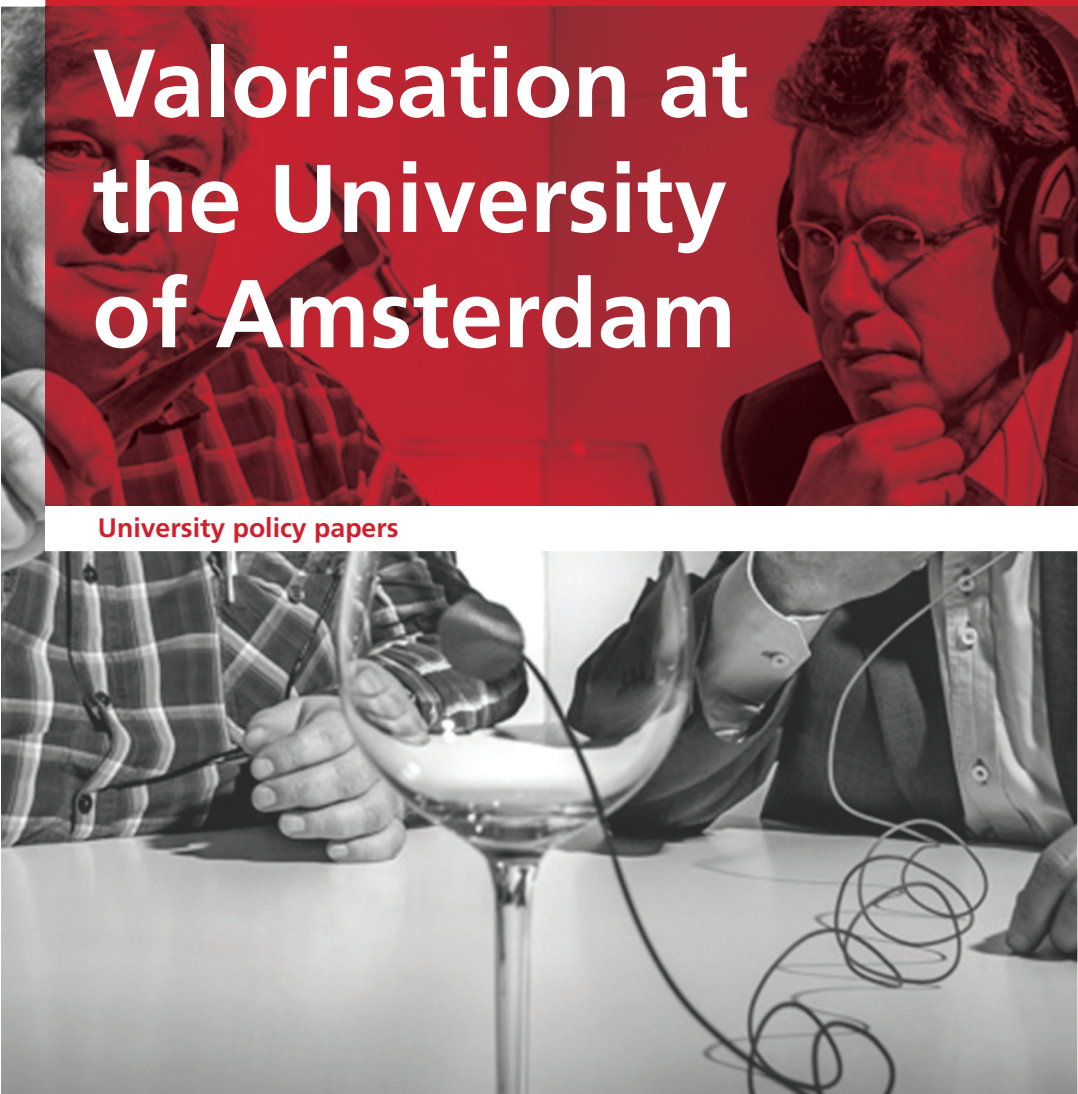




# Valorisation at the University of Amsterdam

University policy papers



# Foreword

Academic research forms the foundation for the knowledge and expertise developed at the University of Amsterdam (UvA). This knowledge and expertise is shared with others. In some cases, the sharing of knowledge is restricted to the academic world, as through teaching or publishing in leading academic journals. In many other cases, knowledge is shared in a broader social context (e.g. with organisations, companies, institutions and citizens). The sharing of knowledge with society in the broadest sense of the word takes place in countless forms; we refer to this as valorisation. In this regard, the UvA strives to have the greatest possible impact with the knowledge it develops and the way in which it shares this knowledge.

Increasingly, the sharing of academic knowledge is raising questions about whether the knowledge (which has usually been financed through public funding) should be shared 'freely', or whether its economic value should be considered. The latter case raises additional questions. In answering these questions, the UvA believes it is necessary to be transparent about how it handles such matters: what choices are made and by whom, which rules apply to staff and to the Faculties and how we account for the choices that are made.

This publication aims to clarify the rules and conduct that the UvA applies to valorisation activities. To this end, we have made as much use as possible of previously issued recommendations concerning valorisation, including the publications of the Dutch Federation of University Medical Centres (NFU), experiences with regulations on valorisation accumulated at other knowledge institutions, and agreements made within the context of the Association of Universities in the Netherlands (VSNU) with regard to valorisation.

Clarity is needed concerning the UvA's valorisation policy and the rules derived from it. This will allow all parties within and outside our academic community to know what to expect. This University policy paper and the accompanying 'Regulations Governing Valorisation 2014' and 'Regulations Governing Ancillary Activities 2014' are designed to meet this need.

Dr L.J. Gunning-Schepers  
President of the UvA Executive Board

## Cover photo

*Ultrasonic Verification Alarm*: a new method for the recognition of damage in materials, by Dr Rudolf Sprik, Van der Waals-Zeeman Institute, Institute of Physics, University of Amsterdam and Dr Robert Jan de Boer, Aviation Engineering, Amsterdam University of Applied Science (AUAS/HvA).

*Disclaimer*: This translation is provided for information purposes only. In the event of a difference of interpretation, the original Dutch version of this document is binding.

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# 1. Positioning of valorisation at the UvA

## 1.1. Definition and importance of valorisation

The UvA applies the following definition of valorisation: *‘The process of making knowledge gained through academic education and research suitable or available for economic or social exploitation, or the exploitation of such knowledge through competitive products, services, processes and new activities (or participation therein).’*<sup>1</sup>

In this definition, the decision has been made to understand valorisation as referring to both the dissemination and the exploitation of knowledge. Knowledge dissemination refers to all activities that make insights from academic research and teaching public, and thus suitable for use or application by audiences other than the scientists themselves. Knowledge exploitation refers to the conversion of knowledge into competitive products, services, processes and new activities. This corresponds roughly to the ‘free’ sharing of knowledge and the sharing of knowledge in return for economic gain respectively.<sup>2</sup> It is important to emphasise the absence of hierarchy in this regard; the UvA attaches considerable importance to both forms of valorisation, particularly in light of the impact that the two activities have, both economically and socially.

The increasing importance attached to valorisation in recent years can be illustrated at the national level by its being anchored as a third core task in the

<sup>1</sup> This definition corresponds closely to the definition used by the National Valorisation Committee (LCV) (*Waardevol: Indicatoren voor Valorisatie* [Valuable: Indicators for Valorisation]), Utrecht; Technology Foundation STW, The Hague: Rathenau Institute; 2011): ‘The process of creating value from knowledge by making knowledge suitable and/or accessible for economic and/or social exploitation and translating it into competitive products, services, processes and new activities.’

<sup>2</sup> This concerns the possibility of proceeds from valorisation, whether material or non-material, and not the costs of valorisation, which can be substantial for both forms.

2005 Dutch Higher Education and Research Act (Article 1.3 paragraph 1).<sup>3</sup> This embedding has recently been expressed more concretely in the requirement that, by 2016, at least 2.5% of all public research funding in the Netherlands must be spent on valorisation. The UvA has chosen to achieve this objective no later than 2015.

The importance that the UvA attaches to valorisation is highlighted in the Strategic Plan 2011-2014:

The UvA has set itself the mission of making valuable social and economic contributions to society through a commitment to education and research. Entrepreneurship is encouraged among students and academic staff alike, and is helping to shape the knowledge and innovation agenda of the city of Amsterdam. In this role, the UvA is collaborating with businesses and various social organisations, including cultural and government institutions.

## 1.2. Objective of knowledge exploitation

In his November 2011 recommendations to the Amsterdam knowledge institutions, entitled *Kiemen voor een Pan-Amsterdams valorisatieplan* (Seeds for a pan-Amsterdam valorisation plan), Prof. Dekeyser argues that the time is ripe to take a giant step forward in the valorisation activities in the Amsterdam region. This ‘towering opportunity’ emerges from his observation that the level of research in Amsterdam is high in both quantitative and qualitative terms, that there is broad support for the integration of valorisation in the missions and tasks of the collaborating institutions, and that there is a high demand among researchers for support in valorisation (particularly among young researchers).

<sup>3</sup> In 2005, then Minister Van der Hoeven and State Secretary Rutte took the initiative to embed valorisation within the (Dutch) Higher Education and Research Act as a third core task. See OCW, *Wetenschapsbudget 2004* (The Hague 2004) and the letter from Minister Van der Hoeven and State Secretary Rutte to Executive Board presidents, dated 27 January 2005 (OWB/AI/04-57055).

<sup>4</sup> Prof. Rudy Dekeyser was asked by the cooperating institutions (UvA, VU, AMC and VUmc) to issue recommendations for the formation of a joint Pan-Amsterdam valorisation plan, with the goal of substantially strengthening valorisation in the Amsterdam region. Among other positions, Dekeyser served for fifteen years as the director of the Flemish Institute for Biotechnology (VIB).

In his recommendations, he emphasises the necessity of making the ‘objectives’ for valorisation explicit, of prioritising them and of subsequently communicating them in a structured manner. This sharpens the focus of the valorisation activities within an organisation.

The UvA has chosen the following two objectives, in order of priority:

1. to create surplus social and economic value for society through teaching and research,<sup>5</sup> with an emphasis on the Amsterdam region,
2. to generate additional revenue for conducting research.<sup>6</sup>

With regard to the second objective, Dekeyser notes in his recommendations that experience shows that, although income through valorisation can yield up to about 15% of the total research budget, such percentages are rare. The share of the sale of participations in new ventures (spin-off companies) within these proceeds is marginal (and, in most cases, merely a lucrative ‘stroke of luck’). Additional revenue is much more likely to be generated from licences or income from indirect government funding or contract research by observing supplementary grant conditions regarding valorisation.

### 1.3. Knowledge exploitation, research and indicators

Excellent research and excellent researchers constitute the first requirement for successful valorisation. According to Dekeyser, the universities and university medical centres in Amsterdam more than meet this requirement.

The research of the UvA and the Academic Medical Center (AMC-UvA) is spread over a large number of disciplines and topics, which differ from each other with regard to the extent to which the knowledge developed within them can be valorised, as well as the manner in which such valorisation might best be accomplished. Some disciplines lend themselves more readily to the dissemination of knowledge, while others offer more possibilities for knowledge exploitation. The UvA (including the AMC-UvA) has 20 research priority areas,

<sup>5</sup> *UvA Strategic Plan 2011-2014: Eye for Talent*, p. 18.

<sup>6</sup> This refers to proceeds from licences, patents and the sale of shares in spin-off companies. The generation of additional income for individual or collective researchers is not an objective of the UvA.

into which the best research has been grouped. ‘Leaders’ have been designated within the UvA for each of these priority areas.<sup>7</sup> These leaders are standard-bearers, who are charged with the challenge of bringing these priority areas to full fruition. In the UvA Profile, dated June 2012,<sup>8</sup> the research priority areas are clustered into seven themes, and each subsequently related to ambitions at the European, national and regional levels. Precisely because of its alignment with the European Framework Programme for Research and Innovation ‘Horizon 2020’ and the national and regional ‘top sectors’, this clustering identifies the themes that offer the best chance of successful, large-scale valorisation.

<sup>7</sup> The International Rule of Law (1), Information Law (1), Private and Public European Law (1), Corporate Governance (1), Global Health (2), Cardiovascular Diseases (2), Metabolic Diseases (2), Infection and Immunity (2), Oral Regenerative Medicine (Bioengineering) (2), Oral Infections and Inflammation (2), Behavioural Economics (3), Brain and Cognition (3), Cultural Heritage and Identity (4), Cultural Transformations and Globalisation, Urban Studies (4), Communication (5), Systems Biology (6), Gravitation and Astroparticle Physics (GRAPPA) (6), Quantum Matter and Quantum Information (6), Sustainable Chemistry (7).

<sup>8</sup> The UvA’s response to the memorandum entitled *Kwaliteit in verscheidenheid* [Quality in Diversity] (OCW) and the outline agreement concluded between the Dutch Ministry of Education, Culture and Science and the VSNU in December 2011.

**Chart 1.** Chart of relationships between research themes and ambitions at the European, national and regional levels

Horizon 2020	National 'top sectors'	Amsterdam Economic Board	Transnational Law and Governance (1)	Human Health (2)	Cognition, Socio-economic Behaviour and Neuroscience (3)	Globalisation, Identity, Inequality and Urban Environment (4)	Communication and Information (5)	Fundamentals of Natural Science (6)	Sustainable World (7)
Climate action, resource efficiency and raw materials	Chemicals								
Secure, clean and efficient energy	Energy								
	Water								
Food security, sustainable agriculture, marine and maritime research and bio-economy	Agri-food	Flowers and Food							
Health, demographic change and wellbeing	Life sciences and health	Red life sciences							
Inclusive, innovative and secure societies									
	High tech	ICT							
Smart, green and integrated transport	Logistics	Logistics and trade							
	Creative industry	Creative industry							
	Financial sector	Financial services							
		Tourism and conferences							

As can be seen in this chart, there are many opportunities for the active realisation of the UvA's ambition to contribute substantially to the development, elaboration and implementation of the diverse economic and innovative agendas subscribed to by the various parties in society for solving social problems.

The conditions for a successful valorisation policy include retaining focus and making results visible to a broad audience. These results must be measured in terms of social impact, in order to identify the best instruments for valorisation, and in view of the financial requirement to spend at least 2.5% of all public research funds on valorisation.

The outline agreement concluded between the Dutch Ministry of Education, Culture and Science and the Association of Universities in the Netherlands (VSNU) in December 2011 specifies that the universities and the government should jointly develop indicators that can be used to measure valorisation over the long term. The VSNU has since published a matrix of valorisation indicators describing the framework and process that are being used to develop the indicators. The UvA has since made its first choices. By 2015, the aim is to have developed and tested a well-founded set of indicators that can be used to measure and describe the results of the valorisation efforts in each of the various academic domains.

In the implementation of the outline agreement, the UvA's reference framework is Dekeyser's recommendation to develop a limited number of reasonable criteria that are derived directly from the selected valorisation objectives. Subsequently, it is necessary to measure the results on a regular basis, both quantitatively and qualitatively. In this regard, limitation is essential, despite an apparently natural urge to continue expanding the number of indicators.<sup>9</sup> To give an idea of the scope of several UvA valorisation indicators, the following table presents the key figures for 2013, along with their expected growth in the coming five years. We have agreed on this goal within the framework of the Valorisation Programme of the Dutch Minister of Economic Affairs.

<sup>9</sup> This can be illustrated by the fact that some 38 indicators must be reported in connection with the subsidy allocation for the Valorisation Programme of the Ministry of Economic Affairs.

Table: University of Amsterdam valorisation indicators

	2013	up to and including 2018
New patents and invention disclosures	12	+ 7
New licences	12	+ 7
Partnership contracts concluded	2	+ 5
New ventures established	1	+ 2

In concluding this section, it is important to note that this document focuses largely on rules for knowledge exploitation, with much less attention being paid to the desired intensification of efforts for obtaining resources from indirect government funding and contract research. The Technology Transfer Office (TTO) of the UvA, the Amsterdam University of Applied Sciences (AUAS) and the Academic Medical Center (AMC), subsequently referred to as the TTO UvA-AUAS-AMC, serves as an important stimulus in this regard. This in no way reflects any possible difference in the relative importance assigned to the two activities – quite the contrary. However, the rules for seeking indirect funding and contract research are far better specified and, in many cases, already established externally. One element that was still lacking in the UvA's policy instruments was a policy in the area of knowledge exploitation.

## 2. Facilitation of valorisation

### 2.1. Knowledge dissemination and knowledge exploitation

In adopting a definition of valorisation, the UvA has decided that the term should refer to both knowledge dissemination and knowledge exploitation. As noted above, the UvA does not assign any hierarchy between dissemination and exploitation of knowledge, and it values valorisation in all academic domains. This does not rule out the possibility of variations in the nature, intensity and sequentiality of the valorisation activities, nor does it deny the necessity of setting priorities in areas that can strengthen the valorisation profile of the UvA.

**Knowledge dissemination** manifests itself in many ways, varying from memberships in national committees on persistent problems for public policy to public performances in *De Wereld Leert Door* (The World Keeps Learning), *Lowlands University* or similar forums. The possibilities can range from supervising applied socio-scientific research commissioned by governmental bodies to writing an accessible book on a specific discipline, suitable for a broad audience. The involvement of many UvA scholars in law, healthcare, social services, youth services, general educational policy and other social sectors constitutes an important means of making the UvA's academic knowledge accessible to third parties and increasing the impact of its academic work outside the academy.

Writing a column, participating in a public debate, collaborating with a museum to arrange an exhibition on painting in the Golden Age, collaborating with a home-care organisation to improve the efficiency and effectiveness of home visits, and collaborating with a company to develop greener fuels – all of these are examples of valorisation activities with which the UvA confirms its embedding in, and its added value for, society.

One characteristic feature of knowledge dissemination is that professional support is usually not required for such purposes as knowledge protection, value determination and commercialisation. In many cases, the benefits of knowledge dissemination will lie within the realm of visibility and reputation for the University, and only rarely will it lead to the generation of additional financial resources. When this does occur, these resources are usually allocated to the



University. The costs associated with knowledge dissemination, which can be considerable, are thus nearly always borne by the UvA.

In order to promote knowledge dissemination, the UvA generally follows an Open Access policy for its publications and data. This means that new knowledge is freely accessible after it has been made public in journals.

The dissemination of knowledge is stimulated through such efforts as paying explicit attention to it in annual consultations (annual appraisals) with academic personnel.

For **knowledge exploitation**, the focus is on usable knowledge and intellectual property developed through education and research at the UvA. The protection of this knowledge often leads to the establishment of intellectual property rights. These rights may then provide the foundation for knowledge exploitation, if they are granted through licensing agreements or if they are transferred to third parties. These third parties can be either existing companies or newly established companies. Employees and/or the UvA may participate in these companies.

Companies can also be founded for which no intellectual property rights have been established but which make use of knowledge and expertise developed through research conducted at the UvA. In such cases, money can be earned through the provision of services for which no patent can be established.

Knowledge exploitation does not emerge solely from the UvA's 'own' research, but also from contract research – research for third parties, who obviously are interested in the research and are willing to pay for it. The issues raised by these uses of knowledge are similar to those raised by the other examples of knowledge exploitation. These issues can be resolved by clear rules.

## 2.2. Clear and transparent rules

Particularly with regard to knowledge exploitation, the following factors all require careful and equitable regulations accompanied by application and enforcement: protecting intellectual property through patents, ensuring academic integrity, dealing with commercial interests, ensuring the transparency of academic and commercial actions, avoiding possible conflicts of interest and

attending to the associated legal and social dimensions. One important element is the availability of a professional, well-equipped support structure for the exploitation of knowledge. These rules and the associated support are intended to provide optimal facilitation for valorisation.

The regulatory framework of the UvA in the area of valorisation was previously formulated in the 'Regulations for inventions made by staff of the University of Amsterdam and others' and in the 'Regulations on Ancillary Activities'.<sup>10</sup> These regulations are no longer tailored to current practice, in which valorisation is occupying an increasingly prominent position. The establishment of the pan-Amsterdam TTO<sup>11</sup> (and the associated mutual coordination with other knowledge institutions in Amsterdam) and the need to make regulatory frameworks more transparent constitute additional reasons for replacing both these sets of regulations. The following section concerns the Regulations Governing Valorisation 2014. Section 2.10 concerns the Regulations Governing Ancillary Activities 2014.

## 2.3. Regulations Governing Valorisation 2014

In general, academic research generates publicly accessible knowledge in the form of journal articles or books. Knowledge as such cannot be protected. In some cases, usable knowledge and/or intellectual property rights can emerge from research. If this is the case, it is important to protect the invention (e.g. through a patent). Only then can there be any assurance that the invention will continue to be of interest for commercial purposes and that the researcher and the UvA can demand compensation for the knowledge and/or intellectual property rights. This phenomenon has since become generally accepted.

Transparent and clear regulations are necessary in this context, particularly for the researcher. They are needed in order to prevent conflicts of interest (or the

<sup>10</sup> Adopted by the Executive Board in decision 2006cb0003 dated 10 January 2006, as amended in decision 2009cb0229 dated 19 October 2009.

<sup>11</sup> In this document, references to 'TTO' refer to the pan-Amsterdam TTO. For the joint Technology Transfer Office of the UvA, the Amsterdam University of Applied Sciences (AUAS) and the Academic Medical Center (AMC) within this partnership, reference will be made to the TTO UvA-AUAS-AMC.



appearance thereof), to ensure academic integrity and to identify and regulate any conflicts of interest that might arise. Partly in light of the increasing importance of knowledge valorisation, the UvA's previous 'Regulations governing Inventions made by UvA Staff and Other Parties' have been replaced by the 'Regulations Governing Valorisation 2014'. The Regulations Governing Valorisation 2014 have been added to this publication as a separate attachment.

### 2.3.1. Reporting, confidentiality and patent application

Employees are required to report any potentially patentable inventions that they have encountered in their research. Employees must report such findings in writing to the dean, with a copy to the TTO UvA-AUAS-AMC. Employees are also required to maintain confidentiality with regard to activities that could lead to usable knowledge or intellectual property rights, in order to protect them. In order to protect intellectual property rights by means of a registration procedure, the UvA may require an employee to refrain from publishing about the invention for a period of 12 weeks at most. The finding will then be published in an Invention Disclosure Form (IDF), in which the employee (inventor) is listed as a title-holder (to a portion of any net income that may emerge from the exploitation of a patent). This does not affect the UvA's permanent status (current or future) as at least partial title-holder to the knowledge and/or intellectual property rights emerging from the academic research conducted at the institution.

After obtaining recommendations from the dean, the TTO UvA-AUAS-AMC takes decisions concerning the patent application and the applicable territories and terms. The costs associated with the documentation, defence and maintenance of this application are to be charged to the Patent Fund, which is administered by the director of the TTO UvA-AUAS-AMC, on behalf of the Executive Board. It is conceivable that the TTO UvA-AUAS-AMC may decide not to submit a patent application, contrary to the recommendations of the dean. In such cases, the dean may submit a substantiated request to the Executive Board to proceed with the application. As a rule, decisions to submit patent applications are taken within two months after the potentially patentable invention has been reported.

If the UvA does not submit a patent application after the invention has been reported, the researcher is entitled to submit an application independently,

assuming personal responsibility for all expenses and risks. Intellectual property rights could also conceivably be transferred to a researcher or a third party. This would occur only in exceptional cases, which can be decided on only by the Executive Board.

### 2.3.2. The exploitation of knowledge and/or intellectual property rights: licences, transfer and income distribution

In the exploitation of knowledge and/or intellectual property rights, essentially two forms can be distinguished. The first form involves granting a licence by concluding a licensing agreement with a third party. The second involves transferring the knowledge and/or intellectual property rights. Both forms can generate resources. The difference is that, in the case of transfer, legal ownership passes to a third party, while with licensing agreements, the UvA retains legal ownership (control). For this reason, the UvA prefers the licensing form. The transfer of knowledge and/or intellectual property rights thus also constitutes an exceptional situation, which can be approved only by the Executive Board.

The Regulations Governing Valorisation 2014 identify a system for distributing the net income generated by the conclusion of a licensing agreement or the transfer of knowledge and/or intellectual property rights:

- one-third to be distributed to the employee (or employees) or the inventor (or inventors) individually or jointly, in mutual consultation; for each invention, the amount to be paid to the inventor (or inventors) during the entire duration of the patent cannot exceed the maximum of €2,500,000;
- one-third for the faculty or the research institute where the employees are working;
- one-third for the UvA's financial instruments for the stimulation of valorisation.

Inventors have free access to their share of the net income. Statutory withholdings for income tax and premiums are obviously applicable to this income.

### 2.3.3. Exploitation of knowledge or intellectual property rights: starting a new venture and participation

In addition to licensing agreements and the option of entering partnership contracts with third parties, starting a new company is another option for realising the exploitation of knowledge. As stated in Section 1.3, the number of new companies that will be started is fairly limited in absolute terms. At the same time, however, the number is increasing. The policy framework for the establishment of new companies and participation in them by employees, the UvA and possibly third parties is also described in the Regulations Governing Valorisation 2014.

Investment in a new venture can take place in several different ways:

- through the input of knowledge and/or intellectual property rights;
- through input in kind (e.g. provision of access to facilities by the UvA, such as laboratory space or equipment);
- through the input of the staffing capacity of employees (primarily these will be the researchers or inventors);
- through monetary input;
- by granting loans through the UvA's financial instruments for valorisation.

Under certain conditions, employees will be enabled to participate in the new venture. It is conceivable that the UvA would not participate in a new venture but an employee would. For example, this would be the case if the knowledge and/or intellectual property rights were to be held by the employee, or if the UvA were to transfer the rights to the employee or to the new venture. In many cases, the University nevertheless does provide input – not by taking out shares, but by agreeing to a break-even fee payable to the UvA.

The use of intellectual property rights belonging to the UvA always requires permission from the TTO UvA-AUAS-AMC, which may impose additional conditions.

Participations by the UvA is another possibility, in which the University takes a limited or substantial (e.g. majority) interest in the company. Participation by the UvA is always for a limited time. Participation by the UvA takes place exclusively through the Executive Board, working through UvA Holding BV and based on the recommendations of the TTO UvA-AUAS-AMC and UvA

Holding BV. Decisions to reduce or terminate a participation by the UvA are also reserved exclusively for the Board, upon recommendation by the director of UvA Holding BV.

With regard to participation in a new venture by an employee, no maximum in the number of shares applies. If the UvA is also participating in the new venture, however, the number of shares held by the employee must be backed by investments of their own in proportion to the value of the shares that they hold. These shares must also be certified, thus creating a distinction between the economic and legal interests of the shares. The establishment of, and participation in, new ventures is elaborated further in Articles 9 and 10 of the Regulations Governing Valorisation 2014.

Several categories of officials are not allowed to participate in new companies as described above. These categories include employees whose positions require them always to give precedence to the interests of the UvA in relation to those of the new company.<sup>12</sup> This is an additional precaution against conflicts of interest (or the appearance thereof) between the UvA and businesses.

### 2.4. Technology Transfer Office UvA-AUAS-AMC: professional support for valorisation

Knowledge exploitation entails various steps that require specific knowledge. Examples include the assessment of, and applications for, patents, the assessment of findings according to their potential for valorisation, the drafting of business plans and the design of complex partnership contracts with third parties. Within universities and university medical centres, these types of specific knowledge are usually concentrated in specialised organisational units. For example, the UvA has the Technology Transfer Office UvA-AUAS-AMC.

The members of the TTO UvA-AUAS-AMC staff include professionals with backgrounds in science and/or business, who have expertise in the valorisation of academic knowledge. The TTO UvA-AUAS-AMC has a broad network

<sup>12</sup> Examples of these categories include directors of operational management, controllers and employees of the TTO UvA-AUAS-AMC or the pan-Amsterdam TTO.

within the institution and the business sector, as well as among funding bodies and in the social field. The TTO UvA-AUAS-AMC maintains active contact with researchers, working with them to consider possibilities for valorisation.

A part of the financing for the TTO UvA-AUAS-AMC comes from the allocation of 15% of the income generated by dividends from participations and by the sale of participations. These resources are to be allocated to the further reinforcement and development of the financial instruments of the TTO UvA-AUAS-AMC. These sources of income are in addition to the TTO UvA-AUAS-AMC's income from licensing agreements, the transfer of knowledge, the basic funding from the UvA and the Academic Medical Center (AMC), and income from costs that the TTO UvA-AUAS-AMC has shown to have made before proceeding with the payment of this net income. The TTO UvA-AUAS-AMC functions as a shared service for use by the faculties.

One component of the TTO UvA-AUAS-AMC consists of a specialised unit, the grant team, for supporting academic staff in the acquisition of indirect government funding, contract research and funding from charitable organisations. Projects with indirect government funding are financed through the Netherlands Organisation for Scientific Research (NWO) and the European Commission in the successive Framework programmes for research and innovation. Contract research projects are financed through private subsidy providers (companies and other social partners, including governmental institutions). Funding from charitable organisations forms a substantial funding source primarily within the medical field (e.g. the Dutch Cancer Society and the Dutch Kidney Foundation), and typically has a one-off and project-based character.

The TTO UvA-AUAS-AMC has several duties with regard to these funding opportunities, including informing academic staff about grant opportunities and supporting staff members in the preparation of applications (e.g. with regard to procedural, legal and financial aspects). For extensive applications, the TTO UvA-AUAS-AMC can provide administrative assistance if the grant is approved, or it can help with lobbying grant agencies (e.g. by ensuring the placement of staff members on programme and review panels and through active lobbying efforts in Brussels). The positioning of this unit within the TTO UvA-AUAS-AMC is consistent with Dekeyser's recommendations, and is preferable to an independent entity.

## 2.5. Pan-Amsterdam Technology Transfer Office

The UvA is also working with VU University Amsterdam, the VU University Medical Center and the Academic Medical Center (AMC-UvA) to form the pan-Amsterdam TTO, consisting of the technology transfer offices of these institutions. The UvA is entering its TTO UvA-AUAS-AMC into this construction. The pan-Amsterdam TTO is being formed based on two considerations.

The UvA, VU University Amsterdam and both of the university medical centres in Amsterdam jointly applied for a subsidy within the framework of the Ministry of Economic Affairs' Valorisation Programme. This subsidy has been allocated in two instalments, each amounting to €5 million. The formation of a pan-Amsterdam TTO was one component of the subsidy application.

One important part of the recommendations issued by Dekeyser focused on a prospective pan-Amsterdam TTO, which should have a clear mandate and be regarded as facility provision in the valorisation process, of service primarily to researchers. It should ideally be a cost-neutral effort. In other words, the pan-Amsterdam TTO should eventually pay for itself. According to Dekeyser's recommendations, a TTO of this calibre should have access to a substantial set of instruments, ranging from specific professional knowledge (e.g. regarding licences and patents) to facility-based and financial instruments. The UvA is in full agreement with this approach, both with regard to its own TTO UvA-AUAS-AMC as to the pan-Amsterdam initiative.

For the UvA, it is clear that the knowledge (e.g. legal expertise concerning patents, licences and partnership contracts, as well as with regard to national and international subsidy applications) should be concentrated within the future pan-Amsterdam TTO. In addition to offering opportunities to learn, the concentration of this type of knowledge offers opportunities for further elaboration and specialisation in subfields. It could also generate economies of scale.

Another reason that such concentration is necessary has to do with the trend of including forms of collaboration with the business sector as an important criterion in the assessment of substantial grant applications. This increases the necessity of specialisation of expertise. Finally, this bundling of knowledge offers the opportunity of developing a more strategic approach to developing resources from

indirect government funding, contract research and commercial exploitation within both national and international contexts.

The above-mentioned subsidy application to the Ministry of Economic Affairs was embedded within the Amsterdam Economic Board (AEB) partnership. This is illustrative of bundling knowledge. The AEB emerged from the covenant that was concluded in November 2010 between the knowledge institutions, university medical centres, governmental bodies and the business sector in Amsterdam. The covenant entails far-reaching partnership agreements that are intended to make Metropolitan Amsterdam one of Europe's top five business locations by 2020.

## 2.6. Financial instruments for valorisation: Funds

Aside from the issue of whether the available financial instruments can reach full development at the pan-Amsterdam level, the specification of the framework presented in this document requires a closer examination of the instruments that are already at least partially available to the TTO UvA-AUAS-AMC. More specifically, it is important to examine the funds to which researchers can have recourse in various stages of valorisation: the Patent Fund, the Proof of Concept Fund, the Pre-Seed Fund and the Seed Fund.

The financial instruments of the TTO UvA-AUAS-AMC include three funds. The deployment of these funds takes place through the TTO UvA-AUAS-AMC, on behalf of the Executive Board. The dean of the faculty in which the researchers applying to these funds are employed also plays a prominent role in carrying out this task. The three funds are the Patent Fund (also known as the *IP Fund*), the Proof of Concept Fund (*PoC Fund*) and the Pre-Seed Fund. The Seed Fund is incorporated into UvA Holding BV. The entire set of financial instruments is fed at least in part by the profit distributions from UvA Holding BV. Decisions in this regard are reserved for the Executive Board.

### 2.6.1. Patent Fund

The Patent Fund is intended as an instrument for supporting researchers and existing or prospective entrepreneurs in the development and commercialisation of

their ideas. This process of commercialisation usually begins with the identification and protection of the intellectual property. The Patent Fund is intended to allow for the financing of the costs of applying for patents, which are often high. Substantial costs can also be associated with the defence and maintenance of patents, and will be covered by the Fund as well.

Given that the resources of the Patent Fund are limited by definition, the duties and roles of the TTO UvA-AUAS-AMC include deploying these resources as effectively as possible. This requires making choices with regard to the deployment of these resources as a whole, as well as with regard to individual cases. These choices can, for example, involve the period or territory to which the patent refers. Each year, the TTO UvA-AUAS-AMC gives an account to the Executive Board of the choices made in the total budget. The priority for the coming years will be to devote all of the resources to promising initiatives that fit within the European Framework Programme Horizon 2020, the national 'top sectors' and the seven economic clusters identified in the AEB.<sup>13</sup> Specific attention will also be paid to initiatives arising from the priority themes that will be set within the framework of the implementation plan for the pan-Amsterdam TTO in the coming three years.

In addition to the generic deployment of the resources from the Patent Fund, each new individual patent application (or potential application) will involve a decision concerning whether the patent application procedure will be funded. The TTO UvA-AUAS-AMC will play an initiating role in this as well. A positive decision to deploy resources in individual cases will not be made until prior consent has been obtained from the dean of the faculty to which the researchers concerned belong. If there are any differences of opinion in this regard, the decision will be upscaled to the level of the Executive Board.

The Patent Fund is fed in part by any fees for patent costs received from licensees and income generated by licensing agreements or knowledge transfers.

<sup>13</sup> The clusters are as follows: ICT & E-Science, Creative Industries, Life Sciences & Health, Financial & Business Services, Logistics, Horticulture & Agri Food, and Tourism & Conferences (<http://www.amsterdameconomicboard.com/english>).

### 2.6.2. Proof of Concept Fund

The Proof of Concept Fund is aimed at supporting further research on the feasibility of the commercial exploitation of knowledge and/or intellectual property rights. This feasibility can be technical, economic or financial, as with upscaling a project from an experimental arrangement to a full-fledged production line, conducting targeted identification of possible business partners, or specific market research. The Fund's focus is on the period preceding the final decision to establish a company. It has proven difficult, particularly during this phase, in which the feasibility (i.e. likelihood of success) must be demonstrated, to tap into the relatively limited resources that are available in the market for such purposes.

The Proof of Concept Fund is thus intended to help remedy this problem. The contribution from this Fund should preferably be in the form of an interest-free loan, although it may also be a grant with no repayment obligation. The size of the contribution is limited to €100,000 at most. The UvA's Proof of Concept Fund amounts to approximately €250,000 (on an annual basis) and is kept as an earmarked reserve by UvA Holding BV. Within the framework of the aforementioned application for a subsidy from the Ministry of Economic Affairs valorisation programme, the collaborating institutions in Amsterdam have received €1.35 million for the period through 2018. The Proof of Concept Fund is financed by earmarked reserves within the UvA Holding BV.

The allocation of resources from the Proof of Concept Fund is carried out by the director of the TTO UvA-AUAS-AMC, on behalf of the Executive Board, for allocations up to €25,000. Intended allocations exceeding this amount require prior written approval from the Executive Board. The TTO UvA-AUAS-AMC uses 'expert panels' in the assessment of allocations from the Fund. An expert panel is intended to serve as an advisory body to the TTO UvA-AUAS-AMC, in order to improve the assessment of applications from researchers (employees). An expert panel comprises, on an ad hoc basis, experts in the relevant field, usually from outside the knowledge institution. Given that this involves potentially exploitable ideas or concepts, confidentiality statements must always be signed by the members of these panels.

In the decision-making process concerning the allocation of a loan or grant, the TTO UvA-AUAS-AMC usually follows the non-binding recommendations of the expert panel. Grants and loans are awarded only to applications that are

supported by recommendations from the dean of the faculty in which the applicants are employed. Details about forms and procedures for applying for a contribution from the Proof of Concept Fund are available from the TTO UvA-AUAS-AMC. The composition, positioning and procedures concerning the expert panels are included. Each year, the TTO UvA-AUAS-AMC renders an account to the Executive Board for the choices made with regard to the total budget.

### 2.6.3. Pre-Seed Fund

The Pre-Seed Fund is a facility aimed at start-up businesses. The Fund is available to both researcher entrepreneurs and student entrepreneurs affiliated with the UvA. As with the Proof of Concept Fund, this facility is aimed at the phase in which researchers orient themselves on the start of a new venture, in addition to targeting new ventures that have already been established but that are still in a very early stage. Attracting capital on a commercial basis is also a difficult process during this phase of the valorisation process. In contrast to the Proof of Concept Fund, allocations from the Pre-Seed Fund always have the character of loans, which can vary in terms of instalments and interest. As a rule, therefore, the Pre-Seed Fund is 'revolving'. The Fund is explicitly not intended to contribute to a participation of the UvA in a new company. The Seed Fund was created for that purpose.

The size of the UvA's Pre-Seed Fund is €500,000. It is kept as an earmarked reserve by UvA Holding BV. Within the framework of the aforementioned application for a subsidy from the Valorisation Programme of the Ministry of Economic Affairs, the collaborating institutions have received approximately €1 million for the period through 2018. Given the 'revolving' character of this Fund, an annual allocation is necessary only if the Executive Board wishes to bring the Fund to a structurally higher level. One exception concerns the possibility that loans that have been issued cannot be repaid.

Allocations from the Pre-Seed Fund are also the responsibility of the TTO UvA-AUAS-AMC with respect to loans of up to €25,000 (and with prior written approval for higher amounts). The use of expert panels is also applicable (including the principle of following the non-binding recommendations of these panels), as described in the section on the Proof of Concept Fund. Loans are awarded only

to applications that are supported by recommendations from the dean of the faculty where the applicants are employed. The detailed design and procedures for applying for a contribution from the Pre-Seed Fund are available from the TTO UvA-AUAS-AMC. The positioning and procedures concerning the expert panels are included. Each year, the TTO UvA-AUAS-AMC renders an account to the Executive Board for the choices made regarding the total budget.

#### 2.6.4. Seed Fund

A fourth Fund that plays an important role in valorisation – and, more specifically, in the starting up of new companies – is the Seed Fund (referred to in Dekeyser's recommendations as the *zaaigeldfonds* (seed money fund)). This Fund is a facility aimed at making risk-bearing capital available to new companies, in cases in which the Executive Board has decided on a participation by the UvA through the input of cash as an investment in the new company. As stated in Section 2.3.3, investment in a new, yet-to-be-established company can take place in several different ways, including through cash input. It therefore does not involve supporting the starting-up of a new company (the aforementioned instruments are available for this purpose), but instead relates to the choice for a full or partial interest in the new venture on the part of the UvA, through UvA Holding BV.

As an example of good practice for the Seed Fund, frequent reference is made to the Life Sciences Fund Amsterdam (LSFA). This Fund is embedded within the so-called 'Amsterdam BioMed Cluster'. The primary objective of this Fund is to provide risk-bearing capital to start-up companies in the biomedical economic cluster.<sup>14</sup>

The UvA currently has no formal Seed Fund. In recent years, however, incidental decisions have been taken to participate financially in several new

<sup>14</sup> The Life Sciences Fund Amsterdam provides investment capital to fund biomedical entrepreneurial activity in the Amsterdam Metropolitan Area [...]. The close cooperation between the Fund, the Cluster and the technology transfer offices of the Life Sciences Centre Amsterdam enables the Fund to facilitate the transfer of technology to the private sector and to provide emerging technology companies and university researchers with vital seed funding and specialised financial and technical assistance.

ventures. The UvA is currently participating in eight companies, all of which have been incorporated into UvA Holding BV.<sup>15</sup>

A Seed Fund will be introduced at the beginning of 2014. The intended capital will consist of the earmarked reserves designated for this purpose by UvA Holding BV. The Fund will be fed by the income generated from existing participations, and by selling participations that are being terminated. The UvA is also exploring ways of achieving an even stronger connection with the largely similar funding body managed by the City of Amsterdam. This is one of the outcomes formulated within the covenant of the Amsterdam Economic Board. Third parties (i.e. companies from the business sector) are also being invited to connect their risk capital to the Seed Fund.

The administrative management of the Fund will be performed by UvA Holding BV. Investments from the Fund will be made under the exclusive authority of the Executive Board, which authority is not delegated elsewhere within the organisation.

When taking decisions concerning investments to be charged to the Seed Fund, the Executive Board will seek advice from an investment committee. This committee will be formed on a case-by-case basis by experts in the areas of valorisation, market knowledge and investments. In addition to seeking advice from the committee, the Executive Board will consult with the dean and with the academic domain of the company. In consultation with the director of UvA Holding BV, the TTO UvA-AUAS-AMC will prepare the decision-making process for the Executive Board.

As a rule, there is no difference between the provision of cash and other forms of input (investments) in a new company, including facilities, knowledge and/or intellectual property rights or the staffing capacity of researchers. In each case, the UvA's participation in a company is involved.

<sup>15</sup> The eight companies are currently as follows: Photanol BV, CellaGenics BV, Oefenweb BV, InCat BV, ITTA UvA BV, Arbeidsmarktresearch BV, Euclid Vision Technologies BV and Sightcorp BV.



## 2.7. Participation by the UvA in a new venture

As described above, the decision to establish a new venture can be taken by one or more researchers, possibly with input from third parties, but without participation on the part of the UvA. Such cases require prior written consent from the dean. When considering such decisions, the dean weighs the interests of the UvA against the individual interest of the researcher. In this process, any activities that will be performed by the company (after the preparatory phase) will be regarded as ancillary activities, as referred to in the Regulations Governing Ancillary Activities 2014. In some cases, however, new ventures will be established with some form of input from the UvA and involving participation, if stocks are taken in exchange. Such decisions are always reserved for the Executive Board, and they are to be taken only with due consideration for compliance with the provisions formulated in Article 10 of the Regulations Governing Valorisation 2014.

If the Executive Board decides to participate in a new yet-to-be-established company, the target will be full control, or at least a majority interest. In exceptional circumstances, a minority participation may be decided upon (e.g. if a third party opts for a substantial investment).

Conceivably, the UvA's interest in a particular company could decrease during its initial years because of additional investments by other parties. Should the UvA's interest diminish too much, the possibility of exiting the venture will be considered. The underlying principle is that the UvA seeks primarily to act as a stimulus in order to promote successful valorisation, with less emphasis on optimising the returns on the assets invested in the process.

## 2.8. UvA Holding BV

If participation by the UvA is decided upon, the shares will be held by UvA Holding BV, organisationally positioning the new company within UvA Holding BV. The tasks of UvA Holding BV include guarding the UvA's shareholdings in an active and committed manner as well as ensuring a professional, commercial approach within the new company. Important assessment criteria include the achievement of the milestones included in the business plan and the presence of a proper administrative organisation and its positioning.

Partly in light of the increasing importance of valorisation in general, the formation of the pan-Amsterdam TTO and the development of the regulatory framework, including the division of tasks across the various financial funds, the organisational structure of UvA Holding BV has been adjusted. The reasoning is that the organisational structure should reflect the diverse substantive task areas of the organisation and the companies that have been incorporated into UvA Holding BV. In general, the companies that have been (and will be) incorporated into UvA Holding BV can be divided into four categories. Each of these categories has its own specific task area, objective and result requirements, such that the role of UvA Holding BV should always generate additional value. The four categories are as follows:

- new ventures
- contract research & contract teaching
- facility services
- real estate portfolio.

### New ventures

New ventures are companies in which the UvA is participating within the framework of valorisation. This topic has already been treated extensively. The core of the added value offered by UvA Holding BV is its ability to guard the UvA's shareholdings in an active and committed manner and ensure a professional, commercial approach within the new company. The criteria for assessing these actions include the preconditions described in the preceding section. In the interests of clarity, it is important to note that the termination of a participation due to disappointing results or similar reasons is an option.

### Contract research & contract teaching

Within the current range of companies that have been incorporated into UvA Holding BV, most are active in the field of contract research. These companies conduct academic research commissioned by third parties, with a profit motive. These companies will remain structural components of UvA Holding BV, given the absence of an exit strategy in most cases. This type of business is consistent with the University's core tasks of research and valorisation.

Given that many cases involve the commercialisation of ongoing research or expertise emerging from research conducted within a faculty, the governance of these companies must consider the faculty's interests and ensure unambiguous



management. By facilitating the process of commercialisation, UvA Holding BV serves as an extension of the faculty's research policy in the private domain, and it therefore acts as the faculty's implementing agency. In this regard, the role of UvA Holding BV largely concerns the facilitation and supervision of efficient business operations, thus guaranteeing the continuity of the company.

Contract teaching comprises only a modest portion of the companies within this category that have been incorporated into UvA Holding BV. Because of the desirability, for various reasons, that such contract teaching activities be delineated clearly (in financial terms) and transparently, it is also preferable that they be incorporated into UvA Holding BV. Even more than is the case with contract research, these activities are located within the activity domains of the faculty. Accreditations and the associated governance requirements play an important role in this type of activity. For this reason, unambiguous management should also be applied to these activities, through the governance of UvA Holding BV. The tasks performed by UvA Holding BV with regard to contract teaching companies are therefore similar to those performed for companies focusing on contract research.

### Facility services

This cluster includes the 'facility companies' of UvA Holding BV, whose activities involve the promotion of mobility, temporary employment, translation work and secondments. For example, Amsterdam University Press BV belongs to this cluster. Companies that have been incorporated into UvA Holding BV in this context will also remain structural components within the conglomerate of companies incorporated into UvA Holding BV.

The financial objectives for companies with a distinct 'social' purpose or function are less stringent than those for companies active in the area of facility services. The objectives for the latter type of companies include a proper profit objective and a solid guarantee for the continuity of the company. For these companies, therefore, UvA Holding BV adopts a 'break-even' policy, with due consideration for any exploitation subsidies that the companies may have received. The involvement of UvA Holding BV in the business operations of these companies is adjusted accordingly.

### Real estate portfolio

Responsibility for the University's real estate policy has also been assigned to

UvA Holding BV, in so far as the real estate is not used for the University's primary tasks (research, teaching and valorisation).

It therefore primarily involves a number of student facilities and accommodations for the companies within the UvA Holding BV. The holdings in this portfolio are subject to a market-based profit objective, obviously with due consideration for relevant market conditions and the vision of the shareholder in this regard. This vision applies as a criterion for the level of the involvement of UvA Holding BV in the real estate policy.

A systematic representation of the organisational structure of UvA Holding BV, as outlined above, is provided in Appendix 1.

## 2.9. Contract research

Contract research is research that is conducted on commission and that is funded at least in part by third parties. The third parties can be companies, governmental bodies, not-for-profit institutions or funding bodies. The initiative for such research can be taken by a third party, by a unit of the UvA or jointly by both sides. Contract research focuses more on the development of knowledge than it does on the sharing of existing knowledge. This knowledge-development process could conceivably draw upon facilities and data files belonging to the University (e.g. personal data). At the same time, the research to be conducted could generate knowledge or findings that could be valorised. Both possibilities illustrate the necessity of stipulating the following in the contract (in advance):

- the University-owned data that will be used for the research to be conducted, along with the goal of the research and the explicit restriction to this research goal;<sup>16</sup>
- the facilities that will be used for conducting the research;
- the owner of the new or supplementary data/data files and of any knowledge that the research might generate. The underlying assumption is that the University is always the owner of any knowledge generated;

<sup>16</sup> As a rule, if patient data are involved, the patient has and retains ownership of these data, such that they may be used by or on behalf of the University only with express consent.

- the manner in which the data that the University has made accessible will be returned, upon completion of the research;
- the financial compensation that the contracting party will pay for the research that will be delivered, and the conditions under which such payment will be made;
- the parties entitled to publish the knowledge or findings generated by the research, which, in most cases, will be the UvA;
- any ban on publication (not to exceed 90 days) in connection with possible patent applications.

In conformity with the UvA's mandate regulations, contracts within the framework of contract research must always be signed by the dean, preceded by a recommendation from the TTO UvA-AUAS-AMC. This task may not be delegated. Moreover, amounts exceeding €250,000 (on an annual basis) require prior written consent from the Executive Board. Important test elements for the Executive Board include questions regarding whether the contract will involve any transfer of knowledge and/or intellectual property rights to third parties and whether the contracts are of a structural nature.

## 2.10. Ancillary activities and valorisation

Valorisation is a core task of the University, along with research and teaching. Activities performed in this regard are therefore by definition part of the fulfilment of the appointment of academic staff members. In general, they should therefore not be regarded as ancillary activities. Although this is the primary guideline, there are exceptions.

Among the exceptions are participation, on the basis of individual academic expertise, in advisory committees that are outside the control of the UvA, and activities for a new venture that has been established according to knowledge generated by the employee's own research but 'taken outside' in a new company.

Given the increasing importance attached to valorisation activities, transparency, integrity and fairness are desirable with regard to ancillary activities. The Regulations Governing Ancillary Activities 2014 have replaced the previous regulations on ancillary activities. They have been included as a separate attachment to this publication. The main points of these regulations are outlined

below, particularly with regard to areas relating to valorisation activities.

Ancillary activities are defined as follows: 'all remunerated and unremunerated activities that are not performed within the employment relationship with the University, with the exception of clearly private matters'. It thus does not matter whether the activities are performed regularly, requiring a considerable amount of time, or whether they are incidental activities involving very little time. The scope of the appointment at the University also does not matter.<sup>17</sup>

In general, the performance of ancillary activities is appreciated by the UvA. This demonstrates that the University is deeply embedded within society. Ancillary activities nevertheless require permission from the competent authorities, however, and they must therefore be reported (with the report regarded as a request for permission).

The competent authorities<sup>18</sup> assess reports of ancillary activities according to the following criteria:

- Ancillary activities must not detract from the fulfilment of the position. The underlying principle is that employees must be able to devote themselves

<sup>17</sup> For example, the following could be considered ancillary activities: an appointment with another employer; a position as a commissioner or consultant for an external organisation; acting as a director or partner in a legal person whose structure results (or could result) in regular contact with the UvA; activities performed as an active or starting entrepreneur or independent professional practitioner. The following are not regarded as ancillary activities: administrative and consultancy positions that are directly connected to the position and activities involved in contract research or contract teaching in which the UvA is a party to the contract and that are performed within the framework of the appointment. Lectures and other ad hoc activities performed within the framework of the appointment are also not regarded as ancillary activities, and it is not necessary to report them. Working agreements with the line manager concerning these activities is sufficient.

<sup>18</sup> For ancillary activities performed by members of the Executive Board, the Supervisory Board acts as the competent authority. For ancillary activities performed by deans, the academic directors of research institutes and the directors of the shared service units, the Executive Board acts as the competent authority. For ancillary activities performed by professors, programme directors, associate professors (senior university lecturers), other academic staff and the director of operational management, the dean of the faculty or the academic director of the research institute where the party involved is employed is designated as the competent authority. For ancillary activities performed by members of the support staff for teaching and research or members of the administrative staff, the dean of the faculty or the academic director of the research institute serves as the competent authority.

fully to the fulfilment of their positions at the UvA (and continue to do so), including valorisation duties.

- Ancillary activities must not damage the interests of the UvA. Ancillary activities that involve the professional fields in which the UvA is active could damage the academic and business interests of the UvA (competition damage). Moreover, ancillary activities could conceivably have a negative influence on perceptions of the UvA.
- Ancillary activities must not conflict with the reputation of the employee's position. Ancillary activities that evoke undesirable perceptions in the minds of stakeholders outside of the University could have a negative effect on the functioning of the employee and others fulfilling similar positions.
- Any conflict of interest (or appearance thereof) must be prevented. In the performance of ancillary activities, contacts with third parties must involve a clear distinction between the position as a private individual and the position as an employee of the UvA. Ancillary activities performed for third parties with whom the UvA maintains a business relationship are allowed only if, and to the extent that, conflicts of interests can be excluded in advance. Employees whose positions involve them in the preparation of contracts between the UvA and third parties are prohibited from performing ancillary activities for these parties.
- The use of the University infrastructure when conducting ancillary activities is allowed only if (and to the extent that) written permission has been granted. In the performance of ancillary activities, the facilities and personnel of the UvA may be used only if clear and verifiable agreements have been made regarding their use. All costs are understood to be charged to the person performing the ancillary activities.

In addition, the performance of activities related to starting a new venture require particular attention, as this is a realm in which valorisation extends into ancillary activities. The establishment of a new venture proceeds in roughly five phases:

1. research phase: identification of research results suitable for commercialisation;
2. evaluation phase: assessment of feasibility, decision-making and protection of rights;
3. pre-start phase: drafting of plans and acquisition of resources;
4. start phase: transfer of intellectual property rights and actual start of the new venture;
5. growth phase: business and product development.

In the research phase, the evaluation phase and the pre-start phase, the employee's involvement in the new venture forms part of the fulfilment of the employee's position, as it belongs to the task of valorisation. The supervisor is aware of the activities and makes agreements with the employee concerning the nature, scope and duration of the involvement, observing a maximum involvement of one day a week for two years. The supervisor notifies the competent authorities in this regard.

Beginning with the start phase, the employee's involvement is regarded as ancillary activities as referred to in the Regulations Governing Ancillary Activities 2014. This means that written permission from the competent authorities is required. In order to assess how the ancillary activities for a new venture relate to the employee's position and the interests of the UvA in this phase, the supervisor and the employee should make agreements concerning the following topics:

- separation of activities and responsibilities;
- time allocation;
- use of University facilities and the associated costs;
- intellectual property;
- positioning/profile of the new venture (in consultation);
- supplier-purchaser relationship with the UvA (if applicable);
- consequences for the appointment;
- periodic evaluation points.

These agreements are established in a document contained within the ancillary activities report.

As a rule, the proceeds from ancillary activities go to the employee. The ancillary activities of each employee are registered in the public registry and publicised on the UvA website. Upon written and justified request of the employee, the Executive Board may agree not to publicise the ancillary activities (or some part thereof).

## 3. Supplementary valorisation policy

The previous section highlighted the core of the UvA's valorisation policy and the main elements of the most important instruments of that policy. In the interests of further stimulating valorisation within the institution, the UvA has also adopted a supplementary, flanking policy. More specifically, this policy relates to the HRM policy, participation in processes that support the registration and evaluation of valorisation activities, entrepreneurship training and the facilitation of use of research infrastructure.

### 3.1. HRM policy

In recent decades, valorisation has gained an explicit place on the agendas of knowledge institutions. At the UvA, it has been incorporated into the Strategic Plan and policy and management covenants. This illustrates the importance that the administrators and management attach to valorisation, and it clarifies their motivation. This has implications for the regular business operations (e.g. the HRM policy). Although valorisation has long been a formal part of the annual consultations (performance reviews), a subsequent step would involve translating valorisation into improved career prospects or focused incidental appreciation. More than in the past, valorisation skills are becoming a valid criterion in the recruitment and selection of candidates. In other words, researchers are increasingly expected to be capable of acquiring sufficient numbers of projects from indirect government funding and contract research, to tap into collection-box funds or to have a track record in starting companies that engage in contract research or contract teaching, or to have experience with the establishment of intellectual property rights based on their research.

### 3.2. Registration and evaluation of valorisation

The design of this HRM policy and that of the entire UvA valorisation policy could be improved by enabling the proper registration and evaluation of the

various valorisation activities of the UvA. The assessment of valorisation is difficult, primarily because of the highly diverse activities involved within the domains of knowledge sharing and knowledge exploitation. In addition, the measurement of activities is less relevant than the ultimate impact of these activities. This impact may not be visible for years, or it could emerge among parties or in domains that are difficult to predict in advance (e.g. detection techniques from astronomy that could eventually become highly important in the diagnosis of cancer twenty years later). Nevertheless, improving valorisation from academic research and increasing its impact obviously calls for continuing efforts to improve the registration and evaluation of valorisation.

The UvA therefore also participates in various related national processes, two of which are currently the most important. The first process involves the identification of indicators for valorisation, per university, emerging from the profile agreements made with the Dutch Ministry of Education, Culture and Science in 2012 and managed by the Association of Universities in the Netherlands (and by the Netherlands Federation of University Medical Centres). In the period 2013-2015, experiments will be conducted with these indicators, after which they will be validated and incorporated into the quality standards against which the UvA will evaluate itself.

The second process concerns the Standard Evaluation Protocol (SEP), established by the Royal Netherlands Academy of Arts and Sciences, the Netherlands Organisation for Scientific Research and the collaborative Association of Universities in the Netherlands, which is intended to create additional space for the evaluation of valorisation activities and their impact. All of the academic research conducted in the Netherlands (including the research of the UvA and AMC) is subjected to periodic external evaluation according to this protocol. In the future, the scores will become more dependent upon the valorisation scores received by the research groups involved.

In the extension of the latter process, further investigation will be conducted in various disciplines (e.g. the technical and social sciences and the humanities) regarding measurement standards that can be applied to measure the quality and impact of academic research in these distinct academic domains. UvA staff members are often closely involved in this process as well.

### 3.3. Amsterdam Center for Entrepreneurship

With regard to the core task of teaching, structural attention is being paid to entrepreneurship training in an increasing number of academic domains at the UvA. The Amsterdam Center for Entrepreneurship (ACE), a collaborative partnership between the UvA, VU University Amsterdam and the Amsterdam University of Applied Sciences (AUAS/HvA), is playing a leading role in these efforts. ACE's mission is to promote entrepreneurship in the broadest sense of the term, inspiring students to engage in ambitious and innovative entrepreneurship. The training is marked by an interdisciplinary character and a focus on both knowledge transfer and skills enhancement. In addition, ACE engages in outreach through publications in the media, lectures, events and similar efforts.

In the coming years, the activities of ACE will focus on four key areas:

- inspiring entrepreneurship, the goal of which is to increase the number of students reporting a desire to become entrepreneurs from 23% (nationally) in 2011 to 60% by the end of 2018;
- dissemination of good practices, to share the accumulated experiences with interdisciplinary entrepreneurship with other faculties;
- the student tracking system for students who establish their own companies, which is aimed at providing insight into the phenomenon of student companies, documenting the value creation of these companies and identifying the role that they could play in knowledge valorisation;
- the Science, Business & Valorisation educational programme for research groups, in which research groups are offered valorisation tracks and instruments for implementation within their own group, thereby promoting the direct application of new academic knowledge. Early collaboration with students and companies (both new and existing) will be encouraged in this regard.

### 3.4. Incubator facilities: Roeterseiland Campus and Amsterdam Science Park

The concentration of the physical stimulation of entrepreneurship and valorisation activities in relation to universities implies greater cohesion and easier mutual reinforcement. In this regard, the UvA has two areas of concentration: Amsterdam Science Park and the Roeterseiland Campus (REC).

#### 3.4.1. Roeterseiland Campus

With its building that is dedicated to labs (appropriately called the Lab), which was opened in the summer of 2012, the Roeterseiland Campus possesses research facilities and advanced equipment for the social and behavioural sciences: from a 'sleep lab' to a 'baby lab', and from virtual reality to a functional MRI brain scanner in the Spinoza Centre.

The Lab is the location where researchers from the fields of psychology, child development and education, communication science, and the social sciences meet and join forces to strengthen each other's research. Other disciplines from within and outside the UvA can also use the facilities. Because of its interdisciplinary setting, the Lab allows cross-fertilisation and collaboration to emerge within and outside various disciplines. The *Brain and Cognition* priority research area occupies an important position in this regard. The entire range of research techniques is available in the Lab: from questionnaires and behavioural tests to research using functional MRI, electro-encephalography (EEG), trans-cranial magnetic stimulation (TMS) and eye-tracking.

One new initiative that has found a home at the Roeterseiland Campus is 'Start-up-Push/Go', a 'reverse' incubator facility for enterprising students and other people. Over the course of three months, participants work to develop a product or service. Those who are successful enter the market independently. The incubator is reversed in the sense that students and researchers are selected according to ideas. The likelihood of successful companies is increased by selecting the right people to match ideas and having them work together to validate and develop those ideas. The Start-up-Push/Go incubator uses scientific methods to develop a 'product-market fit', corresponding closely to the training that students have received. For the necessary business skills, students receive special training through ACE. In 2013, the initiators of Start-up-Push/Go and the Faculty of Social and Behavioural Sciences (FMG) examined the feasibility of continuing this initiative.

### 3.4.2. Amsterdam Science Park

Amsterdam Science Park emphasises research in the natural sciences, particularly in the areas of sustainability, ICT and the life sciences. This hub for pioneering teaching, high-quality research and knowledge-intensive companies was developed jointly by the UvA, the City of Amsterdam and the Netherlands Organisation for Scientific Research (NWO). The shareholders of WTCW NV (soon to be Sciencepark NV) include internationally operating companies. Approximately 3,000 researchers are currently working at Amsterdam Science Park, with another 900 people or so working in companies that are located there. The further development of Amsterdam Science Park is a key area for stimulating valorisation in physical terms.

A prominent position within Amsterdam Science Park is occupied by the Faculty of Science (FNWI), which conducts research and provides teaching in the natural sciences. This Faculty comprises a College of Science, an Institute for Interdisciplinary Studies, three Graduate Schools and eight research institutes.

In addition, various renowned research institutions are located at Amsterdam Science Park, including the Dutch National Institute for Subatomic Physics (Nikhef), the FOM Institute AMOLF, the national research institute for mathematics and computer science CWI and SURFsara. Since 2012, Amsterdam University College (AUC) has also been located at Amsterdam Science Park. The AUC is a joint educational programme of the UvA and VU University Amsterdam. The AUC selects excellent students according to academic qualities and motivation.

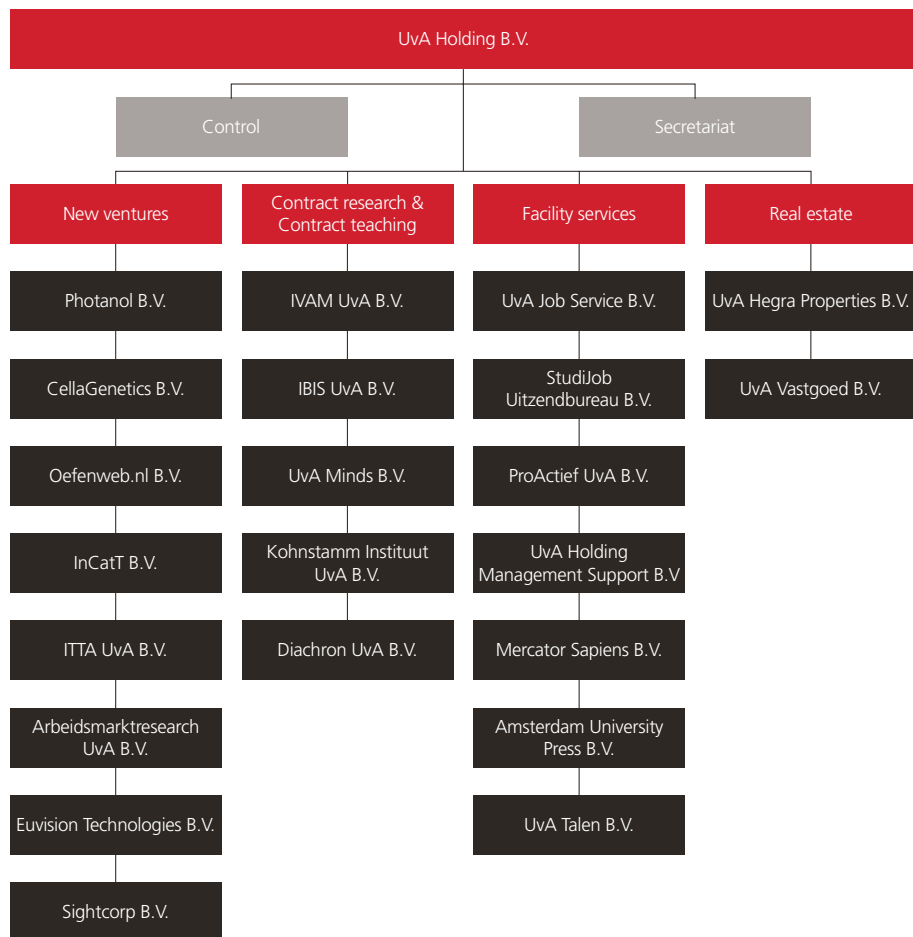
A relatively new initiative is the Venture Lab. The Venture Lab helps graduate students and researchers engaged in entrepreneurship in the natural sciences to take the next step towards realising a successful business. The Venture Lab offers accommodation, a growth programme, coaching and a network of relevant entrepreneurs and investors. For start-ups, it is the best place in Amsterdam for realising ideas and future plans and to achieve further growth as a business. The Venture Lab combines programmes with making space available at a very limited cost. Every six months, companies are assessed by the Venture Lab Committee. Residence at the Venture Lab is for up to two years.

The Matrix buildings are meant exclusively for office space and laboratories for small and medium-sized businesses. The features offered by the newest building (Matrix VI) include additional high-value flex labs for knowledge-intensive business.

The most important milestone in the area of public-private collaboration with the business sector is the start of the Advanced Research Centre for NanoLithography (ARCNL) at Amsterdam Science Park. The collaborating partners – the hi-tech company ASML, FOM, NWO, UvA and VU University Amsterdam – reached an agreement on this initiative in November 2013. The new research centre (launched in early 2014) will be conducting fundamental research in the field of nano-lithography, which is the most important technology for the production of computer chips and processors for PCs, smartphones and tablets.

## Appendix 1.

# Organisational structure of UvA Holding BV





## **Valorisation at the University of Amsterdam**

Academic research forms the foundation for the knowledge and expertise developed at the University of Amsterdam (UvA). This knowledge and expertise is shared with others. In some cases, the sharing of knowledge is restricted to the academic world, as through teaching or publishing in leading academic journals. But in many other cases, knowledge is shared in a broader social context, with companies, institutions and citizens. The sharing of knowledge with society in the broadest sense of the word takes place in countless forms; we refer to this as valorisation. In this regard, the UvA strives to have the greatest possible impact with the knowledge it develops and the way in which it shares this knowledge. This publication aims to clarify the rules and conduct that the UvA applies to valorisation activities.

### **Credits**

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