

## **Information for applicants on cooperation agreements**

Details of cooperation should be laid down by the Partners of the joint project in a written cooperation agreement that should contain regulations with a balanced distribution of rights and duties for the use and exploitation of knowledge and results among the Partners. The special achievements involved in an invention have to be recognized. Inventions must therefore be treated differently from any other results obtained in the project.

### **a) Cooperation agreement**

The Partners should enter into a legally binding cooperation agreement prior to the start of the project. The cooperation agreement must provide at least the following information about the project:

- Partners in the project
- expenditure/ costs and funding
- project period
- work plan
- list of existing IPRs (intellectual property rights), utilization plan, terms of ownership and use of IPRs generated by the project
- project management
- confidentiality, dissemination of knowledge.

### **b) General aspects on inventions**

Before agreeing on the ownership of inventions, the Partners should inform themselves about the legal premises for gaining an effective position to grant any right on inventions made by their staff to their Partners. The Partners must exercise reasonable effort to bring themselves in the position to grant such rights.

The Partners should agree on procedures to inform each other timely on inventions and patent strategy. Methods to coordinate intellectual property rights (IPR) activities should be described (e.g. establishment of an IPR steering committee could be considered).

If a Partner waives IPR relevant to the project, the interest of the other Partners should be considered.

The Partners may additionally agree that inventions arising from the joint research project must first be offered for a reasonable period of time to the other Partners for use (right to primary negotiation)

### **c) Ownership of inventions**

Fair rules on ownership and use should be applied, reflecting the following principles:

- (1) If an invention arises in a joint research project, it should be the property of the Partner creating it, i.e. whose staff has provided the special achievement leading to the invention. This Partner shall initiate the necessary steps for patent protection.
- (2) If staff members of several Partners are involved in an invention (joint invention), joint ownership should apply. The shares of ownership should reflect the contribution to the inventive achievement. The Partners involved should agree in good faith on the modalities of patent protection to the benefit of all owners.
- (3) Instead of joint ownership it is possible to exchange rights as well as an additional remuneration, or grant options for the use of rights to results on generally accepted market conditions.
- (4) In assessing the compensation for use, the holders of rights should take those contributions by the Partners into consideration which are to be regarded as a necessary, but not sufficient prerequisite for the invention. Such contributions should be adequately taken into consideration in the assessment of licence fees, e.g. by a significant deduction in comparison to those not involved, which – in particularly justified cases – may even lead to an extensive renunciation of licence fees.

This is analogously applicable to joint inventions.

- (5) Project Partners that are not involved in the inventive achievement should be able to acquire licences for use outside the project. A participation in the project as such does not justify any claim for the use free of charge beyond the project. Licensing by the holders of rights should take place on generally accepted market conditions, to be agreed upon prior to an intended use.
- (6) The Partners should be aware that – despite of all these regulations – some points cannot be regulated in the cooperation agreement (e.g. whose staff has provided the special achievement; which contributions are adequate). Therefore the Partners should agree on arbitration proceedings aimed at an amicable settlement in the event of disputes about patent issues.
- (7) In the case of joint R&D projects, in which a public or scientific institution or public supported body is involved in addition to a private company, economically imbalanced

contributions must be carefully evaluated with a view to No. 2.4 of the Community frame of the European Commission for R&D aids granted by states; the result of such an evaluation has to be documented.

**d) Confidentiality, Knowledge**

The Partners must agree on confidentiality and the dissemination of knowledge. It is especially important to agree on how to make knowledge accessible to each other, in a manner that project objectives can best be obtained. Procedures and rules of disseminating knowledge should be agreed upon prior to the start of the project. The Partners should respect each others secrets in commerce and should maintain adequate procedures to protect any confidential information of the Partners, which was made accessible to them.

**e) Applicable law, jurisdiction**

If Partners from different countries are involved in the joint project, the Partners should agree upon which law should be applicable and where jurisdiction should be in matters not subjected to regulations by the funding agreement signed with the national funding agency.