So, you are a company?

But first – a bit about me:

- Materials Scientist
- Registered Trade Marks Attorney
- Masters of Law (IP)
- Creative Problem Facilitator
- Graduate – Australian Institute of Company Directors
- Registered Technology Transfer Professional
  (only 30 in AU/NZ)
What to be mindful of?

<table>
<thead>
<tr>
<th>PRODUCT/SERVICE</th>
<th>MARKET</th>
<th>END USERS</th>
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</thead>
<tbody>
<tr>
<td>Competitors? Who etc.?</td>
<td></td>
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<tr>
<td>Minimal Viable Product. Tested and validated?</td>
<td></td>
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<tr>
<td>Competitive Advantage? How to launch, when...?</td>
<td></td>
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</tbody>
</table>

Intellectual Property:
Ownership (staff/consultants)
Confidentiality
Registered IP
Trade marks and branding
Patents
Designs etc.

The most common issues...

- A domain name or a business name is not a trade mark and gives no formal IP protection
- Patent options are diminished or even lost totally if you have spoken to people about your idea. File first!
- Brand launched then trade mark is refused registration; loss of $$$ and reputation.
- Brand not trade marked - you are tapped on the shoulder...
- Product services are not what the customer needs/wants...
- Competitive advantage lost (not thinking of MKII etc.)
- Ownership...
**Turning ideas into reality**
That people want/need
And are willing to pay for

**The concept of innovation**
(and having a viable business)

**Questions I ask:**
Is there a need for this or would this benefit the community if this was developed?
How can we get this made/developed etc.
If so, should IP be formally protected?
Who should we partner with?
Should a start up be considered?

**Often a combination of IP is commercialised together in a bundle...**
Best to keep your work as confidential as you can.
- competitive advantage
- ability to patent (has to be new)
- to keep options open...

Enter into Confidentiality Agreements if talking to 3rd parties!
Commercialisation can be:

- Use in house by yourself only
- Rights granted to 3rd parties by formal agreement:
  - License (get a royalty stream)
  - Full license or by FIELD/TERRITORY (i.e., part license)
  - Exclusive or non-exclusive
  - Sell off for a lump sum
  - Combination (license then sale at a trigger point)
- Both – yourself and by a 3rd party

A "deal" can be anything that you can negotiate and put into words to formalise a legal agreement.

Commercialisation at Macquarie University

What is IP?
What is Intellectual Property?

- Patents
- Registered Designs
- Registered Trade Marks
- Plant Breeders Rights

Formally registered

Not registered

- Copyright
- Confidential Information & Know How
- Trade Secrets

Examples of IP that is not formally registered?

- Music scores
- Artistic works
  - Inc. artwork, designs, logos
- Manuals
- Names – domain names, business names...
- Know-how
- Business methods
- Software code

Who owns your IP?
Staff and Employment agreements
- Do you own created IP? (seems a given however is it clearly stated)

Confidentiality
- Formally?
- Is it enforceable?
- Maybe better to limit disclosure

Contractor agreements
- Who owns what?
- When?

Collaborations
- Who owns what?
- When?

Purchase and supply agreements
- Who owns what?
- When?

Conflicts of interest
- Real or perceived
- Mitigated?
- Is all transparent?

Look at the fine print – have appropriate agreements in place.
If/when something is successful, people will come out of the woodwork.

So, again, I ask.
Are you a company?

Items to ask yourself...
- What is the work and concept behind the potential start-up/innovation?
- What Macquarie University IP is dependent for the start-up/innovation?
- What Macquarie University Background IP has the start-up need access to?
- What 3rd party IP is dependent for the start-up/innovation?
- Is freedom to operate [IFJ] believed to be clear?
- Is the technology a platform?
- If a platform, whose areas/fields are of interest (initially and then as the start-up matures)?
- Is the disruptive technology?
- Does the team have a strong willingness to be involved with a start-up/innovation?
- Is the team prepared to make a commitment (part or full outside of work hours) to a start-up/innovation?

Confidentiality
- Formally?
- Is it enforceable?
- Maybe better to limit disclosure

Conflicts of interest
- Real or perceived
- Mitigated?
- Is all transparent?

Items to ask yourself...

Source: the Macquarie University Spin-Out/Start-Up Checklist (www.mq.edu.au/innovation)
SPIN OFF/START UP CHECKLIST

Project Name: _______________________________
Lead Researcher: ___________________________
All Team Members: __________________________
Departments/Faculties: _______________________
Date: _________________________________
OCI Ref: _____________________________

Agreements Required (as applicable):
☐ Due diligence, Conflict of Interest forms
☐ Outside Earnings form
☐ IP Agreements (Assignments and licence)
☐ Founders Agreement
☐ Shareholders Agreement
☐ Rent and/or facility agreement (if not included in the licence)
☐ Agreement as to support that Macquarie University will give
For example, teaching relief, outside earnings approval for a specific time period
☐ Research Agreements if the start up/spin off is conducting research at Macquarie University

Source: the Macquarie University Spin-Out/Start-Up Checklist

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Who am I working with?
How do they help me with my idea?

- Founders Agreement
- Collaboration Agreement
- Agreement to assign the IP to the business
- Communication between founders
- Valuing founders contributions
- Share in equity
- Dispute resolution
- Future planning

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How will I structure my business for my idea?

Company

Structure

Core Team

Partnership

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Unless they are a company director and have breached one of their director’s duties.

**An Australian Company Number (ACN) acts as a unique identifier for companies and is issued by ASIC upon incorporation.**

An Australian Business Number (ABN) is used to facilitate dealings with government departments and agencies and is issued by the ATO to all entities who carry on an enterprise in Australia. It is registered on the Australian Business Register.

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**Trade Marks**

***xxx™*** – for an application

N.B. can be used even without registration

® – only used once registered

Does not have to be on the mark itself – within documentation etc. i.e. within the annual report, or on the back in the fine print of a brochure etc.
What are trade marks?

Trade marks are names, words, logos, shapes, colours, scents or combinations of these which distinguish goods or services of one person from those of another.

Being able to be distinguished is the main requirement for registration.

Trade marks will not be registered if they are deemed:

- Offensive
- Nationally or internationally commonly understood i.e. ANZAC
- Overlap someone else’s ‘mark’ or known brand through reputation/established use

Marks which have geographical references, are simply descriptions of the goods and services, common surnames or which consist of commonly used words or commonly used logos may be difficult to register.

However, if it can be shown that the trade mark has been used to such an extent that it does distinguish the goods or services of the applicant, registration may be obtained.
The rights given to trade mark owners...

A trade mark registration gives its owner the exclusive right to use the mark in the classes registered in (goods and services).

Trade mark owners can stop other people from using substantially identical or deceptively similar brands within the same class of goods or services.

The registration term is for a ten year period from the date on which the application was filed. Marks are renewable in 10 year blocks upon payment of the official fee.
International (Madrid system)

International applications can be applied for taking priority from an AU mark within 6 months of lodgement.

It takes a minimum of 7 ½ months to have a mark registered

This is to accommodate for the international 6 month convention period that has to pass before a mark is registered.

If you don’t use it you can lose it!

There is a use provision in the TM Act that if you do not use the mark for 3 years it could be questioned and ultimately removed from the register.
Design Registrations are protection of a specific design provided it is both new and distinctive.

- Registration initially protects your design for five years from the date the application was filed.
- The design registration can be renewed for a further five years if you do not renew your registration it will cease.

You don’t need a design for artwork, which is automatically protected by copyright.

You do need a design if your artwork is applied to a product, which gives that product a unique look.
What is a patent?
The whole patent application and granted patent (the whole document) is ‘prior art’ if you are seeking to obtain a patent yourself

The claims of a granted patent are considered in legal action
Also to check that you can do what you are doing i.e. Freedom to Operate search

What can be patented?

“To be issued, the invention described just has to be novel, non-obvious, and useful.” – USPTO

An invention can be a small component or an improvement of a known thing…

Hierarchy (golden egg) of patents are compositions, pre-cursors, platforms.

A new use…

Software if new in function

You are experts - you very well could think what you are doing is obvious; maybe not

Business methods

Complete
(1-5 years)

Provisional

0 weeks
(‘filing date’)

Complete application

12 weeks

Publication of application

18 weeks

Examination Process

Possible Grant
(1-3 years)

Renewals etc.

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Note that even though the filing of a request constitutes under PCT Rule 4.9(a) the designation of all Contracting States bound by the Convention, some States have adhered to the PCT but will only become bound by the PCT on the date shown in parentheses; it will not be considered to have been designated in international applications filed on or after that date.

Regional and national patents, applicants should always use the latest version of the e-filing software used to generate the request and demand forms. The request form must be submitted within one year of the filing of the international application and the demand form must be submitted within 12 months of the international filing date (or within 15 months if the PCT Contracting State is designated).

The request and demand forms can be printed from the website, in editable PDF format, at:


Where possible, applicants are encouraged to use ePCT-Filing in order to benefit from:

- Validation of European patent possible for international applications filed on or after 1 November 2015.
- Validation of European patent possible for international applications filed on or after 1 March 2015.
- Extension of European patent possible.

The latest versions of the request form (PCT/RO/101) and demand form (PCT/IPEA/401) (the latest versions are dated 1 July 2016, respectively).
It is important to have a live and active strategic plan.

To protect IP??? To commercialise???

- Trade Marks – pretty standard and cost affective
- Designs – can be a cost affective method of protection for a specific design
- Patents – a harder decision
  - time window of sales/competitive advantage
  - what protection is there against competition
  - market size
  - $$$ of income, royalties or a one off sale
  - ...

Each strategy needs to be assessed case by case.

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LEAN CANVAS

LEAN CANVAS (SOCIAL)
The University promotes and supports impact via Partnerships & Commercialisation

Who to talk to?

The first step: File an

Facilitates the process
1) Funding the initial
2) Arranging non-disc
3) Assisting in market
4) Negotiating comm

Who to talk to external to Macquarie University?

Commercialisation and IP consultants
Trade mark and Patent attorneys
Legal services
Incubators and accelerators
People who have done it before
Anna Grocholsky  Director, Commercialisation and Innovation
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