



SIMON FRASER UNIVERSITY
Policies and Procedures

Date
July 22, 2004

Number
R 30.03

Revision Date

Revision No.

Intellectual Property Policy

1.0 Purpose

1.1 To provide an incentive for intellectual development and innovation by University Members;

1.2 To acknowledge that the University has an obligation, within a framework of respect for copyright and patent principles, to disseminate the products of scholarly activity to benefit the institution, the individuals affiliated with it, and the public;

1.3 To provide safeguards for the equitable protection and disposition of proprietary rights;

1.4 To provide a framework for effective development and utilization of discoveries for the economic benefit of British Columbia and Canada, which would be in the interests of the public and the University;

1.5 To provide the potential for gaining funds to be used to promote and aid research and technology transfer in the University;

1.6 To ensure that the University meets its obligations to funding sponsors;

1.7 To assist University Members in fulfilling the terms of grants or contracts with respect to Intellectual Property (as defined in Section 2.1 below); and

1.8 To simplify and clarify the policy environment by replacing two previous Policies ("Copyright Policy" - R30.01 and "Patent Policy" - R30.02) with one consistent approach under policy.

2.0 Definitions

2.1 "Intellectual Property" (herein abbreviated as "IP") is the result of intellectual or artistic activity, created by a University Member in a scholarly, professional or student capacity that can be owned by a person. Specifically, this includes inventions, publications (including scholarly publications), educational materials, computer software, works of art, industrial and artistic designs, as well as other intellectual property rights (creations) that can be protected under legislation including, but not limited to patent, copyright or trade-mark, integrated topography, industrial design laws, and/or through a trade secret.

2.2 "Creator" means initiator and developer of the 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 inventor pursuant to the Patent Act, or an author or co-author pursuant to the Copyright Act. It is recognized that collaborative or co-operative effort may involve several Creators.

2.3 "University Resources" include but are not limited to 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.

2.4 "Publication" means making IP available to the public by way of speech, print, paper, electronic or other means.

2.5 "Revenue" means the amount derived from the Commercialization of IP (by the Creator if commercialized by the Creator or by the University if commercialized by the University), net of

expenses (which may be carried forward from year to year to offset gross revenue) incurred in the Commercialization, and includes, without limitation, proceeds from royalties, profit-sharing, lump sum payments, and sale of equity shares, but does not include the financing of research projects sponsored by a partner as part of a continuing program of collaborative research or the funds referred to in Section 9.6.

2.6 "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.

2.7 "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.

2.8 "University Member" means a member of the University community, and includes University employees, students, post-doctoral fellows, and research grant employees affiliated with the University and who use facilities, resources or funds administered by the University in the course of University-related research and other creative activities.

3.0 Principles

3.1 The B.C. University Act gives 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."

3.2 The Canadian Copyright Act provides for the ownership of copyright to be vested in the employer when works are created in the course of employment, except where agreement to the contrary exists.

3.3 However, the University's commitment to the open exchange of ideas and the publication, dissemination and communication of the results of scholarly activity is best served by the following principles:

3.3.1 University Members who create IP own the products of their intellectual endeavours and are free to publish those products without commercial intent, to pursue Commercialization with the assistance of the University, or to pursue Commercialization of the IP in their own right.

3.3.2 Because of the University's unique role in the creation and dissemination of knowledge, products of intellectual endeavour should be used for the greatest possible public benefit. IP produced solely in anticipation of profit is incompatible with University scholarly and research activity.

3.3.3 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.

3.3.4 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 Revenue earned from such Commercialization of the IP.

3.3.5 The University has the right to require the Creator of IP to disclose the intention to Commercialize that IP because of the University's responsibility to be accountable to government and the public.

4.0 Applicability

4.1 This Policy applies to all University Members, including employees and other individuals, students, post-doctoral fellows and research grant employees, affiliated with the University who use facilities, resources or funds administered by the University in the course of University-related scholarly and creative activities.

4.2 This Policy does not apply to IP created in the course of non-University activities that do not make use of facilities, resources or funds administered by the University, for example outside employment or other activity in an area unrelated to University activities, or activity conducted wholly while on an unpaid leave of absence away from the University.

4.3 This Policy does not apply to IP created by individuals not affiliated with the University but whose IP is used by University Members.

4.4 Other University Policies that are relevant to this Policy are the Policy on External Research Grants and Contracts (R10.01), the Code of Ethics (A30.01), the Policy on Service Contracts (AD 3-13), the Policy on Outside Activities (A30.04) and the Policy on University Trade-Marks (GP 28).

5.0 Ownership

5.1 Although the University has the right to require assignment of an interest in IP created by a University Member through the use of its resources, the full ownership of IP and all rights pertaining to ownership are vested in the Creator, unless the Creator has entered into an agreement with the University to the contrary. The following exceptions apply:

5.1.1 The University owns IP resulting from work specifically requested of a University Member by the University pursuant to a written contract of employment. This includes information brochures, commissioned studies or descriptive handbooks, whose production has been initiated at the request of the University.

5.1.2 The University owns IP resulting from the performance of a written contract for service, agreement or commission in which the University and the Creator have agreed to the University's ownership. This may include products prepared for distance education and/or continuing education courses and purchased outright by the University; and other types of teaching or research-related materials, production of which is initiated at the request of the University. The Creator of products prepared for distance education and/or continuing education courses may request the consent of the University to use agreed extracts from the written or recorded materials for other purposes, including the preparation of textbooks. Ownership of the resultant products shall be determined by negotiation between the University and the Creator.

5.1.3 The University or a sponsoring agency owns the rights to IP developed in the course of sponsored research pursuant to a written contract.

5.2 The University specifically acknowledges that the substance of a lecture, whether delivered in the classroom or via other means, belongs to the Creator (in this case the lecturer) and that records of such lectures do not constitute IP under the terms of this Policy. The University will distribute records of such material to University Library cardholders only with the permission of their Creator.

5.3 The University specifically acknowledges that IP created in the form of a textbook, instructional website, or other instructional material developed as part of the normal course teaching activities of a faculty member is owned by the Creator.

5.4 The University specifically acknowledges that IP created exclusively by a student Creator in the course of completing the requirements for an academic degree or certificate is owned by the student Creator, to the extent that the IP comprises part of the requirements for the degree or certificate. In order to qualify under this paragraph, the student and the supervising faculty member must agree in writing that the student is the sole inventor or author, as the case may be, pursuant to the relevant IP law. Consistent with SFU Graduate Regulations, nothing in this Policy shall preclude a graduate student from publishing his/her thesis in any form at any time.

5.5 The Creator of IP may voluntarily assign or transfer any interest in the IP to the University. The University, at its discretion, may accept such assignment or transfer and thereafter may transfer or license its ownership or interest to others, including the Creator.

5.6 The Creator of IP may assign or transfer his/her interest in the IP to the public domain or transfer that interest to another entity.

6.0 Communication and Dissemination

6.1 The University has a strong interest in maintaining complete academic freedom and the unrestricted dissemination of knowledge and information produced by members of the University community. However, Creators of IP should be aware that Publication may introduce deadlines for proprietary protection of IP, for example, in filing patent applications.

6.2 The University wishes to encourage faculty and other University Members to Publish the findings of their research and wishes to prevent unnecessary restrictions on such Publication. The University therefore encourages its members to avoid contractual arrangements which unduly restrict the freedom of Publication. Note that SFU Policy R10.01 prohibits secret research.

6.3 Creators retain their traditional right to determine, within reason, the timing and nature of Publication of research results.

6.4 The University will obtain the consent of the Creator before entering into third-party agreements which would preclude or restrict the Creator's ability to communicate the results of research.

6.5 IP often results from collaborative or co-operative efforts among academic staff, students, other University Members, and external entities. In such cases, the Creators are encouraged to discuss the handling of IP issues with staff of Industry Engagement (IE) and/or the Office of Research Services (ORS) and/or the Office of the Dean of Graduate Studies. Reference should be made to the University's External Research Grants and Contracts Policy (R 10.01) and other relevant university Policies and Regulations. If Commercialization is anticipated and there is more than one Creator, a written agreement among the Creators should be concluded as early as possible and before negotiations for Commercialization are commenced with third parties. When students or other supervised persons are involved, the supervising person is obligated to inform the students or other supervised persons of the intent to Commercialize and inform them that the IE will advise them of all relevant policies, with the goal of achieving arrangements that are fair and equitable.

7.0 Disclosure and Commercialization

7.1 Creators are free to Commercialize their IP without involving the University in the Commercialization process.

7.2 Any Creator who elects to Commercialize his/her IP must disclose the intention to the University as provided for in Section 8.2. Ideally, this would occur at as early a stage of development as possible, as described in more detail in Section 8 and the attached Appendix B. Disclosure is required because of the University's responsibility to be accountable to government and the public, as part of its legitimate interest in being informed of the activities of its faculty, staff and students in this area; because of possible University obligations regarding contract research and IP; and because the University will wish to exercise its right to a share of the Revenue earned from Commercialization of the IP. In this manner, the University shall also ensure that it has the opportunity to offer its services through the IE as the vehicle for Commercialization. In order to ensure eligibility for patent protection, the disclosure to the University of patentable IP should be made as soon as reasonable after the decision to Commercialize the IP has been made.

7.3 Creators are assured of confidentiality of proprietary and business information when disclosing IP and Commercialization plans to University personnel, including staff of the IE, the ORS, and the Vice-President, Research. Similarly, Creators shall not disclose proprietary or business information of the University.

7.4 In accordance with the University Trade-mark Policy (GP-28), Creators must consult with and obtain the approval of the University (via the IE) before using the University's name, crest, facilities or resources in connection with any commercial arrangement.

8.0 Commercialization Procedures

8.1 Detailed Procedures will be found in Appendix B to this Policy.

8.2 A Creator who elects to Commercialize his/her IP must disclose such election in writing, as appropriate, to the Chair/Director of the Department/School (for faculty members – see the exception to this in the next Section), supervisors (for other employees), or faculty supervisor (for students), who will then forward the information to the Vice-President, Research via the IE.

8.3 A faculty member who wishes to Commercialize his/her IP without the assistance of the University may make disclosure via the annual reporting that is required under Outside Activities Policy A 30.04. In this case, the information will be conveyed to the Vice-President, Research by the office of the Vice-President, Academic.

8.4 In all cases, the Vice-President, Research will determine whether the research or activity connected with the IP involves any obligations, patent or otherwise, to an outside sponsor or to the University.

8.5 If the Vice-President, Research determines that the IP rights do not belong exclusively to any external agency or to the University, he/she will inform the Creator of the University's services regarding Commercialization of IP as provided for in Appendix B.

8.6 The Creator may choose to pursue Commercialization alone, request the University's assistance in commercializing, or decide not to proceed with Commercialization of the IP.

8.7 Should the Creator choose to request University assistance, the Vice-President, Research will determine within two months of receiving the request for assistance in commercializing, whether an investment of University resources in Commercialization is warranted. If the University declines to invest, the Creator may pursue Commercialization alone. If the Vice-President, Research decides that the University should proceed, the Creator will be required to make an assignment to the University of all rights in and to the IP. Following any such assignment, the University will commence Commercialization activities and commence obtaining protection of the IP within six months of receipt of the assignment or it will assign the rights back to the Creator. If the University fails to make reasonable efforts to Commercialize the IP for any six-month period of time, the University will assign its rights back to the Creator, if so requested by the Creator. The University must give reasonable notice to the Creator, and in any case, notice of not less than one month, if the University decides that it will not pursue or maintain the protection of IP.

9.0 Revenue Sharing

9.1 In fulfilling its role as a research and educational institution, the University strives to provide incentives for the pursuit of research and creative activities. Revenue sharing is one such incentive. This article sets out the principles governing the sharing of Revenue accruing from IP Commercialization.

9.2 The University has the right to share in Revenue obtained from commercializing IP developed through use of University resources. The University supports the principle that the Revenue accruing from IP should be shared fairly and proportionately between the Creator(s) and the University, in relation to the contributions of the University and the Creator(s).

9.3 If the Creator elects to Commercialize his/her IP without using the University's services for this purpose and Revenue from the Commercialization is substantial, the University will assert its right to a share of the proceeds. Appendix A will be used to determine equitable sharing of Revenue between the University and the Creator.

9.4 If the Creator elects to Commercialize his/her IP using the University's services for this purpose and the University agrees to Commercialize the IP, the Creator will make an assignment to the University of all rights in and to the IP (as per Section 8.7 above) and the University and the

Creator will conclude a Revenue-sharing agreement. Appendix A will be used to determine equitable Revenue sharing between the University and the Creator.

9.5 For the purposes of determining Revenue, either the University or the Creator may require the other to provide an accounting of all funds received and expenses incurred with regard to IP covered by this Policy.

9.6 Speakers' honoraria, reimbursement of travel expenses or out-of-pocket expenses, and similar payments received by the Creator in the course of the normal dissemination of knowledge are not considered Revenue for the purposes of this Policy.

10.0 Use of University's Revenues

10.1 The University's share of Revenue from Commercialization of IP shall be administered under the authority of the Vice-President, Research and shall be used to further Commercialization of University IP.

11.0 Implementation

11.1 The Vice-President, Research has executive responsibility for implementing this Policy and will be the final decision authority on behalf of the University for any commercialization agreements entered into under this Policy.

11.2 IP that was created prior to the approval of this Policy will be subject to the Policies in place at the time of the creation of the IP ("Patent Policy" - R30.02 and "Copyright Policy" - R30.01).

12.0 Resolution of Disputes

12.1 If a dispute arises among Creators regarding their relative contributions to the creation of IP and this cannot be settled by the individuals involved, the advice and assistance of the Faculty Dean or administrative equivalent should be sought.

12.2 Disputes between the Creator(s) and the University regarding the provisions of this Policy which cannot be resolved through informal consultation will be decided with reference to the formal procedures outlined in the appropriate agreement between the relevant employee group and the University, or the appropriate set of University Policies or regulations governing the University constituent group of which the Creator(s) is a member. In situations not covered by existing agreements or Policies, the University and the parties involved will agree upon a dispute resolution mechanism.

12.3 Where the relationship between the Creator(s) and the University may be governed by more than one agreement or set of Policies or regulations owing to multiple activities of the Creator(s) within the University, then that agreement or set of Policies or regulations which relate to the primary status of the Creator(s) will apply for purposes of actions under this Section.

13.0 Interpretation

13.1 With respect to members of the Simon Fraser University Faculty Association, Section 14.1 of the Faculty Association Framework Agreement deals with matters of interpretation of this Policy.

13.2 With respect to other persons, questions of interpretation or application of this Policy shall be referred to the President, whose decision shall be final.

APPENDIX A

Intellectual Property Policy Revenue-Sharing Agreements

The following approaches to Revenue sharing with the University will be used to determine equitable distribution of Revenue, taking into consideration the normal use of University resources and any additional financial or other contributions by the University to the Commercialization endeavour. Dollar values below may be revised from time to time by the Office of the Vice-President, Research to apply to subsequent Revenue-sharing agreements. Exceptions may be made, under the authority of the Vice President, Research, based on above-normal or below-normal use of University resources and additional financial or other contributions.

- A. If the Creator retains ownership of the IP and does not request the assistance of the University in Commercializing the IP, the University will normally receive 15% of additional annual Revenues received by each of the Creator(s), after \$25,000 in annual Revenue has been received by that Creator, based on the provision of general University resources and facilities including (possibly) minor IE staff assistance; assignment of the IP is not required.
- OR
- B. If 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 Revenue shared on a 50:50 basis - the University will normally retain 30% of annual Revenue.
- OR
- C. If the Creator 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 pursuant to Section 8.7, the University will normally receive 5% of additional annual Revenues after the first \$100,000 in annual Revenue has been received by each of the Creator(s), based on the provision of general University resources and facilities including (possibly) minor IE staff assistance; assignment of the IP is not required.

In the case of joint Creators, the above annual "threshold" amount before which Revenue is shared applies to each Creator separately.

APPENDIX B

Intellectual Property Policy Commercialization Procedures

1. A Creator who elects to Commercialize his/her IP must disclose such election in writing, as follows:
 - 1.1 Faculty members: to the Chair/Director of the Department/School
 - 1.2 Librarians: to the University Librarian
 - 1.3 Other employees: to the Director of the Unit
 - 1.4 Students: to the faculty Supervisor or Chair/Director of the Department/School
2. Disclosure will use the Intellectual Property Disclosure Form, Appendix C to this Policy. It is available online (see appendix C) or at the IE in Discovery 2, Room 230, MTF on the Burnaby campus, at the TIME Centre at the Harbour Centre campus, or at the IE on the Surrey campus. See Section 4 below for possible exception relevant to faculty members.
3. The recipient of the Disclosure Form (as above) will then forward the information to the IE for consideration by the Vice-President, Research.
4. A faculty member who wishes to Commercialize his/her IP without the assistance of the University may make disclosure via the annual reporting that is required under Outside Activities Policy A 30.04. In this case, the information will be conveyed to the Vice-President, Research by the office of the Vice-President, Academic.

5. The Vice-President, Research, in consultation with the Office of Research Services and the IE, will determine whether the research or activity connected with the IP involves any specific obligations, patent or otherwise, to an external sponsor or to the University.
6. If the Vice-President, Research determines that the IP rights do not belong exclusively to any external agency or to the University, he/she will inform the Creator of this and of the University's services regarding Commercialization of IP. Services are provided primarily via the IE and include but are not limited to:
 - 6.1 Assessment of the potential for Commercialization of the IP;
 - 6.2 Assessment of opportunities, risk and responsibilities related to Commercialization;
 - 6.3 Advising on Commercialization partnerships and pathways;
 - 6.4 Partnering researchers with industry and government for collaborative research and development;
 - 6.5 Providing advice on and support for IP protection;
 - 6.6 Funding prototype development;
 - 6.7 Identifying funding partners to Commercialize university technologies;
 - 6.8 Assisting with the creation of new ventures through advice on business planning, legal matters and capital acquisition.
7. The Creator may then choose to pursue Commercialization alone, may request the University's assistance in Commercializing, or may decide not to proceed with Commercialization.
8. Should the Creator choose to request University assistance in Commercialization, the Vice-President, Research will determine within two months of receiving such a request whether an investment of University resources such as those described above is warranted by the probabilities for successful Commercialization.
9. If the Vice-President, Research decides that the University should proceed, the Creator will be required to make an assignment to the University of all rights in and to the IP concomitant with concluding a Revenue-sharing agreement. Appendix A to this Policy will apply to the Revenue-sharing agreement. Creators are encouraged to have their own lawyer review the written agreement prior to conclusion.
10. Following assignment, the University will commence Commercialization activities within six months of receiving the assignment or will assign the rights back to the Creator. If the University declines to invest and thus assigns the rights back to the Creator, the Creator may pursue Commercialization alone. If the University fails to make reasonable efforts to Commercialize the IP for any six-month period of time, the University will assign its rights back to the Creator, at the request of the Creator.

APPENDIX C

Intellectual Property Policy Intellectual Property Disclosure Form

[Click here to download Appendix C, including Part A and Part B - this is a MS Word document](#)

Disclosure of the intent to commercialize any Intellectual Property (IP) subject to this policy is required, via completion and submission of Parts A and B of this Appendix or, for SFU faculty members only, via the annual reporting that is required under Policy A 30.04 on Outside Activities.

Commercialization of the IP by SFU is not required by Policy. However, full disclosure via completion of all sections of this form will provide an opportunity for the IE to assist Creators to determine the Commercialization potential, whether or not they wish to Commercialize through the University.

Since it is in everyone's interest to provide the best possible intellectual property protection and/or Commercialization pathway for a new technology, it is important that the details of new IP be documented at an early stage, which (in turn) enables the IE to develop an understanding of the potential market so that the best Commercialization vehicle can be determined.

In Part B of this form, there are detailed questions about the IP, prior art, and the potential commercial applications. It may be difficult to provide a full answer for each section at this point, but please do all you can. For many of the questions, it is appropriate to answer using point form format.

Please feel free to attach additional pages and/or expand the areas within this MSWord document to meet your needs. The IE staff will also be happy to clarify the information specifically required in each section. Alternatively, you may wish to meet with an IE Technology Manager prior to completing this document; in most cases, this is the route by which the IE prefers to receive disclosures from Creators – the IE and the Creator can work together to complete this Disclosure form.

Information provided on Part A of this form will be used for statistical purposes and will not be disclosed in any form that will identify the Creator(s) or any aspect of the IP without their written, prior permission. Information provided on Part B of this form will be used to assist with the commercialization of the IP and will not be disclosed in any form that will identify the Creator(s) or any aspect of the IP without their written, prior permission.

Any questions can be directed to the IE at our general office number 778-782-4292 (fax: 778-782-3477), via email to sfuie@sfu.ca, or by contacting an IE staff member directly.