



**ISTITUTO
ITALIANO DI
TECNOLOGIA**

Start-up management policy

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1. Objectives and goals

This policy governs the management of matters regarding IIT start-ups. With regards to any Foundation participation in start-up share capital, this policy makes reference to the provisions of the **Guidelines for participation in the share capital of start-ups and other companies**.

2. Introduction, definitions, commissions

2.1 Introductions

One of the institutional objectives of IIT is the transfer of technology. The creation of new enterprises and the resulting impact on employment are among the main indicators of the quality of technological transfer activities.

In this area, IIT favourably considers the initiatives of its personnel and independent contractors in setting up companies for the production and sale of products and services that partly or completely come from the results of the Institute's research.

Within this context, start-ups are intrinsically tied to issues of conflict of interest and possible labour law matters, as they are connected to IIT staff who are, in turn, involved in various ways to start-ups. It is therefore necessary, before being accredited as "IIT start-ups", for specific checks to be carried out in order to ascertain that the emerging relationships are managed in such a manner as to protect the Foundation.

2.2 Definitions

Name	Description
IIT personnel	Employees under current salaried employment, either in managerial or non-managerial positions, with the IIT Foundation. IIT personnel can be scientific, technical or administrative.
IIT independent contractors	Employees with a current contract for collaboration with the IIT Foundation. Contractors are, as a rule, workers in the scientific area.
IIT staff	Includes scientific, technical and administrative employees and regular coordinated contractors, in other words IIT personnel and IIT independent contractors.
IIT start-up	A company founded/in the process of being founded by IIT staff within the IIT context and/or that uses/intends to use IIT technology and/or either all or part of the activities of which originate from organizational units of the Foundation and is accredited as an "IIT start-up" by the Research Promotion Commission – RPC.

2.4 Process owner

All the processes described below are coordinated, within the scope of its jurisdiction, by the Technological Transfer Directorate, which manages the correct flow of information and the gathering of the documentation required by the commissions and necessary for final approval by the Executive Committee. Even once accreditation has been granted, IIT staff will promptly notify the Technological Transfer Directorate of any significant changes in its role in the start-up.

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2.3 Commissions dedicated to the evaluation of start-up projects: Research Promotion Commission and Investment Commission

In order to manage the issues related to start-ups, the Foundation has been provided with commissions aimed at managing start-up-related processes.

RESEARCH PROMOTION COMMISSION

The Research Promotion Commission (RPC) is an internal commission composed as follows:

- The IIT Scientific Director.
- The IIT Vice Scientific Director (if appointed).
- The IIT Director General.
- The Technological Transfer Directorate Director, who also performs the role of secretary of the Research Promotion Commission.
- One member appointed by Executive Committee resolution, who remains in office for three years, is chosen from the members of the same Executive Committee, and also serves as president of the RPC.
- Any other members chosen for their specific competence and appointed by the Executive Committee (also ad hoc for specific cases).

The RPC may invite additional persons chosen according to their competencies to the meetings.

The RPC:

- approves or rejects IIT start-up accreditation proposals submitted by IIT staff on the basis of the enquiry presented by the Technological Transfer Directorate and supplemented with checks carried out by the Human Capital and Compliance Directorates within the realms of their relative responsibility.
- assesses the Foundation's proposals for participation in start-ups and returns them to the Investment Commission.
- assesses the type of work that the IIT staff declares to perform in favour of start-ups and any proposed changes to the contract that may be necessary or required.
- evaluates IIT start-up proposals in terms of industrial property.
- monitors IIT start-up activities.
- assesses requests/proposals for the sale of IIT patents both in favour of IIT start-up companies or other companies/entities not related to IIT, expressing an opinion for EC approval.

INVESTMENT COMMISSION

The Investment Commission consists of three members from outside the Foundation who meet the requirements of independence and specific professional experience in the field.

Following the **Guidelines for participation in the share capital of start-ups and other companies [Ref. 1]**, the Investment Commission assesses proposals for the Foundation's participation in the share capital of start-ups and procedures for the sales of IIT shareholdings and may also be called

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on to provide its opinion during the period in which IIT participates in the share capital of the start-up in question.

3. Execution

The steps in the IIT start-up accreditation process are illustrated below. "Accreditation" is understood to mean recognition by the RPC of the status of IIT start-up for the company or company project requesting said recognition. Recognition is granted in accordance with the following.

Start-up accreditation is necessary for the new company to be able to establish relations with IIT aimed at supporting the development of the business project.

In addition, the Technological Transfer Directorate provides support to IIT staff in finding partners and investors for the start-up.

In the event that IIT's participation in the share capital of the proposed start-up is feasible, in favourably assessing said participation, the Research Promotion Committee forwards the documentation to the Investment Commission, thus setting in motion the assessment process as specified in article 4) of the **Guidelines for participation in the share capital of start-ups and other companies [Ref. 1]**.

3.1 Preliminary and business plan audits

The proposing parties, i.e., the IIT staff involved in the business project, contact the Technological Transfer Directorate for the accreditation process of the start-up.

The Technological Transfer Directorate assists proposing IIT staff and performs initial assessment of the feasibility of the project and, in the event of positive assessment and together with the IIT staff concerned, begins the preparation and/or verification of a series of documents preliminary to the accreditation process for the IIT start-up. In particular, the Technological Transfer Directorate verifies the business plan.

These preliminary preparations or checks also include the role of the proposers, the possible endorsement of the P.I./Director of the relative function, the types of agreement required of IIT, and any declarations related to issues concerning conflict of interest. The relative material is shared by the Technological Transfer Directorate with related IIT functions and the IIT staff involved, allowing the latter to carry out the checks they are responsible for (see 3.2 and 3.3) and make comments and/or propose corrections where necessary, in order to start the accreditation process.

3.2 Labour law checks

Once preliminary checks have been carried out with the Technological Transfer Directorate (the process owner), the IIT staff involved in the process carries out the labour law checks with the Human Capital and Organization Directorates. Following these checks, the IIT staff are required to

formally declare whether they foresee a level of involvement in the IIT start-up that would require modifications to their existing employment contract, or if their involvement does not require said measures (for example, as a non-operational partner or involved in exclusively administrative roles that do not require working activities).

In order to encourage entrepreneurial initiatives, employees may request an adjustment of their employment contract, from 20% part time up to a period of unpaid leave, while contractors may request a modification of their contractual position. In both cases, with the involvement of IIT staff assigned a budget, it may be necessary to adjust the allocation of expense and budget responsibilities.

Contractual amendments are generally granted for a period of no longer than three years.

In terms of labour law aspects, the relative documentation is as follows:

- **P06 Regulations for professional relationships between the IIT Foundation and Employed personnel with a non-managerial working relationship [Ref. 2].**
- **National Collective Labour Agreement for Industrial Management [Ref. 3].**
- **P22 Human Resources Policy for self-employed and semi-subordinate staff [Ref. 4].**
- **P23 Human Resources Policy for employees [Ref. 5].**

3.3 Conflict of interest checks

After having carried out preliminary checks with the Technological Transfer Directorate (the process owner), the IIT staff involved in the process also carries out the necessary checks with the Compliance Directorate to verify in advance the nature of anticipated relationships and to analyse the risks of potential conflicts of interest between the role of the employee/collaborator in the start-up and that in the Foundation.

With regards to conflicts of interest, reference is made to:

- **Code of Scientific Behaviour and Conduct [Ref. 6].**
- **IO CD 01 Conflict of Interest Management Procedure [Ref. 7].**

The **conflict of interest management procedure** includes a number of case studies typical of the roles that IIT staff may assume within the Start-up and that are examined by the Compliance Directorate.

3.4 Approval from the Research Promotion Commission

The results of both enquiries are communicated to the IIT staff and to the Technological Transfer Directorate by the Directorates involved in the checks specified in points 3.2 and 3.3.

The Technological Transfer Directorate presents all the documentation relative to the enquiry to the RPC for its assessment regarding accreditation. The RPC either approves or rejects the request.

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3.5 Start-up support

3.5.1 Entrepreneurial support

In order to aid the setting up of the start-up, when useful or necessary, IIT staff may request changes to their employment contract in order to be able to work at the start-up, either during accreditation or at a later stage. Such contractual changes must be in line with that specified in 3.2, internal regulations, national contracts and IIT policies in force.

Any contractual changes, either in the accreditation phase of the start-up or at a later stage, must be requested by the IIT staff after labour law checks have been carried out by the Human Capital and Organisational Development Directorates (par. 3.2), and brought to the attention of the RPC and/or the Executive Committee (in the case of budget holders) for approval. These changes may be granted for a period generally no longer than three years and any renewals must follow the same procedure as for the contractual modification (formal request for renewal of the contractual modification, approval by the RPC and/or approval by the Executive Committee (in the case of budget holders)).

3.5.2 Operational Support

In order to support the development of start-ups, start-up companies that have completed the accreditation process may request the signing of dedicated space and equipment agreements in order to allow IIT start-ups to use spaces, logistic resources, instruments and the IIT logo, in accordance with the **P24 Foundation Trademark Policy [Ref. 8]** and the relative **Guidelines for the use of the Foundation Trademark [Ref. 9]**.

In order to support the development of start-ups, IIT may grant IIT start-ups that have completed the accreditation process permission to use the industrial property rights of the Institute with a dedicated license agreement, in accordance with the procedure set out in the **IIT Industrial Property Policy P14 [Ref. 10]** and terms that take into account the characteristics of the company itself that render it a start-up.

3.5.3 Start-up Management and Monitoring

In the event that, following accreditation, IIT staff significantly change their relationship with the Start-up, they must first and foremost inform the Technological Transfer Directorate as well as all other Directorates involved.

IIT employees that hold budgets are not usually permitted to assume administrative or executive positions at IIT start-ups unless IIT employees holding budgets request a modification of their contract.

Each budget-holding partner of the start-up is required to declare any conflict of interest in the event of any operation involving the Foundation's budget in accordance with the indications of the **Conflict of Interest Management Procedure [Ref. 7]** and follow the indicated process.

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IIT staff involved in any manner with the IIT start-up undertake to promptly inform the Technological Transfer Directorate and the Compliance Directorate by e-mail of any new circumstance which may prove to be relevant in terms of conflict of interest as described in the **Code of Scientific Behaviour and Conduct [Ref. 6]** and the Policies and Procedures in force in the Foundation.

The monitoring of activity takes place via various means such as the monitoring of start-ups by the Technological Transfer Directorate, the annual survey on conflict of interest managed by the Compliance Directorate and monitoring of the recruitment of personnel involved by the Human Capital and Organisation Directorate.

3.6 Approval process: outline

In order to illustrate that described in this Policy, the table below provides an outline of the approval process described above.

	TTD	RPC	SD	IC	EC	Ministries
Accreditation of companies founded or in the process of being founded	Provides support for IIT staff and prepares documentation (in collaboration with Compliance and HCO Directorates)	Approves/rejects accreditation				
IIT participation in share capital (IIT partner)	Provides support for IIT staff and prepares documentation (in collaboration with Compliance and HCO Directorates)	Evaluates the proposal and refers to IC		Evaluates the proposal and express its opinion to EC	Approves/rejects the operation and refers to Ministries	Approves/rejects the operation
Evaluations in the absence of contractual changes for IIT staff	Provides support for IIT staff and prepares documentation (in collaboration with HCO Directorate)	Evaluates the proposal and express its opinion to SD	Approves/rejects the proposal			
Request for changes to employment contract for IIT staff (budget holder)	Provides support for IIT staff and prepares documentation (in collaboration with HCO Directorate)	Evaluates the proposal and express its opinion to EC			Approves/rejects the request	
Request for changes to employment contract for IIT staff (non-budget holder)	Provides support for IIT staff and prepares documentation (in collaboration with HCO Directorate)	Evaluates the proposal and express its opinion to SD	Approves/rejects the request			
Licensing agreements for start-ups	Prepares documentation	Evaluates the proposal and express its opinion	Approves/rejects the license			

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Transfer of patents (both to start-ups and non-start-up entities/companies)	Prepares documentation	to SD Evaluates the proposal and express its opinion to EC			Approves/re jects transfer	
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4. Annotated bibliography

1. **Guidelines for participation in the share capital of start-ups and other companies.**
Describes the cases and ways in which IIT can acquire shareholdings (shares of capital) of start-ups or other companies.
2. [P06 Regulations for professional relationships between the IIT Foundation and Employed personnel with a non-managerial working relationship](#)
Applicable to staff employed by the Foundation under a contract of employment, excluding managerial staff, and governs the employment relationship.
3. **National Collective Labour Agreement for Industrial Management.**
Applicable to managerial staff employed by the Foundation under a contract of employment and governs the employment relationship.
4. [P22 Policy for the Management of Human Resources – Self-employed and semi-subordinate staff](#)
Provides guidelines for the management of self-employed and semi-subordinate staff with particular reference to accountability for work results, personnel recruitment and management, contractor management, management of affiliated entities.
5. [P23 Human Resources Management Policy – Employees](#)
Provides guidelines for the management of employees with particular reference to accountability for work results as well as personnel recruitment and management.
6. [Code of Scientific Behaviour and Conduct](#)
Defines the general principles and guidelines concerning the behaviour of all those who have relations of various sorts with the Foundation.
7. [IO CD 01 Conflict of Interest Management Procedure](#)
Governs the identification, management, monitoring, control and reporting of conflicts of interest in processes concerning IIT, taking into account the provisions for conflicts of interest set out in the Code of Scientific Behaviour and Conduct and in accordance with the Policies and Procedures adopted by the Foundation. Applicable to all Foundation staff.
8. [P24 The Foundation Trademark](#)
Indicates the guidelines for the use of IIT's name and trademark, in particular the rules to be followed for their use in external communications and in relations with third parties, as well as their correct graphic layout in a range of applications.
9. [Guidelines for the use of the Foundation Trademark](#)
Defines the rules for the use of the IIT Italian Institute of Technology Trademark. It sets out the correct application of the graphic sign (the initials IIT on a grey background), the logo (the name in full), the institutional typographic characters and the colour codes for the different versions and areas of use.

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10. [Policy P14 IIT Industrial Property Policy](#)

Regulates the promotion, development and exploitation of Industrial Property and property deriving from the results of the Institute's research, also describing the use of the same through transfers, licenses and/or other forms of agreement that allow its commercial and/or industrial use.