

TU/e Policy

on Intellectual Property & Valorization

Eindhoven University of Technology

The Gate

March 2022

Alpha Hub (IPO building)
Building number 57
Het Eeuwse 57
5612 AZ Eindhoven
info@thegate.tech

PREFACE

TU/e is a research-driven University of international standing, where striving for scientific excellence and excellent education go hand in hand. TU/e stands out when it comes to collaborating with innovation-driven industries, especially within the Brainport region. TU/e aims to lead the change in highly complex societal challenges by education, excellent science, and valorization.

Valorization entails the process of creating value from knowledge by making knowledge suitable and/or available for economic and/or societal use and translating that knowledge into products, services, processes, and entrepreneurial activity.¹ As valorization is among the core missions of TU/e, the TU/e community strives to create impact via its research output. Utilization of the knowledge created and transforming this knowledge into innovative technologies promotes the benefit that our society attain from research output. Effective management of Intellectual Property (IP) can be an essential part of the valorization process. The TU/e policy on Intellectual Property & Valorization is created in order to establish the basic principles governing IP management within the University focusing on the following objectives:

1. Valorization of TU/e knowledge and technology that creates societal impact
2. Stimulation and facilitation of entrepreneurship within the University
3. Contribution to the (regional) economic growth and well-being

This Policy, to be implemented by The Gate (together with legal support from TU/e Research Support Organization (RSO)), establishes the basic principles and guidelines governing the ownership of IP, disclosure and protection of IP, transfer of technology that is emerged from TU/e research (including contract research and collaborative research). The ultimate intention on effective management of IP is to transform knowledge to a form that will most effectively promote its development and use for societal impact.

The Policy seeks to ensure the alignment and balance between, IP protection and valorization of TU/e IP, and the traditions of performing research, education, academic freedom, open and timely publications, along with dissemination of research results with partners, or through entrepreneurship, as well as TU/e's mission serving the public interest.

This policy sets the common rules which is supported in execution by the document "20221005 TUE Patents and Inventions Regulations".

I. INTRODUCTION AND SCOPE OF THE POLICY

This policy aims to facilitate valorization of TU/e Intellectual Property Rights (IPR), within the framework of abovementioned objectives. In this context, Intellectual Property (IP) refers to the output of creative endeavour in any field such as inventions, literary works (including publications), teaching materials, databases, computer software, inventions, design and know-how which can either be protected or enforced by the law. This policy applies to Intellectual Property Rights (IPR) captured and pursued by TU/e; the most common form practised within TU/e is the patent right although it extends to copyright, design rights and database rights.

¹ See [Hoofdlijnenakkoord OCW – VSNU, 2011](#).

This policy is applicable to the TU/e creators who create, conceive, reduce to practice, or make a substantive intellectual contribution to the creation of IP; referred to as 'inventor' in case of a patent and 'author' in case of a publication. TU/e creators fall under one of the following categories:

1. Staff Members. People who are under an employment contract or other agreement(s) establishing any type of employment relationship, including part-time engagements of the TU/e are considered to be Staff Members, including scientific and non-scientific employees. PhD candidates and EngD trainees and post-doctoral researchers are staff members under this definition.
2. Visiting Scientists. Visiting Scientists are people temporarily associated with the TU/e via research agreements. By signing a guest researcher (visiting scientist) agreement with the TU/e before commencing any activity at the TU/e, each visiting scientist is bound to this Policy. Where employment, national or international contractual obligations are to be obliged by Visiting Scientists, these obligations will prevail over this Policy.
3. Students who signed an agreement for participation in a research project that includes assignment of IP rights.

TU/e IPR can be created and captured via three different routes and this policy aims to frame the objectives, principles and main guidelines governing of IPR process for the categories listed below:

- Direct research output conducted by Staff Member(s), not associated with (collaborative research) projects or contract research. Valorization under this category is commonly achieved via a license or transfer of the IPR to a spin-off company or another industrial/commercial entity.
- (Collaborative) research projects funded by public bodies (e.g., NWO, European Commission programmes) or public-private partnerships with similar goals. Management of IPRs (including ownership of rights) generated within this category is commonly regulated by rules set by the funding source and/or governmental rules (e.g., state aid regulations).
- Contract Research projects funded by external commercial parties. In this case, IPR management is arranged by the research agreements to be signed by parties participating in the project. Basic principles with regard to the ownership of foreground IP (IP generated during the terms of the research project), access to background IP (pre-existing IP created before the execution of the Research Project), co-owned IPR, valorization, publication and use of the IP for Research and teaching are to be agreed with the parties before commencing the research project.

II. OWNERSHIP OF IPR AND RIGHTS OF USE

IP Created by Staff Members. TU/e owns all IPR created by Staff Members within the scope of his/her employment. For a research project that is funded by external bodies (e.g., subsidies, contract research), or a research collaboration, the ownership of IPR will be regulated by the terms of the agreement in place between TU/e and the external parties. Research projects with external parties or research collaborations will be conducted under a research agreement negotiated that has clear provisions on IPR, compatible with this Policy and consultation with Research Support Organisation (RSO) and the Gate.

IP Created by Students. Intellectual Property Rights of students are regulated by the document: TU/e Policy on Student IP.

III. PUBLICATION AND NON-DISCLOSURE

Support of publication. Scientific Staff Members regularly publish their scholarly works. The creator/inventor should consider contacting The Gate since the scholarly work may embody possible TU/e IP that might require protection because of the fact that premature public disclosure may result in loss of IP rights. The Gate will ensure that scientific publications do not experience unreasonable delay as a result of assessing decisions to attain IP where possible.

Confidential information and know-how. In general, TU/e itself does not seek to protect knowledge developed by its own staff via confidentiality or trade secret. In case TU/e engages in contract research or research collaboration with third parties, it will try to avoid that trade secrets or confidential information of those third parties are provided to university researchers if that is not strictly necessary to conduct the research. If the exchange of know-how or confidential information is necessary, TU/e should provide guidance to the relevant academic department to create the appropriate environment to do so (awareness of researchers of such arrangements, proper storage of such information so it is only accessible by legitimate users, etc.).

IV. IPR EMERGING FROM CONTRACT RESEARCH AND COLLABORATIVE RESEARCH PROJECTS

TU/e IPR can be generated from research projects that are either funded by commercial entities, subsidies, or a combination thereof where applicable. The Gate and RSO will implement this policy, and The Gate will manage the TU/e IPR diligently in accordance with the Policy. The Gate and RSO will coordinate with each other to support and ensure efficient management of IPR so as to provide Staff Members, Visiting Scientists and Students with the appropriate advice in such matters.

V. IPR EMERGING FROM RESEARCH NOT ASSOCIATED WITH CONTRACT RESEARCH AND COLLABORATIVE RESEARCH PROJECTS (IDF, ASSESSMENT, IP PROTECTION, VALORISATION PROCESS)

In case a Staff Member creates knowledge (e.g., invention, software, design) that might hold commercial value, he/she should disclose such potential IP to TU/e (specifically, to The Gate) via completion of an Invention Disclosure Form (IDF).

The IDF will be evaluated by TU/e in accordance with (1) the three objectives mentioned in the preface and (2) whether the knowledge can potentially be protected as IPR (e.g., “novelty”, “inventiveness” and “industrial applicability” in case of patenting). TU/e will also assess determination of any rights of external parties, such as funding bodies and/or collaborators. After the evaluation, it will be decided if it will proceed with IP protection. In the event of a positive decision regarding application for a patent (or any other form of registration), TU/e will apply for such a right, and the expenses associated with the application will be financed by the patent fund of TU/e.

Valorization Strategy: With the initial filing, TU/e – in consultation with the creators or inventors, as applicable – will start working on reviewing business cases for determining the commercial potential and decide on the most appropriate valorization strategy.

TU/e together with the creators or inventors, as applicable, can decide on the mode of valorization in any of the forms available: a license (either exclusive or non-exclusive), transfer (assignment), formation of a spin-off company to which the IPR is licensed or transferred, a joint venture or

combinations thereof to suit each business case. The three objectives mentioned in the preface play a guiding role in the selection of a valorization strategy.

TU/e encourages and supports spin-off creation to valorize IP created by Staff Members and Students and to encourage and foster entrepreneurship within the TU/e. Spin-off companies are vehicles for value creation through innovation, promotion of new jobs and contribution to regional development.

Licensing TU/e IP to an established commercial entity is another realisation route and may in some circumstances be preferred over transfer (assignment). The licensing terms depend on: the type of the technology, technology readiness level, market readiness level, the market conditions and the contractual obligations to funding bodies. Licensing conditions include royalties on sales, and other payments such as upfront payments and development milestone payments.

As TU/e promotes dissemination of knowledge, creation of societal benefit, fostering innovation in society and protection of academic freedom, the following principles are followed when negotiating a license/transfer agreement:

- a. protection of interests of TU/e, its Staff Members and Students;
- b. retaining of rights for TU/e to use the IP for educational and research purposes;
- c. assurance of utilization of IP in a manner which will serve the public good;
- d. assurance that the IP will be developed and brought to the marketplace as useful goods and services;
- e. prohibition of the “shelving” of the IP or its use in any illegal or unethical manner; and
- f. allocation of project results to be in accordance with financial contribution to the research project (state-aid rule).

VI. INCENTIVES AND DISTRIBUTION OF REVENUES

In the interest of promoting knowledge creation and valorization, TU/e will provide incentives to researchers to foster research that has socio-economic impact; such incentives may be financial or non-financial.

Revenue Distribution. TU/e rewards Inventors by sharing of monetary benefits that may accrue to TU/e from the Valorization of TU/e IP. TU/e distributes the Net IP revenue (defined as all revenue received by TU/e from Valorization of TU/e IP after deduction of all expenses incurred by TU/e in the management of IP) in accordance with the following rule:

- 33⅓% of the Net IP Revenue is allocated to the Inventors. Where there is more than one inventor/creator, the inventors/creators are entitled to an equal or pro rata share.
- 33⅓% of the Net IP Revenue is allocated to the Inventor's or Inventors' group(s) or department(s) in order to fund new research activities.
- 33⅓% of the Net IP Revenue is allocated to the patent fund of TU/e.

This revenue distribution model may be modified/revisited in compliance, e.g., with subsidy regulations. For the avoidance of doubt, this distribution model applies to inventors/creators who are Staff Members. Inventors/creators who are Students and whose IP is owned by the TU/e will be rewarded according to the distribution model outlined in the applicable agreement or policy.

TU/e can provide other incentives to the inventors/creators in order to stimulate IP awareness and encourage value creation through IP some of which are listed below:

Inventor Bonus. A bonus is paid to the TU/e inventor(s) as an incentive for filing TU/e patent applications, irrespective of the exploitation plan. The amount of inventor bonus may be reviewed from time-to-time. Payment of the bonus takes place only if a provisional (initial) patent application is followed by a non-provisional patent application.

Shares. In the case where an inventor/creator is granted equity in a TU/e spin-off company that licences TU/e IP, such Inventor's portion in the standard revenue sharing formula will be adjusted accordingly, taking into account the shares held in the company by the Inventor. All other Inventors will be rewarded in accordance with the formula above.

Growth, development and acknowledgement. Inventors who are willing to get involved in spin-off companies will be supported by personal capacity development programs such as specific training opportunities especially in the field of valorization, IP management, and start-up creation as such.

VII. GOVERNANCE

Execution of this policy is realized by The Gate with the legal support of RSO. An IP Board is also constituted within the University in order to monitor and guide the proper functioning of the IP process and this policy. The IP Board is only involved in operational cases, conflicts, request for advice or a request for a decision. Escalation to the IP Board can be done by:

- TU/e employees – when there is no reconciliation on the final decision of The Gate
- The Gate or RSO legal – for potential conflict of interest and potential ethical issues
- Departments – to be informed about an IP situation in case of background/foreground IP discussions
- General: the policies are not clear enough in a specific case or policies are not respected by TU/e employees/departments

The IP Board is established with at least three members; one representative from an academic department, one representative from The Gate and an academic IP expert. The IP Board is supported by a Secretary of the IP Board (IP Advisor of The Gate). Decisions of the IP Board are binding for the TU/e after confirmation by CvB.

RELATED DOCUMENTS

- “20221005 TUE Patents and Inventions Regulations”
- Universiteiten van Nederland (UNL):
 - Principles for Public-Private Partnerships (https://www.universiteitenvannederland.nl/en_GB/Public-private-cooperation.html)
 - Set of Guidelines Dealing with Intellectual Property Rights (IPR) https://www.universiteitenvannederland.nl/files/documenten/Domeinen/Onderzoek/Valorisatie/Richtsn_oer%20omgang%20met%20IE%20ENGLISH.pdf
- NWO Grant Rules (<https://www.nwo.nl/en/nwo-grant-rules>)
- WIPO Policy Template (https://www.wipo.int/about-ip/en/universities_research/ip_policies/)
- European IPR Helpdesk (https://intellectual-property-helpdesk.ec.europa.eu/regional-helpdesks/european-ip-helpdesk_en)