



## **NSERC's Previous Policy on Intellectual Property** **Valid only until December 1, 2009**

NSERC's role includes promoting the use of knowledge to build a strong national economy and improve the quality of life of Canadians. Its policy on intellectual property (IP) supports the premise that every effort should be made to exploit the results of NSERC-funded research in Canada, for the benefit of Canadians. As a condition of accepting an award, NSERC grantees agree to disclose to their institutions any IP with commercial potential arising from the award, should they decide to pursue commercialization. The grantees and their institutions also agree to strive to obtain the greatest possible economic benefit to Canada from any resulting economic activity.

NSERC does not participate in funding projects that involve a contractual arrangement with an industrial partner who expects total control of the project results stemming from publicly funded research.

NSERC claims no rights of ownership of IP associated with an award. NSERC expects that any IP resulting from research it funds wholly or in part will be owned by the university or the inventor, according to university policy. Access to IP should be accorded to other sponsors in recognition of, and in proportion to, the sponsor's contribution to the collaboration. As a minimum, partners may expect advance knowledge of the research results and/or licensing opportunities. Within the constraints imposed by the desirability of facilitating eventual commercial benefits, the university researchers must be free to use the research results for academic purposes, and students must be able to publish their theses.

### **Implementing the NSERC IP Policy**

NSERC strongly recommends that, at an early stage in any proposed collaboration, the research partners begin to explore the rights to use the research results. University-industry liaison officers (or other appropriate university officials) should be involved in negotiating an appropriate agreement. What is appropriate in a particular case will depend on university policy and the extent to which the proposed research activity:

- is an outgrowth of many years of public funding to one or more university researchers;
- is subject to prior commitments or builds on prior work contributed by the non-university sponsors;
- involves collaboration likely to result in new IP that has been generated jointly by the partners.

NSERC does not become involved in the negotiation of agreements between the university and other collaborators, but it does retain the right to judge the appropriateness of the terms of the agreement for projects supported by public funds. As a minimum condition of an award, NSERC expects that:

- scientifically significant advances will be published in the open literature without unwarranted delay;
- appropriate efforts will be made to exploit such advances for the benefit of the Canadian economy or society;
- undergraduate and graduate students, postdoctoral fellows, and university faculty will be free to disseminate results and defend theses;
- consistent with university policy, where protecting IP requires time, delays in disseminating research results normally will not exceed six months;



- the university/researchers will retain reasonable freedom to operate (i.e., to use the knowledge generated in teaching, in future research, and in the practise of their professions);
- proprietary data belonging to the industrial partner, commercially sensitive information, and potentially valuable results or ideas will be protected from unauthorized, inadvertent, or untimely disclosure.

The partners should attempt to reach a suitable agreement before applying to NSERC.

Depending on the circumstances, options might include:

- first right of offer to license;
- time-limited option to non-exclusive or exclusive licence;
- royalty-free or royalty-paying licence;
- broad agreement in principle, with details to be negotiated in good faith at some future time
- advance notification to the sponsors of new knowledge or new developments;
- rights to pre-screening of proposed publications or presentations by the sponsors within prescribed time limits;
- protection of proprietary information;
- reasonable delays in disseminating results to allow for patenting or other means of protecting the commercial advantage;
- performance clauses or march-in rights;
- definition of the fields of application or geographic areas to which the agreement applies;
- rights to sub-license.

In order to determine whether a project is eligible for NSERC support, and to ensure that the partners have a common understanding of each partner's rights and responsibilities, NSERC generally requires that a copy of a signed research agreement be submitted before grant funds are released. Research Agreements are kept confidential, and are not part of the peer review.