

***POLICY OF THE ROCKEFELLER UNIVERSITY***

***ON***

***INDUSTRIAL SPONSORSHIP OF RESEARCH***

This statement of policy covers all of the major points that usually arise in discussions with for-profit firms interested in supporting research conceived and carried out by investigators at The Rockefeller University.

## **Table of Contents**

<b><u>Sections</u></b>	<b><u>Page</u></b>
1. Basic Principles	1
2. Scope of Research Contracts	1
3. Term and Stability	2
4. Staff	2
5. Doctoral Students	2
6. Facilities	3
7. Program Reviews	3
8. Scientific Publications and Meetings	4
9. Budget and Payment Schedule	4
10. Funding of Related Projects	5
11. Financial Accountability	5
12. Sponsor's Support for Institutional Purposes	5
13. Venture Capital and Small Business Sponsorship	6
14. Liaison and Collaboration with the Sponsor	7
15. Faculty Consulting to Sponsor	7
16. Patents, Licenses and Royalties	7
17. Proprietary Information	8
18. Publicity about Contracts	8
19. Key University Procedures	9

## **Policy on Industrial Sponsorship of Research**

1. **Basic Principles** - The Rockefeller University's primary mission is to carry out fundamental scientific investigations for the good of humankind. While the University recognizes that other organizations also play key roles in advancing science to serve social goals, any agreement for industrial sponsorship of research on campus will emphasize the University's basic mission and the traditions related to it. Sponsored research will be of the character called "investigator-initiated." The projects will represent areas in which the Sponsors's objectives converge with the University's independent priorities.

The University aims to maintain flexibility and independence -- in intellectual and organizational terms -- by balancing the funding from diverse public and private sources. Private support is essential for strengthening ongoing programs and starting new lines of research. Industrial collaboration and support are desirable in order to foster creative partnerships that promote more rapid progress and stimulate the effective use of new knowledge.

2. **Scope of Research Contracts** - A contract will state clearly the scope of the investigation covered by the agreement. It will give the Principal Investigator(s) full responsibility for, and broad flexibility in, the direction of research.

In order to deepen awareness of the possible long-term applications of the research, the agreement also will specify the sponsor's objectives.

The University has available draft contracts that include all of the administrative

guidelines included in this policy statement.

3. **Term and Stability** - The term of a contract usually will be at least three years -- and, preferably, five or more years -- for a major project, unless specific tasks are expected to be completed earlier.

For continuing lines of fundamental research, the agreement will provide for a possible extension of at least two years, following a satisfactory review of the program.

Because stability of support is critical for the laboratories at the University, the agreement will provide for not less than one year and usually two years' notice of termination by the sponsor.

4. **Staff** - All professional and supporting staff will be selected by the University's regular procedures. Compensation and other benefits must be consistent with the University's prevailing standards, independent of the level of funding for the sponsored research project.

5. **Doctoral Students** - Doctoral students at the University are free to choose their research topics in consultation with their faculty advisors. Accordingly, students are never assigned to projects sponsored by industry. Their association with such projects must be voluntary.

6. **Facilities** - The University usually will provide all of the required laboratory and supporting facilities and will retain complete control of them. (See Section 14 below for discussion of collaborative tasks and liaison with sponsors.)

7. **Program Reviews** - For most projects -- and for all major projects -- a brief, comprehensive review will be carried out annually. It will cover the progress of research as well

as the effectiveness of administrative and financial procedures; and it will aim to ensure mutual understanding and, if necessary, improve the agreement. The program review will include Principal Investigator(s), University officers, sponsor's technical representative, and sponsor's administrative staff. At the discretion of the President -- and with prior notification to the sponsor in order to protect any proprietary information -- an ad hoc group of the University's senior faculty may participate in such an annual review and may receive reports from such reviews or from any other evaluations.

Programmatic accountability and quality control also may be met through some mutually acceptable form of "peer review," such as site visits at intervals of three to five years. The main criteria for evaluation will be scientific quality and productivity. A site visit team will be composed of three to five distinguished scientists drawn from throughout the world and having no substantial, current relationships with either the sponsor or the University. Their reports will be submitted to the University's President and to the industrial sponsor's senior scientific management.

In any case, brief annual reports of scientific progress, with reprints of publications, will be submitted to the sponsor by the Principal Investigator through the University's usual procedures.

8. **Scientific Publications and Meetings** - The Principal Investigator and colleagues will have the full traditional freedom to publish and present promptly all results of research. Reasonable delays in the publication of research results will be accommodated for consideration of filing patent applications. Typically, the delay will be no more than 30 days; but, in

exceptionally complex cases, delay may be extended by as much as 60 additional days after the reasons are summarized in a formal agreement between the University and the sponsor.

9. **Budget and Payment Schedule** - The contractual agreement will include an estimated budget for each year covered in the contract. The budget will encompass all direct operating costs plus the University's full indirect costs at not less than the rate approved by Federal auditors. The Principal Investigator will be given reasonable flexibility for annual re-budgeting between direct cost categories. Where necessary, the budget also will include capital expenses for related laboratory renovation and scientific equipment, leaving ownership with the University. Payments will be made quarterly in advance.

This policy covers all agreements for sponsored research within the University's facilities that involve efforts equivalent to at least a year's work by one or more full-time investigators. Subject to the approval of the President or his designated representative, smaller and/or shorter projects may be treated differently. All industrially sponsored projects -- at whatever levels of effort, and including clinical investigation, short-term projects, and salaries for postdoctoral appointments for work in specific areas -- will include the University's full indirect costs.

10. **Funding of Related Projects** - Subject to the consent of the investigators, an agreement may include a clause giving the industrial sponsor the first option to fund additional, related projects.

The Principal Investigator will have the authority to continue to obtain diverse complementary support for the laboratory from public and private (not-for-profit) sources. The

University will inform the sponsor about support for other projects related to the subject of the specific working being funded by the sponsor.

11. **Financial Accountability** - Financial accountability will be met through appropriate reports to the sponsor, prepared annually in accordance with generally accepted accounting principles. The reports will be designed to meet the sponsor's requirements.

12. **Sponsor's Support for Institutional Purposes** - To acknowledge the importance of the larger scientific community essential for any sponsored project, the sponsor will be expected to provide unrestricted support for the University's critical core components, such as Ph.D. students, postdoctoral fellows, junior faculty, libraries, animal facilities, computing services, and instrument shops. Scaled in proportion to the level of effort in the sponsored research, this funding may be made through either a separate gift or as part of the contractual agreement to sponsor specific research. Brief annual reports will be submitted on overall uses of such unrestricted support.

13. **Venture Capital and Small Business Sponsorship** - The University welcomes sponsorship by, and collaboration with, entrepreneurs who are able to provide direct funding for investigations proposed by the University's faculty. Such investigations may lead to results with clear-cut social and commercial applications that can be exploited by small businesses as well as larger firms.

The University will not, as a general rule, permit its name to be used by an entrepreneur in prospectus (or other offering) soliciting investments from third parties and the general public, such as in the organization of an R&D Limited Partnership. Because such

prospectuses may be circulated to some who do not have the technical experience or advice needed to evaluate the risks in long-term research, the University prefers not to participate in such techniques of financing. Nonetheless, exceptions may be considered when -- in the view of the President and Trustees -- the project is in the best interest of the individual investigators and the University as a whole. To be approved, an exception would have to show explicit safeguards for the protection of investors and the University.

14. **Liaison and Collaboration with the Sponsor** - From time to time, the sponsor may send representatives to discuss preliminary results of research in progress and details of the investigative techniques. The timetable for all such visits must be approved in advance by the University's Principal Investigator.

Appropriate collaborative efforts with the sponsor's in-house research staff will be encouraged whenever mutual interest are identified. Such collaborations may require supplementary funding and separate patent agreements.

Collaborative efforts also may entail extensive joint use of the University's and/or the sponsor's facilities. Such arrangements must be negotiated in advance, on a case by case basis, consistent with the University's patent and other policies.

15. **Faculty Consulting to Sponsor** - The Principal Investigator (and others, as appropriate) may serve as a consultant to the sponsor under a separate agreement that is consistent with University's policy on consulting. ([See University Policy on Conflict of Interest and Commitment in Research](#))

16. **Patents, Licenses and Royalties** - Subject to prevailing laws and regulations, the

University will hold title to all patents resulting from sponsored research at the University.

Where appropriate, in the judgment of the University, a contract may give the sponsor the right of first refusal on exclusive, royalty-bearing licenses for a certain period.

Prior to a decision whether to file a patent application on results arising from the sponsored project (and on the responsibility for, cost of, and schedule for any such filing), discussions will be held on a case by case basis between the Principal Investigator, the University's Office of Technology Transfer and counsel, and the sponsor's officials. Royalty revenues will be shared on each patent in accordance with the University's prevailing practices and the law, and the arrangement will respect the rights of any other parties involved, such the U.S. Government. (See the University's Intellectual Property Policy and the related Agreement Concerning Intellectual Property.)

17. **Proprietary Information** - The University greatly values the traditionally open pattern of creative interactions by scientists among its laboratories and with the research community generally. Accordingly, the sponsor is expected to cooperate with the University at all times in stringently minimizing the amount of any proprietary or confidential information associated with the sponsored research. Carefully restricted Confidentiality Agreement letters may be signed by the Principal Investigator, by other staff engaged in the project, and by senior officers of the University.

18. **Publicity about Contracts** - Any public statement or announcement about the contract, either by the University or the sponsor, will be made only after written approval by both parties. The general purposes, level of effort, and duration of the sponsored research may be

announced publicly shortly after a contract is signed. Subsequently, any public announcements on the status and results of work will be drafted jointly and released at mutually agreeable times.

19. **Key University Procedures** - Each proposal and each contractual agreement for sponsored research must be approved in accordance with the University's general procedures for submitting and accepting grants from Federal and not-for-profit sponsors.

The Director of the Office of Sponsored Program coordinates administrative and budgetary reviews of all elements of formal proposals and awards. The Associate Vice President, Technology Transfer, in conjunction with the Office of the General Counsel, reviews proposed contracts and carries out the negotiations designed to assure compliance with prevailing law and University policies. The Vice President for Finance assures financial controls and prepares budgetary reports to corporate sponsors. -----

Approved by the Board of Trustees  
May, 1985.

