University of Victoria

Intellectual Property

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Purpose

1.00 The objective of this Policy is to facilitate the development, protection, dissemination and commercialization of Intellectual Property ("IP") through a supportive framework that is respectful of the culture, and balances the interests of the University and of its research and creative community. The Policy shall:

a) express and fulfill the University's obligation of encouraging knowledge transfer for the social and economic benefit of society;

b) recognize and uphold the principles of scholarly integrity and academic freedom in the commercialization of IP for the protection of the University and its community;

c) provide a framework for the development of mutually beneficial relationships, and a supportive climate and incentives for innovation, entrepreneurship and revenue generation in research and creative development;

d) increase opportunities for funding and leverage that could be used to provide additional independent research and employment opportunities for the University community, especially young faculty and students;

e) provide for the availability of professional advice from an early stage to the University research and creative community with respect to the development and protection of IP, contractual issues, and the associated rights, obligations, and liabilities;

f) provide a basis for setting out the sharing of costs and benefits between the University, external partners, and the University's research and creative community, and when such sharing is in dispute, provide an effective dispute resolution mechanism;

g) ensure that issues of liability relating to the University and its researchers, Creator(s) and Inventors are made clear.

Definitions

For the purposes of this Policy:

2.00 **Author** means a person who creates IP other than an Invention. This includes novels, textbooks, articles, plays, paintings, software, musical compositions and performances.

3.00 **Commercialization** means the assignment, licensing, manufacturing or production of IP as well as the protection of IP, including, but not limited to, obtaining patent protection and Copyright registration, with the goal of financial return.

4.00 **Contract for Services** includes a contract between the University and a Member of the University which covers assignments that are extra-to-load.

5.00 **Copyright** has the meaning prescribed by the Copyright Act (R.S.C. 1985, c. C-42), as amended, or any successor legislation thereto. This includes the rights that exist in novels, textbooks, articles, plays, paintings, software, musical compositions and performances.

6.00 **Course Materials** include:

a) lecture notes created by a Member of the University, regardless of format or method of delivery;

b) individual course websites created by a Member of the University;

c) examinations created by a Member of the University;

d) other Copyrightable material created by a Member of the University and intended for use only by the students registered in the Member of the University's course.

7.00 **Creator** means a person who creates IP. To be considered a Creator, an individual must be considered to be a creator of the IP pursuant to the relevant law, for example, an author or co-author pursuant to the Copyright Act or an inventor pursuant to the Patent Act. It is recognised that IP may arise from the collaborative or co-operative effort of more than one Creator, in which case, Creator is taken to encompass Creators.

8.00 **Direct Costs** means the University's costs and fees (including legal fees and agents' fees) associated with the acquisition, management and Commercialization of the IP, including costs of evaluating it, obtaining and maintaining IP protection, preventing unauthorized use or infringement, prototype development funds, negotiating and implementing licenses or other agreements with third parties, but does not include the University's research, office or overhead costs incurred prior to the initiation of Commercialization.

9.00 **Disputes** means all differences, controversies and claims directly or indirectly arising out of or in relation to this Policy or the interpretation, application, performance, or alleged breach of this Policy.

10.00 **Informed Consent** means consent given by an individual who has received the information necessary to allow a considered judgment, who has adequately understood the information, and who has arrived at a decision of consent without having been subjected to coercion, undue influence, inducement, or intimidation.

11.00 **Infrastructure** means specialized research facilities and services of the University, including the University's research laboratories, major capital equipment, and technical facilities and services. Specialized facilities and services do not include the use of offices and office equipment, limited office services, personal computers, the library, or other services commonly available to all University community members.

12.00 **Intellectual Property (IP)** means the assets arising from intellectual or artistic activity, created by a Member of the University in a scholarly, professional or student capacity. Intellectual Property may include patents rights, industrial design rights, trademarks and trade name rights, copyright (and moral rights), trade secrets and other intangible rights provided for in federal or provincial law and other analogous intangible property rights. Examples of assets considered in this Policy may include, but are not restricted to: discoveries, Inventions, confidential information, Course Materials, Student Works, research data, research tools, performances, know-how which is proprietary in nature and biological materials.

13.00 **Invention** means any subject matter that is a:

a) new and useful art, process, machine, manufacture or composition of matter, or any new and useful improvement in any art, process, machine, manufacture or composition of matter" [Patent Act, R.S.C. 1985, c. P-4, s. 2], whether or not patentable;

b) patentable research data or research tool, including, without limitation, biological material and other tangible research material; and

c) proprietary information or know-how, or trademark related to any of the foregoing items;

and includes all legal and equitable rights relating to such property and any research data relating to such property.

14.00 **Inventor** means a person who creates IP that is considered an Invention and may be eligible for protection under the Patent Act. Any reference in this Policy to Creator includes Inventor.

15.00 **Member of the University** means:

a) faculty, librarians and Students;

b) anyone holding a university academic appointment;

c) post-doctoral fellows;

d) all persons who are employed under contracts with university faculty members as the employer and who perform research on behalf of such employer;

e) visiting researchers; and

f) other employees of the University when engaged in Scholarly Activity**.**

16.00 **Net Financial Benefit** – means the sum total financial benefit derived directly from the IP (including but not limited to cash, dividends, warrants, bonuses, stocks, gifts, etc.) received by a Creator less the sum total of all direct costs and fees associated with Commercialization of the IP. The determination of Net Financial Benefit varies in different situations and shall be decided on a case-by-case basis in relation to the type of revenue and accepted accounting procedures in the relevant field.

17.00 **Net Revenue** means the revenue accruing from the IP less the Direct Costs of Commercialization. The determination of Net Revenue varies in different situations and shall be decided on a case-by-case basis in relation to the type of revenue (e.g. equity or royalty) and accepted accounting procedures in the relevant field.

18.00 **Public Disclosure** means when subject-matter became available to the public as interpreted in the Patent Act. A Public Disclosure includes any presentations, publications, meetings or sales where there is no written or verbal agreement that the subject matter is to be kept confidential.

19.00 **Research Partnerships and Knowledge Mobilization (RPKM)** is the designated office of the University responsible for intellectual property and commercialization, and includes any successor office.

20.00 **Scholarly Activity** includes all activities by a Member of the University that is appropriate for inclusion in a curriculum vitae as scholarship, research (including graduate student supervision), or other creative activity.

21.00 **Student** includes any person enrolled in a course whether credit or non-credit or at the university under an agreement or visiting arrangement.

22.00 **Student Works** means any IP that is created, developed, discovered, conceived or invented in the course of or as part of a Student's coursework. The following are NOT Student Works:

a) A graduate student's thesis, dissertation or master's project or related coursework;

b) Activities for which such student is paid, whether through the University, grant funding or any project specific funding;

c) Research that is the subject of an agreement (including a sponsored research agreement) with a third party;

d) Research where the principal investigator has made it a condition of participation that any IP arising from such research shall be governed by this Policy as being the property of the principal investigator; and

e) A collaborative project with Creator(s) whose Intellectual Property would otherwise be covered under this Policy.

23.00 **Tri-Agency** means the Canadian Institutes of Health Research (CIHR), the Natural Sciences and Engineering Research Council (NSERC) and the Social Sciences and Humanities Research Council (SSHRC).

24.00 **University** means the University of Victoria.

25.00 **University Resources** includes the University's physical structures, research laboratories, capital equipment, technical facilities, services and personnel. University services include the administration of funds received by the University in the form of grants, contracts or other support provided by the University or external sponsors.

Extra-territorial Commercialization

26.00 All provisions of this Policy are in effect with respect to IP Commercialized or proposed to be Commercialized outside of Canada and shall be interpreted according to the laws of Canada and British Columbia, unless otherwise stated in the contract for Commercialization.

Jurisdiction/Scope

27.00 This Policy applies to the Intellectual Property (IP) created by all Members of the University in their university-related work and/or their use of University Resources.

28.00 This Policy also applies to the IP of external research contractors and individuals providing services to the University under a Contract for Services or a written agreement.

29.00 This Policy does not apply to IP that was developed by a Member of the University in the course of activity entirely unconnected with the Member's studies or duties and that does not involve the use of University funds or University resources that are not available to members of the public.

30.00 This Policy does not affect any agreements between the University and third parties that relate to IP and/or Members of the University. Notwithstanding any other provision of this Policy such agreements shall remain in effect.

31.00 This Policy is not determinative of the rights in, or the allocation of, revenue from IP created by a Member of the University who also holds an appointment in an external institution, whether or not affiliated with the University, including a teaching hospital, or other organizations. Such determinations shall be subject to the terms and conditions of agreements between the University and the hospital, centre, network or institution in force at the time of the disclosure or publication of the IP, or, in the absence of such an agreement, to negotiation between the institutions involved.

Principles

32.00 The B.C. University Act, section 27(2)(v) grants the University the power to require, as a term of employment or assistance, that a person assign to the Board of Governors "an interest in an Invention or an interest in a patent, Copyright, trade mark, trade name or other proprietary right resulting from an Invention made by that person using the facilities, equipment or financial aid provided by the board, or made by that person while acting within the scope of the person's duties or employment, or resulting from or in connection with the person's duties or employment as an officer or employee of the University."

33.00 Canadian copyright and patent law provides for the ownership of IP to be vested in the employer when works are created in the course of employment.

34.00 However, such arrangements are inconsistent with the University's commitment to a vital academic community. The University's values of freedom of inquiry, freedom of thought, academic integrity, ethical integrity, collaboration, and the importance of communication of Scholarly Activity within both academic communities and broader society is best served by the following principles:

35.00 Members of the University who create IP through their creative and research activities own that IP. Members of the University are free to

a) publish, communicate or otherwise disseminate their IP without commercial intent, or;

b) to pursue Commercialization of their IP with the assistance of the University, or;

c) to pursue Commercialization of the IP without the assistance of the University.

36.00 The University retains a royalty-free perpetual right to use for scholarly, academic and other non-commercial purposes all IP created through use of University Resources.

37.00 The University has a responsibility and accountability to its members, the public, funding agencies, government and other parties that may have entrusted the University with support, funds and their IP that contributed to the creation of the IP. Because of these responsibilities, the University has the right to require the Creator(s) of IP to disclose to the University their IP and also any intention to Commercialize that IP.

38.00 The University has a responsibility to ensure that the IP is not commercialized in a manner that is antithetical to the core values of the University and its members. Any IP created through use of University Resources and then commercially exploited is subject to exercise of University's right to protect the name and reputation of the University and its members.

39.00 Any IP created through use of University Resources and then commercially exploited is subject to exercise of the University's right to share in the Net Revenue earned from such Commercialization of the IP.

40.00 Members of the University shall appropriately manage any real, potential or perceived conflict of interest in accordance with the Conflict of Interest and Confidentiality Policy (GV0210) or Conflict of Interest provisions in their collective agreement.

41.00 Because Members of the University have to be free to engage in Scholarly Activity, they shall not enter into any agreement that infringes on that freedom or that compromises their scholarly integrity.

42.00 The University has a continuing commitment to respectful relationship-building with first nations and enhanced relations with indigenous communities around the world. The University recognises the sui generis nature of indigenous rights and also recognizes that the IP of indigenous communities can include cultural knowledge, expressions, traditions, artefacts and sites that may not always be included or protected within general definitions of IP. The University and Members of the University will respect the cultural property of indigenous people such as historical sites, artefacts, designs, ceremonies, performing arts, artwork and literature.

Authorship and Ownership

43.00 The University is committed to the position as articulated in the Tri-Agency policy that all works will include "as authors, with their consent, all those and only those who have materially or conceptually contributed to, and share responsibility for, the contents of the publication or document, in a manner consistent with their respective contributions, and authorship policies of relevant publications."

44.00 The determinations of authorship and relative contributions to a scholarly or creative work shall be carried out in accordance with the Tri-Agency policy, the Policies on Scholarly Integrity AC1105 (A) and AC1105 (B), relevant collective agreement provisions and the standards for the discipline.

45.00 The University recognises that an Author of a work for the purpose of protection under the Copyright Act and Inventor of an Invention for purpose of protection under the Patent Act are distinct concepts. All Authors automatically share ownership in the scholarly or creative work under the Copyright Act. For Inventions that are potentially patentable the criteria for inventorship under the Patent Act will apply.

46.00 In the event of Commercialization:

a) All Creators of the IP are entitled and presumed to share equally, unless other proportions are stipulated in a written agreement between the Creators, a copy of which is available for review;

b) Creators seeking Commercialization must warrant that they are the sole Creators or that any other Creator(s) have waived their rights through a written agreement, a copy of which is available for review.

47.00 A Creator owned IP policy is one in which the Creator(s) owns the IP unless:

a) The regulations of the sponsor of grant or contract research require different IP ownership provisions or;

b) The University and the Creator(s) have entered into a written agreement to the contrary.

48.00 Although the University has rights to the ownership of IP created through the use of University Resources, the University believes that the academic community and culture of innovation on campus is best served by a Creator owned IP policy.

49.00 Notwithstanding ownership in the Creator(s) IP, but subject to any ownership vested in another entity (for example, a publisher of a scholarly work), the Creator(s) shall be deemed to have granted to the University a non-commercial, non-exclusive, royalty free, irrevocable, indivisible, non-transferable license, including the right to sub-license, and to use the IP for research, teaching and administrative purposes.

50.00 If the IP comprises Course Materials the Creator(s) must be credited in every use and the University is entitled, at its sole discretion, to use, correct, update, modify or replace any part of the Course Materials without obtaining subsequent approval from the Creator(s).

51.00 The Creator(s) of the IP may voluntarily assign or transfer any interest in the IP to the University, to another entity or to the public domain. Any assignment, waiver or modification of rights in favour of the University requires Informed Consent.

52.00 Students at the University own their Student Works. The ownership and mobilization of Student Works will be determined in accordance with applicable law and shall not be subject to this Policy.

Disclosure

53.00 All persons covered by this Policy are required to disclose their IP.

54.00 For scholarly publications and much of the creative activity by the faculty, disclosure shall be through the updated curriculum vitae. For scholarly publications and much of the creative activity by non-faculty Creator(s), disclosure shall be to the relevant department or supervisor.

55.00 Creators of IP, particularly Inventors that wish to obtain protection for an Invention under the Patent Act, should be aware that Public Disclosure may introduce deadlines for the proprietary protection of IP and may result in losing the right to obtain proprietary protection of IP in some regions.

56.00 Creators of IP protected under the Copyright Act, such as, but not limited to, writings, drawings, figures, musical compositions, performances, photography and other works should be aware that their rights exist automatically. Publication or registration will strengthen the enforcement of these rights.

57.00 If an IP is believed to be commercially valuable but the Creator(s) does not wish to Commercialize, the Creator(s) is still under an obligation to disclose the IP to Research Partnerships and Knowledge Mobilization (RPKM) but is not required to commercialize.

58.00 If IP is anticipated to be commercially viable and the Creator(s) wishes to commercialize the IP, it must be disclosed by the Creator(s) to Research Partnerships and Knowledge Mobilization (RPKM) on a confidential basis at as early a stage of development as possible. This clause applies whether the Creator(s) plans to Commercialize with or without the assistance of the University.

59.00 In order to maintain eligibility for patent protection, the confidential disclosure of patentable IP to RPKM should be made within 3 months of the creation of the IP.

60.00 Confidentiality must be maintained until such protection is secured.

61.00 Through disclosure to RPKM, the University shall ensure that it has the first opportunity to offer its services as the vehicle for Commercialization.

62.00 Other services and groups affiliated with the University also offer services to aid with Commercialization for Creators. Discussions with such entities do not count as disclosure to the University as required under paragraphs 57.00 and 58.00 of this Policy. Nor do the policies for Commercialization and revenue sharing outlined in this Policy necessarily apply to partnerships with these entities.

Principles of Commercialization

63.00 The University wishes to build high-quality partnerships between university researchers, community groups and the private sector increasing the University's contributions to innovation and to the economic well-being of society.

64.00 The University has public and internal accountability. Because of this, the University has a responsibility to enter into Commercialization agreements that reflect the values of the University and protect the name and reputation of the University and its members. The University seeks to enter into Commercialization agreements that:

a) adhere to the principles of intellectual and ethical integrity;

b) provide mechanisms for protection of the IP in the event of misuse;

c) control the use of the names and trademarks of the University and its members by any external partner;

d) stipulate means of quality control for the content of the IP;

e) require legal review to avoid violation of the University's tax exempt status.

65.00 The University is committed to promoting the mobilization and application of knowledge for societal benefit. IP developed with University Resources should be utilised to the greatest possible extent and in a manner consistent with the principles of the University. The University seeks to enter into Commercialization agreements that:

a) provide flexibility in joint ventures to ensure that the University and its Members can enter into multiple relationships for its IP without violating prior agreements;

b) retain the right to produce and publish research that is derived from the ideas and material contained in any joint venture.

66.00 When the University is not involved in the Commercialization, the University expects the Creator(s) to adhere to these principles.

Revenue Sharing Upon Commercialization

67.00 The University supports the principle that any revenue accruing from IP should be shared fairly and proportionately between the Creator(s) and the University. The following approaches to revenue sharing with the University will be used to determine equitable distribution of Net Revenue.

a) If the Creator(s) retains ownership of the IP and does not request the assistance of the University in Commercializing the IP, then – if the Net Financial Benefit for any individual Creator is greater than the annual "threshold" amount of $10,000 in any given year – the Creator will receive 80% and the University will receive 20% of any amount above the $10,000, based on the provision of general University Resources and facilities including (possibly) industry liaison staff assistance; assignment of the IP from the Creator(s) to the University is not required.

or

b) If IP protection is sought and the Creator(s) requests assistance of the University in Commercializing the IP and the University agrees to assist, then – after the Direct Costs of Commercialization are repaid from Net Revenue – the Creator(s) and the University will each receive 50% of annual Net Revenue; assignment of the IP from the Creator(s) to the University is required.

or

c) If patent protection is not sought and the Creator(s) requests assistance of the University in Commercializing the IP and the University agrees to assist, then – after the Direct Costs of Commercialization are repaid from Net Revenue – the Creator(s) will receive 75% and the University will receive 25% of annual Net Revenue; assignment of the IP from the Creator(s) to the University is generally required.

or

d) If the Creator(s) requests assistance of the University in Commercializing the IP and the University declines to assist, or the University abandons the Commercialization of the IP and assigns the IP back to the Creator(s), the University will receive no additional annual Net Revenues.

68.00 In the case of joint Creators, the above annual "threshold" amount of $10,000 per year before which Net Revenue is shared applies to each Creator separately.

69.00 Exceptions to the standard revenue sharing principles may be made based on above-normal or below-normal use of University Resources and additional financial or other contributions. The contributions of the University and the Creator(s) that may be considered can include, but are not limited to, the following:

a) provision of paid release time (over and above any academic leave or professional development leave) for the development of IP;

b) provision of remuneration over and above regular salary for the development of IP;

c) provision of space, facilities, and equipment for the development of IP over and above normal Infrastructure requirements;

d) the ratio of liability assumed by the University, and the Creator(s);

e) the negotiation of any contractual agreements with external research or development partners;

f) the expansion of the commercial potential of a piece of IP, including any costs associated with patenting;

g) research grants in lieu of salary that may have been contributed by a Creator in accordance with Research Grants in Lieu of Salary Policy RH8205.

70.00 It is preferable that specific IP agreements will be entered into before provision by the University of resources such as those detailed in paragraph 68.00.

71.00 The University shall keep complete, true and accurate accounts associated with protection and Commercialization, including Direct Costs and Net Revenue and shall permit the Creator(s) to examine its books and records in order to verify the payments due or owed under this Policy.

72.00 The Creator(s) shall keep complete, true and accurate accounts associated with protection and commercialization, including Direct Costs and Net Revenue and shall permit the University to examine its books and records in order to verify the payments due or owed under this Policy.

Commercialization of IP not Originally Covered Under this Policy

73.00 Members of the University who develop IP not covered under this Policy are under no obligation to disclose such IP to the University or share any revenue from such IP.

74.00 The University is under no obligation to offer consultation or to assist in the Commercialization of IP not covered under this Policy.

75.00 However, a Member of the University may choose to disclose such IP and discuss Commercialization options with the University. It shall be the sole discretion of the University to offer their services to the Member of the University based on sound business practices.

76.00 If the Member of the University chooses to utilise the assistance of the University for Commercialization, that Member of the University will be bound by all relevant provisions of this Policy.

77.00 For clarity, if after consultation, the Member of the University elects to pursue Commercialization independently, the Member of the University will not be bound by the provisions of this policy and in particular clause 67.00.

Dispute Resolution

78.00 All Disputes shall be resolved in accordance with the applicable law and the provisions of this Policy. Whenever any party believes that a Dispute exists that requires resolution pursuant to this section, it shall give written notice of the alleged Dispute to the other party or parties and to the Vice-President Research and Innovation or delegate with sufficient detail concerning the Dispute so that it is adequately identified. In the case of a dispute that may result in a grievance, the VPR or delegate shall give notice to Human Resources or Faculty Relations and Academic Administration as appropriate.

79.00 All oral and written communications between the parties or their respective representatives issued or prepared in connection with the attempted resolution of any Dispute shall be deemed to have been prepared and communicated without prejudice in furtherance of a Dispute settlement and shall be exempt from discovery and production, and shall not be admissible in evidence (whether as an admission or otherwise) in any proceedings for the resolution of the Dispute.

80.00 All parties will make good faith efforts to resolve all Disputes under this Policy. The parties will initially attempt to resolve all Disputes amicably between themselves by having appropriate personnel from each party discuss the Dispute. Such discussion will be carried out, in consultation, where appropriate, with their commercial, financial, technical or legal representatives. Members of RPKM may also be available to discuss the Dispute.

81.00 If such initial attempts do not result in resolution of the Dispute in question within 20 business days after commencement of discussions, or such further period agreed to by the parties in writing, the parties agree to submit the dispute to non-binding mediation. Each party shall prepare and deliver, within a further 10 business days, a written submission to the Vice President Research and Innovation or their delegate, detailing the Dispute and the resolution of the Dispute recommended by the party making the submission.

82.00 The VPR shall, with agreement of the union(s) of any involved party, and in consultation with Human Resources/Faculty Relations and Academic Administration, appoint a mediator. The mediator shall schedule such meetings as they deem appropriate. Such mediation shall continue for up to 5 business days, or such further period agreed to by the parties in writing and approved by the Vice-President Research and Innovation. Where the parties are mediating in respect of a grievable issue, timelines for filing of a grievance do not commence until the mediation process is completed.

83.00 If mediation does not result in resolution of the Dispute, a party may submit the Dispute for resolution as follows:

a) where the Dispute is directly related to the interpretation or application of a collective agreement provision, through the grievance procedure of the relevant collective agreement, subject to approval of the relevant union;

b) where the Dispute is not directly related to the interpretation or application of a collective agreement provision:

i) The Parties may agree to have the Vice-President Research and Innovation receive written submissions and make a determination on the matter; or

ii) The Parties may agree to have the Vice-President Research and Innovation appoint an arbitrator to make a final determination under s. 81.00-84.00; or

iii) The Parties may avail themselves of their rights at law in private litigation.

84.00 The arbitrator in 83.00 b) ii) shall have appropriate legal and intellectual property expertise and will be selected by the Vice-President Research and Innovation in consultation with any affected union. Costs of the arbitrator shall be borne equally by the parties to the Dispute.

84.01 Each party to the dispute may select an advisor to the arbitrator. The advisor shall have academic or technical knowledge that is relevant to the issues in the Dispute. Advisors shall be advisory to the arbitrator and shall not have decision-making authority. Any remuneration for the advisor shall be borne by the party appointing them.

84.02 The arbitrator shall determine the Dispute between the Parties and advise the Parties and the Vice-President Research and Innovation of their decision in writing.

Authorities and Officers

85.00 The authorities and officers for this policy are:

i) Approving Authority: Board of Governors
ii) Designated Executive Officer: Vice-President Research and Innovation
iii) Procedural Authority: Vice-President Research and Innovation
iv) Procedural Officer: Vice-President Research and Innovation

Relevant Legislation

Patent Act, RSC 1985 c P-4
Copyright Act, RSC 1085, c C-42
Freedom of Information and Protection of Privacy Act, RSBC 1996 c 165
University Act, RSBC 1996 c 468

Related Policies and Documents

Conflict of Interest and Confidentiality Policy (GV0210)
External Research Funding Agreements Policy (RH8200)
Faculty/Librarian Collective Agreement
Indirect Costs of Research Policy (FM5400)

Policy on Scholarly Integrity (Researchers not subject to the Framework Agreement) AC1105 (A)
Research Grants in Lieu of Salary Policy (RH8205)