

Concept to Commercialisation

**“SMART, Successful, Sustainable Spinouts”
for Postgraduates**

Rob Goodfellow – Feb 2016

Research & Enterprise Services

Mission:

- “...support to HWU academics, researchers and students to develop research proposals, collaborations and links to industry as well as technology licensing and consultancy services.”
- **Research Development** - Research proposal development, construction and costing for all research funders
- **Business Development** - Assistance in the development of Industry links and partnerships
- **Technology Transfer & Legal Services** - company creation, licensing & enterprise

Outline

- IPR Ownership for PG Students
- IPR basics – Patents etc.
- University policy on Commercialisation
- Concept to Company & Funding the Gap
- Support....
- Cases – Seebyte, Hydrason

IPR Ownership for PG Students

“Students will retain the Intellectual Property Rights in their work as detailed in Clause Two (1) except in the following areas of work in which case the provisions of Clauses Four, Five, Six, Eight and Nine will apply:

- Postgraduate research work;
- Research work where substantial guidance is provided by a Member of Staff;
- Any work done by the Student, where the Student’s tuition fees are paid by a third party with condition on Intellectual Property Rights;
- Work on a particular topic, area or project with Intellectual Property Rights conditions attached.”
- HWU IPR Policy -
<http://www.hw.ac.uk/documents/HW-IP-Policy.pdf>

Unless....

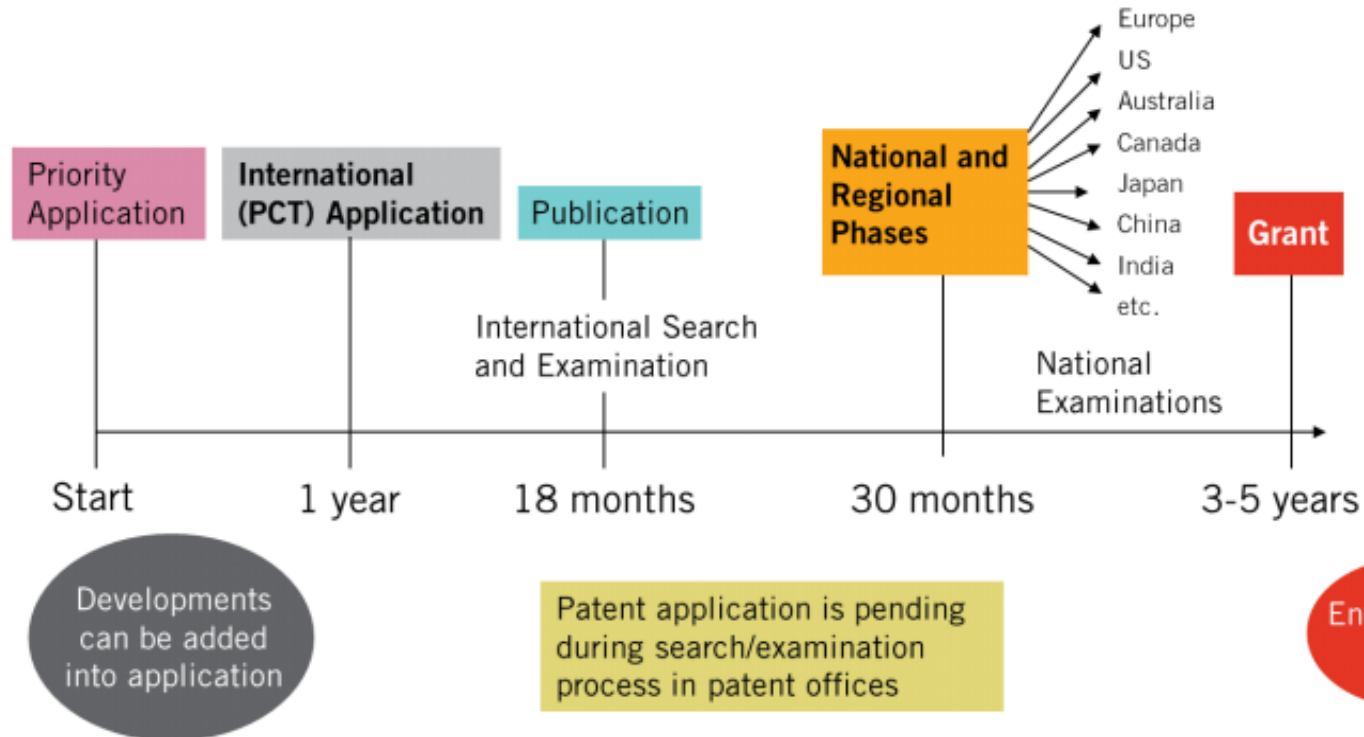
- Requirement to transfer IPR ownership for:
 - research as part of sponsored PhD/MSc
 - Commercial use (e.g. patent filing/ license/ productisation..)
 - Request of a company/ sponsoring organisation
- Requires assignation from Student to HWU:
 - On registration at HWU or
 - At request of RES/ Supervisor/ company etc..
- Assignation is not mandatory! (see student IP assignation policy)
- <http://www.hw.ac.uk/services/research-enterprise/student-agreement.htm>

Patents

- Provide a monopoly to exclude others from copying/selling/ monetising your idea but
- must fully disclose your idea to public
- 3x tests for patentability
 - Novel
 - Inventive
 - Capable of (industrial) application
- www.ipo.gov.uk

Patent timeline

- Filing @ UK patent office = “0”.



HWU Commercialisation Policy

- RES supports commercialisation of IPR arising from HWU research activity:
 - Review ideas, support development
 - Pay IPR costs & agent fees
 - Identify development funding & licensees or
 - Support spinout /startup
- Revenue sharing agreement
 - 50/40/10 – inventor/school/Univ for licensing
 - Initial 24:76 equity split for spinout/startup (Univ : founders)

Commercialisation Process

Our Role:

- Identify, Protect & Manage the University's IP
- Prepare non-confidential overviews
- Investigate market & identify partners
- Contact potential licensees /customers
- Facilitate confidential meetings
- Negotiate terms of any deal/ collaboration
- "Develop business plan"



Concept to Company #1

- HWU Policy – “Smart, Successful, Sustainable” company
 - Smart - exploits university research/ IPR
 - Successful – growing, employing staff, actively selling products/services
 - Sustainable – product pipeline & a realistic business plan for growth!

Concept to Company #2

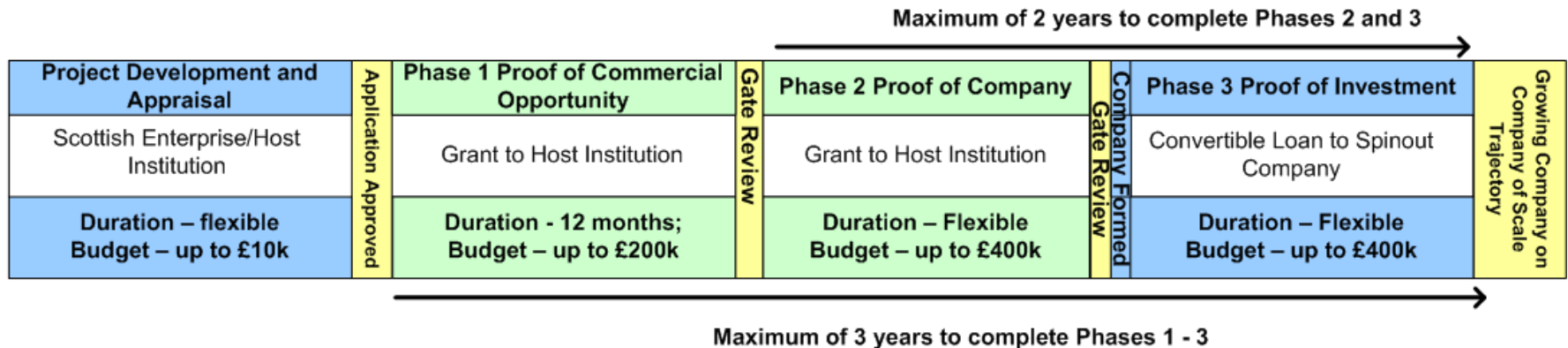
- What you need to do...
 - Clarify your IPR/ technology – can it be protected?
 - What does it do? (non-confidential 1 pager)
 - Identify customers / market – what is their “pain” – can you solve it??
 - Talk to your customers!
 - They may not want what you think they want..
 - Revise your offering (again)
 - Write a business plan

Funding the Gap...

- Scottish Enterprise High Growth Fund
 - 4 stages, up to £1M
- Enterprise Fellowships –
 - Royal Society Edinburgh / Royal Academy Engineering
- Scottish Enterprise SMART Feasibility/ R&D
- HWU Impact Acceleration Account
- CONVERGE Challenge 2016
- Enterprise Campus

Scottish Enterprise High Growth Fund

- Quarterly call



Project budgets pitched at the maximum allowable for HGSP will only be approved in exceptional circumstances

Enterprise Fellowships –



Apply through RES – next call May 2016 (November start)

Why?

- 1 year salary to focus on business plan, company creation etc..
- develop your skills as CEO of your own company!
- Part time MBA & Mentoring etc..

SMART Awards

- Available to Scottish SME companies (<250 staff)
 - SMART Feasibility – up to £100K (70% funded)
 - SMART R&D – up to £600K (35% funded)
- Staff costs, prototyping, market research etc...



Converge Challenge is an entrepreneurship development programme and company creation competition that brings together the most ambitious and creative thinkers from academia, research and business.

- Open to staff, students and recent graduates of all Scottish Universities and Research Institutes
- Participate in our company creation competition with a prize fund of over £150,000
- Learn and develop your business skills
- Extensive training and mentoring

Realise your full potential and apply online NOW at
www.convergechallenge.com

DEADLINE: 18TH APRIL 2016 AT 5PM (GMT)

 Join in the conversation @ConvergeC

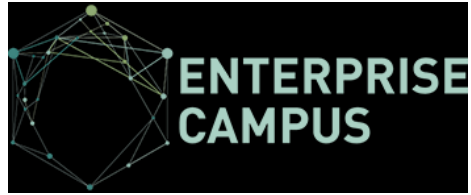
**Converge
Challenge**
Creating Entrepreneurs

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Enterprise Campus (East) – supporting PG company creation across Edinburgh



“SMART, Successful Sustainable Spinouts” - our vision!!



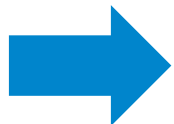
Enterprise Services



- Converge Challenge Program 2016
- Enterprise Training & Boot Camps..
- Funding - ££££
- Mentoring & Advice..
- Investor readiness..
- Business planning, Pitching etc..

Scottish Enterprise High Growth Spinout

- Funding for Development
- Training & Mentorship
- “Investor Readiness”



- University Due Diligence & Approval

Aim #2 - “Smart, Sustainable Spinouts”



Jobs, Investment, “High Growth” Ventures



Scottish Enterprise

Seebyte

- Founded >10 years
- Technology platform – multiple products & customer base
 - Seetrack, Autotracker, Copilot
 - Address “customer pain/ identified need”
- Strong relationship between company & research base!
 - Multiple PhDs, EPSRC, EU, Military/ Government R&D, Oil & Gas contracts etc..
 - “pipeline of IPR”, >25 licenses
 - >>£10M in research income to HWU Ocean Systems etc..
- Protected IPR position – software code, (not often patentable)
- Strategic partners – Bluefin , Subsea 7, Seatronics, videoray etc..
- Recently sold to Bluefin –”exit”