



## Industry Sponsored Projects at University of Washington

The University of Washington (UW) frequently conducts research projects sponsored by companies. In FY12 the UW received \$72M in research awards from industrial sponsors, which ranks us among the top schools in the US in this category. This brochure is intended to provide some background on how industry sponsored projects at the UW work.

### Project Definition

The first step in putting together an industry sponsored project is for the UW principal investigator to work directly with the company representatives to define the research project that will be carried out. This document should clearly specify the:

- **Scope** of the project. Describe what work will be done, including specific deliverables and any milestones.
- **Collaboration.** If the project is a joint effort with the sponsor, a clear description of how the work will be divided.
- **Schedule** for completing the project
- **Resources** required. Detailed budget for the project, including costs for labor, materials, equipment, travel, etc.

Once a project description document has been completed, the UW principal investigator can begin the internal grant review and approval process. The first step of this process is review of the project by the Department Chair and Dean; they verify that the project is appropriate for the department, that the necessary resources are available, and that the budget is adequate. Once this recommendation for approval has been obtained, the project moves onto UW's Office of Sponsored Programs which manages all research grants and contracts for the university.

### Project Terms

The Office of Sponsored Programs works with the company to create a sponsored research agreement for the project. There are several principles underlying UW research agreements that industrial sponsors should be aware of.<sup>1</sup>

- 1) **Reasonable Efforts.** Research is inherently unpredictable and outcomes cannot be guaranteed. Work is conducted on a reasonable efforts basis at a standard consistent with research done at comparable high-quality U.S. academic institutions.
- 2) **Publications.** The UW is a public educational and research institution; it is expected that research results can be published within a reasonable period of time. We can defer publication for a short period in order to protect intellectual property and to provide time for the company to review and redact any company confidential information.

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<sup>1</sup> For more information see <http://www.washington.edu/research/main.php?page=agreementGuide>



- 3) **Intellectual Property.** In general, UW retains full ownership of inventions and discoveries that arise solely from UW-conducted research, whether patentable or not. Sponsors are routinely granted a first right to negotiate with the UW to obtain a fee-bearing exclusive or non-exclusive commercial license to project IP on commercially-reasonable terms; commercial access to the IP is not typically priced into the research agreement.<sup>2</sup> If the industry sponsor is collaborating with UW on the project, it is possible that joint inventions may arise. Such joint intellectual property would be jointly owned.
- 4) **Funding & Pricing.** The pricing of research agreements is typically based on full reimbursement of actual costs plus overhead at the UW's current federally-negotiated rate. Often such agreements have a not-to-exceed maximum price. In some cases, where research objectives and costs are well understood, the parties may agree to fixed price terms. UW requires a payment schedule that is sufficient to assure payments keep pace with planned project expenditures.
- 5) **Warranty & Liability.** The UW does provide any warranty related to research results or intellectual property. Also, as an entity of the State of Washington, the UW is limited with respect who and what types of act for which it can provide indemnification.

Once a sponsored research agreement between UW and the company has been negotiated and signed, the the project and work can begin.

## Contact

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<sup>2</sup> In some cases, UW may agree, for an additional fee, to provide a commercial non-exclusive license to project IP as part of the research agreement.