

A CRADA facilitates the commercialization of federally developed technology.



## Cooperative Research and Development Agreement (CRADA)

A cooperative research and development agreement (CRADA) is a written agreement between a nonfederal entity and Battelle Energy Alliance (BEA), the management and operating contractor at Idaho National Laboratory (INL), to work together on a project.

Created as a result of the Stevenson-Wydler Technology Innovation Act of 1980, a CRADA allows the U.S. federal government and nonfederal participants to optimize their resources, share technical expertise in a protected environment, share intellectual property emerging from the effort, and advance the commercialization of federally developed technology.

A CRADA contains provisions driven primarily by statutes and policy. These

provisions are designed to be responsive to the needs of different CRADA participants, while protecting the interest of the public.

The Department of Energy (DOE) provides a standard document to begin negotiations, and the parties may negotiate some of the provisions to respond to the needs of the participant. All CRADAs are subject to the approval of the DOE.

The following information provides interested parties an opportunity to learn more about INL's CRADA provisions.

### **CRADA characteristics**

- In the collaborative effort, the government may contribute a wide variety of resources, but no funds.
- The government may contribute personnel, services, facilities, equipment, intellec-

tual property and any other resources that would fall under the umbrella of "personnel, services and property."

- The CRADA is not a procurement contract or grant and should not be viewed as an alternative to normal procurement procedures.
- With regard to licensing, in all CRADA cases, the government retains a non-exclusive, nontransferable, irrevocable, paid-up license to inventions developed under the CRADA.

### **Statement of Work**

A CRADA must include a description of the work to be performed, called a Statement of Work, that has been negotiated by the parties. The Statement of Work must describe all technical tasks, identify the

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### For more information

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responsible parties for each task, and list the deliverables (reports, prototypes, etc.).

#### Funding and Costs

A CRADA also must define the funding arrangement between the parties. It may be arranged in various ways. The participant may split the funding with BEA or fund up to 100 percent of the work. Either party may provide cash funding or in-kind contributions (hours of work, equipment, testing, etc.).

However, a CRADA cannot be used as a mechanism to transfer government funds for a participant's services or government property to the participant. These arrangements are handled through subcontracting and procurement. Also, all contributions by the U.S. government are subject to available funding.

#### Term and Termination

The term of a CRADA may be negotiated by the parties, though usually it ends on the date that the work is expected to be completed. A CRADA may be modified, if additional work or an extension of time is desired. The CRADA also may be terminated by advanced written notice by either party.

#### Confidentiality

Proprietary information, such as trade secrets, may be protected. The parties may negotiate the provision and obligations for nondisclosure of proprietary information within certain limitations. Also, information generated as a result of the work performed under a CRADA may be protected from disclosure for

a limited number of years. The name of the participant cannot be considered proprietary.

#### Liability

A CRADA generally must include a disclaimer of express and implied warranties as to the conduct of the research. It also must indemnify the U.S. government and BEA from all costs related to personal injury and property damage that may result from the participant's commercialization and use of a product, process or service resulting from the research.

#### Rights to Intellectual Property

As a general rule, any inventions made solely by a participant will be owned by the participant; any inventions made solely by the federal laboratory employee will be owned solely by BEA; and any jointly made inventions will be jointly owned by the collaborating party and BEA. CRADA participants always are given an option to negotiate up to an exclusive field-of-use license to inventions made under the CRADA for reasonable compensation. Specific terms of a license may be prenegotiated.

Although rarely exercised, the DOE also retains "March-in Rights" to grant licenses to intellectual property in exceptional circumstances (health, safety, failure to comply with certain statutory provisions, etc.). The U.S. government also retains a nonexclusive right to all inventions that result from the CRADA for government purposes only. Specifically, the government retains a license to practice any inventions or to have any invention supplied to it by a

third party or the participant at a royalty-free rate.

Similar rules apply to the allocations of rights to copyrights. Either party may assert copyright in any of its generated information, or allocation of rights to copyrights may be negotiated.

#### CRADA benefits

- Industry partners can gain access to INL's technical expertise.
- Participants are given the opportunity to obtain rights to commercialize the results of government research and development.
- Participants also are allowed to protect certain CRADA information for up to five years.

A CRADA may be as short as a period of a few months or may extend several years, depending on the objectives of the collaboration.

The number of transactions and the corresponding resource commitments vary considerably from year to year based on the technologies available at INL, the readiness of participants to invest in collaborations, and INL's ability to identify the right parties and negotiate satisfactory business relationships. At times, successful CRADA relationships are followed by a license of INL patents to the participant.

#### How do I get a CRADA started?

Companies can initiate CRADA discussions by contacting INL's Technology Deployment office (see contact information in the left column).