

The following guidance is provided to assist applicants in preparing and executing an intellectual property (IP) management plan. This guidance is not exclusive and should not be considered an exhaustive or comprehensive listing of acceptable approaches. Each applicant is encouraged to use its own discretion to independently develop and submit an IP management plan that it and its team (or consortium) believe will best address the team's objectives.

The EERE award will set forth the treatment of and obligations related to IP rights between the Government and the team. The purpose of an IP management plan is to set out the rules and procedures on how IP matters will be addressed among and between the team members.

Below is a list of issues that should be addressed in an IP management plan along with possible approaches to each of the issues.

I. DEFINITIONS

The IP management plan should include a definition section to ensure that the members have a common understanding on the important terms used throughout the plan. To avoid confusion or inconsistency with the EERE award, the IP management plan should use the same terms and definitions used in the EERE award where possible. For example, the following terms are defined in the EERE award: invention; made; nonprofit organization; practical application; small business firm; subject invention; computer data bases; computer software; data, form, fit, and function data; limited rights; limited rights data; protected data; protected rights; restricted computer software; restricted rights; technical data; and unlimited rights data. The definitions for these terms will be listed in the EERE award and are listed in 10 CFR 600 Appendix A to Subpart D – Patent and Data Provisions.

II. TREATMENT OF CONFIDENTIAL INFORMATION

The sharing of confidential information between members may be essential for the success of the team. In order to encourage such sharing, it is important that the members understand how and under what conditions confidential information will be shared. The IP management plan should include confidentiality or non-disclosure provisions such as requirements to identify or share confidential information and obligations to protect or restrict use of confidential information. Alternatively, rather than having the confidentiality or non-disclosure provisions as part of the IP management plan, a separate non-disclosure agreement may be used. However, at a minimum, the IP management plan should reference the use of any separate non-disclosure agreement.

III. BACKGROUND IP

A common concern for any entity joining an R&D team is how its participation may impact its pre-existing intellectual property (*i.e.*, background IP). Therefore, it is important for the IP management plan to discuss background IP. How background IP is treated depends on the objectives of the team and the concerns of the individual members. For example, the IP management plan may not grant any rights to background IP or require any action by the owner of the background IP. If that is the case, the IP management plan should be explicit on this point. Alternatively, the IP management plan may require one or more of the following: (a) identification of background IP in certain circumstances, (b) licensing the background IP to the extent necessary for the team to conduct its work, and (c) licensing the background IP to the extent necessary to allow members to practice foreground IP developed by the team.

IV. FOREGROUND IP

Foreground IP is the IP developed or generated from the work of the team. Foreground IP includes subject inventions (*i.e.*, inventions made in the performance of the EERE award), software, other copyrightable works and rights in data generated by the team. In general, the IP management plan should identify and establish: (a) the different types of foreground IP; (b) the owner of the foreground IP; (c) any obligations of the owner or inventing party regarding the foreground IP (*e.g.*, to disclose the foreground IP to the team, take certain steps to protect the foreground IP, or make the foreground IP available to the team under certain conditions); and (d) any obligations of the team regarding the foreground IP (*e.g.*, non-disclosure obligations or providing financial or other support to obtain and maintain protection of the foreground IP).

Perhaps the most important consideration for the team is how it will provide access to foreground IP. Access to and control of the foreground IP may be the primary motivator for members to participate in the team. For example purposes only, here is a non-exhaustive list of different approaches to foreground IP:

- Each member gets an irrevocable and royalty free license to all foreground IP;
- Each member may obtain a license to foreground IP; the availability and terms of the license, including possible royalties, is based on the level of dues or other support provided by the member;
- Each member gets a limited license (*e.g.*, research only) to foreground IP and an option to negotiate a broader license (*e.g.*, for commercial purpose) based on the level of dues or other support provided by the member; or

- No member gets any rights to foreground IP based on their membership with the team or consortium; members must negotiate licenses with the member who owns the foreground IP.

In general, for-profit members are likely to be the members providing the most financial support to the team. In exchange for this support, they will prefer irrevocable royalty-free licenses to any foreground IP and limit the ability to license the foreground IP beyond the team as much as possible in order to increase the value of its license and investment to the team. Non-profit and universities members are more likely to be the members that develop the foreground IP. They are likely to want as much flexibility as possible to negotiate licenses to anyone, including in and out of the team, in order to maximize monetization of the foreground IP. The team will need to determine the best approach for itself regarding access and control to foreground IP and make that clear in the IP management plan.

For subject inventions, the IP management plan should address who is responsible for pursuing and paying the cost of patent protection (*e.g.*, the inventing party, members receiving a license, the team).

V. PUBLICATION/DISSEMINATION

Depending on the nature of the team, it might want to encourage or be required to publish or disseminate some of its work to the public. In such cases, the IP management plan should explain any requirements which individual members may have in this area. For example, the IP management plan should make it clear if certain information needs to be available through a particular publicly-available database or other source, under a particular licensing arrangement (*e.g.*, Creative Commons Attribution License, as open-source) or to a targeted audience (*e.g.*, community colleges to be used for training).

The IP management plan should further provide a pre-publication review or process to ensure that the team or consortium has an opportunity to review any publications from a member that might impact the rights of the team (*e.g.*, inadvertent release of proprietary information)

VI. COMMERCIALIZATION EFFORTS

The IP Management Plan should explain how the team will support the commercialization of the technology developed by the team. For example, the team may take a centralized approach of bundling IP for marketing and licensing purposes. Alternatively, the team may take a decentralized approach and rely of the individual members to commercialize the technology from their own commercial activities or licensing efforts. A third way would be to combine both approaches.

In some cases, the team may limit the commercialization of the technology to only its members through its licensing arrangement to encourage membership. However, in order to prevent underutilization of certain technologies, the team may consider requiring all licenses to be conditioned on commercialization milestones that would allow the technology to be reopened or marketed outside of the team if those commercialization milestones are not achieved.

VII. CHANGE OF MEMBERSHIP

The IP Management Plan should address how IP rights are impacted by a change of membership in the team. For example, the IP management plan needs to discuss (a) what rights or access, if any, a new member has to any of the pre-existing foreground IP; (b) does a member retain any of its rights or licenses that it obtained as a member of the team when its membership ends; (c) does a member retain any of its rights or licenses to IP when the licensor of the IP leaves the team; (d) is a member obligated to comply with its confidentiality obligations after it leaves the team; and (e) any other IP rights or considerations that could be impacted by a change in membership status.

VIII. DISPUTE RESOLUTION

The IP Management Plan should provide for a dispute resolution process for members to resolve issues related to IP. Preferably, the process would require that the members first attempt to settle the dispute themselves, then use mediation, arbitration or neutral office or position within the team, and finally going to court if necessary. If the dispute is between a member and the management of the team then the IP Management Plan may provide for a modified dispute resolution process because using an office or position within the team may not be warranted.

IX. GOVERNMENT RIGHTS

It is important to ensure that the IP management plan is consistent with the IP provisions of the EERE award including the rights provided to the Government regarding IP. It is also important for the members to be aware of the Government rights. Therefore, it may be helpful to reference the Government rights in the IP management plan. For example, the IP management plan could attach the IP provisions of the EERE award or summarize the rights in the plan directly such as the Government-purpose license and march-in rights. Federally-funded IP, especially subject inventions, may have certain U.S. manufacturing requirements. If so, the U.S. manufacturing requirements should be referenced in the IP management plan as well.