Interoffice memorandum

TO: Executive Vice Presidents, Chancellors, Vice Presidents, Vice Chancellors, Vice Provosts, Deans, Directors and Heads of Schools, Divisions, Departments and Offices

FROM: Ken L. Sandel, Senior Director of Sponsored Program Services  
      Jeff L. Kanable, Director, Sponsored Program Services Contracting

DATE: February 9, 2015

RE: Industry Contract Options

Last year, the Office of Research and Partnerships and Sponsored Program Services (SPS) implemented new contracting options for corporate-funded research projects to expand our flexibility and increase our opportunities to develop partnerships. This action was specifically targeted to address suggestions offered by some faculty members and certain corporate sponsors calling for the flexibility to partner with Purdue under a format that may vest the sponsor with title to the sponsored research results and have other terms more favorable to the sponsor.

For over a year, we have experimented with these options and many researchers have taken advantage of this new flexibility. What we learned from the first negotiations and interactions with faculty and corporate partners was assessed, and minor changes were made to the contract templates.

Our intent is to continue to offer these expanded contracting options and publicize their availability more widely. It is important to note that the selection of the appropriate contract terms is a faculty-led decision, not a sponsor decision. Staff are available to make campus presentations to further explain the details of these changes.

Why the change?
Already a leader in industry-funded research, Purdue’s goal is to stay ahead by providing its faculty more flexibility in selecting contract terms which best suit a given project.

What are the options?
- **Option #1** – Project-generated IP is owned by Purdue and the sponsor receives a non-exclusive royalty-free (NERF) license with first option to a royalty-bearing exclusive license. These are traditional, basic research terms offered in existing contracts.
- **Option #2** – Project-generated IP is owned by Purdue but sponsor receives a royalty-free exclusive license for five (5) years in exchange for sponsor paying a fee of 5% of project costs.
- **Option #3** – Project-generated IP owned by sponsor and sponsor must approve Purdue’s right to publish. Sponsor pays an IP fee of 10% of project costs.
- **Option #4** – Project-generated data is owned by the sponsor. No IP is contemplated under this option (traditional testing terms).

**When are these options available?**
These options are available now.

**What is Purdue doing regarding implementation?**
Members of SPS are available to present more detailed information on these industry contract options or to answer general questions. A long version PowerPoint presentation (appr. 1-hour) can be made to audiences of any size. Alternatively, an abbreviated presentation (+/- 10 minutes) can be made to faculty groups or those interested in learning more.

**How can I learn more?**
Please contact SPS Contracting (spscontr@purdue.edu) to schedule a meeting or presentation. You can also review available materials located here: http://www.purdue.edu/business/sps/contractmgmt/appliedresearch.html.

**Related Links:**
SPS website