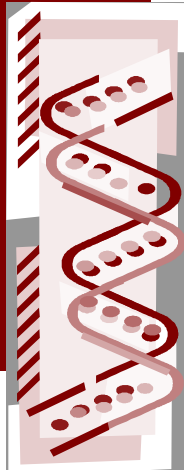


# Conflicts and Conflict of Interest: Industrial Considerations



Office of the  
Vice Provost  
for Research  
and Advanced  
Studies

Office of  
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*Industrial funding of research projects usually comes with strings attached, most frequently in the area of intellectual property. Care must be taken to avoid conflicts related to industry-funded research. The most common situations that cause a conflict of interest related to industry are described below.*

## What Is A Conflict?

A conflict occurs anytime the terms of the research contract cannot be fulfilled because of a prior obligation. Most often this is related to intellectual property issues.

### Funding from Multiple Industries

A potential conflict can occur in research projects with sequential funding from different companies. The first company is often granted certain rights to intellectual property (IP). If this company ceases to fund the project and another company begins, the second company may request IP rights that conflict with the original contract.

If you are, or anticipate being, involved in a research project that has funding from multiple industries, please contact ISURF, the Office of Sponsored Programs Administration, or the Biotechnology Industrial Liaison for assistance in determining if any potential conflicts exist. When identified prior to or during the contract negotiations, these conflicts are easily managed.

## What Is A Conflict of Interest?

A potential conflict of interest occurs when a faculty or staff member is or may be in a position to influence the university's business, research, or other decisions in ways that could lead to personal gain.

Faculty and staff members starting a business while remaining ISU employees must take appropriate measures to document potential conflicts of interest. Very early in the process of starting the new company, the department head(s), the associate dean(s) of your college(s) and the Office of the Vice Provost for Research and Advanced Studies, should be notified of your intent. A conflict-of-interest form must be filled out and filed with the Office of the Vice Provost for Research and Advanced Studies, identifying the nature of the conflict. A disclosure meeting will be held to determine proper operating procedures. The initial meeting will discuss the nature of the conflict and will determine if an oversight committee is necessary. It is important to remember this is a *business* meeting and *not* a scientific meeting. Be prepared to discuss how the new company might interact with ISU and any potential impact on your job as an ISU employee. The three most common types of conflict of interest are:

### Contracting Research Back To Your Own Lab

The most common type of conflict is the situation where a faculty or staff member starts a company based on a technology s/he developed and then wants to form a collaborative research agreement between the company and his/her lab at ISU. A faculty or staff member cannot act as both the company representative and the ISU principal investigator on collaborative research agreements - this is a conflict of interest! Instead, a grant administrator is chosen for the research. In many cases, the department head acts as the grant administrator.

### Employing Graduate Students in Your Company

Graduate students can be employed in your company; however, a faculty member cannot serve as both the major professor and the supervisor of the student in the company's organization.

### Sales To ISU

Another situation that causes a potential conflict occurs when a faculty or staff member is involved with a company that wants to sell a product or service to ISU. Board of Regents' approval is required in those cases and is coordinated through Purchasing.

Please see the Faculty and/or P&S handbook and the purchasing section of the Office Procedure Guide for more information

If you have any questions, please contact:  
Lisa Lorenzen  
Biotechnology Industrial Liaison  
1210 Molecular Biology Building  
Phone: (515) 294-0926  
Email: llorenze@iastate.edu

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