Demystifying Intellectual Property
What MedStar Associates Need to Know

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Today’s Agenda

- **Purpose of the Forum**
  - To “Demystify” Intellectual Property by highlighting what you need to know to ensure that your great ideas are protected

- **Agenda**
  - Introduction to MedStar Institute for Innovation (MI2), MedStar Inventor Services, and the MedStar Health – Cleveland Clinic Innovation Alliance
  - A Patent Primer for the Healthcare Innovator
  - A few thoughts from MedStar Health Office of General Council
  - Q&A
Today’s Ground Rules

- Please hold all questions until the end of the session
- Please refrain from discussing your individual Intellectual Property
- For unanswered, or confidential questions, please make an individual appointment by emailing: Disclosure@MI2.org
- Reference source: MI2.org & MI2.org/inventors
MedStar Institute for Innovation

- MI2’sDomains
  - Simulation & Training Environment Laboratory (SiTEL)
  - National Center for Human Factors Engineering in Healthcare
  - MI2 Websites: MI2.org & MI2 Sense (“My 2 Cents”)
  - Center for Innovation in Healthcare Delivery
  - MedStar Inventor Services
  - And more to come…
MedStar Inventor Services

- To advance the best ideas of MedStar Associates from concept to reality, transforming inventions into commercial products and services

- A culture of invention and innovation will:
  - Encourage and reward creativity and innovation
    - Recruit and retain the best
  - Facilitate the translation of knowledge for public benefit
  - Advance health at MedStar and beyond
Our Partners: Cleveland Clinic Innovations

- 1,560 patent applications, 330+ issued
- 270 product licenses
- 35 spin-off companies
- $450M equity investments
- $148M Commercialization Grants
- $50M returned to CC inventors
- 740 total jobs
The Services We Provide

- Initial and ongoing commercial assessment
  - Clinical, scientific, technical, regulatory, reimbursement, and marketplace assessments using established relationships and networks
- Intellectual property protection
- Product development, prototyping, and testing
- Industry outreach and license negotiation
- New business creation
The Team

- Technology Licensing Officers
- New Business Development Experts
- Prototyping Engineers
- Industry Contacts
- Attorneys
- Clinical Experts
- Leading Scientists
- Angel Investors
- Venture Capitalists
Where are we now?

MedStar Inventions by Type

83 Total Inventions in the Process
Where are we now?

MedStar Inventions by Status

83 Total Inventions in the Process

Note: 16 Inventions are considered “inactive” due to prior art or other factors
Two Questions
Some People Are Afraid To Ask

- Who owns the idea / intellectual property?
- What do I (the inventor) get out of this?
Ownership Defaults to MedStar (but we’re not trying to own your minds)

Ownership Determination
Review Committee
MI2 Rep MedStar Legal
MHRI Rep Associate Rep

What’s considered?
(a) the extent to which MedStar Health Resources were used
(b) whether the Project was conducted on the inventor’s own time
(c) the location at which the Project was conducted
(d) whether the development of the Invention is included in the inventor’s job description or scope of duties
(e) whether the invention is a result of sponsored research
Why Assign to MedStar?

- $$$$$ Investment
- Time
- Expertise
  - See “Commercialization Primer” at MI2.org/Inventors
- MedStar Inventor Services only for MedStar-owned IP
  - MedStar-owned
    - Proceed through MedStar Inventor Services commercialization process
  - Inventor-owned
    - Yours to develop and commercialize; no MedStar support
Net Revenue Distribution

- For inventions owned by MedStar (including when Inventor assigns ownership to MedStar)
  - First dollar goes to paying back direct costs of commercialization
    - Patenting
    - Development and prototyping
    - Other MedStar investment *directly* related to your invention
  - Net revenue splits down the middle
    - 50% to Inventor
      - No cap (i.e., $10M total net revenues? Inventor gets $5M)
    - 50% to MedStar
      - 30% to MedStar Health and 20% to Inventor’s MedStar Subsidiary

- Compare our deal with any other similar organization
  - It’s among the best, and the most INVENTOR-FRIENDLY in the business
Invention Disclosure Form – The First Step

- Any Questions?
  - Disclosure@MI2.org
  - MI2.org/Inventors
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MedStar Health Office of General Council

MedStar Health