**Due Diligence for CRADAs**

**1. The potential collaborator, ABC Company, claims to be registered in the United States in the State of XYZ.**

• Is ABC registered and in good standing in the state XYZ?

• Is ABC a small/large business?

• Is ABC a subsidiary of a larger company?

**2. The first POC within ABC Company claims that he/she represents the company and can close the deal.**

• Who is the head of ABC Company?

• Who is the technical POC within the company?

– Where does he/she fit within the organization?

• Who is the legal POC for ABC Company?

– Is the legal POC a full-time employee of ABC Company?

– Does the legal POC have experience with Federal Government CRADAs?

– Does the legal POC have experience with Navy CRADAs?

• Who has the authority to bind ABC Company to the deal?

– Is he/she aware of this negotiation?

• Who has the authority to negotiate the deal?

**3. The POC with ABC Company claims that they are willing to pay for the proposed work with the Navy laboratory.**

• Check the ABC Company financial history.

• Check the ABC Company product line.

– Is the proposed product part of ABC’s current product line?

– What have been the sales of current product line?

**4. The POC claims that ABC Company has technical competence in the area of the proposed work.**

• Has the company demonstrated the ability to do R&D in this technical area?

• Have patents been issued to ABC in the technical area of interest?

• Do the PIs have demonstrated experience in this technical area?

• If special facilities are required, does ABC have the necessary resources or can they demonstrate that they have access to the resources needed?

**5. Has ABC Company entered into similar Agreements with a Federal laboratory?**

• If yes, contact the Federal partner(s) to determine success of relationship.

• What technical areas were involved?

• Was a successful product created?

• Were there difficulties in the administration of the Agreement?

**6. Is ABC Company performing the proposed work under any Federal grant, contract, agreement, or other transaction?**

• If yes, has the Federal funding sponsor been identified?

– Determine the contract number.

– Determine funding to ABC.

– Determine the contracting officer’s name, organization, address, phone, e-mail.

– Determine the contracting officer’s representatives name, organization address, phone number.

• If yes, determine clauses in the Federal award regarding performance standards such as time, schedule, and quality that may affect the Navy laboratory’s ability to perform such work for ABC.

• If yes, determine clauses in the Federal award that affect the ownership of generated IP.

• If yes, are there restrictions for working with a Federal laboratory?

~~–~~ Are waivers required?

• If yes, are ONLY these funds being used to fund the Federal collaborator?

– Are these funds to be sent directly from the company or from the Federal sponsor?

**How to Answer the Above Questions**

Answering the questions above will depend on the resources available to the ORTA. Many of these questions can be answered by using the Internet.

For instance, registration of a company as a corporation in a state can be checked by using the state’s Department of Commerce, or small business administration offices. Using the Internet, the ORTA can also check the company’s advertised profile - links there may help determine organization, product line, personnel, patents and publications. Data on patents can be determined by a search of the U.S. Patent and Trademark Office website. The Defense Technical Information Center (DTIC) can provide information on DoD contracted research that has been performed by ABC Company. Also, DTIC can provide information on ABC Company’s internal R&D efforts. Checking information in NDTTIS can provide data on what other CRADAs the company may have started or completed. The System for Award Management (www.sam.gov) can be used to determine if a company is doing business with the U.S. Government.

The laboratory’s IP counsel may subscribe to a financial service that can provide company financial profiles.

Networking with other Navy ORTA representatives may also be a good resource of information on ABC Company.