

**North East**  
Local Enterprise Partnership



# North East LEP Covid 19 Patent Protection Scheme

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Guidance & Information for applicants

Open: 17<sup>th</sup> August 2020

Close: 30<sup>th</sup> September 2020



## Introduction

The North East Local Enterprise Partnership (North East LEP) is committed to driving economic growth achieving 'more and better jobs' across Northumberland, Tyne and Wear and County Durham.

Our aspiration is set out in the [Strategic Economic Plan](#) which provides the framework for delivery, including setting out four areas of strategic importance for the regional economy. Health & Life Sciences, has been identified as an area of strategic importance, where North East assets and capabilities provide a strong opportunity for growth and are pivotal to achieving our ambitions for the region.

Having undertaken cross sectoral evidence and intelligence gathering to understand the impact of the Covid-19 across all sectors of the North East economy, it emerged that there was a real risk to the survival of a number of high value proposition/ spin-out businesses across the Health & Life Sciences sector. Many of these businesses have not qualified for government stimulus packages or been eligible for Local Authority grants which have been made available; and they have been unable to generate income or secure private equity investment at the current time.

Recognising that the value of these pre-commercial businesses is in their Intellectual Property (IP) and in order to try and support the sector through the recovery phase, until they are either able to generate income/ secure further equity investment, the North East Covid-19 Response Group – through the North East's Covid Recovery Plan- agreed to establish a '**Covid-19 Patent Protection Scheme**' to support these businesses. The Patent Protection Scheme is being delivered by the North East LEP.

We are inviting eligible businesses (see eligibility criteria below) to apply to this grant fund to support costs of protecting their patents. Any Grant award will be limited to a maximum of **£25,000** per business.

## Patent Protection Scheme- applications invited

Applications are invited for grant funding to support the costs of patents for high value pre-commercial high value proposition businesses in the North East. This rescue package will be available only to those pre-commercial businesses who are at risk of letting their patents slip because they do not have the funds available to pay for essential costs incurred to protect their IP.

## Eligibility criteria

- An SME business based in the North East LEP area with Life Science related patent(s) (biotechnology, pharmaceuticals, biomedical technologies, life systems technologies, nutraceuticals, cosmeceuticals, medtech devices, digital health)
- Businesses must be pre-commercial/ high value proposition (i.e. businesses with existing commercial products will not be eligible to apply)
- The fund will only cover new/ essential filings and the costs of retaining patents/ annual renewal fees of patents (including legal fees) incurred from 9 July 2020 up to 31 March 2021

## State Aid

The United Kingdom left the EU on 31 January 2020, nonetheless under the Withdrawal Agreement the State aid rules continue to apply during a transition period, subject to regulation by the EU Commission.

Grant awards are to be awarded under the De Minimis rules, meaning applicants can receive up to €200,000 of aid within a three-year period. Applicants will be required to declare any other de minimis aid received in the last three years

## Grant awards

The North East LEP has secured limited Grant funding for this scheme and it is anticipated that there will be a high level of demand from businesses. In order to assist as many priority businesses as possible, grants will be offered to those businesses who meet the eligibility criteria and can demonstrate a clear need for support. Allocations of up to a maximum £25,000 per business will be provided. The level of the grant award will reflect the forecast costs of patent(s) (as confirmed by a qualified Patent Attorney or Solicitor) and may take into account the number of patents.

Following a grant award, the applicant will be required to submit claims to draw down the grant. Only claims which can demonstrate evidenced expenditure or have validated invoices due will be eligible for payment. Payments will be made directly to applicants' bank accounts by electronic transfer, normally within 5 working days of a claim being accepted.

Grant awards will be subject to the availability of funds. There will be no appeals process following determination.

Beneficiaries will receive written confirmation stating that by accepting the grant payment, they confirm that they are eligible for the grant scheme, including that any payments accepted will be subject to state aid requirements.

## Other information

The North East LEP and its accountable body (North of Tyne Combined Authority) will not accept deliberate manipulation and fraud and any business caught falsifying their records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.

The North East LEP does not accept any liability for any issues that may arise for businesses because of applying for, receiving, or not receiving grant awards under this scheme.

The Patent Protection Scheme will close to new applications on **30 September 2020**.

Applications for the grant will be made through an application form available via Katherine Forbes [Katherine.Forbes@nelep.co.uk](mailto:Katherine.Forbes@nelep.co.uk) and businesses will be required to confirm they are eligible for the scheme.

Applications made to the fund will be required to set out what the need is, the costs and fees incurred and that they have explored/ exhausted all opportunities to extend the payment deadlines relating to Patent costs (there are a number of extensions available). Signed confirmation from the Patent attorney/ solicitor will be required to validate the application, confirming that deferral options have been exhausted and the amount requested is needed.

**All claims must be submitted by 31<sup>st</sup> March 2021.**

## Application Proces

Applications will be assessed based on the eligibility criteria and merits of their application, including providing the following information:

- Businesses will need to demonstrate and evidence that they have applied for available Covid-19 support (from Government or Local authorities) where applicable and confirm the outcome. Where they have not applied they must provide the reasons why (e.g. eligibility issues).
- Businesses will need to demonstrate that they have taken all possible measures to defer/ extend patent payments due. This must be confirmed by a qualified Patent Attorney or Solicitor.
- Businesses will be required to disclose their financial statements- cash value in the bank, and cashflow forecasts. It is anticipated that a business which can demonstrate a projected cashflow that can meet required cash flow requirements for a period of longer than 6 months may not be offered a grant.
- Application values (i.e. Patent related costs) must be validated by a qualified Patent Attorney or Solicitor
- Applications will be assessed on receipt

## Deliverability

You must be able to demonstrate that the Patent costs are realistic and verified by a suitably qualified Patent Attorney or Solicitor. All grant offers must be claimed by the **31<sup>st</sup> March 2021**.

## Interested in submitting an application?

We welcome informal contact, enquiries, and discussion from interested parties to help you assess the eligibility of your application or to answer any questions you may have. Please contact:



**Katherine Forbes**

[Katherine.forbes@nelep.co.uk](mailto:Katherine.forbes@nelep.co.uk)

07557 609810

## What happens next?

Please send your completed application form to [katherine.forbes@nelep.co.uk](mailto:katherine.forbes@nelep.co.uk). Before doing so please ensure that you have followed the guidance, completed all questions and entered an electronic signature.

Applications will be assessed on receipt, so submissions should be made as soon as possible and no later than midnight on the **30<sup>th</sup> September 2020**.