

MODUS OPERANDI FOR THE ANIMAL HEALTH RESEARCH CLUB**Funding**

1. Funding for the Club is as follows:
 - BBSRC will contribute funding at a ratio of 9:1 with the total industry contribution, up to a total of £8M.
 - There will be a sliding scale for industry subscription payments to the Club based on the number of company employees. The sliding scale will operate as follows:

Number of Employees	Annual Subscription Value
< 20	£3k
21-100	£5k
101 - 500	£10k
>501	£20k

In providing an estimate of employee numbers companies must account for all parent and subsidiary companies.

- The subscription fee for Levy Bodies will be based upon the total number of persons employed in the industry they are representing.
- The subscription fee for Trade Organisations will be based upon the average employee number of their member companies.

Support

2. Funding from the Club will support research grants, typically of 3-5 years duration. UK higher education institutions, independent research organisation and research institutes receiving strategic funding from BBSRC are eligible to apply for funding from the Club. It is anticipated that calls for application for research grants funded through the Club will be made in years 1 and 2; if there is sufficient funding a further call will be made in year 3. The processing of applications will be carried out by BBSRC. Club grants will be issued by BBSRC under BBSRC standard terms and conditions of grant (www.bbsrc.ac.uk/funding/apply/grants_guide.html) with the additional conditions set out in paragraphs 10, 11, 12 and 13 of the *modus operandi*. Club research grants do not support PhD students. However, it is anticipated that PhD studentships relevant to the research challenges of the Club may be awarded through a separate funding stream.

Duration

3. The Club will initially operate for 5 years. Research projects which exceed this 5 year timescale will continue to be monitored by the Club Steering Group and additional dissemination events will be held as required. Currently five projects have already completed, and the final 10 are expected to complete between July and December 2018.

Membership of the Club

4. Club membership will be made up of:
 - BBSRC and any additional funding organisations.
 - Companies who are members of the Club (referred to as Industry Members).
 - Those research groups funded by the Club (referred to as Academic Members).

Industry Members

5. Companies with interests in animal health research will be eligible to become contributing members of the Club. Related organisations may be eligible for membership at the discretion of the funders and the Club Steering Group. Membership of the Club will be aimed primarily at companies with a UK research/development and/or manufacturing presence. Overseas companies with overseas operations that would benefit from involvement in the Club will be eligible for membership on a case by case basis at the discretion of the funders and Club Steering Group. Companies wishing to join the Club after the start date will be required to make retrospective contributions at the appropriate level based on corporate size.
6. In exchange for an annual contribution industrial membership of the Club will provide:
 - The opportunity to influence the research areas supported by the Club and the selection of projects through (i) involvement as industry members and/or (ii) representation on the Club Steering Group;
 - Participation in regular interaction and Club dissemination events organised by the Club coordinator, in conjunction with the BBSRC, to ensure early dissemination of the results, up to date knowledge of research progress, early access to ideas, advance notification of opportunities to commercialise the outcomes from research projects funded by the Club and the opportunity to network with academics, post-docs and postgraduate students;
 - The opportunity to identify the best potential industry recruits as a result of networking with funded groups;
 - Information and advice on related Research Council activities such as studentships and relevant knowledge transfer schemes.
7. Industry members agree to membership of the Club for 3 years in the first instance, with a view to extending to a total of 5 years.

Management of the Animal Health Club

8. The operation of the Club will be managed by BBSRC in conjunction with a co-ordinator external to BBSRC.

Research Council role will involve:

- Overall management of the Club;
- Ensuring effective peer review of applications;
- Awarding of research grants;
- Preparing Steering Group papers;
- Providing secretariat support at meetings;
- Organising dissemination events.

The role of an external Coordinator will involve:

- Promoting the Club to industry members and keeping them informed of developments;
- Canvassing views from industry members for consideration by the Steering Group;
- Communicating feedback from the academic members to the Club Steering Group;
- Promoting calls for proposals and working with the academic community in developing outline and full proposals;
- Ensuring that academic members are kept fully informed on developments within the Club through appropriate mechanisms including helping to organise Club dissemination meetings;
- Assisting the Steering Group in monitoring the progress and outcome of funded projects;

- Contributing to annual progress reports;
- Supporting academic/industrial networking within the Club community.

IP issues

9. The primary aim of the Club is to gain underpinning knowledge which can then be applied to technology development, rather than the development of new products / technology itself. Therefore the grant holder that develops the research proposal and conducts the research will own any intellectual property rights arising from the research grant (“resulting IPR”). However to enable industrial members to maximise opportunities to commercialise research funded by the Club, the conditions set out in paragraphs 10, 11, 12 and 13 will be added to the research grant in addition to BBSRC standard terms and conditions.
10. Industry Members are entitled to early access to results from research funded by the Club. To ensure this grant holders must:
 - Give a minimum of 6 weeks’ notice of an intention to publish, outside of the Club, results from research funded by a Club grant. The material for proposed publication should be submitted to the Club coordinator along with the notice of intent to publish. The coordinator will distribute a copy of the same to each of the industrial members within seven days of receipt; who shall then have 5 weeks to inform the coordinator if in their view the proposed publication may (i) dilute or prejudice the value of proprietary information of an industrial member or (ii) jeopardise the application for resulting IPR protection or (iii) otherwise inhibit future exploitation of the results and whether an industrial member has an interest in exploiting those results. The coordinator will feedback comments to the grant holders who will be expected to consider the advice with their technology transfer officer. If an industry member wishes to enter into negotiations with a grant holder regarding exploitation of IP, these negotiations may be pursued as outlined in paragraph 12.
 - Produce annual progress reports. A form will be available on the website for grant holder to complete and grant holder will be notified in advance when the final report will be due.
 - Attend and present the results and progress of Club funded research at 6-monthly Club dissemination events. Grant holder will be notified of the dates and format of their presentation.
 - Give advance notification of any opportunities to exploit intellectual property arising from their grant to the industrial members.
11. Industry members are entitled, if they wish, to engage in good faith negotiations with the grant holders for terms of access to the resulting IPR to allow further development or commercial exploitation of results, such access rights preferably to include the right to sublicense. This must be offered before access to resulting IPR can be offered to third parties outside the Club. An interested Industrial member can exercise its option right by giving notice to the grant holder within one month of the date of receipt of notice of results or resulting IPR.
12. Good faith negotiations imply a willingness to reach agreement with industry members on the terms and conditions of a commercial licence, to desist from publishing results or making offers to third parties while negotiation with industrial members are ongoing and, if such agreement is not reached within a reasonable period (for example four months from the exercise of the option) that the grant holder will not seek to enter into negotiations with third parties on terms substantially more favourable to such third parties.
13. Should an instance arise where an industry member wishes to contribute background IP or offer in-kind services, these must be offered on the understanding that the terms and conditions of grant, including the dissemination of results and commercial opportunities will remain the same, unless agreed otherwise by the funders and industry members.
14. The Club’s Steering Group will discuss any IPR matters not directly covered in this *modus operandi* as they arise, to ensure negotiations are fair for all Industry Members.

Club Dissemination Events

15. It is anticipated that there will be two Club dissemination events a year once funded projects have commenced. Participation in the dissemination events will be restricted to members of the Club. These events will provide a forum for grant holders to exclusively update the industrial members on research progress, early access to ideas, advance notification of opportunities to commercialise the outcomes of the research projects funded by the Club and the opportunity for networking with academics, post doctoral researchers and postgraduate students and the discussion of future research and training opportunities. Grant holders funded under the Club will be required to participate in these meetings.

Club Steering Group

16. The Club Steering Group will be established to take forward the Club's research agenda, to provide strategic direction, to review progress of funded projects and review the operation of the Club. The Club Steering Group will comprise 7 industrial members nominated by industry membership and 7 BBSRC-nominated members and a Chair. Membership of the Club Steering Group will be reviewed annually. It is anticipated that the majority of members will remain for at least 3 years.
17. The Club Steering Group will manage the research programme with a remit to:
 - to agree themes and challenges to be included in the calls for research proposals;
 - review and assess outline proposals and agree those that should be invited for full submission (taking account of the views of commercial parties);
 - review full submissions following peer review, making recommendation to the BBSRC on those to be funded as appropriate;
 - review the progress of projects at appropriate intervals;
 - encourage networking between industry members and academic members in the Club;
 - ensure a balanced portfolio of projects is funded where possible;
 - contribute to the assessment of studentship applications in a separate competition alongside representatives from the BBSRC Training Awards Committee.

Assessment of Applications

18. The application process will be two-stage with an initial outline stage followed by an invitation-only full stage. The applications will be assessed against a number of criteria by the Club Steering Group including scientific excellence, industrial relevance, extent to which applications address the priorities for research calls, timeliness and cost effectiveness. Applications at this stage will not be externally reviewed. Details of these outline applications will be circulated in confidence to Industrial Members for comment.
19. Invited full applications will be peer reviewed externally to gain an independent assessment and circulated to all industry members for comment, prior to final assessment by the Club Steering Group.