



Guadalajara - Mexico, 3 March 2010

**MANAGEMENT OF IPRs IN INTERNATIONAL
ORGANIZATIONS:
the CASE of the INTERNATIONAL CENTRE
for GENETIC ENGINEERING and
BIOTECHNOLOGY (ICGEB)**

International Centre for Genetic Engineering and Biotechnology
A centre of excellence for research and training in genetic engineering and
biotechnology with regard to the needs of developing world

ICGEB in a nutshell...



INTERNATIONAL INSTITUTION owned by Member Countries

CUTTING-EDGE RESEARCH BY SCIENTISTS FROM OVER 50 COUNTRIES - Equal cooperation North-South

SCIENTIFIC EXCELLENCE as a major goal - Research activities supervised by an International Scientific Council including several Nobel laureates

Hands-on **CAPACITY BUILDING** for sharing development - Specific courses held all over the world and long-term training (PhD course + post-doctoral) in the 3 Components

Research focus on **TOPICS OF OUTMOST RELEVANCE FOR DEVELOPING COUNTRIES** (HIV, malaria, tuberculosis, vanguard plant biotechnology and biosafety) - No market-driven research

Scientific services in the field of **BIOSAFETY** promoting safe and sustainable use of biotechnology in agriculture, i.e. environmental release of GMOs

INTELLECTUAL PROPERTY RIGHTS OWNED AND SHARED - Research and technology transfer made available to all Member Countries

Developing knowledge



IPRs: copyright, trade marks and patents



Today's focus: ICGEB patents in the field of agricultural biotechnology

PATENT as:

- Mechanism to encourage innovation
- Social contract: patent in exchange of disclosure
- Balance of interests between society (taxpayers) and patentee
- Monopoly to the inventor

...what is the situation in developing countries?



“Most research institutes in developing countries lack even minimal capacity in IP management. Increasingly however, public research institutes will have to develop their own IP policies and management capacity with a combination of legal, business and technical knowledge consistent with market size and costs.”

D. Byerlee and K. Fischer, *Accessing Modern Science: Policy and Institutional Options for Agricultural biotechnology in Developing Countries*, AKIS Discussion Paper, 2000

In this context ICGEB membership is an asset...

...as the ICGEB serves the interests of Member States:

“...access to intellectual property rights concerning the results emanating from the research work of the Centre shall be granted to members and to developing countries that are not members of the Centre in accordance with applicable international conventions.” *[Policy guidelines on Patents, Licensing, Copyrights and other Rights to Intellectual Property of the ICGEB]*

...with the following objectives:

- 1. Promote the development, production and wide application of biotechnology in the interest of developing countries**
- 2. Promote the transfer of technology and know-how to member countries**
- 3. Overcome difficulties encountered by developing countries in fostering innovation, ownership and in-house application**



...in line with ICGEB statutory mandate...

“...to assist developing countries in strengthening their scientific and technological capabilities in the field of genetic engineering and biotechnology” [Statutes, art.2(a),(d),(c)]

“...to support in particular research development and application for the benefit of developing countries and maintain close contacts with industry” [Idem, art. 3(a),(h),(j)]

“The Centre shall use its patent and other rights and any financial or other benefits associated herewith, to promote the development and application of biotechnology in the interest of developing countries” [Idem, art. 14.5]



FILING A PATENT APPLICATION

1. Preliminary step - 2. Procedure - 3. Notification to MS

1. Evaluation

Group Leaders notify the Director-General of any invention or conception of invention developed by staff members of the Centre or visiting fellows - **Evaluation with the patent attorney**

2. Procedure

- filing of the application at the national level
- 12 months from priority - filing international application through PCT
- 30 months from priority - extension of PCT to national phases (if applicable)

3. Notification of Application to ICGEB Member States

- within 4 months from priority Member States can indicate their specific interest in the Invention
- extension of the Patent in Member States that so require



LIFE OF A PATENT APPLICATION - IP Ownership

- 1. ICGEB staff members and visiting fellows vest in the Centre all rights, including title, Copyright and Patent rights, in any work performed as part of their official duties**
- 2. Results emanating from the research implemented in the framework of the Collaborative Research Programme (CRP) belong to the Affiliated Centre and to the scientists which have carried out the research**
- 3. In case of inventions protected at the expenses of a Member State, the Patent will be co-owned by the ICGEB and by the respective Member State**



LIFE OF A PATENT APPLICATION - Responsible Licensing

- 1. The ICGEB balances the immediate revenue prospects of an exclusive license with the possibility of non-exclusivity in the territories of its Member States.**
- 2. Such license agreement will contain a down payment, payable in instalments (e.g. 40%-40%-20%) and royalties as a percentage (e.G. 2-4%) of the net sales of products sold**
- 3. If no suitable industrial partner is identified within 30 months from the priority date, the Patent is abandoned**



BENEFITS FROM AN ICGEB PATENT - Royalty distribution

- **1/3 to the inventor, with a ceiling of us \$200,000 per year and 5% of any sum in excess to that ceiling**
- **1/3 to the research budget of the group in which the inventor operates, with a ceiling of us \$200,000 per year and 5% of any sum in excess to that ceiling**
- **1/3 to the ICGEB general fund, plus 90% of the sums in excess of the ceilings of us \$200,000 described above**



BENEFITS FROM AN ICGEB PATENT IN AGRICULTURAL BIOTECHNOLOGY - Case study

Indian Patent No. 194336

“A method for preparing scar primers for use in MAS of rice varieties susceptible to attack by gall midge biotypes and a method for screening rice varieties”

- 17.10.2001 Filing/Priority date (1065/DEL/2001)
- 16.10.2002 International extension via PCT (PCT/IN02/00212)
- 04.07.2003 Licensing of the product to an Indian company
- 03.03.2005 Entering national phase - USA (10/493,001)
- 20.01.2006 Indian Patent Granted

Down payment: 100% - upon execution of the agreement

Royalties: no royalties

BENEFITS FROM AN ICGEB PATENT - Case study

Main contractual conditions

EXCLUSIVITY CLAUSE

- Exclusive rights of manufacturing and marketing products based on Patent in India and USA
- Non exclusive rights in all ICGEB Member States (full members at the time of signature)
- Loss of non exclusive rights should a company in an ICGEB Member State request the licensing of the Patent

SUBLICENSING

- The Company has the right to extend the license to its Subsidiaries
⇒ such Subsidiaries shall be bound to same agreement

INTELLECTUAL PROPERTY RIGHTS:

- The industrial partner is responsible for all the costs for the maintenance of the Patent in those countries for which it has exclusive/non exclusive rights



“If biotechnology is to deliver health solutions, developing countries themselves have to be fully involved at every level of the innovation process. If developing countries are active innovators in health biotechnology, there is an increased probability that health solutions will be appropriate to the particular health needs of those countries.”

Nature Biotechnology 22, DC3-DC7 (2004)

ICGEB develops knowledge & capacity through:

- **Extensive training**
- Long term fellowship - **600 awarded**
- Short term training - **9.500 trainees**
- **Research grants - 338 Awards (Euro 13.5 million)**
- **IP Policy - 55 Patents filed**
- **Technology Transfer - 80 Agreements signed**

Thank you for your attention,

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QuickTime™ and a
TIFF (Uncompressed) decompressor
are needed to see this picture.