



*“Make Research Work
for Your Company”*



...FOR BUSY PROFESSIONALS

Foreword

This Guide is intended to provide Small and Medium Sized Enterprises (SMEs), as well as Universities, Institutes and other Research Technology Development organisations (RTDs) with practical, useful and easy to follow advice on how to maximize the impact of Research and Development projects involving SMEs by ensuring that the results are effectively used and disseminated.

The Guide has been produced as part of Coordination and Support Activities being carried in the “USEandDIFFUSE” Project (Support of dissemination and exploitation of results obtained in research projects realized with the participation of the SME sector), that is funded under the European Commission’s 7th Framework Programme (FP7), and more specifically under “Research for the Benefit of SMEs”.

Input for the manual has been based on an analysis carried out in 2008 of Research and Development projects from the Health and ICT sectors. It is likely that these findings are equally applicable for other sectors too. Neither the authors nor any person acting on their behalf may be held responsible for the use that may be made of the information contained therein.

About the USEandDIFFUSE project

The USEandDIFFUSE project aims to support the dissemination and exploitation of results of research projects involving SMEs, based on an analysis of current practices in the use of RTD results in projects involving SMEs in order to draw upon best practice and guidelines that can be carried forward and disseminated to benefit existing and future R+D efforts involving industry.

In addition to this Guide, the project website (<http://www.useanddiffuse.eu>) offers a good source of information about using and disseminating RTD results and also provides the contact details of the Project Coordinator and the consortium of partners.

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Guide to the Successful Use & Dissemination of Research Results

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Chapter One- Preparing for EU research collaboration

Are you a Small and Medium sized Enterprise (SME) interested in **strengthening your market position, improving your existing products or acquiring new skills** by getting involved in a Research and Development (R&D) project funded by the European Commission (EC)? If so, we can help you to get the most out of your R&D project. Alternatively, if you are a research performer currently working in a project with SMEs, or considering doing so in the future, then this Guide will also be of use to you.

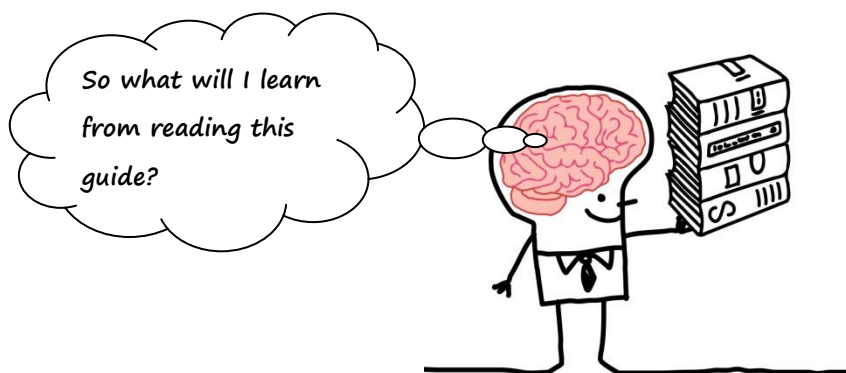


...Anyone for research funding?"

Is this Guide for you?

Essentially the Guide has been produced in order to equip and prepare SMEs to make better use of the results of collaborative R&D projects so that they can be of **benefit to their businesses by having a tangible impact on profits, competitiveness and company growth**. SMEs from previously identified 24 Best Practice R&D projects were asked how they used and disseminated their research results in order to identify **the real benefits** that companies can obtain from

collaborative R&D projects and how to go about it. This knowledge and experience has helped to shape the contents of this Guide. So whether you are thinking of joining a collaborative R&D project in the near future, or whether you are already involved in a project that is underway, if you want to **get the most out of your participation**, then this is the Guide for you.

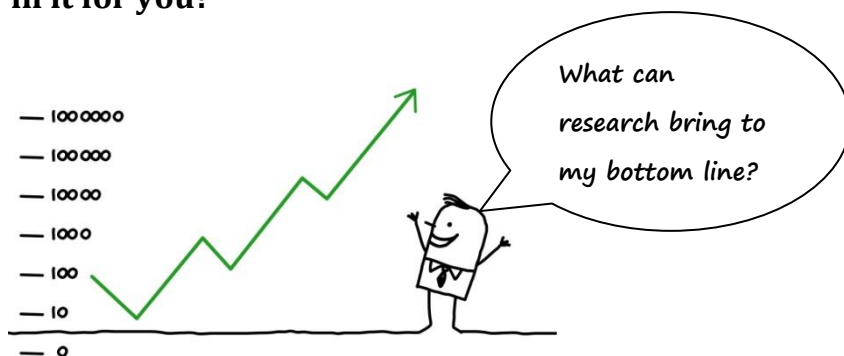


A few quick words about the Guide itself to help you get the most out of it. First of all, it has been designed to serve as a **handy reference document** to assist you in preparing for all aspects of the **exploitation and dissemination** of the results of your existing or future collaborative R&D project. We have gone for an A-Z approach, but feel free to jump on and off along the way if you like. While we have kept the language as light and “jargon-free” as possible, at times it is impossible to avoid technical terminology, so if you stumble on a term that you are unsure of, then simply check it out in our handy Glossary at the back of this Guide. The Guide is packed with helpful information advice, quotes and real-life examples from SMEs that participated in 24 Best Practice projects. You should find this useful during your own project when you start planning for the use and dissemination of the

results. However, it is important to stress that **this Guide is not designed as a proposal preparation or project management tool**. It will not tell you how to keep timesheets, calculate overheads, negotiate with EC, deal with a non-performing partner, or other suchlike matters, but it will most certainly offer you excellent pointers on what you need to bear in mind in order to **get the most out of the results of your research and development experience and effort**.

It is important to be aware before we set out, that there is no single best approach to the exploitation and dissemination of research results. There is no unique magic formula. But there are many ingredients required for success and this Guide will introduce you to a number of approaches that work for different scenarios so that you can pick and match the ones that best suit your needs.

1.1 Investing in R&D for Business Success- What's in it for you?



So why get your company involved in an EC funded collaborative R&D project in the first place? There are many **potential motivators for industry** and it is important to think about what you want to get out of your participation.

Could it be that you need to solve a technological problem or challenge but have no internal research capacity or resources with which to do so? Collaborative R&D projects can offer an excellent opportunity for accessing knowledge and expertise by enabling your company to work with universities and research providers, as well as with other industry partners.

In fact there are a **whole host of potential motivators** for getting your company involved in research. Maybe you:

- need to innovate on your existing products or develop new ones?
- feel that you need to uptake R&D results in order to give your company that competitive edge, increasing your sales and turnover and growing your business?
- want to access new customers or new markets?
- are trying to break into new export markets and by being involved in a European project consortium your company will gain access to new industry partners?
- are already performing your own internal research in a given area and you want to deepen your knowledge and know-how in that particular field of research or tap into knowledge in areas beyond your company's internal scope?
- value the prestige associated with being part of an important transnational research project?
- want to build lasting cooperation with RTDs at European level?



“Our motivations for getting involved in the project were two-fold: on the one hand to strengthen our collaboration with research institutions and on the other hand to diversify and explore new markets that are closely related with our core business.”

SME from the Best Practice Projects

Guide to the Successful Use & Dissemination of Research Results

What if you have no particular strategic reason for joining an R&D project or you are not entirely sure why you are getting your company involved? It could be the case that you were approached by an RTD and you thought, why not give it a go? It could be that you see research as a means to an end, as access to ready cash to tide you over a difficult period? Or maybe you have not given it any real thought at all? These types of reasons might well be ingredients for later disappointment or failure.

Benefits of taking part in EU R&D projects

Significant benefits for SMEs involved in European projects are increases in:

- *Productivity*
- *Skills and know how*
- *Quality of products/services*
- *New to company products/services*
- *New to market products/services*
- *Exports*

In addition to the benefits listed above, SMEs have also reported the following:

- *Closer collaboration with partners*
- *Intensification of international contacts*
- *Additional know-how to design own products /file future patents/manage large projects*
- *Faster development of subsequent standards*
- *Extension of markets*
- *Additional funding to that initially anticipated by taking on additional roles*

A SME from one of the best practice projects had this advice to share:

“A company should apply for a European project if it has a problem that can only be solved with external financing. It is not wise to waste resources on projects that are not in line with the main activity of the enterprise.”

SME from the Best Practice Projects

So, it's important to go into a collaborative R&D project **equipped for success**.

- Start by considering whether or not the project that you are thinking of getting involved in is strategic for your business- if it delivers the expected results, will they actually be useful and beneficial for your business?
- Be clear on what you want and then you can work towards achieving it. Successful R&D projects need ambitious and focussed partners. Like most things in business, **you will get out what you are prepared to put in.**

“Thanks to our participation in the project we have got results which we are now using in the market. Moreover, and of importance to us, taking part in this project was of great advantage to our company in terms of the international contacts we gained. Being a small specialized company we would never have started such cooperation with partners from France or Portugal.”

SME from the Best Practice Projects

“We valued our participation positively, mainly for two reasons: (1) our company could embark on risky research that we normally could not afford; (2) interesting international experience”

SME from the Best Practice Projects

So now **you are clear on why you are getting involved in a collaborative R&D project** with other partners. Let's move on.

Imagine you were about to head off on a 2 or 3 year journey.



You'd prepare yourself, wouldn't you? You'd find out who your travel companions are.

You'd check out your destination, and then you'd pack the things you need accordingly and arrange your travel budget.

You'd have some expectations about your destination.

You'd make sure you had a good map to help you find your way.

You'd make contingency arrangements in the event of any delays in reaching your final destination.

You'd make sure you had insurance and your valuables were protected while you were travelling.

You'd send out messages or postcards when you got there to share the joy of arrival and promote the destination itself.

Well a 2 or 3 year collaborative R&D project is very much like a journey for your company and this Guide will serve as a map to point you on your way. You need to be clear on the goals and objectives of the project you are going to join and what to expect from your participation. You need to know who your project partners will be, and

you need to be equipped with the tools and information that you will need during the project.

Your participation in an EC funded R&D project is not a free ride- there will be contractual expectations on you, so be aware of these and read them carefully. There may well be some pitfalls and dips along the way, such as gaps in cash flow, conflicts of interest, and deviations from the work plan.

While we cannot offer you advice for every possible scenario, this Guide will certainly help to steer you along the road to success, highlighting the major cross-roads, stumbling blocks, view points, pit stops along the way. So let's start the journey!

1.2 Understanding your partners - You are not in this alone



It's always important to travel in good company.

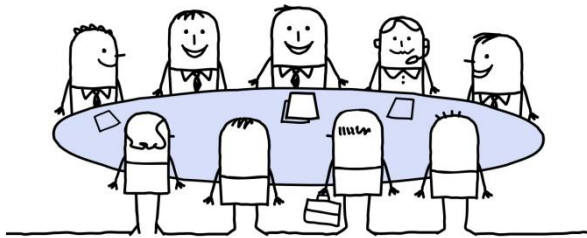
The very nature of a collaborative R&D project is that you will be working with other project beneficiaries or project partners. It's good to become familiar with the other participants and **to understand their motivations** for joining the project, **their role** and what **their**

expectations are. In this way you can be sure that they are the right partners for you.

One SME from the best practice projects had this advice to share:

“It is highly advisable to meet your future partners face-to-face before the start of the project, and even better – before the start of the proposal preparation. In such a face-to-face meeting you can get an insight into how the future co-operation might be. This is important as involvement in these projects will last a few years.”

SME from the Best Practice Projects



Let's first of all consider the other **industry partners** in the consortium. You may have to share the project results with other SMEs, and possibly work with them after the project when the results are exploited in the marketplace. So you need to be sure that you are compatible with each other and that you are not going to directly compete with each other. Watch out for evident conflicts of interest. Think about the **supply and value chains and identify where you are situated**. Think about where the other SMEs or industry partners in the project are situated. Can you work comfortably alongside each other? Bear in mind that there are different types of SMEs that can be

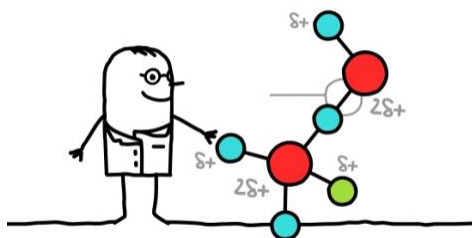
categorised in terms their aspirations and goals when joining the project and some will probably be more suitable or compatible for your company to work with than others.

6 Types of SME -Which type are you?

- *Type 1- Skills and know how achievers*
- *Type 2- Product/service quality achievers*
- *Type 3- Sales of new to company products/service achievers*
- *Type 4- Sales of new to market products/services achievers*
- *Type 5- Export achievers*
- *Type 6- Productivity achievers*

It is also interesting to be aware that **Industrial Associations** (SME-AGs) can also be involved in R&D projects under FP7 and that indeed there are specific projects (Research for SME Associations) that are focussed on carrying our R&D work for the benefit of SME-AGs and their members. In such projects, the default is that the SME-AGs own the results of the project and they share these results with their SME members.

Let's move on to the "**RTD performers**", or research performers. An RTD performer might be a public University or Institute, a non-profit making Technology Centre or Research Foundation, or indeed a private research performing company. Not all RTD performers are driven by the same strategy in terms of how they use and disseminate the results of the research projects that they are involved in. Some might be more suitable than others when it comes to working with industry partners.



Types of RTD Performer

- **Type 1** - RTDs who are focused on invention disclosures, PhDs, patents, licensing income, spin off businesses
- **Type 2** - RTDs who are focused on positive cost/benefit analysis, subsequent funding
- **Type 3** - RTDs who are focused on journal articles, expert evaluation of outcomes/project, ongoing or new collaborations

It can be considered that there are three broad types of RTD performer; some are interested in the generation of patents, spin-off businesses, etc. (Type 1), others are heavily focused on the cost/benefit of being involved (Type 2), while others follow a more traditional approach to involvement in R&D in that they are seeking to publish the results (Type 3). It is important to be aware of the type of RTD performer that you will be working with, especially when it comes to sharing, using and disseminating the results of the project. It's good practice to try to keep all sides happy, in as much as possible.

It is also worthwhile to **consider the rules of the mechanism under which your project is funded**. For example, you might be working

within a funding programme whereby the results of the research project are not shared with the RTD Performers, such as projects under the “Research for the Benefit of SMEs” Programme, where the default is that the SMEs own the results of the project and the RTD Performers get paid in full for their RTD work. In such cases, the RTD performers will need to seek the approval of the SMEs in order to publish or use the results for further research. But it’s important to be as reasonable as possible so that RTD performers can also benefit where possible from use and dissemination of the project results. This will ensure sustainable collaboration between industry and research performers.

In short, if you are going to participate in a collaborative R&D project, you need to **position yourself in the pack**. This Guide will help you to find your feet.

1.3 Be aware of your obligations– Know your destination

As we saw earlier, your participation in an EC funded R&D project is **not a free ride**. Among others, you have an obligation in the eyes of the EC to use and disseminate the results. Why? It’s quite simple really- you are benefiting from taxpayers money so when it comes to dissemination you must ensure that the public can be made aware of the **non-confidential** information about the project. Beyond an obligation to inform the public, effectively and carefully planned dissemination activities can also serve as a powerful advertisement for the future product, process or service resulting from the project and can pave the way for future market entry. Furthermore, by exploiting the results in the marketplace the impact of the research can then be of benefit to European society and consumers.

“It was great to go along and talk to people in a similar situation who aren’t direct competitors...we were able to help each other quite a bit.”

SME from the Best Practice Projects

If you are participating in an R&D project under Framework Programme Seven (FP7), you may already be aware of the obligation to submit a Plan for the Use and Dissemination of the Foreground (PUDF) - see Section 3.3.4 below. The PUDF is a document that clearly outlines the convincing plans and intentions of the research consortium to use and disseminate the project results. Essentially, the PUDF is required to ensure sufficient attention is dedicated to exploitation and dissemination of R&D projects in FP7, so it is important to keep it in mind. We will be discussing this further in Chapter 3.

Now we have set the scene and hopefully have got you thinking about the reasons why you are getting your company involved in a collaborative R&D project and what you want to get out of it. We have also touched on what the other project participants and the EC potentially expect. At first sight, it may seem a little complicated and you may feel that there is a lot to consider and think about. While there most certainly is a lot involved, don’t worry! This Guide will provide you with a basic set of tools and some excellent advice that will equip you with sufficient information and knowledge to get you through the process.



“We have discovered that our participation in European projects does not pose an insurmountable challenge to us.”

SME from the Best Practice Projects

Chapter Two – Project success factors



*Make sure the
project is a winner
for your company*

Having considered the importance of knowing your destination and having a plan for where you are going, we will now consider what happens if the journey is delayed and the importance of insurance for protecting valuables that are with you (foreground) and those back at home (background).

For the purposes of this Guide, we have evaluated the **exploitation and dissemination of the results of collaborative R&D projects by SMEs**, and as a result we have identified 24 EC funded R&D projects that have been successful. The following chapters refer to them as our “the successful projects”. There are many lessons that we can learn from projects that got it right. To this end, we will share some of the most relevant findings with you, mainly the good practice, but some of the bad experiences too so that you can also learn invaluable lessons from the mistakes made by others.

2.1 Success: What do we really mean?

Given that we are talking about success in the context of the exploitation and dissemination of the results of collaborative R&D projects involving industrial SMEs, maybe some of you might

appreciate a clarification about what we really mean when we talk about the “exploitation” and “dissemination” of the results of R&D projects.

Exploitation is the same as “use”.

“Use” means the direct or indirect utilisation of foreground in further research activities other than those covered by the project, or for developing, creating and marketing a product or process, or for creating and providing a service. Direct utilisation is done by the participant owning the foreground (e.g. though further research or commercial or industrial exploitation in its own activities) while indirect utilisation is done by other parties (e.g. through licensing)¹.

Let’s look at what we mean by “foreground”.

“Foreground” means the results, including information, materials and knowledge, generated in a given project, irrespective of whether or not they can be protected¹.

Therefore when we talk about foreground we are essentially talking about the results produced during the project. So the “use” or “exploitation” part should now be clear.

“Dissemination”, on the other hand, can be seen as the processes and channels (i.e., press releases, conferences, scientific publications, exhibitions, workshops, newsletters, websites, etc.) through which research results are presented to the public². This is a very significant aspect of any project that is publicly funded. When talking about those

¹ Guide to Intellectual Property Rules for FP7 projects. Version 28/06/2007. European Commission.

² IPR Helpdesk: http://www.ipr-helpdesk.org//documents/ES_DisseminationForegroundFP7_0000006629_00.xml.html

projects that are funded by the EC, each participant in the project shall ensure that the foreground it owns is disseminated as swiftly as possible. However, having said that, any dissemination activity should be delayed until a decision about its possible protection has been made. This is **vitaly important** as we will see later.

It is also useful for you to bear in mind that you, or indeed any of the other participants in the project, can object to a dissemination activity if you feel that your legitimate interests in relation to the foreground (or indeed your background- and by “background” we mean any information and knowledge, including inventions, databases, etc, held by participants prior to joining the project), could suffer disproportionately great harm.

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

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

SME from the Best Practice Projects

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

SME from the Best Practice Projects

The critical nature of effectively managing and protecting both the previously owned know-how you may have (background), as well as the results of R&D projects (foreground) is starting to become apparent.

So what do we mean by success?

First of all, it is fitting to differentiate between overall project success and success for an individual SME participant in the project, as this might not always be the same. Success therefore needs to be measured by each participant and, as we saw in the previous chapter, just as the motives for getting involved in a research project can be varied, so too can the criteria for measuring success. From our findings, based on an analysis of research projects involving SMEs from the Health and ICT sectors, we know that SMEs measure success as **accessing knowledge, processes or technology from research projects that will enable them to increase productivity, improved skills and know how, improved quality of products/services, new to company products/services, new to market products/services, increased exports, among other benefits.**

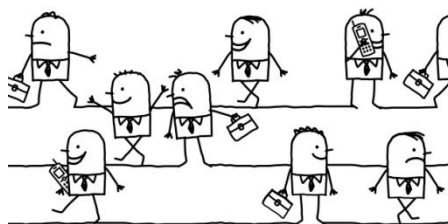
According to an SME from one of the successful projects:

“Even if the overall result of the project does not lead to success, certain elements of the results will.”

SME from the Best Practice Projects

Are there any trends that stood out in the successful projects? Let's take a look.

2.2 What roles did SMEs play in successful projects?



Possible Roles for SMEs in Projects

- *Development contributor*
- *Research contributor*
- *Research recipient*
- *Technology Transfer Interface*
- *Development recipient*
- *Marketing/distribution expert*
- *Subcontractor*
- *Multiple roles*

First of all, there are a variety of possible roles that SMEs can take in an R&D project. SMEs with research capacity can **contribute to research and development**, while SMEs with no in-house research capacity can act as **research recipients** or **development recipients**. SMEs can of course be involved as a **technology transfer interface**, as **marketing/distribution experts**, **subcontractors**, or indeed they can even take on multiple roles in projects. So each SME can decide the role or roles that best suit their profile.

Can we offer any meaningful advice or does anything stand out from the successful projects that we can share with you?

SMEs have taken a **range of roles in successful projects**. These have included **development contributor, research contributor and research recipient**. SMEs have also taken on multiple roles within individual projects widening their knowledge base and attracting additional funding.

At this stage, maybe we can simply provide you with a few words of common sense- take on a role or roles that you are capacitated for and ones that are relevant for your business. Also be aware of the potential roles that are open to you.

“As we were not aware of the possibility to act as subcontractors to the project we joined as a full-fledged partner... our participation in the project would have been more meaningful as a subcontractor.”

SME from the Best Practice Projects

We call “**how**” the parties work together the “**knowledge model**”. In the case of the successful projects, we found that SMEs and RTDs have worked together on projects in a number of ways. Certain partners have conducted research/development and the other partners have commercialised the results or any combination thereof.

The Knowledge Model

- Increased skills and know-how were independent of the knowledge model
- Increased product/service quality was independent of the knowledge model used
- Increased exports were achieved when the company partners carried out the proof of concept work
- Increased sales of new to company products/services were achieved when the company partners carried out the proof of concept work

So did the knowledge model used have any effect on success?

Our research has shown that the way in which SMEs and RTDs worked together had no influence on the increased skills and know-how or increased product/service quality achieved. However increased exports and increased sales of new to company products/services were more likely to be achieved when the company partners carried out the proof of concept work in the project. So the **Knowledge Model can be of significance** in terms of sales and exports and delivering something to the market.

“SMEs need to be the exploitation manager...If the aim of the project is targeted at delivering something to market, the best way to achieve this will be put the SMEs in charge - academics can't do it and large enterprises won't be committed.”

SME from the Best Practice Projects

2.3 Issues that really matter: Intellectual Property Rights (IPR)

“The true worth of a business is no longer determined simply by its plant and machinery and other physical assets but also by its technology and R&D and know-how and branding. Across a wide array of technologies, products and services, successful businesses are recognising the value of their IP and taking steps to protect and exploit it.”³

³ Getting the most out of your Intellectual Property. Haseltine Lake. European Patent and Trademark Attorneys. Commissioned by the UK Science Park Association.

Adequate management of Intellectual Property Rights (IPR) (or protecting your valuables!) is **crucial in any research project**. Achieving the right agreement and compromises with cooperation partners is of paramount importance. First of all, let's explain what is meant by Intellectual Property (IP). Intellectual Property is created when an idea takes some **tangible form**. IP can mean a brand, invention, design or other kind of creation and it can be legally owned.

So when we talk about Intellectual Property Rights (IPR), what exactly are we referring to?

“Intellectual Property Rights or IPR are legally enforceable rights over the use of inventions or other creative works. ... They confer a right to exclude others from their use”⁴.

IPR Toolbox- Protection methods

- *Patent- Technology, Product, Process, Use of a product*
- *Petty Patent/Utility Model- Product (mainly), technology*
- *Design Registration- Visual appearance, not functionality*
- *Trademark Registration- Name, logo, sound and odour*
- *Copyright- Artistic works, computer programmes*
- *Trade Secrets- Anything that will give a company a competitive advantage by not being generally known*
- *Domain Names- Related to trademarks*
- *Scientific Publications- Publication*
- *Know-how- Specific field within trade secrets*

IP rights are key business assets, which help to differentiate a business from its competitors, to ring-fence its markets and to create revenue-

⁴ "Strategic dimensions of Intellectual Property Rights in the context of Science and Technology Policy", ETAN working paper, 1999

generating opportunities⁵. Companies protect IP so that they may **benefit commercially from it**. Common protection methods include **patents, trademarks, design protection and confidentiality agreements**.

“IP is one of the most important elements...take a standard collaboration agreement...that’s the area that tends to be modified to suit a particular group of partners. Generally you find people are happy to agree that we can sell anything that is developed as long as it’s not competitive with other partners in the project.”

SME from the Best Practice Projects

Indeed, IPR issues can influence both the way a project is conducted, and the exploitation of results after the end of a project. Despite its importance, **SMEs often embark on European projects without an obvious IP strategy**; simply choosing to entrust the protection of IP to a standard Consortium Agreement (not to be recommended). Others take steps to recognise and protect their background IP prior to the project starting. In general, participants in EC funded collaborative R&D projects are strongly encouraged to consider and tackle IPR issues as soon as possible during the preparation of their project and to negotiate any relevant questions with the other participants **before starting the project**.

In order to assist you, there are a number of IPR related issues that you should really take the time to consider when taking part in research projects:

⁵ Getting the most out of your Intellectual Property. Haseltine Lake. European Patent and Trademark Attorneys. Commissioned by the UK Science Park Association.

- ***What is my IP strategy?***
- ***Who is managing the IP in the project?***
- ***How is jointly owned IP to be managed?***
- ***What aspects of the IP contract are important for my business?***

Looking firstly at **IP strategies**, are there any models from the successful projects that work better than others?

Our research showed that **increased skills and know how** were realised independent of the SME's IP strategy. So in other words, the possibility of SMEs acquiring increased skills and know how from the results of R&D projects was not influenced by the type of IP strategy adopted; they benefited from the involvement in the project anyway. Furthermore, **increased product/service quality** was achieved irrespective of whether or not the SME decided to acquire an exclusive licence or treat its IP as a secret; in other words participation alone helped here too. However, **increased sales of new to market products/services** were realised when the strategy was to acquire exclusive rights. Therefore the IP strategy chosen by an SME was important when it came to sales and market related issues.

SME's Strategy for Managing IP

- *Increased skills and knowhow were realized independent of the SME's IP strategy*
- *Increased product/service quality was realized independent of whether the SME opted to acquire an exclusive licence or to treat its IP as a secret*
- *Increased sales of new to market products/services were realized when the SME IP strategy was to acquire exclusive rights*

Of significance when discussing IPR in the context of EC funded R&D projects is the whole subject of **jointly owned IP**. Under FP7, joint ownership arises both in:

- regular actions (collaborative projects, etc.) whereby foreground is generated jointly by two or more participants and their respective share of the work cannot be ascertained
- actions for the benefit of specific groups, such as “Research for SMEs” and “Research for SME Associations”⁶ Managing jointly owned **IP can be challenging**. Joint owners have to agree among themselves on the allocation and the terms of exercising the ownership of the foreground, typically by incorporating appropriate provisions in their **Consortium Agreement** regarding joint ownership or entering into a **Joint Ownership Agreement**.



Need assistance on IPR issues?

Contact IPR Helpdesk (<http://ipr-helpdesk.org>) where you can get advice on:

- IPR protection modalities
- Important issues to be considered in an EU project
- Templates, examples...
- Key updates on IPR issues
- And more...

Jointly owned IP can be managed in a number of ways:

- by agreeing access to patents through licensing

⁶ http://cordis.europa.eu/fp7/capacities/research-sme_en.html

- by governance of licences through one party where others receive royalties through this arrangement.

“Negotiations can be particularly ‘bloody’ ”

SME from the Best Practice Projects

Managing Jointly owned IP

- Increased skills and know-how were independent of how joint rights were managed
- Increased Product/service quality was realized when one owner managed joint rights and when joint owners had to agree transfer of licensing. The situation is less clear when a coordinator managed jointly owned IP or where a standard consortium agreement was used
- Increased sales of new to company products/services were realized when one owner managed the IPR and others had royalties from the arrangements made
- Increased sales of new to market products/services were realized when joint owners had to agree to the transfer of licensing of IPR

Is there anything we can pick up from the successful projects?

“After the wrap-up of the project, the know-how generated will be used in two subsequent projects that will bring the strategy developed within this project to the market.”

SME from the Best Practice Projects

In terms of the models that are successful, increased skills and know-how were independent of how joint rights were managed. Increased

product/service quality was realised when one owner managed joint rights and when joint owners had to agree transfer of licensing. **The situation is however less clear when a coordinator managed jointly owned IP or where a standard Consortium Agreement was used.** Increased sales of new to company products/services were realised when one owner managed the IPR and others had royalties from the arrangements made. Increased sales of new to market products/services were realised when joint owners had to agree to the transfer of licensing of IPR.

“SMEs should avoid getting into Consortium Agreements that do not foresee any rights for them to the Intellectual Property generated during the project. They should also avoid situations whereby royalties on sales remain with the partners for good. Agreements should be designed in order to grant exclusive rights for a sector or for a region or other. If we have to share the income with other partners, it should be very clearly specified.”

SME from the Best Practice Projects

Let's look now at the **IP agreement** and see which aspects are of most importance to SMEs in successful projects. IP agreements, within European law, often include clauses that place restrictions on the partner activities in order to mutually protect the partners involved, such as collaboration with others, geography of application, market entry dates, and others.

In the case of the **successful projects**, increased sales of new to market products/services were realised where the SME specified **restrictions of geography** to be important aspects of the contract and where there were **restrictions on competitive activity** within the contract. Increased exports were realised where the SME specified restrictions

on **implementation start and end dates** to be important aspects of the contract.

IP Agreement

- *Increased sales of new to market products/services were realized where the SME specified restrictions of geography to be important aspects of the contract*
- *Increased sales of new to company products/services were realized where the SME specified restrictions of geography to be important aspects of the contract and where there were restrictions on competitive activity within the contract*
- *Increased exports were realized where the SME specified restrictions on implementation start and end dates to be important aspects of the contract*

2.4 Dissemination of Intellectual Property (IP)

Once IPR has been successfully managed, and **IP protection mechanisms are in place**, dissemination can then take place. Dissemination can be very important in terms of letting the market know about what you are doing as one SME from the successful projects pointed out:



“It is necessary to motivate key end-users about the project outcomes.”

SME from the Best Practice Projects

Guide to the Successful Use & Dissemination of Research Results

An analysis of the successful projects has revealed the most popular channels used for the dissemination of IP:

Channels Used	%Respondents SMEs	%Respondents RTDs
Personal contacts	67	97
Presentations	44	97
Conferences	53	94
Professional contacts	69	91
Project web site	48	91
Workshops	67	86
Journal articles	75	77
Press release	44	77
Involvement in networks	41	74
Seminars	39	69
Trade fairs	26	66
Web portals	43	57
Inclusion in EU documents	39	57
Open access publication	18	46
Consultancy	10	43
Teaching materials	15	40
Books	8	40
Tutoring	16	26
e-zine	3	26
Placement schemes	5	9
Inclusion in Government documents	3	9
Other	3	9

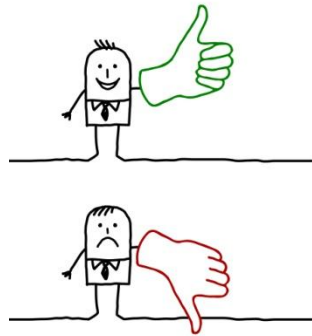
The 10 most popular forms of dissemination (from the table above) were common to successful RTDs and SMEs. When asked which dissemination channels were most successful, the response was unanimous. A combination of dissemination channels is the most successful approach.

“The project cooperates a lot with end users – personal demonstration days proved to be very good”

SME from the Best Practice Projects

2.5 The highs and the lows

Let's wrap up this chapter with an overview of key success factors that have been identified from the successful projects, as well as the major barriers or pitfalls that prevent success.



2.5.1 Key success factors

Success factors should be considered in the planning stage of all new projects and activities to ensure that these factors are achieved should be mapped out. So what have our successful projects told us about the enablers of success?

“A key factor for project success in our case was active cooperation with end users.”

SME from the Best Practice Projects



Make sure the people who are working on the project are **motivated**. Maintain this motivation throughout the project by keeping them informed of the progress of work and maintaining regular and informative communication with them between project meetings. Maintaining a lively project blog, for example, could be a useful tool.

“It is not enough for the people from the company who are working on the project to be motivated. The senior management of the company also needs to be motivated about the project.”

SME from the Best Practice Projects

Technology achievements are good news when you are working on R&D projects. So make sure to report technological achievements to all partners as they arise in the project- there is no need to wait until project meetings to spread the joy.



Good project management is a must. One logical starting point is to ensure that the project managers/coordinators are qualified to act in this role.

“A good project coordinator must have the capacity to moderate a discussion without imposing his point of view. The point of view of SMEs, which is mostly focused on the market, is often different from that of research institutions, which is mostly focused on the research.”

SME from the Best Practice Projects

Cultural understanding should not be underestimated in a European project that involves many different European cultures and languages.

Cultural and language differences can pose a challenge for communication. Seamless communication is of utmost relevance for swift project implementation.

“...having a common direction solves a lot of the cultural issues”

SME from the Best Practice Projects



“For Eastern European companies it is a problem to find Western European partners that would be willing to trust their coordination capabilities!”

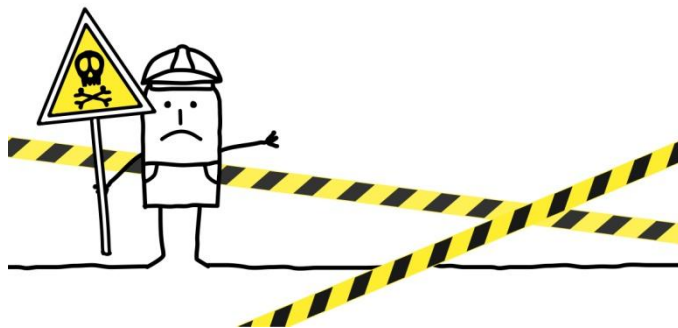
SME from the Best Practice Projects

A clear agreement on ownership of outcomes is fundamental for a successful project. It is always advisable to be clear on who owns what before you start, to avoid conflicts and tension later on in the project—especially if the results of the R&D are promising. One SME gave this advice:


“Biggest challenge is making sure the ultimate business proposition is as profitable as possible...there is always a problem in how to distribute the value from the project, i.e., the percentage of revenue to each party while leaving enough profit to reward the business... DO THIS BEFORE THE PROJECT STARTS!”

SME from the Best Practice Projects

2.5.2 Barriers to success



Barriers to project success should be considered in the planning stage of all new projects and steps taken to overcome them. So what can our successful projects tell us about the pitfalls that could prevent our company from getting the most out of our research and development project?



Barriers to Success

- Technology difficulties
- Delays with advanced payments from the EC
- Market issues, e.g., fragmentation, time to market
- The collaboration process
- Financial management and administration of the project

Just as technological achievement represents a key success factor; it should come as no surprise to you that, on the flip side, **technological difficulties** can pose major barriers to the success of R&D projects. **Delays to market entry** for whatever reason can be a project stumbling block.

“Originally it was assumed that the product would go to market but during the work on the project it emerged that the technical solution wasn’t suitable for the market”

SME from the Best Practice Projects

Another barrier to success lies in **delays with advance payments from the EC**. SMEs are particularly exposed to cash flow risks.

Distribution of payments is a problem ...you can be 50K – 60K cash negative throughout much of the project, which is a lot for a small business.”

SME from the Best Practice Projects



“The most difficult thing was financing the project. Advance payments were a problem, to such an extent that they threatened both our participation in the project and the functioning of the project as a whole.”

SME from the Best Practice Projects

Furthermore **market issues** can also pose problems, especially in terms of time to market. This can be of particular relevance in sectors where the technology is fast moving, such as the ICT sector. The period between conceptualisation of the R&D idea or concept, presentation of the proposal, approval and negotiation of the proposal with EC, implementation of the project, as well as post project development work prior to launch on the market, could be in the region of up to 4 years (for a 2 year R&D project).

“You can be involved for a year before anything starts...understand the process... we were flying blind...and, it's a paper merry-go-round.”

SME from the Best Practice Projects

Delays in project start, payment and delays to market entry should be considered in the project plan and quantified as uncertainties that have risks associated with them. As a business, it is important to remain occupied and productive during these types of delays. Watch out for them and never let them become critical to your business. They will happen.

The **collaboration process** can also present a barrier, especially in large transnational R&D projects involving research providers, large companies and SMEs. This is why it is important to pick your partners carefully. Businesses in different industry sectors have different

'clockspeeds', e.g., product/service lifecycles, frequencies of market opportunity. Different types of RTDs have different goals. If the RTD is a university, semesters (academic priorities) don't generally marry with business financial years. Academic institutions have a 'pulse' which quickens and flows with the stimulus of students. Good project management can do a lot towards synchronising the academic pulse to the business clockspeed.

“EU is so bureaucratic...being Exploitation Manager is a bit like a poison chalice...EU keeps changing ...FP7 is new which means you are dealing with different officers, different departments...suddenly the rules change...if EU changes the rules {especially with regard to payments} it is a real problem for small businesses because cash flow is crucial... don't allow coordinator and academics to run it...there has to be commercial rigour to it.”

SME from the Best Practice Projects

Again, in terms of **communication**, which can pose a major barrier, make sure people involved in the project feel comfortable in an English working environment.

“Difficulties arose in communication between technology partners and the academic community. SMEs are more realistic and more down-to-earth, academics want to test their dreams and publish. Communication among partners is important – I recommend teleconferences every 14 days and a meeting every six months.”

SME from the Best Practice Projects



“Our experience shows that universities and research institutions have different ways and rhythms of work and other goals than enterprises.”

SME from the Best Practice Projects

Finally, **financial and administrative management of the project** can act as a barrier, especially for SMEs, which links back to the need for an experienced and competent project coordinator.

“If you have a good coordinator that is highly skilled in administrative management with the European Commission, it will not be a barrier for the partners to be in the project.”

SME from the Best Practice Projects

“It is vital that the project coordinator is capable of effectively communicating with the European Commission/Project Officer”

SME from the Best Practice Projects

“You need certain skills...1) commercial awareness (I have 20 years in computing and commercial management); 2) How to manage people’s thinking across different organizations; 3) Humility – I can’t tell these people {RTDs} what to do...expect to ask lots of questions and be ready to explain answers to others; 4) be aware of the EU bureaucracy...”

I must sound very negative?

It’s a fantastic opportunity though- I’d do it again in a heart-beat!”

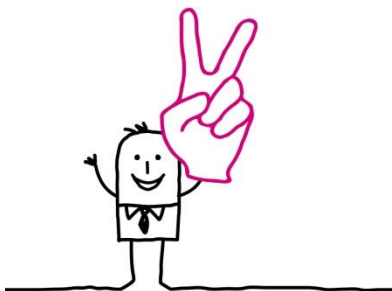
SME from the Best Practice Projects

“Count to ten before one explodes!”

SME from the Best Practice Projects

2.6 Still up for it?

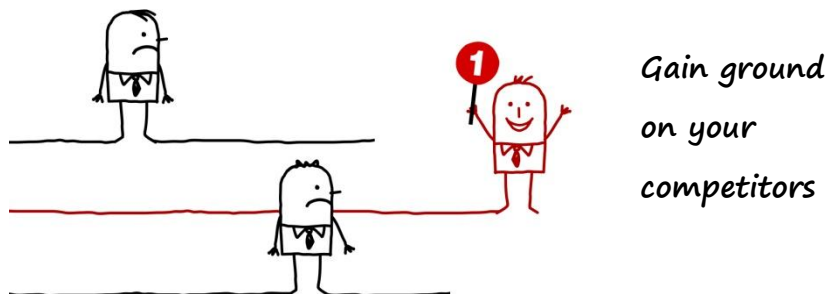
So now you have hopefully learned some invaluable lessons from the experiences of the SMEs that were involved in our successful projects. Let’s move on and take you through the lifecycle of an EC funded collaborative R&D project and provide you with a step by step Guide on how you too can ensure that you get the most out of your own successful project.



“Thinking of getting involved in EU projects? Definitely go for it, yes...”

SME from the Best Practice Projects

Chapter Three- Process of research collaboration step by step



Want to ensure your project is a successful one and has a tangible impact on your company? Read on.

In order to make the most out of your project and the results obtained, you should pay sufficient attention to the management of IP issues, as this will have an impact on how the results are used. It is only by effectively using the results of your project that you will reap the expected benefits that motivated your company to join the project in the first place. In a nutshell, intellectual property issues are central to project success and Intellectual Property Rights (IPR) can be a source of future income for your company if properly managed, as they **promote commercialisation of results**.

It is quite remarkable how many project consortia fail to elaborate the issues of IPR, dissemination and use in all phases of the project, leaving themselves and their outputs open to improper use by external, and

sometimes internal, parties.⁷ So if you are considering joining a project you need to start thinking about the following types of issues:

“Who will own the results of the project?”

“Will my company have to share the results with other partners?”

“How will they be shared?”

“How will my company use the results of the project?”

“Will the project have access to my background IPR?”

When should you start thinking about these issues? Let’s consider the complete lifecycle of an R&D project (Figure 1 below) and break it down into a series of stages and then we can see how IPR can be used as a tool in each of these phases to consolidate partners’ rights and to protect project results and outputs.

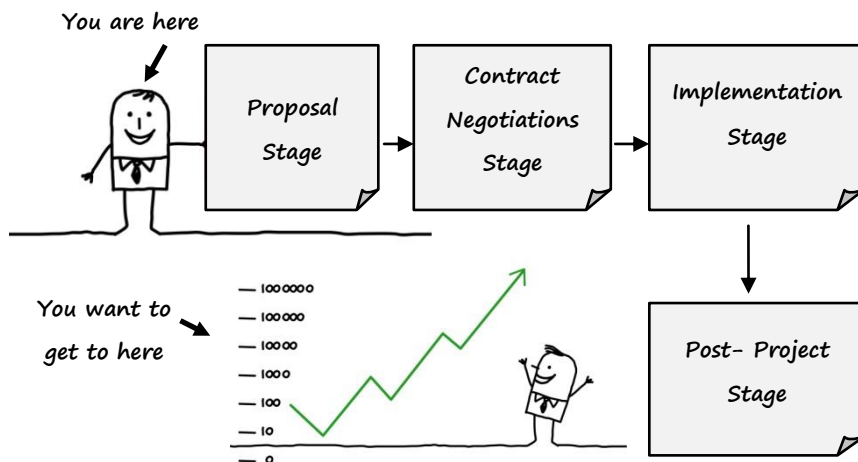


Fig. 1- Stages in Project Lifecycle

⁷ IP Rights in the 7th Framework Programme. Understanding your rights and obligations as a participant. IPR Helpdesk.

In this chapter we will address each stage in detail, pointing out the key considerations that will contribute to a comprehensive strategy in the use and dissemination of the results of your R&D project. In this way you will be better prepared to achieve the goals that you established for your company in Chapter One.

3.1 Proposal stage- agreeing the destination

The proposal preparation stage can take anywhere between a few months to a year to complete, depending on the project type, size and complexity of the consortium, skills sets and experience of the proposers, etc. We would recommend that you start preparing your proposal in good time, as **thorough preparation is an essential ingredient for success** and there are many decisions taken at project formulation phase that will have significant and lasting implications later on when it comes to the exploitation of the results.

In terms of IP related issues, at this stage, you will need to know **what each of the potential participants is bringing to the project (their value-added) and what they will need from others** in order to fulfil their role in the project and meet its objectives. A face to face meeting, or at least a telephone conference, could be very useful at this stage in order to become familiar with the intentions and plans of the other partners. You will also need to explore in detail the **state of the art** in the field of the project. In addition, you, and all the other project partners, should at this stage foresee what you will potentially obtain from the project that you are joining.

Let's take a closer look at the key issues that should be considered during this stage of the project lifecycle.

3.1.1 Selection of the right funding programme- Choosing the right vehicle

It is important to consider the type of funding scheme or programme that you are submitting your proposal under.

Under FP7, funding schemes range from small or medium-scale focused research actions (what were commonly known as STREPs in past Framework Programmes) to large-scale integrating projects (IPs), as well as projects targeting specific groups, such as Research for SMEs and SME Associations⁸. At this stage, you will need to be aware of any specific modalities in terms of the exploitation of the IPR or project results inherent with the funding scheme or programme in question. For example, the default regime in Research for SMEs projects is that the IPR resulting from the project is owned by the SMEs; so the RTD performers do not share in the ownership of the results. Variations of the default are of course allowed but they will need to be set out and be well explained in the proposal. If, on the other hand, you are submitting a proposal under the EUROSTARS Programme⁹ it is expected that the results of these projects go to market within 2 years of project completion. These are just a couple of examples to highlight that it is important to be aware (already at the proposal preparation stage) of how each programme works and to be familiar with any IPR rules that might be specific to each. You should find an appropriate programme that best fits with your business needs and research expectations.

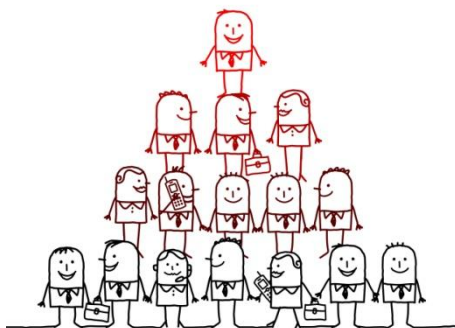
As we saw in Chapter One, you need to bear in mind that these programmes are financed with public money and the results should somehow address societal needs and problems, as is presented in the corresponding work programmes, and this should already be clearly described in your proposal. In addition, the planned commercial

⁸ http://cordis.europa.eu/fp7/capacities/research-sme_en.html

⁹ <http://www.eurostars-eureka.eu/>

activity should be related to the challenges of the European Community (i.e. improving the quality of life of European citizens, contributing to employment and working conditions, environmental protection, sustainable development, etc.). National Contact Points (NCPs) for SMEs can prove a very useful source of advice on how to proceed¹⁰.

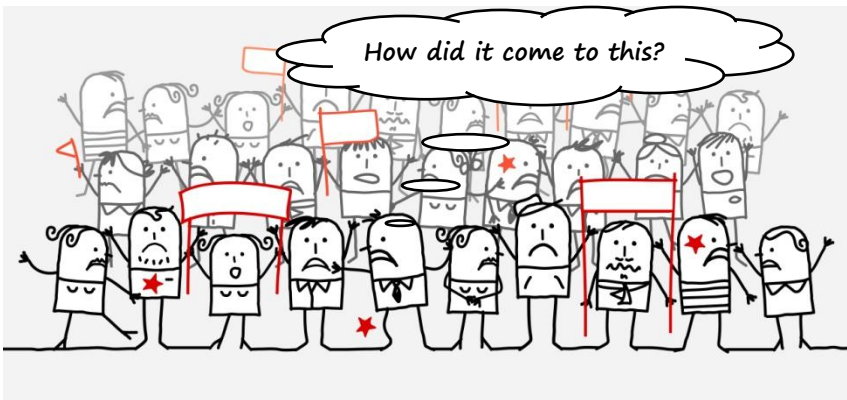
3.1.2 Building the consortium and indentifying your role- Your travel companions



A highly significant aspect of the preparation of a collaborative R&D proposal is the building of the project consortium and, as we saw in Chapter One, there may well be specific types of RTD performers and industrial partners that are more compatible with your company and its needs than others. Whether you are the one in charge of putting together the consortium or whether you are simply joining a proposal being prepared by others, you need to ask yourself a number of key questions with regard to the other members of the consortium (especially the other industrial partners). For example, **are they current or potential competitors?** It is advisable that none of the other project participants are direct competitors of your company in

¹⁰ <http://www.ncp-sme.net/about-ncp-sme>

order to avoid that you will be competing against each other in the exploitation of the results. **Could there be any potential conflict of interest or incompatibility with any of the other partners?** If so consider this carefully before signing anything and contingency plan for worst case scenarios.



“The partners were chosen in order to avoid future conflicts of interest. Making sure that each partner has a role and that there is no overlap in competence among the partners.”

SME from the Best Practice Projects

Look for complementarities when putting together a consortium and make sure that each member plays a synergistic role during the project implementation and, later on, in the exploitation of the results.

Also be clear on the **role that your company will take in the consortium**. Is this role relevant to your business? Are you qualified to assume this role?

As was discussed in the previous chapter, research shows us that **good project management** is an enabler of successful projects, so also ensure at this stage that the selected Project Coordinator has the necessary skills, knowledge and experience for the job.

“Our partners in the project were companies from other countries. They had similar level of turnover, resources, intellectual potential. We are still in touch with them and this is a real advantage for our company. We can exchange our experiences, because we act in the very similar way.”

SME from the Best Practice Projects

“We would recommend SMEs to take on the role of Work Package leaders. Only this way will they have the chance to influence the content of the project... from the position of the project partner they can't.”

SME from the Best Practice Projects

3.1.3 The project outputs you desire- Agree on the destination with travelling companions

Be fully aware of the project objectives and the envisaged outputs or expected results from the start. Strange as it may seem, some companies turn up to Kick Off Meetings and this is the first time they really learn about the project objectives and results. To avoid any future disappointments or misunderstandings, **take the time during the proposal stage to read and fully understand all the documentation about the project, its objectives and its expected result or results.** You'd do the same for any other business venture that you were going to get your company involved; so look at a

collaborative R&D project as another potential business venture for your company.

Remember in Chapter One, how we likened your participation in an EC funded collaborative R&D project to that of going on a journey? You'd read through the travel brochure and you'd be aware of the travel policy, wouldn't you? It's the same thing here.

It is important to understand what the state of development of the result/s will be when the project is completed (if of course everything goes to plan). Is the project going to deliver a result that is ready for market? Or is it specified that the project will deliver a "pre-competitive prototype"? In the case of the latter, which is quite commonplace, you need to be aware that **further development work** will be required post-project before the result/s can be exploited in the marketplace.

"It is very important that, from the beginning, the SME – if it is not RTD performer - explains very clearly its expectations and requirements in terms of research and development. It has to see to it that it will be able to use what the universities are going to develop. Indeed, this is unfortunately not always the case, precisely because everything hasn't been clarified properly during the phase of negotiation or even later."

SME from the Best Practice Projects

Also be familiar with the timescales involved. How long will it take before the project delivers a result? Many industry partners are not aware of how lengthy the whole project lifecycle can be, especially from proposal submission to project start date. So you need to be realistic; if you need immediate results then the EC funding route might not be the preferred option for your company.

“...the time period between the original idea of the project and its end can be roughly 5 years. Indeed, due to such lengthy periods of time, it is not unusual that the plans have been outpaced by the reality: other needs have emerged, better technologies have been developed, etc.”

SME from the Best Practice Projects

3.1.4 A few words about the work plan- Plan your journey with travelling companions and protect your valuables at home

In FP7, during the proposal preparation stage, a “Part B” document will need to be drawn up. This is essentially the project application or bid. This application is made up of various sections, which are detailed in the “Guide for Proposers” document that is published with the Call for Proposals¹¹. We are not going to take you through an entire Part B document now (we would require a separate manual for this!), however we do want to offer you some advice in relation the section in the Part B where you will be asked to clearly outline the **“appropriateness of measures envisaged for the dissemination and/or exploitation of project results, and management of intellectual property.”** Here you will already need to have a clear strategy in mind for managing the IPR, as well as exploiting and disseminating the project results. Essentially the EC is looking for you to draw up a preliminary Plan for the Use and Dissemination of the Foreground (PUDF). Be as comprehensive as possible and make sure your plan is meaningful and is applied to the project proposal at hand- so avoid using template texts from other proposals or bids.

¹¹ See the following link for a list of calls: <http://cordis.europa.eu/fp7/dc/index.cfm>

In addition, in terms of the **work plan**, you should include a work package that is dedicated to outlining the tasks the consortium will undertake during the project to disseminate and exploit the result/s of the R&D effort; or you may wish to have a separate work package for Use/Exploitation and another for Dissemination. Professional management and protection of the results of the project are fundamental, therefore it is advisable to dedicate sufficient effort to Knowledge and IPR management, and this could be in the form of a task or series of tasks, or in some cases a separate Work Package. We will discuss Knowledge Management issues in more detail in section 3.3.1 below.

“I recommend going through the plan of deliverables. In our project we then weren’t caught by surprise by the requirements of the WP leader or some of the partners....”

SME from the Best Practice Projects

“Watch out for planning activities – originally “PM” (person/month) was just an abstract term for us; watch out for promised work”

SME from the Best Practice Projects

3.2 Negotiation stage- Protecting the valuables you brought along, contingency for delays



Congratulations! Your project has been approved for funding and will now enter contract negotiations with the EC. In terms of IPR issues, this is a very important stage in the lifecycle of any project that is funded under the European Framework Programme. (In the event that your project was not selected for funding, you will still have benefited from the contacts you built with the other partners in the consortium, as well as from the knowledge, skills and experience that you acquired and which you can tap into again in the future).

During contract negotiations, the EC may ask for more details on how the consortium intends to exploit and disseminate the project results. If the negotiations are successful an agreement will be signed with the EC called the “European Commission Grant Agreement” (ECGA)¹², which is based on the Part B of the project proposal (and related annexes). The contract negotiations stage is your last chance to refine the plans and

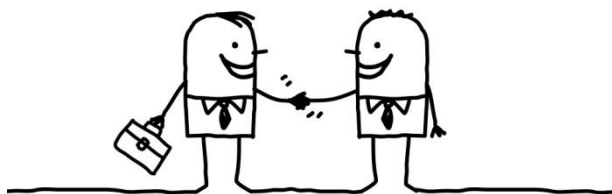
¹² A standard model Grant Agreement is available at: http://cordis.europa.eu/fp7/calls-grant-agreement_en.html#standard_ga

details that were outlined in the Part B of the project proposal and it is advisable therefore to revisit the market opportunity data, the timescales and dissemination channels proposed and the complementarities of project partners.

Also at this stage the previously mentioned Consortium Agreement will need to be drawn up, agreed on and signed by all partners prior to entry into force of the Grant Agreement (in exceptional cases the EC may agree that the Consortium Agreement is submitted after the start of the project and in such cases it will be included as a project Deliverable). The Consortium Agreement is a very important document when it comes to IPR issues as it will set out or further define how the consortium agree on the use and dissemination of the project results.

So the Approval and Contract Negotiations stage is another critical stage in the project lifecycle when issues relating to the future use and dissemination of the project results will be defined- so ensure that you are fully informed.

3.2.1 The Consortium Agreement- Don't travel in the dark



If you are participating in a project that is funded under the FP7, unless otherwise stated in the call for proposals, you will need to conclude an internal, private agreement with the other partners in the consortium to regulate internal issues related to work organisation, intellectual property, liability and other matters of their interest. This agreement is known as the **Consortium Agreement (CA)**.

The CA is envisaged as an instrument that can be used by your project consortium to develop and supplement aspects that are particular to the project and that are not fully covered in the European Commission Grant Agreement (ECGA). Its content will be decided upon by the project partners with the only limit of **respecting the ECGA**- so you cannot contradict anything in the ECGA. Experience shows that this instrument is often not used to the full extent due to insufficient knowledge about its nature and purpose, among other things¹³. In this Guide, we include information to assist you in drawing up the critical **IP related provisions** of the CA. However, there are other excellent sources of assistance, such as the IPR Helpdesk¹³, that you can tap into in order to guide you in all other aspects of the CA (which are beyond the scope of this Manual). Additionally, there are also **model Consortium Agreements** available that can assist you (These are not official models from the European Commission and they should be carefully read and discussed in order to be adapted to any specific case.)

¹³ IPR Helpdesk- http://www.ipr-helpdesk.org/documents/CA_Participants_FP7_0000006609_00.xml.html



Sources of Model Consortium Agreements

- DESCA (The Simplified FP7 Model Consortium Agreement)- <http://www.desca.org>
- EUCAR (European Council for Automotive R&D)- <http://www.eucar.be>
- ADS (Aerospace and Defence Industries Association of Europe)- <http://www.asd-europe.org>
- EICTA (Digital Europe)- <http://www.eicta.org>
- Additional model consortium agreements can be found at:
http://www.dius.gov.uk/innovation/business_support/lambert_agreements

In terms of **ownership of the IP**, let's first of all consider **ownership of the background**. We saw in the previous chapter that "background" is project-related information and IP rights held by participants **prior to the signature of the ECGA**. The background that is brought into the project will always remain the property of the partner in question (unless a transfer is decided upon). We would recommend that you establish a register of background or a protocol to regulate its use, as well as provisions on the ownership of improvements and/or refinements to background and possible royalties where the ECGA so admits. Participants might also want to stipulate in the CA that they want to exclude background, and this can be listed in an Annex.

Don't forget about the **sideground** that might be generated over the course of the project. "Sideground", as opposed to Background or Foreground, refers to the information and IP rights that participants acquire or develop in parallel to the work of the project. It might also be of use to stipulate clearly in the CA how any sideground will be managed and in this way avoid any future conflicts.

In the case of the **foreground**, i.e. the project results and any IP rights that can be attached to them, typically it is owned by the participant that carried out the work from which it resulted. However, there could be cases whereby several partners carry out the work together and their respective shares cannot be ascertained; in such cases they shall have **joint ownership of such foreground**. Joint ownership will also occur in actions for the benefit of specific groups (such as the aforementioned Research for SMEs and Research for SME Associations projects). Joint owners will need to agree among themselves on the allocation and the terms of exercising the ownership of the foreground. The CA can be an adequate instrument for dealing with ownership issues, even though with regard to the joint ownership of research results (which might also be transferred to a legal entity entrusted with the implementation of the project and/or the use of foreground) a separate agreement, a **Joint Ownership Agreement** can also be used, as we saw in Chapter 2 when we discussed jointly owned IP.

“It is very important to have IP issues stated very clearly in the Consortium Agreement- partner should have it clear in their minds about who will own the IP”.

SME from the Best Practice Projects

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 CA. **Access rights** are licences and user rights to foreground or background given by the owners to other parties (project participants or third parties). The CA is a useful tool to clarify, complete and implement the provisions contained in the rules for participation and the ECGA. Additional access rights can be granted

and participants can also agree on more favourable conditions for the granting of access rights.

Project participants in FP7 are also obliged to make provisions for the adequate and effective **protection of foreground** that is capable of industrial or commercial application. The CA can also provide intentions for this. For example, how the consortium will identify foreground capable of protection, a clause allowing the other partners to take the necessary steps for protection if necessary, etc.

The CA should also contain any provision that may clear the way for the **future use of the results**. Don't forget that if you are participating in a collaborative R&D project funded by the EC you are **required to use the results** you own as a result or ensure that they are used either in further research activities or for (economic) exploitation in accordance with their interests. The CA can also foresee the **conditions for dissemination**, having due regard for all interests involved (partners' interests, swift diffusion, IP rights, confidentiality). Regarding publications and the right to object, the CA can be a good instrument for internally regulating how to proceed in the case of publications that may be prejudicial: procedure, votes, timing, how to recognise a negative publication in practice, etc.

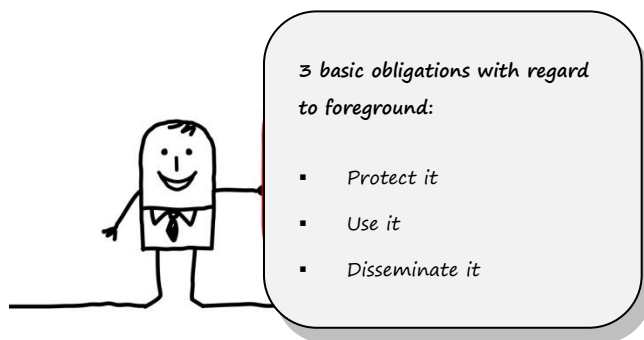
“ Things to watch out for before signing the Consortium Agreement: access rights to knowledge and securing access rights to knowledge after completion of the project”.

SME from the Best Practice Projects

As you can see, in terms of IPR provisions alone, the CA is an important agreement and should not be taken lightly- so it's good practice to take the time to go through this document thoroughly to ensure that it meets the needs of your company. Like any agreement, be aware of

what you are signing. It might be a good idea to seek the professional advice of a patent attorney.

3.3 Implementation stage- Sending postcards



You have finally signed the ECGA and your project is about to kick off; so you have now entered into the implementation stage. In terms of IP-related issues, during this stage the participants may need to give access to their knowledge, such as relevant IP, if it is needed for other partners to carry out their work on the project. If there are any deviations from the project work plan, you and the other project participants, should be aware of all your options for negotiation, as well as your obligations towards each other in terms of own resources and share of any revenues. As early as possible you should be thinking about protection of first results and in this way you can pave the way forward for the exploitation and dissemination of the results. To this end, planning for the management, use and dissemination for the project results should **start as early as possible**. In fact, we would recommend such planning issues be included in the agenda of the Kick-Off Meeting in order to set the tone for the remainder of the project.

You might want to consider appointing an Exploitation Committee at project Kick-Off (or you may already have done so during the project formulation phase- **well done you!**). This Committee should be chaired by a competent Exploitation (and/or Dissemination) Manager. Or maybe you have decided that it is sufficient that the members of the Project Steering Committee (i.e., the project management body) will look after exploitation and dissemination issues. In any case, in parallel with the R&D that will be carried out during the project, significant effort also needs to be dedicated to planning out how you will manage, use and disseminate the project results- and because you planned so well during the proposal stage by including a comprehensive WPs focussing on Knowledge Management, exploitation and dissemination activities, you are well on the way to success.

3.3.1 Protect your results- Know what valuables you left at home, what you are taking with you and what you might acquire along the way

What do we really mean by Knowledge Management? It is the collection of processes that govern the **creation, dissemination, and utilisation of knowledge**.

The European Patent Office (EPO) has come up with 12 key recommendations for SMEs in terms of an effective Knowledge or IP management strategy, which we are sure you will find useful.

12 key recommendations for SMEs in the area of IP management

Source: European Patent Office.

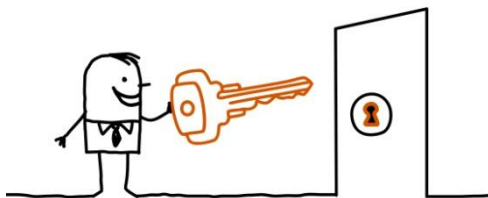
- **Develop an IP strategy** : define your goals and know the level of patent protection you need at each step
- **Get professional help** : enlist the support of a patent attorney if you do not have the skills in-house
- **Choose the right patent attorney**: he/she should possess good knowledge of your technical field, plus fair and efficient advice taking into account your resource constraints
- **Do not underestimate the cost**: attorney charges, translation costs, renewal and other fees add up
- **Demand information**: get your attorney to give you a clear overview of the filing process, waiting periods and costs involved in a patent application
- **Adapt your filing strategy to your real business needs**: do not patent everything and everywhere. Be selective and determine which ideas and markets are worth protection
- **Do not view licensing as failure**: it can be a lucrative alternative or adjacency to manufacturing your invention
- **Revise your patent portfolio continuously**: filter out patents with no business perspective, either for own exploitation or for licensing
- **Start a technology and competitor watch process**: use cost-free patent information and other sources (e.g. scientific publications, trade journals) both to inspire yourself and to identify potential infringers as soon as possible
- **Communicate pro-actively**: communicating the protection of your IP is a cost-efficient mean to reduce the potential risk of infringement
- **Keep in touch with your licensee**: regular contact and meetings provide you with information on your licensee's activities and thus can prevent default
- **Be sure of your case**: if you are planning to fight an infringement make absolutely certain that you are in the right as a lawsuit could otherwise be a quick route to going out of business

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Coming back to collaborative R&D projects, in terms of the fundamental knowledge management issues that you will need to take into consideration during the implementation of your project, let's build on the 12 key recommendations provided by the EPO.

First of all, it is very important to **clearly define the foreground** that will be resulting from the project. Again, foreground simply means the **results**, including information, materials and knowledge, generated in the project. It is expected that the RTD performers in the consortium should play a leading role in defining the foreground. It would be advisable to carry out a full patent review at this stage: technology can move fast- and time will have lapsed since the project was defined and submitted until implementation stage- in some cases well over a year could have passed. So it is good practice to review existing patents and position your foreground accordingly.

Now that you have defined your foreground, you are ready to start thinking about **how to protect it**.



Unlock the potential of your research results

Protection of the IPR/foreground is hugely important. As we have seen in the previous chapter, there are various IP protection tools available, including patents, registrations and copyrights, trade secrets, etc. When deciding on the most suitable IP protection tool to adopt for protecting

the results of your project the IPR Helpdesk¹⁴ and other sources can offer assistance and advice. So do make sure you tap into the wealth of assistance that is available to you.

Patents tend to be a very common IP protection tool. A patent is an exclusive industrial property right granted for a new invention and which bestows the right to prevent others from producing or reproducing, using, offering, distributing or selling the invention without the patent owner's permission¹⁵. The protection is granted by patent offices for a limited period, typically 20 years, after which the protection finalises and the invention enters the public domain and it is then available to commercial exploitation by others. Furthermore, a patent is a territorial right and protects the invention only in the country for which the patent protection has been granted.

It is advisable to entrust the preparation and processing of a patent application to a skilled professional, for instance a patent attorney, as this requires detailed knowledge of the applicable rules and procedures.¹⁶

During the protection period of the invention, a patent owner has the right to decide who may use the invention. It may be exploited by the patent owner by manufacturing the product protected by the patent. Alternatively the patent owner may choose to license the use of the invention to a third party, either for a fee or free of charge. The licence can be granted as an exclusive licence, i.e. the right is conceded to only one person or entity that has the sole right to use the patented invention and others are excluded from doing so, or as a simple licence. In the latter, the licensee is only granted the simple right to use the

¹⁴ <http://www.ipr-helpdesk.org>

¹⁵ [http://www.ipr-helpdesk.org/documents/ES Patent Guide UJ_0000006456_00.xml.html](http://www.ipr-helpdesk.org/documents/ES_Patent_Guide_UJ_0000006456_00.xml.html)

¹⁶ "Why researchers should care about patent" -the European Commission and the European Patent Office

invention without the possibility of excluding others from such use. Alternatively, the patent owner may choose to sell the right to the invention to a third party, who then becomes the new patent owner.

Finally, the issue of the ownership and sharing of this Knowledge will need to be discussed and revised during the implementation of your project. As we saw earlier, this will already have been defined in the Consortium Agreement however it is important to continue to discuss and plan the issues of IPR ownership and sharing, especially, as in the case of IP that is jointly owned by the project partners, a separate Joint Ownership Agreement might need to be drawn up. Given that certain specific issues which are not essential at the start of the project can be negotiated later¹, it is also worth mentioning that there is nothing preventing you or the other project participants from amending the initial Consortium Agreement according to your needs and the evolution of the project. You may also want to consider preparing bilateral or other arrangements involving smaller groups of participants.

Once you have protected your knowledge you can then start planning out how you will use and disseminate it.

“SMEs should be involved from a very early stage in the research project, especially in defining the specifications and requirements to avoid losing sight of the real market, the real application and what can be achieved in business. They should also work side by side the research institutions during the research phase of the project.”

SME from the Best Practice Projects

But what would happen if you decide that you are not interested in protecting the foreground/results? In such a case you could transfer it to another participant in the project. If no one in the consortium is

interested, then the EC should be informed, who may then protect the foreground in its own name. In this way the EC can ensure that any valuable foreground is not left unprotected.

3.3.2 Use your results- Tell people about your journey, promote the destination to others, use the travel knowledge to get to a better destination next time

Towards the end of the project (and after its completion) you are expected to use the results that the project has generated. There are essentially two key routes:

1. Its use in **commercial activities**- for example, by selling it in the market, integrated into products or services
2. Its use in **further research activities**- such as further research aimed at improving it or embedding it in other products/services

Project partners may use the results on their own, or they may also decide to transfer them or grant exploitation licences to other participants or third parties. In the case of shared IP, i.e., in cases where the foreground/results belong to several/all participants in the project, you will need to draw up a Joint Ownership Agreement, laying down the rules of ownership of the foreground. The Joint Ownership Agreement should outline the following (this is not an exhaustive list, so do seek the assistance of a professional if required):

- Appropriate agreements on the assignment and implementation of ownership
- How costs will be shared
- How revenues will be shared
- Under which conditions licences can be given to third parties

A model of a Joint Ownership Agreement is available from the IPR Helpdesk.¹⁷

As we mentioned earlier, we would recommend that you start discussing exploitation issues early in the project. So what types of things should be on the agenda for discussion? First of all, identify all the possible applications and uses of the project results and their inherent market potential. Consider the routes to market:

- are there any routes that aren't accessible via the current consortium?
- will licensing agreements need to be established with third parties in order to ensure all routes to market are optimised?

You may decide to establish a new spin-off company or joint venture company that will be responsible for the exploitation of the results. In any case, make sure that you don't get left out. Be clear on what you want and what you can bring to the table.

3.3.3- Disseminate your results- Tell potential travellers about the destination



¹⁷ http://www.ipr-helpdesk.org/documents/ES_JointOwnershipFP7_0000006616_00.xml.html

In a EU context, the concept of dissemination refers to **disclosure of the results of a project by an appropriate means**. ‘Appropriate’ means other than publication resulting from the formalities for protecting knowledge, therefore publication of a patent application by a patent office is not considered dissemination. Scientific publications, general information on web sites, conferences, and the like are good examples of dissemination¹⁸.

In FP7, where dissemination of foreground does not adversely affect its protection and use, there is an obligation to disseminate it swiftly. If you fail to do so without any justification, the Commission **may disseminate the foreground without seeking your permission**.¹ In other words, going back to our travel analogy, you can’t keep a great destination to yourself. It has to be communicated to the outside world.

When it comes to dissemination, on the one hand, you need to be careful that dissemination activities carried out during your project do not later jeopardise the future exploitability of the results. On the other hand, and as we saw in Section 1.3, carefully planned dissemination activities can serve as a powerful advertisement for the future product, process or service and can pave the way for future market entry. It is therefore important that the whole issue of dissemination is closely linked with Knowledge Management. Any dissemination activity will need to be delayed until a decision about its possible protection has been made. Let’s think in terms of our travel analogy: if the destination is undiscovered previously, then there is little value in encouraging mass tourism without first of all ensuring that the proper controls are in place. Indeed, any disclosure, **even to a single person who is not**

¹⁸ Experiences from the European Union: Managing Intellectual Property Under the Sixth Framework Programme. Blaya A. 2007. IPR-Helpdesk Project, Universidad de Alicante, Spain

bound by secrecy or confidentiality obligations (typically someone from a different organisation outside the consortium), prior to filing for protection, can be considered as constituting a disclosure detrimental to patentability, be it by written (including by e-mail) or oral (e.g., at conferences, or even to a single person)¹⁹. This serves to reinforce the huge significance of good and timely Knowledge Management procedures.

When discussing the Consortium Agreement earlier, we saw that it is good practice to include provisions for **conditions for dissemination**, in this way partners will already be aware of the procedures to follow prior to disclosing any information about the project. For example, a procedure should be in place for consulting with project partners prior to carrying out a dissemination activity. However, we would also recommend that at the beginning of the project you define the non-confidential information that can appear on the project website, leaflets or other dissemination materials. This non-confidential information should be periodically reviewed, and added to if appropriate. In this way, project partners will always know that they have some level of information at hand that they can confidently and safely use in any conversations that might arise with a third parties. Additionally, all partners will be aware that information is confidential and should not be disclosed.

In terms of **dissemination channels**, in the previous chapter we learned about the popular and effective channels used by successful projects. Here, we would just like to add a few words that will help you decide on the most suitable channels to use for your project.

First and foremost, the **intended market for the project outcomes** will tend to dictate the channels used. For example, the general public may expect web-searchable information, while the private business

¹⁹ Article 46.3 RfP – Article II.30.2 of ECGA.

sector may expect access to R&D outputs via academic journals, professional networks (including brokers) or trade association events and publications.

“RTDs could disseminate how they wanted as long as they didn’t get under our feet in the market.”

SME from the Best Practice Projects

In Chapter 1 we spoke about the importance of doing some level of dissemination when tax payers’ money is being used to cover the R&D work. Under this context, do try to get your Knowledge Management procedures in place as soon as possible so that information can indeed be disseminated. It is also important to be aware of the **Open Access movement that appears to be gathering pace.**

What is the Open Access Movement?

The Open Access movement is where publicly funded research results must be posted openly on the Internet. Recently the European Research Council (ERC) has issued guidelines in this area²⁰ that express the intent that all publicly funded, published, peer-reviewed work **goes open access within 6 months of publication.**

The ERC also considers essential that primary data- which in the life sciences for example could compromise data such as nucleotide/protein sequences, macromolecular atomic coordinates and anonymised epidemiological data, or in ICT could be simulation data or pilot study data- are deposited to the relevant databases as soon as possible, preferably immediately after publication and in any case not later than 6 months after the date of publication.

²⁰ http://erc.europa.eu/pdf/ScC_Guidelines_Open_Access_revised_Dec07_FINAL.pdf

While this caveat ensures that publicly funded work is indeed accessible, it in effect reduces the period that SME partners have to realise exclusive benefit from a project to the time it takes to publish a peer reviewed article. This is particularly acute in ICT where product lifecycles are short and data-based algorithms can be easily replicated in software.

Collaborative projects involving SMEs may protect the SME's interests for a period of time (typically project duration plus publication period plus 6 months). Previously, competitors could legitimately access project-derived publications minus primary data post publication through subscription services. With open access the entire market would have access to not only publications from the project but also to primary data from the project within 6 months of publication.

To this end, **publication dates should be of immense importance to SMEs involved in the project.** The period of protected benefit from the project for a SME will hinge upon the terms of the Consortium Agreement, the Knowledge Management procedures therein and the urgency of market opportunity to be realised. In projects where foreground IP is owned solely by the SMEs, RTDs may still be allowed to publish with the consent of the SMEs. In either case, SMEs should insist on an agreed publication plan because open access in effect terminates exclusive project benefits for the SME.

We also saw in Chapter 1 that the RTD performers involved in the project will also want to do some level of dissemination, so it is important to accommodate them where you can. In this way, we can help to build sustainable working relationships between academic and industry.

How RTDs are judged externally

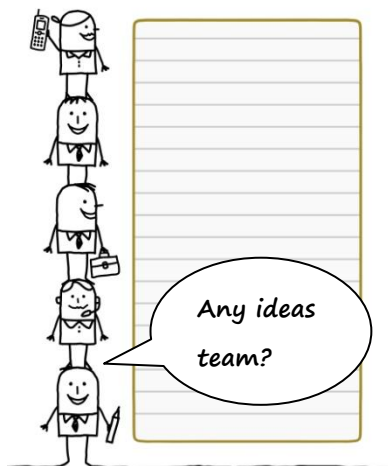
- *Patents*
- *Papers*
- *Prizes*
- *Invention disclosures*
- *Higher degrees awarded*
- *The funding brought in to conduct research and technology development*
- *Proxies include: Patent and paper citations, expert evaluations e.g. used as best practice or success story already- innovation counts, benefit/cost or rate of return estimates- e.g., licensing, subsequent funding.*

Recent EU research confirms that there is a potential conflict between academic achievement criteria and commercialisation activities. The majority of researchers perceive academic publications as the most important measure of success, while only a minority see commercialisation as important. Financial incentives are seemingly not sufficient to guarantee researchers' motivation, but need to be accompanied by other incentives such as professional recognition, career advancement, or benefits in the form of extended infrastructure or personnel for further research. (European Commission 2004). It is therefore of paramount importance to ensure that you work with the right RTD partners.

Academic journal publications (papers) are both an innovation measure and dissemination channel for RTDs, so are very important. It is recommended that a schedule of publication is agreed in line with partner requirements in order to ensure that market opportunities are protected while allowing new knowledge to be shared with the wider EU community. It can of course be a win-win for both sides too, as SMEs can also get a marketing edge by promoting their involvement in a worthwhile transnational R&D project and by working with RTDs who are considered centres of excellence in their field of work.

3.3.4- Plan for the Use and Dissemination of the Foreground (PUDF) - The traveller's diary

In the case of FP7 projects, the EC has stipulated the drawing up of a “Plan for the Use and Dissemination of the Foreground (PUDF)²¹” as a contractual Deliverable or Report. This is a very important document in the eyes of the European Commission, as the PUDF essentially summarises the consortium’s strategy and concrete actions to protect, disseminate and exploit the foreground generated by a project. We saw earlier when we discussed the project formulation



phase that a preliminary PUDF is presented to the EC in the actual project proposal itself (in the Part B Application). During the implementation of the project, you will have to report periodically to the Commission on any activities carried out in relation to the PUDF. A final PUDF is then presented at the end of the project and describes detailed plans for the management of foreground, which will enable the EC to evaluate the success of a project.

Given that the PUDF helps participants to establish a basis for the dissemination and use of foreground, prepare to implement their strategy and conclude any necessary agreements, it is good practice to ensure that all partners cooperate in the preparation of the plan and contribute with their relevant data and results achieved.

21 Article II.4.2.b of the Grant Agreement

As we saw in Chapter One, the PUDF should clearly outline **convincing plans and intentions of the research consortium to use and disseminate the project results**. It is hardly surprising that the PUDF represents a very important document for the European Commission, as it is via this document that they will be able to establish whether or not the project consortium intends to make good use of the project results so that the impact of the R&D work will justify the investment. A word of advice at this stage- if the EC does not think the first draft is sufficiently detailed it **can terminate the project**. So research consortia need to take the PUDF seriously and dedicate sufficient and timely effort to its preparation.

What should be contained in the PUDF?

The plan is divided into **two sections**²²:

- A section related to **results that will be disseminated** and the corresponding **dissemination activities**. This section, which is **public**, should summarise:
 - how participants plan to reach their target public
 - the communication strategy
 - a specific set of dissemination actions presented in a verifiable way to ensure that the EC can keep track of them
- A section that describes **exploitable results and related activities**, which remain confidential, at least until the protection and the economic exploitation of the results have been implemented. This section, which is **confidential**, should include:

²² IPR Helpdesk: http://www.ipr-helpdesk.org/documents/ES_PlanUseDisseminationNew_0000006666_00.xml.html

- a verifiable list of all intellectual property rights that have been applied for or registered (e.g., a European patent has been applied for)
- a list of all the results that may have commercial or industrial applications (e.g. software, inventions, prototypes, compiled information and data, etc.)
- an outline of the owner of each particular element of foreground, whether it is a single participant or several of them (in a situation of joint ownership).
- an explanation of how the foreground has been or is going to be used, in either further research or commercial exploitation activities, including elements such as the following:
 - purpose, main features and benefits of each technology or product, derived from the research results: innovative aspects in comparison with technologies and products already available, needs for further R&D activity (and implied risks), collaboration needs for exploitation (technology transfer activities);
 - customer detection: identification of the potential customers and the factors that affect their purchasing decisions;
 - features of the target market: size, growth rate, share that the technology/product could reach, driving factors likely to change the market, legal, technical and commercial barriers, other technologies likely to emerge in the near future;
 - positioning: how the participant (or other entity) entitled to the technology exploitation is positioned (or should be positioned) in the market, competing businesses/applications/technologies.

The plan should also describe:

- the socio-economic impact of the results
- the target group(s) for dissemination and exploitation activities
- any contributions to standards or policy developments
- any potential risk associated with the results.

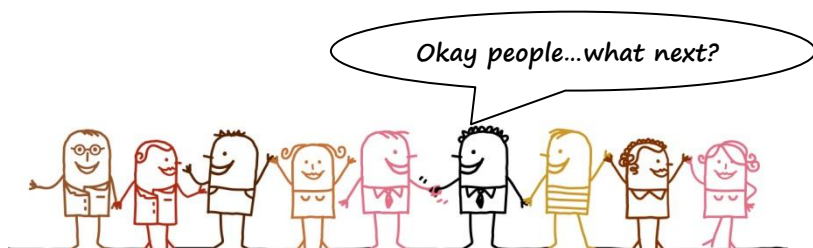
While the above will assist you in structuring your PUDF and ensuring that you include key issues when drafting your PUDF, be sure to seek external advice and assistance if you feel you need it.

Sources of advice for preparing the PUDF

- IPR Helpdesk- <http://www.ipr-helpdesk.org>
- Enterprise Europe Network -
http://www.enterprise-europe-network.ec.europa.eu/index_en.htm
- National Contact Point for SMEs- <http://www.ncp-sme.net/about-ncp-sme>

In addition to free advisory services, you could also seek professional legal assistance, as there are specialised legal advisors dealing with EC contractual issues (mainly IPR-related). If you prepare and implement a convincing PUDF you will already be well on the way to good practice in the use and dissemination of your research results.

3.4- Post project stage- A new journey begins



“EU projects are not only related to the 2 or 3 years of research and development carried out in the projects, they should also give you the opportunity to continue some activities after completion of the project.”

SME from the Best Practice Projects

At the end of your R&D project, in the vast majority of cases, you will not end up with a ready for market result. To this end you, and the other project partners, will need to carry out further development work before you can commercially exploit the results in the marketplace. If your project has been well run at the close of the project you should already have a report outlining the recommendations for the further development work that will be required in order to take the project results from precompetitive to industrial scale. In your PUDF, and in the Exploitation Agreement if relevant, the role that your company will play in this post-project development work should have already been defined and agreed on, along with the role of the other project partners.

“Our company manufactured modules for the final product of the project and we have included these modules in our product catalogue.”

SME from the Best Practice Projects

A major challenge for many R&D projects is where to find the additional funds needed in order to carry out this critical post-project development work. It might indeed be the case that project partners provide their own funds to complete this work. However, in the event that this is not the case, there are a number of options open to SMEs in order to assist them in the final leg of the development process in order to ensure the results of the project reach the market place, such as public funding schemes funds (e.g., the Eurostars Programme; national and regional funding schemes) or private investors.

“Our project hasn’t finished yet. We are trying to secure subsequent financing. I am thinking about IP protection (our approach and know how after the completion of the project)”

SME from the Best Practice Projects

Also you may need to have the results of your project certified or approved before they can be commercialised in the marketplace. Again, good projects will already have started looking at the whole issue of standardisation during the actual project implementation stage and we would recommend that you dedicate a task or a subtask to this activity so that standardisation requirements are already very much at the forefront during the development phase.

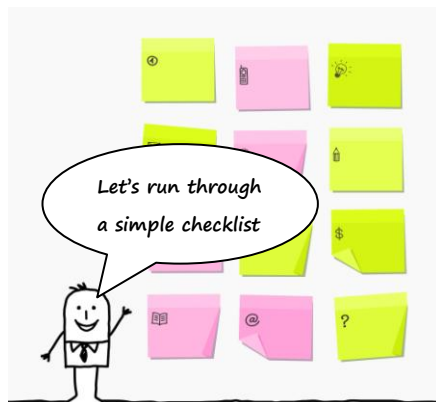
3.5- Checklist

To assist you in the planning for the use and dissemination of research results in the future we have drawn up a useful checklist that you can follow throughout each stage of the project lifecycle.

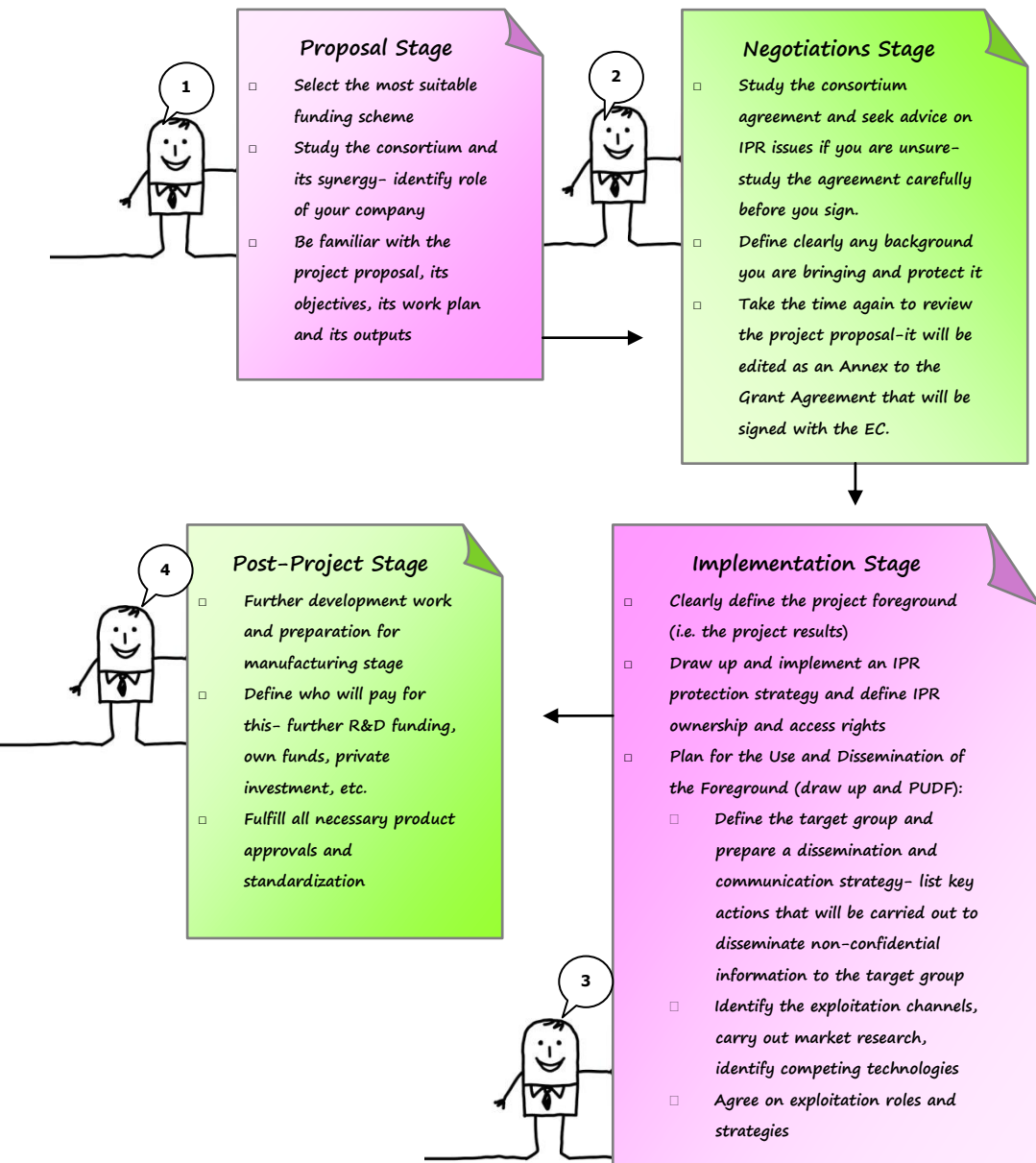
We trust that you are now equipped with the information and tools that you need in order to get the most out of the results of your research and development project. The information contained in this Chapter is designed to be used as an initial source of reference, so where necessary, we would recommend that you consult the appropriate official references and sources of assistance on the issues raised.

“I recommend going for it, if only for gaining new experience. Not worrying about potential problems.”

SME from the Best Practice Projects



Guide to the Successful Use & Dissemination of Research Results

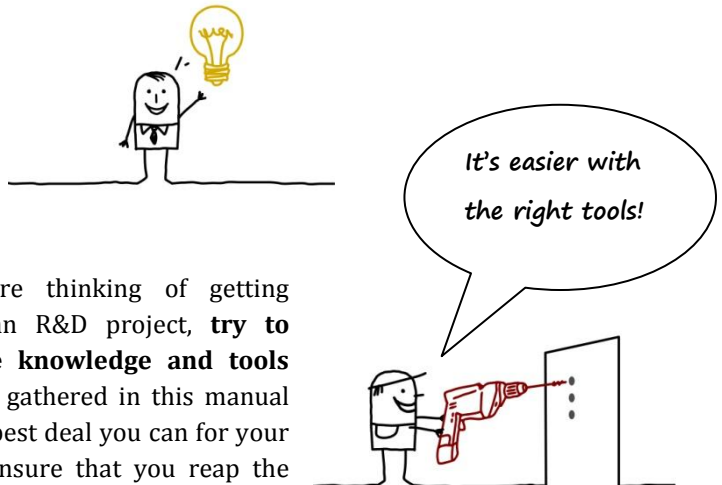


Chapter Four- USEandDIFFUSE Success Stories

Now you have reached the end of your journey with us. But before you go we would just like to share with you some practical and real life examples of how involvement in R&D projects can really deliver benefits to industry, especially to SMEs that otherwise might not get the opportunity to access high end knowledge and innovation for their companies.

In fact it's all about innovation; it's all about setting your company apart from the rest. Being in business is a challenge, but in tough times staying in business is an even greater one. In a precarious and uncertain economic climate, it is really a case of survival of the fittest. But maybe this could also be your finest hour.

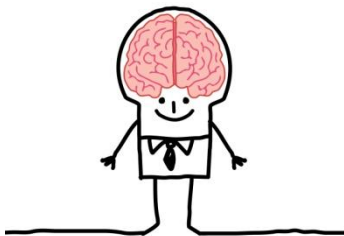
Isn't necessity coined as the mother of all invention?



So if you are thinking of getting involved in an R&D project, **try to apply all the knowledge and tools** that you have gathered in this manual to secure the best deal you can for your company to ensure that you reap the tangible benefits that R&D can bring to

your company, such as product improvements, new product development, the opportunity to reach new markets, new skills for your workforce, and many more that we spoke about in Chapter One.

Whether you are a cultivator, a manufacturer of industrial plant and machinery, an ICT company, a medical instrumentation manufacturer, a biotech company, a food producer, a greenhouse grower, innovation can always be of benefit to your company, and we certainly encourage you to take part and tap into any opportunities that R&D can bring to your company.



*No matter what your sector...
be in the know.*

Let's see what our success stories have to say.

Czech ICT SME taps into new networks and broadens its knowledge base

The project

Title: Calibrating eLearning in schools

Acronym: CALIBRATE

Type of Project: Specific Targeted Research Project

Start Date: 01.10.2005 End Date: 31.03.2008

Website: <http://www.calibrate.eun.org>

The CALIBRATE project was a STREP (Specific Targeted Research Project) that was funded under the 6th Framework Programme. CALIBRATE was built on 3 past projects and its aim was to further develop and implement an open source brokerage system architecture as the basis for a European Learning Resource Exchange (LRE), to develop an open source learning toolbox to support the collaborative use of learning resources accessed via the LRE, and to carry out research into new ways to improve the semantic interoperability of learning resource descriptions. Some 100 schools validated the project results using an advanced validation methodology.

The company

Name of company: TOVEK s.r.o.

Activity: Professional solutions for effective information processing

Country: Czech Republic



“When participating in European projects, SMEs should realize that, even though the projects are financed with public money, the customer is not the tax payer but the target customer.”

Mr. Tomáš Vejlupek, Managing Director

What was your initial motivation for joining the CALIBRATE Project?

Our company specializes in providing professional solutions for effective information processing. We saw the chance to participate in an international consortium as an opportunity to, on the one hand, learn new things and expand our own knowledge base in the highly interesting field of the project, and, on the other hand, to share our practical experience with the other partners in order to enrich the project.

An integral part of our motivation has been the possibility to participate in the development of an innovative product that will enable wider utilization of information, and that will offer pointers on how to connect given topics, thus leading to greater cooperation among European schools.

What role did your company play in the project?

As we were not aware of the possibility to acting in a subcontractor role to the project, we joined as a fully-fledged partner. While our role has in fact been more likened to that of a subcontractor, we also contributed to the project with innovative thoughts.

Do you feel that the participation of your company in this project has been worthwhile?

From the point of view of our company, we would like to emphasise good partner cooperation and good project strategy. An added benefit has been the international feedback, especially from the end users, and of course the fact that the results are applicable to the current activities of our company.

What would you look for in a good coordinator?

The basis for the selection of a good coordinator should really be recommendation. Other indispensable qualities of the coordinator are experience, capacity and “matter-of-fact” communication.

How have the results been used or disseminated?

The dissemination of the outputs has been, among other things, secured by the publication of the results. In fact after publication we have been approached by members of other EU-funded projects who requested that we share with them the outcome of our project! After the wrap-up of the project, the know-how will be used in two subsequent projects that will bring the strategy developed during the CALIBRATE project to the market. At the outset we were aware that commercialisation would require further development work.

What advice would you give to SMEs considering joining EU projects?

We would recommend to anyone interested in an EU project to contact an NCP or other informed person who can point out to him/her potential problems. Avoid an inexperienced coordinator. Make sure to have a concrete description of activities and definition of work and avoid unclear descriptions of the expected outcomes. We recommend a continuous revision of the work plan and its updating in an official way at least once a year.

Have you any tips for managing/avoiding or removing barriers?

Motivation and number of partners are key for the success of the project. If the consortium is too large the costs may increase disproportionately; the fewer partners the better.

UK ICT SME accesses core technology and new markets

The project

Title: Advanced arterial hypotension adverse event prediction through a novel Bayesian neural network

Acronym: AVERT-IT Type of project: Collaborative project

Start Date: 01.01.2008 End Date: 31.12.2010

Website: <http://www.avertit.wordpress.com>

The AVERT-IT project is a R&D project that is funded under the ICT Thematic Area of the 7th Framework Programme. The main objectives of the project are to gain an understanding the association between multiple patient parameters and arterial hypotension (sudden drop in blood pressure), develop a software application to predict the occurrence of arterial hypotension based on recognition of the associations described above, and to validate the solution in clinical trials. The project will also draw up an exploitation model for the commercialisation of the software in product/service sales across international

The company

Name of company: C3 Amulet

Activity: Asset Performance Management solutions for Oil and Gas, Utilities and other asset based industries

Country: United Kingdom



“The Avert-IT project brings together C3’s expertise in transforming device level data and the Universities expertise in patient care, enabling the drive to evidence based medicine through monitoring and analysis.”

Mr. Steve Reeves, Exploitation Manager

What was your initial motivation for getting involved in a European R&D project?

We saw it as a chance to get involved in something that would give us a platform from which to access to core technology...access to new markets...access funding.

Which specific roles would you recommend that SMEs adopt or avoid within EU projects?

SMEs need to be the exploitation manager. It simply wouldn't be possible for an SME to be project co-ordinator - time, skills, etc., but it does need to "manage" the project co-ordinator. If the aim of the project is targeted at delivering something to market the best way to achieve that will be put the SME in charge - academics can't do this and large enterprises won't be committed.

Has there been any friction among partners or any conflicts of interest?

We had a technical board and an exploitation board...we got on well ...no conflict of interest...dissemination starts with IP access on the Consortium Agreement...we were in effect the exploiters...RTDs could disseminate how they wanted as long as they didn't get under our feet in the market.

How will you manage funding the commercialisation of the new products/services after the project had finished?

Great question! FP7 currently only funds research and not all of the research at that...it allows for the development of the legacy data and testing in real world environment but building and maintaining

software for real world environments is not covered by funds. C3 builds and runs the pattern recognition software and builds an application that analyses the data and shifts it to a central place for further analysis. We estimate we need a further 2M euro to take this to market...the current financial climate makes this difficult...looking towards industry specialists as potential equity partners... the wider market is now estimated at 300M.

Was the Consortium Agreement useful?

Absolutely vital to get this done before the start of the project. Basically once it's completed there's nothing left to argue about. We needed to ensure maximum possible value share for the exploitation partner- to maximise any chance somebody would make the required investment to bring it to market.

What do you consider as Key success factors for SMEs involved in EU R&D projects?

Having one outcome is very important i.e., we all wanted to predict hypertension, the academics for scientific advancement and us so that we could profit from this as a business...having a common direction solves a lot of the cultural issues.

Have you any tips for managing/avoiding or removing barriers?

Don't allow coordinator and academics to run the project...there has to be commercial rigour to it. The project needs "leading from behind". By that I mean all the academics and scientists are leaders in their own right but there are issues that arise to confront them outside of their comfort zone. This can be as simple as preparing a presentation to the EU, or as complex of making decisions about which IPR to try to protect where and how. It can also extend to potential arguments with other

members, but especially "managing" the project co-ordinator. These are the times when they need (and are happy to follow) a "Mr. Fix It" who normally keeps out of the way, until needed. Regarding the collaboration process...be aware that academics and commercial people work at different speeds. For example, the team insisted on a project blog and wiki, but this took the academics months to do, whereas we knocked one up in hours.

Any plans for taking the results forward?

Currently exploring alternative ways of funding ongoing collaboration with academic partners...considering forming new company which will subscribe to the academic partnership...

What about dissemination?

We used social media to get the word out...we've got the experience...still considering how we engage the rest of the world {outside of brain injury specialists}...we asked ourselves who we needed to influence and where this was known we created links with their websites... we know that the research outcomes are focussed on hypertension in normative brain injury but will it apply/ be of interest to general intensive care practitioners?

Anything that SMEs should watch out for when joining a European R&D project?

They should be aware that EU requirements will change and coping when they do. Another point is the SME has to have somebody with experience of handling complex projects looking after it - preferable somebody with sales/marketing background.

Polish linguistic software company takes news product to market as a result of R&D projects

The project

Title: MULTILINGUAL SEMANTIC AND COGNITIVE SEARCH ENGINE FOR TEXT RETRIEVAL USING SEMANTIC TECHNOLOGIES

Acronym: TRUST

Type of project: FP5-SME

Start Date: 01.11.2001 End Date: 31.10.2003

Website: <http://www.trustsemantics.tip.net.pl>

The objective of the TRUST project was to demonstrate how a new generation of search engines using cutting edge linguistic technologies can assist users to question and dialogue in their native language, then see how this request is transformed using semantics and translation into several languages, and then answers from a multilingual web or intranet are delivered in the pertinent fashion. The expected results were general purpose robust and reliable engines that deliver to users just what is needed and not more. Exploitation of results opened up the opportunity for extensive embedding of these cutting edge engines into their own applications for consumer and citizen enrichment as well to procure reliable applications for the public and private sectors.

The company

Name of company: TiP Ltd.

Activity: Supplier of linguistic software solutions

Country: Poland



“Participation in the TRUST project was profitable for the company - it gave us access to technologies that we could use in the market”

Mr. Piotr W. Fuglewicz, President

How has your participation in the TRUST project been of benefit to the company?

Thanks to our participation in the project, we have got results which we are now using in the market. During the last 6 years our “engine” has received first prizes at international awards. Moreover, and of importance to us, taking part in this was a great advantage to our company in terms of the international contacts we gained. Our partners in the project were companies from other countries. They had a very similar level of turnover, resources, intellectual potential. We are still in touch with them and this is a real advantage for our company. We can exchange experiences together, because we act in a very similar way. Being a small specialized company we would never have started such cooperation with partners from France or Portugal. In my opinion participation in this project was profitable for the company. We used the financing from the EC fully, mainly for investment in development of our products. Without the money from the EC we would not have started these investments.

What happened at the end of the project- how did you use the results?

We were thinking about how to use the obtained results after completion of the project...how should we exploit them? ... in which way? Together with our partners we wanted to create a new product, i.e. add a new language to the software. To this end, we found new partners and we submitted a new project called “M-CAST”, the application in real libraries of the multi-language searching technology elaborated within the TRUST project. The project was financed under the programme eContent in 2005-2006. We were satisfied with the scope of the eContent Programme as it afforded us with the opportunity of exploiting a previously developed technology. The core group of partners were companies that we knew already. Additionally,

in the M-CAST project we merged the methodology of the creation of knowledge portals elaborated by Infovide, one of our partners, in another project financed under Framework Programme Five. Today, we are continually realising commercial orders based on the results of our European project.

In terms of IPR, have you any advice or experience that you would like to share with other SMEs?

SME should steer clear of a Consortium Agreement that does not envisage any rights for their company to the Intellectual Property generated during the project. SMEs should also avoid situations whereby the royalties for commercialization remain with the partners for good. Ideally, agreements should be designed whereby partners are assigned exclusive rights for a sector/branch of industry, or for a region, or other. If income has to be shared with other partners, then this should be very clearly specified. In the case of our project, in terms of the management of the IP, our strategy was based on whether the technological solution had global, international or regional market scope. This was clearly described in the Consortium Agreement. If the solution was international all partners shared the income. If the solution was regional (e.g. national language module), the share belonged only to the partner from this region.

How did you find the collaboration experience during the project- were there any misunderstandings or conflicts of interest at any time and how were they resolved?

I remember one conflict, because one of the partners did not fulfil their obligations. Another situation arose when one of the partners was threaten with bankruptcy and there was a risk that nobody would be able to assure project continuation. There was also a rather very

unpleasant situation in one of the projects when one partner decided to reproduce a technology in another tool in a different way. Having said all that though, conflict situations and disputes were usually solved and we found the Project Officers very helpful. We are very satisfied with the cooperation with the European Commission in this field.

Moreover, our experience has shown us that universities and research institutions have different ways and rhythms of work and other goals than enterprises do. In certain cases, when we are working on ideas/technologies that should be exploited in the future, time is a crucial issue. I have often noticed that researches do not pay heed to time limits- they are more used to testing different ideas, creating concepts, but do dealing with proposals for products that are ready for the market. This could limit effective co-operation between universities and industry in projects where a market result is foreseen.

Have you any advice for SMEs who are thinking of getting involved in European funded R&D projects?

The only advice that I can give is that there is no point in thinking there is some money in Europe to take, so we have to take it, irrespective of what we are going to do. This approach is wrong. A company should apply for a European project if it has a problem that can only be solved with external financing. It is not wise to waste resources on projects that are not in line with the main activity of the enterprise. It is very important, especially as we have to bring some input to the project, that we know at the project outset what we will be eventually selling into the market. As we have to invest our money (co-financing) in the project, we have to be sure that the project will bring us clear advantages.

In your opinion, what are the key success factors and barriers?

I think that people are one of the key success factors in these projects. Furthermore, a very important issue is the engagement of the company management board in the project. If the management board is interested in the activities of the project, they will be carried out successfully and efficiently. The staff assigned to the project will be good managers, competent, experienced... Should any conflicts arise, decisions can be taken very quickly as the President of the company is familiar with the specifics of the project.

In terms of barriers, we encountered some problems with financial liquidity, as well as some technical problems due to the fact that the work of the partners depends on each other. It is not good if there are delays in advance payments, as the company still has to pay its commitments and taxes. A further barrier could be the project duration and the variability of company politics over this time. Furthermore, bureaucracy is also an issue which may cause some obstacles. Therefore, it is advisable to organize a meeting for the consortium with the Project Officer in order to explaining any potential difficult matters.

UK SME coating company accesses cutting edge technology via European collaboration

The project

Title: Duplex Process for Biocompatible Prostheses

Acronym: DUBIOP

Type of project: EUREKA Project (Technology area: 2.7.10 Metals and Alloys)

Start Date: 01.08.2005 End Date: 01.12.2008

Website: -

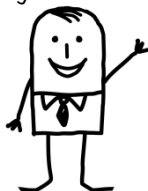
The DUBIOP project centred on the development and testing of a novel 'tpn' duplex coating process to enable more biocompatible prostheses and wider use of weight and energy saving alloys in a wide range of industries.

The company

Name of company: Tecvac Ltd.

Activity: Coating Technology

Country: United Kingdom



"Generally you find people are happy to agree that we can sell anything that is developed {in DUBIOP} as long as it's not competitive with other partners in the project..."

Dr. Jonathan Housden, Head of Research and Development

How worthwhile has your involvement in the DUBIOP project been?

We didn't gain the funding originally applied for, so it {DUBIOP} had to be carried out at a considerably reduced level. Nevertheless it has been very successful...It has led to a project {SMART-HIP} which has been funded by the TSB {UK Technology Strategy Board}, so the information we gained in DUBIOP we've been able to build on that...we've applied for a patent...its going well.

One of the advantages of working with partners abroad is that you get the benefit of their knowhow. There's a not-for-profit research centre in Spain with some really good equipment and they were able to do a lot of measurements for our coating for us which in effect was free to us ...paid for by Spanish government...we also worked with another company similar to TECVAC in Barcelona which does heat treatments and coatings, but far enough away to not be a competitor but very much working in our line of business. So it was great to go along and talk to people in a similar situation who aren't direct competitors...we were able to help each other quite a bit...each partner has slightly different coating technology. We could help each other optimise these processes on these different technologies.

Which specific roles would you recommend that SMEs adopt or avoid within EU projects?

I think to start with, if you haven't been involved before, it's good just to be a partner, not the leader-but after two or three projects when you get to know the ropes then that would be a good time to become a leader. As a leader you do have the opportunity to steer the project to a certain extent ...it is all by agreement with the other partners

Was there any friction with the RTDs involved or conflict of interest with regard to dissemination plans, ownership or use of IP?

There wasn't any, no...although universities are very keen to publish...that's what collaboration agreement is for... you agree beforehand what's allowed and what isn't publication-wise. People agree not to publish without the permission of the other partners, and so that's worked okay for us. We didn't have any problems with IP.

What are the important elements to consider when drawing up a collaboration agreement (or a Consortium Agreement)?

Well, the IP is one of the most important ones...take a standard collaboration agreement...that the area that tends to be modified to suit a particular group of partners...generally you find people are happy to agree that we can sell anything that is developed as long as it's not competitive with other partners in the project.

Did you commercialise the results of the DUBIOP project?

The project didn't lead to anything which was immediately commercialisable...so we have this follow-on-project {SMART-HIP} with a prosthesis manufacturer and that's going well and so we are hoping that will go to market...

Any advice or words of encouragement you might like to share with SMEs thinking of getting involved in R&D projects at European level?

Guide to the Successful Use & Dissemination of Research Results

The project experience generally is that at the end of the project there is not much holding the partners together compared to the project itself...people tend to go their different ways...make sure that everything you wanted to do/can do is achieved during the project... should be written up... if necessary get an extension.

I think EUREKA is excellent! I think it was a very good method of getting people to work together in different countries...one thing about EUREKA compared to framework projects, although reporting is encouraged, it was in no way extensive so we had time to get on with the work rather than having to spend a lot of time reporting back, which I think was very good.

A German software company goes to market with the results of an EC funded R&D project

The project

Title: Business process FUSION based on semantically-enabled service-oriented business applications

Acronym: FUSION

Type of project: IST project (FP6)

Start Date: 01.02.2006 End Date: 31.07.2008

Website: <http://www.fusionweb.org>

SMEs cooperating with international partners in the enlarged Europe need holistic Enterprise Applications Integration (EAI) solutions in order to operate their e-business effectively. At the same time they are facing intercultural barriers, since current interoperability and integration efforts are more focused on "data" of the systems rather than on "processes". FUSION aims to promote efficient business collaboration and interconnection between enterprises (including SMEs) by developing a framework and innovative technologies for the semantic fusion of heterogeneous service-oriented business applications.

The company

Name of company: CAS Software AG

Activity: Software, ICT

Country: Germany



"It is quite important to keep in contact with the partners after the project...a new opportunity may arise to take part in another good project."

Alexakis Spiros, Managing Director

What is the motivation of getting your company involved in EC funded RTD projects?

We generally participate in European projects when we are aiming for new developments...this gives us the opportunity to have the innovative parts financed by the project.

How worthwhile was your involvement in the FUSION project?

It was very interesting for us to take part in the project, especially as we were able to integrate a part of the results into our next software generation. Plus, we brought a new product to market a few months ago based on the project results. From the scientific point of view, our developers learned a lot from the project.

Which specific roles would you recommend that SMEs adopt or avoid within EU projects?

My recommendations are not based on our experience in FUSION, but rather on the experienced gained from other projects...for instance "Research for SMEs" projects. Essentially, I think that a SME should avoid being the project coordinator, at least if it has no prior experience in European projects. If the company is sufficiently well structured and, more importantly, if it is already familiar with how a project should be implemented, then why not? Being a coordinator is a good opportunity to manage and have an influence on research activities. However, the additional work involved is significant and quite bureaucratic and the additional funds might not compensate.

What would you look for in a good coordinator?

The coordinating organisation has to choose a suitable and competent person for this position. This person does not necessarily have to be a scientist or a researcher. For example, if there are many partners in the consortium it might indeed be better to entrust the task to a project manager...more often than not a project manager will have better organisational skills, speak more foreign languages, etc.

How was the relationship with the RTDs? Were there any conflicts of interest?

No! We only had fruitful discussions...I guess this was for the most part due to the status and the role of the different partner organisations involved. The basic technologies were developed by the universities and the RTD performers involved in the project. These results, which represented about 2/3 of the research activities carried out in the project, were then published as an open source in the public domain...so they were accessible to everybody. The industrial partners, as pilots of the results, developed their own technologies based on these outcomes, which then remained their property. I personally think that this was a very good approach as it allowed all industrial partners to work independently to achieve their own expected results.

Were you aware of any specific EU obligation to disseminate findings?

No...No idea! Not even now!

How was the IP managed?

The IP was not shared... the results that we developed ourselves were integrated into a new product.

Was it foreseen by the project to deliver a ready-to-market product?

No... The plan was that the RTD performers and universities would develop some technologies...the industrial partners could then use these results in their own developments... so at the end of the project results were at prototype level.

The project ended in the summer of 2008. The post-project development phase of the product was completed in the summer of 2009. In the meanwhile, we had to draw up significant documentation, carry out tests, validate the results, etc. So we continued to implement some research activities after the project itself.

Who financed the commercialisation of outcomes?

We financed this ourselves.

Any advice in terms of dissemination of project results?

Dissemination was a central point of our project, especially as the developed technologies were to fall into the public domain. A project can't do without a website...this is absolutely essential. Presentations proved to be very positive, as well as conferences. We also organised 3-4 workshops to which industrial partners were invited. We didn't rely too much on personal contacts. We invited sector specific organisations thanks to contacts provided by Chambers of Commerce and Industry. The supply chain didn't play any role. Academic and RTD organisations were contacted by the Universities and RTD performers involved in the project. We published about 70-80 papers...in fact we were said to be one of the projects that had most disseminated its results...ever.

What advice would you give to SMEs considering joining EU projects?

It is essential to nominate one person in the company to be responsible for the project... so it's more than just having a person involved to work on the project only when he or she finds the time. Plus it's very important that, from the beginning, the SME, if it is not an RTD performer, explains very clearly its expectations and requirements in terms of research and development. The SME needs to ensure that that it will be able to use what the universities develop in the project. Unfortunately this is not always the case, especially as not everything is always properly clarified during the negotiation phase or even later on.

A Belgian media company delivers enhanced cinematic entertainment thanks to EC funded research

The project

Title: Integrated Project - Research Area CINE

Acronym: IPRACTINE

Type of project: IST Project (FP6)

Start Date: 01.10.2004 End Date: 31.03.2008

Website: <http://www.ipracine.org/>

Film or cinema is the driving force for the entertainment industry, giving the most compelling experience, and feeding the creation of other media. The movie chain is now going digital, from origination through distribution to display. IP-RACINE will extend the state of the art and enhance European competitiveness by creating technologies to deliver enhanced 'cinematic' entertainment that is transferable cross-platform.

The company

Name of company: XDC, S.A.

Activity: Media

Country: Belgium



"We avoided exploitation plans with possible conflicts from the beginning, so we had none!"

Michel Benoît, Managing Director

What was the initial motivation for joining the IP-RACINE project?

To be part of an innovative product/service with market potential, and the opportunity to work with market-attractive partners. Our involvement in the project was very useful.

Are there any specific roles would you recommend that SMEs adopt or avoid within EU projects?

Avoid coordination. Accept RTD work package leader role.

What would you look for in a good coordinator?

An excellent track record in managing previous FP6/FP7 projects.

Was there any friction with the RTDs involved or conflict of interest with regard to dissemination plans, ownership of IP, use of IP...?

We avoided exploitation plans with possible conflicts from the beginning... so we had none!

How was the issue of IPR managed in the project?

There was no jointly owned IP in the project- basically each partner owns his own developments. This worked perfectly well. In our case, we increased our know-how, our software products... and we are selling them directly. We are using some results from other partners by buying products from them, including IP from the project (at a preferential discount price).

Was it foreseen by the project to deliver a ready-to-market product?

Yes. We had no problem commercialising the IP generated during the project. This was also the case for at least 5 of our partners in the project. Each partner financed their own commercialisation.

What advice would you give to SMEs considering joining EU projects?

Learn by firstly joining a small project with an academic contact or company contact that already is experienced in FP7 projects. Do not start out alone in a major IP venture. Tap into the experience of other partners...seek help from your local NCP.

Any advice or tips you would like to share with other SMEs who are considering getting involved in a EC funded R&D project?

It's important to consider IP management issues in keeping with your planned exploitation route. Delays in payments can create headaches for SMEs. One of the SME partners in our project was waiting more than 10 months for its second advance payment and they had to ask a bank to support them. Maybe the key barrier is the time needed to setup a successful proposal. In Belgium we have a local funding scheme to finance part of the proposal setup... always ask your local authorities for any possible support. After the project, keep in contact with the partners with a view to forming a new consortium for the next call.

Glossary²³

Access rights- In research and innovation projects, this term means licences and user rights to foreground or background.

Background- Information and intellectual property rights (granted or applied) held by the participants prior to their accession to the grant agreement and which are needed to carry out the project or to use foreground.

Call for proposals- Invitation made by the European Commission (published in the Official Journal and through the CORDIS Web site) to submit proposals for projects to be funded with the view to implement the objectives of the framework programmes.

Consortium Agreement- A private agreement that the participants in a research or innovation project conclude amongst themselves for its implementation. It allows participants to implement and complement the provisions of the Grant Agreement and to regulate internal issues related to work organisation, intellectual property, financial and other matters. It should not contradict the Grant Agreement signed with the European Community or affect participants' obligations thereto.

Cooperative and collective research actions (SME actions)- Research projects specifically addressed to Small and Medium-sized Enterprises (SMEs). In this type of actions, SME participants (cooperative research projects) or SME associations (collective research projects) assign scientific and technological research activities to RTD performers but retain the ownership of the results generated.

Coordinator- The participant identified in the grant agreement who, in addition to obligations as a participant, carries out specific co-ordination tasks on behalf of the consortium.

²³ IPR Helpdesk- http://www.ipr-helpdesk.org/glossary_a.html

Copyright- Intellectual property right that aims to protect literary and artistic works (e.g. books, reports, articles, poems, novels, software, etc.) insofar as they are original and expressed in a particular form (see originality). Copyright is divided into two kinds of rights: economic rights and moral rights.

Dissemination- The disclosure of project results by the participants through any appropriate means, including publication in any medium. Publications resulting from the formalities to protect results, such as the publication of patent applications, do not qualify as dissemination activities.

Foreground- All the results, whether or not they can be protected, that are generated under a project. Such results include information and related intellectual property rights (see also background).

FP6- The Sixth (Research) Framework Programme (2002-2006).

FP7- The Seventh (Research) Framework Programme (2007-2013). The current Framework Programme is structured in four specific sub-programmes: Cooperation (trans-national cooperation on policy-defined themes), Ideas (investigator-driven research based on initiatives of the research community), People (support of training and career development of researchers), and Capacities (support of research capacities).

Grant Agreement- Contract signed between the European Commission (representing the European Community) and one or several beneficiaries (e.g. participants to a research project) granting an EC financial contribution for the implementation of their project. It generally consists of a core text (indicating the maximum EC financial contribution) and several annexes, including a description of the work to be carried out under the project (annex I) and general conditions governing its implementation, the financial contribution and rules on intellectual property, use and dissemination (annex II).

Intellectual Property Rights- Legal rights, regardless of whether they are based on registration, that aim to protect creations and inventions resulting from intellectual activity in the industrial, scientific, literary or artistic fields.

Know-how- A package of non-patented practical information resulting from experience and testing that is secret (not generally known or easily accessible), substantial (significant and useful for the production of the contract products), and identified (described in a sufficiently comprehensive manner so as to make it possible to verify that it fulfils the criteria of secrecy and substantiality). [Definition under article 1(i) of Commission Regulation (EC) No 772/2004 of 27 April 2004 on the application of Article 81(3) of the Treaty to categories of technology transfer agreements].

Licence- Permission granted by the owner of an intellectual property right (the licensor) to a party (the licensee) to do something restricted by that right, often within a defined time, context, market line, and/or territory. Non-exclusive licences enable the licensor to grant further licences, whereas with an exclusive licence the licensee enjoys the user rights to the exclusion of any other party, thus limiting the licensor's rights to grant the licence to other parties.

Patent- Intellectual property right that protects inventions that are new, have an inventive step and are capable of industrial application. It grants the holder the exclusive right, for a limited period of time (generally 20 years), to stop others from making, using or selling the patented invention without authorisation.

Plan for the use and dissemination of the foreground (PUDF)- One of the reports that participants in FP7 have to submit to the European Commission. It aims to detail intentions for the protection, use and dissemination of the results generated within a project.

Research organisation- A legal entity established as a non-profit organisation that carries out research or technological development as one of its main objectives.

RTD Performer- Legal entity that is paid to carry out research and technological development activities for the benefit of SMEs. RTD performers can be universities and other research organisations as well as research-performing businesses.

Sideground- Results, including information and related intellectual property rights that are developed alongside a project. Sideground was covered by the definition of pre-existing know-how under FP6 but is no longer covered by the definition of background under FP7.

SMEs- Small and Medium-Sized Enterprises (including micro enterprises) are defined in the EU by the European Commission Recommendation 2003/361/EC according to the number of employees and turnover or balance sheet totals.

SME-AG- An SME Association. A beneficiary of a grant agreement in a cooperative and collective research action that meets the definition established in the call for proposals under which the project was selected.

Subcontractor- Third party to a grant agreement that signs an agreement with one or more beneficiaries to carry out part of the work of the project.

Use- The direct or indirect utilisation of FP6 and FP7 project results in research activities other than those covered by the project or to develop, create and market a product or process, or to create and provide a service.

Utility Model- Intellectual property right issued in some countries the effects of which are similar to a patent. In general, it implies less stringent requirements than the ones required by patents (e.g. lesser degree of inventiveness or novelty) and offers a shorter term of protection (up to 10 years).

Work programmes- Plans drawn up by the European Commission for the implementation of the specific framework programmes. They comprise detailed descriptions of the activities (thematic priorities, instruments used, evaluation procedures and criteria, deadlines, roadmaps) and are generally set up annually. Project proposals should address, inter alia, the objective of the relevant work programme to be successful.

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