Contract Complexities

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Objectives

- What is a contract
- Why use a contract
- Why negotiate
- Discuss other agreements
Modes of Support

- Grant
- Cooperative Agreement
- Contract
Contracts (Acquisitions)

- Procurement of goods/services
- Terms usually detailed/specific
- More terms & conditions than grants
- Activities frequently dictated by sponsor
- Little (if any) latitude to modify SOW and/or expenditures
What Type of Contract

- Firm Fixed Price
- Cost Reimbursable
- Time and Materials
Small companies may not have resources or expertise.

STTR required to establish agreement disposition of intellectual property.

Possible that institutions PI may have financial interest or other role with company.
Industrial Contracts

- Standard Research Agreement
  Intellectual Property/Patents/licensing
  Supporting Payments
  Reports and Publications
  Confidentiality
- Advertising
  Insurance/Indemnification/warranty
Intellectual Property Ownership

- Sole University Ownership
- Sole Sponsor Ownership
- Joint Ownership
• Sponsor grants a nonexclusive, noncommercial, nontransferable, royalty-free license for the practice by the University in the University’s continuing teaching and research efforts of any invention covered by claims of any patent arising from the research at the University and licensed exclusively or assigned to the Sponsor.

• Royalty-free Exclusive Licenses are not generally acceptable.
A Material Transfer Agreement (MTA) is a contract that governs the transfer of research materials between two organizations, when the recipient intends to use it for his or her own research purposes. The Agreement defines the rights of the provider and the recipient to the materials and any of its derivatives. Biological materials, such as cell lines and plasmids, are the most frequent MTAs, but MTAs are also used for materials, i.e. chemicals and “things”.

Material Transfer Agreements
Common Types of MTAs

- Between Universities or Research Institutions
- From Universities to Industry
- From Industry to Universities

From Universities to Research Institutions
MTA Compliance Issues

- Live animals or custom antibodies must have reviewed protocols
- Human tissue must have reviewed protocols
- Hazardous materials and select agents must contact Environmental Health & Safety
Other Potential Issues

- Confidentiality
- Delay in publication
- Loss of intellectual property
- Conflicts with existing agreements
Questions