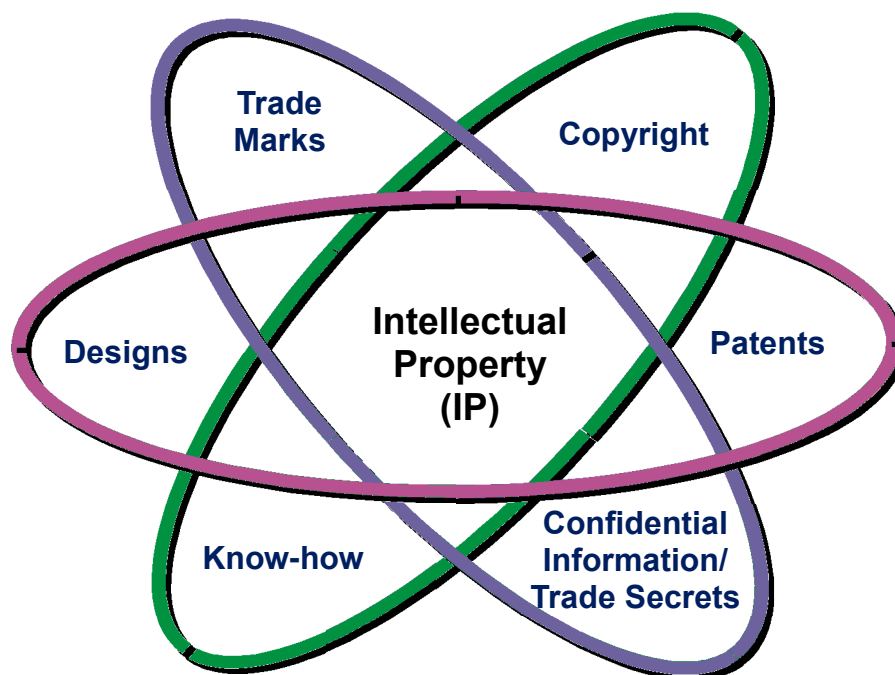




UNIVERSITY of the
WESTERN CAPE

An Overview of UWC's IP Policy



Source: Chris Bull, 2007: LES - Introductory Workshop on
the Licensing of Technology

Compiled by:
UWC Technology Transfer Office
tto@uwc.ac.za

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A place of quality,
a place to grow, from hope
to action through knowledge

Intellectual Property Rights from Publicly Financed Research and Development Act

- The **Intellectual Property Rights from Publicly Financed Research and Development Act** (Act No. 51, 2008, **IPR Act**) was promulgated in 2008 and came into effect on 2 August 2010.
- The primary purpose of the IPR Act is to ensure that intellectual property (**IP**) outcomes from publicly financed R&D with the potential to create social and/or economic value are protected and commercialised for the benefit of the people of South Africa
- In compliance with the IPR Act, the University of the Western Cape (UWC) has established a Technology Transfer Office (**TTO**), whose primary purpose is to ensure the protection and commercialisation of UWC's IP, primarily emanating from **all UWC students** and **all UWC employees** and which is developed in the **course** and **scope** of their registration and/or employment at UWC.

UWC IP Policy

The UWC IP Policy is contained in Section 10 of the UWC Research Policy which was approved by Senate and Council in 2009 and the following is an overview of the UWC IP Policy. Please refer to the IP Policy in the UWC Research Policy for the full version:

Applies to:

- All UWC employees (in the course & scope of employment by UWC)
- All UWC students (in the course & scope of registration at UWC)
- Any service provider while rendering services to UWC
- Anyone that deals with UWC IP

Collaborations:

- Collaborative Agreements must be fully aligned with the IPR-Act
- Must be approved by the TTO and/or Legal Services Office
- IP owned in accordance to Agreement

Contract Research:

- Agreements must be approved by the TTO and/or Legal Services Office
- UWC owns IP, unless otherwise agreed (i.e. full cost funding = Project Budget + 25-30%)

Publications:

- Identify & disclose any IP first to the TTO before publication, i.e. before:
 - **Oral presentation** where the audience is not solely comprised of UWC staff and students
 - **All forms of publication**, formal or informal (abstracts, posters, journals, internet, etc.) and
 - **SUBMISSION OF A THESIS** for examination

Disputes:

- Resolved by Senate IP Management Committee - Chaired by DVC (Academic)
- Disputes arising regarding benefit sharing adjudicated by the TTO and/or Legal Services Office
- Disputes arising regarding the IP policy adjudicated by the TTO and/or Legal Services Office
- If the dispute involves the Senate IP Management Committee, referred to DVC

Disclosure:

- Within 90 days of identification, before public disclosure (on Invention Disclosure Form)
- NDAs signed by UWC authorised representative (Rector/DVC/Finance Exec), with prior approval from TTO and Legal Services Office. Copies kept by Recipient, Department and TTO
- MTA signed by UWC authorised representative (Rector/DVC/Finance Exec) with prior approval from TTO and Legal Services Office. Copies kept by Recipient, Department and TTO

Protection of IP:

- TTO to decide
- UWC bears the cost
- If the decision is not to protect IP from publically funded research & development:
 - TTO to report reasons/rationale to the National IP Management Office (**NIPMO**)
 - If the NIPMO also decide not to protect: IP ownership offered to inventor

Exploitation of IP:

- Decision to commercialise made by TTO in consultation with inventor
- Financial returns: 20% of gross revenues up to the first R1M go to the inventors, the net is then applied to first recover direct costs from protection & commercialisation but in line with example give below.
- Remainder shared with inventors in line with the UWC IP Policy (see Benefit-Sharing)

Assignment:

- Assignment must be according to IPR-Act/NIPMO and UWC IP Policy
- UWC always retains the right to use IP for educational and research purposes
- All Agreements regarding IP from publically funded research must ensure that the State (RSA) is able to get royalty-free licence to use anywhere in the world for health, security and emergency needs.
- All Agreements regarding IP from publically funded research must include a clause that the State (RSA) has walk-in rights where the assignee does not/fails to commercialise IP to benefit RSA

Licensing:

- All Agreements regarding IP from publically funded research must ensure that the State (RSA) is able to get royalty-free licence to use anywhere in the world for health, security and emergency needs.
- Exclusive licensee must manufacture or apply to processes or commercialise IP within RSA (where feasible)
 - Exceptions must be motivated with valid reasons to the NIPMO
- All Agreements regarding IP from publically funded research must include a clause that the State (RSA) has walk-in rights where the assignee does not/fails to commercialise IP to benefit RSA

Offshore transactions:

- Motivate to and inform and obtain prior approval from NIPMO
 - Must satisfy the NIPMO that commercialisation in RSA is not feasible, and will benefit RSA
 - This is not necessary where the license is non-exclusive, arms-length and not royalty free
- Only DVC, after consulting the TTO and/or Legal Services Office, can assign IP or grant exclusive license.

Conflict of interest:

- Employee must disclose conflict/potential conflict of interest in the commercialisation of IP to the TTO and/or Legal Services Office
- Employee with financial interest in commercialisation cannot participate in negotiations
- Employee involved in spin-off or start-up company: academic duties and remuneration to reduce accordingly
- Employee cannot be involved in a company that competes with UWC
- Employee involved in spin-off or start-up enterprise in partnership with UWC, cannot be involved in a company that competes with that spin-off or start-up without prior authorisation from the DVC

Benefit-sharing:

- Income for inventor is taxable, unless used for research
- With multiple inventors, shared according to inventors contribution (dispute, adjudicated by the TTO and/or Legal Services Office)
- Share to department: head to decide fund allocation, has to be applied in research
- Share to UWC goes to a **Seed Fund** for promotion/development of research and innovation
- Co-owned IP divided according to agreement

Example of income allocation:

First R1M:

- 20% of Gross Revenue shared between inventors
- IP protection & commercialisation costs deducted from the balance to leave Net Revenue
- Net Revenue then split: 40% Department, 40% UWC, 20% Seed Fund

Above R1M:

- IP protection & commercialisation costs deducted first from Gross Revenue to leave Net Revenue
- Net Revenue then split: 30% inventors, 30% department, 30% UWC and 10% Seed Fund

Indigenous Knowledge/Biological Resources/Genetic Resources:

- Inform the TTO and/or Legal Services Office of any project based on **IK/IBRs/IGRs** in order to get relevant advise on requirements
- Project based on **IK/IBRs/IGRs**, best efforts to ensure prior informed consent of community
- Best efforts to ensure applicability and availability of invention to community
- Licensing to include benefit-sharing allowance for community
- Benefit-sharing and Materials Transfer Agreements must be entered into and approved by the Minister of Science & Technology in order to obtain a Bioprospecting Permit
- Train community to use invention
- Market application of product where community is involved in production/marketing

Enforcement:

Failure to comply with the UWC IP Policy may result in any one or more of the following:

- Cancellation of rights to technology and/or UWC's IP
- Prohibition of access to any UWC location
- Dismissal or expulsion