

Material Transfer Agreements

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Outline of Presentation

- Why an MTA?
- Types of MTAs
- Questions to Ask to Avoid Problems
- Deceptive Definitions
- Troublesome Terms
- Ownership of Intellectual Property
- License of Research Results
- It looks like an MTA...

Material Transfer Agreement

In or out exchange of materials

- Protects rights to tangible biological materials (e.g., mAbs, plasmids, KO mice, etc.)
- Protects rights of academic and corporate researchers (e.g., publication, inventions)
- Limits liability to UMass, researcher
- For academic transfers , brief, 2 pages, very standard terms
- **Companies often seek unfair advantage!**
- MTAs can be a source of revenue
- All transfers should use an MTA!



Types of MTAs

- **Company In**
 - Receiving Material from company
 - Usually working from company agreement
 - Complex negotiations
 - Source of most war stories!
- **Company Out**
 - Providing Material to company
- **Academic In**
 - Receiving Material from academic institution
 - Usually easy, except if from foreign institution
- **Academic Out**
 - Providing Material to academic institution

Questions to Ask Upfront to Avoid Problems Later

- Will Material be used with other supplied (not purchased) Material from another Provider?
- Will money from an industry sponsor support the research in which the Materials will be used—be careful of non-profits too!
- Will Material be used in collaboration with a third party?
- Does use of Material require IRB or IACC approval?

Deceptive Definitions

- **Materials**
 - Define narrowly
 - Don't include know-how or related materials
 - Don't treat as Confidential Information
 - Should not include Derivatives or Modifications!
- **Derivatives, Modifications, Improvements**
 - Watch for ownership rights
- **Intellectual Property**
 - Patentable inventions conceived AND reduced to practice...through the direct use of the Material...during the term

Troublesome Terms

- **Publication Rights**

- Protect freedom to publish!
- PI has the right to publish and publicly disclose results
- Publications should not be subject to Provider's approval
- Provider does not control content
- Can agree to delay publication for defined time to file patent application

- **Confidential Information**

- Watch out for results becoming confidential information of Provider
- Limited confidential treatment of Material—need some disclosure in order to publish



More Troublesome Terms

● Use of Data and Results

- Provider can use data
- BUT, limit use “to the extent such use does not infringe any patents owned by UMass which are not expressly licensed to Provider”
- Limit use of data for internal research purposes
- OK to allow data to be used for regulatory submissions

Still More Troublesome Terms

- **Ownership of modifications, derivatives and improvements, etc.**
- **Do not grant royalty free, exclusive (or non-exclusive), licenses with right to sublicense...**
 - **Watch carefully for giving free licenses!**

Ownership and Control of Intellectual Property

- **If we invent, we own**
 - If we own, we control patenting decision
- **Provider retains rights to underlying Material**
- **Ownership of Modification or Modified Material**
 - Negotiated in good faith...depending on (a) relative contribution of party and (b) applicable laws relating to inventorship (U.S. patent law)

License of Results

- To the extent permitted by law and any conflicting obligations to non-profit sponsors of the research...
- Offer option to negotiate exclusive, *royalty bearing* license
- Limit option term (30 days?)
- Limit negotiation period (90 days?)

It Looks Like an MTA...

- It's sent as an MTA, but it really should be an SRA
 - A company's way to do sponsored research *without the sponsorship*
- It's sent as an MTA, but it really should be a service agreement
- It's sent as an MTA, but it really should be a collaboration agreement
- You're sending as an MTA, but it could be also be a revenue generating agreement

In Summary

- **Definitions and terms require careful attention**
- **Don't accidentally agree to restrict publication rights or give away IP**
- **Ask questions now to avoid problems later**
- **Sometimes it is not an MTA**