations for consortium members

- Remember: even the best contract does not replace confidence
- Not just an issue of compliance with H2020 rules
- It can be crucial for the future, in their interests:
  - investors, venture capitalists etc. will do their own "due diligence", including on IP
  - important to have a proper system in place
Recommendations for consortium members

- Sharing IP often starts even before any CA or GA is in place
- Before sharing, make sure they have an NDA (non-disclosure agreement) in place
- And start discussing IP early in the process:
  - The "Plan for Dissemination and Exploitation of Project Results" is a good tool to start this
  - It needs to be updated and followed
For useful guidelines:

**Factsheets from the European IPR HelpDesk (www.iprhelpdesk.eu):**

- IP joint ownership
- The Plan for the Exploitation and Dissemination of Results in Horizon 2020
- IP Management in Horizon 2020: proposal stage
- How to manage IP in Horizon 2020: at the grant preparation stage
- How to manage IP in Horizon 2020: project implementation and conclusion
- How to deal with IP related clauses within Consortium Agreements
- Intellectual property management in open innovation
- Inventorship, Authorship and Ownership
- Your Guide to IP in Horizon 2020
- Creating values – IP exploitation in Horizon 2020

**Guidance from the EU Commission:**

- Guidance – How to draw up your consortium agreement
- AGA – Annotated Model Grant Agreement
Thank you for your attention!

Any question?

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