



Frequently Asked Questions (FAQs) about UJInvnt

Here are some of the most frequently asked questions on our website.

Who is UJInvnt?

UJInvnt (Pty) Ltd is the University of Johannesburg's Intellectual Property (IP) commercialization company -turning research, inventions, and innovations from UJ staff, students and affiliated researchers into real-world value. We generate third-stream income for the university through the commercialization of university IP.

What is UJInvnt's primary purpose?

UJInvnt's primary purpose is to generate third-stream income for the University of Johannesburg by commercializing UJ-owned IP. UJInvnt has the right of first refusal to commercialize university IP, and will therefore commercialize on behalf of UJ, any opportunities arising from the activities of UJ, including, but not limited to, Intellectual Property (IP), through several permutations, which range from commercialising IP (licensing, sale of IP assets) to owning equity stakes in new ventures, called spin-outs, or spin-offs (with outside investors) based on IP assets.

Does UJInvnt only commercialize UJ IP?

UJInvnt can in-license non-UJ IP that complements existing UJ IP, or, rarely, non-UJ IP with commercial value. This is called inbound technology transfer.

What is a spin-out company?

A spin-out is a new company created to commercialize IP developed within the university. A spin-out typically emerges from academic/research-based discoveries. Its purpose is to commercialize research or IP that might otherwise remain unused at the university. The researchers responsible for the work usually become founders, supported by the university or company commercialization structures. Ownership is often shared between inventors (researchers), UJInvnt (on behalf of the university), and/or one or more investors. The University-owned IP will be licensed to the startup to commercialize.

What is a spin-off company?

A spin-off is a company created when a division, business unit, or department of the university is separated to form an independent entity. Its purpose is to allow a business unit to generate income and unlock value, so it can focus on its core business and therefore improve efficiency.

What approvals are required to create a spin-out?

Staff who wish to spend time founding and developing the business of a newly-created venture need to obtain the required approvals for how they spend their time from their line management. This will be determined by the proportion of their time an individual wishes to spend working on the spin-out, vis-à-vis other academic obligations, in line with the university's private work policy.

What equity stake does UJInvnt take in a new company?

The amount of equity that UJInvnt takes in a new company depends on the opportunity; the default position is 100% and is negotiable between the founders and funders. UJInvnt's risk appetite will determine it and is dependent on the value of the IP.

What funding is available from UJInvnt?

UJInvnt can assist with identifying appropriate sources of funding and negotiating funding terms with Development Finance Institutions, Venture Capital, Private Equity, and Angel Investors.

What does UJInvnt assist inventors with?

UJInvnt assists with all requirements to create a spin-out. This includes due diligence (technical analysis, IP analysis, commercial analysis), the development of bankable business plans which involves the provision of commercial and financial input for investment proposals, deal structuring, and deal closing (at times

outsourced to industry experts, as well as technical and commercial experts, if specialist knowledge does not exist within UJInvnt in a specific discipline), valuation, access to funding sources, various business set-up and corporatization support services such as company registration, the appointment of competent directors, the negotiation of access to university infrastructure, and contracts negotiation related thereto, opening of a bank account, financial management, and company secretarial services.

How does UJInvnt generate income?

UJInvnt generates income through the licensing or sublicensing of various forms of intellectual property from the university. UJInvnt also holds shares on behalf of UJ in other subsidiary companies and acts as the Holding Company for commercial activities. When appropriate, the disposal of equity held by UJInvnt (i.e., exits) generates income for UJInvnt and for the university. UJInvnt also generates income from proprietary courses and consulting services.

What types of intellectual property does UJInvnt commercialize?

UJInvnt commercializes patents, trademarks, Plant Breeders' Rights, copyright, registered designs, trade secrets, and other industrial property rights.

Does UJInvnt offer the same services as the University of Johannesburg's Transfer Office (UJTTO)?

No, however, UJInvnt works in close collaboration with the UJTTO to identify and build a pipeline of commercialization opportunities. UJInvnt has the sole mandate to create spin-outs from university-owned IP. On a case-by-case basis, UJInvnt will take equity on behalf of the university when an outside entity wishes to enter an equity transaction with the university.

Where does the IP that UJInvnt commercializes come from?

The IP is based on research and innovations originating from the University of Johannesburg. IP-based opportunities are handed over to UJInvnt by the UJTTO to exercise its right of first refusal to commercialize IP.

What does "third-stream income" mean in this context?

Third-stream income in UJInvnt's context is income generated through the commercialization of IP. It is to be distinguished from income from traditional university funding sources (such as government grants, donations, and tuition fees).

At what stage of the commercialization process does UJInvnt get involved?

Once the UJTTO finalizes the IP protection & funds technology development to Technology Readiness Level 5 or 6, the opportunity is handed over to UJInvnt to take further. However, there may be cases where UJInvnt gets involved earlier, to partner with commercial entities that have the financial capital and expertise to de-risk an early-stage innovation (translational funding). The stage at which UJInvnt becomes involved is opportunity-specific.

Will UJInvnt help with invention disclosures and IP protection?

No, the UJTTO is responsible for invention disclosure and IP protection. Any IP must first be disclosed at the UJTTO before any spin-out or spin-off discussions with UJInvnt can be initiated.

Will UJInvnt attend to IP infringements?

IP infringement is managed through UJTTO, which is the custodian of UJ IP. The role of UJInvnt is to ensure that UJInvnt's licenses are adhered to, whether on-licensed to a spin-out or by the spin-out in which UJInvnt has equity.
