

OUR GUIDING PRINCIPLES FOR COMMERCIAL COLLABORATION AND LICENSING

Cancer Research UK (CRUK) is the world's largest charitable funder of cancer research. Our Commercial Partnerships team develop and commercialise exciting new discoveries in cancer research.

CRUK's Commercial Partnerships team is the meeting point between academia and industry. Our deep understanding of both perspectives enables us to translate promising research into commercial propositions for the greatest patient benefit and maximum financial return.

We have exclusive rights to more than £450m of world-class cancer research annually. As funders of much of the exciting science happening in the UK and beyond, we offer unique opportunities to commercial partners looking for early involvement in new discoveries. Our focus on cancer means we're highly experienced, knowledgeable and well connected in the field of cancer research and development. We've established major partnerships with research institutions, pharma and biotech companies of all sizes. We have a unique understanding of both the academic and industry perspective and the ability to facilitate productive, mutually beneficial alliances.

In order to realise the full potential of promising discoveries we tailor our services and recommendations to suit the individual needs of each project. This flexible approach to commercialisation enables us to work with a diverse range of commercial and academic organisations.

We anticipate that an understanding of the principles guiding our deal making activities will result in a smoother and more efficient negotiation process.



OUR DRIVERS

Our commercialisation priorities are focused on delivering maximum patient benefit

IP DEVELOPMENT

We seek licensee commitment to the diligent development of licensed IP

FAIR FINANCIALS

We seek financial return to CRUK commensurate with development stage and value proposition

RESERVED RESEARCH RIGHTS

We reserve the right to practice licensed IP and publish research and information

RISK MANAGEMENT

We mitigate our exposure to commercialisation risks associated with the development and sale of licensed IP

EFFECTIVE PARTNERSHIPS

We identify and cultivate productive relationships with companies that share our values

IP DEVELOPMENT

We seek licensee commitment to the diligent development of licensed IP.

Patient benefit is a paramount goal so we need to ensure that innovations arising from CRUK-funded research are continually developed and introduced to market in a timely and efficient manner. To this end, we need our partners to commit to:

- Diligence provisions which address product development in oncology applications and pursuit of marketing approval of such products in major markets, specifically the UK.
- Generation of a development plan (and provision of annual updates) covering significant activities, associated timelines and key decision points.
- A diligence monitoring mechanism focused on constructive two-way dialogue and a commitment to regular face-to-face interactions to review development.
- A right for us to regain rights to a project (including partner's IP to the extent required for onward commercialisation) should our partner no longer be developing it (in exchange for a revenue share reflecting the contributions of the parties).
- Provision for biomarker IP of generic value to patients/projects to be used freely (including by 3rd parties).

FAIR FINANCIALS

We secure financial return to CRUK commensurate with development stage and value proposition.

Revenue generated through licensing of CRUK-funded IP provides valuable support for further investment in research. We aim to fairly balance the early-stage nature of our licensing propositions and the significant industry investment needed to bring new therapeutics, biomarkers and technologies to the market. For each programme, we strive to understand the potential benefit to both industry and patients, negotiate terms that appropriately reflect the value proposition, and in so doing, secure a fair return for CRUK.

Specific payment terms vary commensurately with case-specific factors, but monetary terms of particular importance to us include:

- License issue fee: due upon execution of the agreement;
- Early development milestones;
- Royalty: most commonly based on a percentage of sales.

RESERVED RESEARCH RIGHTS

We reserve rights for our academic partners to perform academic research and publish research results and information.

It's vital that academic research is not unduly restricted as a result of licensing and/or collaborative development arrangements we negotiate with industrial partners. It's also important that our academic investigators benefit from the expertise brought to bear on projects through our commercial partnerships. To this end, we need our partners to commit to:

- A reservation of academic research rights in relation to defined components of collaborative or exclusively licensed IP.
- No automatic reach through to IP arising under reserved academic research rights.

- A process for the review and approval of public disclosures relating to collaboration and/or licensed IP with minimal delay.
- A mechanism which enables the identification, declaration and unrestricted use of academic tool compounds, where compounds form part of a partnered IP package.
- A right to transfer licensed materials to other academic / not-for-profit 3rd parties under appropriate conditions of confidentiality.

RISK MANAGEMENT

We mitigate our exposure to commercialisation risks associated with the development and sale of licensed IP.

In commercialising research arising from CRUK-funded programmes, we seek to minimise exposure to risks that could negatively impact the ability of CRUK to continue funding and developing world-class academic research. To this end, we need our partners to commit to:

- Indemnity from the licensee for commercialisation risks associated with the development and sale of licensed IP.
- Unlimited licensee liability in relation to 3rd party product claims.
- Cap on our liability in contracts involving the performance of research by CRUK scientists.
- We will not give absolute IP warranties in relation to ownership, validity, or 3rd party infringement (limited knowledge-based warranties considered on a case by case basis).
- Licensee product liability insurance and general commercial liability insurance in place prior to undertaking a Phase I trial.

EFFECTIVE PARTNERSHIPS

We make proactive efforts to attract and cultivate productive relationships with companies that share our values.

We have established major partnerships with research institutions, pharma and biotech companies of all sizes, so we have a unique understanding of both the academic and industry perspective, and the ability to facilitate productive, mutually beneficial alliances.

We will establish a team to prioritise your deal. We believe that early face-to-face interactions between both science and business representatives are vital to progressing discussions rapidly, and will seek an early kick-off meeting, before starting negotiations to establish whether our drivers are aligned.

We seek genuinely collaborative relationships, and as such we prefer collaboration IP to be jointly owned. We need representation on, and joint decision making in, collaboration steering committees and we believe such committees should have significant delegated authority in managing the collaboration.

For more information, please speak to a member of CRUK's Commercial Partnerships team.

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