



European IPR Helpdesk

Fact Sheet

Background in FP7 projects

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Introduction.....	1
1 Proposal stage	2
1.1 Understanding what is background under FP7 rules	2
1.2 Investigating your background.....	3
1.3 Protecting your background	3
2 Negotiation stage	4
2.1 Defining background.....	4
2.2 Defining the conditions for granting access rights to background.....	6
2.3 Limitations to grant access rights	7
3 Implementation stage	8
Useful Resources	8

Introduction

Participants in FP7 projects are encouraged to deal with Intellectual Property Rights (IPR) since the beginning of the preparation of their proposals. As collaborative research and development projects, the Intellectual Property (IP) brought by each participant to the project is one important issue to tackle.

The FP7 rules establish obligations concerning these assets, defined under the Rules for Participation and the models of grant agreements as [background](#). The purpose of this fact sheet is to give an overview of the rules concerning background in FP7 projects in the different stages of a project. Potential scenarios and practical hints are also provided to help you in the daily management of your projects.

Note that this document should not be read in isolation, especially if you are a newcomer. In fact, to fully understand the content of this fact sheet it is strongly advisable to read the “Introduction to IP rules in FP7 Projects” and three other fact sheets on the IP management during a FP7 project life cycle, available in our website.¹

1 Proposal stage

1.1 Understanding what is background under FP7 rules

The implementation of a research or innovation project usually requires the use of **pre-existing knowledge**, also called background, hold by each participant and resulting from work carried out prior to the project. According to the definition provided in the grant agreement, background may take the form of information, inventions, databases, tangible assets (e.g. a sample), as well as IPR, either owned (jointly or not) or hold under a contract, such as a license agreement or material transfer agreement. However, under the grant agreement there are important limitations on the scope of assets to be considered as background.

a) Date of application

The IPR for which applications have been filed after the beginning of the project is not considered as background. For example, an invention created before the project start and for which the application was only filed during the project, would render the patent as not part of that participant’s background. Nevertheless, in the consortium agreement, participants in FP7 projects may provide a definition of background broader than the one provided in the grant agreement, including the IPR filed after the project start. Same holds true for all knowledge created during the project but outside it.²

b) Information relevant to the project

Background should concern only information relevant to the project which are *needed* to implement it or *needed* to use **foreground** generated. The scope of background is therefore limited under FP7 rules and may even be concretely defined by the participants in the consortium agreement³

¹ All these documents can be found in our [Library](#).

² An example of such a definition can be found in the EUCAR consortium model agreement. Indeed, in this model even the information generated outside the project, but during its implementation (commonly known as sideground) is regarded as background. This model as the other consortium models for FP7 projects are available in our [Library](#).

³ See paragraph 2.1 below.

1.2 Investigating your background

In the proposal applicants are expected to explain their project idea, as well as the goals they intend to achieve within the project, in close relation with the topics addressed by the calls and objectives of the related work programme. Consequently, they describe their ideas for the research they intend to carry out and present the work plan they will follow during the project's implementation.

For this purpose, applicants need to know what they will bring to the project and should be able to identify their background. Further investigations may be appropriate with the purpose to assess the ownership of the background IP. In fact, under the FP7 rules **participation on a project does not affect the ownership of background**. However, it is advisable that each participant verifies that it has the necessary rights to use those assets within the project, avoiding potential infringements of third parties rights. Potential fields of concerns are:

- *knowledge created in universities*: difficulties might arise due to the involvement of individuals without an employment relation or misunderstandings on the exemptions for research;
- *IP used under a [license](#) or [material transfer agreement](#)*: the participant should check whether the agreement covers the activities to be performed under the contract and whether there is any limitation on the grant of access rights to other participants in the project;
- *IP already licensed may block the use of it under the FP7 project*, for example in case the license was granted under exclusive terms.⁴

1.3 Protecting your background

a) Considering registration

The preparation and submission of a proposal usually requires meetings and exchange of information among the project's partners, which may lead to an unintended disclosure of valuable information.

There are several types of IPR, in particular patents and industrial designs, which demand novelty as a requirement for acquiring protection. An early disclosure may result in the loss of novelty of participants' creations, which would then place the chances of being granted a patent or an industrial design at risk. By using IP protection, participants would thus be able to disclose their ideas more safely.

⁴ *Commercialisation Agreements: General Legal Issues*, Unico Practical Guides, UNICO, available at http://www.praxisunico.org.uk/uploads/unico_guides_gla.pdf

IPR	What for?	Registration?
Patent	New inventions	Registration is required
Utility model	New inventions	Registration is required, but conditions are less stringent than for patentability
Trade Marks	Distinctive signs	Registration is required
Industrial Design	Appearance of products	Registration is usually required, but it is possible to acquire an unregistered design right
Copyright	Literary, artistic and scientific works	Not required, but it can be registered in some countries

Even though copyright does not have to be registered and registration is not a requirement for protection, there are some tools available in order for works to be recorded. Many companies, as well as some national IP offices in the European Union, provide a means of proof that a particular work was already in existence and in the possession of the author on a particular day.⁵

Using such systems may prove to be useful, particularly because it may prevent misappropriation of information in negotiations with potential partners during the proposal's preparation.⁶

b) Considering the negotiation of non-disclosure agreements

To avoid any eventual misappropriation and use of [confidential business information](#) it is advisable to conclude a non-disclosure agreement or NDA (also known as confidentiality agreement) before entering in negotiations for the submission of the proposal.⁷

2 Negotiation stage

2.1 Defining background

Not all assets held prior to the beginning of the project are regarded as background. In fact, only those **needed** for carrying out the project or using the foreground to be generated are considered as background within FP7 projects and consequently available for access rights. Moreover, participants may agree to exclude assets from access by other consortium partners.⁸

This limitation of the background gives participants the **freedom** to define in each project which assets are needed in concrete, i.e., to define what each of them consider as their background. The definition of background should be done

⁵ An example of such registration is i-DEPOT, a service offered by the Benelux Office for Intellectual Property. Alternatively, creators may send themselves a copy of the original work by registered postal delivery, leaving the envelope sealed until when or if it is needed in an infringement action (in the US and the UK this is commonly known as the "poor man's copyright"). It is also possible to lodge the work with a solicitor or notary.

⁶ Further information on i-Depot is available on Bulletin n7 of the European IPR Helpdesk, available in our [Library](#).

⁷ Further information on non-disclosure agreements can be found in the fact sheets *Non-disclosure agreement: a business tool* as well as in *Confidential Business Information*, both available in our [Library](#).

⁸ See article II.31 of the model grant agreement.

through a written agreement, for transparency between partners and protection of valuable intangible assets. Commonly, participants in FP7 projects define background in the [consortium agreement](#) by listing them in a positive or negative way: the so-called **positive or negative lists of background**.

Tips when using the positive and negative lists		
	Positive list	Negative list
Definition	lists the specific background available for access by the other participants in the project	background is available for access by the other participants in the project, with the exception of the one specifically mentioned/listed
Advantages	<ul style="list-style-type: none"> • clear identification of what will be available for access • easier management of the limitation to grant exclusive licenses to background • in organizations with several research teams (e.g. universities and research centers) it may be used to limit the background to the team actually involved in the project 	<ul style="list-style-type: none"> • less risks of inadvertently disclosing valuable confidential business information • clear identification of valuable assets not intended to be shared in the project
Risks	<ul style="list-style-type: none"> • the project may be hampered in case a given background is not listed (by mistake, by bad faith or due to a renegotiation of the technical definition of the project) 	<ul style="list-style-type: none"> • granting access to rights further than initially intended
General considerations	<ul style="list-style-type: none"> • the definition of each background should be carefully drafted by participants to ensure that it does not hamper the project implementation • each background listed should be defined clearly in order to avoid uncertainties • special attention should be given to confidential business information (e.g. undisclosed know-how, trade secrets), which should be broadly defined to avoid its disclosure • participants may select the consortium partners to whom a given background is available or excluded (i.e. selective availability or exclusion) • parts of background pieces may be selectively available or excluded (e.g. source code may be excluded and the software is available in executable form only; an asset may be available only for a given application area or just after a period of time, to allow its protection before granting access) • the positive and negative approaches may be combined in the same agreement with the purpose of avoiding uncertainties 	

The different models available of consortium agreements⁹ have different approaches concerning the definition of background. It is therefore highly important to consider the best one for your own particular needs.

Comparison of consortium agreement models:

DESCA MODEL: It envisages both positive and negative lists. In attachment I participants list the accessible background (positive) while in attachment II specific background may be excluded (negative).

EUCAR MODEL: It does not foresee any positive nor negative list. It only provides that background is accessible subject to legitimate interests of the respective owner.

IMG4 MODEL: It only envisages the positive list to be identified in Attachment 1. Anything not listed is excluded.

Despite of the approach participants may decide to follow, it is important to be clear whenever listing assets. Below are some examples:

1. GENERAL POSITIVE LIST

University A grants Access Rights to all Background which has been developed by the research group B of the chemistry department.

2. PATENTS

The relevant elements that should be mentioned refer to:

- a. Application number
- b. Date of filing
- c. Name of applicant
- d. Title
- e. Name of inventor
- f. Number and date of publication

3. KNOW-HOW

Know-how relating to the manufacturing of A according to process B

2.2 Defining the conditions for granting access rights to background

Given that FP7 projects are based on collaboration between participants, matters related to access rights are of utmost importance and should be duly addressed in the consortium agreement. In case the parties agree on conditions other than royalty-free, it is advisable to use the consortium agreement to establish those conditions.

⁹ For an overview of these models, please consult the fact sheet on *How to deal with IP related clauses within Consortium Agreements*, available in our [Library](#).

OVERVIEW OF MINIMUM ACCESS RIGHTS ON BACKGROUND

	For implementation	For use
Basis for the request	If the participant needs it for carrying out its own work in the project	If the participant needs it for using its own foreground
How should requests be made?	In written form	
Which are the financial conditions for most FP7 projects?¹⁰	Royalty-free, unless otherwise agreed before acceding to the grant agreement	Either royalty-free or on fair and reasonable conditions to be agreed
Until when can access rights be requested?	Until the end of the project	Until 1 year after the end of the project, unless another time limit is agreed
Do the granted access rights include the right to sub-license?	Not included , except if otherwise agreed	
Do access rights include certain rights to affiliated entities?	<p>Affiliated entities enjoy access rights to other beneficiaries' foreground if:</p> <p>The affiliated entity is established in a Member State or associated country; and</p> <p>If it needs access rights for using its own foreground (which means that the ownership of foreground must have been previously transferred by the beneficiary to the affiliated in total or placed in joint ownership with it); and</p> <p>Unless special clause 1211 is included in the grant agreement or such rights are excluded in the consortium agreement.</p>	
Can exclusive licenses be granted during the project?	Yes, provided that all other participants have waived their access rights to the background	

2.3 Limitations to grant access rights

According to FP7 rules, access rights to background only need to be granted provided that participants are entitled to grant them. For example, a participant that holds background under a license often will not be able to grant access rights to this background (for example, because the license does not foresees the

¹⁰ Please note that different conditions may apply in certain programmes. Examples are frontier research actions and actions for the benefit of specific groups. It is therefore advisable to consult the model grant agreement applicable to your project.

¹¹ The list of special clauses that might be included in the grant agreement can be downloaded from CORDIS at the following URL: http://cordis.europa.eu/fp7/calls-grant-agreement_en.html#standard_ga

right to sublicense). In these situations, participants are not bound to grant access, but must inform the other consortium partners of the restrictions.¹²

3 Implementation stage

During the implementation of projects, participants commonly request and grant access rights to background. It is often the case that participants will also agree during this stage on the fair and reasonable conditions under which access to background for use purposes should be granted.

If you could turn back the clock would you do anything differently?

"...we would have better defined our pre-existing know-how"

"...we would adopt a more serious approach to protection of our own rights"

SMEs from the Best Practice Projects

Useful Resources

For the preparation of this fact sheet, the European IPR Helpdesk had in consideration the "Guide to Intellectual Property Rules for FP7 Projects". For further information on the topic please also see:

- "Introduction to IP Rules in FP7 Projects":
<http://www.iprhelpdesk.eu/sites/default/files/relateddocuments/Factsheet%20IP%20rules%20FP7%20June%202011.pdf>
- "How to manage IP in FP7 during the proposal stage":
http://www.iprhelpdesk.eu/sites/default/files/newsdocuments/IP_management_in_FP7_during_the_proposal_stage_0.pdf
- "How to manage IP in FP7 during the negotiation stage":
http://www.iprhelpdesk.eu/sites/default/files/newsdocuments/How_to_manage_IP_in_FP7_during_the_negotiations_stage_0.pdf
- "How to manage IP in FP7 during and after the project":
<http://www.iprhelpdesk.eu/sites/default/files/newsdocuments/How%20to%20manage%20IP%20in%20FP7%20during%20and%20after%20the%20project.pdf>
- "Strategic Guide to Successful Use and Dissemination of the Results of Research and Development Projects":
http://ec.europa.eu/research/sme-techweb/pdf/use_diffuse.pdf#view=fit&pagemode=non

¹² In practice, participants may include these assets in a negative list.

GET IN TOUCH

For comments, suggestions or further information, please contact

European IPR Helpdesk
c/o infeurope S.A.
62, rue Charles Martel
L-2134, Luxembourg

Email: service@iprhelpdesk.eu

Phone: +352 25 22 33 - 333

Fax: +352 25 22 33 - 334



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ABOUT THE EUROPEAN IPR HELPDESK

The European IPR Helpdesk aims at raising awareness of Intellectual Property (IP) and Intellectual Property Rights (IPR) by providing information, direct advice and training on IP and IPR matters to current and potential participants of EU funded projects focusing on RTD and CIP. In addition, the European IPR Helpdesk provides IP support to EU SMEs negotiating or concluding transnational partnership agreements, especially through the Enterprise Europe Network. All services provided are free of charge.

Helpline: The Helpline service answers your IP queries within three working days. Please contact us via registration on our website (www.iprhelpdesk.eu), phone or fax.

Website: On our website you can find extensive information and helpful documents on different aspects of IPR and IP management, especially with regard to specific IP questions in the context of EU funded programmes.

Newsletter & Bulletin: Keep track of the latest news on IP and read expert articles and case studies by subscribing to our email newsletter and Bulletin.

Training: We have designed a training catalogue consisting of nine different modules. If you are interested in planning a session with us, simply send us an email at training@iprhelpdesk.eu

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