

CR511: Commercialization Policy

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Links to Other Policy:	Intellectual Property Policy

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BACKGROUND

Preamble

In July 2020, the government of Ontario released the province’s first Intellectual Property Action Plan. The Plan was a response to the recommendations of the Expert Panel established in Spring 2019. The Panel’s mandate was to help Ontario become more strategic in its approach to generating, protecting, and commercializing intellectual property (IP). One key action item in the Plan is to clarify the commercialization mandates of post-secondary institutions.

In response, the Ministry of Colleges and Universities released a Commercialization Mandate Policy Framework in early 2022 directing each post-secondary institution to develop a Commercialization Policy focused on harnessing intellectual property, contributing to the goal of ensuring that made-in-Ontario innovations benefit Ontarians.

Under the *Ontario Colleges of Applied Arts and Technology Act, 2002*, the objects of the St. Lawrence College of Applied Arts and Technology (the “College”) are to offer a comprehensive program of career-oriented, post-secondary education and training to assist individuals in finding and keeping employment, to meet the needs of employers and the changing work environment and to support the economic and social development of their local and diverse communities. To this end, the College may undertake a range of education-related and training-related activities, including “Applied Research”, and

involving students, faculty and other staff in applied research projects, including applied research services to Third-Party Entities (TPEs).

The operating funding provided to colleges by the province is designed to support the core education and training mandate of colleges. It does not reflect the overhead costs of exploring, developing and overseeing applied research projects. These costs must be met through other revenue sources, such as funding from granting agencies and primarily federal agencies. With funding secured, the College fulfills a critical role in supporting small and medium-sized enterprises (SMEs), fostering competitiveness and innovation, and contributing to Ontario's economic growth by leading projects that result in and transfer, adaptation and adoption of new technologies by TPEs.

Applied Research projects increase innovation at the community and regional level by enabling the College to work with companies to develop solutions to specific business and technical challenges.

This Policy provides a framework for the College to support TPEs in the community that want to commercialize Arising IP.

This policy is to be reviewed in no less than two years in order to reflect the College's experience with Intellectual Property and with other participants in the innovation ecosystem.

Definitions

“Applied Research” means a research and development activity being supported by the College and directed at solving a specific challenge faced by a TPE. Applied Research includes grant-funded, and industry sponsored Applied Research, curriculum-based research projects conducted in collaboration with an external organization and Applied Research carried out by faculty and staff on paid professional development leave.

In general, Applied Research at Ontario colleges is carried out by teams of students working under the guidance, supervision and mentorship of a faculty member, or other researcher, and in collaboration with partner organizations or under agreement with TPEs.

“Applied Research Services Agreement” means an agreement between the College and a TPE whereby the College agrees to provide Applied Research services to the TPE.

“Arising IP” means IP that is developed by one or more parties as any part of an Applied Research project and that did not exist prior to the research activities. It is also referred to as “Foreground IP”. Unless otherwise specified, references to “IP” in this Policy are references to “Arising IP”, as defined.

“College” means St. Lawrence College of Applied Arts and Technology.

“Commercialization” means the process of taking an invention or scientific discovery (for example, new technology or new or improved manufacturing process) or other IP to one or more commercial markets.

“Commercialization Pathways” means the various methods by which IP may be commercialized. A list of Commercialization Pathways is provided in Appendix A to this Policy.

“Invention” means a type of IP that is a tangible or intangible concept, system, device, process, machine, scientific discovery, work, or creation, that is unique and original. In Canada, under the *Patent Act*, an Invention is IP that can be considered for patent protection and as such, the Invention, or the concept of it, must be something that can be “reduced to a definite and practical shape”.

“Inventor” means a person(s) who conceives of an Invention and includes analogous concepts in laws in other jurisdictions.

“Literary work” means work consisting of text, such as books, pamphlets, or computer programs.

“Patent” means a right granted in accordance with the *Patent Act, RSC 1985, c P-4* to an Inventor (or a person to whom the Inventor has assigned their rights) to stop others from making, using and/or selling an Invention from the day the patent is granted to a maximum of 20 years after the day on which the patent application is filed.

“Public Disclosure” means the communication of information relating to IP to external parties, including students who are not presently contractors or employees of the College. Public Disclosure includes, but is not limited to: disclosure in written or oral form;

communication by email; posting on a web blog or social media platform; disclosure in a news report, press release or interview; publication in a journal, abstract, poster, or report; presentation at a conference; demonstration of an Invention at a trade show; or the industrial application of an Invention.

“Research Office” or **“RO”** means the operational unit and associated staff responsible for supporting and administrating scholarly and research activity for the College.

“Third-Party Entities” or **“TPE”** means external industry or community partners with which the College has contracted to provide Applied Research Services that could result in Arising IP.

Purpose

The College has developed this Policy in conformity with the requirements of the Commercialization Mandate Policy Framework, giving due consideration to the specificities of Applied Research in a college environment, the College’s other policies relating to Intellectual Property and the current legislative framework. By adopting this Policy, the College aims to foster an environment in which the commercialization potential for the Intellectual Property derived from Applied Research services rendered to TPEs can be maximized for the benefit of Ontarians.

More specifically, by adopting this Policy, the College seeks to achieve the following:

- Promote the appropriate use and protection of Arising IP in the course of Applied Research activities
- Maximize the socioeconomic benefits of Arising IP to Canada and Ontario
- Promote individual and collective compliance with expectation of the College and third-party(ies)with regards to applicable legislation and regulations
- Define the roles and responsibilities of the various stakeholders in the management of Arising IP
- Promote the use and dissemination of Applied Research results in subsequent teaching or research activities at the College.

Scope

This policy applies to:

- All employees or contractors of the College involved in Applied Research activities, and
- All students of the College involved in paid Applied Research activities.

in support of/collaboration with TPE partners, and who are engaged in generating Arising IP in the course of government-funded Applied Research activities.

Management of other Intellectual Property, for example, copyright in literary works, is not within the scope of this Policy and is addressed in the College's Intellectual Property Policy.

Nothing in this Policy restricts anyone from exercising their rights under any law or legal instrument, for example and specifically, a relevant collective agreement.

POLICY STATEMENTS

1. Commitment to the Management and Protection of IP

In combination with the College's Intellectual Property (IP) Policy, and in keeping with the requirements of the government Commercialization Mandate Policy Framework, in this Policy, the College states its "commitment to the management and protection of IP in a manner that maximizes commercialization opportunities, protects Ontario Interests and Strengthens the Ontario Economy".

This policy shall be read in conjunction with the College's IP Policy, which addresses the ownership of IP developed by its employees and students. The definitions in the IP Policy are applicable in this Policy.

2. Disclosure

All Inventors engaged in Applied Research supported by the College have an obligation to promptly disclose to the College Arising IP. The College shall establish procedures to facilitate such disclosure to the RO and/or TPE, as appropriate to the project. This may include the use of a disclosure form, or it may be included in a report provided to the TPE

that describes the Invention or other Arising IP, the Inventor(s), and any existing agreements related to the Invention or other Arising IP. For clarity, such disclosure is not considered Public Disclosure.

Given that the responsibility to disclose vests with individuals, the College will educate potential Inventors on the importance of thorough and timely disclosure.

3. Non-disclosure and confidentiality

The College will ensure that Public Disclosure does not occur before a patent application has been filed. Premature Public Disclosure may result in loss of IP protection rights. This is especially true of Inventions as a patent is difficult or impossible to obtain after Public Disclosure of the Invention.

In light of this, the College will put in place procedures and training to encourage Inventors to make all reasonable efforts to identify Arising IP as early as possible and ensure that the RO can support Inventors before making any Public Disclosure of Arising IP.

Nothing in this Policy supplants requirements for disclosure of research results in accordance with the protections required for human participants in research as set out in the *Tri-Council Policy Statement: Ethical Conduct For Research Involving Humans, TCPS 2 (2022)* and related RO policies and procedures.

4. Confidentiality

Partnerships and research collaborations with TPEs often involve the communication by them of confidential proprietary information, some of which is likely to implicate Intellectual Property. Any Applied Research Services Agreement must contain confidentiality clauses, and any College employees and students must be made aware of such confidentiality provisions to ensure that they are respected.

Persons engaged in research shall treat as confidential all information received in the context of research activities that is designated as confidential by the party disclosing it or protected by a confidentiality clause. This is especially important in the context of an Invention that could be patented, as a patent cannot be obtained if there has been public disclosure of the Invention. Canada, the United States, Australia and several Latin American countries provide a twelve (12) month grace period after the public disclosure

first occurred to file a patent application, however, a competitor could file a patent on the disclosed Invention in that time period as well.

TPEs may require individuals within the College community to sign non-disclosure agreements (NDAs) as additional protection, often prior to the College and the TPE entering into an Applied Research Services Agreement. In such case, unless the NDA contains clauses that cannot be considered “standard”, the individual shall be required to sign the NDA as a condition of participating in the project to indicate their acknowledgement of the NDA terms.

Finally, where the RO believes that Arising IP may be divulged in the course of research activities, the College will request the TPE to sign an NDA. In practice, , the NDA may offer the parties mutual protection.

5. Use of a proper binding agreement

Where an Applied Research Services Agreements holds potential for Arising IP, this must be documented in a written contract that:

- i) Protects the interests of the College, faculty and staff, and students, for example by minimizing the potential for, and the consequences of, a breach of the agreement and saves it harmless from future IP-related claims; and
- ii) Retains rights for the College to use the IP for educational and research purposes.

In all instances, the contract shall clearly establish that the decision to commercialize Arising IP will rest with the TPE.

6. Rights retained

The College must endeavour to maintain the right to use any Arising IP resulting from an Applied Research Services Agreement for internal academic and teaching purposes, including, but not limited to, the purposes of enhancing curriculum relating to the subject matter of the activities and of providing case studies and examples of research-derived IP and its management for educational purposes/activities.

ROLES AND RESPONSIBILITIES

1. Roles and Responsibilities

In keeping with the requirements of the government Commercialization Mandate Policy Framework, the College will assign specific roles and responsibilities for the implementation of this Policy to ensure that Arising IP created with the use of its physical and human resources is identified, protected from disclosure and related rights transferred to TPEs or, if so directed by them, to third-parties who are capable of assessing the commercial potential of the Arising IP.

2. Corporate Policy Review Committee

The Corporate Policy Review Committee is responsible for approving, periodically reviewing and ensuring the updating of the policy by the Research Office.

3. Research Office

The Research Office is responsible for the administration of all matters relating to IP at the College. Its functions include:

- Ensuring and promoting compliance with this Policy and other IP policies of the College, if any, namely by informing relevant stakeholders of their rights, roles, and responsibilities
- Responding to questions regarding the application, interpretation, and implementation of this Policy
- Managing agreements signed with TPEs, including non-disclosure agreements, assignments and licenses, including establishing, negotiating and reviewing all such agreements, with the assistance of legal counsel, if necessary, before they are signed by any employee, contractor or student of the College
- Serving as the repository for the foregoing agreements
- Reviewing all written IP disclosures in a timely manner
- Where possible, supporting staff members, students and industry partners with any issue related to IP protection and commercialization.
- Making members of research teams aware of the terms and conditions of the relevant research agreement that could impact them (such as disclosure and confidentiality provisions)

The Research Office is not responsible for identifying Inventions or confirming the ownership of Intellectual Property that have not been disclosed as per above.

4. Vice President, Academic

The Vice President, Academic or equivalent individual with authority to legally bind the College, must sign all agreements with the potential to result in Arising IP, including all Applied Research Agreement.

5. Deans, Directors, and Chairs

The deans, directors and chairs of the College are responsible for abiding by, and supporting and implementing this Policy.

6. Employees

College employees, including faculty, staff, paid researchers, and paid students, when working in an Applied Research activity, are responsible for abiding by this Policy.

7. Inventors

All Inventors (and their designates) have an obligation to promptly disclose Arising IP.

Inventors shall collaborate with TPEs (including a related TPE) to identify and protect rights in Arising IP, as set out in any Applied Research Agreement, and/or related waiver and/or confidentiality pledge.

EDUCATION, AWARENESS AND GUIDANCE

In order to promote the objectives of this policy, the College shall:

- Provide all employees with access to IP education resources made available by the IP office of the Province of Ontario (IPON)
- Organize and hold annual “IP 101” sessions, during which participants will be introduced to the contents of the College’s IP Policy and this commercialization policy
- Provide access to IP training and education information materials on the College Intranet
- Raise awareness of this Commercialization Policy by posting in faculty newsletters (printed and/or online)
- Provide guidance for relevant stakeholders regarding the commercialization of Arising IP and related benefits to the community

- Take any reasonable steps to further the objectives of this policy through education and training.

PROVIDING NET BENEFIT TO ONTARIANS AND INSTITUTIONAL ENGAGEMENT WITH THE INNOVATION ECOSYSTEM

To build institutional capacity to support TPEs through the conduct Applied Research and thereby develop and enhance Ontario-based IP, the College will continue to build and maintain relationships with local innovation ecosystem TPE partners, such as incubators, accelerators, innovation centres, and research networks.

Note that nothing about relationships with TPEs will impact federal funding received by the College in relation to the Applied Research projects it undertakes under such funding.

Partnering with Ontario businesses will result in a net benefit to Ontarians by keeping IP development and enhancements in Ontario. To optimize the commercial potential of the College's Applied Research activities and related agreements with TPEs, the College will:

- 1) prior to entering into an Applied Research Services Agreement, make a summary assessment of the TPE to confirm that it has a minimum level of viability; and
- 2) following the completion of the Applied Research Services Agreement, transfer and/or confirm the transfer of Arising IP to the TPE.

DISCREPANCIES AND EXCEPTIONS

In case of discrepancy between this policy and the terms of an Applied Research Services Agreement, the terms of the Agreement shall prevail. Any other exception to this policy requires prior approval of the Research Office.

MONITORING

The policy will be reviewed after the first year to reflect the development of associated processes and procedures. The monitoring of the policy and associated processes and procedures will be led by the Innovation and Business Engagement Department.

NEXT POLICY REVISION DATE

June 2024

SPECIFIC LINKS

Intellectual Property

Fair Dealing for Copyright:

<https://stlawrencecollege.sharepoint.com/:b:/r/sites/slcmestaff/Policies/Fair%20Dealings%20for%20Copyright-Protected%20Work.pdf?csf=1&web=1&e=LC3U6R>

APPENDIX A AND ATTACHMENTS

Appendix A—Commercialization Pathways

The following definitions are provided as a guide to understanding potential options for commercialization pathways and are intended to be of application in this specific Policy.

Licensing

Licensing can be in the form of an exclusive licence, a non-exclusive licence, a sole licence or a cross licence. All licensing arrangements can be contractually limited by geographical locations, time, industry and fields of application.

To maximize benefits to Ontarians, the College shall endeavour to grant non-exclusive licences, and preference shall be given to small and medium-sized enterprises. In determining the type and terms of a licence, the College shall consider the likelihood that the Licensee will be able to bring the licensed IP to market.

Some of the different forms of license, and other important licensing terminology, are the following:

“Cross-Licence” means a licence whereby two or more Intellectual Property owners contractually authorise each other to use their Intellectual Property for commercial and non-commercial purposes. Cross-licensing terms may include the payment of a licensee fee or royalty if the rights conveyed by the parties are not equal in value.

“**Exclusive Licence**” means a licence whereby the licensor transfers all rights of exploitation of the Intellectual Property to the licensee. This means that the licensor relinquishes the rights to exploit the Intellectual Property itself, or to grant any additional, subsequent licence(s) to another party.

“**Licence**” or “**License Agreement**” means a contract under which the holder of IP (the Licensor) grants permission for the use of its IP to another person (the Licensee), within the limits set by the provisions of the contract. The Licensor retains ownership of the IP and is therefore responsible for any on-going prosecution of the IP and maintenance of IP rights.

“**Licensee**” means the recipient of a licence.

“**Licensor**” means the provider of a licence.

“**Non-Exclusive Licence**” means a licence whereby the Licensor may grant the rights of exploitation of the Intellectual Property to one or more party(ies), including the right to exploit the Intellectual Property itself. In a non-exclusive licence, the Licensor may grant the Licensee sub-licensing rights.

“**Sole Licence**” means a licence whereby the Licensor transfers all rights of exploitation of the Intellectual Property to the Licensee but retains its rights to exploit the Intellectual Property itself.