



**Louisiana Vaccine Center**

## **Pilot Grant Fund to Promote Research Commercialization**

### **Responses to Questions Received Concerning the RFP:**

**Question:** *What types of salaries and costs can be supported by these awards?*

**Reply:** The pilot awards can be used to support salary effort for postdocs (preferably), graduate students (keep in mind that this is short-term funding), or laboratory support personnel. No faculty salaries or equipment costs will be supported. Please also note that: (i) given the limited amount of pilot funding that is available, we cannot support any indirect costs, and (ii) funds can only be awarded to recognized institutions of higher learning (not commercial entities).

**Question:** *The IP on the material that I plan to patent (and that is the subject of my pilot proposal) will be with LSU, but the test system that uses that material will be with an out-of-State company that will buy the license to produce and market the product. Is this OK?*

**Reply:** This plan falls within the remit of the LVC pilot awards, although it will be up to the review panel to assess the proposal, based on the quality of the research and commercialization plans and their responsiveness to the RFP. It is important to keep in mind that one of the primary aims of these pilot awards is to enhance the growth and development of local biotechnology (rather than intellectual property or biotechnology based elsewhere). Applicants must therefore clearly emphasize how proposals will enhance the development of local biotechnology.

**Question:** *Is there a need for Other Support pages if funding information is already contained in the NIH biosketches submitted?*

**Reply:** There is no need for Other Support pages, but only if there is full disclosure of all funding for all key personnel in biosketches.

**Question:** *Can any funds awarded through this grant be sent out of state?*

**Reply:** It is possible for funds to go out of state – this would be done via a sub-contract – providing the pilot grant applicant is from a PI based at an academic institution in Louisiana. However, the budget must not include any faculty salary or indirect costs (either in-state or out of state). In addition, we would prefer that any funds budgeted out-of-state do not make up the major portion of the budget and, of course, any such funds must be essential for the progress of the work. Finally, as noted in the reply to an earlier question above, the primary aim of these pilot awards is to promote the development of local biotechnology (and not to enhance intellectual property held out-of-State).

**Question:** *Please clarify the revenue sharing requirements mentioned in the RFP – specifically will this apply to the investigator share of any proceeds?*

**Reply:** Correct, each Pilot Fund award recipient will be required to share five percent per Pilot Fund award awarded of any Net Income derived from any and all discoveries and/or inventions supported by LVC Pilot Funding (as defined in the RFP). This will come from the inventor's share, which is usually a figure around 50% of any proceeds (although this varies by Institution) - in which case the commitment to LVC would be 10% of that 50% share (ie. 5% of net income). As also noted in the RFP, net income sharing arrangements may not be appropriate under certain circumstances, including instances where a Pilot Fund award is made to a recipient with existing discoveries and/or inventions that would be supported and/or improved by the LVC Pilot Funding and other situations in which Net Income would not be the proper basis for calculating the contribution to be made to the LVC. In such instances, alternative economic arrangements between the LVC and the Pilot Fund award recipient in question will be made on a case-by-case basis. These arrangements have been made in the interests of LVC sustainability, but with the understanding that not all pilot grantees will eventually generate an income stream.