

Scenario 1 – Intellectual Property – “KuttingEdgeKoats” [Queen’s]

Background

You and your study team have developed a process to place a nano-coating on fibrous materials such as paper or fabrics. The coating is durable and invisible. It prevents water damage and also takes ink and dyes very well.

Working with the tech transfer unit, you have applied for a patent covering your original process. The process is expensive.

A graduate student, Shelley, would like to try to improve the efficiency of the process and explore its application on different material for her thesis project.

A company, FAB Fabrics, is interested in a funded project to make the process more cost effective and to experiment on different fashion materials used in rainwear.

You have signed an NDA and discussed funding and the scope of the project. You are now meeting to sort out ownership and use of the technology and results arising from the project. In particular, you want to discuss:

- 1) The original process itself
- 2) Any improvements to the original process
- 3) Current and future applications of the process on other types of materials

Principal Investigator - Study Team Member

- 1) You have worked hard to develop the original process as the sole inventor. This will be the focus of research for the rest of your career. **You must be sure that you can continue to improve the process and freely explore new areas of application.** However, you are most excited about its use in paper and ceramics. You are not particularly interested in fabrics but that might change after this project. You want control of the process but might sell if you retained rights to use it for research. Financial compensation could help you decide.
- 2) Your Grad student is brilliant. She was not involved in the original process but she already has several innovative ideas for improvement. She is somewhat willing to assign her results from the project in return for the funding support and thesis materials. **However, she will not assign any results she develops outside this project.** She expects to graduate within six months and will be taking a job with ABC Paper where she will want to develop similar techniques.
- 3) ABC Paper is negotiating a license to use the original process for paper products. They are eager to fund several projects to develop the application in that direction. ABC wants an exclusive right to use the process on paper, along with any improvements that comes from their research projects or from their internal research.

Scenario 1 – Intellectual Property – “KuttingEdgeKoats” [Company]

Background

You and your study team have developed a process to place a nano-coating on fibrous materials such as paper or fabrics. The coating is durable and invisible. It prevents water damage and also takes ink and dyes very well.

Working with the tech transfer unit, you have applied for a patent covering your original process. The process is expensive.

A graduate student, Shelley, would like to try to improve the efficiency of the process and explore its application on different material for her thesis project.

A company, FAB Fabrics, is interested in a funded project to make the process more cost effective and to experiment on different fashion materials used in rainwear.

You have signed an NDA and discussed funding and the scope of the project. You are now meeting to sort out ownership and use of the technology and results arising from the project. In particular, you want to discuss:

- 1) The original process itself
- 2) Any improvements to the original process
- 3) Current and future applications of the process on other types of materials

Company Viewpoint – FAB Fabrics

- 1) You work for the KuttingEdge Koats division of FAB Fabrics. It is a smaller company that relies on exclusivity to sell its products at an inflated price. You are excited by the potential for unique waterproofing for your products. **You are hoping for ownership of the original process to keep it with the company but an exclusive license for fabrics might be sufficient if the brand was protected.**
- 2) As the negotiator, you know the value of a one of a kind product. The company wants to roll out “new” coats each season with bright colours and lettering. It is willing to pay for future improvements to the original process. In fact, **CEO is hoping to tie up as many improvements as possible – from both this project and any future projects (whether they are involved or not).**
- 3) The company designers are fixated on using lycra and other stretch fabrics. The CFO privately told you they would like to maximize the value of this research. The company maybe expanding into other lifestyle products – **they hope to get the freedom to use the process on other materials outside of just fabrics.** You want to impress the CFO.