



UNIVERSITY OF DAMMAM

INTELLECTUAL PROPERTY CENTER

**GUIDE TO UOD'S INTELLECTUAL PROPERTY
POLICIES**

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PREAMBLE

This guide for intellectual property (IP) provides a framework for IP identification, protection and management. The guide reflects the University vision: a modern higher education institution should have policies on intellectual property ownership that are clearly specified and consistently followed.

The guide lists University's general IP policies and codes of practice for intellectual property protection as well as IP licensing. It includes necessary University legal documents for disclosing novel concepts generated from University research, documents for initiating and filing patent applications, in addition to template agreements for negotiating IP licensing.

The guide describes the University philosophy about engagements with external parties, including government agencies, other educational institutions, and industrial organizations. It provides a general framework for joint R&D agreements and includes a template for negotiating collaborative agreements.

SECTION 1: UNIVERSITY INTELLECTUAL PROPERTY (IP) POLICY

The material set forth in this document covers the ownership, distribution, and commercialization of technology developed by UOD faculty, staff, students, and others participating in UOD programs. The legal rights governing the ownership and disposition of technology are commonly known as “IP rights”. Distribution and commercialization of technology may be accomplished by the transfer or licensing of the IP rights, such as patents, copyrights, trade secrets, and other knowledge or know-how.

Who manages IPs owned by the University?

The Innovation Center (IPC) has responsibility for all matters related to IP at UOD. This includes obtaining and licensing results from research and development activities at UOD as well as for all copyrights or copyrightable materials, and intangibles including computer software, and other IPs.

The main objectives of IPC include analysis of inventions for potential licensing and supporting technology entrepreneurship activities. It is University policy to retain ownership of IP developed from research utilizing funds or facilities administered by UOD. The application of IP for public benefit, which arises out of investigations, is most effectively developed commercially where the IP is legally protected, usually by a patent, but also by copyright or protected trade secrets. The University, as owner of the IP, encourages commercial development by licensing the IP to industrial companies or start-up companies. Licensees are required to transfer the IP to companies to develop and market the IP. The income from licensing, if accrued, is shared between inventors or IP developers, and the University, under terms specified in corresponding licensing agreement and according to UOD policy.

UOD's general policies with respect to IP

- After it is determined that the University owns IP rights in an invention, the inventors or IP developer at the University (including employees, students and other individuals associated with the University) must assign their ownership rights to the University. An inventor is a legally defined term according to international patent protocol and that person will be named on the patent application. A developer is considered by UOD to be an individual who has made a significant contribution to the creation of non-patent IP (e.g. software, copyright, design rights etc.).
- The IPC must be fully advised of potential IP before publication, through the University's internal disclosure process.
- The Policy requires all employees, users of University research facilities, and those receiving research grants or contract funds to assign all IP, including inventions and patents, to the University. Exceptions are reserved for IP resulting from permissible consulting activities without use of University facilities and that have been approved in advance in writing by the University.
- The Policy requires the responsible individuals to provide such data and take certain actions as are necessary to satisfy the policies and objectives of the University.
- All persons employed by the University and non-employees who use University funds or research facilities, or who work on sponsored research projects, must sign an IP Agreement (see appendix VII and VIII) before such use or work commences, or as requested thereafter by the IPC.

- When there is no use of University facilities, exemptions to signing the IP rights may be authorized by the IPC for personnel who are not otherwise compensated by the University.
- The IP Policy requires full disclosure of all potential IPs (patents, copyrights, trade secrets, etc.) whether or not the potential IP was developed as a part of, or outside of, any University duties or use of University facilities.
- After disclosure, the interests of the University in seeking assignment of patent rights for filing of patent applications or the legal measures to protect the IP rights of the University will be assessed by the IPC.
- If the University does not want to pursue the IP protection for an invention, the University's interests, if any, shall be released to the inventor or IP developer subject to a royalty free license to the University, assuming there are no adverse third party rights.

Who owns the IP at UOD?

The IP of which ownership is intended to be claimed under this policy comprises:

- a. works generated by computer hardware or software owned or operated by the University;
- b. works created with the aid of University facilities described in section 0;
- c. patentable and non-patentable inventions;
- d. registered and unregistered designs, plant varieties, and topographies;
- e. University-commissioned works not within (a), (b), (c), or (d);
(‘Commissioned works’ are works which the University has specifically

- employed or requested the person concerned to produce, whether in return for special payment or not)
- f. databases, computer software, firmware, courseware, and related material not within (a), (b), (c), (d), or (e), but only if they may reasonably be considered to possess commercial potential; and
 - g. know-how and information associated with the above.

The ownership of IP and grant of rights by the University will be ordinarily dependent upon several factors including:

- i. Type of research: Basic/applied or contract /or collaborative;
- ii. Source of funds: Externally funded for example by KACST, internally funded through the Deanship of Scientific Research, or by the sponsor in a Contract/Collaborative research. Ownership of IP developed in the course of, or pursuant to, a sponsored research or other agreement will be determined according to the terms of such agreement;
- iii. Level of funding: For commercial sponsors, rights granted to IP arising during a project commonly correspond to the level of funding provided.
 - When the sponsor pays all direct and indirect costs (including an appropriate share of any faculty salary and benefits) for the research to be undertaken, the sponsor may be granted a time limited right of first refusal to a royalty bearing exclusive or nonexclusive license. The right to sublicense typically may be granted under exclusive license only.
 - When the research sponsor/collaborator pays less than all direct and indirect costs in the form of money, expendable materials or supplies,

or other substantial assistance, the sponsor typically may be granted a time limited right of refusal to a royalty bearing non-exclusive license.

- When the sponsor pays only salary or stipend in support of a fellowship or research assistantship for an individual, the sponsor shall have a time limited first right to negotiate a royalty bearing license.

iv. Research Collaboration Scope of Work: If an IP ownership agreement does not exist between UOD and the other collaborating party, the University will consider the scope of work and contribution by each party involved in a collaborative research to decide on the extent of ownership of each party, which will need to be negotiated by UOD with the other party or parties.

v. Use of University facilities and resources: The University reviews ownership issues when IP is created by inventors or developers if any facilities or resources of the University are used. Use of facilities includes, but is not limited to the following:

- a. Laboratories.
- b. Workshops.
- c. Materials.
- d. Library resources.
- e. Information technology services, Internet, etc.
- f. Discussions with colleagues at the University.

vi. Level of Involvement of UOD: The University will examine the association of the individuals involved. Thus, it will be determined if an inventor or developer is a University employee (and they developed the IP during working hours at the University), is or was under contract with the University at the

time of the invention, or is not associated with the University (was involved in a personal capacity or under a research agreement defining non-University association).

Duty to Disclose

An invention or IP made by the University's employees or students with the use of University funds or University resources is the property of the University. In such case, the University employees and students have an obligation to promptly disclose all inventions to the IPC before publication, using the designated Invention Disclosure form (see appendix VI). All such IP must be assigned solely to the University.

An invention or IP made by the University employees or students using external funding sources (sponsored or collaborative research) or grants will be evaluated as to ownership. This will be decided on the basis of terms and conditions of the research/grant agreement. However, the inventors or developers are required to promptly disclose the potential IP to the IPC.

An invention or IP made by University employees or students without using any University support, funding, resources, or external funding received through the University and not developed during employee's or student's working hours at the University, is the property of that inventor or developer. In such cases, however, the individual and IPC may agree that the IP rights be pursued by the University. In which case the individual must assign their rights in the IP to the University. In all such cases, a disclosure form must be completed and submitted to the IPC at the time of invention or IP development. The form will be reviewed for ownership determination. The inventors or discoverers will be allowed to present any evidence that they wish to have considered by the IPC in its ownership deliberations. In the

event that the University agrees to accept management of the property, the property shall be assigned to the University, and the assignor shall be entitled to the same distribution of revenues and other rights and responsibilities as the developers of University-owned property, as specified in this policy.

Freedom to make research public

The freedom to publish is essential to the University's educational mission to disseminate publicly the outcomes of research conducted at UOD. University employees and students are entitled to decide whether the results of any research undertaken by them at the University shall be published or disseminated to other persons to use or disclose as they wish in accordance with normal academic practice. However, publication may jeopardize possible legal protection of IP. Authors should be aware of the fact that, with respect to patents and similar rights in inventions and new technology, protection for and subsequent commercialization of such IP may be jeopardized if information about the IP is made available to the public anywhere in the world before all relevant applications for protection have been lodged. Any statement, oral or written, which is made to another person or persons who are under no obligation to keep the information confidential, will potentially negate the validity of an application for patent in many jurisdictions. This includes informal conversations with other than with University employees and abstracts and posters that are presented in conferences or any other forms of public presentations.

However, in certain countries the laws allow a grace period of one year, i.e., a patent application can be filed within one year from the date the "claimed invention" was disclosed to the public. In case of published journal articles, it is the date of publication (as available online). Therefore, one can publish and apply for a patent simultaneously under the proper circumstances under US patent system. However,

in many countries the laws were changed from a “first-to-invent” patent system to a modified “first-to-file” patent system. This means that, for patent applications filed, the first independent inventor to file an application for an invention will be awarded the patent, even if the inventor who files a later application can prove that his date of invention is earlier than the first inventor to file. Hence, although the grace period may exist in these countries, it is requested that university employees and students submit their invention disclosure to IPC prior to any publications.

To obtain the maximum potential value from UOD research and IP, all UOD employees and students must submit their IP disclosures to the IPC before public disclosure for the required IP protection worldwide. In the unlikely event that such disclosure has failed to be made, employees and students must ensure that the IPC is notified at least within six months from the public disclosure to preserve possible patent rights.

Avoiding Ownership Problems

The following points are suggested as means of avoiding ownership disputes:

- Comply with all University policies and procedures concerning IP.
- Indicate in your invention disclosure if you used any of UOD facilities.
- Disclose the IP and make sure to indicate conditions under which the IP was created (i.e., sponsored research, personal, internal funding, approved consulting agreement, etc.). If required, provide evidence to the IPC that no University resources or facilities were used in generating the IP. Whether the University owns the IP will be determined on a case-by-case basis based upon the information available to the IPC.
- Have the IPC make a determination of ownership within a reasonable time.

Notes:

- A newly recruited employee should disclose all his “background IP” owned by him to the IPC within one month of joining UOD if he anticipates that the IP will be further developed at the University using University resources/funds.
- The IP developed by a UOD undergraduate student during his course work or during his senior project using the University facilities/funds and/or with other University faculty/students is owned by the University.
- The IP developed by a UOD graduate student during his course work or during his thesis/dissertation work using University facilities/funds and/or with other University faculty/students is owned by the University. If the graduate students work is funded by an external organization, then the IP ownership is determined based on the terms of agreement with the external organization. However, even in case of external funding, the student should initially disclose the IP to IPC to clarify the ownership issues with respect to the corresponding sponsorship agreement.

Thesis/Dissertation Embargo

The Deanship of Graduate Studies (DGS) provides the IPC with the thesis/dissertations uploaded by UOD graduate students on the UOD online repository “*EPRINTS*”. The IPC sends abstracts of these theses/dissertations to a patent attorney employed by the University to check for patentable content (based on review of abstract). If patentable content is found, the student and his advisor are requested to submit an invention disclosure. Alternatively, if no patentable material

is found, the DGS is advised to forward the thesis/dissertation to UOD library for publication.

The student has to submit a hard copy of his thesis/dissertation to DGS along with the IP ownership and Thesis/Dissertation copyright form (see appendix I). If patentable material is found in the thesis/dissertation, the DGS is requested to keep the hard copy and refrain from submitting to the UOD library until the patent application is filed. If no patentable material is found, the thesis/dissertation hard copy is to be forwarded by DGS to UOD library.

SECTION 2: CODE OF PRACTICE FOR IP PROTECTION & LICENSING

UOD's policy is to encourage members of staff to work on new developments and inventions and, specifically in the case of academic staff.

UOD's code of practice for establishing IP protection and research commercialization is as follows:

- I. UOD will ensure that all agreements for research under the sponsorship of research councils should include detailed, but mutually acceptable, provisions for the exploitation of results.
- II. UOD will ensure that no member of staff shall undertake private consultancy work without the prior approval of the University, which should state provisions disclaiming the institution's liability.
- III. UOD will ensure that all agreements for research under the sponsorship of research councils and other bodies are subject to prior approval by the University, which should include mutually acceptable provisions for the exploitation of results.
- IV. In the case where a student is a member of a research team whose efforts have resulted in an IP, UOD will treat the student, for the purposes of the patenting or commercial exploitation of the research results, in the same way as the members of staff who comprised the rest of the research team.
- V. If IP is potentially patentable, care will be taken by UOD to ensure that the possibility of patenting is not lost by premature publication.

- VI. If, in the course of his duties, a member of staff or a student generates IP which he or she believes to be commercially exploitable, this must be reported by the member of the staff or student to the University IPC. The member of staff shall ensure that steps are taken to protect and exploit the invention (after its filing), if appropriate. No contract or arrangements shall be entered with an outside body or bodies without the prior agreement of the University.
- VII. Ownership of IP is determined according to UOD's IP Policy.
- VIII. The inventor or IP developer and UOD will collaborate to maintain secrecy of the IP at all times before the filing of any initial application to patent or any registration of other forms of protectable IP.
- IX. If, having taken expert advice, the IPC decides that UOD does not wish to take part in the protection, development or exploitation of an IP, the University will assign its rights in the invention to the inventor or IP developer. Otherwise UOD will undertake responsibility for the protection, development and exploitation and UOD will apply for patent protection or other such registerable rights.
- X. Before sharing any benefits from the IP, UOD will recover any direct or overhead costs arising from the protection of the IP itself and the expenses of patenting or other protective measures. The assessment of overhead costs rests with the Financial Officer (of the Intellectual Assets Office) after consultation with those directly concerned.

XI. Royalty Sharing:

The sharing of net royalty, generated by the exploitation of IP, with inventors of the IP is governed currently by Article 3 of the University-Inventor Invention Contract which provides the inventor with 25% and the university with 75% (see Appendix VII); however, the scale is likely to be reviewed from time to time in light of experience of implementation.

- a. The inventors' share shall be distributed in accordance with the Invention Contract signed by each inventor of the IP. In the case of a single inventor involved in an invention, the entire amount of net revenue shall be paid to the inventor.
- b. In the case of more than one inventor involved in an invention, the amount of net revenue will be divided equitably among the Inventors.
- c. If there is more than one invention included in a licensing deal, the net revenue shall be divided with the inventors as follows:
 - The net revenue will be divided equitably among each invention
 - The net revenue applicable to each invention is then equally shared among its respective inventor(s)

Following is an example provided for purpose of clarification only:

If four inventions are involved in a license deal and each invention having different inventor(s) and different number of inventors as shown below:

Invention Licensed	Inventor
A	X, Z
B	X
C	Z, Y
D	X

If the net revenue to be shared amount to SAR100,000, the share of each inventor shall be as follows:

Inventor	Share
X	62.5% (12.5+25+25) of SAR100,000 = SAR62,500
Y	12.5% of SAR100,000 = SAR12,500
Z	25% (12.5+12.5) of SAR100,000 = SAR25,000

XII. UOD's IP licensing strategy is as follows:

The University distinguishes between 'Licensing' and 'Commercialization' and does not involve itself in the creation of businesses and start-ups from IP but focuses mainly on Technology Licensing. The following points summarize the University's strategy towards technology licensing:

a. Continuously assessing all UOD assets for Licensing:

UOD will continuously assess new invention disclosures or discoveries to make a decision about licensing potential, including ownership and patentability.

b. Licensing potential assets and marketing for licensing:

UOD performs an initial market assessment to identify market needs and trends, and demographic factors which influence the market.

c. Enhancing potential of UOD IP assets for licensing:

UOD assets that have potential for licensing but lack the proof of concept relevance support are advanced through "Proof-of-Concept" (PoC) program. The PoC program is designed to provide funding assistance to faculty/students in early stages of developing and validating nascent technologies originating in their labs. The strategic objective of the fund is to assist UOD to license such technologies more effectively and to expedite the transfer and public availability of promising new technologies. The program is managed jointly by the IPC and Deanship of Scientific Research.

XIII. This code of practice may be reviewed and may be amended.

SECTION 3: UOD's FRAMEWORK for COLLABORATIVE R&D ACTIVITIES

A frequent concern of businesses is the ability to secure needed rights to research results patents and copyrights arising from their collaborative research. In most cases, issues of IP arising from industry-supported research at leading universities focus around balancing the interests of the sponsor, the university, and IP developer. Thus, the extent to which a university's resources are used to support the research and level of funding provided by a research sponsor are important considerations in negotiating rights to IP, as is fulfilling the mission of sharing new discoveries widely.

Commercialization of IP with Commercial Research and Development Partners:

- While UOD will always retain its own rights to commercialize IP jointly developed with commercial partners, UOD may also agree to provide commercial rights to commercial partners. In some cases UOD will agree to provide commercial partners with commercial rights that include exclusivity within a partner's field of use in identified industries, markets and geographies.
- Generally, UOD will focus its efforts for commercialization of jointly held IP on inventing new solutions that do not conflict with its commercial partners in order to optimize the utilization of each invention and maximize the return on investment.

USE AND EXPLOITATION OF IP in UOD's COLLABORATIVE R&D PROJECTS

- “Results” shall be any and all results, including reports and documentation, which collaborating parties have developed during the performance of the project, including, but not limited to, know-how, inventions, copyrighted results, software development and/or enhancements, and IP.
- The Collaborative R&D Agreements of UOD do not affect the ownership of any Background IP. Such IP will remain the property of the party that contributes it to the Project (or its licensors).

Definition of Background IP

Information, techniques, know-how, software and materials (regardless of the form or medium in which they are disclosed or stored) that are provided by one party to the other for use in the Project (whether before or after the date of the Agreement), except any Result from the project.

- Each Party shall grant the other a royalty-free, non-exclusive licence to use its **Background IP** for the purpose of carrying out the Project, but for no other purpose. Neither party may grant any sub-license to use the other's Background IP, unless otherwise agreed.
- Each party shall notify the other promptly after identifying any Result that it believes is patentable or merits legal protection, and will supply the other with copies of that Result. Each of the parties will notify the other of Results in the reports provided under the clause below:

Each of the parties will ensure to encourage its employees and students (if any) who are involved in the Project observe the conditions attaching to any regulatory and ethical licences, consents and approvals; keep complete and

accurate records of all research, development and other work carried out in connection with the Project and of all Results, signed by the people who obtained each Results, and countersigned by an employee of that party who is not a member of the research team but who understands the work; and comply with Good Data Management Practices.

- Each party must have the right to visit any other party to verify that it is complying with the above practices and procedures, subject to providing at least 30 days written notice to the other party.
- The IP rights from “Results” will be jointly owned by both parties. The parties will decide between (or amongst) them which party will lead IP protection and licensing and on what terms e.g. payment of costs, staff resource, revenue share, reporting etc. This will be governed by an appropriate agreement.
- If either party decides not to retain its IP rights in a jointly owned IP, it shall offer to assign such rights to the other party.
- The expenses attendant to the filing of joint patent application (or other IP applications) generally shall be shared equally between both parties.
- If either of the parties decides not to become involved in commercially exploiting the joint IP with the other party, it shall grant to the other party a non-exclusive, indefinite, fully paid-up, royalty free licence (with the right to sub-license the IP) to use the IP in any of the results for any purpose within the field in a designated territory.

SECTION 4: IP AGREEMENTS, CONTRACTS, FORMS, & TEMPLATES

- I. IP OWNERSHIP AND THESIS/DISSERTATION COPYRIGHT FORM:**
Form for the IP ownership and copyright for the Master Thesis or PhD Dissertation research
- II. Guidelines for Record Keeping:**
Guidelines for recording Results of experimental work and data
- III. Guidelines for Filing a Patent:**
Include definition, application, matters, review, and responsibility of patents. Also it gives description of the procedure from submitting the “invention disclosure form” until the patent is issued
- IV. Patent Incentive Policy:**
The incentive policy of the university: the financial rewards, the plaque, the media, and financing.
- V. Guidelines for Registering a Copyright for Software:**
Includes the definition of copyright material, who owns the copyright work at UOD, who is the author, how the copyright different from a patent or a trademark, and the responsibility.
- VI. Invention Disclosure Form:**
Form of submitting disclosure for new invention
- VII. University – Inventor Invention Contract Form:**
Regarding Invention Ownership, Rights, and Obligations for Inventors
- VIII. University Template for License Agreements:**
This Agreement between UOD and Licensee contains exclusive and non-exclusive license agreements
- IX. University Template for Relationship Agreements for Scientific and Technological Cooperation:**
This agreement between UOD and any company or organization regarding joint research project
- X. University Template for Non-Disclosure Agreements:**
Regards maintaining confidential information for the mutual scientific and technological cooperation
- XI. Material Transfer Agreement**