

## **IP Policy for PSG Institutions**

**IP POLICY FOR PSG Institutions**

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List of amendments

Ver	Description	Date	Remarks
0.0	First release	12 Sep 2012	
1.0	Revenue sharing before commercialisation [point F(f), page 6 ] changed as “inventors share 70% , irrespective of value”	1 Apr 2013	
2.0	Revenue sharing before and after commercialisation [Point F] revised	30 Dec2013	

## Preamble

The PSG & Sons Charities Trust is one of oldest charitable organizations started in the year 1926 and is dedicated towards empowerment and social change through liberal Arts, Science and Technical education in India. Over 3 lakhs students, mostly from economically weaker sections have been provided education in the institutions of the Trust so far. The educational institutions of the Trust are well known for their academic excellence, providing educational programs from Kindergarten to Doctoral levels. The Trust symbolizes quality education which explains the presence of the Alumni all over the world in eminent positions who have made input in their domains of work.

## Need and guidelines

In addition to academic activities, all the PSG institutions are also engaged with research and development of new science and technologies. Also the PSG Institutions (though their faculty/scholars/students) take up research and development work with support from Government organizations, private organizations and independent research organizations, which pose contractual obligations on IP related issues and hence it is necessary to create awareness and knowledge to protect the IPs generated in the process and also provide guidelines/rules to the staff on the inventions towards ownership and licensing.

In addition to R&D, innovation can also be change or paradigm shift based on existing knowledge. And it is an ethical commitment to recognize and reward all the stake holders viz. students, staff, management, funding organization and the collaborators who participate in these creative activities.

### **Objective:**

The objective of this policy document is as follows:

- a. To ensure uniform application of the IP related activities throughout the institutions through a system
- b. Protect the legitimate interests of faculty / scholars / students/ funding organizations / collaborators to avoid conflict of interests

This policy may be modified from time to time to suit the evolving nature of the IP scenario and the IPR committee will be the authorized body to address and approve the changes and resolve specific cases of conflicts in interests.

**IPR Committee:**

The IPR committee is constituted by the PSG management and is the sole authorized body to handle all IPR related issues for all the PSG Institutions with the exemption of schools and other institutions wherein the IPR issues do not arise.

**IP POLICY**

This policy is applicable to all personnel belonging to PSG institutions (except the schools) , as well as non-PSG personnel associated with any activity of PSG such as, but not limited to, Continuing Education Programme and covers all different classes of Intellectual Property - Patent, Copyright, Design Registration, Trademark, and Confidential Information. The non-PSG personnel associated with IP activity are identified through MOUs/ agreements/contracts between individuals or institutions wherever applicable.

**A. Ownership :**

PSG Institution shall be the owner of all invention(s) including, but not limited to software, designs, copyrights and integrated circuit layouts created by teams of PSG and non-PSG personnel, associated with any activity of PSG institutions, unless specific agreements or contracts are entered into by the Institution as described below prior to the creation of the IP.

Invention(s) including software, designs and integrated circuit layouts, created by PSG institutions personnel without the use of PSG resources and not connected with the profession for which employed at PSG, shall be owned by the creator(s). However, a clearance for such exemptions has to be obtained from the IPR committee by providing all details to the committee. The decision of the committee will be final and binding.

For invention(s) including but not limited to software, designs and integrated circuit layouts, produced during the course of sponsored and/or collaborative activity, specific provisions related to IP made in contracts governing the collaborative activity shall determine the ownership of IP.

The IPR committee shall decide whether or where to file a patent or IP. Once the decision to protect the creative work is taken, the committee shall provide an IPR Advisor/Patent Attorney for drafting the IP application as appropriate. PSG shall pay for access to the relevant IP information databases and other

associated costs. The inventor(s) shall conduct IP searches, study the prior art and provide the necessary inputs to assist in the drafting of the IP application. PSG shall bear all costs of drafting and filing an Indian IP application. If PSG chooses to file IP applications in other countries like US or PCT (Patent Cooperation Treaty) applications, then it shall bear the cost of application and other associated costs. PSG shall be free to enter into agreements with overseas institutions for protection and licensing of the IP.

The renewal fees for patents taken up solely by the Institution will be paid by the Institution for first seven years. If it is a joint patent with other sponsors, the costs will be shared between the Institution and the sponsor based on the contract/agreement. Payment after the abovesaid period is decided by the IPR committee based on the commercial exploitation status of the patent.

An employee of the Institution who is on sabbatical or any other kind of leave is permitted to take up research directly with any organization, with due information to the Institution. However, the revenue generated out of the activity will have to be as per the revenue sharing norms of the Institution (- refer section "F.Revenue sharing" of this document)

All agreements including but not limited to the following categories, undertaken by any PSG personnel need to be approved by the IPR committee of PSG.

- Non Disclosure Agreements
- Consultation agreement
- License agreement
- Technology transfer agreement
- Collaboration agreement

The name and logo of PSG Institutions belongs to the institution and cannot be freely used in any commercial transactions. Specific approval should be sought from IPR committee incase of any specific requirements.

### **B. Technology Transfer**

PSG shall strive to market the IP (patented or non-patented) and identify potential licensee(s) for the IP to which it has ownership. The creator(s) shall assist in this process.

PSG may contract the IP to a technology management agency, which manages the commercialization of the IP.

For the IP for which exclusive rights have not been already assigned to a third party, the creator(s) may also contact potential licensee(s) on their initiative maintaining confidentiality and taking all necessary care so as not to affect the value of the IP through appropriate agreements such as Non Disclosure Agreement (NDA) with the potential licensee(s) during technology marketing discussions.

Optionally, if PSG has not been able to commercialize the creative work in a reasonable time frame of 24 months, the creator(s) may approach the IPR committee, for the assignment of rights of the invention(s) to them and the decisions of the IPR committee will be final and binding.

### **C. Copyright**

i. All ownership of copyright works rests with the creator except if the work is produced during the course of sponsored or collaborative activity and with specific provisions related to IPR in contract.

ii. The ownership of the copyright will rest with the Institution if it is created with significant use of resources of the Institution and is decided by the IPR committee.

iii. The ownership of copyright of teaching material developed as a part of academic programs rests with the Institution.

iv. All works including technical reports, PhD thesis are to be copyrighted with a copyright note: © PSG Institutions (year). It is the responsibility of the author/creator that their creation does not violate any copyright rules or ethical standards.

### **D. Publications:**

The faculty, students and other staff of the Institutions are encouraged to generate publications except for the following restriction:

a. If the publication of the work is based on a sponsored research, due permission is required from the sponsor or strictly follow the guidelines in the contract with the sponsor

b. In case of generation of patentable outcome, the IP has to be registered as a patent or copyright before publishing the content.

### **E. Software:**

a. The creators of the software are to protect its IPR as per the procedures and inline with the IP protection of the other IPs like patent, copyright etc.

b. The software created for the purpose of teaching and further research can be freely distributed by the authors.

c. If the software created out of a sponsored research, then due permission from sponsors or strictly follow the guidelines in the contract with the sponsor.

d. The creators/authors should follow the norms, terms and conditions of the original software platform owners if their new improvements have been based on those software platforms.

## **F. Revenue sharing:**

The net earnings from the commercialization of IP owned by PSG would be shared as follows:

- a) The inventor(s) share would be declared annually and disbursement will be made to the inventor(s), based on their association with PSG at the time of disbursement. The continuation of the payment to the inventor once he/she leaves the institution will be at the discretion of the Institute.
- b) In the event of payments received from interested parties before commercialisation of IP, like awards, rewards, patenting bonus, etc., the inventors' share will be 60%, irrespective of the value.
- c) For year I the amount will be shared as 60% for the inventor(s) and 40% for PSG
- d) For year II, it will be shared as 45% for the inventor(s) and 55% for PSG
- e) For year III onwards it will be 25% for inventor(s) and 75% for PSG
- f) Co-inventors of IP shall sign at the time of disclosure, a distribution of IP earnings agreement, which shall specify the percentage distribution of earnings from IP to each co-inventor. The inventors may at any time, by mutual consent, revise the distribution of IP earnings Agreement.
- g) If the patent is co-owned between the Institution and sponsors, the revenue sharing will be based on the contract/agreement between the Institution and sponsors.

## **G. Consultancy and testing:**

The confidentiality of the activities of the consultancy and research work carried out through Sponsored Research and Consultancy wing will be based on the agreements between the consultant(s) and the company. In case there is no such agreement, it will be governed by the Disclosures, Confidentiality and Assignment clauses of this document. The revenue sharing for the lump sum consultancy fee will be 50:50 between the consultant and PSG after deducting the travel and other incidental expenses incurred for the consultancy work.

## **H. Disclosures, Confidentiality and assignment**

- a) For sponsored and/or collaborative work the provisions of the contract pertaining to disclosure of creative work are applied.
- b) For all other invention(s) produced at PSG, if the inventor(s) wish to protect the invention(s) they produce, then they are required to disclose the creative work to the IPR Committee of PSG at the earliest date using an Invention Disclosure form – Refer Annexure 1. The inventor(s) shall assign the rights of the disclosed invention to the Institution.
- c) The IPRs submitted will be evaluated by the committee on the patentability or registration

- d) In case the Institution is not willing to apply for the patent or register the invention, the inventor can apply for the patent with their own funds, after obtaining written permission from the IPR committee. The IPR committee's decision on revenue sharing out of this case will be final and binding.
- e) All PSG personnel and non-PSG personnel associated with any activity of PSG shall treat all IP related information which has been disclosed to the IPR Committee and/or whose rights are assigned to PSG, or whose rights rest with PSG personnel, as confidential.
- f) Such confidentiality shall be maintained till the date as demanded by the relevant contract, if any, between the concerned parties, unless such knowledge is in the public domain or is generally available to the public

**I. Infringements, Damages, Liability and Indemnity Insurance:**

- a. As a matter of policy, PSG shall, in any contract between the licensee and PSG, seek indemnity from any legal proceedings including without limitation manufacturing defects, production problems, design guarantee, upgradation and debugging obligation.
- b. PSG shall also ensure that PSG personnel have an indemnity clause built-into the agreements with licensee(s) while transferring technology or copyrighted material to licensees.
- c. PSG shall retain the right to engage or not in any litigation concerning patents and license infringements.

**J. Conflict of interest**

The inventor(s) are required to disclose any conflict of interest or potential conflict of interest. If the inventor(s) and/or their immediate family have a stake in a licensee or potential licensee company then they are required to disclose the stake they and/or their immediate family have in the company.

A license or an assignment of rights for a patent to a company in which the inventors have a stake shall be subject to the approval of the IPR committee taking into consideration this fact.

**K. Dispute Resolution:**

In case of any disputes between PSG and the inventors regarding the implementation of the IP policy, the aggrieved party may appeal to the IPR committee. The IPR committee's decision in this regard would be final and binding.

**L. Jurisdiction:**

As a policy, all agreements to be signed by PSG will have the jurisdiction of the courts in Coimbatore and shall be governed by appropriate laws in India. .

## **Definitions:**

- a. **'Inventor'** means faculty, students, staff or visiting faculty who has/have written or created a creative work. It also includes any person who signs an agreement or MOU with any of the PSG Institutions for any work that results in IP creation.
- b. **'Invention'** includes but is not limited to any new and useful design, process, formula or machine conceived or first reduced to practice in whole or in part, defined within the purview of the Patent Act. The inventions result in but not limited to Patent, copyright works, software, designs, PCB and circuit layouts. Inventor(s) are person(s) who produce an invention.
- c. **'Co-inventors'** are the co-authors of the invention
- d. **'Patent'** means the exclusive right granted by law for making, using or selling an invention.
- e. **'Copyright'** means the exclusive right granted by law for a certain period of time to an author to reproduce, print, publish and sell copies of his or her creative work.
- f. **'Design Registration'** is Registration of the novel non-functional features such as shape, or ornamentation of a product.
- g. **'IPR Committee'** – is a committee formed by PSG management and is the sole authorized body to handle all IPR related issues and conflicts
- h. **'PSG personnel'** includes but is not limited to the faculty, students, staff or visiting faculty, researchers and scientists at PSG Institutions; Coimbatore.
- i. **'Institution'** refers to all PSG Institutions promoted by PSG Sons' and Charities.
- j. **'Intellectual Property'** includes but is not limited to copyrights and copyrightable materials, database rights, patented and patentable inventions, tangible research results, trademarks, service marks and trade secrets.
- k. **'Licensing'** is the practice of renting the intellectual property to a third party
- l. **'PCT Application'** A PCT (Patent Cooperation Treaty) is a system of filing a patent application in several countries through a single application keeping the priority of the first filing in any of the countries within the PCT system.. This is administered by the World Intellectual Property Organization (WIPO) in Geneva. It is not a patent granting system.
- m. **'Conflict of Interest'** or a 'Potential Conflict of Interest' exists when an inventor/author is or may be in a position to use either creative work or influence for unmerited personal or family gain.
- n. **'Ethical standards'** refer to principles that when followed promote values such as trust, good behavior, fairness and/or kindness
- o. **'Net Earnings'** mean earnings resulting from the licensing or commercialization of the IP, reduced by the actual expenses incurred in obtaining and commercialization of the IP, including the outstanding expenses.