Obtaining Institutional Signatures for Incoming Material Transfers and Other Bilateral Agreements
System Objectives

• *Enable and support the University research mission*
• Protect the rights of the researchers
• Protect the rights of the University
• Protect the rights of sponsors
MTA Basics

• Contractual instrument for bailment and license (or sometimes terms of a purchase) of materials that assist or enable ongoing research

• May be materials (biological, physical, mechanical), data, software, or tools (hardware/equipment or catalysts, etc.)

• Covers definitions, confidentiality conditions, intellectual property resolution, indemnification, materials disposition, publication provisions, other admin issues
MTA Procedure Summary

- In EGMS, PI fills out MTARF
- PI signs two original MTA Agreements and sends/delivers to SPA with MTARF
- SPA MTA specialists initiate processing
- PI tracks status by checking on MTARF at EGMS home page (or call any time)
- PI receives copy of signed document and usually an e-mail when complete at UMN
MTARF Initiation

• More than just for MTAs!
  – Institutional confidentiality agreements
  – unfunded research collaboration agreements
  – material inventory agreements

• http://www.egms.umn.edu, “EMGS(OSPA Forms)”, “Make A Request”; fill out MTARF form, send to SPA with signed paper MTA copies

• We know you hate admin paperwork- so do we!

• Taking care to do it right saves a lot of time & gets you back to the lab faster
What We Do

• Review MTARF for accuracy
• Review MTA
• Check CUFS F-A-O to determine sponsorship (this has nothing to do with money- all agreement documents are filed by CUFS)
• Check PI for invention disclosures and pre-existing licenses for technology
• Check sponsorship instrument for restrictions
What We Do (con’t)

• Negotiate terms with material provider that match UMN Regents’ requirements and obligations
• Execute agreement
• Return to Provider
• Monitor return of fully executed Agreement
• Notify PI
Common MTARF Problems

- No “material provider” point of contact identified
- Insufficient material description or insufficient research description
- Wrong or missing CUFS number
- No identification of “prime collaborating institution” for NIH/NSF-funded program
- RSPP not in order
- “Question 9” inaccuracies (inventions)
Common MTA Issues

- MTARF not completed or not signed
- MTA sent to SPA with no MTARF
- MTA not provided to SPA
- MTA not signed by PI
- MTA terms “unfriendly”
Helpful MTARF Hints

• Provide a point of contact at the other party’s location
• Include a strong research description
• Identify any relationships to other projects that might exist
• If the research is as a subcontract or consortium member, identify both the funding agency and the consortium “prime”
• If it’s a rush, let us know—we’re flexible
MTA “T’s & C’s” - What We Watch For

• Definition of “Material”
• Confidentiality terms
• Intellectual property, inventions, and licenses
• Publication conditions and any required reviews or approvals
• Does PI have multiple active MTAs?
• Any other surprises (e.g., applicable law, other restrictions such as RSPP)
• Indemnity “blank check” tort liability
• These agreement language concerns all go away when using the UBMTA
• **Uniform Biological Material Transfer Agreement** is sponsored by the US Government

• Fully compatible with NIH/NSF grant terms and Bayh-Dole Act
Definition of “Material"

• How broadly does the material provider define “material”?
  – Base material
  – Descendants
  – Derivatives
  – Progeny
  – Modified (or unmodified)

• Many companies may provide a bicycle wheel and then define “Material” as the automobile invented by our researcher

• UMN agrees with UBMTA: “modified derivatives” are new material and belong to the researcher
Confidentiality Terms

• Only relevant if information is transferred
• Only applies to information marked “confidential”
• Term is 2 years, 3 years maximum
• Standard exceptions (learned legally from other sources, already in public domain, developed independently)
• Absolute “Must” exception- “to comply with law, regulation, or court order (Mn Data Practices Act)”
  – notify other party as soon as possible
  – enables other party to obtain injunctive relief
The Intellectual Property Conundrum

How do we balance fair consideration for material provider against the University’s Regent’s Intellectual Property (IP) policy, protection of the PI’s rights, and not interfering with important research?
Intellectual Property Issues

• Rights to inventions, discoveries, and “new material” (e.g., “modified derivatives”, methods, data)
• Joint ownership, joint inventions
• License grantbacks
• All terms subject to prior rights (licenses or sponsor terms), law or regulation, “fairness”
Intellectual Property: Examples

- Rights to new discoveries best handled by UBMTA provision: a) recipient owns new discoveries, b) negotiate with providers regarding any pre-existing rights clearances
- Commercial companies (pharmas & biotech tools firms are worst) offer “free” materials or tools but demand paid-up licenses to any discoveries
- Some (e.g., ARIAD Pharma) significantly abuse the process (demand rights to all research results in exchange for providing a tool, etc.)
IP Negotiation:  
Keys to the Algorithm

- Is material proprietary to provider or is this transfer a cost-saving measure? (do we have other sources?)
- Is provider required under a Research Agreement?
- Is provider also the sponsor?
- Is there a research agreement that addresses IP?
- Are there likely to be inventions from research?
- Is PI an active inventor? Prior dockets licensed? Similarities to current research?
Publications

- Essential to have freedom to publish
- Provider review only if necessary
- Minimum interference, minimum length of approval cycle
- Fixed end to review cycle (no “submit to Provider for review” where there is not freedom to act unilaterally after reasonable time)
Other Legal Issues

- Applicable law - disputes handled in foreign (e.g., German, etc.) courts?
- International jurisdiction?
- **Closing out agreements, handling material disposition, and end-gaming our liability**
Other MTA and Research Issues

- **Research overlap nightmare**
  - active researcher
  - multiple funding sources
  - multiple materials and material sources
- May lead to rights overlaps and conflicts- report *all* information with invention disclosure
- Knowing when 1/2 executed MTA is constructively active (materials shipped, no countersigned documents)
- Post-research material inventory management
  - U is liable for unauthorized use of transferred materials
MTA Summary

- New MTA system
- New dedicated SPA resources
- We are here to help; work with us!
- If you are not getting what you need, call and ask for us; we can’t prioritize wheels that don’t squeak

Our job is to help you advance research and keep us one of the nation’s top research institutions!
Duane Oyen

- Role: Primary responsibility for unfunded agreements (MTA) processing
- In PTM since 8/2000, in SPA since 10/03
- BS, MBA, Licensed Nurse, 9 years experience managing Intellectual Property (IP)
- Contact: x58826
- e-mail: doyen@umn.edu
Judy Krzyzek, Manager

- Role: supervisor
- >30 years SPA experience
- Contact: x42546
- e-mail: krzyzek@umn.edu