

Intellectual Property Policy for For-Profit Organizations

Working Meeting of the ICOC
Intellectual Property Task Force

Specific Challenges: For-Profit IP Policy

Differences in “IP practices”:

- Non-profit grantees license inventions to others
 - Non-profit grantees act as “outsourced” technology transfer offices, assessing market value of inventions and negotiating license terms specific to invention under discussion (CIRM claims 25% of grantee’s share)
- For-profit grantees typically develop and sell the products of the inventions themselves
 - CIRM is likely to be the negotiating body for grants to commercial sector

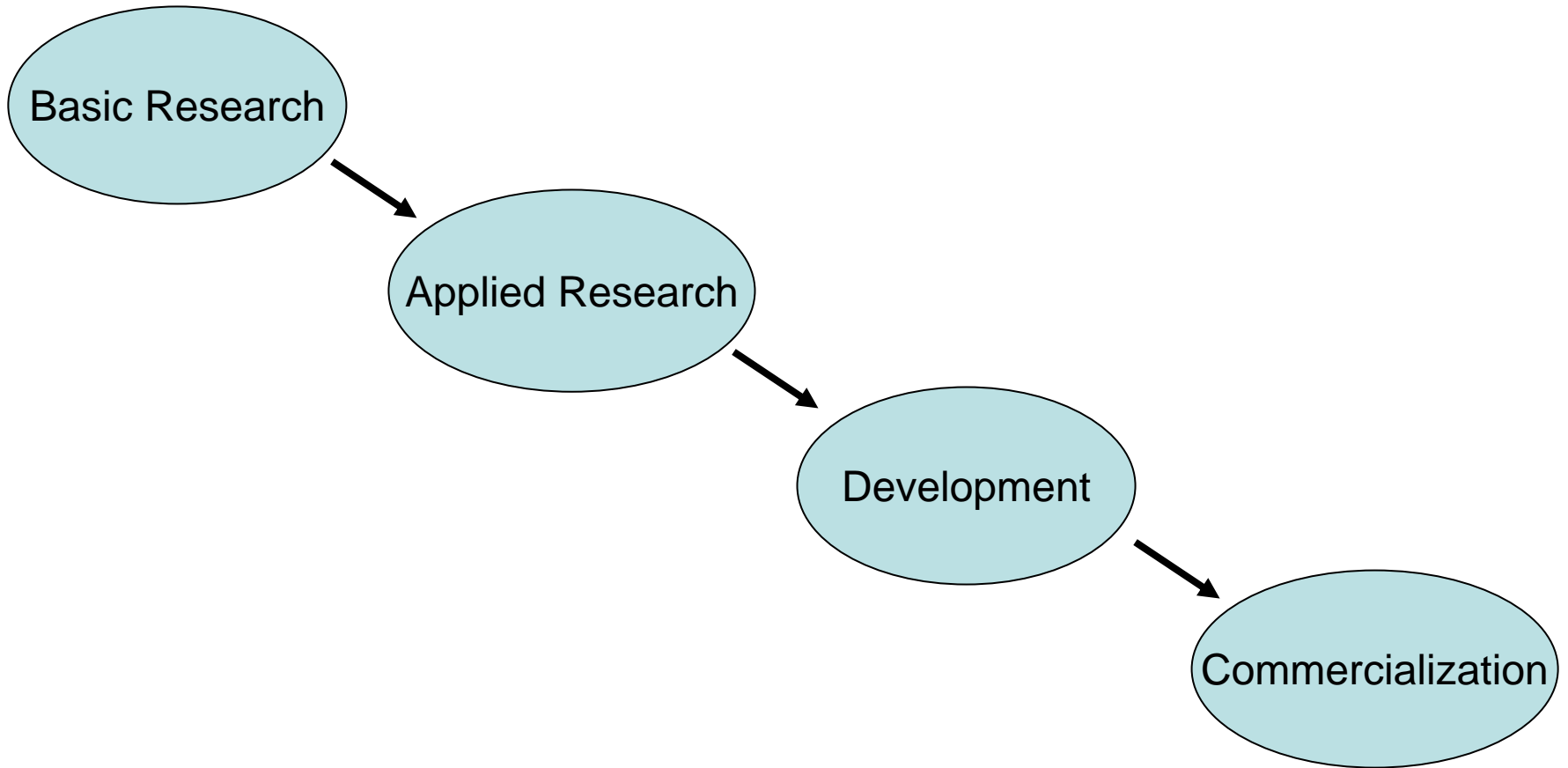
Contracts, grants and loans may lend themselves to different IP policies and different “return to the state” strategies

- Simple percentage “return to the state” while appealing because of its simplicity, is unlikely to adequately reflect the diversity of situations which will be encountered

Tracking/monitoring challenges

- Commercial entities merge, fail, change names over the 10+ years to bring a product to market

The Stages of Innovation



For-Profit Policy Needs:

- Flexibility (variability in corporate sector)
- Diversity (contracts, grants, loans)
- Understanding of realities at grantor and grantee levels in order to understand policy effects at state level

Federal Government: Innovation Programs in the Commercial Sector

- Multiple programs (DARPA, SBIR, STTP, ATP, etc.)
- Multiple agencies with diverse missions (NASA, NIH, DOD, DOE, NSF)
- No one-size-fits-all approach for innovation
- Federal government does not treat non- and for-profit companies differently with respect to intellectual property or revenue-sharing (no revenue-sharing except under tax program)

Today's Agenda

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|---------------|--|
| 8:00 – 8:15 | Ed Penhoet – introductory remarks |
| 8:15 – 9:00 | Greg Milman (NIH) |
| 9:00 – 9:30 | Robert Goldstein (Juvenile Diabetes Research Foundation) |
| 9:30 – 10:15 | Stephen Juelsgaard (Genentech) |
| 10:15 – 11:00 | Brad Margus (Perlegen) |
| 11:00 – 11:45 | James Kovach (Buck Institute) |
| 11:45 – 12:00 | Ed Penhoet - next steps |