

Cedars-Sinai Medical Center

Patent Warehouse a New Concept for
Allied IP Protection in Higher
Education

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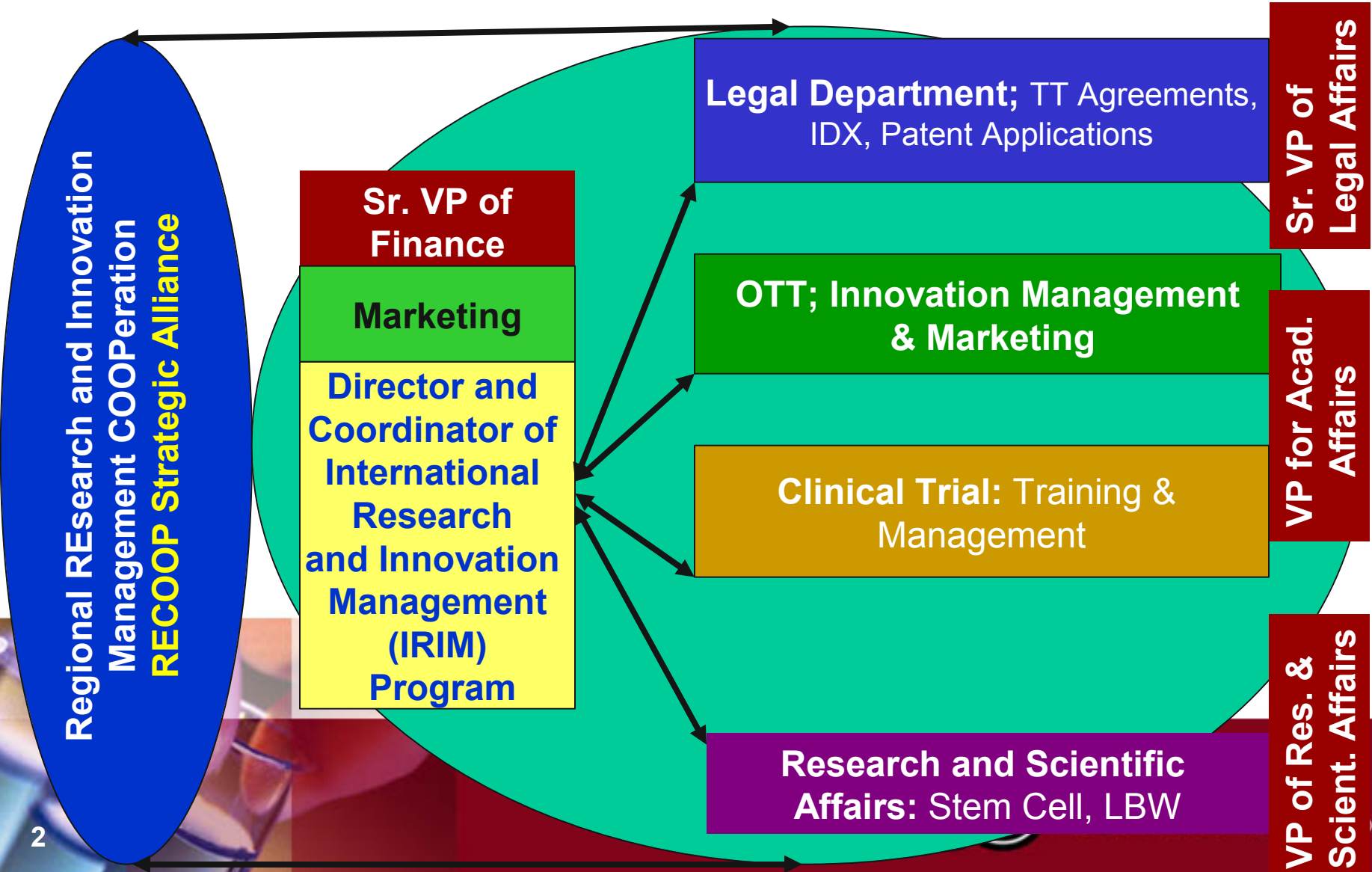
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CSMC International Research and Innovation Management (IRIM) Program

Central and Eastern Europe

Cedars – Sinai Medical Center IRIM Team



Motivation of CSMC to Form the Strategic Alliance

Continue to honor its principles and make every effort to not only **uphold its status as a world-class medical center**

and

Transfer our commitments into **regional and global activities**, as well.



Underlying Principle of Strategic Alliance

The **rapid technological changes** encourage successful strategic partnerships.

The **need for critical mass** and rapid deployment of resources to meet time-to-market requirements.

The **opportunity of cross-fertilization between researchers** of different origins

Operating collaboratively will enhance the market value of each participant

The **organizational values** among the partners are close or the same



Underlying principles of the RECOOP HST Consortium

Requirements for the partners to be members of Strategic Alliance are:

Integrity

Effective allocation and use of resources

Honest and ethical dealings and practices

Commitment to excellence and quality outcomes

Continuous improvement



Underlying principles of the RECOOP HST Consortium

The organizational values in the Strategic Alliance are:

Innovative thinking and acting

Diversity

Collaborative operation

Teamwork and placing the team's or organization's objectives above one's own



Building Strategic Alliance - Provisions

Broad research program with an appropriate vision.

Each partner should have **high quality scientific output** and able to **convert the inventions into outcome as IP.**

An **adequate level of public grants** or public funding is essential to maintain independence

Presence of entrepreneurial skills and management experience.



Building Strategic Alliance - Circumstances

All Letter Agreements are concluded bilaterally

The RECOOP consortium's business model does not require from the partners to agree on a research program all together or at the same moment.

The Consortium is in principle open to any new partner:

Will meet with the requirements set by the Governing Council

Willing to adhere to the contractual terms and conditions



The structure RECOOP HST Consortium

The consortium follows the EU guidelines for Consortium Agreements drafted in the Sixth Framework Program to create a contractual base for the Strategic Alliance.

Also, it follows the structure of a large scale EU Research and Development Consortium.



Goals

▪ Goal #1: Patent Warehouse

The consortium member organizations will come together to **build and support a fully operational patent warehouse**, capable of licensing any of the its technology.

▪ Goal #2: Training Programs

Develop an organizational infrastructure capable of delivering at least 2 high quality **regional workshops** on research and innovation management each year to university faculty and administration. In addition to the workshops, develop infrastructure to provide on-line (internet-based) **training programs**.



Activities

▪ Goal #1: Patent Warehouse

The consortium member organizations will come together to **build and support a fully operational patent warehouse**, capable of licensing any of the its technology by 2007.

▪ Goal #2: Training Programs

Develop an organizational infrastructure capable of delivering at least 2 high quality **regional workshops** on research and innovation management each year to university faculty and administration. In addition to the workshops, develop infrastructure to provide on-line (internet-based) **training programs** by 2007.



Activities

■ Goal #3: Research Networks

The consortium partners will identify at least 5 opportunities to **collaborate on research projects funded by extramural sources.**

■ Goal #4: Research Tools Warehouse

The consortium partners will **jointly develop a warehouse that focuses on research tools, including:** cell lines, monoclonal antibodies, animal models, growth factors, and other similar types of enabling technologies. These tools will be organized and made available to:

- Consortium partners using them for further research (by 2007)
- Pharmaceutical industry for purposed of licensing (by 2008)



Activities

- **Goal #5: Joint Clinical Trials Management**

The consortium partners will create a single, unified group with the infrastructure capable of successfully **competing for and capturing Phase 3 multi-centered clinical trials** by 2007.



Underlying Principle of Patent Warehousing™

Is this a strategy to be pursued?

▪ What is it?

- Independent Non-profits managing patents and have the authority to grant licenses
- Warehouse provides holders with a minimum income based on % generated by the warehouse

▪ Primary Purpose of Patent Warehousing

- Promote scientific progress & technology development by providing incentives for inventors and entrepreneurs

▪ How Established Is This Strategy?

- Dec. 5, 2000 – USPTO distributed white paper that defined the idea of patent pools for biotechs
- The paper promoted it as a “Win-Win” for all participants



Patent Pool vs. Patent Warehousing

Patent Pool

- Make alliance between originations have similar patents. Grouping the similar patents into one “package” and sell them.

Patent Warehouse

- In an Alliance the participating organizations will bring their patents into a Warehouse. In the PW the IP managers will package the similar patents into groups and try to sell the different patent groups or packages.



Current Environment in the CEE Countries

- Lack of consistent administrative rules and clear national legislation regarding ownership rights to IP created at academic institutions throughout the CEE hurt both the inventors and the institutions.
 - Lack of clear ownership of IP leads to delays in licensing processes (at a minimum) and at worst makes IP impossible to license at all.
 - The academic institutions in the CEE must work at the national level, if necessary, to ensure that the ownership rights in the academic field are clearly defined.
- Institutions may lose financial opportunities because they may not provide sufficient administrative support and incentive for investigators to entrust the administration with their IP.



Infrastructure of the Patent Warehousing™

- **Each member institution needs to have a technology transfer office (TTO) and administrative support in place to help facilitate the smooth transition of IP to the warehouse**
- **The patent warehouse must have a qualified manager with the experience and expertise necessary to train TTOs and oversee proper valuation and licensing of IP**



Opportunities

Patent warehouse could:

- **Leverage the collective expertise of the participants to evaluate the IP**
- **Enhance the bargaining position of member institutions with potential licensees who are more likely to be attracted to a broader and deeper IP portfolio**



Build a cost effective strategy

- **PATENT TREE:** patents are classified into categories and sub-categories depending upon the technology involved.
- In the PW we should have the core technology = the roots and trunk of the tree.
- Such strategy will permit the Patent Warehouse to have an easy review of status of protection for a particular technology and determine whether further protection or "branching" of new technology or "pruning" of obsolete technology is required.



Advantages of the Patent Warehousing™

Participating members will have several important advantages including:

- Allows members institutions to include their IP in a bigger portfolio which will ultimately attract more interest from potential licensees.**
- Creates efficiencies with marketing and licensing technologies since the manger would evaluate IP and market it to companies**
- Provides education for TTO professionals at each institution and allows for invaluable hands-on experience**



Disadvantages of the Patent Warehousing™

We don't know yet.



Research and Innovation Management Summer School

2007 Research and Innovation Management Summer School will be in Prague from August 25 to August 30, 2007, composed from two modules:

Innovation Management three days training on August 27 -28 - 29, 2007.

Organized by

Cedars – Sinai Medical Center (<http://www.csmc.edu/innovationtechnology>)

World Intellectual Property Organization (WIPO <http://www.wipo.int/portal/index.html.en>)

Faculty of Military Health Sciences, University of Defense
<http://www.pmfhk.cz/ENG/index.htm>)

Focus will be on innovation management and technology transfer at higher education

