Navigating IP and Data Agreements with National Laboratories

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Practical Tips

‣ Identify upfront any special requirements from the ARPA-E solicitation

‣ Identify and ensure the decision makers at Lab (and any other parties to the agreement) are involved from the outset of negotiations
  – Ask the Lab which type of agreement(s) are available for a specific transaction

‣ Consult your counsel to ensure terms of any agreement are consistent with other obligations and requirements

‣ Ask for help from ARPA-E when there is a disconnect between the Lab PI and administrative staff

‣ ARPA-E and Labs are developing a model short-form CRADA that could be applicable for any Lab receiving funding from ARPA-E.
  – Starting point for negotiations between the Lab and a third-party

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Background – Types of DOE Federal Labs

▸ **Government Owned Contractor Operated (GOCO)/Federally Funded Research & Development Center (FFRDC)**

- There is an Operating Contract between a private entity (Contractor) and DOE for the operation of each GOCO Lab. ALL DOE Labs are GOCOs except for NETL

- Lab employees are employees of Contractor

- The DOE Contracting Officer of the Operating Contract is at a DOE site office and is not part of ARPA-E

▸ **Government Owned Government Operated (GOGO)**

- DOE's only GOGO is NETL

- NETL employees are Government employees but there are support service contractor employees working with the NETL employees

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Background – GOCO Operating Contracts and ARPA-E Work Authorizations

▸ **Operating Contract**:
- Provisions that govern all aspects of operation of the Lab (including IP provisions that establish the rights in IP as between the Lab Contractor and the Government)
  - Generally applicable to all Operating Contracts for GOCOs, subject to local practice.
- Exception is at NNSA Labs (LANL, SNL & LLNL) which have provisions for defense activities.

▸ **Work Authorization**:
- Mechanism for ARPA-E to provide funding to DOE Labs for a specific project.
- Authorizes work to be performed by the Lab Contractor pursuant to the terms of the Lab Operating Contract as supplemented by the Work Authorization.

Background – IP Provisions of Operating Contracts

▸ Lab Contractor owns any invention made by Lab Contractor employee.

▸ Lab Contractor may assert and own copyright in software produced by Lab Contractor employees.

▸ Government usually owns and usually has "unlimited rights" in technical data first produced at Lab.

▸ Lab does not have an automatic right to treat first produced data as 5-year protected data, but it is possible for that right to apply through special procedures.

▸ BUT, Lab must respect any authorized marking (e.g., proprietary data or 5-year protected data) on data delivered to Lab.

IP Provisions in all ARPA-E Work Authorization

‣ **IP and Data Management Plans**: Lab Contractor must enter into an IP/Data Management Plan or the equivalent with other team members.
  – Options – 1 IP/Data Management Plan for the entire project team or 1 Plan between the project team members and a separate agreement between the Lab Contractor and the project lead.

‣ **U.S. Manufacturing Requirement**: Lab (or its licensees/assignees) will substantially manufacture any products embodying a subject invention or produced through the use of a subject invention in the United States for use throughout the world
  – This is the same US manufacturing obligation as all other team members.

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Non-Standard IP Provisions in the ARPA-E Work Authorization

▸ **Data Protection**: 5-year data protection for data first produced by Lab may be available.
  – Some Labs may refuse to provide 5-year data protection for data first produced by Lab.

▸ **Special Provisions: Lab performing Testing and Resource functions**
  – Lab is testing the technology of multiple ARPA-E project teams
    • Test data would be kept confidential and not shared with other awardees
  – Lab is a technical resource for multiple ARPA-E project teams
    • Awardee data would be kept confidential and not shared with other awardees;
    • Special requirements for joint inventions or Lab inventions related to awardee technology/concept

▸ **Other Special Provisions**: FOA-dependent. E.g., certain data may be required to be published or software released as open source.

Agreements between a Lab and third parties

▸ The Lab contract also includes provisions that govern the types of third-party agreements the Lab Contractor may enter. The Lab operating contract dictates the types of third-party agreements.

▸ **Bottom Line --** Rarely will a Lab be able to use an agreement format provided by a partner.

▸ An Administrative Officer at the Lab, not the Lab PI, must be the negotiator of such third-party agreements.

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Agreements between the Lab and third parties (cont.) - Examples

‣ A license for IP produced by Lab employees

‣ Cooperative Research And Development Agreement (CRADA)
  – Data first produced by Lab may be protected from public release for 5 years **(Reminder – some Labs may not agree to this)**.
  – Third party guaranteed the option to negotiate an exclusive license in a field of use in Lab inventions.
    • **Lab will not give title to Lab inventions to third party**.

‣ ARPA-E IP Management Plan (IPMP) template, which is consistent with Lab Contract.

‣ NDA (Non-disclosure Agreement)

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