

IMPLEMENTING RULES ON INTELLECTUAL PROPERTY

Rules on inventions and copyright-protected works of UT employees

Preamble

Whereas:

- the three Technical Universities of the Netherlands - in Delft, Eindhoven and Twente – are the sources of innovative knowledge to be applied in new products, processes and services;
- these three universities have taken the road towards one federation of Technical Universities in the Netherlands;
- the UT has set up a business development team to enhance the transfer of knowledge to industry and with due observance of the objects of *Stichting Novel-T*;
- *Stichting Novel-T* was incorporated by the UT, the City of Enschede and the Province of Overijssel to promote economic activity at *Kennispark*, which is the UT campus, and the adjacent business park;
- the business development team referred to above consists of business developers and lawyers;
- the UT Executive Board has decided to draw up Rules on how to exploit inventions, copyright-protected works, semiconductor topographies and chip rights of UT employees;
- the object of these Rules is to promote the transfer of
 - patent applications filed by the UT and/or patents granted to the UT; and/or
 - the copyright on copyright-protected works, semiconductor topographies and chip rights generated by UT employees to third parties, in particular to industry, and to raise funds for the UT and/or individuals involved, such as inventors, manufacturers of copyright-protected works, faculties, institutes and Holding Technopolis Twente;
 - the Rules serve to optimise the valorization of products manufactured or services provided on the basis of inventions by protecting those inventions and transferring patent rights vested in those inventions and transferring copyrights,

with due observance of:

- the Dutch Higher Education and Research Act;
- the applicable Collective Labour Agreement for the Dutch Universities;
- the arrangements made within the framework of 3TU;
- the appointment contracts of scientific staff, also with due observance of the agreements and/or arrangements with guest researchers and/or other third parties, i.e. individuals working for the UT on a secondment basis or otherwise;
- the importance that the UT attaches to the development and exploitation of research results, the proceeds of which are partly intended to finance future research;
- the stakes for the UT, in terms of both research and education, in a commercial exploitation of inventions, copyright-protected works, semiconductor topographies and chip rights of UT researchers and other researchers referred to above,

the Executive Board of the UT has decided to implement the following Rules relating to the commercial exploitation of the intellectual property rights referred to above.

Article 1: Business development team

- a. The Executive Board of the UT (“Executive Board”) shall set up a business development team (“BDT”) for an indefinite period of time. The BDT consists of the director of Holding Technopolis Twente (“HTT”), business developers and lawyers. Each member of the BDT has a deputy, insofar as available.
- b. The BDT shall appoint a chairman from its members, each time for a term of at least one (1) year. The BDT is also administratively supported by HTT.

Article 2: Application for the exploitation of patents

- a. The UT has created a patent fund (“Patent Fund”); the HTT director, who is also a UT employee, has been authorised by the Executive Board to conduct its management. The HTT director will each year account for the management of the Patent Fund to the Executive Board.
- b. The Executive Board shall authorise the BDT to finance patent applications from the Patent Fund, applications for and decisions in the application procedure of patents financed from the Patent Fund, the management and exploitation of these patent applications and/or granted patents, with due observance of the provisions of these Rules.

Article 3: Duties of the BDT

- a. The BDT supports the exploitation of inventions and copyright-protected works as set out in Annex II of these Rules. The BDT assesses whether there are strong business cases available for the exploitation of de inventions and copyright-protected works and is responsible for making decisions on the financing of patent applications for inventions by UT employees which have been submitted to the BDT.
- b. Within the framework of its duty to render advice as described in (a) of this Article the BDT shall ensure that all interested parties are always heard in time and will report on its advice by email, which reports will be submitted to the Executive Board by the HTT director on an annual basis.
- c. If an application for financing is rejected, the BDT shall state its reasons for such rejection in writing to the person(s) by whom the relevant invention was submitted.

Article 4: Operation of these Rules

Without prejudice to the provisions of Article 5 the present Rules shall apply to:

- all inventions by UT employees, in respect of which the UT is the holder of the patent rights that may be applied for in respect of such inventions, or for inventions by third parties who have expressly assigned their patent entitlement in respect of their invention(s) to the UT, in writing;
- copyright-protected works developed by UT employees in respect of which the UT holds any copyrights vested in those works or which may be exploited by the UT.

Article 5: Reporting and confidentiality obligations; invention disclosure form

- a. If a UT employee presumes that he has made an invention in the context of an investigation of the first, second or third flow of funds, the intellectual property rights of which results are (partly) owned by the UT, he/she shall report his/her invention to the BDT and the commercial manager of the inventor’s research institute. If the inventor believes that his/her invention is suitable for commercial exploitation, the inventor shall complete the invention disclosure form which has been attached to these Rules as Annex I and shall send it to the BDT. The inventor shall observe secrecy with regard to his/her invention until a patent application, if any, has become public or until the BDT authorises him/her, by notice in writing, to publish the invention, if this occurs earlier. The BDT will consult with the inventor(s) concerned on the best time to publish the relevant invention, if he/she wishes to do so. The BDT shall take a reasonable attitude in this respect and shall weigh the interests of the inventor(s) against the commercial interests of keeping the invention secret. The BDT itself is also bound to secrecy until the relevant invention is published.

- b. The provisions of paragraph 1 of this Article shall apply accordingly to copyright-protected works if the UT is entitled to exploit those works. The reporting obligation set out in paragraph 1 shall apply exclusively to copyright-protected works which the employee(s) involved may reasonably assume to have a major commercial potential.

Article 6: Submitting the patent application, compensation, waiver, transfer and maintenance of the patent

- a. After an invention has been reported in accordance with Article 5 the BDT shall decide, in consultation with the relevant inventor(s) and within two (2) months after the submission date, whether the UT will apply for a patent for the invention in the Netherlands or in Europe. The BDT will apply for a patent only if it believes that there is a convincing business case. Among other things, the invention must be suitable for commercial exploitation, preferably within twelve (12) but at any rate within thirty (30) months after the date of the patent application. Preferably, this will take place by means of the assignment of the relevant patent rights – if applicable – to a company, unless there are good grounds for deciding on a different manner of commercially exploiting the invention for which a patent has been applied.
- b. After a positive decision as referred to in (a) of this Article has been made, the BDT will provide the required funds for the first patent application in the Netherlands or in Europe.
- c. If the BDT decides not to apply for a patent, this will be reported to the relevant inventor(s) and chair in writing. In that case, the chair may decide that the patent for the relevant invention will be applied for entirely for the chair's risk and account. However, if the chair decides not to apply for the patent, the inventor(s) may then request the BDT to obtain the right to apply for a patent for the invention made by them, in their private capacity and for their own risk and account, and to exploit the relevant patent rights. The BDT will decide after having consulted the commercial director and the chair. The entitlement to apply for a patent may be assigned to a third party in writing under reasonable terms and conditions further to be agreed. The BDT is exclusively authorised to decide on that matter, in consultation with the relevant commercial director and the inventor(s).
- d. The BDT shall decide on the term during which a patent application or a granted patent will be maintained.

Article 7: Cooperation; independent filing of patent applications

- a. The inventor shall, to the best of his/her ability, render his/her assistance in filing a patent application. The inventor shall provide any information required relating to the invention if so requested by the BDT.
- b. If a chair applies for a patent, with due observance of the provisions of Article 6 (c) of these Rules, in respect of an invention of one or more of its employees, it will not be entitled to compensation pursuant to Article 6 (b) of these Rules. The decision-making on the transfer of patent rights for such an invention to a third party is vested in the BDT. However, the division of any proceeds will take place in the same fashion as set out in Article 9.

Article 8: Exploitation

The BDT shall endeavour to interest one or more parties for the exploitation of the patent application and/or the patent granted accordingly, for example by assigning the relevant patent rights to a company. The provisions of this paragraph shall apply accordingly to the exploitation of copyright-protected works owned by the UT.

Article 9: Compensation

The proceeds received by the UT or the HTT pursuant to the commercial exploitation of an invention by or a copyright-protected work of a UT employee shall be divided as follows:

- i. the costs paid from the Patent Fund (costs of application for and maintenance of patent rights and costs incurred by third parties for trading the rights) and any costs paid by the chair involved for the application

of the relevant patent rights will be deducted from the compensation. These amounts will be for the benefit of the Patent Fund and, if applicable, of the relevant chair;

- ii. any surplus proceeds shall then be divided according to the following basic principles:
- 33 1/3 % for the inventor(s) or the employee(s) who individually or jointly developed the relevant copyright-protected work, to be divided in mutual consultation;
 - 33 1/3 % for the chair of the inventor(s) or the employee(s) who developed the relevant copyright-protected work, for the financing of new research activities;
 - 33 1/3 % for the Patent Fund.

The HTT manager shall ensure that the division is properly effectuated, in close consultation with the relevant commercial manager.

Article 10: Final provision

- a. The Executive Board may deviate from these Rules by means of a duly documented decision in favour of any individuals mentioned in these Rules.
- b. On the effective date of these Rules, the "Implementing Rules on Patents" as applicable until that date will expire.
- c. These Rules shall be effective as from the first day after their adoption by the Executive Board.
- d. These Rules shall also apply fully and accordingly to semiconductor topographies, chip rights and other copyright-protected works listed in Annex II to these Rules.

Adopted by the Executive Board on 23 May 2016

Annex I

University of Twente Invention disclosure form Research group :

Institute :

Contact person :

Phone :

E mail :

Title of Invention :

A. THE INVENTION

A1. State of the technology:

Give a general description about the application field (market) of the invention: state of the technology.

A2. Problem:

What are the actual problems in this market that are solved by your invention?

A3. The invention:

a) Give a description in what way the invention solves those problems (mentioned in A2).

b) Is your invention a new process, a new product, a new composition of a substance or a new composition of one or more devices?

c) Is it about a new use or improvement of an existing product or process?

d) What are other applications of the invention, other than applications mentioned in A2

e) Give some keywords that describe the invention

A4. Novelty:

a) Describe why the invention is novel: in what way does the invention differ from the present available technology?

b) Give advantages and disadvantages of your invention. Can any disadvantages be overcome?

A5. Inventive Step:

How obvious was this solution for you? Could other experts have come to the same solution?

A6. Best solution:

Are there other possibilities to solve the above mentioned problem (A2)?

Is your solution the best solution? If yes, why is your solution the best solution? Is it likely that your solution can be standardised?

A7. Phase / Technology Readiness:

In what phase of development is your invention: Idea, design, prototype, ready for production? How much additional time (research/development) is needed to develop the invention to a commercial product? (rough estimate)

A8. Potential Market:

*What is the potential market of your invention?
Please list possible customers (companies, end-users):*

B. DISCLOSURE

B1. Publication:

a) Has your invention (partly or entirely) been published (abstracts, website, journal, thesis etc.) or otherwise been disclosed (lectures, poster, conferences etc.) If yes, which part?

b) When are you planning to publish your invention in an article or to present it at a conference?

B2a. Other publications:

Are there other publications or existing patents on the subject of your invention (please list)? What other research groups are active on the subject?

Which companies are active on the subject?

B2b. Patents:

Please list existing patents that are close to your invention (for searching the patent database you can use e.g. espacenet (<http://gb.espacenet.com/>))

What keywords did you use for the search?

When was the search carried out (date)?

B3. Actual situation:

Do you think that the publications and/or patents as mentioned in B2 give an actual overview on the research activities in this field?

C. GENERAL INFORMATION

C1. Inventors

Please state the name of the inventors

C2. Spin-off

Is there a team that is considering to start a spin-off (please list names)?

C3. License/transfer opportunities

Are there existing contacts with industrial partners that might be interested in the invention

Has there been a successful transfer of IP of the inventors to a commercial partner in the past?

C4. Research Funding

Who funded the research that led to the invention? Are there third parties that claim rights on the IP?

D. CONTACT

Submit this form to:

Business development Team University of Twente Attn. Roy Kolkman

Zuidhorst 115

Phone 053 489 6365

e-mail: r.g.m.kolkman@utwente.nl

Annex II Copyright-Protected Works

Copyright-Protected Works comprise all works defined in Article 10 of the Dutch Copyright Act.

These works include, inter alia:

- designs, sketches, drawings and models of industry;
- computer programmes and the preparatory material;
- Collections of works, data or other independent elements, systematically or methodically organised and separately accessible by electronic means or otherwise, shall be protected as independent works, without prejudice to any other entitlement to the collection and without prejudice to the copyright or any other entitlements to the works, data or other elements included in the collection.

This translation is meant as a service to non-Dutch speaking employees of the UT. However, in case of a difference of interpretation, these translations cannot be used for legal purposes. In those cases the Dutch text is binding.