

Guide to collaboration, research and development



This information sheet is a brief guide to some of the legal issues that arise in relation to collaboration, research and development arrangements.

You may have decided to work with someone to develop something new, or to conduct research in a particular field. Or you may be helping someone else to do research by giving them access to your materials or technology.

These agreements can be complex

These arrangements can present particular challenges that, if not addressed properly, will cause problems later on. These potential problems can usually be avoided by some sensible contract drafting.

So if you're entering into a collaboration agreement, R&D agreement or development arrangement, make sure you document the terms of the deal carefully.

What should the agreement say?

Here are some critical terms to consider in your agreement.

- The agreement should state who owns any intellectual property (IP) rights in the results of the research or collaboration. If IP rights are to be co-owned or divided between the parties by category or field of use, you should talk to us first.
- The agreement should state who has the right to exploit the results and what restrictions the exploiting parties are to be under.
- Make sure the agreement states what rights each party has to utilise the pre-existing IP of the other party.

- The agreement should clearly define the objectives of the arrangement and the contributions each party is expected to make in terms of time, staff, facilities and cash.
- If external funding, or regulatory or ethical approvals are required, make sure it is clear whose responsibility it is to get these.
- If the arrangement involves the transfer of valuable materials for further R&D (such as under a Materials Transfer Agreement), make sure it is clear who bears the risk arising from the transportation and use of those materials.
- If the focus of the deal is more around development (eg, the development of the prototype), make sure the agreement includes details of any standards or specifications the development must meet. Consider whether to include quality or performance warranties by the developer, and whether to include acceptance or testing procedures.
- If the agreement contemplates research projects to be agreed over time, the agreement should include provisions setting out how decisions are to be made on the direction of the research and the terms of particular projects.

Academic institutes

Collaboration or development arrangements with academic institutions present different challenges.

The first challenge is to ensure IP ownership issues are sorted out within the institution. Most institutions will have an IP policy for staff and students. If the terms of the agreements are not consistent with the policy the parties to the deal may have a problem.

Whether you are working for the academic institution or are the other party to the deal, always make sure you understand how the institution's IP policy impacts on the IP ownership provisions of the agreement. In some cases, you may have to get the institution's staff and students involved to sign waivers, assignments or IP acknowledgment forms.

The other main challenge that arises in arrangements involving academic institutions is balancing the desire for commercial secrecy with the need to publish. So any agreement with an institution needs to permit the academic staff involved to publish details of their research findings or results, provided the IP owner is given prior notice of publication and time to file patent applications in relation to the findings or results, and to object to any disclosure of commercially sensitive information.

For advice on collaboration, research and development agreements, contact AJ Park's commercial team.