



**LEUVEN**  
RESEARCH &  
DEVELOPMENT

# Valorisation of early stage technology

A testimony from Leuven

RedOTRI

June 2009

Paul Van Dun



KATHOLIEKE UNIVERSITEIT  
**LEUVEN**



- **34.940 students** (February 2009) with 13% international students
- **7.918 FTE employees (2008)**
  - 993 FTE professors & 4.239 FTE researchers
  - 2.686 FTE administrative and technical staff
- **UZ Leuven: 8.035 FTE employees**
- **Total budget**
  - 1,3 bn euro
  - Approx. 25% of research budget through K.U.Leuven R&D
- **Humanities / Science, Engineering and Technology / Biomedical Sciences**



In accordance with the Flemish Legislation, the University has three core missions:

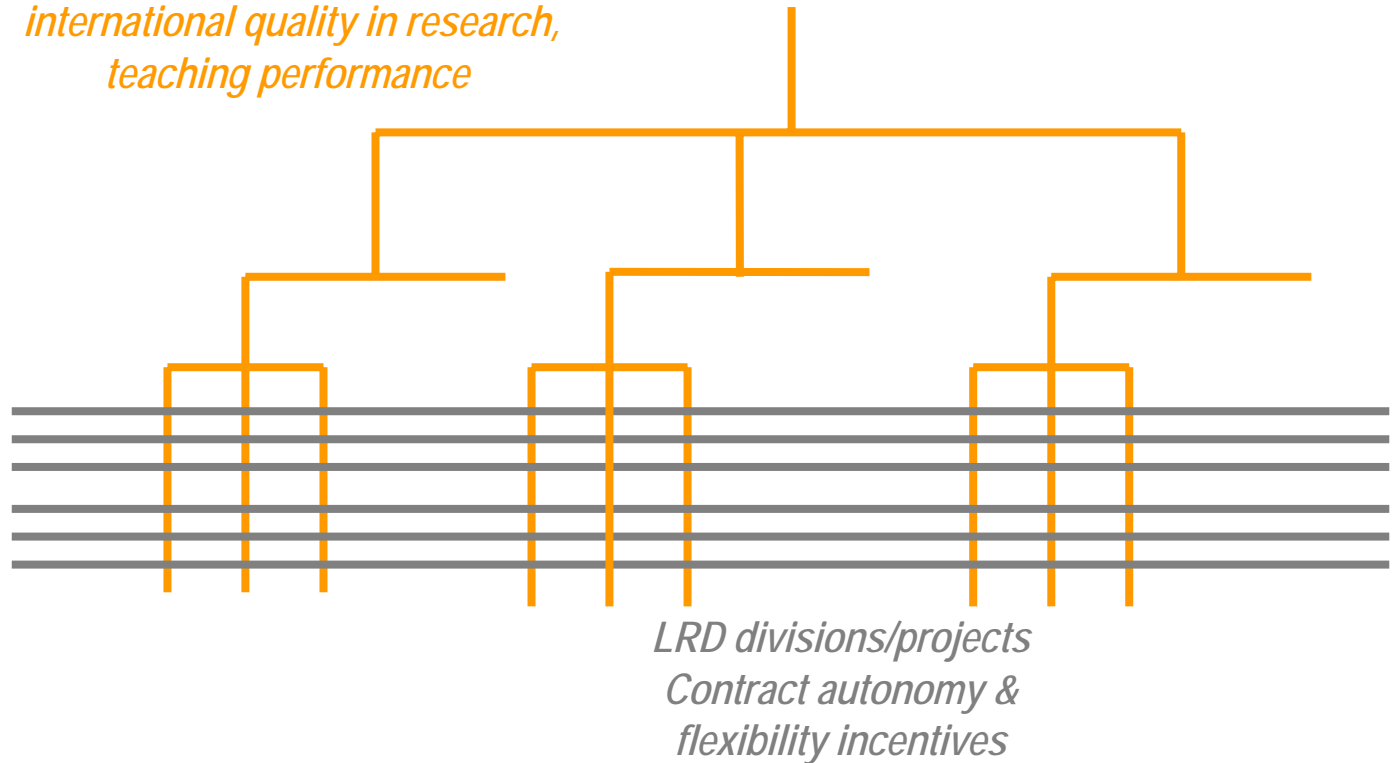
- **Academic education**
- **Scientific research**
- **Service to the community**
  - = knowledge and technology transfer
    - to the society
    - to the industry: K.U.Leuven R&D corresponds to third income stream



- Founded in 1972, as a separate not for profit entity
- Since 1985 separate entity within the university
- Large budgetary and human resource autonomy within the university
- LRD consists of:
  - **central multidisciplinary staff** supporting researchers in technology transfer (51 employees – various disciplines)
  - **research divisions** : “virtual” organisations embedded in university via matrix structure



*Faculties, departments, research groups:  
international quality in research,  
teaching performance*



⇒ Dual incentive mechanism to maintain a balance and healthy tension between striving for scientific excellence and gearing this excellence towards application and innovation.



How to identify early stage developments and optimize their valorisation?



- = Basis; oldest activity of K.U.Leuven R&D
- **Support?**
  - awareness creation & knowledge transfer
  - negotiation & legal support
    - trade-off confidentiality versus right of publication
    - IPR
    - pricing & fair return
    - exclusivity clauses, non-competition clauses, etc.
    - non-disclosure agreements
  - finding industrial partners and financing
  - financial follow-up & HRM
- 2008: 87 Mio EUR income by contract research being 72% of total turnover K.U. Leuven R&D; 1.029 new agreements.



- Incentive mechanism:
  - distribution:
    - Overhead: 8,5% LRD and 8,5% K.U.Leuven
    - Remaining part of net profit: research division/group
    - Incentive: 50% of net profit can go to individuals (seldom)
  - reserves:
    - growth research group
    - investment in patents
    - investment in spin-offs





- **Internal patent liaison office** (formally established in 1999)
- **Support?**
  - awareness creation & knowledge transfer
  - screening for novelty, inventiveness & “freedom-to-operate”
  - screening the inventions’ market potential
  - determining the most appropriate protection strategy
  - drafting the patent application
  - follow-up of patent costs and procedures
  - negotiation & legal support (NDA, MTA, licensing agreement)
  - finding industrial partners
- **Patent fund** to help research groups cover the initial costs and expenses related to their patenting needs: selective support.



- Long history:
  - tPA (Genentech; 284 mio \$); Viread, Truvada, Atripla (Gilead; 2 bn \$); Valtrex (GSK; 1 bn \$); Hepsera (Gilead; 112 mio \$)
- 2008: 33 mio euro royalty income
- Distribution:
  - Incentive inventors: 40 – 10 %
  - Overhead: 8,5% LRD and 8,5% K.U.Leuven
  - Remaining part of net profit: research division / group

**Are patents important?**



- Support?
  - awareness creation & knowledge transfer
  - development of business plan
  - finding investors: Gemma Frisius Fund K.U.Leuven
  - finding infrastructure
    - university labs, Innovation & Incubation Centre, science parks
  - negotiation & legal support
    - drafting bylaws, shareholder agreements and co-operation agreements
  - supporting growth and internationalisation process
  - support innovation & high-tech entrepreneurship through networking and technology clusters (LeuvenInc, ...)



- Basis = a critical mass of high quality research
- Legal context: university owns IP
- Integrated approach
- Incubation is key for early stage
- Clear incentives and policies to encourage research groups AND TTO to actively seek knowledge transfer opportunities
- Entrepreneurial climate in a university context : time !



**LEUVEN**  
RESEARCH &  
DEVELOPMENT

K.U.Leuven Research & Development (LRD)  
Minderbroedersstraat 8A – bus 5105  
3000 Leuven, Belgium  
Tel. +32 16 32 65 00  
[lrđ@kuleuven.be](mailto:lrđ@kuleuven.be)  
[www.kuleuven.be/lrđ](http://www.kuleuven.be/lrđ)



KATHOLIEKE UNIVERSITEIT  
**LEUVEN**