

Appendix “D” – Intellectual Property

Preamble

The university believes that efforts to increase and to communicate knowledge are at the heart of academic endeavors. Often these endeavors will result in the creation of Intellectual Property that may be of benefit to the broader society. In general, the university believes that the creators of intellectual property should retain rights in it in cases where the creators are academic personnel. Normally, when the creators are non-academic personnel, the university will claim all rights to intellectual property because it assumes that it was created in the course of the creators' employment with the university, or was commissioned by the university. The university also believes that significant investments of university funds should not be exploited solely for private gain. Accordingly, the goal of these policies is to encourage the creation of intellectual property, and to facilitate its development and commercialization, while ensuring that the academic freedom and interests of university personnel, and of the university itself, are safeguarded.

Applicability

These intellectual property policies apply to all university personnel who make or develop intellectual property using university support. They also apply, with necessary changes, to external contractors if the terms of their contracts with the university do not specify ownership of the intellectual property produced under the terms of the contract.

These policies do not apply to intellectual property created by independent efforts, in the course of demonstrably private research, or in the course of private consulting activities to outside bodies, when such activities do not involve any substantial use of university support, and where the university has approved such consulting activities.

Definitions

Terms used in these policies are defined in Appendix A.

1. Policy on Ownership and Acknowledgement of Intellectual Property

1.1 Ownership

Subject to the exceptions and limitations herein, the university's policy is that academic personnel should own the intellectual property created by them in the course of their teaching, research and academic work.

Exceptions to the above are as follows:

- a) The university retains ownership of intellectual property resulting from projects specifically commissioned by the university.
- b) In externally-sponsored or contract research activities, ownership of intellectual property may be determined in whole or in part by regulations of the sponsor or the terms of the contract. University personnel participating in these research activities must be made aware of any such regulations or contract terms by the principal investigator (i.e. the leader of the research project).

The university owns intellectual property created by non-academic personnel in the course of their employment.

1.2 License

To the extent that ownership of intellectual property governed by these policies is vested in university personnel, such intellectual property is subject to a perpetual, non-exclusive, royalty-free, irrevocable license in favour of the university for teaching (including distance and continuing education), research and academic purposes. Such licenses are subject to the exceptions and limitations contained in these policies, including the right of the creator in certain circumstances to require discontinuance of use after five years.

1.3 Responsibilities

One of the responsibilities of researchers is the obligation to ensure that their work is published or publicly disseminated in some manner. At the university, this responsibility is shared by all material contributors to the work. In reporting scholarly research results, all creators of a publication must examine and accept responsibility for its contents, and all members of a research team must ensure that appropriate credit be given for the contributions of all contributors.

1.4 Recognition

Creators of a publication comprise all, and only, those individuals who have made a significant intellectual or scholarly contribution to the work reported, and without whose contribution the work would not be complete. All contributors to research projects and other scholarly works must receive appropriate recognition for their contributions. The order of listing of contributors should follow existing traditions of the discipline. No decisions concerning the publication or licensing of a work may be made without the

unanimous agreement of all the creators. Depending on the nature of a contribution, appropriate recognition may take the form of, but is not limited to, recognition as a creator, or recognition through an acknowledgement or citation. An administrative relationship to the investigator(s) does not merit credit, nor is financial support sufficient on its own to merit such credit.

1.5 Acknowledgement of the University

In reporting their work, university personnel shall acknowledge the University of Ontario Institute of Technology for the support it provided. In the spirit of collegiality, creators of intellectual property are encouraged to recognize the university's support through a financial contribution.

1.6 Use of the University's Name and Marks

In order to protect its reputation, the university must control the use of its name and marks. This requirement is especially important in the context of non-university sponsored commercialization of intellectual property. Under no circumstances may the university be presented, directly or indirectly, as endorsing or warranting a particular product. Accordingly, any use of the university's name or any university-owned mark in connection with any product, service, research project or work, apart from indication of the institutional affiliation of the creator(s), requires explicit written permission from the university's Associate Provost, Research.

For additional information on the use of the university's marks, please refer to the *Guidelines on Use of the University's Marks*, which can be found on the university website.

1.7 Third-Party Rights

University personnel are expected to respect third-party intellectual property rights. This obligation precludes the unauthorized use, reproduction, modification, translation or adaptation of software, photocopied textbooks, and the like, unless permission has been obtained from the copyright holder.

For additional information, please refer to the *Integrity in Research and Scholarship Policy*, which can be found on the university website.

1.8 Collaborative Research

The university encourages researchers to share information and to work in collaboration with others, where this is likely to advance the state of knowledge. Collaboration

agreements between academic personnel and researchers at outside institutions, agencies, and companies must specify, in advance and in writing, how the process by which the rights to intellectual property arising out of the collaboration will be determined. The determination of rights shall be based on the extent and nature of the contribution, and not on differences in power or rank. The rights of students involved in research projects, particularly with respect to recognition and the assignment of grades must be protected. Where university facilities and/or funds administered by the university are involved, the university must be a party to the agreement. Any waiver or modification of rights requires informed consent.

1.9 Further Information

These policies are not intended to provide a general explanation of the legal principles and practical implications associated with intellectual property. For a general explanation, please refer to the *Guidelines on Intellectual Property*, which can be found on the university website.

2. Policy on Copyright and Patents

2.1 Copyright

The general principles regarding copyright in works created by university personnel is stated in Policy 1.1.

In addition to the provisions of Policy 1.1, the university's grant of copyright ownership in scholarly works created by academic personnel in the course of teaching, research and academic activities shall be subject to the condition that the creator(s) shall grant the university a perpetual, non-exclusive, royalty-free, irrevocable license to copy, use and modify such works in teaching (including distance and continuing education), research and academic activities within the university. The creator(s) shall waive all moral rights in the works to the extent necessary to exercise such license rights.

The creator(s) may, however, after five years discontinue the university's license in the works due to the content of the works becoming out-of-date or being in the judgment of the creator acting reasonably, inappropriately used by the university. Evidence of the reasons for discontinuance must be provided by the creator to the Associate Provost, Research. If the discontinuance is denied by the Associate Provost, Research, the creator has the right to appeal such a denial under the provisions of Article 8.

Under special circumstances involving creators' rights to the special and proprietary intellectual content of the works in question, creators have the right to request

exemption of some or all of these works from this provision. If such a request is denied by the Associate Provost, Research, the creator has the right to appeal such a denial under the provisions of Article 8.

2.2 Patents

The general principles regarding Patent rights in Inventions created by university personnel is stated in Policy 1.1.

In addition to the provisions of Policy 1.1, the ownership by university personnel of Patent rights in Inventions created by them shall be subject to the following conditions:

- a) The creator(s) shall grant the university a perpetual, non-exclusive, royalty-free, irrevocable license to make, use, and sell such patented or patentable Inventions solely for the university's teaching (including distance and continuing education), research and academic activities.
- b) The creator(s) shall keep the university informed about all patent filings in Canada and other countries through annual activity reports or other appropriate means.

3. Policy on Teaching Materials, Computer Software, and Databases

3.1 Teaching Materials

The issue of ownership of teaching materials is especially complex when it involves course content and materials which are a product of academic research, and therefore owned by the faculty member, but the presentation of which is significantly contributed to by non-academic personnel of the university from the Centre of Academic Excellence and Innovation and elsewhere, and is therefore to that extent owned by the university. Accordingly, there is particular need for clear policies and procedures to determine who will share in any benefits resulting from the development and commercialization of such intellectual property.

Notwithstanding Policy 1.1, the grant of ownership of copyright in teaching materials to the academic personnel who create these materials is limited. Copyright ownership of teaching materials, the creation of which was significantly contributed to by non-academic personnel, is shared equally by the creator(s) and the university. In the event that such teaching materials are commercialized, the provisions of Article 6 will apply.

In addition to the provisions of Policy 1.1, the university's grant of copyright ownership in teaching materials shall be subject to the condition that, to the extent the creator(s) have rights in such teaching materials, they shall grant the university a perpetual, non-

exclusive, royalty-free, irrevocable license to copy, use and modify such teaching materials in teaching (including distance and continuing education), research and academic activities within the university. The creator(s) shall waive all moral rights in the teaching materials to the extent necessary to exercise such license rights.

The creator(s) may, however, after five years discontinue the university's license in the teaching materials due to the content of the teaching materials becoming out-of-date or being inappropriately used by the university. Evidence of the reasons for discontinuance must be provided by the creator to the Associate Provost, Research. If the discontinuance is denied by the Associate Provost, Research, the creator has the right to appeal such a denial under the provisions of Article 8.

Under special circumstances involving creators' rights to the special and proprietary intellectual content of the teaching materials in question, creators have the right to request exemption of some or all of these teaching materials from this provision. If such a request is denied by the Associate Provost, Research, the creator has the right to appeal such a denial under the provisions of Article 8.

3.2 Computer Software

Notwithstanding Policy 1.1, the grant of ownership of copyright in computer software to the academic personnel who create these materials is limited. Copyright ownership of computer software, the creation of which was significantly contributed to by non-academic personnel, is shared equally by the creator(s) and the university. In the event that such computer software is commercialized, the provisions of Article 6 will apply.

In addition to the provisions of Policy 1.1, the university's grant of copyright ownership in computer software shall be subject to the following conditions:

- a) To the extent the creator(s) have rights in such computer software, the creator(s) shall grant the university a perpetual, non-exclusive, royalty-free, irrevocable license to copy, use and modify such computer software in teaching (including distance and continuing education), research and academic activities within the university. The creator(s) shall waive all moral rights in the computer software to the extent necessary to exercise such license rights.
- b) The creator(s) shall provide the university with all source code, object code and relevant documentation, together with all updates thereto from time to time, in respect of the computer software for the purposes of the license rights granted in paragraph (a) above.

3.3 Data and Database Management

Databases created in the course of research may be copyrightable and thus fall under the copyright policy (See Article 2.1).

This Policy is concerned with the ownership of, and the right to use, original data collected or measured in the course of teaching, academic and research activities involving academic personnel. It is not concerned with data from external sources used in research at the university, other than to assert the obligation that publications or theses using such data must recognize and fully document their sources.

Academic personnel have the obligation to protect and preserve, for a reasonable period (defined by the norms of the discipline), and to make available to other scholars and non-commercial users, the data on which their work is based.

Ownership of data assembled by academic personnel in the course of their research may be contentious and, because access to it is important for research and scholarship, ownership shall be jointly held by the university and the creator(s), notwithstanding Policy 1.1, subject to the following conditions:

- a) To the extent that the creator(s) have rights in such data, the creator(s) grant the university a perpetual, non-exclusive, royalty-free, irrevocable license to copy and use any or all such data in teaching (including distance and continuing education), research and academic activities within the university.
- b) The creator(s) shall make available the resulting data set(s), after completion and publication of the thesis or paper on which the data set is based, to other university personnel for royalty-free, non-commercial use in teaching, research and academic activities within the university.

Notwithstanding the above, all university personnel have the collegial obligation to allow the owner(s) of such data a first opportunity to exploit those data for published work.

Exceptions to these rules are allowed only when the research is subject to confidentiality requirements due to contractual arrangements with a sponsoring agency, to publication delays associated with patent applications, or to university ethics constraints on research involving human subjects or animals which are contained in the Research Ethics Policy and Procedures, which can be found on the university's website. In the case of contractual limitations, all collaborators must be made aware of, and agree in advance to, such constraints.

4. Policy on Contract Research

4.1 Ownership of Intellectual Property in Contract Research

In externally-sponsored or contract research activities, ownership of intellectual property rights may be determined in whole or in part by the regulations of the sponsor, or by the terms of the contract. Consistent with the university's policies on Research, which can be found on the university website, academic personnel must retain the right to publish their work within a reasonable period, and to use the results of the research in subsequent projects, recognising the limitations that may derive from proprietary data, and must adhere to the academic and professional standards of their disciplines. All academic personnel participating in such research activities must be made aware of any ownership stipulations of the contract by the principal investigator, or by any other designated leader of the research project.

Guidelines on reasonable limitations/exceptions are:

- a) University personnel entering into a relationship that will limit their enjoyment of normal academic benefits of their research must enter into it with informed consent.
- b) Externally sponsored or contract research contracts will be negotiated by the Associate Provost, Research in consultation with the academic personnel proposing to undertake such research activities.
- c) In situations where companies or agencies that fund research retain ownership of intellectual property generated by that research, some other academic benefit must be derived. That is, the research must support the generation and dissemination of knowledge in some other way (for example, by funding laboratories that directly support other research). Whether any agreement for sponsored research will result in academic benefit to the academic personnel and the university will be decided by the Associate Provost, Research in consultation with the academic personnel and the appropriate Dean. Decisions of the Associate Provost, Research may be appealed under the provisions of Article 8.
- d) It is the responsibility of academic personnel to ensure that the terms of their consulting agreements with third parties, which must have the approval of the Associate Provost, Research do not conflict with their commitments to the university. Each individual must make the nature of her/his obligations to the university clear to any third party for whom she/he expects to consult.

4.2 Confidential Disclosure Agreements

A Confidential Disclosure Agreement [CDA], sometimes referred to as a secrecy, confidentiality or non-disclosure agreement, is used when one party wishes to disclose confidential information to a second party, but wishes the second party to maintain the confidentiality of the information. Non-disclosure provisions can either stand alone as a separate agreement or be incorporated into a broader agreement.

In the event that a corporate sponsor wishes academic personnel to use confidential information, or that academic personnel wish to disclose confidential information, such as a patent application, to a third party, a CDA must be entered into to protect both parties.

All CDAs must be submitted to the Associate Provost, Research for review. If the terms of a CDA extend to other participants in a project or activity, it is the responsibility of the principal investigator to inform all participants of their obligations under the CDA and, if necessary, to develop CDAs for them.

4.3 Material Transfer Agreements

Materials, for example biological materials, are often distributed by scientists to their colleagues for a variety of purposes, such as duplication and confirmation of experimental results or evaluation of the material for alternate uses. Such intellectual property is an important factor in attracting research funding. For this reason, the university will help academic personnel review Material Transfer Agreements [MTAs] and other agreements that arise out of their interaction with industry. All such agreements must be approved by the Associate Provost, Research. In all cases, the university requires researchers to sign an MTA to ensure that these materials are used only for scientific research and not for commercial applications. If the material is being transferred for commercial application, its use shall be governed by a license agreement.

Each MTA requires university authorization and an authorized university signature. academic personnel must enter into an MTA prior to distributing or receiving any such materials.

Because MTAs often contain restrictions on intellectual property and publication, all MTAs must be submitted to the Associate Provost, Research for review. If the terms and conditions of the MTA are unacceptable to the university, the Associate Provost, Research, in consultation with the researcher, will attempt to negotiate other terms acceptable to all parties.

5. Other Types of Intellectual Property

Other types of intellectual property in Canada and other jurisdictions include industrial designs, trade-marks, domain names, integrated circuit topographies, plant breeders' rights and trade secret rights. While different types of intellectual property have different rules and requirements governing their protection, these types of intellectual property follow the same philosophy as outlined in Policy 1.

If you have any questions concerning other types of intellectual property and the university's Policies, please contact the Associate Provost, Research.

6. Policy on the Commercialization of Intellectual Property

6.1 Timely Disclosure

Academic Personnel who have developed intellectual property which they intend to commercialize must inform the Associate Provost, Research in advance, in writing, and in a timely way of their intentions. Such disclosure must include the nature of the intellectual property, the names of all co-creators, the source of funding for the research project out of which the intellectual property emerged, and any other relevant information. At the time of disclosure, the university will inform the creator(s) that they may commercialize the intellectual property themselves, or may offer it to the university to commercialize, and will provide sources of information about those options.

6.2 Commercialization by the Creators

When creator(s) elect to commercialize the intellectual property, they assume responsibility for legally protecting and marketing it, finding a licensee, negotiating a license agreement, and administering that agreement. Any such license agreement must contain full and complete releases and indemnification in favour of the university, with respect to the commercialized intellectual property. Such creator(s) will pay the university 25% of Net Revenues arising from the intellectual property or 10% of Gross Revenue, whichever is greater, on an annual basis.

Any such intellectual property shall remain subject to the license and other rights of the university under these policies.

Where Academic and non-academic personnel are co-creators of an intellectual property and where the university has not waived its ownership rights as the employer of such non-academic personnel, then the university's Associate Provost, Research shall represent the university's interest in all matters related to this intellectual property,

including but not limited to Patents, sale, licensing or any other commercialization activity.

If creators pursue commercialization on their own, the university is not responsible for any legal, development, marketing and other costs they may incur, including patent prosecutions.

6.3 Commercialization by the University

Creator(s), at their option, may offer the intellectual property to the university for commercialization. The university retains the absolute and sole right to determine if it wishes to accept such intellectual property for commercialization.

Before the university accepts any assignment, it may seek a commercial and/or technical assessment. Prior to the university conducting any such assessment, the university shall require the creator(s) to enter into an agreement with the following terms and conditions:

- a) If the university accepts the offer, then the creator(s) agree to assign all intellectual property Rights and other rights to the university, including assignments of Patents, if any. The university shall thereafter deal with such rights, including any further assignment to some specialized external agency, as it deems most expedient. The university shall assume sole responsibility and authority for legally protecting and marketing the intellectual property, finding a licensee or buyer, determining the terms of the license or sale, negotiating a license or sale agreement, and administering that agreement. The university shall retain 75% of Net Revenue arising from the intellectual property, and the creator(s) shall receive 25%, payable on an annual basis, unless the university and the creator(s) agree to a fixed percentage of Gross Revenue that is of equal or greater value for the university.
- b) If, because of this assessment, the university decides not to act to protect and/or commercialize the rights to the intellectual property, these rights shall be returned to the creator(s).
- c) If, the university has accepted the assignment of the intellectual property and if, after a period of two years from the later of the date of such assignment (or if a Patent is involved, the date of issuance of the Patent), the rights to the intellectual property have not been assigned or licensed, they may be, at the creator's request, assigned back to the creator, in return for an agreement by the creator to: (1) reimburse the university for all Development Expenses prior to any distribution of revenues, and (2) pay to the university 25 % of the Net Revenue

arising from the intellectual property or 10% of Gross Revenue, whichever is greater, on an annual basis.

University personnel are not obliged to use the university's services, nor is the university obliged to take on any intellectual property brought to it.

7. Administration and Amendments

Subject to the dispute resolution provision set out in Article 8, the Associate Provost, Research is responsible for the administration of this Policy. The Associate Provost, Research is also responsible for making determinations regarding various matters referred to in this Policy, including determining time periods, limitations on ownership rights, what constitutes private research, and ownership rights of academic personnel conducting externally-sponsored or research activities.

It is the responsibility of the Associate Provost, Research to review and evaluate these policies on an annual basis. Any changes to these policies that the Associate Provost, Research recommends, shall be provided to the Board of Governors of the university for consideration.

8. Dispute Resolution

The university recognizes that disputes may arise between the university and Academic or non-academic personnel and students with respect to intellectual property and the implementation of these Policies.

When an agreement cannot be reached between the university's Associate Provost, Research and the creator, the dispute will be referred to an internal three-person panel consisting of persons respected within the community for their knowledge of intellectual property issues.

The panel, whose membership will be nominated by the President and approved by the Academic Council, will attempt to resolve the dispute through mediation but, if that fails, will arbitrate.

The decision of the panel is final and binding and is not subject to appeal.