

## NERF QUICK REFERENCE GUIDE WHEN NEGOTIATING SPONSORED RESEARCH AGREEMENTS

**General Assumptions:**

- (1) Invention rights limited to patentable inventions conceived & first reduced to practice in the performance of the Scope of Work under the Agreement;
- (2) IP provision contains an appropriate election period and negotiation period that provides the sponsor with a time-limited period in which to notify the University of its election to negotiate a license and to complete the negotiation of the license;
- (3) License rights subject to the University's legal ability to do so, when appropriate (i.e., to address exclusive license, other license obligations, non-participating co-inventors, etc.);
- (4) Where indicated, consultation with the authorized Campus Licensing Office (CLO) is strongly recommended.

Sponsored Research Agreement IP Provision	Initial Negotiating Responsibility	Consult with	Recommended Uses	Guidelines
Time-limited first right to negotiate an exclusive or non-exclusive license to project invention	C&G Office		•For-profits	<ul style="list-style-type: none"> <li>•Standard starting position for for-profit sponsors of research</li> <li>•For-profits may elect exclusive or non-exclusive rights</li> </ul>
Research NERF	C&G Office		<ul style="list-style-type: none"> <li>•Non-profits</li> <li>•Academic institutions</li> </ul>	<ul style="list-style-type: none"> <li>• Limited to use rights only for research and education (excludes make or sell rights)</li> </ul>
Internal Use NERF	C&G Office	<ul style="list-style-type: none"> <li>•CLO</li> <li>•PI</li> </ul>	<ul style="list-style-type: none"> <li>•For-profits</li> <li>•Multi-party collaborations</li> <li>•Consortia members</li> <li>•Industry Affiliates Program members</li> <li>•Foreign governmental entities</li> </ul>	<ul style="list-style-type: none"> <li>• Limited to use (or make if applicable) rights in a non-commercial application (i.e., excludes the right to sell or have sold)</li> <li>•Use rights may be further limited to duration of sponsor's participation in a multi-party collaboration</li> </ul>
Commercial NERF w/other financial consideration	C&G Office	<ul style="list-style-type: none"> <li>•CLO</li> <li>•PI</li> </ul>	<ul style="list-style-type: none"> <li>•For-profits paying partial costs of research project</li> <li>•Material providers</li> <li>•Lower tier Industry Affiliates Program members</li> </ul>	<ul style="list-style-type: none"> <li>•Full commercial rights (make, use, and sell)</li> <li>•May further limit rights to the technical field-of-use encompassing the scope of the research project</li> <li>•Limit MTAs to compounds, materials, or inventions that necessarily use or necessarily incorporate the Material</li> <li>•Other forms of financial consideration should be considered</li> </ul>
Commercial NERF, fully	C&G Office	•CLO	•For-profits paying full costs of research	•Include provisions for the reimbursement of

Sponsored Research Agreement IP Provision	Initial Negotiating Responsibility	Consult with	Recommended Uses	Guidelines
paid-up		<ul style="list-style-type: none"> <li>•PI</li> <li>•Senior Management</li> </ul>	<ul style="list-style-type: none"> <li>project</li> <li>•Premium tier Industry Affiliates Program members</li> </ul>	<ul style="list-style-type: none"> <li>patent costs or clear statement that there is no obligation to file and prosecute patent applications.</li> <li>•Include due diligence requirements</li> <li>•Address/document public benefit requirement</li> </ul>
Actual grant of a license	CLO	<ul style="list-style-type: none"> <li>•PI</li> <li>•UCOP</li> </ul>	<ul style="list-style-type: none"> <li>•Not recommended for use except in exceptional, rare circumstances</li> </ul>	<ul style="list-style-type: none"> <li>•Any consideration of granting such rights are specific to the facts &amp; circumstances on a case-by-case basis</li> <li>•Requires approval from UCOP/Office of General Counsel in coordination with UCOP/OTT</li> </ul>
Non-assert	C&G	<ul style="list-style-type: none"> <li>•CLO</li> <li>•UCOP</li> </ul>	<ul style="list-style-type: none"> <li>•Not recommended for use except in exceptional, rare circumstances</li> </ul>	<ul style="list-style-type: none"> <li>•Any consideration of granting such rights is specific to the facts &amp; circumstances on a case-by-case basis</li> <li>•Requires University Patent Policy exception from UCOP/OTT</li> </ul>