



Program Announcement 12-08: CIRM Patent Assistance Fund Awards

I. Program Goals

The goal of the Patent Assistance Fund is to ensure adequate prosecution of intellectual property (“IP”) relating to CIRM Funded Inventions (“CFIs”) (as defined in the CIRM Grants Administration Policy for Academic and Non-Profit Institutions (GAP)) that have commercial relevance.

CIRM has become aware that some non-profit grantees faced with budget constraints forgo prosecution of intellectual property relating to CFIs, thereby potentially diminishing the value of the Inventions and their potential to attract downstream investment critical to commercialization and revenue generation. Consistent with CIRM’s existing IP policy, Grantees will continue to own CFIs and determine the ideal path to commercial exploitation of such inventions. CIRM will offer to provide assistance from post-provisional through to national phase applications. CIRM’s program is intended to provide funding assistance to help ensure Grantees preserve IP positions that are intended to enhance the marketability of CFIs and make downstream investment and development more likely.

II. Eligibility

A. Institutional Eligibility

Applications for Patent Assistance Fund awards may be submitted by any non-profit organization in California that is a current or former CIRM Grantee with at least one disclosed CFI on record with CIRM.

B. Program Director (PD) Eligibility

The Program Director (PD) may be any individual employed by the organization as the Director of the organization’s technology transfer office, or an equivalent position and/or department of the organization, or the Authorized Organizational Official (AOO), as defined in the GAP.

III. Award Information

A. Award Mechanism.

Receiving funding under this Program Announcement is a two-part process. First, for ease of administration, CIRM will require eligible non-profit institutions in California to submit an application for an award that will authorize up to \$300,000 for use by the Grantee to fund eligible patent activities as described below. Second, the disbursement of funding under the award is subject to review and approval of subsequent Grantee requests for funds. Such requests must include all required documentation needed for CIRM approval, as set forth below. CIRM funds may be disbursed in advance based on planned patent expenditures or by reimbursement (with CIRM approval if required) based on an invoice of actual costs. In addition to individual requests for release of funds, the Grantee must submit an annual financial report as described below.

B. Award Length

The grant award length will be up to 4 years with the option for a one-time no-cost extension for up to an additional 12 months with prior approval by CIRM.

C. Award Size

The size of the grant award is dependent on the number of CFIs reported to CIRM by the Grantee at the time of the application under this program. If a Grantee qualifies during the grant for a larger award, the award amount will be augmented with the difference between the amount originally stated in the Grant Award and the amount of the higher category.

\$50,000 – for Grantees with fewer than six CIRM-funded inventions disclosed.

\$150,000 – for Grantees with six to 15 CIRM-funded inventions.

\$300,000 – for Grantees with greater than 15 CIRM-funded inventions.

D. Funding Levels and Submission Requirements

Disbursement of funding under a grant award is subject to the following: funds may be used to defray a percentage of allowable costs (described below in part E) for patent activities for any CFI based on the following formulae and submission of supporting documentation:

1. Provisional Application: No CIRM funds may be expended in association with the filing of a Provisional Application for a CFI. The Grantee is solely responsible for the filing of the Provisional Application.
2. U.S. Utility Application and/or PCT Application: CIRM funds may be expended for up to seventy-five percent (75%) of the amount of allowable costs, subject to a limit of up to \$15,000 of CIRM funds per patent application.

Eligibility Requirements for this disbursement:

- a. CIRM-Funded Invention (or CIRM-Funded Technology (as defined in Regulation 100601) if approved by CIRM);
 - b. Submit proof of Provisional Filing unless starting directly with a US/PCT application;
 - c. Submit copy of the patent application;
 - d. Submit Grantee's internal Invention Disclosure Report;
 - e. Submit Patentability Analysis (if one exists);
 - f. Submit Marketability Analysis (if one exists);
 - g. Submit certification that a third party is not contractually responsible for funding this activity (e.g. through a licensing agreement).
3. National Phase Applications in PCT Member Countries/Direct Foreign Applications: Upon prior approval by CIRM, fifty-percent (50%) funding for allowable costs, up to \$40,000 of CIRM funds per invention.

Eligibility Requirements:

- a. CIRM-Funded Invention (or CIRM-Funded Technology if approved by CIRM);
- b. Submit proof of Provisional Filing or directly to US/PCT application;
- c. Submit copy of patent Application;
- d. Submit Grantee's internal Invention Disclosure Report;
- e. Submit any and all Patentability Analyses, freedom to operate analysis, and patent landscape search results, if performed.
- f. Description of market interest and efforts to partner/license.

CIRM will review these materials and approve funds under this phase based on an assessment of commercial viability, adequate marketing effort and propensity for success.

E. Allowable Costs

Allowable costs include filing fees, translation costs, examination fees, annuity costs and grant fees, and attorney's fees related to non-litigation or patent defense expenses. Allowable costs must be incurred after the start date of the grant. Non-allowable costs include attorneys' fees related to litigation and patent defense, including any administrative action either prior or subsequent to the grant of a patent, such as oppositions, interferences, re-examinations and other similar administrative actions, that are outside of the scope of normal patent prosecution for that jurisdiction; salary support; and Facilities and Indirect costs. Exceptions to this provision may be made upon approval of CIRM's President.

IV. Request and Approval Procedure

An application for a Patent Assistance Fund grant must be submitted by the Program Director and AOO and may be found online at <https://grants.cirm.ca.gov/>.

Part A. The Grant Application The application will contain the usual identifying information and certification of the number of CFIs disclosed to correspond with the level of funding requested.

Eligibility and Review Criteria:

The Applicant will describe: 1) how it determines what IP to pursue, 2) the process for identifying and evaluating potential development partners; 3) the tech transfer department resources and systems; 4) the overall process of invention tracking, patent determinations and IP utilization; 5) the number of CIRM-funded inventions disclosed to CIRM.

This information will be used to assess the adequacy of an institution's resources and ability to adequately gauge and monitor the commercial potential of CIRM IP and identify and develop partners to exploit such technologies. Successful applicants will demonstrate sufficient administrative capability to manage a portfolio of IP and ensure familiarity and compliance with legal requirements necessary to protect IP, including preparation of filings with the United States Patent and Trademark Office, and other appropriate jurisdictions.

Upon approval by CIRM, the Grantee will be eligible to receive disbursements up to the total Grant Award amount for the activities described above.

Part B. Funding Requests. Submission of supporting documentation for the approved phases described above in Part III.D. may be made online using the following online Funding Request form: <https://grants.cirm.ca.gov/>.

V. Schedule of Deadlines

Applicants will have opportunities to apply for a Patent Assistant Fund grant on a monthly basis until June 30, 2016.
Additional funding rounds may be open if uncommitted funds remain available.

VI. Contact Information

For programmatic inquiries:

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