

GUIDE TO COMMERCIAL RESEARCH

FOR UOW STAFF
AND STUDENTS



**PARTNERS
IN RESEARCH**

What does CRU do?

The Commercial Research Unit (CRU) has responsibility for the administration of Commercial Research at UOW. CRU manages:

- > internal approval for UOW researchers to undertake commercial research projects;
- > costing of commercial research projects;
- > negotiation of contract terms and issuing contracts;
- > amendments or extensions to all contracts relating to commercial research;
- > preparation of confidentiality agreements relating to commercial research discussions;
- > responding to industry enquiries relating to commercial research projects;
- > commercial research promotions and events; and
- > tenders.

CRU staff understand the importance of the timely, reliable and transparent provision of commercial research support services. To that end, please view the CRU Customer Service Charter for details on the level of service you can expect from CRU.

How can you tell if a project is commercial research, a grant or donation?

Commercial research projects are managed by the Commercial Research Unit, whereas grants are managed by the Research Services Office and donations are managed by the Office of Community and Partnerships. In addition, the contractual, submission and approval processes for each type of research funding are very different. Therefore, it is important to differentiate between commercial research projects, grants and donations.

Sometimes it may be unclear whether a project is a commercial research project, grant or donation. In such cases, it may be useful to consider the following:

- > contract research is research where the project was developed primarily by the funding agency, or jointly by the funding agency and the investigator(s). Such projects are not usually awarded on a formal competitive process but can be if they are managed via a tender process. In such cases, although the process may be competitive, the funding agency would prescribe the project that applicants would be bidding for. The funding agency would normally expect certain deliverables (e.g. prototype devices, new intellectual property, new designs), milestone achievements and reports in a format that is specific to the particular project (e.g. reports detailing specific testing results);
- > grants for research are usually provided on a competitive basis where the project scope is developed primarily by the investigator(s). The funding agency may expect milestone achievements and reports but would not normally expect other deliverables. In additions, report formats would not be specific to the particular project but would be specific to the particular grant scheme (e.g. ARC Linkage reports); and
- > donations are usually provided to support general areas of research, without any particular projects being developed by the funding agency. In addition, the funding agency would NOT normally expect specific deliverables or impose reporting requirements in return for financial support. Donations are funds that are provided on a relatively untied basis.

What is the difference between a consultancy, licensed consultancy and contract research?

Commercial research includes consultancies, licensed consultancies, and contract research activities that are performed by UOW staff or subcontractors and are approved by UOW.

Consultancies

A Consultancy is any project that involves an external agency buying the skills and expertise (pre-existing know how) of staff and/or use of UOW equipment to work on a specified project, with the approval of UOW to do so. Consultancies involve the application of existing knowledge and do not normally lead to the development of new IP. Income from activities of this nature is not normally included in DEST research income definitions.

Contract Research

Contract Research is research that is conducted at the request of and paid for by companies, agencies, or other organisations external to UOW, with the approval of UOW to do so. Such research is conducted on a contractual basis and may involve ownership, confidentiality and publication restrictions. Contract research involves a greater level of originality than a consultancy and will lead to the development of new IP and generally results in DEST-recognised research outputs.

Licensed Consultancies

A Licensed Consultancy is a consultancy for specific activities that UOW has approved to run under its auspices, such that the same activities can be undertaken for a range of clients over a one year period with minimal administration. Examples of activities in this category include but not limited to: *chemistry mass spectrometry facilities; the drill rig in Geosciences; XRF equipment; training workshops on specific transnational crime prevention issues; provision of scientific reports on functional foods; and concrete testing in Civil and Mining.* The administration is reduced as only one Commercial Research Approval Form and Costing Pro Forma needs to be completed each year (so long as the activities are the same) and a standard non-negotiable contract covers these activities, which can be used with multiple clients.

The steps involved in Commercial Research

1. Read the University's Commercial Research Policy. Note that all staff wishing to undertake commercial research must comply with this policy.
2. Undertake initial negotiations with your client. CRU staff can provide advice during this stage and all negotiations are subject to formal approval by the University.
3. Appropriately cost your project using the Commercial Research Costing Pro Forma (The Engineering faculty should use the Costing Pro Forma for Engineers). Please Note: this form must be sent to CRU with your Commercial Research Approval Form (see step 5). If you require assistance to cost your project, please contact the Commercial Research Officer, , on ext 48983. If you are seeking to have the Faculty Cost Recovery waived, you will need to fill in a Faculty Cost Recovery Waiver form.
4. Check whether your project involves any Commercial Research Risk Indicators (see Appendix 1 of the Commercial Research Policy).
5. Gain approval to undertake the project (using the Commercial Research Approval Form and Commercial Research Costing Pro Forma).
6. Send your Costing Pro Forma and Approval Form to CRU (or call us and we can pick it up).
7. CRU will organise for the contract to be negotiated and executed and will notify you when this occurs. You are then able to commence work. Note that work on a project cannot commence before you have approval and a signed contract is in place. Otherwise you may not be able to undertake the work under the auspices of UOW or be covered by its insurances.

UOW's Financial Services Unit will raise invoices with your client upon receipt of a completed Invoice Request Form, which should be sent attention to Kim Gray, Commercial Analyst.

Why is a formal approval and contract negotiation process required for Commercial Research?

There are several reasons why a formal approval and contract negotiations process is required, these include:

- > ensuring that UOW meets the requirements established by our insurer- otherwise UOW would either have to pay very high premiums or not be able to undertake commercial research because of the risks involved;
- > making sure that UOW is minimally exposed to risks such as being sued, breaching third party IP, and damaging our reputation;
- > ensuring that projects are properly costed and that UOW and the relevant Faculty are adequately compensated to cover costs such as insurance, infrastructure, refurbishments, office space and associated staffing- we don't want our involvement in commercial research to generate a loss;
- > making sure that the Deans and Heads are aware of the projects that their staff are involved in and are able to approve the time that they spend on commercial research as well as being able to check that they have the appropriate skills;
- > ensuring that the industry partner's expectations are managed in terms of exactly what UOW's responsibilities will be- this avoids disputes later down the track because each party did not have a mutual understanding of the project outcomes and deliverables;
- > ensuring that the rights of UOW, our staff and our students are protected. For example, we would generally seek to protect UOW's rights to intellectual property (IP) and our rights to publish project outcomes;
- > ensuring that our Client's rights are protected, such as their confidential information and IP; and
- > to enable UOW's Financial Services Unit to raise an invoice and thereby receive payment from the Client- Financial Services will not ordinarily raise an invoice without a contract being in place.

Submitting Tenders

Sometimes UOW researchers may wish to participate in a tender process for research or consulting activities. If UOW is successful in gaining the tender, this work will be considered commercial research and UOW's Commercial Research Policy and associated process will apply.

The processes involved in submitting a tender are:

1. The UOW researcher completes any documentation provided in the call for tender and notifies CRU that they will be preparing a tender response. If assistance is required, the Commercial Research Unit can provide advice and with prior notice are happy to provide comments on a draft version. CRU has a Commercial Research Tender Template that you can use if you have never prepared a tender before.
2. If the call for tender requires a quote, the Commercial Research Costing Pro Forma should be used to calculate costs. The Engineering Faculty should use the alternative Commercial Research Costing Proforma (Engineering). The Commercial Research Officer, extension 4983, can provide assistance to complete this form.
3. If the call for tender requires compliance to a set of standard conditions (this is common in Commonwealth calls, where the tenderer will be asked to provide a list of "con-compliance" to the Commonwealth's standard contract), a copy of the standard contract should be provided to the Commercial Research Unit (CRU). CRU will then obtain advice from the Legal Services Unit on UOW's ability to comply with the standard contract. In all tender documents, you should include the following statement: "The University of Wollongong retains the right to negotiate the terms of any contracts that may arise as a result of the University being successful in this tender". This could be inserted into a covering letter.
4. The researcher or CRU submits the tender. If an authorised UOW delegate is required to sign the tender documentation, CRU can organise this.
5. If the tender is successful, the researcher must complete a Commercial Research Approval Form and Costing Pro-Forma and follow the normal Commercial Research approval process.

Who's who in CRU ?

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Ms Leisa Ridges Ph: (02) 4221 4817 Email: leisa@uow.edu.au	Commercial Research Manager Commercial research management, negotiation of contracts up to \$150K in value. Costing advice to UOW researchers on complex projects. Management of fast-track process up to \$150K.
Mr Scott Morgan Ph (02) 4221 4983 Email scottmor@uow.edu.au	Commercial Research Officer Costing advice and assistance with preparing Approval Forms for UOW researchers. Administration of fast-track process for <\$50K projects.
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