

Network Innovation Competition Full Submission

Supplementary Answer Form

Tick if this answer is Confidential:

Tick if this answer has been provided verbally:

Project code:	SGN_GN_01	Question Number	13
Question date	05 th September 2013	Answer date	09 th September 2013
Submission section question relates to	Section 5		
Topic	Knowledge Dissemination		
Question	As discussed at the Project meeting on 4 September, please clarify fully the proposed IPR arrangements.		
Notes on question			
Answer	<p>At this stage we do not have a full contract in place between the project partners. We have agreement in principle where both parties are fully committed to the default IPR position.</p> <p>At this stage, we do not know what specific forms of IPR will be created and consequently require registration, if any. As part of the design process, detailed prior art review is necessary and will be dependent on the solution pursued.</p> <p>It is proposed if and where IPR is to be registered, that it will be done by ULC Robotics, following transfer of any foreground IPR created by SGN.</p> <p>Upon successful completion of the project, royalties would be due from ULC (either from direct utilisation or licensing), if the project is rolled out. These will be paid to SGN, subject to an evaluation of their true commercial value, on either a per unit basis (e.g. per unit manufactured and utilised), or an annual basis. The final arrangements will be determined at a later stage in the project, but will be designed so as to ensure the best value for the GB gas customer.</p> <p>Income from royalties, minus any costs incurred in maintaining and</p>		

	<p>managing IPR, would be returned to customers in proportion to their funding. SGN would retain the remaining portion (equivalent to our funding contribution) as profit.</p> <p>For this project, this would be 10%. SGN would calculate and declare this Returned NIC Royalty income in our regulatory returns on an annual basis.</p> <p>Under the provisions within the contract between SGN and ULC, ULC will be required to comply with the NIC governance document. ULC will grant to the Network Licensees and the Parties: an irrevocable, perpetual, world-wide, non-exclusive royalty-free right and licence to use, access, copy, maintain, modify, enhance and create derivative works of any Relevant Foreground IPR (including any Relevant Background IPR contained therein) within their network system.</p> <p>A key section of the NIC governance relates to Relevant Foreground IPR. Under the NIC document, Relevant Foreground IPRs are defined as Foreground IPRs that other Licensees will need to utilise in order to implement the Methods (the proposed way of solving a Problem (the obstacle or issue that needs to be resolved in order to facilitate the low carbon future and/or provide some environmental benefit to customers)) developed in the project.</p> <p>Network Licensees will only have the right to use Relevant Foreground IPRs within their network royalty free. They cannot sell or grant sub licences to Relevant Foreground IPRs.</p> <p>Where access to a participants Background IPR is required to undertake the project, the participant shall grant a non-exclusive licence to this background IPR (Relevant Background IPR) to the other participants, solely for the purposes of the project during the term of the project. The Network Licensees will also be granted a licence for any Background IPR required to utilise any Relevant Foreground IPR for which they receive a licence (as mentioned above).</p> <p>Both parties would be willing to share the IPR arrangements at regular intervals throughout the project.</p>
Attachments	
Verbal Clarifications (Consultants)	