



## Forming an Industry Consortium – What To Expect . . .

An industry consortium or center (Consortium) promotes interdisciplinary research among one or more universities and multiple industry members. Most research is pre-competitive, which enables competing companies to join the Consortium. Individual research projects, to be conducted by university researchers, are selected by voting Consortium members.

While each Consortium is different, most share these common features:

- Member fees support projects selected for funding
- Intellectual property ownership follows inventorship; all members have non-exclusive rights to intellectual property with reimbursement of patent costs
- Members have the right to review public disclosures and request delay to protect patentable subject matter
- Research project reports are provided to all members



## Process



### Ideation and Approval of a Consortium

The idea to establish a new industry Consortium may come from any individual or group of ISU researchers. Initiating a Consortium is a strategic decision. Careful consideration should be given, as managing a Consortium is time and effort intensive. There has to be a clear industry need and a critical mass of industry partners willing to be active participants. If the Consortium name is going to include “Center” or “Institute,” it requires ISU administrative and Board of Regents approval. The Office of the Vice President for Research (VPR) provides guidelines for establishment and approval of Consortia at <https://www.vpresearch.iastate.edu/center-institute-guidelines/>.



### Development of Consortium Agreements and Operating Procedures

As the Consortium receives the necessary approvals, the OIPTT negotiator will work with the Consortium Director and other university offices to develop the Membership Agreement and other agreements as appropriate. The OIPTT negotiator will provide advice on best practices for developing and documenting operating procedures for the Consortium. Decisions include the overall organizational structure, project selection and voting, publication review procedure, confidentiality expectations, and membership tier structure.

**Federal.** If the Consortium has associated federal funding (e.g., NSF Center of Excellence or Industry/University Cooperative Research Center), several agreements will be needed. OSPA will implement the award from the federal agency. OIPTT will implement inter-institutional agreements if multiple universities are involved. OIPTT will also develop the Membership Agreement and a one-way non-disclosure agreement (NDA) to allow the universities to share research results with industry members, while maintaining the ability to protect Consortium-developed intellectual property. The Membership Agreement will closely follow the federal model and requires federal approval before use. OIPTT will provide a template for operating

procedures, which is customized by the Consortium Director and finalized with input from the industry members and OIPTT. The operating procedures do not require signatures or federal approval and are not incorporated into the Membership Agreement.

**Non-Federal.** If the Consortium does **not** have associated federal funding, OIPTT will negotiate and implement all the needed agreements, including inter-institutional agreements and the Membership Agreement incorporating non-disclosure language. While these Consortia may be more flexible, OIPTT strongly encourages closely following the federal model for the Membership Agreement. OIPTT will also provide a template for operating procedures, which is customized by the Consortium Director and finalized with input from the industry members and OIPTT. The operating procedures do not require signatures and are not incorporated into the Membership Agreement.



### **No Negotiation Allowed**

After the Membership Agreement has been finalized, no negotiation of terms is allowed. The reasons are two-fold: 1) it is important to have a consistent agreement to provide the same rights and obligations to all members, and 2) for a Consortium affiliated with federal funding, modifications to the Membership Agreement are not allowed without federal approval.



### **Implementation of Membership Agreements**

As stated above, once the Membership Agreement has been approved, no negotiation is allowed. If companies have questions, OIPTT will assist the Consortium Director to provide answers. After the company has agreed to sign the Membership Agreement, implementation is straightforward.

**New Membership.** When a company agrees to join a Consortium, the Consortium Director must do the following:

- Prepare the Membership Agreement and if applicable, an NDA, and obtain the member's signature
- Route a GoldSheet (for one year of membership only) with the following attachments
  - Budget. The entire direct budget amount may be allocated to "Other: other"
  - Membership Agreement (and NDA if applicable) signed by the member and Consortium Director
- Invoice the member for member dues

OIPTT will sign the Membership Agreement and NDA, if applicable, after the GoldSheet has been approved.

**Renew a Membership.** Each year, to renew a member's participation in the Consortium, confirm that the company intends to remain a member and then follow the steps above under "Route a Goldsheet..." and include a copy of the current invoice. For clarity, the Membership Agreement only needs to be signed once, but is attached to the GoldSheet every year the company remains a member. For membership renewals, OIPTT will sign the invoice or another document routed with the GoldSheet for the final approval.

**Consortium Accounts.** A Consortium is assigned one account number where all member dues are deposited.

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## **Contact Information**

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