

COOPERATIVE RESEARCH and DEVELOPMENT AGREEMENT (CRADA)

National Small Business Conference

National Defense Industrial Association (NDIA)

Los Angeles Airport Marriott

June 1-2, 2005

SYMVIONICS, Inc. 

Agenda

- CRADA Definition
- Public Law / General Authority
- Specific Legislative Authorities
- Award Considerations
- Partners – Who Can Play ?
- Conceiving the CRADA
- Developing the CRADA Agreement
- SYMVIONICS CRADA Examples

DEFINITION

Cooperative Research and Development Agreement (CRADA):

A legal agreement between a federal laboratory and a non-federal party to conduct specified research or development efforts that are consistent with the missions of the federal laboratory

Public Law / General Authority

- Stevenson-Wydler Technology Innovation Act of 1980. Public Law 96-480
- Federal Technology Transfer Act of 1986. Public Law 99-502
- 15 USC Sec. 3710a: General Authority
 - Established Office of Research and Technology Applications (ORTA) in Govt. laboratories
 - Permitted all Federal laboratories to enter into CRADAs with other business entities (OBE)
 - Permitted negotiation of license agreements between Govt. and OBE

Specific Legislative Authorities

- Laboratory may license, assign or waive its rights to intellectual property
- Laboratory may grant patent license for invention to collaborating OBE
- Laboratory may grant patent license to OBE for invention made prior to CRADA
- Laboratory shall ensure OBE retains title to OBE inventions
- And, most importantly...

Specific Legislative Authorities (cont.)

- Laboratory may accept, retain and use funds, personnel, services, equipment and property from OBE and provide personnel, services, equipment and property to OBE towards the conduct of R&D efforts consistent with the efforts of the laboratory

CRADA Award Considerations

- CRADA selection done by the Director of Govt. Laboratory (delegated to ORTA)
- CRADA selection not subject to FAR (because no funds go from Govt. to OBE)
- 'Special consideration' given to small business in CRADA selections
- 'Preference' given to CRADAs which manufacture the product in U.S.
- Typical CRADA term is 3 to 5 years
- Research results exempt from FOIA disclosure for 5 years

CRADA Partners - Who Can Play?

- Any Govt. owned Federal laboratory, or any GOCO laboratory (if CRADA included in strategic plan or as joint work statement),
and...
- Other Business Entities (OBE) such as Federal agencies; State/local Govt.; corporation / LLC / partnership; foundations; Non Profit Org; even individual person

Conceiving the CRADA

- CRADA must benefit BOTH parties
- Theme: Technology Transfer
 - Technology developed with public funds transferred to private sector for commercial use
 - Technology developed by private sector transferred to Govt. for Govt. (military) use
- Define the Goals for each party
 - Advance the research
 - Prototype development
 - Commercialization
 - Product improvement
 - Positive Public Relations

Conceiving the CRADA (cont.)

- Estimate the “Value” of the Goals to Each Party
- Define Each Party’s Contribution
 - Funds (license agreement)
 - Personnel (scientists, managers, admin asst)
 - Services (network admin, metrology)
 - Equipment (office, lab test, aircraft)
 - Property / facility (runway, control room, building)
 - Other (unlimited, except for Govt. \$)
- Return On Investment (ROI)
 - “Dollarize” the contributions from both sides
 - Are the costs worth the investment ? $ROI > 1$?
- Good to Go !

Developing the CRADA Agreement

- **Formats/Templates**
 - Air Force AFI 61-302 Cooperative Research and Development Agreements
 - Standard Navy CRADA 5th Edition, rev 1, May 2002
- **Typical Sections of Air Force CRADA Agreement**
 - CRADA number
 - Preamble
 - Definitions
 - Work Plan
 - Financial Obligations

Developing the CRADA Agreement

- Typical Sections of Air Force CRADA Agreement (cont.)
 - Patents / Copyrights
 - Proprietary Information
 - Term / Modifications / Disputes
 - Representation and Warranties
 - Liability
 - General Terms and Provisions
 - Notices
 - Approval Signatures
 - Appendix A – Work Plan

SYMVIONICS CRADA Examples

- Air Force – AF Flight Test Center, EAFB
 - Interactive Analysis and Display System (IADS®)
 - DeltaSym™
- NASA – Ames Research Center
 - Comprehensive Identification from FrEQUENCY Responses (CIFER®)

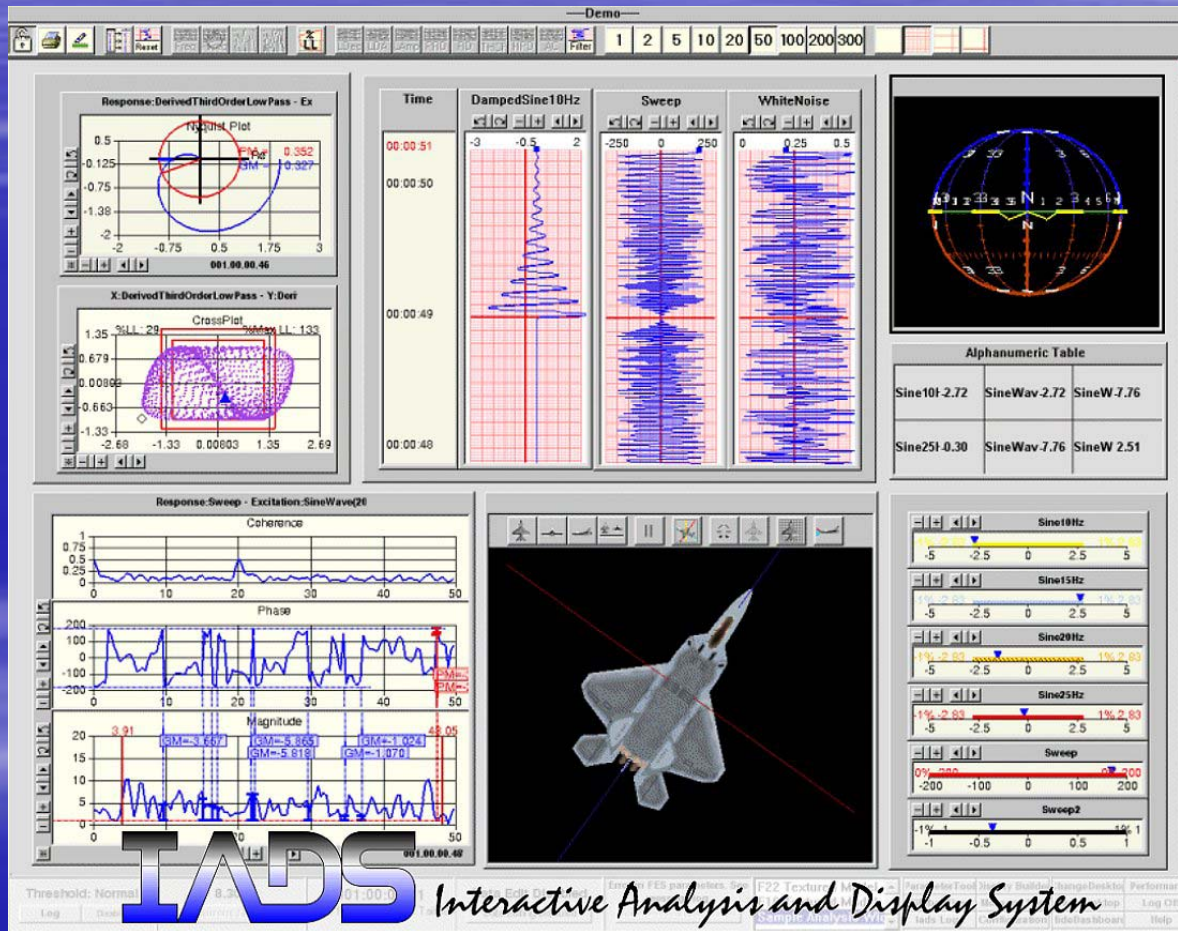
SYMVIONICS CRADA - IADS®



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- Highlights of CRADA Agreement
 - Allows commercialization of IADS
 - Allows sales of IADS to major defense contractors and commercial aircraft mfgs.
 - Extends IADS use to other Air Force & Navy bases, NASA
 - Provides funds and public relations to AFFTC
 - Provides equipment, facilities and public relations to SYMVIONICS
 - ROI for both parties >> 1

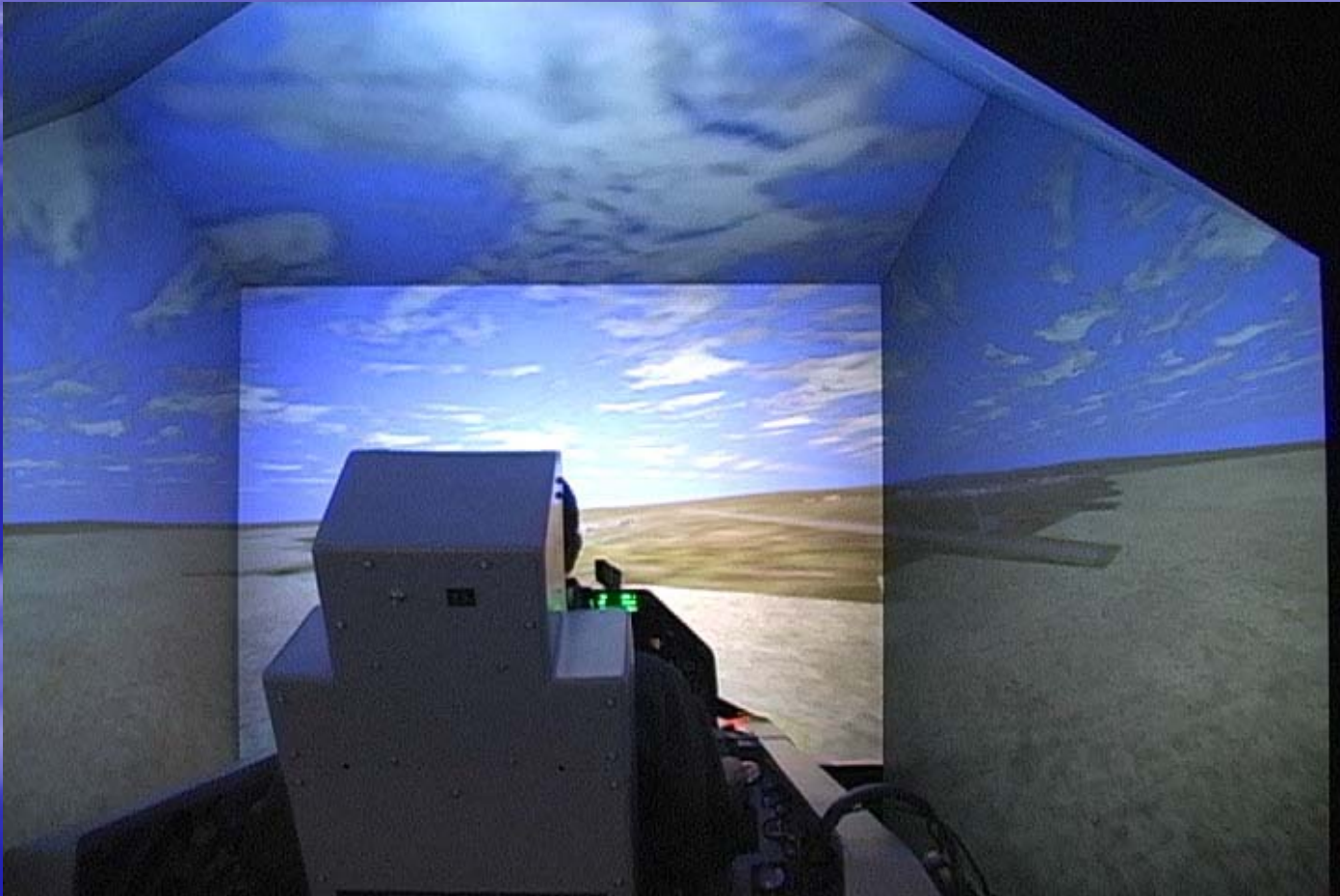
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SYMVIONICS CRADA - DeltaSym™

- Highlights of CRADA Agreement
 - Allows commercialization of DeltaSym
 - Will provide funds and public relations to AFFTC
 - Will provide equipment, facilities and public relations to SYMVIONICS
 - ROI for both parties = ???