

# Commercializing Research Results

## An Inventor-Friendly Process

The University of Alberta helps inventors demystify and navigate commercialization, ensuring ventures are nimble and competitive. While the process may vary on a case-by-case basis, it all starts with reporting an invention – the first step in protecting yourself and your ideas.



1

Report an Invention



2

Assess Potential



3

Initiate a Patent



4

Engage Partners  
and Enter Agreements



5

Develop Product and  
Establish Operations



6

Achieve Results

**Not sure  
where to start?**

Transforming discoveries and innovations into reality is a complex and lengthy process. The **Technology Transfer Services** team is here to help you protect your idea, discovery or invention, and explore commercialization potential and opportunities.

# Inventor-owned Intellectual Property (IP)

The U of A has an **inventor-owned patentable IP policy with two options** that place inventors as the primary decision-makers.

The U of A is committed to offering inventor- and investor-friendly options for revenue sharing on IP developed within the university ecosystem.

## Clear Pathways

After deciding whether to **retain** IP ownership or **transfer** it to the university, an inventor commercializing patentable IP may choose to **licence** to an existing company or **create a spinoff** company:

## Licensing

Licensing allows an existing company to gain access to a particular invention without requiring the creation of a startup or spinoff company.

## Spinoff

A spinoff is a new company set up in order to license and develop patentable IP into a product or service while retaining ties with the university.

Spinoffs choose how they share commercial revenue with the U of A through either an Equity model (with two options) or Royalty model.

### Option 1



#### Inventor Retained IP

The inventor maintains IP ownership and control over commercialization while taking on the majority of financial and legal responsibility, risk and reward.



#### Royalty:

(typically 1-10% of sales)

**66%** of royalty to inventors  
**33%** of royalty to U of A



#### Royalty:

**2%** to U of A on revenue over \$1M

OR

#### Equity:

a) **10%** to U of A  
(fully and immediately dilutable);

OR

b) **5%** non-dilutable until \$1M raised via equity  
(fully dilutable after \$1M raised)

### Option 2



#### University Retained IP

The inventor transfers ownership to the university. Joint decisions are made about commercialization with the U of A taking on all legal responsibility.



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(typically 1-10% of sales)

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OF ALBERTA**

## Startup

When there is no patentable intellectual property developed within the university context (e.g. software), an inventor may choose to launch a startup, an early-stage company that focuses on developing a specific product or service.

The inventor is still able to access a variety of supports and services to help advance commercialization. Startups have no formal ties to the university.