**Spin-out commercialisation policies and procedures at DCU**

Current policy and procedures comply with the document **“Technology Transfer & Entrepreneurial Activity’**’ policy approved by the Governing Authority and by Executive in May 2001 and are in line with the revised income distribution formula set out in the **Commercialisation Handbook** dated November 2005. Licensing of intellectual property whether to spinout companies or to industrial companies complies with the **National IP Protocol** as updated January 2016 and DCU’s Intellectual Property Policy approved on 21st February 2017.

DCU policy provides for two types of start-up company. The first is a company based on the use of infrastructure and facilities in the university under licence. Such a company is normally owned 100% by the university with provision for incentives for staff involved. The second type of company is based on intellectual property owned by the university and normally arises from research carried out at DCU and is based on intellectual property and patents funded by the university and or a state agency with an appropriate equity shareholding, typically 15%, for the university, and a royalty bearing licence. The company must be adequately capitalised to achieve its objectives. In accordance with the the provisions of the National IP Protocol IP rights are not assigned to spin-out companies and assignment provisions are provided for in the licence agreement.

The university through the board of Invent reserves the right to make the final decision on the appropriate commercialisation route, whether through a direct licence to a potential industrial partner or through a spinout company. Normally approval is only given to proposals being led by an experienced entrepreneur who is willing to invest and who leads the development of the business case, with the support of Invent.

The application procedure for an IP based/research based spin-out as per the policy document is as follows:

1. Outline proposal to the Director of Invent

* Background, origin, management, shareholding, staffing etc.
* Objectives of company, details of product/process
* Commercial feasibility, financial arrangements, agency support, cash flow, market information etc.
* Outline programme of work
* Interaction with university expertise, facilities
* Obligations towards funding agencies such as Enterprise Ireland

1. Review and Approval in principle by Invent Board
2. Detailed negotiations/discussion/review

(Promoters, Director of Invent, Director of Finance, Invent board)

* Exact scope of project/business plan
* Assessment of feasibility (technical/commercial/market)
* Capitalisation/financial arrangements
* Licensing terms including milestone payments, royalties and customary provisions
* University equity
* University faculty/research centre contribution
* Accommodation
* Memorandum and articles of association/constitution of company
* Conflict of interest
* Compliance with EU State Aid rules

1. Timescales:

After receipt of a written outline proposal: 30 days to a decision in principle.

Detailed negotiations and review with a founding entrepreneur: 90-120 days.