



EUROPEAN
COMMISSION

Community Research



Guide to Intellectual Property Rights provisions for FP6 projects

Version 2
28/06/2006

The main changes over Version 1 appear in blue.

Research DG

Directorate M (Investment in research and links with other policies)
Directorate A (Coordination of Community Activities)

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1. INTRODUCTION

The purpose of this document is to provide an overview of the Intellectual Property Rights (IPR) provisions in the Sixth Framework Programme (“FP6”) for research and technological development. It is intended to act as a guide to the various issues and pitfalls that participants may encounter. It also highlights various provisions which may need to be considered extensively before embarking on a project or when entering into consortium agreements.

This information should be considered in conjunction with, in particular, the Rules of Participation and for Dissemination (the “Rules of Participation”¹ – “RoP”) and the EC Model Contract² for the implementation of the Sixth Framework Programme (the “EC contract”), as well as other sources of official information, which prevail over any statement or data contained in the present guide.

The attached glossary includes definitions of a number of common terms used throughout the model contract.

2. PARTICIPANTS AND CONTRACTORS

A “participant” is a legal entity taking part in an indirect action (i.e. an FP6 RTD project undertaken by one or more participants) and having the rights and obligations defined by the EC contract entered into with the European Commission, on behalf of the European Community, and any other participants. The term participant is used in the Rules of Participation but in the contract signed with the European Community a participant is referred to as a “contractor”. Therefore, the terms “contractor” and “participant” may be used interchangeably.

Only a legal entity (company, university, research centre, natural person etc.) can become a contractor³. A department (or faculty, etc.) which does not have legal personality cannot be a contractor. The contractor is the legal entity to which the department belongs.

The FP6 IPR provisions do not distinguish between different categories of contractors, unlike those established under the Fifth Framework Programme (“principal contractors” and “assistant contractors” – with differentiated access rights and obligations) which no longer exist. In addition, in the specific actions for SMEs – *cooperative* and *collective* research projects – *RTD Performers* are now contractors and not subcontractors.

3. KNOWLEDGE AND PRE-EXISTING KNOW-HOW

As was the case under FP5, “knowledge”⁴ means the results of an FP6 project (knowledge is sometimes informally referred to as “foreground”), **whether or not they have been protected (by patents, etc.), and in any form (including e.g. micro-organisms and source code).**

¹ Regulation 2321/2002 of 16 Dec. 2002 of the European Parliament and of the Council concerning the participation of undertakings, research centres and universities and for the dissemination of research results for the implementation of the European Community framework programme (2002-2006) (http://europa.eu/eur-lex/pri/en/oj/dat/2002/l_355/l_35520021230en00230034.pdf).

² The EC contract and other official sources of useful information may be found on the model contract web site at: http://ec.europa.eu/research/fp6/index_en.cfm?p=0_model or on the Cordis web-site at: <http://www.cordis.lu/fp6/find-doc.htm>.

³ In exceptional cases, a contractor may be a natural person.

⁴ The definition is in Art. 2.21 of the Rules of Participation (RoP) and in Art. II.1.14 of the EC contract.

For Networks of Excellence, the IPR provisions apply to any work carried out in the context of the “joint programme of activities”. However “knowledge” does not extend to information developed by the members of a Network of Excellence outside the “joint programme of activities”.

“Pre-existing know-how”⁵ relates in part to information (and rights attached thereto) developed prior to the conclusion of the EC contract (this is why this part is sometimes called informally “background”), be it covered by Intellectual Property Rights or confidentiality agreements, etc. The fact that contractors are legal entities is important when considering the scope of pre-existing know-how. Indeed, if a specific department of a university or company participates in a project, the pre-existing know-how will be that of the whole university or company, not just that of the specific department. However, there are a number of safeguards in the Rules of Participation and the EC contract to ensure that only those access rights which other contractors really need in the context of the project can be requested by them. This is explained in more detail in the section on access rights.

Pre-existing know-how also includes information obtained during the project but outside its scope, i.e. in parallel to it. This kind of pre-existing know-how is informally referred to as “side-ground”. In some cases the same pre-existing know-how may be considered by some contractors as “background” and by others as “side-ground”, depending on the dates on which they joined the project and the date when the pre-existing know-how was generated. However, in both cases it is pre-existing know-how and falls under the provisions relating to such in the EC contract.

4. OWNERSHIP (ART. II.32)

Contractors have certain obligations under the EC contract with regard to the protection, use and access rights that is required for knowledge. To this extent they must reach agreement with their [personnel \(including staff but also other “non-employees”, such as students – both undergraduate and postgraduate\)](#) over the ownership of results, and these must be compatible with obligations of the model contract.

Ownership of pre-existing know-how is not affected by participation in the EC-funded project, but some access rights may have to be granted to the other contractors in the same project (on a need-to basis), unless the specific pre-existing know-how is explicitly excluded before the signature of the contract or when a new contractor joins the project (see below).

As with FP5, knowledge resulting from the project belongs to the contractor who generated it. If knowledge is generated jointly (i.e. the separate parts of the knowledge cannot be distinguished), it will be jointly owned, unless the contractors concerned agree on a different solution (see "Joint ownership" below).

Contractors must ensure that, where necessary, they reach an agreement with their staff and other collaborators⁶ over the ownership of results generated by them in the context of the project in order for the contractor to meet its obligations as set out in the Rules for Participation and the EC contract (for example the provision of access rights to other contractors to knowledge – see Articles II.35.2-3 of the EC contract).

⁵ The definition is in Art. 2.21 RoP and in Art. II.1.18 of Annex II to the EC contract.

⁶ The rights and obligations of doctoral students and other "non-employees" such as subcontractors also need to be considered when agreeing terms of ownership.

For academic institutions, this is especially relevant (a) regarding “non-employees” such as students, as well as (b) in those countries having a “professor’s privilege” (according to which results of university research may be personally owned by researchers).

In order to prove ownership (as well as the conception date of any invention), it is strongly recommended that all contractors maintain laboratory workbooks, in accordance with proper standards. This may also be important for other purposes, for instance when patenting in the USA (due to their “first-to-invent” regime).

4.1 Joint ownership

Joint owners have to agree among themselves on the allocation and the terms of exercising the ownership of the knowledge.

Joint ownership arises in two specific cases:

- where two or more contractors have jointly carried out work generating the knowledge, and their respective share of the work cannot be ascertained (see Art. 21.3 RoP and Art. II.32.2 of the EC contract); and,
- in the SME-specific actions of co-operative or collective research actions (see Art. 21.4 RoP and Art. III.5 of Annex III to the EC contract for SME-specific actions).

Joint owners have to agree among themselves on the allocation and the terms of exercising the ownership of the knowledge. As far as allocation is concerned, the joint owners may agree, for instance, that patent applications will be filed and maintained by only one of them (possibly subject to appropriate licensing rules or other provisions). **The shares of any revenues should be defined clearly in an agreement between the relevant parties (either in the consortium agreement or in a separate agreement) if they are not to be divided equally.** With respect to the terms of exercising the ownership, it is highly advisable that the contractors concerned enter into specific joint ownership arrangements governing management issues, such as the sharing of the costs arising from legal protection procedures (patent filing and examination fees, renewal fees, prior state of the art searches, ...). Such joint ownership arrangements should also take into account the different national joint ownership regimes to avoid their potential pitfalls⁷. Provisions can be included in a consortium agreement between all contractors in the project, or they may be the subject of more specific arrangements limited to the joint owners concerned.

In the absence of specific joint ownership agreements, any jointly owned IP rights are subject to the joint ownership provisions (if any) of the respective national IP laws. Differences may exist between countries (the rights of the joint owners may be different).

Insofar as the ownership of patents relating to “jointly generated knowledge” is concerned, it should be noted that the question of whether or not such a patent is jointly owned depends on the exact scope of the claims (of the patent application(s) and, where different in scope, that of the patent(s) granted). For instance, it might happen that a patent application covers (claims) both a new process A (developed jointly by organisations X and Y) and an improvement B (developed by Y only). This patent application would clearly be jointly owned by organisations X and Y. However, if it appears (during the official prosecution of the application) that process A is not patentable, the patent eventually granted will cover only improvement B (developed by Y only) and should therefore belong exclusively to organisation Y. In short, the (joint) ownership of a patent may need to be reviewed once it is granted.

⁷ For example, care should be taken when considering employees’ rights, moral rights, etc. as these may differ significantly from country to country.

4.2 Transfer of ownership

Transfers of ownership are allowed, though (as long as the contractor concerned is required to grant access rights) at least 60 days notification must be given to the Commission and other contractors, during which time they have the right to object.

Transfers of ownership are allowed (Art. II.32.4 of the EC contract) but, as long as the contractor concerned is required to grant access rights, at least 60 days formal notification for each proposed assignment must be given to the other participants and to the Commission. The Commission or other contractors may then object to the transfer within 30 days of the notification (Art. II.32.5 of the EC contract).

Objections by the other contractors may only be raised if such a transfer would adversely affect their access rights. The Commission can object on the grounds that the transfer would be contrary to the Community's interest of developing the competitiveness of the knowledge-based European economy or inconsistent with the ethical principles⁸. Should such an objection arise, the transfer may not take place.

When ownership is transferred, the assignor must take the appropriate steps and conclude the appropriate arrangements to ensure that its contractual obligations with respect to dissemination, use, and the granting of access rights under the EC contract (Art. II.32.4 of the EC contract) are passed on to the new owner (the "assignee").

Transfer of ownership of knowledge can take place explicitly ("intended" transfer) but may also arise in the context of a take-over, the merger of two companies or similar cases. IPR-related obligations under the EC contract will also have to be passed on and respected in those cases, and the same provisions of the EC contract apply in such cases. (In this context, attention should also be paid to Art. II.14 relating to the transfer of rights and obligations.)

It is not possible to automatically transfer ownership of all knowledge under the terms of the EC contract. This holds true even if the other contractors have already agreed to such automatic transfers by means of a consortium agreement, and have waived their right to be informed of each specific transfer, because the Commission retains the right to review such transfers as well.

5. PROTECTION OF KNOWLEDGE (ART. II.33)

Where knowledge is capable of industrial or commercial application, it must be protected. Intellectual Property protection is not mandatory in all cases, though the decision to *not* protect knowledge must be made in consultation with the other contractors.

Where knowledge is capable of industrial or commercial application, it must be protected in conformity with the relevant legal provisions, the EC contract and the consortium agreement and having due regard to the legitimate interests of the participants concerned.

This means that Intellectual Property protection is not mandatory in all cases. Apart from a lack of industrial or commercial applicability, there are also situations where journal publication or other means of putting knowledge in the public domain constitute appropriate alternatives, taking into account the specificity of the project, the nature of the results concerned (e.g. certain

⁸ Separate guidance on interpreting "not in accordance with the dynamic knowledge-based European economy" and "inconsistent with ethical principles" were issued on the 19 Jan 2004, for more information see: http://ec.europa.eu/comm/research/fp6/working-groups/model-contract/pdf/fp6-guideaccessright19jan04_en.pdf

fundamental research results) and the legitimate interests of the contractors. *The free and open source software (F/OSS) approach may also be perfectly valid in some cases*⁹.

In other cases, it might prove advisable to postpone the filing of a patent (or other IPR) application, for instance, to allow further development of the invention while avoiding the negative consequences associated with premature filing (earlier priority and filing dates, early publication, possible rejection due to lack of support / industrial applicability, etc). Although a contractor does not have to formally consult the other contractors before deciding to protect a specific piece of knowledge it generated, they should be informed when no protection is envisaged. One of the other contractors may consider it worthwhile protecting this piece of knowledge, rather than leaving it unprotected and available for use by competitors. These issues should be covered in detail within the consortium agreement or within specific separate arrangements.

If valuable knowledge has not been protected by its owner, the Commission must be informed and may protect it on its own behalf, with the agreement of the concerned contractor(s) (Art. II.33.2 of the EC contract). This provision also applies when some knowledge was protected by the contractor but the owner considers abandoning the protection (e.g. by not paying the official fees for a patent application), and when protection was applied for in a first country (“priority application”), but the owner does not consider extending the protection to foreign countries before the end of the priority period. In such cases, the Commission must be informed in advance, so as to be able to take appropriate measures if it considers it useful. Therefore, specific prior notice periods (at least 45 days prior to the corresponding deadline) are foreseen in Art. II.33.2 of the EC contract.

It is important that the true inventor(s) be identified when a patent application is filed for legal reasons. In the USA, in particular, errors in the designation of inventors can, under certain circumstances, lead to the invalidation of the patent. Accordingly, designating a head of department as an inventor (a common practice in some universities) should be avoided if this does not correspond to the facts.

5.1 Publication and dissemination

Publication of knowledge (including web-pages) should be delayed until a decision about its possible protection has been made. *The other contractors may object to a publication if it could adversely affect the protection of their own knowledge.*

Publications relating to a specific piece of knowledge should be avoided or delayed as long as no clear decision has been made about its possible legal protection, in order to avoid making the knowledge part of the state of the art (and thus un-patentable). Indeed if a project results in the discovery of something that could be protected by IPRs, it is important to keep it confidential, and the contractor should keep accurate records of the discovery (i.e. who discovered what and when). Any disclosure, even to a single person which is not bound by secrecy or confidentiality obligations (typically someone from a different company or organisation outside the consortium), prior to filing for protection, can be considered as constituting a disclosure detrimental to patentability, be it by written, oral or electronic means (including e-mail). It is recommended that confidentiality obligations be covered in the consortium agreement.

⁹ Indeed, it may be important to recognize when drawing up the consortium agreement that Free and Open Source Software (F/OSS) can be viewed as a contractor’s “legitimate interest” (see Art 24.1) – especially if it was known at the outset of project that said contractor may wish to disseminate their results using F/OSS.

These comments are even more relevant where it is intended to protect knowledge as confidential know-how, as this implies that no disclosure at all may take place.

The Commission and other contractors must be given prior notice in writing of any planned publications (which includes new web-pages divulging any results attained). Should the Commission or any other contractor request details (within 30 days of receipt of the notification), a copy of the intended publications must be sent to them within 30 days after receipt of their request. The requesting party will then have a further 30 days from receipt of the data to object if they consider the publication could adversely affect the protection of *their* knowledge (Art. II.33.3 of the EC contract). Insofar as dissemination activities other than publications are concerned (e.g. conferences, seminars, workshops), a balance must be reached between the benefits of ensuring swift dissemination (for instance to avoid duplication of research efforts and to create synergy between projects) and the need to safeguard intellectual property rights, confidentiality and the legitimate commercial interests of the contractors concerned (Art. II.34). Where dissemination does not adversely affect such protection and use, there is an obligation to disseminate the knowledge within 2 years after the end of the project. Should the contractors fail to do so, the Commission may disseminate the knowledge.

Obviously, the requirement that the Commission and other contractors be given prior notice of any planned publications does not apply to information included in deliverables to be submitted to and published by the Commission (authorisation is not required twice), provided that all contractors (i.e., not only the coordinator) are aware of the material concerned.

5.2 SME-specific actions

A contractor may publish or allow the publication of data, on whatever medium, not only concerning knowledge that it owns but also knowledge it generated under work carried out within the project, provided that this does not affect the protection of that knowledge (see Art. III.6 of Annex III to the EC contract for SME-specific actions¹⁰). This permits RTD Performers (and in certain cases the SMEs contractors in a collective research project or the other enterprise or end user in a cooperative research project) who do not own the knowledge but have generated it to publish it or allow its publication.

6. ACCESS RIGHTS – GENERAL PRINCIPLES (ART. II.35)

The EC contract's provisions relating to access rights constitute "minimal" provisions that cannot be set aside or restricted further, but can be made more favourable and detailed (e.g. in a consortium agreement).

For instance, the contractors could agree that access rights to pre-existing know-how for use purposes would be granted on non-discriminatory conditions as far as the pre-existing know-how generated after the signature of the contract is concerned ("sideground"), but on a royalty-free basis as far as the pre-existing know-how generated before the conclusion of the EC contract is concerned ("background").

It should be noted that access to another contractor's knowledge is only to be granted if the requesting contractor *needs* access in order to carry out the project or to use its own knowledge. (Unlike under FP5, in FP6 there is no right of all contractors to use *all* the knowledge generated by the project.) **However, access rights broader than those made compulsory by the model contract can be freely negotiated between the participants. Also terms and conditions relating to**

¹⁰ This article replaces the first sentence of Art. II.33.3 of the EC contract and is in conformity with Art. 22.3 RoP.

the duration of access, the application of the access rights etc. can be freely negotiated between the parties.

Assessing whether or not access rights are *needed* must take place on a case-by-case basis, with all due care and in good faith. While no universal rules can be drawn up, the following situations are examples where access rights would appear to be *needed* :

- (a) without the access rights concerned, some of the R&D tasks assigned to a contractor under the project would be impossible to carry out, significantly delayed, or would require significant additional financial or human resources ;
- (b) without the access rights concerned, the use of a given element of knowledge by its owner would be technically or legally impossible, or would require very significant additional R&D work outside the frame of the project (in order to develop an alternative solution equivalent to that knowledge of another contractor to which access is refused).

Granting of access rights may be refused by the owner of the knowledge or pre-existing know-how concerned, if the owner considers that such access rights are not *needed* by the other contractor requesting them. In such a case, this other contractor will have to better substantiate its request and negotiate (in good faith) with the owner, or withdraw its request. In case of continued disagreement, the issue will have to be decided through the applicable conflict resolution mechanisms.

6.1 Exclusion of specific pre-existing know-how

Contractors can exclude specific pre-existing know-how from the obligation to grant access rights to other contractors but this must be done with the other contractors' consent, and in writing, and before the contractor concerned accedes to the EC contract. Consent may be withheld only if contractors demonstrate that the implementation of the project or their legitimate interests will be significantly impaired by such an exclusion.

If a new contractor joins the project, the original contractors will have a new opportunity to exclude pre-existing know-how.

One of the major changes in the IPR provisions for FP6 is the possibility for a contractor to explicitly exclude specific pre-existing know-how from its obligation to grant access rights to the other contractors (Art. II.35.1.d of the EC contract). Any pre-existing know-how that is to be excluded should be defined in such a way that it is sufficiently clear to avoid uncertainty, yet broad enough to avoid detrimental disclosure if it relates to undisclosed information (example: "*proprietary know-how relating to the manufacture of X according to the process Z*").

To ensure legal certainty and transparency, thereby allowing better assessment of the benefits and burdens of launching the envisaged collaboration under the project, such exclusions must be agreed in writing, between all participants, before the participant concerned signs the EC contract or, where applicable, before a new contractor joins the project.

Usually, this will take place before the start of the project; for instance, this exclusion may be mentioned in the consortium agreement, if it is prepared and entered into before the official contract is signed¹¹. It is also possible to resort to a separate agreement, which may be safer if it is not sure whether a consortium agreement will actually be finalised and signed before the EC contract is signed.

¹¹ A consortium agreement is obligatory in all projects under FP6 unless specifically exempted by the call for proposals. For NoE, IP and SME specific actions it is always mandatory.

There should be no need for participants to set up exhaustive lists of all their pre-existing know-how since only that needed is to be made available.

If a contractor joins the project after it has started, the original contractors will have a new opportunity to exclude pre-existing know-how before the new contractor signs the EC contract. This possibility is especially important for the new Framework Programme instruments (Integrated Projects and Networks of Excellence), where it is more likely that additional contractors may join the project at a later stage.

Art. II.35.1.d of the EC contract provides that "*the other contractors may only withhold their agreement if they demonstrate that implementation of the project or their legitimate interests will be significantly impaired thereby*".

It is the responsibility of all contractors to ensure that such exclusions will not hamper the proper execution of the project. If a contractor requests that pre-existing know-how is excluded to such an extent that this would significantly affect the execution of the project, then a solution between the contractors must be found. If no such solution is forthcoming, the other contractors can withhold their agreement to the exclusion, if they are able to demonstrate that implementation of the project or their "legitimate interests" would be significantly impaired thereby.

"Legitimate interests" can vary from contractor to contractor and from project to project and, therefore, need to be assessed on a case-by-case basis. Most notably, they include the commercial interests of a contractor. This provision puts the burden of justification on the contractors who want to object to the proposed exclusion.

For example, contractor X could possibly invoke "legitimate interests" for refusing to grant specific access rights to contractor Z, which is a competitor of X, and which is going to join the project after X leaves it. However, both the interests of the project itself, of the contractor holding the pre-existing know-how and of the other contractors have to be taken into account in a balanced way.

It should be noted that access to another contractor's (knowledge or) pre-existing know-how is only to be granted if the requesting contractor *needs* access in order to carry out the project or to use its own knowledge. Therefore, in many projects, it may not be necessary to exclude any pieces of pre-existing know-how: either they will be central to the project and should not be excluded, or they will be remote enough that any request to grant access rights can safely be rejected.

It is possible to exclude only certain "aspects" of a specific piece of pre-existing know-how, as long as this is not detrimental to the proper execution of the project. For instance, a pre-existing source code might be excluded while access would remain available to the executable software (to run it); or, access to some piece of pre-existing know-how for use purposes could be excluded in some application areas whilst it would remain possible in other areas; etc.

Where appropriate, the scope of exclusions may be different for different participants.

Access rights across projects

In FP5, it was possible (in specific circumstances) for a contractor to request access rights from a contractor in a different project within the same Specific Programme (there was a right to refuse access but with very limited application). In FP6, this provision no longer exists. That does not prevent any contractor from asking for access in any other EC-funded project but there is no automatic "right" to potential access.

6.2 Access rights – Possible objection by the Commission

The Commission has a right to object to the granting of access rights to third parties if this could be detrimental to European competitiveness or inconsistent with ethical principles.

The Commission has a right to object to the granting of access rights to third parties if this could be detrimental to European competitiveness or inconsistent with ethical principles.

Contractors are obliged to notify the Commission where “...*any potential grant of access rights is not in accordance with these interests...*” (See Art. II.35.1.b of the EC contract). The Commission might also become aware of such cases via the regular reporting procedures or via information by other participants.

It should be noted that other participants do not have a formal right to object to an intended granting of access rights. However, any agreement providing for access rights to participants and/or third parties must ensure that potential access rights for the other participants are maintained (see Art. II.35.1.a *in fine* of the EC contract). Accordingly, any breach of this obligation would conflict with the EC contract, and might be brought to the attention of the Commission services by any participant, or invoked directly in legal proceedings between participants.

6.3 Access rights for carrying out the project

Access rights may be requested by any contractor if it needs them for carrying out its own work under the project, until the end of the project (Art. II.35.2.a of the EC contract).

A contractor can request access to another contractor’s pre-existing know-how or knowledge if it needs them for carrying out its own work under the project, as defined in the description of work in Annex I (the “technical annex”) to the EC contract. Such access rights do not extend to all pre-existing know-how of that contractor, but only to that part which is relevant to the project (and, if course, needed for carrying it out).

These access rights may be requested until the end of the project, even from a contractor who left the project before its end (see Art. II.35.2.b of the EC contract). Additional access rights (on more “favourable” terms) may be agreed between the concerned contractors (see Art. II.35.1.a of the EC contract).

Access rights to knowledge for carrying out the project must be granted on a royalty-free basis.

Access rights to pre-existing know-how for carrying out the project must be granted on a royalty-free basis, unless otherwise agreed before the signature of the contract. The particular terms and conditions attached to the granting of such access rights may be negotiated when and as appropriate. However, it is advisable to avoid leaving all terms and conditions totally open so as to avoid unforeseen circumstances arising later. It is highly recommended to cover these aspects in the consortium agreement. They may also be the subject of more specific arrangements between the contractors concerned.

Additional (or more favourable) access rights may be agreed between the participants (Art. II.35.1.a of the EC contract).

6.4 Access rights for use purposes

Access rights for use purposes may be requested by a contractor only if it needs them for using its own knowledge resulting from the project (Art. II.35.3 of the EC contract).

“Use” means utilisation both for exploitation purposes and for further research purposes (see Art. II.1.30 of the EC contract). Utilisation may be either “direct” (e.g. in manufacturing activities) or “indirect” (e.g. by granting licences to third parties¹²). A significant change from FP5 is that under FP6 access rights for use purposes may be requested by a contractor only if it needs them for using its own knowledge resulting from the project (or for carrying out the project). In all other situations, appropriate access rights must be freely negotiated, but do not have to be granted.

Additional access rights (on more "generous" grounds) may be agreed between the concerned contractors (Art. II.35.1.a of the EC contract).

Contractors which remain in the project to its end can request such access rights, and may be requested to grant such access rights, until 2 years after the end of the project, unless the contractors agree on a longer period.

Any contractor leaving a project before its end may request – and may be requested to provide – such access rights until 2 years after the date that their participation in the project ended, unless the contractors agree on a longer period.

During this period access rights may be *requested*. The actual duration of the access rights has to be negotiated the contractors concerned (for instance, it could extend until the expiry of a patent).

6.5 Exclusivity

The owner of knowledge can be considered to enjoy quasi-exclusive rights to it, except for the obligations to provide access.

Exclusivity provisions are not necessary in FP6 since the access rights for use purposes have been restricted compared to FP5.

Under FP5, all contractors in a project enjoyed access rights for use purposes to all knowledge generated within the project. Exclusive access rights could be granted, although under very specific circumstances (cf. Rules of Participation, Art. 14 of the General Conditions of the FP5 Model Contract).

Under FP6, however, a contractor enjoys access rights for use purposes only if it needs such rights for using his own knowledge. Therefore, taking account of this exception, the owner of a piece of knowledge can be considered to enjoy quasi-exclusive rights to it.

The IPR provisions for FP6 allow a contractor to grant a license to a single third party, i.e. to grant a "quasi-exclusive" license. The only restriction is that said contractor must also grant access rights to any other contractor which fulfils the contractual conditions for access (*during a limited period, as stated in Art. II.35.3.b*).

In addition, if contractor X owns knowledge that can be applied in different fields, it might be argued that contractor Y is entitled to claim (obligatory) access rights only in the field of application targeted in the execution of the project and contractor Y's expected use of

¹² In this respect, attention should be paid to Art. II.35.1.e regarding sublicensing (see also section 6.6 below).

knowledge in that field (under the assumption that no access rights will ever be needed outside that field). According to this interpretation, the granting of access rights in a different field of application might be refused by X, and X would then be entitled to grant exclusive licences to that knowledge for use in a different field of application to a third party. However, this should be considered on a case-by-case basis.

6.6 Sublicensing

In principle, the granting of access rights does not include the right to sublicense, except otherwise agreed with the owner of the knowledge or pre-existing know-how at issue.

In principle, the grant of access rights does not include the right to sublicense, except otherwise agreed. The terms and conditions of sublicensing that is included with the access rights must be agreed separately with the owner of the knowledge or pre-existing know-how (Art. II.35.1.e of the EC contract). This is to reduce legal uncertainty as much as possible for the contractors. Indeed, if sublicensing was freely allowed, this would imply that access rights to the pre-existing know-how and knowledge of contractor X could be extended, without its consent, to virtually any company in the world, including X's competitors.

Access rights do not extend to affiliates or parent companies of FP6 contractors who are third parties to the EC contract. Such rights (either direct access rights or indirectly through a sublicense) have to be explicitly granted by the concerned contractor (owner of the knowledge or of the pre-existing know-how at stake).

Nevertheless, as mentioned in Art. 25.4 RoP and Art. II.35.1.e of the EC contract, participants are free to grant permission to sublicense. For example, this can be specified in a consortium agreement. Indeed, specific conditions can be established, such as sublicensing rights for the knowledge (or part of it) but not for the pre-existing know-how, or sublicensing rights for affiliates of (some of) the contractors but not for other third parties.

In addition, a special clause allowing sublicensing for software-related inventions is available for inclusion in the EC contract if this is requested by the participants and agreed by the Commission (special clause nr. 20¹³).

Similarly, there may be other cases in which a sublicense (to the knowledge or pre-existing know-how of another participant) is necessary for a participant. For example, a university may need the right to sublicense to third parties, to make it possible to derive value from its own knowledge. In large industrial groups, on the other hand, it is quite common that research is conducted by some affiliate(s) and exploitation by others. Access rights enjoyed by the "research affiliate" but not by the exploitation affiliate would pose problems for them. Therefore, in circumstances such as these, sublicensing arrangements would appear appropriate and should not be unduly refused.

Furthermore, sublicensing is only an issue if access rights granted by other contractors (to their knowledge or pre-existing know-how) are concerned. There are no rules preventing a contractor to grant access rights to its own knowledge or pre-existing know-how to any affiliate companies, except for those identified in Art. II.35.1.b of Annex II to the EC contract, as mentioned in section 6.2 above. As obligatory access rights are much narrower in FP6 than in FP5, this means that the sublicensing prohibition only applies in very narrowly defined situations.

¹³ see http://ec.europa.eu/comm/research/fp6/model-contract/pdf/spcl_en.pdf

6.7 SME-specific actions

In co-operative and collective research actions, knowledge is jointly owned by the SMEs or enterprise groupings (Art. 21.4 RoP and Art. III.5 of Annex III to the EC contract for SME-specific actions). Here also, joint owners should agree among themselves on the allocation and the terms of exercising the ownership of the knowledge within the consortium agreement or through specific separate arrangements, and may for example decide that one single SME will be the official owner of some knowledge, with the others sharing in its costs and benefits. (See Section 4.1 which relates to joint ownership.)

- In co-operative research actions, this means that a given piece of knowledge will only be the joint property of those SME contractors which were in the consortium at the time the piece of knowledge was generated. For instance, if an SME leaves the project before its end, any knowledge generated after its departure will only be the joint ownership of the remaining SMEs.
- The same comments apply mutadis mutandis to collective research actions (while noting that the knowledge is owned only by the enterprise grouping(s), not by any individual SMEs which may possibly participate in the same action).

In addition, specific arrangements may be agreed upon before signature of the contract, e.g. with a view to provide RTD performers (the main researchers/technological developers) with some rights, for example access rights to conduct further research (since RTD performers do not enjoy access rights for use purposes since they do not own any knowledge). Access rights may also be granted to RTD performers on a case-by-case basis during the project. In collective research projects the owners are the enterprise groupings (not the RTD Performers or the SMEs) and in cooperative research projects the owners are the SMEs (not the RTD Performers or the end or other users).

In collective and cooperative research projects, Art. II.35.2 of the EC contract is replaced by “*RTD performers shall grant access rights to the other contractors to pre-existing know-how necessary for the execution of the project, on a royalty-free basis*” (Art. III.7 of Annex III to the EC contract). Therefore, any agreement between the contractors (even if signed before signature of the EC contract) whereby such access to pre-existing know-how is NOT royalty-free is contrary to the terms of the Model Contract.

6.8 Use of third party resources

Where contractors use resources made available from third parties, particular provisions apply. In these cases an agreement must exist between the contractor and third party prior to its contribution to the project, and any resources made available to a contractor by a third party for use in the project must be identified in the Annex I.

These third parties are not the owners of the results generated under the project. The owners of the results are the contractor(s) to whom the resources have been made available. Nevertheless specific arrangements amongst themselves on IPR issues, in particular access rights, could already exist and shall be respected insofar as they are in conformity with the provisions of the EC contract and do not hamper the performance of the project.

Furthermore, before the start of the project the contractor should inform the other contractors about these arrangements which could affect them. This would be the case, for example, when a prior agreement to grant exclusive access rights to these third parties already exists and thus the contractor who receives the resources is not free to grant access rights to another than this third party.

6.9 Special situation – "Joint research units" (JRUs)

A JRU is a structure having no legal personality, set up by two or more distinct research organisations, e.g. in order to run a joint laboratory. A typical example is the French "Unité Mixte de Recherche" structure. Since JRUs have no legal personality they cannot participate as such in FP6 projects. Either one of their individual "members" can participate in a FP6 project as a contractor or all the members can participate as contractors

If one of the members is a contractor in a FP6 project, it is the owner of the results it generates. This may lead to problems if the internal arrangements governing the JRU state that any result generated within the JRU will be co-owned by all "members" of the JRU. In that case, care must be taken by the JRU member which is a contractor as it will have to fulfil the contractual obligations, especially regarding the granting of access rights to other contractors (see Art. 21.6 RoP).

In addition, the other contractors should be informed as soon as possible of the fact that one participant is a member of a JRU (in accordance with Art. 28.2 RoP and Art. II.36 of the EC contract). However, in most cases where only one of the members of a JRU participates in the FP project as a contractor, a special clause is introduced to the contract indicating the other members of the JRU and the work that they will contribute to the project is identified in the technical annex to the EC contract (Annex I) (see special clause n° 23, Option A).

6.10 Special situation – The common legal structure

Where the contract is signed by a legal entity set up for the purpose of carrying out the project – a "common legal structure" (CLS), as defined in Art. 5.4 RoP –, the IPR provisions apply to this CLS and not to the individual participants which are its members. The CLS will therefore be the owner of the results, and the provisions relating to access rights do not apply to the members of the CLS but to the CLS itself. A special clause in the EC contract, similar to that used for JRUs, is available for such entities (see special clause n° 23, Option B).

However, transferring the ownership of knowledge from the CLS to one its "members" is not prohibited, subject to the obligation that access rights should remain available for the CLS itself, as it is a (the only) participant.

As a consequence, it is strongly recommended that the members of a CLS that is a contractor in an EC-funded project agree on specific arrangements, relating in particular to ownership and access rights issues.

7 ELIGIBILITY OF IPR COSTS

IPR protection activities may be considered as being part of the "innovation activities" referred to in the table included in Art. II.25 of the EC contract. According to this table, costs associated with "innovation activities" can be funded at the same rate as research activities in *Networks of Excellence, Integrated projects, Specific targeted research projects, collective and co-operative research actions* (for SMEs), and *Integrated research infrastructures*. This funding rate relates to "operational" innovation-related activities (such as filing a patent application), and the other criteria relating to eligibility of costs evidently apply.

IPR protection costs include for instance the costs associated with the drafting, filing, prosecution, granting and maintenance of patent (or other IPR) applications relating to knowledge resulting from the project (provided that these costs are incurred before the end of the project).

It is evident that costs associated with patents (or other IPRs) relating to results obtained outside of the project would not be eligible for Community funding.

Tasks relating to the **management** of innovation-related activities can be considered as being included in the global management activities of the consortium and will accordingly be funded at 100%, subject to the ceiling for management costs (see Art. II.2.4 of the EC contract, and the above-mentioned table). Such activities could for instance include coordination meetings in which “knowledge managers” from all (or some) consortium members would take part in order to discuss about a global strategy for the management of IPR within the project.

Regarding licensing royalties, the following principles may be used as guidelines, although exceptions are possible on a case-by-case basis :

– *Royalties to be paid to third parties* (i.e. not to participants) :

In principle, such royalty fees (and by extension any down payments, etc.) can be considered as being eligible if the other applicable conditions are met (necessary for the implementation of the project, etc. – see Art. II.19.1). On this basis, however, the eligibility might be limited in specific cases, for instance regarding royalty fees with respect to an exclusive licence, unless it is demonstrated that the exclusivity (and the higher royalty fees which are likely to be associated with it) is absolutely necessary for the implementation of the project. Regarding licensing agreements in force before the start of the project, as a rule only a fraction of the corresponding licence fees should be considered eligible, as the licence was probably taken for reasons other than participation in FP7.

– *Royalties to be paid for access rights granted by other participants* :

As a rule, such royalty fees are in principle eligible if they relate to access rights granted before the start of the project (and if the other eligibility criteria are met), subject to the last sentence of the previous paragraph (partial eligibility) and to the comments above relating to exclusivity. For access rights granted after the start of the project, eligibility will be assessed on a case-by-case basis.

As far as *Specific support actions* and *Co-ordination actions* are concerned, RTD and innovation-related activities are not included in these actions. This is a consequence of the fact that such actions (“SSAs” and “CAs”) are not expected to include any actual R&D activities. However, reimbursement of IPR costs is nevertheless possible (at up to 100 %) for eligible costs associated to "other activities", including for instance the legal protection of software resulting from such actions.

8 CONSORTIUM AGREEMENTS

It is mandatory for participants to enter into a specific consortium agreement setting out its internal management guidelines, unless this has been specifically exempted by the call for proposals (NoEs, IPs and SME-specific actions always require a consortium agreement). The agreement should have been signed by the entry into force of the contract.

In view of the larger flexibility FP6 participants have in carrying out their projects, and the fact that the EC contract sets out the basic legal requirements but not all details, it is mandatory for them to enter into a specific consortium agreement, unless this has been specifically exempted by the call for proposals. Even where the consortium agreement is not obligatory, it is strongly recommended.

A consortium agreement sets out the internal management guidelines for the consortium and can, for example, provide arrangements regarding the granting of specific access rights in addition to those provided for in the standard IPR provisions (Art. II.35.1.a of the EC contract)¹⁴. Although the FP6 IPR provisions were intended to make it possible to execute a project without defining additional IPR provisions, additional provisions may be helpful, and certain aspects must be decided prior to the conclusion of the EC contract if the contractors wish to avail themselves of those possibilities.

Consortium agreements can not conflict with the provisions of the EC contract.

Consortium agreements should preferably be prepared as soon as possible and, where they are obligatory, be signed before signature of the contract with the Commission. However, it should be noted that some decisions must be made before the signature of the contract by the Commission if contractors wish to use them – in particular with respect to IPR issues, such as the exclusion of specific pre-existing know-how or the conditions for providing access in some cases.

There is a special clause that may be used in the EC contract, which requires that the consortium agreement be concluded prior to the start of the project. This special clause can be used to reinforce the need for an agreement and/or where the Commission or the contractors do not want the project to start without having a consortium agreement in place, as it is considered essential for the implementation of the project.

Nothing prevents the contractors from preparing several consortium agreements each governing a different aspect of the project (some before the signature of the contract and some possibly after), or from amending their initial consortium agreement according to their needs and during the life of the project. They may also consider preparing bilateral or other arrangements involving smaller groups of contractors. [More specific issues which are not deemed essential at the start of the project can be negotiated later, with the advantage that the corresponding \(negotiation\) costs may then be considered as being eligible.](#)

The Commission's proposed Checklist for a Consortium Agreement is available on its Model Contract website¹⁵. Additional information relating to consortium agreements is available, notably from the IPR-Helpdesk¹⁶.

Since the consortium agreement involves only the members of the consortium (the contractors in the EC contract) the Commission is not a party to it and does not check its contents. There is a special exception to this rule for the SME specific actions, which require that the consortium agreements relating to those projects be submitted to the Commission for review ([to ensure that the RTD performers will receive from the consortium the 100% of their eligible costs incurred for RTD and innovation related activities](#)).

The EC contract will always prevail in case of conflicts with the consortium agreement, where this has an impact on the execution of the project or on any of the rights or obligations between contractors and Community.

¹⁴ The “*Guide to Financial Issues relating to Indirect Actions of the Sixth Framework Programme*” has in-depth financial advice which may provide useful advice to those intending to set up a consortium agreement – see http://ec.europa.eu/research/fp6/model-contract/pdf/fp6-guide-financial-issues-feb05_en.pdf

¹⁵ See Document Reference MS/AS 2002/09 revised 31/03/2003 for more information (http://ec.europa.eu/comm/research/fp6/working-groups/model-contract/pdf/checklist_en.pdf).

¹⁶ <http://www.ipr-helpdesk.org>

Relations with other agreements

It may of course happen that **pre-existing agreements** contain provisions regarding the granting of access rights. As stated in Art. II.36, if such pre-existing agreements contain conflicting provisions, they should be brought to the attention of the other contractors (and the Commission) as soon as possible, ideally before the signature of the EC contract. They should be analysed in detail by the other (future) contractors, to make sure they will not interfere with the proper execution of the project, nor with the exploitation of its results. In serious cases, this analysis may lead to changes in the composition of the (future) consortium.

Regarding **future agreements** – to be signed with third parties *after* the signature of the EC contract – it is clear that the latter takes precedence, and that no conflicting agreements may be signed subsequently. E.g., no exclusive licence relating to *knowledge* may be granted to a third party as long as access rights can be requested by other contractors, as they might then be deprived from the possibility to request access rights.

9 INNOVATION-RELATED ACTIVITIES

The IPR provisions are just one part of a broader set of measures aimed at promoting the actual exploitation of projects' results. Other examples of such measures include the so-called “innovation-related activities”.

While other documents describe them in more detail, here are some examples of innovation-related activities (excerpt from the “Contract preparation forms (CPF) and explanatory notes for Integrated Projects”¹⁷):

- intellectual property protection: protection of the knowledge resulting from the project (including patent searches, filing of patent (or other IPR) applications, etc);
- dissemination activities beyond the consortium: publications, conferences, workshops and Web-based activities aiming at disseminating the knowledge and technology produced;
- studies on socio-economic aspects: assessment of the expected socio-economic impact of the knowledge and technology generated, as well as analysis of the factors that would influence their exploitation (e.g. standardisation, ethical and regulatory aspects, etc.);
- activities promoting the exploitation of the results: development of the plan for the use and dissemination of the knowledge produced, feasibility studies for the creation of spin-offs, etc, take-up activities to promote the early or broad application of state-of-the-art technologies. “Take-up” activities include the assessment, trial and validation of promising, but not fully established technologies and solutions, and easier access to and the transfer of best practices for the early use and exploitation of technologies. In particular, they will be expected to target SMEs.

These issues should be considered when preparing the proposal, since the Rules of Participation state that one of the evaluation criteria relates to the “quality of the plan for using and disseminating the knowledge, potential for promoting innovation, and clear plans for the management of intellectual property”.

¹⁷ See ftp://ftp.cordis.europa.eu/pub/documents_r5/natdir0000037/s_4991005_20051007_142617_2060en.pdf for further details.

Participants may wish to perform a patent search in order to ascertain the “current state of the art” before submitting a proposal as the state of the art is a key criterion during the evaluation process.

Under the Fifth Framework Programme, there was a requirement to demonstrate the innovative nature of the proposals submitted. The same is true under FP6 where “progress beyond the current state of the art” will be taken into account when evaluating a proposal. One way of identifying the state of the art is to conduct a literature search to identify the work already done in the field. This is clearly in the interest of the participants and the Commission to avoid duplication of research efforts and potential waste of both public (Community) and private (participants’) funds.

In this context, contractors in any EC-funded research project aimed at producing actual research results might consider performing a patent database search to assess the state of the art. A variety of such databases are available, including the free Esp@cenet database maintained by the European Patent Office¹⁸. It is also possible to have such searches performed by experienced searchers at National Patent Offices, at other institutions such as libraries, or by private operators.

Patent searches (as opposed to literature searches) also make it possible to identify third parties' patents which are in force (as well as patent applications which are pending) and which may possibly prevent or limit the exploitation of the intended results of the project.

The costs of such a patent search are not usually very high (of the order of €1000). In addition, such costs might be shared amongst the different participants of a given project, leading to a modest amount for each. However, costs incurred before the start date of the project are not eligible and are not eligible for reimbursement. Nevertheless, if additional searches of this kind are carried out (and are necessary) during the project, they may be considered eligible, depending on their necessity for carrying out the project.

Taking third parties' rights into account

When a contractor is considering exploiting its knowledge, an infringement clearance search should be considered as a means of reducing the risks of being sued by a third party.

Where a contractor considers exploiting a given technique for commercial or industrial purposes, care should be taken not to infringe existing third parties' rights.

In particular, in such cases, it is recommended to conduct or have conducted an "infringement clearance search" (also known as a “freedom of use” search or assessment) so as to identify all potentially relevant patents and patent applications. This assessment should be carried out for all countries in which the manufacturing, commercialisation, exportation or use is considered. Such assessments require specific skills and resources, including access to suitable databases and may be relatively expensive (> €2000) but are key in reducing potential problems and risks that could arise later (such as counterfeit). Similar consideration should be given to existing copyright or any other possible exclusive rights (for instance, if the picture of a building is to be included in a brochure or on a website, the agreement of the photographer and/or of the architect(s) may be required).

For more information see http://www.wipo.int/sme/en/documents/wipo_magazine/9_2005.pdf.

¹⁸ <http://ep.espacenet.com>

11 PROJECT NAMES, ACRONYMS AND LOGOS

Participants should refrain from choosing and using a project name/acronym/logo which is identical or close to a trademark registered by a third party in the same area. This may not be extremely important for most projects (of limited scope or duration), but it may also happen that the name/acronym of a given project becomes extremely famous. This could represent a problem if the participants have to change to a different name/acronym/logo for trademark reasons. Comprehensive trademark searches can be done by trademark agents or by certain National Patent / Trademark Offices (who often have cost-free online search engines). For a quick and cost-free search we recommend that the OHIM's search tool be used¹⁹.

Problems may also appear if one of the contractors, or an employee, protects the project name/acronym on his/her own behalf, and does not allow the other participants to use it in their commercial activities during or (especially) after the end of the project. Such behaviour is clearly based on bad faith. Evidently, the same problem may obviously arise if the project name/acronym/logo is protected by a third party not being a contractor of the project (including a subcontractor).

If at some stage of the project the participants suspect that the name/acronym of their project may acquire substantial commercial value, they should consider the possibility of registering it as a trademark for the relevant products/services. In such a case, they should also agree on clear rules regarding the use of this trademark by the participants other than the owner(s) of the trademark, including after the end of the project.

Insofar as **logos** are concerned, a few specific rules should be observed in addition to the recommendations mentioned above. The EU emblem may be used only with the prior agreement of the Commission (Art. II.12.1). As the European emblem is protected under Art. 6ter of the Paris Convention, a contractor is formally prohibited to register the European emblem, or any sign identical or similar to the European emblem, as a trademark. Similarly, contractors should undertake to use the European emblem in its entire and original form, and always separately from their own logo or trademark. Once the contractual relationship between a contractor and the European Commission has expired, the contractor should cease to use the European emblem, and withdraw its representation from any (new) documentation. See also Art. II.12.1 of the EC contract, and Annex II to this document (below).

To some extent, the above recommendations also apply to the names of products, processes, services, software, etc. resulting from a project, although the corresponding decisions and possible actions (such as filing a trademark registration application or registering a domain name) will usually concern a single participant and not the whole consortium.

12 SURVIVING THE (END OF THE) EC CONTRACT

Certain provisions of the EC contract extend beyond the end of the project. Other provisions have a limited duration (e.g. access rights) and agreements between contractors may be needed to manage the post-contract phase.

Even after the end of the contract, a number of IPR issues need to be considered (see the last paragraph of Art. 4 of the EC contract²⁰). For example, some provisions of the EC contract

¹⁹ available at <http://oami.eu.int>

²⁰ "The provisions set out in Articles ... and Part C of Annex II shall continue to apply after the *final implementation date* as well as any provisions in Annex III which specifically state that they shall continue to apply after the *final implementation date*."

continue to apply after the end of the project (e.g. access rights for use purpose – Art. II.35.3.b – as well as confidentiality obligations), as might some provisions of the consortium agreement.

However, even these provisions usually have a limited duration, expiration of which may lead to potential problems. For instance, if access rights for use purposes have been granted, a problem might occur when they lapse, since failure to renew or to extend them could bring some exploitation activities to a halt. Therefore, contractors are encouraged to consider in due time if they need to agree on specific provisions for ensuring a smooth transition to the "post-contract" phase, especially as far as the management of knowledge and intellectual property is concerned.

This is particularly relevant for Networks of Excellence (NoE), since some of the joint activities are expected to result in lasting integration of the participants' activities i.e. well beyond the expiry of the EC contract. Therefore, participants in NoEs are strongly encouraged to agree, in due time, on provisions which would enable them to properly manage their intellectual property "post-contract". They should consider not only those provisions of the EC contract which remain in force after the end of the project but they should also define particular rules in their consortium agreement (or provide for a longer period as foreseen in Art. II.35.1.a of the EC contract) so as to clarify the ownership of **and access rights to** subsequent new inventions.

Regarding the name or acronym of the project, the problems mentioned in the previous Section can even lead to more serious difficulties in the case of projects/networks/etc. which are expected to remain in existence after the expiration of the Commission contract and funding. For instance in the case of Networks of Excellence, or of any other network which is expected to become self-supporting after the end of the contractual period, it is important that the contractors make whatever arrangements are necessary to ensure that all of them will be able to continue using the project name, logo or acronym after the expiration of the contract with the Commission.

13 ADVANCED IPR STRATEGIES

Where appropriate, the contractors (or some of them) may consider specific strategies for managing and exploiting their knowledge and intellectual property, for instance by setting up:

- one or more "**patent pools**" (groups of patents or other IPRs relating to a given technology) which could be freely used or cross-licensed among themselves or jointly licensed to third parties; or
- a **new legal entity** which would own the intellectual property concerned and exploit it jointly, in order to manage it in a more flexible and effective way (subject to the granting of access rights and fulfilment of other commitments under the EC contract); or
- clustering expertise to minimize technology transfer or product development costs.

Details on these aspects must be provided in the plan for using and disseminating of knowledge which is a required deliverable of the EC contract. This plan is part of the periodic activity report submitted at the end of each reporting period.

Such strategies may also prove helpful in ensuring continuity after the end of the EC contract. **It is clear that they must comply with competition law.**

14 USEFUL RESOURCES

Additional information and assistance with respect to IPR-related issues may be obtained from different sources, including:

- the IPR HELPDISK (<http://www.ipr-helpdesk.org>,

- the EUROPEAN PATENT OFFICE (<http://www.european-patent-office.org>),
- National Patent Offices (<http://www.european-patent-office.org/onlinelinks/a/aa>),
- WIPO (<http://www.wipo.org>) (it should also be noted that WIPO runs a mediation and arbitration facility : see <http://arbiter.wipo.int>).

The Commission is also providing information and assistance regarding the FP6 model contract :

- on the EC model contract webpage (http://ec.europa.eu/research/fp6/index_en.cfm?p=0_model), which also contains ...
- ... a checklist for consortium agreements (http://ec.europa.eu/comm/research/fp6/model-contract/pdf/checklist_en.pdf) ;
- and via the Research DG legal helpline (A03-questions-juridiques@ec.europa.eu)

Moreover, innovation-related information is available :

- in the “FP6 innovation guidelines” (ftp://ftp.cordis.lu/pub/fp6/docs/innovation_guidelines_fp6.pdf),
- from the INNOVATION RELAY CENTRES (<http://irc.cordis.lu>),
- from the GATE2GROWTH project (<http://www.gate2growth.com>);
- from the CORDIS MARKETPLACE service (<http://cordis.europa.eu/marketplace>).

ANNEX I – GLOSSARY

(See also the definitions in Article II.1 of Annex II to the Model Contract and in Article 2 of the Rules of Participation, all of which take precedence over this glossary)

| | |
|---------------------------|---|
| “Participant” | A participant is a legal entity (legal person or individual) that participates in an FP6 project (and the JRC). They are referred to as “contractors” in the EC contract and in that context. Contributions from third parties such as subcontractors do not constitute participation. |
| “Legal person” | This is an entity that has legal personality and can include universities, companies, etc but not departments (or faculties, etc) thereof (unless they have separate legal personality themselves). Such organisations must be created or registered under national, European or international law. |
| “Rules of Participation ” | The Rules of Participation and for dissemination in the Framework Programme - Regulation 2321/2002 of the European Parliament and of the Council. |
| “Contractor” | Also known as a participant – see above. |
| “Direct action” | An FP6 Research & Technological Development (RTD) project undertaken by the Joint Research Centre (only). |
| “Indirect action” | An FP6 RTD project undertaken by one or more participants. |
| “Consortium” | The consortium is composed of the contractors identified in the EC contract (not the Commission) taking part in the same indirect FP6 action. |
| “Consortium agreement” | An agreement that the contractors conclude amongst themselves for the implementation of the contract. Such an agreement shall not affect the contractors’ obligations to the Community and/or to one another arising from the contract. The agreement delineates the internal mechanisms of the consortium for the implementation of the project, which takes into account the requirements of the Rules of Participation and EC contract and any other provisions which are agreed between participants. |
| “Knowledge” | Any results generated by the work carried out under the FP6 project (and by extension the corresponding IPR). |
| “Pre-existing know-how” | Information held by the contractors independently of the FP6 project – this includes both “background” and “side-ground”. |
| “Background” | Information and IPR held by the participants before the EC contract is signed. |
| “Side-ground” | Information and IPR acquired by participants during the life of the EC contract but independently thereof, i.e. acquired in parallel to the project. |
| “Access Rights” | Licenses and other user rights to knowledge or pre-existing know-how |
| “Use” | Direct or indirect utilisation of knowledge acquired as a result of the work carried out under the FP6 project for the purposes of further research, product/service development or marketing. Direct utilisation relates to the actual exploitation in industrial or commercial activities (manufacturing, etc.), whereas indirect utilisation relates to exploitation performed by third |

parties, e.g. under a licensing agreement.

“Associated States”

A country which is party to an international agreement (Association Agreement) with the Community regarding participation in FP6

ANNEX II – USE OF THE EUROPEAN UNION EMBLEM

According to the current practice, the European emblem may be used only if there is no likelihood of the user of the emblem being confused with the European Community or the Council of Europe; and if the emblem is not used in connection with objectives or activities which are incompatible with the aims and principles of the European Community or of the Council of Europe.

Permission to use the European emblem does not confer on those to whom it is granted any right of exclusive use, nor does it allow them to appropriate the emblem or any similar trademark or logo, either by registration or any other means.

Each case will be examined individually to ascertain whether it satisfies the criteria set out above. This will be unlikely in a commercial context if the European emblem is used in conjunction with a company's own logo, name or trade mark.

To check whether a specific project is in line with the above criteria, please contact:

The Services of the Commission (Secretariat-General)
Directorate "Coordination I"
1049 Bruxelles
Tel.: (+32 2) 29 531 69 - 29 626 26
Fax: (+32 2) 29 588 69)

Furthermore, no sign resembling the European emblem may be registered as a trademark. This is also a consequence of the protection granted by Art. 6ter²¹ of the "Paris Convention for the Protection of Industrial Property" to the emblems and flags of international organisations:

(1) (a) The countries ... agree to refuse or to invalidate the registration, and to prohibit by appropriate measures the use, without authorisation by the competent authorities, either as trademarks or as elements of trademarks, of armorial bearings, flags, and other State emblems, of the countries ..., and any imitation from a heraldic point of view.

(1) (b) The provisions of subparagraph (a), above, shall apply equally to armorial bearings, flags, other emblems, abbreviations, and names, of international intergovernmental organisations ...

For more information: http://europa.eu/abc/symbols/emblem/graphics2_en.htm#parties.

²¹ See http://www.wipo.int/treaties/en/ip/paris/trtdocs_wo020.html for the full text of the Paris Convention.