CASE STUDY

UNIVERSITY OF CINCINNATI

INNOVATION AND ECONOMIC PROSPERITY UNIVERSITIES AWARDS PROGRAM

IEP CATEGORY – CONNECTION

University of Cincinnati: Ohio IP Promise
ABOUT OHIO IP PROMISE

The University of Cincinnati is committed to improving its practices and resources around driving innovation and prosperity and the creation and maintenance of an ecosystem that will drive and support commercialization. The Office of Innovation has been charged with leading this work. The Office is committed to streamlining the university’s processes related to intellectual property by driving transparency, reducing friction, and increasing speed to support the commercialization of innovation.

This has led to the development of intellectual property practices that have become the state-wide standard for Ohio’s public universities and to the creation of the UC Venture Lab, and both, in turn, have led to dramatic results on the licensing and commercialization fronts at the university.

In 2018 the Office of Technology Commercialization, located within the Office of Innovation changed the university’s approach to intellectual property to make commercializing innovations easier and more beneficial for faculty, industry, and the university itself. Catching the attention of Ohio’s highest-level elected officials, Lt. Gov. Jon Husted announced in September of 2019 the launch of the “Ohio IP Promise”. Husted lauded UC’s innovative thinking around ease for talent in the area of IP as “the blueprint” for the statewide program. Now nationally recognized, Ohio’s frictionless IP process is seen as a best-in-class for cultivating the licensing and commercialization of intellectual property developed by the state’s public universities.

How Ohio IP Promise set new standards

Commenting on the university’s practices that led to the IP Promise Ed Sawicki, formerly the Associate Director for Global Business Development at P&G, and now the CEO of a startup, Cinthesis, had this to say:

“I saw first-hand the shift that came as UC implemented their new policies; in my previous role, I negotiated with a number of different universities, and the
changes that UC implemented really reduced friction in commercializing technology out of the university, which enabled me to launch Cinthesis. UC became the role model of how to set up partnerships and promote commercialization.”

Many schools possess the ownership rights to research and inventions with no plans to bring it to the marketplace. In order to correct this problem, the Ohio IP Promise establishes a uniform set of guiding principles so researchers know exactly how they can take charge of their work and make it available to the public, if that is their desire.

The Ohio IP Promise also assures that universities provide the following resources:

- A step-by-step process for how would-be entrepreneurs can go through the commercialization process with their research or invention.
- Standard Option and License Agreement templates so faculty and student innovators know the terms of their commercialization before even starting to engage in the process.

The university’s principles for commercialization now embodied in the Ohio IP Promise, include these expressed standards for practice:

1. **Industry Research Tiers:** for industry looking to collaborate on sponsored research, we have developed these potential IP terms:
   a. Tier 1: Non-Exclusive Royalty Free License (NERF)
   b. Tier 2: Exclusive License with Pre-Set Royalty
   c. Tier 3: Ownership Assigned to Sponsor

2. **Express License/Option:** for faculty and entrepreneurs looking to collaborate on a start-up based on UC-owned IP, we have developed these terms and agreements for recent graduates of our Venture Lab.
   a. Express Option Agreement: first right of refusal to align UC’s interests with the start-up team and fix licensing terms for when the start-up is ready to launch.
   b. Express License Agreement: terms that the university is prepared to sign for any technology having graduated from the Venture Lab.

All three of the later items provide assured costs and clarity on the front end – the terms are known upfront. The connection to the university’s Venture Lab of the
Express License/Option and Express License Agreement adds a unique dimension that enhances the opportunity for commercial success, in turn encouraging participation.

The Venture Lab

The Venture Lab provides both a startup pre-accelerator and an accelerator program. The Lab runs a two-stage accelerator to build momentum around a promising early-stage business concept. The first stage, the pre-accelerator, is a seven-week program that works to (a) help the innovator/entrepreneur decide if they are genuinely motivated to work hard to grow their business and to (b) connect the Entrepreneur-In-Residence (EIR) network to these ideas to enhance the team. The second stage is the Venture Lab Accelerator where teams connect to non-dilutive capital to continue to build their business.

Once open to the university’s Bearcat Family only (UC faculty, staff, students, and alumni), the Venture Lab is now open to all of the above from UC and its partner institutions: Cincinnati State University, the University of Dayton, Wright State University and Xavier University.

As mentioned earlier, this has all led to dramatic results on the licensing and commercialization fronts at the university.

What came of Ohio IP Promise

Upon implementing the elements that would become the Ohio IP Promise in late 2018, the university generated a record 400% increase in startups spun out of UC intellectual property in 2019 and a 1,000% increase in 2020

Additionally:

- 573 invention disclosures (FY 2018-FY2021) – an annual increase of 156%
- 82 licenses & options (FY 2018-FY2021)
- 200+ teams have graduated from the Venture Lab pre-accelerator (Fall 2018-March 2022)
- alumni participation has brought teams from as far as California in the U.S. and India internationally.
- 70+ startups (Fall 2018-March 2022)
  - 55 with IP
  - 15 revenue-generating already
- UC Startups have raised $42 million in external grants and investment (FY 2018-FY2021)

And in 2020 the Office of Technology Transfer gained the highest global recognition from the National Academy of Inventors and the Intellectual Property Owners Association – a spot on the Top 100 Universities Worldwide granted U.S. utility patents. This is not only a testament to the innovators and entrepreneurs, but also the outcome of a frictionless IP process - the equivalent of the inventor’s “easy button”.
ABOUT APLU

The Association of Public and Land-grant Universities (APLU) is North America’s oldest higher education association. APLU is a research, policy, and advocacy organization dedicated to strengthening and advancing the work of public universities in the U.S., Canada, and Mexico. The association's membership consists of public research universities, land-grant institutions, state university systems, and affiliated organizations.

APLU's mission is to: expand access and improve student success to deliver the innovative workforce of tomorrow; advance and promote research and discovery to improve society, foster economic growth, and address global challenges; and build healthy, prosperous, equitable, and vibrant communities locally and globally.

Based in Washington, DC, the association's work is furthered by an active and effective advocacy arm that works with Congress and the administration as well as the media to advance federal policies that strengthen public universities and benefit the students they serve.

ABOUT THE IEP UNIVERSITIES PROGRAM

APLU and its Commission on Economic and Community Engagement (CECE) established the Innovation and Economic Prosperity (IEP) Universities Program to help higher education institutions codify, elevate, and advance their campus enterprise supporting economic and community development.

The IEP designation program recognizes institutions that have demonstrated a meaningful, ongoing and substantial commitment to economic and community development, growth, and economic opportunity.

The IEP awards program recognize exemplary and innovative projects in university-based economic and community engagement:

- Talent and workforce development
- Innovation, entrepreneurship, and tech-based economic development
- Place development through public service, outreach, and community engagement

Learn more at: www.APLU.org/IEP