Regulations on

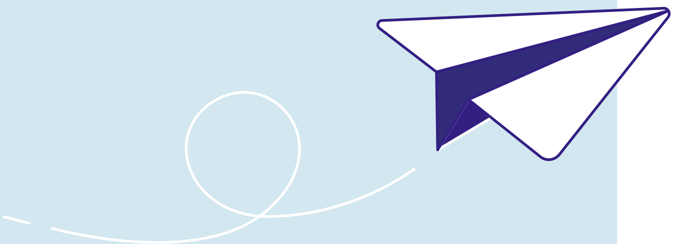
Knowledge Exploitation 2025

Universiteit Leiden

Leids Universitair Medisch Centrum

At Leiden University and LUMC,

knowledge exploitation is a key part of our mission turning research into real-world impact. These regulations provide guidance for inventors, collaborators, and entrepreneurs on how to move from discovery to application.



Contents

Welcome!

From Knowledge to impact

How researchers at Leiden University and LUMC can translate their discoveries into societal and economic value under unified regulations.

In addition to education, patient care and research, knowledge exploitation (also known as valorisation) is one of the core tasks of universities and university medical centers. Knowledge exploitation is the social and/or economic use of research results. Through Knowledge exploitation, both Leiden University, LUMC and society can benefit from the results of academic research.
The Regulations on Knowledge Exploitation contain arrangements on the reporting, protection and exploitation of knowledge and Intellectual Property (IP). These are harmonized regulations for employees of both Leiden University and LUMC.

What do the regulations cover?

These regulations provide answers to four essential questions that researchers often face when their work leads to new knowledge or innovations. They explain how intellectual property (IP) is managed, who holds the rights, how revenues are shared, and what steps are involved in starting a spin-off company. Together, these topics form the foundation for fair, transparent and impactful knowledge exploitation at Leiden University and LUMC.

- How is the exploitation of knowledge and IP arranged within LUMC?
- Who owns the knowledge/IP?
- What happens to the revenue generated through knowledge exploitation?
- What are the regulations for employees for establishing a start-up / spin-off company?

Scope of the regulations

The Regulations on Knowledge Exploitation are binding for all Leiden University and LUMC employees including academics, staff, guest/seconded employees, Professors, PhD students, Master students and postdocs. Bachelor students do not fall within the regulations and; Deans and support staff are excluded from benefitting from knowledge exploitation.
Within Leiden University and LUMC, knowledge exploitation is facilitated by by the Knowledge Exhange Office Luris. Luris creates connections with external partners, streamlining interactions and transactions both strategically and legally.

When?

The Regulations on Knowledge Exploitation apply as per January 1, 2025 to all newly reported knowledge exploitation projects. Exploitation projects that have been up and running before that date will adhere to the Leiden University's Regulations on Working for Third Parties and the LUMC *Addendum Beleidsregel Valorisatie van Kennis* (see 'About the Regulations').

Intellectual Property

How is the valorisation of knowledge and IP arranged within Leiden University and LUMC?

During your research for Leiden University or LUMC it is possible that you discover or create something completely new, such as a therapeutic target, a new compound, a device, or a specific technique or method. If you believe that this discovery or creation could ultimately be useful to society, or if you or your Division/Faculty/Department is approached by a third party seeking targeted collaboration that will lead to exploitation, you'll need to report this to Luris, via a signed Knowledge Disclosure Form (KDF).

KDF

The KDF will be used to evaluate the nature, status and background of your invention/creation. It will serve as a basis for preparing necessary steps for its protection and valorisation. On the KDF the inventors/creators and their respective percentual intellectual contributions to the knowledge/intellectual property will be described. Determining inventors/creators is very important. An inventor is the employee who had the original idea, and not the person who only did the actual work to demonstrate that the idea works. However, if that person has made an intellectual contribution, he/she also qualifies as an inventor.

Partnering and moving your idea forward

Commercial partnering

Within one month of receiving the signed KDF, Luris consults with all stakeholders involved and decides on possible protection and/or commercial exploitation. Luris will start to search for a partner that is interested in developing the invention further and in bringing it to the market.

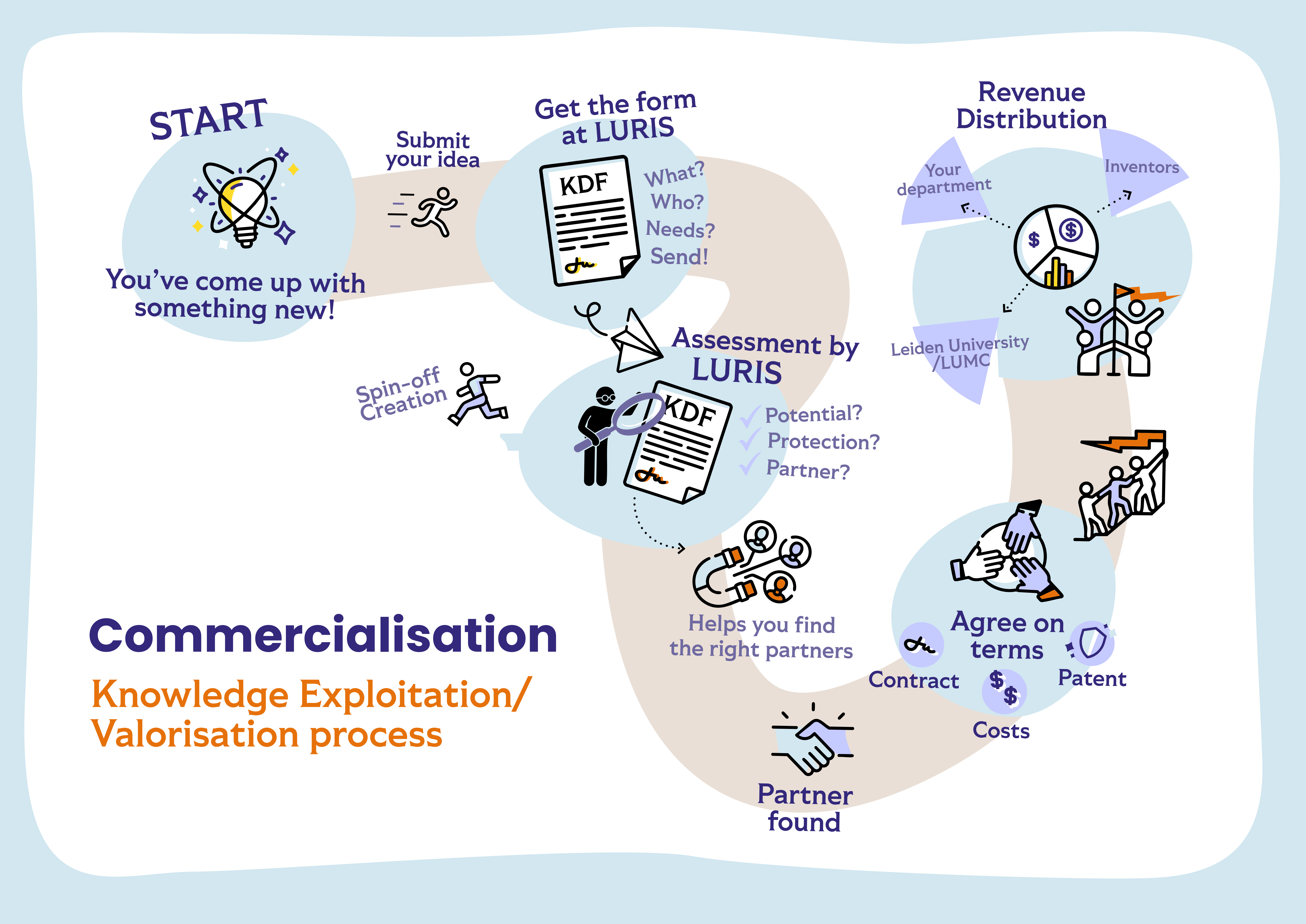
When a partner is found, in many cases a license is issued, stating the rights, obligations and the financial arrangements of the collaboration (such as milestone payments, royalties, fees and/or reimbursement of intellectual property (IP). Any IP costs (such as for a patent application) will be borne by Luris for a certain period of time. Luris continues to ensure that the partner actually develops the knowledge and that at all times the scientists retain the academic freedom to continue to use the knowledge for research and education.

In principle, Leiden University or LUMC is the owner (“rights holder”) of all IP on knowledge generated by employees. An exception is the copyright on books and scientific publications, which remains with the employee. As a fair compensation for the fact that Leiden University/ LUMC is the rightful owner of the IP, employees will share in the net income from knowledge exploitation (as described below).

What happens to the revenue generated through knowledge exploitation?

If any net revenue is derived from a protection costs), it is distributed within Leiden University and LUMC annually, and per valorisation project via the following distribution key:

- One-third for the inventor(s)/creator(s),
- up to an individual maximum of €1 million,
- in case of multiple inventors/creators: a group maximum of €4 million,
- Adjusted pro rata, based on the contributions mentioned in the KDF.
- One-third for the department(s) where the inventor(s)/contributor(s) were employed at the time of discovery/creation (as mentioned in the KDF),
- up to a maximum of €1 million per year,
- up to a maximum total of €10 million.
- One-third for the Leiden University/ LUMC central budget, for the benefit of knowledge exploitation and/or innovation.


START
You've come up with something new!
Submit your idea
Get the form at LURIS
KDF
What?
Who?
Needs?
Send!
Assessment by LURIS
KDF
Potential?
Protection?
Partner?
Spin-off Creation
Helps you find the right partners
Partner found
Agree on terms
Contract
Costs
Patent
Revenue Distribution
Your department
Inventors
Leiden University /LUMC
Commercialisation
Knowledge Exploitation/ Valorisation process

Exceptions

When no individual inventor/creator can be identified (for instance, in case of a cell line that was generated as a by-product, or via a group effort): the revenues are shared 50-50% between the department and the central budget. When an inventor/creator has passed away: the individual's share of the revenues is shared 50-50% between the department and the central budget.

What are the arrangements for establishing a spin-off company?

Besides licensing the knowledge to an existing partner or company, another way to further develop the invention/creation can be by creating a spin-off company. Leiden University/LUMC has three conditions for setting up a spin-off:

i: An adequate business plan has been made by the intended board members of the spin-off, providing sufficient confidence regarding the feasibility and continuity of the company;
ii: The business plan provides sufficient insight into financial resources and their acquisition;
iii: Agreements have been made regarding in what way the academic is investing in the company by means of capacity and budget.

The Executive Boards together with the holding companies (Libertatis Ergo Holding B.V. (LEH) or *LUMC Participaties B.V.*) and Luris will make the decision to establish a spin-off based on the merits of these conditions.

When a spin-off company has been set up, a license agreement from Leiden University or LUMC to use the knowledge/IP needs to be put into place.

Spin-off Creation

You have an invention or creation that comes from Leiden University/LUMC and you wish to spin this out.

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Ownership & **Shareholding**

Shareholding conditions

Any company shares will be held by the holding company (LEH or *LUMC Participaties B.V.*). In some cases, the scientist can work for the spin-off company and/or get also get shares in the company as a compensation for this work. This is only possible if there is no improper conflict of interest and if scientific integrity is not compromised. The rules regarding ancillary activities must be followed here (see Ancillary Activities Protocol).

Employees are allowed to hold shares. If a scientist remains employed full-time, he/she can obtain a maximum of 4.9% of the shares. If an employee wishes to obtain a higher percentage of the shares then this is possible under conditions and when someone partially leaves employment. Broadly speaking, an employee can obtain an additional 10% of shares when leaving employment with 0.1 FTE.

For example, if a researcher has 40% of the shares in a spin-off company, then this employee can work a maximum of 0.6 FTE (three days) for Leiden University or LUMC. A maximum of 50% applies. On request, the holding company and Luris, together with the scientist's line manager, consider if the scientist may temporarily hold more shares for a short time (usually 12-24 months) without consequences for his appointment.

FTE & Shares

Employees are allowed to hold shares:

- Up to 4.9% without any impact
- 0.1 FTE less: up to 10%
- 0.2 FTE less: up to 20%
- 0.3 ...
- 0.5 FTE less: 50% *(maximum)*

About the Regulations:

The Regulations on Knowledge Exploitation lay out the rules that apply to all knowledge exploitation activities at Leiden University and LUMC. The Regulations on Knowledge Exploitation apply as per January 1, 2025 to all newly reported knowledge exploitation projects.

For Leiden University, these Regulations on Knowledge Exploitation derive from the Regulations on Working for Third Parties (2015), which were divided into two sections in January 2025: the Regulations on Knowledge Exploitation and the Regulations on Working for and with Third Parties. The Regulations on Working for and with Third Parties describe the correct way to acquire funding from third parties. The Regulations on Knowledge Exploitation lay out the rules that apply to all activities at the university, not just activities with and for third parties.

Within LUMC, it is an enhancement from the guidelines that have been introduced over the last decades, starting with the *Notitie Valorisatiebeleid* (2008), followed by *Beleidsregel Valorisatie van Kennis* (2015), Willy Spaan's letter (2017) and the *Addendum Beleidsregel Valorisatie van Kennis* (2018). The Regulations are mentioned on Zenya.

Questions?

Feel free to contact Luris, the Leiden University and Leiden University Medical Center (LUMC) Knowledge Exchange Office:

Leiden University: IP@luris.nl
LUMC: LurisBD@lumc.nl

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www.luris.nl