

MOVING RESEARCH INNOVATION TO RESEARCH COMMERCIALIZATION OF RESEARCH OUTPUTS

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KEY POINTS IN CU COMMERCIALIZATION POLICY

PRODUCTS THAT CAN BE COMMERCIALIZED

- Products that merit the sponsorship of the University for Commercialization Purposes must meet the following conditions:
- Of positive benefits to people
- Tested working prototype
- Profitable
- New or adding value to an existing market brand
- Confirmed safe and not likely to lead to litigation on commercialization
- With mutually signed agreement between the university and other stakeholders of the product, and
- With approval or likely approval by relevant Government Agency

Procedures for Seeking Universities Sponsorship for the Commercialization of Products

1. The inventors/innovators/creator of a research product shall collect and fill an application form from the relevant university unit charged with the responsibility of commercialization
2. He or She shall submit the completed form to the relevant unit with a brief statement showing the following:
 - a. How the idea was generated
 - b. How the idea was screened
 - c. How business analysis was conducted to ascertain the profitability of the product.

Procedures for Commercialization

- d. The prototype as evidence and how it was developed
 - e. How the market for the product was initially tested
 - f. Plans for commercialization
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- 3. Before recommending any product for commercialization to the university, the unit concerned must have consulted relevant experts and agencies to ascertain the veracity of the claims by the inventor/innovator/creator and the fitness of the product for commercialization
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- 4. The product that meets the conditions of commercialization shall be recommended by the relevant unit for approval by the University Management.

Procedures

5. Any product approved by Management for commercialization shall require the guidance of the inventor in setting up the production process.
6. Any inventor/innovator/creator whose product is considered worthy of commercialization should sign a memorandum of understanding (MOU) with the university and this should be guided by the content of this policy document.
7. The MOU is void in the event of force-majeure or death of the product.

RELEVANT UNIT/ DEPARTMENT OF THE UNIVERSITY TO BE INVOLVED IN THE COMMERCIALIZATION PROCESS

The three relevant units identified and to be created for this purpose are:

- 1) Technology Development Unit (TDU)
- 2) Market Research Unit (MRU)
- 3) Investment Unit (IU)

Commercialization Units

TDU (Technology Development Unit)

The functions of the TDU shall include, but not limited to the following:

- Testing the technical feasibility of the product
- Ascertaining the environmental impact of the product.
- Confirming the safety of the product content
- Ascertaining the availability of the engineering components of the parts and prospects of continuity in production.
- Liaising with relevant government/non-government agencies.
- Determining added value/strong edge for competition

Commercialization Unit

MRU (Market Research Unit)

The functions of MRU shall include but not limited to the following:

- Conducting indebt business analysis to ascertain the feasibility, profitability, and other relevant issues about the product.
- Conduct extensive test-marketing in the product to ascertain the existence of customers and the possibility of patronage.
- Maintain a market surveillance and intelligence for the product.
- Play advisory role to the marketing team regarding market developments on the product.
- Any other functions incidental to the unit.

Commercialization Unit

INVESTMENT UNIT (IU)

This shall primarily be the Strategic Business Unit (SBU) of the University or any other unit as the University shall appoint on one hand, and on the other hand, any other investor the university may approve. The funding of the production and related activities shall be done by the Financial Services from a designated account.

The functions of IU shall include but not limited to the following:

- Marketing of the products.
- Any other functions relating to the management of the business and the products.

OTHER APPROPRIATE STRUCTURES FOR PRODUCT COMMERCIALIZATION

Profit Sharing Formula

- For the purpose of sharing profit among the parties, only the net profit indicated by audited account documents shall be shared.
- Before such sharing, 62.5% shall be credited to the financiers, (investors), while the remaining 37.5% shall be shared as follows:

1.	Inventor (personal share)	-26% (9.75%)
2.	Inventor (research share)	-12% (4.5%)
3.	University	-27% (10.125%)
4.	Proprietor	-15% (5.625%)
5.	Departments	-20% (7.5%)

Profit Sharing

B. In the case of an external inventor/innovator/creator (anyone who is neither a staff nor student of Covenant University), the following sharing formula is recommended:

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| 1. External Inventor/Innovator/Creator | -30%
(11.25%) |
| 2. Research share | -20% (7.5%) |
| 3. University | -35% (13.125%) |
| 4. Proprietor | -15% (6.625%) |

Management Committee

- The University Committee for the Centre Research, Innovation and Discovery shall be responsible for sharing the proceeds as given in (A) above.

Guiding Principles

- If the University decides that a particular product is not worth commercialization, such product should be released to the original inventor at no cost.
- If after two (2) years of the submission of a product for commercialization purpose, the university does not conclude negotiation with any investor, the university should release such product to the original inventor without any condition.
- Investor/Associates cannot exclusively at any time produce University licensed product without the written consent of the creator/inventor.

Guiding Principles

- The inventor stands to benefit perpetually from the product, the employment status of the inventor notwithstanding.
- Among multiple inventors/innovators/creators of a single patented invention or copyright: personal shares will be allocated among inventors/innovators/creators, according to a written agreement among them or if there is no agreement in equal shares.
- Research shares of departments will be allocated equally where inventors or creators come from different departments, unless otherwise agreed among all.
- This policy is subject to review every five (5) years.