

IP PLAN GUIDE: HIGH LEVEL SUMMARY

- ❖ Thoroughly read the entire **IP Plan Guide** (this document) and the **NGen IP Plan**.
- ❖ Make sure your IP Plan matches/supports what you said you will be doing in your application.
- ❖ Intellectual Property (IP) is not just limited to patents. IP may include:
 - Know how, Trade Secrets, Ideas, Drawings, Data, Copyright, Trademarks, and/or Industrial Designs.
- ❖ In view of the definition of IP above, it is expected that every project partner is bringing in Background IP and will create Foreground IP.
- ❖ Involve all project members when discussing access to both Background and/or Foreground IP. This forms a large portion of the IP Plan.
 - Your commercialization activities for each partner should relate back to how the Foreground IP is being accessed after the project.
- ❖ IP relates to other parts of your application:
 - Have you listed your IP concerns on your risk register?
 - Freedom to Operate and Patentability.
 - Are there other unofficial partners working on the project? This could lead to IP ownership issues. Have they been addressed?
 - Does your workbook budget support patent related costs if identified?



IP PLAN GUIDE FOR PROJECT APPLICANTS AND FUNDING RECIPIENTS

The purpose of this document is to provide guidance for project applicants to put together a strong collaborative project intellectual property Plan (**Project IP Plan**) that will adhere to **NGen's IP Plan** and provide the basis for how intellectual property (**IP**) will be managed. **NGen's IP Plan** outlines the rules and expectations of how your project IP is to be handled under the Pan Canadian Artificial Intelligence Strategy (PCAIS).

The **Project IP Plan** is a critical component of the project and often requires negotiations between project partners, therefore clear alignment up front will make the entire process much easier.

Your **Project IP Plan** provides key insight into the transformative and collaborative nature of the project to help assessors effectively evaluate the application.

The **IP Plan** must be developed with input from all members of the project consortium. If done properly, the **Project IP Plan** will provide an outline of the IP ownership and access/licensing required during the project to support project activities and after the project to support each members **Commercialization Plan**.

All successfully assessed projects will need to put a Collaboration Agreement in place. Please refer to the Collaboration Agreement Guide found on our website. The Collaboration Agreement will govern how the project partners manage the project, including the IP. The more complete and clear the **Project IP Plan** is, the easier and faster it will be for the project to create a Collaboration Agreement and satisfy the requirements of the Master Project Agreement (MPA) to get the project started after funding has been approved.

NGen's IP Manager is available to support applicants in preparing their **Project IP Plan**. The IP Manager cannot make decisions but can help facilitate discussions between project members and provide advice, education, and guidance.

Below are the suggested steps the consortium members should take to develop their **Project IP Plan**. Where applicable the links to the related application questions are included.

STEP 1 Ensure Project Alignment and Focus

- A. Research, document, and review the market opportunity and make sure that there is a clear, shared vision of what the project will be delivering; for example, who the customers are, who the competitors are, what is the geographic scope, etc. (relates to question 1 and 4 of your application)
- B. Outline the solution or approach to understand the functionality of both the entire solution and the different components of the manufacturing innovation. This is essential for the consortium to have a meaningful discussion on where the innovations or critical technical or performance advances are going to occur.
- C. At this point if you have not already done so, it would be beneficial to do some searching to see what other products or IP exist in the space which may create some risks or freedom to operate concerns for the project (relates to opportunity, transformative, and potential market questions of your application). This must be elaborated within your risk register and IP Plan if this has been completed or not.
- D. Ensure that there is a clear understanding of each consortium member's role in the project (relates to the project/risk management, expected benefits, commercialization, and collaborative nature questions of your application).
- E. Make certain that there is an understanding of the strategic business (also scientific and academic) intentions of the participants beyond the project and how they relate to the technical advances produced by the project. This includes clarity on how each participant intends to benefit from what they are investing in (relates to the opportunity, potential market, additional benefits, and commercialization question of your application as well as your Commercialization Plan)

There should be a strong understanding of the strategic intent underlying both the project and the interests of each project participant before moving on to the next step.

STEP 2 Identify IP and Confirm Ownership and Licensing Terms

It should be possible to discuss with each consortium member, the foreground IP they expect to own and the licensing terms they would be granting to the other members of the consortium. At the same time, each consortium member should be able to articulate what background IP belonging to other consortium members, if any, they require access to.

- A. Ownership. Confirm a description of the expected foreground intellectual property, expected ownership and the type of IP and legal means by which it would be protected. (know-how, trade secret, patents- pending or granted, copyright, trademarks, or industrial designs).
- B. Licensing of foreground IP. Step 1 identified the expected innovations or critical technical and performance advances in the main elements of the solution, and this should act as a starting point for the discussion around licensing of the foreground IP. To comply with NGen's IP Plan and develop a collaboration agreement that will be approved by NGen

each foreground IP owner should expect that each project member has a right to access, on fair, reasonable and non-discriminatory terms and subject to relevant competitive issues, all foreground IP arising from the project, at least for internal R&D purposes.

- C. Each project participant should identify the background IP they expect to bring to the project, and which other project participants will require access to produce their project deliverables or sustain their technology development and commercialization objectives, along with the applicable licensing terms.

At this stage there should be a matrix or table showing who owns the expected foreground IP, licensing terms and any applicable access rights to background IP that all project members have had input into and agree with. NGen provides a template WORD table for this portion of the Plan.

STEP 3 NGen Ecosystem Leverage for IP

The NGen PCAIS ecosystem leverage is about building market and technology development relationships outside the project consortium to build momentum around the advanced manufacturing innovation and strengthen the ecosystem.

- A. Market Development. Confirm target customer segments as well as potential applications of the foreground IP to different industries, markets, geographies, business models etc.
- B. Supplier Development. Confirm how potential suppliers, technology partners etc. could leverage the innovation and foreground IP to strengthen the leadership position of the advanced manufacturing innovation.
- C. Researcher Development. Confirm how researchers or research networks may access the innovation and foreground IP to build the competitive advantage through continued technical performance advances and innovations.
- D. The NGen IP Manager will help the consortium identify a list of members that could have a potential market and technology development interest in the advanced manufacturing innovation, including access to foreground IP, and confirm those that the project consortium would be willing to enter into negotiations, if requested.

At this point, there should be an outlined approach to market, supplier and research development where members with a technology or business development interest would be able to negotiate opportunities to use, advance or support the advanced manufacturing innovation.

STEP 4 Complete Project IP Plan

Combine all the results from steps 1, 2, and 3 into a draft **Project IP Plan**, this draft is not a final version but should summarize discussions, capture decisions on roles, comment on how each organization plans to protect/preserve it's IP (for example do they have the necessary agreements in place for IP assignment with employees, do they know how to

manage trade secrets, are they working with academic institutions does that impact the ownership of IP, any other IP concerns or issues), comment on their awareness of the prior art or other competitive solutions, do they have any freedom to operate work done or does it still need to be done, foreground IP ownership and all related licensing requirements.

Consortium members review the draft, identify issues, resolve what they can and confirm a series of steps for those that need more work to finalize.

The **Project IP Plan** summary is added to the project application as a project document.

If the project is approved by NGen for funding the consortium members will review and finalize their positions in a final **Project IP Plan**. The final **Project IP Plan** will be reviewed and approved by NGen and will form a basis for the IP portion of the collaboration agreement that the consortium members will agree to.